

Agency OKs tax break for \$15M housing project

By Jim Davis. Kansas City Business Journal: September 12, 2003.

A Kansas City agency gave preliminary approval on Friday to abate property taxes on a \$15 million East Side affordable-housing project that city leaders want to make a showcase for a federal government partnership.

Oak Pointe will contain 106 units to be available by the first quarter of 2005. The development is south of 38th Street between Kensington and Elmwood avenues.

On Friday, the Planned Industrial Expansion Authority authorized a blight study and general development plan for the complex to receive the authority's standard abatement: 10 years of full relief on improvements and a 50 percent cut for the next 15 years.

Financing for the project includes a grant of more than \$2 million from the U.S. Department of Housing and Urban Development. This money will finance HUD's Section 3 program, which is used to hire nearby residents and small businesses as construction subcontractors.

Kansas City Councilwoman Sandra McFadden-Weaver, whose 3rd District includes Oak Pointe, called Section 3 "the best vehicle we have to establish neighborhood revitalization."

People who work on the housing will be able to live in it, McFadden-Weaver said. The impoverished area's tax base will improve, she said, as more people go to work.

McFadden-Weaver joined Troy Nash, the 3rd District's other City Council representative, to explain how they want to revamp how the city uses Section 3 money. The pair hosted Carolyn Peoples, HUD's assistant secretary of fair housing and equal opportunity, and will conduct a Section 3 public workshop on Saturday.

Oak Pointe monthly rents will range from \$365 to \$695 for three-bedroom townhouses. The project's developer is the Kansas City Neighborhood Alliance. Officials of the alliance said they're trying to replace a small grocery and other stores that will be displaced.

Separately, the PIEA abated taxes on a \$1.7 million expansion of a taxi maintenance facility at 13th Street and Lydia Avenue. Bill George Jr., who requested the break, said about 150 jobs will move from Metropolitan Transportation Services Inc.'s current location at 522 Locust St.

The PIEA also abated taxes on a \$700,000 conversion of a now-vacant one-story building at 1619 Walnut St. into a furniture showroom. Developer Brad Nicholson said Hudson Home Furnishings has signed a five-year lease with a five-year option.