

RESOLUTION NO. 07-124

WHEREAS, by Ordinance passed by the City Council of the City of Alliance, the City of Alliance has created a Community Development Agency pursuant to the Community Development Law of the State of Nebraska; and

WHEREAS, surveys were conducted at the direction of the City of Alliance by the Panhandle Area Redevelopment District entitled *Redevelopment Area Substandard/Blight Survey 2002* and *Redevelopment Area Substandard/Blight Survey for the "Sheridan-HH&S Redevelopment Area"*, September, 2007; and

WHEREAS, such surveys describe certain areas within the City of Alliance as qualifying for designation as substandard and blighted according to the definitions of the Community Development Law; and

WHEREAS, the physical description of said properties is Beginning at the intersection of West Second Street and Big Horn Avenue, thence southerly along Big Horn Avenue to West First Street; thence westerly along West First Street to Emerson Avenue; thence continuing westerly and northwesterly along the north and northeast side of the Burlington Northern Railroad line to the point of intersection with West Second Street; and, thence easterly along West Second Street to the point of beginning at the intersection of West Second Street and Big Horn Avenue; and

WHEREAS, the City Council finds that Blocks 1, 2, 3, 4, 5, and 6, Hitchcock, Hills, & Snedeker's Addition, Lots 1, 2, and 3, Neuswanger's Addition, and Blocks V, W, X, & Y of Sheridan Addition, Alliance, Nebraska are substandard and blighted as evidenced by the survey, as shown by conditions such as, but not limited to, the following: areas where there is a predominance of buildings or improvements, whether residential or non-residential in nature, which by reason of dilapidation, deterioration, age, or obsolescence, inadequate provision for ventilation, light, air, sanitation or open spaces, or the existence of conditions which endanger life or property by fire or other causes, or any combination of such factors which is detrimental to the public health, safety, morals, or welfare; areas which by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, improper subdivision or obsolete planning, or the existence of conditions which endanger life or property by fire or other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and in which the average age of the residential or commercial units in the area is at least 40 years; and

WHEREAS, Section 18-2109 of the Community Development Law requires the governing body of the City to submit the question of whether an area is substandard and blighted to the Planning Commission for its review and recommendation prior to making its declaration, and the Planning Commission has submitted a written recommendation that such properties listed herein be found to be substandard and blighted; and

WHEREAS, a public hearing with notice according to Section 18-2115 R.R.S. 1997 has been conducted by City Council concerning the substandard and blighted nature of said properties.

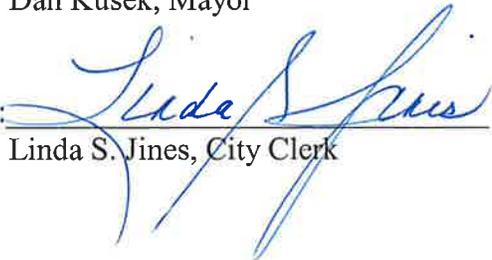
NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that Blocks 1, 2, 3, 4, 5, and 6, Hitchcock, Hills, & Snedeker's Addition, Lots 1, 2, and 3, Neuswanger's Addition, and Blocks V, W, X, & Y of Sheridan Addition, Alliance, Box Butte County, Nebraska, according to the recorded plat thereof, are substandard and blighted pursuant to the Community Development Law for the State of Nebraska.

PASSED AND APPROVED this 1st day of November, 2007.



Dan Kusek, Mayor

(SEAL)

Attest: 
Linda S. Jines, City Clerk

Approved as to Form and Legality:


Larry Miller, Interim City Attorney

CITY OF ALLIANCE

**REDEVELOPMENT AREA
SUBSTANDARD/BLIGHT SURVEY**

**for the
“Sheridan-HH&S Redevelopment Area”**



Prepared by: The Panhandle Area Development District
September 2007

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RESOLUTION NO. _____

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ALLIANCE, NEBRASKA THAT:

1. The Mayor and City Council of the City of Alliance, Nebraska find that certain conditions exist as evidenced by the Council's finding of facts which are included in the "City of Alliance Sheridan-HH&S Redevelopment Area Substandard and Blight Survey" which is attached and incorporated by reference herein as to the following described real estate located within the boundaries of the City of Alliance, Nebraska:

Beginning at the intersection of West Second Street and Big Horn Avenue, thence southward along Big Horn Avenue to West First Street; thence westward along West First Street to Emerson Avenue; thence continuing westward and northwestward along the north and northeast side of the Burlington Northern Railroad line to the point of intersection with West Second Street; and, thence eastward along West Second Street to the point of beginning at the intersection of West Second Street and Big Horn Avenue.

2. The Mayor and the City Council of the City of Alliance, Nebraska hereby find, and do declare pursuant to Nebraska Revised Statutes 18-2109, that the aforementioned real estate is a substandard and blighted area as defined in Nebraska Revised Statutes 18-2103(10) and 18-2103(11) and in need of redevelopment.

PASSED AND APPROVED this _____ day of October, 2007.

Dan Kusek,
Mayor

ATTEST:

Linda S. Jines,
City Clerk

INTRODUCTION

The City's elected officials have been investigating and implementing strategies to assist private sector development efforts that will serve generate new employment opportunities and create economic growth that will increase wages in the community. One potential development strategy provided for in Nebraska's Community Development Law is the designation of a redevelopment areas and the use of tax increment financing.

The purpose of this report is to substantiate the existence of substandard and blighted areas within a geographically defined target area of the community and to assess the ability of this area to become designated as a "substandard and blighted area" in conformance with Nebraska Community Development Law. The results of this investigation are reported in the following narrative by offering a description of applicable community development law and a description of the how the proposed redevelopment area complies with the law.

II: SUBSTANDARD & BLIGHTED AREA SURVEY

A. Definitions and Statutes:

According to Nebraska Community Development Law; Sections 18-2102 and Sections 18-2103 (10), (11); in order for a project area to be eligible for redevelopment and tax increment financing, the area must first qualify as a “substandard and blighted area”. This qualification must be within the definition set forth in the Nebraska Community Development Law.

This survey has been performed to examine existing conditions and to determine whether or not conditions exist which would warrant designating the study area as a “Community Redevelopment Area”, as set forth by State statutes in Section 18-2103, as described below:

Section 18-2103(10), Substandard Areas:

Substandard areas shall mean an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, and is detrimental to the public health, safety, morals, or welfare.

Section 18-2103 (11), Blighted Areas:

Blighted area shall mean an area, which (a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in the area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the per capita income of the city or village in which the area is designated; or (v) that the area has had either stable or decreasing population based upon the last two decennial censuses.

B. Presence of Substandard Conditions:

To qualify as substandard at least one of the conditions described in Section 18-2103(10) must be substantiated in the survey area. The substantiating criteria used for this report included a predominance of buildings and improvements subject to both “age & obsolescence” and “conditions which endanger life or property”. The following documentation is provided to verify the presence of substandard conditions in the proposed redevelopment areas:

1. Age and obsolescence

- As documented in Appendix A, a large majority of the buildings in the project area are over 40 years of age. In addition, visual observations of many of the non-residential buildings in the project area and buildings lying on state-assessed or exempt properties are very likely well over 40 years of age.

2. Conditions which endanger life or property

- As documented in Appendix B, there are numerous buildings that are dilapidated and deteriorated, which can endanger life or property.

- As documented in Appendix B, there exists much uncontrolled vegetation and significant amounts of junk that can be detrimental to human health as these conditions provide habitat for rodents and other pests which can potentially spread diseases.

C. Presence of Blighted Conditions:

1. To qualify as blighted at least one of the conditions described in Section 18-2103 (11) (a) must be substantiated in the survey area. The following documentation is provided to verify the presence of blighted conditions in the proposed redevelopment areas:

- As can be seen on the project area map, the street layout is not highly conducive to development. Many properties along the north side of the railroad do not have good access because West First Street does not continue west of Emerson Avenue. In addition, due to the railroad, the project area does not have good accessibility to the south.

- Courthouse records indicate the project has a large diversity of ownership.

- As documented in Appendix A, a large majority of the buildings in the project area are over 40 years of age.

- As demonstrated in Appendix B, there are numerous buildings that are dilapidated and deteriorated.

- As documented in Appendix B, there exists much uncontrolled vegetation and significant amounts of junk that can be detrimental to human health as these conditions provide habitat for rodents and other pests which can potentially spread diseases.

2. In addition to substantiating the blighting influence described in Section 18-2103 (11)(a), at least one of the conditions described in Section 18-2103 (11)(b) must also be present. The following documentation is provided to verify these conditions in the proposed redevelopment areas:

- As documented in Appendix A, the average age of buildings in the project area is well over 40 years of age as very few buildings in the project area were built in the past half-century..

CONCLUSIONS

The proposed "Sheridan-HH&S Redevelopment Area " identified in this City of Alliance substandard and blight survey contains "substandard and blighted" conditions as described in Nebraska Community Development Law, Section 18-2103 (10), (11)(a) &(11)(b). When combined with the other redevelopment area in the City, the total redevelopment area for the city is under the maximum 35% allowed by Nebraska Community Development Law for inclusion in redevelopment areas of cities of the first class.

The proposed "Sheridan-HH&S Redevelopment Area " thus qualifies for "substandard and blighted" designation in accordance with Nebraska state statutes.

Process for declaring an area blighted and substandard:

Declarations of blight for an area require must follow these steps:

1. A "blight study," which is a report that documents that an area meets the criteria established by the Community Development Law must be prepared:
2. The planning commission must review the "blight study" and make a recommendation to the city council, and:
3. The City Council must make a final determination of substandard or blighted status by resolution.

ELIGIBLE REDEVELOPMENT PROJECT ACTIVITIES

Eligible redevelopment project activities are defined in Section 18-2103(12) as follows:

A redevelopment project shall mean any work or undertaking in one or more community redevelopment areas:

- a) to acquire substandard and blighted areas or portions thereof, including lands, structures, or improvements the acquisition of which is necessary or incidental to the proper clearance, development, or redevelopment of such substandard and blighted areas;
- b) to clear any such areas by demolition or removal of existing buildings, structures, streets, utilities, or other improvements thereon and to install, construct, or reconstruct streets, utilities, parks, playgrounds, public spaces, public parking facilities, sidewalks or moving sidewalks, convention and civic centers, bus stop shelters, lighting, benches or other similar furniture, trash receptacles, shelters, skywalks and pedestrian and vehicular overpasses and underpasses, and any other necessary public improvements essential to the preparation of sites for uses in accordance with a redevelopment plan;
- c) to sell, lease, or otherwise make available land in such areas for residential, recreational, commercial, industrial, or other uses, including parking or other facilities functionally related or subordinate to such uses, or for public use or to retain such land for public use, in accordance with a redevelopment plan; and may also include the preparation of the redevelopment plan, the planning, survey, and other work incident to a redevelopment project and the preparation of all plans and arrangements for carrying out a redevelopment project;
- d) to dispose of all real and personal property or an interest in such property, or assets, cash, or other funds held or used in connection with residential, recreational, commercial, industrial, or other uses, including parking or other facilities functionally related or subordinate to such uses, or an public use specified in a redevelopment plan or project, except that such disposition shall be at its fair value for uses in accordance with the redevelopment plan;
- e) to acquire real property in a community redevelopment area which, under the redevelopment plan, is to be repaired or rehabilitated for dwelling use or related facilities, repair or rehabilitate the structures, and resell the property; and
- f) to carry out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the redevelopment plan.

Section 18-2105 also indicates the governing body of a city or an authority at its discretion for the purposes of the Community Development Law may formulate for the entire municipality a workable program for utilizing appropriate private and public resources to eliminate or prevent the development or spread of urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of substandard and blighted areas, or to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program. Such workable program may include, without limitation, 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 replanning, 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 the clearance and redevelopment of substandard and blighted areas or portions thereof.

REDEVELOPMENT PLAN REQUIREMENTS

As indicated in Sections 18-2103(13) and 18-2111, a redevelopment plan may be created for a redevelopment area or for a redevelopment project. The plan must at a minimum meet the following requirements:

- 1) The plan must conform to the general plan for the municipality as a whole, and
- 2) The plan must be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the community redevelopment area, zoning and planning changes, if any, land uses, maximum densities, and building requirements.
- 3) The plan must 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 area, and shall include without being limited to the following:
 - a. the boundaries of the redevelopment project area, with a map showing the existing uses and condition of the real property therein;
 - b. a land use plan showing proposed uses of the area;
 - c. information showing the standards of population densities, land coverage, and building intensities in the area after redevelopment;
 - d. a statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, or building codes and ordinances;
 - e. a site plan of the area; and
 - f. 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.

To utilize the benefits of tax increment financing in a designated redevelopment area a redeveloper, as defined in the following section, must prepare and obtain approval of a redevelopment plan.

REDEVELOPER DEFINED

Eligible redevelopers are defined in 18-2103(14) and 18-2103(19) as follows:

“Redeveloper shall mean any person, partnership, or public or private corporation or agency which shall enter or propose to enter into a redevelopment contract.”

“Person shall mean any individual, firm, partnership, limited liability company, corporation, company, association, joint-stock association, or body politic and shall include any trustee, receiver, assignee, or other similar representative thereof.”

REDEVELOPMENT PLAN APPROVAL PROCESS

Several sections in Nebraska's Community Development Law provide information on the process that must be followed to recommend and approve a redevelopment plan. Steps that must be undertaken to approve a redevelopment plan include the following:

Section 18-2109:

An authority shall not prepare a redevelopment plan for a redevelopment project area unless the governing body of the city has conducted the public hearing process required in 18-2115 and declared by resolution that such area is substandard and blighted. In addition, the city's planning commission is granted thirty days to review and make a recommendation upon the substandard and blighted designation. The governing body can not act on the substandard and blight resolution until receiving recommendation from the planning commission or until after 30 days if no recommendation is received.

Section 18-2112:

Prior to recommending a redevelopment plan to the governing body for approval, the authority shall submit the plan to the planning commission for review and recommendation as to its conformity with the general plan for the development of the city. The planning commission again has thirty days to prepare its recommendation, after which time the authority can recommend the redevelopment plan to the governing body.

Section 18-2113:

Prior to recommending a redevelopment plan to the governing body for approval, the authority must consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing , in conformance with the general plan, a coordinated , adjusted, and harmonious development of the city and its environs which will, in accordance with present and future needs, promote health, safety, morals, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development; including among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic and other dangers, adequate provision for light and air, the promotion of a healthful and convenient distribution of the 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.

Section 18-2114:

The recommendation by the authority to the governing body shall be accompanied by the recommendations of the planning commission, if any. Various financial and relocation information pertaining to the project must also be submitted if the authority is the entity preparing the plan and if the authority intends to undertake a project or improvements that would be sold to a redeveloper.

Section 18-2115:

The following steps are required to be taken prior to approval by the City of any redevelopment plan:

- 1) The governing body of the city must hold a public hearing on any redevelopment plan, or substantial modification of an existing plan. The hearing must be published at least once a week for two consecutive weeks in a legal newspaper of general circulation in the community. The time of the hearing must be at least ten days from the last publication. The notice must describe the time, date, place and purpose of the hearing specifically identifying the area to be redeveloped under the plan. All interested parties must be afforded an opportunity to express their views at the public hearing.
- 2) Except as provided in subsection (3) below the governing body of the city must at least ten days prior to the public hearing, mail notice of the hearing by first-class United States mail, postage prepaid, or by certified mail to all registered neighborhood associations whose area of representation is located in whole or in part within a one-mile radius of the area to be redeveloped and to the president or chairperson of the governing body of each county, township, school district, and other political subdivision in which the real property subject to such plan or major modification is located and whose property tax receipts would be directly affected. This notice must set out the time, date, place and purpose of the hearing and shall include a map of sufficient size to show the area to be redeveloped.
- 3) This sub-section states that if the redevelopment authority holds a public hearing and provides notice as described in subsection (2) above then the governing body is not required to mail the notices described in subsection (2) above prior to holding its own public hearing.

Neighborhood associations wishing to receive the notice described in (2) above must register with the city's planning department or, if there is no planning department, with the city clerk. The registration must include a description of the area of representation of the association and the name and address of the individual designated by the association to receive the notice on its behalf.

Section 18-2116:

Following the public hearing the governing body may approve a redevelopment plan if it finds the plan is feasible and in conformity with the general plan for the development of the city as a whole and the plan is in conformity with the legislative declarations and determinations set forth in sections 18-2101 to 18-2144.

Ad Valorem Tax / Tax Increment Financing

If it is determined by the governing body of the city that (1) a redevelopment project would not be economically feasible without the use of tax-increment financing and (2) that the redevelopment project would not occur in the redevelopment area without the use of tax-increment financing, and (3) the costs and benefits of the redevelopment project, including the costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the governing body and have been found to be in the long-term best interest of the community impacted by the redevelopment project then any redevelopment plan as originally approved or as later modified pursuant to section 18-2117, may contain a provision that ad valorem tax levied upon real property in a redevelopment may be used as set forth in section 18-2147.

Appendix A: Documentation of Age and Value of Buildings in Project Area

Addition	Block	Lot	Total Value	Zone	Use	Condition	Year Built
HHS	4	1	6,268	Industrial	SF	Fair	1910
HHS	5	1	17,322	Industrial	SF	Fair	1910
HHS	5	5	22,618	Industrial	SF	Fair	1900
HHS	5	6	3,070	Industrial	SF	(Dilapidated)	Na
HHS	5	S 2' 7 All 8, 9	Na	Commercial	Railroad	NA	Na
HHS	6	2, 3, 4	Na	Industrial	Railroad	NA	Na
HHS	6	8, 9	23,619	Industrial	SF	Poor	1900
HHS	6	11	4,235	Industrial	SF	(Dilapidated)	Na
Sheridan	X	S 120' Lot1	Na	Industrial	City	na	Na
Sheridan	X	N 228.86' Lot1 N 229.32 Lot 2	Na	Industrial	City	na	Na
Sheridan	X	S 120' Lot 1	Na	Industrial	Railroad	na	Na
Sheridan	X	S 120' Lot 2	Na	Industrial	Railroad	na	Na
Sheridan	Y	50'x130' NE corner Lot 8	20,551	Industrial	SF	fair	1920
Sheridan	Y	S120' of N150' Of E150' Lot 8	1,500	Industrial	Comm	na	Na
Sheridan	Y	E50' of S79.18' Of N229.18' Lot 8	1,980	Industrial	Comm	na	Na
Sheridan	Y	W100' of E150' Of N130' Lot 8	36,978	Industrial	Comm	Fair	1973
Sheridan	Y TA	N150' of W ½	30,420	Industrial	Comm	1 Fair 1 poor	1944 1944
Sheridan	Y TB	W 250' of S 79.18' Of 229.18	26,796	Industrial	Comm	poor	1944
Sheridan	Y	S ½ Lot 5 Lots 6,7	7,680	Commercial	Railroad	na	Na
Sheridan	Y	S150' Lot 8	11,250	Commercial	Railroad	na	Na

→
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lots?

what is JA Tract A
TB Tract B

Appendix B: Photographic Documentation of Dilapidation and Deterioration

