# City of Scottsbluff, Nebraska Monday, May 18, 2015 <br> Regular Meeting 

Item Pub. Hear. 3

Council to approve the study designating a portion of Five Oaks Subdivision and Adler Tracts as Blighted and Substandard and approve the Resolution.

[^0]
## STUDY OF BLIGHT AND SUBSTANDARD CONDITIONS

City of Scottsbluff, Nebraska
May 1, 2015

This report documents the existence of blighted and substandard conditions for an area in Scottsbluff, Nebraska (the "Study Area") located on the southeast corner of HWY 71 and $42^{\text {nd }}$ Street. This Study Area includes single family residences, commercial buildings, several undeveloped lots and abutting street rights of way. This study is intended to review the Study Area for eligibility (as blighted and substandard) pursuant to Section 18-2103 of Nebraska Revised Statutes, as contained in the Nebraska Community Development Law (the "Act"). The Adler Tracts Subdivision is included in this Study Area, as the condition of both its buildings and infrastructure significantly contribute to the blighted and substandard conditions of the specific area within the City of Scottsbluff (the "City") that is proposed for the blighted and substandard designation. This discussed in more detail below.

## Legal Description

The Study Area is described on Exhibit A1, attached hereto and made a part hereof by this reference. The area within the City to be designated as blighted and substandard is described on Exhibit A2, attached hereto and made a part hereof.

## Relevant Nebraska Statutes

The constitutional terms, "Substandard" and "Blighted" are statutorily defined in §18-2103, which are set out below:
(10) Substandard areas means an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;
(11) Blighted area means an area, which
(a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in
relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use; and,
(b) in which there is at least one of the following conditions:
(i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average;
(ii) the average age of the residential or commercial units in the area is at least forty years;
(iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time;
(iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or
(v) the area has had either stable or decreasing population based on the last two decennial censuses.

## Analysis of Study Area

This section reviews the land use, infrastructure, building and economic conditions found within the Study Area. A field survey was completed on July 26, 2014, and a review of conditions on April 12, 2015. The following section identifies such existing conditions and additional factors which contribute to a determination of a blighted and substandard condition. This analysis is based upon the observations during the field survey, available public records and interviews with the owners' representatives.

The inclusion of the Adler Tracts in this Study Area is appropriate as it impacts the adjacent undeveloped area that is within the City of Scottsbluff and should not be ignored. The development potential of property is determined not only by the condition of the property itself, but the condition of the adjacent land. This inclusion finds additional support in the Act. The Act provides that a redevelopment authority has redevelopment powers within its "Area of Operation" in a blighted and substandard area. The city, not the redevelopment authority, determines the boundaries of the blighted and substandard area, pursuant to Section 18-2109 of
the Act. This determination is not specifically limited to areas totally within the city. Section 18-2123 of the Act provides in relevant part "that the development of land outside the city, but within a radius of three miles thereof,... or is a necessary adjunct to the general community redevelopment program of the city, the acquisition, planning, preparation for the development or disposal of such land shall constitute a redevelopment project which may be undertaken by the authority in the manner provided in the foregoing sections." Section 18-2153 of the Act further provides in relevant part that the Act "and all grants of power, authority, rights, or discretion to a city or village and to an authority created under the Community Development Law shall be liberally construed, and all incidental powers necessary to carry into effect such sections are hereby expressly granted to and conferred upon a city, village or authority created pursuant to the Community Development Law." Therefore the inclusion of the area outside but adjacent to the City is both necessary and appropriate for the sound redevelopment planning and program of the City.

## Substandard Area Analysis

As previously set forth in Section 18-2103 (10), the factors which define a substandard area include a "preponderance of buildings or improvements, whether nonresidential or residential in character, which, by reason of" the following circumstances:

## 1. Dilapidation or Deterioration

This subsection considers the building and improvements within the Study Area. The main infrastructure components may include water, sewer, sidewalks, streets, curb and gutter, and accessibility. Public utilities can directly influence a community's capacity for growth. If infrastructure improvements are outdated or unavailable, land development must await their installation or updating.
While all the above mentioned criteria were evaluated, only some of those determined to contribute to the blight and substandard conditions for the Study Area need be considered here, as follows:
(a) The Adler Tracts is internally served solely by substandard streets known as West Adler Drive. These streets are passible by vehicles, but without curb and gutter drainage and are completely inadequate for the future development of the site. See photo $\qquad$ . The undeveloped
area within the City has no internal street system except two streets which are only one-half the required width of normal and are inadequate to serve additional development.
(b) The buildings in the Adler Tracts are primarily residential. All of the lots externally exhibit conditions of dilapidation and deterioration. These include out buildings and trailers. A majority of the buildings either appear or are assessed by the county as badly worn. See photos
$\qquad$ . The undeveloped area within the City has no structures.

## Conclusion:

The results of the field survey of building conditions and a review of public records indicate that a majority of the structures have major deficiencies, are deteriorating and need rehabilitation. Due to this fact, a majority of all structures within the Study Area can be classified pursuant to the Act as being substandard. The existence of this level of substandard structures and improvements constitutes a reasonable presence of substandard conditions in this Study Area which inhibits the sound growth of the area within the City.

## 2. Age or Obsolescence

A structure, whether it is a building or part of an infrastructure system, may be considered substandard even though it is not currently in such a dilapidated condition as to be unusable in its present circumstances. The age of a structure may indicate that its useful economic life is limited before expensive repairs or replacement become necessary. A structure may also be well suited for a past purpose, but be economically or functionally obsolete to support a modern use. As discussed above there are both permanent and temporary structures located in the Study Area. The infrastructure, while barely adequate to serve the Adler Tracts, is unsuited to any modern commercial or residential development. This inadequacy indicates both functional and economic obsolescence.

## Conclusion:

The Act specifies that one of the elements of substandard condition is a predominance of older or obsolete structures. Therefore with a majority of the infrastructure and buildings meeting these criteria, the Study Area can be considered to be substandard by reasons of structure age and obsolescence.

## 3. Inadequate Provisions for Ventilation, Light, Air, Sanitation or Open Space

During the field survey conducted to determine building conditions, building and grounds conditions were also evaluated with regard to factors that present on-going negative conditions or impacts and thus contribute to the physical decline of any developed urban area. The lack of adequate ventilation, sun light, clean air, proper sanitation facilities and open space can be a contributing factor to the decline of any urban area and the presence of any or all of these in reasonable numbers or intensity is considered, under Act, to contribute to the substandard character of any urban area.
The survey did not reveal any appreciable problems with ventilation of structures or where the size of the building on the lot and / or the small lot size itself did contribute to situations where there is a lack of sunlight and lack of open space.

## Conclusion:

The field investigation documented that there are no properties within the Study Area where the lack of adequate provisions for sunlight and open space contribute to the substandard factors of the Study Area.

## 4. Existence of Conditions which Endanger Life or Property by Fire or other Causes

The field survey indicated that there are conditions which endanger life or property to varying degrees within the Study Area. These include the deteriorating condition of many of the buildings and debris in the lots. This combination of old, and potentially or probable abandoned structures, presents a substantial potential for endangerment of life and property.

## Conclusion:

A number of conditions which endanger life or property values (as further discussed in paragraph below) do now exist in this Study Area, and these conditions are sufficient in number and distribution to qualify as a substandard factor.

# 5. Any Combination of Factors which are conducive to Ill Health, Transmission of Disease, Infant Mortality, Juvenile Delinquency and Crime, and is Detrimental to the Public Health, Safety, Morals or Welfare 

The above listed factors indicate substandard conditions that do exist in the Study Area. These conditions also present a real potential for detrimental effects on the safety and health of the citizens residing in or near the Study Area when two or more of the substandard conditions occur in the Area. An evaluation of the various combinations of substandard conditions listed above produced the following findings.

## Conclusion:

The combination of these types of substandard factors in the Study Area significantly and negatively affects the population working and residing both in and outside the City. This impact on the population is sufficient to conclude that this combination of negative factors is in and of itself a substandard factor in this Study Area. The site conditions retard the development of the undeveloped portion of the Study Area which will continue to result in lower property and sales tax for the jurisdictions. New investment will not reasonably occur unless there is significant public assistance through the redevelopment authority. Considering its prominent location, a successful redevelopment effort is critical. Without redevelopment assistance, it is likely that the site will remain in its substandard or undeveloped condition.

## Blighted Area Analysis

As previously set forth in Section 18-2103 (11), the factors which define a blighted area include:
(a) Any combination of the following factors which "substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability", to wit:

## 1. Presence of a Substantial Number of Deteriorated or Deteriorating Structures

As discussed in the previous analysis of the substandard factors, most of the structures in the Study Area are judged to be deteriorating. The deteriorated and inadequate road and drainage improvements described as substandard above also clearly fit within this definition. These continuing conditions and under-use of the property will lead to further deterioration and the consequent emergence of conditions that constitute an economic liability, which both endanger property and are detrimental to the public welfare.

## Conclusion:

The presence of these substandard structures is a strong factor contributing to the conditions of blight.

## 2. Existence of Defective or Inadequate Street Layout

The deteriorated and inadequate road/drives discussed in the prior analysis as substandard do not provide adequate infrastructure for development. West Adler Drive consists as two distinct dead-ended drives separated by a drainage ditch. The drives do not have a publically dedicated turn around or connection that a public street or cul-de-sac is required to have. The undeveloped portion of the Study Area has no internal street system, but is served by two streets which are only one-half the required width, and are therefore substandard to serve additional development.

## Conclusion:

The internal street layout is defective and inadequate for further development of the property.

## 3. Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness

The Study Area is platted.

## Conclusion:

Redevelopment of the Adler Tracts may require some platting into urban commercial or residential lots, with additional internal rights-of-way.

## 4. Unsanitary and Unsafe Conditions

As discussed previously in the analysis of substandard factors, there are several instances within the Study Area where unsanitary and unsafe conditions exist. These include both attractive nuisances such as the open or abandoned structures.

## Conclusion:

There are significant unsanitary and unsafe conditions that do, or reasonably will, exist to constitute a condition of blight.
(b) the following conditions (from five objective criteria listed in the statute) are present, to wit:

## The average age of the residential or commercial units in the area is at least forty years

 The majority of the buildings in the Study Area appear to exceed forty (40) years in age. However a further inquiry of public records would be required to validate this observation.
## Decreasing or Stable Population

The Study Area has displayed a stable or decreasing population between the last two decennial censuses. The portion of the Study Area within the City has had no population between the last two decennial censuses.

## Income Level

The median income of the census tract is lower than the average median income of Scotts Bluff County and the average of the census tracts within the City.

## Conclusion of Blighted and Substandard Analysis

Based on this analysis, the property within the Study Area meets the subjective criteria of both blighted and substandard conditions and displays the presence of at least two, and perhaps three, of the objective criteria required for a finding of blighted condition. The requirement of the Act is that at least one of these needs to be present.

## Conformance with the Comprehensive Plan

A declaration of blighted and substandard conditions in the Study Area conforms with the City of Scottsbluff Comprehensive Plan because it:

- Is located in an area eligible for such declaration.
- Allows for incentives to keep the employment base and supporting commercial activity in an area currently served my major infrastructure. .
- Is located along an existing major arterial.
- Provides a financing tool for the development of a variety of additional housing units.


## Blighted and Substandard Area Declaration

By virtue of the findings of this study, the Study Area (as amended) may retain the blighted and substandard designation, pursuant to the requirements of the Nebraska Community Development Law.

Submitted by:


## RESOLUTION 15-

$\qquad$

## BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SCOTTSBLUFF, NEBRASKA:

## Recitals:

a. It is necessary, desirable, advisable, and in the best interests of the City of Scottsbluff, Nebraska (the "City"), for the City to undertake and carry out redevelopment projects in certain areas of the City that are determined to be blighted and substandard and in need of redevelopment;
b. The Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the "Act"), prescribes the requirements and procedures for the planning and implementation of redevelopment projects;
c. Section 18-2109 of the Act requires that, prior to the preparation of a redevelopment plan for a redevelopment project, the Mayor and City Council shall, by resolution, declare the area to be blighted and substandard;
d. At its regular City Council meeting on May 18, 2015, the Mayor and City Council of the City held a public hearing (the "Public Hearing") to determine whether the area more fully described on Attachment 1 (the "Redevelopment Area") should be declared blighted and substandard, and in need of redevelopment, as required by the Act;
e. The City published and mailed notices of the Public Hearing regarding the consideration of declaring property to be blighted and substandard pursuant to Section 18-2115 of the Act;
f. The Public Hearing was conducted and all interested parties were afforded a reasonable opportunity to express their views respecting the declaration of the Redevelopment Area as blighted and substandard and in need of redevelopment, and the Mayor and City Council reviewed and discussed a blight and substandard determination analysis as per Attachment 2 (the "Blight Study") prepared by Charles K. Bunger, Attorney at Law;
g. The Blight Study was forwarded to the Planning Commission of the City for its review and recommendation and the Mayor and City Council reviewed the recommendations received from the Planning Commission; and
h. The Mayor and City Council desire to determine whether the Redevelopment Area is blighted and substandard and in need of redevelopment in accordance with the Act.

## Resolved that:

1. The Redevelopment Area is declared to be substandard and in need of redevelopment pursuant to the Act, in that conditions now exist in the Redevelopment Area for meeting the criteria set forth in Section 18-2103(10) of the Act, as described and set forth in the Blight Study. The Redevelopment Area is more particularly described on Attachment 1.
2. The Redevelopment Area is further declared to be blighted and in need of redevelopment pursuant to the Act, in that conditions now exist in the Redevelopment Area meeting the criteria set forth in Section18-2103(11) of the Act, as described and set forth in the Blight Study.
3. The blighted and substandard conditions existing in the Redevelopment Area are beyond remedy and control solely through the regulatory process and the exercise of police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided by the Act, and the elimination of the blighted and substandard conditions under the authority of the Act is found to be a public purpose and declared to be in the public interest.
4. The Redevelopment Area is in need of redevelopment and is or will be an eligible site for a redevelopment project under the provisions of the Act at the time of the adoption of any redevelopment plan with respect to the Redevelopment Area.
5. This Resolution shall become effective immediately upon its adoption.

PASSED and APPROVED on May 18, 2015.

ATTEST:

City Clerk (Seal)

## ATTACHMENT 1

Redevelopment Area

## ATTACHMENT 2

Blight Study



[^0]:    Staff Contact: Annie Folck, City Planner

