

Agenda Packet

NORFOLK PLANNING COMMISSION

Tuesday, November 21, 2023
7:30 a.m.

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**NOTICE OF MEETING
CITY OF NORFOLK, NEBRASKA**

NOTICE IS HEREBY GIVEN that a meeting of the Norfolk Planning Commission of the City of Norfolk, Nebraska, will be held at 7:30 a.m. on Tuesday, November 21, 2023, in the Council Chambers, 309 N. 5th Street, which meeting will be open to the public.

An agenda for such meeting, kept continually current, is available at the City of Norfolk Administration Building, located at 309 N 5th Street, Norfolk, Nebraska during normal business hours.

AGENDA

NORFOLK PLANNING COMMISSION

November 21, 2023

CALL TO ORDER

1. 7:30 a.m. Call meeting to order.
2. Inform the public about the location of the Open Meetings Act posted in the Council Chambers and accessible to members of the public
3. Roll call.

CURRENT BUSINESS

4. Approval of full agenda. **Motion**
5. Consideration of approval of the minutes of the November 7, 2023 Planning Commission meeting. **Motion**

PUBLIC HEARINGS

6. Public hearing to consider the "Redevelopment Plan for the Sunset Plaza Redevelopment Project."
7. Consideration of recommendation of the "Redevelopment Plan for the Sunset Plaza Redevelopment Project." **Motion**
8. Public hearing at the request of Tristan Hartzell for a Conditional Use Permit to exceed the maximum building height regulations on property addressed as 3402 Rolling Hill Drive.
9. Consideration to have City Staff prepare a Conditional Use Permit for discussion and action at the next regularly scheduled Planning Commission meeting to exceed the maximum building height regulations on property addressed as 3402 Rolling Hill Drive. **Motion**

OTHER BUSINESS

10. October 2023 Building Permit Report
11. Open topics on any concerns the Commission has towards current and future planning for the City. No action can be taken on matters discussed.

PLANNING COMMISSION MEETING

The Norfolk Planning Commission of the City of Norfolk conducted a public meeting in the City Council Chambers, 309 N. 5th Street, on the 7th day of November 2023, beginning at 7:38 a.m.

Roll call found the following Commission Members present: Dirk Waite, Jill Sock, Brandon Franklin, Martin Griffith, Jordan Mason, and Cody Ronnfeldt. Absent: Dan Spray, Chad Bryant and Kaycee Kube.

Staff members present were: Valerie Grimes, City Planner, Steve Rames, City Engineer, Anna Allen, Assistant City Engineer; Sarah Wortmann, Planning Commission Secretary; and Katelyn Palmer, Permits Technician.

Planning Commission Vice-Chair Dirk Waite presided, and the Planning Commission Secretary Sarah Wortmann digitally recorded the audio of the proceedings.

Vice-Chair Waite called the meeting to order and informed the public about the location of the current copy of the Open Meetings Act posted in the meeting room and accessible to members of the public.

Notice of the meeting was given in advance thereof by publication in the Norfolk Daily News, Norfolk, Nebraska, the designated method of giving notice, as shown by affidavit of publication.

Notice was given to the Chair and all members of the Commission and a copy of their acknowledgement of receipt of notice and agenda is attached to the minutes. Availability of the agenda was communicated in advance notice and in the notice to the Chair and Commission of this meeting. All proceedings hereafter shown were taken while the convened meeting was opened to the public.

Current Business

Commissioner Ronnfeldt moved, seconded by Commissioner Griffith to approve the full agenda, with the removal of item number 12, a sidewalk waiver at 2206 N. 26th Street.

Roll Call: Commission Members: Ayes: Waite, Sock, Franklin, Griffith, Mason and Ronnfeldt. Nays: None. Absent: Spray, Bryant and Kube. Motion carried (6-0).

Commissioner Griffith moved, seconded by Commissioner Ronnfeldt to approve the October 17, 2023, meeting minutes.

Roll Call: Commission Members: Ayes: Waite, Sock, Franklin, Griffith, Mason and Ronnfeldt. Nays: None. Absent: Spray, Bryant and Kube. Motion carried (6-0).

Resolution No. 2023PC-
Conditional Use Permit – Watchman Permit
2001 S. 1st Street | Monroe Storage, LLC

Vice-Chair, Waite opened the public hearing at 7:41 a.m. to consider a request from Monroe Storage, LLC, Nebraska limited liability company, for a Conditional Use Permit for a Watchman Permit on the property addressed as 2001 S. 1st Street, which was postponed from the September 19, 2023, Planning Commission Meeting.

Vice-Chair Waite asked if there were any updates for this location. City Planner, Val Grimes, stated she has received updated site plans, but no building permits have been issued. City Engineer, Steve Rames has been in contact with the owner's engineer.

City Engineer, Steve Rames stated new drawings were issued to him and he questioned the percentage of non-pervious area, which is 90 percent of the site. Rames questioned if the watchman's permit should be issued before the owner has the building permit and stated the storage facility is outright permitted in I-1 zoning. Grimes confirmed and stated they are requesting a watchman's permit, so that someone can live on the property to watch a business operating. According to the site plans they removed access from 1st Street and the City's requirement was a specific setback from the intersection because of concern to get fire trucks in and out and allow for circulation around storage units.

Vice-Chair, Waite asked City Planner Grimes if there was discussion with the applicant reference the watchman's permit conditions with regards to someone living at the residence. Grimes explained that the watchman's permit is given to the business operating on that property, a person living at the residence needs to be an owner or employee of that business, but no one should be living there until the watchman's permit is granted. Grimes stated basic conversations were had with the owner in reference to these conditions prior to application.

Commissioner Griffith asked if the residence will eventually be removed and if it will need to be written into the watchman's permit when residence is unoccupied so that the watchman's permit would be dissolved. Grimes stated that requirement could be written into the Conditional Use Permit, therefore, a new building would not be built for a residence. Griffith also stated a condition would be that a residence could not be built in one of the storage units.

Commissioner Franklin asked the owner, Colby Legate if he would be storing equipment from any other business besides, Monroe Storage, LLC. Legate stated there may be some equipment stored at this location for a short period of time, due to him removing snow in the Norfolk area, but would not store other company equipment there if it would prevent getting the watchman's permit. Legate stated storage would be for outside and inside and that is why he applied for the permit. Once the storage units are built, they will no longer need the watchman's permit because everything will be inside storage units.

Commissioner Griffith asked if the storage would be outside storage in the foreseeable future. The owner, Legate stated they are planning on building one or two buildings, which would take until mid-next year depending on when the permit is issued, so the outside storage will continue until all buildings are built. Legate stated this project would take two to three years to be completed.

Commissioner Griffith stated once a building permit is issued it would be okay to issue a watchman's permit.

Vice-Chair Waite expressed his concerns about the residence appearing to be inhabited, and it is not permitted if the watchman's permit is not in place. Legate stated he did not give anyone permission to live there, and no one lives there to his knowledge, but that a relative was using the residence as an office space.

Vice-Chair Waite asked for an update on meetings. City Engineer Rames asked if the owners had submitted plans for a building permit. City Planner Grimes answered no but would need the plans to issue building permit no later than November 16, 2023, to meet the deadline for the next Planning Commission Agenda.

Commissioner Ronnfeldt moved, seconded by Commissioner Franklin to postpone having City Staff prepare a Conditional Use Permit for discussion and action at the next regularly scheduled Planning Commission meeting for watchman's permit on property addressed as 2001 S. 1st St., until December 5, 2023.

Roll Call: Commission Members: Ayes: Waite, Sock, Franklin, Griffith, Mason and Ronnfeldt. Nays: None. Absent: Spray, Bryant and Kube. Motion carried (6-0)

Resolution No. 2023PC-9
Conditional Use Permit – Oversize Accessory Building
2403 Timber Meadows Lane | Benjamin and Sarah Conover

Vice-Chair Waite read into record the terms of the Conditional Use Permit.

Commissioner Ronnfeldt moved, seconded by Commissioner Mason to approve Resolution No. 2023PC-9 for a Conditional Use Permit for an Oversize Accessory Building on property addressed as 2403 Timber Meadows Lane.

Roll Call: Commission Members: Ayes: Waite, Sock, Franklin, Griffith, Mason and Ronnfeldt. Nays: None. Absent: Spray, Bryant and Kube. Motion carried (6-0)

Public Hearing
Amend the Official City Code

Vice-Chair Waite opened the public hearing at 8:05 a.m. to consider amending Chapter 27, Division 5, of the Official City Code to change “single family residential district” to “one and two family residential district”; to amend Chapter 27, Division 6, of code to change “one- and two- family residential district” to “one to four family residential district”; to amend Section 27-114 of the Code to update height and area regulations in “multiple family residential district”.

Val Grimes, City Planner, explained the State is requiring the city to do an affordable housing action plan. The purpose of the action plan is to incentivize more affordable housing, which includes smaller lots. The current R-1 zone is single family detached only, which is most of the zoning in the City of Norfolk. The City’s 2017 comprehensive plan says that single family residential is no more than two units per structure on properties smaller than an acre. The proposal is to change R-1 to one and two family residential as our comprehensive plan calls for, and we have very large minimum lots sizes in R-1 right now: minimum 70ft wide with 7,000 sq foot. Grimes proposed lowering the minimum to 50ft wide and 5,000 sq ft and that would make conforming some of the current lots we have in town. She explained having older lots from 40-50ft wide, which are non-conforming by our current zone, this would make them conform by code. R-2 zoning was one and two family, and that’s all that can happen in R-2 unless you had a conditional use permit to go up to a four-unit townhome. This would essentially make that conditional use permit outright permitted in R-2 zoning and lower square footage in R-2. There is a lot of R-2 and R-3 in the older areas of town along with R-1. This code would allow existing lots to become more conforming, so that it will be easier for somebody to come in and infill a lot or if it’s a house that needs to come down you can more easily build a new one. I did not have to do much to R-3 zoning because R-3 went from one family to large multi-family but some of the minimum lot widths and sizes would be reduced slightly like R-2 zoning. This is a start on helping with housing in town to help with infill. Also, as developers come in and want to make a neighborhood, the mixed-use neighborhood and economics can go into a neighborhood with this amendment. I think this is good; you’re not segregating one use versus the other use and can have different economics going on next to each other which makes for a good neighborhood and community.

Vice-Chair Waite asked if this was an effort to accommodate the legislature’s action plan for affordable housing. Grimes responded yes; it is something she has been wanting to do, but the legislature gave an incentive to get it done.

Commissioner Griffith asked if this would make any changes to the off-street parking requirements. Grimes responded, not at this time. Once this goes into place with affordable housing plan, the legislature has made it so cities cannot disregard the plan. Grimes stated she must turn in a report before July 1st of every odd number year of what the city has done and how we are doing.

No one else spoke in favor or opposition of the request and Vice-Chair Waite closed the public hearing at 08:12 a.m.

Vice-Chair Waite stated he is in favor of it based on legislator is going to tell the City to do it, in open very modest terms or limits.

Commissioner Griffith moved, seconded by Commissioner Franklin to amend Chapter 27, Division 5, of the Official City Code to change “single family residential district” to “one and two family residential district”; to amend Chapter 27, Division 6, of code to change “one- and two- family residential district” to “one to four family residential district”; to amend Section 27-114 of the Code to update height and area regulations in “multiple family residential district”.

Roll call: Commission Members: Ayes: Waite, Sock, Franklin, Griffith, Mason, and Ronnfeldt. Nays: None. Absent: Spray, Bryant and Kube. Motion Carried (6-0).

Plats/Subdivisions

Husker Investment Group LLC – Busco Inc.’s Addition

LaVern Schroeder, representing the applicant, Al Rajae, will add to his property, additional area on the south side which will be removed from Busco’s property.

Vice-Chair Waite asked for the purpose. Lavern explained that the company would park their new “for sale” vehicles there.

Vice-Chair Waite asked Grimes and Rames if there were any concerns. Grimes expressed concerns with the pavement. The property is I-1 zoned and can only have 90% pervious coverage which they are getting close to, but will work through that as part of the building process.

Commissioner Ronnfeldt moved, seconded by Commissioner Mason, to recommend approval of the final plat of Husker Investment Group LLC – Busco Inc.’s Addition.

Roll call: Commission Members: Ayes: Waite, Sock, Franklin, Griffith, Mason, and Ronnfeldt. Nays: None. Absent: Spray, Bryant and Kube. Motion Carried (6-0).

Bank of Norfolk’s 2nd Subdivision

Lavern Schroeder, representing the applicant, will sub divide property into three lots; all three lots will have access.

Vice-Chair Waite asked for the purpose of the subdivision. Lavern answered it is better utilization of the land because the bank does not need the land.

Commissioner Griffith asked about the purpose and shape of the new and existing easement. Lavern stated there is an existing power line there.

Commissioner Griffith moved, seconded by Commissioner Sock, to recommend approval of the final plat of Bank of Norfolk's 2nd Subdivision.

Roll call: Commission Members: Ayes: Waite, Sock, Franklin, Griffith, Mason, and Ronnfeldt. Nays: None. Absent: Spray, Bryant and Kube. Motion Carried (6-0).

Other Business

Grimes informed the planning commissioners about the NPZA spring conference occurring in Kearney March 6, 2024, through March 8, 2024.

There was no other discussion and Vice-Chair Waite declared the meeting adjourned at 8:23 a.m.

Sarah Wortmann, Planning Commission Secretary

Dirk Waite, Norfolk Planning Commission Vice-Chair

**REDEVELOPMENT PLAN FOR
THE SUNSET PLAZA REDEVELOPMENT PROJECT**

PREPARED OCTOBER, 2023

**BY THE COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF NORFOLK, NEBRASKA**

A. Introduction

This Redevelopment Plan for the Sunset Plaza Redevelopment Project (this “Redevelopment Plan”), prepared by the Community Development Agency of the City of Norfolk, Nebraska (the “Agency”), is a guide for redevelopment activities to remove or eliminate blighted and substandard conditions within the City of Norfolk, Nebraska (“City”). The Mayor and City Council of the City (the "Council"), recognizing that blighted and substandard conditions are a threat to the continued stability and vitality of the City, designated certain areas of the City to be blighted and substandard and in need of redevelopment pursuant to the requirements of the Nebraska Community Development Law, sections 18-2101 et. seq., as amended (the "Act").

Prior to the preparation of this Redevelopment Plan, and in compliance with the Act, the Mayor and Council designated a portion of the City as a blighted and substandard community redevelopment area, such area being commonly referred to as the “Big Red Keno Area” (referred to herein as the “Redevelopment Area”). This Redevelopment Plan sets forth a proposed redevelopment project, undertaken by North Kings Highway LLC and/or its successors (“Redeveloper”), located within the Redevelopment Area to optimize the tax increment financing ("TIF") resources available to offset certain costs deemed eligible for reimbursement by TIF under the Act, and to remove existing and avoid future blighted and substandard conditions, all as further described herein. This Redevelopment Plan contemplates the rehabilitation and renovation of the existing “Sunset Plaza Mall”, together with such public improvements associated therewith, within the Redevelopment Area (such public and private improvements are collectively referred to herein as the "Redevelopment Project").

B. Redevelopment Area; Project Site; Existing Conditions

Exhibit "A", attached hereto and incorporated herein, sets forth the boundaries of the Redevelopment Area. The Redevelopment Area is identical to the "Big Red Keno Area," which the Mayor and Council previously declared blighted and substandard and in need of redevelopment. Exhibit "A-1", attached hereto and incorporated herein, sets forth the boundaries and existing conditions of the area to be developed as part of the Redevelopment Project (the "Project Site"). The Project Site is located to the northwest of the intersection of Highway 275 and Highway 81, in the City. The Project Site is completely engrossed within the blighted and substandard Redevelopment Area and is in need of redevelopment.

C. Conformance with the Comprehensive Plan

It is essential to the City’s comprehensive plan for development (the “Comprehensive Plan”) that dilapidated, inadequate, or deteriorating portions of the City conform to the current

and future needs of the City as it continues to grow and expand. Exhibit "B", attached hereto and incorporated herein, shows a portion of the future use map (showing the Redevelopment Area and surrounding areas) included within the City's Comprehensive Plan. The map sets forth a "Commercial" designation for future use of the Project Site. With respect to Commercial designations along major thoroughfares, the Comprehensive Plan specifies that large commercial and retail developments are appropriate. Accordingly, the anticipated uses associated with the Redevelopment Project conform to the desired use of the Project Site set forth in the Comprehensive Plan's future use map.

Additionally, the Comprehensive Plan further sets forth the following objectives:

- Large lot commercial or "Big-Box" commercial development should be located near the major community roadway corridors.
- Facilitate development along the City's major thoroughfares, such as Highway 81 and Highway 275
- Retail and/or entertainment based development types should be encouraged to locate along the Highway 275 and Highway 81 Corridors. Commercial and office developments should accommodate typical auto-oriented development types.

In accordance with the foregoing, the Redevelopment Project is in conformance with and furthers the objectives under the City's Comprehensive Plan.

D. Redevelopment Project Overview

The Redevelopment Project consists of the renovation and rehabilitation of the existing Sunset Plaza Mall. Like many shopping malls across the country, over the course of the past decade, Sunset Plaza Mall has lost many of its tenants and fallen into a considerable state of blight and dilapidation. Large retail malls/outlets such as Sunset Plaza Mall are closing and/or sitting vacant all across the country. Finding occupants for such structures following the downfall of prior mainstays such as Herberger's, Sears, etc. and/or retrofitting the same for other uses has proven to be difficult and caused vacancy issues for shopping malls everywhere. The Redevelopment Project seeks to cure this issue and facilitate the renovation of the building for its highest and best use by attracting tenants that continue to thrive, despite the downturn in brick and mortar retail, such as Kohl's, TJ Maxx and Planet Fitness – which will, in turn, generate enough foot traffic to attract and support smaller retail tenants to occupy the other vacant areas of Sunset Plaza Mall.

While it is not anticipated that the Redevelopment Project will be phased with respect to the division of TIF Revenues (defined below), it is anticipated that the associated renovations will occur in two phases. First, Redeveloper intends to undertake the renovations required by Kohl's, Planet Fitness and TJ Maxx in order to secure their occupancy (referred to herein as "Phase One"). The construction undertaken as part of Phase One will focus on retrofitting the prior Herberger's space into three separate spaces (anticipated to be Kohl's, Planet Fitness and TJ Maxx). Such renovations will include, without limitation, replacement and/or repair of the associated sidewalks and parking lots, landscaping, storm sewer and curb improvements, extension of sanitary sewer, water and electric, construction of a new loading dock, exterior façade enhancements, and interior tenant improvements.

Once Phase One is complete and the aforementioned tenants have opened for business, this will allow Redeveloper to commence the second phase, which will include broader renovations and improvements throughout the rest of Sunset Plaza Mall (referred to herein as "Phase Two"). The Phase Two renovations will include, without limitation, replacement and/or repair of the associated sidewalks and parking lots, landscaping, exterior façade enhancements, renovation of hallways and food court, and interior tenant improvements for the remainder of the mall.

The City and Redeveloper acknowledge that some of the renovations related to Phase One have already commenced and/or will likely commence prior to the approval of this Redevelopment Plan. This is because Redeveloper must complete renovations for the aforementioned anchor tenants as quickly as possible to secure their occupancy commitments – which would be jeopardized if Redeveloper waited until the approval of this Redevelopment Plan to commence renovations. In relation to the foregoing, any such costs incurred prior to the approval of the Redevelopment Plan will not be eligible for reimbursement from TIF. However, given that the Redevelopment Project is a rehabilitation project and is mostly comprised of eligible costs, it is not anticipated that the exclusion of such costs will result in the principal amount of the TIF Indebtedness (defined below) exceeding the amount of eligible costs. Additionally, the City does not find that the commencement of such renovations negates Redeveloper's need for TIF, as required by the Act and detailed under Paragraph I(1), below.

Redeveloper's commencement of construction prior to approval of this Redevelopment Plan is out of necessity, and is a calculated risk by Redeveloper; in that, despite its need for TIF, Redeveloper is shouldering the risk of commencing construction and incurring those costs before the same is approved in order to secure the commitments of the aforementioned anchor tenants – which is vital to the success of the Redevelopment Project. Even with TIF, the Redevelopment Project is not economically viable unless Redeveloper is able to secure the anchor tenants. Moreover, while Redeveloper may be able to undertake the initial renovations without TIF, it could not complete the broader rehabilitation of Sunset Plaza Mall. As such, the Redevelopment

Project, as a whole, could not be completed without the assistance of TIF – irrespective of the timing of Redeveloper’s commencement on the initial renovations.

No public acquisition of the Project Site is anticipated. Additionally, no families will be displaced as a result of the Redevelopment Project. Exhibit "C", attached hereto and incorporated herein, sets forth the proposed site plan for the Redevelopment Project.

E. Existing Conditions

1. Existing Land Use

The Project Site currently consists of the existing Sunset Plaza Mall.

2. Existing Zoning

The Project Site is currently zoned as C-3 (Service Commercial District).

3. Existing Public Improvements

Public access and all necessary public infrastructure for the Project Site currently exists. However, much of the infrastructure is in disrepair and requires improvements.

F. Proposed Redevelopment

1. Public Improvements

The Redevelopment Project will require infrastructure improvements and other public improvements described herein.

a. Public Access; Traffic Flow, Street Layouts and Street Grades

Adequate public access to the Project Site currently exists. However, many of the parking lots and sidewalks are in a state of disrepair, and will be repaired or replaced. Streets and other public infrastructure, if any, constructed by Redeveloper will be subject to review and approval by the City's engineer or other designee of the City.

b. Construction of Water and Sewer Improvements.

Redeveloper will construct or extend water and sewer systems to provide appropriate service to new/additional tenant spaces within the mall.

c. Other incidental improvements

Redeveloper anticipates the construction and/or expansion of electric utilities, storm sewer/gutter, sanitary sewer, and city water to provide appropriate service to new/additional tenant spaces within the mall. The anticipated public improvements (and costs related to the public improvements) for the Redevelopment Project are listed in Exhibit "E", attached hereto and incorporated herein.

d. Additional public facilities or utilities

Other than the construction or extension of the utilities and infrastructure detailed above, Redeveloper and the City anticipate that the existing public facilities and utilities can adequately meet the demands of the Redevelopment Project.

e. Property Acquisition, Demolition and Disposal

No public acquisition of private property or relocation of families or businesses is necessary to accomplish the Redevelopment Project.

f. Population Density

The Project Site currently consists of commercial/retail space. The Redevelopment Project will remain as such, and thus, will not increase population density in the area.

g. Land Coverage

While the internal configuration of Sunset Plaza Mall will change as part of the Redevelopment Project, land coverage will not. Notwithstanding, the Redevelopment Project is subject to and must comply with all applicable land coverage ratios required by the City.

h. Parking

Sunset Plaza Mall currently complies with all parking requirements under the City's zoning code and will continue to do so following the completion of the Redevelopment Project. The parking lot is currently in poor condition and will be renovated and improved as part of the Project.

i. Zoning, Building Code and Ordinance

The Project Site is currently zoned as C-3 and will not require a zoning change as part of the Redevelopment Project. Notwithstanding, Redeveloper will be responsible for all zoning, building code, or ordinance changes that are necessary for the Redevelopment Project.

2. Private Improvements

Private improvements for Phase One consist of renovations to the prior Herberger's space consisting of tenant improvements for Kohl's, Planet Fitness and TJ Maxx, in addition to the related facilities and improvements ancillary thereto. Private improvements for Phase Two consist of renovation of the remainder of the mall and parking lot improvements. Redeveloper or other builders taking conveyance from Redeveloper will construct the private improvements. Paragraph H of this Redevelopment Plan details the anticipated construction schedule for the private improvements.

G. Project Costs

The total estimated cost of the Project is approximately \$22,512,107. The estimated costs of the Redevelopment Project are attached and incorporated herein as Exhibit "D". Such figures are only estimates based upon 2023 pricing, and are subject to change without further amendment of this Redevelopment Plan.

H. Implementation

Redeveloper anticipates that construction of Phase One will commence immediately, and will be completed by the end of 2023. Redeveloper anticipates that construction of Phase Two will commence in 2024 or 2025, with completion occurring within twenty-four months. Notwithstanding the foregoing, Redeveloper's timely completion of the Redevelopment Project is subject to extraneous factors, which may necessitate that Redeveloper completes the Redevelopment Project later than projected. As such, the anticipated start and completion dates are preliminary and subject to change based upon market conditions, availability of materials, workforce availability and other extraneous factors.

I. Financing

The City and the Agency contemplate the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment

contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of bonds pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body (“Base Tax Amount”); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond/note resolution, in the redevelopment project in excess of the Base Tax Amount, if any, (referred to herein as “TIF Revenues”) shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for the Redevelopment Project will be set forth in the redevelopment contract and/or the resolution authorizing the TIF Indebtedness (defined below). All TIF Revenues generated by the Redevelopment Project shall only be divided and allocated over the applicable 15-year increment period or until full payment of the TIF Indebtedness, whichever occurs first.

1. Necessity of TIF

Redeveloper has represented and warranted to the City that it would not be economically feasible to develop the Redevelopment Project, and it would not do so, without TIF. In support thereof, Redeveloper stated the following in its TIF application:

“In order to obtain the desired tenants in a regional shopping mall, Redeveloper needs to make substantial improvements to the site. Although these improvements are necessary to land top-tier tenants, market rental rates are not high enough to support these costs. It is a difficult position that requires some intervention such as TIF. If the Redeveloper can obtain assistance to fund a portion of the eligible costs, as requested herein, then the rents that can be obtained justify the improvements. Without TIF, the mall can only be renovated to a minimal level and no other improvements will occur. This will make obtaining new tenants very difficult.”

More specifically, the immediate Phase One improvements are required to secure the leases with the three new tenants in the former Herberger's space. Two of these tenants have significant contingences and short timelines with penalties in the leases, and the only way for the Redeveloper to secure written agreements with these tenants was to take a large risk on being able to complete the improvements. If Redeveloper cannot complete all the necessary improvements on time, then two of the leases will likely be terminated to the detriment of the future of the mall. Redeveloper cannot justify any further improvements if this initial work is not completed and the new tenants commence operations.

If the new tenants commence operations, it will provide new vibrancy to the mall, and there are other potential tenants discussing leases in the mall. There will be significant improvements needed to secure these additional tenants, but that will only occur if these new anchor tenants are operational. Assuming this project gets to the Phase Two renovations, the entire mall site, including facade and parking lot, will be substantially improved. This is truly a situation where TIF will make the difference in the future of the mall. On one hand, the TIF will fill the gap in the immediate Phase One project, which has a roughly \$18.5 million scope. But, more than that, it is crucial to the further, larger scope of improvements—totaling approximately \$22.5 million. Without TIF, the mall will not be improved, and it will be difficult to secure quality tenants. The Redeveloper could lose the leases with TJ Maxx and Kohl's, and it would not be able to finalize leases with any of the current LOIs. The TIF will provide the gap financing that will be the difference between a vibrant mall with high quality retail tenants, and a slowly dying mall with little appeal to any new tenants.”

In addition to the foregoing representations, Redeveloper provided an analysis of the Redevelopment Project's return-on-investment (“ROI”), both with and without TIF. Without TIF, the Redevelopment Project's average ROI over a five-year period is estimated to be 4.76%. A ROI of 4.76% for a project such as the one contemplated herein, which presents a high degree of risk, is inadequate and could not attract prudent investors and/or lenders. With TIF, the Redevelopment Project's ROI over the same period of time is estimated to be 9.83% - which would be an acceptable ROI to prudent investors and lenders, thus making the Redevelopment Project financially feasible.

In accordance with the foregoing findings and representations of Redeveloper, the City and Agency have determined that the Redevelopment Project, as proposed herein, is not economically viable without the assistance of TIF and Redeveloper would not construct the same without TIF.

2. Sources and Uses of Financing

Based upon the projections provided in Exhibit "E", attached hereto and incorporated herein, the Agency and Redeveloper contemplate issuance of one or more TIF bond(s) or note(s) (the "TIF Indebtedness") in an aggregate principal amount not to exceed \$3,500,000. The TIF Indebtedness shall bear interest at a rate not to exceed 6.50% per annum. The final principal and interest amount comprising the TIF Indebtedness shall be determined by the Agency and set forth in the redevelopment contract or resolution authorizing the issuance of the TIF Indebtedness. Redeveloper anticipates that the balance of the public and private costs exceeding the TIF Indebtedness will be financed by a mix of equity and traditional bank financing. The above figures are only projections and are subject to change as a result of market conditions and other extraneous factors.

The principal amount of the TIF Indebtedness authorized hereunder is premised upon an assumed base value of \$4,500,000 for the Project Site – which is representative of the 2022 assessed value. Redeveloper is currently protesting the 2023 valuation, which is the presumed base year, in an effort to reduce the 2023 assessment down to the 2022 amount. However, if Redeveloper is unsuccessful in its protest, the principal amount advanced on the TIF Indebtedness shall be reduced commensurately with the decrease of potential TIF Revenues resulting from the increased base value, as shall be set forth in further detail in the redevelopment contract for the Redevelopment Project, entered into between Redeveloper and the Agency.

The principal amount of the TIF Indebtedness authorized hereunder is also premised upon the future valuation of Sunset Plaza Mall after the completion of both Phase One and Phase Two. Redeveloper's appraisal of the property shows a prospective market value upon completion and stabilization of \$24,240,000.

J. Cost-Benefit Analysis

A cost-benefit analysis for the Redevelopment Project is attached as Exhibit "F" and incorporated herein.

Exhibits:

- Exhibit A: Redevelopment Area
- Exhibit A-1: Project Site and Existing Land Use
- Exhibit B: Future Land Use Map
- Exhibit C: Site Plan and Future Land Use
- Exhibit D: Estimated Construction Cost of the Redevelopment Project
- Exhibit E: Sources and Uses of TIF
- Exhibit F: Cost-Benefit Analysis

EXHIBIT "A"

Redevelopment Area and Existing Land Use

Boundaries and Existing Conditions of Redevelopment Area (outlined in purple):



Exhibit "A"

EXHIBIT "A-1"

Project Site and Existing Land Use

Legal Description:

Lots 6A and 6B in SUNSET PLAZA SUBDIVISION, FIRST PLATTING to the City of Norfolk, Madison County, Nebraska, together with that Part of the North One-Half of vacated Market Lane abutting Lot 6B on the south, described in Ordinance No. 5026 filed September 8, 2008, in 2008-09, page 500-503 of the Records of Madison County, Nebraska.

* In the event Redeveloper subdivides or replats the Project Site, the legal description(s) of such subdivided or replatted parcel(s) comprising the Project Site, upon final approval of the City with respect thereto, shall replace and supersede the above legal description.

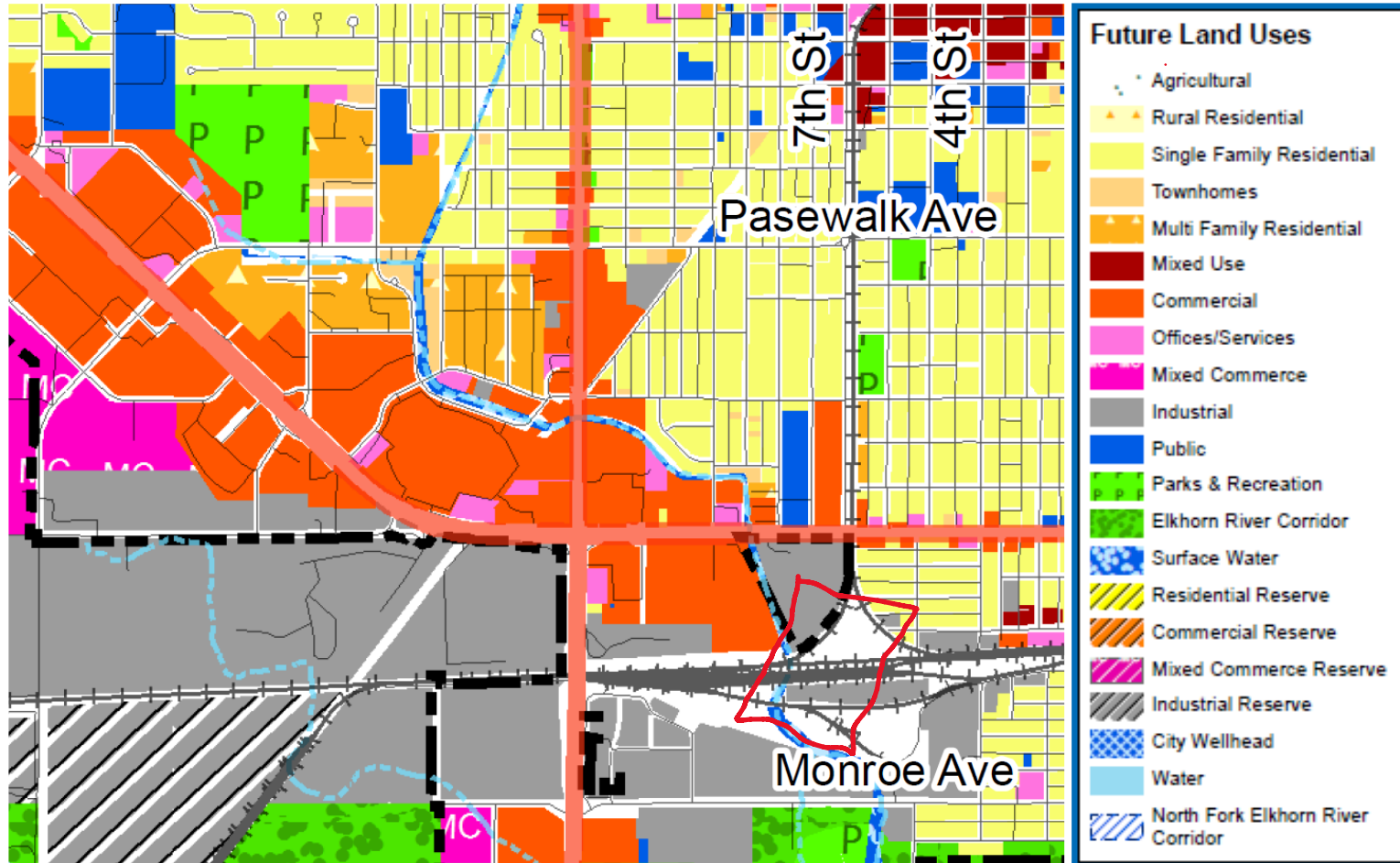
Depiction and Current Condition (outlined in red):



Exhibit "A-1"

EXHIBIT "B"

Future Land Use Map



* Project Site designated as Commercial.

EXHIBIT "D"

Estimate of Construction Costs

Land Acquisition		\$11,048,466
Phase One Redevelopment Costs		
Tenant A Space	\$2,440,923	
Tenant B Space	\$1,349,525	
Tenant C Space	\$1,917,448	
Dock Area	\$1,015,745	
Tenant Move-in Commissions	\$750,000	
<hr/>		
Total Phase One		\$7,473,641
Phase Two Redevelopment Costs		
Parking Lot Improvements	\$975,000	
Food Court Area	\$750,000	
Hallways/General Interior	\$850,000	
Exterior/Façade	\$1,150,000	
New Tenant spaces	\$250,000	
<hr/>		
Total Phase Two		\$3,975,000
City Legal Fees		\$15,000
<hr/>		
TOTAL		\$22,512,107

* The above figures are estimated values based on current pricing. These preliminary estimates are subject to change, as Redeveloper has no control over the change in cost of materials and services between the time of the approval of this Redevelopment Plan and commencement of construction.

EXHIBIT "E"

Sources and Uses of TIF

TIF USES:

Land Acquisition	\$11,048,466
Site Preparation and Demolition	\$95,000
Exterior Improvements and Repairs	\$1,300,000
Roof Replacement	\$865,000
Water Line Extension	\$45,000
Sanitary Sewer Extension	\$85,000
Storm Sewer Improvements	\$125,000
Parking Lot Improvements	\$1,275,000
Electrical	\$455,000
Landscaping	\$75,000
Sidewalks and Curbs	\$80,000
City Fees	\$15,000
<hr/>	
TOTAL	\$15,463,466

* The above "Uses" are preliminary estimates based on current pricing and are subject to change.

SOURCES:

General Assumptions:

Base Value:	\$4,500,000
Final Value:	\$24,000,000
Tax Levy (2022):	1.960172
TIF Indebtedness:	NTE \$3,500,000
Interest Rate:	NTE 6.50%

* The above figures are based on assumed values and levy rates. Actual amounts and rates will vary from those assumptions, and it is understood that the actual TIF sources may vary materially from the projected amounts.

EXHIBIT "F"

Cost-Benefit Analysis (Pursuant to Neb. Rev. Stat. § 18-2113)

The cost-benefit analysis for the Redevelopment Project, as described in the attached Redevelopment Plan, which will utilize funds authorized by section 18-2147 of the Act, is provided below:

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

The taxes generated by the base value of the Project Site will continue to be allocated between the relevant taxing jurisdictions pursuant to the Act. Only the incremental taxes created by the Redevelopment Project will be captured to pay for the project's eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Redevelopment Project, the true tax shift of the Redevelopment Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the estimated 15 year tax shift for the Redevelopment Project is set forth in Exhibit "E" of the Redevelopment Plan, and is adopted hereby.

Notes:

- 1. The Projected Tax Increment 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 levy rate is assumed to be the 2022 levy rate. There has been no accounting for incremental growth over the 15 year TIF period.*

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:

Adequate public access to the Project Site currently exists. However, many of the parking lots and sidewalks are in a state of disrepair, and will be repaired or replaced. The extension and/or construction of new utilities to serve the new tenant spaces in Sunset Plaza Mall will also be required. The Agency and Redeveloper do not anticipate that the Redevelopment Project will have a negative impact on now-existing City infrastructure.

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

The Redevelopment Project should create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of TIF will defer receipt of a majority of new ad valorem real property taxes generated by the Redevelopment Project, the Redevelopment Project should generate immediate tax growth for the City via increased sales tax receipts from the new tenants. Additionally, the City will collect sales tax on a portion of the materials used for the Redevelopment Project. It is not anticipated that the Redevelopment Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the Project Site:

The Redevelopment Project will result in new and expanded business within the Project Site. It is anticipated that upon completion of Phase One, Kohl's, TJ Maxx and Planet Fitness will occupy the prior Herberger's site, which currently sits vacant. Additionally, it is anticipated that these anchor tenants and the additional renovations conducted as part of Phase Two will attract other tenants to fill the vacant spaces in Sunset Plaza Mall. Accordingly, it is anticipated that the Redevelopment Project will have a positive impact on employers and employees locating or expanding within the boundaries of the Project Site.

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

The businesses surrounding Sunset Plaza Mall have been negatively impacted by the downturn in foot traffic generated by Sunset Plaza Mall. The Redevelopment Project will result in an increase in visitors to Sunset Plaza Mall, which will benefit commerce in the surrounding area. Accordingly, the Redevelopment Project is anticipated to have a positive impact on surrounding employers and employees.

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

The Redevelopment Project will not impact student populations in the City.

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

The Project Site is blighted and contains substandard conditions that are a detriment to the City as a whole. The Redevelopment Project will revitalize Sunset Plaza Mall, which has fell

into a state of dilapidation and disrepair – and in doing so, occupy vacant spaces without negatively impacting the surrounding businesses, residents or straining the public infrastructure. There are no other material impacts determined by the Agency relevant to the consideration of the costs or benefits arising from the Redevelopment Project. As such, the costs of the Redevelopment Project are outweighed by its benefits.

2996761.3

Public Hearing

The Planning Commission of the City of Norfolk, Nebraska will hold a public hearing on Tuesday, November 21, 2023 at 7:30 a.m. in the City Council Chambers, 309 N 5th Street, Norfolk, Nebraska to hear comments regarding the “Redevelopment Plan for the Sunset Plaza Redevelopment Project” legally described as:

Lots 6A and 6B in SUNSET PLAZA SUBDIVISION, FIRST PLATTING to the City of Norfolk, Madison County, Nebraska, together with that Part of the North One-Half of vacated Market Lane abutting Lot 6B on the south, described in Ordinance No. 5026 filed September 8, 2008, in 2008-09, page 500-503 of the Records of Madison County, Nebraska

The Redevelopment Plan for the Sunset Plaza Redevelopment Project, map and cost-benefit analysis can be found at:

<https://norfolkne.gov/government/departments/planning-and-development/blight-studies-and-redevelopment-projects/sunset-plaza-mall-redevelopment-project.html>

Publish (November 2 and November 9, 2023)
2 P.O.P.'s

For Office Use Only	Date Rec'd _____
	Fee \$ _____
	Rec'd by _____

**CONDITIONAL USE
PERMIT APPLICATION**

Applicant: Tristan Hartzell 3402 Rolling Hills Dr
Name Address
402 640 9587 tristanhartzell@gmail.com
Phone Email

*If applicant is an LLC, a copy of the operating agreement must be submitted with the application.

Contact: Elisa Jensen same
(other than Name Address
applicant) Phone Email
480 440 6766 ej396929@gmail.com

Present Use of Property: residential

Desired Use of Property: residential

Timeframe of Request: Perpetual Issued for _____ years

Location of Property: 3402 Rolling Hills Dr

Legal Description: Eldorado Estates 2nd Addition Lot 1 Block 7

Property Area, Square feet and/or Acres: 50,173 sf 1.29 acres

General Character of the area: _____

[Signature]
Signature of Owner

Authorized Agent

OR

Tristan Hartzell
Printed Name of Owner

Printed Name of Authorized Agent

**CONDITIONAL USE PERMIT
JUSTIFICATION FORM**

1. What is the current zoning district?

R1 - Single family

2. For what specific use are you requesting the permit? Proposed addition height is 36' 11" tall

Residential addition that would exceed 35' height restriction.

3. Will it be necessary to build a new structure? Yes No

4. What makes the location of the proposed permit appropriate in relation to the adjacent properties?

Concerns a residential addition in an R1 - single family zone.

5. Is screening or buffering required? Yes No

If yes, explain type _____

6. Is the ingress & egress to the property and proposed structure adequate? Yes No

If no, explain traffic flow solutions _____

7. Are off-street parking and/or loading areas required? Yes No

If yes, explain traffic flow _____

8. Describe the current traffic of the area and the effect the proposed permit will have on traffic patterns.

Residential traffic only which would not be affected.

9. Are any signs or exterior lighting required? Yes No

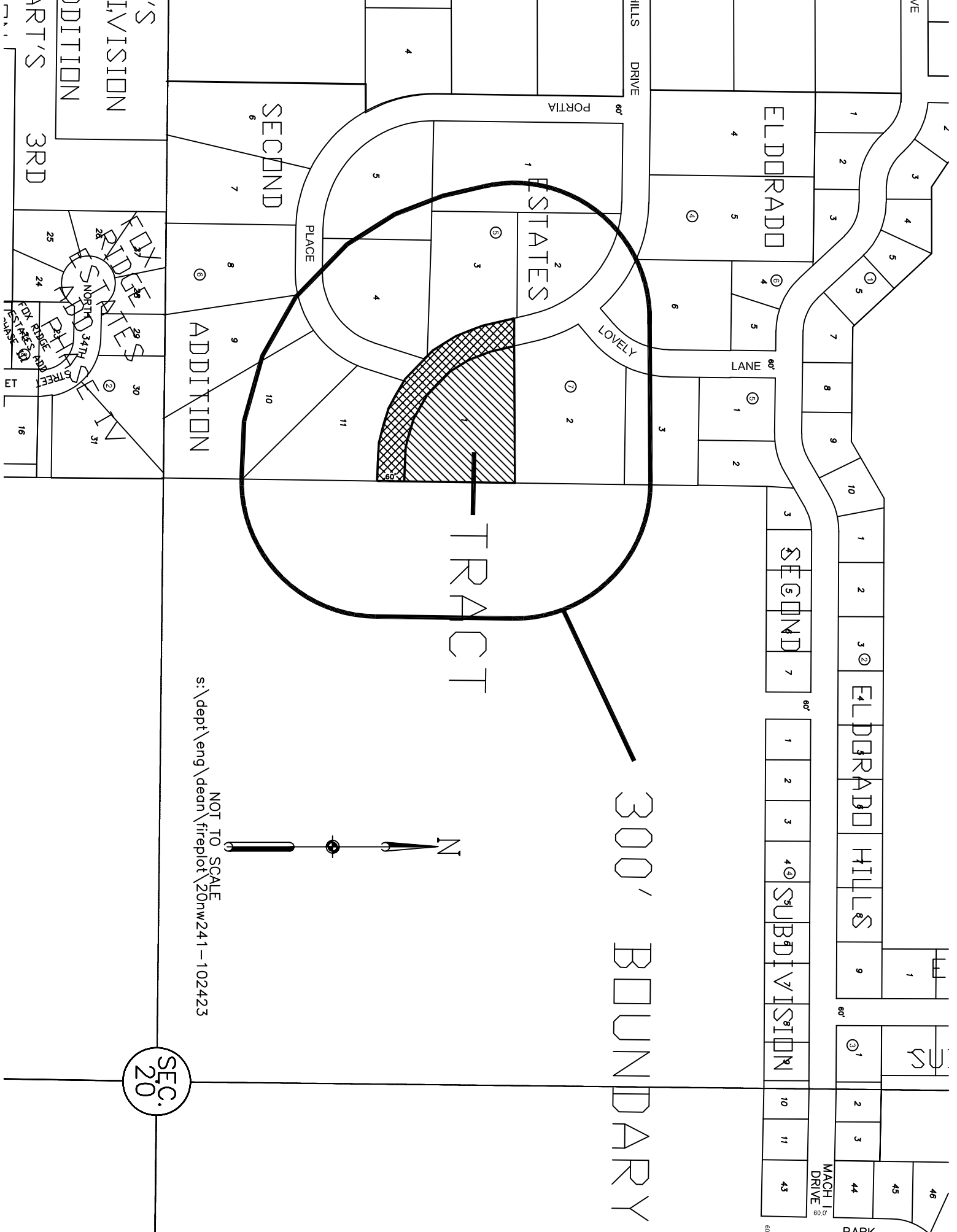
If yes, explain _____

10. Are utilities property located? Yes No electrical on East side of house.

Explain location and closest availability gas meters on North & South sides of house.

11. Adequate water and sewer available? Yes No

12. Will required yards & other open spaces be observed with the permit? Yes No



NOT TO SCALE
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SEC.
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11/21/2023

Public Hearing

The Norfolk Planning Commission will hold a public hearing on Tuesday, November 21, 2023 at 7:30 a.m. in the City Council Chambers, 309 N 5th Street, Norfolk, Nebraska at the request of Tristan Hartzell to consider a conditional use permit to exceed the maximum building height regulations on property addressed as 3402 Rolling Hills Drive, legally described as follows:

Lot 1, Block 7, Eldorado Estates Second Addition to the City of Norfolk, Madison County, Nebraska;

Publish (November 08, 2023)
1 P.O.P

**Planning and Development
Building Services**

**CITY OF NORFOLK
Monthly Building Permit Report**

**Month
October, 2023**

Permits Issued	2023 October	2023 September	2022 October	This Fiscal YTD	Last Fiscal YTD	Variation % 2023 vs. 2024
BUILDING						
Number	43	65	36	43	36	19.4%
Valuation	\$3,896,978.00	\$29,042,409.00	\$198,823,658.90	\$3,896,978.00	\$198,823,658.90	-98.0%
Permit Fee	\$17,245.79	\$30,409.07	\$36,046.93	\$17,245.79	\$36,046.93	-52.2%
ELECTRICAL						
Number	62	37	26	60	26	130.8%
Permit Fee	\$26,629.50	\$6,329.50	\$36,627.00	\$26,516.50	\$36,627.00	-27.6%
PLUMBING						
Number	49	19	19	49	19	157.9%
Permit Fee	\$7,512.41	\$7,636.14	\$8,626.59	\$7,512.41	\$8,626.59	-12.9%
MECHANICAL						
Number	22	24	19	22	19	15.8%
Permit Fee	\$13,815.58	\$24,649.72	\$8,406.72	\$13,815.58	\$8,406.72	64.3%
WATER HEATER						
Number	9	3	6	9	6	50.0%
Permit Fee	\$310.50	\$100.50	\$192.00	\$310.50	\$192.00	61.7%
FIRE ALRM / SPR						
Number	2	1	3	2	3	-33.3%
Permit Fee	\$582.00	\$220.50	\$520.00	\$582.00	\$520.00	11.9%
WELL / SEPTIC						
Number						
Permit Fee						
FIRE PREVENTION						
Number		1				
Permit Fee		\$25.00				
TOTAL FEES:	\$66,095.78	\$69,370.43	\$90,419.24	\$65,982.78	\$90,419.24	-27.0%

Nature of Building Permits	Last FYTD	Present FYTD	Number of Permits	Dwelling Units	Permit Fees	Valuation
Void					\$0.00	\$0.00
SFD	8 (8)	3 (3)	3	3	\$5,809.04	\$1,746,300.00
Duplex					\$0.00	\$0.00
MFD	1 (22)				\$0.00	\$0.00
Commercial			1	0	\$846.60	\$139,600.00
Industrial					\$0.00	\$0.00
Garages			2	0	\$198.00	\$92,000.00
Move & Demo			1	0	\$34.50	\$20,000.00
SFDA					\$0.00	\$0.00
Sign			7	0	\$301.80	\$28,810.00
Other			5	0	\$757.71	\$29,483.00
<u>Alterations & Additions</u>						
1 & 2 Family			18	0	\$1,409.02	\$258,202.00
Multi-Family					\$0.00	\$0.00
Commercial			6	0	\$7,889.12	\$1,582,583.00
Industrial					\$0.00	\$0.00
Total			43	3	\$17,245.79	\$3,896,978.00

Building Valuation

2024 Fiscal YTD	\$3,896,978.00
2023 Fiscal YTD	\$198,823,658.90
Contractor Registration	\$1,725.00

Building Official

NOTE: SFD's and SFDA's are to be added together for a total of single family dwelling units and valuation.