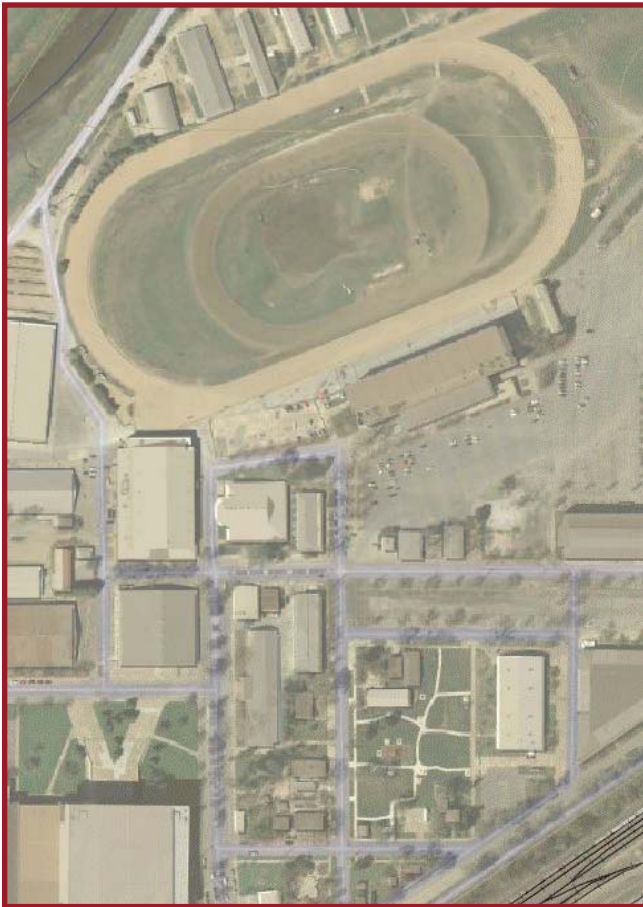


Nebraska Innovation Campus (NIC) Redevelopment Plan



September 8, 2010

Prepared by:

City of Lincoln, Nebraska
Urban Development Department
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Approved by Planning Commission:

October 6, 2010
Amendment vote scheduled for 4/4/12

Approved by City Council:

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*David Landis, Director
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Source: Nebraska Innovation Campus Master Plan,
University of Nebraska-Lincoln, February 2010

TABLE OF CONTENTS

Introduction	1
Plan Requirements	2
Existing Conditions	4
Land Use	4
Zoning	6
Parks/Open Space/Trails	7
Transportation	7
Traffic	7
Street Conditions	8
Parking	8
Sidewalks and Pedestrian Activity	8
Public Transportation Services	9
Public Utilities	9
Water System	9
Sanitary Sewer System	10
Watershed Management	11
Lincoln Electric System (LES)	12
Historic Significance	12
Blight & Substandard Determination Study . . .	12
Identified Issues	14
For the NIC Area	14
For the Theresa Street Area	15
Redevelopment Plan	17
Guiding Principles	17
NICDC Updated Master Plan	18
Theresa Street Area Guiding Principles	19
NIC Area	20
Phase 2 Project	27
Theresa Street Area	26
Sub-Project Areas	27
Future Land Use	27
Redevelopment Processes	27
Estimated Expenditures	28
Conformance with Comprehensive Plan	28
Financing	28

List of Exhibits

Exhibit 1: City Context Map	1
Exhibit 2: Existing Land Use Map	4
Exhibit 3: Existing Building Inventory & Analysis	6
Exhibit 4: Existing Zoning Map.....	7
Exhibit 5: NIC Area Proposed Site Plan at Full Build-Out.....	20
Exhibit 6: NIC Area Utilities at Full Build-Out.....	21
Exhibit 7: NIC Area Streets at Full Build-Out	21
Exhibit 8: NIC Area Phase I.....	22
Exhibit 9: NIC Area Street Construction Phase I.....	22
Exhibit 10: NIC Area Water Phase I.....	23
Exhibit 11: NIC Area Sanitary Sewer Phase I.....	23
Exhibit 12: NIC Area Storm Sewer Phase I.....	24
Exhibit 13: NIC Area Demolition & Grading Phase I.....	24
Exhibit 14: NIC Area Power & Communication Phase 1	25
Exhibit 15: 4-H Companion Building.....	25
Exhibit 16: 4-H and Companion Buildings.....	25
Exhibit 17: Life Science Building	26
Exhibit 18: Industrial Arts & Life Science Building	26
Exhibit 19: NIC Area Phase 2.....	27
Exhibit 20: Phase 2 Proposed Site Plan	27
Exhibit 21: Existing Land Use – 2017	28
Exhibit 22: Future Land Use.....	31

List of Appendices

Appendix A: Properties to be Acquired.....	34
Appendix B: NIC Phase I Cost Benefit Analysis.....	35

INTRODUCTION

The *Nebraska Innovation Campus (NIC) Redevelopment Plan* is a guide for redevelopment activities within the Redevelopment Area. Exhibit 1 illustrates the location of the area within the broader context of the City of Lincoln. The Redevelopment Area is comprised of two parts: the area adjacent to the University of Nebraska-Lincoln (UNL) city campus that includes the former Nebraska State Fair Park, now known as Nebraska Innovation Campus (NIC Area), and the area north of NIC that includes the City's Theresa Street Waste Water Treatment Facility, industrial/commercial uses, and mobile home parks (the Theresa Street Area).

The boundaries of the NIC Area are generally from 14th to 27th Streets, between Salt Creek and the Burlington Northern Santa Fe Railroad corridors, also described as an area within the City of Lincoln, Nebraska, that includes all portions of Irregular Lots 14, 15, 45, 69, 71, 72, 73, 74, 75, 79, 80, 104, and 167; said irregular tracts located in Section 13-T10N-R6E of the 6th Principle Meridian, except Antelope Valley First Addition.

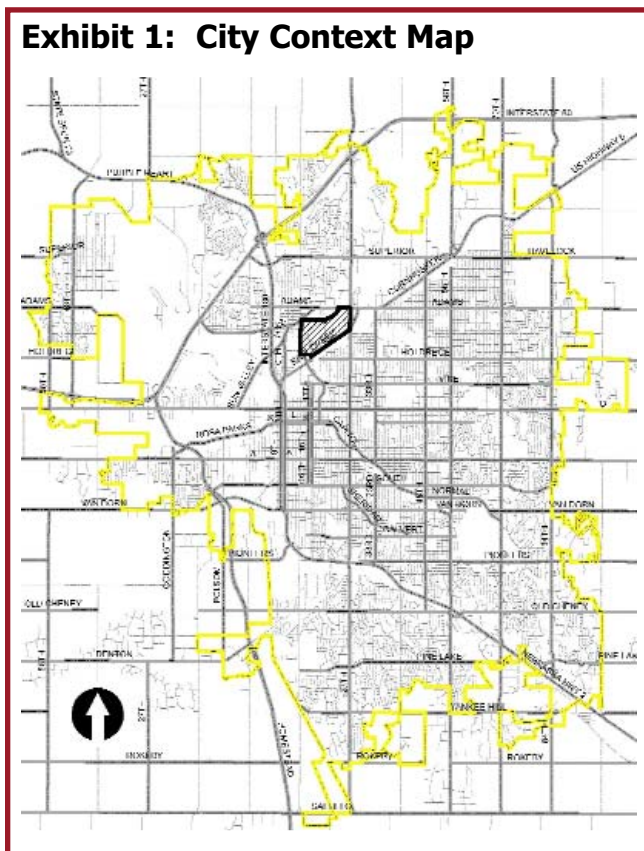
The boundaries of the Theresa Street Area are generally between Cornhusker Highway and Salt Creek Roadway, at its intersection with North 27th Street, from approximately North 20th Street at the west

boundary to North 27th Street at the east boundary, also described as an area within the City of Lincoln, Nebraska, that includes all portions of the Carroll M5 Addition, Kimco Industrial Park, Kimco Industrial Park 2nd Addition and Kimco Industrial park 3rd Addition; and Irregular Tracts 82 NE (ex. E 17'); 108 NE (ex. E. Pt. For Road); 153 NE (ex. N. 7.5' for road and Irregular Tract Lot 169 ex. N. Pts. For road NE); 155 NE (ex. E Pt. For street); 190 NE (ex. E. 27'); and 191 NE, 196 NE, 201 NE, 202 NE, 204 NE, 205 NE; 207 NE City of Lincoln parcels associated with the Theresa Street Wastewater Facilities, including 105 NE, 115 NE and 168 NE and adjacent area up to the center line of the Salt Creek Channel; and public Rights-of-Way within the Redevelopment Area Boundaries, including Cleveland Avenue, Theresa street, Kimco Circle, Kimco Drive, Kimarra Place, Cornhusker Highway and North 27th Street.

In 2008, the Nebraska State Legislature approved, and the Governor signed into law, LB116 which relocated the Nebraska State Fair to Grand Island and transferred the former Nebraska State Fairgrounds to the University of Nebraska Board of Regents. The legislation required that UNL provide a *Master Plan and Business Development Strategy* to the Legislature by December 1, 2009. Both reports were completed. The Board of Regents approved the *Nebraska Innovation Master Plan and Nebraska Innovation Campus Business Development Strategy* on November 20, 2009. The transfer of ownership of the 249 acre property occurred in December, 2009.

Now known as Nebraska Innovation Campus, NIC is a public/private partnership and research park dedicated to advancing research and its commercialization in order to generate economic growth for Nebraska. It is envisioned that one of the primary attractions to NIC will be the opportunity for private sector companies to become an intimate partners with UNL and to locate adjacent to University research facilities and faculties. According to the University's Request for Information (RFI) issued July 11, 2008:

"The purpose of Nebraska Innovation Campus (NIC) is to create partnerships with private sector firms to develop and maximize economic opportunities and to leverage the research capacity, faculty and student resources of the University of Nebraska-Lincoln. This will be accomplished by attracting private sector companies with existing or proposed relationships with the University to locate adjacent to the university campus and facilities and thereby generate jobs and other economic activity for



the state of Nebraska. Agricultural biotechnology and life science research are anticipated to be strong components of the campus. Other areas of university research strength that provide opportunities for viable partnerships include food science and food safety, robotics, computer technology, laser sciences, transportation, energy sciences, and alternative energy.

The Board of Regents created the Nebraska Innovation Campus Development Corporation (NICDC), a non-profit corporation charged with development of NIC and day-to-day operations. An Executive Director has been hired and a Board of Directors created comprised of five private-sector members and four University representatives. A seven-member Advisory Committee comprised of University professors monitors programming and property developments, evaluates related interests of the private and public sectors, interfaces with University colleagues for ideas and opportunities, and advises the board of directors as necessary. The vision statement developed by the NICDC for NIC is: "A dynamic environment where university and private sector talent transform ideas into innovation that impacts the world" (NIC website). The NICDC issued a request for proposals to select a developer and in June, 2011 selected Nebraska Nova Development L.L.C. (Nova) for the first phase of development. In February 2012, NICDC completed a Strategic Planning Report and updated master plan.

NIC is located at the northern edge of the Antelope Valley Project's Research and Development (R&D) corridor. The Antelope Valley Project is sponsored by three partners: the City of Lincoln, Lower Platte South Natural Resources District, and the University of Nebraska-Lincoln. Its purpose is to address flood control, transportation improvements and community revitalization in the core of the city. The R&D corridor is generally located between K Street on the South, Innovation Campus on the north, 16th Street on the west and 21st Street (the Antelope Valley waterway) on the east.

In 2007, the 2015 Vision Group proposed the development of a R&D corridor which would link UNL's public research and development facilities to potential and planned private research and development facilities to the north and south, adjacent to the Antelope Valley waterway. At that time, the State Legislature was studying the future of State Fair Park and the potential development of a university R&D technology park. With the Legislature's action in 2008, the City of Lincoln considers NIC a critical partner for the Antelope Valley R&D corridor that will compliment

and lay the foundation for the additional private R&D anticipated in the corridor. The City has made zoning changes and instituted design standards to lay the foundation for, and encourage, private development in the R&D corridor outside the limits of NIC.

The Nebraska State Fair was located in Lincoln in 1901. During its 100 year operation at this location, buildings have become deteriorated or dilapidated and infrastructure - including streets, sidewalks and utilities (sewer and water) have become inadequate by modern standards for redevelopment.

As a result of these conditions, UNL requested the completion of a *Blight and Substandard Determination Study*. The Study, completed in October 2009 concluded that the number, degree, and distribution of blighting factors warrant designating the area blighted and substandard. As planning proceeded for NIC, discussions between Nova (the NIC developer) and City determined it would be mutually beneficial to expand the NIC boundary north and exchange land owned by the Board of Regents for City-owned land. During these discussions, it was recognized that the area immediately north of NIC and adjacent to the City's Theresa Street Wastewater Treatment Plant has also experienced decline. Further assessment of the area north to Cornhusker and east to 27th Street revealed deteriorating conditions. As a result, the Theresa Street Redevelopment Area *Blight and Substandard Determination Study* was completed by the developer in January, 2012. This study also concluded that the number, degree, and distribution of blighting factors warrant designating the area blighted and substandard.

The City recognizes that continuing blight and deterioration is a threat to the stability and vitality of the area and revitalization efforts cannot reasonably occur without public action. The *Nebraska Innovation Campus (NIC) Redevelopment Plan* represents the City's efforts to assist UNL in guiding public and private redevelopment and to guide revitalization of the Theresa Street Area.

Plan Requirements

Redevelopment activities are guided by *Community Development Law*, Neb. Rev. Stat., Section 18-2101, et. seq. (as amended). The statutes clearly state that the governing body must first declare the project area substandard and blighted in order to prepare a redevelopment plan.

The City has authorized its Urban Development Department to act as the redevelopment authority under the applicable Law. The Urban Development Department has formulated, for the City of Lincoln, a

workable program utilizing appropriate private and public resources to,

- eliminate or prevent the development or spread of urban blight;
- encourage needed urban rehabilitation;
- provide for the redevelopment of substandard and blighted areas including provision for the prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards;
- the rehabilitation or conservation of substandard and blighted areas or portions thereof by re-planning, removing congestion, providing parks, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and,
- clear and redevelop substandard and blighted areas or portions thereof.

The *Community Development Law* section 18-2111 defines the minimum requirements of a redevelopment plan as follows:

“A redevelopment plan shall be sufficiently complete to indicate its relationship to definite local objectives as to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities and other public improvements, and the proposed land uses and building requirements in the redevelopment project areas...”

The statutes further identify six elements that, at a minimum, must be included in the redevelopment plan, they are:

1. The boundaries of the redevelopment project area with a map showing the existing uses and condition of the real property area;
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;
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.

In making its recommendation to approve this plan, the Urban Development Department has considered the land uses and building requirements and determined that they are in conformance with the general plan for redevelopment in the city and represent a coordinated, adjusted, and harmonious development of the city and its environs. These determinations are in accordance with:

- present and future needs to promote health, safety, morals, order, convenience, prosperity;
- the general welfare; and
- efficiency and economy in the process of development.

Factors considered in the determination included 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 development of the *Redevelopment Plan* relies heavily upon, and draws from, previous work including the *State Fair Park Redevelopment Area Blight and Substandard Determination Study*, October 2009 and the *Nebraska Innovation Campus Master Plan*, February 8, 2010. Throughout the remainder of the *Redevelopment Plan*, the terms Redevelopment Area, State Fair Park, and Nebraska Innovation Campus (NIC) are used interchangeably to refer to the same geographic area.

EXISTING CONDITIONS

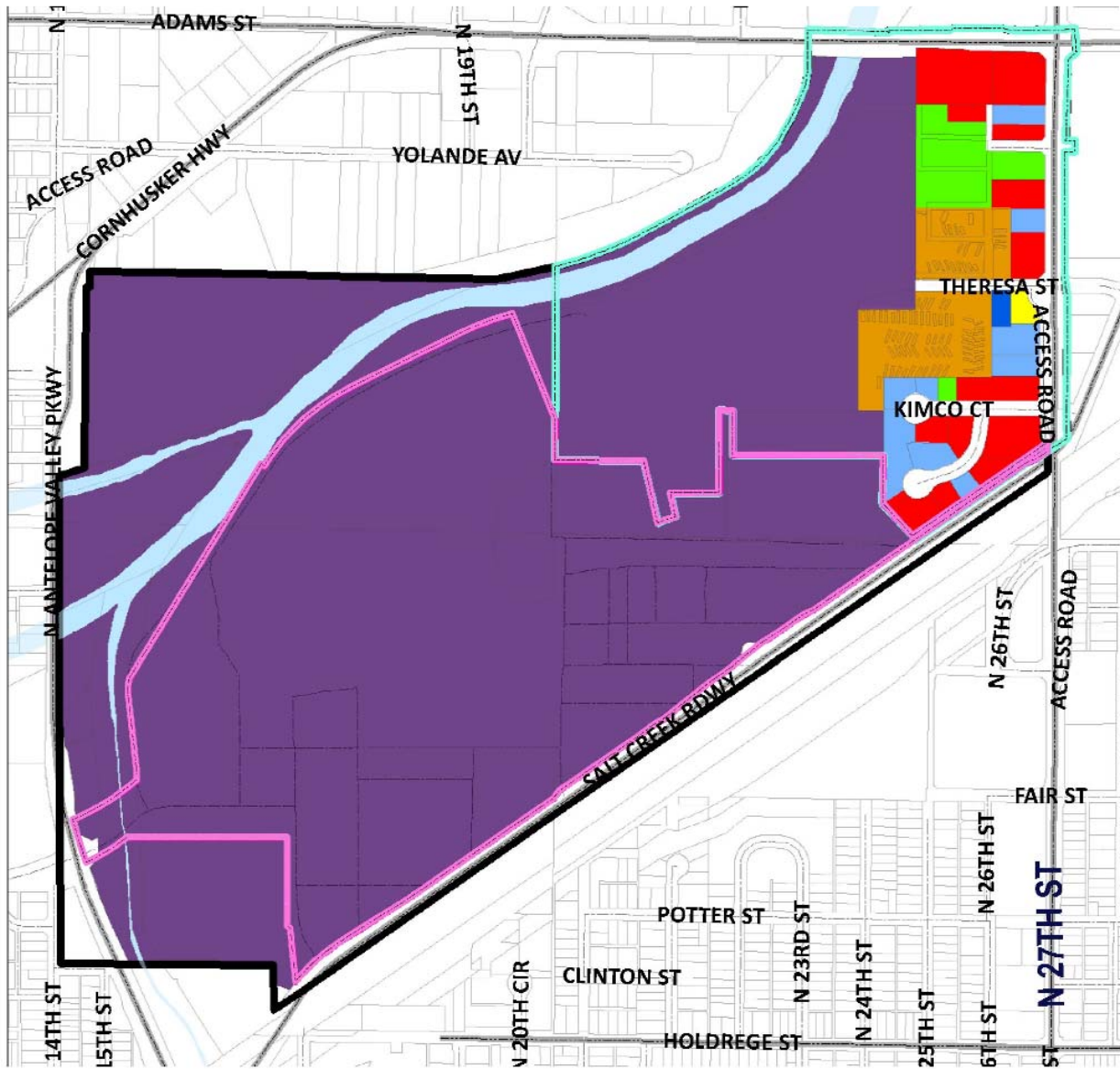
Land Use

Major land uses in the NIC Area (see Exhibit 2) are public/quasi-public land uses and unimproved parking areas (gravel surfaced roads within grass/dirt surfaced parking areas). The area contains approximately 249 acres, not including the Rights-of-Way (ROW) of Salt Creek, Oak Creek and Antelope Creek. Public land

uses occupy approximately 76.3% of the Redevelopment Area. Approximately 23.7% of the area consists of unimproved parking areas that are grass/dirt surfaced with crushed white rock roads between parking areas.

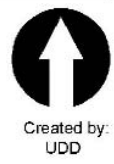
Railroads and the Salt Creek Roadway form the south boundary of the NIC Area. In addition, residential

Exhibit 2: Existing Land Use



- Redevelopment Area
- Churches, Synagogues and Temples
- Public & Semi-Public NEC
- Theresa St Boundary Area*
- Commercial NEC
- Public Right-of-way
- NIC Boundary Area*
- Heavy Industrial
- Streams and Creeks
- Light Industrial
- Vacant (Undeveloped) Land
- Mobile Homes, Parks and Courts

* Area boundaries are approximations



uses in the Clinton neighborhood lie to the south. Industrial and institutional uses are located south of the NIC Area along the east side of Antelope Valley Parkway. The west side is bounded by Antelope Valley Parkway, UNL transportation facilities, the Nebraska National Guard and residential uses in the North Bottoms neighborhood.

Major land uses in the Theresa Street Redevelopment Area (see Exhibit 2) are primarily mobile home residential, commercial and public/quasi-public lands associated with the Theresa Street Waste Water Treatment Facility. The southeastern area is bounded by light industrial land uses with some also located along Cornhusker Highway to the north. The area contains an estimated 114 acres of which 83% has been developed. The City's Theresa Street Waste Water Treatment Facility occupies the western two-thirds of the area. A linear strip of open space at the northeast portion of the facility property accommodates a hiker/biker trail connection from Salt Creek to Theresa Street. Vacant lands are concentrated at the southwestern portion of the property, abutting NIC. Mobile home parks occupy land between the treatment facility and various commercial and industrial uses at the eastern edge of the area, along the west side of North 27th Street.

There were approximately 70 structures in the NIC Area, consisting primarily of barns and sheds used for the State Fair. As part of the first phase of redevelopment, UNL demolished many of these structures. Others will require demolition before the site is redeveloped. The *Blight and Substandard Determination Study* identified approximately 56% of structures surveyed as either deteriorating or dilapidated. Also as part of the first phase of redevelopment, a few Heritage Education buildings have been relocated to other sites.

The Devaney Sports Center is currently used for university athletics programs including swimming, track and field, men's gymnastics, wrestling, men's and women's basketball and other events. The UNL Athletics Department is planning future expansions of the Devaney Center for the above mentioned programs, and it will remain on campus in its current use. The Coliseum, commonly known as the Ice Box, is leased through 2031 by the Lincoln Stars, a minor league hockey franchise. The *NIC Master Plan* recommended that the structure be replaced when the lease terminates with either research or related mixed use development.

The horse racing track and associated service facilities are currently leased by the Horsemen's Benevolent & Protective Association (HBPA). These facilities will continue to be used by HBPA throughout September 30, 2012. See Exhibit 3, NIC Area Existing Building Inventory & Analysis (*Master Plan*, p. 13).

The *Blight and Substandard Determination Study* included an analysis of lot layout in relation to size, adequacy, accessibility or usefulness and identified a primary issue as inadequate lot size.

NIC is comprised of a variety of individual parcels of land, both large and small, that have existed as irregular tracts since 1872. Thirteen (13) irregular tracts comprise the entire Redevelopment Area. None of the tracts were ever platted and developed according to the Subdivision Regulations of Lincoln/Lancaster County. Several irregular tracts have no access to streets and are land locked. As such, these tracts of land do not meet today's standards of platting and subdivision procedures.

Efforts to overcome problems of improper subdivision and obsolete platting and to secure sites of reasonably adequate size and shape for modern development purposes requires the re-platting of irregular shaped parcels. Future development should be based on a broader scale, including larger areas of the Redevelopment Area, rather than the piecemeal development of smaller, single and multiple individual lots that has occurred in the past.

In the Theresa Street Area, there are 126 buildings on 140 parcels of land. The *Blight and Substandard Determination Study* identified 84 structures (66.7%) as either deteriorating or dilapidated to a substandard condition and 71% of the parcels as having "fair" or "poor" overall site conditions.

The primary issue in the Theresa Street Area identified in the *Blight and Substandard Determination Study* is that the majority of parcels were developed as Irregular Tracts, identified by metes and bounds descriptions. With the exception of the Kimco Industrial Park and the Carroll M5 Subdivisions, the area was incrementally subdivided with irregular tracts of land. Existing businesses either purchased a portion or an entire irregular tract. None of the commercial areas in the eastern portion of the area adhered to a planned subdivision process. For example, as parcels along Theresa Street and North 27th Street developed, several businesses combined two tracts into one lot of record, while individual widths of lots were increased or decreased to support development needs. None of the lots are of uniform width or length. The inadequacies in the development of land with irregular tracts are most evident in the lack of accessibility to individual parcels and results in poor circulation patterns throughout the entire area. For example, northbound traffic on North 27th street and eastbound traffic on Cornhusker Highway access businesses at the southwest corner of the intersection by being directed by signage to Cleveland Street. Traffic accesses the businesses via a private street located within "Outlot A,"

Exhibit 3: NIC Area Existing Building Inventory & Analysis



space with a mix of uses on the site of the old State Fairgrounds.

P Public Use District – This district is intended to provide a district essentially for mapping purposes which will identify real property presently owned and used by any government entity, including local, state, or federal governmental units, and put to some form of public use. This district is not intended to be applied to land that is used by governmental entities on an easement or leased basis if title to the land is in private ownership.

H-3 Highway Commercial District – This is a district for a redeveloping area intended to provide for low-density commercial uses requiring high visibility and/or access from major highways. The uses permitted generally include those of the neighborhood and highway business areas.

which also leads traffic to Cornhusker Highway via the Super 8 Motel parking lot.

Zoning

Exhibit 4 identifies existing zoning districts within the Redevelopment Area. The NIC Area is comprised of O-3 PUD Office Park District with a smaller area of P, Public Use District.

A significant portion of the Theresa Street Area is zoned P, Public Use District. I-1, Industrial District, is located to the west of the public land and includes the mobile home parks. Land adjacent to North 27th Street and Cornhusker Highway is primarily H-3, Highway Commercial.

The zoning districts within the area are as follows:

O-3 PUD Office Park District with an approved Planned Unit Development (PUD) – This district was approved by the City Council in November 2010 as Change Zone #10018. The PUD established specific regulations and waivers for the site as part of an overall approval of two million square feet of commercial

I-1 Industrial District - this district is for a developing stable or redeveloping area representing light and heavy industrial uses and having a relatively high intensity of use and land coverage.

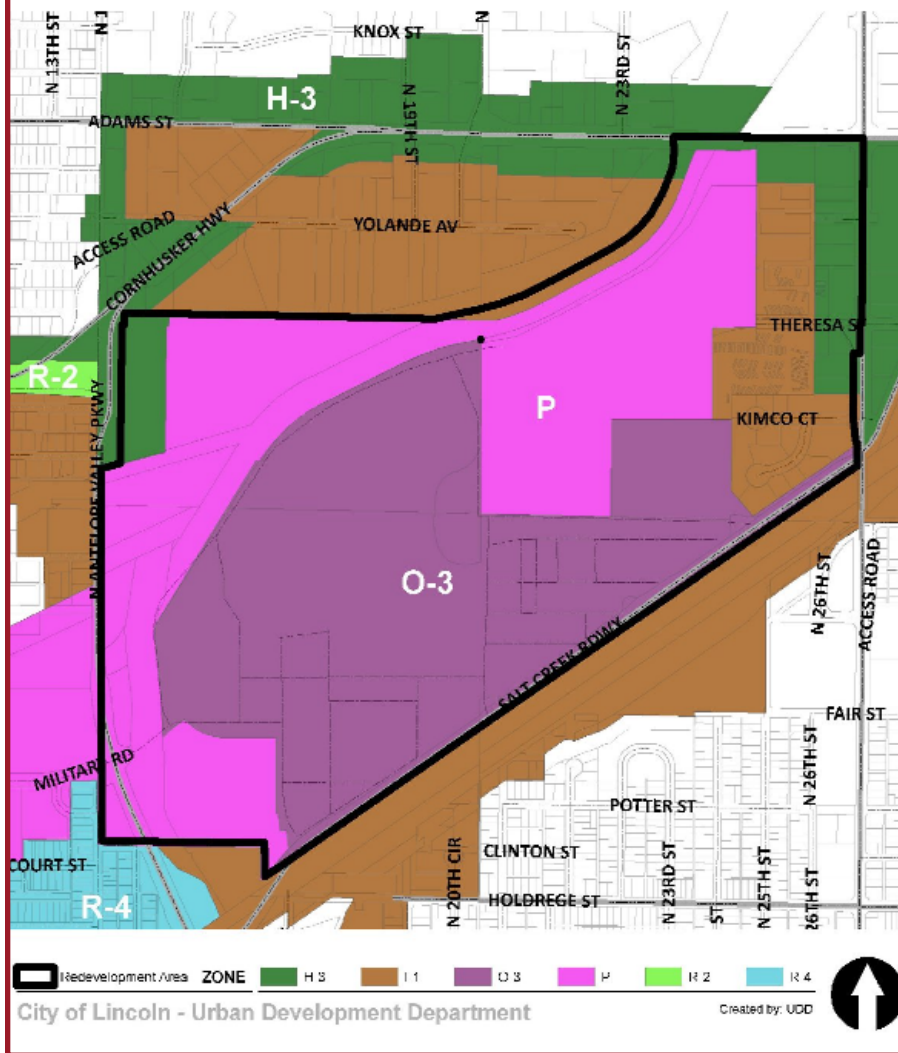
Re-zoning may be required as redevelopment occurs in the Theresa Street Area.

Parks/Open Space/Trails

No city parks are located within NIC. While there is a considerable amount of undeveloped land, its usage consists primarily of grass and dirt surfaced parking areas. Approximately 23.7% of the NIC Area consists of unimproved parking areas that are connected by crushed white-rock roads. This use is not typically considered open space as compared to desirable green, aesthetically pleasing public open space.

With the completion of the Antelope Valley project, several bike trails converge in downtown and to the UNL City Campus. The project included the completion of trails along both sides of the Antelope Valley waterway into NIC. The trail on the east side of the creek termi-

Exhibit 4: Existing Zoning



Transportation

● Traffic

NIC is bordered by the newly constructed Salt Valley Roadway and Antelope Valley Parkway, both of which are four lane roadways. There are existing traffic signals at Antelope Valley Parkway and Military Road, a major entrance to the site, and Antelope Valley Parkway and Salt Valley Roadway. Individual land uses at NIC and associated vehicular trip generation will allow assessment of the impact on the surrounding transportation network.

A traffic impact study conducted for the *NIC Master Plan* anticipates NIC to generate up to 21,815 daily trips at full build-out by 2030. The existing roadway system will handle both future background traffic and additional traffic generated by the build-out of NIC at desirable levels of service. The exception is the elevated intersection of Antelope Valley Parkway and Salt Valley Roadway, anticipated to be at level of service D and E in peak hours by 2030.

However, any changes to the proposed land uses that were identified in the traffic impact study will require a revised traffic impact

study which could result in additional improvement to the transportation network.

nates at Court Street south of Devaney and the trail on the west side of the creek follows Antelope Valley Parkway along the entire length of the west side of NIC. The bike and pedestrian systems in the *NIC Master Plan* recommend connections to these existing facilities.

There are no city parks in the Theresa Street Area. The Innovation Campus Connector Trail is proposed to the trails system: travelling along the eastern boundary of NIC, proceeding north and then along the eastern edge of the Waste Water Treatment Plant property and connecting to the existing trail that continues north to Cornhusker. There is an existing trail from Theresa Street to Cornhusker Highway east of the Theresa Street Wastewater Plant. Plans also call for construction of the Dietrich Connector Trail connecting along Theresa Street to the east to the existing 27th Street trail that goes south from the north side of the bridge over the railroad tracks and then connects with the Dietrich Trail at that point.

study which could result in additional improvement to the transportation network.

The main entrance into NIC is located on Antelope Valley Parkway at Military Road. There are three access points from Salt Creek Roadway into NIC; currently two are gated and the intersection with McFarland (eastern most intersection) is open and actively in use. Any modifications to the access points in location are subject to review and approval of the city, state, and federal governments as required. The City will not approve any additional access locations. Any change in existing locations will require quarter mile spacing. All costs associated with the reconstruction of access locations and associated traffic control shall be the responsibility of NIC.

An area of concern is the intensity of potential development east of Antelope Valley Parkway, north of Salt Creek and related access desires or needs. Antelope Valley Parkway to the Cornhusker ramp is four lanes

but concern is due to the close proximity of the Cornhusker Highway ramp. Additionally, if the access points at private streets or driveways are provided full access, design standards require dedication of stub ROW at those locations.

The primary streets in the Theresa Street Area include Theresa Street, Cornhusker Highway and North 27th Street. The nature of development patterns along Cornhusker Highway and North 27th Street, along with the lack of interior streets, has created poor vehicular circulation and accessibility issues. Northbound traffic on North 27th and eastbound traffic on Cornhusker Highway have limited access to the businesses near the intersection of these two streets. The Super 8 Motel, for example, has signage that directs east and northbound traffic to turn onto Cleveland Street and then access the motel via a private street in a platted outlot. Limited accessibility is also evident with the mobile home parks and sanitary sewer treatment facility being accessed by one entry point from Theresa Street. If Theresa Street were to become blocked for any reason, the mobile home parks and the treatment facility would become inaccessible.

● **Street Conditions**

Roadways within NIC are not in dedicated ROW and are not presently maintained by the City. The privately owned street network consists of a modified rectilinear grid system. The field survey conducted as part of the *Blight and Substandard Determination Study* rated the majority of the streets in the Redevelopment Area as “fair” to “poor” in condition. Approximately 38 (54.3%) of the 70 parcels can be accessed by streets, or front on portions of a street in “fair” to “poor” condition. Several examples exist throughout the area where portions or segments of streets are resurfaced or repaved. Many other examples are evident where only half or two-thirds of the width of the street is resurfaced or patched. In other instances, the entire width of a street is only repaired along half of the length of the block, leaving the other half of the block in substandard condition.

The portion of the Theresa Street Area comprised of mobile home parks has privately owned streets that access the individual mobile homes. The *Blight and Substandard Determination Study* identified private streets as “deteriorating.” These streets lack standard concrete curbs, gutters and, in some cases, storm water drainage ditches. As a result, storm water lingers within the area and pools in low lying areas on streets and in properties throughout the mobile home parks.

● **Parking**

The *Blight and Substantial Determination Study* identified inadequate parking conditions throughout the NIC Area. Surface parking areas of rock, grass and dirt are present in eight different areas, accounting for nearly 60 acres of the Redevelopment Area.

The *Master Plan* notes that the area currently accommodates 4,400 on-site parking spaces in surface lots and along roadways, used by patrons of the Ice Box and events at Devaney. Additional parking lots owned by UNL are within a 10 minute walk of NIC.

The *Blight and Substandard Determination Study* identified parking lots in the Theresa Street Area as “deteriorating.” The field study conducted for the Blight Study also identified inadequate parking conditions. Residents will occasionally park at the edge of the privately owned streets, or onto the front yards adjacent to the mobile homes. For example, residents park their automobiles diagonally and perpendicular to the side of the street or on the grass adjacent to the mobile home. Nearly 60%, or 75 of the total parcels, had substandard driveways and/or side yards.

● **Sidewalks and Pedestrian Activity**

Sidewalks are lacking in all unimproved parking areas in the northern and eastern portions of NIC. However, within the developed core of the area, portions of blocks have recently had sidewalks replaced. For example, along Journal Star Boulevard, adjacent to the Expo Building, new sidewalks run the entire length of the building. However, sidewalks and curb and gutters in the medians of Journal Star Boulevard are deteriorated and in substandard condition. Generally, only limited segments of sidewalks have been replaced throughout NIC.

The Blight Study field survey also revealed that 16 (22.8%) of the 70 parcels had sidewalks that were in “fair” or “poor” condition. In addition to the unimproved parking areas, a large portion of the livestock stable areas to the north and west of the Horse Racing Grandstand do not have developed pedestrian walkways.

According to the Theresa Street Blight Study, 99 parcels, or 70.7% of the 140 total parcels, lack sidewalks. These parcels are primarily located adjacent to privately owned streets within mobile home parks.

● **Public Transportation Services**

State Fair Park was served by StarTran’s Belmont bus route and past ridership activity was minimal. A slight increase in ridership occurred during events, but ridership/boardings in the area currently average only about four per day. Any necessary route or service

modifications can be addressed in the future as NIC develops.

The Theresa Street Area is served by StarTran's #41/40 Havelock/Heart Hospital route. This route is located along 27th Street and does not traverse through the Redevelopment Area. Direct public access from bus stops to the area requires pedestrians to travel along 27th Street. From Theresa Street to Kimco there is an average of 10 daily boardings.

Week day service begins at 5:15 a.m. and ends at 7:05 p.m. with major destinations including Anderson Branch Library, Bennett Martin Public Library, Dawes Middle School, UNL City Campus, Lincoln High School, North and South Walmart, Bryan\LGH East Hospital, Edgewood and Nebraska Heart Hospital. Saturday service begins at 6:30 a.m. and ends at 6:55 p.m. At this time, there is no need to expand transit service to this area.

Public Utilities

The utility systems were privately owned and maintained by the Nebraska State Fair Board. The age and condition of the underground utility mains, according to both maintenance staff from the former State Fair Park and officials with the City of Lincoln Public Works and Utilities Department, are of primary concern. The privately owned water, sanitary and storm water sewer mains were generally installed between 1910 and 1920 and were expanded incrementally. Utility maps indicate that water mains within NIC include 4", 6" and 8" diameter mains, while sanitary sewer mains are 8" standard diameter. Outfall sewer mains serving large segments of the City of Lincoln run through publically owned utility easements in the central, western and northern portions of the Redevelopment Area and range between 47" to 78" in diameter.

Former State Fair Park staff and City officials further indicate that both the water and sanitary sewer systems were marginally adequate for State Fair use. However, due to the excessive age of these utility mains and as these segments continue to age over time, maintenance and replacement problems are anticipated to become severe enough to require replacement of the mains to adequately serve the Redevelopment Area.

A 2004 report to the Governor and Nebraska Legislature estimated the need to invest approximately \$10 million over the next 20 years on infrastructure, to avoid the risk of a major infrastructure failure, excessive repair costs, or serious liability or injury.

Problems may also exist in service lines which connect the utility mains to individual buildings. More than

two-thirds of the service lines in the NIC Area are estimated to be 40 or more years of age, according to the associated age of the structures. Usually, no attention is given to problems in the service lines until breaks occur. The types of problems associated with service lines throughout the Redevelopment Area include undersized lines and/or lines constructed of lead.

UNL does not intend to use any of the existing sewer and water that had been privately owned and operated by State Fair Park. Much of it is in the wrong place and, even if it were in good condition, would need to be moved for grading. All major city mains, including the trunk sewer through the horse area, will remain in NIC.

In the Theresa Street Area, both water and sewer mains range in age from 30 to 50 years of age. Although not significantly old, these underground utilities are severely impacted by corrosive soils associated with Salt Creek.

● **Water System**

Existing System: The NIC Area's water service is from the Lincoln Water System's Belmont Pressure district. It is somewhat isolated from good distribution system looping by Salt Creek on the north and the railroad tracks on the south.

A pump station on the south side of the tracks near 26th Street is connected to the Belmont Pressure District. The only connection from that pump station to the pressure district is a 16 inch main that runs diagonally through NIC. This pump station is used infrequently as two other larger capacity pump stations also serve this pressure district. NIC also borders an adjacent pressure zone which may also provide sufficient pressure and capacity.

NIC currently has a private water distribution system served by two master meter connections. One is in a meter pit located near the race track and the other is in a structure located close to the NIC entrance at 14th and Military. The meter pit near the race track was taken out of service a few years ago since it has several deficiencies requiring replacement.

The portion of NIC located between Oak Creek and Salt Creek, east of 14th Street (formerly the State Fair Campgrounds) has its own water service connection. The public 16 inch main that runs diagonally through NIC also runs through this area.

Future System: Preliminary site drawings show a plan to grade much of NIC to different elevations which may necessitate relocating part of the existing 16" public water main. Rerouting the 16" main to a different alignment should then be considered. Further evaluation of the condition of this main should be

completed prior to placing new paving over it. Most of the remaining private water distribution system will need to be abandoned and reconstructed on new alignments and at new grades to match the street layout of NIC.

To provide for the most reliable water service to NIC, a campus plan for water service should be formulated to determine the network of mains required for reliable domestic and fire flow capacities. Evaluation of the need for more than one service connection and its location should be included in this plan as well as which pressure zone offers the best reliability and pressure, and to meet flow requirements.

Future system designs should consider the requirement of Titles 17 and 24 of the Lincoln Municipal Code.

According to the City's Public Works and Utilities Department staff, an excessive amount of water main breaks have occurred in the Theresa Street Area. The 30 year old 12" water main within North 27th Street is scheduled to be replaced in 2012 due to corrosion caused by soils associated with Salt Creek and multiple breaks. The oldest water mains are within the Theresa Street right-of-way which were installed in 1968 and primarily service the residents in the adjacent mobile home parks. Staff indicated private water mains and service lines within the mobile home parks are also impacted by corrosive soils. Service lines are adequately sized to serve the area although advancing age will eventually require addressing increasing maintenance or eventually replacement of these mains.

● **Sanitary Sewer System**

There are multiple sanitary sewer lines that run through the NIC Area. Some lines are owned and maintained by the City while others were the property of the State Fair. Limited records are available regarding the adequacy, maintenance history and conditions of small diameter pipelines previously owned by the State Fair. The condition and location of these lines are suspect and will generally be of no use for the redevelopment of NIC. It is recommended that a new grid of small 8" and 10" diameter sanitary sewer mains, located within new street ROWs, be designed to carry flow by gravity down to the City's existing trunk lines.

The City-owned lines, primarily composed of major sanitary sewers trunk lines (42", 60", 78") and one 8" line on the eastern boundary of NIC, have been continuously maintained by the City and are in good condition. These lines will need to remain in service. The trunk lines generally enter NIC from the southwest

corner and western boundary of the Redevelopment Area, travel diagonally across the property to the northwest corner, terminating at the Theresa Street Wastewater Treatment Plant. The trunk sewer mains located within NIC serve approximately 70% of the population (175,000 people) of the City of Lincoln. Moving or rerouting these lines will be cost prohibitive, except for the 8" line on the eastern boundary. It is recommended that these lines, with the exception of the 8", be left in place and serve either as a green corridor throughout NIC or be located within street ROW.

An interesting feature along the western boundary of the NIC Area is a structure called a "leaping weir." The structure is an interconnection between a 21" sanitary sewer, storm sewer and an outlet into Antelope Creek. The structure was originally designed to allow storm water flow to enter the structure from area drains from the stock barns north of the Devaney Center. The first amount of water entering the structure would be carrying animal waste that would fall into the weir, then into the sanitary sewer, and then flow to the treatment plant. As water volume increased with additional rain, the velocity of liquid within the pipe would increase and the liquid would leap across the weir and proceed into the storm sewer. The storm sewer would then outlet into Antelope Creek, presumably with little or no animal waste included. The City's Wastewater Division was fearful that during flooding conditions of Antelope Creek, water would travel back through this connection and into the treatment plant. Therefore, the leaping weir structure is currently set so that no water can go to the creek and all goes into the sanitary line. The City recommends removing the entire structure, properly abandoning the storm sewer-Antelope Creek connection, and abandoning the 21" sanitary sewer line.

There is sufficient capacity at both the treatment plant and trunk lines to service the proposed redevelopment of NIC. Consideration during design should be given to using treated effluent for landscape watering or in cooling towers of buildings.

In the Theresa Street Area, sewer mains are also severely impacted by corrosive soils associated with Salt Creek. However, at this time they are in good condition and adequately sized. As these segments continue to age, maintenance and replacement problems are anticipated to be more prevalent. An additional concern is maintaining existing easements and City access to the underground infrastructure.

● Watershed Management

There are no major drainage system conveyances in the NIC Area; however, there are numerous smaller systems. There is a significant concern on the condition of these systems as well as illicit discharge connections to these systems. As discussed above, a portion of the drainage system consists of a combined sanitary and stormwater system. During high flows, the sanitary lines will discharge into the stormwater lines which eventually drain into Salt Creek. This combined system needs to be replaced prior to any consideration of this portion of the system becoming a public system. Other concerns include:

- There are several pipe systems smaller than the 15" minimum City Standard.
- There are several types of pipes including, clay, plastic, corrugated metal and concrete. Currently, the City Standard calls for concrete although some uses for HDPE pipe are allowed.
- Yearly inspection and maintenance has not been done on the stormwater systems. For this reason, a majority of the systems are likely in need of some repair.

If new stormwater systems are to be built, the systems could be operated and maintained by the City if these systems are within public ROW. If systems are to be built outside the public ROW, the stormwater systems should be operated and maintained by a private entity.

Floodplain: The floodplains associated with Salt Creek, Oak Creek and Antelope Creek impact nearly all portions of the NIC Area. Of the 249 acres in NIC, only 48 are above the 100-year floodplain. Major structures located in the 500- year floodplain include the Devaney Sports Center and the Horse Racing Grandstand. The project area outside of the floodplain is located to the south of the Grandstand, generally between Journal Star Boulevard and Omaha Truck Center Road. This area generally includes the former midway area, food pavilions and exhibition buildings used during the State Fair.

The U.S. Army Corps of Engineers (COE) and the Lower Platte South Natural Resources District (LPSNRD) have established a 500 foot critical area along the levee intended to provide a zone of levee protection. COE and LPSNRD review and approval is required for any proposed construction activity within the zone. Documents submitted for approval of construction activities must include proof that the integrity of the levee has not been compromised by the intended construction (*Master Plan*, p. 9).

The City, working with FEMA, conducted a study of the flood storage capacity for the Salt Creek floodplain and adopted a flood storage ordinance. The NIC Area

is located in four flood zones. As part of the current planning process, a moderate fill scheme has been identified that could balance cut and fill on-site and avoid any significant increase in flood elevation to abutting properties.

The entire Theresa Street Area is in the Salt Creek floodplain and within Salt Creek Storage Area 17 which has restrictions for the amount of fill that can be placed within each lot. As with the NIC Area, any proposed construction activity within the 500 foot critical zone along the levee requires COE and LPSNRD review and approval to ensure levee protection.

The drainage systems in the Theresa Street Area appear to be older and most drain north-northwest to Salt Creek. The northwest portion of the area drains east to a tributary of Deadmans Run that is just east of State Fair Park Drive. An area in the southwest portion drains south to a urban drainage system in Salt Creek Roadway and then to a ditch that drains north directly to Salt Creek. This ditch lies in the western portion of the Theresa Street Area.

Wetlands: A detailed *Wetland Delineation Report* completed as part of the *NIC Master Plan* identified two areas of potential wetlands: .92 acres within the racetrack infield and .09 acres in fringe areas associated with a non-concrete drainage ditch on the east side of the Redevelopment Area. Pending a final determination by the COE, mitigation for the .92 acres within the racetrack may require a 1.5:1 replacement for a total of 1.38 acres. The fringe areas are assumed to be a 1:1 replacement, possibly requiring an additional .1 acres.

There are no known wetlands with the Theresa Street Area.

● Lincoln Electric System (LES)

LES serves the NIC Area at 12kV (12,000 volts) from two primary meters on the west and east sides of the property. The State Fair also operated a 12kV line to serve the buildings on the property. An additional primary meter serves the Devaney Center.

A 35kV (35,000 volt) transmission line crosses the north end of the property and serves the Lincoln Wastewater facilities at Theresa Street. A 12kV circuit also follows the north property line.

According to LES, there is adequate capacity to serve NIC and any additional load that might develop there. No upgrades are planned at this time.

In the Theresa Street Area, the street lights on Kimco Court and Kimara Place were installed in 1978. They are post top luminaries mounted on 20 foot gray painted poles, and are energized with underground wire. The street light poles on North 27th Street and

Cornhusker Highway are cobrahead luminaires installed on galvanized steel poles, and energized with underground wire. There are three cobrahead style street lights on Theresa, west of 27th Street. These lights are installed on wooden poles that support the overhead electric and communication lines for the area. All of the street lights in this area are in good condition.

Historic Significance

The *NIC Master Plan* includes an assessment of the Arsenal Building, the Industrial Arts Building, and the 4-H Building for building conditions, code and systems deficiencies, and potential reuse.

- The State Arsenal Building of 1913, designed by Burd F. Miller of Omaha, is listed on the National Register of Historic Places and is leased to the Nebraska National Guard to display Historic artifacts. The term of the current lease extends to June 30, 2013.
- The 4-H Building was designed by the prominent Lincoln architectural firm of Davis and Wilson and was constructed in 1928. The *NIC Master Plan* recommends that it be retained and reused (*Master Plan*, pp. 13-16).
- The Industrial Arts Building (originally Agricultural Hall) was also designed by Burd F. Miller of Omaha and built in 1913. The *NIC Master Plan* notes that the *Antelope Valley Study, Final Environmental Impact Statement* (2001) did not identify the Industrial Arts Building as eligible for listing on the National Register of Historic Places. The *Master Plan* recommends that the Industrial Arts Building is not cost-effective for renovation and reuse.

However, the *Rehabilitation Feasibility Investigation for the Industrial Arts Building (Ag Hall)*, prepared in 2009 for Heritage Nebraska and the Preservation Association of Lincoln, concluded the opposite and recommends the building can and should be renovated. The Nebraska State Historic Preservation Officer, upon further evaluation, has notified UNL of his opinion that the Industrial Arts Building is eligible for listing on the National Register of Historic Places. Subsequently, The Industrial Arts Building has been listed on the National Register of Historic Places.

UNL issued an RFP to determine if there is developer-interest in renovating and reusing the building in a manner that is financially viable and consistent with the program in the *NIC Master Plan*. One proposal was received in response. According to the University, the proposal was rejected because it placed the full

financial risk, cost, and burden of occupancy on the University, did not include any tenants, and included those uses programmed for the 4- H Building. The University has stated it intends to follow a public process to consider the future of the building in a way that does not jeopardize moving forward with the development of Innovation Campus.

While the *Lincoln/Lancaster County Comprehensive Plan* promotes the preservation of publicly owned historic resources, and the City therefore hopes that an economically feasible re-use can be found for the building, decisions about the Industrial Arts Building will ultimately be made by its owner – the University.

Current plans by Nova indicate that most of the existing exterior walls of the building will be renovated and reused. In addition, the 4-H building will also be rehabilitated and updated.

The Theresa Street Area does not contain any historic structures or facilities.

Blight & Substandard Determination Study

For a project in Lincoln to be eligible for redevelopment under the *Nebraska Community Development Law*, the subject area or areas must first qualify as both a “Blighted” and “Substandard” area, within the definition set for in the *Nebraska Community Development Law*. The *State Fair Park Redevelopment Area Blight and Substandard Determination Study* was undertaken to determine whether conditions exist which would warrant designation of the Redevelopment Area as a “Blighted and Substandard Area” in accordance with provisions of law.

At UNL’s request, Hanna:Keelan Associates, P.C. completed the *State Fair Park Redevelopment Area Blight and Substandard Determination Study*. An analysis was made of each of the blighted and substandard factors listed in the Nebraska legislation to determine whether each or any were present in the Redevelopment Area and, if so, to what extent.

The Consultant’s evaluation included a detailed exterior structural survey of 59 structures, a parcel-by-parcel field inventory, conversations with pertinent City of Lincoln department staff, and a review of available reports and documents containing information which could substantiate the existence of blighted and substandard conditions.

Of the twelve blight factors set forth in the *Nebraska Community Development Law*, nine are present to a strong extent. The factors of “tax or special assessment

exceeding the fair value of land” and “diversity of ownership” were determined not be blighting factors. “Defective or unusual condition of title” was not reviewed by Hanna:Keelan.

The blighting factors which are present are reasonably distributed throughout the State Fair Park Redevelopment Area. The factors determined to have a strong presence are:

- A substantial number of dilapidated 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.
- Improper subdivision or obsolete platting.
- The existence of conditions which endanger life or property by fire or other causes.
- Other environmental and blighting factors: the presence of economically and functionally obsolescent land uses.
- One of the other five conditions: average age of buildings.

Of the four substandard factors set forth in the Nebraska Community Development Law, all four factors in the State Fair Park Redevelopment Area were found to be present to a strong extent.

The substandard factors present in the area are reasonably distributed. The factors determined to have a strong presence are:

- Deteriorating/dilapidated structures
- Aging structures
- Inadequate provision for ventilation, light, air, sanitation or open spaces - the advanced age and related conditions of the State Fair grounds privately owned water and sanitary and storm water sewer mains and more than half of the parcels examined having “fair” to “poor” overall site conditions.
- Existence of conditions which endanger life or property by fire and other causes - wood frame buildings and masonry or structural steel buildings with wood structural components observed as potential fire hazards; over 55 % of buildings deteriorating or dilapidated; properties with excessive debris and large vacant areas lacking adequate water and sanitary sewer service; developed areas with deteriorated infrastructure including streets, parking areas, sidewalks, curb and gutters.

It was the conclusion of the Consultant that the number, degree, and distribution of blighting and substandard factors, as documented in the Study, are beyond remedy and control solely by regulatory processes in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in the *Nebraska Community Development Law*.

It was also the opinion of the Consultant that the findings of the *Blight and Substandard Determination Study* warrant designating the State Fair Park Redevelopment Area as “Substandard” and “Blighted.” The Lincoln City Council concurred and, by resolution, declared the area blighted and substandard on February 8, 2010.

The *Theresa Street Redevelopment Area Blight and Substandard Determination Study* was undertaken to determine whether conditions exist which would warrant designation of the Redevelopment Area as a “Blighted and Substandard Area” in accordance with provisions of law. At the request of the developer, Hanna:Keelan Associates, P.C., completed the *Theresa Street Redevelopment Area Blight and Substandard Determination Study*. An analysis was made of each of the blighted and substandard factors listed in the Nebraska legislation to determine whether each or any were present in the Redevelopment Area and, if so, to what extent.

The Consultant’s evaluation included a detailed exterior structural survey of 126 structures, a parcel-by-parcel field inventory, conversations with pertinent City of Lincoln department staff, and a review of available reports and documents containing information which could substantiate the existence of blighted and substandard conditions.

Of the twelve blight factors set forth in the Nebraska Community Development Law, ten are present to a strong extent. The factors of “tax or special assessment exceeding the fair value of land” were determined to have little or no presence and is not a blighting factor. “Defective or unusual condition of title” was not reviewed by Hanna:Keelan.

The blighting factors which are present are reasonably distributed throughout the Theresa Street Redevelopment Area. The factors determined to have a strong presence are:

- A substantial number of dilapidated 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.
- Improper subdivision or obsolete platting.
- The existence of conditions which endanger life or property by fire or other causes.
- Other environmental and blighting factors: the presence of economically and functionally obsolescent land uses.
- One of the other five conditions: a decrease in population from 370 to 307 based on the last two decennial censuses.

Of the four substandard factors set forth in the Nebraska Community Development Law, all four factors in the Theresa Street Redevelopment Area were found to be present to a strong extent. The substandard factors present in the area are reasonably distributed. The factors determined to have a strong presence are:

- Deteriorating/dilapidated structures
- Aging structures
- Inadequate provision for ventilation, light, air, sanitation or open spaces – water and sewer mains are approaching 50 years of age and are impacted by highly corrosive soils.
- Existence of conditions which endanger life or property by fire and other causes - wood frame buildings and masonry buildings with wood structural components are potential fire hazards; deteriorating buildings and parcels fronting on privately owned streets in “fair” to “poor” condition.

It was the conclusion of the Consultant that the number, degree, and distribution of blighting and substandard factors, as documented in the Study, are beyond remedy and control solely by regulatory processes in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in the Nebraska Community Development Law.

It was also the opinion of the Consultant that the findings of the *Blight and Substandard Determination Study* warrant designating the Theresa Street Redevelopment Area as “Substandard” and “Blighted.” The Lincoln City Council concurred and, by resolution, declared the area blighted and substandard on February 27, 2012.

Identified Issues

Based on the review of existing conditions, the following issues and concerns were identified and should be considered in conjunction with the Guiding Principles (next section) in the identification of projects for the *Redevelopment Plan*.

● For the NIC Area:

- Approximately 56% of structures surveyed are deteriorating or dilapidated and need to be demolished.
- A few historic Heritage Education buildings have been or will be relocated to other sites.
- Lots are inadequately sized and should be replatted.
- No bike trails extend into NIC at this time. Redevelopment efforts should consider connecting into the city’s existing bike trail system, particularly the new system of trails constructed as part of the Antelope Valley project.
- Individual land uses at NIC and associated vehicular trip generation will allow assessment of the impact on the surrounding transportation network. However, any changes to the proposed land uses that were identified in the traffic impact study would require a revised traffic impact study which could result in additional improvement to the transportation network.
- The main entrance into NIC is located on Antelope Valley Parkway at Military Road. There are three access points from Salt Creek Roadway into NIC. The City will not approve any additional access locations. Any change in existing locations require quarter mile spacing, review, and approval by the City and, if necessary, by state and federal governments. All cost associated with the reconstruction of access locations and associated traffic control shall be the responsibility of NIC.
- The intensity of potential development east of Antelope Valley Parkway, north of Salt Creek and related access is a concern due to the proximity to the Cornhusker Highway ramp.
- If access points at private streets or driveways are provided full access, design standards require dedication of stub ROW at those locations.
- The majority of streets are in “fair” to “poor” condition.
- Parking conditions throughout the area are in inadequate condition with rocked, grass and dirt

surfaced parking in eight different parking areas, accounting for nearly 60 acres of land.

- Sidewalks are lacking in all unimproved parking areas in the northern and eastern portions of NIC. In addition, about 23% of the total 70 parcels had sidewalks in “fair” or “poor” condition. Much of the livestock stable areas to the north and west of the Horse Racing Grandstand do not have developed pedestrian walkways.
 - The age and condition of the underground utility mains are a primary concern. Maintenance and replacement problems are anticipated to become severe enough to require replacement of the mains to adequately serve the area.
 - Problems may also exist in service lines that connect the utility mains to individual buildings.
 - UNL does not intend to use any of the existing sewer and water that had been privately owned and operated by State Fair Park. However, all major city lines, including the trunk sewer through the horse area, will remain.
 - If much of NIC is re-graded to different elevations, rerouting the 16” water main to a different alignment should be considered. Further evaluation of the condition of this main should be completed prior to placing new paving over it.
 - Most of the remaining private water distribution system will need to be abandoned and reconstructed on new alignments and at new grades to match the street layout of NIC.
 - To provide for the most reliable water service to NIC, a campus plan for water service should be formulated to determine the network of mains required for reliable domestic and fire flow capacities. Evaluation of the need for more than one service connection and its location should be included in this plan as well as which pressure zone offers the best reliability and pressure, and to meet flow requirements.
 - The City recommends removing the entire leaping weir structure, properly abandoning the storm sewer-Antelope Creek connection, and abandoning the 21” sanitary sewer line.
 - There is sufficient capacity at both the Theresa Street Treatment Plant and trunk sanitary sewer lines to service the proposed redevelopment of NIC.
 - Consideration during design should be given to using treated effluent for landscape watering or in cooling towers of buildings.
- Floodplains associated with Salt Creek, Oak Creek and Antelope Creek impact nearly all portions of the Redevelopment Area. The Devaney Center and Grandstand are located within a 500-year floodplain. All remaining portions of the area are within the 100 year floodplains of the three creeks. Only 48 acres are above the 100-year floodplain.
 - A 500 foot critical area has been established to provide a zone of levee protection. Any construction activity proposed within the 500 feet will require approval by the Corp of Engineers and the Lower Platte South Natural Resources District with proof provided that the integrity of the levee will not be compromised by the construction.
 - Approximately one acre of wetlands may require mitigation.
 - Included in the *Master Plan* planning process was the evaluation of different scenarios to determine the percent of fill needed in the flood zones to support development. As part of the current planning process, a moderate fill scheme has been identified that could balance cut and fill on-site and avoid any significant increase in flood elevation to abutting properties.
 - According to LES, there is adequate capacity to serve NIC and any additional load that might develop there.
 - The area met 9 of 12 conditions to be declared blighted, and all 4 factors necessary for a determination of substandard. The area was declared blighted and substandard by the Lincoln City Council on February 8, 2010.
- ***For the Theresa Street Area:***
 - There are 126 buildings on 140 parcels of land: 84 structures (66.7%) are either deteriorating or dilapidated.
 - Of the 140 parcels, 71% have “fair” or “poor” overall site conditions.
 - The majority of parcels were developed as irregular tracts. Most of the area was incrementally subdivided with irregular tracts. None of the commercial areas in the eastern portion of the area adhered to a planned subdivision process.
 - The area may need to be rezoned for redevelopment.
 - There are no City parks in the area.
 - The nature of development patterns along

Cornhusker Highway and North 27th Street in conjunction with the lack of interior streets has created poor vehicular circulation and accessibility issues.

- Private streets in the mobile home parks are deteriorating and lack standard concrete curbs, gutters and, in some cases, storm water drainage ditches. As a result, storm water lingers within the area and pools in low lying areas on streets and in properties throughout the mobile home parks.
- Parking conditions are inadequate. Parking lots are deteriorating. Residents occasionally park at the edge of privately owned streets, or onto the front yards adjacent to the mobile homes. Nearly 60%, or 75 of the total parcels, have substandard driveways and/or side yards.
- Sidewalks are lacking primarily adjacent to privately owned streets within mobile home parks: 99 parcels, or 70.7% of the 140 total parcels lack sidewalks.
- Water and sewer mains range in age from 30 to 50 years of age. Although not significantly old, these underground utilities are severely impacted by corrosive soils associated with Salt Creek.
- .An excessive amount of water main breaks have occurred in the area. The 30 year old 12" water main within North 27th Street is scheduled to be replaced in 2012 due to corrosion and multiple breaks.
- The oldest water mains are within the Theresa Street right-of-way which were installed in 1968 and primarily service the residents in the adjacent mobile home parks. Private water mains and service lines within the mobile home parks are also impacted by corrosive soils.
- Water service lines are adequately sized to serve the area although advancing age will eventually require addressing increasing maintenance or eventually replacement of these mains.
- Sanitary sewer mains are also severely impacted by corrosive soils associated with Salt Creek. However, at this time they are in good condition and adequately sized. As these segments continue to age, maintenance and replacement problems are anticipated to be more prevalent.
- The entire area is in the Salt Creek floodplain and within the Salt Creek Storage Area 17 that has

restrictions for the amount of fill that can be placed within each lot.

- Any proposed construction activity within the 500 foot critical zone along the levee requires COE and LPSNRD review and approval to ensure levee protection.
- Drainage systems appear to be older and most drain north-northwest to Salt Creek. The northwest portion of the area drains east to a tributary of Deadmans Run that is just east of State Fair Park Drive. An area in the southwest portion drains south to an urban drainage system in Salt Creek Roadway and then to a ditch that drains north directly to Salt Creek. This ditch is in the western portion of the Theresa Street Area.
- There are no known wetlands in the area.
- There are no historic structures or facilities in the area.
- The area met all four factors necessary for a determination of substandard and ten of the twelve factors to be declared blighted. The area was declared blighted and substandard by the Lincoln City Council on February 27, 2012.

REDEVELOPMENT PLAN

Guiding Principles

The *LPlan 2040: Lincoln/Lancaster County 2040 Comprehensive Plan* identifies several guiding principles for economic growth. In addition, the *NICDC updated Master Plan* identifies a vision for the area and principles to guide development. These guiding principles should be used as a guide for redevelopment activity at NIC.

The following guiding principles are included in the *Business and Economy Chapter of the 2040 Comprehensive Plan* (pp. 5.1 - 5.2):

- Focus primarily on retention and expansion of existing businesses; attracting new businesses should also be encouraged.
- Enhance Downtown's role as the heart of the City. A strong downtown is important to the economic future of the community. Lincoln's Downtown is unique in the community as the home of State government, the State Capitol Building, and the flagship campus of the University of Nebraska. Together with Antelope Valley and the surrounding neighborhoods, it forms a vital core for the City.
- Promote and foster appropriate, balanced, and focused future economic growth that maintains the quality of life of the community.
- Seek to efficiently utilize investments in existing and future public infrastructure to advance economic development opportunities.
- Provide flexibility to the marketplace in siting future commercial and industrial locations.
- Strive for predictability for neighborhoods and developers.
- Encourage and provide incentives for mixed uses in future developments.
- Encourage commercial areas and limited industrial areas to make available opportunities for individuals and/or organizations to raise and market local food.
- Encourage preservation or restoration of natural resources within or adjacent to commercial or industrial development.
- Encourage commercial centers to encompass a broad range of land uses with the integration of compatible use types.

The 2040 Comprehensive Plan further states:

"Lincoln's workforce, the presence of the University, and the strength of the agricultural economy make it particularly attractive for development of several specialized industries" (p. 5.2).

These industries include:

- **Biotechnology.** UNL has a strong biotechnology research program. Expansion and retention of start-ups and existing companies, particularly those that build on University research should be a focus
- **Value Added Agriculture.** Food research at the University of Nebraska-Lincoln (UNL) is vital to attracting and retaining these industries in the Lincoln area. This category could include renewable energy development, such as ethanol plants, though these plants are primarily locating outside Lancaster County.
- **Entrepreneurship.** Lincoln has benefitted from entrepreneurs starting new businesses which have grown rapidly, adding many jobs to the economy. More should be done to encourage entrepreneurs, to utilize technology from UNL in the marketplace, and to promote entrepreneur education at UNL, Southeast Community College and other educational institutions.

Finally, the following strategies for economic development apply to NIC (p. 5.3):

- Offer incentives for "primary" employers – that is for companies where the majority of their business and sales come from outside Lancaster County. The City should develop a policy on the use of incentives, such as Tax Increment Financing, for primary employers.
- Apply design standards as a tool for economic development. They provide assurances for surrounding property owners as well as prospective developers.
- Continue to coordinate the City's Economic Development efforts with the Lincoln Partnership for Economic Development (LPED) and UNL.
- Utilize Lincoln Electric System technology infrastructure as an economic development tool.
- Continue the work of the City and LPED to maintain an inventory of potential economic development sites and their current status in terms of planning and infrastructure.

- Continue to support UNL’s efforts to obtain grants for research and support the expansion of the mixed use concept of Innovation Campus. The success of the University’s research and development is important to the future of the city.

A major focus for new residential reuse, infill, and redevelopment identified in the 2040 Plan is in the Greater Downtown area which includes NIC. The Plan envisions an additional 3,000 units in this core area by 2040. This area is the main hub of employment, entertainment, and higher education. Strategies for Greater Downtown applicable to NIC include (6.3):

- Maintain the urban environment, including a mix of land uses with a major focus on residential uses.
- Encourage higher density development with parking areas at the rear of buildings, below grade, or on upper floors of multi-use parking structures.

NIC is also identified in the Comprehensive Plan as a “Primary Area for Mixed Use Redevelopment Nodes and Corridors” (6.6, 6.7). The following strategies apply:

- Mixed Use Redevelopment Nodes and Corridors should strive to locate:
 - ▷ In areas where there is a predominance of commercial or industrial zoning and/or development.
 - ▷ In proximity to planned or existing neighborhoods and community services, to facilitate access to existing community services or to address a deficiency by providing services such as grocery stores, childcare centers, and restaurants.
 - ▷ Where there is existing or potential for good access to transit.
 - ▷ On at least one arterial street to help provide for traffic and utility capacity and access to transit.
 - ▷ In areas appropriate for residential mixed use redevelopment, outside of areas identified as Industrial Centers and Highway Oriented Commercial Areas in LPlan 2040 to avoid conflicts with health and safety.
 - ▷ In areas that minimize floodplain and other environmental impacts.

- Strive for commercial Floor Area Ratios of at least 0.5 within buildable areas designated for commercial development inside the project boundary (including public and semi-public buildings).
- Strive for residential densities of at least seven dwelling units per gross acre within buildable areas inside the project boundary.

● **NICDC Updated Master Plan**

Nebraska Innovation Campus Development Corporation’s updated Master Plan for NIC identifies a vision for the area and principles to guide development.

NIC will provide an interdisciplinary research and mixed use environment that will support collaboration among private sector interests, university faculty and researchers, and government research within UNL’s core competency programs, particularly in the areas of food, fuel and water. The governance model of the campus will unite public and private sector interests while its physical design promotes intellectual engagement, collaboration, and the transfer of scientific knowledge and research into usable products and processes in the marketplace.

NIC must attract the private sector, build jobs, and be economically sustainable. As part of the University of Nebraska System, NIC must support the mission of the university to create knowledge and advance research. As a place, NIC must embody innovation and sustainability in its physical design.

The physical program for NIC includes a mix of land uses for work, recreation, and amenities. The program is focused on job creation through university research and private/government research partners.

The goals for NIC are to advance research and generate economic growth for Nebraska. Emerging trends in successful research parks reveal that the university has a significant research presence and the park is integral to the host university and its mission; development is market sensitive; and the private sector plays a significant role in park development. In order to compete in the national and international marketplace of research and technology, NIC must create an environment that attracts young, creative professional, researchers, and the private sector. Therefore, NIC has been planned to include:

- Greater use of interdisciplinary programs and facilities.
- Mixed use development - a live, work, learn, and play environment.

- Use of the “third place of science” and informal places to gather.
- Compatibility and linkages to main campus and the surrounding community.
- Development that is guided by a set of development standards to ensure a quality environment.

UNL intends to follow and comply with City Design Standards. In some cases, the *Master Plan* design guidelines are inconsistent with city standards. Efforts should be made to reconcile the differences through the City’s regulatory processes.

Taken together, the guiding principles of the *2040 Comprehensive Plan*, and the vision included in the *NICDC Master Plan* should be used as a guide for redevelopment.

● **Theresa Street Area Guiding Principles**

In addition to guiding principles listed above from the Business and Economy Chapter, the following strategies for commercial centers from the 2040 Comprehensive Plan should be considered for commercial redevelopment (p. 5.7):

- Disperse Commercial Centers throughout the community to support convenience of access and to lessen impacts on infrastructure.
- Locate Commercial Centers where they will have access to arterial streets with adequate capacity and be supported by transit, trails, sidewalks, and local streets.
- Discourage “four corner commercial development.”
- Encourage multiple street connections to adjacent residential neighborhoods to allow convenient access for neighboring residences and pedestrians without the use of arterial streets, but exercise care in designing the street network to minimize undesirable traffic impacts.
- Include higher density residential uses within and/or adjacent to all Commercial Centers except for Highway Oriented Commercial Areas.
- Discourage single use centers. Office parks should include supporting retail and residential components, while shopping centers should include supporting office and residential uses.
- Develop smaller stores next to larger anchor stores in centers to encourage small businesses and to provide a variety of goods and services for customers utilizing the centers.

- Incorporate or enhance green space and other public spaces, where possible.
- Design streets and public spaces to enhance pedestrian activity and support multiple modes of transportation.
- Create a pedestrian-oriented environment in the physical arrangement of buildings and parking.
- Develop Commercial Centers as compact clusters or mixed use nodes with appropriate site design features to accommodate shared parking and ease of pedestrian movement, to minimize impacts on adjacent areas, and encourage a unique character.
- Discourage auto-oriented strip commercial development; Commercial Centers should not be developed in a linear strip along a roadway or be completely auto-oriented.
- Design new Commercial Centers in a manner that facilitates future development and intensification of land uses on the site.
- Redevelop existing commercial strips for residential mixed use and/or transit oriented development where appropriate.
- Design buildings and land uses at the edge of the center to be compatible with adjacent residential land uses. Examples of compatible land uses include apartments, mixed use residential buildings, offices, assisted living facilities, or child care centers. Buildings should be compatible in terms of height, building materials and setback. Small compatible commercial buildings at the edge could include retail or service uses. Buildings with more intrusive uses should have greater setbacks, screening requirements and be built of more compatible materials.

In addition, N. 27th Street is identified as a “Secondary Transportation Enhancement Corridor in the Comprehensive Plan. Therefore, the strategies for “Primary Area for Mixed Use Redevelopment Nodes and Corridors” identified for NIC, above, also apply to the Theresa Street Area.

NIC Area

The NICDC completed a strategic planning report in January, 2012. When build-out is complete, approximately two million square feet will be developed (see Exhibit 5 for the Proposed Site Plan). The planning report anticipates 500,000 square feet will be completed within five years and, ultimately, up to 7,000 people will be working on the campus. Following are activities to assist in meeting these goals.

Redevelopment Activities: Public Improvements

Exhibit 6 illustrates public utilities to be constructed at final build-out and includes locations for water mains, sanitary and storm sewer, and proposed power and communications. Exhibit 7 illustrates the street system at full build-out.

As additional projects are identified, other improvements may include streets and sidewalks, trails, parks and recreation and other public improvements such as parking, ornamental pedestrian lights, signage, and other streetscape elements.

Redevelopment Activities: Commercial and Industrial Phase I Projects - The boundary for Phase I is shown on Exhibit 8 and includes construction of public utilities, streets, up to four new buildings and the rehab of two existing historic buildings.

Exhibits 9 through 14 illustrate the planned location, respectively, for phase 1 streets, water, sanitary sewer, storm sewer, demolition/grading and power and communications.

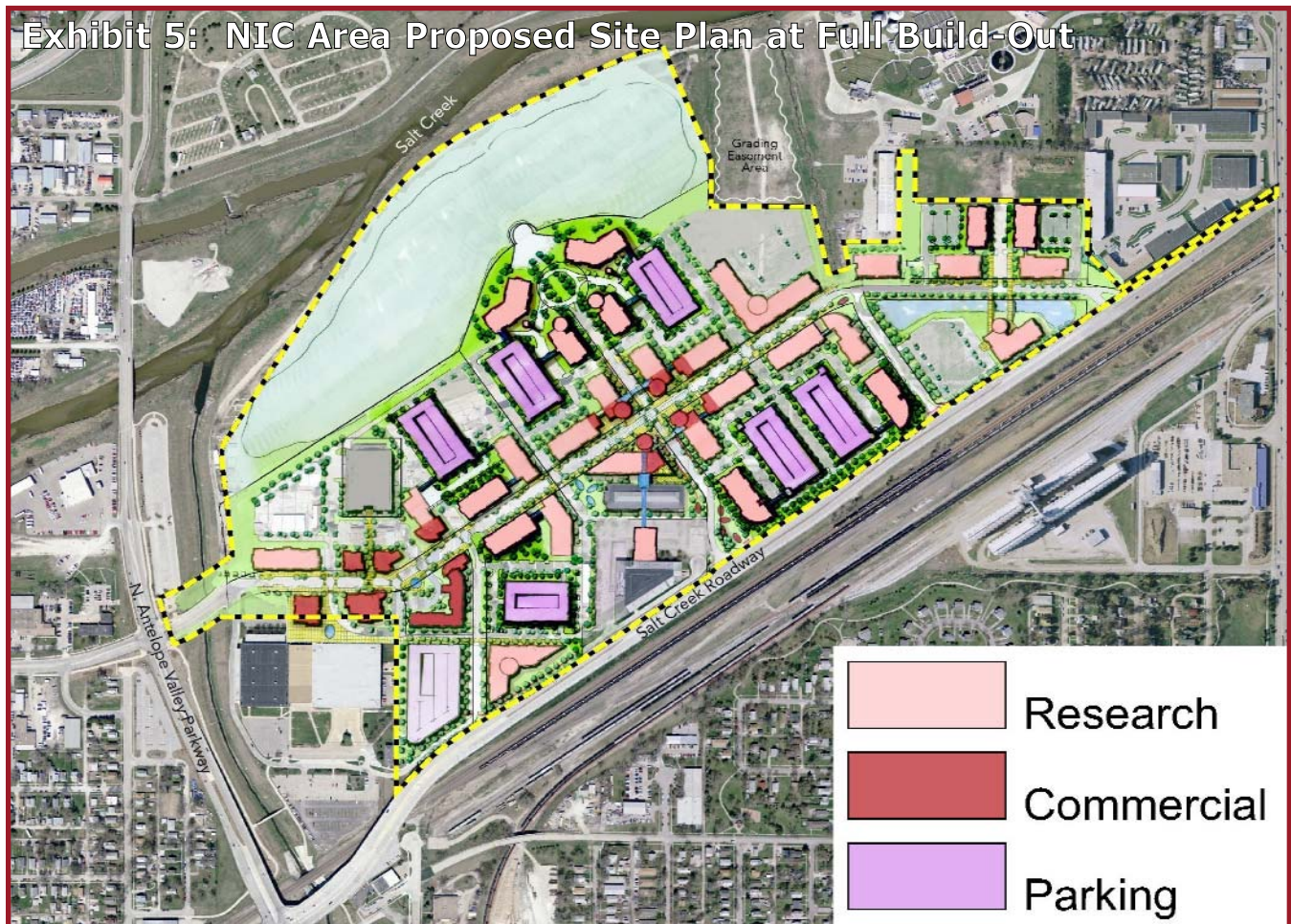


Exhibit 6: NIC Area Utilities at Full Build-Out

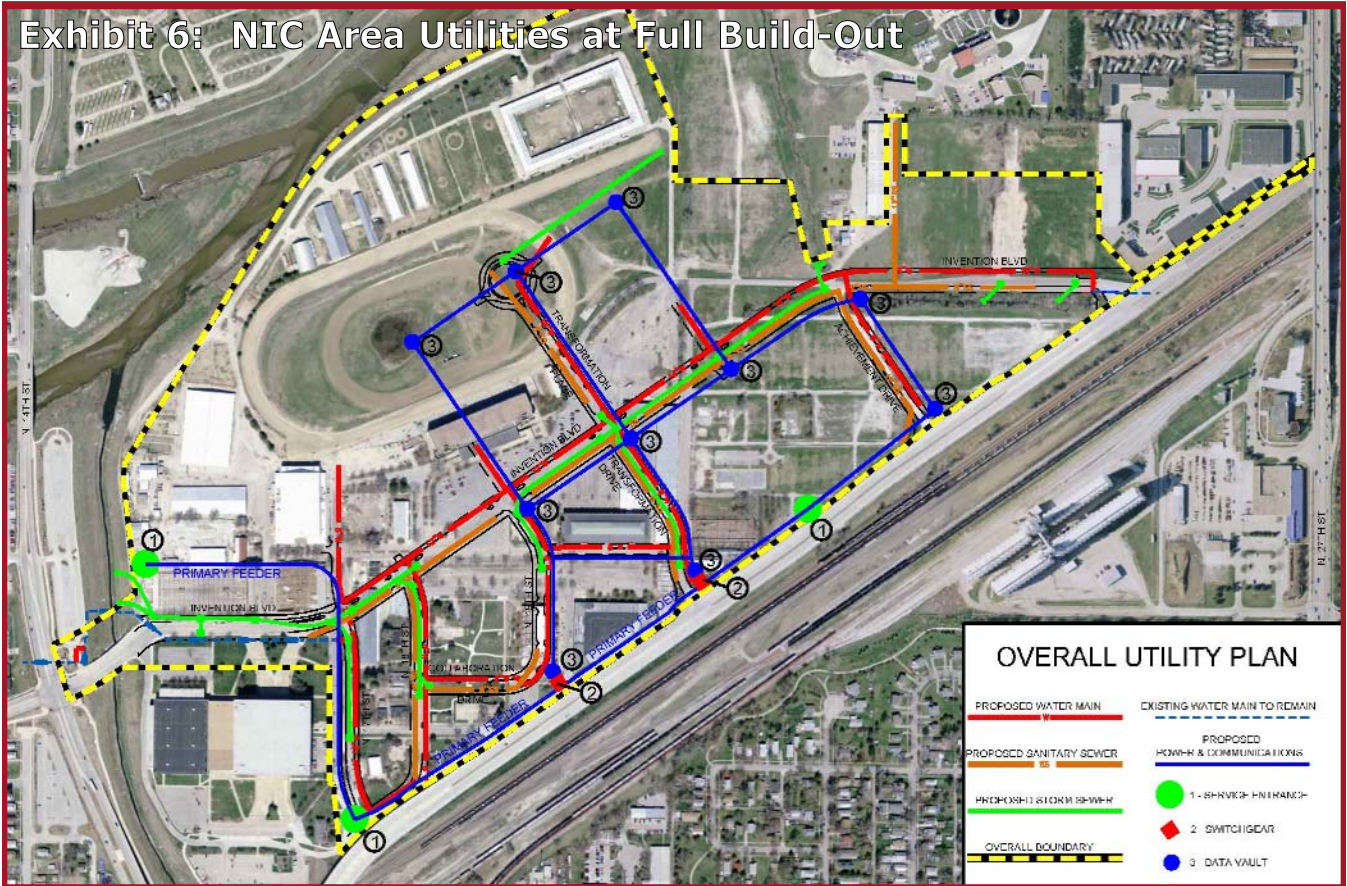


Exhibit 7: NIC Area Streets at Full Build-Out



Exhibit 8: NIC Area Phase I

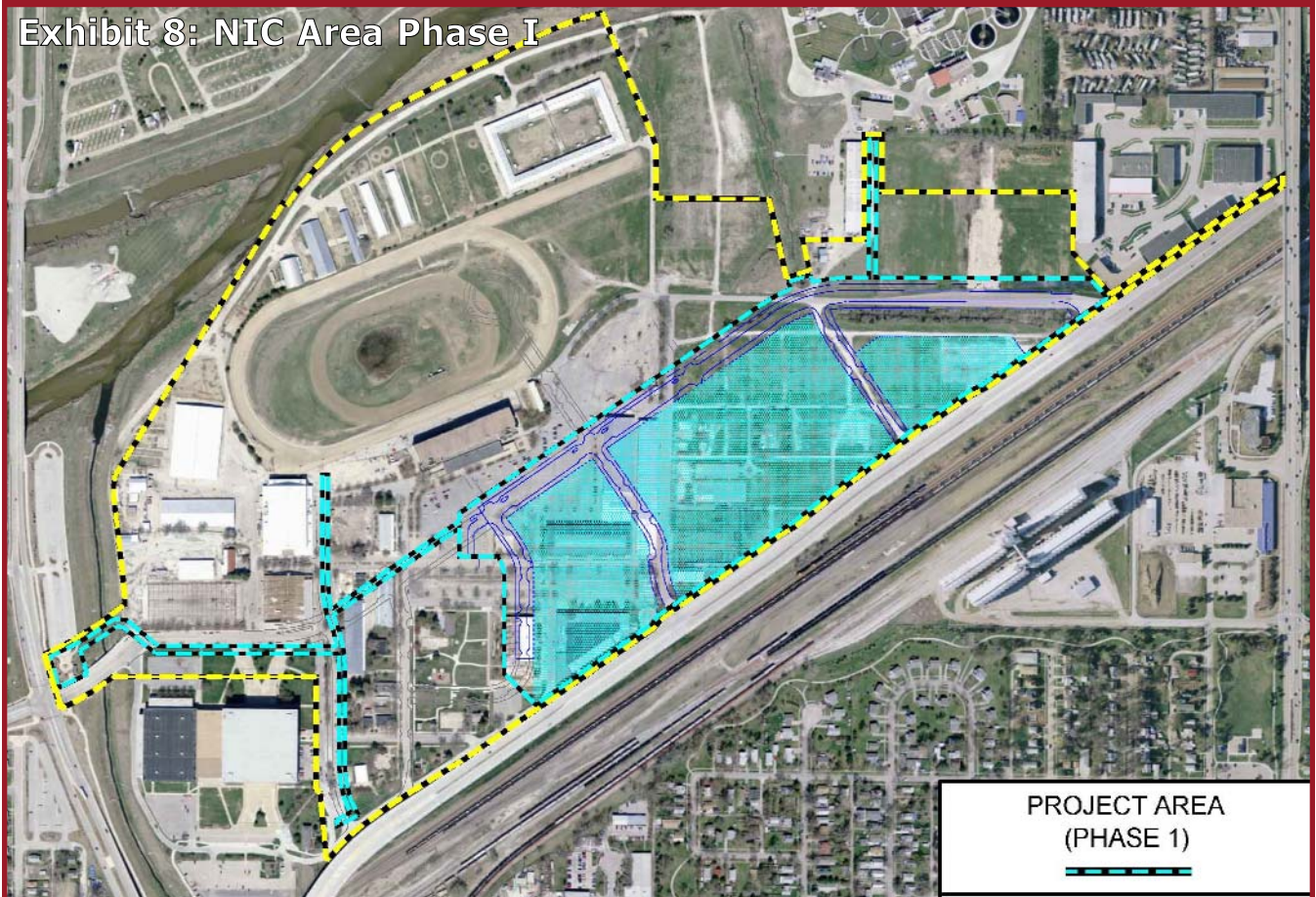


Exhibit 9: NIC Area Street Construction Phase I



Exhibit 10: NIC Area Water Phase I

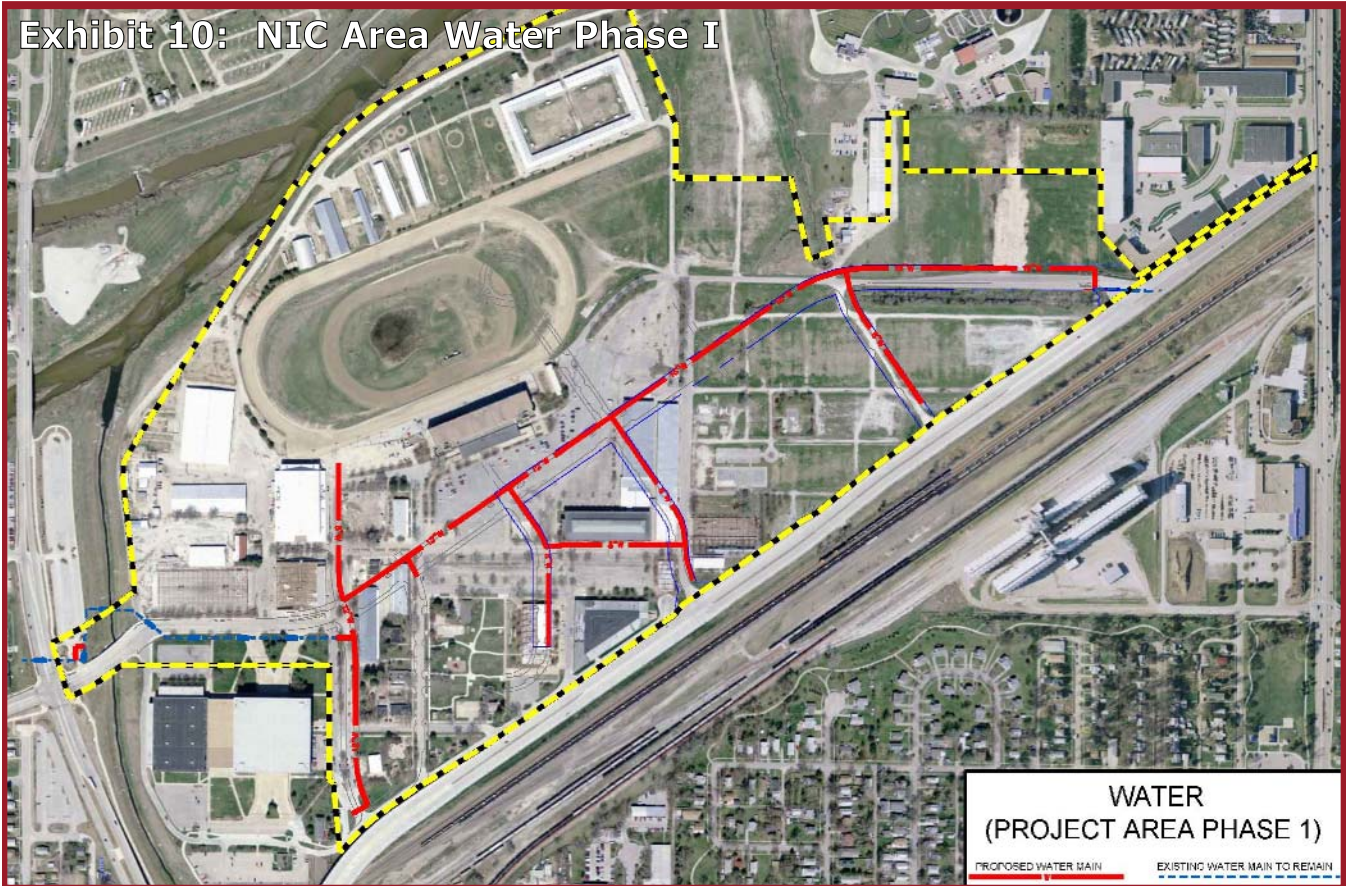


Exhibit 11: NIC Area Sanitary Sewer Phase I

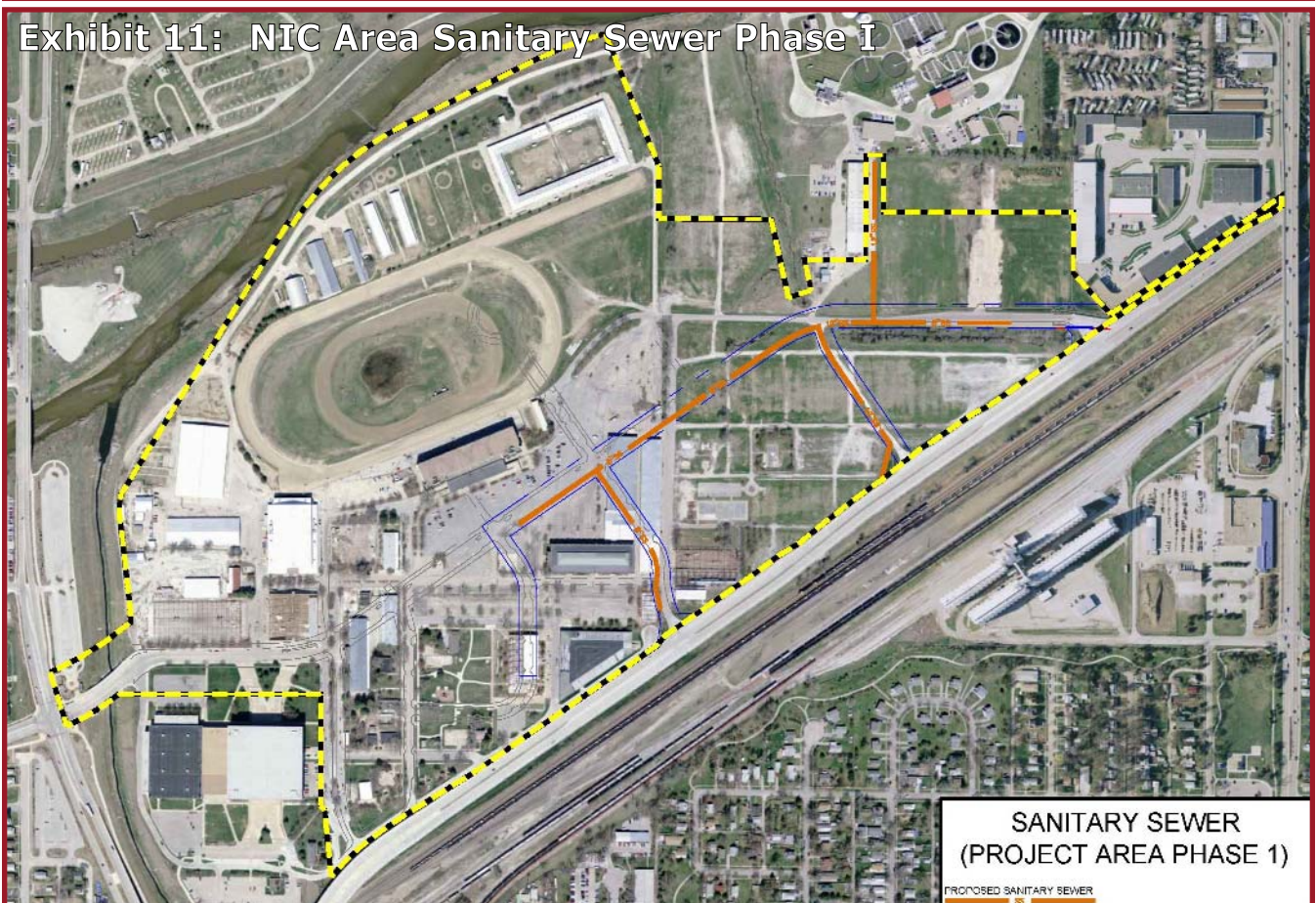


Exhibit 12: NIC Area Phase I

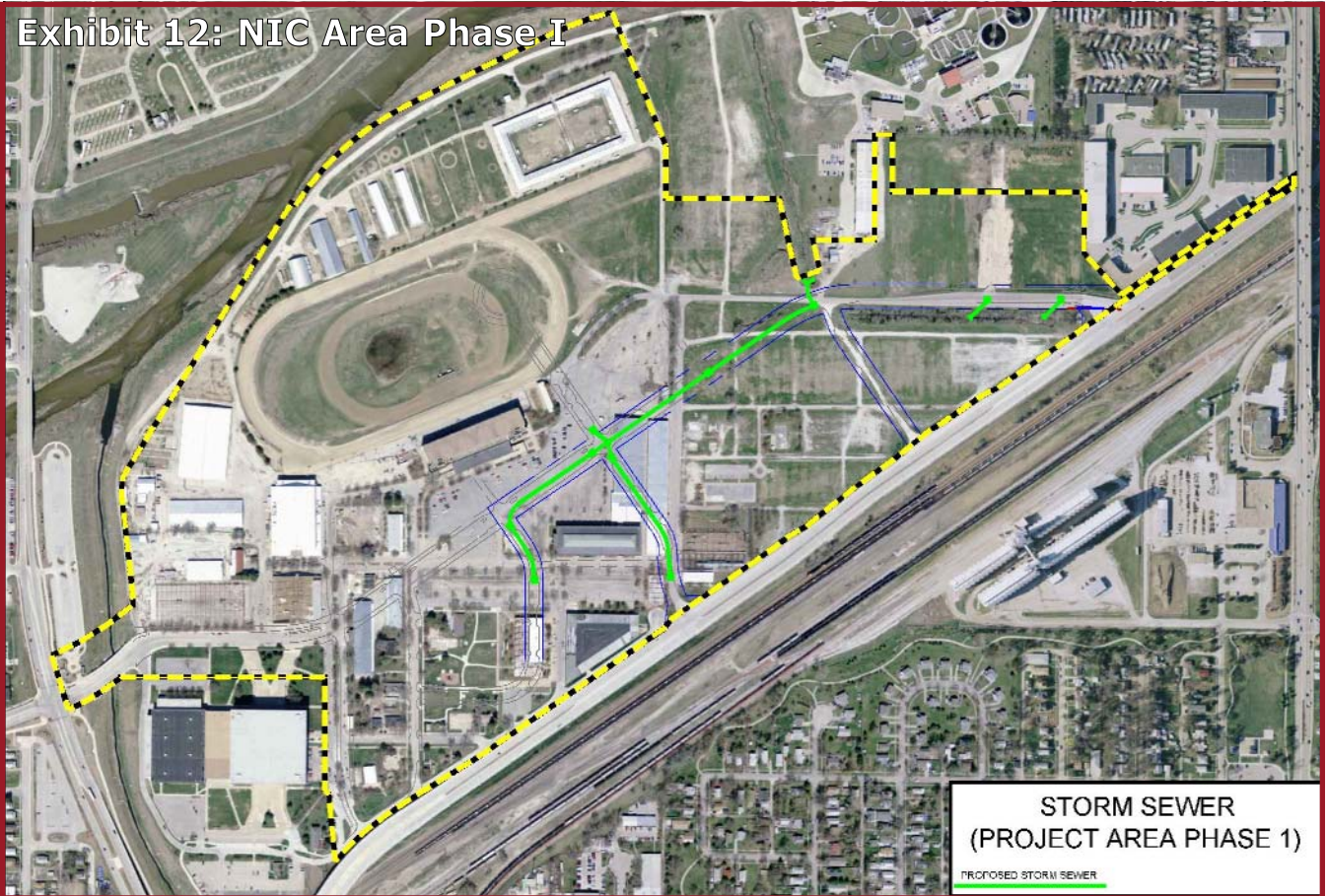


Exhibit 13: NIC Area Demolition & Grading Phase I

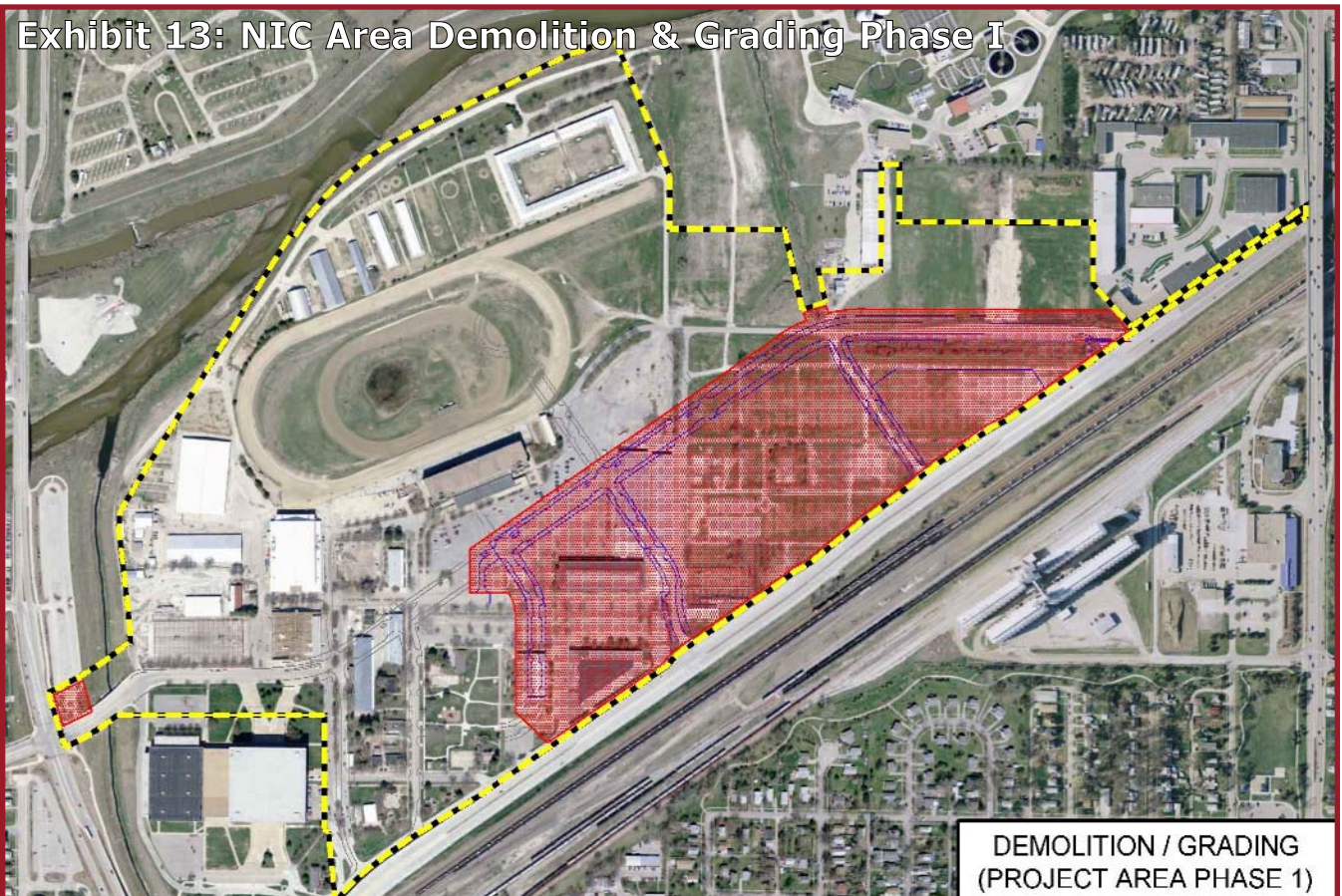
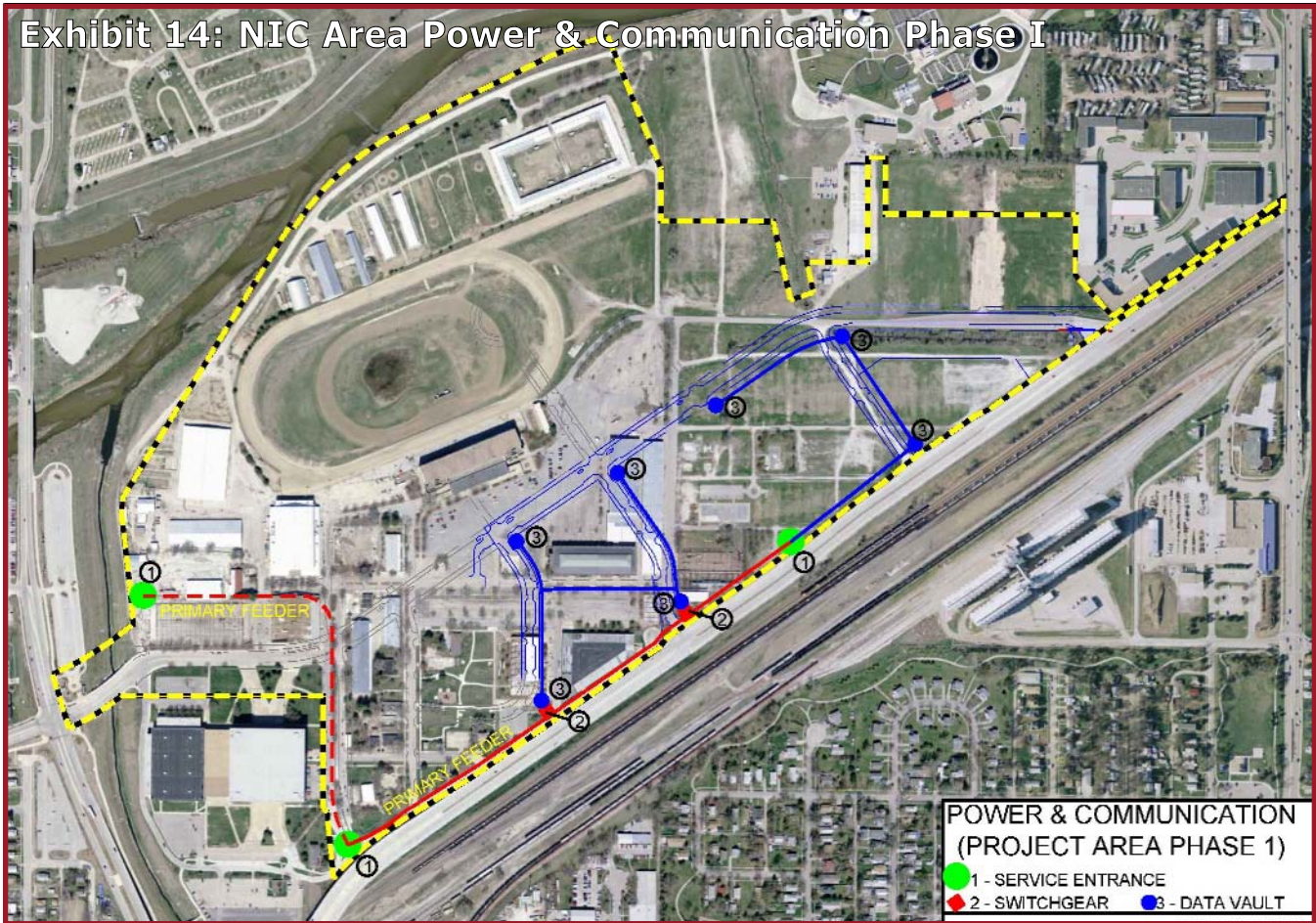


Exhibit 14: NIC Area Power & Communication Phase I



Building construction/rehab includes the following:

- Site "A" 4-H Building** – The 4-H building is an historic structure that was a centerpiece for the old State Fair Park. The west side of the building is two-stories with approximately 18,000 square feet of space. This space will be renovated and then used for dry lab or traditional office uses. The east half of the building will be a two-story space on one side and a high bay single-story space on the other. The two-story space will be an exhibition hall and meeting room break-out space. The single story space will be a half moon shaped lecture hall that will seat approximately 375 people.
- Site "A" Companion Building** – The Companion Building will be approximately 80,000 square feet of class A office space. The building will be a three-story structure with plaza spaces on both the northeast and south sides. The building will have a "walkover bridge" link to the existing 4-H Building and approximately 5000 square feet of retail space on the first floor adjacent to the plaza. Exhibit 15 illustrates a draft rendering of the Companion Building and Exhibit 16 is a draft rendering of both buildings. These images are

Exhibit 15: 4-H Companion Building



Exhibit 16: 4-H Building & Companion Building



included for illustrative purposes only and do not necessarily represent final building design.

- Site “B” Industrial Arts Building – The Industrial Arts Building is an historic landmark that was used primarily as a large warehouse facility for most of its life. The 93,000 square foot building will be rehabbed by reusing and renovating significant portions of the existing walls. The interior metal structure and roof will be demolished and replaced with a raised structural floor of approximately 18” in height. The lower level will be approximately 60,000 square feet of high bay clear space and will be used for mechanical space, research space and other functions. The upper area is planned for state-of-the-art green- houses and office space. The building will be a center for greenhouse research.
- Site “B” Life Science Collaboration Center – The Life Science building will be approximately 90,000 square feet and will house a combination of wet and dry lab space for university and private industry researchers and startup companies. A potential walk-over may connect the two

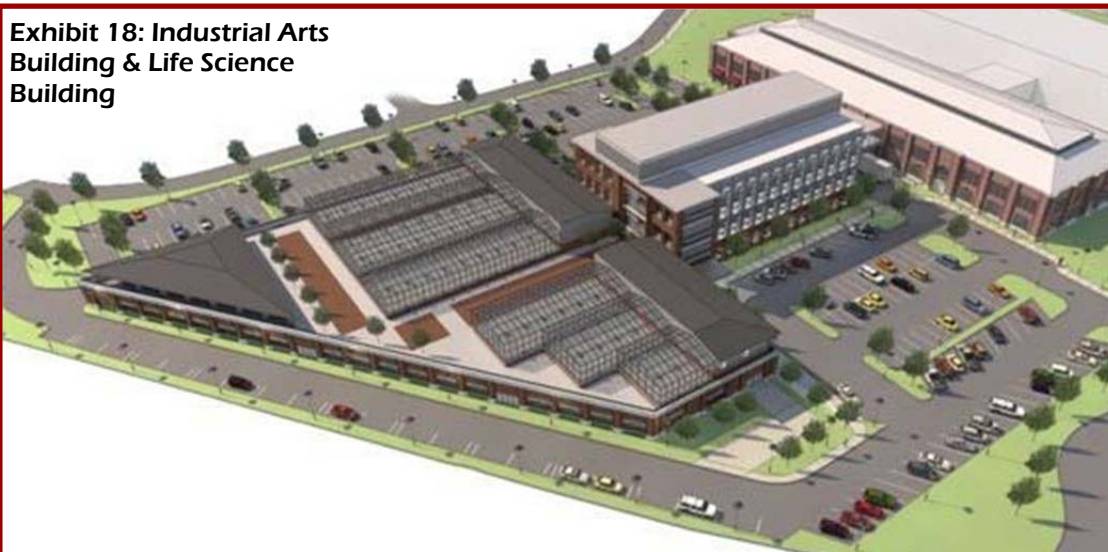
buildings. Exhibit 17 is a draft rendering of the Life Science Center building and Exhibit 18 is a draft rendering of both buildings. These images are included for illustrative purposes only. They do not necessarily represent final building design.

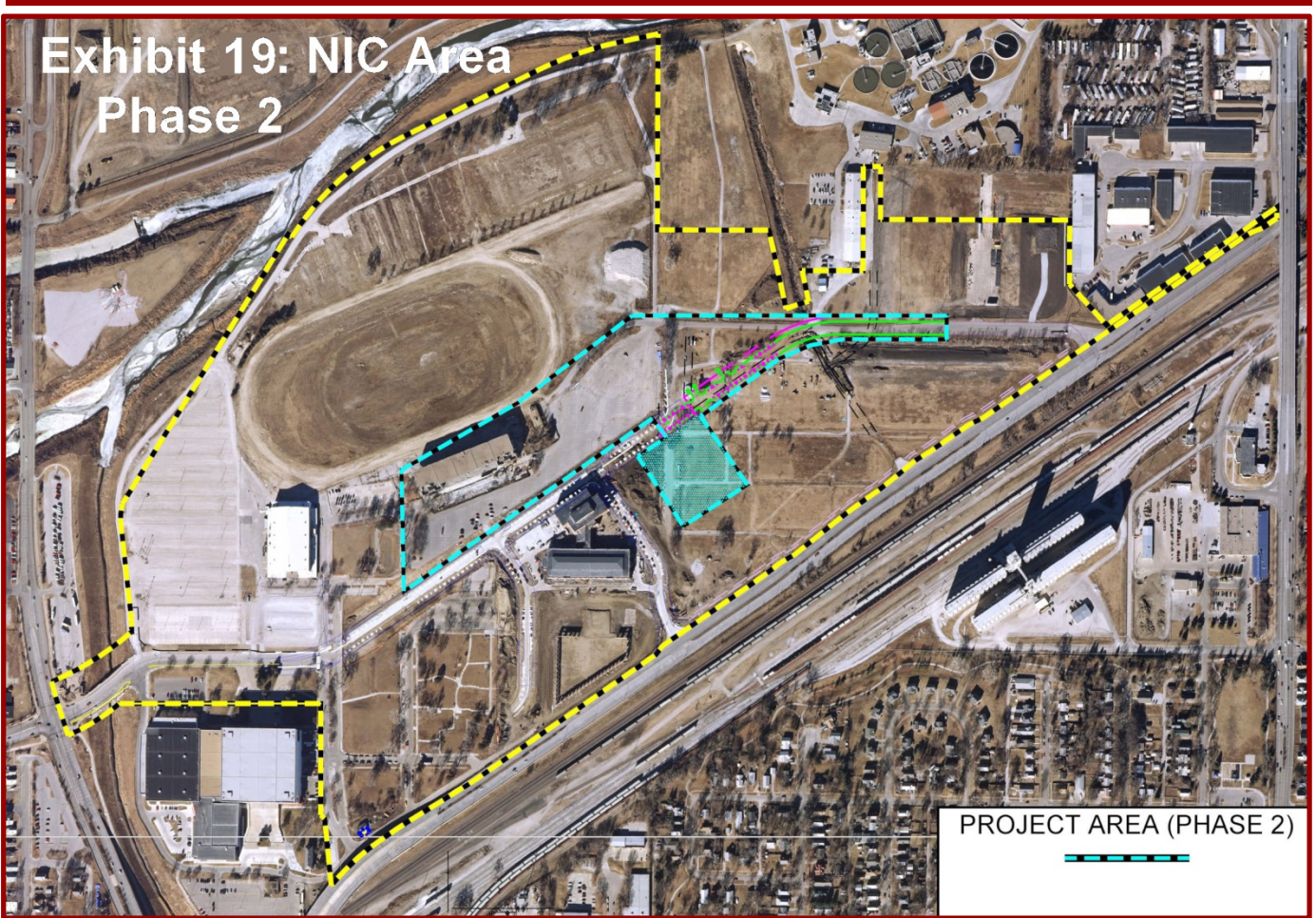
- Site “C” Building 5 - Building five will be a combination of wet and dry lab space with a few traditional offices. The building will be a three to four story structure and will be set up as a multi-tenant laboratory facility. The building is scheduled to be approximately 60,000 to 75,000 square feet.
- Site “C” Building 6 -Building six will be a combination of wet and dry lab space with a few traditional offices. The building will be a three to four story structure and will be set up as a multi-tenant laboratory facility. The building is scheduled to be approximately 60,000 to 75,000 square feet.

Exhibit 17: Life Science Building



Exhibit 18: Industrial Arts Building & Life Science Building





Phase 2 Project

1. Project Description

The Nebraska Innovation Campus Phase 2 Project (the “Project”) includes the redevelopment of vacant, underdeveloped land located in the Nebraska Innovation Campus Redevelopment Area. The phase 2 project area is depicted in Exhibit 19, above, and includes a 3 story, approximately 80,000 square foot office building generally located at the southeast corner of the intersection of Transformation Drive and 21st Street. The proposed site plan is shown in Exhibit 20, right.

The goal of the Project is to develop facilities that will attract private sector companies interested in leveraging the research capacity, faculty and student resources of the University of Nebraska-Lincoln (UNL) through public-private partnerships with UNL. The Project will cause the removal of blight and substandard conditions on the Project Site and in the NIC Redevelopment Area, and will generate economic growth in the State of Nebraska in furtherance of the purposes set forth in the Nebraska Innovation Campus Redevelopment Plan.



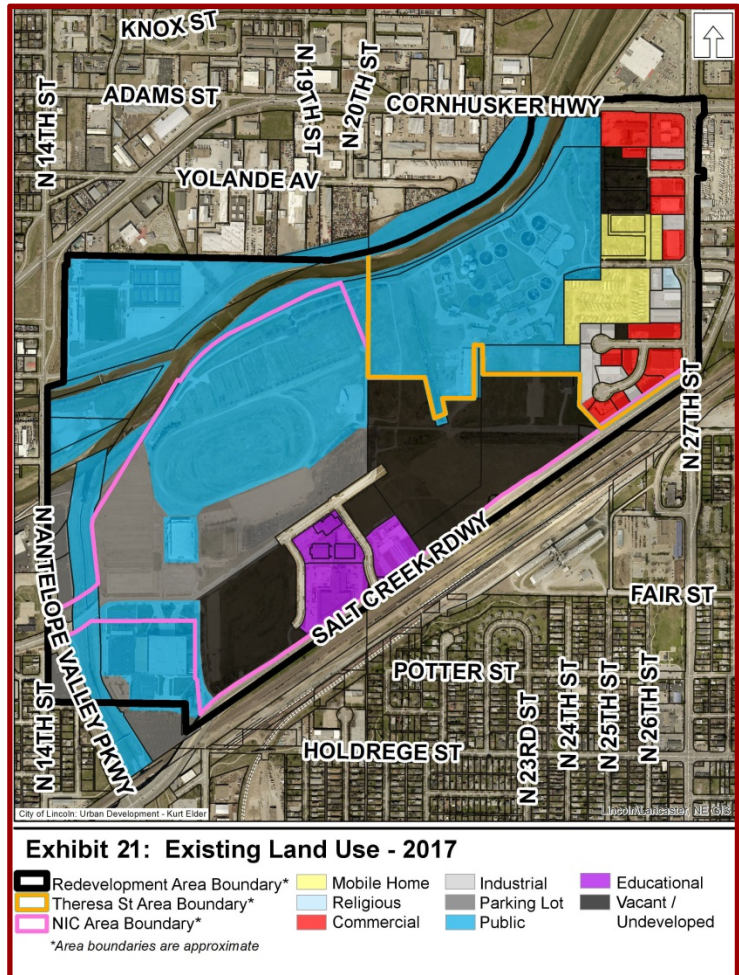
The Project Site is currently vacant. Surrounding land uses include parking to the north, office and commercial to the west, and additional vacant land to the east and south. Innovation Commons, the Food Innovation Center, and the Greenhouse Innovation Center, all of which were constructed as part of the Nebraska Innovation Campus Phase I Project, are located directly west of the Project Site. See the Exhibit 20: Existing Land Use -2017, right.

The Project Site is currently zoned O-3 PUD Office Park District with an approved Planned Unit Development overlay. This district provides for a mixture of office and other types of compatible and complementary commercial uses, as well as residential uses. The PUD was established in order to allow mixed uses and flexibility in the regulations of the zoning district, including reduction of required parking, buildings setbacks and height restrictions. This district was approved by the City Council of the City of Lincoln in 2010 as Change Zone #10018.

The land surrounding the Project Site is zoned O-3 PUD Office Park District as well. Nearby zoning includes the P Public Use District, the H-3 Highway Commercial District along Cornhusker Highway, and on the south side of Salt Creek Roadway, the I-1 Industrial District. Existing zoning is shown on Exhibit 4, page 7.

The Project is consistent with the Nebraska Innovation Campus Redevelopment Plan and is intended to advance research and the commercialization of the NIC Redevelopment Area. The Project is also consistent with the *LPlan 2040*, the Lincoln-Lancaster County 2040 Comprehensive Plan. The Guiding Principles set forth in Chapter 6 (Mixed Use Development) of *LPlan 2040* include targeting existing underdeveloped commercial and industrial areas in order to remove blighted conditions and more efficiently utilize existing infrastructure. Further, the Project Site is located within a primary area identified for mixed use redevelopment nodes and corridors, according to Map 6.1 depicted in *LPlan 2040*. Future land use is shown on Exhibit 22.

The Project represents a significant private investment in the NIC Redevelopment Area. Publicly funded redevelopment activities may include: site acquisition, installation of utilities, street and sidewalk improvements, landscaping, energy efficiency improvements, façade enhancements, and other public improvements in the NIC Redevelopment Area. The Redeveloper contemplates that the tax increment financing proceeds may be used to assist in extending Transformation Drive to the east to improve access within Innovation Campus.



2. Statutory Elements

- Property Acquisition, Demolition, and Disposal:** The Board of Regents of the University of Nebraska is the legal title holder of the Project Site, which it has leased to Nebraska Innovation Campus Development Corporation (“NICDC”) pursuant to the terms of a Master Lease Agreement dated September 10, 2010 in order to allow NICDC to develop, maintain, operate, sublease and subdivide the Project Site. The proposed redeveloper will enter into a sublease with NICDC authorizing the proposed redeveloper to redevelop the Project Site. It is not anticipated that the Project will require demolition or disposal. No relocation of families or businesses will occur as a result of the Project.
- Population Density:** The Project consists of the construction of an approximately 80,000 square foot office building and does not include the construction of any residential units. As a result, the Project is not expected to affect the population density in the NIC Redevelopment Area.

- **Land Coverage:** Land coverage will increase as the Project Site is currently vacant. The Project will consist of construction of an approximately 80,000 square foot office building on the Project Site, which will be approximately 1.2 acres upon approval of a new subdivision. The Project will comply with the applicable land-coverage ratios and zoning requirements of the City of Lincoln.
- **Traffic Flow, Street Layouts, and Street Grades:** The Project is likely to increase traffic flow due to tenants, employees, and visitors travelling to and from the Project Site. As part of the Project, the redeveloper contemplates street improvements to Transformation Drive, dependent on TIF funding, which will address any traffic and street infrastructure concerns that would otherwise be created by the Project.
- **Parking:** The redeveloper will construct a surface parking lot adjacent to the new office building, which will meet the parking requirements of the O-3 PUD Office Park District and the Planned Unit Development approved by the City of Lincoln.
- **Zoning, Building Code, and Ordinances:** The Project Site is currently zoned O-3 PUD Office Park District and the Project is a permitted use in such district. The Project will require that the Project Site is subdivided and that sufficient areas for surface parking be platted as one or more outlots. The proposed redeveloper will meet all applicable building code requirements.

3. Proposed Cost and Financing

The estimated total cost to implement the Project is approximately \$18,000,000, which includes approximately \$3,116,291 in public financing. The project cost will be finalized as construction costs are determined. The source of the public funds for these improvements will be the tax increment generated from the private developments on the Project Site. However, funding sources and uses will be negotiated and identified in the redevelopment agreement, subject to approval by the Mayor and City Council.

Tax Increment Financing Analysis: As required by the Nebraska Community Development Law (Neb. Rev. Stat. § 18-2113), the City has analyzed the costs and benefits of the proposed Project, as follows:

- **Public Tax Revenues:** Upon completion of the Project, the assessed value of the Project Site will increase by an estimated \$14,443,000 as a result of the private investment. This will result in an increase in estimated annual property tax

Nebraska Innovation Campus Phase II Project	Amount
(a) Base Value	\$133,000
(b) Estimated New Assessed Value	\$14,443,000
(c) Increment Value = (b) – (a)	\$14,310,000
(d) Annual TIF Generated (Estimated) = (c) x 2.0279220%	\$290,145
Funds Available = (d) x 14 years @ 5.0%	\$3,116,291

collections during the 14 year TIF period of approximately \$290,145, which will be available to finance the costs of construction of the public improvements related to the Project. The public investment of approximately \$3,116,291 in TIF funds will leverage \$14,883,709 in private sector financing: a private investment of \$5.00 for every TIF dollar spent.

The Urban Development Department believes that the public improvements proposed in this plan amendment would not occur “but for” the utilization of tax increment financing in the NIC Redevelopment Area. It would not be economically feasible for the redeveloper to construct the Project improvements without tax increment financing because the existing site conditions constitute a barrier to development that cannot be adequately remedied without the use of tax increment financing.

Public investment may assist with the costs of site acquisition, installation of utilities, street and sidewalk improvements, landscaping, energy efficiency improvements, façade enhancements, and other public improvements and enhancements permitted under the Community Development Law in the NIC Redevelopment Area.

- **Public Infrastructure and Community Public Service Needs Impacts:** It is not anticipated that the Project will have an adverse impact on existing public infrastructure. In fact, the Project involves the capture of the incremental tax revenues for installation of utilities, street and sidewalk improvements, and other public infrastructure improvements in the NIC Redevelopment Area. The existing infrastructure is aging and in poor condition so improvement and replacement is necessary for development. The potential extension of Transformation Drive to the east will enhance access to Innovation Campus.

It is not anticipated that the Project will have an adverse impact on City services, but instead will generate additional revenue providing support for those services.

- **Employment within the Redevelopment Project Area:** It is not anticipated that the Project will have an adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the Project. The Project will create office space on the currently vacant Project Site, attracting employers and thus creating anticipated jobs. Public-private partnerships and the commercialization of the NIC Redevelopment Area are stated goals of the NIC Redevelopment Plan, and this Project will add opportunities for additional partnerships and continue the commercialization of the NIC Redevelopment Area.
- **Employment in the City outside the Redevelopment Project Area:** The Project includes space for the expansion of the public-private partnerships with the University of Nebraska-Lincoln, resulting in new jobs that should not adversely affect city-wide employment. However, the removal of blight and substandard conditions from the Project Site and the NIC Redevelopment Area is anticipated to attract additional employers to the NIC Redevelopment Area and the City of Lincoln as a whole. The Project should increase the need for services and products from existing businesses in and around the NIC Redevelopment Area. When secondary employment effects in other employment sectors are added, the total employment impacts are expected to be significantly higher.
- **Other Impacts:** The development of the Project Site will eliminate the existence of blight and substandard conditions, and will attract employers to the Project Site, the NIC Redevelopment Area and the City of Lincoln. The Project is consistent with the guiding principles of *LPlan 2040*, which include targeting undeveloped commercial areas for mixed-use development, and with the NIC Redevelopment Plan.

The Project should have a positive impact on private sector businesses in the NIC Redevelopment Area and in the City, and will attract additional private investment in and around the NIC Redevelopment Area. In furtherance of the goals of the NIC Redevelopment Plan, the Project will foster public-private partnerships, creating economic opportunities in, and increasing the commercialization of, the NIC Redevelopment Area. The Project is not anticipated to have a negative impact on other local area employers, but rather will increase the need for services

and products from existing businesses, such as maintenance and janitorial services, food and paper products, and hospitality services.

While the use of tax increment financing will defer receipt of a majority of the incremental ad valorem real property taxes generated by the Project for up to 15 years, there will be additional revenue generated by the Project from, for example, personal property taxes on equipment installed in the facility and lodging, food and other services purchased by the facility's visitors. Upon completion of the 15 year TIF period, the Project will benefit the community through higher property tax revenue.

Because of the long-term nature of this Plan, and the need to retain flexibility to respond to market and economic conditions as well as developer interests and opportunities from time to time, this Plan does not establish specific projects for the entire redevelopment area. Instead, this Plan presents a process and basic framework within which specific plans will be presented and by which specific projects will be evaluated as they are proposed. Sub-projects contemplated under this Plan will include, but not be limited to, construction of public utilities, streets, research buildings, and other mixed-use facilities to support and complement the NIC mission in a manner that complies with the O-3 PUD, as may be amended.

Redevelopment Activities: Residential

To be completed as projects are identified.

Theresa Street Area

Redevelopment Activities: Public Improvements

To be completed as projects are identified and may include streets and sidewalks, trails, public utilities, parks and recreation and other public improvements such as parking, ornamental pedestrian lights, signage, and other streetscape elements.

Redevelopment Activities: Commercial and Industrial

To be completed as projects are identified.

Redevelopment Activities: Residential

To be completed as projects are identified.

Acquisition of Substandard Housing and Commercial and Commercial and Industrial Properties

Substandard housing and commercial/industrial properties contributing to substandard and blighting influences in the Theresa Street Area, including uses that are inconsistent or incompatible with existing land uses, will be acquired when available for voluntary sale and as funding allows and parcels made available for redevelopment. In some cases, parcels may be assembled for disposition. By acquiring and assembling parcels of land, the City can create marketable parcels which are of sufficient size to attract the interest of the private sector. Sale of these assembled parcels will assist the private sector in realizing economies of scale on a project while making it possible to improve design through planned, integrated developments. The initial impact will be to eliminate blighting influences caused by substandard housing and structures that are inconsistent and incompatible with surrounding land uses. Parcels to be voluntarily acquired are included in appendix A and added to this plan by Mayor's Executive Order or Director's Order as they occur.

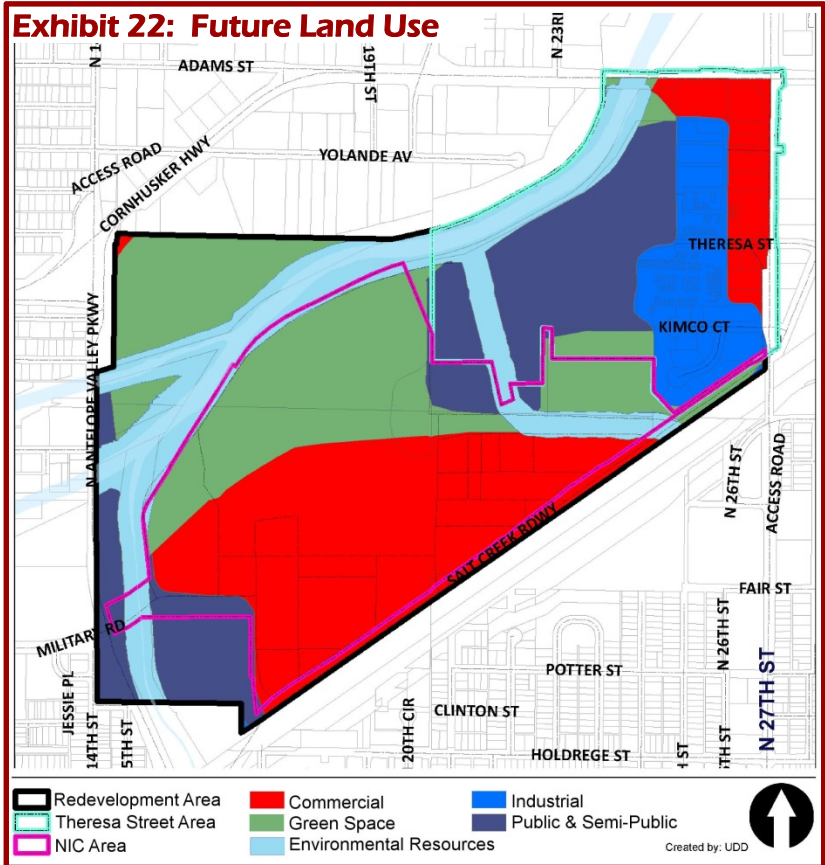
Sub-Project Areas

Sub-project area 1 is the Phase I NIC project area. Additional sub-project area(s) will similarly include construction of public utilities, streets, research buildings, along with other mixed-uses to support and complement the NIC campus mission and be in compliance with the O-3 PUD, as may be amended.

Future Land Use

Proposed Future Land Use is illustrated in Exhibit 22. The map is taken from the 2040 Comprehensive Plan and is intended to be used as a guide and is not a statement of final land uses.

Exhibit 22: Future Land Use



The overall population density of the NIC Area will increase significantly when full build-out occurs. As redevelopment continues and additional projects are added, land coverage and building density will also increase substantially.

Changes in the population density of the Theresa Street Area will be assessed as redevelopment occurs.

Redevelopment Processes

Public improvements and redevelopment activities may require construction easements; vacation of street and alley right-of-way; temporary and permanent relocation of families, individuals, and businesses (as development and then redevelopment occurs until ultimate build-out); demolition, disposal/sale of property; and site preparation (may include driveway easements; paving driveways, approaches and sidewalks outside property line; relocation of overhead utility lines; rerouting/upgrading of underground utilities; as needed). The processes for these activities include the following:

- **Property Acquisition:** The City may acquire the necessary fees, easements, property and covenants through voluntary negotiations. The City of Lincoln Land Acquisition Policy Statement is on file at the Urban Development Department, 555

S. 10th St, Suite 205, Lincoln, NE 68508. However, if voluntary agreement is not possible, the City may institute eminent domain proceedings.

- **Relocation:** Relocation may involve the temporary or permanent relocation of families, individuals, or businesses to complete redevelopment activities. Relocation will be completed according to local, state, and federal relocation regulations. The City of Lincoln Relocation Assistance manual is on the City website: www.lincoln.ne.gov, key- word: "relocation" and available from the Urban Development Department, 555 S. 10th Street, Suite 205, Lincoln, NE 68508.
- **Demolition:** Demolition will include clearing sites on property proposed for public improvements; necessary capping, removal or replacing utilities; site preparation; securing insurance and bonds; and taking other necessary measures to protect citizens and surrounding properties. Measures to mitigate environmental findings may also be necessary, if determined by site testing.
- **Disposal/Disposition:** Sub-area projects will include the sale of land to private developers for redevelopment purposes. Developers will be selected in an equitable, open, and competitive proposal process.
- **Requests for Proposals:** Architects and engineers will follow the City's standard selection processes to design the public facilities and improvements. Primary contractors will also be competitively selected.

Estimated Expenditures

Preliminary estimates of project costs will be completed as projects occur. Public improvements will need to be prioritized and constructed as Tax Increment Financing (TIF) dollars are generated.

Cost benefit analyses will be completed as projects occur. A preliminary cost benefit analysis for NIC Phase 1 projects is included in Appendix B.

According to the Business Development Strategy completed in conjunction with the NIC Master Plan:

"Development of the NIC will have a substantial positive economic impact on the local community and State of Nebraska. In addition to the over \$800 million of new investment in buildings and facilities, with the corresponding construction employment such investment will generate, it is estimated that at full build-out the Campus will provide direct employment of 2,835 Full Time Equivalent (FTE) people. Assuming 75 per- cent of these are new jobs to the region,

the NIC will generate 2,215 net new direct jobs. The bulk of these positions will be high-paying research and technician jobs which are projected to average \$70,000 per year in 2009 dollars. That equates to a projected direct annual payroll of \$148,750,000 in 2009 dollars." (p. 25)

Conformance with Comprehensive Plan

The Lincoln-Lancaster County Comprehensive Plan, adopted October, 2011, represents the local goals, objectives, and policies of the City of Lincoln. The Nebraska Innovation Campus (NIC) Redevelopment Plan was developed to be consistent with the Comprehensive Plan.

Financing

The Nebraska Innovation Campus Development Corporation (NICDC) and the private sector will provide primary financing for revitalization of the Redevelopment Area. The City must provide public services and public improvements and participate where necessary in the redevelopment process, but the needs of the area are beyond the City's capacity to do alone. Financing of proposed improvements will require participation by both the private and public sectors. Where appropriate, the City may participate by providing financial assistance for the rehabilitation of structures.

Sources of funding may include the following if available and where appropriate:

1. Special Assessments – Business Improvement Districts
2. Private Contributions
3. Sale of Land (Proceeds from the sale of land acquired for redevelopment, as identified in the Redevelopment Plan, shall be reinvested in the Redevelopment Area).
4. Municipal Infrastructure Redevelopment Fund (MIRF)
5. Community Development Block Grant Funds (CDBG)
6. Home Investment Partnership Act (HOME)
7. HUD Section 108 Loan Program
8. Community Improvement (Tax Increment) Financing (Ad Valorem Tax)
9. Capital Improvements Program Budget
10. Federal and State Grants
11. Interest Income
12. Advance Land Acquisition Fund – property rights/easements, public facility site acquisition

13. Impact Fees.

Project activities will be undertaken subject to the limit and source of funding authorized and approved by the Mayor and City Council.

According to the Community Development Law, any ad valorem tax levied upon real property in the redevelopment project for the benefit of any public body shall be divided, for a period not exceed 15 years after the effective date of such provision, by the governing body as follows:

That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body; and

That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of loan, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the authority shall so notify the county assessor and county treasurer and all ad valorem taxes upon taxable real property in such a redevelopment project shall be paid into the funds of the respective public bodies.

The effective date for the Community Improvement Financing shall be that identified in the project redevelopment contract or in the resolution of the authority authorizing the issuance of bonds pursuant to Neb. Rev. Stat. Section 18-2124

APPENDIX A: PROPERTIES TO BE ACQUIRED

APPENDIX B: NIC PHASE I COST BENEFIT ANALYSIS

The Phase I Project Area is shown on Exhibit 8, page 22. Projects include construction of public utilities, streets, up to four new buildings and the rehabilitation of two existing historic buildings. As required by Nebraska Community Development Law (Neb.Rev.Stat. §18-2113) the City has analyzed the costs and benefits of the proposed Project including:

Tax Revenues

The assessed value of the property within the project area will increase by an estimated \$40.4 million as a result of the projected \$51,375,885 total private investment. This incremental tax value will result in an estimated annual increase of \$817,770 in property tax collections that will be available for debt service on TIF indebtedness incurred for the construction of eligible public improvements related to the project during the 15 year TIF period. The public investment of a projected \$6.6 million in TIF funds will leverage \$51,375,885 in private sector financing: a private investment of \$7.74 for every City dollar spent.

The State of Nebraska is also contributing to the project. The State legislature authorized \$10,000,000 for assistance in renovating the 4-H building and \$15,000,000 for the Life Science building. An additional \$25,000,000 is being raised through philanthropy bringing total investment in Phase I NIC to \$108,015,045. TIF represents 6.1% of total investment.

<i>Tax Increment Financing Analysis</i>	
Description	
Total Private Investment (80% of total investment)	\$41,100,708
Base Value (estimated current value)	\$ 721,244
Increment Value	\$40,379,464
TIF Generated (Increment x .02025212 rate)	\$ 817,770
1.2 Coverage	\$ 681,475
Bond/Note Issue (15 years @5.25%)	\$ 6,639,130

Public Infrastructure and Community Public Service Needs Impacts. It is not anticipated that the Project will have an adverse impact on existing public infrastructure. In fact, the Project entails the capture of the incremental tax revenues for the purpose of constructing new public infrastructure. Existing infrastructure was affiliated with the former State Fair Park. Its age and condition requires replacement of the water, sanitary, and storm sewer systems and reconstruction of streets, all of which is planned with the Project.

It is not anticipated that the Project will have any adverse impact on City Public Services, but will generate substantial revenue providing support for those services.

Employment Within the Project Area. It is not anticipated that the Project will have an adverse impact on employers and employees of firms locating within the boundaries of the redevelopment project. At full build-out, Nebraska Innovation Campus is anticipated to create significant additional employment in the community by creating approximately 7,000 new jobs. When secondary employment effects in other employment sectors are added, the total employment effects are expected to be significantly higher.

Employment in the City Outside the Project Area. Approximately 139,003 persons living in the City of Lincoln were employed, according to the 2006-2010 American Community Survey. The median household income for the City in 2010 was \$47,526.

The impact of an additional estimated 7,000 jobs at full build-out will have a slight impact on the overall employment in the City.

Other Impacts. NIC is a public/private partnership and research park dedicated to advancing research and its commercialization in order to generate economic growth for Nebraska. By creating partnerships with private sector firms, economic opportunities will be maximized and it will leverage the research capacity, faculty and student resources of UNL. Private sector companies with existing or proposed relationships with the University will be attracted to locate adjacent to the University campus generating jobs and other economic activity for the State of Nebraska. Agricultural biotechnology and life science research are anticipated to be strong components of the campus. Other areas of University research strength that provide opportunities for viable partnerships include food science and food safety, robotics, computer technology, laser sciences, transportation, energy science and alternative energy.

NIC will create up to 7,000 new jobs at full build-out and will increase business and tax base without adverse effect on either public or private entities. There will be a material tax shift because of the use of tax increment financing, but there will also be significant personal property tax and other municipal revenue generated for the immediate benefit of the community. The Project will also contribute to municipal revenues through excise taxes, fees, licenses, sales taxes, and other taxes that occur and are paid in the course of the normal operation of businesses.

The Project should have a positive impact on private sector businesses in and around the area outside the

boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers, but should increase the need for services and products from existing businesses. For example, ongoing maintenance and service functions along with a general need for parts and supplies including the purchase of food, paper products and janitorial services. It is also anticipated that business contacts and visitors to NIC will be spending dollars on a local basis for lodging, food and peripheral needs.