

## **FACTSHEET**

**TITLE:** **DECLARATION OF SURPLUS PROPERTY**, requested by the Director of the Urban Development Department, declaring approximately 4.4 acres, more or less, as surplus property, generally located east of South 21<sup>st</sup> Street and M Street.

**SPONSOR:** Planning Department

**BOARD/COMMITTEE:** Planning Commission  
Public Hearing: 05/16/12  
Administrative Action: 05/16/12

**STAFF RECOMMENDATION:** A finding of conformance with the Comprehensive Plan.

**RECOMMENDATION:** A finding of conformance with the Comprehensive Plan (8-0: Weber, Esseks, Hove, Cornelius, Sunderman, Butcher, Gaylor Baird and Francis voting 'yes'; Lust absent).

**ASSOCIATED REQUEST:** Change of Zone No. 12011 (12-61)

### **FINDINGS OF FACT:**

1. This proposal for declaration of surplus property and the associated Change of Zone No. 12011 were heard at the same time before the Planning Commission.
2. The Director of the Urban Development Department is requesting to surplus approximately 4.4 acres, more or less, generally located east of South 21<sup>st</sup> Street and M Street, currently being used by the Parks & Recreation Department for maintenance and office facilities adjacent to Antelope Park. The property is designated in the Antelope Valley Redevelopment Plan for mixed use development.
3. Based upon the "Analysis" set forth on p.4-5, the staff finds that the proposed declaration of surplus property is in conformance with the Comprehensive Plan, concluding that the declaration of surplus property advances revitalization of Antelope Valley, one of three primary goals of the Antelope Valley Project. It will result in 4.4 acres of property being placed back on the tax rolls and will realize the redevelopment planned for in this location by the Antelope Valley Redevelopment Plan. The staff presentation is found on p.7-9.
4. Lynn Johnson, Director of the Parks & Recreation Department, advised that the Parks & Recreation Advisory Board has reviewed this proposal and recommends that the eastern portion of the property which includes the "Muny" bath house not be declared as surplus. However, the staff recommendation is that both the western and eastern portions be declared surplus with the RFP stating that the preservation of the "Muny" bath house would be the city's preference (See Minutes, p.8).
5. There was no testimony in opposition.
6. On May 16, 2012, the Planning Commission agreed with the staff recommendation and voted 8-0 to find the proposed declaration of surplus property (Comprehensive Plan Conformance No. 12006) to be in conformance with the Comprehensive Plan (Lust absent). The Planning Commission recommendation includes the property upon which the "Muny" bath house is located.
7. On May 16, 2012, the Planning Commission also voted 8-0 to recommend approval of the associated Change of Zone No. 12011 (Bill #12-61).

**FACTSHEET PREPARED BY:** Jean L. Preister

**DATE:** May 24, 2012

**REVIEWED BY:** \_\_\_\_\_

**DATE:** May 24, 2012

**REFERENCE NUMBER:** FS\CC\2011\CPC12006+ Surplus

## LINCOLN/LANCASTER COUNTY PLANNING STAFF REPORT

### for MAY 16, 2012 PLANNING COMMISSION MEETING

- PROJECT #:** Comprehensive Plan Conformance No. 12006
- PROPOSAL:** To find that the declaration of surplus for the property east of S. 21<sup>st</sup> Street and M Street is in conformance with the Comprehensive Plan.
- LOCATION:** East of S. 21<sup>st</sup> Street and M Street
- LAND AREA:** 4.4 acres, more or less
- CONCLUSION:** The declaration of surplus property advances revitalization of Antelope Valley, one of three primary goals of the Antelope Valley Project. It will result in 4.4 acres of property being placed back on the tax rolls and will realize the redevelopment planned for in this location by the Antelope Valley Redevelopment Plan. This surplus declaration is in conformance with the Comprehensive Plan.

<b>RECOMMENDATION:</b>	In conformance with the Comprehensive Plan.
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#### **GENERAL INFORMATION:**

- LEGAL DESCRIPTION:** Lot 2, Block 7 and Outlot "I", Antelope Valley 2<sup>nd</sup> Addition, located in Section 25, Township 10 North, Range 6 East, Lancaster County, Nebraska.
- EXISTING ZONING:** B-4 Lincoln Center Business District and P Public Use District
- EXISTING LAND USE:** City of Lincoln Parks and Recreation Department facilities: Community Forestry/Parks Maintenance Shops and "Muny Building," which houses the Planning/Construction and Athletics offices

#### **SURROUNDING LAND USE AND ZONING:**

- North: Nonprofit use (former car dealership) and Antelope Creek (B-4)
- South: Windstream telecommunications building (B-4 and P)
- East: Antelope Creek and Antelope Park (B-4 and P)
- West: Windstream telecommunications building, car wash, and industrial (B-4)

**ASSOCIATED APPLICATIONS:** CZ#12011

## **HISTORY:**

- August 28, 1998: "Draft Single Package" for Antelope Valley approved.
- November 24, 2004: Antelope Valley Redevelopment Plan approved; most recent amendment dated April 21, 2011.
- September 26, 2005: The Downtown Master Plan approved.
- August 18, 2011; Final Plat #10049 approved for Antelope Valley 2<sup>nd</sup> Addition
- November 2, 2011: Planning Commission approved Comprehensive Plan Conformance #11011 to surplus land for a parking lot and drop-off lane Elliott Elementary School on Lot 3 and Outlot H, Antelope Valley 2<sup>nd</sup> Addition; the item has not yet been scheduled on the City Council agenda.
- December 6, 2011: Miscellaneous #11006 approved for an Affidavit of Correction to Antelope Valley 2<sup>nd</sup> Addition.

## **COMPREHENSIVE PLAN SPECIFICATIONS:**

This area is designated as Commercial and Green Space. Page 1.9

The primary focus for new dwelling units is the "Greater Downtown" which includes Downtown proper, Antelope Valley, the Haymarket, and Innovation Campus. Page 6.1

Support the development and implementation of the Downtown Master Plan and the Antelope Valley Redevelopment Plan. Page 6.3

Enhance Downtown's role as the heart of the City. A strong downtown is important to the economic future of the community. Lincoln's Downtown is unique in the community as the home of State government, the State Capitol Building, and the flagship campus of the University of Nebraska. Together with Antelope Valley and the surrounding neighborhoods, it forms a vital core for the City. Page 5.1

## **ANTELOPE VALLEY REDEVELOPMENT PLAN SPECIFICATIONS:**

This area is designated as MU-Mixed Use. (Page 54)

The Mixed Use (MU) area east of traditional downtown is intended to accommodate a wide variety of land uses compatible with adjacent residential areas and supportive of downtown as the community's center. Within this wider area, certain subdistricts should be encouraged through incentives and regulations. Residential uses are encouraged throughout the MU area to capitalize on public investment and to provide a variety of housing options near the downtown core. In particular, high-density, high-amenity urban residential uses are very desirable between 17th St. and the new Antelope Creek and park. Improvements in the "triangle" bounded by 19<sup>th</sup> St., the Creek, and O Street should be strongly encouraged to foster development of an "urban village"- Haymarket without the history. South of O St. and east of 17th St. there is an opportunity to strengthen housing in proximity to the Capitol and other employment centers. (Page 57)

Another noteworthy Mixed-Use area is along the west side of the waterway south of "O" Street. This land benefits by proximity to open space and the Creek and from the possibility of assembling some larger tracts than in traditional downtown. This area offers opportunities for high-quality office, residential, or mixed-use development. (Page 58)

## **DOWNTOWN MASTER PLAN SPECIFICATIONS:**

This area is designated as High Density Residential and Existing Parks and Open Space. (Page 20)

**Compatible Land Uses:** The adopted Antelope Valley redevelopment plan maps the area between 17th Street and the new Antelope Creek channel/ park as serving a generalized "Mixed Use," but describes more specific concepts in the text. The Downtown Master Plan incorporates these more specific uses with some further detail. (Page 37)

**Residential Mixed Use:** The predominant land use emphasis in the area of Antelope Valley on the east side of downtown should be residential. The area provides great opportunities for a variety of housing types unique in Lincoln and supportive of both their adjacent residential neighborhoods and of downtown. The downtown master plan suggests that higher residential densities may occur between R and M Streets. (Page 37)

## **ANALYSIS:**

1. This is a request to find the declaration of surplus property east of 21<sup>st</sup> and M in conformance with the Comprehensive Plan.
2. Lot 2 and the western portion of Outlot I includes the City of Lincoln Parks and Recreation Community Forestry and Parks Maintenance Shops, yard, and fueling station. The northern building houses the mechanical maintenance and heavy carpentry shops; the southern building houses the community forestry maintenance shop. The majority of these maintenance services will move to the City's Municipal Services Center (MSC). The eastern portion of Outlot I includes the "Muny Building," which houses the Parks and Recreation Planning/Construction and Athletics offices.
3. This property is located in the Antelope Valley redevelopment area. While it is designated on the Future Land Use Map in the Comprehensive Plan primarily as "Green Space," the area is actually comprised of Parks & Recreation maintenance and office facilities adjacent to Antelope Park, and it is designated in the more detailed Antelope Valley Redevelopment Plan for Mixed Use redevelopment.
4. The Antelope Valley project has three primary purposes: flood control, transportation improvements, and community revitalization. The flood control project was completed in 2010, the transportation improvements will be completed this summer, and the revitalization is in process.
5. This is an important site for redevelopment, benefitting from proximity to open space and the Antelope Valley channel, and from the possibility of assembling larger tracts than are available in traditional downtown.
6. An Invitation for Redevelopment Proposals (IFRP) will be issued in May to invite opportunities for high-quality office, residential, or mixed-use development. Although mixed-use is preferred, the City will entertain proposals for all high-quality uses. The IFRP will include Lot 2 and the western portion of Outlot I in the preferred redevelopment area, and will include the eastern portion of Outlot I where the Muny Building is located as a potential additional redevelopment area. The eastern portion of Outlot I is included so as not to constrain potential redevelopment ideas, and to be prepared in the event that a high-quality proposal merits the inclusion of this area.

7. The Parks and Recreation Advisory Board discussed the surplus of the two properties at their April 12, 2012 meeting. The matter was referred back to the Fees and Facilities committee who considered the surplus request at their April 19, 2012 meeting. The committee's recommendation to the Parks and Recreation Advisory Board is to surplus Lot 2 and the western portion of Outlot I, but to retain the Muny Building on the eastern portion of Outlot I for Parks and Recreation Department offices. The full Board will take up the issue again at their May 10, 2012 meeting and their recommendation will be forwarded to the Planning Commission.
8. In making a recommendation to the Parks and Recreation Advisory Board, the Fees and Facilities Committee noted their responsibility to look at the Muny Building strictly from the perspective of Parks and Recreation uses rather than considering a broader economic development perspective. Their concerns regarding the surplus of the eastern portion of Outlot I related to the Muny Building's historic significance, the unknowns regarding future private use and the current good match between Parks offices and the Muny Building.
9. The "Muny Building" is the former bath house built c. 1920 in conjunction with the Municipal Pool. The pool was closed and filled ca. 1965-70. The bath house was evaluated as not eligible for the National Register as part of the Antelope Valley Major Investment Study in 1998, on the basis of the loss of integrity due to the removal of the pool. However, the subsequent improvements to the building and its setting prompt its re-evaluation, and it is likely the building could be successfully nominated to the National Register. The City's strong preference for the Muny Building is for adaptive re-use, and this will carry significant weight in the review of proposals.
10. The Comprehensive Plan includes a strategy to identify and acquire a site for the future development of a regional park in the Stevens Creek watershed. The sale of the property at 21<sup>st</sup> and 'M' Streets is anticipated to facilitate the purchase of this future park site. Since the majority of Outlot I is within the boundary of an area where Federal Land and Water Conservation Funds were used to develop outdoor public recreation facilities, that portion of the property will need to go through a formal "conversion" process to be replaced on a value-for-value basis in the Stevens Creek watershed.
11. Sanitary sewer, utility and access easements exist on the property and must be retained as shown on the final plat for Antelope Valley 2<sup>nd</sup> Addition. There is a major 48" sanitary sewer main with a 40' easement that crosses both Lot 2 and Outlot I.
12. The proposal to surplus the land is consistent with the Comprehensive Plan, the Downtown Master Plan and the Antelope Valley Redevelopment Plan.

Prepared by:

Nicole Fleck-Tooze, AICP  
Long Range Planning Manager

**DATE:** May 8, 2012

**APPLICANT:** David Landis, Director  
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# COMPREHENSIVE PLAN CONFORMANCE NO. 12006 and CHANGE OF ZONE NO. 12011

## PUBLIC HEARING BEFORE PLANNING COMMISSION:

May 16, 2012

Members present: Weber, Esseks, Hove, Cornelius, Sunderman, Butcher, Gaylor Baird and Francis; Lust absent.

Staff recommendation: A finding of conformance with the Comprehensive Plan on the proposed declaration of surplus property and approval of the change of zone.

There were no ex parte communications disclosed.

Planning staff presentation: **Davis Landis, Director of Urban Development**, advised that the land in question includes the property owned by the NRD and occupied by People's City Mission; land occupied by Parks & Recreation for maintenance operations, including the Muny bath house; and the Windstream property, which is privately held. One of the purposes of this proposal is to match the P zoning with B-4 in furtherance of the city's desire to place the property on the market.

With regard to the surplus property, there are no other plans for the use of this property by any city department. The building belongs to the NRD and they agree with the idea of moving towards the sale of these properties. Landis believes there will be interest in development of this property. The area of surplus is 6.5 acres plus the Muny bath house, for a total of 7.4 acres. It is in the heart of Downtown, where one does not find six or seven available pieces of property for sale. It overcomes one of the chief problems of establishing developments in highly dense areas that have been built up for a long time, and that is property acquisition. For example, Assurity required 16 separate acquisitions. Here we have one piece in coordination that is proximate to the Union Plaza Park. We have a valuable commodity and the city would like to put it back on the tax roles and in private hands. It is well located for a multi-use purpose. Landis stated that the city would prefer to have the Muny bath house stay and be part of a rehabilitation; however, it is the intent to create an invitation for RFP (request for proposal). In that setting, we usually indicate what we want to build. An "invitation" for RFP says, if you can think of a money-making idea, we'd like to know what it is. We don't try to tell the market what they have to do but invite the market to tell us what they think can be done with this property.

Landis submitted that this is a good location for some services (commercial use) and for some residential, but if there is a better and more profitable use or a use that can bring a better rate of return, the city is prepared to examine the idea.

Generally, if you were to find a theme, it is to take land which now has uses which we can meet in other parts of the city, aggregate that land, take it to the market place and move the land to a higher and better use that makes use of the fact that it is strategically located in Antelope Valley, and continue this dynamic of having lifted land out of the floodplain, out of its industrial or commercial uses into higher and better denser uses with more tax value, more tax base and more economic value to the community.

**Lynn Johnson, Director of Parks & Recreation**, described what happens on the site today. The central portion is currently the Parks maintenance facility – two maintenance sections occupy one of the buildings and the Community Forestry and public garden section occupies the other building. This property was identified in the Antelope Valley Redevelopment Plan for redevelopment. As the city looked at acquiring the Experian property, the vision was the Experian property would be able to accommodate most of the functions off this site. The eastern portion is the former Muny pool bath house built in 1920, which was the original bath house for the pool located to the east. It has been in Parks & Recreation use since the pool was closed. For the last 10 years, Parks has done some adaptive reuse of the interior and it is actually office space for the Parks Planning and Construction and the Athletic section.

Johnson advised that the Parks & Recreation Advisory Board is recommending that the western portion of the property be declared surplus, with the eastern portion with the Muny bath house not surplus. Today, two Parks functions occupy that building and it continues to be a good use of that building. The Advisory Board does understand that there is probably a broader economic development perspective on this and their discussion recognized that thought, but as they narrowed their thoughts they came back to Parks occupying it today and recommending against declaring that portion surplus.

Johnson then clarified, however, that the staff recommendation is that all of it be declared surplus.

Butcher wondered whether the Parks functions in the eastern portion would be able to move to another facility if that property is surplus. Johnson stated that there is a small house over by Auld Pavilion, the former home of the Child Advocacy Center, which is vacant. It has been converted to office space and a portion of the functions from the Muny bath house would be moved to that building. Parks has some other underutilized space that could be used as well.

Francis inquired whether there is a lot of walk-in traffic at the bath house offices. Johnson acknowledged that Planning and Construction does get a little walk-in traffic on a limited basis; however, there is a fairly significant amount of traffic moving in and out of the Athletics Office.

Francis inquired whether these offices could be found just as easily if they were relocated. Johnson believes that is possible. The Athletics Office was in an old library building in Van Dorn Park for a number of years and it became too small and hard to access. They relocated to this space temporarily, and when Antelope Valley construction was taking place, they moved to the Ager Golf Course building temporarily and then moved back.

Gaylor Baird confirmed that the Parks Department would like to encourage its preservation in some way as well as the Parks Advisory Board. Help us understand our choices. If we allow it to be surplus, will it likely be torn down? Landis suggested that there are two tools available to development: TIF, which does not have a relationship to the historical use, and use of historical tax credits, which is a tool that can alter the financing for a project and produce a third party influx of resources. If the property is surplus, the RFP would state that preservation of that building is our preference. Attached to that is the possibility of a financing tool if the building is kept and refurbished. On the other hand, if surplus, the city is asking for any and every idea and we will sift through for the best. We would have the discretion to either choose to keep the building -- to not sell that land and keep control – or sell to a developer who might raze the building.

Johnson also advised that the draft RFP states that it is the city's preference that the building be preserved. As the evaluation of the proposals comes in, we think that one of the evaluations will be whether someone is making good and creative use of that building.

Cornelius clarified that a proposed development will receive approval if it includes a component which preserves that building. Landis agreed that to be the preference. If you get two different price tags, at some point the city might sell that land for a purpose that did not include the preservation of that building if it was a development that is attractive, etc. It is fair to acknowledge that it is in play, but with a preference. That's about as good as we can do.

Butcher inquired about the accessibility to the bath house should the western parcel be redeveloped. Johnson explained that today the access to the building parallels the channel and comes to the parking area east of the building. There is a very large sanitary trunk line that runs through this area that will be a constraint. If the city retained ownership, we would ask for an access easement across the remainder of the property. Lower Platte South NRD will need access for maintenance of the channel. As the redevelopment proposal comes through, we will be looking for those access easements.

Butcher inquired whether there is any historical designation in regard to this building. Landis stated, "no, it is part of the Antelope Valley project." This site was reviewed for National Registry eligibility and, oddly enough, it was found not to be eligible. However, the staff report states that subsequent improvements to the building and its setting prompt its re-evaluation, and it is likely the building could successfully be nominated to the National Register. Landis pointed out that it is ironic that recent changes may have made the building more historic.

Esseks wanted to establish for the record that the property on the corner of N and 23<sup>rd</sup> now used by the City Mission is not a subject of the Planning Commission recommendation today. Landis responded by stating that, "we do not own that land." We do have a working relationship with the NRD. They are a public entity. We need the whole property to be B-4. Then when we surplus it, our land will be part of a larger silhouette including the NRD and hopefully Windstream. We will describe all of that land in the RFP. The developer would have to deal with all three of us collectively. We don't now own it, but we are working in concert with them and anticipate the RFP would include their land.

Johnson advised that the NRD board has had the discussion and they do plan on making it available for sale. The Mission is occupying on a month-to-month basis and they have identified a new location. It is already zoned B-4.

There was no testimony in opposition.

**COMPREHENSIVE PLAN CONFORMANCE NO. 12006**

**ACTION BY PLANNING COMMISSION:**

May 16, 2012

Hove moved to approve the staff recommendation of a finding of conformance with the Comprehensive Plan, seconded by Francis

Cornelius commented that he is heartened that consideration has and will be given to the preservation of this building which might or might not be eligible for landmark status.

Motion carried 8-0: Weber, Esseks, Hove, Cornelius, Sunderman, Butcher, Gaylor Baird and Francis voting 'yes'; Lust absent. This is a recommendation to the City Council.

**CHANGE OF ZONE NO. 12011**

**ACTION BY PLANNING COMMISSION:**

May 16, 2012

Francis moved approval, seconded by Hove.

Cornelius finds this exciting. He knows we hear over and over the theme of land assembly being one of the obstacles to infill and redevelopment, and infill and redevelopment are major goals stated in the Comprehensive Plan, so he will support this motion.

Motion for approval carried 8-0: Weber, Esseks, Hove, Cornelius, Sunderman, Butcher, Gaylor Baird and Francis voting 'yes'; Lust absent. This is a recommendation to the City Council.



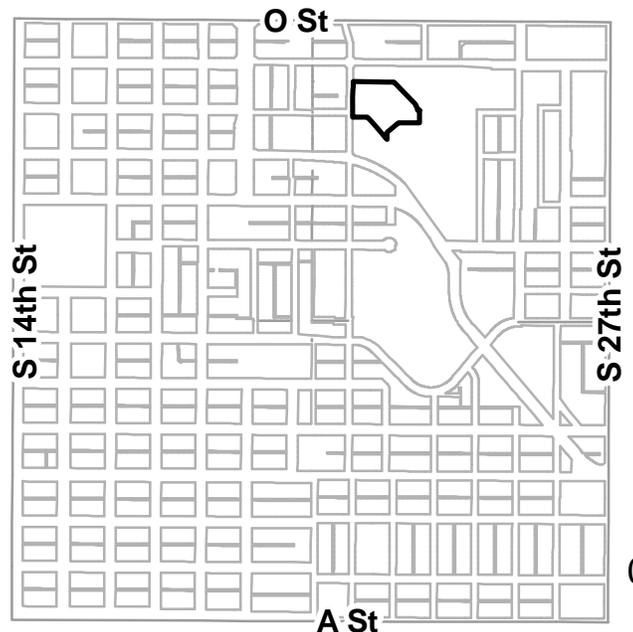
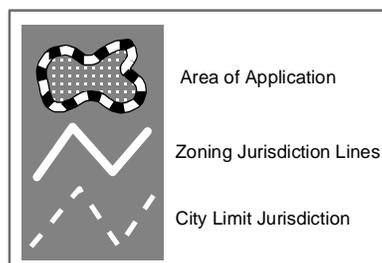
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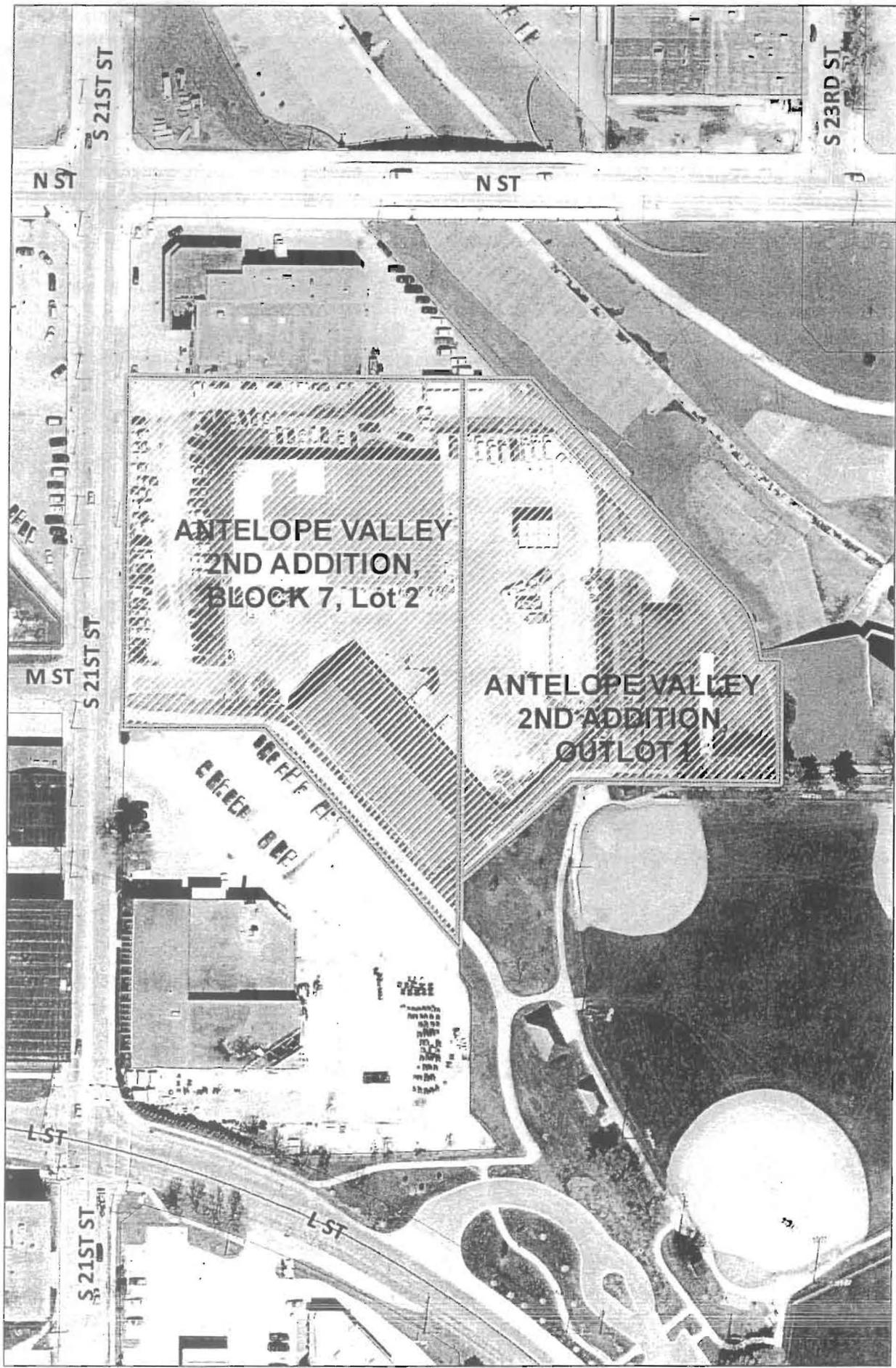
## Comp Plan Conformance #12006 21st & M St

### Zoning:

- R-1 to R-8 Residential District
- AG Agricultural District
- AGR Agricultural Residential District
- O-1 Office District
- O-2 Suburban Office District
- O-3 Office Park District
- R-T Residential Transition District
- B-1 Local Business District
- B-2 Planned Neighborhood Business District
- B-3 Commercial District
- B-4 Lincoln Center Business District
- B-5 Planned Regional Business District
- H-1 Interstate Commercial District
- H-2 Highway Business District
- H-3 Highway Commercial District
- H-4 General Commercial District
- I-1 Industrial District
- I-2 Industrial Park District
- I-3 Employment Center District
- P Public Use District

### One Square Mile Sec. 25 T10N R06E







MAYOR CHRIS BEUTLER  
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April 20, 2012

Marvin Krout, Director  
Lincoln/Lancaster County Planning Department  
555 South 10th Street, Room 213  
Lincoln, NE 68508

Re: Change of zone and surplus requests, vicinity of 21st and N Streets

Dear Marvin:

Please find attached a change of zone request for Lot 2, Block 7 and Outlot I of the Antelope Valley 2nd Addition, generally known as the Parks and Recreation Department Community Forestry/Park Maintenance Shops and Muny Building. The request is to rezone from P Public to B-4 Lincoln Center Business District.

I am also requesting that these same City-owned properties be surplused to allow for their sale. The Parks and Recreation Advisory Board discussed the surplus of the two properties at their April 12, 2012 meeting. The matter was referred back to their Fees and Facilities committee who considered the surplus request at their April 19, 2012 meeting. The committee is recommending to the Parks and Recreation Advisory Board approval of surplusing Lot 2 and the western portion of Outlot I. The committee further recommends that the City retain the eastern portion of Outlot I for Parks and Recreation Department offices.

Both the rezoning and surplus are part of the redevelopment process for the larger 21st and N Street redevelopment project area. An Invitation for Redevelopment Proposals (IFRP) will be issued in May with proposals due November 1, 2012.

Please forward these requests to the Planning Commission for their earliest consideration. If you have questions or need further information, please contact Wynn Hjermstad at 402-441-8211 or [whjermstad@lincoln.ne.gov](mailto:whjermstad@lincoln.ne.gov). Thank you.

Sincerely,

Dave Landis  
Director

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