



City of Grand Island

Tuesday, December 6, 2016

Study Session

Item -2

Presentation and Discussion concerning Blighted and Substandard Designation at Cornhusker Army Ammunition Plant

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Blight and Substandard and
Former Defense Sites
How it Applies to CHAAP

December 6, 2016

Chad Nabity

LB 66 Passed in 2013

FOR AN ACT relating to the Community Development Law; to amend sections 18-2101, 18-2103, and 18-2147, Reissue Revised Statutes of Nebraska; to define and redefine terms; **to provide for redevelopment of formerly used defense sites as prescribed; to provide for applicability of certain ad valorem taxation provisions as prescribed;** to harmonize provisions; to provide a duty for the Revisor of Statutes; and to repeal the original sections.

What LB 66 Did

- Gave authority to Cities of the First Class (5,000 to 100,000 population) to approve Redevelopment Plans and use Ad Valorem Taxes (TIF) generated by the project(s) approved in the plan to pay for eligible expenses under certain proscribed conditions on formerly used defense sites outside of the corporate limits of and within the same County as the City.

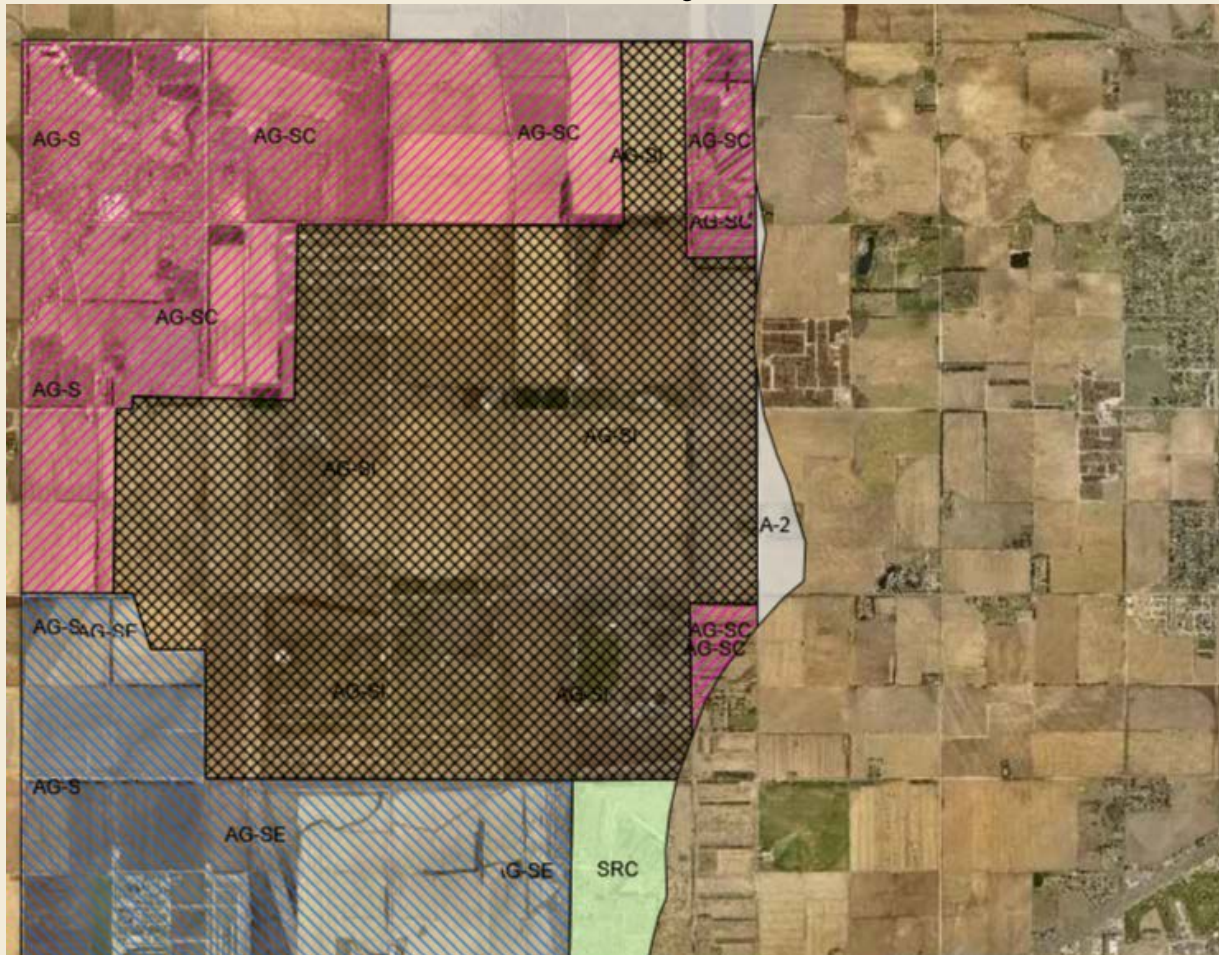
What LB 66 Did Not Do

- Declare formerly used defense sites blighted and substandard
- Change the standards for declaring an area blighted and substandard
- Remove or alter the requirement that an area be declared blighted and substandard prior to the approval of a Redevelopment Plan.

Cornhusker Army Ammunition Plant (CHAAP)

- 20 square mile plant west of GI built in 1942 for World War II.
- Reactivated for Korean War from 1950-1957.
- Reactivated for Vietnam in 1965.
- Declared excess in 1989.
- Congress (U.S. Sen. Jim Exon) gave local authority to the Hall County Reuse Committee to determine post plant land uses – ag, industry, no housing.

What Does This Mean for Grand Island and Hall County?



To Use TIF at CHAAP

- Area must be declared Blighted and Substandard
 - Formerly Used Military Defense sites declared Blighted and Substandard do not count toward the 35% limit of the City.
 - All, or a portion of the property can be declared Blighted and Substandard
 - Area(s) declared Blighted and Substandard must meet statutory criteria for the declaration.
 - All procedures and hearings must be followed like any other Blighted and Substandard declaration.
 - If declared Blighted and Substandard expect TIF Projects.

To Use TIF at CHAAP

Redevelopment project authorized outside city limits if:

1. Real estate is a formerly used defense site.
2. Formerly used defense site is in same county.
3. Site is located in a sanitary and improvement district.
4. Council passes ordinance stating intent to annex site in the future.

Cannot result in shift of electric or natural gas utility area.

Cannot result in shift of communications company area.

City may enter into a Interlocal agreement for services provided to site.

Zoning Districts at CHAAP

☛ Most Likely Redevelopment Areas By Zoning

- ☛ AG-SI Special Agricultural/Industrial (Old Load Lines)
- ☛ AG-SE Special Agricultural/Events (Husker Harvest Days)

☛ Less Likely Redevelopment Areas By Zoning

- ☛ AG-SC Special Agriculture/Conservation (Burning Grounds and State Wildlife Areas)
- ☛ SRC Special Recreation/Conservation (Shooting Park)

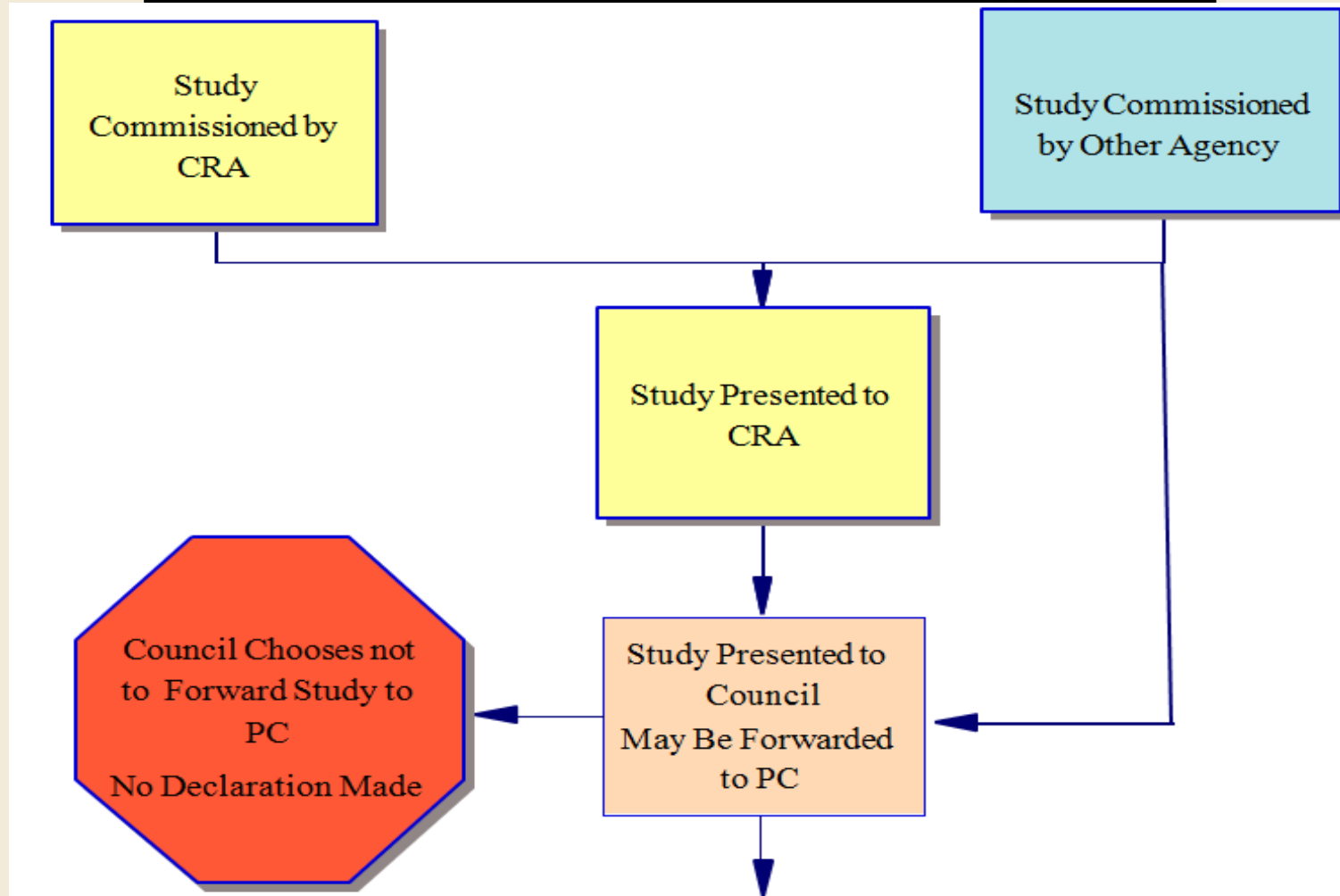
Why Bring This Up Now

- Council will have the opportunity to consider one or more blight studies in the near future.
 - Pat O'Neill with O'Neill Wood Resources has submitted a Blight Study for 285 acres at the northwest corner of Old Potash Hwy. and 70th Road in an area zoned AG/SI.
 - A second study is likely to be submitted in the near future for additional AG/SI land.
 - A study could be completed to aid redevelopment of the Husker Harvest Days site.

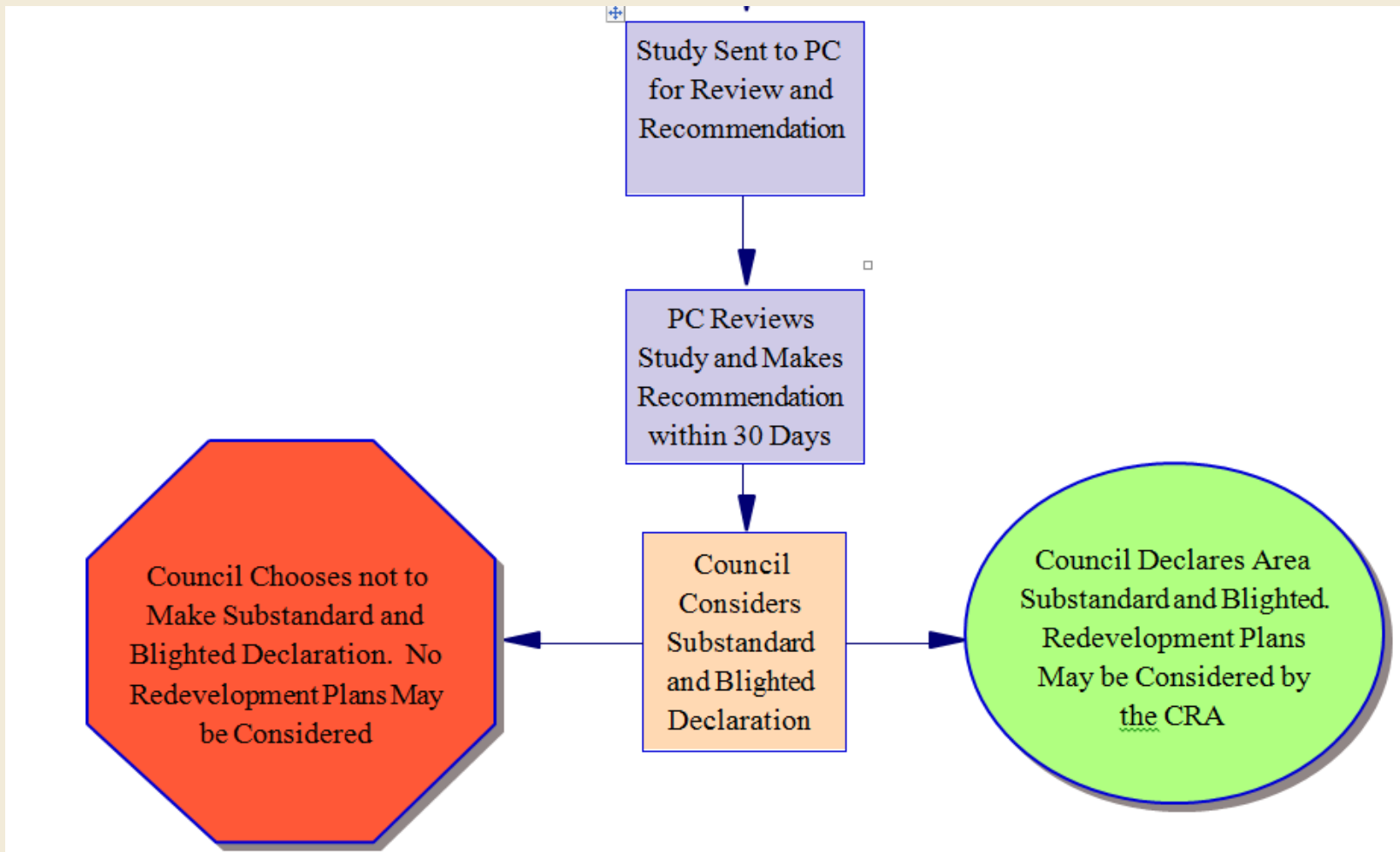
Possible uses of LB 66 statewide

- Sioux Army Depot in Sidney (May 2014)
- Naval Depot in Hastings
- CHAAP in Grand Island

Blight and Substandard Designation



Designation continued



What is Substandard?

Substandard means generally an area in which there is:

...a predominance of improvements which are dilapidated, deteriorated, old, obsolete overcrowded and which is detrimental to public health, safety, morals or welfare.

What is Blight? (two parts)

Blighted means generally an area in which there are:
...deteriorated structures, defective or inadequate street layout, faulty lot layout, insanitary or unsafe conditions, diversity of ownership, improper or obsolete platting, existence of conditions which endanger life or property by fire or other causes, or any combination which substantially impairs the sound growth of the community, retards the provision of housing or constitutes an economic or social liability and is detrimental to public health, safety, morals or welfare;

AND

Blight (continued)

Has one of these:

Average age of structures more than 40 years; unemployment 120% of state average; more than 1/2 of plotted land has been undeveloped and in city limits for 40 years; per capita income is lower than city average; or area has had stable or decreasing population based on census.

Substandard and Blight

1. Area can include bare property if impacted by other conditions.
2. Does not mean every building is in poor condition.
3. Declaration of substandard and blight is not registered in Register of Deeds Office nor the Assessor's Office.
4. No history of a negative impact on value of property nor sales price.
5. Terms are established in the Nebraska Constitution and can only be changed by a vote of the people.
6. Cannot blight more than 35% of geographical limits.