



Hall County Regional Planning Commission

**Wednesday, March 11, 2020
Regular Meeting**

Item F2

**Public Hearing - Redevelopment Plan Amendment - CRA Area 16
- Veterans Home Property.**

Staff Contact:

Agenda Item #5

PLANNING DIRECTOR RECOMMENDATION TO REGIONAL PLANNING COMMISSION:

February 28, 2020

SUBJECT:

Redevelopment plan for a Site Specific Redevelopment Plan for property located in Blight and Substandard Area 16 north of Capital Avenue south of Nebraska Highway 2 and west of Broadwell Avenue, Nebraska Veterans Home Property in Grand Island, in Hall County, Nebraska to support this development. (C-12-2020GI)

PROPOSAL:

This Redevelopment Project is intended provide for the redevelopment of the buildings and property of the Veterans Home Campus in Grand Island, Nebraska. To honor the history and sacrifices of our veterans by preserving historic elements of property. To enhance the partnership between the State and the City regarding this site by facilitating the transfer of this property from the State to the White Lotus Group. To facilitate the transfer it is proposed that the State will give the property to the CRA and the CRA will in turn transfer the property to the White Lotus Group. The transfer cannot be made directly between the State and White Lotus Group. This redevelopment plan does not authorize the use of Tax Increment Financing.

OVERVIEW:

The purpose of the CRA and the designated blight and substandard area is to provide incentives for development in underdeveloped areas of the community. This area has already been declared blighted and substandard by the CRA, the Hall County Regional Planning Commission and the Grand Island City Council. Redevelopment of this property is a priority for both the City of Grand Island and the State of Nebraska.

Transferring this property to a developer is in the best interest of the City. The three phase project including elderly housing, assisted living and student housing and activities, proposed by White Lotus Group in their response to a request for proposals by both the State and the CRA is project is **consistent** with the **existing zoning** for this area within the City of Grand Island. This is evident by the fact that the property is zoned **RO** Residential Office. The **RO** zoning district allows a variety of residential uses including apartments and nursing homes.

The Regional Planning Commission recommendation is limited to the appropriateness of the proposed use at this location.

The Planning Commission is required to comment on these applications to confirm that the transfer of this property through the CRA is consistent with the comprehensive plan. The

proposed use for a senior housing development and student/intern housing and services at this location appears to be supported by the plan.

RECOMMENDATION:

That the Regional Planning Commission recommends that City Council **approve** of the redevelopment plan amendment as submitted. A resolution is attached for your consideration.

_____ Chad Nabity AICP, Planning Director

Grand Island Veteran's Home Redevelopment Project

January 2020

State of Nebraska (State), HELP Foundation of Omaha Inc. (White Lotus), a non-profit corporation affiliated with White Lotus Group of Omaha, Nebraska, the Grand Island Community Redevelopment Authority (CRA) and the City of Grand Island, Nebraska (City) intend to complete a transaction providing for the redevelopment of the Grand Island Nebraska Veterans Home property in Grand Island, Nebraska.

Executive Summary:

The State of Nebraska owned and operated a state Veteran's Home (Soldiers and Sailors Home) in north central Grand Island between 1888 and 2019. In January of 2019 the resident veterans were relocated to a new facility in Kearney, Nebraska. Following the move to the new facility (during the summer of 2019) the Nebraska Department of Administrative Services (DAS) sought redevelopment proposals for the 48 acre site of containing the buildings and facilities. A committee consisting of DAS employees, Grand Island residents, and community leaders reviewed proposals as submitted and selected White Lotus Group of Omaha partnering with Chief Industries and O'Connor Enterprises as the most responsible applicant and the best team for redevelopment of the site.

In June of 2019 the Grand Island City Council declared the Veteran's Home property included in CRA Area #16 to be Substandard and Blighted in accordance with the Nebraska Community Development Law (Act).

In November of 2019 the CRA solicited the general public for redevelopment proposals for a portion of CRA Area #16 including the Veterans Home Campus. One proposal was received, from the White Lotus Group and their partners; in December of 2019 the CRA passed Resolution 328 notifying the Grand Island City Council of the intent of the CRA to enter into a redevelopment contract with the White Lotus Group upon approval of a redevelopment plan and other agreements as needed.

In December of 2019 the DAS Vacant Building and Excess Land (VBEL) Committee met and declared the remaining 58 acres of the Veteran's Home campus to be vacant and excess making it available for acquisition and redevelopment.

It is the intent of the City, the State and White Lotus to facilitate the transfer of the Veteran's Home Property to the White Lotus Group using CRA and powers granted to the CRA and the City under the Act and this redevelopment plan is being proposed for that express purpose.

Project Description

This Redevelopment Project is intended provide for the redevelopment of the buildings and property of the Veterans Home Campus in Grand Island, Nebraska. To honor the history and sacrifices of our veterans by preserving historic elements of property. To

enhance the partnership between the State and the City regarding this site by facilitating the transfer of this property from the State to the White Lotus Group.

The City has approved a blight study and determined that the Veterans Home Campus is located within a blighted or substandard area (Area 16). This Redevelopment Plan recognizes that the Veterans Home Campus is located within a blighted or substandard area, thereby enabling the City to undertake a redevelopment project pursuant to the Act.

The Property transfer is anticipated to occur after April 1, 2020 upon agreement of all parties and following approval of this plan by the City Council and more than 30 days after the execution of a redevelopment contract between White Lotus and the CRA. At that time, the following actions are contemplated:

1. The State shall transfer the property in fee simple by warranty or special deed to the CRA. The State is transferring the property the CRA pursuant to Neb. Rev. Stat. §18-2138.
2. The CRA shall transfer the property in fee simple by warranty or special deed to White Lotus. Such transfer shall be subject to significant covenants requiring White Lotus to redevelop the property. Section 18-2118 of the Act provides that the CRA may transfer real estate at "fair value for uses in accordance with a redevelopment plan. In determining fair value, the CRA is required to:

Take into account and give consideration to the uses and purposes required by such plan; the restrictions upon, and the covenants, conditions, and obligations assumed by the redeveloper of such property; the objectives of the redevelopment plan for the prevention of the recurrence of substandard and blighted areas; and such other matters as the authority shall specify as being appropriate. Neb. Rev. Stat. 18-2118

The CRA has reviewed the appraisal provided by the DAS for the property and reviewed the significant costs required to rehabilitate the property pursuant to this Redevelopment Plan. The covenants in the redevelopment contract will require an investment by White Lotus in excess of the value of the property. Therefore, the CRA intends to transfer the property to White Lotus, immediately upon receiving title pursuant to Section 18-2107(4) of the Act empowering the CRA to make "grants.....to...private parties in order to accomplish the rehabilitation or redevelopment in accordance with a redevelopment plan". The CRA will impose covenants on the property but shall not receive financial consideration for the transfer of title to White Lotus.

3. White Lotus shall accept the property in an "as is, where is" condition indemnifying the CRA from any liability the CRA may have incurred during its period of ownership.

In exchange for the property White Lotus will proceed with the redevelopment of the property as proposed subject to the covenants established in the redevelopment contract. Changes to the redevelopment plan may be approved by the CRA and City Council.

REDEVELOPMENT PROJECT SHALL BE LIMITED TO THE FOLLOWING GEOGRAPHIC AREA:

Property Description (the “Redevelopment Project Area”)

Legal Description: MISCELLANEOUS TRACTS 5-11-9 TO THE CITY OF GRAND ISLAND
58.78AC~

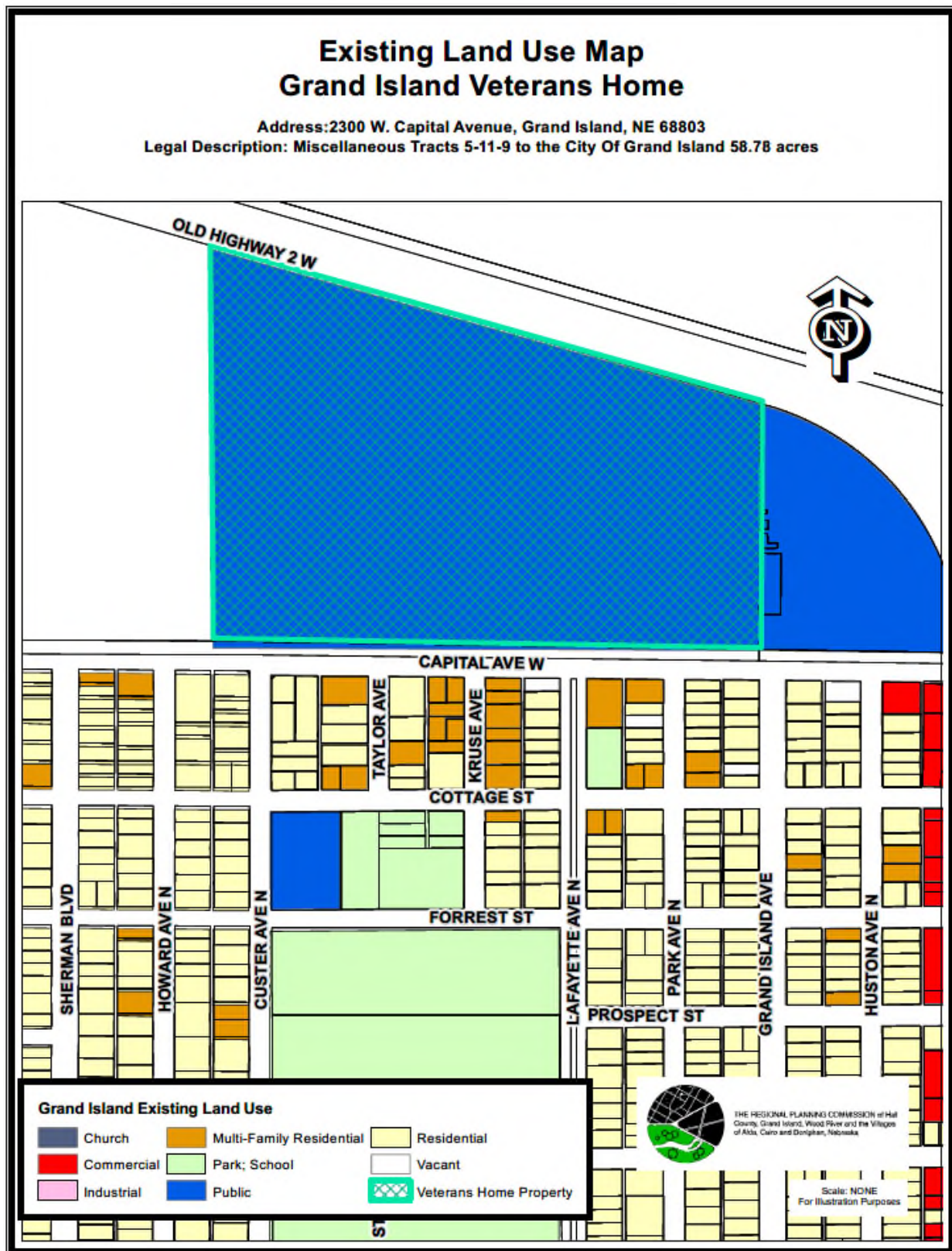
PIN:

Commonly Known as: Grand Island Veterans Home Campus

Address: 2206 Capital Ave, Grand Island NE



Existing Land Use Map



THE REDEVELOPMENT PROJECT COMPLIES WITH THE ACT:

The Community Development Law requires that a Redevelopment Plan and Project consider and comply with a number of requirements. This Plan Amendment meets the statutory qualifications as set forth below.

1. **Redevelopment Project Area 16 was declared to be declared blighted and substandard by action of the Grand Island City Council.[§18-2109] with the passage of Resolution #2019-201 on June 25, 2019. Such declaration was made after a public hearing in full compliance with the public notice requirements of §18-2115 of the Act.**
2. **Conformation to the General Plan for the Municipality as a whole. [§18-2103 (13) (a) and §18-2110]**

Grand Island adopted a Comprehensive Plan on July 13, 2004. This Redevelopment Project is consistent with the Comprehensive Plan of Grand Island and no changes in the Comprehensive Plan elements are intended. Documentation of compliance with the Comprehensive plan was provided by the Hall County Regional Planning Commission at a public hearing at their meeting on March 11, 2020 wherein the Commission passed Resolution 2020-05 confirming that this project is consistent with the Comprehensive Plan for the City of Grand Island.

3. **The Redevelopment Plan must be sufficiently complete to address the following items: [§18-2103(13) (b)]**

(a) Land Acquisition:

The Redevelopment Plan specifically grants authority for the CRA to acquire this property with the intent of transferring the property to White Lotus immediately upon acquisition and paying such costs as may be required to accomplish the maintenance and transfer of the property.

(b) Demolition and Removal of Structures:

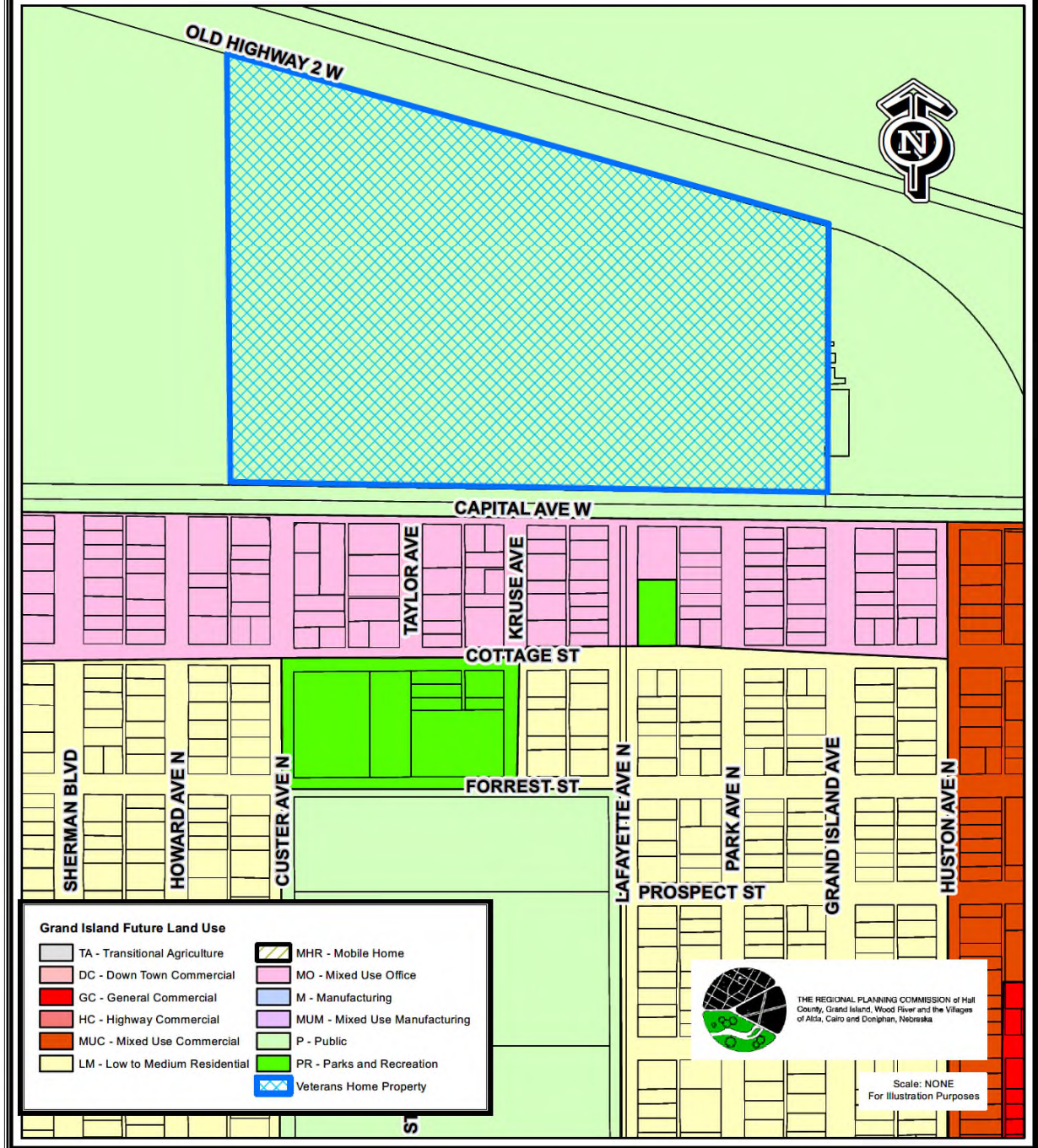
The project to be implemented pursuant to this Redevelopment Plan will require demolitions. However complete building demolition is not contemplated. The primary purpose and intent of this project is to provide for adaptive reuse of the existing structures.

(c) Future Land Use Plan:

The Veterans Home Campus was designated a public use while the property on the south side of Capital is shown as mixed use office it is appropriate to consider the changes in ownership of the property and extend the mixed use office designation to include the Campus. [§18-2103(b) and §18-2111].

Future Land Use Map Grand Island Veterans Home

Address: 2300 W. Capital Avenue, Grand Island, NE 68803
Legal Description: Miscellaneous Tracts 5-11-9 to the City Of Grand Island 58.78 acres



- (d) Changes to zoning, street layouts and grades or building codes or ordinances or other Planning changes:

The Veterans Home Campus is zoned RO Residential Office all of the proposed uses included in the redevelopment proposal are permitted in the RO zoning district. No changes are anticipated in street layouts or grades. No changes are anticipated in building codes or ordinances. Nor are any other planning changes contemplated. [§18-2103(b) and §18-2111]

- (e) Site Coverage and Intensity of Use:

The Veterans Home Campus is zoned RO Residential Office and can accommodate the improvements contemplated as part of this Redevelopment Project. [§18-2103(b) and §18-2111] No additional land coverage is contemplated with structures. However additional structures are not prohibited.

- (f) Additional Public Facilities or Utilities:

Sewer and water are available to support this development.

No other utilities would be impacted by the development. [§18-2103(b) and §18-2111]

5. The Act requires a Redevelopment Plan provide for relocation of individuals and families displaced as a result of plan implementation. [§18-2103.02].

This Redevelopment Plan will not require the displacement of individuals or families.

6. No member of the Authority, nor any employee thereof holds any interest in any property in this Redevelopment Project Area. [§18-2106]

No members of the CRA or City employees hold an interest in property within the Redevelopment Project Area.

7. Section 18-2114 of the Act requires that the Authority consider:

- (a) Method and cost of acquisition and preparation for redevelopment and estimated proceeds from disposal to redevelopers.

It is anticipated that the State of Nebraska will grant the property to the Grand Island Community Redevelopment Authority as an independent political entity in the State of Nebraska. The CRA will then grant the property to White Lotus subject to covenants established in a redevelopment contract. This plan provides for both the acquisition and disposition of the Veterans Home Campus property.

(b) Statement of proposed method of financing the Redevelopment Project.

White Lotus Group and their partners will be responsible for providing financing for the project. The City of Grand Island may participate if approvals are granted in authorizing Tax Increment Financing (TIF), Property Assessed Clean Energy program (PACE) Financing and other programs only on prior approval following statutory compliance and redevelopment plan amendment.

(c) Statement of feasible method of relocating displaced families.

No families will be displaced as a result of this Redevelopment Plan.

8. Section 18-2113 of the Act requires:

Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the city and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development, including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of insanitary or unsafe dwelling accommodations or conditions of blight.

The CRA has considered these elements in proposing this Redevelopment Plan. This Redevelopment Plan will have no negative impact on the Comprehensive Plan for the City of Grand Island. The improvements contemplated under this Redevelopment Plan will raise property values and provide a stimulus to keep surrounding properties properly maintained and support additional development. The intent of the property Redevelopment Plan is to prevent recurring elements of blighting conditions.

.Justification of Project

The Grand Island Veteran's Home has been a major source of community pride since its inception. The loss of the Veteran's Home has left a number of unanswered questions about this property and how it will be used. This process including the request for development proposals by the State of Nebraska and by the Grand Island CRA is an attempt to provide direction to the redevelopment, provide benefits to the community, along with preserving the historic nature of the facility.

9. Cost Benefit Analysis

This Redevelopment Plan does not permit the use of TIF. Any project using TIF will need to be approved with a separate plan amendment that will include a cost benefit analysis.

10. Time Frame for Development

It is anticipated that the acquisition of this property from the State of Nebraska would occur on or after April 1, 2020. It is further anticipated that the CRA will transfer the property to White Lotus the same day that it is acquired from the State of Nebraska

**COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF GRAND ISLAND, NEBRASKA**

RESOLUTION NO. 332

**RESOLUTION OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY
OF GRAND ISLAND, NEBRASKA, SUBMITTING A PROPOSED
REDEVELOPMENT PLAN TO THE HALL COUNTY REGIONAL PLANNING
COMMISSION FOR ITS RECOMMENDATION**

WHEREAS, this Community Redevelopment Authority of the City of Grand Island, Nebraska ("Authority"), pursuant to the Nebraska Community Development Law (the "Act"), prepared a proposed redevelopment plan (the "Plan") a copy of which is attached hereto as Exhibit 1, for redevelopment of an area within the city limits of the City of Grand Island, Hall County, Nebraska; and

WHEREAS, the Authority is required by Section 18-2112 of the Act to submit said to the planning board having jurisdiction of the area proposed for redevelopment for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The Authority submits to the Hall County Regional Planning Commission the proposed Plan attached to this Resolution, for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska.

Passed and approved this 2nd day of March, 2020

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GRAND ISLAND, NEBRASKA.

By


Chairperson

ATTEST:


Secretary

Veterans Home Acquisition

Resolution Number 2020-05

HALL COUNTY REGIONAL PLANNING COMMISSION

**A RESOLUTION RECOMMENDING APPROVAL OF A SITE SPECIFIC
REDEVELOPMENT PLAN OF THE CITY OF GRAND ISLAND, NEBRASKA;
AND APPROVAL OF RELATED ACTIONS**

WHEREAS, the Chairman and Board of the Community Redevelopment Authority of the City of Grand Island, Nebraska (the “**Authority**”), referred **the Redevelopment Plan for CRA Area #16 Veterans Home.** to the Hall County Regional Planning Commission, (the “**Commission**”) for review and recommendation as to its conformity with the general plan for the development of the City of Grand Island, Hall County, Nebraska, pursuant to Section 18-2112 of the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”); and

WHEREAS, the Commission has reviewed said Redevelopment Plan as to its conformity with the general plan for the development of the City of Grand Island, Hall County;

NOW, THEREFORE, BE IT RESOLVED BY THE HALL COUNTY REGIONAL PLANNING COMMISSION AS FOLLOWS:

Section 1. The Commission hereby recommends approval of the Redevelopment Plan.

Section 2. All prior resolutions of the Commission in conflict with the terms and provisions of this resolution are hereby expressly repealed to the extent of such conflicts.

Section 3. This resolution shall be in full force and effect from and after its passage as provided by law.

DATED: March 11, 2020

**HALL COUNTY REGIONAL PLANNING
COMMISSION**

ATTEST:

By: _____
Chair

By: _____
Secretary