City Council Introduction: **Monday**, January 22, 2007 Public Hearing: **Monday**, January 29, 2007, at **5:30** p.m.

Bill No. 07-9

FACTSHEET

TITLE: CHANGE OF ZONE NO. 06042, from AG

Agricultural District to I-1 Industrial District, requested by Western Hemisphere Holding, on property generally located at South 25th Street and Saltillo Road.

STAFF RECOMMENDATION: Approval, subject to an Annexation and Development Agreement.

ASSOCIATED REQUESTS: Annexation and Development Agreement, Annexation No. 06012 (07-8), and Change of Zone No. 06043 (07-10).

SPONSOR: Planning Department

BOARD/COMMITTEE: Planning Commission Public Hearing: 08/02/06, 08/16/06 and 08/30/06

Administrative Action: 08/30/06

RECOMMENDATION: Approval, subject to an Annexation and Development Agreement (8-0: Esseks, Carroll, Sunderman, Taylor, Krieser, Larson, Cornelius and Carlson voting 'yes'; Strand absent).

FINDINGS OF FACT:

- This request to change the zoning on approximately 38.27 acres from AG to I-1 generally located at South 25th Street and Saltillo Road, was heard before the Planning Commission in conjunction with the associated Annexation No. 06012 and Change of Zone No. 06043 from AG to I-1 at S. 14th Street and Saltillo Road.
- 2. The purpose of this change of zone request is to permit the operation of a distribution/warehouse facility up to 300,000 square feet and additional pad sites.
- 3. The staff recommendation of approval, subject to an annexation and development agreement, is based upon the "Analysis" as set forth on p.3-4, concluding that the proposed zoning and uses are consistent with the existing pattern in this area. The staff presentation is found on p.7.
- 4. The applicant's testimony is found on p.8-9. The revised Groundwater Evaluation submitted at the continued public hearing by the applicant is found on p.17-26 of the Factsheet for Annexation No. 06012, and finds that the aquifer in this area can produce water of sufficient quality and quantity for use in concrete production and to support the other uses in the area. It was confirmed that a test well will be installed before production begins.
- 5. There was no testimony in direct opposition; however, two property owners on Saltillo Road questioned the need or reason for annexing the property.
- 6. On August 30, 2006, the Planning Commission agreed with the staff recommendation and voted 8-0 to recommend approval, subject to an annexation and development agreement (Strand absent).

FACTSHEET PREPARED BY: Jean L. Walker	DATE : January 9, 2007
REVIEWED BY:	DATE : January 9, 2007

REFERENCE NUMBER: FS\CC\2007\CZ.06042+

LINCOLN/LANCASTER COUNTY PLANNING STAFF REPORT

for AUGUST 2, 2006 PLANNING COMMISSION MEETING REVISED AUGUST 17, 2006

PROJECT #: Change of Zone No. 06042

PROPOSAL: From AG Agriculture to I-1 Industrial

LOCATION: S. 25th and Saltillo Road

LAND AREA: 38.27 acres, more or less

EXISTING ZONING: AG Agriculture

CONCLUSION: The applicant intends to obtain a zoning change from AG to I-1 to operate

a distribution and warehouse facility up to 300,000 s.f. and outlying pad sites. Staff finds this is acceptable subject to an annexation and development agreement that restricts certain special permitted I-1 uses.

RECOMMENDATION: Conditional Approval

GENERAL INFORMATION:

LEGAL DESCRIPTION:

Lot 42 & 44 IT and NW 1/4 of the NE 1/4 of Section 1-8-6, Lancaster County, Nebraska.

EXISTING LAND USE:

Vacant home and agricultural

SURROUNDING LAND USE AND ZONING:

North: I-1 Industrial

South: AG Undeveloped

East: AG Residential/agricultural

West: AG Undeveloped

COMPREHENSIVE PLAN SPECIFICATIONS:

F-25 This property is designated as agricultural land uses by the Comprehensive Plan.

F-27- The land use plan displays the generalized location of each land use. It is not intended to be used to determine the exact boundaries of each designation.

The area is located in Tier II

F-28- Tier II: An area of approximately 47 square miles intended to serve the following purposes: (1) to define the geographic area the city is assumed to grow into immediately beyond the twenty-five year time frame of Tier I; (2) to serve as the basis for long term, advanced utility planning; and; (3) to act as a secondary reserve area for urban

growth should the Tier I area development occur more quickly than assumed for the twenty-five year period. Owing to the intended purposes of this Tier and the uncertainty of when the city may begin providing services to these areas, Tier II should also remain in its present use in order to provide for future urban development.

UTILITIES:

This area is outside the Future Service Limit as identified by the Comprehensive Plan and will not be served with City utilities. The applicant proposes the use of wells to provide fresh water and septic or lagoon for wastewater treatment. In addition the site is large enough to provide on-site stormwater detention and may be graded so that it drains into a wetland area being developed to the south.

TRAFFIC ANALYSIS:

Both the County Engineer and Public Works Engineering Services have concerns with the potential impact on the road system such an intense use may cause. Saltillo Road is a rural paved road and S. 25th is an unpaved rural road.

Saltillo Road is classified as a minor arterial in the 2025 Comprehensive Plan. Saltillo Road from US-77 to S. 27th St. is shown as a proposed project for 2 lanes + turn lanes in the 2025 Comprehensive Plan.

REGIONAL ISSUES:

For the purposes of economic development, staff recognizes the need for such uses.

ANALYSIS:

- 1. This is a request for a change of zone from AG to I-1 to permit a distribution/warehouse facility up to 300,000 square feet and additional pad sites.
- 2. This area is outside the Future Service Limit and is within Tier II, but within the City's three-mile jurisdiction. The applicant is not requesting annexation or the extension of City services. However, the area should be annexed with the owner signing a development and annexation agreement. This will ensure that:
 - -Land uses which cannot be served by groundwater or requires a discharged sewer treatment system shall be prohibited. Certain heavy industrial uses are prohibited.
 - -The applicant will contribute impact fees toward permanent road improvements in the vicinity.
 - -Property, sales and wheel taxes will be paid to the City and Lincoln Public Schools
 - -Future costs and political problems from later annexation and transfer of school and fire jurisdiction is avoided.
 - -A TIF or special assessment district can be established to accelerate the extension of utilities.

Preliminary discussion with city departments indicate there are no extra-ordinary service costs that should result from this annexation.

3. A full scale, high intensity industrial use outside the City limits and Future Service Limit may put pressure on the City to provide services in this area before the City has planned to provide them

at the expense of not being able to provide or extend urban services to areas which are within the Future Service Limit. Therefore the applicant must understand that the uses must be limited to uses not requiring City utilities.

- 4. Public Works Engineering Services and the County Engineer note that Saltillo Road may require reconstruction and turn lanes to safely permit turning movements and that S. 25th Street be paved if this request is approved, and Public Works asks for the applicant to pay for these improvements.
- 5. Public Works also notes that the attached site plan shows driveway spacing that does not meet requirements for future arterial roads and that if this request is approved that it not imply approval of the site plan.
- 6. The Lincoln/Lancaster County Health Department requests that the applicant provide information regarding the quality and quantity of water the proposed well would provide if this change of zone is approved. At the Planning Commission's initial hearing of July 19 on this request, nearby owners of a kennel and hog farm expressed concern about the effect on their water supplies. A groundwater evaluation report dated August 14, 2006 conducted by Olsson Associates concluded that the amount of water required for the proposed development will not have a negative impact on the existing users. A copy of the report is available at the Planning Department.
- 7. The Building and Safety Department notes that the site is in the New Growth Area and that part of the site is in a 100-year floodplain. Any development in the 100-year floodplain must comply with the requirements of LMC 27.53 Flood Regulations for New Growth Areas.
- 8. The Planing staff recommends approval if the applicant signs an annexation and development agreement to annex the area and agree to road improvements and understanding that the city has no plans to expand utilities to the area in the near future.

 Staff also recommends the agreement provide for controls typically required as a part of land subdivision or use permit approval:
 - 8.1 Stormwater drainage/detention plan as approved by Public Works.
 - 8.2 Limitation of access along Saltillo Road as approved by Public Works.
 - 8.3 Construction of right and left turn lanes in Saltillo Road as approved by Public Works.
 - 8.4 Dedicate appropriate rights of way.
 - 8.5 Prohibit of off premise signs.

The annexation and development agreement should be signed prior to scheduling this application at City Council.

9. As of this time the Applicant has indicated general agreement with these conditions, but has not provided a signed agreement. The applicant is agreeing to plat the property after the initial development, before any further development on the site.

Prepared by:

Tom Cajka Planner

DATE: July 25, 2006

APPLICANT: Western Hemisphere Holding

2001 Pine Lake Road Lincoln, NE 68516

OWNER: Western Hemisphere Holding,

Gary & Rose Templeton and

Clark & Lisa DeVries

CONTACT: Kent Seacrest

Seacrest & Kalkowski, PC, LLO 1111 Lincoln Mall, Suite 350

Lincoln, NE 68508 (402) 435-6000

ANNEXATION NO. 06012, CHANGE OF ZONE NO. 06042 and CHANGE OF ZONE NO. 06043

PUBLIC HEARING BEFORE PLANNING COMMISSION:

August 2, 2006

Members present: Carlson, Carroll, Esseks, Larson, Strand, Sunderman and Taylor; Cornelius and Krieser absent.

<u>Staff recommendation:</u> Conditional Approval, subject to an annexation and development agreement.

Ex-Parte Communications: None.

The Clerk announced that the applicant has requested a two-week deferral.

Strand moved to defer, with continued public hearing and action scheduled for August 16, 2006, seconded by Carroll and carried 7-0: Carlson, Carroll, Esseks, Larson, Strand, Sunderman and Taylor voting 'yes'; Cornelius and Krieser absent.

CONT'D PUBLIC HEARING BEFORE PLANNING COMMISSION:

August 16, 2006

Members present: Carlson, Carroll, Cornelius, Esseks, Krieser, Larson, Sunderman and Taylor; Strand absent.

<u>Staff recommendation:</u> Conditional Approval of both applications

Ex-Parte Communications: None

The Clerk announced that the applicant has requested a two-week deferral.

Taylor moved deferral to August 30, 2006, seconded by Larson and carried 8-0: Carlson, Carroll, Cornelius, Esseks, Krieser, Larson, Sunderman and Taylor voting 'yes'; Strand absent.

CONT'D PUBLIC HEARING BEFORE PLANNING COMMISSION:

August 30, 2006

Members present: Cornelius, Sunderman, Taylor, Larson, Krieser, Carroll, Esseks and Carlson; Strand absent.

<u>Staff recommendation</u>: Approval of the annexation, subject to an annexation agreement; and conditional approval of the changes of zone, subject to an annexation and development agreement.

Ex Parte communications: None.

<u>Staff presentation</u>: Tom Cajka of Planning staff explained that the annexation includes the parcels that are requesting the changes of zone plus additional property that the city owns to bring it contiguous with the existing city limits. The parcels for the changes of zone are on the south side of Saltillo Road. The rest of the annexation area would be basically Wilderness Park between the railroad right-of-way and the vacated right-of-way up to and a little bit north of Rokeby Road. Some of the main issues regarding the annexation and changes of zone have to do with city services. There is no city water or sanitary sewer that is in this area or will be available anytime in the near future. The applicants are aware and agree that to be part of the annexation agreement – that there would not be city services. What they propose to do on the sites include a concrete production facility and a warehouse distribution facility, with a well and septic system for these operations.

Cajka explained that other issues include improvements to Saltillo Road. As part of the annexation agreement, the applicant would be required to dedicate the additional right-of-way, which would be 60-65 feet from the centerline of Saltillo Road, and the applicant would be required to put in turn lanes where needed. 25th Street on the eastern edge is proposed to be a future arterial, so there would be additional right-of-way and improvements required.

Another part of the annexation agreement would include some prohibited uses. The zoning changes are for I-1 Industrial zoning. With I-1 zoning, the staff is recommending that certain uses be eliminated, most of which fall under the special permit category, being more heavier industrial type uses that would not be allowed. Any commercial type uses would have to be a use that would not need city services and could function on wells and septic systems. There is currently I-1 zoning existing to the north and also to the west, so the portion of I-1 being requested already abuts I-1 zoning on two sides.

With this annexation and changes of zone, the applicant will have two separate parcels for which they can get building permits once the I-1 zoning is approved. Any additional development besides the one use on each parcel would require a preliminary plat to further subdivide the properties, and that would come back at a later time.

Larson inquired about the odd configuration, wondering whether that is to allow it to be adjacent to the city limits. Cajka answered in the affirmative. Everything south of Saltillo Road that is being annexed is also included in the change of zone to I-1.

Esseks asked Cajka to explain why that part of Wilderness Park has to be annexed. Cajka explained that according to city policy, we do not annex property that is not contiguous to the existing city limits. Annexing that part of Wilderness Park appeared to be the best way of coming down and being able to get to the property where they want the change of zone. Otherwise, we would need to bring in a lot of other property owners. The annexation should not in any way change the status of Wilderness Park. It will remain as P Public zoned property.

Marvin Krout, Director of Planning, offered that state statutes require that annexation be contiguous to the boundaries, so it is a state statutory requirement. The Parks Department maintains Wilderness Park in this area and city police already patrol this park.

Proponents

1. Danay Kalkowski appeared on behalf of Western Hemisphere Holding Company, Northern Lights, LLC and NEBCO, the applicants and owners. She expressed appreciation to the Planning Commission and the neighbors for their patience in delaying these applications. The time has allowed the applicants to work with city staff and hold follow-up meetings with the neighbors and to get information to the Friends of Wilderness Park. As a result of these meetings, the associated annexation is being brought forward by the city.

NEBCO and Western Hemisphere are requesting the changes of zone from AG to I-1. NEBCO, the property to the west, is requesting the rezoning of its 24.5 acres in order to operate a concrete facility similar to the facility at 50th and Hwy 2. This facility would be centrally located to provide concrete products to the south and southwest, and would be within ½ mile of the future south beltway to aid in construction of that transportation network. The site is well-buffered on the west by Williams Tank facility, to the east by Western Hemisphere property and on the south by some open area. Western Hemisphere proposes to rezone 38 acres to operate a large distribution and warehouse facility and some small retail services. Kalkowski recalled that the Angelou plan for development for Lincoln identified 5 key growth strategies for industrial in Lincoln, and warehouse distribution was one of those 5 key areas. Western Hemisphere could accommodate a distribution center of up to 300,000 square feet and still allow room for some additional trade uses. The site is ideal for transportation services because of its close proximity to the west bypass and the proposed south beltway. Kalkowski concluded, stating that given the existing commercial and industrial uses to the west and north, the location of the existing west bypass and proposed south beltway, the highest and best use of this land is commercial or industrial.

Kalkowski noted that the Planning Department has recommended approval of the changes of zone, conditioned upon annexation and execution of an annexation agreement. The request for annexation includes these three properties, two property owners to the east and the large section of Wilderness Park. The applicants acknowledge that this property cannot be served by city water and sanitary sewer, and understand that the annexation agreement will be limited services and that the uses will have to be provided service through well water or groundwater. In addition, the neighbors to the east are also supportive of the change of zone and annexation.

With regard to stormwater detention, Kalkowski stated that the property has adequate room to retain the stormwater required for storm events by city standards. A large portion of the site can be graded so that it drains to the south to provide some additional water quality features as it drains over to Wilderness Park.

The proximity to the west bypass and south beltway and surrounding land uses make industrial zoning appropriate. Annexation is also appropriate with the limitations that have been discussed and which will be further defined in the annexation agreement.

2. Karen Griffin, environmental scientist with **Olsson Associates**, evaluated three specific questions: 1) is the water quality sufficient for concrete production in this area; 2) can a new well be installed south of Saltillo Road to produce the quality of water needed; and 3) will setting down the concrete production facility on the north side of the road and installing a well to the south affect domestic wells in this area?

With regard to water quality, Griffin stated that a sample was collected in July at the current ready-mix plant on the north side of the road. The current plant location has two wells on-site. The well on-site was sampled in July to see if it meets the water quality requirements for concrete production and meeting potable water standards, and it did meet the standards for potable water. Yes, the aquifer in this area can produce water of sufficient quality for use in concrete production.

With regard to the installation of a new wall to the south, Griffin stated that there is a local well driller, Moser Drilling, out of Hickman, who has drilled quite a few of the wells in this area. He has provided information on the wells in the immediate area along Saltillo Road and to the south. Based on his well logs and the information on the geology of the area, it has been determined that the aquifer that is beneath this area is Dakota sandstone, which can produce the quantity of water needed for production of the plant on the south side of the road as well as to the north.

As far as whether shutting down the production on the north side of the road and installing a new well to the south side will affect domestic wells in the area, Griffin stated that she spoke with a couple of the neighbors who had raised this concern, i.e. Wilderness Kennels, and she believes that the influence to his domestic wells will be less. As far as the effect on Mrs. Damrow's domestic well and her cattle and hog operation, Griffin advised that based on the information on the aquifer, there is sufficient water quality and quantity to support the uses in this area.

Griffin also noted that there is a perception that the concrete plant is the largest user of water in the area. There are several irrigation wells and domestic wells as well as the concrete plant. Griffin pointed out that the irrigation wells have the capacity and rights to extract the greatest amount of water from this area.

Griffin suggested that one of the things to think about, as growth continues to the south, more of the acreage used for irrigated farmland will be taken out of production and will more than compensate for any increased water usage that would be necessary for the plant. The concrete plant estimated that the usage would increase by three-fold in the next 10 years.

Esseks inquired about how the wastewater will be processed. Specifically for the concrete plant, Kalkowski advised that the applicants will only be allowed the uses that can operate with either a septic system or lagoon system. Therefore, there will not be any discharge sewage systems. Everything will have to be contained or handled within either a septic or lagoon system.

Carlson confirmed that there is a plant already in operation on the north side. Kalkowski agreed. The plant on the south side will replace the one on the north side. The current plant is on leased ground and the new plant will be on property owned by the operator.

3. Dave Shoemaker, owner of the fuel stop at 1200 Saltillo, testified in support of the additional business and truck traffic in this area. However, he does not understand why the property needs to be annexed.

Opposition

1. Henry Sader, 2030 Saltillo Road, testified at this time. He stated that he is not really in opposition but more concerned about the reason for annexation. He also wants to know whether the geologist

looked further down the road. If her study is wrong, what happens then? If he can't get any water pressure in a year, what happens? "Does that mean they cut back on their water so I can have water? Does that mean the city will rush and get water to them if they area annexed?"

Sader also suggested that the speed limit needs to be adjusted from 27th Street west because 55 mph is just too fast on Saltillo Road.

Staff response

Marvin Krout, Director of Planning, stated that as part of the proposed annexation, this section of Saltillo Road would come into the city limits because it is adjacent to property that would be annexed, and, as such, Public Works would have responsibility for that section of road. He understands that there would not be an automatic reduction of the speed limit, but it is an issue that any property owner, whether still in the county or city, could take up with Public Works.

As far as the water quantity, Krout believes there is state law that governs this issue. He believes it is basically a rule of first-come first-serve, but it is controlled by the state. He believes that there may be some preference to agricultural and domestic over commercial uses, but he could not answer the question for sure.

Carroll referred to the annexation agreement and suggested that since there are no test wells that have been done, could the Planning Commission require a test well in the annexation agreement to verify the water. Krout agreed that the Planning Commission could recommend that as part of the annexation agreement. Krout also pointed out that this property is in Tier II and is not an area indicated to be provided water or sewer service in the next 25 years, according to the Comprehensive Plan. In this particular case, there is water and sewer which is relatively nearby. It is not an unreasonable distance and there is certainly potential over time as this area develops. As you build a south beltway with an interchange to Hwy 77, you might expect there to be an increased attraction for urban type uses. We are talking about some controls on the land uses until that might happen, but there is a possibility that water and sewer might some day be accelerated to this area, and there is even the possibility that TIF could be used as a tool to help accelerate that process. However, right now, the city does not have any plans in the CIP or beyond that to be extending water or sewer in the near term.

Krout also noted that there have been cases where there are limited annexations where the property owner acknowledges that there are services that will not be provided, but they will be paying property taxes and they will be getting city services, except for water and sewer. This situation is fairly unique in terms of the surrounding uses, the accessibility issue, and the I-1 zoning, so the question is, do we look at some additional industrial zoning in this area? We know from an economic development standpoint that there has been a lot of interest in recent years in opening up sites for large warehouse distribution facilities. It is a use that is sort of a dry use and does not take much in terms of water or sewer. Bringing this area under the city's control and within the tax base of the city does make a lot of sense. The property owners will pay property taxes, sales tax, wheel taxes and be contributing citizens of Lincoln. Most of us would say that people who live or have businesses just outside of the city basically depend on the city and its services in order to survive. Staff believes this would be more equitable in terms of development of this area, and it may help bring sewer and water to this area in the future. It also brings property taxes to LPS. We want to avoid being in situations where property becomes developed and is paying taxes to suburban school districts or rural water districts and rural fire districts. Then it becomes more difficult to come back in later and annex developed property.

Esseks inquired whether there is much wastewater in manufacturing concrete. And, if so, can a septic or lagoon manage this without some environmental hazards? Krout believes there are state controls that treat the wash-off as wastewater and require that it not be discharged into the stormwater system. Also, as part of the federal law, that site will be required to go through the permitting and approval of an NPDES permit, and that is approved by the NRD and enforced by the City Public Works Department. The purpose of that is to protect water quality, so he does believe that state laws governing concrete plants in general, and the federal law would protect the water quality.

Response by the Applicant

Griffin offered that this area is not over-appropriated. The information that she used to evaluate the current and future water use is the best available information, and it is based on the current usage rates and projected usage rates. 5,000 trucks are currently processed through that plant per year. The water usage is 4.5 acre feet now and is anticipated to be up to 15 acre feet in the future, which is much less than the irrigation potential in the area. The well is pumped and put in a holding tank and is actually only turned on 72 hours a year. In the future that would be 200 hours a year. This is in contrast to irrigation wells that are run 24-hours a day.

Griffin also confirmed that a test well will be installed before the production begins.

Kalkowski suggested that the water is only an issue until such time as water service is extended to this area. She also pointed out that a plant is already being operated with a discharge system, so she does not see the new plant being any different.

Carroll inquired of Kalkowski whether it is acceptable for the Planning Commission to require a test well in the annexation agreement. Kalkowski did not disagree, but she believes it is already a requirement.

ANNEXATION NO. 06012 ACTION BY PLANNING COMMISSION:

August 30, 2006

Carroll moved approval, subject to an Annexation Agreement, seconded by Taylor and carried 8-0: Cornelius, Sunderman, Taylor, Larson, Krieser, Carroll, Esseks and Carlson voting 'yes'; Strand absent. This is a recommendation to the City Council.

CHANGE OF ZONE NO. 06042 ACTION BY PLANNING COMMISSION:

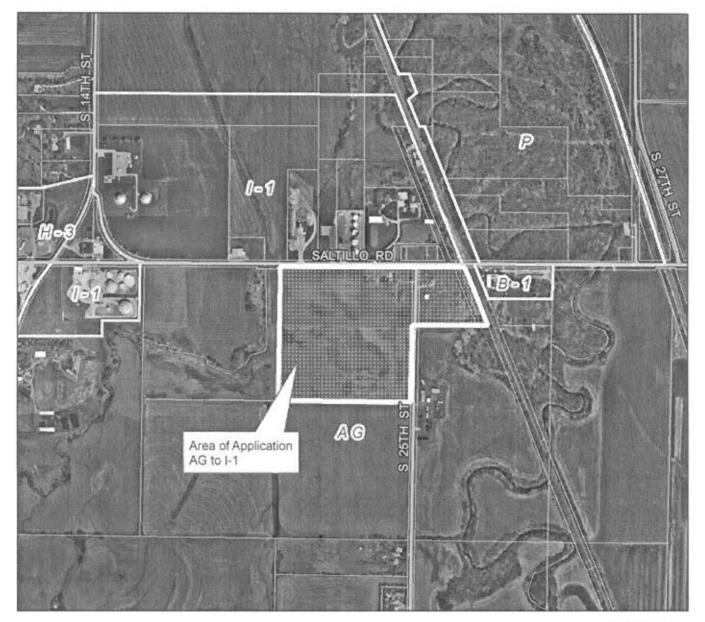
August 30, 2006

Carroll moved to approve the staff recommendation of conditional approval, subject to an annexation and development agreement, seconded by Cornelius and carried 8-0: Cornelius, Sunderman, Taylor, Larson, Krieser, Carroll, Esseks and Carlson voting 'yes'; Strand absent. This is a recommendation to the City Council.

CHANGE OF ZONE NO. 06043 ACTION BY PLANNING COMMISSION:

August 30, 2006

Carroll moved to approve the staff recommendation of conditional approval, subject to an annexation and development agreement, seconded by Larson and carried 8-0: Cornelius, Sunderman, Taylor, Larson, Krieser, Carroll, Esseks and Carlson voting 'yes'; Strand absent. This is a recommendation to the City Council.



2005 aerial

Change of Zone #06042 S 14th St & Saltillo Rd

Zoning:

R-1 to R-8 Residential District Agricultural District AG AGR Agricultural Residential District Residential Convervation District 0-1 Office District 0.2 Suburban Office District 0.3 Office Park District R-T Residential Transition District Local Business District 8-1 Planned Neighborhood Business District B-2 Commercial District 8-4 Lincoln Center Business District Planned Regional Business District H-1 Inverstate Commercial District Highway Business District Highway Commercial District General Commercial District Industrial District Industrial Park District Employment Center District

One Square Mile Sec. 1 T08N R06E



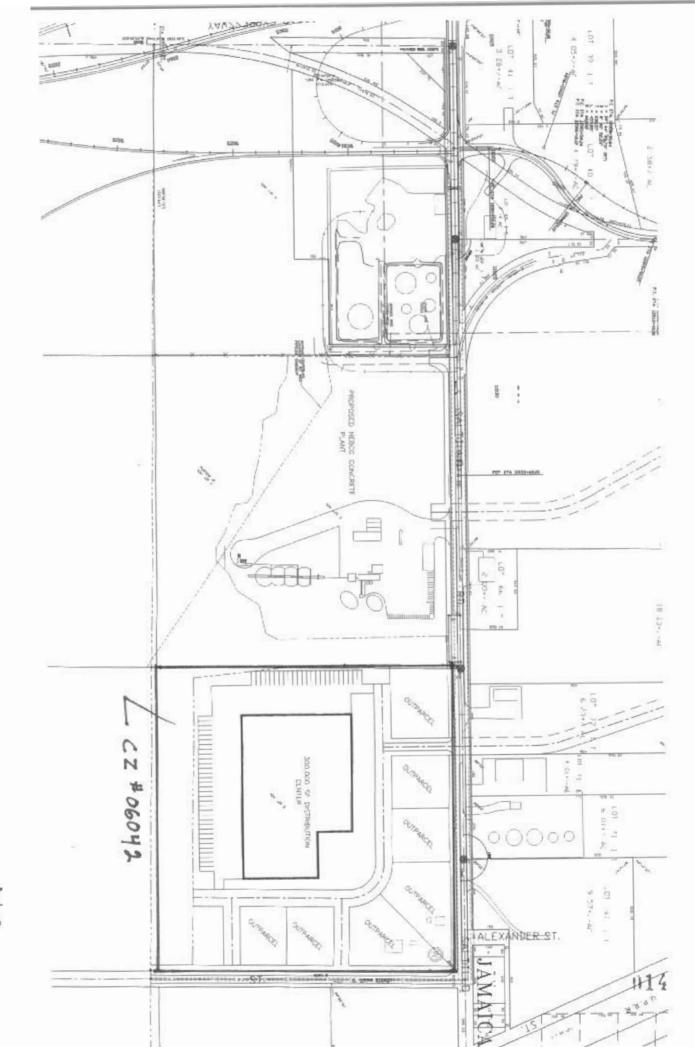


Saltillo Rd



1113

Public Use District



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Lancaster County

DON R. THOMAS - COUNTY ENGINEER



DEPUTY- LARRY V. WORRELL COUNTY SURVEYOR

<u> Department</u>

DATE:

June 30, 2006

TO:

Mike DeKalb

Planning Department

FROM:

Larry V. Worrelk

County Surveyor

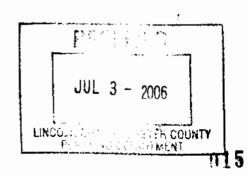
SUBJECT:

CZ AG TO I-1 DISTRIBUTION FACILITY

CZ06042

Upon review, this office would have the following comments:

Saltillo Road would have to be reconstructed to accommodate left and right turns on Saltillo Road, plus right turn at South 25th Street. Also South 25th Street will have to be reconstructed and paved with turning lanes for the frontage of the property.





AREA 2 SERVICE CENTER R.R. 1 BOX 56 ROCA, NEBRASKA 68430 402/423-3855 FAX 402/423-8090

June 29, 2006

Mike Dekalb, Project Planner 555 S. 10th St. #213 Lincoln, NE 68508

RE: CZ AG to I-1 DISTRIBUTION FACILITY

Dear Mike,

The Norris District has no objection to the proposed change in zoning. We request no casements at this time, but with regards to tract 2 [NE corner of section 1] I assume we will have the opportunity to request easements on the plat as it's designed.

Thanks for your consideration in this matter.

Rick Volmer, Staking Engineer

JUN 3 0 2006

LINCOL ER COUNTY
FIG. MENT

LINCOLN-LANCASTER COUNTY HEALTH DEPARTMENT INTER-OFFICE COMMUNICATION

TO: Mike DeKalb DATE: July 3, 2006

DEPARTMENT: Planning FROM: Chris Schroeder

ATTENTION: DEPARTMENT: Health

CARBONS TO: EH File SUBJECT: CZ AG to I-1

EH Administration Distribution Facility

CZ #06042

The Lincoln-Lancaster County Health Department (LLCHD) has reviewed the change of zone application with the following noted:

■ The LLCHD requests information relative to applicant's assertion that wells in this proposed change of zone area will provide good quantity and quality of water.

SEACREST & KALKOWSKI, PC, LLO

1111 LINCOLN MALL, SUITE 350 LINCOLN, NEBRASKA 68508-3910

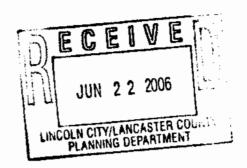
Telephone (402) 435-6000 Facsimile (402) 435-6100

KENT SEACREST
E-MAIL: kent@sk-law.com

DaNay Kalkowski E-mail: danay@sk-law.com

June 22, 2006

Marvin Krout
Planning Director
City of Lincoln - Lancaster County
555 South 10th Street
Lincoln, NE 68508



RE:

Change of Zone from AG to I-1; South Side of Saltillo Road between South 15th

and South 25th Streets

Dear Marvin:

Our law firm represents NEBCO, Inc., a successor in interest to Union Title Five, LLC (collectively "NEBCO") and Western Hemisphere Holding Company, LLC ("Western Hemisphere"). NEBCO owns Tract 1 which is legally described on Exhibit "A" of the enclosed City of Lincoln Zoning Application (NEBCO Application). Western Hemisphere owns Tract 2 which is legally described on Exhibit "A" of the enclosed City of Lincoln Zoning Application (Western Hemisphere Application). The parties seek to rezone their respective tracts from AG Agricultural to I-1 Industrial District. Enclosed please find the two applications for rezoning along with the application fees. For reference, we are also enclosing copies of the Lancaster County Property Information map for each Tract.

NEBCO seeks to rezone Tract 1 in order to operate a concrete facility similar in nature to its facility near 50th & Highway 2. The proposed concrete facility would be centrally located to provide concrete products to Lincoln's rapidly growing south and southwest areas. In addition, the facility would be within a half of a mile from the new South Beltway which will aid construction of this vital transportation network. A concrete facility located near the South Beltway and West Beltway (US Highway 77) will reduce travel time, minimize congestion and help reduce wear and tear on local streets. The proposed location is well buffered on the west by the Williams pipeline tank facility, on the north by other I-1 land uses, the proposed Western Hemisphere land use and the south by other open space which immediately borders the South Beltway on the north. Because of these surrounding land uses, this area does not appear desirable for future residential uses.

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Western Hemisphere seeks to rezone Tract 2 in order to operate a large distribution and warehouse facility and some small area retail services. The Angelou Strategic Plan developed for the Lincoln Economic Development Partnership identifies five key growth industries for Lincoln. Logistics, Warehouse and Distribution was one of these five key business sectors. Western Hemisphere seeks to use Tract 2 to help implement the Angelou Strategic Plan. The Tract could accommodate a single warehouse/distribution center up to 300,000 square feet in size and still have limited space for support retail/trade services. The site is ideal for transportation services because of its close proximity to the future interchanges of the South Beltway, West Beltway and Saltillo Road. Western Hemisphere believes the site would provide a convenient location for a major employer for Lincoln who desires a south and southwest Lincoln location.

The principals of Western Hemisphere also are principal owners of Northern Lights LLC, which owns the waterway/flood plain/wetland tract (08-01-100-009-000) located between Tract 1 and Tract 2. Northern Lights will be adding wetlands to this tract in the near future.

The parties do not seek annexation or extension of City water or sewer services. The parties have studied the area and determine that wells will provide good quantity and quality of groundwater. Septic or lagoon wastewater treatment will properly and safely serve the proposed facilities. The tracts can be designed to have its stormwater properly detained for the 3 month (water quality event), 2-year, 10-year and-100 year storm events. In addition, large portions of the site can be graded to have the stormwater drain through a new wetland area that is being developed to the south of Tract 1. This will add additional protection to the water quality in the surrounding area, including Wilderness Park.

We have had several meeting with the Planning Department and Public Works Department to determine the proper access points to Tract 1 and Tract 2. Enclosed please find a map of the parties proposed access points (Exhibit "B"). We have also met with the Friends of Wilderness Park Committee and will set up a general briefing meeting with all our neighbors within the next ten days.

We look forward to working with the Planning Department and our neighbors on this proposal. If you have any questions in the meantime, please give me a call.

Very truly yours,

Kent Seacrest For the Firm

cc with enclosure:

Mayor Coleen Seng Jonathan Cook Randy Hoskins Dennis Bartels Tim Gergen Mark Palmer Bob Miller John Brager Tom White