



City of Grand Island

Tuesday, November 18, 2003

Council Session

Item F9

#8874 - Consideration of Amending Chapter 2 of the Grand Island City Code Relative to Community Redevelopment Authority

A request has been made to the city legal department to make revisions to Chapter 2, Article XI of the Grand Island City Code which is the article dealing with the Community Redevelopment Authority. Section 2-122 has been changed to permit people who are residents of the City and who live within two miles of the corporate boundary of the City to be eligible for appointment to the CRA. The proposed revisions would also eliminate section 2-123 which requires that a member of the Community Projects Department be appointed to act as Director of the CRA. The third change in the proposed revisions is adding a new section 2-125 to the City Code which would require that a member of the City Council be appointed by the Mayor to act as a liaison from the Council to the CRA.

Staff Contact: Doug Walker

Abilities and Benefits in a Designated Community Redevelopment Authority Project Area

The Community Redevelopment Authority operates under the guidelines of the Nebraska State Statutes, Article 21, the Community Development Law. In creating this law, the State Legislature recognized that, in every community, there are areas that are not as economically viable as they could be. They also acknowledged that there are not enough general tax dollars to invest in these particular areas to provide assistance and incentive to encourage these areas to become more economically viable.

Although the legislative language defining the criteria for eligible areas is often perceived as offensive, using words such as “blighted and substandard”, the real-life effect is that they created redevelopment opportunities for the owners of residential, commercial, and public real property located in these designated areas.

The legislature created two primary abilities for Authorities, a small mill levy, which can be used for projects of public benefit in their redevelopment areas; and the ability to use tax increment financing assistance for public improvement costs as an incentive to encourage residential and commercial economic growth and redevelopment in the designated area.

At the close of 2002, there were 58 communities across the state, which have undertaken tax increment financing assisted projects.

Examples of potential benefits and funding assistance in a qualified blight/substandard redevelopment area include:

- Public street improvements
- Public utility improvements
- Public sidewalks
- Improvements to public property
- Commercial public façade improvements
- Land and structure acquisition
- Rehabilitation of existing structures (particularly if the structure itself is blighted and substandard)
- Clearing of land
- Grants to public and private entities (in accordance with the redevelopment plan for the area)
- Loans to public and private entities (in accordance with the redevelopment plan for the area)

Uses of a Community Redevelopment Authority: 18-2103

The authority may expend funds to 1) acquire substandard or blighted areas or parts thereof, including land, buildings, or improvements; 2) to clear areas by demolition or removal of buildings, streets, utilities; 3) to construct, install and reconstruct streets, utilities, parks, sidewalks, lighting, skywalks, and many other public related improvements; 4) to sell, lease, or otherwise make available land for residential, recreational, commercial, industrial, and other uses; 5) to dispose of real and personal property, or assets, cash, or other funds held in connection with residential, recreational, commercial, industrial, and other uses; 6) to acquire real property in a community redevelopment area which is to be repaired or rehabilitated for dwelling use, and resell such property; 7) to carry out plans for both voluntary and compulsory repair and rehabilitation of buildings and improvements.

GRAND ISLAND

State statutes allow cities of the first class to designate up to 35% of the city (corporate limits of Grand Island = approximately 609,452,603.25 square feet). Grand Island has approximately 18% (85,985,444 square feet) in existing designated blighted and substandard areas.

There are four (4) designated Blighted and Substandard Areas ranging generally from 18th and Vine Street to the southern boundary of the city limits and east to Stuhr Road. The diverse areas of need within these boundaries include:

- Core of the community – downtown
- Original Grand Island - northeast area
- Revitalization of the South Locust Street Corridor
- East Highway 30 entrance to community
- Vacant and dilapidated significant properties
- Growth and development
- Tourism

Goals of CRA

- ✓ Improve housing stock in CRA areas
- ✓ Business infrastructure investments (façade, renovations, upper level development)
- ✓ Governmental projects (alleyway, signage, former City Hall)
- ✓ Interest buy down/grants

2.5 cents per every \$100 of valuation

Anticipate \$449,000 in revenues

COMMUNITY REDEVELOPMENT AUTHORITY
November, 2003

Current and Completed Projects

Façade Development

Quality Sew and Vac 224 West Third Street	In process	\$21,100
Grounds to Go South Locust & Anna Streets	In process	\$30,600
Bartenbach Opera House 209 North Locust Street	Completed	\$82,000
Former City Hall 208 North Pine Street	Completed	\$150,000
General Collection 402 West Third Street	Completion	\$18,000
Goodwill 1804 South Eddy Street	Completed	\$8,000
YMCA 222 East Third Street	Completed	\$30,405
YWCA 211 Fonner Park Drive	Completed	\$129,200
Copper Eagle 120 East Third Street	Completed	\$23,000
Beltzer Building 231 South Locust Street	Completed	\$7,800
Home Properties 205 South Cedar Street	Completed	\$5,000 grant/ Int buy down
Downtown Center 204 West Third Street	Completed	\$19,500

Upper Level Development

Alan Hoffer 219 West Third Street	Completed	\$5,000 grant
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Single Family Housing Development

Lincoln View Estates 9 th and Lambert	Completed	\$100,000
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Multi Family Housing Development

Cherry Park Apartments 415 South Cherry Street	Completed 120 units	TIF
Old Walnut 5 th and Walnut	In process	

Business Development

One Stop Center 1306 West Third Street	Completed (1 st phase)	\$100,000
St. Stephen's Community Center 422 West Second Street	Completed	\$65,000
Gentle Dental 1003 West Third Street	Completed	TIF -\$35,000
Former City Hall 208 North Pine Street	Completed	TIF -\$169,000

Infrastructure Improvements

Historic Lighting – downtown	On Hold	
Downtown Alleyway Projects	Nearing completion	\$100,000 est.
Lighting – Cathedral Square 204 South Cedar	Completed	\$50,000
Downtown Entryway Signage Intersection of Locust/Walnut/Charles	Completed	\$8,000
South Locust Street Lighting SL Street Corridor – phase 1	Completed	\$150,000
SL Street Corridor – phase 2	In process	\$150,000
Lincoln Wading Pool Lincoln Park (8 th & Beal)	Completed	\$90,000
Skate Park Pier Park (Oak and Bismark)	Completed	\$85,000
Locust Green 2515 South Locust Street	In process	

Acquisition/Demolition of Substandard Properties

These are purchase prices only. Demolition and asbestos abatement not included.		
614 North Vine Street	Completed	\$17,736
	Property Resold	
1012 Beal Street	Completed	\$28,311
	Property Resold	
508 East 6 th Street	Completed	\$20,000
109-111 South Sycamore Street	Completed	\$68,627
203-207 ½ East First Street	Completed	Inc. w/above
217 East First Street	Completed	\$17,000
419 North Vine Street	Completed	\$38,000
Family Auto 2515 South Locust Street	Completed	Demolition

Rehabilitation

Plum Street Station 6 th and Plum	Completed	\$30,000
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ORDINANCE NO. 8874

An ordinance to amend Chapter 2 of the Grand Island City Code; to amend Section 2-122 pertaining to members of the Community Redevelopment Authority; to repeal and remove Section 2-123 pertaining to the Community Redevelopment Authority Director; to add Section 2-125 appointing a city council liaison to the Community Redevelopment Authority; to repeal Sections 2-122 and 2-123 as now existing, and any ordinance or parts of ordinances in conflict herewith; and to provide for publication and the effective date of this ordinance.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA:

SECTION 1. Section 2-122 of the Grand Island City Code is hereby amended to read as follows:

§2-122. Officer

Five persons, all of whom shall be residents of the City of Grand Island or reside within two (2) miles of the corporate boundaries of the City of Grand Island, shall constitute the Authority. The five members shall be appointed by the Mayor, with the approval of the City Council. The Mayor shall designate the term of office for each member as provided in Neb. Rev. Stat. §18-2102.01 (Reissue of 1991). The Authority shall select one of its members as chairperson and another as vice-chairperson. A total of four members of the Authority shall constitute a quorum for the transaction of business. The Authority shall adopt rules for the transaction of business and shall keep a record of its resolutions, transactions, findings and recommendations, which records shall be made available for public inspection during regular business hours.

SECTION 2. Section 2-123 of the Grand Island City Code is hereby repealed and removed from the Grand Island City Code:

~~§2-123. Director~~

~~The City Administrator shall designate a person from the Community Projects Department to serve as the Director and Ex Officio Secretary of the Community Redevelopment Authority, and that person shall perform such duties as may be assigned by the Authority, including the necessary administrative functions described in Neb. Rev. Stat. §18-2102.01 (Reissue of 1991).~~

SECTION 3. Section 2-125 is hereby added to Chapter 2 of the Grand Island City Code to read as follows:

ORDINANCE NO. 8874 (Cont.)

§2-125. City Council Liaison

The Mayor, with the approval of the City Council, shall appoint one member of the city council to act as a liaison between the City Council and the Community Redevelopment Authority.

SECTION 4. Sections 2-122 and 2-123 as now existing, and any ordinances or parts of ordinances in conflict herewith be, and hereby are, repealed.

SECTION 5. That this ordinance shall be in force and take effect from and after its passage and publication, within fifteen days in one issue of the Grand Island Independent as provided by law.

Enacted: November 18, 2003.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk