**FACTSHEET**

**TITLE:** Comprehensive Plan Conformance No. 18003 - Amend the Antelope Valley Redevelopment Plan by adding the Viet Hao Redevelopment Project (2353, 2365, and 2373 O Street)

**APPLICANT:** David Landis, Director of the Urban Development Department

**RECOMMENDATION:** A finding of conformance with the Comprehensive Plan (7-0: Edgerton, Finnegan, Hove, Harris, Joy, Washington, and Corr voting 'yes'; Beckius and Scheer absent).

**OTHER DEPARTMENTS AFFECTED:** N/A

**SPONSOR:** Planning Department

**OPPONENTS:** None present at hearing.

**REASON FOR LEGISLATION:**

This is an amendment to the Antelope Valley Redevelopment Plan that identifies the Viet Hao Redevelopment Project. The project is located on the south side of O Street between South 23rd and 25th Streets. The project site is approximately 16,600 square feet and includes two vacant and dilapidated buildings along with a small parking lot adjacent to the west. The project will include a new retail store and office space and will include building demolition and new construction as well as remodeling of existing building space.

**DISCUSSION / FINDINGS OF FACT:**

1. The proposed amendment to the Antelope Valley Redevelopment Plan to add the Viet Hao Redevelopment Project was before the Planning Commission on February 14, 2018, as part of the Consent Agenda.

2. The staff recommendation of conformity with the 2040 Lincoln-Lancaster County Comprehensive Plan is based upon the “Analysis” as set forth on p.3, concluding that the project will assist in the elimination of blight and substandard conditions and will improve the area. The new building associated with the project will have a detailed brick facade in context with the surrounding buildings. The building and uses therein will fit within the context of the O Street entry corridor near the Downtown.

3. On February 14, 2018, the Planning Commission agreed with the staff recommendation and voted 7-0 to find the proposed amendment to the Community Improvement Program to be in conformance with the 2040 Comprehensive Plan.

**FACTSHEET PREPARED BY:** Geri Rorabaugh, Administrative Officer  
**DATE:** February 23, 2018

**REVIEWED BY:** David R. Cary, Director of Planning  
**DATE:** February 23, 2018
COMPATIBILITY WITH THE COMPREHENSIVE PLAN
The Project is consistent with goals in the Comprehensive Plan; specifically, encouraging redeveloping existing commercial areas in order to remove blighted conditions and support and implementation of the Antelope Valley Redevelopment Plan.

BRIEF SUMMARY OF REQUEST
This is an amendment to the Antelope Valley Redevelopment Plan that identifies the Viet Hao Redevelopment Project. The project is located on the south side of O Street between South 23rd and 25th Streets. The project site is approximately 16,600 square feet and includes two vacant and dilapidated buildings along with a small parking lot adjacent to the west. The project will include a new retail store and office space and will include building demolition and new construction as well as remodeling of existing building space.

JUSTIFICATION FOR RECOMMENDATION
The Project will assist in the elimination of blight and substandard conditions and will improve the area. The new building associated with the project will have a detailed brick facade in context with the surrounding buildings. The building and uses therein will fit within the context of the O Street entry corridor near the Downtown.

APPLICATION CONTACT
Ernie Castillo, (402) 441-7855 or ecastillo@lincoln.ne.gov

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

p. 1.9 The area is shown as Commercial on the Future Land Use map.

p. 2.8 Mixed use redevelopment, adaptive reuse, and well-designed and approximately-placed infill development, including residential, commercial and retail uses, are encouraged.

p. 5.1 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, Haymarket and the surrounding neighborhoods, it forms a vital core for the City.

P. 5.5. Commercial and Industrial Development Strategies: It is the policy that Commercial and Industrial Centers in Lancaster County be located: In existing underdeveloped or redeveloping commercial and industrial areas in order to remove blighted conditions and to more efficiently utilize existing infrastructure.

P. 6.3 Support development and implementation of the Downtown Master Plan, South Haymarket Neighborhood Plan and the Antelope Valley Redevelopment Plan.

ANTELOPE VALLEY REDEVELOPMENT PLAN SPECIFICATIONS:

P. 54 The Future Land Use Map identifies O Street east of the Antelope Creek channel to 27th Street as Mixed-Use.

P. 58 The Mixed-Use designation along “O” Street is intended to provide an attractive entry corridor to and from downtown as well as a central neighborhood amenity within the Antelope Valley Area. Due to the amount of traffic within the corridor, auto oriented land uses are predominant and will likely continue.

P. 58 Public streetscape improvements can upgrade the appearance of the area and should be matched by higher design standards for private improvements, including building materials, locations and landscaping. Emphasis should be given to maintain an attractive “edge” to the corridor of building and/or landscaping.

P. 66 A. General Principles: 1. More Choices - Provide people more choices in housing, shopping, neighborhoods, employment, recreation, entertainment and transportation.


P. 68 C. Urban Design Principles: 2. Pride of Place - Building entrances should be given emphasis or “pride of place”, placed on the street to enhance street level activity.

P. 68 C. Urban Design Principles: 6. Character of Place - Buildings should be designed to be compatible, in form and proportion, with the neighboring buildings and should include a variety of forms, materials and colors, yet these elements should be composed to maintain a complementary appearance.

P 68 C. Urban Design Principles: 7. Quality of Place - Buildings should include a richness of architectural detail to help define their scale and extend to the sidewalk in front of the property for pedestrian access and visual rhythm and interest.

P 68 C. Urban Design Principles: 12. Mix of Uses - Include a variety of uses in places that receive the most foot and car traffic to strengthen the most interesting and vital parts of town.
ANALYSIS

1. This is an amendment to the Antelope Valley Redevelopment Plan that identifies the Viet Hao Redevelopment Project. The project is located on the south side of O Street between South 23rd and 25th Streets. The project site is approximately 16,600 square feet and includes two vacant and dilapidated buildings along with a small parking lot adjacent to the west. The project will include a new retail store, specifically a new grocery store specializing in foods from Southeast Asia, and office space. The zoning is B-3 commercial.

2. The Project will include both rehabilitation and demolition and new construction components on the east half of the property. Specifically, the south part of the building project will be remodeled, the northeast part along O Street demolished and rebuilt, and the west part remodeled. All three building components will be connected. The west half of the property will consist of parking (See attached Antelope Valley Redevelopment Plan).

3. The project area is not in a flood plain; however, there is a large underground tunnel under the north half of one of the buildings. A geotechnical report concluded that the site is not suitable for typical footings and foundations due to this tunnel structure that was built on top of the underground channel for Antelope Creek.

4. Upon completion of the Project, the assessed value of the property will increase by an estimated $1,033,800. This will result in an estimated $128,200 in Tax Increment Financing (TIF) over 15 years for public improvements. The public investment of the approximately $128,200 will leverage the private investment of approximately $1,538,460 resulting in more than $12.00 of private investment for every City TIF dollar spent. The Project area public improvements may include energy and facade enhancements, site preparation, demolition and landscaping.

5. The Project is consistent with the goals of the Antelope Valley Redevelopment Plan. Specifically, providing people with more choices in shopping, creating economic development patterns that promote new business development opportunities and having buildings designed to be compatible, in form and proportion with the neighboring buildings. The new building associated with the project will have a detailed brick facade in context with the surrounding buildings. This project will continue the revitalization of the area, begun with the Health 360 project immediately to the west.

6. The Project is consistent with goals in the Comprehensive Plan; specifically, encouraging redeveloping existing commercial areas in order to remove blighted conditions and support and implementation of the Antelope Valley Redevelopment Plan. The Project will assist in the elimination of blight and substandard conditions and will improve the area.

EXISTING ZONING: B-3 Commercial

EXISTING LAND USES: Vacant buildings

SURROUNDING LAND USE AND ZONING:

North: Commercial; B-4 Lincoln Center Business District
South: Commercial; B-3 Commercial
East: Commercial; B-3 Commercial
West: Commercial; B-4 Commercial

APPROXIMATE LAND AREA: 16,600 square feet

LEGAL DESCRIPTION: Lot 95, Lot A M&L Subdivision, and the East 50’ Lot 8, Block 3 Youngs East Lincoln located in the NE 1/4 of Section 25-10-6, Lincoln, Lancaster County, Nebraska
Prepared by

___________________________
George Wesselhoft, Planner
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Date: February 1, 2018

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2420 O Street
Lincoln, NE 68510
(402) 770-1719
January 17, 2018

David Cary, Director
City of Lincoln-Lancaster County Planning Department
555 S. 10th Street
Lincoln, NE 68508

Dear David:

Please find attached one copy of the Viet Hao project amendment to the Antelope Valley Redevelopment Plan.

Please forward the amendment to the Planning Commission for their earliest consideration and review for Comprehensive Plan conformance. I understand that it should be on the February 14, 2018, Planning Commission agenda.

If you have any questions, please contact me at 1-785-5 or ecastillo@lincoln.ne.gov

Sincerely,

Ernie Castillo
Planner II

Cc: Dallas McGee
    Dave Landis
ANTELOPE VALLEY REDEVELOPMENT PLAN
LINCOLN, NE

ing new residential, commercial, and retail opportunities to the southeast portion of downtown. The current dilapidated and blighted area will become a vibrant, mixed-use district while maintaining the historic character of the area. Streetscape improvements will tie the overall area together and create a walkable neighborhood linked to Phase 1 of the Telegraph District. The entire District will change from a blighted area with vacant buildings to a desirable, walkable neighborhood close to downtown, bike trails and Union Plaza Park. One or more bike share stations may be implemented in the Telegraph District, which will add transportation and recreational opportunities to the District and the community at large.

The proposed improvements will retain and create new jobs, increase business activity and expand the tax base without adverse effect on either public or private entities. The use of Tax Increment Financing will temporarily delay the realization of the expanded real property taxes generated in the area, but there will be significant personal property, tax and other revenue generated for the immediate benefit of the community, including impact fees, excise taxes, licenses, sales taxes, and other taxes that occur and are paid in the course of normal operation of a business. Phase 2 projects will facilitate the redevelopment of underutilized buildings without the incurrence of significant public costs beyond the use of Tax Increment Financing.

Phase 2 projects should have a positive impact on private sector businesses in and beyond the redevelopment area project boundaries. The improvements are not anticipated to impose a burden on or have a negative impact on other local area employers, but should increase the need for services and products from existing businesses.

U. Viet Hao Redevelopment Project

1. Project Description

The Viet Hao Project is located at 2353 O Street (parking lot), 2365 O Street and 2373 O Street. The project consists of the rehabilitation of the 2365 O Street building and the demolition and construction of a new building at 2373 O Street. The project includes a new retail store and office space. It is located at mid-block between 23rd and 24th Street (south side), with O Street on the north and N Street on the south. See Project Area & Context, left.

The project site is approximately 16,600 square feet and is currently comprised of two vacant and dilapidated buildings. Included in the project site is a small parking lot adjacent to the west. Surrounding land uses include retail to the north, south, east and a health clinic to the west. (See Existing Land Use, next page).

The site is zoned B-3. As illustrated in Existing Zoning on the following page, other districts adjacent to the site include B-4 to the west, and P Public Use to the south and southwest encompassing Elliot School and the Antelope Valley waterway.
The Viet Hao Market project will be a grocery store specializing in foods from Southeast Asia. This new market will replace the existing business located at 2420 O Street and will double the total area of the existing market. The north half of this building is a two-story structure with structural problems and will be demolished. A geotechnical report concluded that the site is not suitable for typical footings and foundations due to a tunnel structure that was built on top of the underground channel for Antelope Creek. The tunnel is approximately 15 feet wide and the existing building was constructed on top of the tunnel. The structurally sound south half of the building will be remodeled and incorporated into the new building. The 2365 O Street building will also be remodeled to tie the redevelopment together.

The building at 2373 O Street has 16,800 square feet and when finished will have 7,100 square feet. The 2365 O Street building has 4,200 square feet and when remodeled will have 2,600 square feet. Façade and window treatments will be incorporated on the front of the building facing O Street. See Proposed Preliminary Site Plan (right, above) and a Preliminary View of the North Façade on the following page.
The project area boundaries are defined in the Project Area Context & Boundaries map. Project area public improvements may include energy and façade enhancements, site preparation, demolition and landscaping. The project area is not in a flood plain; however, there is a large underground tunnel under the building.

2. Statutory Elements

Property Acquisition, Demolition, and Disposal: No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish this Project. The north half of the 2373 O Street existing building will be demolished and reconstructed and the south half of the building will undergo an extensive internal demolition and remodeling. The 2365 O Street building will undergo extensive internal renovation.

- Population Density: The proposed development at the Project site contains no residential units and no residential units are envisioned. The Project consists of renovated retail redevelopment, which will not affect population density in the Project area.
- Land Coverage: Land coverage and building density will not be altered with construction of the Project. Future Land Use is shown on the following page.
- Traffic Flow, Street Layouts, and Street Grades: The City’s Public Works and Utilities Department has indicated that the Project is not likely to result in a significant increase in traffic. Access points will be reduced and no turn lanes are required.
- Parking: An existing, 15 stall at grade surface parking lot is part of the project.
- Zoning, Building Code, and Ordinances: Current zoning is B-3 with no re-zoning required. Applicable building codes and design standards will be met.

3. Financing and Cost Benefit Analysis

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: Upon completion of the Project, the assessed value of the property will increase by an estimated $1,033,800.00. This will result in an estimated $128,200.00 in Tax Increment Financing (TIF) over 15 years for public improvements. The public investment of the approximately $128,200.00 will leverage the private investment of approximately $1,538,460.00 resulting in more than $12.00 of private investment for every City TIF dollar spent.
- Public Infrastructure and Community Public Service Needs Impacts: It is not anticipated that the Project will have an adverse impact on existing public infrastructure or City services.
- Employment Within & Outside the Redevelopment Project Area: The Project will not have any adverse impact on employment within or outside the redevelopment project area.
- Other Impacts: The Viet Hao Project will assist in the elimination of Blight and Substandard conditions at this project site and will improve the area. This project continues the revitalization of the area, begun with the Health 360 project immediately to the west of this project. The project will also benefit the community through increased tax revenue.
COMPREHENSIVE PLAN CONFORMANCE NO. 18003

CONSENT AGENDA
PUBLIC HEARING & ADMINISTRATIVE ACTION
BEFORE PLANNING COMMISSION: February 14, 2018

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

The Consent Agenda consisted of the following items: COMPREHENSIVE PLAN CONFORMANCE NO. 18001, COMPREHENSIVE PLAN CONFORMANCE NO. 18002, CHANGE OF ZONE NO. 18002, COMPREHENSIVE PLAN NO. 18003, COMPREHENSIVE PLAN CONFORMANCE NO. 18004, and SPECIAL PERMIT NO. 18001.

For the sake of transparency, Harris declared she has a child currently enrolled at Dimensions and her older daughter also attended there.

Commissioner Beckius declared a Conflict of Interest on Comprehensive Plan Conformance No. 18004 and recused himself from the vote.

Edgerton moved approval of the Consent Agenda, seconded by Finnegan, and carried, 7-0: Edgerton, Finnegan, Harris, Hove, Joy, Washington and Corr voting ‘yes’; Beckius and Scheer absent.

Note: This is a recommendation to City Council on COMPREHENSIVE PLAN CONFORMANCE NO. 18001, COMPREHENSIVE PLAN CONFORMANCE NO. 18002, CHANGE OF ZONE NO. 18002, COMPREHENSIVE PLAN NO. 18003, and COMPREHENSIVE PLAN CONFORMANCE NO. 18004. This is FINAL ACTION on SPECIAL PERMIT NO. 18001 unless appealed to the Office of the City Clerk within 14 days.