

Phase V - Apothecary and Ridnour Buildings Sub Project

1. Revitalization Project Description

The Apothecary and Ridnour Buildings Sub Project involves all of Lots 13, 14, 15, and the north 45 feet of Lots 16 and 17, Block 44 (Exhibit IV-83), which contains the Apothecary Building - 801 "P" Street, and a small surface parking lot. The buildings currently house office and warehouse uses. A surface parking lot for 12 cars is included on that portion of the site south of the alley. The redevelopment project will include the following activities/improvements:

Apothecary Building - A five-story building with a basement totaling 40,800 square feet including the basement. The building was built in 1905 consisting of four stories and a basement. In 1919, a fifth floor was added. The building is currently used for warehouse and office functions.

Ridnour Building - A two-story building with a full basement, totaling 44,800 square feet including basement. The building was one of the last factory-warehouses built in the Haymarket.

Redevelopment of the Apothecary and Ridnour Buildings will include retail, office, residential, and parking functions. The Apothecary Building will include commercial/retail on the first floor and basement, with residential uses on the second, third, fourth, and fifth floors; the Ridnour Building will include offices on the first and second floors with parking in the basement.

Streets Reconstruction - Reconstruction of 8th Street ("O" to "P"), including necessary intersection/traffic improvements, sidewalk and curb/gutter improvements and utility/drainage improvements has recently been completed and will benefit the project.

A map of the Apothecary/Ridnour Buildings Sub Project and the site improvements are presented in Exhibit IV-84.

2. Statutory Elements

(a) Property Acquisition, Relocation, Demolition and Disposal

No public acquisition of private property, relocation of families or sale of property is anticipated to accomplish the Apothecary/Ridnour Buildings Sub Project. Public involvement will include reconstruction/improvements to the canopy and dock in the 8th Street right-of-way of Apothecary Building. Accomplishing the Apothecary/Ridnour Buildings Sub Project may require public action to secure a construction easement and other property rights to complete dock and canopy activity.

The property rights may be acquired by way of voluntary negotiations (see Land Acquisition Policy, Appendix 3).

(b) Population Density

The existing development on Lots 13, 14, 15 and the north 45 feet of Lots 16 and 17, Block 44, contains no residential units. Through building rehabilitation, approximately 12 units of housing will be provided and thereby the population density in the project area will increase.

(c) Land Coverage

The present land coverage and building density will remain the same.

(d) Traffic Flow, Street Layouts and Street Grades

It is anticipated that redevelopment activities contemplated on Block 44 will cause an increase in pedestrian and automobile traffic.

The street layout in the general area may be modified. Consideration is being given to a reconfiguration/improvement of the "O" Street underpass area right-of-way from 7th to 9th Streets.

(e) Parking

B-4 zoning requirements do not require parking be provided. However, approximately 35 parking spaces will be provided as part of the Apothecary/Ridnour Buildings. Additional parking is available in public and private parking facilities in the adjacent and surrounding area.

(f) Zoning, Building Codes and Ordinances

The present zoning in the Haymarket Area is B-4 zoning, which allows for the type of development proposed. Likewise, the City's adoption of the Uniform Code for the Abatement of Dangerous Buildings, the Uniform Building Code and their specific City amendments will properly protect the public health, safety and welfare of the community/area. At this time, there are no contemplated changes in the City's zoning laws or building codes needed to implement this project. It may be necessary, however, to adopt ordinances to issue special assessment and community improvement financing bonds for streetscape, paving, dock/sidewalk, and other improvements.

3. Proposed Cost and Financing of Apothecary/Ridnour Buildings Sub Project

Total cost for the Apothecary/Ridnour Buildings Sub Project is estimated to be \$2,144,500. This includes \$2,000,000+ for the rehabilitation/construction of the buildings and dock and \$144,500 of public loan involvement. Exhibit IV-85 contains a breakdown of the public's and developer's estimated expenditures.

The rehabilitation of Apothecary/Ridnour Buildings to housing units, office, retail, and parking uses will be financed from private sources. In turn, the increased property taxes generated by these private/public improvements can be utilized to fund the public's expenditures.

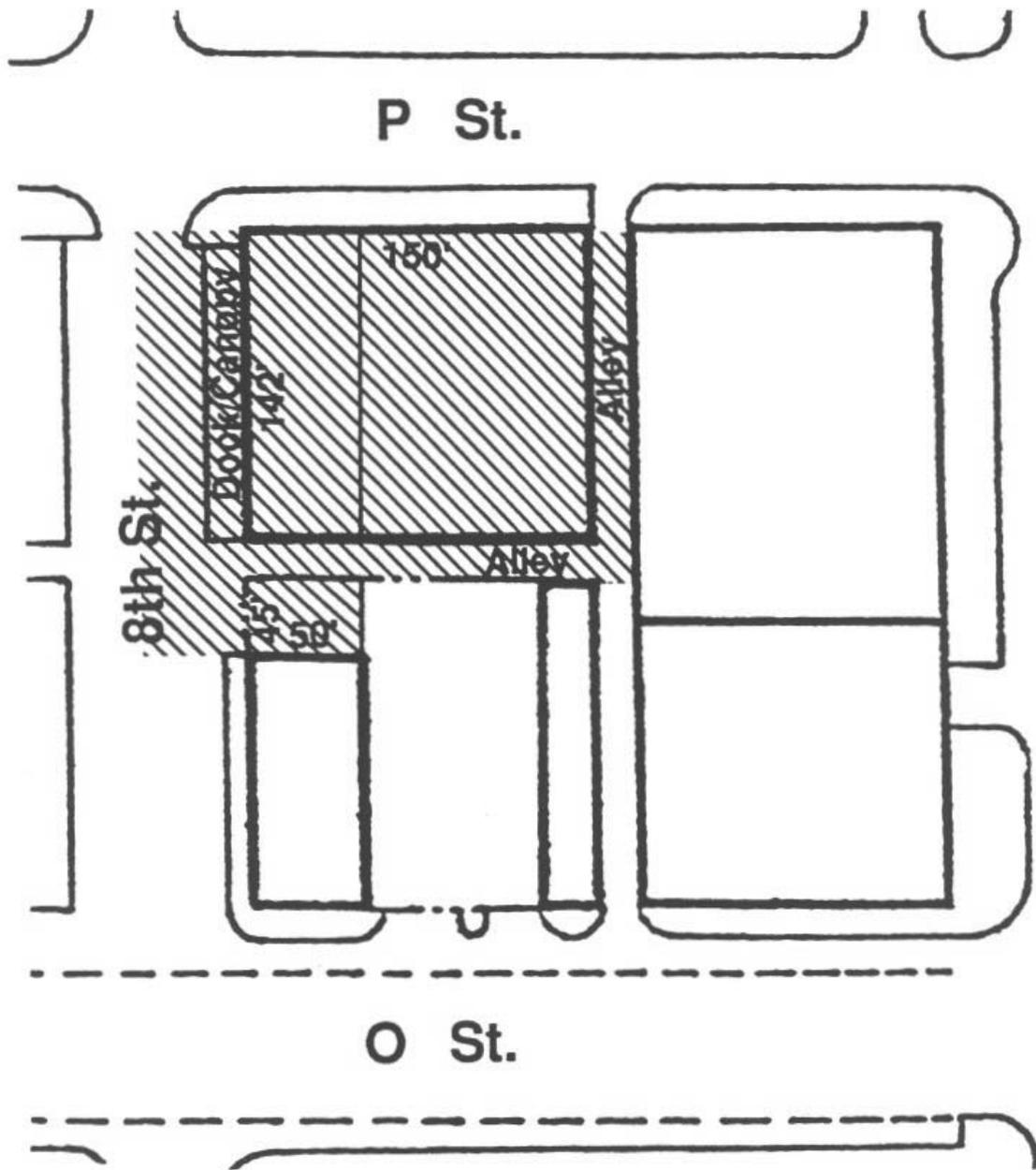


Exhibit IV-83
Proposed Site Plan

////// Apothecary & Ridnour Buildings Sub Project

Lincoln Center
Redevelopment Plan



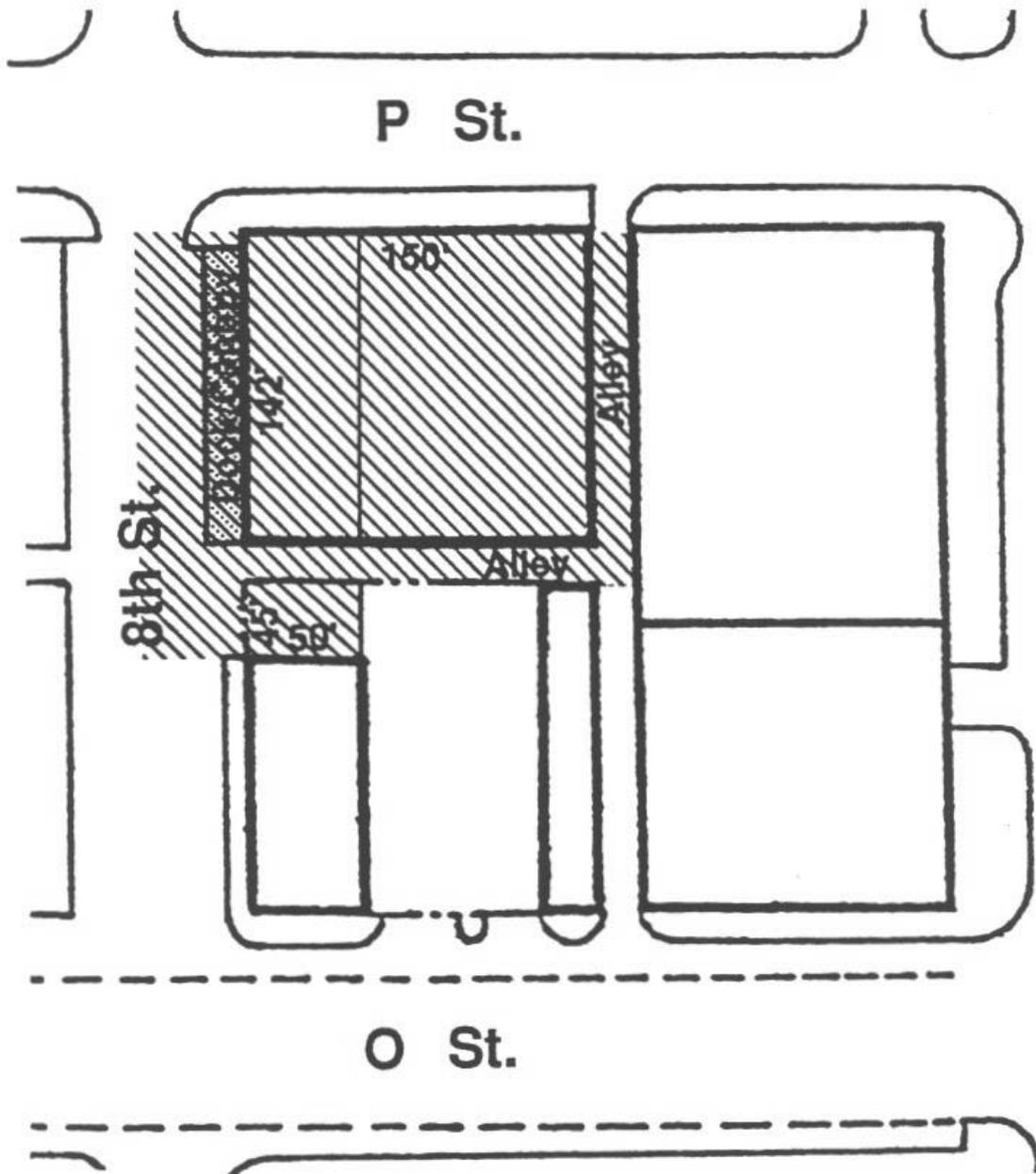


Exhibit IV-84
Proposed Site Improvements

-  Apothecary & Ridnour Buildings Sub Project
-  Proposed Site Improvements

Lincoln Center
Redevelopment Plan



On Lots 13, 14, 15, and the north 45 feet of Lots 16 and 17, Block 44, the existing property produces an annual ad valorem tax of \$8,848. With the new housing, office/retail rehabilitation completed, there will be a net increase of \$41,861 a year in taxes generated by the project portion of Block 45.

Therefore, reconstruction of dock and canopy improvements, pedestrian and other amenities will be funded in part by the public using the following sources:

- (a) Any ad valorem tax levied upon real property in the redevelopment project on Lots 13, 14, 15 and the north feet of Lots 16 and 17, Block 44, for the benefit of any public body shall be divided, for a period not to exceed 15 years after the effective date of such provision by the governing body as follows:
 - (i) That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the redevelopment project valuation shall be paid into the funds of each public body in the same proportion as are all other taxes collected by or for the body; and
 - (ii) That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allotted to and, when collected, paid into a special fund of the authority to pay principal of, and interest on, and any premiums due in connection with the bonds of loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise such development for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest in premiums due, have been paid, the authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon taxable real property in such redevelopment project shall be paid into the funds of the respective public bodies.

The Apothecary/Ridnour Buildings Sub Project financing, including expenditures and funding, is summarized in Exhibit IV-86.

The effective date for the Community Improvement Financing provisions of the Apothecary/Ridnour Buildings Sub Project is declared to be the 10th day of January, 1992.

4. Implementation Steps

The Apothecary/Ridnour Buildings Sub Project is an example of what can be accomplished when the private sector and government work together towards a common redevelopment goal. Utilizing the Community Redevelopment Law (Neb. Rev. Stat. 18-2101 et al), as amended in 1979, the City of Lincoln can now offer new financing capabilities for public improvement.

Under the Community Development Law, the first step in redeveloping an area is for the City to declare the area blighted and substandard, and in need of redevelopment. The Lincoln City Council completed this first step by declaring the Haymarket Area blighted on June 20, 1983 and

the Downtown Area blighted on October 22, 1984 and affirmed by resolution in 1987 the area as "blighted and substandard". The City Council determined that private enterprise could not redevelop this area without the assistance provided by the Community Development Law (see Resolutions, Appendix 1 and Appendix 9).

The implementation steps for the Apothecary/Ridnour Buildings Sub Project include:

- Issue and sell community development notes or bonds.
- Acquire a construction easement and other necessary property rights in the area adjacent to the canopy, dock and underground vault, necessary for construction of public improvements.
- Negotiate redevelopment and operating agreements with developers.
- Select architects and engineers to design the reconstruction/public improvements. Utilize private developers architect services offered.
- Approve the public facilities and improvements design.
- Competitively select contractors to construct public facilities and improvements.
- Construct public and private facilities and improvements.

EXHIBIT IV-85

APOTHECARY/RIDNOUR BUILDINGS SUB PROJECT EXPENDITURES

Public Expenditures

1. Property Easement Acquisition and Demolition	\$ 9,100
2. Dock Improvements and Reconstruction	80,942
3. Canopy Reconstruction	18,306
4. Pedestrian Amenities including, lighting, artwork, benches, sidewalks, and bike racks	15,324
5. Architect/Engineer	8,000
6. Contingency	<u>\$ 12,828</u>
TOTAL	\$ 144,500

Developer's Cost

1. Housing, Retail/Office, & Parking Development	<u>\$ 2,000,000</u>
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GRAND TOTAL OF EXPENDITURES **\$ 2,144,500**

(1) All costs for reconstruction of the Dock, Canopy and related expenses in excess of the Public CIF Sources shall be paid by the abutting owner.

EXHIBIT IV-86

**APOTHECARY/RIDNOUR BUILDINGS SUB PROJECT
COMMUNITY IMPROVEMENT FINANCING**

Community Improvement Financing Bonds/Private Loan Placement

Future Assessment Value	\$ 1,850,000
1990 Assessment Value	325,000
Assessment Increase	1,525,000
Tax Rate	0.02745
Annual Tax Increment	41,861

C.I.F. Collections (14 yrs.)	586,057	
Bond Issue (Private Loan Placement)		160,000
Issue Expense - Private Loan Placement		
Capitalized Interest, Debt Service Reserve, and Issuance & Underwriting Expenses		<u>- 15,500</u>

NET ESTIMATED FOR CONSTRUCTION USE

\$ 144,500