

PHASE IV - COMMERCE COURT-LINCOLN SQUARE SKYWALK AND HISTORIC FACADE IMPROVEMENT SUB PROJECT

1. Revitalization Project Description

Commerce Court-Lincoln Square Skywalk and Historic Facade Improvement Sub Project, as part of the downtown revitalization process, involves a portion of two blocks within the downtown retail mixed use revitalization/redevelopment area. The sub project involves private redevelopment/revitalization of a portion of Block 40 and 57 as indicated in Exhibit IV-47 and requires a combination of public and private resources detailed in this section. The sub project area is presently occupied by seven (7) structures being renovated (Hovland, B. Dalton Bookstore and Five Lincoln Square Buildings). The public elements of the sub project include a skywalk bridge across "O" Street connecting Commerce Court and Lincoln Square Buildings, certain historic facade improvements and infrastructure improvements. The skywalk bridge is necessary to provide the parking and pedestrian connections north and south of "O" Street to maximize retail, office, entertainment and residential potential in downtown Lincoln's core, in particular to the Centrum and Rampark parking garages; with an interior connection through the Commerce Court to the NBC Bank to the east. Certain facade improvements are a necessary part of the project in order to preserve the historic integrity of locally designated historically significant structures. The redevelopment/revitalization will result in the following improvements:

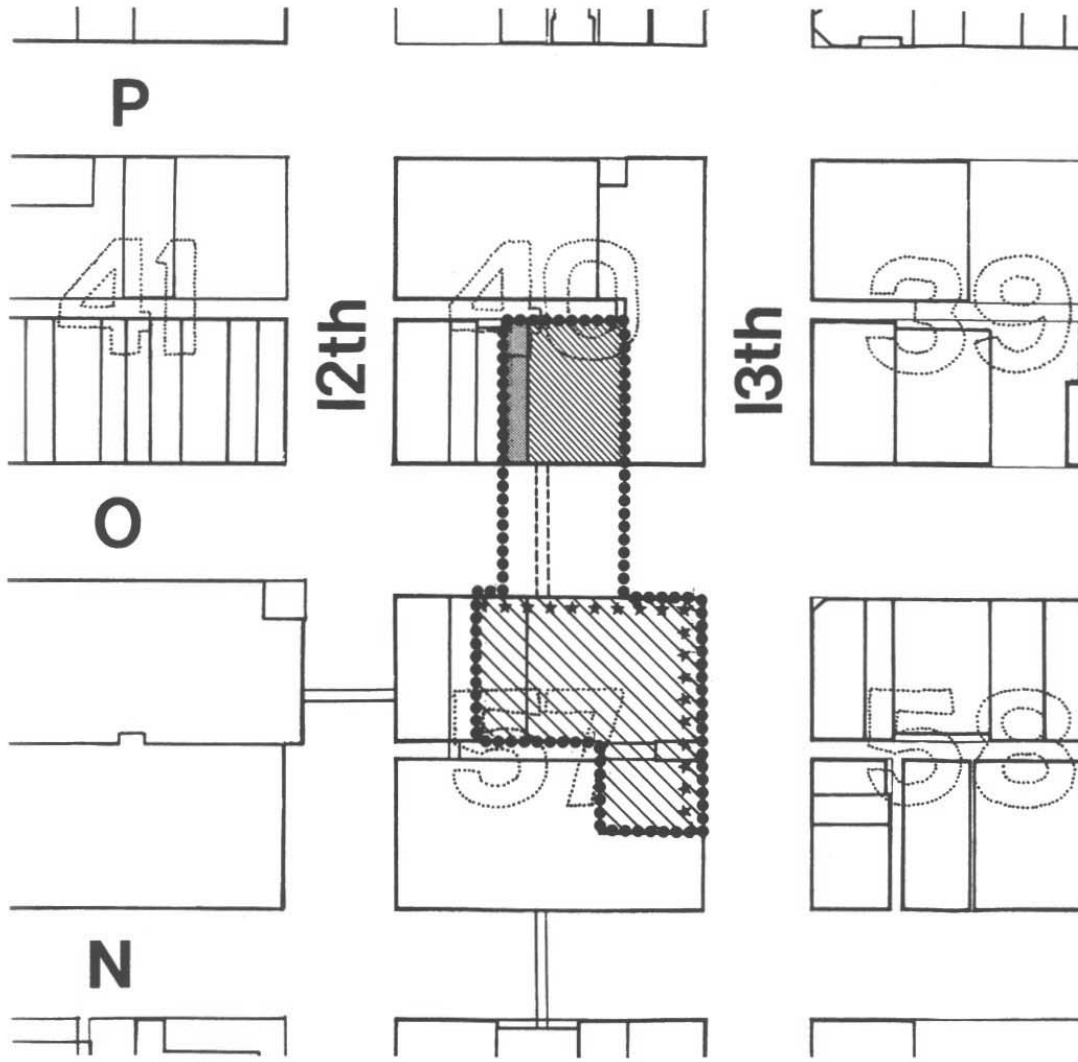
Commerce Court Development - An aggregate of two buildings (former Dalton Book Store/Hovland Building 2 and 3 levels respectively) redeveloped into a 4 story development of approximately 83,000 gross square feet for office and/or retail uses including a covered exterior atrium/plaza, with access integration to the adjacent NBC Bank.

Lincoln Square Facility - An aggregate of five integrated structures (See Exhibit IV-48) of varying heights and design to be renovated with facades some of which may be historically significant. Every effort will be made to meet historic criteria of the historic elements in relation to the skywalk bridge connection thereto. The former location of the Lincoln Square and Dillard's Department Stores is substantially vacant. It is anticipated that the basement, first and second floors will once again have a retail character/use, with the upper floors to be converted to office space.

Skywalk - A skywalk bridge is proposed to be constructed over "O" Street between 12th and 13th Streets (Exhibit IV-49) and, the abutting Property Owners will:

- (a) Grant, without further consideration, the necessary public access (both vertical and horizontal) through their respective properties to allow easy and convenient connection between the skywalk bridge and their respective properties.
- (b) Construct, secure and maintain at each party's own expense, the skywalk corridors and vertical access through their respective property pursuant to the City of Lincoln's skywalk design policies then in effect.
- (c) Plan for the proposed location of the skywalk corridors through their respective properties so future improvements do not interfere with the implementation of a skywalk system for Blocks 40 and 57.

Public Historic Facade Improvements - Exterior historic improvements, through a facade easement, include repointing, balustrade replacement, cornice bulb replacement, miscellaneous terra cotta replacement as preservation work.



**Exhibit IV-47
Proposed Site Plan**

- Sub-Project Boundary -- Commerce Court / Lincoln Square Skywalk - Phase IV
- Former Dalton Bookstore
- ▨ Hovland Building
- - - Proposed Skywalk Bridge
- ★ ★ ★ Miller Paine Facility
- ★ ★ ★ Historic Facade

**Lincoln Center
Redevelopment Plan**



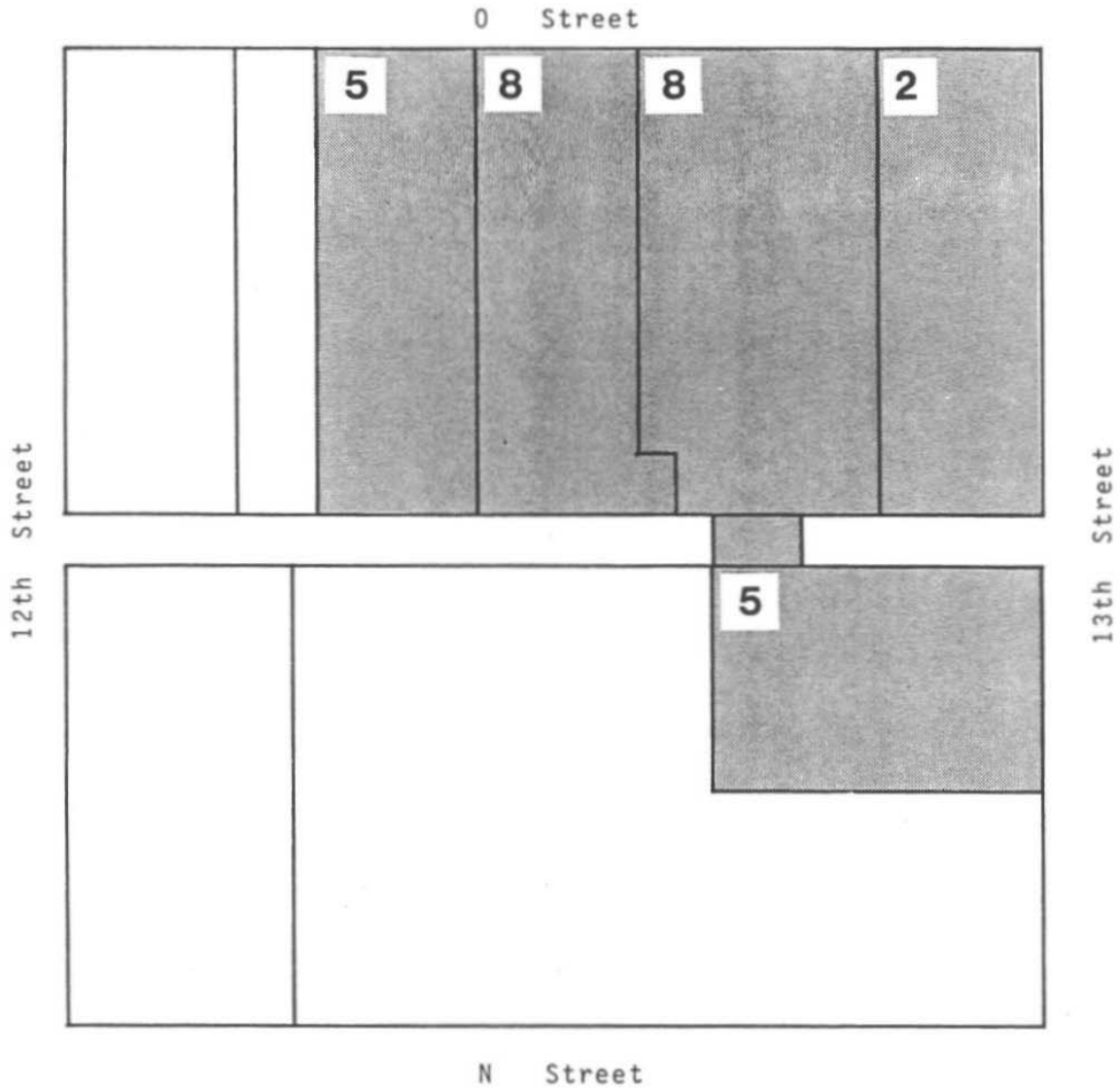


Exhibit IV-48
Lincoln Square Facility; Five Structures

6 Number of Stories
 Lincoln Square Facility (former Miller and Paine)

Lincoln Center
 Redevelopment Plan



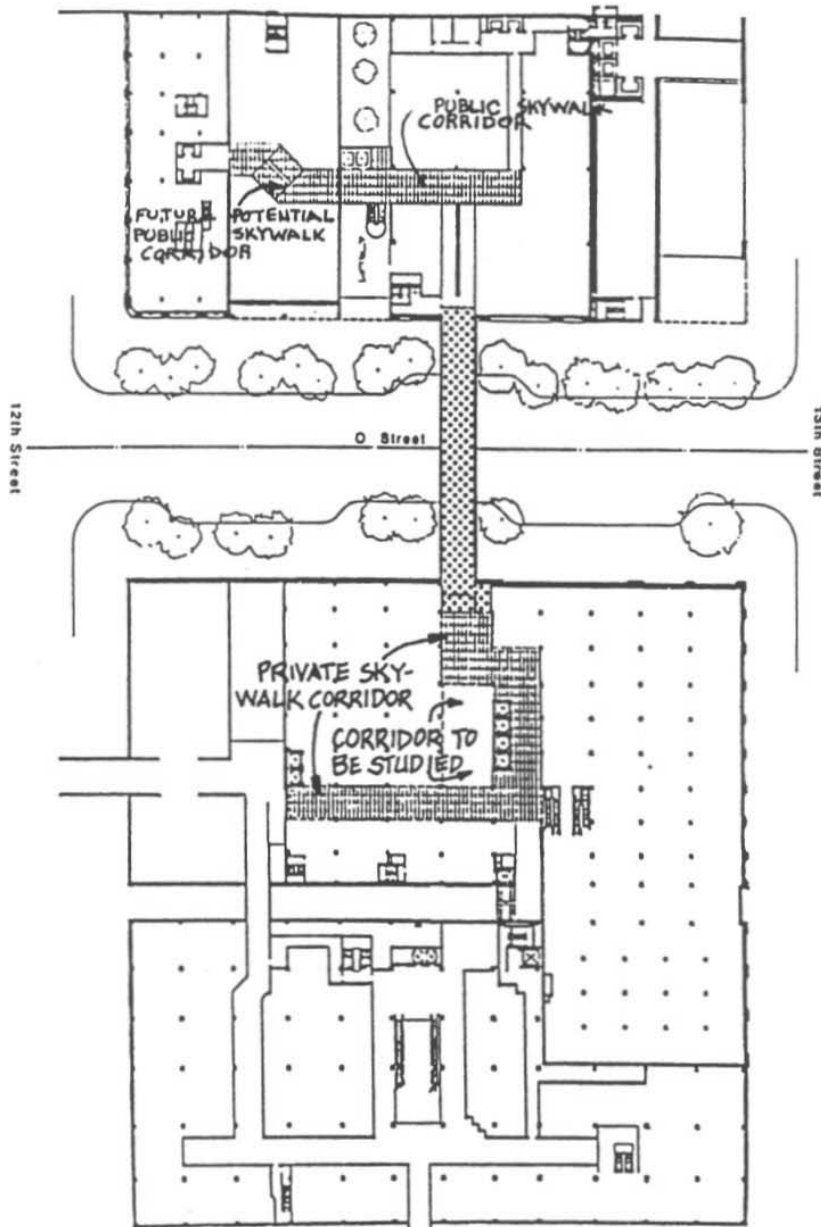


Exhibit IV-49
Public Bridge and Corridor Limits

 Public Bridge Limits

Lincoln Center
Redevelopment Plan



Public Improvements/Amenities - Installation, construction or reconstruction of streets, curbs, utilities, drives, sidewalks, public space, i.e., landscaping improvements may be accomplished as or where necessary.

Design - The proposed Site Plan is for illustration purposes only. The actual size, and design of the improvements are subject to change after the City secures the services of professional engineers/architects and receives public input.

2. Statutory Elements

Property Acquisition, Demolition and Disposal - Accomplishing the Commerce Court-Lincoln Square Skywalk and Historic Facade Improvement Sub Project in particular, the Skywalk Bridge, will require public action on a portion of Block 40 and 57 indicated on Exhibit IV-50 including the existing building improvements and such property rights necessary to be acquired for construction of the skywalk bridge and the buildings facade connections demolition work by the City of Lincoln. Further, public historic facade improvements will require property facade easement rights with commitment by the property owner to provide all future maintenance, repair and upkeep.

In addition, the City may need to provide for access from and to the Commerce Court-Lincoln Square Skywalk Sub Project buildings for pedestrian use to any future skywalk (bridge) system.

(a) Acquisition (Exhibit IV-50)

The City of Lincoln will acquire such building facade rights as necessary to construct a skywalk bridge, and facade easements for proposed historic facade improvements on the following portion of the indicated blocks:

Block 40 (Commerce Court) - portions or all of Lots 12 & 13, Original Plat

Block 57 (Lincoln Square Building) - portions or all of Lots 1 through 9, Original Plat

The City may acquire the necessary fees, easements, property rights, covenants and/or leases by way of voluntary purchase or condemnation, if necessary (see Land Acquisition Proposals, Appendix 3).

(b) Demolition of Indicated Portion of Block 40 and 57

After the City of Lincoln has acquired the property rights and/or easements on Block 40 and 57 indicated above (A), it will prepare the site/building facades for construction including securing insurance and bonds, and taking other necessary measures to protect citizens, and, sub project and surrounding properties.

(c) Disposition

No sale of property is necessary to accomplish this project.

(d) Population/Unit Density

The population/unit density is not applicable to the project.

(e) Land Coverage and Building Density

The net overall land coverage will remain the same, while the building density will increase by approximately 16,000 square feet.

(f) Traffic Flow, Street Layouts and Street Grades

It is anticipated that redevelopment/revitalization activities contemplated on Block 40 and 57 will cause a minimal increase in pedestrian and automobile traffic.

(g) Parking

The sub project (skywalk bridge) will provide the opportunity for the area to be more efficiently served by the existing inventory of public and private parking garage spaces (Rampark/Centrum). It is noted that, approximately 450 new public parking garage spaces (University Square) will provide support for the proposed development one block to the east. Further, the bridge connection will provide easy access to both the Rampark and Centrum parking garages.

(h) Zoning, Building Codes and Ordinances

The present Lincoln Central Business District (B-4) zoning allows for the type of development proposed. Likewise, the City's adoption of the Uniform Code for the Abatement of Dangerous Buildings, the Uniform building Code and their specific City amendments will properly protect the public health, safety and welfare of the people. At this time, there are no contemplated changes in the City's zoning laws or building codes in and to implement these projects. It may be necessary, however, to adopt ordinances to special assess skywalks; and community improvement financing bonds.

(i) Public Utilities

Public utilities located in the sub project area, will remain. However, where necessary may be modified/replaced/rerouted to enable construction of the skywalk bridge.

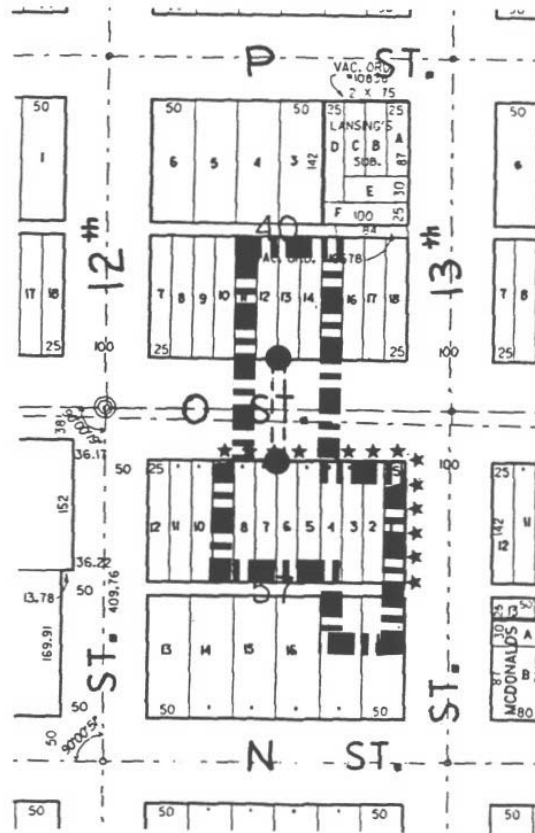
3. Proposed Cost and Financing

The total expenditure for the Commerce Court-Lincoln Square Skywalk Sub Project is estimated to be \$4,420,089. This includes \$3,400,000 for renovation/remodeling of existing buildings.

The effective date of the community improvement financing provisions of the Commerce Court-Lincoln Square Sub Project is declared to be the 1st day of October, 1990.

The acquisition of property rights and/or facade easements where necessary, the building facade and demolition, construction of the skywalk bridge and professional service fees will be funded by the public using a combination of five sources including:

- (a) Any ad valorem tax levied upon real property in the redevelopment/revitalization project in Blocks 40 and 57 for the benefit of any public body shall be divided, for a period not to exceed 15 years after the effective date of the such provision by the governing body as follows:
- i 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



**Exhibit IV-50
Existing Plat Map**

- ■ ■ Sub-Project Boundary -- Commerce Court / Lincoln Square Skywalk - Phase IV
- Acquisition of Facade Property Rights
- *** Historic Facade Easement

**Lincoln Center
Redevelopment Plan**



- ii. 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 pay the principal of, and interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such development for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest in 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.

Exhibit IV-53 summarizes community improvement financing bonds for the Commerce Court-Lincoln Square Skywalk and Historic Facade Improvement Sub Project.

- (b) Earned Interest Income
- (c) Special Assessment Funds
- (d) Downtown Lincoln Center Redevelopment/General Obligation Bonds (\$12,000,000 Issue)
- (e) Capital Improvements Program/General Funds

4. Implementation Steps

Under the Nebraska Community Development Law, the first step in redeveloping an area is for the City to declare the area blighted and substandard and in need of redevelopment/revitalization. The Lincoln City Council completed this first step by declaring the Downtown Area blighted on October 22, 1984 and affirmed by resolution on October 19, 1987 the area as blighted and substandard. The City Council determined that private enterprise could not redevelop this area without the assistance provided by the Community Development Law.

The implementation steps for the Redevelopment Project are:

- Negotiate Redevelopment Agreements with Developers.
- Issue and sell Community Development Bonds.
- Acquire property rights to necessary portions of Block 40 and 57.
- Select architects and engineers pursuant to City standard practice to design the public facilities and improvements.
- Approve the public facilities and improvements design.
- Competitively select primary contractors to construct public skywalk facility and historic facade improvements.
- Construct public and private facilities and improvements.

**EXHIBIT IV-51
COMMERCE COURT-LINCOLN SQUARE SKYWALK AND
HISTORIC FACADE IMPROVEMENT EXPENDITURES**

Public Expenditures

Property Acquisition, Demolition (Historic Facade access modifications) to Commerce Court, and Lincoln Square Buildings	\$ 85,000 ¹
Construction of Skywalk Bridge	800,000
Architect/Engineering Services	85,000
Bond underwriters and issuance expenses	5,089
Contingency	45,000
	\$ 1,020,089

Private Redeveloper Expenditures

Commerce Court - Lincoln Square Skywalk Development	\$3,400,000
	\$3,400,000

GRAND TOTAL PUBLIC/PRIVATE EXPENDITURES **\$ 4,420,089**

¹ *Property construction easements and/or property rights as necessary to be acquired by City of Lincoln for the public access corridor, facade easements, and skywalk facade access will be provided for \$1.00 and other considerations.*

**EXHIBIT IV-52
COMMERCE COURT-LINCOLN SQUARE SKYWALK AND
HISTORIC FACADE IMPROVEMENT PROJECT FUNDING SUMMARY**

Funding By Type of Funding

Public Sources

Community Improvement Financing (Phase IV and/or Phases I, II, and III)	\$326,003
Downtown Lincoln Center Redevelopment Bonds	85,000
Special Assessment Funds	508,086 ²
Capital Improvements Program/General Funds	100,000
Interest Income (minimal)	1,000
	\$ 1,020,089

Private Developers

PRIVATE DEVELOPERS TOTAL **\$3,400,000**

\$ 4,420,089

² *All costs for construction of the Skywalk Bridge in excess of Public CIF Sources, \$85,000 Downtown Bond Funds, \$100,000 CIP/General Funds and/or interest Income shall be Special Assessed to the abutting Property Owner/Applicants; except for special amenities desired by the City such as exterior signage, art work, etc., and as agreed to in a Redevelopment Agreement.*

EXHIBIT IV-53

**COMMERCE COURT-LINCOLN SQUARE SKYWALK AND
HISTORIC FACADE IMPROVEMENT**

Community Improvement Financing

Property Valuation After Renovation

Commerce Court (Hovland & Former Dalton Book Store)	\$ 3,400,000
Lincoln Square	<u>\$ 1,897,377</u>
	\$ 5,297,377
1989 Valuation:	
Hovland	\$1,333,148
Former Dalton Book Store	130,140
Lincoln Square Facility	\$1,897,377
	<u>-\$ 3,360,665</u>
Tax Increment Value	\$ 1,936,712
Tax Rate	<u>.0263</u>
Tax Increment Available (without coverage) annual	\$ 51,028
Tax Increment Available (1.25 coverage) annual	\$ 40,822
Available Funds	
TIF Bonds \$304,600/TIF Cash \$73,427	\$ 378,027