FACTSHEET

TITLE: STREET & ALLEY VACATION NO. 17008 - 1700 K Street vacation

APPLICANT: State of Nebraska

RECOMMENDATION: A finding of conformance with the Comprehensive Plan, (6-0: Beckius, Corr, Harris, Finnegan, Washington and Hove voting 'yes'; Edgerton and Scheer absent).

STAFF RECOMMENDATION: A finding of conformance with the Comprehensive Plan

SPONSOR: Planning Department

OPPONENTS: None present at hearing.

OTHER DEPARTMENTS AFFECTED: N/A

BOARD/COMMITTEE: Planning Commission

REASON FOR LEGISLATION:

This is a request to vacate the East to West alley between South 17th and South 18th Streets between K and L Streets. The right of way currently provides access only for the State of Nebraska parking lots along K and L Streets. The State plans to use the right of way as part of a geothermal well field for the heating and cooling of the Nebraska State Capitol Building. Also, a future parking garage is planned for the site including the alley right-of-way. The area to be vacated includes 4,800 square feet, more or less. While designs are not currently available, one of the conditions of approval of this request is that the future parking garage for this site will be subject to the City's design review approval.

DISCUSSION/FINDINGS OF FACT:

1. On August 16, 2017, this street and alley vacation was before the Planning Commission as part of the Consent Agenda.

2. The staff recommendation to find the proposed vacation to be in conformance with the Comprehensive Plan is based upon the "Analysis" as set forth on p.2, concluding that the right-of-way in question only serves as access for the State of Nebraska parking lots and with the approval of the vacation will allow for both the installation of a geothermal well field and a future parking garage.

3. On August 16, 2017, the Planning Commission agreed with the staff recommendation and voted 6-0 to find the proposed vacation to be in conformance with the 2040 Comprehensive Plan.

4. The appraisal memo of January 29, 2018, by Michelle Backemeyer of the Housing Rehab & Real Estate Division of the Urban Development Department is found on p.10, recommending that the vacated rights-of-way be sold to the abutting property owner for $19,200.

5. The funds for the vacated right-of-way in the amount of $19,200 have been paid to the City Clerk, thus the requirements of provisions of Chapter 14.20 of the Lincoln Municipal Code have been satisfied.

FACTSHEET PREPARED BY: Geri Rorabaugh, Administrative Officer

DATE: February 26, 2018

REVIEWED BY: David R. Cary, Director of Planning

DATE: February 26, 2018

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APPLICATION NUMBER
Street and Alley Vacation #17008
Nebraska State Capitol HVAC and Parking Alley
PLANNING COMMISSION HEARING DATE
August 16, 2017

RELATED APPLICATIONS
None

PROPERTY ADDRESS/LOCATION
1700 K Street; East-West Alley, Block 10, Lavender’s Addition

APPLICATION CONTACT
John Egger, (402) 479-2409 or jegger@benesch.com

STAFF CONTACT
George Wesselhoft, (402) 441-6366 or gwesselhoft@lincoln.ne.gov

BRIEF SUMMARY OF REQUEST
This is a request to vacate the East to West alley between South 17th and South 18th Streets between K and L Streets. The right of way currently provides access only for the State of Nebraska parking lots along K and L Streets. The State plans to use the right of way as part of a geothermal well field for the heating and cooling of the Nebraska State Capitol Building. Also, a future parking garage is planned for the site including the alley right-of-way. The area to be vacated includes 4,800 square feet, more or less. While designs are not currently available, one of the conditions of approval of this request is that the future parking garage for this site will be subject to design review.

JUSTIFICATION FOR RECOMMENDATION
The right of way in question only serves as access for the State of Nebraska parking lots and with the approval of the vacation will allow for both the installation of a geothermal well field and a future parking garage.

COMPATIBILITY WITH THE COMPREHENSIVE PLAN
Vacation of the public right-of-way will not negatively impact the transportation system, and subject to the conditions of approval this request is in conformance with the Comprehensive Plan.
KEY QUOTES FROM THE 2040 COMPREHENSIVE PLAN

P. 4.6 - The 400-foot State Capitol is the key historic, architectural, and geographic landmark of the city and surrounding countryside. The community’s opportunity to benefit from the Capitol is further enhanced by improvements to its immediate setting.

P. 4.6 - Public buildings and structures should be well built, durable, and highly functional. Most should be designed to blend attractively within the context of surrounding development. Major civic structures should serve as focal points in the community and should be of superior, even iconic, design. All public projects should be worthy to serve as guides for future development or redevelopment.

P. 7.4 - Incorporate interconnected networks of streets, transit, trails, and sidewalks with multiple connections within and between neighborhoods and commercial centers to maximize access and mobility to provide alternatives to and reduce dependence upon the automobile.

P. 10.14 - The right of way is not shown on the Functional Street and Road Classification plan.

ANALYSIS

1. This is a request to vacate the East-West Alley between South 17th Street and South 18th Street in Block 10 of Lavender’s subdivision. The area to be vacated includes 4,800 square feet, more or less.

2. The State of Nebraska is requesting the vacation of the alley in order to create and lay out an orderly and correct geothermal well field, and then transfer heat from the depths of those wells to and from the Nebraska State Capitol Building. Wells will be drilled in the right-of-way of the alley. At the same time, the footings for a future parking garage will be installed with the installation of the geothermal well field.

3. Lincoln Municipal Code Chapter 14.20 requires the City to establish the proper price to be paid for the right-of-way, as well as any amounts necessary to guarantee required reconstruction within the right-of-way. These values must be established and deposited with the City Clerk prior to scheduling the vacation request with the City Council.

4. LES is requesting retention of easement for their facilities in the alley. Easements will also need to be maintained for sanitary sewer. These utilities must be relocated when necessary for the future site projects.

5. The State has been discussing with the City options for future development on the site. They have been preparing a master plan for State government functions in the vicinity of the Capitol that will show a future parking garage at this location. While designs are not currently available for the parking garage, as a condition of approval of the alley vacation a deed restriction should require that the parking garage will be subject to design review and approval by the City.

6. In the near term, the block where the alley is located will be used as a surface parking lot which the Urban Design Committee reviewed at their meeting on August 1 (see attached meeting minutes).

7. The proposed vacation subject to conditions will not be of detriment to Lincoln’s transportation system and would be in conformance with the Comprehensive Plan.

CONDITIONS OF APPROVAL: See attached.

EXISTING LAND USE & ZONING: Parking lot; B-4

SURROUNDING LAND USE & ZONING

North: Parking lot; B-4
South: Parking lot; B-4
East: Parking lot; B-4
West: Parking lot; B-4

APPROXIMATE LAND AREA: 4,800 square feet
LEGAL DESCRIPTION: East-West Alley, Block 10, Lavender’s Addition

Prepared by

___________________________
George Wesselhoft, Planner
(402) 441-6366 or gwesselhoft@lincoln.ne.gov
August 3, 2017

Applicant/ Contact: Frank Doland/John Egger
825 M Street
Lincoln, NE 68508
(402) 479-2409

Owner: City of Lincoln
555 South 10th Street
Lincoln, NE 68508

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CONDITIONS OF APPROVAL - STREET AND ALLEY VACATION #17008

BEFORE THE VACATION REQUEST IS SCHEDULED ON THE CITY COUNCIL AGENDA THE FOLLOWING MUST BE COMPLETED:

1.1 The provisions of Chapter 14.20 of the Lincoln Municipal Code are met.

BEFORE THE DEED TRANSFER THE FOLLOWING MUST BE COMPLETED:

2.1 Include retention of easements for LES prior to deed transfer.

2.2 Include retention of easements for sanitary sewer lines prior to deed transfer.

2.3 As part of the deed transfer a restriction shall be included such that any future parking garage in the block where the alley is located shall be subject to City approval of the exterior design.
Street and Alley Vacation #: SAV17008
Alley from S 17th to S 18th Street
between K St and L St

Zoning:
- R-1 to R-8: Residential District
- AG: Agricultural District
- AGR: Agricultural Residential District
- O-1: Office District
- O-2: Suburban Office District
- O-3: Office Park District
- R-T: Residential Transition District
- B-1: Local Business District
- B-2: Planned Neighborhood Business District
- B-3: Commercial District
- B-4: Lincoln Center Business District
- B-5: Planned Regional Business District
- H-1: Interstate Commercial District
- H-2: Highway Business District
- H-3: Highway Commercial District
- H-4: General Commercial District
- I-1: Industrial District
- I-2: Industrial Park District
- I-3: Employment Center District
- P: Public Use District

One Square Mile:
Sec.25 T10N R06E

Area of Application
Zoning Jurisdiction Lines
Lancaster County Jurisdiction
June 21, 2017

Planning Department  
City-County Building, Suite 213  
555 South 10th Street  
Lincoln, NE 68508

RE: NEBRASKA STATE CAPITOL HVAC PROJECT and PARKING IMPROVEMENTS PROJECT

Dear Planning Department Representative:

Please find attached to this cover letter the following documentation: a) $206.00 Vacation of Public Ways Filing Fee; b) Information Sheet; c) Planning Department Application Request Form; and d) Petition to Vacate Public Way.

The State of Nebraska is in the beginning stages of two (2) major projects: 1. The Nebraska State Capitol HVAC Project; and 2. Installation of footings for a future new Parking Garage Facility Project.

Vacating the East-West Alley from the east line of South 17th Street to the west line of South 18th Street lying, or located, between K Street and L Street is necessary for the success of both projects.

The Nebraska State Capitol HVAC Project requires a vacation of the alley in order to create and lay out an orderly and technically correct geothermal well field, and then transfer heat from the depths of those wells hundreds of feet under the ground to the Nebraska State Capitol Building. Wells will be drilled in the right-of-way of the current alley, and heat will be transferred beneath the surface of the current alley to the State Capitol Building, ensuring an economical, safe, and reliable heating source while protecting and preserving our state’s most famous landmark and one of the world’s greatest and most beautiful architectural building achievements.

Another much-needed project aided by the vacation of the previously-described alley right-of-way is the completion of a beginning phase in constructing a new Parking Garage Facility. The footings for the future parking garage must be installed simultaneously with the installation of the geothermal well field. The new parking facility may be completed as early as within the next five (5) years if the footings for that facility are installed at this time.

No waivers are requested at this time. However, the state reserves its right to request any waiver that becomes required, necessary, critical, efficient, or expedient for the successful and economical completion of the projects.

The State of Nebraska is prepared to purchase the 0.11 acre constituting the vacated alley right-of-way when required.

Respectfully submitted,

[Signature]
Byron J. Brogan, Administrative Manager  
DAS/State Building Division

Amber Brannigan, Building Administrator

Department of Administrative Services | STATE BUILDING DIVISION
P.O. Box 98940  1526 K Street, Ste. 200  OFFICE 402-471-3191  
Lincoln, Nebraska 68509-8940  Lincoln, Nebraska 68508  FAX 402-471-0403  
das.nebraska.gov
STATE CAPITOL GEOTHERMAL WELL PROJECT - STATE OF NEBRASKA

Julie Cawby of BVH Architects, project manager of the Capitol HVAC project, stated this application is for a parking lot at 17th and K Streets.

Brain Pecka, landscape architect from Big Muddy Workshop, presented a view of the proposed parking lot. On the west side will be an eight foot planting bed with evergreen shrubs. The south side will be a ten foot planting bed of evergreens and deciduous shrubs. The east side will be an eight foot planting bed with evergreen shrubs. The north side will be a twelve foot planting bed with alternate evergreens and deciduous shrubs. He realized they misinterpreted the parking lot tree planting guidelines and mistakenly counted the trees in the islands. This will be corrected.

Cawby added that this site is currently a parking lot. Casper understands there will be a parking structure in the future with geothermal wells underneath. Hageman noted that part of the geothermal project is a request to vacate the alley on this site. This is why the design is being brought to Urban Design Committee. The footings for a possible future parking garage will be placed when the geothermal wells are put in.

Eagle Bull questioned if the alley exists now with curb cuts. Cawby replied there is a curb cut on 17th Street. Zimmer added that it is not currently functioning as an alley, but rather as a driveway to the parking lot. It has a little presence, but it is in the middle of the parking lot. Easements have been requested by LES and Public Works & Utilities. Cawby noted there are quite a few utilities on this site that need to be relocated.
Peace questioned if this will be parking for State of Nebraska employees. He asked if there will be gates for control. Cawby replied they are still trying to figure out the access and the type of system they want to use. There have been a lot of discussions about parking with both City and State entities.

John Heacock stated that the south entrance on K Street is being done away with. The initial thinking is that gates will not be installed until a garage is built.

Cawby met with Public Works for the past year regarding the utilities, traffic patterns and use.

**ACTION:**

Huston moved a recommendation of approval of the alley vacation, with the condition that the parking lot design standards are fully met and the approval of the alley vacation, seconded by Eagle Bull.

Peace wanted to know about the parking lot design standards. He understands there are more trees to be shown on the plan yet. He questioned if sycamore trees would fit in the shrub line. Casper noted that screen plantings have a review process. Zimmer stated that the City’s review occurs at the time of building permit.

Motion for approval carried 4-0: Casper, Eagle Bull, Huston and Peace voting ‘yes’; Kissel, Tilley and Penn absent.

State representatives left the meeting.

Discussion on the State project continued.

Casper wanted verified that the landscaping screening will go through a review process. Hageman noted she was correct. Casper commented that half of the shrubs shown on the plan would grow as much as eight foot tall. She wants to make sure all the landscaping and additional trees that are needed, are reviewed to be sure it is all in compliance with standards.

Huston questioned how many wells there will be. He believes this will provide heating and cooling for the entire Capitol building. Zimmer believes they will be over 500 feet deep. Casper noted that it will be very important information to consider when locating trees. Considerations include root zones and lighting. It could become very difficult.

Peace believes it sounds like they would have to at least have a preliminary drawing of the parking garage so they know where everything could be located. Zimmer noted that parking garage footings would be specific to a parking garage. Casper added they would have to go around the geothermal wells. Zimmer stated that once footings are installed the only likely building on the site would be a parking garage.
Peace understands the parking garage must be more than speculation. This is a big investment to place all the footings at this time. Zimmer thinks this is their fondest wish, but a parking garage is not in the budget at this time.

Huston thinks the immediate approval of the alley vacation is crucial to their plans. Zimmer noted the intention is to condition the alley vacation on seeing the plan. He wants to make sure it is a forward looking element. We can say we will need to see this again. This is an important site.

Peace would ideally like to see something on this site other than just structured parking. Zimmer stated that staff has had extensive discussions on this and the State indicates that the decision has already been made. Peace would have liked to see them at least consider something other than just a parking garage. Zimmer understood from the State representatives that the alternatives were considered and the parking-only decision was firm. Planning staff will strive to bring any design back for review.

Casper has heard the Capitol Campus master plan presentation. Parking is definitely a big issue for them and the surrounding community. She knows they are looking to address this issue. She hopes the State also investigates Bike Share at some point. Cary believes they might be interested in the future.
The State of Nebraska has made a request to vacate the east-west alley in the block bound by 17th-18th, and K to L Streets. The area was viewed and consists of a paved parking lot with no delineation of an alley other than the utility poles located in the area. The alley is 16 x 300 feet for a total of 4,800 square feet. The alley can be accessed by both 17th and 18th Streets with a right in right out along 17th Street and either right or left turns at 18th Street. The State plans to use the alley and parking lot for a geothermal well field for heating and cooling the Capitol and a future parking garage. Staff report shows a sewer line and LES utilities in the alley and both are to be retained according to comments in the report. The utilities will need to be relocated at the time of the future site projects, and it is assumed relocation costs will be paid for by the applicant.

The writer has knowledge of land values from current and previous projects in the vicinity and estimates the value in the range of $20.00/sf. As such, it is expected that any purchaser would only be willing to pay a nominal amount for assemblage of an unbuildable parcel with their own property. The area itself is not buildable as a stand alone parcel but would continue to be used for parking and access. Since utility easements will be retained in the alley until such time as they are relocated, 20% of the underlying land value is considered appropriate for assemblage purposes. The area to be vacated is calculated as follows:

$$4,800 \text{ sq ft} \times 20.00 \text{ sf} \times 20\% = 19,200$$

Therefore, if the area is to be vacated, it is recommended that the area be sold to the applicant for $19,200.

Respectfully submitted,

Michelle R. Backemeyer
Real Estate & Relocation Assistance Agent
STREET AND ALLEY VACATION NO. 17008

CONSENT AGENDA
PUBLIC HEARING & ADMINISTRATIVE ACTION
BEFORE PLANNING COMMISSION: August 16, 2017

Members present: Beckius, Corr, Finnegan, Harris, Hove, and Washington; Edgerton and Scheer absent.

The Consent Agenda consisted of the following items: COMPREHENSIVE PLAN CONFORMANCE NO. 17012, COUNTY SPECIAL PERMIT NO. 17027, SPECIAL PERMIT NO. 10004B, USE PERMIT NO. 05004A, and STREET AND ALLEY VACATION NO. 17008.

There were no ex parte communications disclosed.

Though absent, Scheer declared a Conflict of Interest on County Special Permit No. 17027.

Hove moved approval of the Consent Agenda, seconded by Beckius and carried 6-0: Beckius, Finnegan, Harris, Hove, Washington, and Corr voting 'yes'; Edgerton and Scheer absent.

Note: This is FINAL ACTION on Special Permit No. 10004B unless appealed to the City Clerk within 14 days. This is a recommendation to the City Council or County Board on all items.