

RESOLUTION NO. 19-18

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF AUBURN, NEBRASKA, DESIGNATING AN AREA OF THE CITY AS BLIGHTED AND SUBSTANDARD AND IN NEED OF REDEVELOPMENT PURSUANT TO THE NEBRASKA COMMUNITY DEVELOPMENT LAW.

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

WHEREAS, Chapter 18, Article 21, Nebraska Reissue Revised Statutes, as amended, known as the Community Development Law (the "Act"), prescribes the requirements and procedures for the planning and implementation of urban redevelopment projects; and

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

WHEREAS, section 18-2109 of the Act requires that, prior to the City preparing a redevelopment plan for a redevelopment project, the City Council as governing body of the City, should, by resolution, find and determine that the area is a blighted and substandard area and in need of redevelopment as defined in the Act; and

WHEREAS, the City previously received a blight and substandard study from Hanna Keelan Associates recommending that a portion of the City qualifies for declaration by the City as a blighted and substandard area in need of redevelopment as defined in the Act (the "Initial Blight Study"); and

WHEREAS, the Initial Blight Study set forth multiple blighted and substandard areas, including "Area 1"; and

WHEREAS, on November 12, 2002, the Mayor and Council of the City held a duly noticed public hearing to determine whether the areas included in the Initial Blight Study should be declared blighted and substandard and in need of redevelopment as required by the Act; and

WHEREAS, the Council approved via Resolution No. 38-02 the adoption of the Initial Blight Study at the public hearing and declared the areas included in the Initial Blight Study, including Area 1, as blighted, substandard and in need of redevelopment; and

WHEREAS, subsequent to the November 12, 2002, public hearing, JEO Consulting Group updated the Initial Blight Study with respect to Area 1 only (the "Updated Blight Study"), and recommended that a portion of the City described in the Updated Blight Study and in this Resolution (Area 1 in the Initial Blight Study plus additional real property, referred to herein as the "Updated Area 1") qualifies for declaration by the City as a blighted and substandard area in need of redevelopment as defined in the Act, which Updated Blight Study is attached hereto as Exhibit 1; and

WHEREAS, the Updated Area 1 is more particularly described on Exhibit 2, attached hereto and incorporated herein; and

WHEREAS, on September 18, 2018, the Mayor and Council submitted the question of whether the Updated Area 1 is blighted and substandard and in need of redevelopment to the Planning Commission of the City for its review and recommendation, and the Planning Commission held a duly noticed public hearing on the question and recommended to the Mayor and Council that the Updated Area 1 be designated blighted and substandard and in need of redevelopment; and

WHEREAS, on October 8, 2018, the Mayor and Council of the City held a duly noticed public hearing to determine whether the Updated Area 1 should be declared blighted and substandard and in need of redevelopment as required by the Act; and

WHEREAS, the City conducted the public hearing pursuant to the Nebraska Open Meetings Act and afforded all interested parties a reasonable opportunity to express their views respecting the declaration of the Updated Area 1 as blighted and substandard and in need of redevelopment, and the Mayor and Council reviewed and discussed the Updated Blight Study.

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

Section 1. The Mayor and Council find, based on substantial evidence in the Updated Blight Study and in the record of this proceeding and the October 8, 2018, public hearing that the Updated Area 1 qualifies as blighted, substandard and in need of redevelopment due to, among other things, the presence of a substantial number of deteriorated structures, inadequate street layout, faulty lot layout, unsanitary or unsafe conditions, obsolete platting, endangerments to life/property, detriments to public health and safety, dilapidated exteriors of structures, increased age of structures, and the inadequate provision for ventilation and sanitation.

Section 2. Based on the foregoing, the Updated Blight Study and substantial evidence in the record of this proceeding, the Mayor and Council hereby declare the Updated Area 1 as blighted and substandard and in need of redevelopment pursuant to the Act, in that conditions now exist in the Updated Area 1 meeting the criteria in section 18-2103(10) of the Act.

Section 3. The Updated Area 1 is hereby further declared to be blighted and in need of redevelopment pursuant to the Act, in that conditions now exist in the Updated Area 1 meeting the criteria set forth in the Act, including, without limitation, (a) one or more of the factors set forth in section 18-2103(11)(a) of the Act and (b) at least one of the factors set forth in section 18-2103(11)(b) of the Act, as described and set forth in the Updated Blight Study.

Section 4. The blighted and substandard conditions existing in the Updated Area 1 are beyond remedy and control solely through the regulatory process and the exercise of police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided by the Act, and the elimination of the blighted and substandard conditions by redevelopment under the authority of the Act is hereby found to be a public purpose and declared to be in the public interest.

Section 5. The Updated Area 1 is in need of redevelopment and is or will be an eligible site for a redevelopment project under the provisions of the Act at the time of the adoption of any redevelopment plan with respect thereto.

Section 6. This Resolution shall be published and shall take effect as provided by law.

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS ____ DAY OF _____, 2018.

MAYOR

ATTEST:

CITY CLERK

EXHIBIT 1
Updated Blight Study

(See attached)

***Blight and Substandard Study
Ariens Study Area
City of Auburn, Nebraska***

2018



*JEO Consulting Group, Inc.
Project No. 181528.00*

Adopted _____, 2018

Resolution No. _____

Introduction

Purpose of the Study

This Auburn Blight and Substandard Study of the Designated Study Area is intended to give the Community Redevelopment Authority and City Council the basis for determining the existence of blight and substandard conditions within the delineated Study Area. Through this process, the Community Redevelopment Authority of the City of Auburn may employ and exercise the power authorized in Nebraska Community Development Law to eliminate and prevent blighted and substandard conditions that are detrimental to the future public health, safety, morals, and general welfare of the entire community as well as the surrounding region. The City of Auburn intends, depending on the results of this study, to add the Designated Study Area to its existing Redevelopment Area #1. Therefore, this Blight and Substandard Study supplements the existing Blight and Substandard Study that supported the designation of the current Redevelopment Area #1 as blighted, substandard and in need of redevelopment. If the City of Auburn finds and determines, based on substantial evidence in the record before it, that the Designated Study Area meets the statutory conditions for an area that is blighted, substandard and in need of redevelopment, the Designated Study Area will become part of Redevelopment Area #1.

The findings of this Study will guide the general redevelopment for the Designated Study Area. The Redevelopment Plan – the companion document to the Blight and Substandard Study - will contain local objectives regarding appropriate land uses, improved traffic circulation, economic development activities, public transportation, public utilities, and other public improvements, in accordance with the provisions of the Nebraska Community Development Law. The proposed requirements in the redevelopment area shall include without being limited to:

- The boundaries of the redevelopment project area, with a map showing the existing uses and condition of the real property therein,
- A land-use plan showing proposed uses of the area,
- Information showing the standards of population densities, land coverage, and building intensities in the area after redevelopment,
- A statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, or building codes and ordinances,
- A site plan of the area, and
- A statement as to the kind and number of additional public facilities or utilities which will be required to support the new land uses in the area after redevelopment.

Background

In 1975, the Nebraska Legislature enacted legislation in response to the existence of area in cities and villages that had become deteriorated and substandard for a variety of reasons. These areas were considered harmful to the social and economic well-being of the entire community in which they existed. Conditions in such area were considered beyond the remedy and control of the normal regulatory process or impossible to reverse through the ordinary operations of private enterprise. The Community Development Law, as it is known, enables cities and villages to take steps to eliminate blight through the acquisition, clearance, and disposition of property for redevelopment or the conservation and rehabilitation of the property.

Prior to the enactment of the legislation, Nebraska communities were unable to carry out redevelopment programs involving assembly of land for conveyance to private developers without the creation of an urban renewal authority approved by the voters of the municipality. The Nebraska Community Development Law (Neb. Rev. Stat. § 18-2101 to 18-2154) permits cities of all classes and villages to establish Community Redevelopment Authorities (CRAs) by ordinance. Such authority empowers CRAs to undertake broad urban renewal and municipal growth opportunities through a

variety of mechanisms. This law, with subsequent amendments, has been the cornerstone of redevelopment and community development activities in Nebraska.

This Blight and Substandard Study examines existing conditions of land-use, buildings, and structures within the Designated Study Area in the City of Auburn to determine its eligibility for redevelopment activities. The area for this analysis is the Designated Study Area which is an area generally described as the Ariens Company Area. Several potential opportunities for redevelopment exist throughout the Designated Study Area, which would allow the City of Auburn to overcome blighted and substandard conditions and avoid issues that could lead to blight and substandard conditions. When evaluating blight and substandard conditions, the City of Auburn must adhere to Nebraska Community Development Law.

Nebraska Revised State Statutes

The Community Development Law provides guidelines under which municipalities may address concerns and develop strategies for the rehabilitation and redevelopment of deteriorating area, as well as the prevention and elimination of substandard and blighted area. The Legislature has declared, in pertinent part:

It is hereby found and declared that there exist in cities of all classes and villages of this state area which have deteriorated and become substandard and blighted because of the unsafe, insanitary, inadequate, or overcrowded condition of the dwellings therein, or because of inadequate planning of the area, or excessive land coverage by the buildings thereon, or the lack of proper light and air and open space, or because of the defective design and arrangement of the buildings thereon, or faulty street or lot layout, or congested traffic conditions, or economically or socially undesirable land uses...These conditions are beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids herein provided...It is further found and declared that the prevention and elimination of blight is a matter of state policy, public interest, and statewide concern and within the powers and authority inhering in and reserved to the state, in order that the state and its municipalities shall not continue to be endangered by area which are focal centers of disease, promote juvenile delinquency, and consume an excessive proportion of their revenue. §18-2102

Consistent with these findings, municipalities have been granted the power to address deterioration, substandard conditions, and blight through any of a number of means, including “the formulation of a workable program, the approval of community redevelopment plans consistent with the general plan for the development of the city, the exercise of its zoning powers, the enforcement of other laws, codes, and regulations, relating to the use of land and the use and occupancy of buildings and improvements, the disposition of any property acquired, and the providing of necessary public improvements.” Neb. Rev. Stat. §18-2104.

Nebraska Revised Statutes §18-2104 enables a municipality to declare that blight and substandard conditions exist. The statute reads,

The governing body of a city, to the greatest extent it deems to be feasible in carrying out the provisions of sections 18-2101 to 18-2144, shall afford maximum opportunity, consistent with sound needs of the city, to the rehabilitation or redevelopment of the community redevelopment area by private enterprises. The governing body of a city shall give consideration to this objective in exercising its powers under sections 18-2101 to 18-2144, including the formulation of a workable program, the approval of community redevelopment plans consistent with the general plan for the development of the city, the exercise of its zoning powers, the enforcement of other laws, codes, and regulations relating to the use and

occupancy of buildings and improvements, the disposition of any property acquired, and providing of necessary public improvements. §18-2101

The process of improving an area begins with the creation of a municipality-wide workable program for utilizing appropriate private and public resources to address the specific conditions to be improved. Such workable programs may include "provision for the prevention of the spread of blight into area of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards; the rehabilitation or conservation of substandard and blighted area or portions thereof by re-planning, removing congestion, providing parks, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and the clearance and redevelopment of substandard and blighted area or portions thereof." Neb. Rev. Stat. §18-2105.

The statutes provide a means for the governing body of a municipality to address and develop strategies for rehabilitation and redevelopment of the community. Nebraska Revised Statutes §18-2105 also grants authority to the governing body to formulate a redevelopment program. The statute reads,

The governing body of a city or an authority at its direction for the purposes of sections 18-2101 to 18-2144 may formulate for the entire municipality a workable program for utilizing appropriate private and public resources to eliminate or prevent the development or spread of urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of substandard and blighted area, or to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program. Such workable program may include, without limitation, provision for the prevention of the spread of blight into area of the municipality which are free from blight through diligent enforcement of housing, zoning and occupancy controls and standards; the rehabilitation or conservation of substandard or blighted area or portions thereof by replanning, removing congestion, providing parks, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and the clearance and redevelopment of substandard and blighted area or portions thereof. §18-2105

The main substance of a workable program is an adopted general redevelopment plan for a defined area, as well as the subsequent individual redevelopment projects that identify specific projects within a redevelopment area. Prior to the adoption of a general redevelopment plan, a municipality must have adopted comprehensive plan (§18-2110), and shall have declared the redevelopment area to be a substandard and blighted area in need of redevelopment (§18-2109).

The important community development terms are defined in Nebraska Revised Statutes §18-2103, several of which are shown below (organization and emphasis added):

Substandard area means an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;

Blighted area means an area, which

(a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use; and,

(b) in which there is at least one of the following conditions:

(i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average;

(ii) the average age of the residential or commercial units in the area is at least forty years;

(iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time;

(iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or

(v) the area has had either stable or decreasing population based on the last two decennial censuses.

In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a village shall not designate an area larger than one hundred percent of the village as blighted;

Redevelopment project means any work or undertaking in one or more community redevelopment area:

(a) To acquire substandard and blighted area or portions thereof, including lands, structures, or improvements the acquisition of which is necessary or incidental to the proper clearance, development, or redevelopment of such substandard and blighted area;

(b) to clear any such area by demolition or removal of existing buildings, structures, streets, utilities, or other improvements thereon and to install, construct, or reconstruct streets, utilities, parks, playgrounds, public spaces, public parking facilities, sidewalks or moving sidewalks, convention and civic centers, bus stop shelters, lighting, benches or other similar furniture, trash receptacles, shelters, skywalks and pedestrian and vehicular overpasses and underpasses, and any other necessary public improvements essential to the preparation of sites for uses in accordance with a redevelopment plan;

(c) to sell, lease, or otherwise make available land in such area for residential, recreational, commercial, industrial, or other uses, including parking or other facilities functionally related or subordinate to such uses, or for public use or to retain such land for public use, in accordance with a redevelopment plan; and may also include the preparation of the redevelopment plan, the planning, survey, and other work incident

to a redevelopment project and the preparation of all plans and arrangements for carrying out a redevelopment project;

(d) to dispose of all real and personal property or any interest in such property, or assets, cash, or other funds held or used in connection with residential, recreational, commercial, industrial, or other uses, including parking or other facilities functionally related or subordinate to such uses, or any public use specified in a redevelopment plan or project, except that such disposition shall be at its fair value for uses in accordance with the redevelopment plan;

(e) to acquire real property in a community redevelopment area which, under the redevelopment plan, is to be repaired or rehabilitated for dwelling use or related facilities, repair or rehabilitate the structures, and resell the property; and

(f) to carry out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the redevelopment plan;

Redevelopment plan means a plan, as it exists from time to time for one or more community redevelopment area, or for a redevelopment project, which

(a) conforms to the general plan for the municipality as a whole and

(b) is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the community redevelopment area, zoning and planning changes, if any, land uses, maximum densities, and building requirements.

Substandard and Blight Eligibility Analysis

Auburn Designated Study Area

The City of Auburn selected the Designated Study Area to be a portion of a property within the corporate limits for evaluation pursuant to the Community Development Law. The area is comprised of primarily of the land and structures on parcels for the Ariens Company manufacturing facility. The Designated Study Area was selected for a number of reasons, including:

1. The potential for private development and redevelopment activities within the Study Area.
2. The opportunity to repurpose the facility and retain manufacturing jobs in the community.
3. The need for improvements in infrastructure due to specific existing conditions.
4. The economical and functional obsolescence of certain uses within the Study Area.
5. The presence of Blighted and Substandard characteristics within the Study Area.
6. The need for public intervention to stimulate the development and redevelopment of vital infrastructure systems to support these private redevelopment efforts.

Once declared substandard and blighted, the City of Auburn can stimulate and manage future development in this area by creation and use of the redevelopment plan and its statutory authority to provide financial incentives for private development.

Through the redevelopment process, the City of Auburn can guide future development in the community and provide financial incentives for development. The use of the Nebraska Community Redevelopment Law by the City is intended to improve the community and enhance the quality of life for all residents by eliminating conditions that contribute to the spread of blight and retard private reinvestment in the area due to these factors. Using the Nebraska Community Development Law, Auburn can eliminate negative factors and implement programs and/or projects identified to improve conditions, thereby removing or preventing blight and substandard conditions.

Substandard and Blight Conditions

As set forth in section 18-2103(10), **substandard area** shall mean an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which by reason of the following:

1. **Dilapidation/deterioration***
Exterior inspection of buildings to note deficiencies (sound, minor, major, dilapidated)
 - Examples include structural (walls, foundation, roof), building systems (gutters, roof surface, chimney), and architectural systems (fire escapes, weatherization, steps, exterior paint, site conditions).
2. **Age or obsolescence**
Estimate age of structures (40+ years criteria)
3. **Inadequate provision for ventilation, light, air, sanitation, or open spaces**
Overall sight conditions
 - Examples include junked cars or debris, cluttered alleyways, antiquated infrastructure systems (overhead power lines), outdoor storage/sanitation facilities, unpaved parking/outdoor storage.
4. **Other Substandard Conditions**
 - (a) High density of population and overcrowding (census); or

- (b) The existence of conditions which endanger life or property by fire and other causes as unsanitary and unsafe conditions which endanger life or property by fire and other natural causes floodplain; or
- (c) Any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime; is detrimental to the public health, safety, morals or welfare (includes sanitation concerns, inadequate infrastructure systems (sewer, water service mains, storm sewers), poor lighting, crime statistics, floodplain area, outdoor storage, site clutter).

As set forth in the Nebraska legislation, a **blighted area** shall mean an area, which by reason of the presence of:

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

Exterior inspection of buildings to note deficiencies (sound, minor, major, dilapidated)

- Examples include structural (walls, foundation, roof), building systems (gutters, roof surface, chimney), and architectural systems (fire escapes, weatherization, steps, exterior paint, site conditions).

2. **Existence of defective or inadequate street layout**

Condition of streets/inadequate access

- Examples include street conditions, dead ends, railroad crossings, linear downtown, narrow alleyways, and blind crossings.

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

Conditions associated with accessibility/usefulness of the lots

- Examples include land locked parcels, odd shaped lots, undersized lots, lots with accessibility concerns.

4. **Unsanitary or unsafe conditions**

Conditions which pose a threat to public health and safety

- Examples include age and physical condition of structures, floodplain, lack of public infrastructure systems, unsanitary conditions, ventilation concerns.

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

Field observation of age and condition of public utilities, debris and inadequate public improvements

- Examples include lack of off-street parking, storm drainage, junk cars, dilapidated structures, debris, on-site storage, congested overhead power lines.

6. **Diversity of ownership**

The total number of unduplicated owners

- Examples include the necessity of to acquire numerous lots is a hindrance to redevelopment. However, land assemblage of larger proportions necessary for major developments, is more economically feasible and will attract financial support, as well as public patronage required to repay such financial support. Such assemblage is difficult without public intervention.

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

Examination of public records to determine the status of taxation of properties

- Examples include delinquent taxes, real estate taxes, tax exempt.

8. **Defective or unusual conditions of title**
Examine public records to determine any defective or unusual title defects
 - Examples include improper filings, liens, defective titles, etc.
9. **Improper subdivision or obsolete platting**
Examine public records to determine improper subdivision and obsolete platting
 - Examples include undersized lots, improper zoning, lot configuration, easement concerns, never recorded vacated streets, accessibility concerns.
10. **The existence of conditions which endanger life or property by fire or other causes**
Examine conditions which endanger life or property
 - Examples include inadequate, undersized or inoperative public infrastructure systems, floodplain, building materials, site access, on-site storage (cars), secluded area for pests and vermin to thrive, inadequate surface drainage, street/sidewalk conditions, etc.
11. **Any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability**
Economic and/or socially undesirable land uses
 - Examples include incompatible land uses, economic obsolescence, functional obsolescence which relates to the property's ability to compete in the market place.
12. **Is detrimental to the public health, safety, morals, or welfare in its present condition and use; and in which there is at least one of the following conditions:**
 - (a) Unemployment in the designated blighted area is at least one hundred twenty percent of the state or national average (Census statistics);
 - (b) The average age of the residential or commercial units in the area is at least 40 years (Field observation);
 - (c) More than half of the plotted and subdivided property in the area is unimproved land that has been within the city for 40 years and has remained unimproved during that time (Public records);
 - (d) The per capita income of the designated blighted area is lower than the _____ average per capita income of the city or village in which the area is designated (Census); or
 - (e) The area has had either stable or decreasing population based on the last two decennial censuses (Census).

*Where structural conditions are evaluated, individual structures are rated in accordance with the following rating schedule as defined by the U.S. Department of Housing and Urban Development: no problem, adequate condition, deteriorating condition, or dilapidated condition. The following descriptions define the rating schedule used to assess and evaluate building and structure conditions:

No Problem

No structural or aesthetic problems are visible.

Adequate Condition

- Slight damage to porches, steps, roofs, etc. is present on the structure,
- Slight wearing away of mortar between bricks, stones, or concrete blocks,
- Small cracks in walls or chimneys,
- Cracked windows,
- Lack of paint, and

- Slight wear on steps, doors, and door and window frames.

Deteriorating Condition

- Holes, open cracks, rotted, loose, or missing materials in parts of the foundation, walls, (up to one-quarter of the wall), or roof (up to one-quarter of roof),
- Shaky, broken, or missing steps or railings,
- Numerous missing and cracked window panes,
- Some rotted or loose windows or doors (no longer wind- or water-proof),
- Missing bricks or other masonry of chimney, and
- Makeshift (un-insulated) chimney.

Dilapidated Condition

- Holes, open cracks, or rotted, loose or missing material (siding, shingles, brick, concrete, tiles, plaster, floorboards) over large area of foundation, on walls or on roof,
- Substantial sagging of roof, floors, or walls,
- Extensive damage by fire, flood or storm, and
- Inadequate original construction such as makeshift walls, roofs made of scrap materials, foundations or floors lacking, or converted barns, sheds, and other structures not adequate for housing.

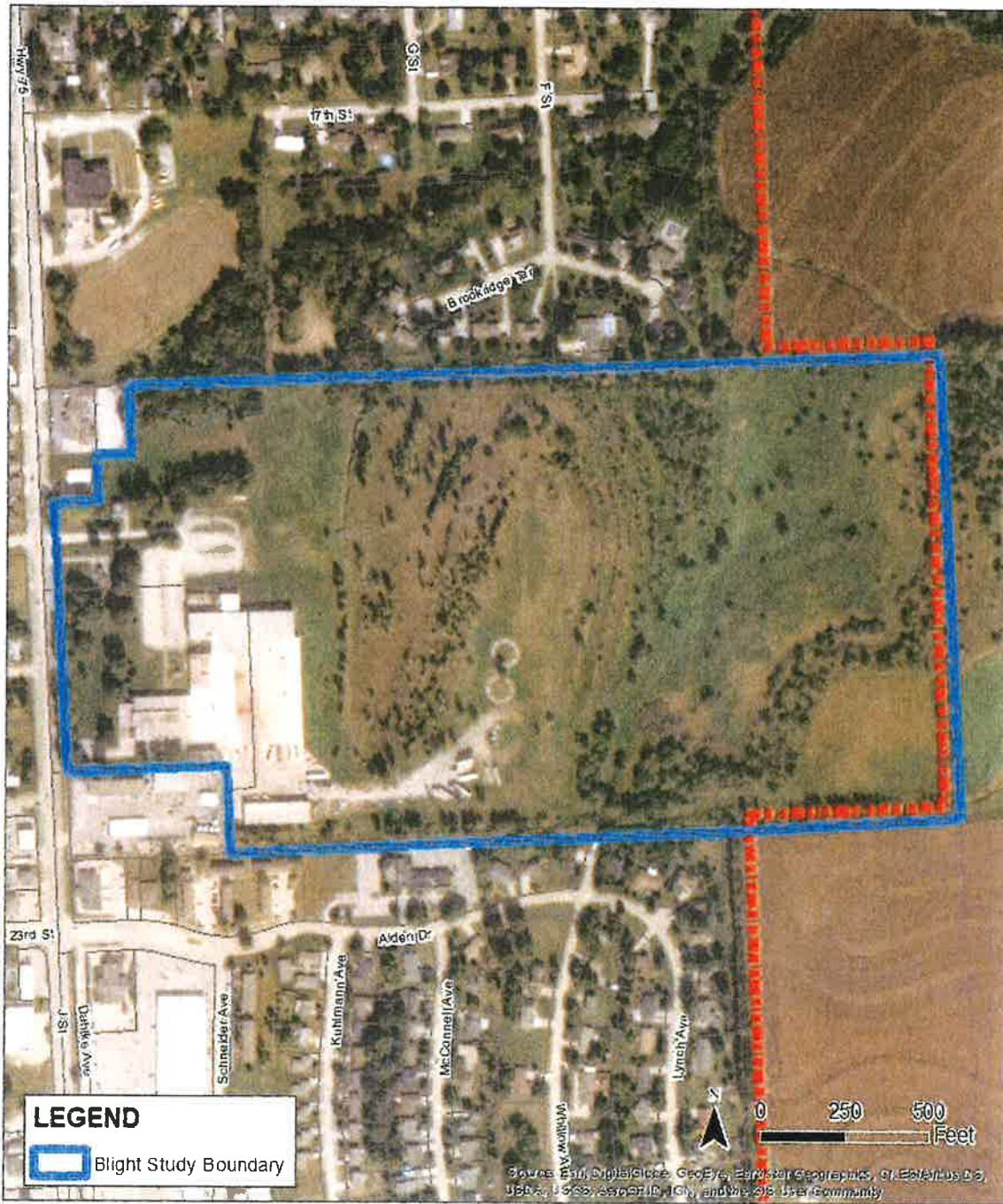
Proposed Blight Area

Based upon the review of the Designated Study Area, and its context with the community, JEO Consulting recommends the entire Designated Study Area be the Proposed Blight and Substandard Area, as shown in Figure 2. The Proposed Blight and Substandard Area consists of approximately 75.65 acres. The legal description that follows was prepared by a JEO registered surveyor. Adding this area of land increases the total declared blighted area for the City of Auburn to approximately 497.7 acres of the total approximately 1403.5 acres within its Corporate Limits, assuming this portion of the former Ariens Company parcels known as the Auburn Blight and Substandard Ariens Company Area Study is approved. Approval of the study will bring the total percentage of the corporate limits designated as blighted to 35.5%. It should be noted that the statutory limit for Cities of the Second Class is 50% of the area within their corporate limits.

Legal Descriptions


A TRACT OF LAND LOCATED IN THE NORTH HALF OF THE SOUTHWEST QUARTER (N1/2 SW1/4) OF SECTION TWENTY-TWO (22), TOWNSHIP FIVE (5) NORTH, RANGE FOURTEEN (14) EAST OF THE 6TH P.M., NEMAHA COUNTY, NEBRASKA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 22, THEN ON AN ASSUMED BEARING OF N00°00'00"W ALONG THE WEST LINE OF THE SOUTHWEST ONE-QUARTER A DISTANCE OF 1,574.29 FEET; THENCE S89°57'50"E A DISTANCE OF 40.25 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED BOOK 96, PAGE 231, SAID PARCEL BEING ADDITIONAL RIGHT-OF-WAY FOR US HIGHWAY 75, SAID POINT BEING THE POINT OF BEGINNING, THENCE N05°00'56"W AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 2.83 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED BOOK 115, PAGE 401, SAID PARCEL BEING ADDITIONAL RIGHT-OF-WAY FOR US HIGHWAY 75; THENCE N00°00'00"W AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 745.33 FEET TO THE NORTHEAST CORNER OF SAID PARCEL; THENCE N89°53'56"E AND ALONG THE SOUTH LINE OF THAT PARCEL DESCRIBED IN DEED BOOK 78, PAGE 657 A DISTANCE OF 134.71 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL; THENCE N00°02'41"W AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 134.43 FEET TO THE SOUTHWEST CORNER OF THAT PARCEL DESCRIBED IN DEED BOOK 96, PAGE 274; THENCE S89°51'25"E AND ALONG THE SOUTH LINE OF SAID PARCEL A DISTANCE OF 100.00 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL; THENCE N00°00'00"E AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 191.43 FEET TO A POINT ON THE NORTH LINE OF THE NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER; THENCE S89°51'22"E AND ALONG THE NORTH LINE OF SAID NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER A DISTANCE OF 2366.19 FEET TO THE CENTER ONE QUARTER CORNER OF SAID SECTION 22; THENCE S00°01'54"W AND ALONG THE EAST LINE OF SAID NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER A DISTANCE OF 1321.52 FEET TO THE SOUTHEAST CORNER OF SAID NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER; THENCE N89°55'29"W AND ALONG THE SOUTH LINE OF SAID NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER A DISTANCE OF 2143.42 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED BOOK 63, PAGE 648; THENCE N00°09'13"W AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 250.38 FEET TO THE NORTHEAST CORNER OF SAID PARCEL; THENCE N89°57'50"W AND ALONG THE NORTH LINE OF SAID PARCEL AND THAT PARCEL DESCRIBED IN DEED BOOK 59, PAGE 248 A DISTANCE OF 455.75 FEET TO THE POINT OF BEGINNING.

Figure 2: Proposed Blight Area



City of Auburn, NE
Blight Study: Study Area

Created By: C. Stoss
Date: August 2018
Software: ArcGIS 10.4



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Findings and Contributing Factors

The intent of this Study is to determine whether the Proposed Blight Area within the community has experienced structural and site deterioration or if there are other negative factors which are decreasing the potential of development. The field survey conducted on August 28th, 2018, indicated the community has such deterioration, thus the community warrants further examination regarding blighted and substandard conditions. The following factors were evaluated to determine if there is a reasonable presence of blight and substandard conditions within the Designated Study Area.

This section reviews the building and structure conditions, infrastructure, site conditions and land use found within the Proposed Blight and Substandard Area based upon the statutory definitions, observations of the planning team during the field survey, and explains the identified contributing factors. *Appendix A* provides a visual description and documents examples of the different conditions described that led to the determination for each factor.

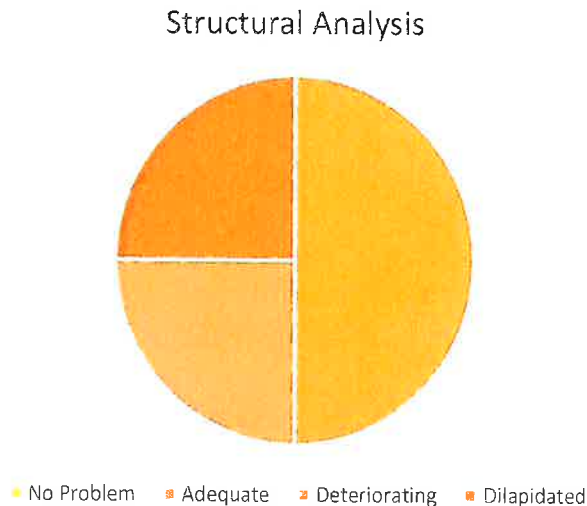
BLIGHTED CRITERIA CONDITIONS

As set forth in the Nebraska legislation, a **blighted area** shall mean an area, which by reason of the presence of:

Substantial Number of Deteriorated or Deteriorating Structures

As a rule, the primary structure for each parcel within the Proposed Blight Area was examined. These totals include both residential and industrial buildings. There was a total of 4 primary structures evaluated. two of the 4 primary structures, or 50%, were evaluated as deteriorating or dilapidated. Half of the buildings in the study area have structural issues.

Figure 3: Exterior Structural Conditions



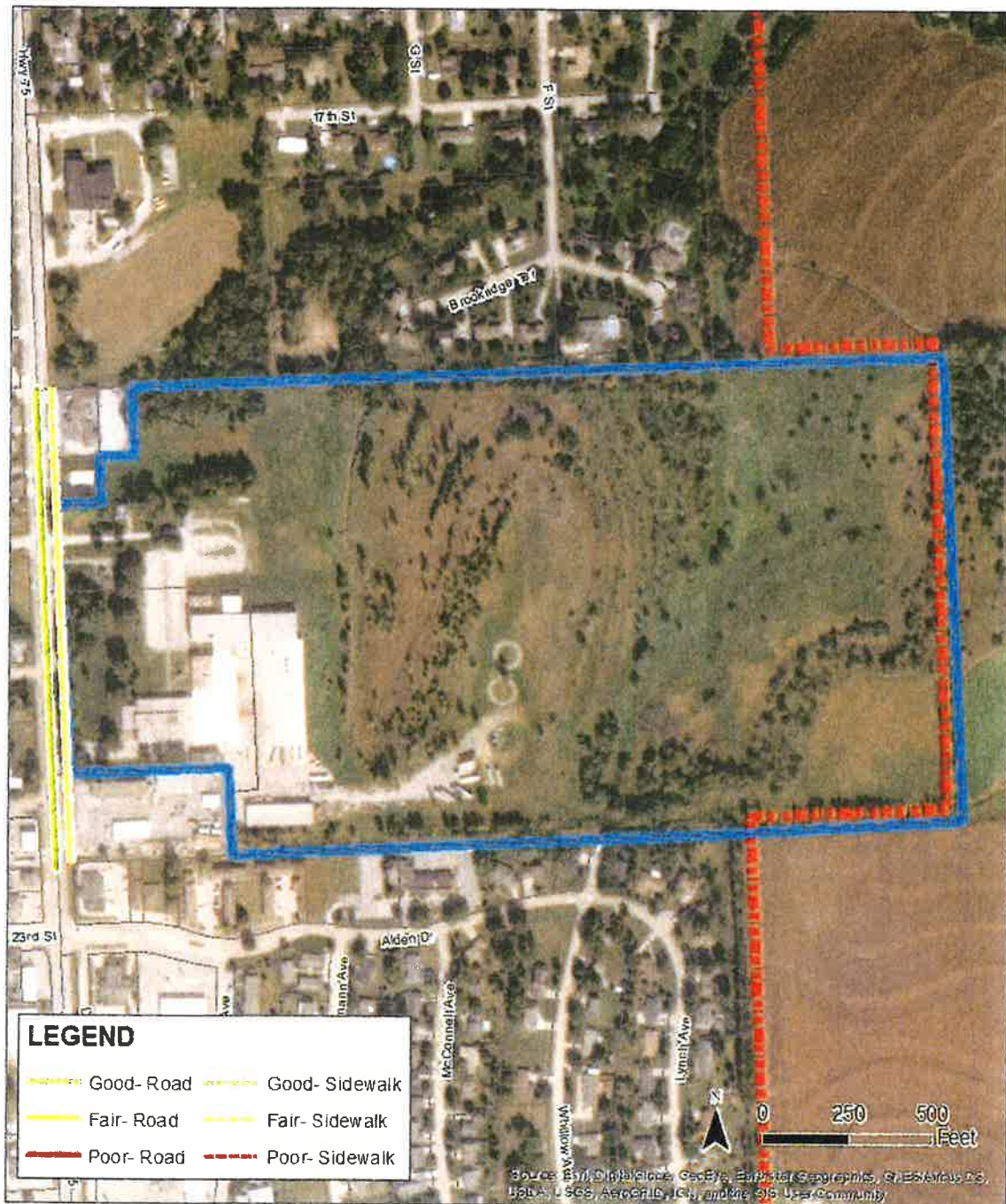
Defective or Inadequate Street Layout

Street Conditions and Accessibility

Street conditions and accessibility within the Proposed Blight Area were evaluated in relation to the provision of safe and efficient public circulation and access, and with regard to ease of travel and appearance.

Overall, the study area has minimal miles of city roads within the Proposed Blighted and Substandard Area. The public street and sidewalk received good and fair ratings, respectively. However, the lack of public road layout and connectivity with the adjacent residential neighborhood isolates the area and poses difficulty for efficient vehicular movements and emergency access. The large site impedes all connectivity to the adjacent neighborhoods.

Figure 4: Road Conditions



City of Auburn, NE
Blight Study: Road & Sidewalk Conditions

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

The lot sizes are approximately 7 acres and 68 acres in the Proposed Blight and Substandard Area. The large lot is unusual with mismatched dimensions, orientations, and accessibility for industrial development. There are residential and industrial uses on the large lot as well as structures constructed across the lot lines. Therefore, this area is inconsistent with the city codes and prudent development practice for lot size and shape which can inhibit the practical usefulness of the lot.

Unsanitary or unsafe conditions

Conditions which pose a threat to public health and safety

Age and physical condition of structures

The age of structures and poor physical condition in older building stock pose a potential safety hazard to the general public.

Topography and terrain

This study area has a variety of topography that drains to the low-lying water course in the middle portion of the area. Areas of washouts and erosion were observed throughout the area.

Onsite Storage and Debris

There were several individual examples of onsite storage and debris noted during the evaluation. Examples include discarded machinery, chemical tanks, wood piles, and on-site storage.

Deterioration of site or other improvements

Vehicle circulation and parking

The driveways exhibited degrading pavement and erosion. The parking area had an aggregate base with potholes, washed out areas from erosion and lacked significant rock or gravel cover to prevent significant weed growth.

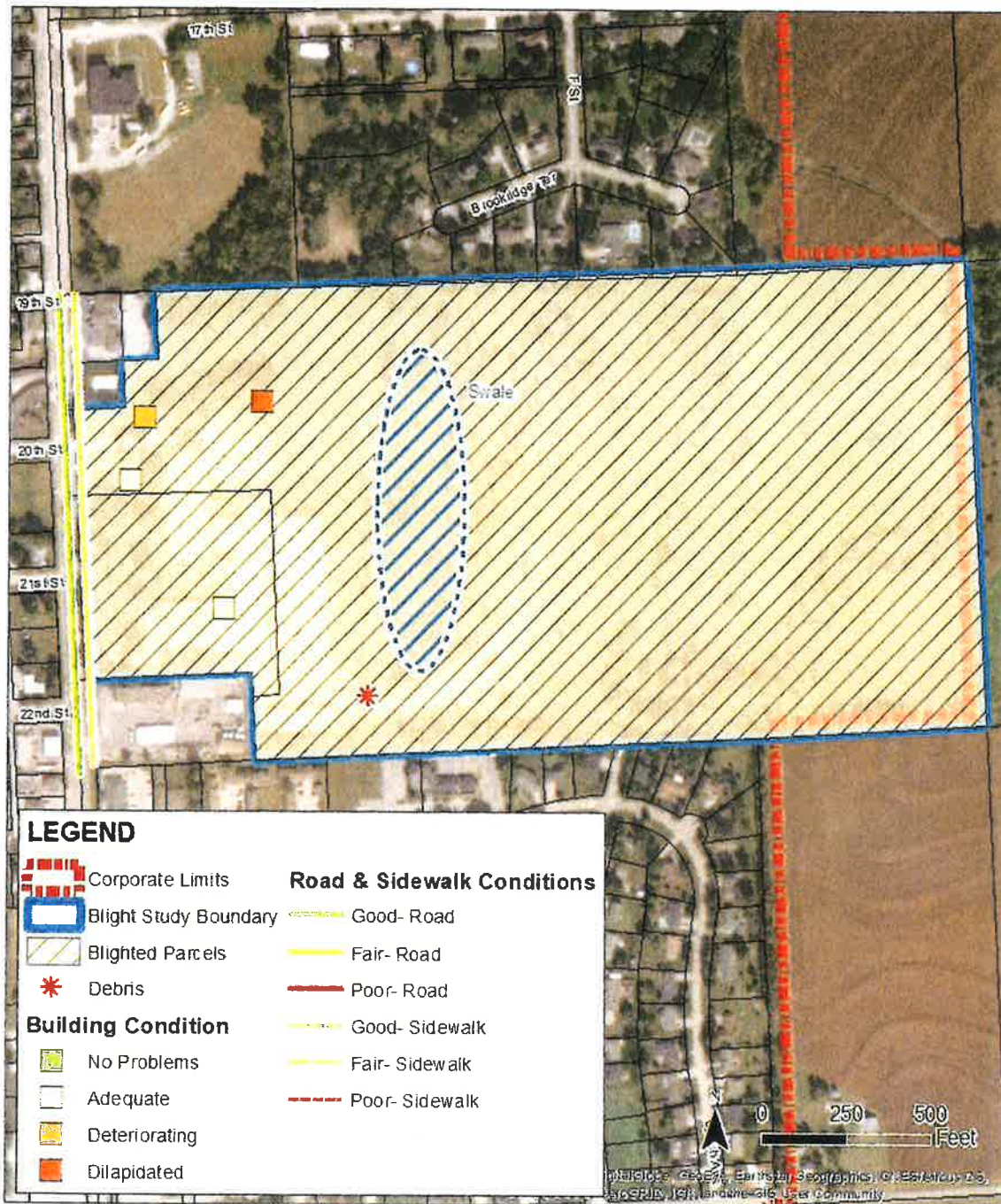
Topography and terrain

This study area has a variety of topography that drains to the low-lying water course in the middle portion of the area. Areas of washouts and erosion were observed throughout the area.

Diversity of ownership

The diversity of ownership is not evident in the study area.

Figure 5: Potential Hazards of Site



City of Auburn, NE

Blight Study: Potential Hazards

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Improper subdivision or obsolete platting

Obsolete platting

The two properties consist of non-rectangular shape and lack public infrastructure connectivity to the adjacent neighborhoods. There are residential and industrial uses on the large lot as well as structures constructed across the lot lines. Therefore, this area is consisting of improper subdivision.

The existence of conditions which endanger life or property

Age and physical condition of structures

The age of structures and poor physical condition in older building stock pose a potential safety hazard to the general public.

Topography and terrain

This study area has a variety of topography that drains to the low-lying water course in the middle portion of the area. Areas of washouts and erosion were observed throughout the area.

Onsite Storage and Debris

There were several individual examples of onsite storage and debris noted during the evaluation. Examples include discarded machinery, chemical tanks, wood piles, and on-site storage.

Improper Land Use

The area contains both residential and industrial land uses on the same lot. In addition, residential neighborhoods to the north and south lack buffer space to separate the industrial uses in the area.

Any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability.

Economic and/or socially undesirable land uses

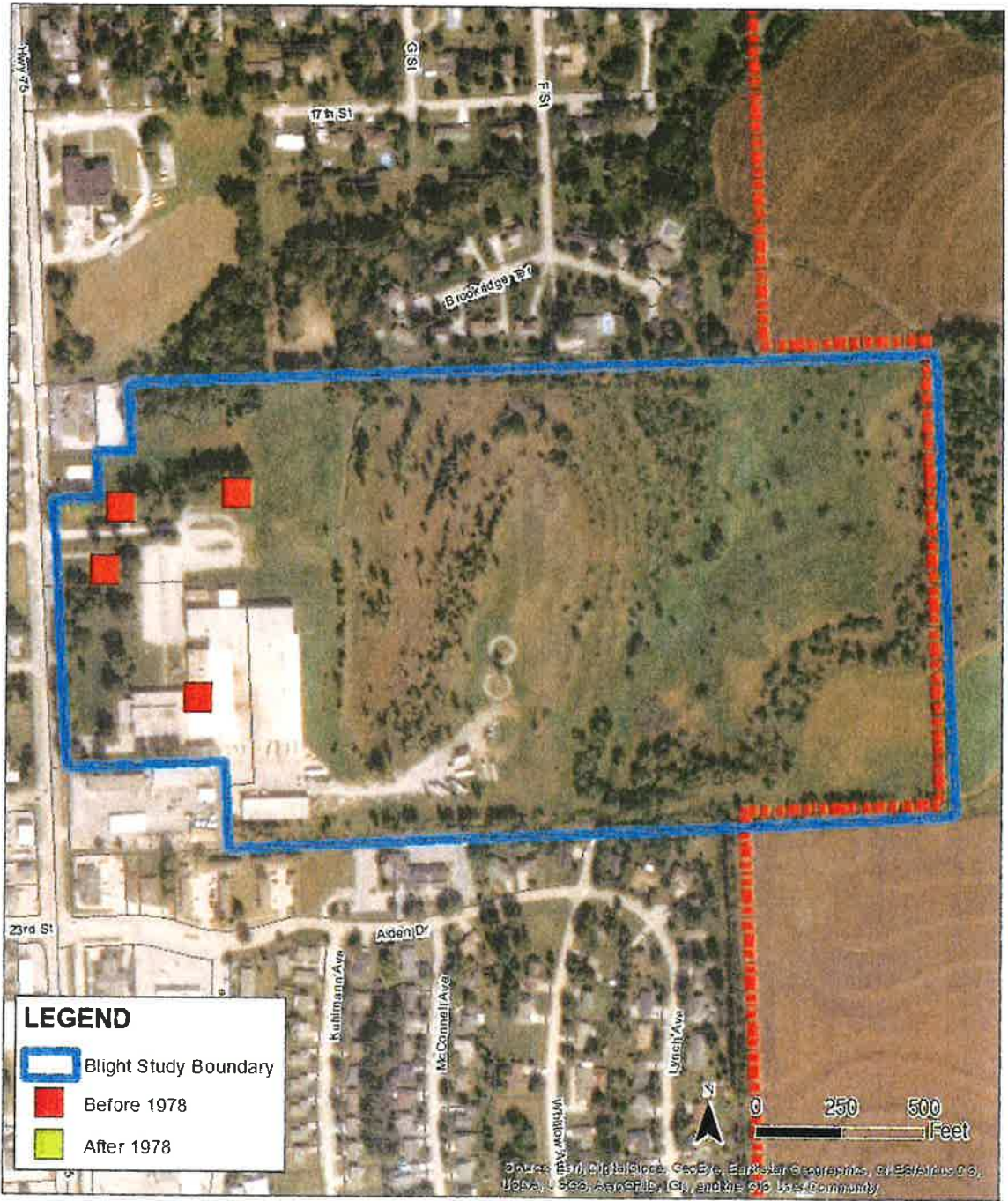
Economic and Functional Obsolescence is present with the impending closure of the existing manufacturing facility, poor condition of some buildings, the improper juxtaposition of land uses, and deterioration of site conditions. This makes it difficult for these properties to compete in the market place.

Is detrimental to the public health, safety, morals, or welfare in its present condition and use; and in which there is at least one of the following conditions:

The Average Age of the Residential or Commercial Units in the Area is at Least 40 Years Structure Age

Information regarding the age of the permanent structures within the Designated Study Area was provided by the Nemaha County Assessor's Office and verified during the field survey. According to the data received, there are 4 buildings within the Proposed Blight and Substandard Area. All four or 100%, were built before 1978. (Note: the main manufacturing facility has had 9 additions to the original building the average of these additions of 1974 was utilized for the year built). The average age of the residential structures built within the Proposed Blight and Substandard Area is 81 years old and the average age of the industrial structures is 56 years. Because of these findings, the structure age of are considered to be a contributing factor to the blight and substandard conditions in the Proposed Blight and Substandard Area.

Figure 6: Age of Structure



City of Auburn, NE

Blight Study: Age of Structure

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SUBSTANDARD CRITERIA

A **substandard area** shall mean an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which by reason of the following:

Dilapidation/deterioration

As part of the Blight and Substandard Study, a Structural Conditions Survey was completed along with an analysis of the land use patterns in the Proposed Blight Area. The condition of the structures was analyzed and rated according to the schedule as defined by the U.S. Department of Housing and Urban Development (described in the *Eligibility Analysis Section*). See *Appendix A* for a visual description of the structures within the Study Area.

There was a total of 4 primary structures evaluated. two of the 4 primary structures, or 50%, were evaluated as deteriorating or dilapidated. Half of the buildings in the study area have structural issues

Age or obsolescence

All four or 100%, or the structures within the study area were built before 1978. (Note: the main manufacturing facility has had 9 additions to the original building the average of these additions of 1974 was utilized for the year built). The average age of the residential structures built within the Proposed Blight and Substandard Area is 81 years old and the average age of the industrial structures is 56 years. Because of these findings, the structure age of are considered to be a contributing factor to the blight and substandard conditions in the Proposed Blight and Substandard Area.

Inadequate provision for ventilation, light, air, sanitation, or open spaces

Improper Land Use

The area contains both residential and industrial land uses on the same lot. In addition, residential neighborhoods to the north and south lack buffer space to separate the industrial uses in the area.

Other Substandard Conditions

The existence of conditions which endanger life or property

The majority of conditions which endanger life and property are found within dilapidated buildings and deteriorating site conditions. This can hinder the health and well-being of the owner and the public.

Age and physical condition of structures

The age of structures and poor physical condition in older building stock pose a potential safety hazard to the general public.

Topography and terrain

This study area has a variety of topography that drains to the low-lying water course in the middle portion of the area. Areas of washouts and erosion were observed throughout the area.

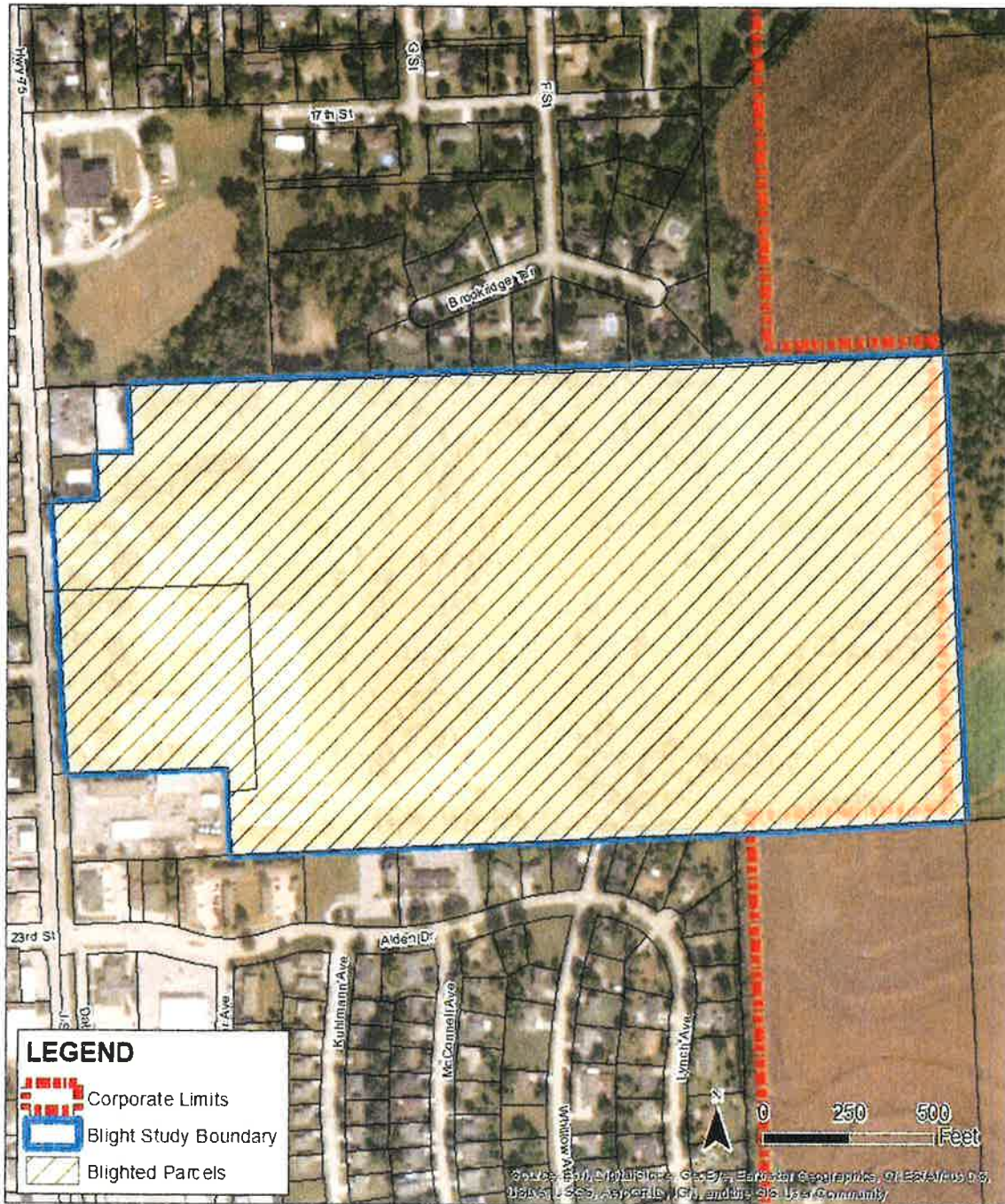
Onsite Storage and Debris

There were several individual examples of onsite storage and debris noted during the evaluation. Examples include discarded machinery, chemical tanks, wood piles, and on-site storage.

Any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime; is detrimental to the public health and safety


No conditions were not observed during the field analysis.

Figure7: Parcels Showing Blight and Substandard Conditions



City of Auburn, NE
Blight Study: Blighted Parcels

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Date: August 2018
Software: ArcGIS 10.4



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Blighted and Substandard Findings

The Proposed Blight Area has many items contributing to the Blight and Substandard Conditions. Based on the information collected and analyzed pursuant to Nebraska Revised State Statutes, the area has various items that were considered beyond the remedy and control of the normal regulatory process of the City of Auburn or impossible to reverse through the ordinary operations of private enterprise. These conditions include:

Table 1: Summary Matrix

Criteria	
Structure condition	Yes
Street layout	Yes
Faulty lot layout	Yes
Unsanitary or unsafe Conditions	Yes
Deterioration of site	Yes
Diversity of owners	No
Tax special assessment	No
Titles Conditions	No
Obsolete Platting	Yes
Endanger Life/Property	Yes
Any Combination	Yes
Detrimental to Public Health, Safety	Yes
BLIGHT TOTALS	9/12
Exterior inspection of structures	Yes
Age of Structures	Yes
Inadequate provision for ventilation, sanitation	Yes
Other Substandard – (conducive to ill health, floodplain, endanger life)	No
SUBSTANDARD TOTALS	3/4
TOTALS	12/16

Conclusion

Several conditions within the Proposed Blight Area were evaluated during the field survey which contributed to blighted and substandard conditions. The conditions showing evidence of blight are interspersed throughout the Proposed Blight Area, and as such the boundaries of the Proposed Blight and Substandard Area are recommended for further action.

It is the professional opinion of the consultant, based on the information collected and analyzed pursuant to Nebraska Revised State Statutes, that the Proposed Blight and Substandard Area contains the required conditions that would warrant a designation as blighted and substandard by the City of Auburn and the Community Redevelopment Authority. The City of Auburn should review this Blight and Substandard Study, and if satisfied with the findings contained in this Study, may, by resolution, designate the Proposed Blight Area as "Blighted and Substandard" as provided for in the Nebraska Community Law, making this Area available for redevelopment activities. The General Redevelopment Plan, when prepared, shall be developed in a manner consistent with the City of Auburn Comprehensive Development Plan.

Appendix A
Photo Exhibit





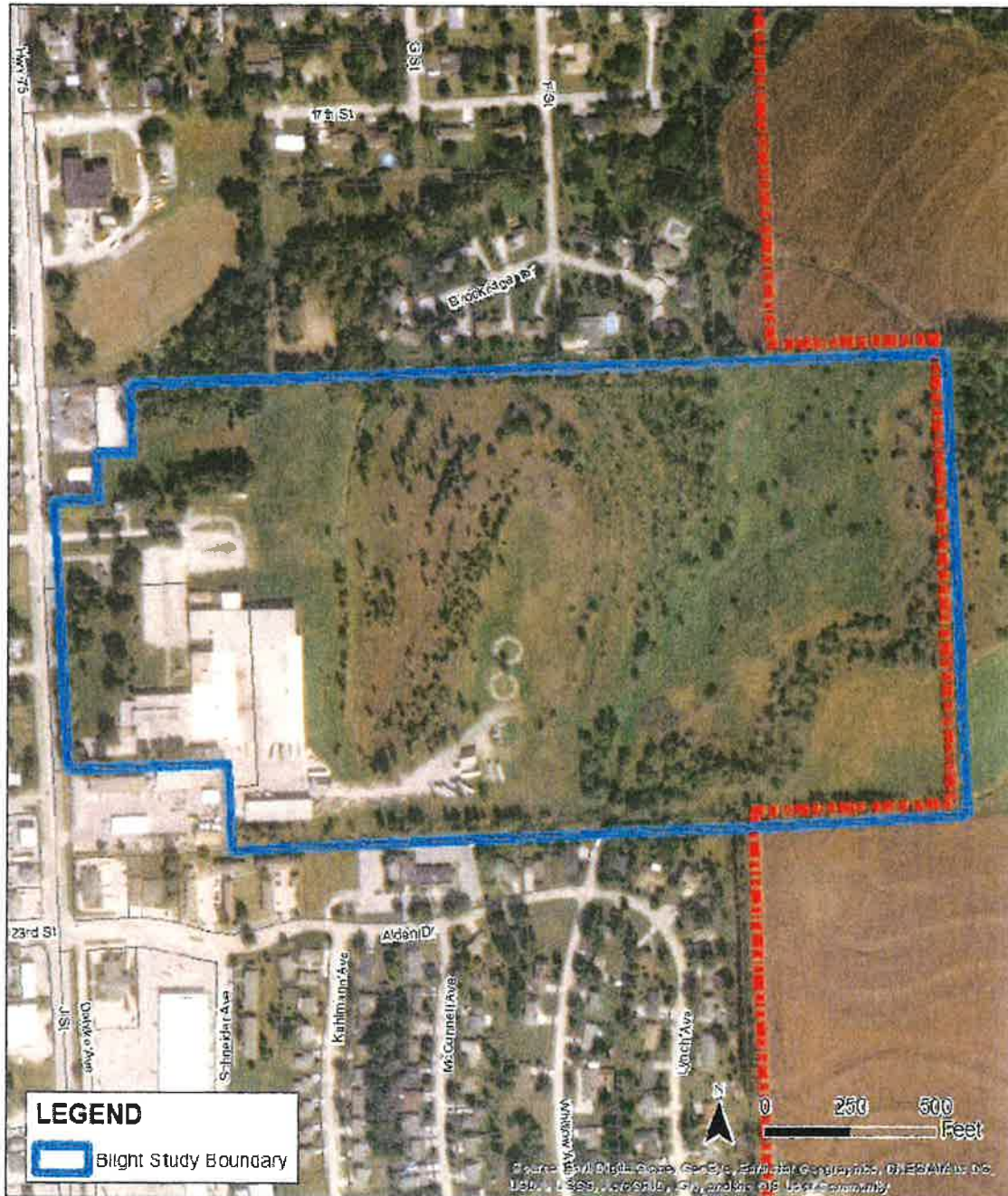






EXHIBIT 2 Updated Area 1

Depiction of Addition to Area 1:



City of Auburn, NE

Blight Study: Study Area

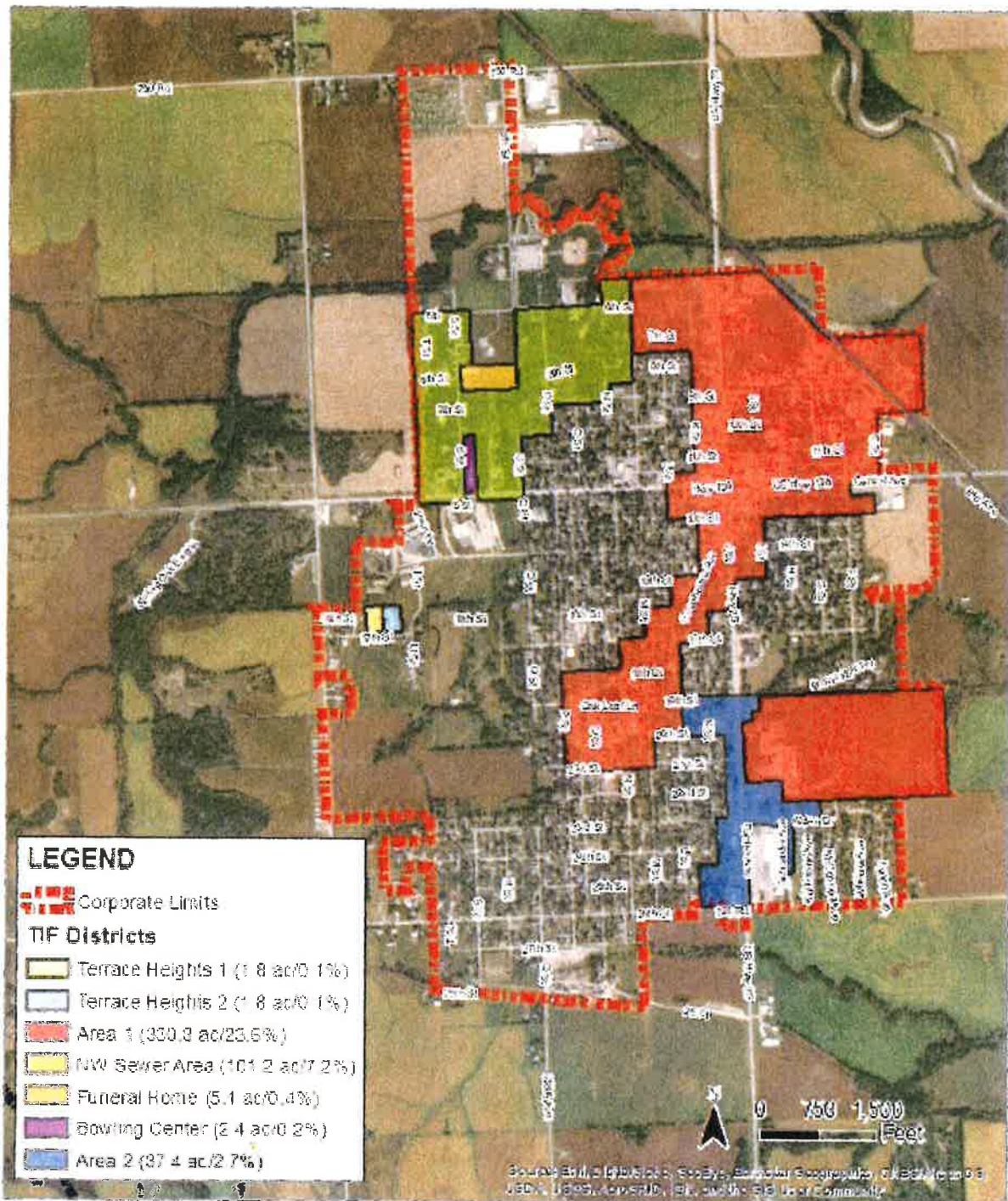
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* Boundary of the addition to Area 1 outlined in blue.

Depiction of Updated Area 1:



Legal Description of Updated Area 1:

(See attached)

AN AREA IN OR ADJACENT TO THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA, BEGINNING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 5 NORTH, RANGE 14 EAST OF THE 6TH P.M.; THENCE EAST ALONG THE NORTH LINE OF SAID SECTION 16 TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 16; THENCE SOUTH ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF SECTION 16 TO THE INTERSECTION OF THE EAST LINE AND THE NORTH LINE OF LOT 1, THE EVANGELICAL LUTHERAN GOOD SAMARITAN ADDITION; THENCE WEST/NORTHWEST ALONG THE NORTH LINE OF LOT 1, THE EVANGELICAL LUTHERAN GOOD SAMARITAN ADDITION A DISTANCE OF 300 FEET; THENCE DUE SOUTH A DISTANCE OF 400 FEET; THENCE DUE EAST TO A POINT ON THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 16; THENCE SOUTH TO THE INTERSECTION OF SAID LINE AND THE NORTH LINE OF 6TH STREET; THENCE EAST ALONG THE NORTH LINE OF 6TH STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF 6TH STREET AND "N" STREET; THENCE NORTH TO THE NORTHWEST CORNER OF THE INTERSECTION OF 5TH STREET AND "N" STREET; THENCE EAST ALONG THE NORTH LINE OF 5TH STREET AND CONTINUING DUE EAST TO THE CENTER POINT OF THE MISSOURI PACIFIC RAILROAD; THENCE IN A SOUTHEASTERLY DIRECTION ALONG THE CENTERLINE OF SAID RAILROAD TRACK TO A POINT ON THE NORTH LINE OF THE EAST-WEST ALLEY BETWEEN 7TH STREET AND 8TH STREET, ASSUMING EXTENSION OF SAID ALLEY TO THE EAST; THENCE IN AN EASTERLY DIRECTION TO A POINT ON THE NORTH-SOUTH CENTERLINE OF SECTION 15, TOWNSHIP 5 NORTH, RANGE 14 EAST OF THE 6TH P.M.; THENCE SOUTH TO A POINT ON A LINE ASSUMING EXTENSION OF THE SOUTH LINE OF 10TH STREET TO THE EAST; THENCE WEST ALONG SAID LINE TO THE SOUTHEAST CORNER OF THE INTERSECTION OF 10TH STREET AND "E" STREET; THENCE SOUTH ALONG THE EAST LINE OF "E" STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF "E" STREET AND CENTRAL AVENUE; THENCE WEST ALONG THE SOUTH LINE OF CENTRAL AVENUE TO THE SOUTHEAST CORNER OF THE INTERSECTION OF CENTRAL AVENUE AND "F" STREET; THENCE SOUTH TO THE CENTER OF THE EAST-WEST ALLEY BETWEEN CENTRAL AVENUE AND 13TH STREET; THENCE EAST ALONG THE CENTER OF THE ALLEY TO THE WEST LINE OF "E" STREET, ASSUMING EXTENSION OF "E" STREET TO THE SOUTH; THENCE SOUTH ALONG SAID WEST LINE TO THE SOUTH LINE OF 13TH STREET, ASSUMING EXTENSION OF 13TH STREET TO THE EAST; THENCE WEST ALONG THE SOUTH LINE OF 13TH STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF 13TH STREET AND "I" STREET;; THENCE SOUTH ALONG THE EAST LINE OF "I" STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF 15TH STREET AND "I" STREET; THENCE WEST ALONG THE SOUTH LINE OF 15TH STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF 15TH STREET AND "J" STREET; THENCE SOUTH ALONG THE EAST LINE OF "J" STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF "J" STREET AND 16TH STREET; THENCE WEST ALONG THE SOUTH LINE OF 16TH STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF 16TH STREET AND "K" STREET, THENCE SOUTH ALONG THE EAST LINE OF "K" STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF "K" STREET AND 17TH STREET, THENCE WEST ALONG THE SOUTH LINE OF 17TH STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF 17TH STREET AND "L" STREET; THENCE SOUTH ALONG THE EAST LINE OF "L" STREET TO THE NORTHEAST CORNER OF THE INTERSECTION OF "L" STREET AND 19TH STREET; THENCE EAST ALONG THE NORTH LINE OF 19TH STREET TO THE NORTHEAST CORNER OF THE INTERSECTION OF "J" STREET AND 19TH STREET; THENCE SOUTH ALONG THE EAST LINE OF "J" STREET TO THE CENTER LINE

19TH STREET; THENCE EAST ALONG THE CENTER LINE OF 19TH STREET TO THE NORTHEAST CORNER OF HIGHLAND SEVENTH ADDITION; THENCE SOUTH ALONG THE EAST LINE OF HIGHLAND SEVENTH ADDITION TO THE SOUTHEAST CORNER OF HIGHLAND SEVENTH ADDITION; THENCE WEST ALONG THE SOUTH LINE OF HIGHLAND SEVENTH ADDITION TO THE SOUTHWEST CORNER OF HIGHLAND SEVENTH ADDITION; THENCE SOUTH ALONG THE EAST LINE OF HIGHLAND FIFTH ADDITION TO THE SOUTHEAST CORNER OF HIGHLAND FIFTH ADDITION; THENCE WEST ALONG THE SOUTH LINE OF HIGHLAND FIFTH ADDITION TO A POINT ON THE EAST LINE OF "J" STREET; THENCE SOUTH ALONG THE EAST LINE OF "J" STREET TO THE NORTHWEST CORNER OF STATE ADDITION; THENCE EAST ALONG THE NORTH LINE OF STATE ADDITION TO THE NORTHEAST CORNER OF STATE ADDITION; THENCE SOUTH ALONG THE EAST LINE OF STATE ADDITION TO THE SOUTHEAST CORNER OF STATE ADDITION; THENCE EAST ALONG THE NORTH LINE OF CREST VIEW ADDITION TO THE NORTHEAST CORNER OF LOT 112B, CREST VIEW ADDITION; THENCE SOUTH ALONG THE EAST LINE OF LOT 112B, CREST VIEW ADDITION AND ACROSS ALDEN DRIVE, TO THE NORTHEAST CORNER OF LOT 70, CREST VIEW ADDITION; THENCE WEST ALONG THE SOUTH LINE OF ALDEN DRIVE TO THE NORTHWEST CORNER OF LOT 97, CREST VIEW ADDITION; THENCE SOUTH ALONG THE EAST LINE OF LOTS 211A, 211B, AND 211C, CREST VIEW ADDITION TO THE SOUTHEAST CORNER OF LOT 211C, CREST VIEW ADDITION; THENCE WEST ALONG THE SOUTH LINE OF LOT 211C, CREST VIEW ADDITION AND ACROSS SCHNEIDER AVENUE TO A POINT ON THE WEST LINE OF SCHNEIDER AVENUE; THENCE NORTH ALONG THE WEST LINE OF SCHNEIDER AVENUE TO THE SOUTHWEST CORNER OF THE INTERSECTION OF SCHNEIDER AVENUE AND ALDEN DRIVE; THENCE WEST ALONG THE SOUTH LINE OF ALDEN DRIVE TO THE SOUTHEAST CORNER OF THE INTERSECTION OF ALDEN DRIVE AND "J" STREET; THENCE SOUTH ALONG THE EAST LINE OF "J" STREET TO A POINT ON THE SOUTH LINE OF 27TH STREET, ASSUMING THE EXTENSION OF THE SOUTH LINE OF 27TH STREET TO THE EAST; THENCE WEST ALONG SAID LINE TO A POINT ASSUMING EXTENSION OF THE EAST LINE OF HAGER'S FIRST ADDITION TO THE SOUTH; THENCE NORTH ALONG SAID LINE TO THE NORTHEAST CORNER OF HAGER'S FIRST ADDITION; THENCE EAST ALONG THE SOUTH LINE OF COCKLE BURR HILL SUBDIVISION AND SOUTH LINE OF LOT 5, CALVERT SECOND ADDITION TO THE SOUTHEAST CORNER OF LOT 5, CALVERT SECOND ADDITION; THENCE NORTH ALONG THE EAST LINE OF SAID LOT 5 TO THE NORTHEAST CORNER OF SAID LOT 5; THENCE WEST TO THE SOUTHEAST CORNER OF THE INTERSECTION OF 23RD STREET AND "K" STREET; THENCE NORTH ACROSS 23RD STREET TO A POINT ON THE SOUTHWEST CORNER OF LOT 7, BLOCK 16, CALVERT FIRST ADDITION; THENCE EAST ALONG THE SOUTH LINE OF LOT 7, BLOCK 16, CALVERT FIRST ADDITION TO A POINT ON THE SOUTHEAST CORNER OF LOT 7, BLOCK 16, CALVERT FIRST ADDITION; THENCE NORTH ALONG THE WEST LINE OF THE NORTH-SOUTH ALLEY IN BLOCKS 8, 9, AND 16, CALVERT FIRST ADDITION TO THE SOUTHWEST CORNER OF THE INTERSECTION OF SUCH ALLEY AND 20TH STREET; THENCE WEST ALONG THE SOUTH LINE OF 20TH STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF 20TH STREET AND "M" STREET; THENCE SOUTH ALONG THE EAST LINE OF "M" STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF "M" STREET AND 21ST STREET; THENCE WEST ALONG THE SOUTH LINE OF 21ST STREET TO THE SOUTHWEST CORNER OF THE INTERSECTION OF 1ST STREET AND "P" STREET; THENCE NORTH ALONG THE WEST LINE OF "P" STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF "P" STREET AND 18TH STREET; THENCE EAST ALONG THE NORTH LINE OF 18TH STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF

18TH STREET AND "N" STREET; THENCE NORTH ALONG THE WEST LINE OF "N" STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF "N" STREET AND 17TH STREET; THENCE EAST ALONG THE NORTH LINE OF 17TH STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF 17TH STREET AND "M" STREET; THENCE NORTH ALONG THE WEST LINE OF "M" STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF "M" STREET AND 16TH STREET; THENCE EAST ALONG THE NORTH LINE OF 16TH STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF 16TH STREET AND "L" STREET; THENCE NORTH ALONG THE WEST LINE OF "L" STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF "L" STREET AND 15TH STREET; THENCE EAST ALONG THE NORTH LINE OF 15TH STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF 15TH STREET AND "K" STREET; THENCE NORTH ALONG THE WEST LINE OF "K" STREET TO THE SOUTHWEST CORNER OF THE INTERSECTION OF "K" STREET AND 13TH STREET; THENCE WEST ALONG THE SOUTH LINE OF 13TH STREET TO THE SOUTHWEST CORNER OF THE INTERSECTION OF 13TH STREET AND "L" STREET; THENCE NORTH ALONG THE WEST LINE OF "L" STREET TO THE NORTHWEST CORNER OF THE INTERSECTION OF "L" STREET AND THE EAST-WEST ALLEY BETWEEN 11TH STREET AND 12TH STREET; THENCE EAST ALONG THE NORTH LINE OF SAID ALLEY TO A POINT ON THE WEST LINE OF "K" STREET; THENCE NORTH ALONG THE WEST LINE OF "K" STREET TO THE NORTH LINE OF 8TH STREET; THENCE WEST ALONG THE SOUTH LINE OF 8TH STREET TO THE NORTHEAST CORNER OF THE INTERSECTION OF 8TH STREET AND "N" STREET; THENCE SOUTH ALONG THE EAST LINE OF "N" STREET TO THE NORTHEAST CORNER OF THE INTERSECTION OF "N" STREET AND 10TH STREET; THENCE WEST ALONG THE SOUTH LINE OF 10TH STREET TO THE NORTHEAST CORNER OF THE INTERSECTION OF 10TH STREET AND "O" STREET; THENCE SOUTH ALONG THE EAST LINE OF "O" STREET TO A POINT ON THE SOUTH LINE OF CENTRAL AVENUE; THENCE WEST ALONG THE SOUTH LINE OF CENTRAL AVENUE TO THE NORTHWEST CORNER OF HIGH SCHOOL SECOND ADDITION; THENCE SOUTH ALONG THE WEST LINE OF HIGH SCHOOL SECOND ADDITION TO A POINT ON THE SOUTH LINE OF 14TH STREET; THENCE WEST ALONG THE SOUTH LINE OF 14TH STREET TO THE WEST LINE OF HIGH SCHOOL SECOND ADDITION; THENCE SOUTH ALONG THE WEST LINE OF HIGH SCHOOL SECOND ADDITION TO THE SOUTHWEST CORNER OF HIGH SCHOOL SECOND ADDITION; THENCE CONTINUING DUE SOUTH ON THE WEST LINE OF WEST GATE ADDITION TO THE SOUTHEAST CORNER OF BOCK 1, LOT 2, TERRACE HEIGHTS ADDITION; THENCE WEST TO A POINT ON THE EAST LINE OF "U" STREET; THENCE SOUTH ALONG THE EAST LINE OF "U" STREET TO A POINT ON THE SOUTHWEST CORNER OF BLOCK 1, LOT 4, TERRACE HEIGHTS ADDITION; THENCE EAST ALONG THE SOUTH LINE OF BLOCK 1, LOT 4, TERRACE HEIGHTS ADDITION TO THE NORTHEAST CORNER OF BLOCK 1, LOT 3, TERRACE HEIGHTS ADDITION; THENCE SOUTH ALONG THE EAST LINE OF BLOCK 1, LOT 3, TERRACE HEIGHTS ADDITION TO THE SOUTHEAST CORNER OF BLOCK 1, LOT 3, TERRACE HEIGHTS ADDITION; THENCE WEST ALONG THE SOUTH LINE OF BLOCK 1, LOT 3, TERRACE HEIGHTS ADDITION TO THE SOUTHWEST CORNER OF BLOCK 1, LOT 3, TERRACE HEIGHTS ADDITION; THENCE SOUTH ALONG THE EAST LINE OF "U" STREET TO THE NORTHWEST CORNER OF BLOCK 1, LOT 4, TERRACE HEIGHTS ADDITION; THENCE EAST ALONG THE NORTH LINE OF BLOCK 1, LOT 4, TERRACE HEIGHTS ADDITION TO THE NORTHEAST CORNER OF BLOCK 1, LOT 4, TERRACE HEIGHTS ADDITION; THENCE SOUTH ALONG THE EAST LINE OF BLOCK 1, LOT 4, TERRACE HEIGHTS ADDITION TO THE SOUTHEAST CORNER OF BLOCK 1, LOT 4, TERRACE HEIGHTS ADDITION; THENCE WEST ALONG THE SOUTH LINE OF BLOCK 1, LOT 4, TERRACE HEIGHTS ADDITION TO A POINT ON "U" STREET; THENCE SOUTH ALONG THE EAST LINE

OF "U" STREET TO THE SOUTH TERMINUS OF "U" STREET; THENCE WEST TO THE SOUTHWEST CORNER OF BLOCK 2, LOT 6, TERRACE HEIGHTS ADDITION; THENCE NORTH ALONG THE WEST LINE OF TERRACE HEIGHTS ADDITION TO THE SOUTHWEST CORNER OF BLOCK 2, LOT 4, TERRACE HEIGHTS ADDITION; THENCE WEST ALONG THE SOUTH LINE OF TERRACE HEIGHTS ADDITION AND CONTINUING WEST TO A POINT ON THE EAST LINE OF "W" STREET; THENCE NORTH ON SAID EAST LINE AND ACROSS 17TH STREET TO A POINT ON THE NORTH LINE OF 17TH STREET; THENCE EAST ALONG THE NORTH LINE OF 17TH STREET TO THE SOUTHWEST CORNER OF TERRACE HEIGHTS ADDITION; THENCE NORTH ALONG THE WEST LINE OF TERRACE HEIGHTS THIRD ADDITION TO A POINT ON THE NORTHWEST CORNER OF TERRACE HEIGHTS THIRD ADDITION; THENCE EAST ALONG THE NORTH LINE OF TERRACE HEIGHTS THIRD ADDITION TO THE SOUTHEAST CORNER OF SUNSET ACRES ADDITION; THENCE NORTH ALONG THE EAST LINE OF SUNSET ACRES ADDITION TO A POINT ON THE SOUTH LINE OF U.S. HIGHWAY NO. 136; THENCE EAST ALONG THE SOUTH LINE OF U.S. HIGHWAY NO. 136 TO THE NORTH-SOUTH CENTER LINE OF THE WEST HALF OF SECTION 16, TOWNSHIP 5 NORTH, RANGE 14 WEST OF THE 6TH P.M.; THENCE NORTH ALONG THE NORTH-SOUTH CENTER LINE OF THE WEST HALF OF SAID SECTION 16 TO THE POINT OF BEGINNING, AND A TRACT OF LAND LOCATED IN THE NORTH HALF OF THE SOUTHWEST QUARTER (N1/2 SW1/4) OF SECTION TWENTY-TWO (22), TOWNSHIP FIVE (5) NORTH, RANGE FOURTEEN (14) EAST OF THE 6TH P.M., NEMAHA COUNTY, NEBRASKA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 22, THEN ON AN ASSUMED BEARING OF N00°00'00"W ALONG THE WEST LINE OF THE SOUTHWEST ONE-QUARTER A DISTANCE OF 1,574.29 FEET; THENCE S89°57'50"E A DISTANCE OF 40.25 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED BOOK 96, PAGE 231, SAID PARCEL BEING ADDITIONAL RIGHT-OF-WAY FOR US HIGHWAY 75, SAID POINT BEING THE POINT OF BEGINNING, THENCE N05°00'56"W AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 2.83 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED BOOK 115, PAGE 401, SAID PARCEL BEING ADDITIONAL RIGHT-OF-WAY FOR US HIGHWAY 75; THENCE N00°00'00"W AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 745.33 FEET TO THE NORTHEAST CORNER OF SAID PARCEL; THENCE N89°53'56"E AND ALONG THE SOUTH LINE OF THAT PARCEL DESCRIBED IN DEED BOOK 78, PAGE 657 A DISTANCE OF 134.71 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL; THENCE N00°02'41"W AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 134.43 FEET TO THE SOUTHWEST CORNER OF THAT PARCEL DESCRIBED IN DEED BOOK 96, PAGE 274; THENCE S89°51'25"E AND ALONG THE SOUTH LINE OF SAID PARCEL A DISTANCE OF 100.00 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL; THENCE N00°00'00"E AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 191.43 FEET TO A POINT ON THE NORTH LINE OF THE NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER; THENCE S89°51'22"E AND ALONG THE NORTH LINE OF SAID NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER A DISTANCE OF 2366.19 FEET TO THE CENTER ONE QUARTER CORNER OF SAID SECTION 22; THENCE S00°01'54"W AND ALONG THE EAST LINE OF SAID NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER A DISTANCE OF 1321.52 FEET TO THE SOUTHEAST CORNER OF SAID NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER; THENCE N89°55'29"W AND ALONG THE SOUTH LINE OF SAID NORTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER A DISTANCE OF 2143.42 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED BOOK 63, PAGE 648; THENCE N00°09'13"W AND ALONG THE EAST LINE OF SAID PARCEL A DISTANCE OF 250.38 FEET TO THE NORTHEAST CORNER

OF SAID PARCEL; THENCE N89°57'50"W AND ALONG THE NORTH LINE OF SAID PARCEL AND THAT PARCEL DESCRIBED IN DEED BOOK 59, PAGE 248 A DISTANCE OF 455.75 FEET TO THE POINT OF BEGINNING, LOCATED IN OR ADJACENT TO THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA.