University Village

October 23, 2014
Project Overview

• The Site
• Project Overview/Approach
• Market Findings
• Vision
• Next Steps
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Project Overview:
Mixed-Use Development
The Old Paradigm

• Single Use Pad Sites
• Auto Orientation
• Buildings in Isolation
• Limited Connectivity
• Parking for Individual Uses
• Conventional “Return on Investment”
• No “Sense of Place”
Conventional Development: Single Family
The New Paradigm

- Mix of Uses
- Pedestrian Orientation
- Walkable Fabric
- High Connectivity
- Shared Parking/District Parking
- Catalyst for Additional Investment
- Sense of Place
- Master Planned
Regional Examples

- Aksarben Village
- Destination Midtown
- North Downtown
- Innovation Campus
Implemented Projects:
Aksarben Village, Omaha, NE
Implemented Projects: Destination Midtown, Omaha, NE
Implemented Projects:
North Downtown, Omaha, NE
Project Overview

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• Most development has been occurring on the north side of the City

• Residential development activity near University Village around Yanney Park

• New Cherry Avenue interchange will likely increase development activity to the east

• High School and Community College

• 30th Avenue/Interstate-80 future interchange
Market-Rate Rental Housing Supply

- Occupancies are high (95% to 97%)
- Rents:
  - $500 to $1,000 in apartment complexes
  - $1,000 to $1,500 for a townhome
- < 10% of occupied apartments were built within the past 10 years. Median apartment age is 40 years.
- Few apartment complexes with high level of amenities
- Annual replacement/rehabilitation need: 150-200 units
- New projects in the pipeline
- Obstacles to new supply:
  - Land and building costs
  - Entitlements
  - Better ROI (higher rents) in Omaha and Lincoln with similar costs
Retail Supply

- Main retail nodes are 2nd Avenue and downtown
  - Large retailers want to be on 2nd Avenue. Annual net rents average $15-$20/SF for newer space.
  - Downtown provides low rents for specialty/independent/new businesses. Annual gross rents average $5-7/SF.
- Need annual net rents above $12/SF to support new construction (assuming no land cost)
- Retail and restaurant tenants willing to pay $12/SF to $15/SF for good locations
Academic, Retail and Other Demands

• Little Unmet Retail Demand
  – Demand gap for grocery stores – will be absorbed by new Hy-Vee
  – Restaurant demand currently in balance with supply

• Other uses will increase the site’s retail potential over time
  – Institutional Uses (academic and other based on need)
  – Student Housing
  – Residential/Senior Housing
  – Office (government & private)
Retail Site Potential

- Need to create a supportive environment for retail and restaurants:
  - Sources of demand at all times of day/week/year
  - Create a cohesive, attractive, visually prominent “destination”
  - Leverage events on- and off-site
  - Channel student spending (e.g., Loper Dollars)

- Full service restaurant potential dependent on alcohol sales

### Preliminary Retail Program

<table>
<thead>
<tr>
<th>Tenant Type</th>
<th>Number of Stores</th>
<th>Square Footage of Each Store</th>
<th>Total Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coffee Shop</td>
<td>1</td>
<td>1,325</td>
<td>1,300</td>
</tr>
<tr>
<td>Full-Service Restaurant</td>
<td>3-5</td>
<td>2,800</td>
<td>8,400-14,000</td>
</tr>
<tr>
<td>Personal Services</td>
<td>2</td>
<td>1,200</td>
<td>2,400</td>
</tr>
<tr>
<td>Telephone/telecom store</td>
<td>1</td>
<td>1,608</td>
<td>1,600</td>
</tr>
<tr>
<td>Bank</td>
<td>1</td>
<td>2,600</td>
<td>2,600</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>1</td>
<td>11,000</td>
<td>11,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td></td>
<td><strong>27,300-32,900</strong></td>
</tr>
</tbody>
</table>
Hotel and Conference

- Kearney is a "hub" for regional conference activity
- Hotels cluster within 1 mile of I-80 interchange; accessibility is vitally important
- University Village is likely too far from I-80 to attract private hotel operator/developer without significant subsidy
Office and Institutional

• **Limited Speculative Office Potential**
  
  – Many professional offices take advantage of low rents in/near downtown
  
  – Developers report building few to no new office space within the last five years

• **Potential Opportunities**
  
  – University of Nebraska Foundation (1,750-2,500 sf)
  
  – Government and Private offices
  
  – The Buckle: if future expansion required, University Village is well located
  
  – Users who want to be near University
  
  – Other wildcard uses
University-Owned Student Housing

• Short- to Mid-Term Opportunities for Replacement Housing
  – University Heights: 100 to 110 units with some 2-bedroom units (40,000-70,000 SF total)
  – URN & URS Greek Housing (400 Beds)

• Longer-Term Opportunities: potential for additional 175-200 units for upperclassmen

• Decisions to locate and build additional student housing will be driven by institutional priorities and anticipated student enrollment
Other University Opportunities

- University athletic facilities with possible partnership(s)
  - Tennis
  - Softball
  - Track
- Child Development Center (for University employees)
- College of Business Administration (business incubator facilities)
- Health Science Education
- Arts/Creativity center
- Other academic or non-academic uses
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University Village – Master Plan
University Village - Land Use Opportunities
Single Family (Low Density)
Single Family (High Density)
Multi-Family
Student Housing
Mixed Use
Parking Structures
# UNIVERSITY VILLAGE YIELD ANALYSIS SUMMARY

## HOUSING

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dorms</td>
<td>744 Beds</td>
</tr>
<tr>
<td>Greek Housing</td>
<td>384 Beds</td>
</tr>
<tr>
<td>U Heights Replacement</td>
<td>123 Units</td>
</tr>
<tr>
<td>Market Rate Rental Apartments</td>
<td>354 Units</td>
</tr>
<tr>
<td>Rental Townhomes</td>
<td>101 Units</td>
</tr>
<tr>
<td>Rental Duplex</td>
<td>2 Units</td>
</tr>
<tr>
<td>Rental Cottages</td>
<td>100 Units</td>
</tr>
<tr>
<td><strong>TOTAL HOUSING</strong></td>
<td><strong>1808 Beds/Units</strong></td>
</tr>
</tbody>
</table>

## OTHER USES

<table>
<thead>
<tr>
<th>Description</th>
<th>Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child Development Center</td>
<td>10,800 SF</td>
</tr>
<tr>
<td>1st Floor Retail/University/Prof Ofc</td>
<td>43,200 SF</td>
</tr>
<tr>
<td>Upper Story Office</td>
<td>86,400 SF</td>
</tr>
<tr>
<td>Indoor Track and Tennis Center</td>
<td>96,110 SF</td>
</tr>
<tr>
<td>Indoor Tennis Courts</td>
<td>6 Courts</td>
</tr>
<tr>
<td>200 M Indoor Track</td>
<td>1 Track</td>
</tr>
<tr>
<td>Outdoor Tennis Courts</td>
<td>6 Courts</td>
</tr>
<tr>
<td>Softball Complex</td>
<td>2 Fields</td>
</tr>
<tr>
<td>Snack /Restroom Facility</td>
<td>460 SF</td>
</tr>
<tr>
<td>Clubhouse Facilities</td>
<td>5,600 SF</td>
</tr>
<tr>
<td><strong>TOTAL SQUARE FOOTAGE</strong></td>
<td><strong>242,585 SF</strong></td>
</tr>
</tbody>
</table>

## PARKING

<table>
<thead>
<tr>
<th>Description</th>
<th>Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking Lots</td>
<td>2,412 SF</td>
</tr>
<tr>
<td>Parking Garages</td>
<td>668 Spaces</td>
</tr>
<tr>
<td>On-Street Parking</td>
<td>718 Spaces</td>
</tr>
<tr>
<td>Private Garages</td>
<td>406 Spaces</td>
</tr>
<tr>
<td><strong>TOTAL PARKING SPACES</strong></td>
<td><strong>4,204 Spaces</strong></td>
</tr>
</tbody>
</table>

## Assumptions

<table>
<thead>
<tr>
<th>Description</th>
<th>Yield</th>
<th>Parking</th>
</tr>
</thead>
<tbody>
<tr>
<td>TH/SFR</td>
<td>2 spaces/unit</td>
<td>2 spaces / unit</td>
</tr>
<tr>
<td>Apartments</td>
<td>1050 sf/unit</td>
<td>1.5 spaces / unit</td>
</tr>
<tr>
<td>Residential efficiency</td>
<td>85% building efficiency</td>
<td>-</td>
</tr>
<tr>
<td>U Heights replacement</td>
<td>875 sf/unit (gross)</td>
<td>1.5 spaces/unit</td>
</tr>
<tr>
<td>Dorm</td>
<td>388 sf/bed (gross), 4 beds/unit</td>
<td>3.2 spaces/unit</td>
</tr>
<tr>
<td>Office</td>
<td>1 space / 300 sf</td>
<td>4 spaces / 1000 sf</td>
</tr>
<tr>
<td>General Commercial</td>
<td>4 spaces / 1000 sf</td>
<td>3.65 spaces / 1000 sf</td>
</tr>
</tbody>
</table>
Birdseye from the North
The Grand Vista
The Central Plaza
Greek Row
The Tail Race
Birdseye from the South
The Wetlands
Athletic Venues
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Next Steps

- Governance Administration
- Infrastructure Design
- Receive Letters of Interest
- Begin Infrastructure Construction
Discussion