

CITY OF
FREMONT
NEBRASKA PATHFINDERS

400 East Military Avenue, Fremont, NE 68025-5141

May 3, 2019

RE: Amendment to Redevelopment Plan

Dear Property Owner:

You are hereby advised that the City of Fremont has received the following application(s):

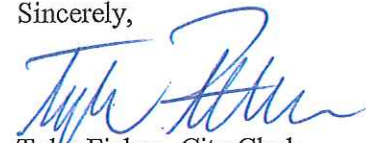
A request by Heather A. Carver on behalf of WCBS, LLC to amend the Morningside Area Redevelopment Plan to specifically identify the WCBS project generally located 440 feet northeast of the intersection of Morningside Rd and Luther Rd.

The public hearing on this application will be held before the City of Fremont CDA and the City of Fremont City Council on the 14th day of May, 2019. The public hearing is your opportunity to appear and speak on the merits of this application, if you so choose. The CDA and City Council study session begins at 6:45 PM followed by the formal meeting at 7:00 PM in the Fremont City Council Chambers located on the second floor in the Fremont Municipal Building at 400 East Military Avenue, Fremont, Nebraska. Additional information, including the staff report to the Planning Commission can be found at the following web link; <http://www.fremontne.gov/AgendaCenter/ViewFile/Agenda/04152019-834>

If you would like more information, you are encouraged to contact the applicant Heather Carver at 402-397-1700 or hcarver@clinewilliams.com, or the Planning Director, Jennifer Dam at 402-727-2636 or jennifer.dam@fremontne.gov.

The City Council staff report and recommendation will be available at the City Clerk's office on Friday, May 10th after 4:30 PM. The City Council Agenda and staff reports will also be available on the City's website at that time, www.fremontne.gov.

Sincerely,



Tyler Ficken, City Clerk

Attachment: Amendment

Cc: Heather Carver
Fremont School Board
Educational Service Unit
Community College
County Board
Lower Platte North NRD



COPY

Agenda Item # 25a.
Date 5-22-2019

2019 MAY - 3 PM 2: 22
RECEIVED
Dodge Co Highway Dept

**AMENDMENT TO THE REDEVELOPMENT PLAN
FOR THE MORNINGSIDE ROAD REDEVELOPMENT AREA
IN THE CITY OF FREMONT, NEBRASKA**

(WCBS REDEVELOPMENT PROJECT)

The City of Fremont, Nebraska ("City") has undertaken a plan of redevelopment within the community pursuant to the adoption of the Redevelopment Plan for the Morningside Road Redevelopment Area in the City of Fremont, as amended (the "Redevelopment Plan"). The Redevelopment Plan was prepared by the City in May of 2014 and was approved by the City Council of the City on July 29, 2014, pursuant to Resolution No. 2014-138. The Redevelopment Plan serves as a guide for the implementation of redevelopment activities within certain areas of the City, as set forth in the Redevelopment Plan.

Pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the "Act"), the City created the Community Development Agency of the City of Fremont ("CDA"), which has administered the Redevelopment Plan for the City.

The purpose of this Plan Amendment is to identify a specific project within the Redevelopment Area that will cause the removal of blight and substandard conditions on the site located in the City of Fremont, Nebraska, and legally described on the attached and incorporated Exhibit "A" (the "Project Site").

The Project Site

The Project Site is in need of redevelopment. The CDA has considered whether the redevelopment of the Project Site will conform to the City's general plan and the coordinated, adjusted, and harmonious development of the City and its environs. In this consideration, the CDA finds that the proposed redevelopment of the Project Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight. The blighted condition of the Project Site and the Redevelopment Area has contributed to its inability to attract business and/or development. In order to support private development, the Project Site and the Redevelopment Area are in need of redevelopment.

The Project Site is currently vacant and underdeveloped. The Project Site requires significant upfront costs, including site preparation, installation of public utilities and street improvements, in order to be developed. The location of the Project Site just south of the Lon D. Wright Power Plant, which produces coal dust in the area, and the significant upfront costs required to develop the Project Site, contribute to its inability to attract development. Due to the additional upfront costs required to eliminate the blighted and substandard conditions from the Project Site,

the Project is not feasible without the use of tax increment financing, which will be used to pay for eligible expenditures under the Act. The redevelopment of the Project Site is anticipated to eliminate the current blight and substandard conditions of the Project Site and will further the purposes of the Act in conformity with the Redevelopment Plan.

Description of the Project

WCBS, LLC (the "Redeveloper") has submitted a proposal for the redevelopment of the Project Site. The Project will consist of the construction of an approximately 70,000 square foot warehouse, an office, and associated improvements on the Project Site. The Redeveloper will pay the costs of the private improvements, including the costs of construction of the building on the Project Site. As part of the Project, the CDA shall capture available tax increment revenues generated by the redevelopment of the Project Site to reimburse the Redeveloper or assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area and to be more fully described in the Redevelopment Agreement. Such public improvements may include, but are not limited to: site acquisition, site preparation and grading, architectural and engineering fees, installation and extension of public utilities, installation of streets and sidewalks, energy enhancements, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements under the Act. The specific public improvements for which the available tax increment revenues generated by the Project will be used will be described in more detail in the Redevelopment Agreement.

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. Attached as Exhibit "B" and incorporated herein by this reference is a consideration of the statutory elements under the Nebraska Community Development Law.

Cost-Benefit Analysis

Pursuant to Section 18-2113 of the Act, the CDA must conduct a cost-benefit analysis for any redevelopment project that will utilize TIF. The Cost-Benefit Analysis for the Project is attached hereto as Exhibit "C" and shall be approved as part of this Plan Amendment. The estimated costs of the Project, the estimated TIF proceeds, and the proposed method of financing the Project are set forth in the Cost-Benefit Analysis.

EXHIBIT "A"
Legal Description of the Project Site

The improvements for this Project shall be constructed on the property legally described as follows:

The South 380 feet of Lot 2R, Morningside North Business Park Replat, as surveyed, platted and recorded in the City of Fremont, Dodge County, Nebraska.

EXHIBIT "B"
Statutory Elements

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property or relocation of families or businesses is necessary to accomplish the Project. The City of Fremont currently owns the Project Site. The CDA shall acquire the Project Site and convey it to the Redeveloper as necessary to redevelop the Project Site. The conveyance of the Project Site shall be described in greater detail in the Redevelopment Agreement and shall comply with the Nebraska Community Development Law and all other applicable laws.

B. Population Density

The proposed Project includes the construction of an approximately 70,000 square foot warehouse and office facility on undeveloped land, which will not significantly affect population density in the project area.

C. Land Coverage

The Project is anticipated to consist of construction of an approximately 70,000 square foot warehouse and office facility on the approximately 6.6 acre Project Site, which is part of a larger lot consisting of approximately 14.2 acres. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of Fremont.

D. Traffic Flow, Street Layouts, and Street Grades

The Project is not anticipated to materially increase traffic to and from the Project Site. As a result, no changes in street layout or street grade are anticipated.

E. Parking

The Project will include construction a parking lot that will meet or exceed parking requirements set forth in the applicable zoning district.

F. Zoning, Building Code, and Ordinances

The Project Site is located in the Limited Industrial zoning district. Redeveloper will be responsible for obtaining any zoning, building code, or ordinance changes that are necessary for the Project.

EXHIBIT "C"
Cost-Benefit Analysis

**COMMUNITY DEVELOPMENT AGENCY
CITY OF FREMONT, NEBRASKA
WCBS REDEVELOPMENT PROJECT
COST-BENEFIT ANALYSIS
(Pursuant to Neb. Rev. Stat. § 18-2113)**

The WCBS Redevelopment Project (the "Project") will consist of construction of an approximately 70,000 square foot warehouse, office facility and associated improvements on the Project Site, as more particularly described on Exhibit "C-1". The cost-benefit analysis for the Project, which will utilize funds authorized by Neb. Rev. Stat. § 18-2147, can be summarized as follows:

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

a.	Estimated Base Project Area Valuation:	\$184,000
b.	Estimated Completed Project Assessed Valuation:	\$1,995,000
c.	Estimated Tax Increment Base (b. minus a.):	\$1,811,000
d.	Estimated Annual Projected Tax Shift:	\$37,000

Note: The Estimated Annual Projected Tax shift is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The estimated tax levy for this analysis is 2.041365, which is the 2018 Dodge County tax levy, and is subject to change.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

The Redeveloper will make significant expenditures for the acquisition, construction and installation of the Project and related and ancillary improvements. It is proposed that approximately \$360,000 of these expenditures will be financed with the proceeds of tax increment financing indebtedness, with the remaining balance to be paid by the Redeveloper. The sources and uses of the TIF indebtedness will be more particularly set forth in the Redevelopment Agreement for this Project. It is anticipated that eligible uses of the TIF indebtedness may include the following: site acquisition, site preparation, architectural and engineering fees, public utility extension and installation, installation of streets and sidewalks, energy efficiency enhancements, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare. All expenditures financed by tax increment financing indebtedness shall be eligible in accordance with the requirements of the Nebraska Community Development Law. It is not anticipated that the Project will have a material adverse impact on existing public infrastructure. The Project improvements will materially benefit other property in and around the City.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, it is intended to create a long term benefit and substantial increase in property taxes to the City and other local taxing jurisdictions. Since the Project Site is unlikely to attract development on account of its proximity to the Lon D. Wright Power Plan, the City would be unlikely to realize additional ad valorem taxes in the near future without the Project. The Project should also generate immediate tax growth for the City. It is anticipated that the Project will include a significant amount of personal property that will be installed within the commercial buildings constructed, such as refrigeration and other equipment, which will be on the property tax rolls upon its acquisition and installation.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is anticipated that the Project will have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the redevelopment project, because the enhancements to the Project Site should attract additional redevelopment to the area of the Project. Further, the Project will likely require products and services from firms located within the boundaries of the area of the redevelopment project.

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

The Project should have a material 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 also increase the need for services and products from existing businesses. Since the Project includes an office component, upon occupancy the Project may require the purchase of janitorial services, office supplies, and other similar products and services.

5. Impacts on the student populations of school districts within the City:

The Project is not expected to have an impact on student populations of school districts within the City of Fremont because the Project does not include the construction of any dwelling units.

6. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Project is anticipated to create additional full- and part-time jobs at the facility constructed on the Project Site, which will have secondary employment effects in other employment sectors in the City of Fremont.

There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

6. Cost Benefit Analysis Conclusion:

Based upon the findings presented in this cost benefit analysis, the benefits outweigh the costs of the proposed Project.

Approved by the Community Development Agency, City of Fremont this ____ day of _____, 2019.

_____, Chairman

_____, Secretary

EXHIBIT C-1

PROJECT INFORMATION

The Project will be undertaken on the real estate legally described as:

The South 380 feet of Lot 2R, Morningside North Business Park Replat, as surveyed, platted and recorded in the City of Fremont, Dodge County, Nebraska

(the "Project Site"). The Project shall consist of the following Private Improvements and Public Improvements:

- (a) **Private Improvements.** The private improvements to be constructed by the Redeveloper on the Project Site include a new approximately 70,000 square foot warehouse, office, and associated improvements.
- (b) **Public Improvements.** Land acquisition, installation and extension of public utilities, site preparation and grading, installation of streets and sidewalks, energy efficiency enhancements, and other eligible public expenditures under the Act as determined in the Redevelopment Agreement; paid for, in part, by the tax increment generated by the private improvements.

General Redevelopment Plan

for the

Morningside Road Area

May 2014



Prepared by:

Fremont Planning Department

Purpose of the Redevelopment Plan

The purpose of this redevelopment plan is to help guide the general redevelopment of the area contained within the Morningside Blight Study. According to the Community Development Law contained within state statutes, the general redevelopment plan is geared toward establishing remedies that alleviate the conditions causing blighted and substandard conditions and thus improving the overall economic well-being of the area and community as a whole.

Legal Description of the redevelopment area

The legal description for the 23rd & Bell redevelopment area is the same as adopted in the 23rd & Bell Blight Study; which was more particularly described as:

The findings of this blight study are based on analysis conducted for a location referred to as the "Morningside", a track of land described as follows: From the Point of Beginning at the northwest corner of Iowa Rail Road Land Company Tax Lots 122 & 123; thence east along the south edge of the Union Pacific Rail Road right of way to the north west corner of Missouri Valley Land Company Lot 11 Section 24 Township 17 Range 8; thence south to the southwest corner of Missouri Valley Land Company Lot 11, Section 24 Township 17 Range 8; thence east along a line parallel to Morningside Road to South Johnson Road; thence north on South Johnson Road to the northwest corner of Tax Lot 26 & Part of Tax Lot 22, Section 19 Township 17 Range 9; thence northeast along south edge of the Union Pacific Railroad right of way to the northeast corner of Tax Lot 26 & Part of Tax Lot 22, Section 19 Township 17, Range 9; thence south along the west right of way of Nebraska Department of Roads Highway 275 right of way to the Morningside Road right of way; thence west along Morningside Road to the intersection of Old Highway 3 and Morningside Road; thence southeast to the southeast corner of Tax Lot 21 Section 25 Township 17 Range 8; thence west along a line parallel to Morningside Road to Jones Street; thence south along Jones Street to the southeast corner of Rail Road Subdivision Part Lots 1 & 2 Tax Lot 77 Section 25 Township 17 Range 8; thence northwest along the Highway 275 right of way; concluding at the northwest corner of Iowa Rail Road Land Company Tax Lots 122 & 123.

Background

Community Development Law, found in Sections 18-2101 through 18-2144 of the Nebraska Revised Statutes, allows a community to undertake efforts to revitalize blighted and substandard areas. The City has undertaken the preparation of this redevelopment plan with the desire to improve the social and economic well-being of the community by either introducing projects that address the conditions that contribute to blight or entertaining efforts by the private sector to alleviate such conditions through specific projects.

This redevelopment plan notes general activities and/or projects within the Morningside study area. A redevelopment project can involve a broad range of activities including:

- Disposal of property, either real or personal
- Acquisition of blighted and substandard areas
- Sale or lease of land for a variety of purposes
- Acquisition of real property to be repaired or rehabilitated

- Demolition of existing buildings, structures, public facilities, and infrastructure as well as the construction of the same as deemed essential to the preparation of sites for uses in accordance with a redevelopment plan

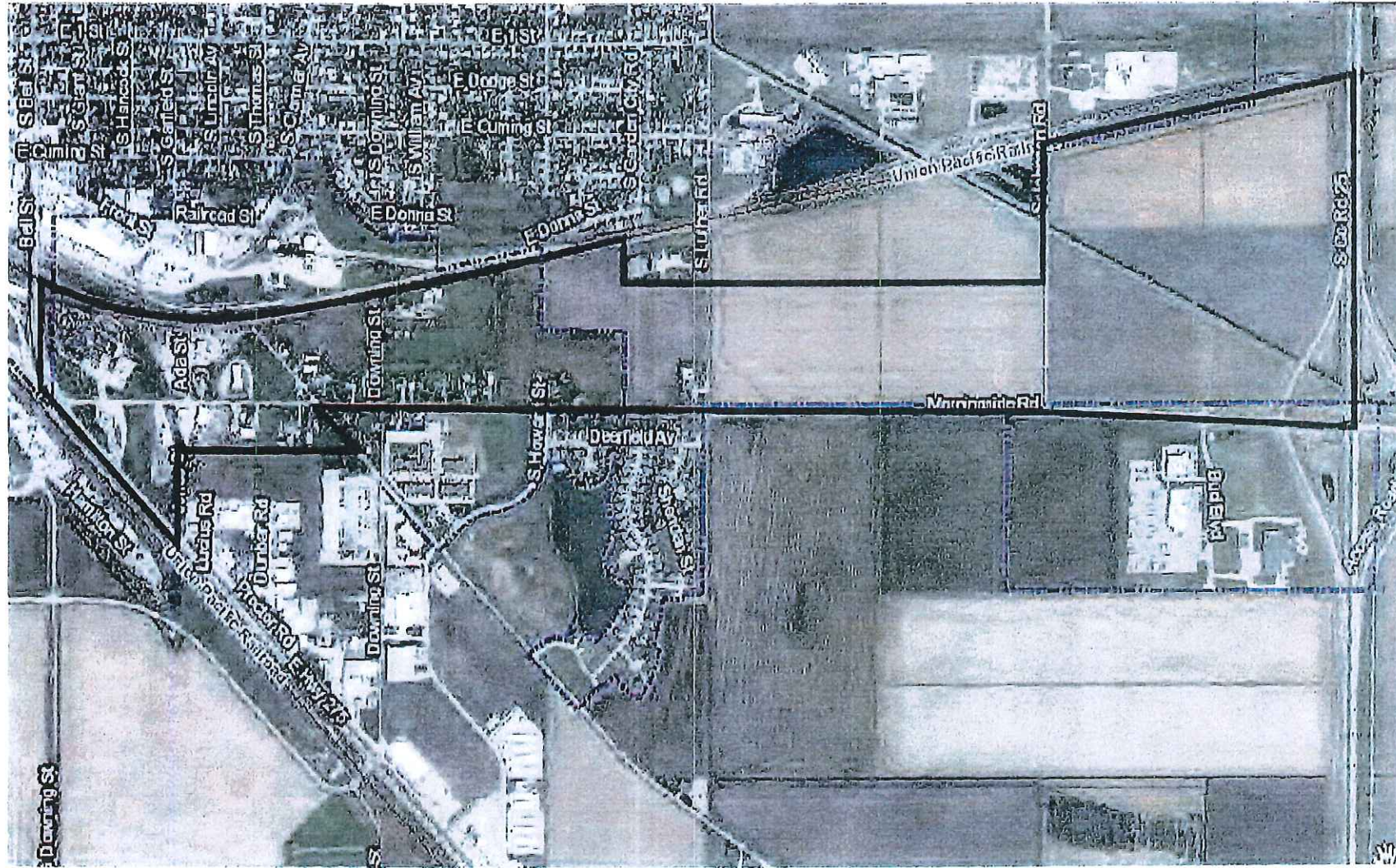
However, it is important to note that state statutes mandate a detailed proposal outlining a redevelopment project or activity must be submitted to the City and its redevelopment authority for evaluation prior to approval as a qualified project. This also includes a cost benefit analysis for any potential project involving Tax Increment Financing (TIF).

With regard to the comprehensive plan, it is hereby incorporated by reference. Additionally, if any conditions found in the redevelopment plan are found to be in conflict with the comprehensive plan, the provisions of the comprehensive plan shall supersede this document. Furthermore, this redevelopment plan shall not constitute an amendment of the comprehensive plan.

Outline of the Redevelopment Plan

The area included in redevelopment plan is highlighted in Figure 1, which is on the following page.

Morningside Blight & Substandard Area



The area includes approximately 183 acres of land, and is a mix of residential, commercial, and light industrial uses. The blight study for this area noted that over 73% of the buildings within the redevelopment area were considered substandard due to age; with many of these structures being residential in nature. In addition, the blight study noted that almost 70% of the structures in the redevelopment area were considered blighted due to structural condition. Furthermore, the blight study notes a number of unsafe conditions relating to street layout and deteriorating infrastructure (or lack thereof),

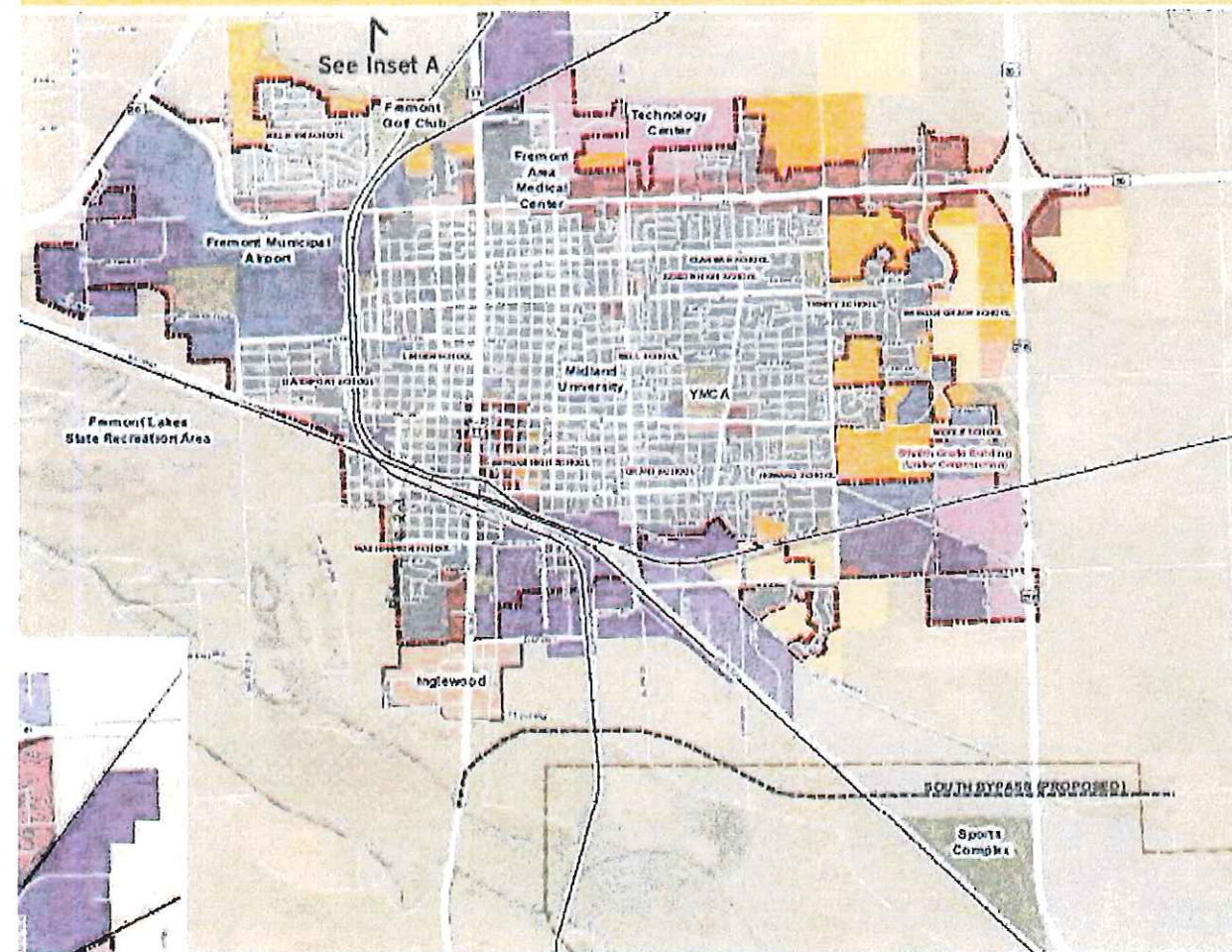
Potential redevelopment projects

As specific redevelopment projects are considered for the area, multiple factors contributing the blighted and substandard conditions should be addressed. Possible activities that would improve these conditions include:

- Removal of deteriorating and/or dilapidated structures
- Renovation or rehabilitation of structures
- Improving unsafe or unsanitary conditions relating to drainage and related infrastructure
- Assembling and platting of land for redevelopment
- Developing or improving other infrastructure in the area, including sidewalks, trails, streets, and utilities
- Increased enforcement of municipal codes relating to nuisances
- Undertaking façade, structural, streetscaping, or landscape improvements in the area
- Other projects that enhance the economic vitality of the area

Relationship to the Comprehensive Plan

Redevelopment activities should be conformance with the future land use map (attached herein) as well as the comprehensive plan as a whole. Concerning the comprehensive plan, this redevelopment plan supports the recommendations regarding the improvement of existing housing stock, redevelopment of deteriorating economic areas, and improvement of facilities that enhance the overall quality of life. Because this redevelopment plan is general in nature, specific redevelopment project must be weighed against and found to be in harmony with the comprehensive plan before being undertaken.



Map Legend

- City limits
- Inglewood
- Railroad
- Wetland Protection Area

Floodplain

- 100-Year Floodway
- Zone AE
- Zone AO-2

Future Land Use

- Rural
- Neighborhood Conservation
- Suburban Residential
- Auto-Urban Residential
- Urban Residential
- Suburban Village
- Business Park (Suburban)
- Auto-Urban Commercial
- Downtown (Urban)
- Auto-Urban Industrial
- Parks and Open Space
- Public and Institutional

Zone AE: Areas with a 1% Annual Chance of Flooding

Zone AO-2: Areas with a 1% or greater annual chance of surface flooding

* Boundaries of the floodway are for informational purposes only. Refer to the final insurance rate map for the actual boundaries.