

City of Lincoln 2018 Annual TIF Report

Prepared by
City of Lincoln
Urban Development Department



Introduction

The City of Lincoln Urban Development Department acts on behalf of the Lincoln City Council, which serves as Lincoln's Redevelopment Authority. Developers applying to use Tax Increment Financing (TIF) are guided by Urban Development Department staff through an extensive process of review involving multiple city departments, the Lincoln-Lancaster County Planning Commission, City Council and the Mayor. In addition to being evaluated based on zoning regulations, land utilization, and compliance with the ***City of Lincoln 2040 Comprehensive Plan***, TIF projects must meet criteria stated in the ***Nebraska Community Development Law*** and the ***City of Lincoln TIF Policy***. The ***City of Lincoln TIF Policy*** divides projects into Core and Outer areas, each of which have additional requirements.

Core TIF Requirements

All Core Area TIF Projects must be located inside the 1950 Lincoln city boundaries in areas classified as low and moderate income in the 2000 Census. The Project must achieve ***at least one*** of the following goals:

- Benefit low and moderate-income people or areas, or
- Redevelop a building or site that displays a preponderance of substandard conditions or blight as defined by Nebraska state law, or
- Redevelop a site that has displayed a pattern of declining real property assessments, as measured by the Lancaster County Assessor's Office, or
- Rehabilitate a designated city landmark, a building listed on or eligible for listing on the National Register of Historic Places, or a building located within a local landmark district, or
- Show exceptional potential to attract additional reinvestment in adjacent blighted or substandard areas, or
- Develop new housing opportunities in downtown or in a low-to-moderate income neighborhood,
- Relocate an existing business from an area where it is incompatible with existing or proposed zoning, traffic circulation or other conflicts, or
- Involve a new business or expansion of an existing business that adds to Lincoln's existing tax base.

Outer TIF Requirements

All Outer Area TIF projects are located outside the 1950 Lincoln city boundaries and areas classified as low and moderate income according to the 2000 Census. Outer TIF projects should not include existing or newly developing residential areas within their boundaries. Outer Area TIF Projects should achieve ***at least one*** of the following goals:

- Generate new primary employment with employers that will have out-of-county sales greater than 50% of their total sales and will have a median wage for its new employees equal to or in excess of 105% of the average starting wage for Lancaster County, or
- Relocate an existing business from an area where it is incompatible with existing or proposed zoning, traffic circulation or other conflicts.

Four Phases: To successfully comply with Nebraska Community Development Law and City process, both Core and Outer projects generally move through four phases:

Phase One: Be located in an area officially designated as blighted/substandard,

Phase Two: Be part of an officially approved redevelopment plan, which includes acknowledgement that the project would not be feasible without the use of TIF, and

Phase Three: Complete an officially approved redevelopment agreement that delineates the public improvements to be funded using TIF.

In Lincoln, Phases One through Three include notice to the public and taxing authorities, review by the Lincoln-Lancaster County Planning Commission, and approval by City Council and the Mayor.

Phase Four: Upon substantial completion of the redevelopment project, Urban Development staff send a "Notice to Divide" to the Lancaster County Assessor who then begins to divide taxes.

2018 TIF Activity

Phase One: Blight/Substandard Designation: All of the 2018 proposed redevelopment projects were in areas already designated as blighted/substandard. Within the Lincoln city limits, 13.19 % of the area is designated as blighted/substandard.

Phase Two: Redevelopment Plan/Plan Amendment: In 2018, four redevelopment projects were approved as redevelopment plan amendments:

- **West O Street Revitalization** - Resolution A-91120: As part of the West O Street Redevelopment Plan, the West O Street Revitalization project involves a series of improvements within the public rights-of-way, located throughout the West O Street Corridor. The area is bounded by the City limits on the west (approximately NW 50th Street), 3rd Street on the east, S Street on the north and the railroad on the south.
- **Raymond Brothers Building** - Resolution A-90994: As part of the West Haymarket Amendment to the Lincoln Center Redevelopment Plan, the Raymond Brothers Building project includes exterior restoration and interior renovation of a former warehouse into first floor retail and 21 condominiums on the upper four floors. It is located within the historic Haymarket district at 801 O Street.
- **Lincoln Sports Facility** - Resolution A-90953: As part of the West O Street Redevelopment Plan, the Lincoln Sports Facility involves construction of 78,000 sq. ft. of indoor courts for volleyball and basketball on five undeveloped parcels on the south side of West O Street at SW 14th Plaza.
- **Viet Hao** - Resolution A-90941: As part of the Antelope Valley Redevelopment Plan, the Viet Hao project will include a 7,100 sq. ft. grocery store in a significantly renovated/partially reconstructed set of buildings at 2353, 2365, and 2373 O Street.

Phase Three: Redevelopment Agreement: In 2018, redevelopment agreements were approved for six projects:

- **O Street & Canopy (AKA Olsson II)** - Resolution A-91288: As part of the West Haymarket amendment to the Lincoln Center Redevelopment Plan, Olsson II will include 67,000 sq. ft. of office uses on three floors above 5,800 sq. ft. of first floor active/mixed uses. This project is moving forward and construction should be complete in early 2020. The project is located at approximately 100 North Canopy Street.
- **Raymond Brothers Building** - Resolution A-91086: See project description above. This project is moving forward and construction should be complete in 2019.

- **Telegraph District-Phase II** - Resolution A-91004: As part of the Antelope Valley Redevelopment area, Telegraph District-Phase II includes the renovation of three existing structures and the construction of three additional structures. Overall pattern of use is residential on upper floors and mixed commercial/retail uses on ground levels. Improvements will include parking. This project is moving forward and is expected to be completed in 2020. The project is in the general vicinity of 21st and N Street, and includes 220 S. 20th Street, 2019 N Street, 2023 N Street, 1935 O Street.
- **Lincoln Sports Facility**, Resolution A-90986: See project description above. This project is moving forward and construction should be complete in late 2019.
- **Viet Hao**, Resolution A-90977: See project description above. This project is moving forward and construction should be complete in 2019.
- **City Centre (AKA 9th & P Street)** - Resolution A-90857: Although a redevelopment agreement was negotiated for this project, it has not moved forward.

Phase Four: Notice to Divide: In 2018, nine Notices to Divide were processed for:

- **VASH Housing**, Resolution A-89264: As a part of the VA Campus Redevelopment Plan, VASH (Veterans Affairs Supportive Housing) included construction of a three-story building with 70 units of supportive housing for homeless or near homeless veterans.
- **1222 P Street**, A-90277: The existing building at 1222 P Street was demolished, except for approximately 20 feet of the building abutting P Street. The remaining portion of the building and the façade were renovated and three new stories were constructed over a portion of existing two-story building. The resulting “blended” building houses retail and residential uses.
- **Nebraska Innovation Campus Phase II**, A-90380: Phase II involves redevelopment of property located near the intersection of 21st Street and Transformation Drive as a new three-story office building of approximately 80,000 square feet and completion of related public improvements.
- **Lumberworks Liner Building**, A-90398: Redevelopment of property located east of Canopy Street and south of O Street adjacent to the Lumberworks Parking Garage including a small grocery store and office/retail uses on first floor and residential rental units on the upper four floors.
- **11th & P and Commercial Club**, A-90436: Renovation of two existing buildings and the construction of a seven-story addition to house a hotel, office space, and a 3rd floor ballroom/banquet facility. The project is located on the northeast corner of 11th Street and P Street.
- **Nature’s Variety**, A-90458: Generally located at 311, 321, and 333 SW 32nd Street. This project involves construction of an approximately 24,000 square foot freeze-drying facility.
- **Skate Zone**, A-90726: Redevelopment of properties generally located at 300 North 48th Street, for the construction of a hotel, retail building, parking, and other associated improvements.
- **Telegraph District Phase II**, A-91004: See project description above.
- **Raymond Brothers**, A-91086: See project description on page 2.

Completed TIF Collections

- **Lincoln Mall, Resolution A-81682:** One project, the Lincoln Mall, ceased collecting increment property taxes in 2018. An approved amendment to the Lincoln Center Redevelopment Plan, the Lincoln Mall was a TIF district that included only public improvements. Property value

increases over time of private properties along the Mall generated \$8,572,451 in TIF funds that were used to finance landscaping and pedestrian-oriented amenities in the public right-of-way of the Capitol Environs.

Overview of Active TIF Projects

As of December 31, 2018, there were 72 active TIF projects in the City of Lincoln, 63 of which were collecting divided taxes. This number includes the projects detailed above, but does not include the one project that completed TIF collection in 2018. See the attached table for details on each project, including approved TIF investment, private investment, total project costs, estimated value, and 2018 TIF district assessed value for each TIF district, along with overall totals.

The following three attachments provide useful information:

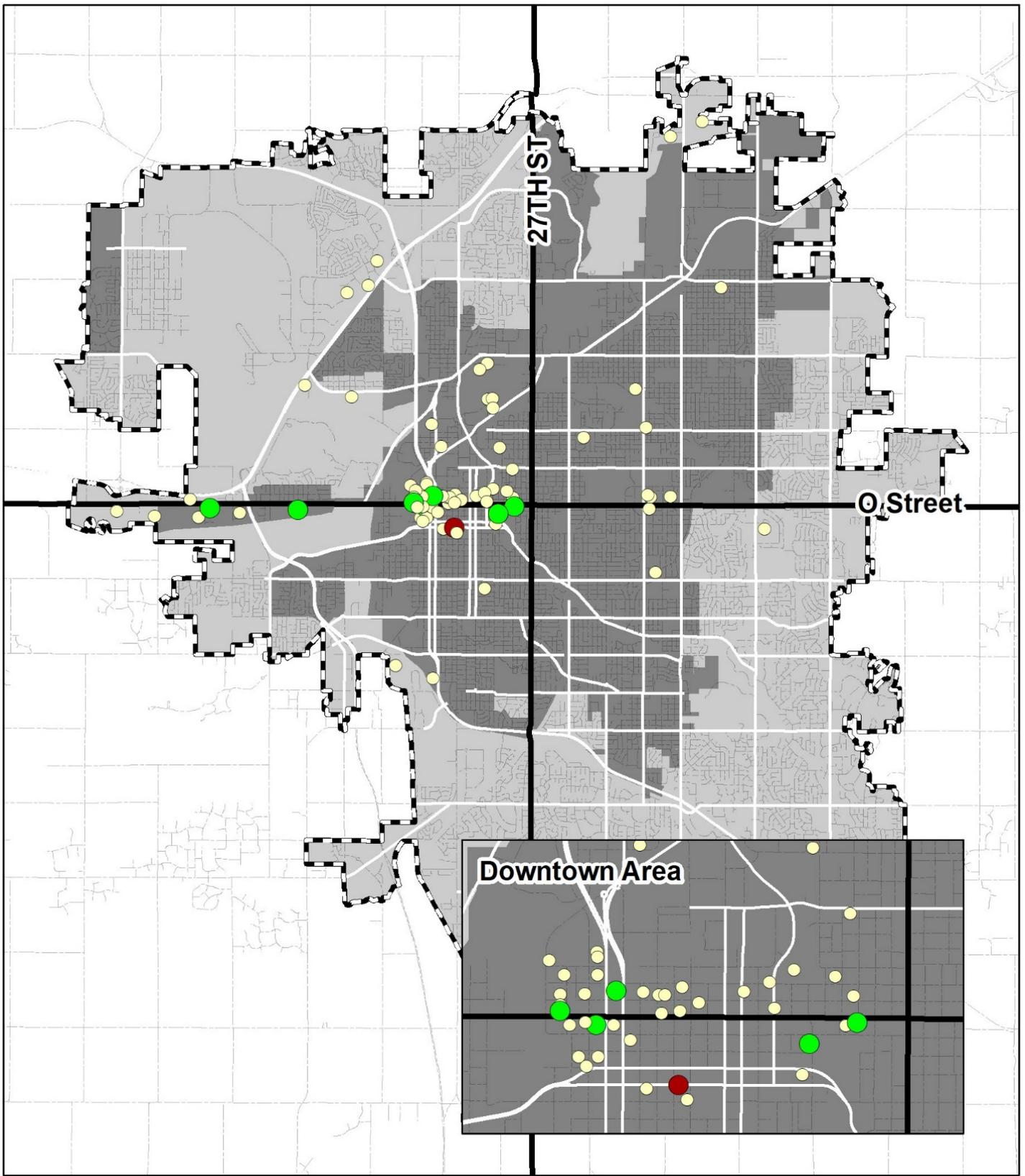
Table 1: Active TIF Projects in Lincoln, NE as of 12/31/2018: Table 1 includes Project Name, Approved TIF, Private Investment, Estimated Value and 2018 Assessed Value.

Map 1: TIF Use in Context: Map 1 locates 2018 new TIF projects, the 2018 completed TIF project, and all other active TIF projects on a base that shows Lincoln's Core and Outer area delineation.

Map 2: Land Use of TIF Projects: Map 2 locates all active TIF projects and categorizes them by primary land use as identified in their respective redevelopment plan and the *Lincoln-Lancaster County 2040 Comprehensive Plan*.

Doc #	Year Divided	Project Name	Approved TIF	Private Investment	Total Estimated Project Costs	Projected Value	2018 Co. Assessor TIF District Value
A-83263	2005	Vine Street Redevelopment (Liberty Village)	\$ 311,830	\$ 2,580,800	\$ 2,892,630	\$ 2,572,400	\$ 2,650,400
A-83258 & A-83855	2006	Haymarket 7th to 8th Core (Salvation Army/The Option)	\$ 569,500	\$ 7,000,000	\$ 7,569,500	\$ 5,618,000	\$ 39,080,200
A-83659	2006	48th and O South Redevelopment	\$ 585,815	\$ 5,094,600	\$ 5,680,415	\$ 7,739,680	\$ 5,292,600
A-83850	2006	West O Street (Thunderstone)	\$ 245,368	\$ 2,599,475	\$ 2,844,843	\$ 2,829,000	\$ 1,807,000
A-84249	2007	56th & I-80 (North Bluff Employ. Ctr.)	\$ 4,460,000	\$ -	\$ 4,460,000	\$ 40,290,220	\$ 46,000,100
A-84250	2007	56th & Alvo Road / Inland Trucking	\$ 113,500	\$ 736,637	\$ 850,137	\$ 3,565,000	\$ 4,048,700
A-83893	2007	48th & O North Side (HyVee) (public investment incl. in costs)	\$ 546,821	\$ 16,084,258	\$ 18,148,133	\$ 10,300,080	\$ 5,823,700
A-84256	2007	Verizon Wireless (Call Center)	\$ 2,265,000	\$ 33,000,000	\$ 35,265,000	\$ 16,000,000	\$ 7,350,000
A-84373	2007	West O Street (David Wood Construction)	\$ 42,200	\$ 400,100	\$ 442,300	\$ 362,000	\$ 350,000
A-84571	2007	Turbine Flats	\$ 71,270	\$ 1,123,037	\$ 1,194,307	\$ 745,500	\$ 1,755,800
A-84771	2008	Sawmill Building	\$ 263,000	\$ 2,700,000	\$ 2,963,000	\$ 2,160,000	\$ 2,101,300
A-84903	2008	Washington Square (Condos)	\$ 200,000	\$ 2,300,000	\$ 250,000	\$ 1,840,000	\$ 1,755,700
A-84938	2008	Rosewood (Hotel)	\$ 300,000	\$ 2,200,000	\$ 250,000	\$ 1,650,000	\$ 1,841,600
A-85007	2009	Perot Systems	\$ 3,500,000	\$ 25,000,000	\$ 28,500,000	\$ 23,500,000	\$ 16,961,500
A-85115	2009	Block 85 (Color Ct/Peanut Butter Factory)	\$ 931,996	\$ 6,500,000	\$ 7,431,996	\$ 5,200,000	\$ 5,084,200
A-85252	2009	Lincoln Flats/Bank of the West	\$ 763,958	\$ 5,200,000	\$ 5,963,958	\$ 4,160,000	\$ 6,832,500
A-85326	2009	Shoemakers Travel Plaza	\$ 950,000	\$ 7,150,000	\$ 8,100,000	\$ 7,000,000	\$ 4,442,500
A-85288	2009	AV Parkway Plaza - Phase I (Assurity)	\$ 7,200,000	\$ 49,867,314	\$ 57,067,314	\$ 44,800,000	\$ 35,590,400
A-85289	2012 & 2015	Antelope Creek Village - Phases I & II	\$ 482,600	\$ 3,800,000	\$ 4,282,600	\$ 2,648,000	\$ 2,769,400
A-85287	2009	Creekside Village	\$ 775,000	\$ 7,725,000	\$ 8,500,000	\$ 3,982,019	\$ 2,450,000
A-85913	2012	Haymarket Hotel Tool House	\$ 2,173,178	\$ 13,800,000	\$ 15,973,178	\$ 17,100,000	\$ 21,935,700
A-86133	2012	Block 38 (Larsen Bldg)	\$ 1,722,988	\$ 14,500,225	\$ 16,223,213	\$ 12,966,020	\$ 12,384,300
A-86237	2013	Telesis/Dairy House	\$ 651,000	\$ 5,960,000	\$ 6,611,000	\$ 3,670,000	\$ 2,249,200
A-86271	2012	North Haymarket Arts and Humanities Phase II	\$ 2,575,552	\$ 22,215,049	\$ 24,990,601	\$ 17,772,039	\$ 15,587,000
A-86276	2012	World's Foremost Bank	\$ 852,000	\$ 6,379,573	\$ 7,231,573	\$ 9,250,000	\$ 9,845,800
A-86392	2011	17th and Q/Credit Union	\$ 712,786	\$ 5,000,000	\$ 5,712,786	\$ 4,500,000	\$ 3,190,600
A-86597	2012	Yolande Avenue	\$ 170,000	\$ 2,000,000	\$ 2,170,000	No Estimate Available	\$ 19,560,400
A-86740	2013	West Haymarket RRO TDP Phase One & Two	\$ 7,385,000	\$ 51,000,000	\$ 58,385,000	\$ 16,000,000	\$ 50,560,700
A-86891	2014	Nebraska Innovation Campus Phase I	\$ 10,739,724	\$ 79,000,000	\$ 89,739,724	\$ 61,536,790	\$ 44,718,500
A-86972	2013	Gateway Senior Living Phase 1	\$ 1,606,500	\$ 12,500,000	\$ 14,106,500	\$ 7,580,000	\$ 7,844,200
A-87003	2013	Holdrege/Idylwyld	\$ 1,260,000	\$ 13,000,000	\$ 14,260,000	\$ 10,400,000	\$ 7,206,000
A-87073	2014	Landmark Centre 3	\$ 2,100,000	\$ 16,625,000	\$ 18,725,000	\$ 12,000,000	\$ 16,431,200
A-87257	2013	Project Olsson	\$ 2,248,347	\$ 14,000,000	\$ 16,248,347	\$ 10,818,160	\$ 14,442,700
A-87260	2014	18th & Q Redevelopment	\$ 4,006,981	\$ 30,000,000	\$ 34,006,981	\$ 20,820,000	\$ 23,211,300
A-88008	2015	Block 68 Redevelopment	\$ 8,111,000	\$ 46,500,000	\$ 54,611,000	\$ 37,000,000	\$ 37,570,600
A-88121	2014	Piedmont Shopping Center	\$ 757,750	\$ 4,700,000	\$ 5,457,750	\$ 6,000,000	\$ 6,014,300
A-88145	2015	Case, Case, and Case	\$ 175,000	\$ 1,200,000	\$ 1,375,000	\$ 1,160,000	\$ 982,500
A-88158	2014	Airport Entryway Corridor Project	\$ 2,500,000	\$ 6,800,000	\$ 9,300,000	No Estimate Available	\$ 59,469,100
A-88321	NA	Great American Sports Park	\$ 2,116,463	\$ 10,517,874	\$ 12,634,337	\$ 13,823,226	Taxes Not Yet Divided
A-88334	2015	Speedway Sporting Village	\$ 4,403,138	\$ 25,404,520	\$ 29,807,658	\$ 16,500,000	\$ 11,879,100
A-88369	2014	Keichel Fine Arts	\$ 143,897	\$ 1,200,000	\$ 1,343,897	\$ 1,200,000	\$ 696,900
A-88416	2016	PCE Phase 2	\$ 1,250,000	\$ 11,500,000	\$ 12,750,000	\$ 5,300,000	\$ 4,805,900
A-88452	2015	Elsy Housing 10th & Y	\$ 1,688,076	\$ 10,405,800	\$ 12,093,876	\$ 8,000,000	\$ 10,104,600
A-88672	2017	Schwarz Paper	\$ 533,354	\$ 4,200,000	\$ 4,733,354	\$ 3,600,000	\$ 5,020,500
A-88687	2016	Ambassador/President	\$ 414,000	\$ 7,000,000	\$ 7,414,000	\$ 3,275,000	\$ 810,000
A-88699	2016	Aspen Heights	\$ 7,000,000	\$ 45,000,000	\$ 52,000,000	\$ 35,465,077	\$ 34,752,200
A-88799	2016	Swanson Russell	\$ 374,000	\$ 2,026,000	\$ 2,400,000	\$ 1,892,600	\$ 3,270,600
A-88800	2015	23rd & O	\$ 450,000	\$ 3,749,500	\$ 4,199,500	\$ 3,200,000	\$ 3,919,300
A-88859	2016	Collegiate Housing (Baker Hardware)	\$ 2,600,000	\$ 19,500,000	\$ 22,100,000	No Estimate Available	\$ 27,057,100
A-88920	2016	Robber's Cave	\$ 130,000	\$ 1,165,000	\$ 1,295,000	\$ 725,000	\$ 1,193,400
A-89209	2017	HUDL	\$ 6,000,000	\$ 30,000,000	\$ 36,000,000	\$ 26,928,000	\$ 24,667,500
A-89264	2018	VASH Housing - VA Campus	\$ 7,133,551	\$ 19,530,601	\$ 26,664,152	\$ 7,470,000	\$ 3,553,400
A-89520	2017	Antelope Square	\$ 825,000	\$ 4,575,000	\$ 5,400,000	\$ 4,833,000	\$ 1,403,100

Doc #	Year Divided	Project Name	Approved TIF	Private Investment	Total Estimated Project Costs	Projected Value	2018 Co. Assessor TIF District Value
A-89522	2017	Kevin Hittle (SSH Architecture)	\$ 110,000	\$ 1,090,000	\$ 1,200,000	\$ 1,200,000	\$ 858,500
A-89565	2017	Telegraph District Phase I	\$ 1,617,558	\$ 20,607,923	\$ 22,225,481	\$ 15,065,585	\$ 9,724,200
A-89853	2017	48th & Holdrege	\$ 2,454,600	\$ 14,345,400	\$ 16,800,000	\$ 9,700,000	\$ 8,947,000
A-90080	NA	48th & Leighton	\$ 4,350,000	\$ 35,000,000	\$ 39,350,000	\$ 24,365,000	Taxes Not Yet Divided
A-90277	2018	1222 P	\$ 470,000	\$ 4,000,000	\$ 4,470,000	\$ 2,919,000	\$ 675,000
A-90382	NA	HLI Development LLC	\$ 10,163,514	\$ 72,000,000	\$ 82,163,514	\$ 48,855,075	Taxes Not Yet Divided
A-90380	2018	Nebraska Innovation Campus Phase II	\$ 3,116,291	\$ 15,300,000	\$ 18,416,291	\$ 14,443,000	\$ 2,359,500
A-90398	2018	Lumberworks Liner Building	\$ 2,041,096	\$ 12,855,731	\$ 14,896,827	\$ 12,855,731	\$ 1,379,300
A-90436	2018	11th & P and Lincoln Commercial Club	\$ 1,583,357	\$ 10,121,003	\$ 11,704,360	\$ 11,017,318	\$ 2,568,100
A-90458	2018	Nature's Variety	\$ 275,000	\$ 3,000,000	\$ 3,275,000	\$ 1,618,761	\$ 1,805,400
A-90691	NA	Huvepharma	\$ 500,000	\$ 4,750,000	\$ 5,250,000	\$ 2,055,000	Taxes Not Yet Divided
A-90726	2018	Skate Zone	\$ 960,000	\$ 10,040,000	\$ 11,000,000	\$ 5,672,328	\$ 1,340,000
A-90857	NA	9th & P	\$ 14,000,000	\$ 85,000,000	\$ 99,000,000	\$ 68,078,101	Taxes Not Yet Divided
A-90977	NA	Viet Hao 2353/65/73 O Street	\$ 128,200	\$ 1,716,100	\$ 1,844,300	\$ 1,033,800	Taxes Not Yet Divided
A-90986	NA	West O Sports Facility	\$ 1,300,000	\$ 10,400,000	\$ 11,700,000	\$ 4,862,382	Taxes Not Yet Divided
A-91004	2018	Telegraph District Phase II	\$ 8,907,652	\$ 62,000,000	\$ 70,907,652	\$ 57,363,333	\$ 800,700
A-91086	2018	Raymond Brothers	\$ 1,179,671	\$ 7,232,126	\$ 8,411,797	\$ 6,333,930	\$ 1,042,800
A-91120	NA	West O St Revitalization	NA	NA	NA	No Estimate Available	Taxes Not Yet Divided
A-91288	NA	Project Olsson II	\$ 2,805,000	\$ 16,000,000	\$ 18,805,000	\$ 16,000,000	Taxes Not Yet Divided
		TOTALS	\$ 165,349,082	\$ 1,107,473,646	\$ 1,270,039,782	\$871,185,155	\$711,825,800



MAP #1: TIF Use in Context

-  City Limits
-  2018
-  Closed
-  Core TIF Area
-  Active





MAP #2: Landuse of TIF

- | | | |
|---|---|--|
|  City Limits |  Residential |  Mixed Use |
|  Core TIF Area |  Commercial |  Public Improvement |

