



Community Redevelopment Authority (CRA)

Wednesday, June 14, 2023
Regular Meeting

Item I3

Redevelopment Plan Amendment Area - Life Safety Grant

Staff Contact:

**Redevelopment Plan Amendment
Grand Island CRA Area 1
May 2023**

The Community Redevelopment Authority (CRA) of the City of Grand Island intends to amend the Redevelopment Plan for Area 1 within the city, pursuant to the Nebraska Community Development Law (the “Act”) and provide for the creation of a grant program to further the development and redevelopment of upper story housing in buildings within the identified boundaries of this plan in Area 1.

**Executive Summary:
Project Description**

THE CREATION OF GRANT PROGRAM TO FOSTER THE DEVELOPMENT OF UPPER STORY RESIDENTIAL UNITS IN AND NEAR THE DOWNTOWN CORE IT IS THE GOAL OF THE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT, DOWNTOWN PROPERTY OWNERS, THE GRAND ISLAND CITY COUNCIL AND THE CRA TO DEVELOP OR REDEVELOP UPPER STORY 50 RESIDENTIAL UNITS WITHIN THIS AREA BY THE END OF 2028.

Primary funding for this program will be provided through an appropriation from the City of Grand Island General Fund to be approved each year during the budget process and a set aside for grant purposes from the CRA General Budget. During the 2023-24 fiscal it is anticipated that each entity has will contribute \$100,000. It is anticipated that this level of funding can continue through the 2027-28 fiscal year.

The plan does not specifically authorize the use of Tax Increment Financing (“TIF”). It is anticipated that TIF will be part of some of these projects. A separate application and redevelopment plan will be required for all projects utilizing TIF.

The acquisition, site work and construction of all improvements will be paid for by the developer. The developer is responsible for and has provided evidence that they can secure adequate debt financing to cover the costs associated with the acquisition, site work and remodeling. The CRA may grant funds as provided for in the CRA Annual Budget to developers of up to \$20,000 per new two plus bedroom unit and \$15,000 per new single bedroom unit developed on the an upper floor of a building. The CRA may grant funds as provided for fire sprinklers and water service upgrades necessary for sprinklers as provided for in the CRA Annual Budget to developers of up to \$20,000 per existing two plus bedroom unit and \$15,000 per existing single bedroom unit developed on the an upper floor of a building with a limit of \$100,000 per building with existing units. These funds may only be granted for residential units within the project area. Grants made under this program are to be paid to the developer upon completion of the project and upon the developer showing evidence of such completion including certificates of occupancy, building inspection reports, approval of the fire marshal, paid invoices and evidence of actual costs.

UPPER STORY RESIDENTIAL LIFE SAFETY IMPROVEMENTS GRANTS AND TAX INCREMENT FINANCING SHALL BE LIMITED TO THE FOLLOWING GEOGRAPHIC AREA THOUGH UTILITY AND STREET EXTENSIONS AND NECESSARY UTILITIES COME FROM THE FOLLOWING REAL PROPERTY:

Property Description (the “Redevelopment Project Area”)

This property is bounded at the east side by Sycamore Street, the north side by South Front Street, the west side by Eddy Street and on the south side by Division Street, Locust Street and Court Street as shown on the attached maps identifying the area and the surrounding land uses.

- **Legal Descriptions** Beginning at the center of the intersection of Court Street and Sycamore street proceeding along the centerline of Sycamore Street in a northerly direction to the center of the intersection of Division Street and Sycamore Street and continuing along the centerline of Sycamore Street in a northwesterly direction to the center of the intersection of Sycamore Street and South Front Street; thence following the centerline of South Front Street in a southwesterly direction to the center of the intersection of Pine Street and South Front Street; thence northwesterly following the centerline of Pine Street to center of the intersection of Pine Street and 5th Street; thence southwesterly following the centerline of 5th Street to the center of the intersection of 5th Street and Eddy Street; thence following the centerline of Eddy Street in a southeasterly direction to the center of the intersection of Eddy Street and Division Street; thence following the centerline of Division Street in a northeasterly direction to the center of the intersection of Division Street and Locust Street; thence in following the centerline of Locust Street in a northerly direction to the center of the intersection of Locust Street and Court Street; thence following the centerline of Court Street in an easterly direction to the point of beginning.



Redevelopment Plan Amendment 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. The Redevelopment Project Area has been declared blighted and substandard by action of the Grand Island City Council on December 19, 2000.[§18-2109] Such declaration was made after a public hearing with 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 plan amendment and project are consistent with the Comprehensive Plan, in that no changes in the Comprehensive Plan elements are intended. This plan merely provides funding for developers to more fully utilize their property in manner consistent with the zoning regulations, intent of the comprehensive plan and building and fire codes.

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

a. Land Acquisition:

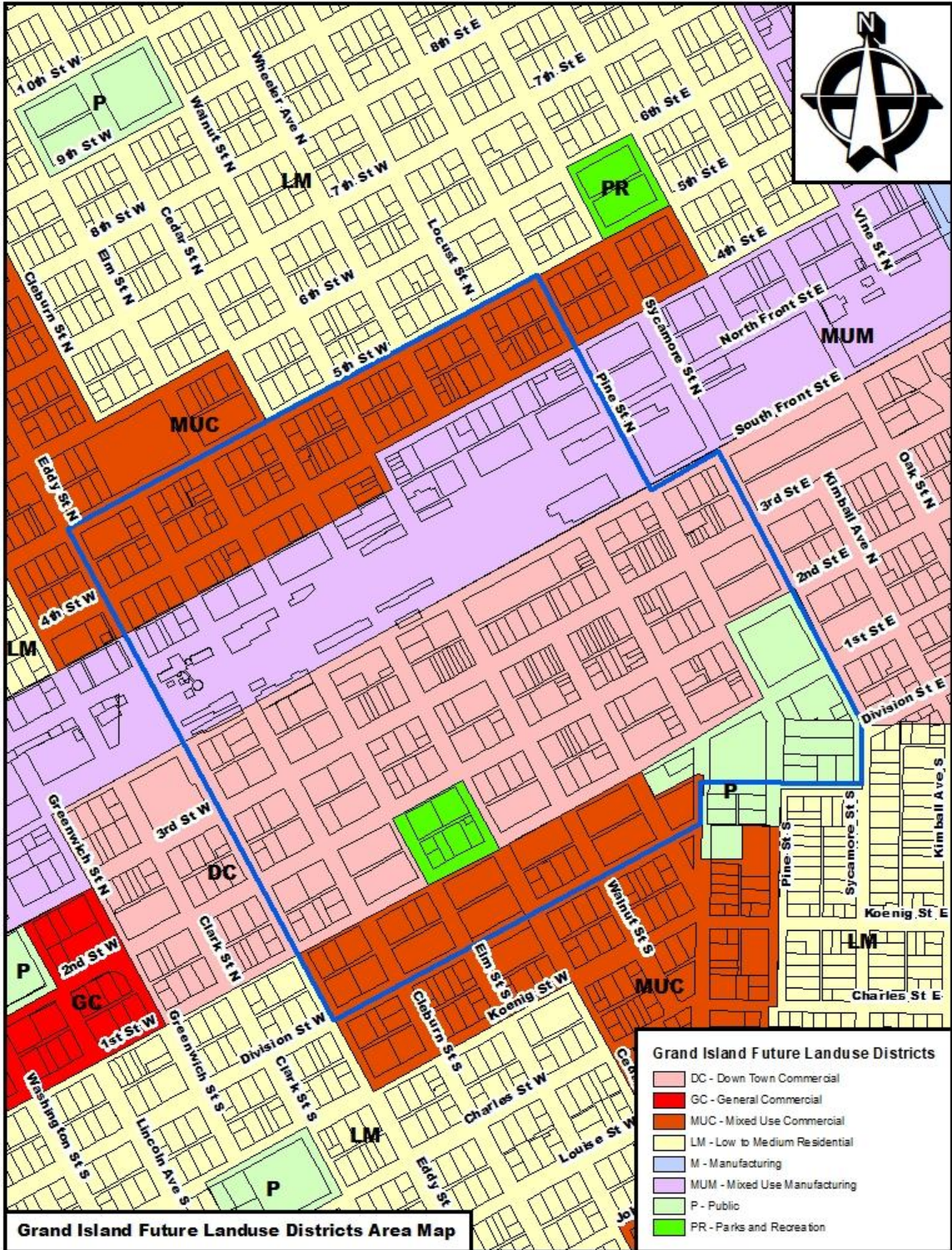
The Redevelopment Plan for Area 1 provides for real property acquisition and this plan amendment does not prohibit such acquisition. There is no proposed acquisition by the authority.

b. Demolition and Removal of Structures:

The project to be implemented with this plan does not provide directly for the demolition of structures. Some internal demolition may be necessary for redevelopment but the primary purpose of this plan is to encourage redevelopment and reuse of existing buildings in downtown Grand Island.

c. Future Land Use Plan

See the attached map from the 2004 Grand Island Comprehensive Plan. The site is planned for downtown commercial development and public uses. [§18-2103(b) and §18-2111] The attached map also is an accurate site plan of the area after redevelopment. [§18-2111(5)]



d. Changes to zoning, street layouts and grades or building codes or ordinances or other Planning changes.

The area is zoned B3- Heavy Business zone, B2 General Business Zone and M3 Mixed Use Manufacturing Zone. No zoning changes are anticipated with this project. The B3 and M3 Zoning Districts allow for residential uses with no restrictions on density. The B2 General Business Zone allows for residential uses at a density of 1 unit per 1000 square feet of property. 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 property is zoned B3, M3 and B2 and could accommodate a building of up to 100% of the property. [§18-2103(b) and §18-2111]

f. Additional Public Facilities or Utilities

Sewer and water are available to support this development. Water mains and fire service lines may need to be improved or added to support the proposed upper story development.

No other utilities would be impacted by the development.

The developer will be responsible for replacing any sidewalks damaged during construction of the project.

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

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

Contracts for redevelopment that involve the use of Tax Increment Financing will have to address the need for relocation and appropriate compensation within a plan for that specific project and a request for TIF.

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

CRA Board Members including Sue Pirnie, and Tom Gdowski either own or work for entities that own property within this area. Prior to applying for any funds either through a grant or TIF on those properties proper disclosure and review will be made.

6. 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.

No property will be transferred to redevelopers by the Authority. The developer will provide and secure all necessary financing.

b. Statement of proposed method of financing the redevelopment project.

The developer will provide all necessary financing for the project. The Authority will assist the project by granting funds from the Life Safety grant program as defined by the Authority and authorized with this plan amendment.

c. Statement of feasible method of relocating displaced families.

It is anticipated that no families will be displaced as a result of this plan.

7. 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 Authority has considered these elements in proposing this Plan Amendment. This amendment, in and of itself will promote consistency with the Comprehensive Plan, in that it will allow for the utilization of and redevelopment of downtown properties in a way that encourages the mixed use development common to downtowns around the country. New residential development will raise property values and provide a stimulus to keep surrounding properties properly maintained and support additional commercial development within the Downtown. Redeveloping existing units and adding sprinklers will reduce the risk of fire throughout the area and protect life and property. This will have the intended result of preventing recurring elements of unsafe buildings and blighting conditions.

8. Time Frame for Development

This redevelopment plan is to be approved for a 5 year period beginning with the 2023-24 fiscal year and ending in the 2027-28 fiscal year. It is anticipated that this plan and the money appropriated to support the plan will result in the development of 50 new or renovated upper story residential units within the project area by 2031.

9. Justification of Project

One of the keys to redeveloping any downtown area is to encourage enough 24 hour population in the area to support a wide variety of retail and personal services. Downtown Grand Island has struggled since major retailers moved to the suburban malls with encouraging appropriate development that fully utilizes the existing buildings. The addition of new and redeveloped residential units will provide beneficial uses for the upper stories of downtown buildings while at the same time increasing the number of people and population density of the neighborhood round the clock. This should lead to an increase in development and investment to support this core population and the entire community with specialized retail, dining and entertainment options. This is infill development in an area with all city services available. This project does not propose to tear down any buildings with historic value.