



Three bids received for downtown redevelopment project

BY MATT OLBERDING

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City officials got quality — not quantity — when they opened bids Friday for redeveloping part of a downtown block.

The Urban Development Department received 3 proposals for what the city is calling the Catalyst One Project — bounded by P, Q, 13th and 14th streets — but they appear to be major projects from big names.

Among the bidders: Missouri hotel developer John Q. Hammons, who built Lincoln's Embassy Suites hotel and has expressed interest in building other downtown hotels. The other proposals came from Dial Realty Corp., a major development company from Omaha, and Lincoln Synergy Group LLC of Lincoln.

City officials did not make the contents of the proposals public, but Rick Kiolbasa of Dial Realty said his group is proposing a \$45 million project that would include a 112-room Residence Inn by Marriott.

The hotel building, including the 600-stall parking garage the city plans to build, would be 13 stories high, Kiolbasa said.

The hotel also would have 14 condos that would sell from \$200,000 to \$400,000.

Other pieces of the proposal are a sports bar and entertainment complex with meeting space and a smaller building that would have

retail shops on the first floor and offices on the 2nd and 3rd floors.

Dial has a “long-standing Lincoln firm” lined up to fill the two floors of office space, Kiolbasa said.

Dial, which is developing the Southwest Village shopping center at U.S. 77 and West Denton Road, is building a Residence Inn in Omaha's Old Market. Kiolbasa said the firm felt the Catalyst One Project was appropriate for the same sort of thing.

“We're excited to make this proposal, which we think would be a great benefit to the city of Lincoln,” he said.

Hammons could not be reached for comment Friday, but it's likely his proposal would include a hotel.

Two years ago, Hammons proposed a 150-room Residence Inn at 17th and Q, but the deal fell through when the City Council refused to authorize eminent domain proceedings to clear the land.

Hammons has also expressed interest in building a hotel and convention center in the Haymarket if Lincoln builds a new arena there.

Monte Froehlich of Lincoln Synergy Group declined to comment on details of his group's proposal.

Froehlich owns U.S. Property, which is on the redevelopment block, and he also bought the Taste of China restaurant that will soon be torn down as part of the redevelopment.

An image on proposal materials his group submitted showed what looked like a building about 20 stories high and another of more than 10 stories.

“This one looks awful big,” said Darl Naumann, the city's economic development coordinator.

Froehlich would not confirm whether the picture represented his group's plans for the site.

Mayor Coleen Seng, who more than a year ago announced plans to redevelop the block with a high-rise of up to 275 feet, has already picked a 10-person advisory group to start examining the proposals next week.

Hallie Salem of the Urban Development Dept. said the hope is that the group makes a recommendation to Seng by the end of April.

Once a project is selected, it could take anywhere from six to 18 months to negotiate a redevelopment agreement, Salem said.

“A project of this magnitude is going to take some time to negotiate the final details,” she said. But city officials hope things go quickly, she said.

The city already demolished the StarShip 9 theater and plans to knock down the Taste of China and Wasabi! restaurants in May.

“We don't want a vacant lot in downtown Lincoln for too long,” Salem said.

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