City Council Introduction: June 6, 2016
Public Hearing: June 13, 2015

Bill No. 16R-120

FACTSHEET

TITLE: A resolution approving and adopting **Comprehensive Plan Conformance No. 16003, *University Place South Redevelopment Plan*,** requested by the Director of the Urban Development Department, on property generally bounded by North 48th, North 49th Street, from Holdrege Street to Francis Street.

BOARD/COMMITTEE: Planning Commission

APPLICANT: David Landis, Director of the Urban Development Department

RECOMMENDATION: A finding of conformance with the Comprehensive Plan (7-0: Cornelius, Corr, Harris, Lust, Sunderman, Weber and Hove voting 'yes'; Scheer abstaining; Beecham absent).

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

OTHER DEPARTMENTS AFFECTED: Urban Development

SPONSOR: Planning Department

OPPONENTS: 2 present at hearing.

REASON FOR LEGISLATION: To review the ***University Place South Redevelopment Plan*** as to conformance with the 2040 Lincoln-Lancaster County Comprehensive Plan.

DISCUSSION / FINDINGS OF FACT:

1. The proposed redevelopment plan and the associated Change of Zone No. 16016 for a planned unit development and Street and Alley Vacation No. 16002, were heard at the same time before the Planning Commission. The associated change of zone and alley vacation are tentatively scheduled for introduction before the City Council on June 20, 2016.

2. The proposed ***University Place South Redevelopment Plan*** covers approximately 37 acres, more or less, and is generally bounded by North 48th Street and North 49th Street, from Holdrege Street to Francis Street, including all of the University Place Community Organization (UPCO) Park, in Lincoln, Lancaster County, Nebraska.

3. The staff recommendation to find the proposed ***University Place South Redevelopment Plan*** to be in conformance with the 2040 Comprehensive Plan is based upon the "Analysis" as set forth on pp.3-4.

4. Testimony by the Director of the Urban Development Department is found on pp.5-6. Other testimony in support on behalf of the development team is found on pp.6-8.

5. Testimony in opposition is found on p.8.

6. On May 11, 2016, the Planning Commission agreed with the staff recommendation and voted 7-0 to find the proposed ***University Place South Redevelopment Plan*** to be in conformance with the 2040 Comprehensive Plan.

7. On May 11, 2016, the Planning Commission also voted 7-0 to recommend conditional approval of Change of Zone No. 16016, and found Street and Alley Vacation No. 16002, to be in conformance with the Comprehensive Plan.

FACTSHEET PREPARED BY: Geri Rorabaugh, Administrative Officer **DATE:** May 27, 2016

REVIEWED BY: David R. Cary, Director of Planning **DATE:** May 27, 2016

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LINCOLN/LANCASTER COUNTY PLANNING STAFF REPORT

for May 11, 2016 PLANNING COMMISSION MEETING

PROJECT #: Comprehensive Plan Conformance No. 16003

PROPOSAL: To review as to conformance with the 2040 Lincoln-Lancaster County Comprehensive Plan, the proposed "University Place South Redevelopment Plan". The University Place South Redevelopment Plan area is generally located between N 48th and N 49th Streets, Holdrege Street to Garland Street, including University Place Park.

LOCATION: N 48th Street and Holdrege Street

LAND AREA: 37 acres, more or less

CONCLUSION: The redevelopment plan is in conformance with the Comprehensive Plan.

RECOMMENDATION: In conformance with the Comprehensive Plan.

GENERAL INFORMATION:

LEGAL DESCRIPTION: Block 129, University Place Addition; Block 4, Lots 7-10, and Block 5, Mills Subdivision; Blocks 6 -10, Block 11 except north 71.5' of Lots 1 and 2, Blocks 21-22, and Block 35, Mills Addition to University Place, Lincoln, Lancaster County, Nebraska.

EXISTING ZONING: B-1 Local Business, O-2 Suburban Office, H-2 Highway Business, R-2 Residential, P Public

EXISTING LAND USE: Commercial, Residential, Vacant, Park

SURROUNDING LAND USE AND ZONING:

North:	Commercial, Residential	B-3 Commercial, O-2 Suburban Office, R-5 Residential, R-2 Residential
South:	Commercial	H-2 Highway Commercial
East:	Residential	R-2 Residential
West:	UNL - East Campus	P Public

COMPREHENSIVE PLAN SPECIFICATIONS:

p. 1.9 The area along N 48th Street is shown is commercial on the Future Land Use map. The area further to the east is shown as urban density residential and University Place Park is shown as green space.

p. 5.2 Seek to efficiently utilize investments in existing and future public infrastructure to advance economic development opportunities.

Encourage and provide incentives for mixed uses in future developments.

p. 5.16 Encourage efforts to find new uses for abandoned, under-utilized or “brownfield” sites that are contaminated, through redevelopment and environmental mitigation.

p. 6.2 Mixed Use Redevelopment should:

Target existing underdeveloped or redeveloping commercial and industrial areas in order to remove blighted conditions and more efficiently utilize existing infrastructure.

Occur on sites supported by adequate road and utility capacity.

Be located and designed in a manner compatible with existing or planned land uses.

Provide a diversity of housing types and choices throughout each neighborhood for an increasingly diverse population.

p. 6.5 Intersection of N 48th and Holdrege Streets identified as commercial area appropriate for dwelling units/mixed use.

p. 6.10 Strategies for facilitating infill development:

Develop subarea plans for specific areas that set a framework for development, including advance blight studies, redevelopment plans, identification of infrastructure needs and public/private roles.

Work with state and local government to extend financial incentives to designated locations within the built environment.

Develop incentives to reduce the cost and risk of infill and redevelopment.

Support and enhance existing infrastructure and amenities (p. 6.11).

p. 7.9 Strategies for redevelopment in existing neighborhoods:

Encourage increased density of existing apartment complexes and special needs housing where there is land available for additional buildings or expansions.

Encourage additional density of apartment complexes and special needs housing on open adjacent land uses.

ANALYSIS:

1. This is a request to review the University Place South Redevelopment Plan for a determination of conformity with the Lincoln and Lancaster County 2040 Comprehensive Plan.

2. The proposed redevelopment plan is in the same area as the South University Place Redevelopment Area Blight and Substandard Determination Study (MISC #16001). The Planning Commission recommended approval of the blight study on April 13, 2016 and it is scheduled for City Council public hearing on May 9, 2016.

3. Applications for a Planned Unit Development (PUD) (CZ #16016) and alley vacation (SAV #16002) are associated with this application. The PUD and alley vacation are consistent with the redevelopment activities outlined in the proposed University Place South Redevelopment Plan. The proposed PUD is located in the southernmost block of the redevelopment area. Tax Increment Financing will be utilized to fund some public improvements associated with this project.

4. The redevelopment area includes 31 structures, 23 of which were identified in the blight study as being in deteriorating or dilapidated condition. The area includes approximately 1.5 acres of vacant land.

5. The adjacent uses and existing sidewalk network create the opportunity for walkable mixed-use redevelopment. The area includes approximately 3.8 acres of commercial, 1.9 acres of single family residential, and 21.2 acres of park space. The East Campus of University of Nebraska is located across N 48th Street, and Nebraska Wesleyan University is located three blocks to the north.

6. The site is centrally-located within the city and served by N 48th and Holdrege Streets, which are both classified as minor arterials.

7. This redevelopment plan is in conformance with the Comprehensive Plan. It meets several goals/strategies of the Comprehensive Plan including utilizing investments in existing infrastructure, removing blighted conditions, and developing mixed use in a way that is compatible with the existing neighborhood. The Comprehensive Plan identifies the site as a commercial area appropriate for dwelling units/mixed use.

Prepared by:

Andrew Thierolf, Planner, 441-6371, athierolf@lincoln.ne.gov
May 2, 2016

APPLICANT/ CONTACT: Wynn Hjermstad**,** 402-441-8211**,** whjermstad@lincoln.ne.gov
Urban Development Department
555 S. 10th Street, Ste. 205
Lincoln, NE 68508

COMPREHENSIVE PLAN CONFORMANCE NO. 16003

COMPREHENSIVE PLAN NO. 16003
TO REVIEW"UNIVERSITY PLACE SOUTH REDEVELOPMENT PLAN
AS TO CONFORMANCE WITH THE 2040 COMPREHENSIVE PLAN
ON PROPERTY GENERALLY LOCATED AT
NORTH 48TH AND HOLDREGE STREETS
PUBLIC HEARING BEFORE PLANNING COMMISSION: May 11, 2016

Staff recommendation: Conformance with the Comprehensive Plan.

CHANGE OF ZONE NO. 16016
FROM B-1, H-2 AND O-2 DISTRICTS TO B-3 PUD COMMERCIAL BUSINESS DISTRICT
ON PROPERTY GENERALLY LOCATED AT
NORTH 48TH AND HOLDREGE STREETS
PUBLIC HEARING BEFORE PLANNING COMMISSION: May 11, 2016

Staff recommendation: Conditional Approval.

AND

STREET AND ALLEY VACATION NO. 16002
TO VACATE TWO ALLEYS
ON PROPERTY GENERALLY LOCATED AT
NORTH 48TH AND HOLDREGE STREETS
PUBLIC HEARING BEFORE PLANNING COMMISSION: May 11, 2016

Staff recommendation: Conformance with the Comprehensive Plan.

Members present: Beecham, Cornelius, Corr, Harris, Hove, Lust, Sunderman and Weber; Scheer declaring Conflict of Interest; Beecham absent.

Corr disclosed that she attended the Developer's Open House on Tuesday, March 1, 2016.

Staff presentation: David Landis of the Urban Development Department stated Urban Development Department is the applicant for the Redevelopment Plan; the Change of Zone and Alley Vacation are work of the developer. We examined this area several weeks ago and declared it Blighted and Substandard and showed that the area is ripe for redevelopment. Yesterday, the City Council agreed unanimously with Planning Commission that the area is Blighted and Substandard.

Today, the question is whether or not the plan is in conformance with the Comprehensive Plan of the City and we argue that it is. Normally, you would see us here with a specific project like this that would come to you in the form of an amendment to an existing plan because we have those plans in all of the TIF districts. This is a new area that was just declared blighted and substandard. For that reason, we need to create a plan for the area. When we have a specific project, that project would then be amended into the plan. Today, we collapsed those steps into one. The plan identifies things that would be helpful to the

area and it has a specific project. The Redevelopment Agreement will be the next step. In other words, this will be the only opportunity this body has to critique the proposed project because it will then be embedded in the plan.

This amounts to $16 million of private investment. It includes 20,000 square feet of retail and restaurant space on the ground floor. It consists of approximately 98 market-rate apartment units on the upper four floors. The project faces 48th Street with the garages and landscaping behind, so it abuts the property in a way that we like. It contains 190 parking spaces which is sufficient to meet the standards. There is no set of design standards that apply here. However, if you look at those standards, you would find an overlap, such as the transparency on the first floor, walkability, and high-end materials up to 20 feet. It replaces the old Tastee Inn and the old Q.P. Store. This project is the rationale for why the underlying plan is being brought to you.

We want to do this and the developer has done the preliminary work to allow the City to assist with TIF funds of about $1.7 million. The relationship of private-to-public dollars is $9.80 of private to $1.00 of public investment. We find it consistent in a number of ways that are outlined in the Staff Report.

Lust asked if it is allowable to include design standards as part of a redevelopment plan. You mentioned there were none and I'm glad it is a beautiful building. Landis said he believes that is a City Council function, however, when given a project, this body can say that your approval is conditional on 'x', which could be design standards.

Harris asked if this will appear before the Urban Design Committee. Landis said yes, whenever there is a TIF project, it is a requirement to appear before Urban Design. This has gone to them, and they did approve.

Proponents:

1. Tom Huston, 233 S. 13th Street, came forward on behalf of the applicant, 48th Street Investments, which is a company comprised of Schafer Richardson located in Minneapolis, and Greenleaf Properties of Lincoln. Also present today are Sara Joy Proppe, Project Manager, and Maureen Michalski, Director of Development, both of Schafer Richardson, as well as Don Linscott of Greenleaf Properties, and Tim Gergen, Project Engineer from Clark Enersen Partners.

The Redevelopment Plan is the second step. The question before you today with regard to the Comprehensive Plan Conformance item, is whether the redevelopment plan is consistent with the Comprehensive Plan for the City – this project is in many ways. It will use existing infrastructure, does not require additional investment by the City; will incentivize a mixed-use development; will identify a new use for a under-used piece of property; and, will increase residential and commercial density in conjunction with making sure the project is compatible with the neighborhood.

The Change of Zone is to clean up the mixed zoning that currently exists. We request a change to the B-3 PUD Commercial Business District which is what is required for a mixed-use project of this nature. This is a market rate project with retail. The building footprint has been oriented to the front right-of-way of N. 48th Street. Adjacent to the building itself is the parking lot containing 187 stalls including garages and landscaping.

The east facade will also be important in providing outdoor dining and coffee shop opportunities.

The important aspect of the change of zone is that there are waivers requested – one for height to permit the increased density to make it compatible with the neighborhood. The conditions indicate that the building will be 215 feet away from the homes on the east. The PUD prohibits commercial use on the east half of the block and it requires screening. The second waiver deals with parking. The site is over-parked at this point. The site only requires 142 stalls. The waiver is that they be allowed to allocate 1 stall per 600-feet of commercial use, regardless of that use. The last waiver is to waive on-site detention due to the small size of the building footprint, and the fact that it is adjacent to Dead Man's Run.

Huston handed out a proposed Motion to Amend the Site Specific Condition No. 4 that requires the final platting of the property before the building permit. I am asking that this be revised to require the final plat prior to the certificate of occupancy because we want to be under construction in August of this year. We have the consent of Planning on that item.

The alley vacation is for the L-shaped alley that was platted in the 1890s and is no longer needed. It is being permitted because we are burying all utility lines.

Corr said that 70 feet seems high for 5 stories. I heard you mention that 20 feet on the first story. She asked how high the building will really be. Huston said the height will really depend on the parapet wall that is required to shield and screen mechanical equipment on the top floor. He believes the building will be right up to the 70-foot height. The first floor will have higher ceilings but, for this type of construction, those types of spans are required to cover HVAC and other equipment.

Corr said there is a taller dark section shown at the top. She asked if those are apartments. Huston said yes. Corr asked if the level down where there is some empty space will house the mechanical equipment. Huston said he believes there could be patios on the ends of the roofs. The mechanical equipment is located at the very top.

Corr said there is talk about replacing a storm drain pipe to allow the waiver for storm drainage. Huston said that is a typical requirement. Corr said she is concerned that one of the conditions for being blighted is that some of the water mains and storm drains are dilapidated. She wondered if this project will fix those things to solve those blighted conditions. Huston said there is no need to replace the sanitary sewer, but the storm sewer improvement required by the Site Specific Condition is required to allow this project to comply with the storm sewer requirements.

2. Tim Gergen, Clark Enersen Partners, stated that they worked with the Water Department. The water mains within 48th Street are within 10 years old. The sanitary sewer is within its life expectancy. The storm sewer has a Condition for Approval because we had to have a lot of the building storm sewer go to a storm sewer system in 48th Street rather than in Aylesworth. At that point, we needed to change our pipe size and material in order to meet the City standards. We had no problem with that condition. Corr said that for this portion of the blighted area, there were not any bad pipes. Gergen agreed that was the case in this block.

3. Sara Joy Proppe, Project Manager at Schafer Richardson, thanked the Commissioners. The Lincoln market is new for us, but we have had a long-term relationship with Don Linscott of Greenleaf Properties. We were established in 1995. Our development team has over 100 years of combined experience. We manage a mix of office, commercial, and multi-family properties throughout the upper Midwest, including over 1,000 units of multi-family houses, ranging from condos to historic rehabilitation, affordable housing and market rate units. We also own and manage 1.7 million feet of commercial and retail space in the Twin Cities. We have 245 units under construction. We have a very positive reputation within communities because we think it is important to engage the local residents in the process. To that end, we have already had a neighborhood open house including University Place and some of the East Campus business associations in the area. We are very excited to be part of this project.

Corr said there are glass fronts on 48th Street and at the back of the building. She wondered if it is intended for a single store, or if it is split. Proppe said she thinks it will be one.

Opponents:

1. Chuck Early, 5219 Garland Street, stated that from what he has gathered, it is too big for the area. We have properties in University Place that are rentals, as well as three lots that he is preparing to build apartments on when there is need for them. We rent to students. This could suck the life out of rentals in a heavily rented college neighborhood. That will suck the life out of the neighborhood. I also have concern about the zoning. It does not conform with that. It is higher than 45 feet since it abuts residential. The floor plan is also not to have sales and office space greater than 4,000 square feet. If there are apartments over that, it would be a minimum of 60,000 square feet on top of the retail below. This will add congestion to the area. The parking does not seem like it will be enough. It looks like it will work out to 800 square feet for each parking spot. I do not think it will be good for the neighborhood. We know something needs to go into the area, but this project is too big.

2. Nancy Early, 5219 Garland Street, came forward to state that they live in the neighborhood and they knew nothing about this project until it was in the newspaper. That really bothered her and her husband because they own nine lots in the area, including smaller apartments. The main concerns are the congestion and also the height, because there is nothing of a similar character in the neighborhood. At one point, University Place had issued saying something stating that any new structures needed to be compatible with the neighborhood. It is also very close to the street.

Hove asked how close they are to this development. Nancy Early stated they live a block and a half from their rentals on Garland and Walker. Chuck Early said that from what he understands, they will not be targeting students but that seems like a stretch. Nancy Early added that they also did not know about the neighborhood meeting that was held.

Staff Questions:

Harris asked how Staff feels about the Motion to Amend.

Andrew Thierolf of the Planning Department came forward to state that was discussed with the applicant, and Staff is comfortable with it.

Applicant Rebuttal:

Huston stated this project is a market-rate project, not designed for students; the pricing will probably exclude a lot of the student population. The project density is one of the questions of the neighbors. This is the type of project the Comprehensive Plan seeks. Increasing density along two arterial streets, on a site that is underutilized and we can use existing infrastructure. The B-3 zoning is the type of zoning request that has to be made to allow a mixed-use project like this. It permits the height waiver, which is consistent to allow the density of the project and with other similar buildings in the Wesleyan and East Campuses. The site will have more parking spots than is required under the code. The fact that the site is dense will lead to more traffic, but it is along two arterial streets, which is really where a project like this should be located. Schafer Richardson is a long-term owner. They do not buy and sell, so they have a vested interest in making sure the project is well-maintained and in taking care of their investment. This meets Comp Plan objectives for things like sustainability, increased opportunities, and public transportation. It does not cost the City a dime since there is no additional infrastructure the City needs to install.

Lust said it would be helpful to define “market rate”. Huston said it means that the units are not subsidized and the tenants will be qualified based on their own income. These are not hugely expensive, but they are not targeted to students. There will be a combination of 1-bedroom, studio, and a few 2-bedroom units. There is interest from seniors and young professionals in the vicinity.

Corr asked how many apartments will be in the building. Huston said 98, as currently drawn, with approximately one-third of each type of unit. Corr asked how many square feet are in the largest units. Huston said 1,200 square feet.

Corr asked if the building across from East Campus just up Holdrege Street is subsidized for student housing. Huston said it is his understanding that it is not.

Corr asked how far the turn lane runs on 48th Street. She wonders if the intersection will need to be widened. Huston said this project was reviewed by traffic engineers and they believe the existing infrastructure will handle it without any additional improvements.

Corr asked if getting rid of a level was an option. Huston said it dramatically changes the economics of the project and it would not proceed.

COMPREHENSIVE PLAN NO. 16003
ACTION BY PLANNING COMMISSION: **May 11, 2016**

Harris moved approval, seconded by Lust.

Hove said this project conforms to the Comprehensive Plan. The density and economics of the project make sense and he will support it.

Motion carried, 7-0; Cornelius, Corr, Harris, Lust, Sunderman, Weber and Hove voting 'yes'; Scheer abstaining; Beecham absent.

This is a recommendation to the City Council.

CHANGE OF ZONE NO. 16016
ACTION BY PLANNING COMMISSION: May 11, 2016

Lust moved approval as amended by the Applicant, seconded by Cornelius.

Corr said she does have concerns about the height, because it is residential in that area where the existing buildings are primarily single and two-story buildings. However, this is on a major street and there is a lot of setback from the residential. As things continue to develop to the north, the building will not stand out so much as it might at first.

Lust said this is a good project for the area. She understands the neighbors' concerns, but she feels that with the addition of the nice retail, residential, and coffee shops, they may find that the college-oriented rentals will actually benefit by having these types of facilities nearby, and it will be more attractive for students. They may even be able to charge more in rent.

Cornelius said he is excited for this project in this part of town as a resident of north-central Lincoln. It does differ from the surrounding area to some extent. But the enthusiasm with which it supports the goals of the Comprehensive Plan make it a valuable addition to the area. He supports the project.

Harris added that we are seeing a lot of demand for this type of housing from Millenials and Baby Boomers. It also represents infill, which is something we are always looking for. She hopes it acts as a catalyst for the neighborhood and will bring additional businesses and restaurants to the area.

Weber agrees with Corr about the height, but the orientation of the building and the setbacks are sufficient to alleviate those concerns.

Hove said he echos what others have said and he intends to support the project.

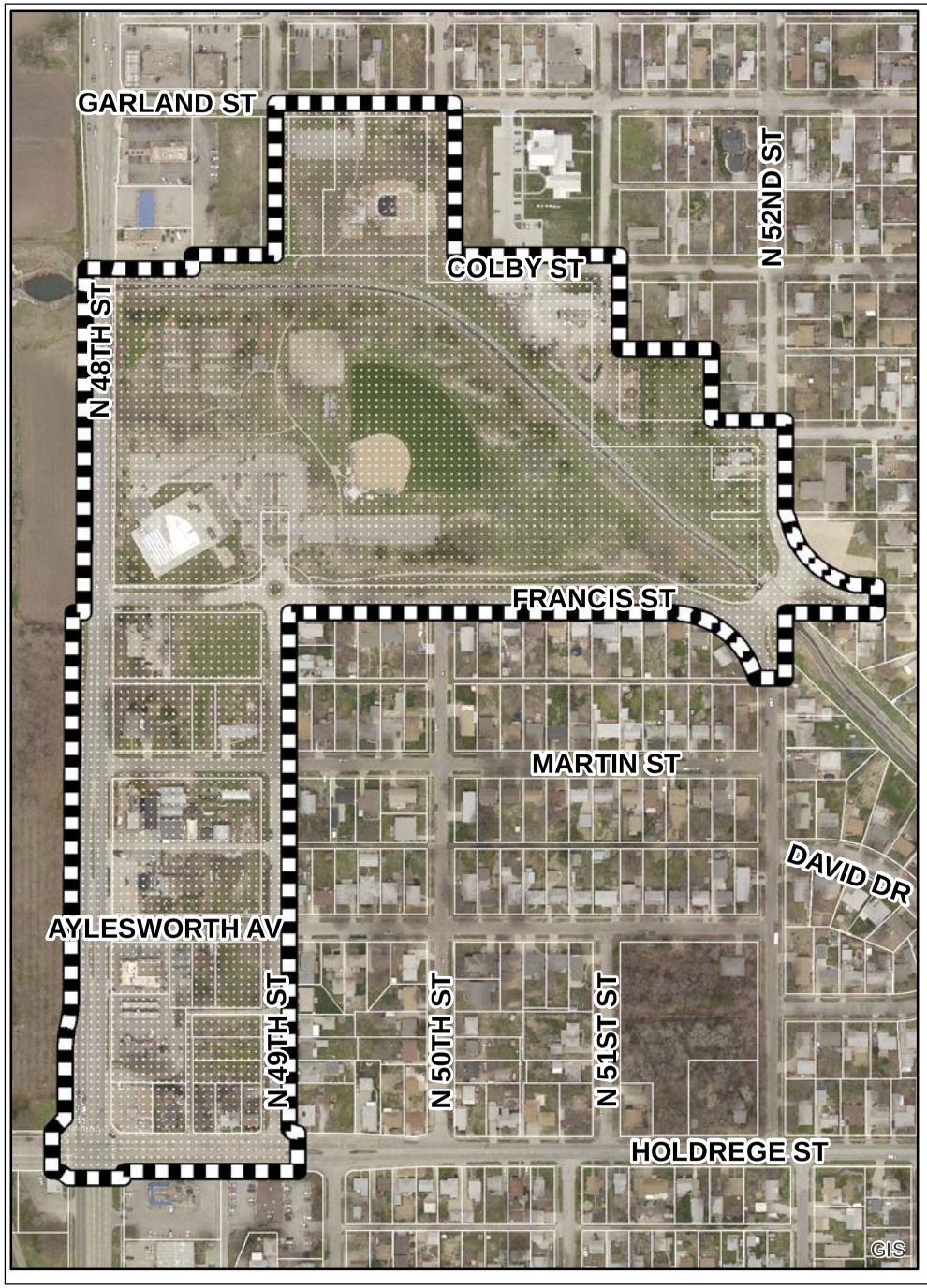
Motion carried, 7-0; Cornelius, Corr, Harris, Lust, Sunderman, Weber and Hove voting 'yes'; Scheer abstaining; Beecham absent.

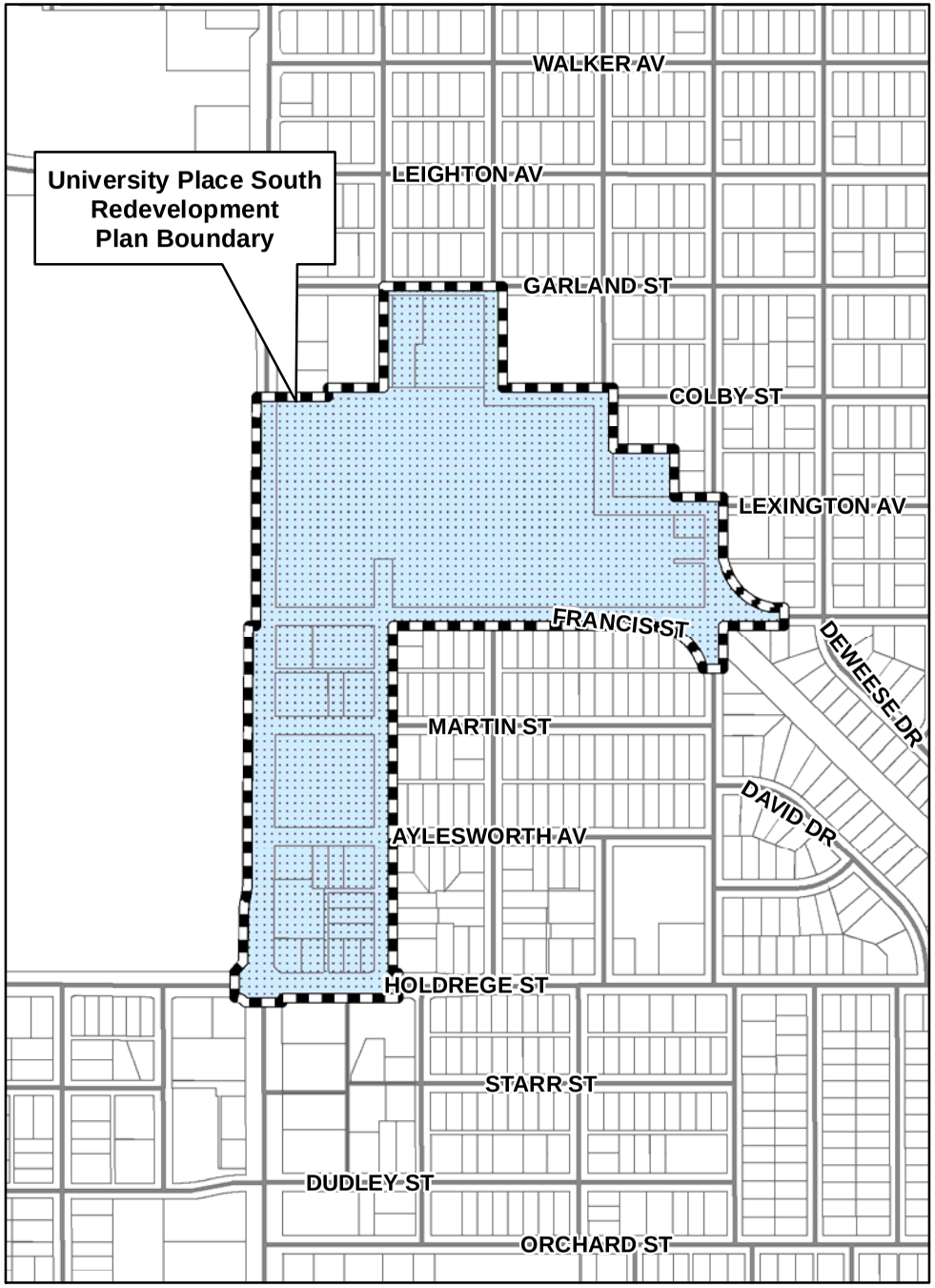
This is a recommendation to the City Council.

STREET AND ALLEY VACATION NO. 16002
ACTION BY PLANNING COMMISSION: **May 11, 2016**

Cornelius moved approval, seconded by Weber. Motion carried, 7-0; Cornelius, Corr, Harris, Lust, Sunderman, Weber and Hove voting 'yes'; Scheer abstaining; Beecham absent.

This is a recommendation to the City Council.





2013 aerial

Comprehensive Plan Conformance #16003

University Place South Redevelopment Plan

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CITY OF LINCOLN NEBRASKA

URBAN DEVELOPMENT DEPARTMENT
555 South 10th Street Suite 205 Lincoln, Nebraska 68508
402-441-7606 fax: 402-441-8711 lincoln.ne.gov

April 13, 2016

David Cary, Director
City of Lincoln-Lancaster County Planning Department
555 S. 10th
Lincoln, NE 68508

Dear David:

Enclosed is the *University Place South Redevelopment Plan*. This is a new Redevelopment Plan that includes approximately 37 acres, roughly located between N. 48th and 49th, Holdrege to Francis, and including all of UPCO Park. The Plan addresses statutory elements required by the State of Nebraska's Community Development Law. The principal project is mixed-use located on the block between 48th and 49th, Holdrege to Aylesworth and includes ground floor commercial/restaurant space and four stories of market rate apartments above.

Please forward the Plan to the Planning Commission for their earliest consideration for Comprehensive Plan conformance. My understanding is that the Plan should be on the May 11, 2016 agenda.

If you have questions or need additional information, please contact me at 402-441-8211 or whjermstad@lincoln.ne.gov. Thank you.

Sincerely,

Wynn S. Hjermstad

Wynn S. Hjermstad, AICP
Community Development Manager

Cc: David Landis, Director, Urban Development Department

enc.

DEVELOPMENT SERVICES CENTER DSC

UNIVERSITY PLACE SOUTH REDEVELOPMENT PLAN

Prepared by:
City of Lincoln, Nebraska
Chris Beutler, Mayor
Urban Development Department
David Landis, Director

Approved by:
Planning Commission: _____
City Council: _____

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UNIVERSITY PLACE SOUTH REDEVELOPMENT PLAN

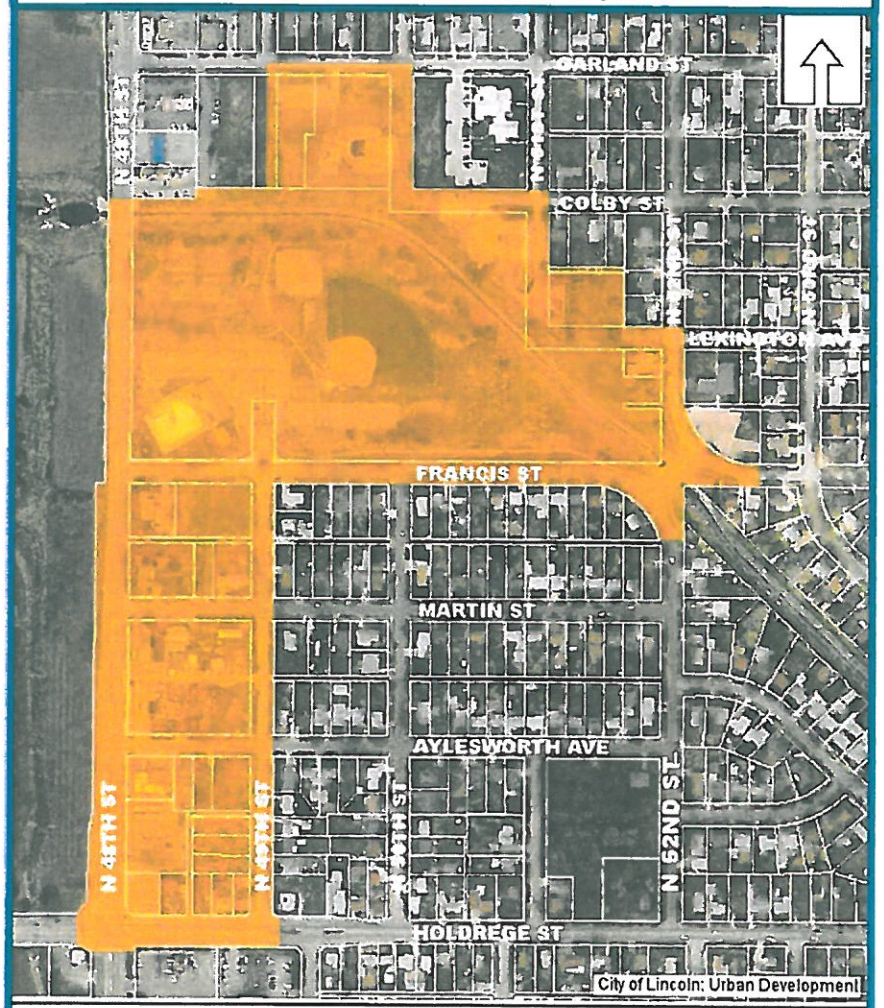
Introduction

The *University Place South Redevelopment Plan* is a guide for redevelopment activities within the Redevelopment Area. Exhibit 1 shows the location of the area within the context of the city of Lincoln. The southern boundaries are generally Holdrege Street between 48th Street and 49th Street, and Francis Street between 49th Street and North 52nd Street. North of Francis Street, the boundaries are generally the boundaries of the University Place Park. The area is adjacent to and south of an area included in the *University Place Redevelopment Plan* that was adopted by the Lincoln City Council in December 7, 1998, as amended. The area covers approximately 37 acres: the largest percentage is park/open space (57.3%) followed by commercial (10.3%). The area's legal description is found in Appendix A.

The Redevelopment Area has shown signs of decline over the last several years. Operating businesses have closed. The existing development, structures, and public facilities and utilities are old and in need of updating. Identifying the need to redevelop this area led to a *Blight and Substandard Determination Study,* which confirmed the number and degree of blighting and substandard factors. The Study was completed in March 2016.

The City recognizes the continuing blight and deterioration as a threat to the stability and vitality of the area. Revitalization efforts cannot reasonably occur without public action. The *University Place South Redevelopment Plan* provides a guide for public and private partners as redevelopment efforts move forward.

Exhibit 1: University Place South Redevelopment Area



University Place South Redevelopment Area

Plan Requirements

Redevelopment activities are guided by the Nebraska Community Development Law, Neb. Rev. Stat. Section 18-2101, et. seq., as amended (the "Act"). The statutes indicate the governing body must first declare the project area substandard and blighted in order to prepare a redevelopment plan for the designated redevelopment area.

The City has authorized its Urban Development Department to act as the community redevelopment authority under the Act. The Urban Development Department has developed a plan for guiding appropriate private and public resources to:

- eliminate or prevent the development or spread of urban blight;
- encourage urban rehabilitation;
- provide for the redevelopment of substandard and blighted areas including provision for the prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards;
- rehabilitation or conservation of substandard and blighted areas or portions thereof by re-planning, removing congestion, providing parks, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and
- clear and redevelop substandard and blighted areas or portions thereof.

Section 18-2111 of the Act defines the minimum requirements of a redevelopment plan as follows:

"A redevelopment plan shall be sufficiently complete to indicate its relationship to definite local objectives as to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities and other public improvements, and the proposed land uses and building requirements in the redevelopment project area..."

Section 18-2111 also outlines six elements that must be included in all redevelopment plans:

1. The boundaries of the redevelopment project area with a map showing the existing uses and condition of the real property area;
2. A land-use plan showing proposed uses of the area;
3. Information showing the standards of population densities, land coverage, and building intensities in the area after redevelopment;
4. A statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, or building codes and ordinances;
5. A site plan of the area;
6. A statement as to the kind and number of additional public facilities or utilities, which will be required to support the new land uses in the area after redevelopment.

In making the recommendation to approve this plan, the Urban Development Department has considered the land uses and building requirements of the University Place South Redevelopment Area and determined they are in conformance with the general plan for redevelopment in the city and represent a coordinated, adjusted, and harmonious development of the city and its environs.

These determinations are in accordance with:

- present and future needs to promote health, safety, morals, order, convenience, prosperity;
- the general welfare; and
- efficiency and economy in the process of development.

Factors considered in the determination included among other things:

- adequate provision for traffic and vehicular parking;

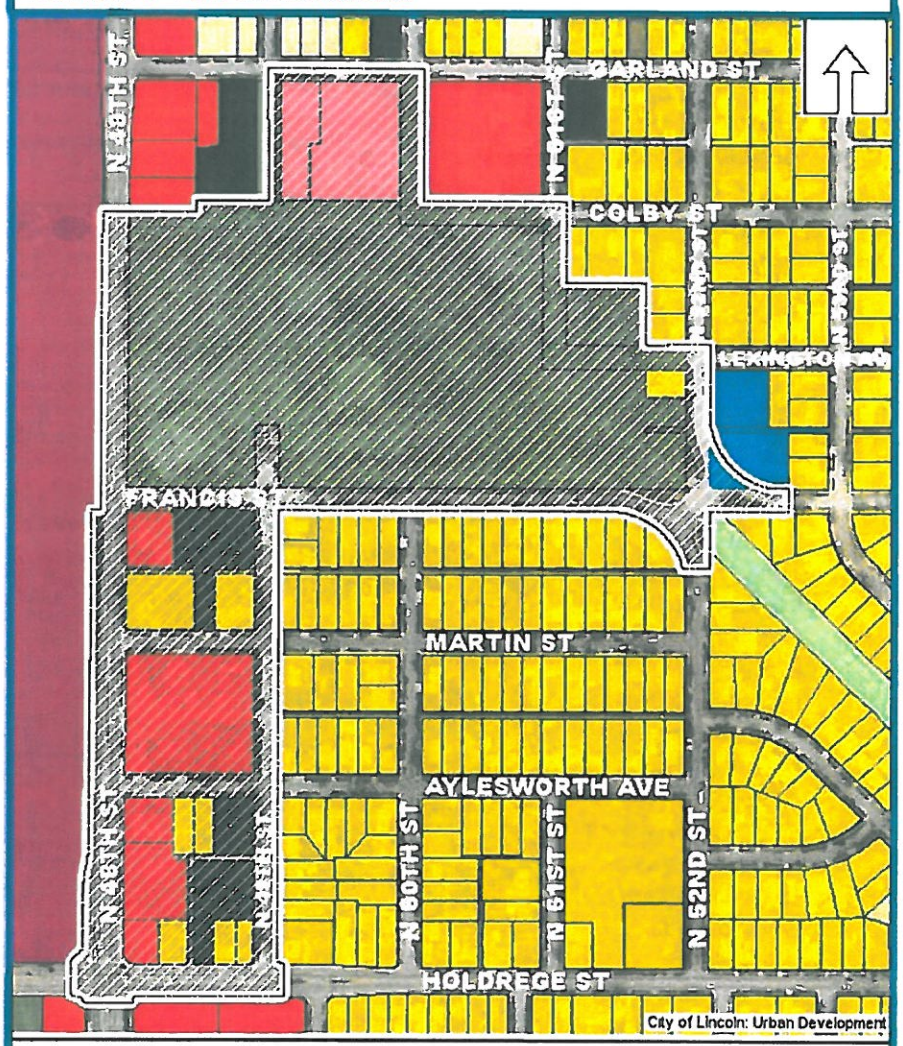
- promotion of fire safety and prevention of other dangers;
- adequate provision for light and air;
- promotion of the healthful and convenient distribution of population;
- provision of adequate transportation, water, sewerage, and other public utilities;
- schools, parks, recreational and community facilities, and other public requirements;
- promotion of sound design and arrangement;
- efficient expenditure of public funds; and
- prevention of insanitary or unsafe dwelling accommodations or conditions of blight.

Existing Conditions

Land Use

The University Place South Redevelopment Area consists of approximately 37 acres of land. The largest amount of land, approximately 21.2 acres, is park/open space, followed by commercial uses, approximately 3.8 acres. The largest tract of park/open space is located east of 48th Street and north of Francis Street, which houses University Place Park. The park includes the University Place Municipal Pool, the Lincoln Horseshoe Club facility, playground and picnic shelter, tennis/basketball courts and open space recreational areas. The majority of commercial uses are located along 48th Street between Francis Street and Holdrege Street. The primary commercial uses include the vacant Tastee Inn & Out restaurant and the vacant QP Hardware Store. The area also contains single family residential uses, approximately 1.9 acres, including seven single family dwellings that average 91 years of age.

Exhibit 2: Current Land Use



Finally, vacant land is also present, approximately 1.5 acres, with seven vacant lots located on the eastern half of the redevelopment area. The table below includes existing land uses by type and acre for the area.

Land Use	*Acres*	*Percent*
Vacant	*1.5*	*4.0*
Park/Open Space	*21.2*	*57.3*
Single Family Residential	*1.9*	*5.1*
Commercial	*3.8*	*10.3*
Public Streets/Alleys	*8.6*	*23.3*
TOTAL	***37.0***	***100.0%***

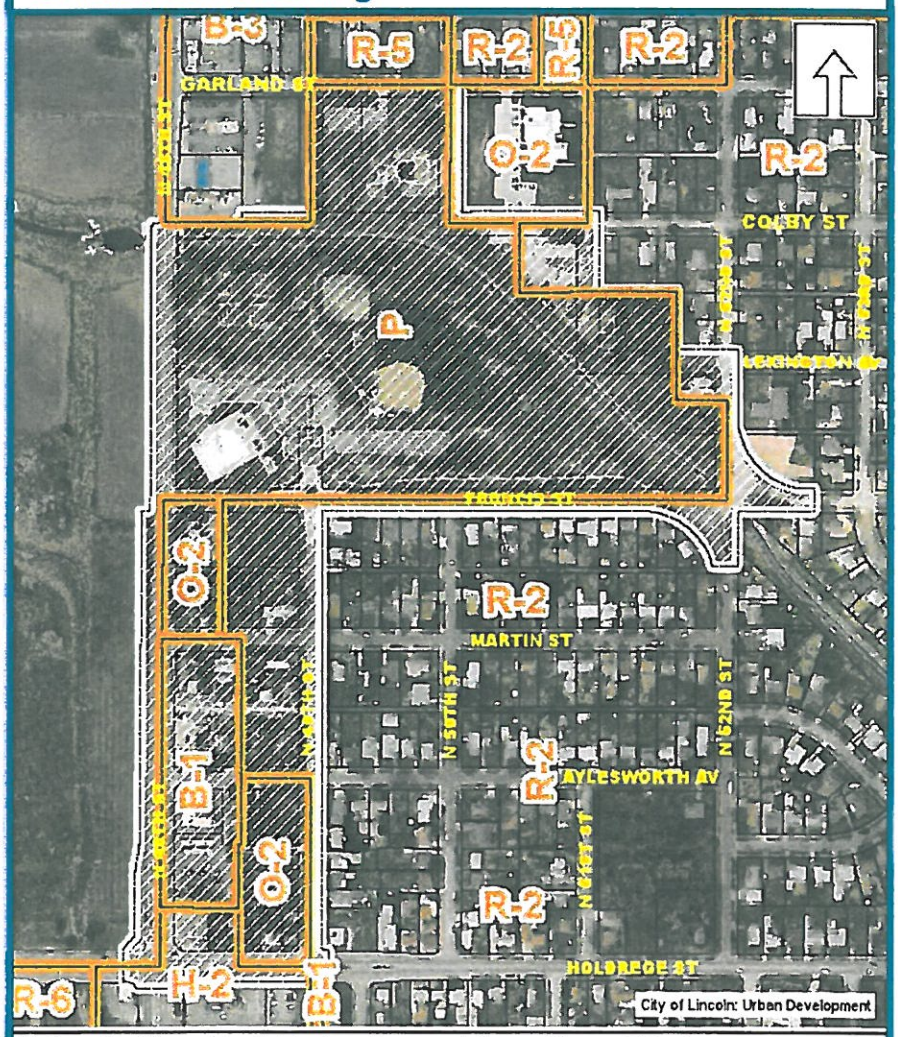
Source: Hanna:Keelan Associates, P.C., 2016

Zoning

The primary zoning districts in the area are P Public, R-2 Residential, O-2 Suburban Office, and B-1 Local Business. A small amount of H-2 Highway Business is located at the southwest corner of the area. These districts are described as:

- **P Public Use**: This district is intended to provide a district essentially for mapping purposes which will identify real property presently owned and used by any governmental entity, including local, state, or federal governmental units, and put to some form of public use.
- **R-2 Residential**: This district is intended to provide a generally stable residential use in areas of the city that are largely developed. With a gross density of generally three to five dwelling units per acre, this district permits single- and two-family dwellings and supportive community services, such as parks, playgrounds, schools libraries, and churches. It

Exhibit 3: Current Zoning



University Place South Redevelopment Area: Current Zoning

University Place South Zoning

is intended that this district be limited to previously platted portions of the city already undergoing substantial development, thereby preserving existing low-density residential development.

- **O-2 Suburban Office**: This district is intended to provide a redeveloping area, primarily of office uses in those suburban areas previously zoned O-1 Office District and those fronting the same street, with the same side lot lines and within 150 feet of the following districts: B-1, B-3, B-4, H-2, H-3, and I-1. This district is intended as a transition zone where it abuts the previously mentioned districts.
- **B-1 Local Business**: This district is intended to provide a stable area of local retail relating to existing communities and existing neighborhoods. It provides for functional business uses to serve those communities and neighborhoods. Dwellings are permitted only above the first floor.
- **H-2 Highway Business**: This is a district for a redeveloping area intended to provide business and services oriented to major arterial streets. It provides for those uses usually found in neighborhood business areas, plus a limited number of additional uses, such as auto repair garages, mini-warehouses, and auto sales.

Parks and Recreational Facilities and Trails

- **Trails:** There are various all-weather, multi-use trails located in the area, including trails around and through UNL's East Campus located to the west of the Redevelopment Area. Additionally, the MoPac Trail West is located approximately one-third of a mile south of the area, which has a paved surface and extends from 84 Street to UNL City Campus.
- **Parks:** The University Place Park is located on the north portion of the Redevelopment Area, which is approximately 21.2 acres in size. The Park has had much of the facilities upgraded, including the pool, baseball bleachers, lighting and backstop, and walking/hiking bridge across the creek to the playground. However, the tennis and basketball courts and the horseshoe areas are in need of upgrade and replacement of equipment.

Exhibit 4: Parks, Recreation Facilities & Trails

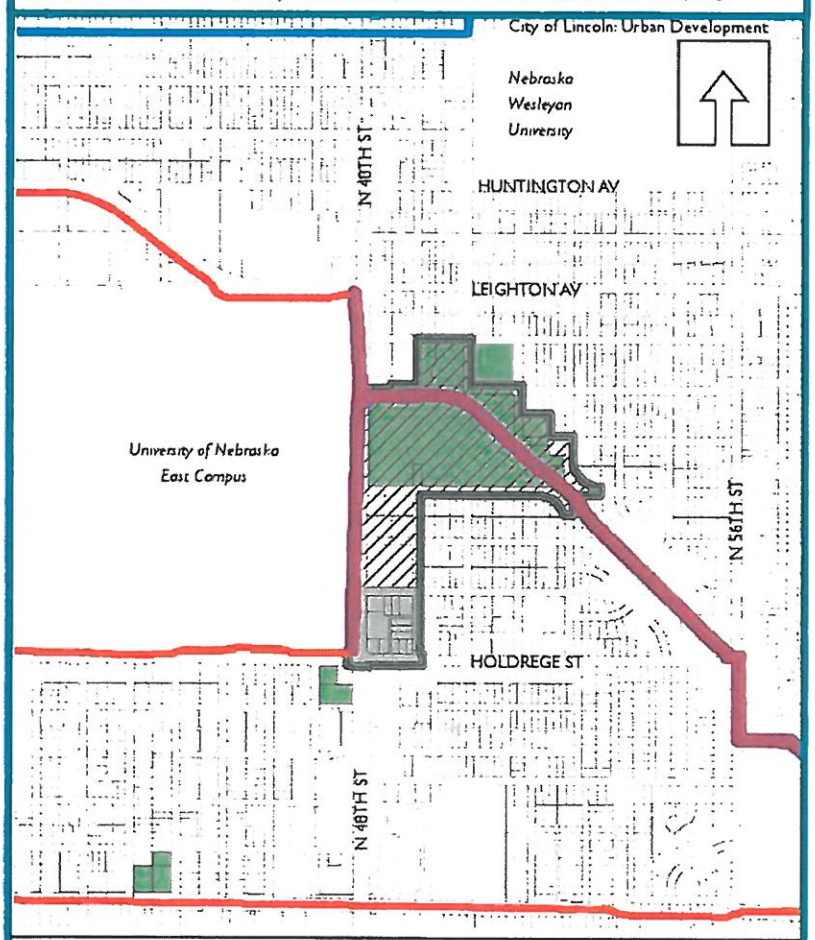


Exhibit 5: Parks, Recreation Facilities & Trails

University Place South | Park Boundary | Existing Trails
48th & Holdrege Project | Future Trails | On Street Bicycle Routes

Transportation

- **Traffic** There are two major roadways bordering the Redevelopment Area: 48th Street to the west and Holdrege Street to the south. The City's Capital Improvement Program envisions a potential future resurfacing project..
- **Access and Parking Issues:** Access to the area from 48th Street on the west is available at the following three locations: (1) Francis Street, (2) Martin Street, and (3) Aylesworth Avenue. However, a raised concrete median located on 48th Street prevents southbound traffic from accessing the area at Aylesworth Avenue. Access to the area from the east is available along 49th Street at (1) Francis Street, (2) Martin Street, and (3) Aylesworth Avenue, and along North 51st Street and North 52nd Street.

  Several privately owned concrete, asphalt or gravel surfaced parking areas and driveways are in fair to poor condition. Approximately 45 percent of the existing sidewalks, driveways and off-street parking areas are deteriorating or dilapidated. One of the four parks and recreation parking lots and all six of the commercial parking lots are substandard and dilapidated, with surfaces in need of paving.
- **Public Transportation:** Star Tran, Lincoln's bus system has a route that runs along Holdrege Street from 33rd to 70th. However, Star Tran serves the surrounding area, including various bus stops on or near UNL's East Campus which is located directly west of the Redevelopment Area.
- **Street Conditions:** Street conditions within the area are in good to excellent condition. Only one parcel fronts on a street that is in substandard conditions.
- **Sidewalk and Pedestrian Activity:** Approximately 45 percent, or 17 of the 32 parcels were identified as having sidewalks in fair or poor condition. Except for the 48th Street and Holdrege Street intersection, there are no other effective pedestrian/vehicular safety control devices within the Redevelopment Area.
- **Street Layout:** The street pattern within the Redevelopment Area generally consists of a standard grid-iron plan. The large parcel of land on which the University Place Park is located lacks an interior street system. Deadman's run located near the north/northeast of the Redevelopment Area may limit land accessibility and future development.

Public Utilities

- **Water and Sanitary Sewer Systems:** The majority of the water and sewer mains within the redevelopment area are appropriately sized. The issue is that the water, sanitary sewer and storm water mains are all at least 45 years of age, with the oldest segments constructed over 70 years ago. As underground mains and privately owned and maintained service lines age, more frequent maintenance and repair will be needed.
- **Watershed Management:** Deadman's Run is a major tributary to Salt Creek and runs west though University Place Park. Local drainage in the redevelopment area is toward Deadman's Run though urban underground drainage systems from the south and though a combination of overland flow, a ditch and an urban underground drainage system from the north. Deadman's Run has a floodplain and floodway. The floodway covers most of the park area and the floodplain covers the remainder of the park area as well as a portion of the redevelopment area south of Francis Street. Future redevelopment will need to take into account the floodplain and any improvement within the floodway is unlikely. Stormwater quality standards are in effect and any redevelopment that disturbs an acre or more of ground must include facilities for stormwater quality standards.

There are no current plans to update, rehabilitate or enhance any of the existing urban drainage systems in this area. The Corp of Engineers in partnership with the Lower Platte South Natural Resources District (LPSNRD) and the City of Lincoln has an on-going study to improve Deadman's Run for the purposes of reducing the floodplain and floodway. The current concept for reducing the floodplain and floodway indicate that they will be reduced, but not to the extent that eliminates the 100 year flood.

- **Electrical/Street Lighting:** The street lights along 48th Street are all fed underground, while most of the collector streets are fed with overhead wiring. Construction in the area is currently underway on an overhead rebuild. Many of the poles in this area will be or have already been replaced due to age; the location of the facilities is adequate at this time. Four street lights were converted to LED's within the redevelopment area.

Historical Significance

There are no historic properties or areas of historic significance in the Redevelopment Area.

Blight & Substandard Determination Study

For a project to be considered eligible for redevelopment in Lincoln, the area must qualify as both "Blighted" and "Substandard" based on the Nebraska Community Development Law. The *University Place South Redevelopment Area Blighted and Substandard Study* was undertaken to determine whether existing conditions warrant designation of the Area as blighted and substandard. The Study includes formal investigation of the existence and extent of blighting and substandard factors as outlined in the Nebraska Community Development Law. The Study was completed in March 2016 by Hanna:Keelan Associates, P.C.

- **Process:** The consultant's evaluation included a detailed exterior structural survey of 31 structures, field inventory, conversations with the City of Lincoln staff and a review of available reports and documents containing information which could substantiate the existence of blight and substandard conditions.
- **Analysis Findings:** All 4 of the substandard factors identified in the Nebraska Community Development Law represent a "strong presence" within the Redevelopment Area. These four factors are generally distributed throughout the Area.
    - Dilapidated/deterioration. The field survey resulted in 23 structures, or 74 percent of the 31 total structures, as being identified as in a deteriorating or dilapidated condition.
    - Age or obsolescence. Approximately 25, or 81 percent of the 31 total buildings are at least 40 years old (built prior to 1976).
    - Inadequate provision for ventilation, light, air, sanitation or open spaces. City of Lincoln Public Works Staff described the municipal water and sewer mains that primarily serve the Area as being appropriately sized and in good condition, but segments of mains and service lines are over 45 years old, with some segments being over 70 years old. Public Works Staff also estimated that the majority of the privately owned service lines are constructed with outmoded materials and will need to be replaced to support redevelopment in the Area.

- Existence of conditions which endanger life or property by fire and other causes. The primary contributing elements include the existence of deteriorating and dilapidated buildings that are comprised of wood structural components and masonry buildings containing combustible elements and fixtures.

Seven of the 12 blight factors identified in the Nebraska Community Development law are present with a "strong presence" and reasonably distributed throughout the Area:

- A substantial number of deteriorated or dilapidated structures. A total of 23 structures, or 74 percent of the 31 total structures, were documented as deteriorating or dilapidated.
- Faulty lot layout in relation to size, adequacy, accessibility or usefulness. The development of the commercial uses located along the City Blocks south of Francis Street generally ignored the original platted lots.
- Deterioration of site or other improvements. An estimated 29 parcels, or 76 percent of the total 38 parcels, were observed to have "fair" or "poor" overall site conditions. Sixteen parcels had sidewalks in "fair" condition and an additional parcel's sidewalk was in "poor" condition. Accordingly, a total of 44.7 percent of the parcels have substandard sidewalks.
- Improper subdivision or obsolete platting. City Blocks on the southern portion of the Redevelopment Area contain commercial buildings that were constructed with no regard for the platted lots that originally existed.
- The existence of conditions which endanger life or property by fire or other causes. The Redevelopment Area contains the existence of wood buildings and masonry buildings containing

combustible elements and fixtures. Additionally, portions of the Area have water mains that were constructed of obsolete materials, are over 45 years old, with some over 70 years old, and that are undersized by current engineering standards.

- Other environmental and blighting factors. Other environmental and blighting factors in the Area include economically and socially undesirable land uses with functional and economic obsolescence. The Area contains buildings that are deteriorating with outmoded infrastructure and buildings that are dilapidated and too small to support modern uses or needs.
- One of the required five additional blighting conditions. The estimated average age of the residential properties is 91 years and the average age of the commercial buildings is 65 years.

The blight factors determined to have a "reasonable presence" are:

- Existence of defective or inadequate street layout. The Area contains a lack of existing sidewalks, with 44.7 percent of those existing sidewalks being in "fair" or "poor" condition. Additionally, the Area lacks effective pedestrian/vehicular safety devices.
- Insanitary or unsafe conditions. The Area contains deteriorating and dilapidated buildings that are over 40 years old and segments of water and sewer mains and privately owned service lines that were constructed with outmoded materials and that are in need of replacement.

The consultant's opinion is that the number, degree and distribution of blight and substandard factors, as identified in the Study, are beyond remedy and control solely by regulatory processes in the exercise of police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in the Nebraska Community Law. The consultant concluded that the findings of the *Blight and Substandard Determination Study* warrant designating the Redevelopment Area as "substandard" and "blighted." The Lincoln City Council Agreed and declared the area Blighted and Substandard on _____ __, 2016.

Identified Issues

Based on the review of existing conditions, the following issues and concerns were identified and should be considered in conjunction with the Guiding Principles of this document (in the next section) to provide a framework for determining projects in the Redevelopment Area:

- Approximately 74 percent of structures surveyed are dilapidated or deteriorating with major defects.
- Approximately 45 percent of the existing sidewalks, driveways and off-street parking areas are deteriorating or dilapidated. One of the four parks and recreation parking lots and all six

of the commercial parking lots are substandard and dilapidated, with surfaces in need of paving.

- Approximately 45 percent, or 17 of the 32 parcels were identified as having sidewalks in fair or poor condition.
- Except for the 48th Street and Holdrege Street intersection, there are no other effective pedestrian/vehicular safety control devices within the Redevelopment Area.
- The development of the commercial uses located along the City Blocks south of Francis Street generally ignored the original platted lots.
- The tennis and basketball courts and the horseshoe areas at University Place Park are in need of upgrade and replacement of equipment.
- Star Tran, Lincoln's bus system has a route that runs along Holdrege Street from 33rd to 70th, but does not have a bus stop located within the Redevelopment Area.
- Segments of water and sewer mains and service lines that serve the Redevelopment Area are over 45 years old, with some segments being over 70 years old. Public Works Staff estimated that the majority of the privately owned service lines are constructed with outmoded materials and will need to be replaced to support redevelopment in the Area.
- A portion of the Redevelopment Area is in the floodplain.
- A Blight and Substandard Determination Study determined that factors are present to warrant the blight and substandard designation. Issues include aging and deteriorated structures and infrastructure, inadequate lot layouts, and fair to poor overall site conditions.

Redevelopment Plan

LPlan 2040: Guiding Principles

LPlan 2040 is the Lincoln-Lancaster County 2040 Comprehensive Plan. The Plan embodies Lincoln and Lancaster County's shared vision for the future, to the year 2040. It outlines where, how and when the community intends to grow, how to preserve and enhance the things that make Lincoln special, and strategies for implementing the vision for how we will live, work, play and get around in the future.

The relevant principles listed below are taken directly from **LPlan 2040** and will be used as a guide for redevelopment activities in combination with the concerns identified in previous sections of the *University Place South Redevelopment Plan.*

Business & Economy

- Focus primarily on retention and expansion of existing businesses; attracting new business should also be encouraged.
- Seek to efficiently utilize investments in existing and future public infrastructure to advance economy.
- Strive for predictability for neighborhoods and developers.
- Encourage commercial areas and limited industrial areas to make available opportunities for individuals and/or organizations to raise and market local food.
- Encourage preservation or restoration of natural resources within or adjacent to commercial or industrial development.
- Encourage commercial centers to encompass a broad range of land uses with the integration of compatible land use types.

Mixed-Use Redevelopment

- Target existing underdeveloped or redeveloping commercial and industrial areas in order to remove blighted conditions and more efficiently utilize existing infrastructure.
- Be located and designed in a manner compatible with existing or planned land uses.
- Encourage substantial connectivity and convenient access to neighborhood service (schools, parks, stores) from nearby residential areas.
- Help to create neighborhoods that include homes, stores, workplaces, schools and places to recreate.
- Encourage residential mixed-use for identified corridors and redeveloping Regional, Community, Neighborhood, and Mixed-Use Office Centers identified as nodes.
- Mixed-use redevelopment nodes and corridors should strive to locate:
    - Where there is existing potential for good access to transit, to enhance the public transit system by making it accessible to residents and to facilitate development of neighborhood multimodal hubs where residents can drive, bike, or walk to a transit stop, go to work, and then shop for their daily needs before they return home.
    - On at least one arterial street to help provide for traffic and utility capacity and access to transit.
    - Encourage alley access and shared driveways to parking areas in order to reduce interruptions to pedestrian traffic, to preserve on-street parking capacity, and to reduce automobile conflict points.
    - Support the preservation and restoration of natural resources.

Parks, Recreation and Open Space

Parks and open space enhance the quality of life of the community's residents and are central to the community's economic development strategy—the community's ability to attract and retain

viable businesses, industries, and employees is directly linked to quality of life issues, including indoor and outdoor recreational opportunities.

Public and private partnerships are important in the development of recreational opportunities and the preservation of environmental resources that bring a high quality of life to the City and County.

University Place Park is considered a Community Park. As stated in the Comprehensive Plan, Community Parks are typically 30 to 50 acre sites that are readily accessible from arterial streets and the commuter/recreational trail system. Community Parks may include play fields and play courts for organized sports, a playground with an accessible fall surface, facilities for day use activities including a picnic shelter and restroom, seating, walking paths, and off-street parking. Community Parks often include a swimming pool and/or recreation center. Community Parks often include activity areas consistent with those located in neighborhood parks and as a result, Community Parks may serve as the neighborhood Park for surrounding residential areas. Most of the strategies in the Comprehensive Plan pertain to new Community Parks, but the following strategies also apply to existing parks:

- Locate Community Parks on a collector or arterial street to accommodate automobile access and parking; park sites should also be readily accessible by pedestrians and bicyclists from a commuter/recreation trail.
- Community Parks should be adjacent to greenway linkages.
- Provide buffering between Community Park activities and adjacent residential areas to minimize traffic and noise impacts.
- Focus on the development and maintenance of sports fields and associated day use facilities.
- Create pedestrian connections between surrounding residential development and neighborhood-related park features such as playgrounds and park shelters.

Floodplain Management

The overriding policy for the floodplain is a "No Adverse Impact" policy for the City and County, which means that the community has a goal of insuring that the action of one property owner does not adversely impact the flooding risk for other properties.

- Seek opportunities for "Best Management Practices" (e.g., Rain to Recreation, Rain Gardens, etc.) that reduce flood damages, protect water quality and natural areas, while providing for recreational and educational opportunities so as to realize multiple benefits.
- Develop project approaches which view storm water as an asset, by working with the natural topography and using wetlands, floodplains, and natural drainage corridors as natural ways to manage flood flows and storm water runoff.

University Place South Redevelopment Activities

- Public Improvements
  1. **Future public improvements** may include replacing aging public utilities and resurfacing and paving of substandard public streets.
  2. **Public sidewalk improvements** may include resurfacing and paving the substandard public sidewalks.
  3. **Park improvements**: Improve or replace the basketball and tennis courts and horseshoe areas at University Place Park. Resurface or pave the substandard and dilapidated parking lot in University Place Park.

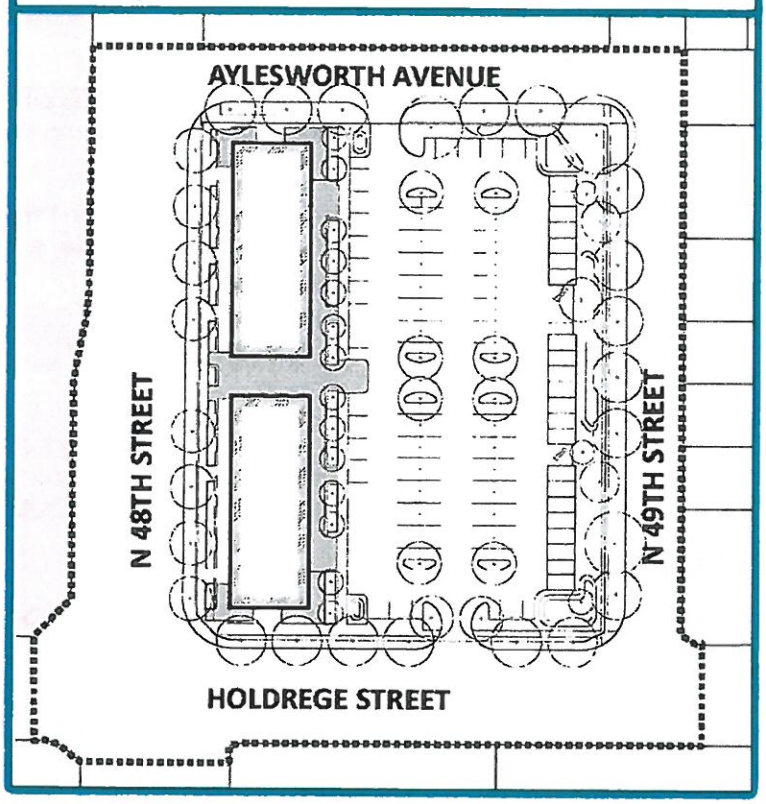
- Private Improvements

1. 48th & Holdrege Redevelopment Project

The 48th & Holdrege Redevelopment Project (the "Project") is located on the city block south of Aylesworth Avenue, north of Holdrege Street, east of 48th Street and west of 49th Street, including approximately three acres. The Project envisions a mixed-use development with approximately 98 market-rate residential units and approximately 19,000 square feet of first floor retail and/or restaurant uses.

The goal of the Project is to strengthen the Lincoln community by providing in-fill residential dwelling units and commercial uses through the redevelopment of existing underutilized and deteriorating real property. The Project will remove blighted and substandard conditions and will make positive contributions to the Area. The Project will increase the security and safety in the Redevelopment Area through the removal and redevelopment of certain blighted and substandard conditions.

Exhibit 5: 48th & Holdrege Project Area & Conceptual Site Plan



The existing land uses are residential and vacant commercial. Surrounding land uses include residential, commercial, and park/open space.

The Project is consistent with the goals of this *University Place South Redevelopment Plan* and is intended to support private sector residential and commercial development in the Redevelopment Area. Publicly funded redevelopment activities may include site acquisition, streetscape/landscape, and other public area enhancements, energy efficiency improvements, façade enhancements, and other public improvements in the project area. The Project is also consistent with the LP2040's Lincoln Area Future Land Use Plan Map, which identifies the project area as commercial and high density residential. The project area currently includes the following zones: B-1 (Local Business District), O-2 (Suburban Office District), and H-2 (Highway Business District). The project will require a rezone to an anticipated B-3 Commercial District with a Planned Unit Development overlay.

The proposed redeveloper currently controls the project area. Demolition will include clearing structures on the property, including any required environmental remediation and any necessary capping, removal or replacement of utilities, and site preparation.

Statutory Elements

- ***Property Acquisition, Demolition, and Disposal:*** The proposed redeveloper currently controls the majority of the project area. Demolition will include clearing structures on the property including any required environmental remediation and any necessary capping, removal or replacement of utilities, and site preparation. There is no public land to be publicly disposed.
- ***Population Density:*** The Project will have an impact on and will increase the project area's population density, as four commercial structures and five residential structures will be replaced with one structure housing approximately 98 residential units and approximately 19,000 square feet of commercial uses.
- ***Land Coverage:*** Land coverage and building density will be altered with construction of the Project, which will construct one building housing 98 residential units and approximately 19,000 square feet of commercial uses.
- ***Traffic Flow, Street Layouts & Street Grades:*** The Project is not likely to result in a significant increase in traffic. The existing public right-of-way running north and south from Holdrege Street will be vacated as a part of the Project.
- ***Parking:*** The Project will include off-street parking and some available single-car parking garages. The Project will meet the requirements for parking.
- ***Zoning, Building Codes & Ordinances:*** As a part of the Project, the project area will be rezoned to a B-3 Commercial District with a Planned Unit Development overlay, which will allow for the proposed residential and first-floor commercial uses. The Project will require that the project area be replatted. All applicable buildings codes will be met.

Cost Benefit Analysis

As required by the Nebraska Community Development Law (Neb. Rev. Stat. § 18-2113), the City has analyzed the costs and benefits of the proposed Project, including:

- ***Public Tax Revenues:*** The total demolition and construction costs for the proposed 48th & Holdrege Project are estimated at approximately $16,400,000, including the cost of acquisition and assembly of the multiple parcels. The project cost will be finalized as construction costs are firmed up. The City has analyzed the costs and benefits of the proposed Project including:

Tax Increment Financing Analysis		
48th & Holdrege Redevelopment Project		Amount
Base Value		$1,195,200
Estimated New Assessed Value		$9,484,000
Increment Value	*= New Assessed Value - Base Assessed Value*	$8,289,000
Annual TIF Generated (Estimated)	*= Increment x 0.02027922 (2015 Tax Rate)*	$168,000
Funds Available	*= Annual TIF Generated x 14 years @ 5%*	$1,680,000

Upon completion of the Project, the assessed value of the property within the Project Area will increase by an estimated $8,290,000 as a result of the private investment. This will result in an estimated annual property tax collections increase during the fourteen (14) year

TIF period of approximately $168,000 that will be available for the construction of public improvements related to the project. The public investment of a currently projected $1,680,000 in TIF funds, which is less than the projected total available TIF Funds, will leverage approximately $16,400,000 in private sector financing, resulting in a private investment of approximately $9.80 for every TIF dollar spent.

The Urban Development Department believes that the public improvements and enhancements proposed in the Plan would not occur "but for" the Tax Increment Financing generated by private redevelopment within the project area. Project improvements would not be achievable to the extent shown without TIF.

- ***Public Infrastructure and Community Public Service Needs Impacts:*** It is not anticipated that the Project will have an adverse impact on existing public infrastructure. The Project entails the capture of the incremental tax revenues for eligible public purposes including, but not limited to, site acquisition, façade enhancements, streetscape and public area enhancements, and other eligible improvements. The Project will also encourage private investment in the South University Place Redevelopment Area and will increase security and safety in the area by the removal of certain blighted and substandard areas that are conducive to such problems.

  It is not anticipated that the Project will have any adverse impact on City services, but the project will generate additional revenue providing support for those services.

- ***Employment within the Project Area:*** It is not anticipated that the Project will have an adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project will add mixed uses to a site that previously held vacated commercial uses and five residential single-family structures. Additionally, commercial spaces are a positive benefit for firms locating or expanding in the area. Additional housing opportunities should positively affect employers and employees in the area.

- ***Employment in the City outside the Project Area:*** Approximately 142,161 persons living in the City of Lincoln were employed, according to the 2010-2014 American Community Survey. The median household income for the City between 2010 and 2014 was $49,794. While the impact of this project on city-wide employment would be minimal, a strong residential presence and available commercial spaces are essential to the attraction, retainage, and expansion of retail and commercial services and employment. The Project should increase the need for services and products from existing businesses in in and around the Redevelopment Area.

- ***Other Impacts:*** The Project will improve the Redevelopment Area through the development of blighted and substandard areas. The Project will increase available commercial spaces and housing opportunities within the Redevelopment Area and is consistent with the Comprehensive Plan's call for mix-use developments. The Project will also increase the safety and security of the Redevelopment Area, which will be a substantial benefit to the area.

  The Project should have a positive impact on private sector businesses in the Redevelopment Area and the City, and should encourage additional private development in and around the Redevelopment Area. The Project is not anticipated to impose a burden or have a negative impact on other local area employers, but should increase the need for services and products from existing businesses. The additional housing opportunities will provide a substantial benefit to the City.

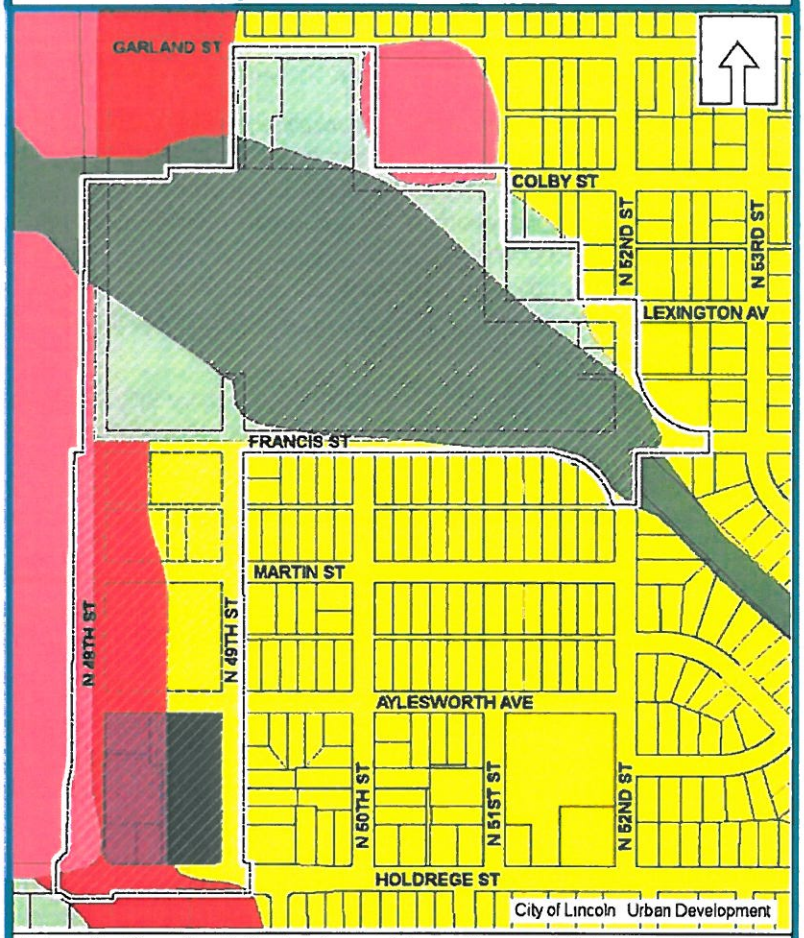
  While the use of tax increment financing will defer receipt of a majority of the incremental ad valorem real property taxes generated by the Project for up to 15 years, there will be

additional revenue generated, including sales tax paid by the businesses and residents of the Project. Upon completion of the 15-year collection, the project will benefit the community through higher property tax payments.

Future Land Use

Exhibit 6 is a Proposed Future Land Use map. The overall density of the Redevelopment Area will increase with this mixed-use redevelopment.

Exhibit 6: Proposed Future Land Use



Redevelopment Process

Public improvements and redevelopment activities may require construction easements; vacation of street and alley right-of-ways, temporary and permanent relocation of businesses and residences; demolition, disposal/sale of property; and site preparation (e.g., include driveway easements; paving driveways, approaches and sidewalks outside property lines; relocation of overhead utility lines; and rerouting/upgrading of underground utilities as needed). The process for these activities include the following:

- Property Acquisition. The City may acquire the necessary fees, easements, property and covenants through voluntary negotiations (See *Land Acquisition Policy Statement*, on file at the Urban Development Department and available on request).
- Relocation. Relocation may involve the temporary or permanent relocation of families, individuals, or businesses to complete redevelopment activities. Relocation will be completed according to local, state, and federal relocation regulations (see *Relocation Assistance*, on file at the Urban Development Department and available on request).
- Demolition. Demolition will include clearing sites on property proposed for public improvements; necessary capping, removal or replacing utilities; site preparation; securing insurance and bonds; and taking other necessary measures to protect citizens and surrounding properties. Measures to mitigate environmental findings may also be necessary if determined by site testing.

- Disposal/Disposition. Future sub-area projects may include the sale of land to private developers for redevelopment purposes. Developers will be selected in an equitable, open, and competitive proposal process according to City requirements.
- Requests for Proposals. Architects and engineers will follow the City's standard selection process for the design of public facilities and improvements. Primary contractors for public facilities and improvements will also be competitively selected.

Conformance with Comprehensive Plan

LPlan 2040, the Lincoln-Lancaster County Comprehensive Plan, adopted October 2011, as amended, represents the local goals, objectives, and policies of the City of Lincoln and Lancaster County. The *University Place South Redevelopment Plan* was developed to be consistent with the LPlan 2040.

Financing

The primary burden for revitalization of the Redevelopment Area must be on the private sector. The City must provide public services and public improvements and participate where necessary in the redevelopment process, but the needs of the area are beyond the City's capacity to do alone. Financing of proposed improvements will require participation by both the private and public sectors. Where appropriate, the City may participate by providing financial assistance for the rehabilitation of structures.

Sources of funding may include:

- Special Assessments – Business Improvement Districts
- Private Contributions
- Sale of Land (Proceeds from the sale of land acquired for redevelopment, as identified in the Redevelopment Pan, shall be reinvested in the Redevelopment Area)
- Municipal Infrastructure Redevelopment Fund (MURF)
- Community Development Block Grant Funds (CDBG)
- Home Investment Partnership Act (HOME)
- HUD Section 108 Loan Program
- Community Improvement (Tax Increment) Financing (Ad Valorem Tax)
- Capital Improvements Program Budget
- Federal and State Grants
- Interest Income
- Advance Land Acquisition Fund – property rights/easements, public facility site acquisition
- Impact Fees

Project activities will be undertaken subject to the limit and source of funding authorized and approved by the Mayor and City Council.

According to the Community Development Law, any ad valorem tax levied upon real property in the redevelopment project for the benefit of any public body shall be divided, for a period not to exceed 15 years after the effective date of such provision, by the governing body as follows:

> *That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body; and*
>
> *That portion of the ad valorem tax on real property in the redevelopment project in such amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and*

any premiums due in connection with the bonds of loan, of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, priority for financing or refinancing, in whole or in part, the redevelopment project.

When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the authority shall so notify the county assessor and country treasurer and all ad valorem taxes upon taxable real property in such a redevelopment project shall be paid into the funds of the respective public bodies.

The effective date for the Community Improvement Financing for each Redevelopment Project shall be identified in the project redevelopment contract or in the resolution of the authority authorizing the issuance of bonds pursuant to Neb. Rev. Stat. Section 18-2124.

Appendix A: Property ID's & Legal Descriptions

1. **17-17-408-002-000.** Lots 5-7 and the West Part of Lot 8, Block 129, University Place, Lincoln, Lancaster County, Nebraska.
2. **17-17-408-001-000.** Lots 1-4, the East Part of Lot 8, and Lots 9-12, Block 129, University Place, Lincoln, Lancaster County, Nebraska.
3. **17-17-416-005-000.** Lots 7-10, Block 4, Lots 1-3, part of Lots 4-5 lying south of the creek, Lots 6-10 and part of Lot 12 lying north of the creek, Block 5, all of Blocks 6 and 7, Mills Subdivision; Blocks 8-10 and Block 11, except for the North 71.5 feet of Lots 1 and 2 and the adjacent streets and alleys, Mills Addition to University Place, Lincoln, Lancaster County, Nebraska.
4. **17-17-428-002-000.** Lots 5-6, Block 21, Mills Addition to University Place, Lincoln, Lancaster County, Nebraska.
5. **17-17-428-007-000.** Lots 1-4, Block 21, Mills Addition to University Place, Lincoln, Lancaster County, Nebraska.
6. **17-17-428-003-000.** Lots 7-9, Block 21, Mills Addition to University Place, Lincoln, Lancaster County, Nebraska.
7. **17-17-428-004-000.** Lots 10, Block 21, Mills Addition to University Place, Lincoln, Lancaster County, Nebraska.
8. **17-17-428-005-000.** Lots 11-12, Block 21, Mills Addition to University Place, Lincoln, Lancaster County, Nebraska.
9. **17-17-435-008-000.** Lots 1-12, and the adjacent vacated alley, Block 22, Mills Addition to University Place, Lincoln, Lancaster County, Nebraska.
10. **17-17-441-004-000.** North 112 feet of Lots 5 and 6, Block 35, Mills' Subdivision of Mills Addition to University Place, Blocks 34-35, Lincoln, Lancaster County, Nebraska.
11. **17-17-441-003-000.** Lot 4, Block 35, Mills' Subdivision of Mills Addition to University Place, Blocks 34-35, Lincoln, Lancaster County, Nebraska.
12. **17-17-441-002-000.** Lot 3, Block 35, Mills' Subdivision of Mills Addition to University Place, Blocks 34-35, Lincoln, Lancaster County, Nebraska.
13. **17-17-441-001-000.** Lots 1-2, Block 35, Mills' Subdivision of Mills Addition to University Place, Blocks 34-35, Lincoln, Lancaster County, Nebraska.
14. **17-17-441-015-000.** South 31 feet of Lots 5 and 6, all of Lots 7-9, and all of the vacated alley adjacent, Block 35, Mills' Subdivision of Mills Addition to University Place, Blocks 34-35, Lincoln, Lancaster County, Nebraska.
15. **17-17-441-014-000.** Lot A, Speechley Place, Lincoln, Lancaster County, Nebraska.
16. **17-17-441-013-000.** Lot B, Speechley Place, Lincoln, Lancaster County, Nebraska.
17. **17-17-441-012-000.** Lot C, Speechley Place, Lincoln, Lancaster County, Nebraska.
18. **17-17-441-011-000.** Lot D except for portion of street, Speechley Place, Lincoln, Lancaster County, Nebraska (street further described in Inst. No. 2005054469).
19. **17-17-441-010-000.** Lot E, except the South 7.5 feet deed to the City of Lincoln, Speechly Place, Lincoln, Lancaster County, Nebraska.

20. **17-17-441-009-000.** Lot F, except street right of way, Speechley Place, Lincoln, Lancaster County, Nebraska.
21. **17-17-441-008-000.** East 73.3 feet of Lots 10-11, except for a portion of Lot 11, Block 35, Mills' Subdivision of Mills Addition to University Place, Blocks 34-35, Lincoln, Lancaster County, Nebraska (excluded portion of Lot 11 further described in Inst. No. 2006061649).
22. **17-17-441-007-000.** West 90 feet of Lots 10-11, except for portion of street, Block 35, Mills' Subdivision of Mills Addition to University Place, Blocks 34-35, Lincoln, Lancaster County, Nebraska.