

MEETING RECORD

NAME OF GROUP: PLANNING COMMISSION

DATE, TIME AND PLACE OF MEETING: Wednesday, June 26, 2002, 1:00 p.m., City Council Chambers, First Floor, County-City Building, 555 S. 10th Street, Lincoln, Nebraska

MEMBERS IN ATTENDANCE: Jon Carlson, Steve Duvall, Gerry Krieser, Roger Larson, Patte Newman, Greg Schwinn, Mary Bills-Strand and Tommy Taylor (Cecil Steward absent); Mike DeKalb, Steve Henrichsen, Ed Zimmer, Jason Reynolds, Becky Horner, Brian Will, Jean Walker and Teresa McKinstry of the Planning Department; media and other interested citizens.

STATED PURPOSE OF MEETING: Regular Planning Commission Meeting

Chair Greg Schwinn called the meeting to order and requested a motion approving the minutes of the meeting held June 12, 2002. Newman moved to approve the minutes, seconded by Larson and carried 7-0: Carlson, Duvall, Larson, Newman, Steward, Bills-Strand and Taylor voting 'yes'; Krieser abstaining; Steward absent.

CONSENT AGENDA

PUBLIC HEARING & ADMINISTRATIVE ACTION

BEFORE PLANNING COMMISSION:

June 26, 2002

Members present: Carlson, Duvall, Krieser, Larson, Newman, Schwinn, Bills-Strand and Taylor; Steward absent.

The Consent agenda consisted of the following items: **CHANGE OF ZONE NO. HP73; CHANGE OF ZONE NO. 3363; SPECIAL PERMIT NO. 893B, FAIRFIELD PARK 3RD ADDITION COMMUNITY UNIT PLAN; FINAL PLAT NO. 01026, VAVRINA MEADOWS 9TH ADDITION; FINAL PLAT NO. 01032, PHEASANT RUN 7TH ADDITION; COUNTY FINAL PLAT NO. 02027, DEER TRAIL ADDITION; STREET AND ALLEY VACATION NO. 02007; WAIVER OF DESIGN STANDARDS NO. 02009; and MISCELLANEOUS NO. 00009.**

Item No. 1.2a, Change of Zone No. 3363; Item No. 1.2b, Special Permit No. 893B; and Item No. 1.7, Waiver of Design Standards No. 02009, were removed from the Consent Agenda and scheduled for separate public hearing.

Duvall moved to approve the remaining Consent Agenda, seconded by Bills-Strand and carried 8-0: Carlson, Duvall, Krieser, Larson, Newman, Schwinn, Bills-Strand and Taylor voting 'yes'; Steward absent.

Note: This is final action on the Vavrina Meadows 9th Addition Final Plat No. 01026 and the Pheasant Run 7th Addition Final Plat No. 01032, unless appealed to the City Council by filing a letter of appeal with the City Clerk within 14 days of the action by the Planning Commission.

CHANGE OF ZONE NO. 3363
FROM R-3 RESIDENTIAL TO R-4 RESIDENTIAL
and
SPECIAL PERMIT NO. 893B, AN AMENDMENT
TO THE FAIRFIELD PARK 1ST ADDITION
COMMUNITY UNIT PLAN,
ON PROPERTY GENERALLY LOCATED
AT NORTH 3RD STREET AND FAIRFIELD STREET.
PUBLIC HEARING BEFORE PLANNING COMMISSION:

June 26, 2002

Members present: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn; Steward absent.

Staff recommendation: Approval of the change of zone and conditional approval of the special permit.

These applications were removed from the Consent Agenda due to two letters received in opposition.

Proponents

1. **Brian Carstens** appeared on behalf of the applicants. The Froehlichs recently purchased the southern portion of the community unit plan where six 8-plexes currently exist. They desire to construct a 6-plex to match the existing buildings and a 22-unit efficiency building at the corner. The existing R-3 zoning is maxed out with the property as it exists today. The Froehlichs have put large sums of money into rehabbing the project and they would like to expand the density to allow for some additional income. The existing units are low income HUD units. The proposed new building at the corner would not be HUD, but the proposed building in the middle would probably be a HUD building.

Carstens agreed with the staff recommendation and conditions of approval.

Opposition

1. Jerome Thraen, 268 Parkside, testified in opposition. He believes this applicant is seeking to change the rules under the cloak of darkness with someone in the city holding that cloak. The letter advising of the possible change does not say anything about why they cannot build under the existing R-3 zoning. All the letter talks about is the change in the setback. This hearing room would be full if the people receiving notice of this hearing knew it was going to pile more people into an area that is already full. Thraen believes that the purpose of the Planning Commission is to make sound decisions that affect the community in the least negative way, yet benefit the community. That is what was done 20 years ago. The R-3 decision is logical and we have reached the max as far as number of people. Thraen does not believe the 2 parking stalls per unit includes parking for visitors. This is a very tight corner next to the park. What about safety to the community? Right now, every time we have a hard, quick rain, it floods from Adams to Cornhusker from the creek that comes through Interstate Park. This proposal removes more green space that is designed to absorb water, and puts in more concrete, and thus adds to the flooding problem. He does not believe the one building that is not HUD units will attract anyone. He is curious how long it will take before the developer starts adding more of the HUD units.

Thraen urged that this area was designed at R-3 for a reason 20 years ago and just because someone comes in with a big pocketbook and wants to change it, it should not be allowed. They need to compete in the 2002 race and compete in other places with the R-4 zoning.

2. Audra Ostergard, 238 Parkside Lane, submitted a letter in opposition on behalf of 45 homeowners in the Parkside Village Association. Parkside Lane is to the north of the proposed application. This does directly impact Parkside Village. Their issues in opposition are: 1) increase in density for the CUP and the general area; adding more rental units increases the rental of property and in the future that will increase additional rental units and decrease the owner-occupied properties; 2) current traffic flow from Max Roper Park, both vehicle and pedestrian, will increase causing a more dangerous situation; 3) increase in traffic flow from additional dwellings; and 4) visitor parking overflow on No. 3rd Street.

3. Doug Ostergard, 238 Parkside Lane, Vice-President of the Parkside Village Association, testified in opposition. He referred to the issues which have not been addressed such as the adequacy of the 4" sewer line and meeting the street design standards. The concern is the future of this neighborhood. When will the sidewalks be addressed? What about the drainage study? With regard to the recreational facilities, they do show a new playground, but there is an LES transformer currently in the middle of that playground. He believes it is the Planning Commission's responsibility to see that these items are taken care of before granting approval.

4. Bobby Lybarger, 3620 No. 4th Street Court, testified in opposition. His back yard goes to the park. He is concerned about the density, property values, parking congestion, traffic and emergency access. The existing apartments need to be painted and better maintained.

Staff questions

Carlson inquired as to the issues raised in the staff analysis. Dennis Bartels of Public Works advised that there was detail lacking on the plan when he reviewed it and he has asked for revisions to show some of the details, which are covered by the conditions of approval. His judgment is that there is room to make the proposal work. The point about the drainage was that Bartels needed more details to be assured that it would work. He does not doubt that there are ways to make this work while protecting the existing property outside the development as well. He has not yet received a revised plan.

With regard to the 4" sewer capacity, Bartels indicated that if they cannot prove that it meets the plumbing code requirements it would have to be rebuilt. When originally built, it was built with the idea of trying to save money and build as economically as possible. That is why the sewers were built at 4". Once it gets off this property there is no problem downstream. If the 4" is inadequate, it could be rebuilt in the same location.

Carlson inquired about the comment that the private roadway does not meet standards for 30 residential units. Bartels noted that not all of the dimensions were on the plans. With that many units there should have been a 26' wide roadway. The existing roadway is less. He was pointing out that it was an exception to the design standards.

With regard to the sidewalks, Bartels pointed out that the subdivision standards require sidewalks on both sides of the streets. They need to either show sidewalks on both sides or ask for an exception to make it acceptable. These issues are taken care of by the conditions of approval.

Taylor asked staff to respond to the concern about parking for visitors. Bartels stated that typically, Public Works does not count the parking stalls. They would have to meet the zoning requirements for the number of units. Becky Horner advised that the application does meet all the parking requirements for the R-4 zoning for multi-family, with 2 stalls per unit. But, Taylor wondered whether that accommodates visitor parking as well. Horner replied that the zoning ordinance does not specify parking for visitors.

Bills inquired as to the density of the area now. Horner acknowledged that the property is maxed out as far as density for the R-3 zoning, which is 137 units.

Response by the Applicant

Carstens concurred that the applicant is willing to comply with all of the conditions of approval. They can provide some detention in the parking lot. They may have to replace the sanitary sewer once they have studied it. These are details to be worked out before the application is scheduled on the Council agenda. As far as the parking issues with regard to the park, that is beyond the control of this property owner. Most of the existing units have three stalls per unit, so the overall CUP probably exceeds the R-4 parking requirements. With regard to the notification issue, Carstens believes that the notification letter mailed to property owners does talk about adding 28 townhouse units and the waivers being requested. The new buildings will meet all required setbacks of R-4 zoning. The purpose of the request to waive the setback is to allow the three existing buildings to remain and not be required to be moved because the R-4 zoning has a different setback. This owner has control over maintenance of the entire property and he is in the process of rehabbing and upgrading the existing units.

Carstens confirmed that this proposal adds 28 units--22 units in the building on the corner, with another 6-plex like the buildings that exist today. However, there is a possibility that they will not construct the 6-plex.

Carlson asked the applicant to respond to the general philosophical argument about the CUP coming in at R-3 and then changing it to R-4 when other people have purchased their properties based on the R-3 zoning and character of the neighborhood. Monte Froehlich, the property owner and developer, came forward and stated that the subject area is now just a grassy strip with no sidewalk. There is lots of green space around the whole development. He believes that this additional development will improve the area and make it more attractive. He will match the existing buildings as much as possible. He suggested that if anyone is concerned about retaining property values, it should be him. He already has a significant investment in the property. He believes he will hear from the tenants if there are traffic problems and he will address it. It is not possible for this to become another HUD project because he cannot have that many units. This will be conventional housing. He believes it will be a good mix of people including some university students. He will be surprised if there is a parking problem. He does not believe it will be a detriment to the neighborhood.

Public hearing was closed.

CHANGE OF ZONE NO. 3363

ADMINISTRATIVE ACTION BY PLANNING COMMISSION:

June 26, 2002

Duvall moved approval, seconded by Larson.

Duvall believes that the property owner does a very good job with the properties and it is compatible with what has been developed in that area. It seems like a natural course.

Carlson will vote against the motion. This is an area that is built-out. Just because it is possible to put more buildings in there does not mean you must do it. At some point in time, the existing CUP was determined to be the proper density. The burden is upon the applicant to prove why the density needs to be increased. Will it have a negative impact on the parks, streets, sidewalks and the existing character of the community?

Newman observed that the property is surrounded by R-3 zoning and she believes the R-4 would be spot zoning.

Bills-Strand is also concerned about the density. This is just another example that the market place does not want higher density housing.

Motion for approval failed 2-6: Duvall and Krieser voting 'yes'; Larson, Taylor, Bills-Strand, Newman, Carlson and Schwinn voting 'no'; Steward absent.

Newman moved to deny, seconded by Carlson and carried 6-2: Larson, Taylor, Bills-Strand, Newman, Carlson and Schwinn voting 'yes'; Duvall and Krieser voting 'no'; Steward absent.

SPECIAL PERMIT NO. 893B

ADMINISTRATIVE ACTION BY PLANNING COMMISSION:

June 26, 2002

Newman moved to deny, seconded by Carlson and carried 6-2: Larson, Taylor, Bills-Strand, Newman, Carlson and Schwinn voting 'yes'; Duvall and Krieser voting 'no'; Steward absent.

**WAIVER OF DESIGN STANDARDS NO. 02009
TO WAIVE STREET TREES, SIDEWALKS,
STREET PAVING, CURB AND GUTTER, WATER
DISTRIBUTION AND STREET LIGHTS,
ON PROPERTY GENERALLY LOCATED
AT SO. 84TH STREET AND MANDARIN CIRCLE.**

PUBLIC HEARING BEFORE PLANNING COMMISSION:

June 26, 2002

Members present: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn; Steward absent.

Staff recommendation: Conditional approval.

This application was removed from the Consent Agenda and had separate public hearing.

Jason Reynolds of Planning staff presented a letter from Gary Danek, President of the Pioneer/Mar-Ma-Ra-Lo Heights Homeowners Association, in support, but requesting that Condition #1.1 be removed, which requires that the owners agree not to object to the creation of Special Assessment Districts for paving, water, ornamental street lights and sidewalks in the future.

Reynolds advised that Condition #1.1 applies only to the owners of this particular parcel. The rest of the neighborhood has their right to object to any assessment districts.

Proponents

1. **Keith Dubas** appeared on behalf of the applicants. He has spoken with the owners and they do agree to the condition of approval regarding assessment districts.

There was no testimony in opposition.

Public hearing was closed.

ADMINISTRATIVE ACTION BY PLANNING COMMISSION:

June 26, 2002

Larson moved to approve the staff recommendation of conditional approval, seconded by Duvall and carried 7-1: Larson, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn voting 'yes'; Taylor voting 'no'; Steward absent.

CHANGE OF ZONE NO. 3368
FROM R-3 RESIDENTIAL TO O-3 OFFICE PARK
and
USE PERMIT NO. 144
FOR 105,000 SQ. FT. OF OFFICE/COMMERCIAL,
ON PROPERTY GENERALLY LOCATED
AT SOUTH 70TH STREET AND PIONEERS BLVD.

PUBLIC HEARING BEFORE PLANNING COMMISSION:

June 26, 2002

Members present: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn; Steward absent.

Staff recommendation: Approval of the change of zone and conditional approval of the use permit.

Jason Reynolds of Planning staff submitted a statement of endorsement from the Pedestrian/Bicycle Advisory Committee for the 6' wide pedestrian connection from the Antelope Creek Trail/Fox Hollow Neighborhood to Pioneer Woods Commercial Development, and that the connection should be on the north end of the site.

Proponents

1. Mike Rierden appeared on behalf of the applicant, who is in general agreement with the staff recommendation and conditions of approval. This request is in conformance with the new Comprehensive Plan. However, one primary concern has to do with the pedestrian connection that is being requested and required under Conditions #1.1.13, #1.1.14 and #3. Rierden pointed to the channel for Antelope Creek and the 100 year floodplain boundary on the map. Conditions #1.1.13 and #1.1.14 require the applicant to show and to design the pedestrian connection. The applicant is in agreement that a connection would be of benefit but it puts this applicant in a predicament. The area where the pedestrian connection is to be shown is basically controlled by the Corps of Engineers. Therefore, at this point in time, the applicant does not believe they can show or design a pedestrian corridor until such time as the Corps of Engineers would approve such a connection (and he believes there is a good likelihood that they will not approve it because it protects the Holmes Lake area). Even if negotiations were started with the Corps of Engineers, Rierden believes that it would take months to get anything out of the Corps as far as permits. It is almost impossible to design and show a connection at this point in time.

Condition #3 asks the applicant to agree to do the connection. Rierden advised that the applicant certainly has no objection to doing the normal type of connection but there is a good probability that it would be some sort of a bridge which would greatly escalate the costs of the connection itself. The cost of a normal connection would be \$17,000 to \$18,000. That would increase to \$50,000 to \$75,000 if a bridge is required. In the spirit of cooperation, the applicant has offered to put up security in the amount of \$17,200, contributing that to the city and letting the city go ahead and deal with the Corps on this matter. The applicant is in favor of this connection but this developer does not have the clout to negotiate with the Corps of Engineers. Rierden thus requested to delete Conditions #1.1.13 and #1.1.14, and amend Condition #3 to allow this applicant to deposit security in the amount of \$17,200 with the city to pay this developer's fair share of the connection.

Schwinn suggested that if we really need a connection on the bike path, maybe it should go down So. 70th and widening the sidewalk might be the best alternative. Rierden confirmed that 70th Street and Pioneers Boulevard were discussed with staff as providing sufficient connection. The new Comprehensive Plan talks in terms of providing this type of connection and this applicant is willing to put up the money to provide for the normal type of connection.

Taylor inquired further about deleting Condition #1.1.13. Rierden further explained that designing and showing the connection may not be possible at this point in time until we know the position of the Corps of Engineers. It will be necessary to find out if the Corps will allow a connection, or where they prefer to have the corridor. It would be an exercise in futility to design and show the corridor without the Corps of Engineers approval. Taylor asked whether the applicant would be agreeable to an amendment that would require the applicant to put forth a design after approval by the Corps of Engineers. Taylor wants some assurance that there would be a bike path there. Rierden indicated that the applicant would agree to show whatever would transpire in the future. The concern is waiting for the Corps to make a decision because that could be months down the road. He assured that the applicant would work with the city to show the path on the plan once it is determined. Rierden's concern is that the applicant does not want to be required to actually agree to building a pedestrian connection at this point in time that will cost hundreds of thousands of dollars. The applicant would do the normal connection and offer to put up the security at this time.

Carlson inquired how Rierden came up with \$17,200. Todd Lorenz of Olsson Associates stated that it is an estimate based on a typical 10' bike path at 400' length for the most efficient route. That gets it to this applicant's property line. It does not get it across the creek, but leads to the creek. It comes down to cost benefit and whether it would be more efficient to go to 70th Street or Pioneers Blvd. The Corps is very protective of that area with the wetlands, Holmes Lake flowage easement, the floodplain and the floodway. For us to make an assumption at this point would not be appropriate.

There was no testimony in opposition.

Staff questions

Carlson asked staff whether the raised bridge is the only option. What is the potential for timeline and costs? Jason Reynolds advised that there are three different options. The most feasible would be a low water crossing, the intention being that it is under water anytime there is a flood event. However, it is something that would have to be discussed with the Corps of Engineers with regard to the Holmes Lake flowage easement. This is less expensive than the other types of bridges. The goal would be to find a place where the channel is straight. There is running water in the channel. It would be outside the confines of the dog run area.

Carlson inquired whether there is any sense of the cost for the low flow versus the bridge. Dennis Bartels of Public Works stated that the surety that is proposed at \$17,200 is basically just for the concrete and does not address the bridge. It will depend on which of the routes is selected. There is a grade difference to make up so the cost estimate will depend on the location. He does not have a good feel for any of the options being discussed as far as cost. The Corps of Engineers would have to approve any of the options. The Corps has been real selective of what they will allow in their flowage easements.

Lynn Johnson, Director of Parks and Recreation, indicated that Parks has done some of these low water crossings; however, he does not know whether Parks has done one with the kind of volume that comes down Antelope Creek. He suggested that staff may need a couple of weeks to work through this and look at the connections. Johnson also suggested that there is a third alternative, i.e. the intent within the next 2-3 years is to extend the Antelope Creek trail along the Creek on the east side. There would be a grade separated crossing and the Antelope Creek trail would extend under Pioneers Boulevard. It would have to be a high water crossing requiring sidewalk connections. It is not a very direct connection. The Parks Department is willing to work to generate some numbers in the next two weeks.

Reynolds clarified that the applicant is proposing to delete Conditions #1.1.13 and #1.1.14 and to provide \$17,200 for surety. It would then be up to the city to deal with the Corps of Engineers to figure out the design and costs. If the staff recommendation is approved as written, the applicant is required to come up with the design for the pedestrian connection to the east side prior to this application being scheduled on the City Council agenda. It would also require Corps approval prior to scheduling on the Council agenda. Reynolds did not know the Corps' timeline. It could range from three weeks to considerably longer. Reynolds indicated that the staff would advocate a two-week deferral to determine the costs associated, etc.

Response by the Applicant

In the spirit of cooperation, Rierden stated that he would agree to a two-week deferral to work with staff.

Carlson moved to defer two weeks, with continued public hearing and administrative action scheduled for July 10, 2002, seconded by Bills-Strand and carried 8-0: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn voting 'yes'; Steward absent.

CHANGE OF ZONE NO. 3369
FROM AG AGRICULTURAL TO R-4 RESIDENTIAL
and
SPECIAL PERMIT NO. 1978,
STONE RIDGE COMMUNITY UNIT PLAN,
ON PROPERTY GENERALLY LOCATED
AT SOUTH 27TH STREET AND YANKEE HILL ROAD.
PUBLIC HEARING BEFORE PLANNING COMMISSION:

June 26, 2002

Members present: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn; Steward absent.

Staff recommendation: Approval of the change of zone and conditional approval of the community unit plan.

Brian Will of Planning staff submitted additional information including a request by the applicant for a waiver of design standards to the stormwater detention facilities on the community unit plan. This waiver will require an additional two week deferral for publication.

Bills moved to defer, with continued public hearing and administrative action on July 10, 2002, seconded by Taylor and carried 8-0: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn voting 'yes'; Steward absent.

The applicant did not make a presentation.

There was no other public testimony.

SPECIAL PERMIT NO. 1808B,
AN AMENDMENT TO THE
FALLBROOK COMMUNITY UNIT PLAN
ON PROPERTY GENERALLY LOCATED
AT N.W. 1ST STREET AND FLETCHER AVENUE.
PUBLIC HEARING BEFORE PLANNING COMMISSION:

June 26, 2002

Members present: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn; Steward absent.

Staff recommendation: Conditional approval.

The Clerk advised that the applicant has submitted an additional waiver request and a two-week deferral so that the waiver may be advertised.

Duvall moved to defer, with continued public hearing and administrative action scheduled for July 10, 2002, seconded by Bills-Strand and carried 8-0: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn voting 'yes'; Steward absent.

CHANGE OF ZONE NO. 3366,
A TEXT AMENDMENT TO TITLE 27,
and
MISCELLANEOUS NO. 02005,
A TEXT AMENDMENT TO TITLE 26,
REGARDING IMPACT FEES.
PUBLIC HEARING BEFORE PLANNING COMMISSION:

June 26, 2002

Members present: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn; Steward absent.

Staff recommendation: Continue public hearing on July 10, 2002, then approval.

1. Steve Henrichsen of Planning staff submitted two letters in support from the East Campus Community Organization and the Near South Neighborhood Association.

Henrichsen also changed the staff recommendation and requested deferral until September 18, 2002. The additional time will allow for additional public discussion regarding questions about the ordinance and to continue discussion on the overall Infrastructure Financing Strategy (IFS). The impact fee ordinance is just one part of the overall strategy. It is something that is called for in the Comprehensive Plan. The Comprehensive Plan which was adopted not even a month ago by City Council and County Board laid out a very large area to be developed within the next 25 years with additional population of 103,000 people, and set forward which type of improvements need to be accomplished in order to encourage and provide for that additional growth and to maintain the existing infrastructure of the community as well. This is what the IFS is attempting to address--to provide adequate resources for the new growth and maintain the existing infrastructure. The staff and administration will continue to meet with the community and have further discussion.

2. Allan Abbott, Director of Public Works & Utilities, stated that the Comprehensive Plan recently unanimously approved by the Planning Commission, City Council and County Board, calls for a significant expansion of the growth in the City. In order to accommodate that growth, infrastructure has to be provided. Additional funding is going to be required. The amount of additional funding needed is directly related to the speed of the growth desired. As an example of the growth for the 25 year plan, we wouldn't be here because there would be a shortfall. If we want to do the growth in 15 years, the shortfall changes. The definition of "shortfall" is the dollars needed for the infrastructure in "X" number of years minus the dollars available in that same "X" number of years. The main question is where do we get the money? Some say, raise rates to the user--water, sewer, wheel tax; some say to issue bonds; some say, get increased revenue from the state and federal government; some say, initiate impact fees. How do we combine all of those to come up with additional revenue? None of them alone should be counted on to come up with the money needed for infrastructure

expansion. One thing Abbott is sure of--if we don't get additional funds we won't be expanding the infrastructure. He does not believe that is debatable.

Abbott then showed charts depicting cash flow analysis for wastewater, water and street construction. The street construction analysis shows that we go down to a zero balance sometime in the next two years for projects already underway and in the current CIP, without additional revenues. The water analysis shows that we go broke in the second quarter of 2003-04 at current revenues with no increase in rates. The budget being put forth to the City Council calls for a bond issue for the end of this year for water. When that occurs (in January), we would issue about 7-8 million dollars of bonds which increases the balance, but the spend down line would be parallel. With regard to wastewater, Abbott stated that we are a little bit better off and it is a few years out before we get in trouble.

However, if areas are going to develop more quickly, Abbott pointed out that we would have to expend monies in each of these areas more quickly. Additional funds are going to be needed or we are going to have to slow down projects.

Abbott further stated that there is a need to decide how we are going to finance the infrastructure expansion needed over the next several years. We need to get more input from the public at large and the specific groups that have a distinct interest in what happens. He has heard that "impact fees equal no growth". More appropriately, Abbott suggested that the statement really should be--"no appropriate impact fees equal very slow or no growth". The public needs to get involved with this because the decision we make on additional funding is as important as any decision made on the Comprehensive Plan.

Larson moved deferral, with continued public hearing on September 18, 2002, seconded by Bills-Strand and carried 8-0: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn voting 'yes'; Steward absent.

Schwinn inquired whether there will be significant changes to the ordinance. Henrichsen indicated that to be part of the purpose for the delay. If there are things brought to the staff's attention and additional discussions, the staff would be back with a revised staff report and potentially an amended proposed ordinance to reflect those changes that are discussed over the next few months.

Larson suggested that this is sort of an enabling ordinance. He wondered whether the Commission will see the rates or the mechanism for how the impact is going to be measured. Henrichsen acknowledged that the portion reviewed by the Commission is the ordinance itself. The fee schedule would be directly reviewed by the City Council; however, prior to September 18th, that fee structure will be part of the overall proposal on the Infrastructure Financing Strategy. Larson believes that the Commission vote will depend a lot upon the mechanism and the rate structure.

Public Testimony

1. **Carol Brown**, member of **Fair Share Alliance**, large group of citizens concerned about infrastructure within our city, stated that the group is interested in helping out with the negotiations in any way possible. The members of the Fair Share Alliance have a lot of great ideas that have come forward in their meetings and they would like to share their ideas. The Fair Share Alliance is in favor of the impact fees; they are concerned about low income housing. She believes that sharing ideas and meeting of the minds will come to a very good resolution for the problems we have paying for infrastructure.

2. **Dick Johnson**, appeared on behalf of the **Associated Builders and Contractors**, a group of industrial builders. They are not opposed to the impact fees unless the structure that is currently proposed is adopted. The Associated Builders and Contractors would like to be involved in the process. It was rewarding to hear Mr. Abbott be positive about using all four or five methods to look to the future. Without some work being done, the money is going to be very tight. A few of the projects being reviewed by the Commission on today's agenda would not be before the Commission if the current proposed fee schedule were in place. This will not work on the residential side. On the commercial side, we depend on homes being built and people moving in based on the new commercial being built. Again, Johnson requested to be involved in the process.

3. **Art Robertson**, Custom Architectural Drafting, member of **Home Builders Association of Lincoln**, testified and 15-20 people stood in the audience as members of Home Builders Association. Without proper infrastructure, homes cannot be built. The Home Builders definitely recognize the need and the very complex problem it presents in financing the growth, but they are concerned about the effect that impact fees might have, especially in the form that the rumor mill has been presenting it to them. Robertson directly supports builders and the home building industry. The builders that he services have communicated that their business would decrease somewhere between five and thirty percent if the impact fees as currently being discussed were implemented. We need to take some serious time to really find a way to spread the pain. This tax, or any tax, is not wanted by whoever it impacts but the need for the money is there. Robertson encouraged the Commission to carefully consider spreading the pain and not concentrating it strictly on the new construction industry and those people who are moving either into the community or into new homes.

4. **Rod Hornby**, home builder, suggested that this tax should be per foot and should be a transfer tax on the closing and should affect every house in the city.

5. **Bob Benes**, home builder, testified that he does not like impact fees. They are wrong; they are a bad idea. He is glad that the Commission has decided to wait and take this slow. This will affect affordable housing. He builds 40-50 homes a year in the starter home price range. The starter homes are \$130,000. With this proposal, the start homes are going to be

at \$139,000. It does affect starter homes. This will affect the whole city because new construction prices are related to existing home prices. We're talking about a city-wide appreciation of \$9,000 per home. We are destroying the first time home buyer. The affordable housing will go elsewhere, e.g. Waverly. There are other options. We have not raised our water and sewer rates in 10 years. The home builder is going to pay for this, not the developer.

6. Polly McMullen, Downtown Lincoln Association, extended appreciation to the Commission for delaying this ordinance to allow for additional public input and involvement. DLA has not been involved in this issue at all until just the last few weeks. The DLA board will be providing the Mayor and the Planning Department with some feedback and thoughts on the current proposals and their wish to be involved in the discussions over the next several months.

7. Rick Krueger, applauded the administration and staff for deferring the public hearing. There are many facets to this proposal, including 1) if we are going to have any sort of impact fee, it needs to be restricted simply to a funding source for roads only, using a very tight district area; it needs to be an amount that does not destroy any sector of the building economy; we need a long phase-in time; and it must recognize the current funding agreements/annexation agreements that are in place; 2) the administration is asking to reform the way we do subdivision work and part of this discussion has to be a different way of thinking how Public Works operates. It appears that if the private sector is going to fund additional money, we need to know how it is going to be spent and in what timeframe. A business plan for Public Works is an important component to having this whole discussion move forward.

In general, Krueger suggested that getting things done quicker makes it easier for the private sector to bring more money to the table. Time equals money. Krueger suggested that doing things differently needs to be part of this discussion.

Krueger believes that we are dealing from a position of relative wealth and strength in the community. The ratio of net debt to assessed valuation was .72 % in 1992. Now in 2001, it is at .4%. The ratio of net debt service to total general expenses also dropped from 11.95% to 5.85%. During that time, the health and welfare expenditures went from \$5,277,000 to \$14,232,000. We are at a moment in time with the new Comprehensive Plan to really blast ahead. The Comprehensive Plan desires to build 25 years of infrastructure in 20 years. The worst thing our community could do would be to go through this process and still not get the job done.

8. Doug Rotthaus, Realtors Association of Lincoln, expressed appreciation for the delay. The Realtors Association would like to facilitate a public forum and provide some of the detail and options that have not been discussed. Infrastructure financing is very complex and multi-faceted. He submitted the Realtors Association of Lincoln adopted position on the

proposal. They are opposed to the ordinance as drafted. Developments already platted and annexation agreements already in place must be exempt from payment of additional development fees. The city must utilize revenue sources in addition to development fees to raise the necessary capital for public improvements, including water tap fees, water/sewer rates, bonding, wheel tax and gasoline tax. The use of any development fees should be restricted to smaller, more direct benefit areas. The Realtors Association challenges that this be analyzed objectively and not emotionally--look at it for the good of the whole city. The biggest concern is the division that is appearing in the city through all of this. Very early on, it took the newspaper about two paragraphs to paraphrase this as something that pits developers against neighborhoods. The Realtors Association represents people from all neighborhoods and not just a narrow business interest.

Newman is worried about pulverizing the community. During the Comprehensive Plan hearings, we had a lot of realtors come and say they were worried about affordable housing. She is wondering how far the Realtors Association is willing to go on that. She would like to see some sort of sliding scale so that maybe the first part of the cost would be at the lower rate than the rest of it, including the broker's fee.

9. Marty Fortney, President of Home Builders Association of Lincoln, commended the administration for taking additional time on this ordinance. The Home Builders have been very much involved in these discussions. The Home Builders Association is planning to have a comprehensive plan of how they feel financing can be achieved for city infrastructure in the middle of July. The developers and builders are encouraging amenities in subdivisions. Home builders in general are very proud of the work that they do. Many jobs will be affected by the impact fee ordinance. The Home Builders Association does not endorse the ordinance as written. They are interested in helping find a positive and creative solution to benefit the community.

SPECIAL PERMIT NO. 1961
FOR MATERIAL AND EQUIPMENT STORAGE
ON PROPERTY GENERALLY LOCATED
AT YANKEE HILL ROAD AND CORAL DRIVE.

CONT'D PUBLIC HEARING BEFORE PLANNING COMMISSION: June 26, 2002

Members present: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn; Steward absent.

The Clerk announced that the applicant has requested an additional four-week deferral. Taylor moved to defer, with continued public hearing and administrative action scheduled for July 24, 2002, seconded by Carlson and carried 8-0: Larson, Taylor, Bills-Strand, Duvall, Newman, Krieser, Carlson and Schwinn voting 'yes'; Steward absent.

There was no public testimony.

There being no further business, the meeting was adjourned at 3:15 p.m.

Please note: These minutes will not be formally approved until the next regular meeting of the Planning Commission on July 10, 2002.

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