

DOWNTOWN HOUSING & DEVELOPMENT STUDY

GRAND ISLAND
NEBRASKA

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INTRODUCTION



The future for downtown Grand Island is located in the buildings of its past. Buildings that once housed leading regional retailers, provided space for downtown employers and stored goods entering the city now largely sit vacant above the street level. The opportunity these empty floors provide is unique in character within the city and unique in quantity in the region. This study looks at the potential upper-level housing has to be a catalyst for creating a more vibrant downtown Grand Island. Analysis provided in this report quantifies the demand for housing in downtown, translates that into rental rates and unit types, and provides comparisons to other downtown districts. The study further conceptualizes what housing could look like in a series of demonstration projects. Eight existing under-utilized buildings in the district were targeted, reviewed as candidates for redevelopment and explored with concepts focused on adding residents to the district. The study graphically lays out the select approaches to each building, outlines the criteria used to develop the plans, and lists recommendations as a collective attempt to further focus public and private investment within the district.



Project Overview

The Grand Island Downtown Business Improvement District #8 retained the services of Alley Poyner Macchietto Architecture, in partnership with Webb & Company Architects, Marvin Planning Consultants and Olsson Associates to complete the study of selected properties in the Downtown Improvement District. The Downtown Structure and Development Plan (DSD Plan) team started research in Grand Island in September 2011 with field work completed in November of the same year.

The DSD Plan has two areas of focus: the re-use of selected downtown structures and the existing demand for and impact of potential housing in downtown Grand Island. The specific objectives of the Plan, as outlined in the initial study description, focus on providing justification for private investment and public support for the development of additional housing units in the downtown district.

Project Objectives

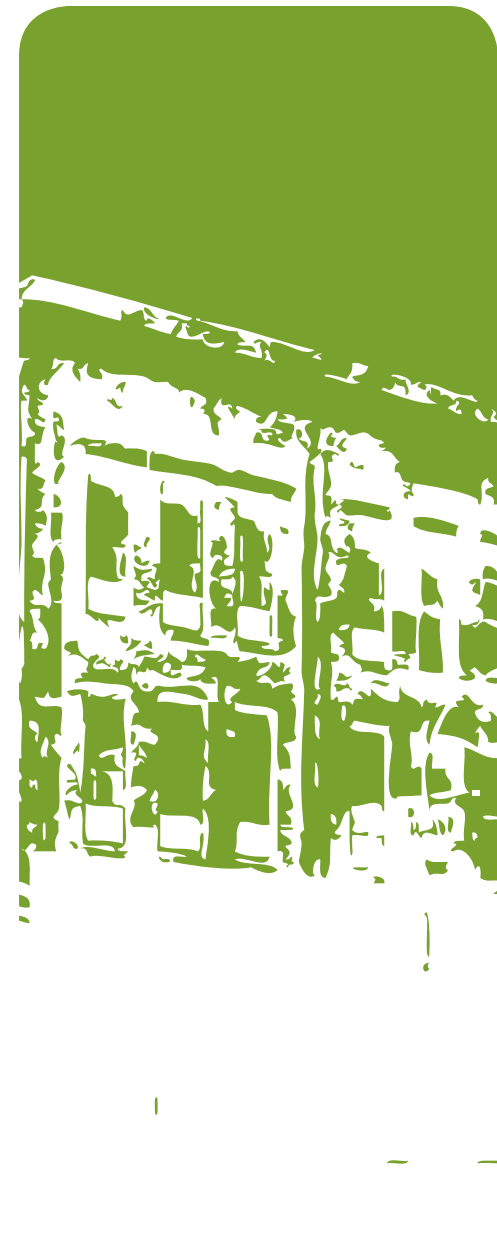
- Provide demographic analysis and estimated demand for housing in the downtown district.
- Provide data on the economic impact of additional housing, residents and construction activity in the downtown.
- Gather input from the BID board, City officials, and building and fire safety officials on potential building uses.

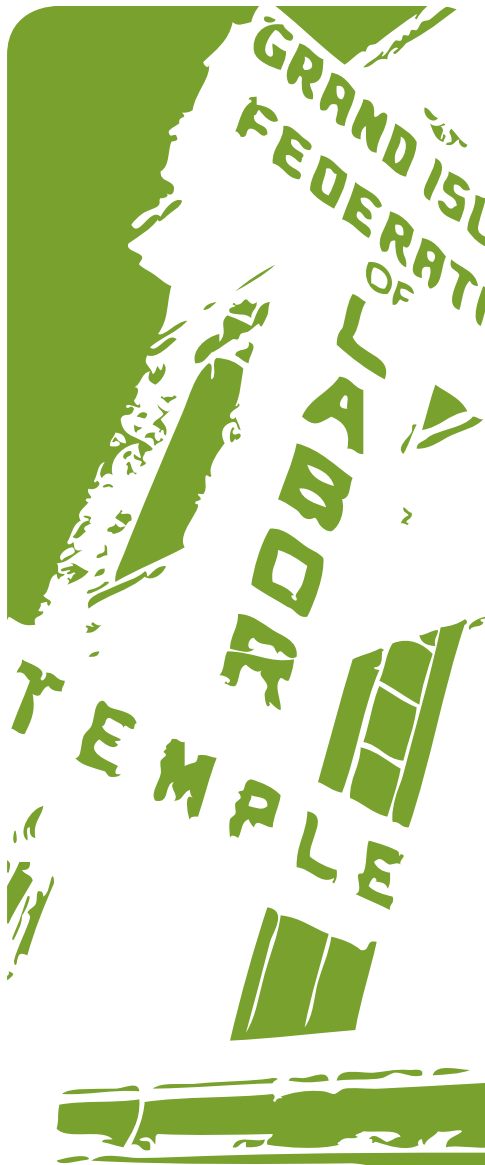
- Analyze the select downtown properties for potential re-use with emphasis on the following:
 - Code required upgrades for housing, commercial or mixed-use occupancies.
 - Issues related to accessibility and egress.
 - Document conditions of electrical, mechanical, plumbing and roof conditions as it relates to potential building re-use.
 - Document overall structural conditions of the structures, including key architectural features, exterior envelope and site/sidewalk issues.
 - Provide rough sketches showing possible layout of apartments and corridors.

Study Approach

Following initial site visits and preliminary research on upper floor housing opportunities, seven individual structures and one multi-building project were selected for inclusion in the study. The buildings were included for their perceived value as housing sites, the diversity of building configurations and size, their availability for re-development, and their potential to serve as examples for other structures in the district.

To meet the objectives, the study team investigated each property individually. The buildings, due to age and lack of recent renovation history, had very little existing documentation. The study team field-verified existing floor plan configurations to the extent required for the study. The existing floor plans used in this study were re-created to a level of accuracy necessary to complete the schematic unit layouts. An individual approach to each building was developed based on the objectives of the study and the conditions present in that particular building. Conceptual plans were created and refined based on the field information





obtained. Once schematic layouts were created, preliminary code research was conducted. The City of Grand Island has adopted the 2006 International Building Code with local amendments and the State Fire Marshall is currently enforces the 2000 National Fire Protection Association (NFPA 2000) Life Safety Code. The impacts of the 2009 and 2012 International Building Codes, if adopted by the local jurisdictions, were also considered. Conceptual plans were reviewed with representatives from the City Building Department, City Fire Department, Planning Department and a representative from the BID board. Input gathered from that meeting was integrated in the concept plans and is reflected in the study.

Evaluation of the structural conditions was completed by Michael Spilinek, PE, a licensed structural engineer with Olsson Associates. His observations are documented in the Building Analysis section of the report. The objectives related to architectural details were documented by staff from Alley Poyner Macchietto and Webb & Company Architects while competing field work, items significant to the redevelopment of the properties is found in the individual building sections.

The objectives related to housing demand and economic impact were researched by Marvin Planning Associates, Principal Keith Marvin, AICP.



Downtown Grand Island

MARKET ANALYSIS

Downtown is...

the traditional geographic center of commerce and government which over time has become known for its strong sense of place within the community. The downtown is a place within the community that is identifiable to current and past residents, it is an area that has left an impression on nearly everyone that has encountered the space. The downtown is central to identifying the history of the community.

The *Grand Island, Nebraska Downtown Housing Market Review* is part of a larger project being undertaken by the Grand Island Downtown Business Improvement District (BID), with funding assistance from the Community Redevelopment Authority (CRA). This review examines current market rate rental housing conditions in downtown Grand Island and compares Grand Island with the same sectors in Hastings, Lincoln and Omaha, Nebraska, and Davenport, Iowa. Although the size and demographic diversity of these communities are not necessarily comparable to Grand Island, the four communities were selected as benchmark communities because they have been heavily invested in downtown redevelopment activities for many years, and they are largely representative of the broader Midwestern market. This study further intends to support community discussions regarding downtown housing, and respond to area housing concerns with appropriate strategies for addressing those concerns.

This review largely speaks to the redevelopment of older multi-story buildings in downtown Grand Island. Grand Island's 2009 Affordable Housing Market Study identified a need for funding to offset redevelopment costs associated with using older multi-story buildings to meet contemporary housing needs. Retro-fitting older buildings with additional exits and sprinkler systems can present significant structural challenges and add considerable cost to redevelopment projects. Opportunities for new, infill development are not precluded here, but may in fact be limited in the defined downtown area. For the purposes of this study, downtown Grand Island is delineated as the area shown in the map to the left. Just over 100 condominiums and rental units are presently located in this area.

This review is not intended to reproduce information developed in the 2009 Affordable Housing Study; it is developed with the assumption that there continues to be a need for both affordable and market rate rental housing in the community of Grand Island. Updated funding, demographic and economic data are provided in the Appendices and recommendations sections of this report, and are offered for reference purposes only.

Key Findings

Within the five surveyed communities:

- Grand Island has the lowest square foot rental rate in its downtown market rate rental housing sector
- Downtown rental housing in Grand Island is highly discounted relative to the city's overall rental rates
- Downtown rental housing in all communities other than Grand Island rents at premium rates
- Grand Island has the highest occupancy rate within its community wide rental housing sector
- Grand Island has the lowest unemployment rate, (tying with Lincoln, Nebraska), at 3.2 percent as of November 2011 and should be able to support higher rents

Recommendations

Grand Island must work deliberately, creatively and comprehensively to support downtown revitalization. While demand for downtown rental units is strong, downtown rental units do not have the premium rental status associated with downtown rental homes in the four benchmarked communities.

Grand Island may seek to achieve higher downtown rental housing rates by

- Establishing a revolving loan fund to specifically support costs associated with redeveloping older buildings
- Distinctively redeveloping and marketing properties
- Purposefully, linking housing and commercial development

(Please reference the Development Issues and Recommendations section of this report for more information.)

Introduction

Historically, downtowns were created as the center of economic activity and stood as the cultural heart of small communities. Downtown is symbolically everybody's neighborhood, providing a location for citizen engagement, involvement and interaction. Over the course of the 20th century, as new modes of transportation evolved, developments and businesses have relocated from river ports and train stations to take advantage of major roadway realignments and new interstate highways, and historic downtown areas have struggled and declined.

In the 21st century, many downtown areas are evolving and reinventing themselves for the third and fourth time. Increasingly, civic leaders, planners and developers are recognizing the need to create and support spaces that offer a strong mix of shops, services, restaurants and housing. Successful downtowns represent places that are simultaneously attractive to and comfortable for, employers, workers, residents and visitors.

Efforts to revitalize Grand Island's downtown importantly recognize a need to reconsider its rental housing stock. A 2009 Affordable Housing Market Study identified several discreet areas within Grand Island's downtown that could play a key role in strengthening the area housing market and expanding housing choices. With an eye toward that study, this review looks at the current market situation, provides a series of insights from area housing and development stakeholders and offers recommendations towards strengthening Grand Island's downtown rental housing situation.

Methodology

This study draws extensively on local market surveys, interviews with industry professionals and key area stakeholders, and data from the U.S. Census Bureau and U.S. Department of Labor. Information was collected and compiled during the last quarter of 2011 and refers to market conditions in Grand Island, Hastings, Lincoln and Omaha, Nebraska, and Davenport, Iowa, the 2010-2011 timeframe.

Findings

1. Regional Market Trends

In large and small communities across the Midwest, rental rates and occupancy indicate that “urban style” living is an increasingly desirable housing choice. Apartment occupancy has remained strong despite the weak economy and weak job market. Several factors contribute to this:

- Young adults increasingly feel that they have lived at home long enough and are moving into apartments
- The Echo Boom generation (those born between 1980 and 2000) enjoy the apartment lifestyle and do not equate homeownership with financial security; they are inclined to wait until they are older before committing to home ownership
- Those who do see home ownership in their future may still hesitate to purchase a home because of the weak economic recovery and job market
- Some households continue to have difficulties obtaining a mortgage. If they experienced a foreclosure, they will probably have to wait until their credit scores improve, and that can take seven years. Although the rate of foreclosure has dropped, it has not returned to pre-recession levels, so this source of renters will continue to accumulate.

2. Citywide Trends

Our examination of individual communities supports trends observed across the region. Notably, Grand Island, Nebraska, and Davenport, Iowa have relatively tight rental markets with occupancy rates above 93%, while softer market situations exist in Omaha, Hastings and Lincoln, Nebraska.

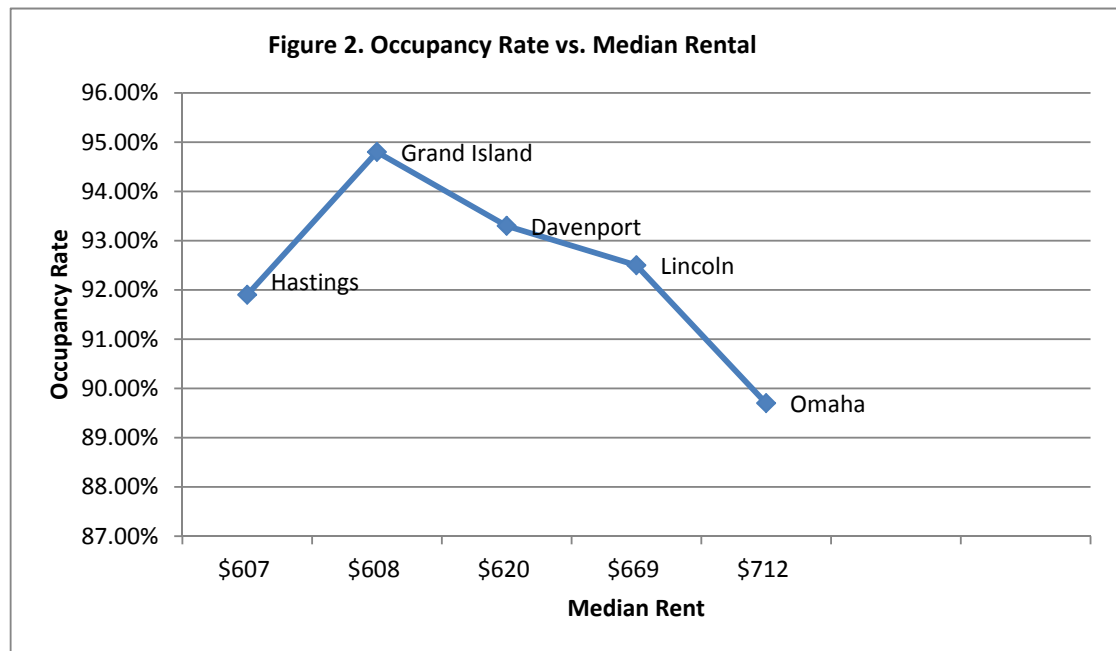
Table 1. Comparison of Citywide Rental Market Trends*

Community (population)	Median Rent	Occupancy Rate
Grand Island (48,520)	\$608	94.8%
Hastings (24,907)	\$607	91.9%
Lincoln (258,379)	\$669	92.5%
Omaha (408,958)	\$712	89.7%
Davenport (99,685)	\$620	93.3%

*Data compiled from 2010 U.S. Census and 2008-2010 American Community Survey.

Median rental rates in these five markets not unexpectedly show an inverse relationship to occupancy rates. Grand Island median rent is the second lowest of the five surveyed communities while its occupancy rate is the highest of the five communities. Omaha has the highest median rent with the lowest occupancy rate. Hastings, the smallest community, stands as the exception to the overall trend with the lowest median rental rate (essentially the same as Grand Island), and only the fourth highest occupancy rate. This suggests that Grand Island is a stronger regional draw than Hastings and there is potential for higher rental rates in Grand Island.

The strength of the Grand Island rental market is further substantiated by a



strong employment rate; Grand Island ties with Lincoln in having the lowest unemployment rate of the five communities, and median household income in Grand Island falls directly in the center of median incomes for all five communities. Apartment occupancy is typically tied to job growth and income, however, this convention carries somewhat less weight in current economic conditions. It does stand to demonstrate the strength of the Grand Island market, but it does not necessarily reflect weaknesses in the other four markets as is evident in closer examination of the downtown rental market.

Table 2. Comparison of Citywide Economic Trends**

Community (population)	Unemployment Rate <i>(November 2011)</i>	Median Household Income <i>(all households)</i>
Grand Island (48,520)	3.2%	\$44,638
Hastings (24,907)	3.4%	\$42,342
Lincoln (258,379)	3.2%	\$48,203
Omaha (408,958)	4.1%	\$45,115
Davenport (99,685)	7.3%	\$42,475

***Data compiled from 2010 U.S. Census and U. S. Department of Labor*

3. Downtown Apartment Market Trends

Turning to the downtown rental housing markets, the focused surveys showed that apartment units in all five communities are uniformly characterized by modern construction respecting the historic qualities of the original buildings. Units typically have drywall finishes with exposed brick on exterior, and in some cases, interior walls; modern kitchen, appliances and bathroom fixtures were common as well. In all communities, units are typically rented to some younger and more middle-aged business/professional people, divorced individuals, students, military personnel or empty nesters. Market rate rental units and condominiums are reported to be in demand in all five communities, and “corporate style” rental units are also becoming a viable market alternative. “Corporate style” units offer the flexibility of being rented out as an apartment or an extended stay hotel. They are typically fully furnished and include a full kitchen with dishes, flatware, cooking utensils, etc. Two such units in Hastings have seen considerable success and have an average rent of \$2.00 per square foot. There have been minimal vacancies in these units since they were completed.

Anecdotally, two building owners in downtown Grand Island maintain waiting lists and experience very low turnover rates in their units. Grand Island building owners additionally report that it is easier to rent upper floor housing units than street level commercial space.

Our survey further examined the downtown markets in terms of the number of bedrooms, square footage per unit and rental rates. This aspect of the survey reveals that Grand Island has the lowest average rental rate per square foot. At an average of \$0.58 per square foot; Grand Island offers downtown rental housing at 42 percent less than any of the other four communities. While lower rents are attractive to potential occupants, and support high occupancy rates, the situation makes it challenging for developers to realize any gain on their investment. Details of this portion of the survey are provided in Appendix A and findings are summarized below in Table 3.

Table 3. Comparison of Downtown Rental Market Trends***

Community (population)	Average Unit Size	Average Rental Rate	Rent/Square Foot
Grand Island (48,520)	923 ft2	\$537	\$0.58
Hastings (24,907)	778 ft2	\$794	\$1.02
Lincoln (258,379)	840 ft2	\$871	\$1.04
Omaha (408,958)	1,046 ft2	\$1,083	\$1.04
Davenport (99,685)	810 ft2	\$827	\$1.02

***Data compiled from samplings of downtown market rate units in 2011; these samplings do not include condominiums or subsidized units. A full listing of the buildings/unit specifications are provided in Appendix A.

In comparing the average downtown rent with the corresponding median rent for each community in Table 4, we find that downtown properties rent at a premium (\$187 to \$371 more) for all communities except Grand Island. While there is not an overt difference in the quality of units, it could be argued that differences in surrounding amenities such as parks, restaurants, shopping, and entertainment contribute to downward rather than upward pressure on Grand Island rental rates.

Table 4: The Downtown Rental Market Compared with the Citywide Rental Market

	Grand Island	Hastings	Lincoln	Omaha	Davenport
Average Rent (Downtown)	\$537	\$794	\$870	\$1,083	\$827
Median Rent* (Community-wide)	\$608	\$607	\$669	\$712	\$620
Difference in Downtown Rent vs. Median Contract Rent	-\$71	+\$187	+\$201	+\$371	+\$207
Percentage difference over Community	88.3%	131%	130%	152.%	133.%
Rental Occupancy Rates (Community-wide)	94.8%	91.9%	92.5%	89.7%	93.3%





TARGET BUILDINGS: *Selection*

Considering a number of factors including location, visual and spatial prominence, and potential economic impact, eight buildings within the downtown district were selected for further study. Buildings that have recently been sold or placed on the market, or that have an owner with a known interest in redevelopment, were given priority.

Specific consideration factors included, but are not limited to:

- Buildings that are currently unoccupied or under-utilized.
- Historic buildings with potential for main-floor development.
- Buildings with a high potential for second-floor housing.
- Structural soundness.
- Labor Temple Building is currently owned by a non-profit which has relocated.
- The Hedde Building was recently purchased as an investment property and the local owner is interested in the development of the upper two floors.
- The Wolbach Building has been recently purchased and the main floor has been remodeled for the Azteca Market. The second floor is available and of prime location for residential redevelopment.
- The Elks' building makes a significant architectural contribution to the downtown Grand Island "government center," across from the historic Hall County Courthouse. The owner is ready to develop this building for new tenants.

The selected buildings provide a sampling of conditions that are likely to be found in numerous other buildings in Grand Island; the solutions found within the buildings shown here can be modified, combined and customized to provide ideas for the redevelopment of other buildings through the downtown district.



CONSIDERED:
Gambles Building
315 W. 3rd Street

The Gambles building is currently vacant and configured as a retail / store front commercial use with a single open stair to a second floor storage or show room space. The building was evaluated for potential upper floor

housing use and included in the structural evaluations. The Gambles building could support second floor housing in a configuration not unlike the Roeser building, if a new dedicated stair were to be added. The two structures are 43' and 44' wide respectively with what could be common street level retail bays. Respecting the potential similarities, the study team, with input from the BID, chose to limit exploration of the Gamble Building concept and instead add the Empire Building to the study.



Elks' Building
205 W 1st Street



Wolbach Building
103 W. 3rd Street

SELECTED:



Kallos Building
106 E 3rd Street



Roeser Building
115 & 117 W 3rd Street



Labor Temple Building
210 N Walnut Street



Hedde Building
201 & 203 W 3rd Street



Empire Building
116 W 3rd Street



Pathfinder Building
223 W 2nd Street

TARGET BUILDINGS: *General Information*



Code Analysis

The ability to redevelop the buildings analyzed in this report will require cooperation between the building owners, the design team and building code officials. For the purpose of this study concept layouts were discussed with City of Grand Island Building and Fire Department officials on December 14, 2011. Notes from that meeting can be found at the end of this document in Appendix C. Specific items effecting the approach to several of the targeted building concepts are outlined below:

- Fire sprinklers are most likely going to be a key part of the final Life-Safety solution for re-developing these structures. It is recommended that all redevelopment projects include budgeting for adding the system.
- Mixed-use buildings (containing both housing and commercial or retail uses) will have requirements for floor and wall fire separation barriers that require special analysis. In existing systems, analysis of what the current materials provide and what is feasible to add will need to be considered.
- Two exit stairs from upper level housing units are generally required. In buildings of limited size with less than four units per floor, one stair is allowed if special conditions are met.
- Rules for new construction, rules for existing buildings and exemptions for historic structures all need to be balanced when working on redevelopment of buildings of this age.
- Accessibility guidelines in Nebraska allow elevators to be optional for buildings with a limited number of units, but code requirements are intended to

be minimum standards. Providing an elevator should also be looked at as an amenity to potential tenants.

- If adjacent structures can be unified, code officials were open to exploring options that share Life-Safety requirements and benefit from the economies of scale for egress or accessibility systems. Examples of a shared-egress system or a shared accessible route could be considered.
- In the 2009 IBC, the 2006 IBC exemption that allows for sleeping rooms without emergency escape and rescue openings in sprinkled buildings has been removed. The implications of this change with regard to the buildings in this study are significant should the new code be adopted; the building-types represented herein often result in apartment layouts with sleeping units without direct exterior access. For redevelopments of this type, early review with the code officials to work through this issue are highly recommended.

Building Systems

The existing heating, ventilation and cooling systems in the structures that were evaluated for this study were all incapable of being incorporated into the proposed renovations. In several structures, the upper floors have been un-occupied for decades with systems partial or completely removed. Where systems remained, with the reconfiguration of the buildings into individual residential units, the code-required performance levels and the individual controls required dictate providing new systems. When providing new systems in historic structures, a number of criteria should be considered:

- Systems should complement historic elements or character being preserved.
- Solutions need to mitigate the impact of new interior climate on historic materials.
- Preservation goals shall be integrated into mechanical and code requirements.
- Solutions should plan for maintenance and future replacement needs.

The windows observed varied from structure to structure. Generally the street façade windows were in better condition than windows observed to be on the rear or skylights. For the structures that are potential candidates for the Historic Tax Credit program, the conditions of the existing windows can be a cost factor. Typically if existing wood double hung windows are intact, they are refurbished and re-installed. If the steel windows, common to property line and alley facing facades, are in place, those too would be refurbished and preserved. The openings that have been in-filled with

masonry or other materials and are in structures that are going to follow the Parks Service guidelines, replacement window selection will need to be an early discussion with reviewers. If wood windows can be manufactured to original specifications, that is generally a preferred option.

If the project is not pursuing Historic Tax Credits, a variety of manufactures offer double hung windows with profiles that can be selected to match historic windows in aluminum or other long-lasting materials.

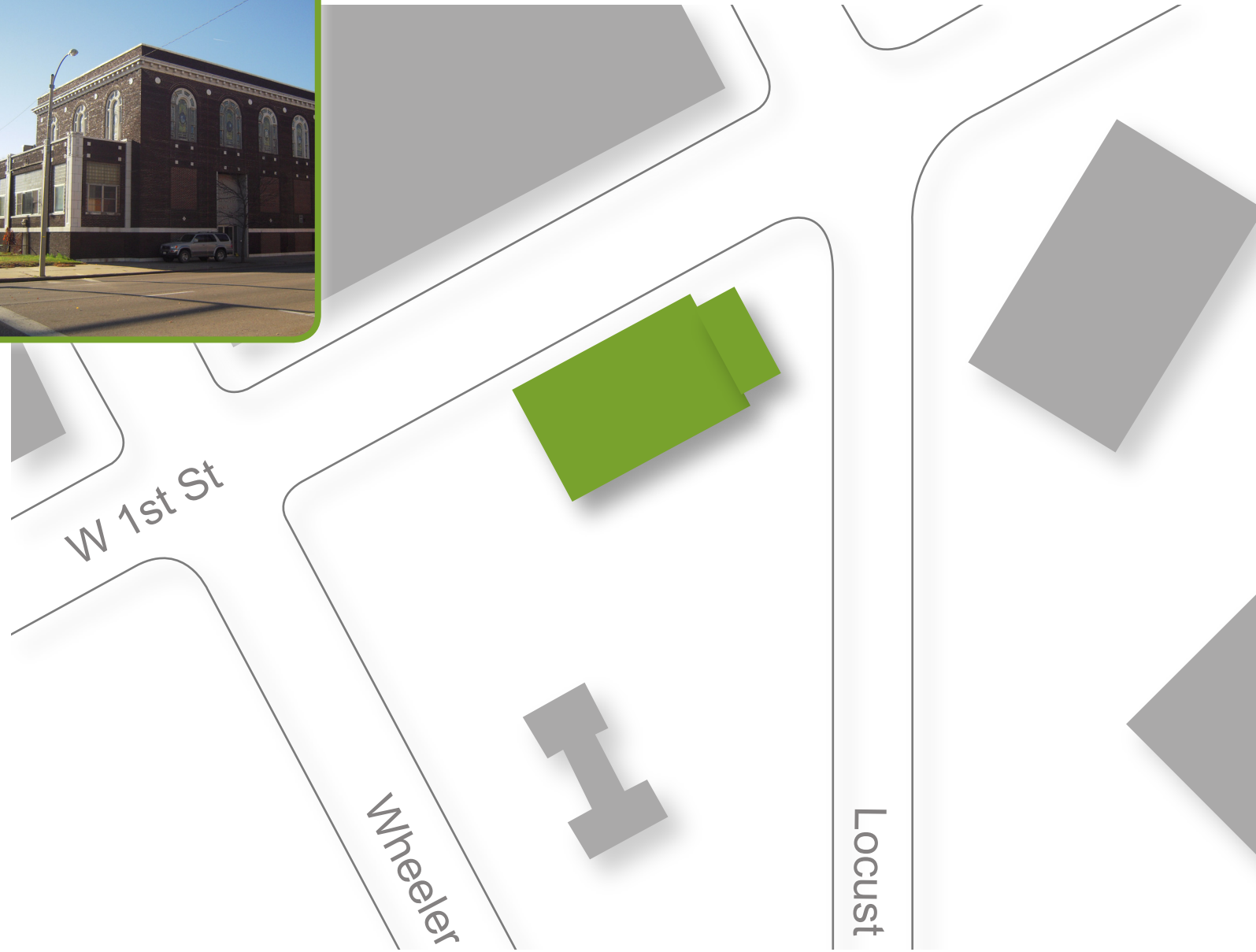
District Parking

The success of future housing development will be impacted by the downtown's ability to manage its parking. Residents, especially the first to return to downtown, are going to be dependent on their cars for the majority of their daily needs. This dependence will be reduced as residential density increases and more services are available within walking distance. The current condition of free, unmetered street parking has the potential to produce conflict between street-level businesses which desire their customers have access to adjacent parking stalls and residents who can leave a car parked for days at a time. It will become important for downtown residents to have off-street parking, perhaps being able to lease spots from the City within the off-street parking lots. Management of the downtown parking district, and its evolution from its current practices may be a future opportunity for the BID, or a parking specific non-profit parking authority.

Building Plans Legend

- ① One Bedroom, One Bath
- ①.5 One Bedroom + Den, One Bath
- ② Two Bedroom, Two Bath
- ②+ Two Bedroom + Den/Office, Two Bath
- ③ Three Bedroom, Two Bath
- ③+ Three Bedroom + Den/Office, Two+ Bath

Applies to all plans which follow





TARGET BUILDINGS: *Elks'*

205 W. 1st Street

Overview

The Elks' Building is a three story building with two above-grade levels and one half basement. The building is vacant with the lower level and first floor most recently used by office tenants. The second floor is configured to its original assembly hall use. The building retains substantial amounts of its original detailing in the assembly hall as well as original stained glass windows. It is considered a good candidate for preservation and the design approach developed features layouts that would preserve the original building's integrity.

The building features one primary entrance from the 1st Street façade. The top-floor assembly space with its high ceiling and original stained-glass windows were considered a priority for the team to preserve. The ability to utilize the assembly space in the future will depend largely on the ability to meet the exiting requirements for large groups of the current code. It was determined that this would be possible with an addition, which also features an elevator. Other goals for the Elks' building include:

- Develop concept to preserve integrity of assembly space and windows.
- Demonstrate way to add accessible route to all floors, required for assembly or business uses.
- Provide housing units and business occupancies that will benefit from proximity to the court house
- Demonstrate the redevelopment of a mixed-use building with housing below other uses.

The size of the existing third floor assembly space and the desire to preserve the space without compromising the openness (a likely requirement if historic tax credits are to be used) caused our team to conceptualize a third floor use that is not dependent on clear vision glass in the existing windows. The stained glass windows provide substantial light, but living units generally benefit from clear glass. One alternative to configure housing on the third floor would be to keep the large center stained glass window in each opening and then to either remove the smaller side double hung stained glass windows and replace with vision glass. An alternative would be to fix the double hung stained glass windows open and add a clear vision glass window to the exterior (thereby preserving the existing windows with minimal modifications).

If the upper level is made accessible by the elevator and exit capacities can be satisfied by the new stair tower addition, the potential does exist for the third floor to be used, once again, as an assembly space. It should be noted that other code considerations for upper level assembly occupancies will need to be evaluated. For example the number of occupants would substantially increase the code required number of plumbing fixtures. A further consideration leading us to prefer a business occupancy to the assembly option is the potential for noise conflicts. When mixing assembly space in the same building with housing units, the peak use hours for both occupancies conflict. As a business use, the normal working hours align with tenants' desires for quiet during evening and early morning hours.

The first floor and lower level currently exist in substantially modified conditions from the original building design. The first floor windows have been in-filled with masonry and all exterior walls have been offset with new interior framing allowing for utilities to be routed for the more recent office use. Assuming all existing interior partitions would be removed and the masonry openings would be returned to operable windows, the lower levels have the potential to accommodate housing. The first floor was the focus of our study, as the lower level has a similar layout but a slightly modified structural system. Assuming the structure could be incor-

porated with minor modifications to the unit layout concepts, the building would support two lower levels with six units each. The concept includes examples of one bedroom units and one-bedrooms with dens or dedicated offices.

Structural Analysis

Exterior

Mortar loss was found throughout the exterior brick and the stone cornices, but not enough to affect the structural integrity of the building at the present time. Several bricks are loose over a steel lintel of a second floor window on the east face. This presents a safety hazard and will require repair.

Basement

Moisture penetration was evident on all exterior foundation walls due to presence of mold and deterioration of finish; however, the structural integrity of the foundation and the walls was still intact. Measures to prevent future moisture penetration need to be implemented. Bricks of the foundation wall beneath a lintel of a mechanical opening had fallen out or been removed. The lintel is basically suspended on one end and will require reconstruction of the bearing condition.

1st Floor

Good condition with no structural issues found.

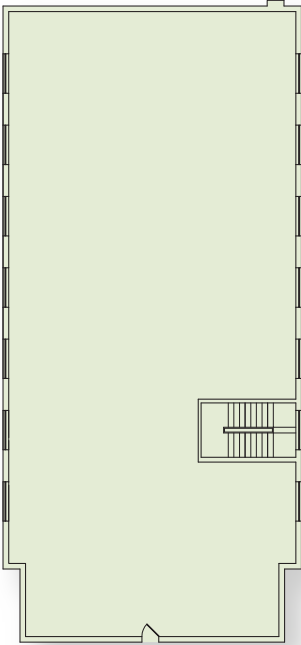
2nd Floor

Good condition with no structural issues found.

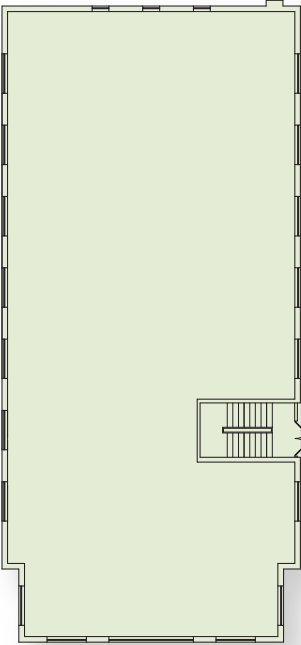
Roof

Signs of past roof leaks were evident throughout, but no structural issues of the roof framing were found. The membrane roof constructed in 2003 is in good condition. The termination bar on the parapet was loose in a few small locations and requires repair.

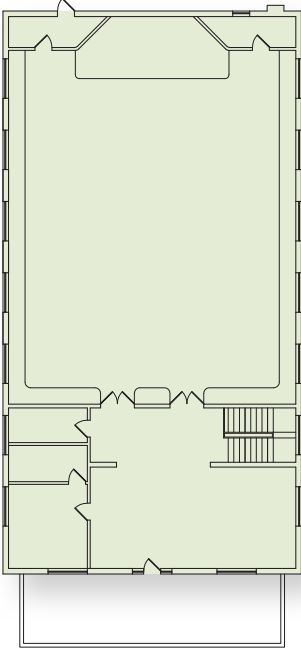
EXISTING: *Floorplans*



Basement Floor



First Floor

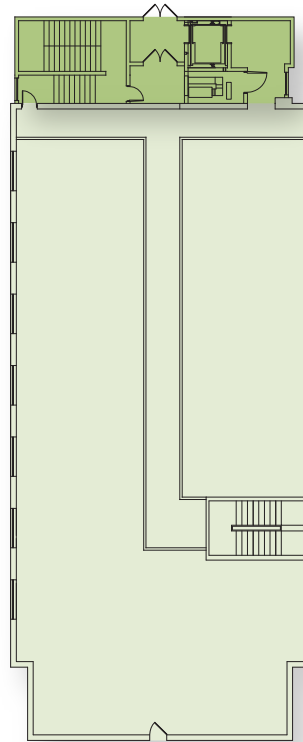


Second Floor

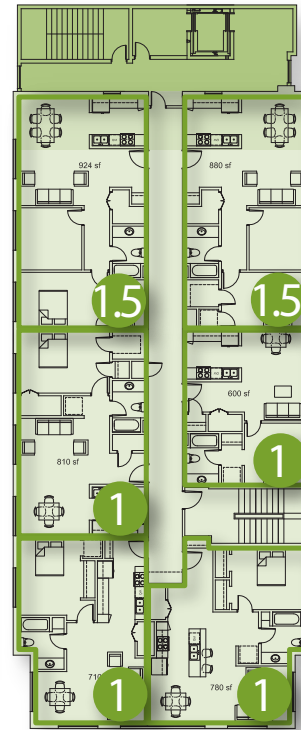


Note: All plans are 1/32" = 1', typical throughout this study

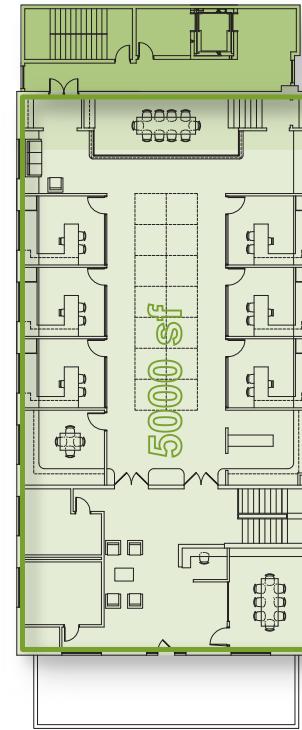
PROPOSED: Floorplans



Basement Floor

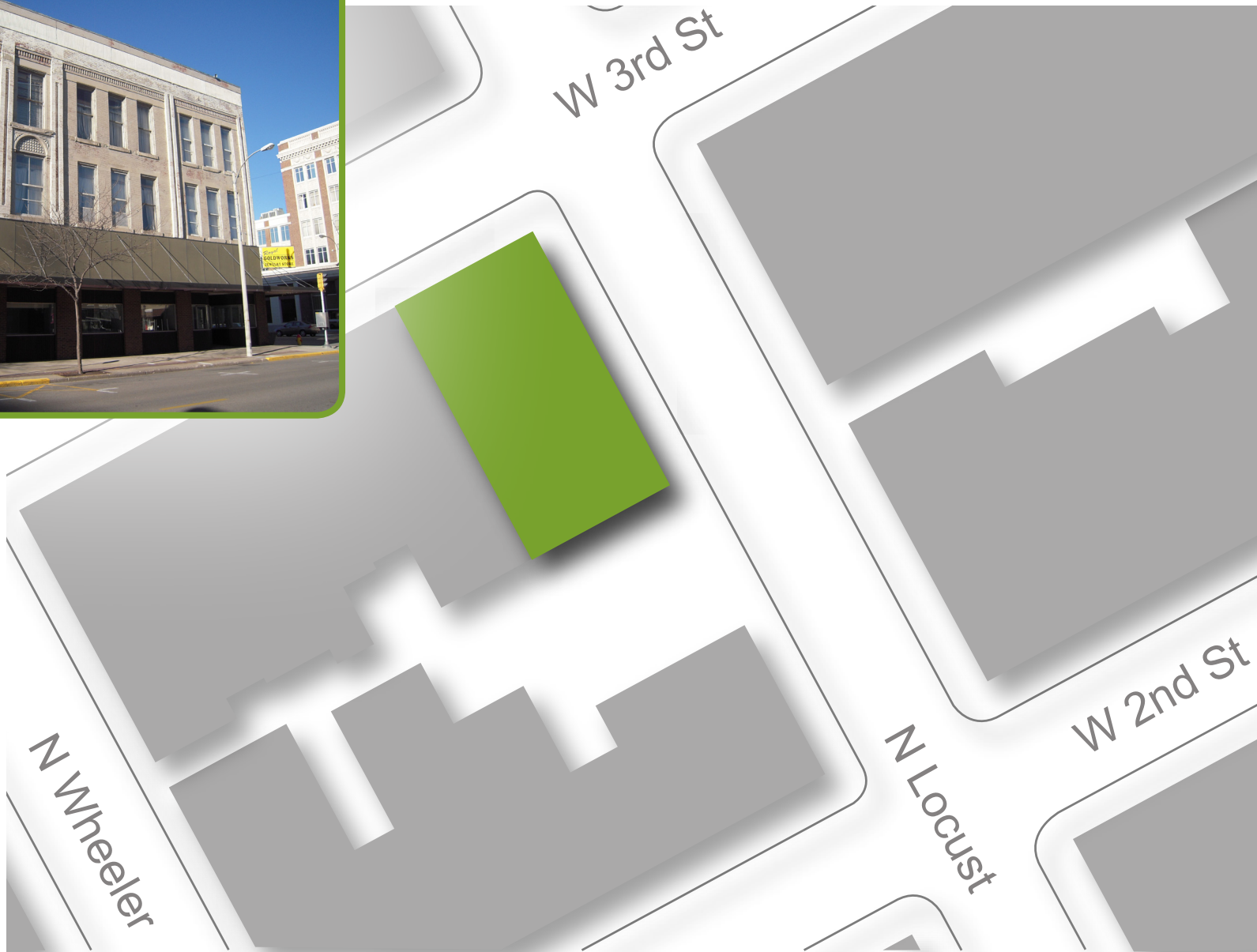


First Floor - Apartments



Second Floor - Office







TARGET BUILDINGS: *Hedde*

201 & 203 W. 3rd Street

Overview

The Hedde building is vacant, most recently the street level retail with the basement as a mixture of show room and storage. The upper two levels are configured for a series of professional office suites, with two central two story atriums providing air and light access. The building has substantial existing historic corridor and door components, so the study looked at preserving the circulation system to potentially take advantage of Historic Tax Credits during the renovation.

The building was analyzed with the intent to maintain the ground floor retail and basement support spaces, while adding housing units to the upper two floors. Additional criteria for the Hedde building concept include:

- Focus on mixed-occupancy: ground floor retail with upper-level housing
- Maintain the existing upper-level corridors for potential use of historic tax credits in the renovation.
- Provide a second egress stair and elevator access to accommodate tenants of all abilities and ages.
- Demonstrate the ability to configure a living unit in an area of the building with limit access to daylight, a common issue with existing larger footprint buildings in downtowns.

The design approach to the building features preserving the entry stair and maximizing the natural light available in the living room / kitchen areas of the units. The design assumes the building will be fully protected by a fire sprinkler system

and that all of the previous window openings would be restored to windows of historic size. The building features large existing corridors and common spaces that offer the potential for unique shared tenant amenities. The second floor, for example, has two areas that are open to the corridors above that can function as shared seating, recreation (ping pong or pool) or gallery space. The ability to re-use the existing corridor requires, due to its length, a second exit stair to be added. We propose placing this stair in the area of the large floor plate that has limited access to daylight. This area, adjacent to the building on the west would allow a single stair to land on 3rd Street. Giving tenants the option to enter on Locust and use the elevator or 3rd Street.

The units are designed in a mixture of 1 and two bed room configurations. The units facing the two adjacent streets would all feature substantial access to day light and views. The unit located on the south west corner of the building does not feature street views, but has a desirable corner configuration for the living / kitchen space and direct window access by all rooms. The area located in the inner most area of the floor plate is challenged by its lack of windows. This is a common problem with larger floor plate buildings that share walls with adjacent structures. This unit, although it has only access to one window, is configured so the window allows light into living room and dining space. This unit is also designed to be a small in area, allowing it to be priced at a position that makes it competitive.

Structural Analysis

Exterior

All walls are in good condition with the exception of some limestone sills below windows. The limestone has deteriorated and possibly led to minor damage of the brick wall interior directly beneath. The wall damage is minor and has not affected the structural integrity of the building. The safety of the escape stairs on

the west wall is questionably and will need further investigation.

Basement

Good condition with no structural issues found.

1st Floor

Good condition with no structural issues found.

2nd Floor

Good condition with no structural issues found.

3rd Floor

Good condition with no structural issues found.

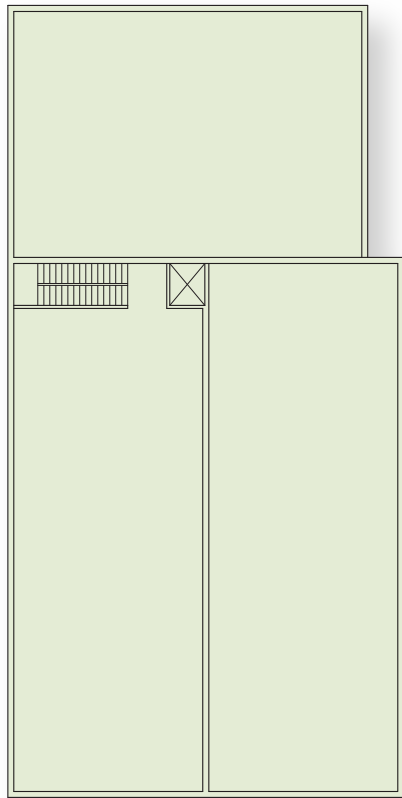
Roof

Signs of past roof leaks were evident throughout with significant water penetration around the skylight, but no structural issues of the roof framing were found. Due to its age and bad condition, the skylight should be replaced or removed. The foam roof constructed in 2005 is in good condition.

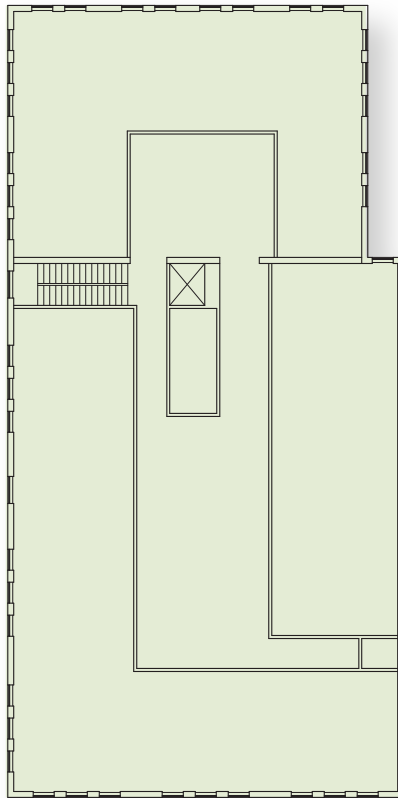
Other

The partial mezzanine above the 1st floor appears to have been constructed after the original construction. It did not appear that the 1st floor was properly designed for the mezzanine addition and should be removed upon any planned renovation. The canopy was in good condition with no structural issues found.

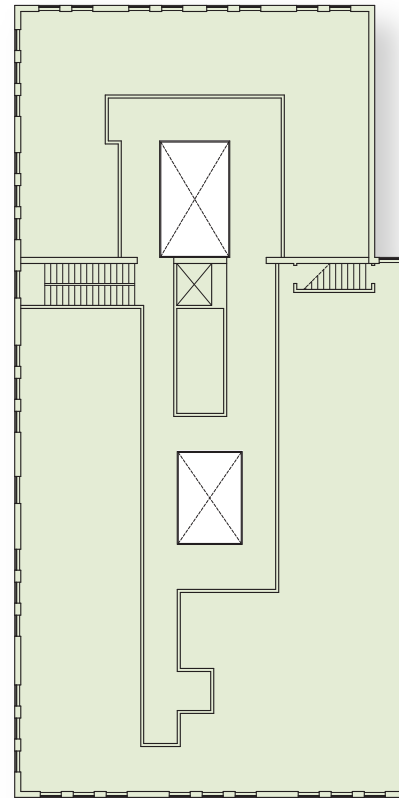
EXISTING: *Floorplans*



First Floor - Commercial
(Basement not shown)



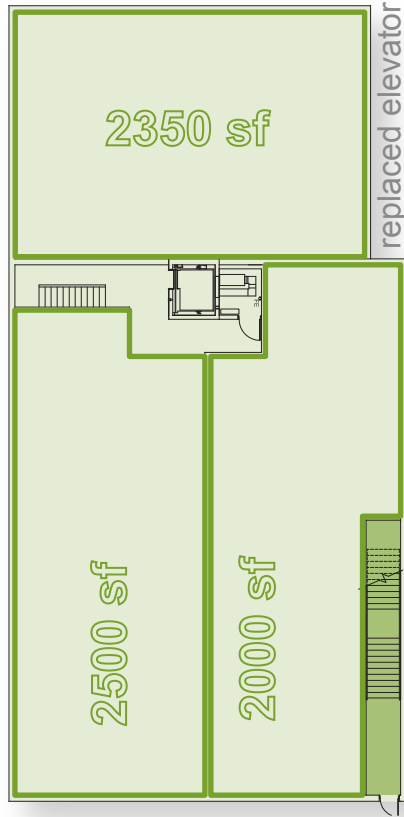
Second Floor



Third Floor



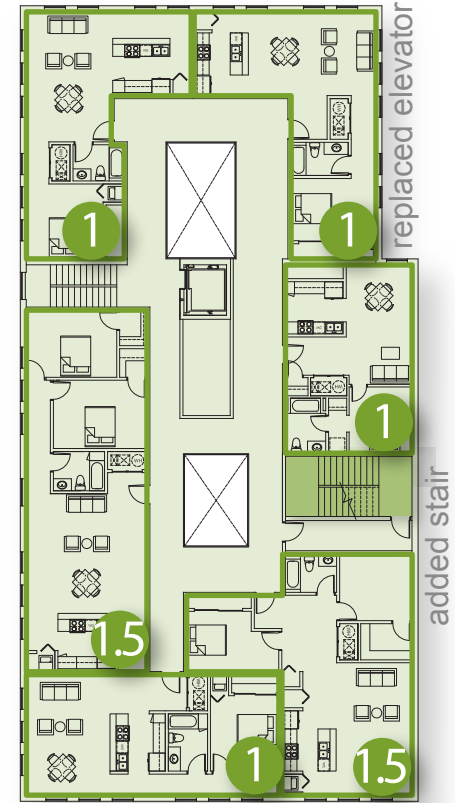
PROPOSED: *Floorplans*



First Floor - Commercial
(Basement not shown)

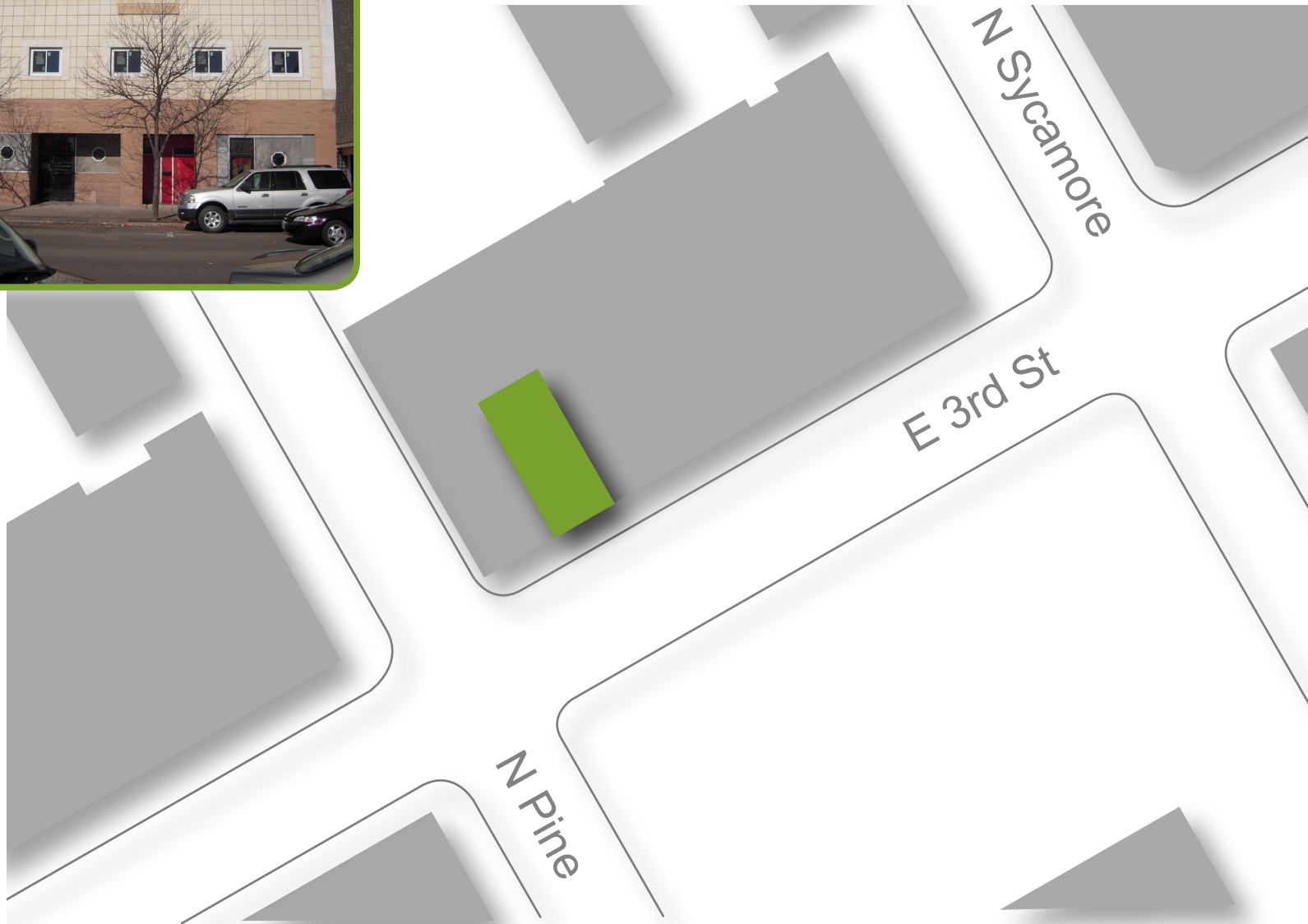


Second Floor - Apartments



Third Floor - Apartments







TARGET BUILDINGS: *Kallos*

106 E. 3rd Street

Overview

The Kallos Building is currently vacant, having been previously configured for a single ground floor commercial tenant with upper-floor housing. Although the building was modified to appear to be one building from the street elevation, the building contains a central shared wall with two directly adjacent stairs that formerly served the upper level housing. An opening has been added to connect the two previous street level commercial bays near the center of the floor print. The building has existing windows facing 3rd Street and existing windows on the property directly above the building located to its west. These windows are not protected from the potential fire hazard a neighboring structure fire would produce. The building has a building directly to its immediate north and east. The street level commercial space has an exterior door located in the north west corner of the floor plate with a small pedestrian only alley that connects the building to Pine Street.

The Kallos building was evaluated as a mixed-use building with the criteria established below:

- Demonstrate an option for combining the upper level of two small footprint adjacent buildings, utilizing a single exit stair.
- Demonstrate options for utilizing existing windows over an adjacent buildings roof.
- Create a unit option that is long and narrow with access to light on only side.

The two existing buildings that were combined into what this study calls the Kallos building are common to the smaller footprint buildings often found in downtown areas. The efficiency loss from a stair serving only one or two units often adds to the barriers for making these buildings economically viable to renovate. If two or more of these buildings can be combined to increase the efficiency of the area included in the units and reduce the circulation space, the economics of renovation improve. The Kallos building, in its conceptual plans, demonstrates how the two units, if combined to share a single stair and small common corridor, can become considerably more efficient. The units were explored in concept with City and Fire Department officials. The windows on the property line are existing, as such they have conceptually agreed to allow them to remain. This allows the building to potentially support three upper level units.

Structural Analysis

Exterior

Good condition with no structural issues found.

Basement

All foundation walls were in fair condition with the exception of the west foundation wall. Significant damage at the top of the limestone foundation has occurred but its cause was not determined. The floor joists no longer bear on the west wall, but a wood post and beam was added adjacent to the wall to support the floor joists. The wood post and beam has significant structural deficiencies. One of the posts punched through the concrete floor and is no longer supporting the beam. Several other posts have insufficient bearing on the concrete floor and are in danger of punching through as well. Some of the floor joists ends are suspended and not in contact with the beam. This entire post and beam construction will need replacement.

1st Floor

A short interior floor beam has severe termite damage and warrants replacement. Significant termite damage to adjacent floor members was not found. A portion of the north floor in front of the stage is sunken. The current owner indicated that water was found ponding in this area previously due to rain infiltration from the roof. The owner had to drill holes in the floor to release the water into the basement. No structural failure of the floor in this area was detected; however, this area will need to be jacked-up and shored in the basement upon future use of the building.

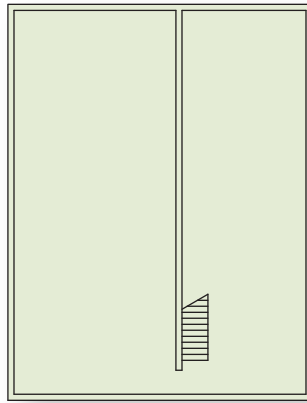
2nd Floor

The owner indicated that tarps were used on the second floor to retain water that leaked from the roof. It was quite noticeable that several areas in the west half of the building had sunken. One area of floor near the most severe roof leak felt spongy. The second floor construction was not readily visible, but it was obvious that structural damage has likely occurred. The ceiling below will need to be removed to better assess any damage and necessary repairs.

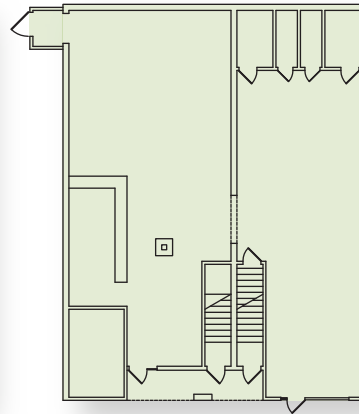
Roof

The roof was recently replaced by the new owner with a membrane over the existing construction. Access to the roof was not available, thus an evaluation atop the roof could not be performed. The major roof leak area, in the north area of the west half of the building, was quite evident from below. Several roof trusses at this area had severe rot in both chords and web members, rendering them totally inadequate. The roof sheathing was also severely rotted in this area. On the north portion of the east half of the building roof trusses and roof sheathing also had severe rotting. Many of the web members of the trusses have also experienced significant warping. The southern portion of the roof did not appear as bad as the north; however, ceiling finish prevented a thorough inspection. The existing ceiling will need to be removed to better assess all areas. A portion of the north roof, both east and west halves, will have to be totally replaced to restore the structural integrity of the building.

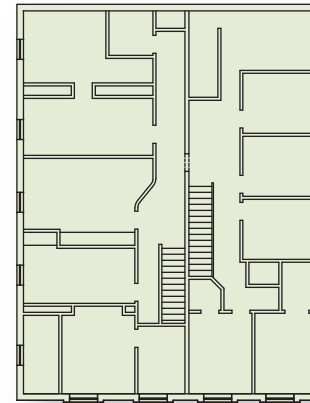
EXISTING: *Floorplans*



Basement



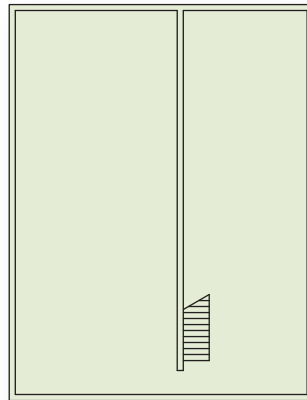
First Floor



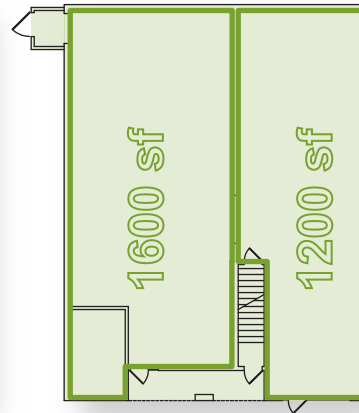
Second Floor



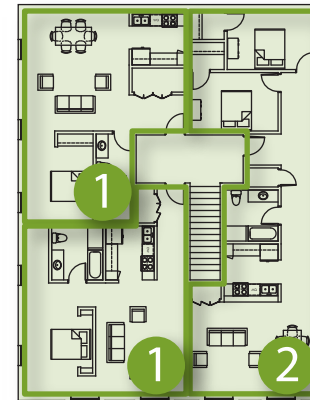
PROPOSED: *Floorplans*



Basement



First Floor - Commercial



Second Floor - Apartments







TARGET BUILDINGS: *Labor Temple*

210 N. Walnut Street

Overview

The currently vacant Labor Temple building is a three-story structure with entry from Walnut Street and a secondary exit to the adjacent alley. The building is currently configured for a mixture of meeting rooms and private offices, with staff break areas and restrooms. The building has windows or former window locations on the north, south and east elevations. The main Walnut street entry and open stair retain the original building detailing and ornament.

The building was considered a candidate for housing from two perspectives. The first evaluated the building as a candidate for designation on the National Historic Register, following the United States Parks Service standards for Historic Preservation and obtaining the 20% tax credit on qualified construction expense. That remains a potential avenue for development of this property, but would likely require preservation of the existing stair and corridor system in its current configuration. Secondly, the stair and corridor that exit the building to the alley have a number of code-compliance issues in their current configuration. Although it is possible to alter and negotiate a solution with regard to this stair's future use, it was determined that the approach for this study would be to abandon the existing corridors and the second stair. Based on interpretations of current code, this building was developed on the following criteria:

- Focus on one occupancy: housing
- Maximize the number of units possible
- Reduce construction costs by aligning the first and second floor units

- Demonstrate the permitted use of one egress stair in buildings limited in size and protected by a fire sprinkler system.

The design approach to the building features preserving the entry stair and maximizing the natural light available in the living room/kitchen areas of the units. The design assumes the building will be fully protected by a fire sprinkler system and that all of the previous window openings would be restored to windows of historic size. The first and second floor units feature multiple windows with prime access to light and ventilation. Removing the second stair and its related corridor substantially increases the area available for housing units. It is likely that this approach adds an additional unit to each of the floors when compared to preserving the existing circulation routes. The approach also allows the concept design to minimize the travel distance from unit to the single stair. The building, under current Nebraska codes, is not required to provide an elevator. The buildings location on adjacent property lines likely eliminates the ability to add an exterior elevator. The addition of an internal elevator would substantially change the concept layout. The lower level (basement) is equipped with multiple windows in each proposed unit. It will require a substantial effort to create the layouts as conceptualized, due to the existing location of bearing walls and varying elevations in the existing lower level floor. The proposed layout does however demonstrate a maximized option. Due to the proximity to the adjacent exterior grade and the cost of altering structural walls in the lower level, it may be a future consideration to reduce the unit sizes in the basement to efficiencies or one-bedrooms and fit them within the existing structure. The remaining area would convert into common storage space for residents or lockable storage for bicycles.

Structural Analysis

Exterior

Some mortar loss, loose bricks near the grade and diagonal cracking of the south brick wall is present, but not at levels significant enough at present to affect the structural integrity of the building. The center portion of the brick arch over the main entry on the east wall has shifted downward. Although this is not an immediate structural concern, the arch will need to be repaired to assure the future safety of the general public. The safety of the escape stairs on the west wall is poor and warrants replacement upon future renovation.

Basement

The plaster finish on the south wall has popped inward due to moisture penetration near the exterior grade. It appears this penetration has been adequately addressed and moisture has been slowed or eliminated. Although the brick wall

behind the popped plaster is only partially visible, it appears the structural integrity of the wall is still intact. Rebar is severely corroded on the underside of a concrete slab located in a cellar-type area beneath the sidewalk of the front entry. This presents an unsafe condition for the entry and the general public. This slab should be shored or the cellar removed and filled in.

1st Floor

Good condition with no structural issues found.

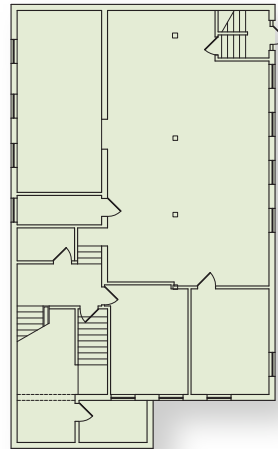
2nd Floor

Good condition with no structural issues found.

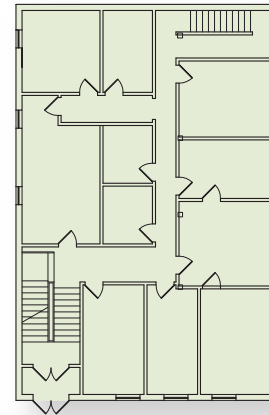
Roof

Roof framing is in good condition with no structural issues found. The roof was not accessed due to a concern with the safety of the escape stairs and associated ladder to the roof. Mr. Tom Ziller indicated that the foam roof is bubbling and the protective coating is deteriorating.

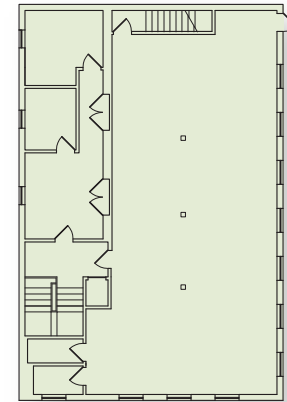
EXISTING: Floorplans



Basement



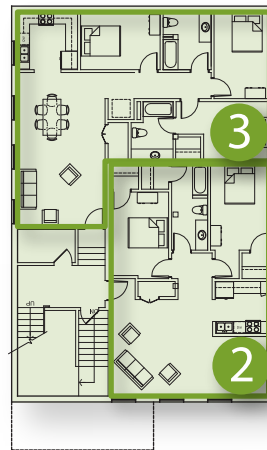
First Floor



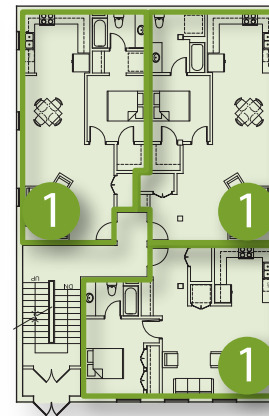
Second Floor



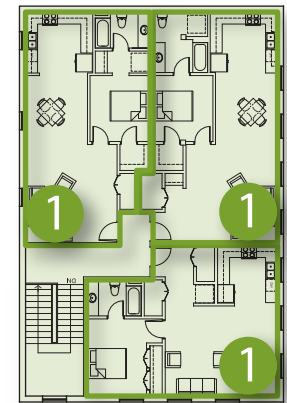
PROPOSED: Floorplans



Basement



First Floor



Second Floor







TARGET BUILDINGS: *Pathfinder*

223 W. 2nd Street

Overview

The Pathfinder building, like several of the structures in the study, is a combination of individual buildings that over time have been combined. The building is two primary structures facing 2nd Street and what appears to be single story addition to the south west side of the property. The ground floor has two active tenants occupying what appears to be half of the street-level space. The remainder of the street level is occupied as storage. The basement serves as storage for supporting the street level retail. The upper levels of the building, including a 2nd level two-story assembly space are not currently occupied. The building has an existing stair on the 2nd Street façade that provides egress for the upper levels and a fire escape located on the rear of the eastern building.

The building was conceptualized as a mixed-use housing and commercial building. The street level retail, although partially occupied, was considered as a component of the area to be re-configured. Criteria for the Pathfinder building concept include:

- Focus the building on mixed occupancy: ground floor retail with upper level housing
- Analyze the street level configuration and locate opportunities for shared restrooms and egress corridors.
- Provide a second exit stair from the upper level housing that does not include the use of an exterior fire escape.
- Demonstrate an option to configure a upper level assembly space into one-of-a-kind, covetable living units.

The street-level concept provides shared access to restrooms and a corridor for tenants to supply the retail/commercial bays from the alley. The upper-level housing reconfigures the “L” shaped area around the two story assembly space into six units. This layout requires a new exit stair to be located on the alley side of the structure. Alternatively, an elevator could also be added to provide accessible access to the housing units.

Structural Analysis

Exterior

Mortar loss was found throughout the exterior walls, and particularly at the parapet of the north, east and west walls. A plaster finish was added previously to cover the poor condition at the parapet, but it appears that the plaster and a portion of the brick have fallen. This area at the parapet warrants repair to protect the general public and retain the structural integrity of the building. The top portion of the northeast corner of the building has a serious crack that needs repair as well. Several of the limestone window arches have significant deterioration, but are not structurally inadequate at the present time. The remaining portion of the three exterior walls are in good enough condition that the structural integrity of the building has not been affected.

The south exterior wall has several areas of poor condition. There has been severe mortar loss in the brick directly under the gutters which will require repair to maintain the structural integrity of the building. Limestone sills directly beneath the windows have greatly deteriorated. The metal covering of the metal panel over the escape stairs has severely corroded along with the steel pans of the steps. This is an unsafe condition for occupants and warrants replacement of the escape stairs.

Basement

The foundation walls are in fair condition and are structurally adequate. Wood headers over several walkways have severely corroded and are unsafe, thus warranting replacement. Numerous floor joists have rotted ends on the west wall, some of which no longer provide any bearing on the foundation wall, due to moisture penetration at the exterior grade. Apparently, to stop moisture penetration, the sidewalk on the west was ramped up and a canopy was added. Although this has stopped further rotting of the floor joists, repairs are still warranted to make the floor structurally safe.

1st Floor

Fair condition with no structural issues found, with the exception of the heads and the joist ends previously noted.

2nd Floor

Good condition with no structural issues found; however, plastic sheet has been placed down to catch roof leaks.

3rd Floor

Plastic sheet has been placed down to catch roof leaks. The third floor is in good structural condition with the exception of the floor boards. Approximately 40 percent of the floor boards will require replacement.

Roof

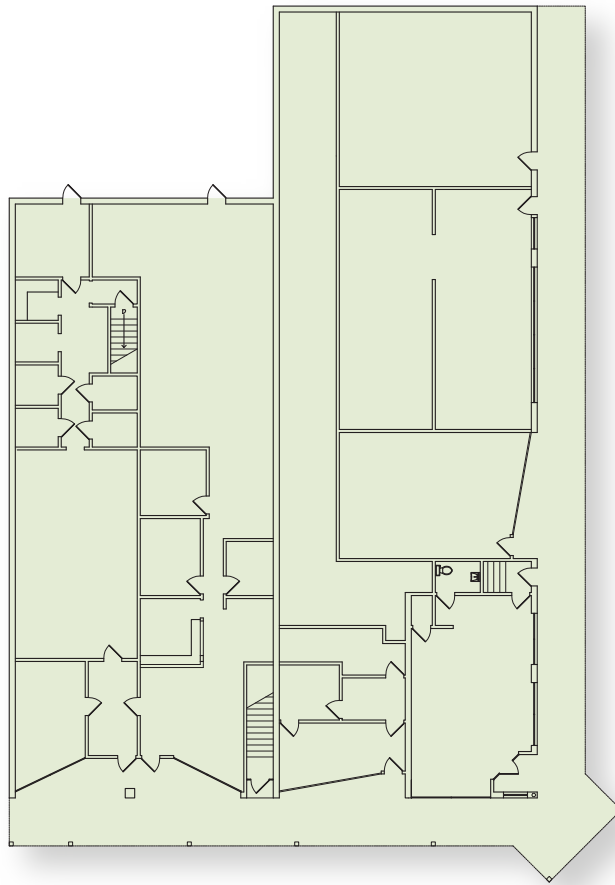
Signs of past roof leaks were evident throughout, but only one area of concern was discovered. The south end of the west half has sustained damage near the eave line due to leaks. The area could only be visually inspected for a small portion, but daylight could be seen in one corner. This is the same area of wall below the gutter where the masonry wall was in poor condition, as described previously. The cover over the stage directly below this same area has also sustained damage due to leaks. Some bearing members have rotted completely, thus the stage cover is suspended in some areas, creating a safety risk.

A new membrane roof has been installed by the owner over 90 percent of the upper roof. The remaining 10 percent is over the area of concern previously described. The workmanship of the membrane along the parapets is not very good and poses potential future problems. The lower roof on the south end consists of a very large buildup of tar material. The owner indicated it still leaks considerably. It is our opinion this roof should be stripped and replaced.

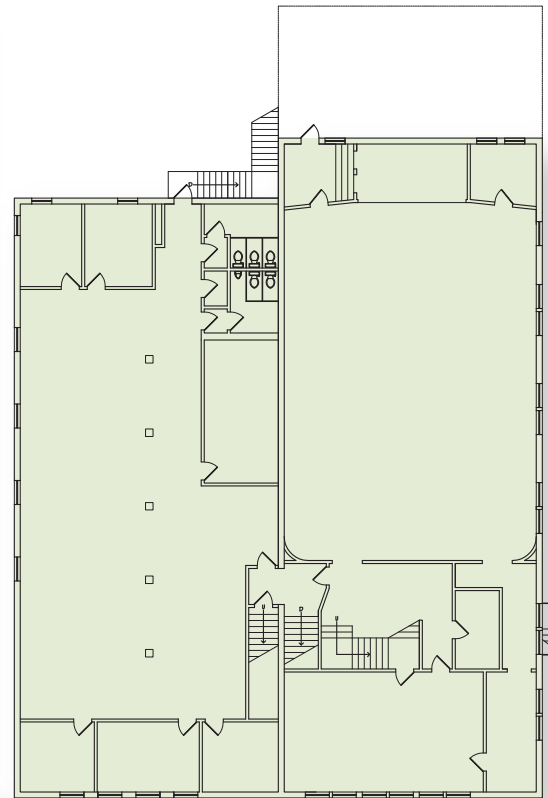
Other

The south end of the west canopy has severely rotted and needs to be replaced for a safe condition for the general public. Several top plates above the west canopy beams are severely presenting an unsafe condition to the general public.

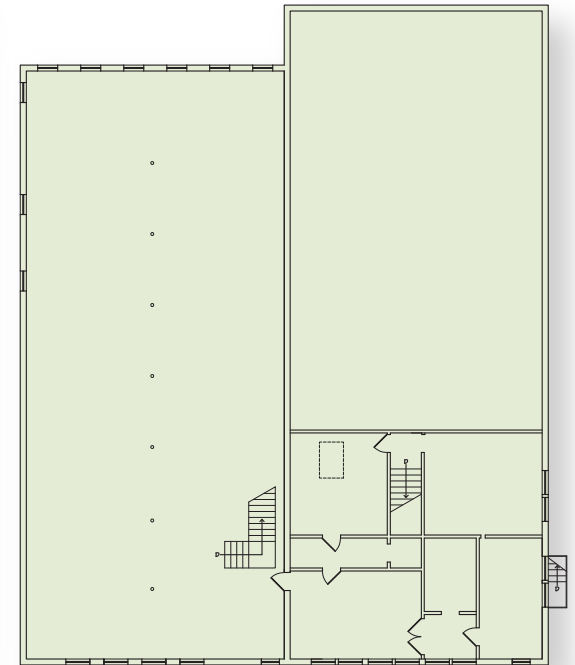
EXISTING: *Floorplans*



First Floor - Retail



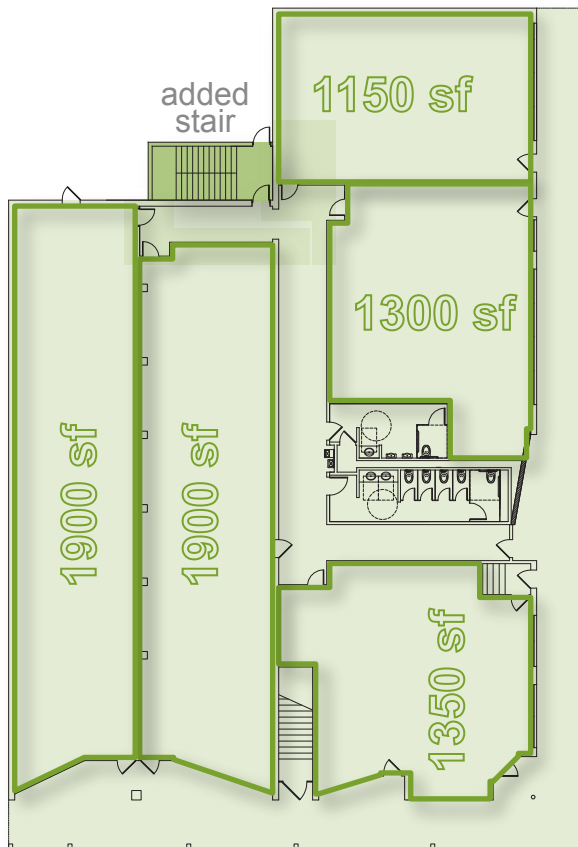
Second Floor



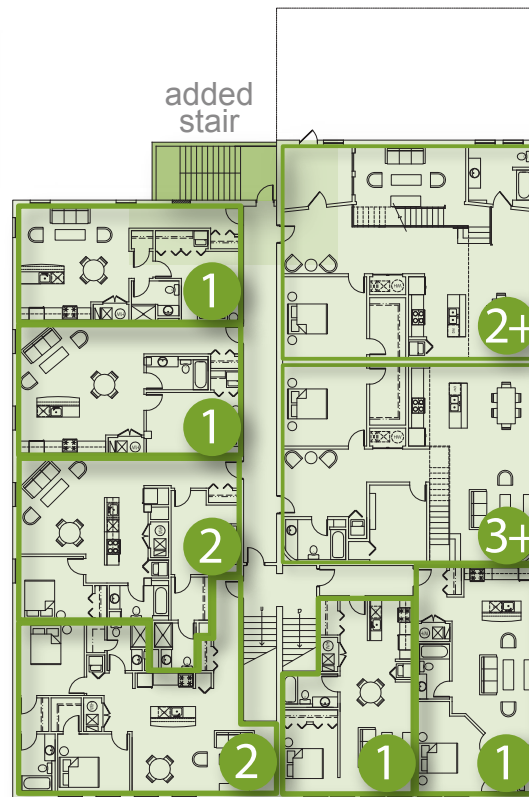
Third Floor



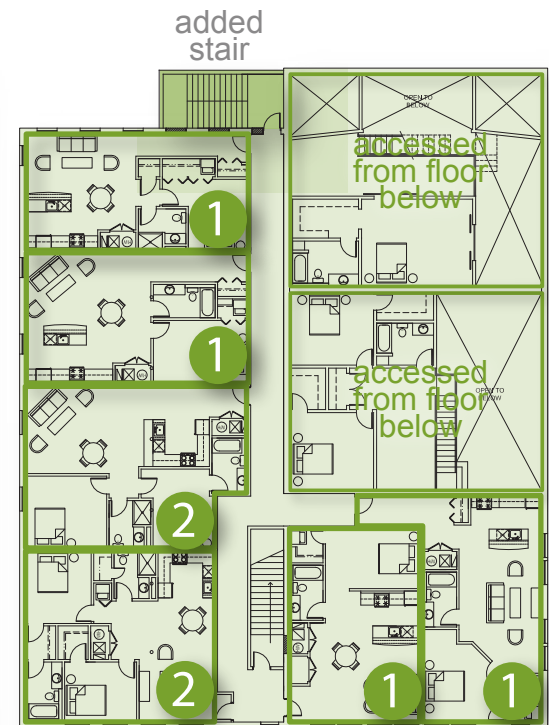
PROPOSED: Floorplans



First Floor - Commercial

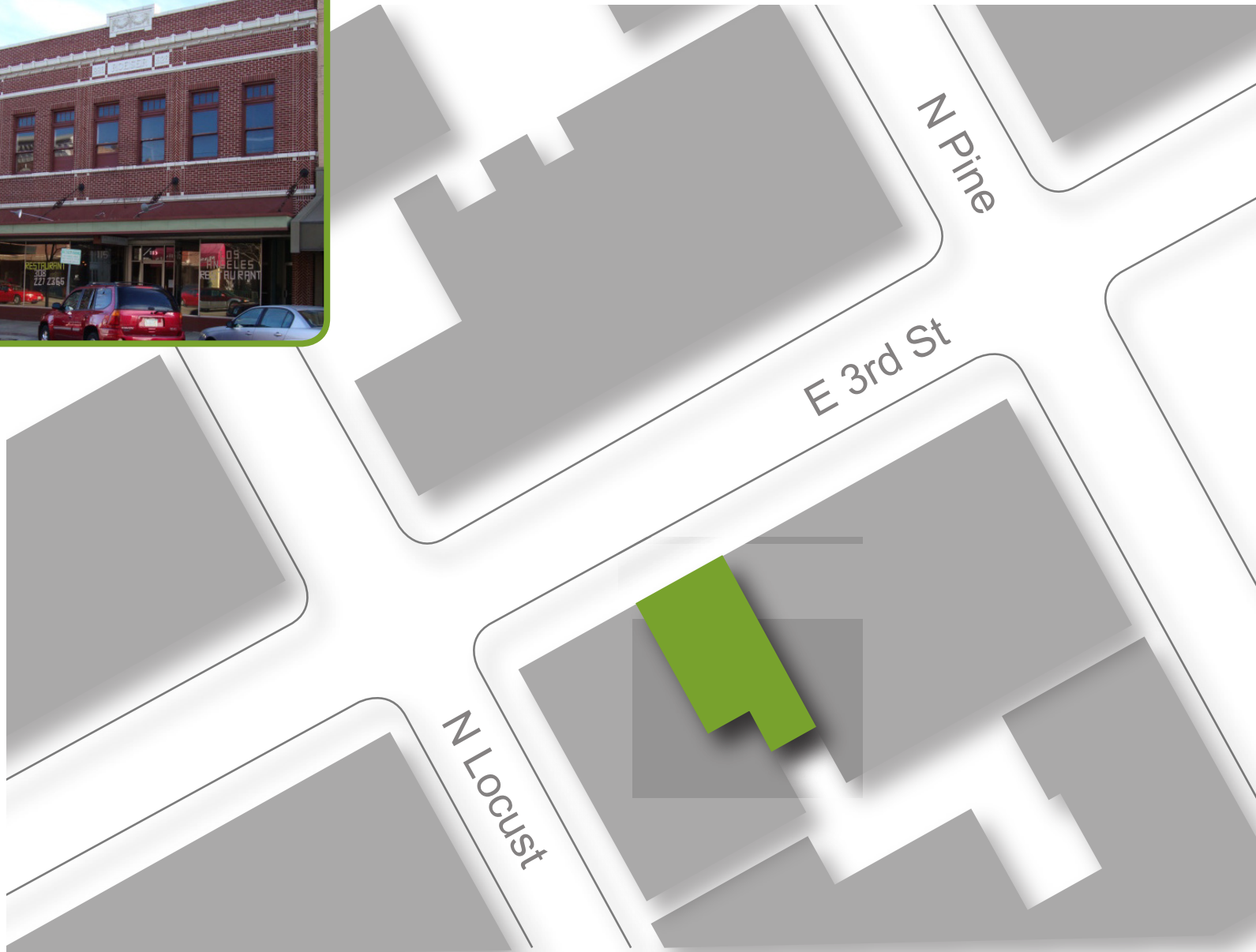


Second Floor



Third Floor





TARGET BUILDINGS: *Roeser*

115 & 117 W. 3rd Street



Overview

Currently the Roeser Building has a restaurant operating from the first-floor commercial store front. The use of the first floor as a commercial space is considered a good long term use. The second floor previously supported a series of professional and business suites. The building has adjacent buildings to the east and west, but its second floor set back allows for existing window openings to face south and west on the rear along with six windows facing 3rd street to the north. The second floor has been vacant for a number of years and is considered a good candidate for upper floor housing based on its existing layout.

The building's second floor configuration current has only one internal stair. The conceptual design creates three housing units that feature kitchen and living spaces with exterior views and minimizes the common corridor. The building has original detailing that remains in the stair and second floor corridor; if historic tax credits are going to be pursued, the configuration of units would need to be adjusted to align with the existing corridor. This conceptual design incorporates preservation of the existing stair, but re-configures the corridor. The Roeser building was developed with the following criteria:

- The building will be mixed-occupancy, with housing above the existing commercial
- Maximize the number of units possible
- Demonstrate the permitted use of one egress stair in buildings limited in size and protected by a fire sprinkler system

- Demonstrate units with narrow floor plans, that have window access on only one side (typical of downtown buildings sharing adjacent walls)

The design features two unit sizes, a one-bedroom unit that shares an adjacent wall with the entry stair, and two-bedroom units. The two-bedroom units would ideally be configured to feature two bathrooms, and laundry accessible from the common space within the unit. This allows the unit to work well for two non-related tenants or for a single tenant who wishes to have a guest bedroom. An additional study exploring a two bedroom two bath unit on the south side and a single two bedroom/two bath with a study could be a viable option for units with more amenities.

Structural Analysis

Exterior

The exterior brick walls were in fair condition. The exterior metal covering of the elevator shaft is in very bad condition warranting replacement. The eave extension of the lower roof on the south wall has several 2x-framing members severely damaged, plus the extension is structurally inadequate. Removal or total replacement of the eave extension is warranted.

Basement

Several bricks directly below the bearing of floor joist of the center wall are displaced and will need to be reinstalled or replaced. Two of the headers above walkways of the center wall have failed and will need to be reconstructed. The remaining portion of the basement was in good condition.

1st Floor

Good condition with no structural issues found.

2nd Floor

Good condition with the exception of one area in the rear of the building. This area was sunken slightly due to temporary supports added to the floor to support the roof above.

Roof

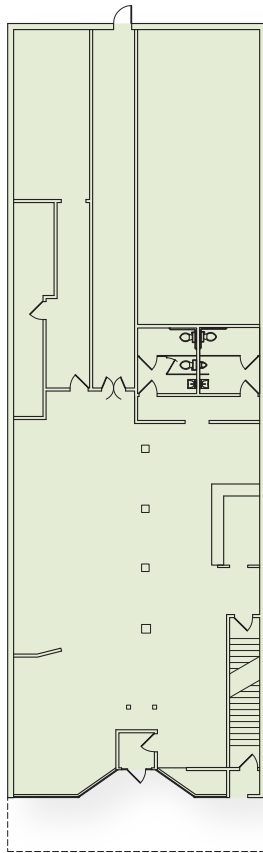
Evidence of past and continuing roof leaks exists. Three areas of the roof, one near the front and two in the rear, have temporary shoring supports in place. The roof framing can not be seen; however due to the shoring it is evident that structural problems exist or that significant deflection has previously occurred. In order to reuse the second floor, the temporary shoring will need to be removed and the structural issues of the roof will need to be properly addressed.

A membran roof was constructed directly over an existing ballast roof. In the flat areas the membrane is in good condition; however, in numerous areas along the parapet and at penetrations it has failed. Long lengths of the termination bar along the parapet have separated from the wall. The membrane has separated from the edges of numerous roof penetration. A foam application has been applied to both conditions, but to no avail. The gutter on the rear wall has lifted up and partially sets on the roof, thus exposing the roof to the elements.

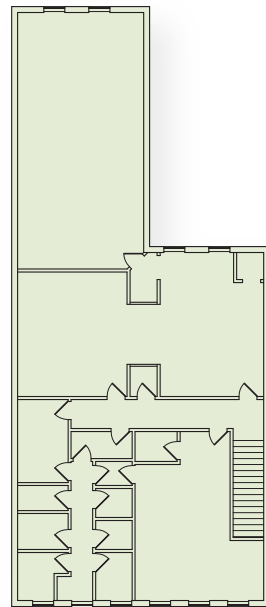
Other

The canopy is in good condition with no structural issues found.

EXISTING: *Floorplans*



First Floor
(Basement not shown)



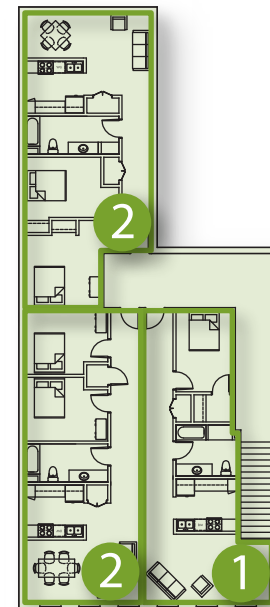
Second Floor



PROPOSED: *Floorplans*



First Floor - Commercial
(Basement not shown)



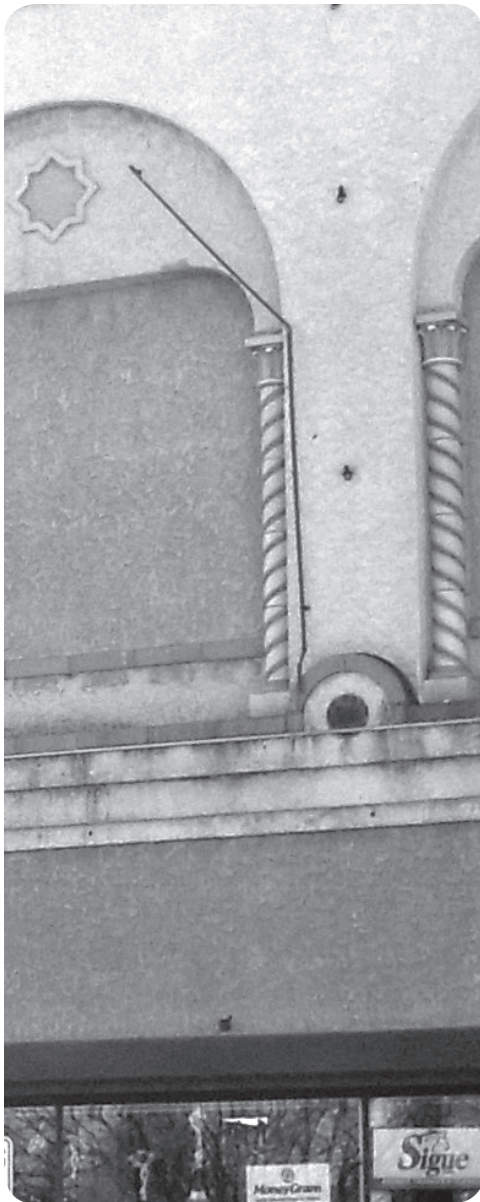
Second Floor - Apartments





TARGET BUILDINGS: *Wolbach*

103 W. 3rd Street



Overview

The Wolbach building is currently partially occupied. The ground floor retail space has a grocery located in two of this three available bays. For this study it was assumed that the current tenant would continue to occupy the retail bay and potentially expand in the third. The basement level is support for the ground floor retail. The only current access to the upper level also provides access to a mezzanine that is a component of the first floor tenant's space. The building has second story window openings that have been in-filled facing both 3rd Street and Pine Street as well as limited window openings over the adjacent alley. For this study, it was assumed the current stair would be modified to only provide access to the basement and the first floor mezzanine, and two new stairs would be added to separate the occupancies and provide necessary egress. Criteria developed to guide the Wolbach building concepts include:

- Provide second-story housing, with independent access from first floor tenant.
- Maximize the number of units possible.
- Limit disturbance to existing retail tenant.
- Demonstrate an alternative use for the center of large floor plate building.

The existing ground floor tenant occupying the corner two bays and the need for stair access to the second floor required the design to incorporate two new stairs. The concept further required the stairs to be located in a position that did not substantially change the current grocery store's configuration. Utilizing the third

currently vacant retail bay, the plan proposes organizing the upper floor housing around a central loop corridor that maximizes the the number of units with direct street views. Of the nine units proposed, seven would have street views with two having windows facing the existing alley.

The large floor plate creates a central area that has no access to windows and is surrounded by corridor. In the proposed concept that area serves as a central location for required equipment and provides an opportunity for common tenant space. Like the Hedde building, this common space could be a shared seating area or recreation space or it could be enclosed as individual tenant storage space.

Structural Analysis

Exterior

Some mortar loss was found on the south wall, but not enough to affect the structural integrity of the building.

Basement

Good condition with no structural issues found.

1st Floor

Good condition with no structural issues found.

2nd Floor

Good condition with no structural issues found.

Roof

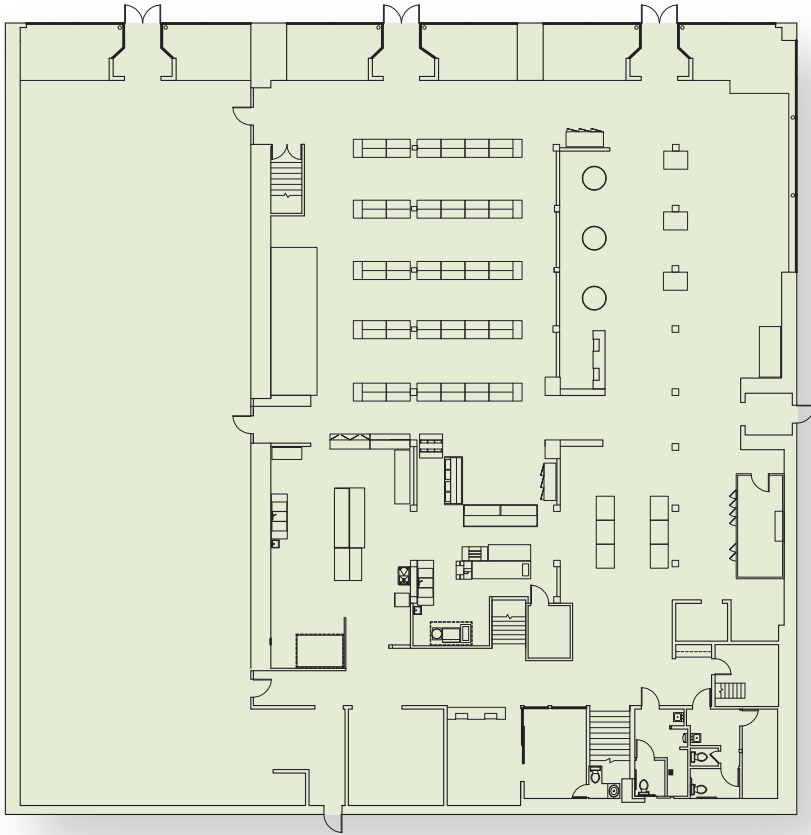
Roof framing is in good condition with no structural issues found. The protective coating over approximately 10 percent of the foam roof has deteriorated. This

has led to some minor deterioration of the foam in some locations due to exposure to ultraviolet light. A new protective coating should be applied to prevent further deterioration and potential leaks.

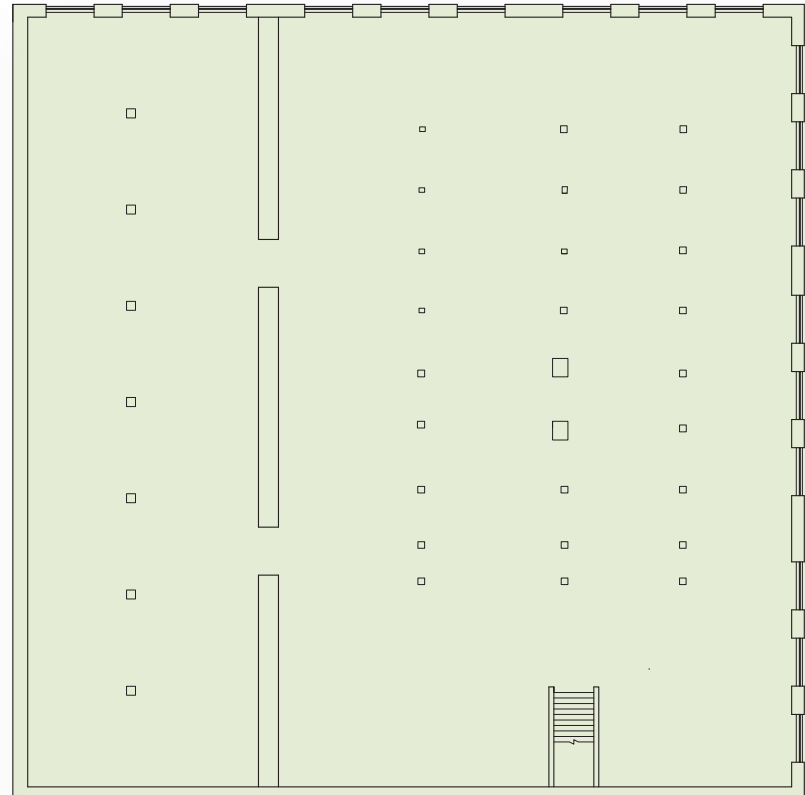
Other

The mezzanine is in good condition with no structural issues found.

EXISTING: Floorplans



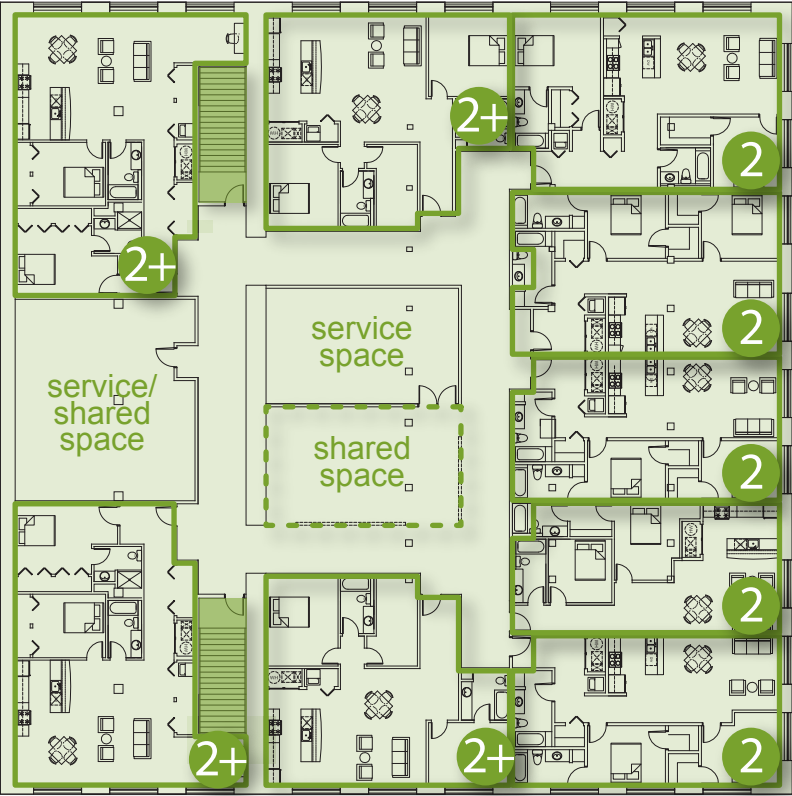
First Floor - Commercial
(Basement not shown)



Second Floor



PROPOSED: Floorplans



Second Floor - Apartments







SUPPLEMENTAL BUILDING: *Empire*

116 W. 3rd Street

Overview

The structures that have been assembled into what this study calls the Empire Building are unique in that they are not owned by a single user and have not been combined into one entity. Unlike other structures that have been previously combined in downtown Grand Island, including several in our study, this example looks at sharing an egress solution while remaining independently owned structures. The buildings all have vacant second stories and active street-level tenants or plans for street level commercial tenants.

The criteria established for the Empire building concept include:

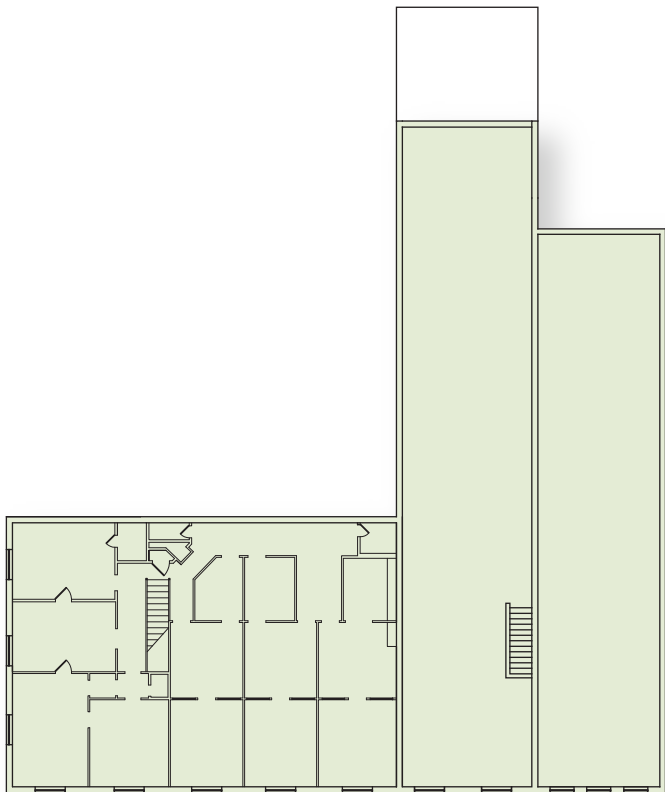
- Focus the building on mixed-occupancy: ground-floor retail with upper-level housing
- Create a shared egress solution that has efficiency and cost benefits for the individual building owners, while complying with fire separation requirements.

The ability to provide upper-level housing with a single stair, among other things requires that the travel distance be limited. The addition of a second egress route to the street level allows for units to be further from the stairs, but also enable the number of units to exceed the limit of four per floor. In the case of the Empire building the number of units was not a primary concern, but rather being able to provide efficient layouts. The ability to share a corridor with fire rated doors at the property line creates units with rear entry and street views. The concept layout out would also have the potential of adding the building directly to the north. If

other requirements of the code were satisfied, the corridor could support doors into the adjoining building and provide the unit(s) with required egress routes. This concept could be further explored in examples where a common elevator is shared by linked buildings to provide shared accessible access.

EXISTING: *Floorplan*

PROPOSED: *Floorplan*



Second Floor
(First Floor not shown)



Second Floor
(First Floor not shown)



DEVELOPMENT ISSUES & RECOMMENDATIONS

INCENTIVES

The following are specialized funding sources that can assist with redevelopment of downtown buildings. These funding sources do not include specific funding sources for housing. For specific funding sources for housing please refer to the “2009 City of Grand Island – Affordable Housing Market Study” .

LOCAL FUNDING

Tax Increment Financing

As of January 1, 2009, the City of Grand Island Community Redevelopment Authority (CRA) declared seven areas as blighted and in need of redevelopment. These seven areas, covering 16.6% of the community, were selected based on the existence of blight and substandard conditions. The Grand Island CRA uses Tax Increment Financing (TIF) to fund commercial, industrial, and residential improvements. Tax Increment Financing uses the additional tax revenue created by development within the aforementioned areas to finance additional improvements in the blighted area. Up to 100% of this additional tax revenue can be used for up to 15 years for public improvements within the redevelopment area.

Local Option Municipal Economic Development Act (LB 840)

This local option tax allows communities to collect tax dollars for economic development. LB 840 was approved by the voters of the community in 2003. It is a bond fund that is paid off by the taxes is created to aid in new construction or rehabilitation. For Grand Island, it allows for approximately \$750,000 to be invested in economic development annually.

Façade Improvement Program

The following process establishes the guidelines in order to be considered for funding assistance through the Façade Improvement Program. An asterisk (*) indicates a mandatory process, others are designed to be a benefit to the individual or entity doing the project and are optional.

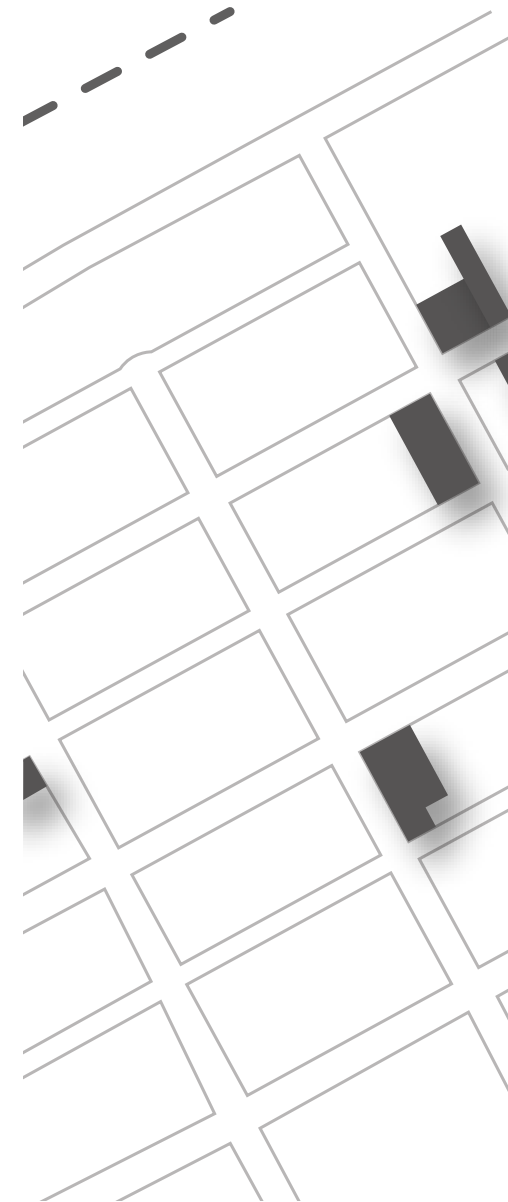
An architectural Design Consulting Team, consisting of two professional architects, a representative of the Authority, the director of the Authority and a representative of the business community will review all facade improvement applications and make funding recommendations to the Community Redevelopment Authority.

***Program Purpose and Project Concept** - Individual requesting project funding and an architect member of Design Consulting Team meet to discuss purpose of program, funding levels, and overview of proposed project.

Historical Appearance of Property - Architect team member photographs current facade of the proposed project and researches historical appearance of the building facade.

Development of Façade Design Sketch & Review of Façade Suggestion - Architect team member creates a project facade design initial sketch and meets with the project developer to review the sketch. The project developer is under no obligation to use the design or professional services of the architect team member. This process is offered solely as a benefit to the project developer. If the project developer utilizes the services of the architect team member, the Authority will match the project developers architectural services fee up to \$1,000.

***Communication of Service Limitations of Design Consulting Team** - Architect team member communicates that, with the above services, the initial role of the



design consulting team is complete. The project developer is free to select and employ design and construction professionals of their choice, develop alternate facade designs, etc.

***Project Design Review and Approval** -Prior to beginning of construction, the entire Facade Improvement Design Consulting Team reviews proposed design. Approval of the Team is required to be eligible for funding assistance. Changes may be suggested to ensure approval.

***Final Approval of Completed Facade Project and Award of Funds for Project** -Design team signs as to compliance with approved design and makes recommendation to the Authority relative to award of funds. Authority approves and allows funding through either a grant to the project owner or as a loan interest buy down on the project.

STATE FUNDING

Valuation Incentive Program (VIP)

VIP assists in the preservation of Nebraska's historic places. The program allows a property tax "preference" for a historic property that has been rehabilitated. The preference can be described as a temporary "hold" on increases in property tax assessment that result from improvements made to preserve a historic property.

What requirements must a property meet to be eligible for VIP?

- Eligible properties are those individually listed in the National Register of Historic Places or historic properties that contribute to a district listed in the National Register of Historic Places.
- Under certain provisions, historic properties can be designated under a local government preservation ordinance.

- The property must be designated as a “historically significant real property” before work on a project begins. A historically significant real property is one that is listed on the National Register of Historic places and is taxable.
- The historic property must be taxable.

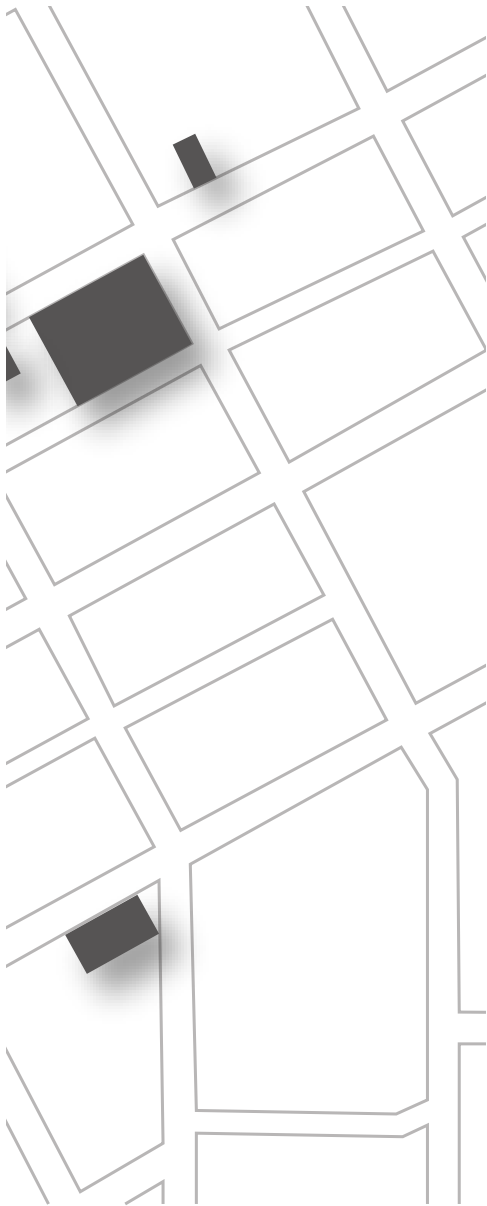
Project Requirements:

- The cost of the rehabilitation must be 25 percent or greater of the “base-year” assessed value of the property. The base-year is the last assessed value of the property at the time an application is submitted to the Nebraska State Historical Society.
- All work done to rehabilitate or improve the property must meet the Secretary of Interior’s Standards for Rehabilitation.
- All work must be done during a two-year period. In certain circumstances this period may be extended with the approval of the Nebraska State Historical Society, such as when the size of the project is such that a good faith attempt to complete the rehabilitation in two years would not succeed or when it is economically unfeasible.
- Certain types of work are not eligible. These include landscaping, new construction, driveways and sidewalks. For owner-occupied single-family residences, no more than thirty percent of the dwelling space can be new construction outside the existing building.

State-Administered Community Development Block Grant Program (CDBG)

The CDBG Program is administered by the U.S. Department of Housing and Urban Development, however smaller communities, such as Grand Island, can apply for the state-administered CDBG grants to help fund a number of project types, including:

- acquisition of property for public purposes



- construction or reconstruction of streets, water and sewer facilities, neighborhood centers, recreation facilities, and other public works
- demolition
- rehabilitation of public and private buildings
- public services
- planning activities
- assistance to nonprofit entities for community development activities; and
- assistance to private, for profit entities to carry out economic development activities (including assistance to micro-enterprises).

CDBG grants emphasize a community-wide benefit, particularly for those of low- to middle-incomes, and focus on providing quality housing and living environments for people in those demographics. There are a number of ways these grants could be adapted to the specifics of this study, including the updating of infrastructure and public services within the downtown area to support the redevelopments that have been outlined, the potential funding of the marketing plan to help pair private developers with potential projects, as well as use of funds on specific projects.

It should be noted that Grand Island's current population of 48,520 makes it eligible for the state-administered CDBG funds, however should its population exceed 50,000, it will become eligible for the federally-administered CDBG Entitlement Communities Grants.

More information regarding HUD/CDBG programs can be found at portal.hud.gov.

FEDERAL FUNDING

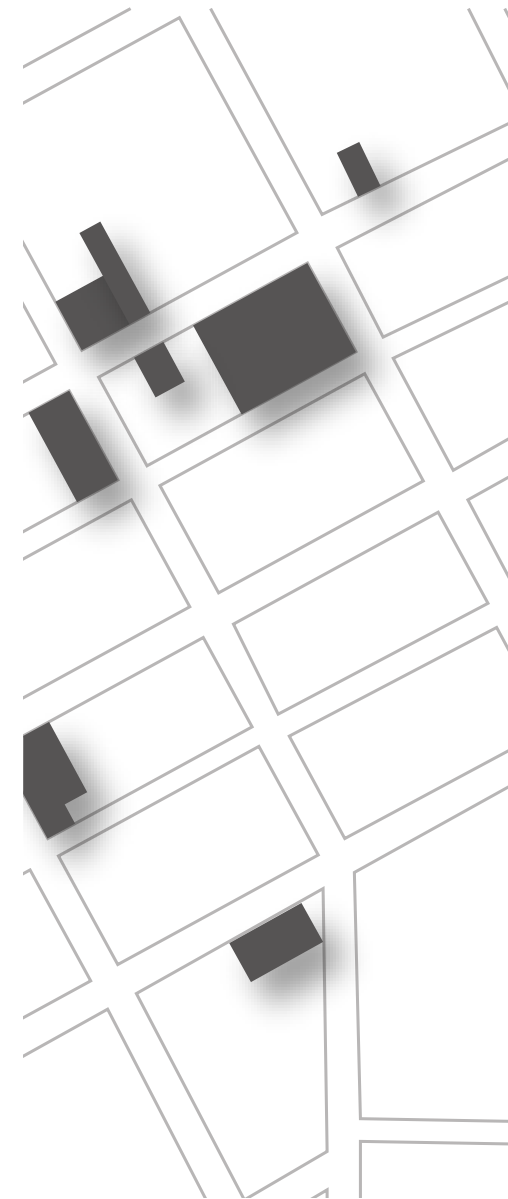
Preservation Tax Incentives

The Federal government encourages the preservation of historic buildings through various means. One of these is the program of Federal tax incentives to support the rehabilitation of historic and older buildings. The Federal Historic Preservation Tax Incentives program is one of the Federal governments most successful and cost-effective community revitalization programs. The National Park Service administers the program with the Internal Revenue Service in partnership with State Historic Preservation Offices. The tax incentives promote the rehabilitation of historic structures of every period, size, style and type. They are instrumental in preserving the historic places that give cities, towns and rural areas their special character. The tax incentives for preservation attract private investment to the historic cores of cities and towns. They also generate jobs, enhance property values, and augment revenues for State and local governments through increased property, business and income taxes. The Preservation Tax Incentives also help create moderate and low-income housing in historic buildings. Through this program, abandoned or underused schools, warehouses, factories, churches, retail stores, apartments, hotels, houses, and offices throughout the country have been restored to life in a manner that maintains their historic character.

Current tax incentives for preservation, established by the Tax Reform Act of 1986 (PL 99-514; Internal Revenue Code Section 47 [formerly Section 48(g)]) include:

- a 20% tax credit for the certified rehabilitation of certified historic structures.
- a 10% tax credit for the rehabilitation of nonhistoric, non-residential buildings built before 1936.

From time to time, Congress has increased these credits for limited periods for



the rehabilitation of buildings located in areas affected by natural disasters. For more information, see the instructions on IRS Form 3468, Investment Credit, or contact your State Historic Preservation Office.

In all cases the rehabilitation must be a substantial one and must involve a depreciable building. (These terms will be explained later.)

What Is a Tax Credit?

A tax credit differs from an income tax deduction. An income tax deduction lowers the amount of income subject to taxation. A tax credit, however, lowers the amount of tax owed. In general, a dollar of tax credit reduces the amount of income tax owed by one dollar.

- The 20% rehabilitation tax credit equals 20% of the amount spent in a certified rehabilitation of a certified historic structure.
- The 10% rehabilitation tax credit equals 10% of the amount spent to rehabilitate a non-historic building built before 1936.

20% Rehabilitation Tax Credit

The Federal historic preservation tax incentives program (the 20% credit) is jointly administered by the U.S. Department of the Interior and the Department of the Treasury. The National Park Service (NPS) acts on behalf of the Secretary of the Interior, in partnership with the State Historic Preservation Officer (SHPO) in each State. The Internal Revenue Service (IRS) acts on behalf of the Secretary of the Treasury. Certification requests (requests for approval for a taxpayer to receive these benefits) are made to the NPS through the appropriate SHPO. Comments by the SHPO on certification requests are fully considered by the NPS. However, approval of projects undertaken for the 20% tax credit is conveyed only in writing by duly authorized officials of the National Park Service. For a description of the roles of the NPS, the IRS and the SHPO, see "Tax Credits: Who Does What?" on pages 14 -15.

The 20% rehabilitation tax credit applies to any project that the Secretary of the Interior designates a certified rehabilitation of a certified historic structure. The 20% credit is available for properties rehabilitated for commercial, industrial, agricultural, or rental residential purposes, but it is not available for properties used exclusively as the owner's private residence.

What is a “certified historic structure?”

A certified historic structure is a building that is listed individually in the National Register of Historic Places

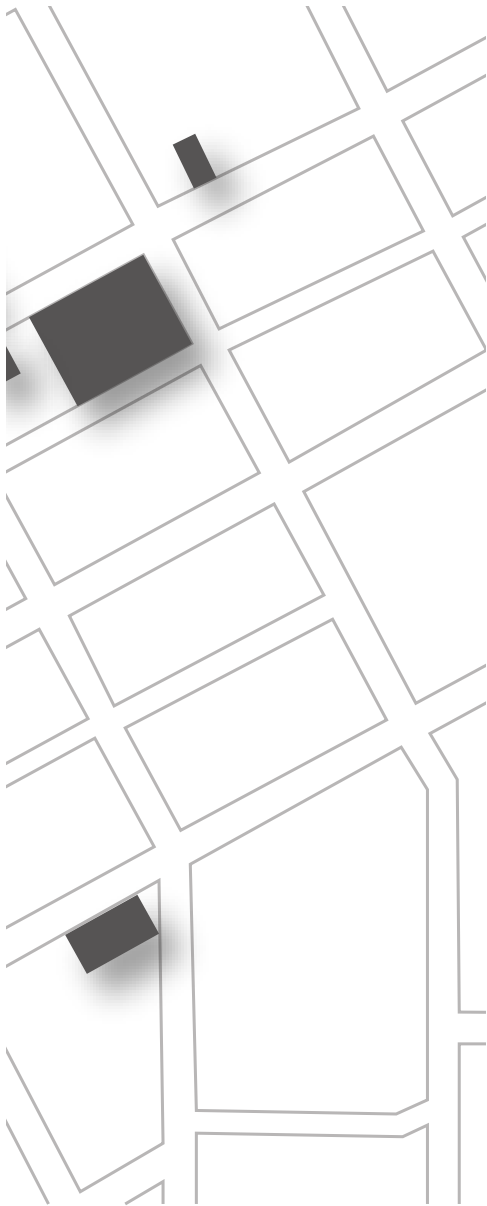
OR

a building that is located in a registered historic district and certified by the National Park Service as contributing to the historic significance of that district. The “structure” must be a building—not a bridge, ship, railroad car, or dam. (A registered historic district is any district listed in the National Register of Historic Places.

A State or local historic district may also qualify as a registered historic district if the district and the enabling statute are certified by the Secretary of the Interior.)

Obtaining Certified Historic Structure Status

Owners of buildings within historic districts must complete Part 1 of the Historic Preservation Certification Application—Evaluation of Significance. The owner submits this application to the SHPO. The SHPO reviews the application and forwards it to the NPS with a recommendation for approving or denying the request. The NPS then determines whether the building contributes to the historic district. If so, the building then becomes a certified historic structure. The NPS bases its decision on the Secretary of the Interior's “Standards for Evaluating Significance within Registered Historic Districts” (see page 23).



Buildings individually listed in the National Register of Historic Places are already certified historic structures. Owners of these buildings need not complete the Part 1 application (unless the listed property has more than one building). Property owners unsure if their building is listed in the National Register or if it is located in a National Register or certified State or local historic district should contact their SHPO.

What if my building is not yet listed in the National Register?

Owners of buildings that are not yet listed individually in the National Register of Historic Places or located in districts that are not yet registered historic districts may use the Historic Preservation Certification Application, Part 1, to request a preliminary determination of significance from the National Park Service. Such a determination may also be obtained for a building located in a registered historic district but that is outside the period or area of significance of the district. A preliminary determination of significance allows NPS to review Part 2 of the application describing the proposed rehabilitation. Preliminary determinations, however, are not binding. They become final only when the building or the historic district is listed in the National Register or when the district documentation is amended to include additional periods or areas of significance. It is the owner's responsibility to obtain such listing through the State Historic Preservation Office in a timely manner.

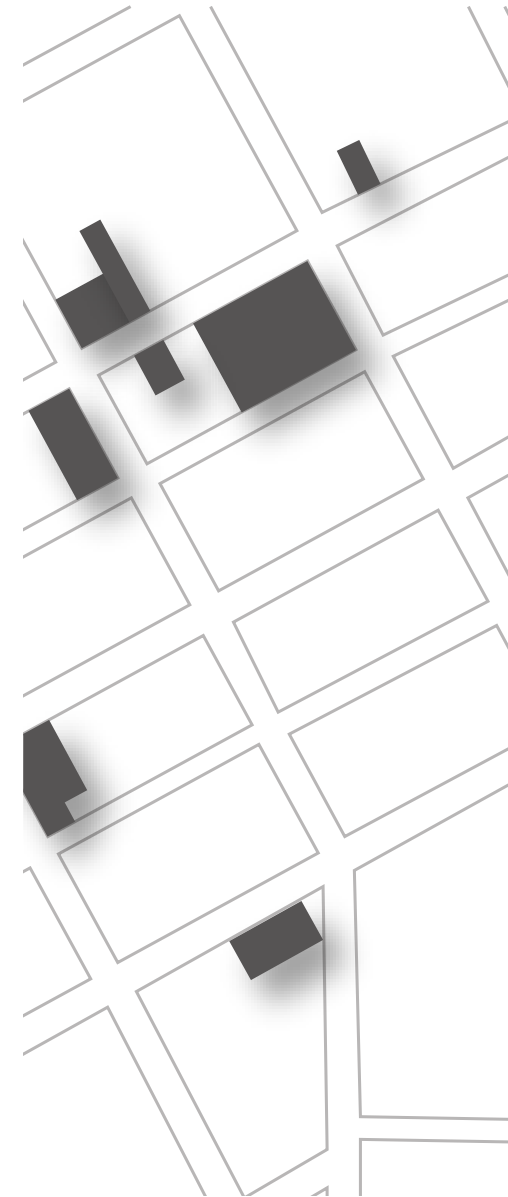
What is a "certified rehabilitation?"

The National Park Service must approve, or "certify," all rehabilitation projects seeking the 20% rehabilitation tax credit. A certified rehabilitation is a rehabilitation of a certified historic structure that is approved by the NPS as being consistent with the historic character of the property and, where applicable, the district in which it is located. The NPS assumes that some alteration of the historic building will occur to provide for an efficient use. However, the project must not damage, destroy, or cover materials or features, whether interior or exterior, that help define the building's historic character.

RECOMMENDATIONS

Grand Island must work deliberately, creatively and comprehensively to support downtown revitalization. While demand for downtown rental units is strong, downtown rental units do not have the premium rental status associated with downtown rental homes in the four benchmarked communities. To that end, the following recommendations are offered:

- Establish a **revolving loan fund** to specifically support costs associated with redeveloping older buildings. Loan recipients might be further supported by having access to a pool of architects and contractors experienced in rehabbing Grand Island's downtown buildings.
- Actively pursue **supplementary funding mechanisms**, such as CDBG Grants and others as outlined in the prior section, to help seed private investment in the downtown area.
- Be deliberate and creative in **linking housing and commercial development**. Downtown residents might be offered discounts at a downtown gym, theater, day-care center or restaurant. These businesses in turn might benefit from a rent or local tax break.
- **Redevelop and market buildings in distinctive ways**, allowing for higher downtown rental rates; this approach could involve:
 - Units featuring state of the art energy efficient systems (HVAC, lighting, windows, appliances and insulation)
 - Units featuring high-tech amenities such wireless internet, built-in sound systems, etc.
 - Units intended to appeal to discrete social circumstances such as grandparents raising grandchildren or empty-nesters; these units might offer common areas for play space, social gatherings, or exercise equipment



- Encourage the Community Development Authority to to **expand or modify the existing facade improvement program** to include improvements to the interior of existing buildings, potentially through inclusion of funding for automatic fire sprinkling systems or similar system and structure improvements which catalyze redevelopment.
- Establish, through the Downtown Grand Island BID or some other entity, a **district marketing plan** and point of contact for potential developers. Compile a “resource list” of possible development sites to pair with developers and investors.
- Designate a **downtown historic district**, to open the possibility of additional historic preservation tax credits for redevelopment projects.
- Actively promote the completion of the 14 block-long Union Pacific Railroad street crossing **“Quiet Zone”** through the downtown district. The crossings’ horns and the crossings’ proximity to the downtown district are a perceived negative to living in the area.
- Continue the partnership with the **Heritage Nebraska/Main Street Program**.
- Encourage the further development of downtown as an **entertainment district**. Continue to focus on adding attractions within walking distance of the existing restaurant, theater and specialty retail venues.
- Continue to market the downtown to **arts organizations and the local art community**. A critical mass of visual art and music performance venues can contribute to the street activity required to create a vibrant residential experience. The overlap between the supporters of the arts and early urban living adopters is often substantial.

GOALS

The above recommendations are all means to an end, but defining the desired end result is an important step. Setting a specific, quantifiable goal can often help catalyze a community's redevelopment effort. There are three main components that are key to the residential redevelopment of downtown Grand Island: the residents, the building stock that will house them, and the funding mechanisms that can bring the two together.

*Within the scope of this study approximately **79,000 square feet of existing building stock** was analyzed for redevelopment.*

*Resulting the potential to house approximately **85 new downtown residents**.*

*Assuming a redevelopment cost of \$110/square foot (based upon recent projects of similar scale and scope), the redevelopment of all the buildings within this study would cost approximately **9 million dollars**.*

*That's an investment of **106,000 dollars per resident**.*

Assuming the buildings within this study are representative of the overall building stock of downtown Grand Island, the community can set its own goal for increasing its downtown housing in a number of ways: for example, if the goal is 100 new residents in 10 years, 10.6 million dollars (adjusted for increased costs) will need to be invested into redeveloping downtown within that time. Or, the equation can be reversed and the goal can be stated in number of square feet, number of buildings, or amount of capital invested. However it is stated, a clear goal that can be used as a benchmark for development will be key to increasing the number of residential units in downtown Grand Island.

Downtown is...

**... becoming the place
more and more people
want to live. In ten years
we will have ...**



**... more people living in our
revitalized downtown, making it a
more vibrant, economically
viable and sustainable center for
our community.**



Omaha, Nebraska

Building Name	Bed-rooms	Avg sq. ft.	Avg Rental Rate	Rent/sq. ft.
Old Market Lofts	1	676	\$804.00	\$1.19
Old Market Lofts	1	1,148	\$1,044.00	\$0.91
Old Market Lofts	1	958	\$954.00	\$1.00
Old Market Lofts	1	848	\$888.00	\$1.05
Old Market Lofts	2	1,256	\$1,428.00	\$1.14
Old Market Lofts	2	992	\$1,074.00	\$1.08
Old Market Lofts	2	1,073	\$1,177.00	\$1.10
Old Market Lofts	2	1,078	\$1,124.00	\$1.04
Old Market Lofts	2	1,074	\$1,198.00	\$1.12
Old Market Lofts	2	1,242	\$1,307.00	\$1.05
Old Market Lofts	2	1,354	\$1,337.00	\$0.99
Old Market Lofts	2	992	\$1,118.00	\$1.13
Old Market Lofts	2	984	\$1,074.00	\$1.09
Union Plaza	Studio	650	\$490.00	\$0.75
Union Plaza	1	700	\$575.00	\$0.82
Union Plaza	2	800	\$650.00	\$0.81
The Bank Apt	1	962	\$875.00	\$0.91
The Bank Apt	1	670	\$800.00	\$1.19
The Bank Apt	1	720	\$825.00	\$1.15
The Bank Apt	1	633	\$720.00	\$1.14
The Bank Apt	1	987	\$950.00	\$0.96
The Bank Apt	2	1,205	\$1,000.00	\$0.83
The Bank Apt	2	963	\$985.00	\$1.02
The Bank Apt	2	1,085	\$1,125.00	\$1.04
Mayfair	1	1,350	\$1,500.00	\$1.11
Mayfair	2	1,950	\$2,500.00	\$1.28
Mayfair	2	1,500	\$1,700.00	\$1.13
Tip Top	1	715	\$875.00	\$1.22
Tip Top	2	1,256	\$1,175.00	\$0.94
Tip Top	2	1,328	\$1,250.00	\$0.94
Tip Top	2	1,128	\$970.00	\$0.86

Omaha, Nebraska,
continued

Building Name	Bed-rooms	Avg sq. ft.	Avg Rental Rate	Rent/sq. ft.
Tip Top	2	1,035	\$1,100.00	\$1.06
Tip Top	2	1,256	\$1,175.00	\$0.94
Tip Top	2	1,062	\$905.00	\$0.85
Renata	1	633	\$700.00	\$1.11
Renata	2	1,022	\$1,200.00	\$1.17
Renata	2	920	\$1,000.00	\$1.09
Renata	2	1,547	\$1,600.00	\$1.03
		1,046.11	\$1,083.47	\$1.04

Lincoln, Nebraska

Building Name	Bed-rooms	Avg sq. ft.	Avg Rental Rate	Rent/sq. ft.
Continental Commons	2	850	\$600.00	\$0.71
Georgian	1	594	\$640.00	\$1.08
Georgian	1	719	\$750.00	\$1.04
Georgian	1	586	\$615.00	\$1.05
Georgian	2	788	\$795.00	\$1.01
Georgian	1	721	\$750.00	\$1.04
Georgian	2	788	\$670.00	\$0.85
Georgian	2	746	\$860.00	\$1.15
Georgian	2	1,021	\$940.00	\$0.92
Centerstone	1	850	\$860.00	\$1.01
Centerstone	1	849	\$835.00	\$0.98
Centerstone	1	640	\$640.00	\$1.00
Centerstone	1	660	\$660.00	\$1.00
Centerstone	1	849	\$765.00	\$0.90
Centerstone	1	737	\$810.00	\$1.10
Centerstone	2	1,082	\$980.00	\$0.91
Centerstone	1	860	\$835.00	\$0.97
Lincoln Building	1	820	\$600.00	\$0.73
Lincoln Building	1	580	\$600.00	\$1.03

Building Name	Bed-rooms	Avg sq. ft.	Avg Rental Rate	Rent/sq. ft.
Lincoln Building	1	625	\$600.00	\$0.96
Lincoln Building	1	820	\$ 600.00	\$0.73
Lincoln Building	1	550	\$600.00	\$1.09
Lincoln Building	1	570	\$600.00	\$1.05
Lincoln Building	1	764	\$850.00	\$1.11
Lincoln Building	2	968	\$1,200.00	\$1.24
Lincoln Building	2	1,090	\$1,200.00	\$1.10
Lincoln Building	2	914	\$1,200.00	\$1.31
Lincoln Building	2	1,105	\$1,200.00	\$1.09
Lincoln Building	2	968	\$1,200.00	\$1.24
Lincoln Building	2	1,090	\$1,200.00	\$1.10
Lincoln Building	2	914	\$1,200.00	\$1.31
Lincoln Building	2	1,105	\$1,200.00	\$1.09
Lincoln Building	2	968	\$1,200.00	\$1.24
Lincoln Building	2	1,090	\$1,200.00	\$1.10
Lincoln Building	2	914	\$1,200.00	\$1.31
Lincoln Building	2	1,105	\$1,200.00	\$1.09
Lincoln Building	2	968	\$1,200.00	\$1.24
Lincoln Building	2	1,090	\$1,200.00	\$1.10
Lincoln Building	2	914	\$1,200.00	\$1.31
Lincoln Building	2	1,105	\$1,200.00	\$1.09
Lincoln Building	1	850	\$600.00	\$0.71
Lincoln Building	2	968	\$1,200.00	\$1.24
Lincoln Building	2	1,090	\$1,200.00	\$1.10
Lincoln Building	2	914	\$1,200.00	\$1.31
Lincoln Building	2	1,105	\$1,200.00	\$1.09
Lincoln Building	1	820	\$600.00	\$0.73
Lincoln Building	1	580	\$600.00	\$1.03
Lincoln Building	1	625	\$600.00	\$0.96
Lincoln Building	1	820	\$600.00	\$0.73
Lincoln Building	1	550	\$600.00	\$1.09
Lincoln Building	1	570	\$600.00	\$1.05
Century House	1	867	\$755.00	\$0.87
Century House	2	1,100	\$1,050.00	\$0.95
		839.98	\$870.61	\$1.04

*Lincoln, Nebraska,
continued*

Hastings

Building Name	Bedrooms	Avg sq. ft.	Avg Rental Rate	Rent/sq. ft.
520 W. 1st	1	1,100	\$1,500.00	\$1.36
706 W. 2nd	1	650	\$550.00	\$0.85
Jimmy Johns	1	689	\$675.00	\$0.98
Jimmy Johns	2	881	\$850.00	\$0.96
Jimmy Johns	2	933	\$800.00	\$0.86
838 W. 2nd	1	900	\$550.00	\$0.61
Manalee	2	900	\$800.00	\$0.89
609 W. 2nd	Studio	450	\$525.00	\$1.17
609 W. 2nd	1	700	\$625.00	\$0.89
609 W. 2nd	1	680	\$600.00	\$0.88
706 W. 2nd	1	750	\$650.00	\$0.87
Jimmy Johns	1	548	\$625.00	\$1.14
Jimmy Johns Studio	1	514	\$550.00	\$1.07
617 W 2nd	1	1,600	\$800.00	\$0.50
238 N. Lincoln	1	600	\$600.00	\$1.00
238 N. Lincoln	1	700	\$750.00	\$1.07
615 W 2nd	Studio	700	\$1,425.00	\$2.04
615 W 2nd	Studio	700	\$1,425.00	\$2.04
		777.50	\$794.44	\$1.02

Grand Island

Building Name	Bedrooms	Avg sq. ft.	Avg Rental Rate	Rent/sq. ft.
GI Optical	2	850	\$600.00	\$0.71
GI Optical	1	700	\$375.00	\$0.54
GI Optical	1	700	\$375.00	\$0.54
Martin Building	2	976	\$500.00	\$0.51

*Grand Island,
Nebraska, continued*

Building Name	Bedrooms	Avg sq. ft.	Avg Rental Rate	Rent/sq. ft.
Yancey	2	900	\$550.00	\$0.61
Yancey	2	900	\$550.00	\$0.61
Reed Building	2	1,200	\$550.00	\$0.46
		923.03	\$536.88	\$0.58

APPENDIX B - SUPPLY AND DEMAND ANALYSIS

TABLE B1: COMPARISON OF RENTER HOUSEHOLDS BY INCOME AND THE NUMBER OF RENTAL UNITS BY GROSS RENT

City/County	Household Income	<\$10,000	\$10k - \$14.9k	\$15k-\$24.9k	\$25k-\$34.9k	\$35k-\$49.9k	\$50k-\$74.9k	\$75k +
	Gross Rent Range	<\$200	\$200-\$299	\$300-\$499	\$500-\$749	\$750-\$999	\$1,000-\$1,499	\$1,500 or more
Grand Island	No. Households by Income	1,093	734	1,433	955	1,206	763	399
	No. Units by Rent Range	310	232	1,202	3,187	1,050	258	31
	Units less Households	(783)	(502)	(231)	2,232	(156)	(505)	(368)
Hall County	No. Households by Income	1,167	772	1,462	1,008	1,319	888	473
	No. Units by Rent Range	310	238	1,298	3,358	1,171	264	43
	Units less Households	(857)	(534)	(164)	2,350	(148)	(624)	(430)

Source: US Census 2010 American Community Survey, 2008-2010

Table B1 examines Grand Island’s and Hall County’s rental market in more detail. The Table indicates that there is a significant surplus of units for the \$25,000 to \$34,999 income group. These units are in the range of \$500 to \$749 per month in gross rent. Gross rent is defined by the US Census Bureau as:

The amount of the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid for by the renter (or paid for

the renter by someone else). Gross rent is intended to eliminate differentials which result from varying practices with respect to the inclusion of utilities and fuels as part of the rental payment.

The data indicate that there is a shortage of rent property for all other income ranges in Table 12. A lot of the shortages are likely being satisfied by that rental range of \$500 to \$749 per month. With the one rental range taking up the shortfalls, then some are likely paying far less than their income will allow; while others are paying far more than their income should allow. Considering that Grand Island is such a large portion of Hall County, it is not unexpected that the county data indicates similar issues.

Table B2 indicates there were 423 people living within a ¼ mile of the intersection of 3rd and Pine Street in downtown Grand Island. In addition there were a total of 3,953 people living within ½ mile of the same intersection. The population within each of these radii are anticipated and projected to increase between now and 2016. By 2016, the total population in these same radii is projected to reach 475 people and 4,201 people respectively. Within a ¼ mile of 3rd and Pine Street it is projected that there will be an additional 52 people by 2016.

Based upon the data in Table B2, the Median Age is less than 30 years of age. This indicates that the typical person living within the ¼ mile radius is a younger person perhaps a young profession. This fits closely with the model for those looking to live within downtown areas.

Table B2 also shows that the 52 additional people translate into a total of 23 new households in this ¼ mile radius or 76 within the ½ mile radius. As of 2011, the Median Household Income within the ¼ mile radius was \$36,047 and is projected to increase to \$39,774 by 2016 or 10.3%.

TABLE B2: GRAND ISLAND CENSUS DATA IN PROXIMITY TO DOWNTOWN GRAND ISLAND

	2010	2011	2016
Population			
within 1/4 mile	423	436	475
within 1/2 mile	3,953	3,990	4,201
within 3/4 miles	8,564	8,655	9,164
within 1 mile	15,419	15,607	16,553
within 30 miles	117,599	118,286	121,057
Households			
within 1/4 mile	207	213	230
within 1/2 mile	1,352	1,366	1,428
within 3/4 miles	2,789	2,820	2,952
within 1 mile	5,160	5,223	5,473
within 30 miles	45,660	45,923	47,105
Median Age			
within 1/4 mile	29.6	29.7	30.3
within 1/2 mile	29.3	29.4	29.7
within 3/4 miles	29.8	29.9	30.2
within 1 mile	30.1	30.2	30.7
within 30 miles	37.7	37.8	38.5
Median Household Income			
within 1/4 mile	-	\$36,047	\$39,774
within 1/2 mile	-	\$34,003	\$38,575
within 3/4 miles	-	\$35,374	\$39,786
within 1 mile	-	\$36,601	\$41,223
within 30 miles	-	\$44,156	\$51,103

Source: US Census Bureau, American Community Survey - Data compiled using ESRI Business Analyst

Table B3 examines the Household Income of the area in more detail. The table looks at the individual income groups within the same radii. The dominating fact seen in Table C3 for 2010 is that 51.7% of the households located within ¼ miles had incomes between \$35,000 and \$74,999. Within a ½ mile radius this decreased slightly to 44.5%. These

households did represent the majority of the higher incomes in the area since 40.8% of the households earned less than \$35,000.

According to Table B3, this income range will see an increase to 56.9% of all of the households within ¼ mile by 2015. In addition, those households earning less than \$35,000 will decrease to 35.5%. Finally, those earning between \$35,000 and \$74,999 and living within ½ mile will make up 48.9% of the households by 2015.

TABLE B3: HOUSEHOLD INCOME BY DISTANCE FROM DOWNTOWN

Household Income - 2010	1/4 mile	% in 1/4 mile	1/2 mile	% in 1/2 mile	3/4 mile	% in 3/4 mile	1 mile	% in 1 mile
<\$15,000	24	11.4%	180	13.7%	371	13.3%	665	12.8%
\$15,000 - \$24,999	24	11.4%	179	13.7%	330	11.8%	574	11.1%
\$25,000 - \$34,999	38	18.0%	235	17.9%	474	16.9%	812	15.7%
\$35,000 - \$49,999	55	26.1%	269	20.5%	572	20.5%	1,058	20.4%
\$50,000 - \$74,999	54	25.6%	315	24.0%	677	24.2%	1,303	25.2%
\$75,000 - 99,999	10	4.7%	90	6.9%	266	9.5%	547	10.6%
\$100,000 - \$149,999	4	1.9%	30	2.3%	81	2.9%	169	3.3%
\$150,000 - 199,999	1	0.5%	8	0.6%	17	0.6%	31	0.6%
\$200,000 +	1	0.5%	5	0.4%	9	0.3%	17	0.3%
	211		1,311		2,797		5,176	
Household Income - 2015	1/4 mile	% in 1/4 mile	1/2 mile	% in 1/2 mile	3/4 mile	% in 3/4 mile	1 mile	% in 1 mile
<\$15,000	23	10.9%	177	13.5%	364	13.0%	650	12.6%
\$15,000 - \$24,999	19	9.0%	142	10.8%	260	9.3%	456	8.8%
\$25,000 - \$34,999	33	15.6%	199	15.2%	397	14.2%	676	13.1%
\$35,000 - \$49,999	40	19.0%	195	14.9%	412	14.7%	761	14.7%
\$50,000 - \$74,999	80	37.9%	446	34.0%	934	33.4%	1,762	34.0%
\$75,000 - 99,999	12	5.7%	107	8.2%	315	11.3%	640	12.4%
\$100,000 - \$149,999	6	2.8%	46	3.5%	127	4.5%	261	5.0%
\$150,000 - 199,999	1	0.5%	13	1.0%	27	1.0%	47	0.9%
\$200,000 +	1	0.5%	7	0.5%	13	0.5%	23	0.4%
	215		1,332		2,849		5,276	

Source: US Census Bureau, American Community Survey - Data compiled using ESRI Business Analyst

Table B4 is simply contains population projections through 2018 and examines the potential impact on the rental market in Grand Island. The table assumes that items like Persons per Rental Unit and Occupancy Rates will remain the constant for this period. The table projects Grand Island will have 5,391 new people by 2018; considering a current rental property of 36.2%, there will be 1,952 new renters in the community by 2018. Based upon an occupancy level of 2.34 persons per household, city-wide, there will be the potential for 835 new units to be constructed between 2010 and 2018.

TABLE C4: CITY-WIDE NEED FOR RENTAL UNITS

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Population and Projections	49,520	50,164	50,816	51,476	52,146	52,824	53,510	54,206	54,911
Rental Population (est) 36.2% Renter Occupied	17,926	18,159	18,395	18,634	18,877	19,122	19,371	19,623	19,878
New Renters		233	236	239	242	245	249	252	255
Persons per Rental Unit	2.34	2.34	2.34	2.34	2.34	2.34	2.34	2.34	2.34
Average Annual Need		100	101	102	104	105	106	108	109
Total Renter Occupied Units	7,140	7,240	7,340	7,443	7,546	7,651	7,757	7,865	7,974
Rental Occupancy Rates	94.80%	94.80%	94.80%	94.80%	94.80%	94.80%	94.80%	94.80%	94.80%
Vacant Units	371	376	382	387	392	398	403	409	415

Source: Marvin Planning Consultants

APPENDIX C - CODES

The code information shown here is the result of a meeting conducted on December 14th, 2011 in Grand Island, Nebraska, with representatives of the City of Grand Island Building and Fire Departments.

2006 IBC – Chapter 3 Occupancy Classification:

Main Floor retail/office = Group “B”

Main Floor mercantile = Group “M”

Upper Floors residential = Group “R-2” (more than 2 dwelling units, occupants are permanent in nature)

In most cases, these eight buildings will have a “Change of Occupancy”. The change is from the previous upper level office use to new residential apartments.

2006 IBC – Chapter 4 Special Use & Occupancy:

Section 419.2 = **Separation Walls**, refer to Section 708 Fire Separations = 708.3 Fire Resistance Rating = not less than 1 hour.

Section 419.3 = **Horizontal Separation**, refer to Section 711, 711.3 = minimum of 1 hour. Exception = Dwelling Unit in Type V-B = 1/2 hour fire resistance rating.

2006 IBC – Chapter 5 General Building Heights and Areas:

Section 508 = Mixed Use and Occupancy, Table 508.3.3 Required **Separation of Occupancies:**

Group “B” & Group “R-2” = 1 hour separation in a Fire Sprinkler System.

Group “M” & Group “R-2” = 1 hour separation in a Fire Sprinkler System.

2006 IBC – Chapter 6 Types of Construction:

Construction Type for these older buildings is masonry with wood floor and roof structure. Table 601 = Type “V-B” Fire Resistance Rating = “0” hour fire rating.

These typical downtown buildings could also be considered Type “V-A” or “1” hour fire rating.

2006 IBC – Chapter 7 Fire-Resistance-Rated Construction:

Refer to Section 708 and 711 discussed above in Chapter 4.

Table 715.4 = 1 hour fire rated Corridor walls = 20 minute rated doors.
Other 1 hour rated fire barriers = 45 minute rated doors.

2006 IBC – Chapter 8 Interior Finishes:

The types of interior finishes are not yet determined in this building study, it can be addressed when the building projects are actually developed. Section 803 refers to Table 803.5 which has the required Occupancy Group wall and ceiling finish for Sprinklered and Non-sprinklered buildings.

2006 IBC – Chapter 9 Fire Protection Systems:

Occupancy Group “B” does not have a requirement for Fire Sprinklers

Section 903.2.6 Group “M” = required Fire Sprinklers when fire area exceeds 12,000 s.f. or if Group M is over more than 3 stories and exceeds 24,000 s.f.

Section 903.2.7 Occupancy Group “R” = automatic fire sprinkler system is required throughout.

Section 903.3.1.2 Group “R” is allowed to have an approved NFPA 13R fire sprinkler system up to and including 4 stories.

Section 907 Fire Alarm and Detection Systems

Group “B” = manual fire alarm required if occupant load is over 500 or more that 100 above or below level of exit discharge.

Group “M” = manual fire alarm required if occupant load is over 500 or more that 100 above or below level of exit discharge. **Exception 2** = manual fire alarm boxes are not required where automatic fire sprinkler systems installed.

Group “R-2” = manual fire alarm system not required when automatic fire sprinkler system is installed. Section 907.2.10 = Smoke Alarms required in sleeping rooms and in corridors leading to sleeping rooms.

2006 IBC Chapter 10 Means of Egress:

Section 1018 Exits = at least one exterior door. Section 1019 Number of Exits = Table 1019.1 = 1 – 500 occupants = 2 exits. Section 1019.2 Buildings with one exit & Table 1019.2 = Group “B” & “M” = 1 story above grade = 49 occupants and 75’ travel distance. Also 2 stories above grade = 30 occupants and 75 feet distance.

Occupancy “R-2” = 1 story above grade = 10 occupants and 75 feet distance. Also 2 stories above grade = 4 dwellings and 50 feet travel distance.

Section 1016, Table 1016.1 Exit Access Travel Distance = Group “M, B, and R” = 200 feet in a fire sprinklered building.

Section 1017.2 Corridor Width = 44 inches minimum.

Section 1017.3 Dead End Corridors = 20 feet, 50 feet with fire sprinkler system.

NFPA 101 Chapter 30 New Apartment Buildings:

Section 30.2.4 (d) number of exits = every dwelling unit required to have 2 exits remote from each other. Paragraph (d) notes that travel distance from dwelling unit entrance door to an exit cannot exceed 35 feet. **Exception #2** – buildings of 4 stories or less protected throughout by an approved automatic fire sprinkler system with not more than 4 dwelling units per story shall be permitted to have a single exit. Also all paragraphs (a, b, c, d, and e) shall apply. Section 30.2.6 Travel distance to Exits = travel distance within a dwelling unit to corridor door shall not exceed 125 feet per Exception with an approved fire sprinkler system.

IBC 2006 Chapter 11 Accessibility:

Section 1107 Dwelling Units and Sleeping Units, Section 1107.6.2 Group “R-2” = Type “A” units required if more than 20 units in building. Type “B” units = permitted to be reduced per Section 1107.7 General Exceptions.

IBC 2006 Chapter 34 Existing Structures:

This IBC Chapter has significant items that apply to these types of Downtown Grand Island existing buildings. Section 3406 Change of Occupancy, Section 3407 Historic Buildings, Section 3409 Accessibility for Existing buildings, Section 3410 Compliance Alternatives.

This entire document of IBC, NFPA and IEBC Code discussion is a preliminary review that can apply to the eight downtown Grand Island Buildings included in this study. This is not a final Code determination, as this is just a building study. As any of these buildings move forward into design and construction, we recommend that the project developers consult with an Architect, Engineer and City of Grand Island Building and Fire Officials to make the final determination on how each building is remodeled.

