



Background

The building that would become the Rail & Commerce building was originally built in 1925 as a three-story sorting facility for the United States Postal Service's ("USPS") Railway Mail Service ("RMS"). Located along the former Chicago, Burlington, and Quincy Railroad, the facility was designed by W.T. Krausch, an engineer who worked for the railroad. The RMS played a central role in America's postal system from the Civil War through the 1970s.

The RMS reached its height in the 1930s before succumbing to a gradual decline induced by shifts to airline and truck mail transport. The slowly diminishing importance of the RMS led to a declining demand for the Omaha sorting facility building. In 1956 the USPS converted the building from a sorting facility into a storage facility, and then finally abandoned the building in the mid-1970s. Prior to its current renovation, the building had largely remained vacant since the USPS' departure and at one time was slated for demolition and condemned by the City of Omaha.

The Project

The Rail & Commerce building saw the conversion of a former mail sorting and storage facility into commercial and office uses. The original first floor's high ceiling height allowed the floor to be divided and resulted in the creation of a new mezzanine. This lower floor is home to Commerce Village, a co-working space that fosters a creative environment for startup companies and entrepreneurs. The space is fully leased and supporting 25 incubator tenants that have access to 13 individual office suites, 55 desks, and collaborative workspaces as well as common areas, conference rooms, a communal kitchen, a café, and break rooms. The new second floor contains office space occupied by the project's developer.

Economic and Community Impact

The renovation into the Rail and Commerce building provided a variety of benefits to the surrounding communities. During construction, the construction team actively sought qualified minority and women-owned businesses to bid for available contracts. This created 217 construction jobs, 70% of which were awarded to local businesses and 4% of which were



Total Development Cost:

\$28.4 Million



NTCIC Financing:

\$11 Million NMTC Allocation

\$4.8 Million Federal HTC Equity



Project Partner:

Boyd Jones Construction



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awarded to women-owned businesses. The rehabilitated building now hosts 209 permanent jobs with 50% of jobs available to those without a formal education or those with significant barriers to the workforce. All jobs offered at the project are quality, career-track positions with extensive benefits such as health insurance, paid leave, retirement benefits, and job training.

The operators of Commerce Village have a successful track record of supporting the local startup community. The co-working space includes office suites priced below market with flexible leasing terms and has hosted nonprofits, community-based groups, startups, and businesses of various sizes. Additionally, the building provides space to the Omaha chapter of the Service Corps of Retired Executives (SCORE). SCORE is a national non-profit association that provides mentoring and other services to small businesses. These services are available to the incubator tenants which will help their business grow and thrive. In 2017, SCORE provided an estimated 100 individual sessions and 6 separate group classes with 15-20 incubator employees.

The project has restored a historic landmark, transformed a vacant, underutilized building into a valued community asset, and connected the community of Little Italy to the growth and opportunities of greater Omaha.