
Development Plan
For
The Bellevue Improvement District
City of Bellevue, Kentucky
August 1, 2016

**Development Plan
The Bellevue Improvement District**

1. Introduction.

1.1. Purpose. The City of Bellevue, Kentucky (“City” or “Bellevue”) intends to establish The Bellevue Improvement District (the “Development Area”) pursuant to the provisions of KRS 65.7041 to 65.7083, and KRS 154.30-010 to 154.30-090, as the same may be amended (collectively, the “Act”), as a tool to encourage new private and public redevelopment in an area of the City in need of redevelopment and new investment. The City intends to establish the Development Area to encourage redevelopment and new investment with such projects including, but not limited to, new residential development, mixed-use commercial, residential and office development and other related public and private development and needed infrastructure improvements (the “Project”).

The City proposes to support the Project and provide redevelopment assistance through a pledge of certain new City, the County of Campbell, Kentucky (the “County”) and other local taxing districts, and State incremental tax revenues (for projects within the Development Area that are eligible for a pledge of State incremental revenues) generated from the Project within the Development Area and to pay for redevelopment assistance, Project costs and to undertake certain public infrastructure improvements needed within the Development Area.

1.2. Size and Location. The Development Area is an approximate 68 acre area in the City identified more specifically on the map attached as Exhibit “A”.

2. The Development Area.

2.1. General Description of the Development Area. For purposes of this Development Plan the Development Area is divided into five (5) separate areas as shown on the map attached as Exhibit "A"; and generally described as follows:

(a) "Riverfront Area". The Riverfront Area is generally bound by the City of Newport to the West, Ky. Route 8 – Fairfield Avenue to the South, Lafayette Avenue to the East) and the Ohio River to the North.

(b) "Riviera Area". The Riviera Area is an approximate eighteen (18) acres generally bound by Riviera Drive to the West, Landmark Drive to the South, Patchen Street and a significant topography change located at the back of Robson Street to the East, and Kentucky 81 Fairfield Avenue to the North.

(c) "Donnermeyer Area". The Donnermeyer Area is approximately twenty (20) acres generally bound by Riviera Drive and the City of Newport to the West, properties fronting onto Donnermeyer Drive to the South, CSX Railway to the East and properties with T4 and T5 zoning district to the North.

(d) "Industrial Area". The Industrial Area is approximately six (6) acres generally bound by I-471 and the City of Newport to the West, the properties fronting into the CSX railway to the South and East, and the Covert Run Pike and the Bellevue Independent School football stadiums to the North.

(e) "Covert Run Area". This area site is generally bound by Herald Street to the West, the back of parcels fronting onto Strong Avenue and the boundary between the City and the City of Fort Thomas to the South, Rossford Run residential development to the East and Covert Run Police to the North.

2.2. Assurances Regarding the Size and Taxable Assessed Value of the Development Area and Other Matters. The City finds in accordance with the Act that:

(a) The Development Area is a contiguous area consisting of 68 acres, which is less than three square area;

(b) The establishment of the Development Area will not cause the assessed taxable value of real property within the Development Area and within all “development areas” and “local development areas” established by the City (as those terms are defined in the Act) to exceed twenty percent (20%) of the total assessed taxable value of real property within the City. The approximate assessed value of taxable real property within the Development Area for calendar year 2015 is \$28,468,900. The total assessed value of taxable real property within the City for the calendar year 2015 is approximately \$345,792,600. Therefore, the assessed value of taxable real property within all development areas is significantly less than twenty percent (20%) of the assessed value of taxable real property within the City; and

(c) That the Development Area constitutes previously developed land as required by KRS 65.7043.

2.3. Statement of Conditions and Findings Regarding the Development Area. Pursuant to KRS 65.7049(3), a development area shall exhibit at least two of the following conditions to qualify for designation as a “development area” under the Act and to qualify for a pledge of State incremental revenues pursuant to KRS 154-30.010 to 154.30-090 (three factors for projects under KRS 154-30.060).

(a) Substantial loss of residential, commercial, or industrial activity or use;

(b) Forty percent (40%) or more of the households are low-income households;

(c) More than fifty percent (50%) of residential, commercial, or industrial structures are deteriorating or deteriorated;

(d) Substantial abandonment of residential, commercial, or industrial structures;

(e) Substantial presence of environmentally contaminated land;

(f) Inadequate public improvements or substantial deterioration in public infrastructure; or

(g) Any combination of factors that substantially impairs or arrests the growth and economic development of the city or county; impedes the provision of adequate housing; impedes the development of commercial or industrial property; or adversely affects public health, safety, or general welfare due to the development area's present condition and use.

The City has reviewed and analyzed the conditions within the Development Area and finds that the Development Area exhibits at least four of the qualifying characteristics:

(a) More than fifty percent (50%) of the residential, commercial, or industrial structures are deteriorating or deteriorated. Except for the newer commercial uses in the Riverfront Area, most of the commercial and residential structures are older and exhibit significant signs of deterioration. In the Riviera Area

and Donnermeyer Area many of the commercial structures are in need of repair and refurbishment. The Medical Arts Building in the Riviera Area has significant vacancies having lost many of its tenants. The Industrial Area consists of many older style sheet metal buildings industrial buildings most of which show significant signs of wear with over 50% being deteriorated. The Industrial Area also exhibits outdoor storage of old and discarded industrial equipment and materials. The Covert Run Area consists of old residential properties and old mobile homes. Many of the structures within the Covert Run Area require significant rehabilitation that will exceed 50% of the value of those structures.

Attached as Exhibit B are pictures from the Development Area that illustrates the condition of the structures within the Development Area.

(b) There are inadequate improvements or substantial deterioration of public infrastructure to support the proposed new development within the Development Area. The Development Area is plagued by inadequate infrastructure that is needed to sustain any significant redevelopment of the area. Poor transportation access and faulty street layout impacts the development of the Riviera, Donnermeyer, Industrial and Covert Run Areas. Transportation issues in the Riverfront Area impact the development of that area. In particular, problems along Route 8, along with the intersection with I-471 creates stacking and staging challenges in this area. To accommodate the planned development structured parking will be needed in the Riverfront Area to support the higher density commercial and residential development the City desires for this area. The other areas also suffer from faulty street layout which creates challenges for the redevelopment of those areas. In addition, in these areas

(Riviera Area, Donnermeyer Area, Industrial Area and Covert Run Area) of the Development Area the streets and gutters, and other infrastructure show significant signs of age and deterioration. The Industrial Area has no curbs, gutters or sidewalks. In the Covert Run Area the lack of needed infrastructure and storm drainage improvements allows this area to be subject to flash flooding and other drainage issues.

Exhibit B provides pictorial evidence of the deteriorated condition of the public infrastructure within the Development Area.

(c) There is a substantial presence of environmentally contaminated land within the Development Area. Much of the Riviera Area and Donnermeyer Area were built on an old city landfill that operated in this area pre-1960, which creates challenges from an environmental standpoint for the redevelopment of those areas. At the Medical Arts Building in the Riviera Area there is evidence that illegal dumping has occurred. In addition, the Industrial Area, with its past uses and the current structures, has a high probability of environmental contamination from enamel, plastics and heating and air conditioning units.

(d) A combination of factors substantially impairs or arrests the growth and economic development of the city or county and impedes the development of commercial or industrial property due to the Development Area's present condition and use. The transportation access issues represent unique challenges to the redevelopment of the Development Area particularly as it relates to the Riviera, Donnermeyer, Industrial and Covert Run Areas. In addition, development along the Ohio River that will be involved with the Riverfront Area creates challenges for

the development of that area. Finally, the topographical challenges in the Riviera Area and Covert Run Area make full development of those areas difficult.

2.4. Assurances the Development Area Is Not Reasonably Expected to Develop Without Public Assistance. The City finds the Development Area is not reasonably expected to develop without public assistance including, but not limited to, assistance available under the Act. The extreme cost of the infrastructure that will be needed to fully development the Development Area, and the cost of dealing with transportation access and topographical challenges in the Development Area make public assistance critical to the redevelopment of the Development Area.

2.5. Assurances the Public Benefits of Redeveloping the Development Area as Proposed Justify the Public Costs Proposed. The City finds that the public benefits of redeveloping the Development Area justify the public costs involved. It is estimated that providing incentives through the establishment of the Development Area combined with other incentives available has the potential of increasing new investment within the Development Area by well over \$400 Million. The resulting increases in new City, County and other taxes from these developments will more than offset the incentives recommended through the establishment of the Development Area. While the Development Plan recommends the City commit 80% of the incremental increase in real property taxes and occupational taxes to pay for redevelopment assistance and projects costs within the Development Area, there will be still be a net benefit in new revenues to the City. First of all, the establishment of the Development Area will not impact the amount of any existing City tax revenues generated within the Development Area. Secondly, the City will retain 20% of the

incremental increase in revenues from real property taxes and occupational taxes. Finally, the Project will generate other taxes to the City and other taxing districts, including personal property taxes, insurance premium taxes, etc, which will not be impacted by any pledge of incremental revenues through the establishment by the City of the Development Area.

2.6. Assurances Regarding the Area Immediately Surrounding the Development Area. The City finds that the area immediately surrounding the Development Area has not been subject to growth and development through investment by private enterprise.

2.7. Development Area Description. The Development Area includes the real property within the boundaries described on the site plan and legal description attached hereto as Exhibit "A."

2.8. Existing Uses and Conditions. The Development Area consists of a diverse area of the City's and includes:

(a) The Riverfront Area serves as the west 'gateway' entrance and 'the regional gateway' to the City from I-471 and Newport, along highway KY 8. This area currently exhibits two (2) stand-alone restaurants surrounded by surface parking lots and one (1) mixed use building on top of a two (2) level parking structure.

(b) The Riviera Area provides low density offices, retail and services, all within stand-alone structures surrounded by surface parking lots, and one (1) large recreational (playfields-baseball & football) parcel. Major uses within this area include, Bellevue Vets Club, Inc. (9.25 acres), Medical Arts Building (Bellevue URC, 4.68 acres, Chase Bank (2.01 acres), and Frisch's Restaurant (1.24 acres).

(c) The Donnermeyer Area is an area of low density offices, older retail buildings and services, all within stand-alone structures surrounded by surface parking lots.

(d) The Industrial Area is generally characterized by warehouse, light manufacturing, compounding, processing, packaging or assemblage uses, with the City of Bellevue maintenance facility.

(e) The Covert Run Area is primarily an approximately 16 acre site, home to the fifty-year old Shady Terrace Mobile Home Park, and a majority of the remaining property is undeveloped hillside area. Character of adjacent development is low-density residential development. It is primarily single-family detached dwellings with Rossford Run the exception, a single-family attached development.

2.9. Changes in the Zoning Ordinance, Zoning Map, Comprehensive Plan or Other Codes or Plans Necessary to Implement the Development Plan. The proposed development plan as set forth in Section 3 for the respective sub-areas as set forth in this Development Plan is consistent with the City's adopted Comprehensive Plan, but some zoning and map amendments may be needed to allow for the planned development. The City is currently in the process of amending the official zoning map to insure that the zoning of the Riverfront Area, the Riviera Area and the Donnermeyer Area are consistent with this Development Plan. Regarding the Industrial Area, the City amendments to the zoning map and ordinance may be needed to encourage higher density mixed-use development utilizing the City's Form Based Code as set forth in the City's Zoning Code. The redevelopment of the Covert Run Area

as proposed in this Development Plan should be accommodated by the two stage development plan process set forth in the City's Zoning Code.

2.10. Certification of Compliance with the Comprehensive Land-Use Plan. As evidenced by the certification from the City's Planning Commission attached as Exhibit "C", the Development Plan is in compliance with the current comprehensive plan for the City.

3. The Development Program. The City anticipates that the respective sub-areas will develop as follows:

3.1. Riverfront Area. The plan for the development of this area is to encourage higher density mixed use buildings that accommodate retail, offices, row-houses and multi-family buildings two (2) to five (5) stories with some variation. The area has a tight network of streets, with wide sidewalks, steady street tree planting and median landscaping, with buildings set close to the sidewalks – utilizing parks, plazas and squares. Direct access to the Ohio River, panoramic views of Downtown Cincinnati and convenient access to regional transportation network is an asset of this development site.

3.2. Riviera Area. The plan for the development of this area is for consist of higher density mixed use buildings that accommodate retail, offices, row-houses and multi-family buildings two (2) to five (5) story with some variation. It has a tight network of streets, with wide sidewalks, steady street tree planting and median landscaping, with buildings set close to the sidewalks – utilizing parks, plazas and squares.

3.3. Donnermeyer Area. The plan for the development of this area is for consist of higher density mixed use buildings that accommodate retail, offices, row-houses and multi-family buildings two (2) to five (5) story with some variation. It has a tight network of streets, with wide sidewalks, steady street tree planting and median landscaping, with buildings set close to the sidewalks – utilizing parks, plazas and squares.

3.4. Industrial Area. The City should investigate land use regulations that encourage higher-density mixed-use development use in this area utilizing the Form-Based Code section of the Bellevue Zoning Code.

3.5 Covert Run Area. The plan for this area is to encourage new residential development with a mix of residential types and densities in accordance with the City's applicable Zoning Code.

4. Redevelopment Assistance and Finance Plan.

The City proposes to provide redevelopment assistance and pay for Project costs through a pledge of City incremental tax revenues from real property taxes and occupational taxes from the Development Area. The City will pledge eighty percent (80%) of its incremental tax revenues from real property taxes and occupational taxes from the Project for a 30-year period, and will encourage the other applicable local taxing districts (not including the Bellevue District School District) to pledge a portion of their incremental tax revenues to support development of the Development Area; provided, however, the City intends to except from its pledge of incremental tax revenues to the Development Area tax revenues that may be required to match applicable state incentive programs, such as the Kentucky Business Investment Program. In addition, for those projects within the Development Area that qualify for a

pledge of state incremental revenues under the Act, the City will work to obtain a pledge of state incremental revenues to promote those projects. The amount of the specific incentive for each respective project within the Development Area will be determined by the City and the Agency after negotiations with respective project developers, taking into account such factors as the needs of the project, other incentives that may be available, the amount of incremental revenues available and produced by the project, the ability to leverage a pledge of incremental revenues to encourage other funding for the project, etc, with the goal of maximizing the value of new development within the Development Area.

The City will establish a special fund for the deposit of pledged incremental revenues. Pledged incremental revenues deposited into this special fund will be used solely to pay debt service and costs of issuance on increment bonds, including “financing costs” (as defined by the Act) issued by the City to finance the redevelopment assistance or pay for project costs and other eligible project expenses or, if increment bonds are not issued, to pay directly for such redevelopment assistance in compliance with this Development Plan, the Act, and all agreements and documents entered into in connection therewith. The City will enact an ordinance establishing the Development Area and adopting this Development Plan. The development ordinance will designate the Bellevue Urban Renewal and Community Development Agency (the “Agency”) to oversee, administer and implement the development area ordinance.

5. Conclusions.

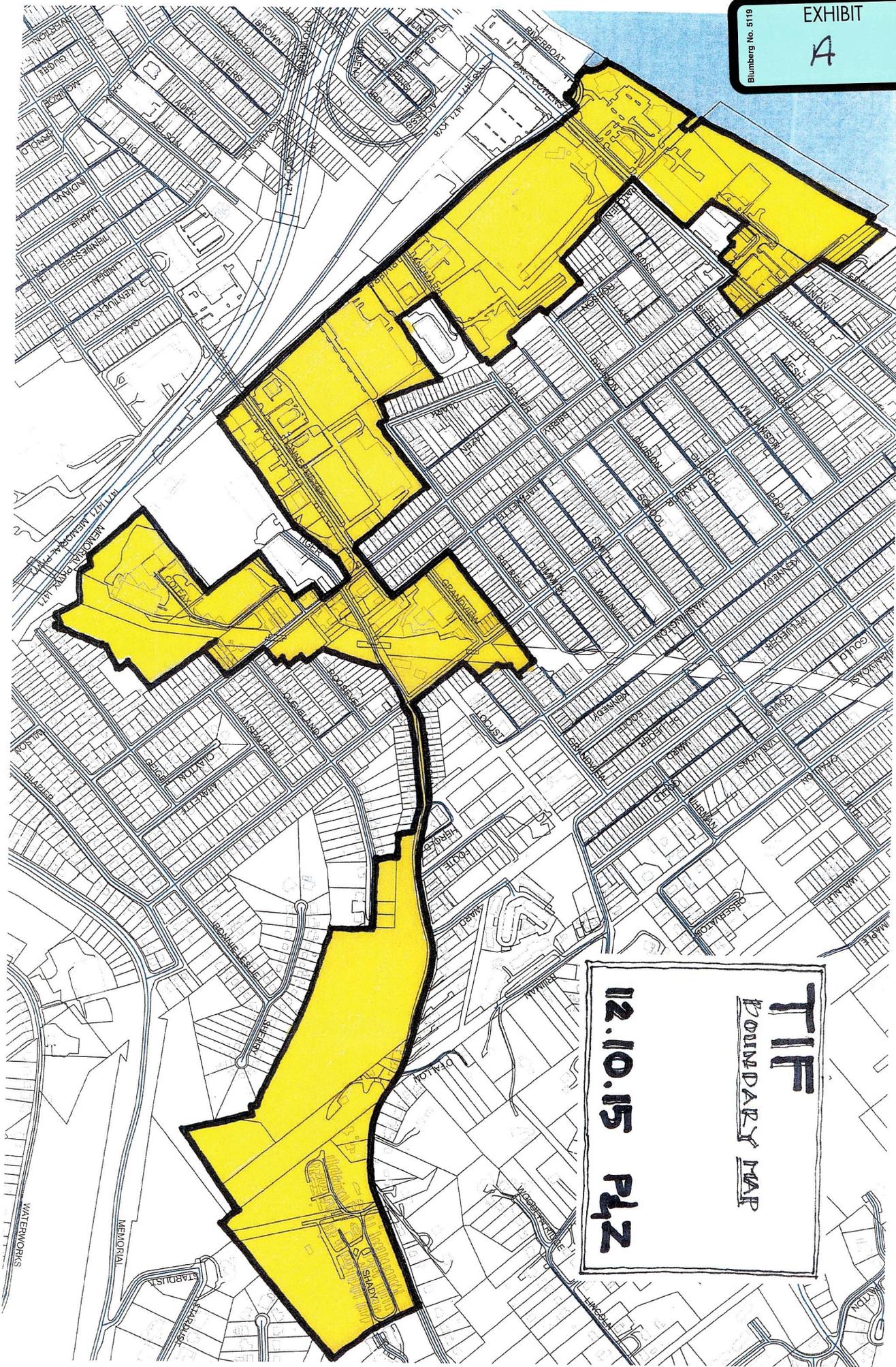
The Development Area's mix of private investment and public improvements will allow the City to create a downtown environment welcoming to visitors, workers and residents alike. The proposed assistance is critical to the successful redevelopment of the Development Area and the significant amount of private investment and economic benefit that will come with this Project.

List of Exhibits

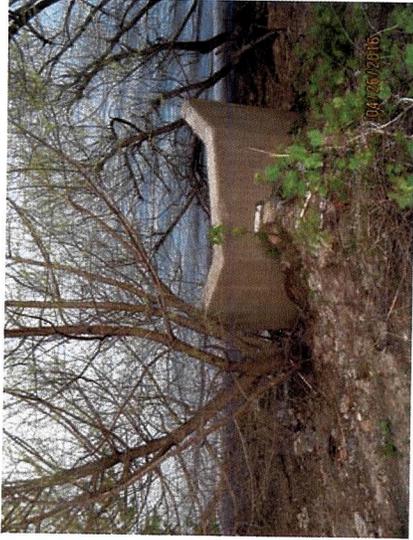
Exhibit A - Map and Description of Development Area

Exhibit B - Pictures of Properties within the Development Area

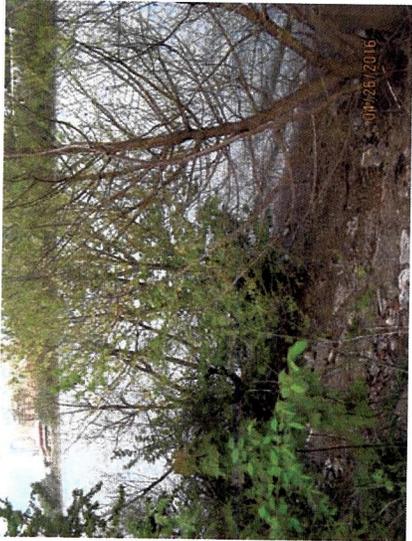
Exhibit C - Certification from the City of Bellevue Planning Commission



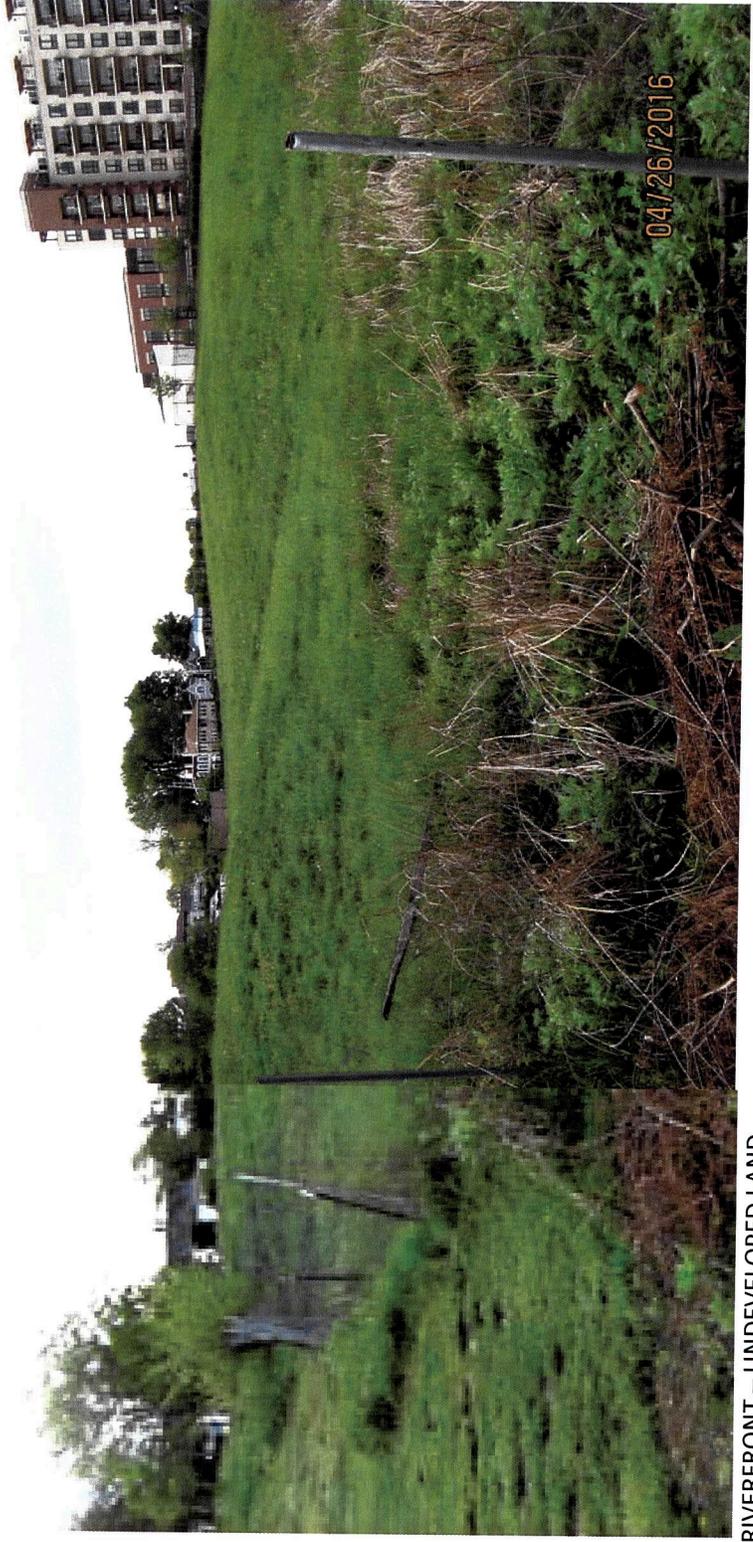
TIF
BOUNDARY MAP
12.10.15 P42



RIVERFRONT – SHORELINE STABILIZATION



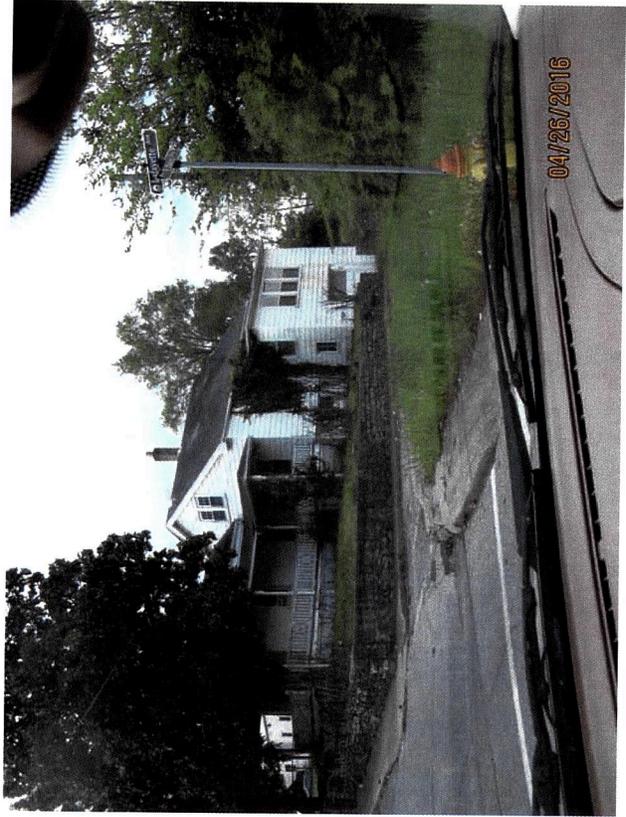
RIVERFRONT – SHORELINE STABILIZATION



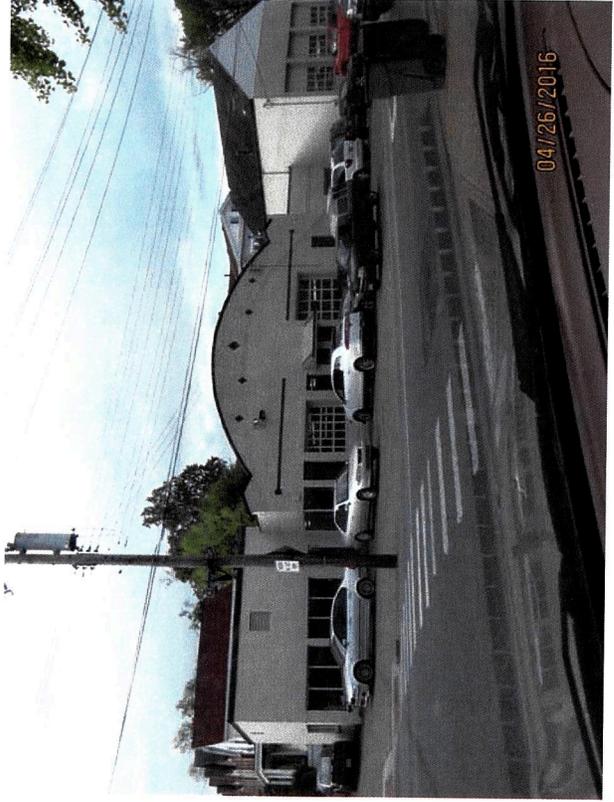
RIVERFRONT – UNDEVELOPED LAND

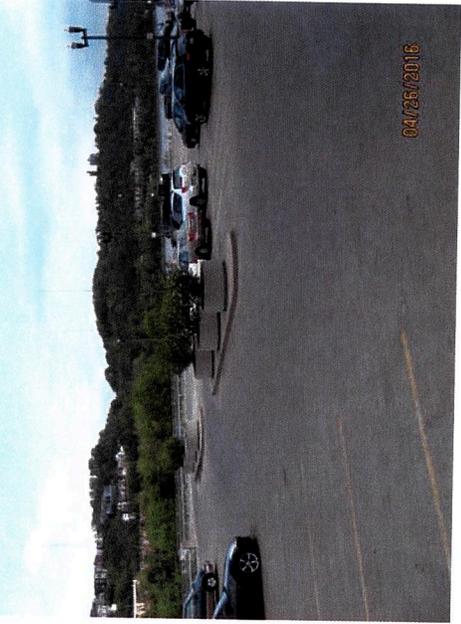


RIVERFRONT – ABANDONED STRUCTURE



RIVERFRONT – BROWNFIELD, AUTO REPAIR GARAGE





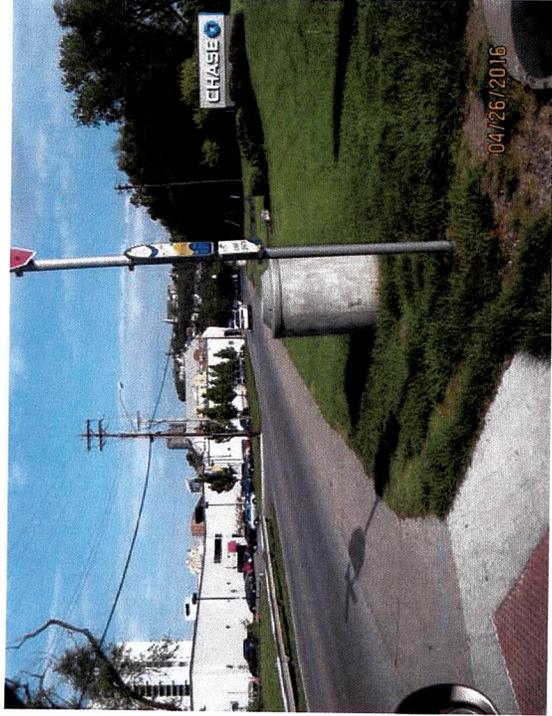
RIVERFRONT – DEVELOPMENT SITE ON
EXISTING PARKING GARAGE



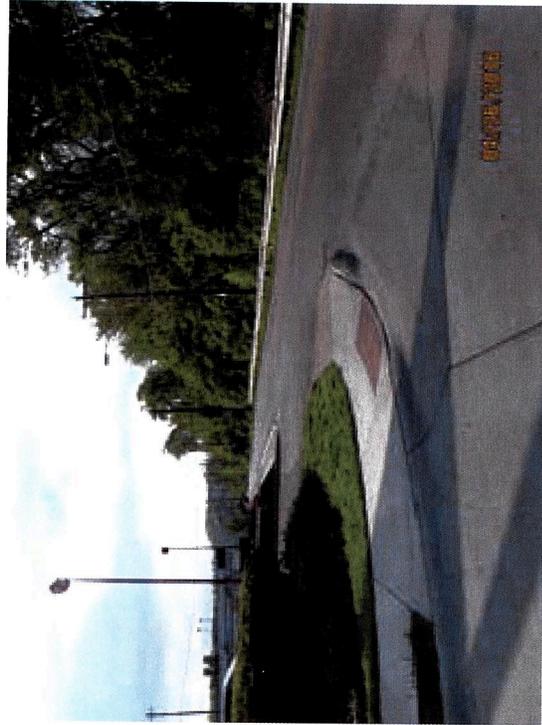
RIVERFRONT – DEVELOPMENT SITE ON
EXISTING PARKING GARAGE



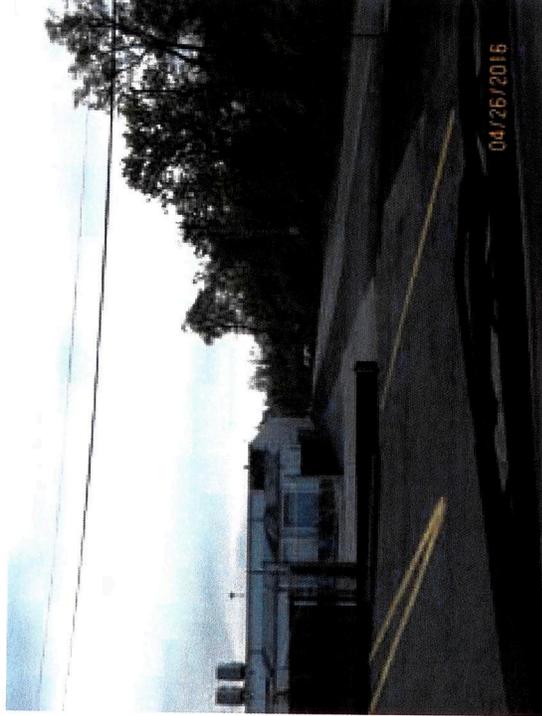
RIVIERA – GATEWAY INTERSECTION, ST. RT 8 & RIVIERA
LOOKING SOUTH



RIVIERA – LANDMARK DRIVE & RIVIERA LOOKING NORTH



RIVIERA – LANDMARK & RIVIERA LOOKING SOUTH



RIVIERA | DONNERMEYER TRANSITION – RIVIERA LOOKING SOUTH



RIVIERA – 103 LANDMARK LOOKING SOUTH, UNDERDEVELOPED SINGLE USE DEVELOPMENT, SURFACE PARKING



RIVIERA – 103 LANDMARK LOOKING EAST TO 90 RIVIERA, SINGLE USE DEVELOPMENT, SURFACE PARKING



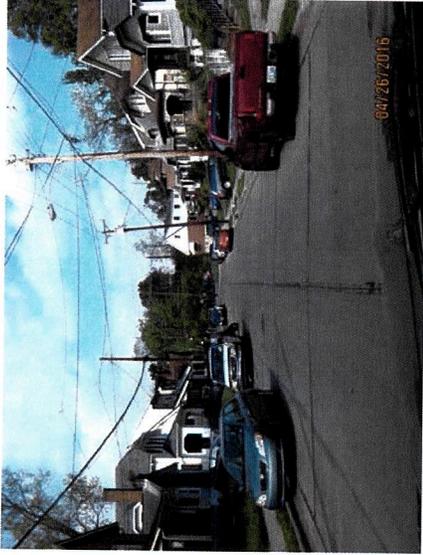
RIVIERA – 103 LANDMARK, REAR LOT, LIMITED PARKING LOOKING SOUTH



RIVIERA – 103 LANDMARK, PARK'G LOT LOOKING EAST



RIVIERA – 103 LANDMARK, PARKING LOT LOOKING SOUTHEAST



COVERT RUN – TAYLOR & COVERT RUN
LOOKING EAST



COVERT RUN – LOOKING EAST, NO CURB &
GUTTERS, NO SIDEWALKS IN SCHOOL ZONE



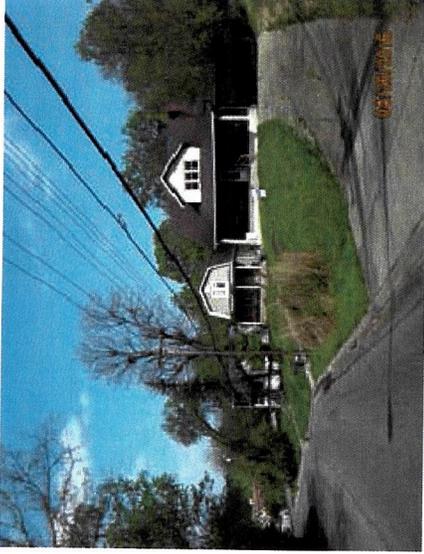
COVERT RUN – LOOKING EAST, LIMITED CURB &
GUTTERS, NO SIDEWALKS



COVERT RUN – LOOKING EAST NEAR SHADY
REST TRAILER PARK (RIGHT – 17 ACRE DEVELOPMENT
SITE). NO CURB & GUTTERS, NO SIDEWALKS.



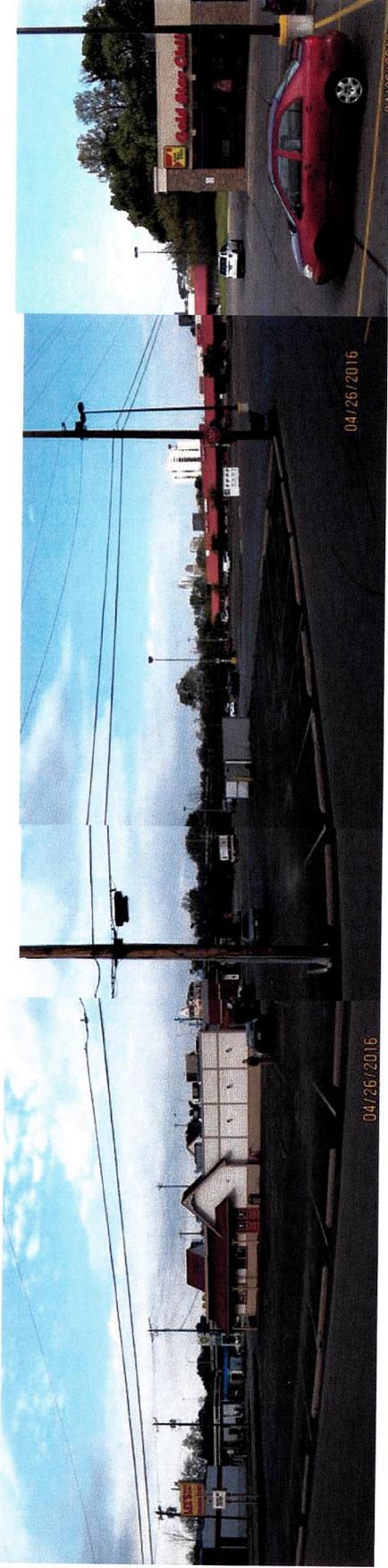
COVERT RUN – LOOKING WEST. NO CURB & GUTTER, NO SIDEWALKS.



COVERT RUN – LOOKING WEST. NO CURB & GUTTER, NO SIDEWALKS – SCHOOL ZONE.



COVERT RUN – INTERSECTION LOOKING NORTH. TYPICAL DRAINAGE EROSION.



DONNERMEYER – LOOKING WEST FROM 5 DONNERMEYER TO ADJACENT 10 ACRE DEVELOPMENT SITE.



DONNERMEYER – 15 DONNERMEYER DRIVE. DISTRESSED 40-50 YEAR OLD STRUCTURE/SHOOPING CENTER & DEVELOPMENT SITE



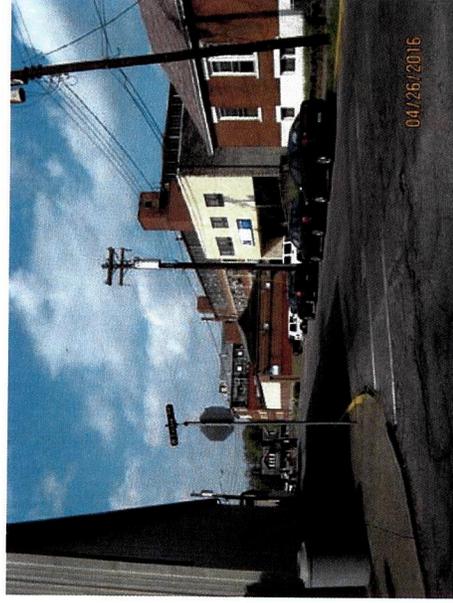
DONNERMEYER – 5 DONNERMEYER LOOKING EAST/SOUTHEAST DISTRESSED CAR WAS TO LEFT & DISTRESSED SINGLE USE STRUCTURES TO RIGHT.



DONNERMEYER - 40 & 50 DONNERMEYER. DISTRESSED SINGLE USE STRUCTURES



DONNERMEYER – DONNERMEYER & LAFAYETTE LOOKING SOUTH. BROWNFIELD, CAR REPAIR GARAGE & GAS STATION. 50 + YEAR OLD NEIGHBORHOOD SHOPPING CENTER.



DONNERMEYER – TAYLOR & GRANDVIEW LOOKING 100+ YEAR OLD STRUCTURES DISTRESSED W/LIMITED USE.



RESOLUTION 16-002

A RESOLUTION OF THE CITY OF BELLEVUE PLANNING AND ZONING COMMISSION RECOMMENDING TO THE BOARD OF COUNCIL OF THE CITY OF BELLEVUE, KENTUCKY, THAT THE PROPOSED TAX INCREMENT FINANCE "DEVELOPMENT PLAN" BE APPROVED.

WHEREAS, the proposed Development Plan is initiated by the City of Bellevue Council and Administration; and

WHEREAS, the Bellevue Planning and Zoning Commission has met and discussed to the Development Plan at a monthly meeting open to the public; and

WHEREAS, the proposed Development Plan is in agreement with the Goals & Objectives of the City of Bellevue Comprehensive Plan; and

WHEREAS, the proposed Development Plan encourages that efforts should be made to ensure that all land is utilized in a manner compatible with the Official Land Use plan; and

WHEREAS, the Bellevue Planning and Zoning Commission has found that the proposed Development Plan would increase the utilization of the property in the City of Bellevue to be developed; and

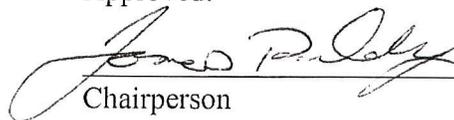
WHEREAS, the City of Bellevue Comprehensive Plan recommends that some areas need to be redeveloped for other than their present use in order to eliminate anticipated undesirable types of development; and

WHEREAS, the Bellevue Planning and Zoning Commission has found that the proposed Development Plan would encourage opportunities for desirable types of development.

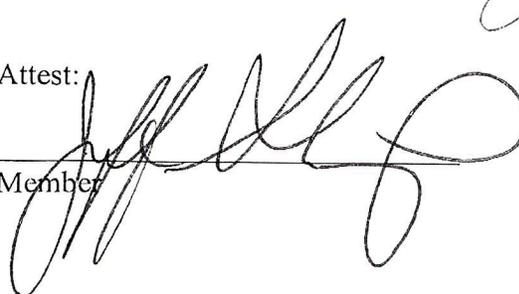
NOW, THEREFORE, be it resolved by the City of Bellevue Planning and Zoning Commission that they recommend to the Board of Council of the City of Bellevue that the proposed Development Plan as described herein and attached hereto be approved.

ADOPTED: April 5, 2016

Approved:


Chairperson

Attest:


Member