

FACTSHEET

TITLE: Amendment to the **UNIVERSITY PLACE REDEVELOPMENT PLAN: 48th & Leighton Mixed-Use Redevelopment Project**

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, Scheer and Hove voting 'yes'; Weber absent).

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

OTHER DEPARTMENTS AFFECTED: Urban Development

SPONSOR: Planning Department

OPPONENTS: None present at hearing.

REASON FOR LEGISLATION:

To approve a proposed amendment to the University Place Redevelopment Plan to add the "48th & Leighton Mixed-Use Redevelopment Project" area consisting of approximately 10.56 acres located between Huntington and Leighton Avenues, North 44th and 48th Streets. The project proposes to redevelop and rehabilitate three underutilized parcels with existing surface parking lots and deteriorating structures into a mixed-use development including market-rate residential units and first floor commercial space.

DISCUSSION / FINDINGS OF FACT:

1. The proposed amendment to the University Place Redevelopment Plan and the associated planned unit development (Bill No. 16-95) were heard at the same time before the Planning Commission.
2. The staff recommendation to find the proposed amendment to the University Place Redevelopment Plan to be in conformance with the 2040 Comprehensive Plan is based upon the "Analysis" as set forth on p.3-5, concluding that the proposed redevelopment plan amendment is in conformance with the Comprehensive Plan. The staff presentation is found on pp.6-7.
3. Testimony in support on behalf of the developer of the property is found on pp.7-8. Other testimony in support of the development is found on pp.9 and 19.
4. There was no testimony in opposition.
5. On September 14, 2016, the Planning Commission agreed with the staff recommendation and voted 7-0 to find the proposed amendment to the University Place Redevelopment Plan to be in conformance with the 2040 Comprehensive Plan (**Comprehensive Plan Conformance No. 16006**).
6. On September 14, 2016, the Planning Commission also voted 7-0 to recommend conditional approval of Change of Zone No. 16024, as amended.

FACTSHEET PREPARED BY: Geri Rorabaugh, Administrative Officer

DATE: September 23, 2016

REVIEWED BY: David R. Cary, Director of Planning

DATE: September 23, 2016



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**LINCOLN/LANCASTER COUNTY PLANNING STAFF REPORT
for September 14, 2016 PLANNING COMMISSION MEETING**

PROJECT #: Comprehensive Plan Conformance No. 16006

PROPOSAL: To review as to conformance with the 2040 Lincoln-Lancaster County Comprehensive Plan, the proposed amendment to the *University Place Redevelopment Plan*. The area of amendment is located between N 44th and N 48th Streets, Huntington and Leighton Avenues.

LOCATION: N 48th Street and Leighton Avenue

LAND AREA: 10.56 acres, more or less

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

<u>RECOMMENDATION:</u>	In conformance with the Comprehensive Plan.
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GENERAL INFORMATION:

LEGAL DESCRIPTION: Lots 1-3, UPC First Addition, Lincoln, Lancaster County, Nebraska

EXISTING ZONING: B-3 Commercial, R-6 Residential

EXISTING LAND USE: Commercial, Vacant

SURROUNDING LAND USE AND ZONING:

North:	Residential, Commercial	B-3 Commercial, R-6 Residential
South:	University of Nebraska East Campus	P Public
East:	Commercial	B-3 Commercial
West:	Residential	R-6 Residential

HISTORY:

October 1998 Redevelopment area declared blighted and substandard.

December 1998 *University Place Redevelopment Plan* approved.

January 2015 Hy-Vee Mainstreet grocery store closes.

COMPREHENSIVE PLAN SPECIFICATIONS:

p. 1.9 The area is shown as commercial on the Future Land Use map.

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 Street and Leighton Avenue identified as primary node for mixed use redevelopment.

P. 6.6 Strategies for mixed use redevelopment nodes and corridors:

Should locate in areas where there is a predominance of commercial zoning and/or development, in proximity to planned or existing neighborhoods and community services, on at least one arterial street, with good access to transit, and in areas that minimize floodplain impact.

Strive for commercial floor area ratios of at least 0.5.

Strive for residential densities of at least seven dwelling units per gross acre (p. 6.7).

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 amend the *University Place Redevelopment Plan* to add the 48th and Leighton Mixed Use Redevelopment Project. The purpose of this review is to determine conformity of the amendment with the Lincoln and Lancaster County 2040 Comprehensive Plan.

2. An application for the Leighton Mixed Use Planned Unit Development (PUD) (CZ #16024) is associated with this application. The PUD is consistent with the redevelopment activities outlined in the proposed *University Place Redevelopment Plan*. Analysis of the proposed PUD is within associated staff report.
3. The amended redevelopment area includes three underused parcels with existing surface parking lots and deteriorating structures. The area was declared blighted and substandard in October 1998.
4. The redevelopment project includes at least two phases. Phase One includes the construction of a new five-story building and new four-story building, and partial demolition of an existing building. The new buildings will include approximately 184 dwelling units and 28,000 square feet of commercial area. Phase Two details have not yet been determined.
5. Tax Increment Financing (TIF) will be utilized to fund some public improvements associated with this project. Approximately \$4.35 million of TIF funding will leverage \$30.65 million in private sector financing for Phase One of this project.
6. The Comprehensive Plan identifies this site as a primary node for mixed use redevelopment. This project meets several guiding principles of mixed use redevelopment identified in the Comprehensive Plan, including:

Target existing underdeveloped or redeveloping commercial and industrial areas in order to remove blighted conditions and more efficiently utilize existing infrastructure. The site is an existing shopping center that has been declared blighted and substandard.

Occur on sites supported by adequate road and utility capacity. Utilities currently exist on site and the project is located at the intersection of two arterials.

Be located and designed in a manner compatible with existing or planned land uses. The site has been a commercial use for several decades. The new buildings have been located to have a minimal impact on surrounding residential properties.

Provide a diversity of housing types and choices throughout each neighborhood for an increasingly diverse population. This project will provide multi-family dwellings in a mixed use setting that is unique to the neighborhood.

In addition, this project utilizes several strategies for mixed use redevelopment nodes identified in the Comprehensive Plan, including:

Be located in areas where there is a predominance of commercial zoning or development, and in proximity to planned or existing neighborhoods and community services. The site is primarily within an existing commercial district. It is adjacent to existing residential development, and the primary University Place commercial center is within short walking distance.

Be located in areas that minimize floodplain and other environmental impacts. Areas within the floodplain that already have buildings and fill are appropriate for redevelopment. The site is currently comprised of buildings and parking lots and is nearly completely impervious. This project will increase pervious pavement on the site and include storm water quality best practices to improve the quality of runoff from the site.

Strive for residential densities of at least seven dwelling units per gross acre within the buildable areas. With a proposed 184 dwelling units over 10.56 acres this project will have a residential density of approximately 17 units per acre.

7. The Comprehensive Plan notes that redevelopment nodes should provide services and retail goods oriented to the residents in and adjacent to the development, with significant pedestrian orientation and access. The site is located within an extensive sidewalk network. Pedestrian access is available from all directions and additional sidewalks adjacent to the site are being provided to enhance access. Several major destinations are within walking distance. The East Campus of University of Nebraska and Nebraska Wesleyan University are both located nearby, and the primary University Place commercial area is directly to the north along N 48th Street.
8. 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

September 6, 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. 16006

COMPREHENSIVE PLAN CONFORMANCE NO. 16006
TO AMEND THE UNIVERSITY PLACE REDEVELOPMENT PLAN
ON PROPERTY GENERALLY LOCATED BETWEEN
HUNTINGTON AND LEIGHTON AVENUES AND N. 44TH TO N. 48TH STREETS.
PUBLIC HEARING BEFORE PLANNING COMMISSION:

September 14, 2016

Members present: Cornelius, Corr, Harris, Lust, Scheer, Sunderman, Weber and Hove present.

Staff recommendation: Conformance with the Comprehensive Plan.

AND

CHANGE OF ZONE NO. 16024
FOR A MIXED-USE REDEVELOPMENT PROJECT,
ON PROPERTY GENERALLY LOCATED BETWEEN
HUNTINGTON AND LEIGHTON AVENUES AND N. 44TH TO N. 48TH STREETS.
PUBLIC HEARING BEFORE PLANNING COMMISSION:

September 14, 2016

Members present: Cornelius, Corr, Harris, Lust, Scheer, Sunderman, Weber and Hove present.

Staff recommendation: Conditional Approval.

There were not ex parte communications disclosed on this item.

David Landis, Director of Urban Development, stated the applicant is asking this body whether or not the proposed project is an appropriate amendment to the existing redevelopment plan for the area. Staff believes it is. The Urban Design Committee gave unanimous approval. There are two buildings proposed at the location, with a total of 184 market-rate residential units and approximately 28,000 square feet of either commercial or retail space. There will also be updates to an existing strip mall. The site today has a good deal of unoccupied space and that has started to fall apart; landscaping has deteriorated, and infrastructure is not in use.

The Comp Plan identifies this as the kind of area valuable for mixed use. There are only a couple of areas like this in the city. The design has been warmly regarded by the neighborhood and the developer has reached out to them, including a meeting last week with around 50 in attendance. They have also met with individuals. The response has been uniformly positive.

The project includes a 5-story and a 4-story building and refurbishment of the strip mall. The developer has also identified the need for green space and improved walkability and will incorporate those ideas to make this more neighborly and pedestrian oriented.

Lust asked what the blank square on the preliminary site plan represented. Landis said that is an existing bank that is not part of the project. He said that most of the changes occurring will happen in the predominantly empty area. Lust asked if the bank has expressed any objection. Landis said not that he is aware of.

Cornelius asked if there might be a grocery store on the first floor. Landis said there is a clause that remains that binds the use of the land, so not at this location. The City owns some land where we would love to have a grocery store.

Corr asked if there will be a separate staff report for the PUD. Landis said yes. He said that \$4 million in TIF funds is anticipated for this \$30-40 million project.

Proponents:

1. Tom Huston, 233 S. 13th Street, Suite 1900, stated the original redevelopment plan was adopted 18 years ago. The change of zone to the B-3 district is required for mixed-use. The primary focus today is to assess whether or not the proposed project and amendment to the redevelopment plan fits the vision of the Comprehensive Plan.

Phase I of the project will focus on the two center buildings. Build 1 to the south is oriented towards Leighton, with a pool area and a courtyard. Both buildings will have a total of 184 1- and 2-bedroom units, and some efficiency units. The 1st floor will be reserved for retail. There is a center area between the two buildings that will function as a common space that can be used as festival space or for farmers markets. The plan also describes Phase II, and though we are not sure what that will bring, it will be similar.

The area is in the flood plain and will be brought up. There are reasons outlined in the staff report as to why this plan conforms with the Comprehensive Plan. The area now is underdeveloped and he is not aware of any major street in Lincoln that has less activity than Leighton. In keeping with the Comprehensive Plan, the buildings are oriented towards the street and a street network, including a private drive throughout, will be established and will improve connection with the neighborhood to the north.

A motion to amend has been handed out. One contingency we are trying to plan for is an opportunity for an office use that we would like to be able to accommodate. This would permit the other building to be five stories instead of four, in case they decide to locate there. Staff agrees with the language of the amendment.

Harris asked where the residential units on the 1st floor will be located. Huston said in the north building. They are designed as row homes with exterior stoops and entrances for each unit. That is the potential area that could be replaced with the office uses.

Harris asked if there are any nearby establishments with liquor licenses that would become non-conforming because of proximity to 1st floor residential. Huston said he does not believe so.

Lust asked if the offices would be on the ground floor. Huston said they could be on the first two floors. Permission is sought to increase to five stories in order to maintain the same density.

Scheer asked if that means the potential 5th floor will be housing. Huston said yes; the office would be on the first floor.

Corr asked if the residential units on the north go all the way from east to west. Huston said the residential would just be on the north wing.

2. Christopher Erickson, City Ventures, 905 Jones Street, Omaha, NE, said the residential units are truly walkout, 2-story units. We built a similar design in Omaha and received glowing reviews. The design of the units engages the neighborhood and provides a nice transition from residential to commercial.

Corr asked if there is a front and back door. Erickson said no, the units start mid-block. There are different units along the back. They are efficient and do not have garages in back. There is a secured parking area. Corr asked if garages are planned. Erickson said none are planned.

There was no testimony in opposition.

Staff Questions:

Harris asked for confirmation that staff is comfortable with the amendment. **Andrew Theirolf of the Planning Department** came forward to state that we have looked at it and are okay with it.

Corr asked about the outcome at the Urban Design Committee meeting. Huston said they voted unanimously in favor of the project. It is rare to come back with a good review on the first try.

Corr said she noticed only a few of the properties to the north seem to be owner-occupied. She wondered if they have expressed any concerns. Thierolf stated a letter was sent out and Planning staff has not heard anything back. Erickson stated they also sent out letters and had a public meeting. They have also been networking throughout the neighborhood to understand the goals of neighbors and how to best blend this project in. A lot of time and energy was spent gathering that feedback.

Corr asked for confirmation that the other building will just include facade improvements and how much of that strip mall is occupied. Erickson said 5,000 square feet of the 14,000 square foot area is unoccupied. This could change. The focus is to provide neighborhood retail, restaurant and entertainment venues where people can come together. Corr asked if the building is in good shape. Erickson said that it is in good physical shape but the facade needs work. That may not be addressed until we have a better idea of the tenancy in the building.

[Weber exited the meeting at 2:19]

Corr asked for explanation of the water issues. Erickson said the roof runoff drains through filters. This is a water quality solution that we have implemented in the past which uses land efficiently. We are bound somewhat by what the final structure will be, but essentially we

treat the water at the point of falling. It is a lot more maintenance, but also cost-effective. Corr said that the water is basically being filtered before it comes down. Erickson said yes, and within the in-line system, as well.

Corr asked if a new business would have to apply for an alcohol permit. Thierolf said they would have to meet all of the conditions. Erickson added that they would also have to get the liquor license and satisfy those conditions.

Corr asked about the history of the lack of sidewalk along Huntington and the rezoning of the area to R-6. Thierolf said a large area had been rezoned to R-6. He does not know the reason why, but it looks like the area was just squared off. The sidewalk may be related to a special permit for parking from years ago. Something happened and the sidewalk was never put in and has not been needed until now.

Corr asked if University Place Community Organization has expressed support.

Mike DeKalb, 6015 Huntington Avenue, thanked the Commission for hearing his testimony. He is past president and a board member of University Place Community Organization. He is speaking for himself as a resident of the neighborhood of over 40 years. He fully supports the application and compliments Erickson for all of the conversations with the neighborhood. Erickson has met with neighbors multiple times and explained the vision of the project and what the mix would be. Last week, there was a 2-hour open house that was very positive. There are many things underway in the area and it is about time. He added that this area is a food desert, partly because of the lease restriction preventing a new grocery store at the site.

Corr asked if the bank on the corner has enough parking. Thierolf said they have a few spots on their site. Erickson said they also have a cross-parking agreement which has been worked out well. He noted the presence of underground drainage through the lot. If it were not there, the development would have been pulled close to 48th Street. They have worked closely with Wells Fargo Bank and have a good relationship with them.

COMPREHENSIVE PLAN CONFORMANCE NO. 16006

ACTION BY PLANNING COMMISSION:

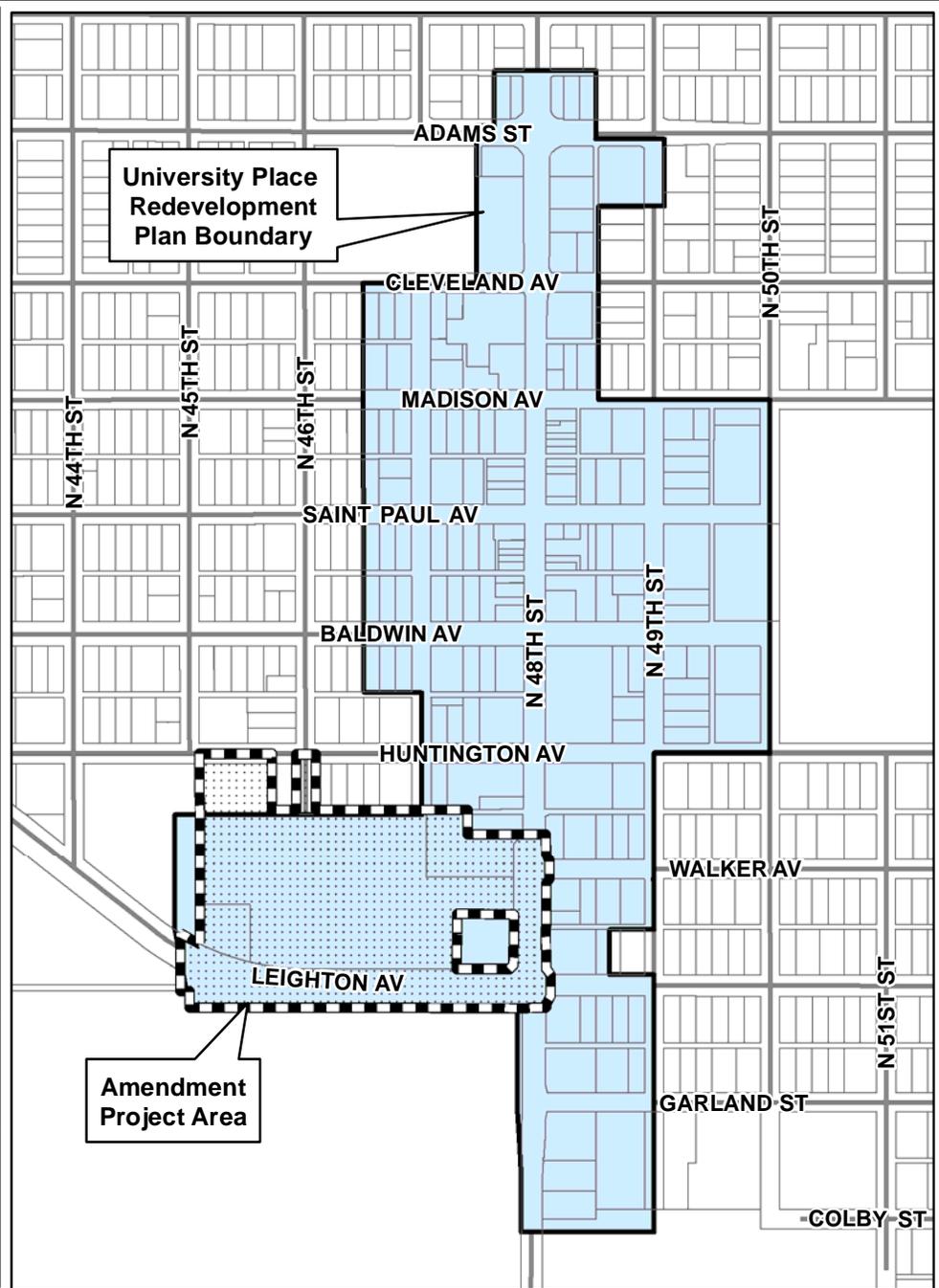
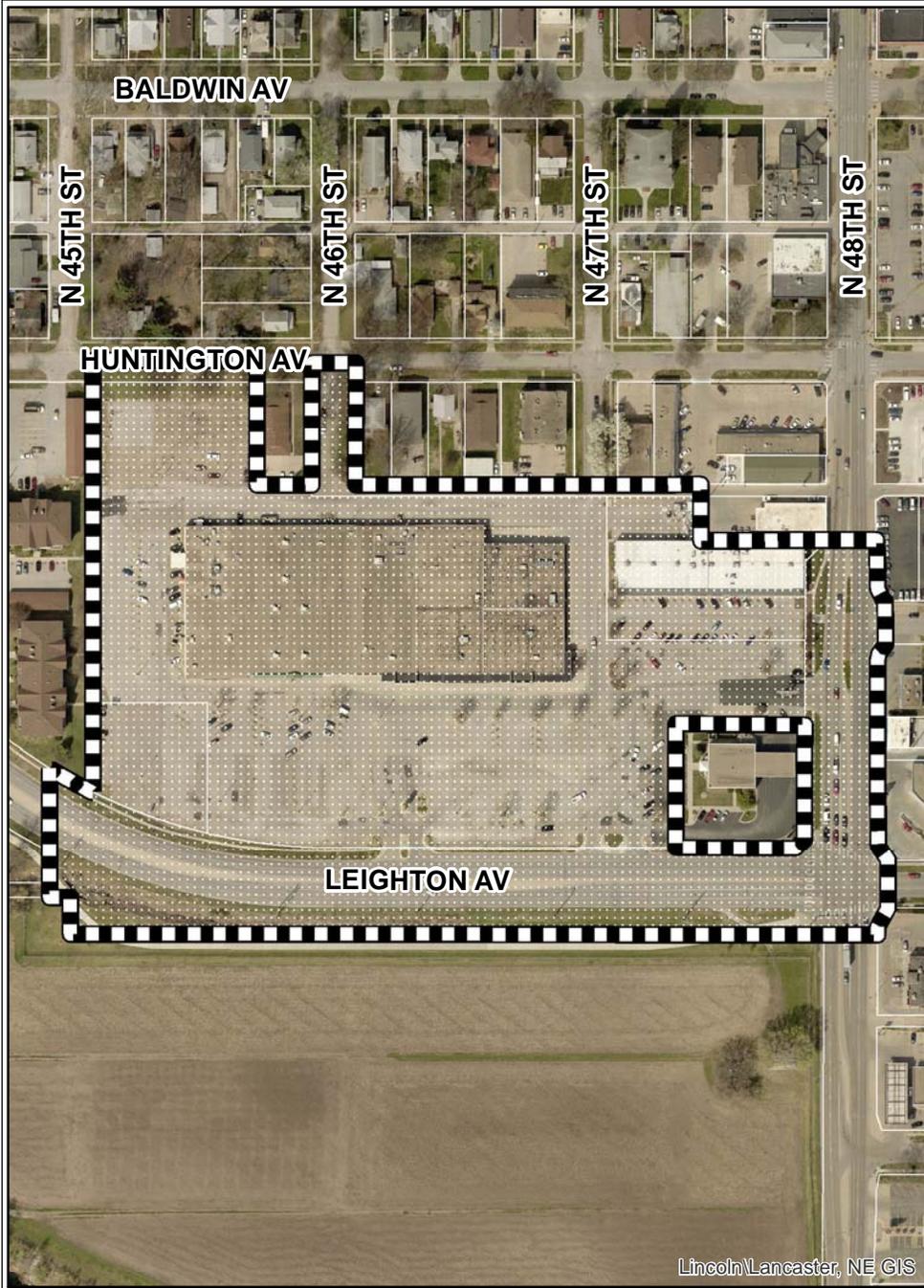
September 14, 2016

Lust moved approval, seconded by Sunderman.

Corr said this project clearly meets the Comprehensive Plan goals.

Hove agreed and said this is an excellent project.

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



2016 aerial



Comprehensive Plan Conformance #16006

University Place Redevelopment Plan
S 48th & Leighton Mixed Use Project

m:\plan\arcview\CPCRedevlopmentAreaDrawings.mxd (CPC16006)

- University Place Block 68, Lot 6, commonly known as 4701 Madison Ave.
- Beecher's Sub Lots 1-6, commonly known as 2747 N. 48th Street
- University Place Block 68, Lot 3, commonly known as 4725 Madison Ave.
- Halls Addition to University Place, Lot 2
- University Place Block 95, the west ½ of Lot 4, and all of Lots 5 and 6

B. PRIVATE IMPROVEMENTS

The primary burden for revitalization of the Community Redevelopment area must be on the private sector. The City must provide public services,, perform public improvements and participate where necessary in the redevelopment process, but the needs of the area are beyond the City's capacity to do the job alone. Financing of proposed improvements will require participation by both the private and public sectors. To the extent that other funding sources can be identified, the plan attempts to reduce the private sector's costs for public improvements. Where appropriate, in designated areas, the City may participate through authorized legal mechanisms by providing financial assistance for the rehabilitation of structures. The development of new complexes and the reuse of existing structures will be the responsibility of private entrepreneurs.

C. COMMERCIAL DEVELOPMENT

Several locations have been identified as essential to redevelopment of N. 48th Street. These are areas where redevelopment activities will be highly visible and likely to stimulate additional redevelopment in the redevelopment area. Key locations for commercial redevelopment include:

2436 N. 48th St. (Northeast Printers Building)

Deteriorated commercial building to be demolished and replaced with mixed-use development. Project elements may include:

- Acquisition of 2436 N. 48th St: University Place Block 95, W ½ Lot 4 & all of Lots 5 and 6,
- Demolition of existing structure,
- Secure easements as needed,
- Relocate / upgrade utilities as needed,
- Pave and landscape driveways, approaches, and sidewalks outside property line and any off- street parking, and
- Re-plat and re-zone if required.

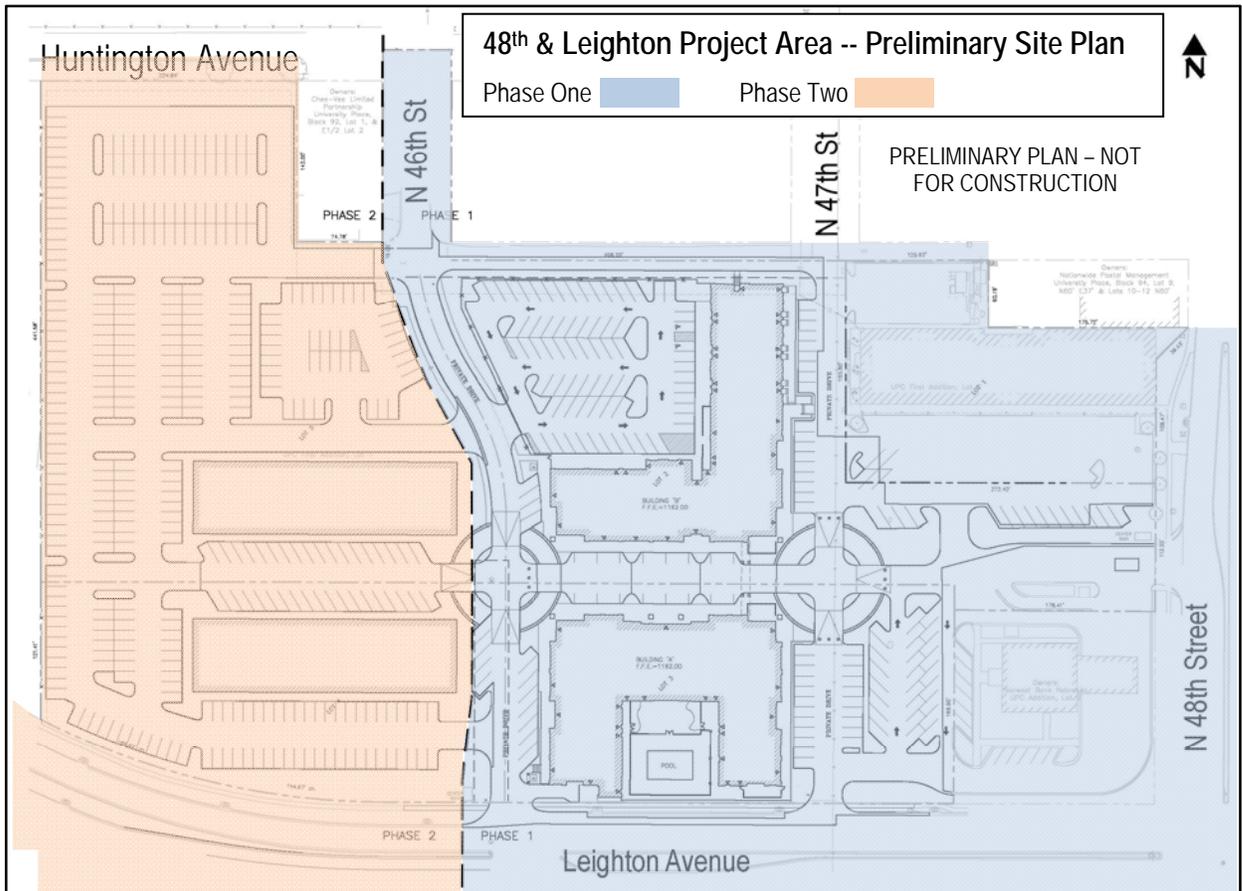
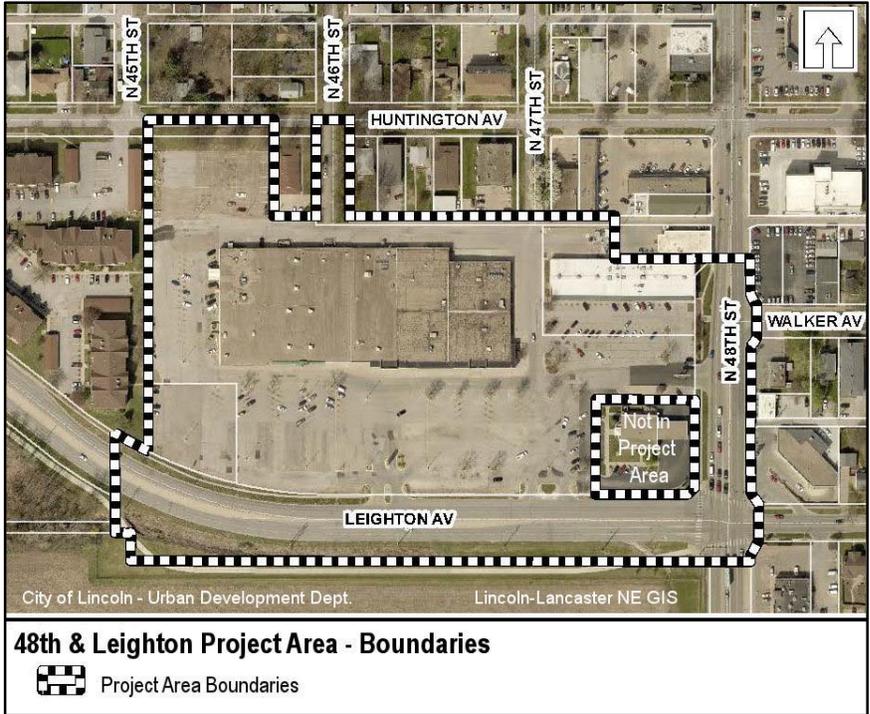
48th & Leighton Mixed-Use Redevelopment Project

1. *Project Description*

The 48th & Leighton Mixed-Use Redevelopment Project (the "Project") includes the redevelopment and rehabilitation of three underutilized parcels with existing surface parking lots and deteriorating structures into a mixed-use development including market-rate residential units and first floor commercial space. The project area is generally located between Huntington Avenue on the north, Leighton Avenue on the south, N. 44th Street on the west and N. 48th Street on the east.

More specifically, the project area includes Lots 1, 2, and 3, UPC First Addition, Lincoln, Lancaster County, Nebraska. The Project area covers approximately 10.56 acres.

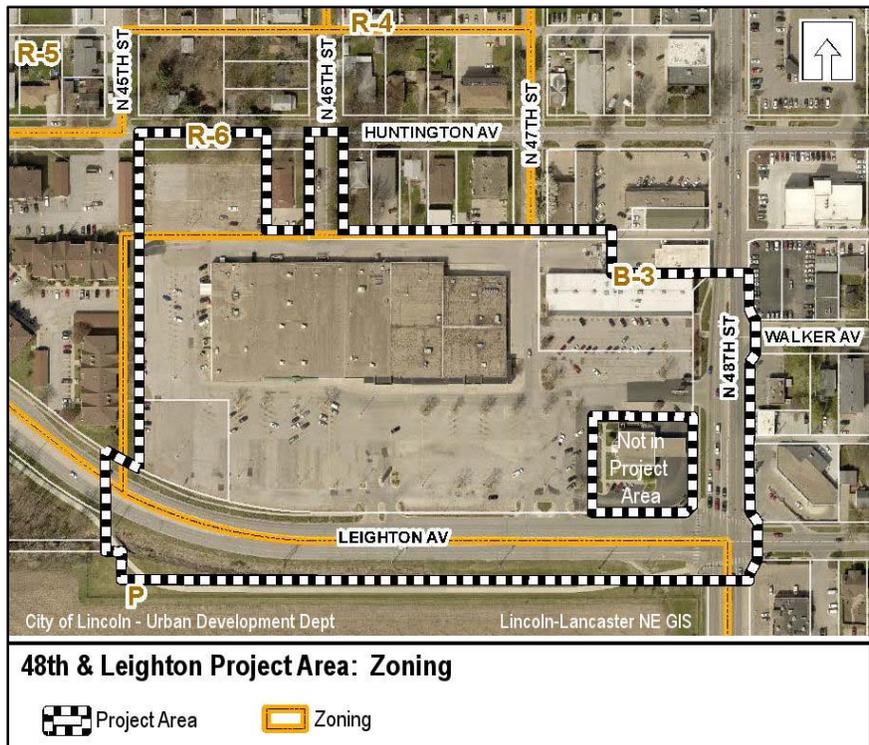
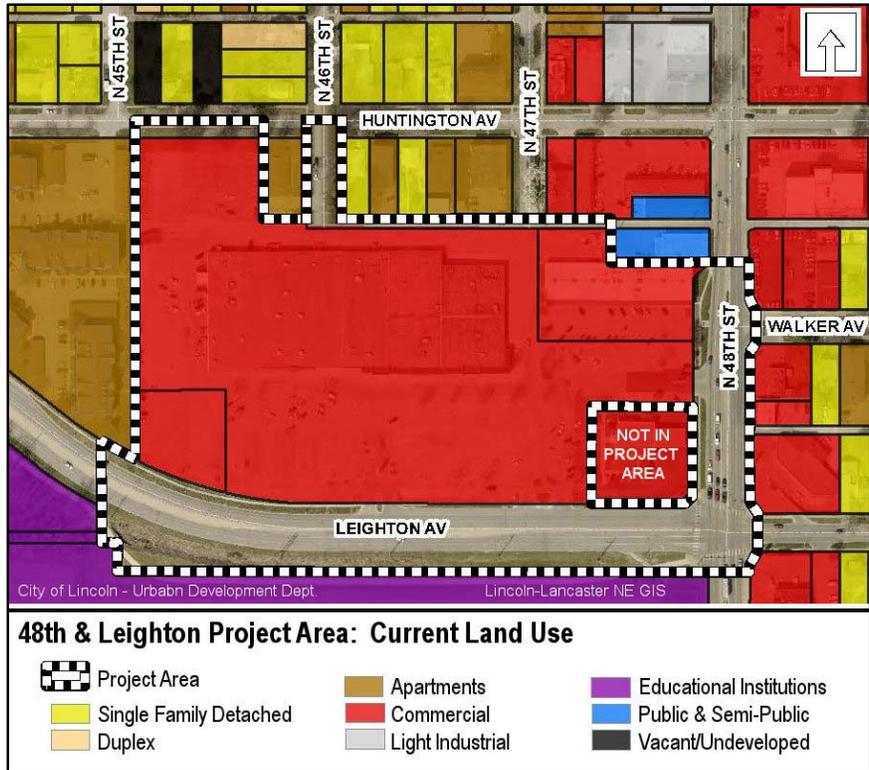
The Project consists of at least two phases. Phase One will consist of one (1) new five-story building and one (1) new four-story building, which will collectively contain approximately 184 market-rate residential units. The buildings will contain approximately 28,000 square feet of first floor commercial uses which may be retail and/or office. Phase One may also include the exterior renovation of an existing commercial building. Phase Two will likely consist of additional mixed-use buildings containing first floor commercial uses and market rate residential dwelling units. Depending on parking requirements, Phase Two may also contain a parking structure.



The goal of this Project is to strengthen the Lincoln community by providing in-fill residential dwelling units and commercial spaces through the redevelopment of existing underutilized and deteriorating property in northeast Lincoln. The Project will remove blighted and substandard conditions from an old shopping center and will make positive contributions to the continued revitalization of Lincoln's University Place neighborhood. The Project will increase the security and safety in the Redevelopment Area through the removal and redevelopment of blighted and substandard conditions.

Existing land uses are commercial and vacant commercial. Surrounding land uses include residential, primarily multi-family west and north, and commercial to the east. The University of Nebraska East Campus is located to the south with their farm fields adjacent to Leighton Avenue. Nebraska Wesleyan University is located approximately three blocks northeast.

The entire project site is currently zoned B-3 Commercial District. This district provides for local commercial uses in a redeveloping neighborhood generally located in established retail centers of those neighborhoods. Surrounding the Project site is R-6 Residential District to the west and north which is intended to

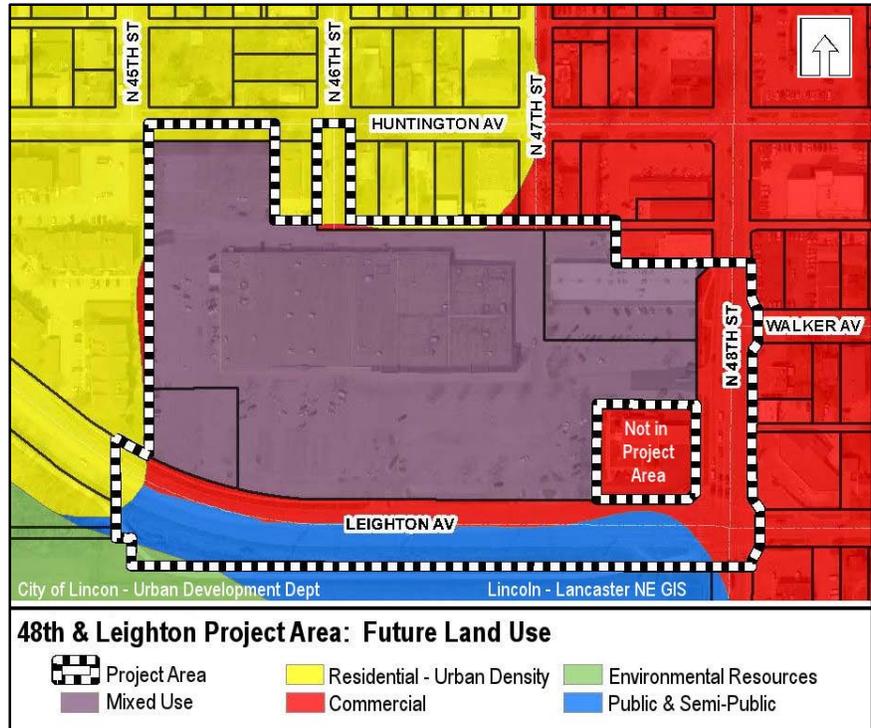


provide moderately high residential density between 11 and 14 dwelling units per acre. Zoning to the east and northeast is B-3, and the University of Lincoln East Campus is zoned Public.

The Project is consistent with the goals of the *University Place Redevelopment Plan* and is intended to support private sector residential and commercial development in this redevelopment area. The Project is also consistent with *LPlan 2040*, the *Lincoln-Lancaster County 2040 Comprehensive*

Plan. Guiding principles in Chapter 6, Mixed Use Redevelopment, include targeting existing underdeveloped or redeveloping commercial and industrial areas in order to remove blighted conditions and more efficiently utilize existing infrastructure; and encouraging residential mixed use for identified corridors and redeveloping Regional, Community, Neighborhood, and Mixed Use Office Centers identified as nodes. *LPlan 2040* identifies the Project area as a node. Further, the Project will increase residential density, an additional goal of *LPlan 2040*.

The Project represents significant private investment in the University Place Redevelopment Area. Publicly funded redevelopment activities may include site acquisition, site preparation, streetscape and other public area enhancements, energy efficiency improvements, façade enhancements, and other public improvements in the project area.



2. *Statutory Elements*

- ***Property Acquisition, Demolition, and Disposal:*** The proposed redeveloper currently controls the entire 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. The Site will involve significant preparation costs to comply with existing floodplain management issues.
- ***Population Density:*** The Project will have an impact on and will increase the project area's population density, as Phase One alone will likely replace the existing commercial uses with approximately 184 market rate residential dwelling units and 28,000 square feet of commercial/office uses.
- ***Land Coverage:*** Land coverage and building density will be altered with construction of the Project. Phase One will construct two (2) buildings holding approximately 28,000 square feet of commercial and/or office uses and approximately 184 market rate residential dwelling units. Additionally, Phase Two will likely construct additional mixed-use buildings. However, the Project's overall land coverage will decrease from approximately 96% impervious to 87% impervious surface. The project site will be re-platted based on the design and phasing of the Project.
- ***Traffic Flow, Street Layouts, and Street Grades:*** The Project is not likely to result in a significant increase in traffic and does not include vacating any streets or alleys. However, the Project does include the construction of a private drive running north from Leighton Avenue to the existing N. 46th Street.
- ***Parking:*** The Project will meet the requirements for parking as each phase is developed.
- ***Zoning, Building Code, and 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, first-floor commercial, and office uses. The Project will require that the project area be re-platted. All applicable building codes will be met.

3. *Financing and Cost Benefit Analysis*

The estimated total cost to implement Phase One of the Project is approximately \$35,000,000.00, which includes approximately \$4,350,000.00 in public financing. The project cost will be finalized as construction costs are firmed up. The source of the public funds for these improvements will be Community Improvement Financing (more commonly known as Tax Increment Financing) generated from the private developments within the project area.

Funding sources and uses will be negotiated as part of the redevelopment agreement, subject to approval by the Mayor and City Council.

As required by 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*

Tax Increment Financing Analysis

48th & Leighton Mixed Use Redevelopment Project—Phase One		Amount
Base Value		\$3,550,000
Estimated New Assessed Value		\$24,365,000
Increment Value	<i>= New Assessed Value - Base Assessed Value</i>	\$20,815,000
Annual TIF Generated (Estimated)	<i>= Increment x 0.02027922 (2015 Tax Rate)</i>	\$422,112
Funds Available	<i>= Annual TIF Generated x 14 years @ 4.5%</i>	\$4,350,000

Upon completion of the Project’s Phase One, the assessed value of the property within the Project Area will increase by an estimated \$20,815,000 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 \$422,112 that will be available for the construction of public improvements related to the Project. The public investment of a currently projected \$4,350,000 in TIF funds will leverage approximately \$30,650,000 in private sector financing for Phase One, resulting in a private investment of approximately \$7.05 for every TIF dollar spent.

The Urban Development Department believes that the public improvements and enhancements proposed in this plan amendment 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, as the site conditions constitute barriers which could not be remedied without the use of tax increment financing.

Public investment may assist in site acquisition, demolition, and site preparation; design and construction of utility improvements; design and construction of streetscape and right-of-way improvements; façade enhancements; energy enhancements; and other public improvements and enhancements allowed under the Community Development Law.

- ***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, site preparation, façade enhancements, streetscape and public area enhancements, and other eligible improvements. The Project will also encourage private investment in the 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 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 existing and vacated commercial uses. Additionally, the proposed commercial spaces are a positive benefit for firms locating or expanding in the area. Further, 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 are 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, retention, and expansion of retail and commercial services and employment. The Project should increase the need for services and products from existing businesses in and around the Redevelopment Area.



Urban Development Department
555 South 10th Street Suite 205 Lincoln NE 68508
402-441-7606 lincoln.ne.gov

August 17, 2016

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

Dear David:

Enclosed is an amendment to the *University Place Redevelopment Plan* that identifies the 48th & Leighton Mixed-Use Redevelopment Project. This two-phased project is located between Huntington and Leighton Avenues, N. 44th and N. 48th Streets. The site is approximately 10.56 acres. The first phase of the project includes construction of two new buildings with approximately 28,000 square feet of ground floor commercial and 184 market-rate residential units. Phase Two will likely consist of additional mixed-uses.

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 September 14, 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,

A handwritten signature in cursive script that reads "Wynn S. Hjermstad".

Wynn S. Hjermstad, AICP
Community Development Manager

Cc: David Landis, Director, Urban Development Department

enc.

SUPPORT

Lincoln Lancaster County Planning Commission
Item 4.1 Comprehensive Plan Conformance
No. 16006
Change of Zone
No. 16024

Good afternoon, I am Mike DeKalb
Retired Lincoln/Lancaster County Planner - 36years
Past President and current Board member of the University Place Community
Organization
Lower Platte South NRD Director (District 3)
Resident of the University Place Neighborhood over 40 years

I fully support this application for multi use redevelopment of the old University
Place shopping center at N 48th and Leighton Ave. (the former home of Hy Vee,
HyVee Mainstreet, Safeway, Treasure City and International Super Stores)

I want to complement Mr. Chris Erickson for his ongoing conversation with the
neighborhood for the last two years.

There are many things underway in the University Place area, of which this is just
one. The redevelopment of the Q-P/Tastee Inn site, NWU construction of a new
Physics building, the improvements of Deadmans Run to remove areas of flood
plane and the project to improve the intersection of 33/Adams/Cornhusker.

I would note a side issue, the need for Lincoln to address **food deserts** and the need
to address **“no compete” lease agreements**.

Thank you for your time
Mike DeKalb