



City of Grand Island

Tuesday, June 12, 2012

Council Session

Item E3

**Public Hearing on Generalized Redevelopment Plan for an Area
Known as Redevelopment Area No. 9 Located East of U.S.
Highway 281 and West of Webb Road, North of State Street and
South of Capital Avenue**

Staff Contact: Chad Nabity

Council Agenda Memo

From: Chad Nabity, AICP

Meeting: June 12, 2012

Subject: Redevelopment Plan for CRA Area #9

Item #'s: E-3 & I-3

Presenter(s): Chad Nabity, AICP CRA Director

Background

The Grand Island City Council declared this area blighted and substandard at their meeting on April 24, 2012.

The enclosed plan was prepared by Marvin Planning Consultants as part of the blight study for this area.

This study does not specifically approve any Tax Increment Financing (TIF) projects but does provide a general redevelopment plan for the study area. TIF could be used to implement this generalized plan. The generalized plan also authorized the CRA to implement its commercial façade improvement program in this area.

The CRA has forwarded the plan to the Regional Planning Commission for a hearing and recommendation. The RPC held their hearing and recommended approval on June 6, 2012. The CRA passed a resolution approving the plan and recommending approval to the City Council at their meeting on May 9, 2012.

Discussion

Approval of this generalized plan sets the parameters for TIF projects in the redevelopment area. This study does not specifically approve any TIF projects but does outline the types of activities that could be considered for Tax Increment Financing in this redevelopment area. These activities could include acquisition and demolition, public utilities improvements, road and transportation improvement and others.

Individual projects would need to be presented to the CRA, Planning Commission and City Council prior to approval of TIF. There are significant infrastructure needs in this

area and TIF would provide a means of paying for those infrastructure costs and developing the area appropriately.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the resolution
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

The CRA and Hall County Regional Planning Commission recommend that the Council approve the Resolution declaring the attached document the generalized redevelopment plan for CRA Area #9.

Sample Motion

Move to approve the resolution as submitted.

City of Grand Island, NE
General Redevelopment Plan
Area #9
February 2012



EXECUTIVE SUMMARY

This Redevelopment Plan (the “Redevelopment Plan” or the “Plan”) is intended to provide a guide for the implementation of redevelopment activities within the previously examined Redevelopment Area #9 in Grand Island, Nebraska (the “City”), pursuant to the provisions of the Nebraska Community Development Law and sections 18-2145 to 18-2154 (together, the “Act”).

The Grand Island Community Redevelopment Authority (the “CRA”), acting as a redevelopment authority pursuant to the Act, intends to undertake or provide for the redevelopment within the study area, legally described and shown on Figure 1 (the “Redevelopment Plan Area”) in the Blight and Substandard Study. Redevelopment activities shall be utilized to promote the general welfare, the enhancement of the tax base, the economic and social well-being, the development of any public activities and promotion of public events in the Area, along with any and all other purposes, as outlined in the Act.

A Community Redevelopment Authority Redevelopment Plan must contain the general planning elements set out by section 18-2111 of the Act as items (1) through (6), as follows:

“(1) the boundaries of the redevelopment area with a map showing the existing uses and condition of the real property therein; (2) a land-use plan showing proposed uses of the area; (3) information showing the standards of population densities, land coverage and building intensities in the area after redevelopment; (4) a statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, or building codes and ordinances; (5) a site plan of the area; and (6) a statement as to the kind and number of additional public facilities or utilities which will be required to support the new land uses in the area after redevelopment.

Section 18-2113 of the Act, provides that a Community Redevelopment Authority must consider certain planning matters prior to recommending a redevelopment plan to the City Council for adoption. These considerations are defined therein, as follows:

"...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, sewage, 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."

CONCLUSION

While this Redevelopment Plan establishes overall policies and intentions toward the comprehensive redevelopment of the Area, additional phases may require subsequent project plans and redevelopment agreements consistent with this Redevelopment Plan

REDEVELOPMENT PLAN

The planning process for the Redevelopment Area has resulted in a listing of general planning and implementation recommendations. As previously discussed in the Blight and Substandard Determination Study, there are several structural and substandard conditions which are detrimental to the health, safety and general welfare of the community and generally obsolete in respect to the development and living environment expectations of Nebraska communities, including the City of Grand Island. To eliminate these conditions and enhance private development activities within the Redevelopment Area, the City of Grand Island will need to consider the following planning and redevelopment actions:

- rehabilitation of commercial properties;
- maintain and/or replace, as necessary, the current infrastructure in the Area;
- code enforcement program for the clean-up of areas in violation and detrimental to health, safety and general welfare of the community;
- potential relocation of drainage infrastructure

Both a timeline and budget should be developed for the Redevelopment Plan. Each of these processes should be designed in conformance with the resources and time available to the CRA and the City. A reasonable timeline to complete the redevelopment activities identified in the Redevelopment Plan would be 10 to 15 years.

Various funding sources exist for the preparation and implementation of a capital improvement budget designed to meet the funding needs of proposed redevelopment activities. These include, in addition to city and federal funds commonly utilized Community Development Block Grant funding, special assessments, general obligation bonds, redevelopment bonds, occupation taxes and tax increment financing.

Future Land Use Pattern

The existing land use patterns within Redevelopment Area were described in the Blight and Substandard Determination Study portion of this document. In general, the Redevelopment Area contains two distinct land uses. The primary developed uses include commercial and public use. There is also an under-utilized tract south of the existing commercial area that would be available for commercial or industrial development.

Future land uses recommended for Redevelopment Area are planned to be in general conformance with the current zoning pattern depicted in the Blight and Substandard Determination Study. However, expansion of the commercial uses within the area is recommended within the Redevelopment Area.

Future Land Use Map

The future land use for Redevelopment Area is reflected in the existing Future Land Use map contained in the Blight and Substandard Study. The map illustrates the future land use classifications are in conformance with the City's Comprehensive Plan. However, as stated above, expansion of the commercial uses within the area is recommended within the Redevelopment Area.

Recommended Public Improvements

Streets: Although sufficient infrastructure generally exists in the Redevelopment Area the installation and upgrading of streets and sidewalks is ongoing by the City through its various programs. The Blight and Substandard Study privately owned and maintained

circulation patterns within the study area. Actual streets in the area are along the perimeter of the area.

Storm Water: Although sufficient infrastructure generally exists in the Redevelopment Area the installation and upgrading of storm sewer lines and facilities is ongoing by the City through its various programs. .

Potable Water and Gas: Although sufficient infrastructure generally exists in the Redevelopment Area the installation and upgrading of water and gas lines is ongoing.

Sanitary Sewer: Although sufficient infrastructure generally exists in the Redevelopment Area the installation and upgrading of sanitary sewer lines and facilities is ongoing by the City through its various programs.

Electrical Power: Although sufficient infrastructure generally exists in the Redevelopment Area the installation and upgrading of electrical power lines and facilities is ongoing by the City through its various programs.

Commercial District

Overall upgrade of site conditions and structures are a primary focus. Expansion of such uses as well as a combination of properties is necessary for the redevelopment of the Area. Various public financing tools, as described in this Redevelopment Plan, may be made available for such commercial redevelopment. Public streets, where appropriate, may be vacated to encourage contiguous commercial redevelopment. Traffic patterns for commercial truck traffic should be studied to minimize any impacts.

Financing

Redevelopment Bonds

The Plan proposes that the CRA issue a series of redevelopment bonds (the “Bonds”) to be repaid from several sources as set out in the each particular issuance. These sources include all or a portion of the excess *ad valorem* real estate taxes generated by a series of redevelopment projects pursuant to §18-2147 of the Nebraska Revised Statutes (“Tax Increment Financing” or “TIF”) for a period of 15 years from the respective project effective dates, special assessments, *ad valorem* real estate taxes from the special redevelopment levy, grants and other income from the Redevelopment Area. The proceeds of the Bonds to assist in payment of project costs, as further defined in a subsequent redevelopment contract or contracts. The costs of adequate redevelopment of the Area is too great to be absorbed by either the Developer or public without the assistance of Tax Increment Financing, as further described in the cost benefit analysis to be provided with each project.

The Bonds issued for the commercial redevelopment would generally be purchased by the developer using such funds granted to it by the CRA. In addition to necessary public improvements, the Bond proceeds would be used to provide funding for allowable expenses incurred by the Developer.

Each of these subsequent redevelopment project plans may contain a provision for the division of *ad valorem* taxes for each respective project, thereby allowing the excess *ad valorem* taxes that are collected from each project to be available and pledged to the outstanding Bonds for the full statutory period. The effective date of each pledge, as described above, shall be the date determined either by contract or by modification of the outstanding Bond terms.

Loan/Grant Programs

The CRA and the City of Grand Island should seek funding sources to create a revolving loan and/or grant program for the rehabilitation and improvement of buildings and public uses in Redevelopment Area. The rehabilitation of commercial buildings would prolong the life of the structures, create safe and decent shopping environments and enhance the pride of the community. As discussed above, funding may be available through the CRA levy or from the excess *ad valorem* taxes from each project as it develops.

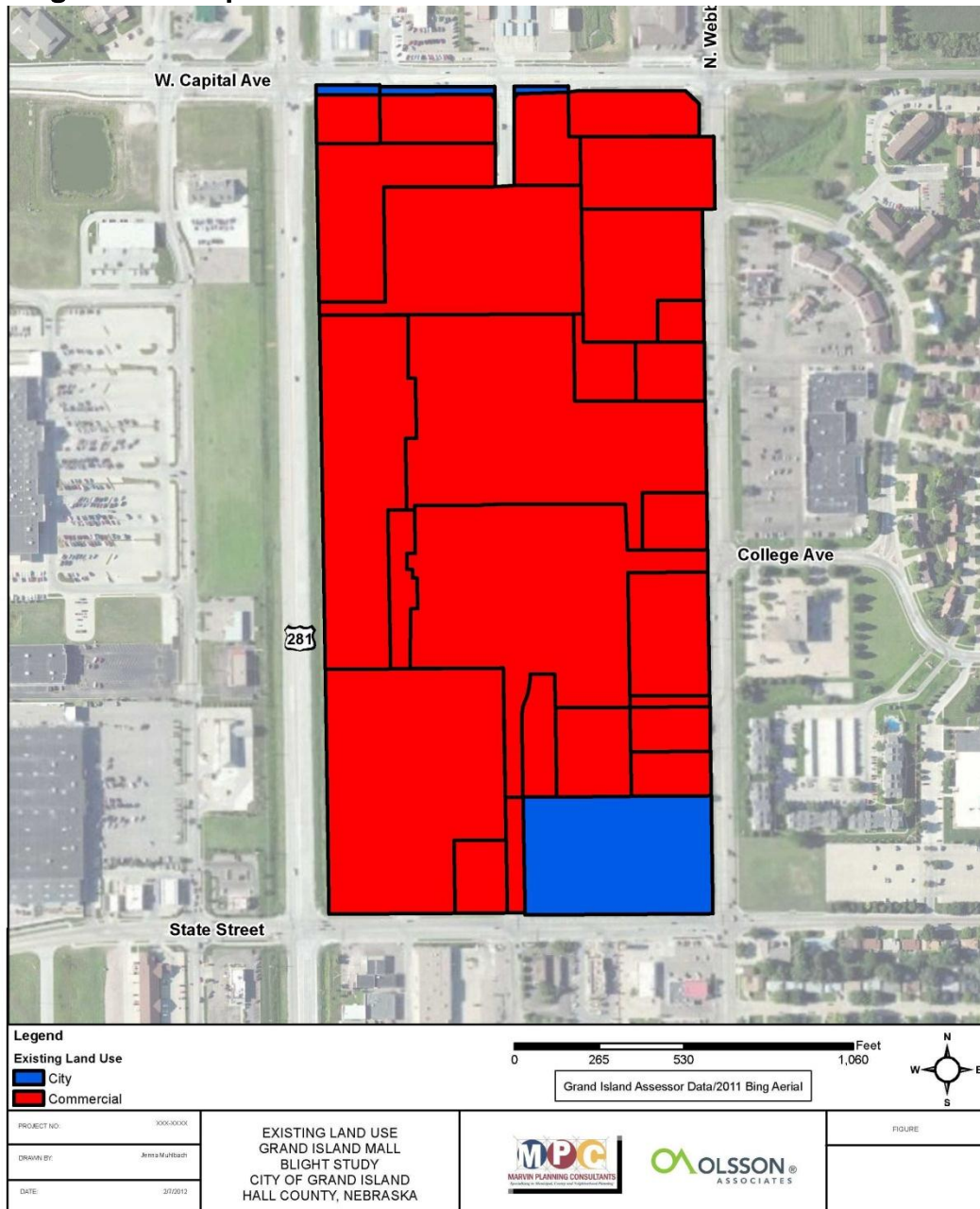
Façade Improvement Program

This citywide program used in blighted and substandard areas is appropriate for this Area. The program provides funding assistance to commercial properties to rehabilitate building frontages.

SUMMARY

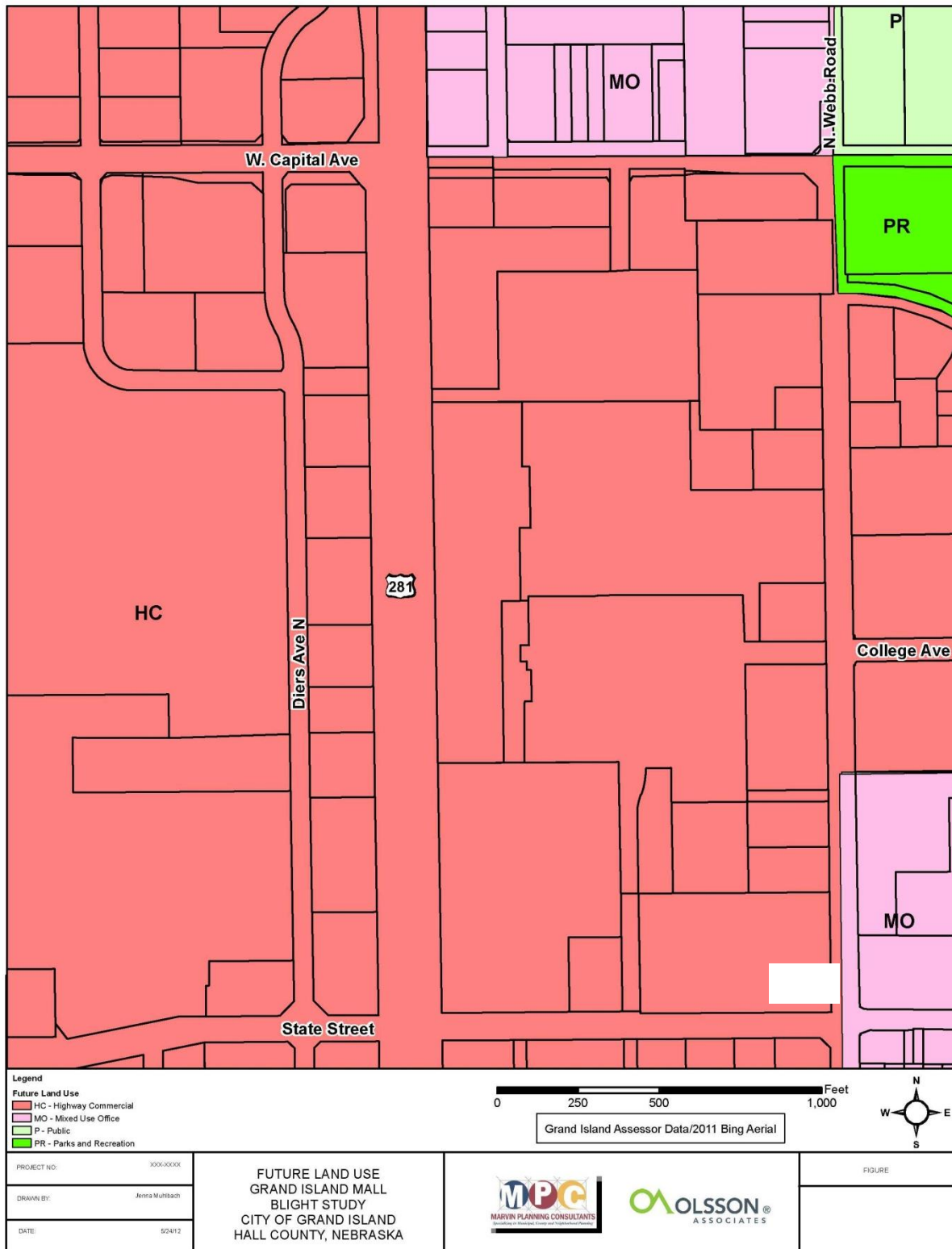
The recommendations listed above are to grant authority to the City of Grand Island and the CRA in creating a viable and sustainable living environment in Grand Island, through the full use of the Community Redevelopment Law.

Figure 1
Existing Land Use Map



Source: Marvin Planning Consultants and Olsson Associates, 2012

Figure 2
Future Land Use Map



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

RESOLUTION NO. 131

**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 (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 9th day of May, 2012.

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

By Glen A. Murray
Chairperson

ATTEST:

Chad A. Murray
Secretary

EXHIBIT 1

REDEVELOPMENT PLAN AMENDMENT

Resolution Number 2012 - 04

HALL COUNTY REGIONAL PLANNING COMMISSION

A RESOLUTION RECOMMENDING APPROVAL OF A 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 that certain Redevelopment Plan to the Hall County Regional Planning Commission, (the "**Commission**") a copy of which is attached hereto as Exhibit "A" 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: June 6, 2012.

HALL COUNTY REGIONAL PLANNING
COMMISSION

ATTEST:

By: 
Chair

By: 
Secretary