

■ Board Accepts Aksarben Village

Board OKs Aksarben Village

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Aksarben Village developers received the green light Wednesday to set the earth movers humming on the transformation of the former racetrack into an urban village.

"We still believe the four developers will begin work in early summer," said Jay Noddle, the lead developer on the \$166 million project to create a college town in the middle of the city.

With that promise from Noddle, the Omaha Planning Board recommended approval of the first phase of construction and nearly \$8.6 million in tax-increment financing to pay the large upfront costs.

The plans for the stretch north of Center Street and west of 63rd Street include:

• 234 apartments, four rental town houses and 69 three-story town houses, with an approximate cost of \$28 million, by Broadmoor Development, to be built in stages through 2011.

• 114 apartments, six live-work units and 20 town houses, costing about \$7 million, by Alchemy Development, to be completed by 2010.

• A retail, fitness center and loft office building, costing about \$6.7 million, by Magnum Development, with completion in late 2008.

• A four-building complex for retail, restaurants and offices, with parking, costing about \$27.4 million, by Noddle Development, with completion in late 2009.

These buildings are only part of the 70 acres of projects. Both Noddle and Magnum have additional construction plans. In addition, the city has yet to reach agreement on a planned hotel.

The construction project is more complicated than might be expected, given relatively flat ground where horses once trained and raced.

The former Ak-Sar-Ben property is in the 100-year flood zone. That requires that dirt be brought in to raise the grounds by about 4 feet, Noddle said.

There is almost no infrastructure - sewers, utilities and streets - that can be used for the new Aksarben Village, Noddle said.

The early costs are very high, said City Planning Director Steve Jensen. For that reason, the city is using a series of tax-increment finance agreements.

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NODDLE COMPANIES*

Tax-increment financing is used by the city to subsidize a project by allowing the new property tax revenue it generates to pay for part of the development. One requirement is a finding that the project could not be financed except for the subsidy.

The initial work is being done through more than \$7 million in tax-increment financing granted to the landowner, Ak-Sar-Ben Future Trust, based on past construction on the property, Jensen said.

In addition to the \$8.6 million in this round of agreements between the city and each developer, Noddle said, there probably will be another \$9 million to \$10 million needed for the full build-out of the project.

No one on the Planning Board batted an eye or questioned the need for the tax-increment financing.

"It's an exciting project," said Pete Festersen, the Planning Board chairman. The board's recommendations still need City Council approval.

The board also recommended that the City Council approve the finance agreement and \$576,000 in tax-increment financing for the Magnum Development small retail center on the south side of Center and 63rd Streets.

The city required Magnum to design the \$6 million center to complement Aksarben Village and meet higher construction standards.