



City of Omaha
Jean Stothert, Mayor

Planning Department

Omaha/Douglas Civic Center
1819 Farnam Street, Suite 1100
Omaha, Nebraska 68183
(402) 444-5150
Telefax (402) 444-6140

James R. Thele
Director

May 6, 2014

Honorable President

and Members of the City Council,

The attached Resolution approves the Old Millard Community Redevelopment Area (CRA) Designation. The Planning Board recommended approval of the designation of the proposed study area as a CRA at the April 2, 2014 public hearing with the following amendments: include the entire parcel commonly known as 4880 South 134th Street and the immediate western adjacent parcel as well as to include properties on the east and west sides of South 131st Street between "N" and "L" Streets. The final boundaries for the proposed Old Millard CRA study area are generally described as "L" Street on the northeast, south along 131st Street to "N" Street, west to 132nd Street, north to Cottner Street, west to 134th Street, south again to "Q" Street, west to Cottner Street along the eastern edge of Anderson Park, north to Millard Avenue, west to the West Branch Papio Creek, and then following the property lines north and east to Stevens Street on the north, and continuing east to "L" Street. The study area is approximately 86 acres. The proposed study area is located within census tract 74.55, block group 1 and census tract 74.56, block group 2.

The former Millard Lumber site is the focus area for redevelopment due to strong interest from the development community to redevelop the site; no specific project has been identified at this time. It is anticipated that there will be significant costs to clean-up and redevelop the site. Tax Increment Financing (TIF) would greatly enhance the viability of a project at this site and offset TIF eligible costs. However, before a developer can apply for TIF, the project site must be within a designated CRA. The approval of a CRA is the first step toward the use of TIF.

A Community Redevelopment Area (CRA) is one that satisfies the requirements of blighted and substandard conditions of an area in need of redevelopment as contemplated by Nebraska's Community Development Law. A study of the proposed boundaries referenced above for the CRA was conducted by the City of Omaha Planning Department. The proposed study area qualifies to be designated as a CRA for the following reasons:

- Deteriorating structures
- Poorly defined street layout
- Obsolescence of structures
- Safety of structures
- Decrease in population
- Unemployment
- Per capita income of the area

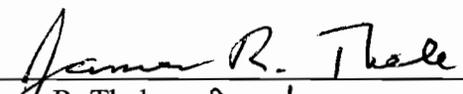
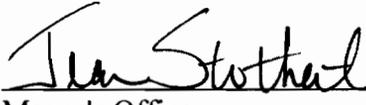
Honorable President
and Members of the City Council,

Page 2

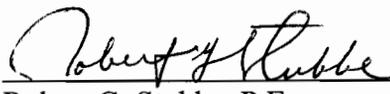
Your favorable consideration of this Resolution will be appreciated.

Respectfully submitted,

Referred to City Council for Consideration:

 James R. Thele Planning Director	<u>4/18/14</u> Date	 Ivan Stothard Mayor's Office	<u>4/23/14</u> Date
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Approved:

 Stephen B. Curtiss Finance Director	<u>4/22/14</u> Date	 Robert G. Stubbe, P.E. Public Works Director	<u>4-23-14</u> Date
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2009 dlh

Notice of Publication Dates: May 8, 2014 and May 15, 2014

Public Hearing Date: June 3, 2014

CITY OF OMAHA

LEGISLATIVE CHAMBER

Omaha, Nebraska

RESOLVED BY THE CITY COUNCIL OF THE CITY OF OMAHA:

WHEREAS, the primary objectives of the City of Omaha’s Master Plan and Community Development Program are to encourage additional private investment and infill development within inner city neighborhoods; and to eliminate the conditions which are detrimental to the public health, safety and welfare by developing vacant, underutilized property within these neighborhoods; and,

WHEREAS, State Statute 18-2109 requires that before any redevelopment plan be prepared, the City Council must declare that the proposed redevelopment area, hereinafter called a community development area (CRA), meets the standards established by Nebraska’s Community Development Law as being a substandard and blighted area in need of redevelopment; and,

WHEREAS, a study of an approximately 86 acre area in Old Millard within census tracts and block groups 74.55-2 and 74.56-1, which has boundaries generally described as “L” Street on the northeast, south along 131st Street to “N” Street, west to 132nd Street, north to Cottner Street, west to 134th Street, south again to “Q” Street, west to Cottner Street along the eastern edge of Anderson Park, north to Millard Avenue, west to the West Branch Papio Creek, and then following the property lines north and east to Stevens Street on the north, and continuing east to “L” Street; and,

WHEREAS, the proposed 86 acre study area, also known as the Old Millard Community Redevelopment Area (CRA), meets the conditions of both blighted and substandard as defined by State Statute 18-2103 pursuant to the analysis described in Exhibit “A” attached hereto and made a part hereof; and,

WHEREAS, the study area is within the corporate limits of the City of Omaha and will be designated a community redevelopment area upon City Council approval; and,

WHEREAS, this analysis and designation shall supplement and not supplant the areas already declared blighted and substandard within the study area; and,

WHEREAS, at its public hearing on April 2, 2014, the City of Omaha Planning Board approved the request that the Old Millard CRA designation be designated a community redevelopment area; and,

By.....
Councilmember

Adopted.....
.....
City Clerk

Approved.....
Mayor

CITY OF OMAHA

LEGISLATIVE CHAMBER

Omaha, Nebraska

Page 2

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OMAHA:

THAT, the Old Millard CRA located within census tracts and block groups 74.55-2 and 74.56-1, consisting of approximately 86 acres and generally described as "L" Street on the northeast, south along 131st Street to "N" Street, west to 132nd Street, north to Cottner Street, west to 134th Street, south again to "Q" Street, west to Cottner Street along the eastern edge of Anderson Park, north to Millard Avenue, west to the West Branch Papio Creek, and then following the property lines north and east to Stevens Street on the north, and continuing east to "L" Street, is hereby declared to meet the standards of a substandard and blighted area in need of redevelopment as contemplated by the requirements of Nebraska Community Development Law and is hereby designated a community redevelopment area.

APPROVED AS TO FORM:

 5/1/14

DEPUTY CITY ATTORNEY

DATE

2009 dlh

By.....
Councilmember

Adopted.....

.....
City Clerk

Approved.....
Mayor

OLD MILLARD COMMUNITY REDEVELOPMENT AREA (CRA) DESIGNATION

GENERAL BOUNDARIES ARE "L" STREET ON THE NORTHEAST, SOUTH ALONG 131ST STREET TO "N" STREET, WEST TO 132ND STREET, NORTH TO COTTNER STREET, WEST TO 134TH STREET, SOUTH AGAIN TO "Q" STREET, WEST TO COTTNER STREET ALONG THE EASTERN EDGE OF ANDERSON PARK, NORTH TO MILLARD AVENUE, WEST TO THE WEST BRANCH PAPIO CREEK, AND THEN FOLLOWING THE PROPERTY LINES NORTH AND EAST TO STEVENS STREET ON THE NORTH, AND CONTINUING EAST TO "L" STREET

MAY 2014



Jean Stothert, Mayor City of Omaha



James R. Thele, Director
Planning Department
Omaha/Douglas Civic Center
1819 Farnam Street, Ste. 1111
Omaha, Nebraska 68183

AMENDED

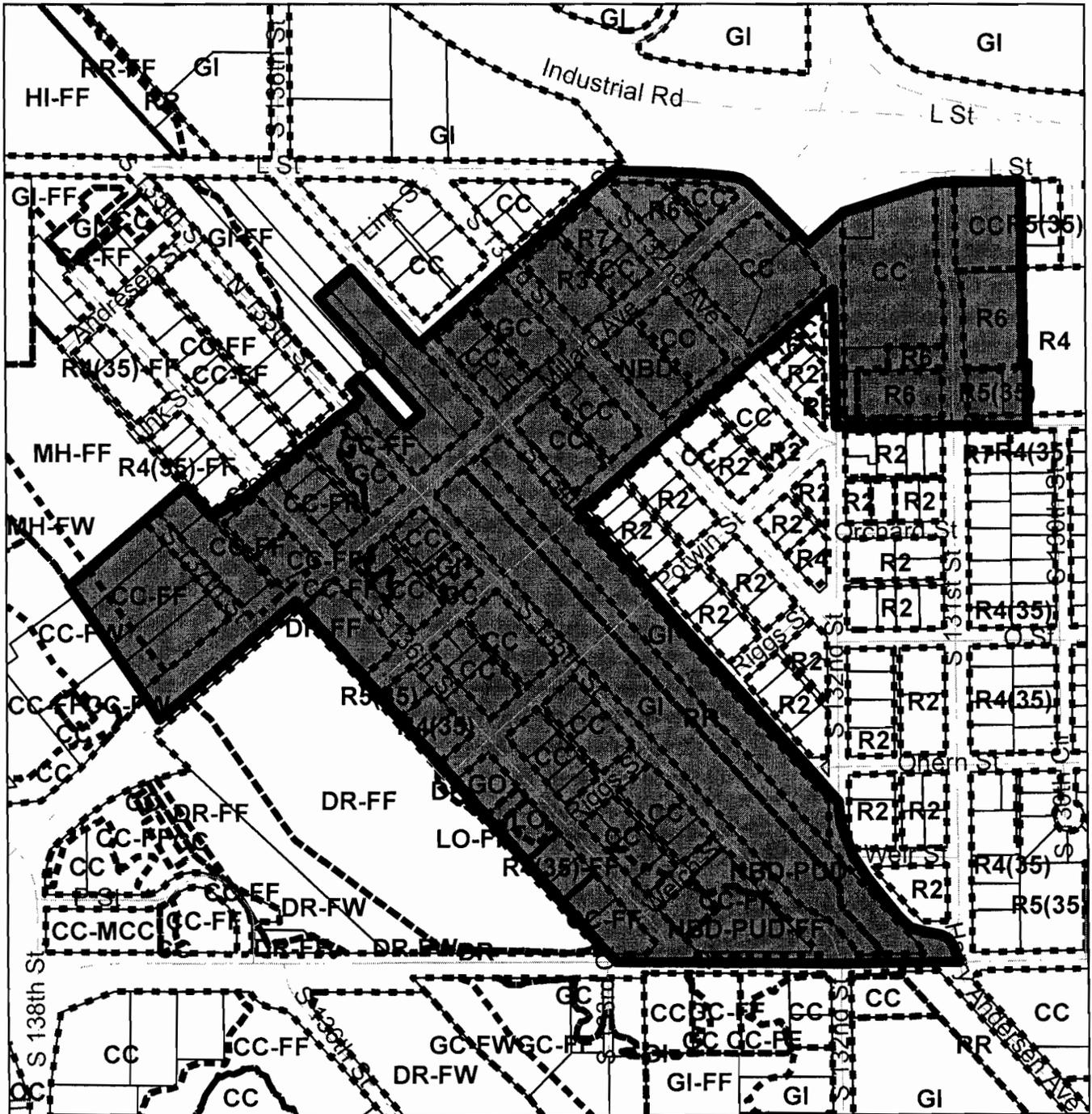
CASE: C3-14-026

APPLICANT: Planning Department on behalf of the City of Omaha

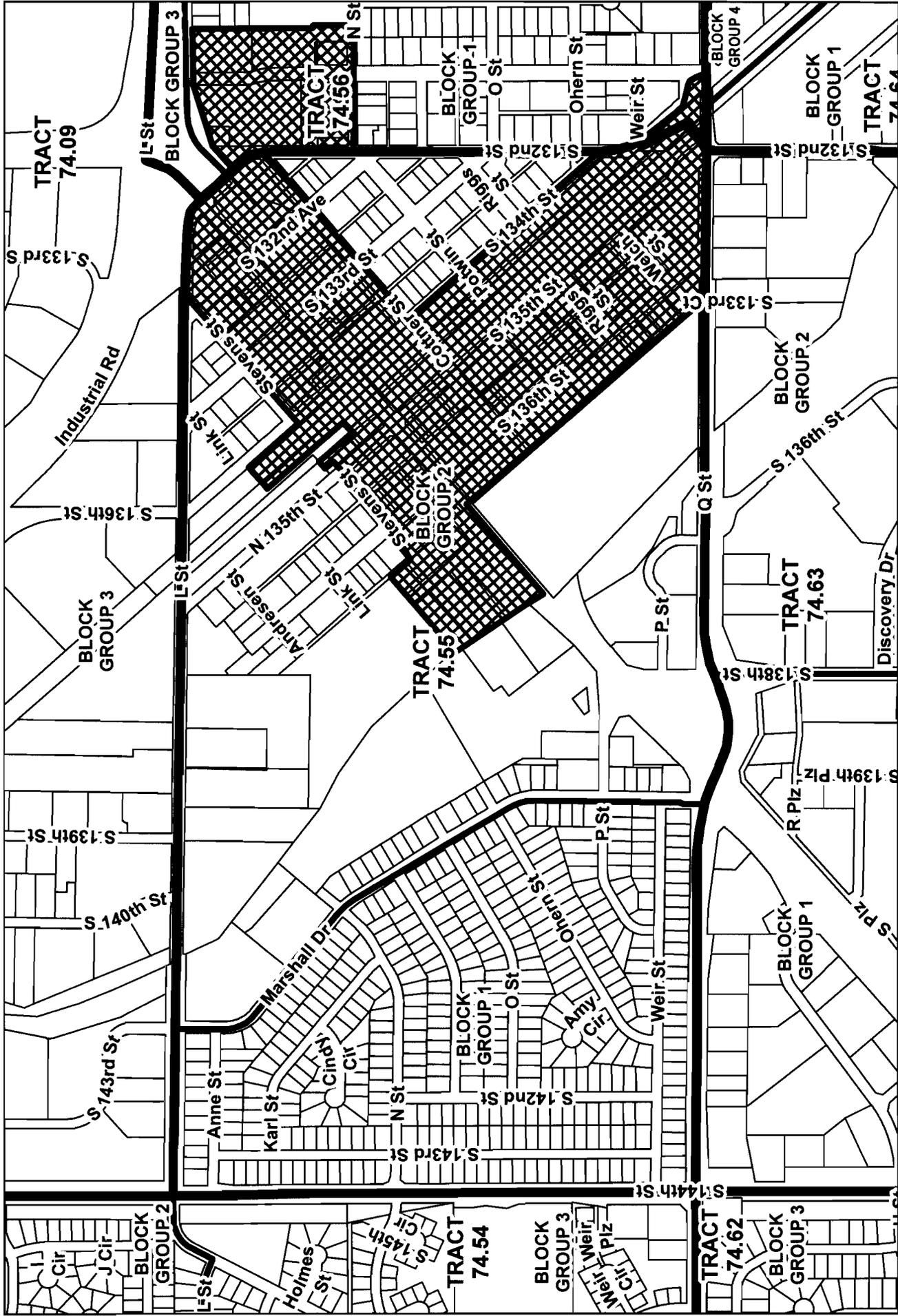
REQUEST: Approval of the Old Millard Community Redevelopment Area Designation

LOCATION: An area generally bounded by "L" Street on the northeast, south to Cottner Street, west to 134th Street, south to "Q" Street, west to Cottner Street, north to Millard Avenue, west to the West Branch Papio Creek, and then following the property lines north and east to Stevens Street on the north back to "L" Street (laid over from 03/05/14)

SUBJECT AREA IS SHADED - APRIL 2014



Part of Census Block Groups 74.55-2 and 74.56-1 with Proposed Old Millard CRA



Printed 4-11-2014



 Old Millard CRA
 CENSUS TRACT 2010
 CENSUS BLOCK GROUP 2010

Substandard and Blight Designation for the Millard Lumber Yard Area
(Revised after April 2, 2014 Planning Board)

The subject area of this analysis, the Old Millard Area (OMA), is an approximately 86 acre site located in southwest Omaha which includes the former Millard Lumber Yard and the original central business district of the former town of Millard. The area is a “T” shaped site immediately southwest of where “L” Street splits into Industrial Road and Millard Avenue at 132nd Street. Millard Avenue was designed to run parallel and perpendicular to the direction of the original route of the transcontinental railroad rather than with an east/west and north/south orientation. The intersection of the Millard Avenue and the railroad line form the “cross” of the “T” shaped area. The approximate boundary of the site: from “Q” Street at South 131st Street/Harry Andersen Avenue the boundary extends northwest along South 132nd/134th Streets to Cottner Street. From South 134th Street the boundary continues northeast on Cottner Street then southeast to what is 132nd and “N” Streets, east to 131st Street to include properties east and west sides of South 131st Street, then north to “L” Street, then northwest for approximately two blocks around to Stevens Street. The boundary continues southwest along Stevens Street -inclusive of the entire parcel commonly known as 4880 South 134th Street and the immediate western adjacent parcel - to 137th Street, then northwest approximately 110 feet and then southwest approximately 250 feet to the West Papillion Creek. The boundary continues southeast along the West Papillion Creek until it intersects with Millard Avenue, then follows Millard Avenue northeast approximately 600 feet to the northeast corner of Andersen Park. Following the eastern edge of the park until it intersects with “Q” Street at 133rd Street. From that point the boundary follows “Q” Street east, back to South 131st Street/Harry Andersen Avenue. (See Map 1. Boundaries amended at the April 2, 2014 Planning Board public hearing to include the entire parcel commonly known as 4880 South 134th Street and the immediate western adjacent parcel as well as to include properties on the east and west sides of South 131st Street between “N” and “L” Streets.)

Section 18-2103 of Nebraska Community Development Law requires the identification of specifically defined deteriorating conditions within an area of a community in order to seek remedies established by the law. Through an analysis of the area, the conditions are compared to the required criteria to determine if the area qualifies as blighted and substandard. If qualified, a written analysis is completed and approved by the governing body/local government, in this case the City of Omaha, declaring the area “Blighted and Substandard.” This Blighted and Substandard Designation permits the creation of a redevelopment plan describing the conditions within the area and identifying the redevelopment activities that will be undertaken to reduce or eliminate the deteriorating conditions identified in the designation. The following written analysis establishes the subject area blighted and substandard.

The context in which the OMA exists is the former City of Millard in southwest Omaha. Settled in the 1850s, platted in 1871 and incorporated in 1885, the population of Millard fluctuated around several hundred from its first official U. S. Census in 1890 until 1950. By 1960 the population more than doubled to just over 1,000 people and reached nearly 7,500 people according the final census of Millard as an autonomous municipality in 1970. The official annexation by the City of Omaha took place in 1971. Omaha had been expanding westward for decades even while losing population to leapfrog development at the metropolitan fringe. The

population boom that began in the 1960s was triggered by the construction of a new Western Electric factory at 132nd and “L” in the late 1950s. By the end of the 1960s, Western Electric had an annual payroll of \$30 million and paid over a million dollars in taxes.

The company that would become Millard Lumber began in 1883 and was located along the Union Pacific tracks in the heart of Millard. From its beginning through the mid-20th Century Millard Lumber dealt in a variety of goods to meet the needs of its agricultural surroundings. When Omaha began expanding westward, Millard Lumber started a steady expansion/shift toward predominately lumber. Booming by the 1970s, Millard Lumber’s growth placed it in the top three percent in sales for independent lumber companies in the United States. Millard Lumber moved its operation to a 70 acre site several miles to the north of the original town of Millard. Currently, the former Millard Lumber site is a collection of storage buildings, yards and offices standing vacant on mostly deteriorating concrete.

The remainder of the OMA that surrounds the former Millard Lumber Yard site on all but one side is an assortment of uses with a variety of structural ages and conditions. It includes the original “Main Street”, Millard Avenue, as well as additional commercial, residential and some industrial uses developed and “redeveloped” over the years.

Land Use

The largest land use beyond right-of-way, which occupies 28 acres or 32.55 percent of the area, is commercial. Located mostly along Millard Avenue and 135th Street, commercial land use includes nearly twenty-six acres or nearly 30 percent of the OMA. With the former Millard Lumber Yard site extending nearly the entire northwest to southeast span of the OMA, it is not surprising that industrial is the next most prevalent land use, followed by residential which is primarily south and east of 135th Street and south and east of Millard Avenue. The eleven acres of residential or twelve percent of the OMA, also includes a few residential locations northwest of Millard Avenue. The nearly six acres of vacant land are found primarily within the former Millard Lumber Yard site extending the length of the area in an interior parcel. Civic uses, the smallest land use type and occupying only three acres of the OMA, take the form of St. Paul Lutheran Church, an Omaha police station and a city-owned storage building. (See Map 2)

It is important to note that while the entirety of the former Millard Lumber Yard site is vacated, not every parcel within the site is vacant. Storage buildings, offices and other covered structures that appear to be vacant are scattered within the site. For the purposes of the land use analysis these lots are considered industrial uses, but are no less harmful than are vacant lots. Few if any of these structures could be considered compatible, or even salvageable, for future uses including industrial.

Land Use

<u>Land Use</u>	<u>Acres</u>	<u>Percent</u>
Civic	2.96	3.44%
Commercial	25.66	29.83%

Industrial	13.08	15.21%
Residential	10.58	12.30%
Vacant	5.74	6.67%
Right-of-Way	28.00	32.55%
Total	86.02	100.0%

Condition of Structures

While only sixteen of the 122 structures were determined to be in poor condition, due to location, configuration and context the impact they have is far greater than the fourteen percent of structures might imply. All but one of these structures are located in the former Millard Lumber Yard site and only two of the poor rated structures are outside the site. The structures in poor condition located in the former Millard Lumber Yard site are scattered within what was the essential infrastructure of the lumber yard but what is now a fifteen plus acre slab of crumbling, cracking and otherwise deteriorated concrete.

The overwhelming majority of the 23 structures in fair condition, or nearly 19 percent, are located on lots adjacent to the former Millard Lumber site.

The clear majority, 83 of 122 structures, are in good condition and are found in every block of the OMA besides those of the former Millard Lumber Yard site

Condition of Structures

<u>Condition</u>	<u>Structures</u>	<u>Percent</u>
Poor	16	13.11%
Fair	23	18.85%
Good	83	68.03%
Total	122	100.0%

Currently, three Millard Lumber Yard lots have complaints on file with the Planning Department Code Enforcement office. The three properties include approximately ten acres of land and numerous structures. Some demolition has occurred on the site including that of a “T-barn”, a several hundred foot long open structure used for lumber storage. Another T-barn on the site has been identified for demolition. Code enforcement inspections have also revealed property damage due to break-ins and vandalism. During a recent inspection of a large enclosed structure a skateboarding course was discovered along with a place where youth gathered in an upper story loft area.

Blighted and Substandard

Nebraska Community Development Law contains several component requirements that must be met for an area to be designated “Blighted and Substandard.” First, the definition of “Blighted” is separate from the definition of “Substandard” and each area under consideration must meet both definitions. In addition, the definition of “Blighted” contains two parts of requirements, A and B, of which each must also be met.

What follows is a description of each criterion, an explanation of why the area does or does not meet the criterion and a conclusion, Yes or No, of whether the criterion is met.

Blighted

Part A

The Nebraska Community Development Law definition of Blighted:

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, 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.

Numerous characteristic found in the OMA meet the definition of “Blighted” provided by Nebraska Community Development Law. Having been established to take advantage of the railroad line passing through the area in the mid- to late 19th century, the linear nature and the scale of the former Millard Lumber Yard site continues to influence the surrounding area. Almost entirely concrete, the lumber yard site has a poorly defined street layout posing a danger by simply passing through the area. Several northeast/southwest running streets are truncated at 132nd/134th Street along the sites southeast edge. Platted to accommodate rail cars and large trucks, the three linear lots which extend the length of the lumber yard from “Q” Street to Millard Avenue are not appropriate for most current uses and would require replatting. Most of the area is accessible to pedestrian and motorist and some of the buildings have not remained secure following the closing of the lumber yard in 2008. Signs of unlawful entry have been documented, which of course holds some danger in itself, but certainly allows for speculation about the possibility that buildings could be used for more serious criminal behavior. The fifteen to twenty acre former lumber yard site is a serious threat to health and safety on the site itself and to surrounding areas.

Criterion met? Yes

Part B

Several components are used in Part B to determine if an area meets the Community Development Law definition of “Blighted”. In this part, only one component need be considered affirmatively to meet this portion of the “Blighted” definition.

For three of five components, data from 2000 and/or 2010 U. S. Censuses provides the necessary information for determining if that component of the criterion is met. Because the Census does not provide block level information, often allowing for a nearly exact geographical match for all of the criteria, the next highest level of geography--the block group was used for the determinations. The Census Block Groups for this area are Census Tract 74.55, Block Group 2 and Census Tract 74.56, Block Group 1. For one component, unemployment, even block group data is unavailable, so Census Tracts are used. The Census Tracts for this area are 74.55 and 74.56.

Each component of the Part B definition of blight is listed below along with an explanation of results and whether the OMA meets the criterion.

1) Unemployment in the designated area is at least one hundred twenty percent of the state or national average.

Census Tract 74.55: According to the 2010 Census/American Community Survey the unemployment rate for the State of Nebraska was 5.1%. One hundred-twenty percent of 5.1% is 6.1%, making the 8.5% unemployment rate for Census Tract 74.55 higher.

Criterion met? Yes

Census Tract 74.56: According to the 2010 Census/American Community Survey the unemployment rate for the State of Nebraska was 5.1%. One hundred-twenty percent of 5.1% is 6.1%, making the 3.3% unemployment rate for Census Tract 74.56 lower.

Criterion met? No

2) The average age of the residential or commercial units in the area is at least forty years.

Census Tract 74.55, Block Group 2: According to the 2010 Census/American Community Survey, the median age of residential structures in the OMA is 34 years.

Criterion met? No

Census Tract 74.56, Block Group 1: According to the 2010 Census/American Community Survey, the median age of residential structures in the OMA is 58 years.

Criterion met? Yes

3) More than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time.

All of the lots in OMA were developed at some time in the last forty years.

Criterion met? No

4) The per capita income of the area is lower than the average per capita income of the city or village in which the area is designated.

Census Tract 74.55, Block Group 2: According to the 2010 Census/American Community Survey the per capita income for Omaha is \$26,123 compared to \$15,457.

Criterion met? Yes

Census Tract 74.56, Block Group 1: According to the 2010 Census/American Community Survey the per capita income for Omaha is \$26,123 compared to \$16,754.

Criterion met? Yes

5) The area has had either stable or decreasing population based on the last two decennial censuses

Census Tract 74.55, Block Group 2: According to the most recent two decennial censuses 2000 and 2010, the population dropped 14.8% from 610 in 2000 to 520 in 2010.

Criterion met? Yes

Census Tract 74.56, Block Group 1: According to the most recent two decennial censuses 2000 and 2010, the population dropped 1.4% from 591 in 2000 to 583 in 2010.

Criterion met? No

Four of five of the components of Part B of the definition of blight are affirmative.

Criterion Met? Yes

Substandard

The following is the definition of “Substandard” used by Nebraska Community Development Law:

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, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare.

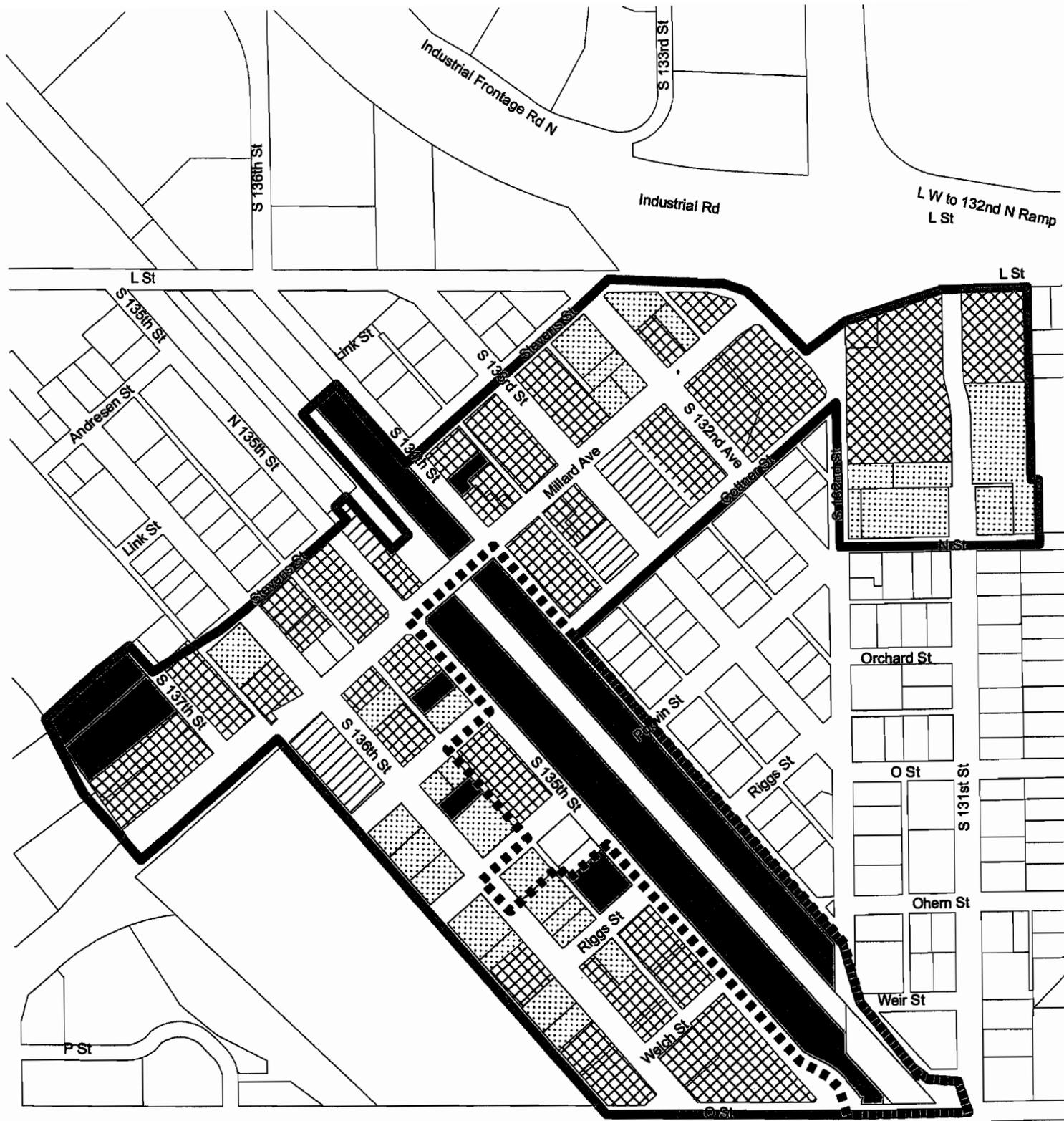
Numerous characteristics found in the OMA permit the definition of “Substandard” described in Nebraska Community Development Law to apply. The buildings and other structures on the former Millard Lumber Yard site are deteriorated, some sufficiently so to pose a danger to the health and safety of the community. The largest section of the lumber yard’s southeastern boundary, some 4,000 feet, is within a few blocks of the Andersen Park ball fields. Millard Central Middle School is within a few blocks of the lumber yard site to the north and east.

Residential uses are within and sometimes adjacent to the OMA. Other youth compatible amenities and businesses such as restaurants, shopping centers, day care centers and a bike shop are also close. The buildings on the former lumber yard site have attracted a variety of unwanted activity, in some cases because of their expansiveness, for social and recreational purposes. Beyond the danger that the buildings themselves present, the potential exists for more dangerous or serious criminal behavior to take place at the site and within the buildings.

The surface of the approximately seventeen acre site is primarily concrete and contains areas that are deteriorating. At this point most the deterioration is on the surface which creates instability for vehicles. Left unchecked, simply from erosion from the weather, more serious deterioration will occur causing cracking and may wash concrete and soil away which could become an even greater hazard.

Considered separately, the individual attributes of the former Millard Lumber Yard support a reasonable concern for public safety and community well-being. Considered together the age, size, location and nature of the former industrial site reveal an area rife with potential for disaster.

Criterion Met? Yes



Map 2

Land Use

-  Civic
-  Commercial
-  Industrial
-  Residential
-  Vacant

-  Millard Lumber Yard Area (MLYA)
-  Former Millard Lumber Yard



Harry Andersen Ave

Discovery Dr

Revised after April 2, 2014 Planning Board public hearing

<u>Census Tract</u>	<u>Block Group</u>	<u>Aggregate Household Income</u>	<u>Household Population</u>	<u>Per Capita Income</u>	<u>Criterion Met (Less than \$26,123)</u>	<u>Median year rsdntl strctr built</u>	<u>Criterion Met (More than 40 years or more)</u>
007455_2		8,331,500	539	15,457	Yes	1980	No
007456_1		16,452,200	982	16,754	Yes	1956	Yes

<u>Census Tract</u>	<u>Block Group</u>	<u>POP2010</u>	<u>Trct BG</u>	<u>POP2000</u>	<u>Trct BG</u>	<u>Change</u>	<u>% Change</u>	<u>Population stable or declining (<5% increase)</u>
007455_2		520	007455_2	610	007455_2	-90	-14.8%	Yes
007456_1		583	007456_1	591	007456_1	-8	-1.4%	No

<u>Census Tract</u>	<u>State Unemployment</u>	<u>Census Tract Unemployment</u>	<u>Criterion Met (greater than 120% of State)</u>
74.55	5.1%	8.5%	Yes
74.56	5.1%	3.3%	No

Source: 2010 US Census/American Community Survey

INTER-OFFICE COMMUNICATION
City of Omaha, Nebraska
Planning Department

TO: Chairman and Members of the Planning Board

FROM: James R. Thele, Planning Director

DATE: March 26, 2014

SUBJECT: Old Millard Community Redevelopment Area Designation
f/k/a Substandard and Blight Designation
C3-14-026

Project Summary

This is a request for a community redevelopment area (CRA) designation of a proposed study area that contains the former Millard Lumber Yard site. A study has been conducted by the Planning Department to determine the boundaries for this CRA. The boundaries for the proposed CRA and proposed study area are "L" Street on the northeast, south to Cottner, west to S. 134th Street, south again to "Q" Street, west to the Cottner which is also the eastern property line of the Anderson Park, north to Millard Avenue, west to the West Branch Papio Creek, and then following the property lines north and east to Stevens Street on the north; the area is approximately 75 acres. The proposed CRA and proposed study area are located within census tract 7455, block group 1. The City has been approached by the development community proposing concepts for the redevelopment of the former Millard Lumber Yard site which would require the use of Tax Increment Financing (TIF) to redevelop. However, the site is not within a CRA.

The former site of Millard Lumber, Inc. is located at 5005 S. 135th Street. Millard Lumber, Inc. was founded on January 1, 1948 by George F. Russell and Raymond F. Watson as the Millard Lumber & Grain Company. The company initially catered to a rural farming community of nearly 400. The lumber yard served as a destination and gathering place for the farmers to sell grain, buy coal and purchase lumber. As time passed, George F. Russell shifted the business's focus towards building materials and products that supplied both professional contractors and do-it-yourself homeowners. Today, the business remains in the family with Rick Russell, son of George F. Russell, as CEO. Rick's sons Joel Russell, Chief Operating Officer and Vice President, and Mark Russell, Strategic Project Manager also have significant roles in the company.

Millard Lumber, Inc. expanded to other locations such as Des Moines, IA and Lincoln, NE. In Omaha, the company purchased a new site at 12900 I Street, and relocated to this site in 2008. The former Millard Lumber Yard site has sat vacant for approximately five (5) years and continues to generate redevelopment interest.

The proposed study area, which includes the former Millard Lumber Yard site, qualifies to be designated as a CRA for the following reasons, all in compliance with the Nebraska Community Development Law definitions for substandard and blighted:

- o Deteriorating structures
- o Poorly defined street layout
- o Obsolescence of structures - buildings have outlived their usefulness
- o Safety of structures, when unsecured and abandoned
- o Decrease in population of 15%, from 610 per the 2000 US Census to 517 per the 2010 US Census
- o Unemployment is 120% of the state or national average: 6.2% for the State of Nebraska compared to 9.1% for census tract 7455, according to the 2010 Census/ American Community Survey
- o Per capita income of the area is lower than the average per capita income of the city or village of the area: \$15,457 for census tract 7455 as compared to \$26,213 for Omaha according to the 2010 Census/ American Community Survey

DEPARTMENT RECOMMENDATION: Approval of the request for the designation of the proposed study area as a Community Redevelopment Area and the re-certification of the North Central Omaha CRA meeting the substandard and blighted conditions as per the Community Development Law. The approval of the designation that the study area meets the conditions of a Community Redevelopment Area, f/k/a Substandard and Blighted, in accordance with Nebraska Community Development Law will allow an application for the use of tax increment financing (TIF).

ATTACHMENTS

Analysis

Maps

INTER-OFFICE COMMUNICATION

Date: January 15, 2014

To: TIF Committee:
James Thele, Stephen Curtiss, AL Herink, Paul Kratz, Robert Stubbe,
Todd Pfitzer, Cassie Seagren, Gail Braun

From: Bridget A. Hadley - City Planning

Applicant: City of Omaha Planning Department

Project Name: Old Millard Community Redevelopment Area Designation f/k/a
Substandard and Blight Designation

Project Summary

This is a request for a community redevelopment area (CRA) designation of a proposed study area that contains the former Millard Lumber Yard site. A study has been conducted by the Planning Department to determine the boundaries for this CRA. The boundaries for the proposed CRA and proposed study area are “L” Street on the northeast, south to Cottner, west to S. 134th Street, south again to “Q” Street, west to the Cottner which is also the eastern property line of the Anderson Park, north to Millard Avenue, west to the West Branch Papio Creek, and then following the property lines north and east to Stevens Street on the north; the area is approximately 75 acres. The proposed CRA and study area are located within census tract 7455, block groups 1 & 2. The City has been approached by the development community proposing concepts for the redevelopment of the former Millard Lumber Yard site which would require the use of Tax Increment Financing (TIF) to redevelop. However, the site is not within a CRA.

The former site of Millard Lumber, Inc. is located at 5005 S. 135th Street. Millard Lumber, Inc. was founded on January 1, 1948 by George F. Russell and Raymond F. Watson as the Millard Lumber & Grain Company. The company initially catered to a rural farming community of nearly 400. The lumber yard served as a destination and gathering place for the farmers to sell grain, buy coal and purchase lumber. As time passed, George F. Russell shifted the business’s focus towards building materials and products that supplied both professional contractors and do-it-yourself homeowners. Today, the business remains in the family with Rick Russell, son of George F. Russell, as CEO. Rick’s sons Joel Russell, Chief Operating Officer and Vice President, and Mark Russell, Strategic Project Manager also have significant roles in the company.

Millard Lumber, Inc. expanded to other locations such as Des Moines, IA and Lincoln, NE. In Omaha, the company purchased a new site at 12900 I Street, and relocated to this site in 2008. The former Millard Lumber Yard site has sat vacant for approximately five (5) years and continues to generate redevelopment interest.

The proposed study area, which includes the former Millard Lumber Yard site, qualifies to be designated as a CRA for the following reasons, each in compliance with the Nebraska Community Development Law definitions for substandard and blighted:

- Deteriorating structures
- Poorly defined street layout
- Obsolescence of structures – buildings have outlived their usefulness
- Safety of structures, when unsecured and abandoned
- Decrease in population of 15%, from 610 per the 2000 US Census to 517 per the 2010 US Census
- Unemployment is 120% of the state or national average: 6.2% for the State of Nebraska as compared to 9.1% for census tract 7455, according to the 2010 Census/American Community Survey
- Per capita income of the area is lower than the average per capita income of the city or village of the area: %15,457 for census tract 7455 as compared to \$26,213 for Omaha according to the 2010 Census/American Community Survey

Recommendation: Approval

The proposed study area qualifies as a Community Redevelopment Area, meets the requirements of Nebraska Community Development Law. The area also qualifies for the submission of an application for the utilization of Tax Increment Financing to cover TIF eligible costs associated with project development as submitted for approval through the Tax Increment Financing process. Proposed projects will be in compliance with the Master Plan, appropriate Ordinances and development regulations of the City.

ATTACHMENTS

Analysis

Maps