

Sidney, Nebraska, May 19, 2014

A meeting of the Planning Commission of the City of Sidney, Nebraska, was convened in open and public session at 5:30 P.M. on May 19, 2014 in the City Council Chambers, located at 1115 13th Avenue. Present were: Chairman Spiker and Commissioners: Egging, Leever, McCarville, Mueller, Smith, and Volkmer. Absent: England and Phillips. Others present: City Manager Person, Zoning Administrator Dayton, and Deputy Clerk Heilbrun. Notice of the meeting was given in advance thereof by publication in The Sidney Sun Telegraph, the designated method for giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the Chairman and all members of the Commission, and a copy of their acknowledgment of receipt of notice is attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the Planning Commission of this meeting. All proceedings shown hereafter were taken while the convened meeting was open to the attendance of the public.

Chairman Spiker announced to all in attendance, that a current copy of the Nebraska Open Meetings Act was available for review at the rear of the room.

McCarville moved, Volkmer seconded, "That the minutes of the April 21, 2014 meeting be approved." Roll call vote: Yeas: Egging, Leever, McCarville, Smith, Spiker, and Volkmer. Abstain: Mueller. Absent: England and Phillips.

Chairman Spiker announced that the Planning Commission would now hold a public hearing re: Consideration as to whether the property described as: A TRACT OF LAND situated in Cheyenne County, Nebraska that was formerly owned by the U.S. Government as a military operation that includes Sections 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36 of Township 15N, Range 50W; South Half Section 31, Township 15N, Range 50W; Section 6, N/2 of Section 5, N/2 of Section 4; N/2 Section 3 of Township 14N, Range 50W; Section 7 W/2 of Township 14N Range 50 West and Section 18 W/2 of Township 14N Range 50W to and not including the Union Pacific right-of-way on the south edge of said Section 18, excepting any portion of the above property previously designated as the Potter Annex, BE DECLARED TO BE SUBSTANDARD AND BLIGHTED, PURSUANT TO THE NEBRASKA COMMUNITY DEVELOPEMNT LAW; that the Board of Education of School District No. 1, Cheyenne County, Nebraska, and the Board of Education of Western Nebraska Community College have been properly notified in the time and manner prescribed by law and have not filed objections to the proposed request.

The following filed written objections: None. The following appeared in person or by agent or by attorney and were heard: Megan McGown and Gary Person.

Community Development Director Megan McGown explained that with the adoption of LB66 in 2013 by the Nebraska Legislature, the Community Development Law now allows for redevelopment projects with property outside corporate limits, as long as the land was formerly used as a defense site. The Law was further amended, with LB1012 in 2014, to include clarification as to the allowable percentage of a community that can be designated as substandard and blighted, so as not to include land involving a formerly used defense site toward the 35% allowed to First Class cities.

She further explained that the Sioux Army Depot is ideally located in terms of transportation and logistics development. With both the Union Pacific and the Burlington Northern Railroads connected by a short line, as well as the proximity to Interstate 80, there is a great deal of potential for this particular area. Designating the area as substandard and blighted allows for the area to be eligible for such things as Tax Increment Financing, without which the improvements that need to be made in such an area would be cost prohibitive. She noted that the City of Sidney is already providing many services in this area, that there is already a Sanitary Improvement District in place, and that the City currently works with the County to provide economic development services county-wide, making the project a good fit for the City of Sidney.

She presented slides showing the 1) poor condition of the buildings, which are over 70 years old, 2) debris, and 3) tall grasses, which provide a prime habitat for rodents and other pests which can potentially spread disease. Also, because the site is a former munitions depot, much of the grounds are contaminated with such items as shrapnel munition and material dumping, including a possible cyanide pit. This type of contamination prevents this ground from being used for agricultural purposes. The U.S. Army Corps of Engineers has conducted numerous investigations since the closing of the depot, all of which recommended remediation, but it has never occurred. The military is, however, still liable for any clean-up of the area.

She noted that because City officials did a lot of work educating Senators toward passage of LB66, it would show good faith to move forward with development projects to show them what we can do with the designation.

City Manager Gary Person stated that the first TIF project was implemented in 1994, pointing out several projects since then that would not have happened if not for TIF. He noted that both the City and County have tripled in valuation because of the economic growth these type of projects brought to the community, not only with the commercial development but by the monies spent in the community by the labor force employed by the different businesses. He explained that the designation of this area as substandard and blighted would provide the stimulus for developers to build their projects, making it a game-changer. He noted that there have been quite a few developers who have expressed interest in the depot, but found that it wouldn't be cost effective to do so without some assistance.

Commissioner Mueller declared he would be abstaining from the vote on this item as he is employed by Adams Industries and has interest in land in this area.

There being no further questions or comments, Chairman Spiker closed the public hearing and asked a motion on the request.

Smith moved, Egging seconded "That the Planning Commission recommend to the City Council that the TRACT OF LAND situated in Cheyenne County, Nebraska that was formerly owned by the U.S. Government as a military operation that includes Sections 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36 of Township 15N, Range 50W; South Half Section 31, Township 15N, Range 50W; Section 6, N/2 of Section 5, N/2 of Section 4; N/2 Section 3 of Township 14N, Range 50W; Section 7 W/2 of Township 14N Range 50 West and Section 18 W/2 of Township 14N Range 50W to and not including the Union Pacific right-of-way on the south edge of said Section 18, excepting any portion of the above property previously designated as the Potter Annex, BE DECLARED TO BE SUBSTANDARD AND BLIGHTED, PURSUANT TO THE NEBRASKA COMMUNITY DEVELOPEMNT LAW." Roll call vote: Yeas: Egging, Leever, McCarville, Smith, Spiker and Volkmer. Abstain: Mueller. Absent: England and Phillips.

Discussion was held regarding the conduct and compliance of Werner Construction in relation to the Conditional Use Permit they were issued on October 21, 2013 to operate a mobile asphalt/concrete plant on the Kielian Family Trust property. It was the consensus of the Commission that Werner has ignored the guidelines and restrictions placed on the permit and been unavailable to provide explanation of their actions thus far. Suggestions as to how to handle this type of conduct on future projects included placing an undetermined fine on violations or requiring a deposit at the time the permit is issued. City Attorney Leef will be consulted as to the legality of such actions. Chairman Spiker read a draft of a letter that he proposed to send to Werner Construction regarding their business practices and ethics. He informed the Commissioners present that he intended to sign and send the letter and asked for their support. He was instructed to proceed as intended.

The meeting adjourned at 6:20 p.m.

CHAIRMAN

DEPUTY CLERK

