# City of Norfolk

Blight and Substandard Determination Study prepared by Northeast Nebraska Economic Development District on April 14, 2021

West Highway 275 Phase II Redevelopment Area Adopted by Norfolk City Council on: ??????????????? ??, 2021





# West Hwy 275 Phase II Redevelopment Area

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#### **Executive Summary**

The purpose of this study is to determine if all or part of the designated "West Hwy 275 Phase II Redevelopment Area" which is more or less 267.8 acres of land, is deteriorated and substandard and blighted according to the Community Development Law established in Nebraska Statute 18-2102. The study area meets the substandard and blighted criteria as defined by section 18-2103(31) and 18-2103(3) of the Nebraska Community Development Law; therefore, the area has been determined to be blighted and substandard.

#### **Community Development Law**

#### 18-2102. Legislative findings and declarations.

It is hereby found and declared that there exist in cities of all classes and villages of this state areas which have deteriorated and become substandard and blighted because of the unsafe, unsanitary, inadequate, or overcrowded condition of the dwellings therein, or because of inadequate planning of the area, or excessive land coverage by the buildings thereon, or the lack of proper light and air and open space, or because of the defective design and arrangement of the buildings thereon, or faulty street or lot layout, or congested traffic conditions, or economically or socially undesirable lands uses. Such conditions or a combination of some or all of them have resulted and will continue to result in making such areas economic or social liabilities harmful to the social and economic well-being of the entire communities in which they exist, needlessly increasing public expenditures, imposing onerous municipal burdens, decreasing the tax base, reducing tax revenue, substantially impairing or arresting the sound growth of municipalities, aggravating traffic problems, substantially impairing or arresting the elimination of traffic hazards and the improvement of traffic facilities, and depreciating general community-wide values. The existence of such areas contributes substantially and increasingly to the spread of disease and crime, necessitating excessive and disproportionate expenditures of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution, punishment and the treatment of juvenile delinquency, and for the maintenance of adequate police, fire, and accident protection and other public services and facilities. These conditions are beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids herein provided. The elimination of such conditions and the acquisition and preparation of land in or necessary to the renewal of substandard and blighted areas and its sale or lease for development or redevelopment in accordance with general plans and redevelopment plans of communities and any assistance which may be given by any state public body in connection therewith are public uses and purposes for which public money may be expended and private property acquired. The necessity in the public interest for the provisions of the Community Development Law is hereby declared to be a matter of legislative determination.

It is further found and declared that the prevention and elimination of blight is a matter of state policy, public interest, and statewide concern and within the powers and authority inhering in and reserved to the state, in order that the state and its municipalities shall not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency, and consume an excessive proportion of their revenue.

It is further found and declared that certain substandard and blighted areas, or portions thereof, may require acquisition, clearance, and disposition, subject to use restrictions, as provided in the Community Development Law, since the prevailing conditions of decay may make impracticable the reclamation of the area by conservation or rehabilitation; that other areas or portions thereof may, through the means provided in the Community Development Law, be susceptible of conservation or rehabilitation in such a manner that the conditions and evils, hereinbefore enumerated, may be eliminated, remedied, or prevented; and that salvageable substandard and blighted areas can be conserved and rehabilitated

through appropriate public action and the cooperation and voluntary action of the owners and tenants of property in such areas.

**18-2103(31).** Substandard areas shall mean 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 over- crowding, 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, and is detrimental to the public health, safety, morals, or welfare.

18-2103(3). Blighted area shall mean an area, which (a) 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, unsanitary or unsafe condition, 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 contributes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use, and (b) in which there is at least one of the following conditions; (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) 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; (iv) 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; or (v) that the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a village shall not designate an area larger than one hundred per cent of the village as blighted.

#### **Objective Criteria**

State statute establishes a series of five quantitative or "objective" criteria. An area must meet at least one of these initial criteria.

- *Underemployment.* The qualifying condition is an unemployment rate in the designated area that is at least 120% of the state or national average. Block group data from the 2010 Census, as well as subsequent geographic area studies available through the Nebraska Department of Labor, were utilized to determine qualifying areas under this standard.
- Average age of residential or commercial units in the area. The qualifying condition is an average age that is at least forty (40) years old.
- *Per capita income*. The qualifying condition is a per capita income for the area that is lower than the average per capita income of the municipality in which the area is designated. Block group data from the 2010 Census was utilized to indicate the presence of this criterion.
- *Population*. The qualifying condition is that the area has had either stable or decreasing population based on the last two decennial censuses. Block group data from 1990, 2000, and 2010 was examined to indicate the presence of this criterion.

• *Unimproved land*. Compliance with this standard involved examining the corporate limits and defining areas within those limits which remain unimproved. The qualification is if more than half of the plotted and subdivided property in the area has been within the city for forty years and has remained unimproved during that time.

#### **Subjective Criteria**

If an area met one of the objective qualifying requirements, it would then be subject to further review under the "Subjective Criteria" section of the statute. If one or more of these qualifiers was met, the area in question was determined to be "blighted and substandard." The subjective criteria include the following:

- A substantial number of deteriorated or deteriorating structures,
- The existence of defective or inadequate street layout,
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness,
- Unsanitary or unsafe conditions,
- Deterioration of site or other improvements,
- Diversity of ownership,
- Tax or special delinquency exceeding the fair value of the land,
- Defective or unusual conditions of title,
- Improper subdivision or obsolete platting,
- The existence of conditions which endanger life or property by fire and other causes, or
- Any combination of such factors that substantially impairs or arrests the sound growth of the
  community, retards the provision of housing accommodations, or constitutes an economic or
  social liability and is detrimental to the public health, safety, morals, or welfare in its present
  condition and use.

#### The Study Area:

The West Hwy 275 Phase II Redevelopment Area contains an estimated 267.8 acres of land that is located outside of the city limits of Norfolk, Nebraska. The Redevelopment Area shall be described as follows:

A TRACT OF LAND IN PART OF THE SOUTH HALF (S1/2) OF SECTION TWENTY-FOUR (24), TOWNSHIP TWENTY-FOUR (24) NORTH, RANGE TWO (2) WEST AND PART OF THE SOUTH HALF (S1/2) OF SECTION NINTEEN (19), TOWNSHIP TWENTY-FOUR (24) NORTH, RANGE ONE (1) WEST OF THE 6TH P.M., NORFOLK, MADISON COUNTY, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 19, TOWNSHIP 24 NORTH, RANGE 1 WEST; THENCE WEST, ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, TO THE INTERSECTION OF SAID SOUTH LINE AND THE EXTENSION EAST LINE OF LOT 2, DIVOTS ADDITION; THENCE NORTH, ALONG SAID EAST LINE OF LOT 2, DIVOTS ADDITION, TO THE NORTHEAST CORNER OF SAID LOT 2, DIVOTS ADDITION; THENCE WEST, ALONG THE NORTH LINE OF DIVIOTS ADDITION, TO THE NORTHWEST CORNER OF LOT 1, DIVOTS ADDITION SAID POINT BEING ON THE WEST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THENCE SOUTH, ALONG SAID WEST LINE OF THE

SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, TO THE SOUTHWEST CORNER OF SAID SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, ALSO BEING THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER; THENCE WEST, ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER, TO THE SOUTHWEST CORNER OF SAID SOUTHWEST OUARTER, ALSO BEING THE SOUTHEAST CORNER OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 24 NORTH, RANGE 2 WEST: THENCE CONTINUING WEST, ALONG THE SOUTH LINE OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER, TO THE SOUTHWEST CORNER OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER; THENCE NORTH, ALONG THE WEST LINE OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER, TO THE NORTHWEST CORNER OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER; THENCE EAST, ALONG THE NORTH LINE OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER, TO THE NORTHEAST CORNER OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER ALSO BEING A POINT ON THE WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 24 NORTH, RANGE 1 WEST; THENCE NORTH, ALONG SAID WEST LINE OF THE SOUTHWEST QUARTER, TO THE NORTHWEST CORNER OF THE SOUTHWEST OUARTER; THENCE EAST, ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER, TO THE NORTHEAST CORNER OF SAID SOUTHWEST QUARTER; THENCE SOUTH, ALONG THE EAST LINE OF SAID SOUTHWEST QUARTER, TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THENCE EAST, ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, TO THE NORTHEAST CORNER OF SAID SOUTHWEST OUARTER OF THE SOUTHEAST QUARTER; THENCE SOUTH, ALONG THE EAST LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER TO THE POINT OF BEGINNING.

SAID TRACT CONTAINS A CALCULATED AREA OF 267.8 ACRES, MORE OR LESS. (Exhibit 1, page 11, map of redevelopment area; Exhibit 2, page 12, property list)

#### **Findings**

### **Substandard Area Criteria-Documentation of Qualifying Conditions**

#### 1. Dilapidation or Deterioration

The results of the field survey conducted on April 14, 2021 determined that of the total structures assessed, 19 of the 27 were given ratings of fair, poor or dilapidated based upon signs of deterioration to the structure. This accounts for 70.37% of the total structures in the redevelopment area. (Exhibit 4, pages 14-19, pictures of study area)

The Dilapidation and Deterioration factors are so pervasive as to predominate the redevelopment area, and such factors are 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.

#### 2. Age or Obsolescence

An analysis of property records available from the Madison County Assessor's office and online at <a href="http://www.madison.gisworkshop.com">http://www.madison.gisworkshop.com</a> was conducted to document the age of buildings within the

study area. There were 16 buildings with an age listed. The average age of construction was estimated to be 55.81 years, with 68.75% of the buildings over 40 years of age. (Exhibit 3, page 13, property list with age)

The Age or Obsolescence factor is so pervasive as to predominate the redevelopment area, and such factor 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.

#### 3. Inadequate provision for ventilation, light, air, sanitation, or open spaces.

A field analysis was conducted on April 14, 2021 determined that this factor <u>does not</u> predominate the redevelopment area.

#### 4. Other conditions.

- a. High density of population or overcrowding;
- b. The existence of conditions which endanger life or property by fire and other causes;
- c. Any combination of such factors (other than dilapidation, deterioration, or age or obsolescence) which is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals, or welfare.

The average age of construction was estimated to be 55.81 years, with 68.75% of the buildings over 40 years of age. The existence of aged flammable materials, deteriorating electrical systems, and faulty heating systems increases the potential threat of fire. Inadequate roofing and old wiring can also provide for dangerous conditions. The field survey also identified various amounts of overgrown-dried vegetation and combustible items stored in the study areas creating a substantial fire hazard. The study also identified items such as barrels, and overgrown weeds. Any combination of such factors are conditions that could endanger life or property by fire (Exhibit 3, page 13, property list with age and Exhibit 4, pages 14-19 image of the area)

The study area <u>does meet</u> the existence of conditions which endanger life of property by fire and other cause.

#### **Blighted Criteria-Documentation of Qualifying Conditions**

#### 1. A substantial number of deteriorated or deteriorating structures.

A field analysis was conducted on April 14, 2021 to determine if parcels within the redevelopment area have significant combination of deteriorating factors present. The field survey included a detailed evaluation of the exteriors of the structures.

During analysis, the buildings were given a condition rating. The building condition rating is based on the following criteria:

**Dilapidated:** In need of more than one major repair, for example, to the roof, foundation, windows, and/or siding, etc. Severe visible damage to the foundation automatically leads to a classification of dilapidated. These structures are usually considered to be beyond rehabilitation.

**Poor:** Had multiple visible signs of deterioration, especially to the windows, siding, roof, and porch. Asbestos shingles/siding automatically leads to a classification of poor. Could be rehabilitated, but substantial cost would be involved.

**Fair:** Usually had at least one or more visible signs of deterioration to the windows, siding, roof, etc. Not a significant amount of damage, but some work would be required to list the building for top dollar.

**Average:** Structure had no substantial signs of building deterioration. However, cosmetic flaws were visible, such as outdated fixtures or very minor paint damage. This would require very little to no cost to sell the building for top dollar.

**Excellent:** Structure shows absolutely no signs of deterioration. No cosmetic flaws were visible. Only a very small percentage of structures will fall into this category.

Building Condition	Excellent	Average	Fair	Poor	Dilapidated
Total: 27	3	5	2	2	15

Of the total structures assessed, 19 of the 27 were given ratings of fair, poor or dilapidated based upon signs of deterioration to the structure. This accounts for 70.37% of the total structures in the redevelopment area. (Exhibit 4, pages 14-19, pictures of study area)

The study area meets the criteria of a substantial number of deteriorated or deteriorating structures, which criteria substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use.

#### 2. The existence of defective or inadequate street layout.

The study area <u>does not meet</u> the criteria of a defective or inadequate street layout.

#### 3. Faulty lot layout in relation to size, adequacy, accessibility or usefulness.

The study area <u>does not meet</u> the faulty lot layout in relation to size, adequacy, accessibility or usefulness criteria of blighted.

#### 4. Unsanitary or unsafe conditions.

The results of the field survey conducted on April 14, 2021 determined that there is a predominance of conditions that are unsanitary or unsafe. The overwhelming presence of debris, abandoned vehicles, propane tanks, miscellaneous areas of tall weed growth. In addition, vacant and dilapidated buildings were identified creating unsafe and unsanitary conditions. (Exhibit 4, pages 14-19 pictures of study area)

The study area meets the criteria of a substantial number of unsanitary or unsafe conditions, which criteria substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use.

#### 5. Deterioration of site or other improvements.

The results of the field survey conducted on April 14, 2021 determined that there is a predominance of conditions that are unsanitary or unsafe. The overwhelming presence of debris, abandoned vehicles, propane tanks, miscellaneous areas of tall weed growth. In addition, vacant and dilapidated buildings

were identified creating unsafe and unsanitary conditions. (Exhibit 4, pages 14-19 pictures of study area)

The study area does meet the criteria of substantial deterioration of site or other improvements, which criteria substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use.

#### 6. Diversity of ownership.

The study area <u>does not meet</u> the diversity of ownership criteria.

7. Tax or special assessment delinquency exceeding the fair value of the land.

The study area <u>does not meet</u> the tax or special delinquency criteria.

#### 8. Defective or unusual conditions of title.

The study area does not meet the defective or unusual conditions of title criteria.

#### 9. Improper subdivision or obsolete platting.

The study area <u>does not meet</u> the improper subdivision or obsolete platting criteria.

10. The existence of conditions that endanger life or property by fire and other causes.

The average age of construction was estimated to be 55.81 years, with 68.75% of the buildings over 40 years of age. The existence of aged flammable materials, deteriorating electrical systems, and faulty heating systems increases the potential threat of fire. Inadequate roofing and old wiring can also provide for dangerous conditions. The field survey also identified various amounts of overgrown-dried vegetation and combustible items stored in the study areas creating a substantial fire hazard. The study also identified items such as barrels, and overgrown weeds. Any combination of such factors are conditions that could endanger life or property by fire (Exhibit 3, page 13, property list with age and Exhibit 3, pages 14-19 image of the area)

The study area <u>does meet</u> the existence of conditions that endanger life or property by fire and other causes criteria.

11. Any combination of such factors (other than deteriorated or deteriorating structures, defective or inadequate street layout, unsanitary or unsafe conditions, or deterioration of site or other improvements), which substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use.

The study area <u>does not meet</u> the existence of a combination of other factors which are detrimental to the public health, safety, morals, or welfare in its present condition and use.

- 12. In addition to the above-described factors, at least one or more of the following conditions exist:
- i) Unemployment.

The study area does not meet the criteria of at least 120% of the state or national average.

# ii) Average age of residential or commercial units in the area. The qualifying condition is an average age that is at least 40 years old.

An analysis of property records available from the Madison County Assessor's office and online at <a href="http://www.madison.gisworkshop.com">http://www.madison.gisworkshop.com</a> was conducted to document the age of buildings within the study area. There were 16 buildings with an age listed. The average age of construction was estimated to be 55.81 years, with 68.75% of the buildings over 40 years of age. (Exhibit 3, page 13, property list with age)

The study area does meet the qualifying condition for average age.

#### iii) Unimproved land.

The study area <u>does not meet</u> the criteria of 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.

#### iv) Per capita income.

The study area <u>does not meet</u> the per capita income qualification that that 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.

#### v) Population.

The study area <u>does not meet</u> the criteria of either stable or decreasing population based on the last two decennial censuses.

#### **Conclusion**

The purpose of this study is to determine if all or part of the designated study area is substandard and blighted. In order to make the determination of substandard and blighted, state statute establishes a series of criteria.

#### **Substandard Factors**

The Nebraska Community Development law identifies six substandard factors. A review of Madison County Assessor's office property data and site inspection of the "West Hwy 275 Phase II Redevelopment Area" by Northeast Nebraska Economic Development District staff identified a presence of four substandard factors which have been met:

- 1.) Dilapidation/deterioration
- 2.) Age or obsolescence
- 4. b) The existence of condition which endanger life or property by fire and other causes
- 5. Deterioration of site or other improvements.

#### **Blight Factors**

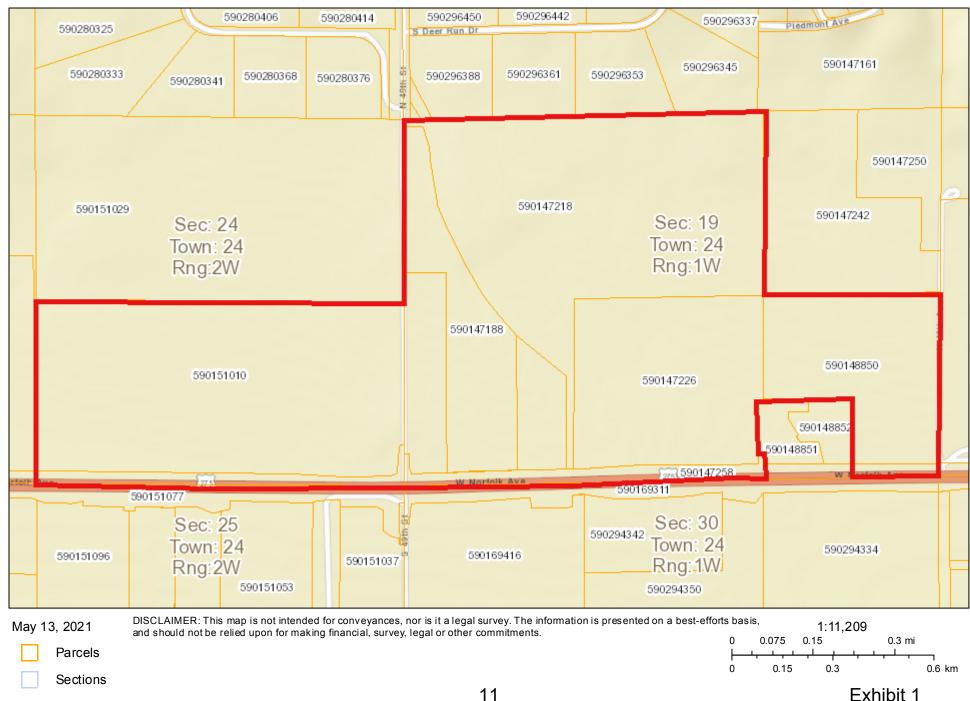
The Nebraska Community Development law identifies sixteen blight factors. A review of Madison

County Assessor property data and site inspection of the "West Hwy 275 Phase II Redevelopment Area" by NENEDD staff identified a presence of five blight factors. If the area met at least one of the first eleven qualifying requirements, it would then be subject to review of item twelve in order to determine if the area meets at least one of the other five conditions required within the statute. In this instance, it has been determined that the following blighted criteria have been met:

- 1) A substantial number of deteriorated or deteriorating structures.
- 4) Unsanitary or unsafe conditions.
- 5) Deterioration of site or other improvements.
- 10) The existence of conditions that endanger life or property by fire and other causes.
- 12) (ii) Average age of residential or commercial units in the area. The qualifying condition is an average age that is at least forty (40) years old.

Having met the substandard and blighted criteria as defined by section 18-2103 (31) and 18-2103 (3) of the Nebraska Community Development Law, <u>this study</u> <u>has determined that the West Hwy 275 Phase II Redevelopment Area is both substandard and blighted under the provisions identified and the general plan as required.</u>





Parcel #	Legal description
590147196	PT W 1/2 NW 1/4 SW 1/4 & PT W 1/2 SW 1/4 SW 1/4 19-24-1
590147188	PT W 1/2 SW 1/4 19-24-1
590147218	NE 1/4 SW 1/4 & PT W 1/2 SW 1/4 19-24-1
590147234	PT W 1/2 SW 1/4 less PT to State 19-24-1
590151010	PT SW 1/4 & PT S 1/2 SE 1/4 24-24-2
590148850	PT SW 1/4 SE 1/4 19-24-1
590147226	SE 1/4 SW 1/4 Less HWY 19-24-1

# of Properties	Parcel	Year Built	Type of Property	Age
1	590147196	1952	Single-Family	69
2		1952	Garage	69
3		1952	Garage	69
4		1980	Building	41
5	590147234	1949	Service Station	72
6		1950	Shed	71
7	590151010	1935	Single-Family	86
8		1935	Garage	86
9		1935	Single-Family	86
10		1935	Garage	86
11		1935	Garage	86
12	590148850	2019	Hotel	2
13		1996	Building	25
14	590147226	2006	Event Center	15
15		2005	Commercial Bld	16
16		2007	Commercial Bld	14
_				893
Total	893 / 16 =	55.81		





















