

CITY OF GOTHENBURG, NEBRASKA

RESOLUTION - 2002 -4

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOTHENBURG, NEBRASKA, MAKING FINDINGS AND DECLARING PROPERTY TO BE BLIGHTED AND SUBSTANDARD PURSUANT TO THE NEBRASKA COMMUNITY DEVELOPMENT ACT; ORDERING PUBLICATION OF NOTICE AND OTHER MATTERS.

WHEREAS, it is desirable and in the public interest that the City of Gothenburg, Nebraska, a municipal corporation and City of second class, undertake and carry out urban redevelopment projects in areas of the City which are determined to be substandard and blighted and in need of redevelopment; and

WHEREAS, Chapter 18, Article 21, Nebraska Reissue Revised Statute of 1942, as amended, known as the Community Development Law, is the Urban Renewal and Redevelopment Law for the State of Nebraska and prescribes the requirements and procedures for the planning and implementation of urban redevelopment projects; and

WHEREAS, the City in accordance with the laws of the State of Nebraska applicable to cities of the second class has duly prepared and approved a general plan for the development of the City known as its Comprehensive Plan, all as required by Section 18-2110, R.R.S. 1943; and

WHEREAS, the planning and zoning commission of the City has recommended that the area described in Attachment "A" be declared blighted and substandard and in need of redevelopment; and

WHEREAS, this Council has held a public hearing, after notice as required by Sections 18-2109 and 18-2115, R.R.S 1943 and has received and duly considered evidence relating to the present condition of the areas as shown and described on Attachment "A"; and

WHEREAS, Section 18-2109, R.R.S. 1943, as amended, required that, prior to the preparation by the City of a redevelopment plan for a redevelopment project, this Council as governing body of the City, by resolution, find and determine that the area is a substandard and blighted area as defined in said urban Renewal and Redevelopment law, and in need of redevelopment; and

WHEREAS, the evidence demonstrates that said area as shown and described on Attachment "A" constitutes a substandard and blighted area as defined in said Community Development Law, which area is in need of redevelopment;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GOTHENBURG, NEBRASKA:

1. That it is hereby found and determined that the area shown and described on Attachment "A", constitutes a substandard and blighted area as defined by Section 18-2103, R.R.S. 1943, as amended, and that said area is in need of redevelopment.

2. That it is hereby found and determined that a substandard and blighted condition exists as set forth and discussed in Attachment "A", "Blight and Substandard Area Study".

3. That such substandard and blighted condition is beyond the remedy and control solely by regulatory process and the exercise of police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided by the Community Development Law. The elimination of said substandard and blighted condition under the authority of the Community Development Law is found to be a public purpose and in the public interest.

4. That it is hereby found and determined that said area is an eligible site for an urban redevelopment project under the provisions of Chapter 18, Article 21, Nebraska Revised Statutes of 1943, as amended, for the development of an agricultural production facility, as defined in Section 17-405.01 (3), Nebraska Revised Statutes of 1943.

5. That Pony Express Greenhouse, L.L.C., has petitioned that the real estate described on Attachment "A" be annexed to the City for purposes of implementing a lawfully adopted redevelopment plan, containing a provision for the division of ad valorem taxes as provided in subsection (1) of section 18-2147, Nebraska Revised Statutes.

6. That the City Clerk is directed to publish notice, according to law, inviting proposals from developers for the redevelopment of the area described on Attachment "A".

7. That the City Clerk shall refer all such proposals to the Planning and Zoning Commission of the City for their recommendation, on receipt of such proposals and publish notice of hearing thereon, as is required by the Community Development Law.

Passed and approved this 9th day of April, 2002.

CITY OF GOTHENBURG,
DAWSON COUNTY, NEBRASKA

BY Larry Mangum
Mayor

ATTEST:

Connie Stull
City Clerk

ATTACHMENT "A"

[Attach copy of Blight and Substandard Study here]

Blight and Substandard Study
For the City of Gothenburg
April 5, 2002

PURPOSE OF STUDY:

The purpose of this Study is to determine if the area described in attached exhibit "A" meets the definition of blighted and substandard as set forth in Section 18-2103 of the Nebraska Community Development Law.

Those definitions are:

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 overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, and is detrimental to the public health, safety, morals, or welfare;

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, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability 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 percent of the village as blighted;

SKIP ANNEXATION:

Under a 1997 revision to the annexation statutes, a city of the second class or village may annex non contiguous territory "when such annexation is for the purpose of implementing a lawfully adopted redevelopment plan containing a provision dividing ad valorem taxes as provided in subsection (1) of section 18-2147 and which will involve the construction...of an agricultural processing facility..." Neb. Rev. Stat. Section 17-405.01 (2) Pony Express Greenhouse, L.L.C., intends to request implementation of a redevelopment project on the real estate on exhibit "A" that provides for just such division of ad valorem taxes.

An agricultural processing facility is defined as "an establishment where value is added to agricultural commodities through processing, fabrication, or other means and where eighty percent or more of the direct sales from the facility are to other than the ultimate consumer of the processed commodities." Neb. Rev. Stat. Section 17-405.01 (3) Pony Express Greenhouse, L.L.C., intends to process and package hydroponic tomatoes on the site. One hundred percent of the commodities will be sold through distribution channels and not to the ultimate consumer.

Finally, in order to qualify as an agricultural production facility, the plant must "involve the investment of more than one million dollars derived from non governmental sources." Neb. Rev. Stat. Section 17-405.01 (3) The total project will involve approximately \$6,000,000 most of which will come from non governmental sources.

The history of the 1997 amendment allowing this skip annexation involved a potato packaging plant near O'Neill, Nebraska, which sorted, sized, graded and packaged potatoes. This project will involve the sorting, sizing, grading and packaging of hydroponic tomatoes.

METHODOLOGY:

The real property on exhibit "A" was physically examined and photographs were taken to document the condition of the property for this report. The three structures on the property were examined and the condition of the property was then compared to the requirements set forth in Section 18-2103.

CONDITION OF THE PROPERTY:

1. Buildings: The property consists of 2 residential buildings and one garage. One residence consists of 1236 square feet and has a 20 foot by 24 foot detached garage. The residence operates on a private house well and uses a septic tank for household sanitary waste disposal. The other residence contains 1408 square feet and also operates from a private well and septic system. Both residences appear to have started out as smaller structures with numerous additions over the years.
2. Condition of Buildings: Both houses have pieces of siding missing, peeling paint and the roof shingles are curling and in some places missing. The roof of the detached garage has a noticeable sway revealing structural weakness. The larger residence is listed on the Dawson County Assessor's card as having been constructed originally in 1915. The other residence is shown as having been constructed in 1960, although the structure

appears to be much older. The owner of the property states that the structures on the property have been there for more than 50 years. The assessors sheet shows that the garage with the sway in the roof has no assessable value. One of the houses was recently the site of a homicide.

3. **Trash on Site:** The site contains an unlicensed trailer parked adjacent to the north residence and accumulated refuse. This is a prime area for collection of pests and rodents.
4. **Geographical Blighting Influences:** Although not in the area subject to petition for annexation and blight for an agricultural production facility, the residence and outbuildings immediately south of and adjacent to this property also contains a residential structure and outbuildings in deteriorating condition. There are numerous piles of debris on this property.
5. **Drainage:** The entire property described on exhibit "A" is subject to surface drainage. This allows the ponding of rain water on the drive to the buildings and in the open grassed area. There are no storm sewers to drain surface waters, causing ponding and the resulting breeding ground for mosquitoes and other water born insects. There is no dedicated public road on the site, although the property is bounded on the west and south by public roads. The standing water table is only 6 feet below the surface of the property.
6. **Improper Subdivision:** The property consists of more that 40 acres. The residential area is not subdivided. Lack of defined lot sizes obviously retards development.

CONCLUSION:

The subject property meets the definition of blighted and substandard as set forth in the Community Development Law. A predominance of the structures on the property (100%) are in a state of significant deterioration. Sanitation is poor, due to standing water problems and refuse accumulation. This is a condition that certainly contributes to ill health.

Exhibit "A"
To Blight and Substandard Study

The South West $\frac{1}{4}$ of the South West $\frac{1}{4}$; the West 70 feet of the South East $\frac{1}{4}$ of the South West $\frac{1}{4}$; and the South 217 feet of the West 215 feet of the North $\frac{1}{2}$ of the South West $\frac{1}{4}$, all in Section 27, Township 11 North, Range 25 West of the 6th P.M., Dawson County, Nebraska.

PETITION FOR ANNEXATION

COMES NOW, Pony Express Greenhouse, L.L.C., being the contract purchaser of the real estate described on attached exhibit A:

1. And hereby petitions the City of Gothenburg to annex the same to become a part of the City of Gothenburg, pursuant to Sections 17.405 and 17.405.01, of the Nebraska Revised Statutes.

2. The petitioner is the occupant of the real estate described and shows to the Mayor and Council that said land will be used for purposes of establishing an agricultural production facility which utilizes a lawfully adopted redevelopment plan that provides for the division of ad valorem taxes as provided in Section 18-2147 of the Nebraska Revised Statutes.

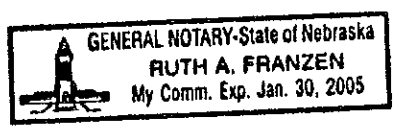
DATE April 8, 2002

Pony Express Greenhouse, L.L.C.

BY: Larry C. Gill
Larry C. Gill, Member

STATE OF NEBRASKA)
) SS
COUNTY OF DAWSON)

The foregoing Petition For Annexation was acknowledged before me, a Notary Public, on this 6th day of April, 2002, by Larry C. Gill, on behalf of said company.



Ruth A. Franzen
Notary Public

Exhibit A

The South West $\frac{1}{4}$ of the South West $\frac{1}{4}$; the West 70 feet of the South East $\frac{1}{4}$ of the South West $\frac{1}{4}$; and the South 217 feet of the West 215 feet of the North $\frac{1}{2}$ of the South West $\frac{1}{4}$, all in Section 27, Township 11 North, Range 25 West of the 6th P.M., Dawson County, Nebraska.