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KCK Loft Developers Aim for Allies

By: MARK WIEBE

When downtown Kansas City, Kan., cuts the ribbon on its first loft apartment building today, its developers will be asking an important question: Can the project spur more development?

“We very much need to get other developers to realize that there is a market here and that there are some dollars to be made,” said John Harvey, president and executive director of City Vision Ministries, the nonprofit organization that spearheaded the 43-unit City Hall Lofts.

Located at Sixth Street and Ann Avenue, the \$6.7 million project is a renovation of a building that served as the city’s seat of government from 1911 to 1972. The 10:30 a.m. ribbon cutting is taking place just after the apartments became available for leasing. The first tenants are expected to move in next month, as workers put the finishing touches on the building.

“We’re just doing what we can do and hoping that others can catch the fever,” Harvey said.

So far, the only developers with a fever have been the city’s non-profit community development Corporations – like City Vision, whose other projects include the 58-unit Turtle Hill Townhomes downtown and CHWC Inc., which boasts dozens of new and renovated homes in the urban core and is in the midst of a 120 home development near downtown.

But some for-profit developers, especially those who have participated in downtown Kansas City’s housing renaissance, are beginning to pay attention.

Vincent Gauthier, president of Urban Couer Development, is impressed with downtown’s housing stock, its views of downtown Kansas City, its green space and its easy access. So impressed that his company, whose projects include the Gillham Row lofts and townhomes, is considering doing a project in the urban core, although he declined to discuss the specifics.

“We believe in the market enough to be taking that risk,” he said. “We think there’s a great opportunity there.”

Brian Hendrickson, a partner in 180 Degree Design Studios in Kansas City, agrees. Hendrickson, whose urban design and architecture company is pursuing a couple of projects just outside downtown Kansas City, Kan., said the area’s development had been dormant, in part, because so many opportunities existed on the Missouri side.

‘But as we continue to develop the urban core, I think KCK is going to continue to catch up,’ he said.

Of course, there are challenges. Although violent crime has declined significantly in recent years, the area still suffers from a reputation for crime. Many of its roads, sidewalks and storm sewers need repair. And numerous retail services, such as a large grocery store, are lacking, as they are in downtown Kansas City.

‘‘In order to have good retail, there has to be a sustainable base of business,’’ said Matt Levi, a commercial real estate broker who works mostly on urban core projects for Block & Co., Inc. Realtors. ‘‘There have to be enough bodies in the area to justify the rent and the purchase of inventory.’’

And urban Kansas City, Kan., despite having some good walkable neighborhoods that tend to make urban redevelopment easier, Levi said, doesn’t yet have the bodies needed to attract national retailers – although some grass-roots retailers have begun to surface.

‘‘I think all of that will come with time,’’ he said of the retail development prospects, ‘‘but we’re going to have to continue to build our residential population, and KCK is further behind in that regard.’’

Harvey acknowledges the challenges, but he’s confident that the city’s day will come.

Meanwhile, City Vision will continue to plug away. One of its recent ventures includes a partnership with CHWC called Strawberry Hill Marketplace LLC. Its goal is to attract housing and retailer developers to the 500 block of Minnesota Avenue, now a large parking lot across the street from the Hilton Garden Inn.

‘‘Everyone’s trying to figure out – how deep is this market? What kind of retail can it drive?’’ Harvey said. ‘‘We can harp on the barriers and the challenges, but there really is a significant opportunity.’’