

THE OFFICIAL PROCEEDINGS OF THE GERING CITY PLANNING COMMISSION
MEETING NOVEMBER 5, 2019

The Gering City Planning Commission of Gering, Nebraska was held in open session at 6:00 p.m. in the Gering City Council Chambers. Present were Commissioners Allen, Bowman, Hauck, Kaufman, Marietta, Rajewich, Rechsteiner and Shimic. Absent: None. Alternate Commissioner Erdman was not present. Also, present were members of the public, Lisa & Troy Weborg, Attorney John Selzer, City Engineer Annie Folck, and Secretary Bruntz - Secretary to the Planning Commission.

Notice of the meeting was given in advance by publication in the Star Herald, the designated method of giving notice. Availability of the agenda was communicated in advance to the Media and Commissioners. All proceedings hereafter were taken while the meeting was open to the attendance of the public.

Chairman Rechsteiner called the meeting to order at 6:00 p.m., roll call was taken and the Pledge of Allegiance was recited; also reviewed were the Nebraska Revised Statutes Chapter 84, Article 14, which requires at least one copy of the Open Meetings Act be posted in the meeting room and the time limit for public comment.

Chairman Rechsteiner asked for a motion to approve or disapprove the minutes from the October 17, 2019 meeting. Commissioner Hauck made the motion to approve the minutes and Commissioner Bowman seconded. On roll call vote, the following voted "AYE": Allen, Bowman, Hauck, Kaufman, Marietta, Rajewich, Rechsteiner and Shimic. "NAY": None. Absent: None.

Oath of office was recited by new member Jody Miles.

Current business:

a. The Planning Commission will hold a public hearing for the purpose of reviewing and obtaining comment on a Redevelopment Plan submitted by Lisa and Troy Weborg for the Weborg Hotel Project. The area to be redeveloped under the Redevelopment Plan is legally described as Lot 2, Block 1, Weborg Subdivision of the City of Gering, Scotts Bluff County, Nebraska.

CITY OF GERING
PLANNING COMMISSION RECOMMENDATION AND REPORT

To:	Planning Commission	Date:	5/21/19
From:	Planning & Community Development	Zoning:	ML, BHC Overlay
Subject:	Recommendation & Report – Redevelopment Plan, Weborg Hotel Project	Property Size:	2.29 Acres
Location:	Lot 2, Block 1, Weborg Subdivision, aka 2605 N 10 th St	#Lots/Parcels:	1

Owner:	Troy and Lisa Weborg	City Council Public Hearing:	Nov 12, 2019
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Public Notice: This Public Hearing was noticed meeting City Zoning and Subdivision Regulations and according to Nebraska State Statutes.

Public Hearing

Mr. Chairman and Commission Members,

This is a recommendation and report to consider Redevelopment Plan for the Weborg Hotel Project. The project site is located at 2605 North 10th Street, which was the former site of “Rich’s Wrecking”. The property is currently vacant, and the building is deteriorating. The Plan proposes redeveloping the property into a hotel. The existing building would be renovated into a hotel lobby, ballroom, conference room, floral shop, and gentleman’s salon. A 32-room hotel would be constructed directly west of the old building. The total estimated cost of the project is \$7,106,732, and the redeveloper is requesting \$820,850.00 of TIF funds.

The Planning Commission is to consider whether or not the plan as proposed conforms with the Comprehensive Plan. The current Comprehensive Plan notes the unsightliness of the 10th Street Corridor and sets forth some principles for the development of the 10th Street Corridor. Some of these principles include discouraging future industrial development, making design improvements to older commercial districts, and revitalizing and renewing dilapidated buildings and areas.

Staff recommends approving the resolution stating that the Redevelopment Plan is in conformance.

Recommendation

Approve

Approve Resolution stating that the Redevelopment Plan for the Weborg Hotel conforms to the City’s General Plans and recommending approval to the Gering Community Development Agency and City Council.

Deny

Approve Resolution stating that the Redevelopment Plan for the Weborg Hotel does not conform to the City’s General Plans and recommending the denial of approval to the Gering Community Development Agency and City Council.

Table

Table voting on the Resolution stating that the Redevelopment Plan for the Weborg Hotel conforms to the City’s General Plans and recommending approval to the Gering Community Development Agency and City Council.

Discussion:

Prior to any discussion on the Weborg hotel project Commissioner Rajewich made the following comments. She is disclosing that her son is employed by the contractor who is bidding this project and does not work directly for the Weborg's, he does not live in her home; her daughter works for the Weborg's at both of their locations (Steel Grill in Gering and Weborg 64 Center in Bridgeport) and she does not live in her home. Commissioner Rajewich feels she can make a good decision based upon merits of the project whether or not the project meet the criteria for tax increment financing and she does plan to vote when the vote is called.

Annie spoke that the PC is considering a redevelopment plan submitted by Lisa & Troy Weborg for the Weborg hotel project. The task for the PC is to determine if this project is in conformance with the comp plan. Staff did look at the 1995 comp plan (that is in effect) and also at the new drafted comp plan. Proposed project is a 32-room hotel located on 10th Street in Gering (formerly known as Rich's Wrecking site). Project will keep the existing building which would be renovated. The 32-room hotel would be built behind that existing building.

In the 1995 comp plan – 10th Street was developed for an industrial corridor (now it is a commercial corridor) and is zoned BHC (Business Highway Commercial). No zone change is required for this project. The 1995 comp plan suggested design improvements in commercial districts and to revitalize buildings in commercial districts. Annie said the project is right in line with those goals. This will be a very nice attraction for the City of Gering. The upcoming new comp plan also addresses - creating growth of local business, supporting economic development, focus on commercial & multiple use development. It is recommendation of staff to make a positive recommendation to City Council on this project and it is in line with the comprehensive plan.

Lisa Weborg - said the project began in 2016, a feasibility study was done and there is a need for a hotel between Sundays thru Thursdays for business travelers. In 2016 they decided to table the project. It was started back up 6 months ago. Because of the cost involved, TIF will be needed. They are planning on bringing in trees and scrubs. The holding ponds will have grass with a rock base to green the area up. Lisa's goal is to implement more trees & greenery along the route (10th Street) to make it more friendly/appealing. (Open public hearing 6:12 p.m.)

Public comment -there was none.

Commissioner Hauck said he is in favor for this project and is wondering about the increase in personal property taxes. John Selzer said the increase will be paid by developers for the additional personal property which will go to the subdivisions (County, Schools, WNCC, NRD). Personal property tax will not be divided. They will pay the full property tax for 15 years and the base value will continued to be paid to those subdivisions. What is paid above the base value will be paid to the City to pay a TIF bond back to developers (the financing mechanism) to pay for the project.

Commission Allen commented to Lisa Weborg – 'you are pillars to the community'. A perfect example of what entrepreneurs should be all about. He thanked they for the success they had brought to Gering, tax revenue and great marketing brought to us. Commissioner Allen would like to get more business into Gering. He asked if they have thought about a honeymoon suite that is different than what is in Scottsbluff. Lisa said the 2nd & 3rd floors will have two-bedroom suites, a complete kitchen and dining room. There are 8 extended stay rooms. When the feasibility study was done it was found extended stay & suites was lacking in this area.

Commissioner Rajewich said having an additional hotel in this area is very valuable. Commissioner Allen added this is an alternative to people not to drink n drive. (Closed public hearing 6:18 p.m.)

Chairman Rechsteiner asked for a recommendation from the Commissioners. Motion was made by Commissioner Bowman approve Resolution 11-19-1 stating that the Redevelopment Plan for the Weborg Hotel conforms to the City’s General Plans and recommending approval to the Gering Community Development Agency and City Council. Commissioner Allen seconded the motion. On roll call vote, the following voted “AYE”: Allen, Bowman, Hauck, Kaufman, Marietta, Miles, Rajewich, Rechsteiner and Shimic. “NAY”: None. Absent: None.

b. The Planning Commission will hold a public hearing to determine whether the real estate described in this notice should be declared to be substandard and blighted, pursuant to the Nebraska Community Development Law. The property affected by the notice is the U Street Corridor generally described as land within the general vicinity north and east of the Union Pacific Railroad, east of 7th Street, and west of Lockwood Road. The site contains approximately 237.85 acres. A map of the area is available for inspection at City Hall.

**CITY OF GERING
PLANNING COMMISSION RECOMMENDATION AND REPORT**

To:	Planning Commission	Date:	11/19/19
From:	Planning & Community Development	Zoning:	MH, RM, AGG
Subject:	Recommendation & Report – Blighted and Substandard Designation, East U Street Corridor	Property Size:	237.85 Acres
Location:	East U Street Corridor	#Lots/Parcels:	
Owner:		City Council Public Hearing:	Nov 12, 2019

Public Notice: This Public Hearing was noticed meeting City Zoning and Subdivision Regulations and according to Nebraska State Statutes.

Public Hearing

Mr. Chairman and Commission Members,

This is a recommendation and report to consider a Blight and Substandard Study for East U street. The study includes 237.85 acres within the general vicinity north and east of the Union Pacific Railroad, east of 7th Street, and west of Lockwood Road. The study has found that the area meets the requirements of state statute to be designated as blighted and substandard.

Additionally, there is a list of conditions that can qualify an area as blighted, and at least one of these conditions must be met in order for the area to be designated as such. One of these conditions is that the average age of residential or commercial units in the area is at least forty years. The study found that 96% of the buildings within the area are over 40 years of age, meeting the requirement for an area to be designated as blighted.

In addition to the requirements for a blight designation, we must also consider whether or not the area meets the definition of substandard, as defined by state statutes. State statute defines a substandard area as one in which there is a predominance of buildings or improvements which is conducive to ill health, transmission of disease, conditions which endanger life or property by fire and other causes, or other criteria (see page 15 of the study for complete definition). The study documents significant amounts of junk, inoperable vehicles, unkempt properties, and abandoned homes that can be detrimental to human health as these conditions provide habitat for rodents and other pests that can potentially spread diseases (see pictures in Appendix C). Additionally, there are some defunct industrial sites which are potentially dangerous to human health because of environmental hazards left behind when the industrial sites went out of service. One of these, an old scrap metal site, is currently listed on the EPA's superfund site list and is scheduled for cleanup due to high levels of lead in the soil.

It is the opinion of staff that the study substantiates the presence of both blighted and substandard conditions within the study area, and that the area should be designated as Blighted and Substandard.

Recommendation

Approve

Make a POSITIVE RECOMMENDATION for City Council to approve the East U Street Blight Study and designate the Study Area as Blighted and Substandard.

Deny

Make a NEGATIVE RECOMMENDATION for City Council to approve the East U Street Blight Study and designate the Study Area as Blighted and Substandard.

Table

Make a motion to TABLE the East U Street Blight Study and designate the Study Area as Blighted and Substandard for the following reasons:

Discussion:

Annie showed the area of the Blight study of East U Street on the screens. She has had several phone calls and believes that there's confusion/rumors on what the blight study is and what the designation means. Annie is going to explain what a blight study is not. There is no truth that the City is doing a project in this area (purchasing homes and taking them down). A blight designation is nothing new or unique for this area, about ¼ of the City is designated blighted. Those areas previously designated as blighted have documentation issues (legal descriptions) so they are going to be re-blighted. Everything from M Street to Country Club Road on 10th Street is blighted. The blighted designation gives the ability for property owners to use tax increment financing for

improvement. The study is being redone so there is good documentation, boundaries were also extended to make a unified development area. Annie went thru the state statute requirements for blighted and substandard – a property must be both. The age of the area has to be 40 years old, 96% are over 40 years. To be substandard -buildings conducive to ill health, transmission of disease and other issues. There are some defunct industrial sites, including a Super Fund site, that meet this definition. The study found this area qualifies as blighted & substandard. Not all of the properties in the area have to be blighted and substandard.

John Selzer said cities are given the opportunity to blight certain areas b/c they are not on par with other areas. Simply if development is wanted in those areas', incentives need to be offered. The development potential of the property is not based solely on the property itself but the property surrounding. Single properties are not blighted – areas are to encourage development.

Annie said it is the recommendation by staff that the PC forward a positive recommendation to City Council to designate this area as blighted.

Commission Rajewich asked – when there is a blighted area to look at from a residential standpoint - there are several properties that are uninhabitable – is it possible by making a blighted area that those properties could be removed and infilled with other like properties in that area. Annie said if the property owners wanted to do that, they could. Once again, to be clear, Annie said the City has no plans to develop in that area.

Commissioner Hauck asked if Western Sugar would ask for TIF, Annie replied she did not know, it would be up to them. As designating it blighted/substandard and annex the property, TIF would be a tool available if they wanted to use it. John said only certain types of expenses are eligible for being reimbursed with TIF money. One would be demolition. TIF could be used for site acquisition. For example, someone could purchase the SF property and TIF could be used to purchase the property and tear it down. It is a huge expense for an individual to do on their own, TIF is an incentive.

Commissioner Shimic asked about percentage of TIF vs value of property. It is based on redevelopment improvement John replied. It is a calculation based on increased value no percentage. There is no cap, it is by a case by case basis. It needs to be used for eligible expenses. (Open public hearing 6:35 p.m.)

Joe Gonzalez (property owner) asked how this would affect the assessment value or taxes. Annie said this is a very good question and it doesn't affect. It does not show up on tax assessment or a title search. There is a map kept here at the City on those areas. Joe also asked how often does the studies occur. Annie said either the city can request for development in a certain area or a developer who has a project and proposes a study for the City to consider. Once listed as blighted it stays that way until it is decided for it to be de-blighted. (Closed public hearing 6:39 p.m.)

Commissioner Bowman thanked the audience that did show up for the meeting. It shows they are interested in what the PC is doing.

Motion was made by Commission Rajewich to Make a POSITIVE RECOMMENDATION for City Council to approve the East U Street Blight Study and designate the Study Area as Blighted and Substandard. (Resolution 11-19-2). On roll call vote, the following voted "AYE": Allen, Bowman, Kaufman, Marietta, Miles, Rajewich, Rechsteiner and Shimic. "NAY": Hauck. Absent: None.

City Engineer report:

Annie said in two weeks the commission will be meeting on the finalized copy of the Comp plan for review and recommendation to CC.

Motion to adjourn was made by Commissioner Hauck and seconded by Commissioner Rajewich. On roll call vote, the following voted "AYE": Allen, Bowman, Hauck, Kaufman, Marietta, Miles, Rajewich, Rechsteiner and Shimic. "NAY": None. Absent: None.

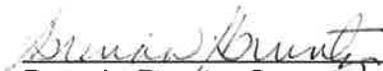
Note: If a member needs to abstain from voting, the member should communicate this prior to a motion being made.

Note: There was dialogue that was not audible for the minutes due to microphones being off, sitting back from the microphones, static in the microphones or individuals not standing at the podium to speak.

Adjourn 6:47 p.m.



Jeremy Rechsteiner, Chairman



Brenda Bruntz, Secretary