



Omaha Set for Next Wave of Development

When it comes to growth and development in Omaha, some of us have been feeling a little ambivalent lately. The past year has been good for Omaha as several companies expanded in the area. Retail growth soared as 2 million square feet of space was added to the market. The population grew 1.34 percent from 2003 to 2004, an increase of 11,000 people. But despite the good signs, recent development in Omaha has been somewhat anticlimactic.

For three years, downtown Omaha was in the midst of a \$2 billion makeover. First National Tower, Union Pacific, Qwest Center, Hilton Hotel – the horizon was littered with tower cranes. Omahans watched construction of these landmarks with great anticipation. Now that the buildings are open, we are enjoying them, but many of us crave that feeling of anticipation, that excitement for what lays ahead.

Don't worry; the next wave of economic development is gathering momentum. Since the beginning of 2004, several events have occurred, providing hope that the tower cranes will once again be part of Omaha's landscape.

Foremost is Nebraska's newly enhanced business environment. On May 26, the Governor signed Legislative Bill 312, which improves the state's business and tax incentive programs. Now companies can choose from five tiers of tax incentives. The lowest tier allows companies that invest as little as \$1 million and create as few as 10 jobs to qualify for credits, making Nebraska more desirable for start-up operations. At the highest tier, companies that invest at least \$30 million and create a minimum of 100 jobs will qualify for much more.

L.B. 312 exempts state and local sales tax on the purchase of manufacturing machinery and equipment, thus making the state more attractive to industry, an area in which Omaha has lagged. Another bill provides \$15 million for job-training programs for companies operating in rapidly changing industries.

Why are these new laws so important to Omaha's future? In the past few years, Nebraska became less competitive vis-à-vis the nine states with which it frequently competes. Employment in the Metro decreased in 2004 despite a population increase. In order for Omaha to reach its economic potential, Nebraska must be at least as competitive as its peer states.

Quality of life is also critical for a city to prosper. Early this year, the Omaha City Council approved Omaha by Design's 21 goals and made them part of the city's master plan. This new urban design element makes Omaha more efficient and improves the appearance of its streets, buildings, and public spaces. By demanding better design, we will create an environment that appeals to companies looking for a new location as well as talented people searching for a place to call home.

Another harbinger of the coming boom is the recent focus on technology. Since the Pentagon moved Space Command to Offutt Air Force Base three years ago, Omaha has recruited space and defense contractors. Lockheed Martin and Northrop Grumman have made major commitments to the area. UNO's world class Peter Kiewit Institute and the Scott Technology Transfer Center have only begun to approach their potential as

economic engines and the University of Nebraska Medical Center has plans for another research building to complement the existing 10-story Durham Research Tower.

Public and private groups are coming together to build entirely new districts within the city. Just west of the Qwest Center, plans for North Downtown, or "NoDo," are coming together. Saddlecreek Records and Bluestone Development have indicated they will build in this 80-block area. Mutual of Omaha plans to convert four vacant city blocks into a pedestrian-friendly neighborhood of shops, restaurants and residential units. At the proposed Ak-Sar-Ben Village, planners envision \$140 million worth of development on 70 acres of the former horseracing track.

Finally, Omaha is catching up with the infrastructure that has chronically lagged. The state is widening Interstate 80 to six lanes all the way to Lincoln. Interstate 680 is undergoing an expansion north of Maple Street. The \$102 million, West Dodge Expressway will move 100,000 cars a day with shocking efficiency when completed. Expansion projects are taking place across the Metro, and encouragingly, state and local officials are committed to finishing these projects on time.

While the tower cranes have recently become an endangered species in downtown Omaha, the future looks bright, as we are now sowing the seeds for Omaha's next growth spurt.

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