



Community Redevelopment Authority (CRA)

**Wednesday, August 8, 2018
Regular Meeting**

Item X2

Consideration of a Request from the Downtown Business Improvement District to form a committee to determine the feasibility of purchasing downtown properties for redevelopment.

Staff Contact:



July 20, 2018

Community Redevelopment Authority (CRA)
ATTN: Chairman Tom Gdowski, et. al.
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RE: Downtown Railside Property Acquisition Development

Board members and staff of the Community Redevelopment Authority (CRA),

I'm writing as the President of the Board of Directors of Grand Island's Downtown Business Improvement District (BID) to request your assistance in the acquisition of strategically important property in our in district to facilitate development within Blighted & Substandard Area #1.

Our BID has a history of partnering with the Community Redevelopment Authority (CRA) to reach goals our organization could not have otherwise reached on its own. Without the CRA, the BID could not have spurred development for Upper Level Housing (Life Safety) to incentivize the utilization of otherwise abandoned or underutilized second- and third-stories of buildings in our district. Without the CRA and its Facade improvement, many irreplaceable downtown buildings would have not been able to retain their historic faces.

But ultimately, if Railside is going to continue its momentum and have a meaningful hand in its continued development it must control strategic real estate. As it currently stands, the BID has neither the ability nor the resources to purchase and develop property in its own borders.

Our two organizations have dipped our toes into these waters together before. In July 2014 the BID sought the CRA's assistance in the acquisition of the lot at West 3rd & North Elm streets, comprised of 308 North Elm Street and 604-612 West 3rd Street(s), which formerly held the Ron's Transmission building until it was destroyed by fire in 2014. With that large and prominent lot left vacant, the BID request the CRA purchase it so that its future development could be ensured to further the rejuvenation of the BID and not become another parking lot or a new building that does not match the aesthetic and historic character of much of the 3rd Street, characteristics outlined by the BID Design Guidelines (adopted by the CRA in March 2018). In June 2015 the CRA purchased the lot on the condition that the BID maintain the lot and actively pursue development.

Since then, BID kept the former Ron's Transmission lot mowed and free of weeds, created and maintained a prominent sign soliciting development opportunities (right) and partnered with developers and development agencies (such as the Economic Development Corporation) to actively court developers, such as Kinkaider Brewery, Amur Finance (formerly Axis Capitol), and the Builders Development Corporation, among others. The lot has also been a prominent anchor on "Invest" tab of the BID's website, arriverailside.com, under the "Available Properties" section.



After three of CRA/BID stewardship, the CRA approved the sale of the site to Primus Dental for its development of its clinic. This success is something the BID would like to replicate on a larger scale, in lieu of having the resources to purchase real estate on its own. The BID's Economic Development Committee has identified more than a dozen sites deemed of strategic importance for the further redevelopment of downtown "Railside." They range in size and scope, but for the purposes of this request its members have decided to focus on three sites for CRA consideration:

- 512 West 3rd Street: The So-called Metal Shed, which is contrary to the BID's Design Guidelines in numerous ways, detracting from the vibrancy of that block. A new one or two story building with commercial stores on the main floor would benefit the adjacent property owners and the Railside district in general.
- 123 East South Front Street: A building which has housed several bars, but most recently a church. Purchasing this site would avoid the repeated cycle of disinvestment in the building which only contributes to its dilapidation. This particular location would be good for a multi-unit apartment building or a light industrial type business.
- Large-Scale site acquisition, for a boutique or luxury hotel: Several locations would be suitable for a hotel in Railside. Among the potential sites are some of the district's largest parking lots, such as the old Dodge School lot and the Northwest of City Hall between it and the block that contains Chicken Coop the Coney Island. But another option would be to purchase properties on the block directly East/Northeast of Pioneer Park, between West 1st and 2nd streets, which contains the Relax Inn, and a cluster of multi-unit converted residences, among others buildings. With few large buildings available for redevelopment, it is time for Grand Island to think larger than redeveloping one Railside building at a time and thinking larger, as has been done in Hastings, Kearney, Lincoln and Omaha's historic downtowns.

Without the CRA's assistance, the BID could not achieve these ends with its own resources. I formally request that a small steering committee of your board members explore the acquisition of these three sites with a few BID representatives, and develop guidelines on how we could work together toward their positive development.

Thank you for your consideration,

Tom Ziller
Board President,
Downtown "Railside" Business Improvement District (BID)
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