



City of Grand Island

Tuesday, December 13, 2016

Council Session

Item H-1

**Consideration of Forwarding Blighted and Substandard Area #20
(Pat O'Neill - O'Neill Wood Resources) to the Hall County
Regional Planning Commission**

Staff Contact: Chad Nabity

Council Agenda Memo

From: Chad Nabity, AICP

Meeting: December 13, 2016

Subject: Proposed Blighted and Substandard Area #20

Presenter(s): Chad Nabity, Director Grand Island CRA

Background

Enclosed you will find a copy of a Substandard and Blight Study as prepared for Pat O'Neill by Marvin Planning Consultants. This study is for approximately 285 acres of property at the Cornhusker Army Ammunition Plant (CHAAP) west of Grand Island located north of Old Potash Highway and west of 70th Road owned by Mr. O'Neill and the Grand Island Area Economic Development Corporation. The study as prepared and submitted indicates that this property could be considered substandard and blighted. The full study is attached for your review and consideration.

Mr. O'Neill has submitted this study for the review and consideration of the Grand Island City Council as permitted by Nebraska law. Mr. O'Neill has an existing business (O'Neill Transportation and Equipment) on the site would proceed with further development of the property if the area can be declared blighted and substandard. The decision on whether to declare an area blighted and substandard is entirely within the jurisdiction of the City Council with a recommendation from the Planning Commission.

The question before Council will be whether to send the Study to the Planning Commission for their review and feedback. If the item is not sent to the Planning Commission, the Council cannot declare the area substandard and blighted. Planning Commission will meet on January 4 and would have a recommendation ready following that meeting.

Once an area has been declared substandard and blighted the CRA can accept redevelopment proposals for the area that might or might not include an application for Tax Increment Financing. Should this be approved, you can anticipate that Mr. O'Neill will submit an application for TIF to assist with the costs associated with fully developing this property.

Discussion

The action item tonight relates to the Study for proposed CRA Area No. 20 west of Grand Island at the Cornhusker Army Ammunition Plant as shown below. The study was prepared for 285 acres, of all of which are located in a formerly used defense site.

Study Area

Figure 1

Study Area Map



Source: Marvin Planning Consultants 2016

Jerry Janulewicz City Attorney has reviewed the Nebraska Statutes and case law pertaining to the declaration of property as blighted and substandard. His comments on this application are as follows:

The statutes which provide for the creation of a redevelopment area or redevelopment project within a redevelopment area require the following procedure:

- A request is made to the city council to declare an area to be substandard and blighted and in need of development for purposes of enabling the creation of a redevelopment area or a redevelopment project within a redevelopment area.
- The city council submits the question of whether an area is substandard and blighted to the planning commission for its review and recommendation prior to making its declaration that an area is substandard and blighted.
- The planning commission must submit its written recommendations within thirty days after receipt of the request.
- Upon receipt of the recommendations from the planning commission or after thirty days if no recommendation is received, the city council may make its findings and declaration with respect to the property within an area.
- Unless the city council of the city in which such area is located has, by resolution adopted after a public hearing with notice, declared such area to be a substandard and blighted area in need of redevelopment, the Community Redevelopment Agency cannot prepare a redevelopment plan for a redevelopment project area.
- Following a declaration that an area is substandard and blighted, the Community Redevelopment Agency is authorized to prepare or cause to be prepared and recommend redevelopment plans to the governing body of the city and to undertake and carry out redevelopment projects within its area of operation and may enter into contracts with redevelopers of property containing covenants, restrictions, and conditions regarding the use of such property for residential, commercial, industrial, or recreational purposes or for public purposes in accordance with the redevelopment plan and such other covenants, restrictions, and conditions as the authority may deem necessary to prevent a recurrence of substandard and blighted areas or to effectuate the purposes of the Community Development Law, and to provide grants, loans, or other means of financing to public or private parties in order to accomplish the rehabilitation or redevelopment in accordance with a redevelopment plan. Within the area of operation of the Community Redevelopment Authority, the authority may exercise its statutory powers with respect to the redevelopment project.

Neb. Rev. Stat. §§ 18-2107; 18-2109.

As stated in Fitzke v. City of Hastings, 582 N.W.2d 301 (Neb. 1998):

A CRA is not authorized to prepare a redevelopment plan for a redevelopment project area unless the governing body of the city first enacts a resolution declaring such area to be “a substandard or blighted area in need of redevelopment.” § 18-2109. After such a declaration has been made and a redevelopment plan has been prepared and approved, a CRA is authorized to enter into contracts with redevelopers of property containing covenants, restrictions, and conditions regarding the use of such property for residential, commercial, industrial, or recreational purposes or for public purposes in accordance with the redevelopment plan and such other covenants, restrictions, and conditions as the [CRA] may deem necessary to prevent a recurrence of substandard or blighted areas ... and to provide grants, loans, or other means of

financing to public or private parties in order to accomplish the rehabilitation or redevelopment in accordance with a redevelopment plan. § 18-2107(4). The CRA may utilize tax increment financing to pay for redevelopment projects undertaken pursuant to the CDL. § 18-2124.

“Under this statutory scheme, a private development project would be eligible for tax increment financing only if it is included within an area which has previously been declared blighted or substandard and is in furtherance of an existing redevelopment plan for that area. The declaration of property as blighted or substandard is not simply a formality which must be met in order to assist a private developer with tax increment financing; it is the recognition of a specific public purpose which justifies the expenditure of public funds for redevelopment.” *Fitzke, id.*, citing *Monarch Chemical Works, Inc. v. City of Omaha*, 203 Neb. 33, 277 N.W.2d 423 (1979). The legislative intent underlying the Community Development Law is the elimination of blighted and substandard areas and to prevent the reoccurrence of blight through a cooperative effort of the public and private sectors, not to aid private developers. *Fitzke, id.*

At this point, Council is only making a decision about whether to forward the study to the Planning Commission for their recommendation or not. According to NRSS §18-2109, it is clear that the Planning Commission must have the opportunity to review the Blight Study prior to Council declaring the property substandard and blighted. If Council wishes to consider a declaration of substandard and blight, State Statute requires that the question of whether an area is substandard and blighted is submitted to the Planning Commission for its review and recommendation.

The Planning Commission recommendation should be done at the first available opportunity, as the Planning Commission has 30 days to respond to Council’s request for a recommendation.

Blighted Area of the Community

This area is located outside the City Limits at CHAAP and as such any declaration as blighted and substandard is exempt from the 35% limit imposed by statute.

NRSS §18-2103 (11) Blighted area means an area, which (a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita

income of the area is lower than the average per capita income of the city or village in which the area is designated; or (v) the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a village shall not designate an area larger than one hundred percent of the village as blighted. **A redevelopment project involving a formerly used defense site as authorized under section 18-2123.01 shall not count towards the percentage limitations contained in this subdivision;**

The declaration of Area 20 would not impact the City's ability to declare other areas substandard and blighted.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to forward the Study to the Planning Commission for their recommendation.
2. Move to not forward the Study to the Planning Commission for their recommendation
3. Refer the issue to a Committee
4. Postpone the issue to future date
5. Take no action on the issue

Recommendation

City Administration recommends that the Council move to forward the Study to the Planning Commission if Council wishes to consider the use of Tax Increment Financing as a redevelopment tool for this property.

Sample Motion

Move to forward the Study to the Planning Commission for their review and recommendation.

O'NEILL TRANSPORTATION & EQUIPMENT

Rena Edwards
City Clerk
100 East First Street
Grand Island, NE 68801

RE: Blight and Substandard Study

Dear Mrs. Edwards:

Please consider this letter a formal request for the City Council to consider a blight and substandard study at their next available meeting.

I have attached a copy of the blight study and all of these documents are available in electronic format by request.

Please feel free to contact me with any questions.

Respectfully:



Patrick O'Neill - President

PO Box 2202 Grand Island, NE 68802
P 308-384-1690 F 308-381-1697
pat@oneillwr.com

PURPOSE OF THE BLIGHT AND SUBSTANDARD STUDY

The purpose of completing this Blight and Substandard study is to examine existing conditions within a specific part of Grand Island. This study has been commissioned by the O'Neill Wood Resources in order to analyze the possibility of declaring the area as blighted and substandard.

The City of Grand Island, when considering conditions of Blight and Substandard, will be looking at those issues and definitions provided for in the Nebraska Community Redevelopment Law as found in Chapter 18, Section 2104 of the Revised Nebraska State Statutes, as follows:

"The governing body of a city, to the greatest extent it deems to be feasible in carrying out the provisions of Sections 18-2101 to 18-2144, shall afford maximum opportunity, consistent with sound needs of the city as a whole, to the rehabilitation or redevelopment of the community redevelopment area by private enterprises. The governing body of a city shall give consideration to this objective in exercising its powers under sections 18-2101 to 18-2144, including the formulation of a workable program, the approval of community redevelopment plans consistent with the general plan for the development of the city, the exercise of its zoning powers, the enforcement of other laws, codes, and regulations relating to the use and occupancy of buildings and improvements, the disposition of any property acquired, and providing of necessary public improvements".

The Nebraska Revised Statutes §18-2105 continues by granting authority to the governing body for formulation of a workable program. The statute reads,

"The governing body of a city or an authority at its direction for the purposes of the Community Development Law may formulate for the entire municipality a workable program for utilizing appropriate private and public resources to eliminate or prevent the development or spread of urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of substandard and blighted areas, or to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program. Such workable program may include, without limitation, provision for the prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards; the rehabilitation or conservation of substandard and blighted areas or portions thereof by replanning, removing congestion, providing parks, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and the clearance and redevelopment of substandard and blighted areas or portions thereof."

Blight and Substandard are defined as the following:

"Substandard areas means an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;"

"Blighted area means an area, which (a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which

endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or (v) the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a shall not designate an area larger than one hundred percent of the as blighted;"

Furthermore, Chapter 18, Section 2123.01 of the Revised Nebraska State Statutes:

Redevelopment project with property outside corporate limits; formerly used defense site; agreement with county authorized.

- (1) Notwithstanding any other provisions of the Community Development Law to the contrary, a city may undertake a redevelopment project that includes real property located outside the corporate limits of such city if the following requirements have been met:
 - (a) The real property located outside the corporate limits of the city is a formerly used defense site;
 - (b) The formerly used defense site is located within the same county as the city approving such redevelopment project;
 - (c) The formerly used defense site is located within a sanitary and improvement district;
 - (d) The governing body of the city approving such redevelopment project passes an ordinance stating such city's intent to annex the formerly used defense site in the future; and
 - (e) The redevelopment project has been consented to by any city exercising extraterritorial jurisdiction over the formerly used defense site.
- (2) For purposes of this section, formerly used defense site means real property that was formerly owned by, leased to, or otherwise possessed by the United States and under the jurisdiction of the United States Secretary of Defense. Formerly used defense site does not include missile silos.
- (3) The inclusion of a formerly used defense site in any redevelopment project under this section shall not result in:
 - (a) Any change in the service area of any electric utility or natural gas utility unless such change has been agreed to by the electric utility or natural gas utility serving the formerly used defense site at the time of approval of such redevelopment project; or
 - (b) Any change in the service area of any communications company as defined in section [77-2734.04](#) unless (i) such change has been agreed to by the communications company serving the formerly used defense site at the time of approval of such redevelopment project or (ii) such change occurs pursuant to sections [86-135](#) to [86-138](#).
- (4) A city approving a redevelopment project under this section and the county in which the formerly used defense site is located may enter into an agreement pursuant to the Interlocal Cooperation Act in which the county agrees to reimburse such city for any services the city provides to the formerly used defense site after approval of the redevelopment project.

This Blight and Substandard Study is intended to give the Grand Island Community Redevelopment Authority, Hall County Regional Planning Commission and Grand Island City Council the basis for identifying and declaring Blighted and Substandard conditions existing within the City's jurisdiction and as allowed under Chapter 18, Section 2123.01. Through this

process, the City and property owners will be attempting to address economic and/or social liabilities which are harmful to the well-being of the entire community.

The study area can be seen in Figure 1 of this report. A Redevelopment Plan to be submitted in the future will contain, in accordance with the law, definite local objectives regarding appropriate land uses, improved traffic, public transportation, public utilities and other public improvements, and the proposed land uses and building requirements in the redevelopment area and shall include:

- The boundaries defining the blighted and substandard areas in question (including existing uses and conditions of the property within the area), and
- A list of the conditions present which qualify the area as blighted and substandard.

BLIGHT AND SUBSTANDARD ELIGIBILITY STUDY

This study targets a specific area within an established part of the community for evaluation. The area is indicated in Figure 1 of this report. The existing uses in this area includes several industrial uses, commercial uses and a limited number of residential uses within the corporate limits of Grand Island.

Through the redevelopment process the City of Grand Island can guide future development and redevelopment throughout the area. The use of the Community Redevelopment Act by the City of Grand Island is intended to redevelop and improve the area. Using the Community Redevelopment Act, the City of Grand Island can assist in the elimination of negative conditions and implement different programs/projects identified for the City.

The following is the description of the designated area within Grand Island.

Study Area

Figure 1

Study Area Map



Source: Marvin Planning Consultants 2016

The Study consists of area described as follows: The Point of Beginning is the intersection of West Old Potash Road and North 70th Road (Alda Road); thence, northeasterly along the centerline of North 70th Road to the intersection with the centerline of West 13th Street (County Road 33); thence westerly along the centerline of West 13th Street (County Road 33) to the extended west property line of a parcel described as Center Township PT E 1/2N of RR 18-11-10 231.28 AC; thence southerly along said west property line to the intersection with the centerline of West Old Potash Road; thence easterly to the POB. Total acres are 285.26 acres.

EXISTING LAND USES

The term "Land Use" refers to the developed uses in place within a building or on a specific parcel of land. The number and type of uses are constantly changing within a community, and produce a number of impacts either benefitting or detracting from the community. Because of this, the short and long-term success and sustainability of the community is directly contingent upon available resources utilized in the best manner given the constraints the City faces during the course of the planning period. Existing patterns of land use are often fixed in older communities and neighborhoods, while development in newer areas is often reflective of current development practices.

Existing Land Use Analysis within Study Area

As part of the planning process, a survey was conducted through both in-field observations, as well as data collection online using the Hall County Assessors website. This survey noted the use of each parcel of land within the study area. These data from the survey are analyzed in the following paragraphs.

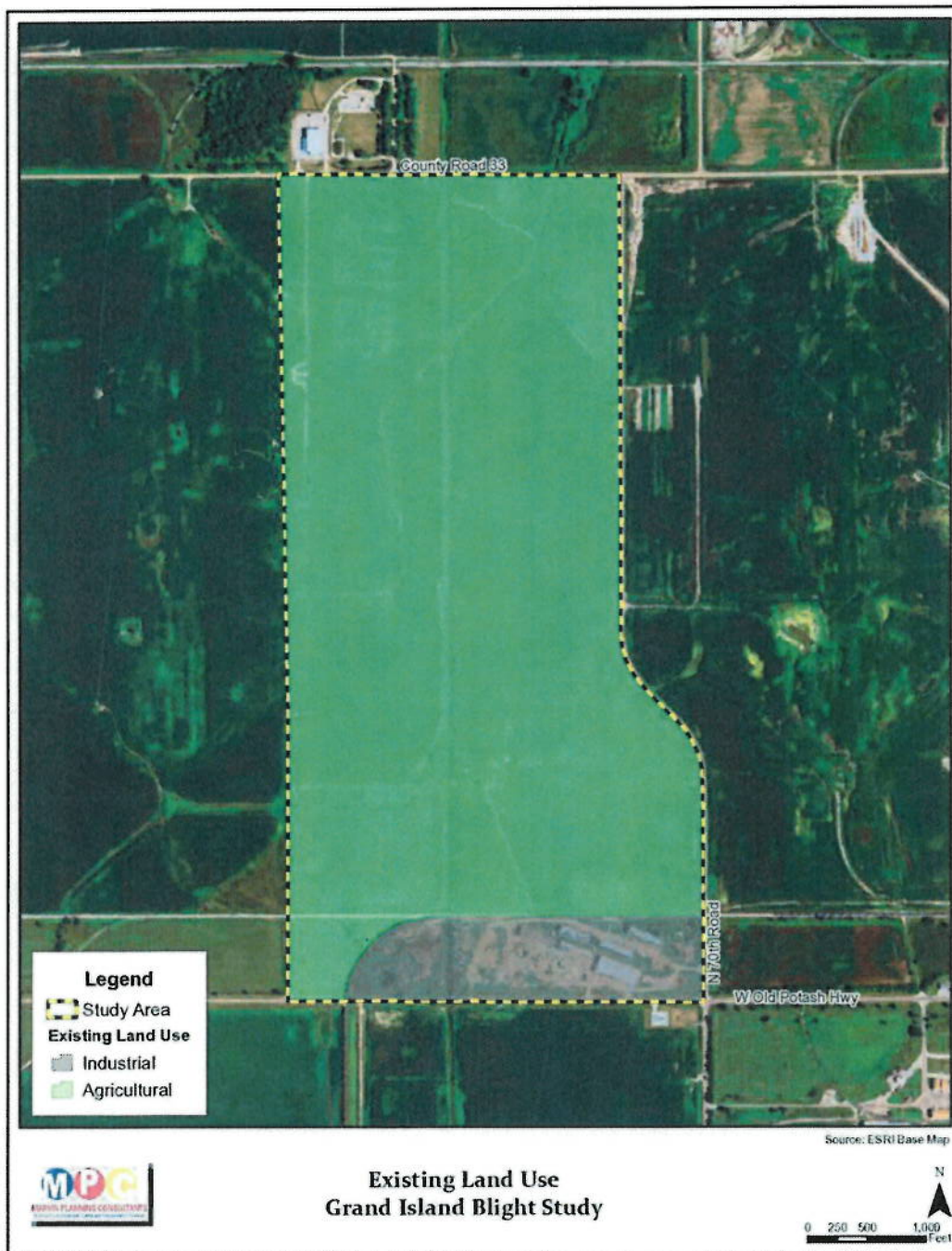
TABLE 1: EXISTING LAND USE, GRAND ISLAND – 2016

Type of Use	Acres	Percent of Developed land within the Study Area	Percent of Study Area
Residential	0.00	0.0%	0.0%
Single-family	0	0.0%	0.0%
Multi-family	0.00	0.0%	0.0%
Manufactured Housing	0	0.0%	0.0%
Commercial	0	0.0%	0.0%
Industrial	27.53	100.0%	9.7%
Quasi-Public/Public	0	0.0%	0.0%
Parks/Recreation	0	0.0%	0.0%
Transportation	0.00	0.0%	0.0%
Total Developed Land	27.53	100.0%	
Vacant/Agriculture	257.53		90.3%
Total Area	285.26		100.0%

Source: 2016 Grand Island Blight Study Area 20, Marvin Planning Consultants

Table 1 includes the existing land uses for the entire study area. The table contains the total acres determined per land use from the survey; next is the percentage of those areas compared to the total developed land; and finally, the third set of data compare the all land uses to the total area within the Study Area. As discussed previously, the Study Area is industrial (9.7%) and land considered vacant accounts for only 90.3% of the total area.

Figure 2
Existing Land Use Map



Source: Marvin Planning Consultants, 2016

FINDINGS OF BLIGHT AND SUBSTANDARD CONDITIONS ELIGIBILITY STUDY

This section of the study examines the conditions found in the study area. The Findings Section will review the conditions based upon the statutory definitions.

FORMER DEFENSE SITE

Based upon Chapter 18, Section 2123.01 of the Revised Nebraska State Statutes, this study area is deemed to be Blighted and Substandard. The area meets all of the criteria identified in the §18-2123.01:

1. The real property located outside the corporate limits of the city is a formerly used defense site;

2. The formerly used defense site is located within the same county as the city approving such redevelopment project;
3. The formerly used defense site is located within a sanitary and improvement district;
4. The governing body of the city approving such redevelopment project passes an ordinance stating such city's intent to annex the formerly used defense site in the future.
5. Formerly used defense site means real property that was formerly owned by, leased to, or otherwise possessed by the United States and under the jurisdiction of the United States Secretary of Defense. Formerly used defense site does not include missile silos.

Based upon the site meeting the criteria found in §18-2123.01, this area meets the criteria for declaring it Blighted and Substandard.

OTHER CONTRIBUTING FACTORS

There were a number of conditions examined and evaluated in the field and online. There are a number of conditions that will be reviewed in detail, on the following pages, while some of the statutory conditions are not present.

Figure 3
Unit Age Map



Source: Marvin Planning Consultants, 2016

Age of Structure

Age of structures can be a contributing factor to the blighted and substandard conditions in an area. Statutes allow for a predominance of structures 40 years of age or older to be a contributing factor regardless of their condition. The following paragraphs document the structural age of the structures within the Study Area. Note the age of structure was determined from the Appraisal data within the Hall County Assessor's website data.

Within the study area there is a total of 10 primary structures. After researching the structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

- 9 (90.0%) units were determined to be 40 years of age or older
- 1 (10.0%) units were determined to be less than 40 years of age

The age of the structures would be a direct contributing factor.

Structural Conditions

Structural conditions were evaluated, structures were either rated as: Very Good, Good, Fair, Average, or badly worn. The data and rating system comes from the Hall County Assessor's database and is the same database used to value properties in the area.



Based upon the data provided to the planning team, the following is the breakdown for structures in the study area:

- 0 (0.0%) structures rated as very good
- 0 (0.0%) structures rated as good
- 0 (0.0%) structure rated as fair
- 1 (10.0%) structures rated as average
- 9 (90.0%) structure rated as badly worn

Based upon these data, an assumption has been made that average condition and less would constitute less than desirable conditions due to age and conditions. It is common for older structures to get more maintenance and upkeep in order to maintain a good or higher condition. Even an average structure will show some signs of deteriorating which in turn can become a dilapidated structure in the future if it is not addressed over time. Overall, 100.0% of the structures in this study area are average condition or worse.

Due to the stated conditions found in the Hall County Assessor's data, the condition of the structure is a contributing factor.

Deterioration of Site or Other Improvements

Drainage Conditions

Grand Island has a long history of drainage issues due to the extreme flatness of the area, as well as the high water table. Topography and soils can have a major impact on how a given portion of the city drains. The area designated in this Study Area is nearly flat or has an extremely small slope.

Figure 4
Structural Conditions



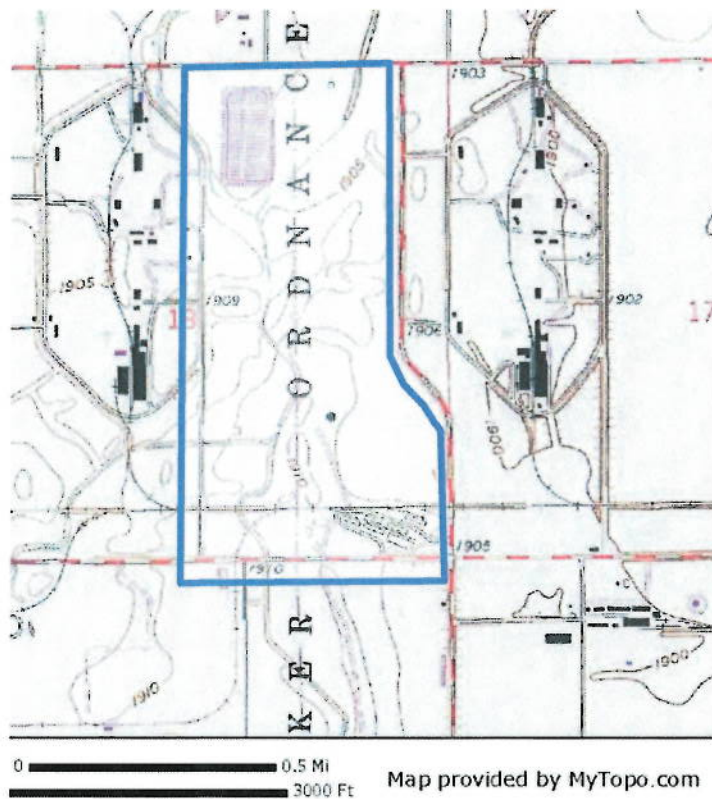
Source: Marvin Planning Consultants, 2016

The field survey examined the entire area for potential drainage problems.

Figure 5 is an existing topographic map from MyTopo.com showing the study area. The map confirms the flatness of the area throughout the entire study area falls along a contour of 1905 with occasional higher points. This contour covers the better portion of a mile-long section north to south.

The potential for standing water on this site is great. Standing water from poor drainage can be a catalyst for health issues like West Nile due to the potential mosquito breeding during the summer months.

Figure 5
Topographic Map of Study Area



Source: MyTopo.com (topographic map) and Marvin Planning Consultants

County Road Conditions

The study area has county roads on three sides of the properties. Old Potash Road is a paved road along the south edge of the area and is in average condition and is beginning to show some deterioration in places. The other two sides, 13th Street and Alda Road are graveled and appear to have above average traffic and are showing signs of wear. These roads are in need of continued maintenance now and in the future.

The existing road conditions are a contributing factor to the deterioration of site or other improvement within the area.

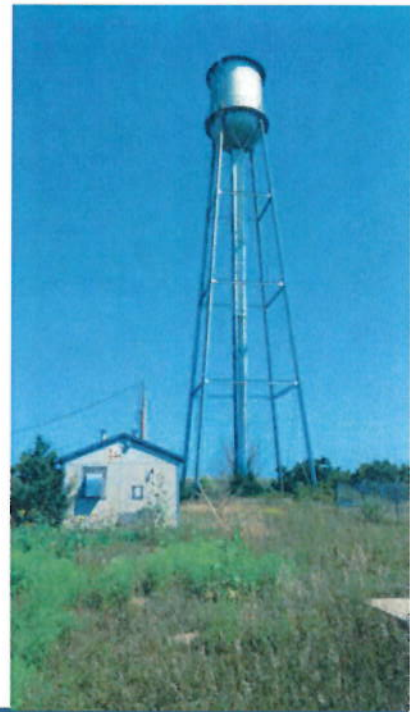
Stormwater management

The study area, is surrounded by rural section roads which includes drainage ditches. The ditches along with the lack of slope in the area, creates a negative impact on stormwater management for the area. This is typically true throughout the entire Hall County area.

The stormwater management system is a contributing factor to the deterioration of site or other improvement within the area.

Internal Infrastructure

The on-site area surrounding O'Neill Wood Resources is made up primarily of dirt and gravel. The area has numerous potholes and water holes. These are areas that may cause damages to vehicles. In addition, these areas are good places for standing water to collect and mosquitoes to collect.

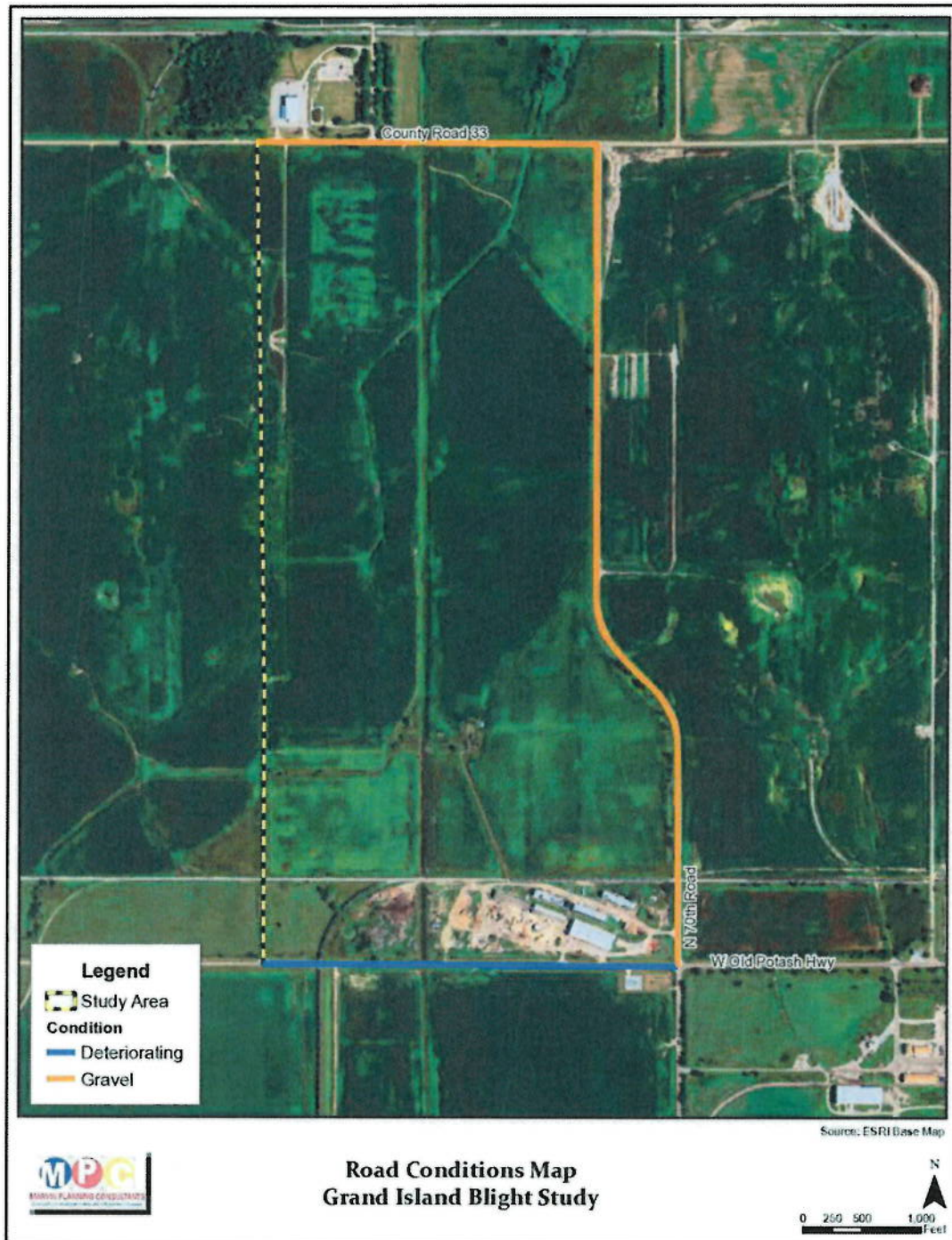


The internal infrastructure is a contributing factor to the deterioration of site or other improvement within the area.

Old Cornhusker Army Ammunition Plant Infrastructure and Contamination

Within the study area there are several pieces of the old base infrastructure still underground and above ground. Currently, there is an old water tower and well house on the O'Neill property and an old well house near 13th Street. In addition, there are old sanitary sewer lines still buried within the same area.

Figure 6
County Road Conditions



Source: Marvin Planning Consultants, 2016

Besides the water tower and well houses, there are older wood and asbestos covered water pipes connecting the old water system throughout the site, see Figure 7. These lines are currently in place as shown. At present, there is water still supplied through these lines to the O'Neill Wood Resources property (strictly for fire protection). Any type of development within this study will likely require the complete or partial removal of these asbestos pipes during demolition and construction, thus exposing the asbestos hazard if not controlled properly.

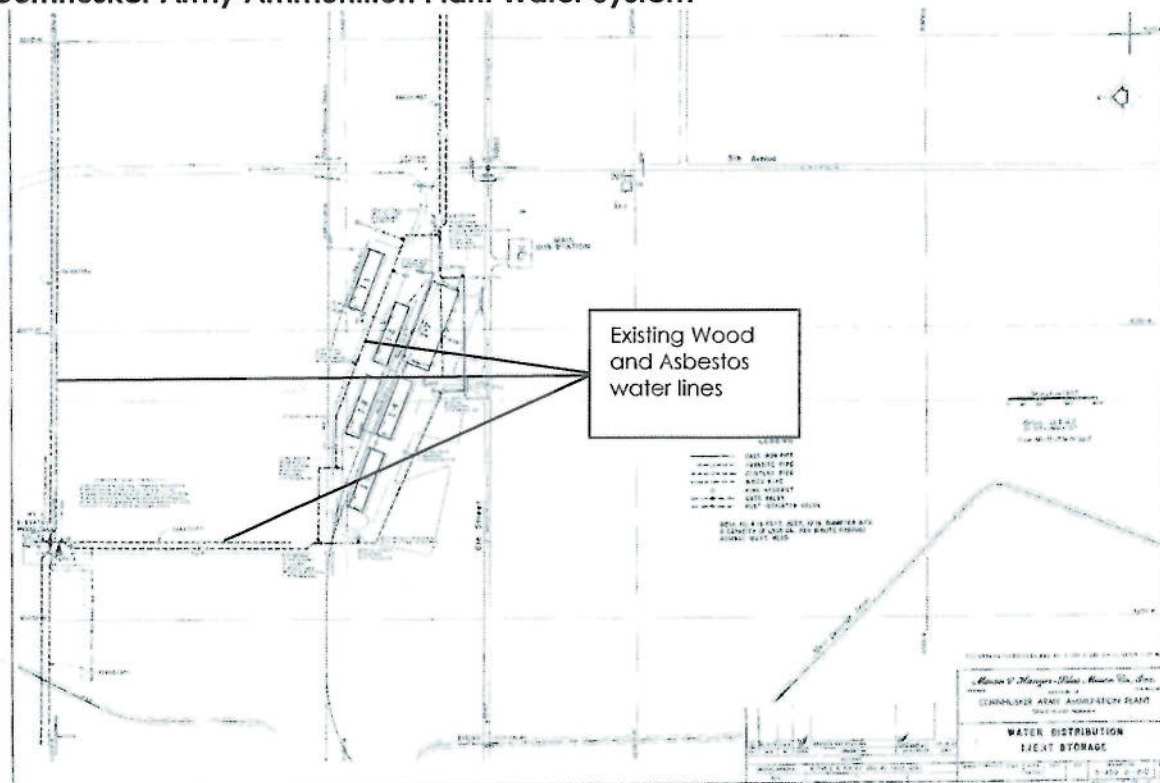
The existing sanitary sewer lines within the study area are constructed of similar materials. Similar to the water lines, these lines will likely need to be disturbed during any future development/redevelopment of the property, thus exposing the asbestos hazard if not controlled properly.

In addition to the aging and potentially hazardous infrastructure, the entire Cornhusker Army Ammunition Plant site is considered a potential hazardous area with regard to ground water contamination from RDX used during the manufacturing of explosives on the old site. The actual contamination plume is under the northern portion of the study area, see Figure 9. In addition, the plume has caused restrictions for potable domestic wells within the entire former ammunition plant site and beyond to be put into place.

The internal infrastructure, as well as, the former Cornhusker Army Ammunition Plant contamination plume are contributing factors to the deterioration of site or other improvement within the area.

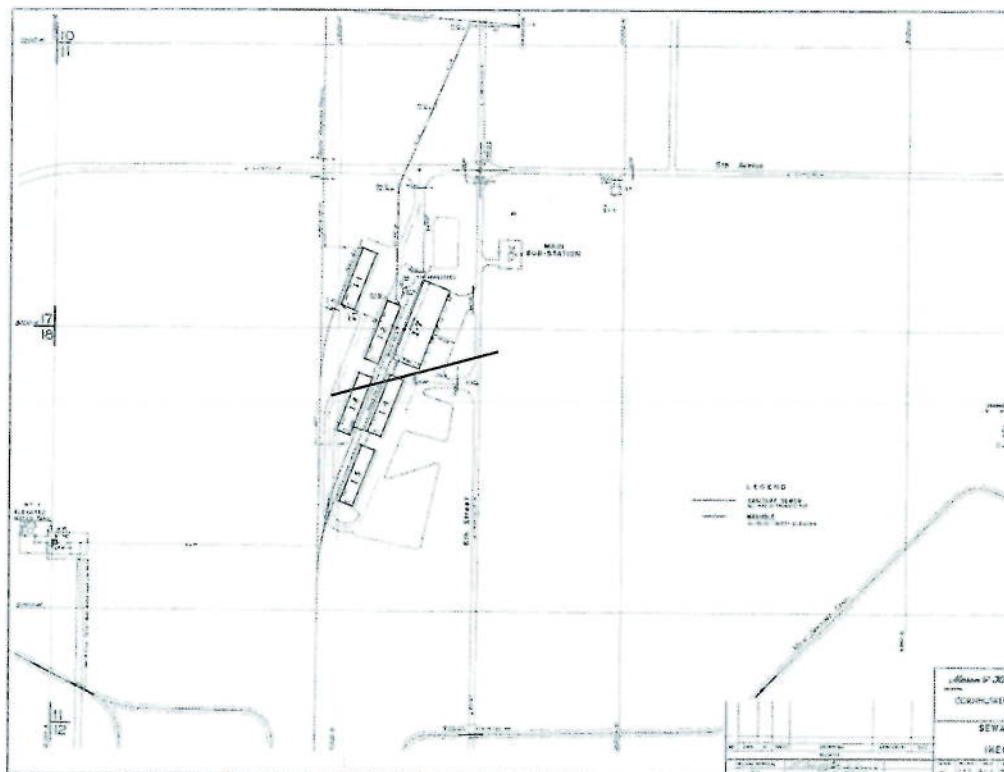


Figure 7
Cornhusker Army Ammunition Plant Water System



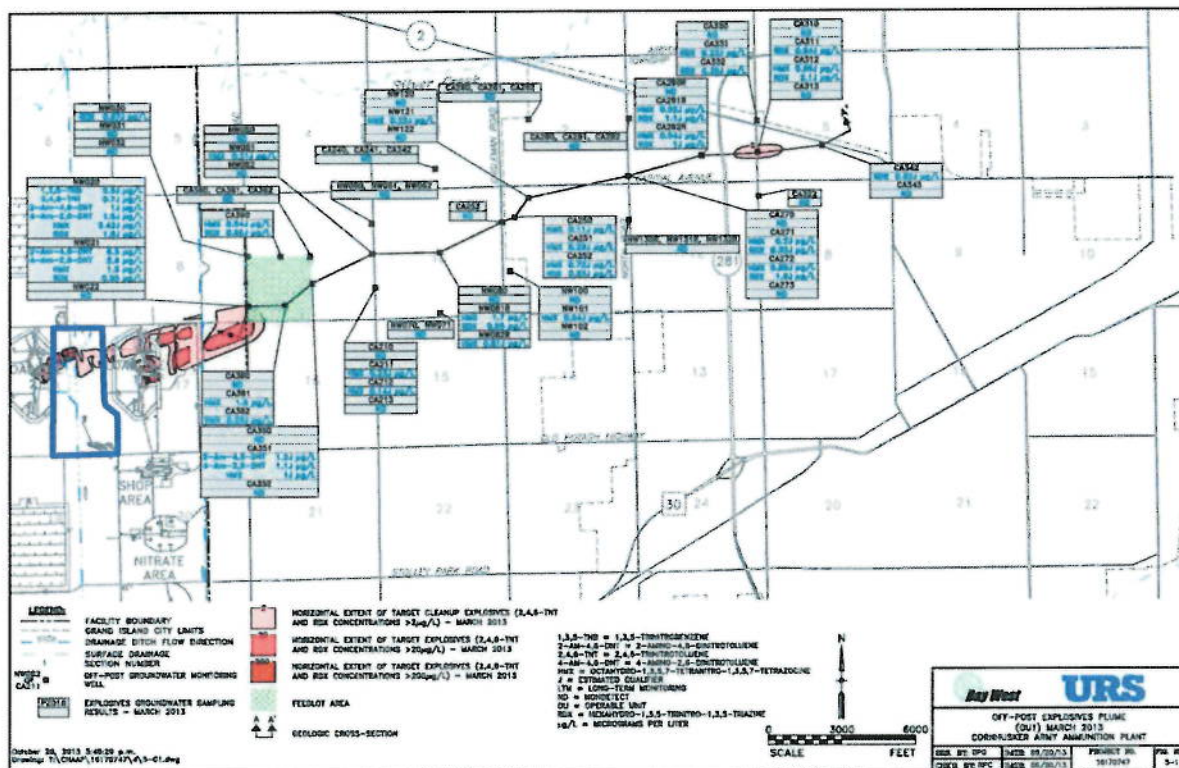
Source: City of Grand Island (Lot lines) and Marvin Planning Consultants

Figure 8
Cornhusker Army Ammunition Plant Sanitary Sewer System



Source: City of Grand Island (Lot lines) and Marvin Planning Consultants

Figure 9
Cornhusker Army Ammunition Plant Contamination Plume



Source: City of Grand Island (Lot lines) and Marvin Planning Consultants

Insanitary or Unsafe Conditions

There are a number of factors tending to fall under this category. The study area was found to have several factors falling into insanitary and unsafe. The following will outline the conditions found.

Drainage Conditions

Grand Island has a long history of drainage issues due to the extreme flatness of the area, as well as the high water table. Topography and soils can have a major impact on how a given portion of the city drains. The area designated in this Study Area is nearly flat or has an extremely small slope.

Figure 5 shows the existing topographic map from MyTopo.com showing the study area. The map confirms the flatness of the area throughout the entire study area falls along a contour of 1905 with occasional higher points. This contour covers the better portion of a mile-long section north to south.

The potential for standing water on this site is great. Standing water from poor drainage can be a catalyst for health issues like West Nile due to the potential mosquito breeding during the summer months.

The drainage conditions are a contributing factor to the Insanitary and Unsafe Conditions within the area.

Stormwater management

The study area, is surrounded by rural section roads which includes drainage ditches. The ditches along with the lack of slope in the area, creates a negative impact on stormwater management for the area. This is typically true throughout the entire Hall County area.

The stormwater management system is a contributing factor to the Insanitary and Unsafe Conditions within the area.

Internal Infrastructure

The on-site area surrounding O'Neill Wood Resources is made up primarily of dirt and gravel. The area has numerous potholes and water holes. These are areas that may cause damages to vehicles. In addition, these areas are good places for standing water to collect and mosquitoes to collect.

The internal infrastructure is a contributing factor to the Insanitary and Unsafe Conditions within the area.

Old Cornhusker Army Ammunition Plant Infrastructure and Contamination

Within the study area there are several pieces of the old base infrastructure still underground and above ground. Currently, there is an old water tower and well house on the O'Neill property and an old well house near 13th Street. In addition, there are old sanitary sewer lines still buried within the same area.

Besides the water tower and well houses, there are older wood and asbestos covered water pipes connecting the old water system throughout the site, see Figure 7. These lines are currently in place as shown. At present, there is water still supplied through these lines to the O'Neill Wood Resources property (strictly for fire protection). Any type of development within this study will likely require the complete or partial removal of these asbestos pipes during demolition and construction, thus exposing the asbestos hazard if not controlled properly.

The existing sanitary sewer lines within the study area are constructed of similar materials. Similar to the water lines, these lines will likely need to be disturbed during any future development/redevelopment of the property, thus exposing the asbestos hazard if not controlled properly.

In addition to the aging and potentially hazardous infrastructure, the entire Cornhusker Army Ammunition Plant site is considered a potential hazardous area with regard to ground water contamination from RDX used during the manufacturing of explosives on the old site. The actual contamination plume is under the northern portion of the study area, see Figure 9. In addition, the plume has caused restrictions for potable domestic wells within the entire former ammunition plant site and beyond to be put into place.

The internal infrastructure, as well as, the former Cornhusker Army Ammunition Plant contamination plume are a contributing factor to the Insanitary and Unsafe Conditions within the area.

Existence of Conditions endangering life or property due to fire or other causes

As mentioned earlier, the entire Cornhusker Army Ammunition Plant site is considered a hazardous area with regard to ground water contamination. The actual contamination plume is under the northern portion of the study area, see Figure 9. In addition, the plume has caused restrictions for potable domestic wells within the entire former ammunition plant site and beyond to be put into place.

The groundwater is contaminated with RDX, a dangerous carcinogen, which was used in the manufacture of explosive devices during the life of the ammunition plant and is extremely unsafe to humans and other animals. Figure 9 indicates there two of three highest levels of contamination present in the study area. This chemical is directly linked to several medical problems and conditions.

Based upon the field analysis, there are sufficient elements present to meet the definition of dangerous conditions within the Study Area.

Combination of factors which are impairing and/or arresting sound growth

Within this study area there are a number of factors that are impairing or arresting sound growth. A couple of these include:

- The contamination plume is a major condition factor arresting sound growth in the Grand Island area.

Based upon the review of the area, there is one sufficient element present to meet the definition of combination of factors which are impairing and/or arresting sound growth within the Study Area.

Stable or decreasing population based on the last two decennial censuses

Over the past 20 years the population within the study area has been stable or decreasing. The population within the Study Area has had limited population for the past two decennial censuses. Therefore, it meets the criteria for a stable or decreasing population.

Diversity of Ownership

Within this small study area, there are three different property owners including O'Neill Wood Resources, ARS Nebraska LLC, and CAIP LLC. Coordination of any redevelopment of this area may require specific intervention that a Blight and Substandard designation offers.

Blighting Summary

These conditions are contributing to the blighted conditions of the study area.

- **Qualifies under the Former Defense Site statute**
 - The real property located outside the corporate limits of the city is a formerly used defense site;
 - The formerly used defense site is located within the same county as the city approving such redevelopment project;
 - The formerly used defense site is located within a sanitary and improvement district;
 - The governing body of the city approving such redevelopment project passes an ordinance stating such city's intent to annex the formerly used defense site in the future.
 - Formerly used defense site means real property that was formerly owned by, leased to, or otherwise possessed by the United States and under the jurisdiction of the United States Secretary of Defense. Formerly used defense site does not include missile silos.
- **Average age of structures is over 40 years of age**
 - Within the Study Area 100.0% of the structures meet the criteria of 40 years of age or older.
- **Substantial number of deteriorating structures**
 - Within the study are 90.0% of the structures were deemed to be in a deteriorated state or worse. While the other 10% are considered to be in an average condition.
- **Deterioration of site or other improvements**
 - Drainage of existing site is difficult based upon the existing topography.
 - County Road conditions.
 - Stormwater management.
 - Internal Infrastructure.
 - Old Cornhusker Army Ammunition Plant infrastructure and Contamination.
- **Insanitary or Unsafe Conditions**
 - Drainage of existing site is difficult based upon the existing topography.
 - Stormwater management.
 - Internal Infrastructure.
 - Old Cornhusker Army Ammunition Plant infrastructure and Contamination.
- **Dangerous conditions to life or property due to fire or other causes**
 - Old Cornhusker Army Ammunition Plant Contamination.

- **Combination of factors which are impairing and/or arresting sound growth**
 - Old Cornhusker Army Ammunition Plant infrastructure and Contamination.
- **Stable or decreasing population based on the last two decennial censuses**
 - The population of the Study Area has remained stable over the past two decennial censuses.
- **Diversity of Ownership**
 - There are currently three different owners listed for the property within the Study Area.

The other criteria for Blight were not present in the area, these included:

- Faulty Lot Layout
- Improper Subdivision or Obsolete Platting
- Defective/Inadequate street layouts
- Tax or special assessment delinquency exceeding fair value of the land.
- Defective or unusual condition of title,
- Unemployment in the designated area is at least 120% of the state or national average.
- One-half of unimproved property is over 40 years old.
- The per capita income of the area is lower than the average per capita income of the city or village in which the area is designated.

These issues were either not present or were limited enough as to have little impact on the overall condition of the study area.

Substandard Conditions

FORMER DEFENSE SITE

Based upon Chapter 18, Section 2123.01 of the Revised Nebraska State Statutes, this study area is deemed to be Blighted and Substandard. The area meets all of the criteria identified in the §18-2123.01:

1. The real property located outside the corporate limits of the city is a formerly used defense site;
2. The formerly used defense site is located within the same county as the city approving such redevelopment project;
3. The formerly used defense site is located within a sanitary and improvement district;
4. The governing body of the city approving such redevelopment project passes an ordinance stating such city's intent to annex the formerly used defense site in the future.
5. Formerly used defense site means real property that was formerly owned by, leased to, or otherwise possessed by the United States and under the jurisdiction of the United States Secretary of Defense. Formerly used defense site does not include missile silos.

Average age of the residential or commercial units in the area is at least 40 years

Age of structures can be a contributing factor to the blighted and substandard conditions in an area. Statutes allow for a predominance of units that are 40 years of age or older to be a contributing factor regardless of their condition. Note the age of structure was determined from the Appraisal data within the Hall County Assessor's website data.

Within the study area there is a total of 10 structures. After researching the structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

- 9 (90.0%) units were determined to be more than 40 years of age
- 1(10.0%) units were determined to be less than 40 years of age

There is a predominance of units 40 years of age or older.

Substandard Summary

Nebraska State Statute requires that "...an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, **age** or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or **the existence of conditions which endanger life or property by fire and other causes**, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;"

This Study Area in Grand Island meets the definition of Substandard as defined in the Revised Nebraska State Statutes.

FINDINGS FOR GRAND ISLAND BLIGHT STUDY AREA #21

Blight Study Area #21 has several items contributing to the Blight and Substandard Conditions. These conditions include:

Blighted Conditions

- **Former Defense Site**
- **Average age of structures is over 40 years of age**
- **Substantial number of deteriorated or deteriorating structures**
- **Deterioration of site or other improvements**
- **Insanitary and Unsafe Conditions**
- **Dangerous conditions to life or property due to fire or other causes**
- **Combination of factors which are impairing and/or arresting sound growth**
- **Stable or decreasing population based on the last two decennial censuses**
- **Diversity of Ownership**

Substandard Conditions

- **Former Defense Site**
- **Average age of the structures in the area is at least forty years**