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David Puricelli, senior vice president of community development banking for Bank of America, tells city of Springfield staff Oct. 3 that he has given developer Vaughn Prost, right, a letter of commitment for a loan for the Heer's project.

Contenders vie for Heer's project

No clear winner emerges from Oct. 3 presentations to city

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The finalists have spoken. Now, it's up to city officials to decide who will redevelop Heer's Tower.

Four contending developers gave public presentations and held private meetings with city officials Oct. 3. City Public Information Director Louise Whall said negotiations will continue, and she didn't know when the winner would be picked.

"Our goal is to keep it moving, keep it on track as quickly as possible," she said.

Jefferson City developer Vaughn Prost had the exclusive right to redevelop Heer's but missed three financing deadlines because he had trouble landing commercial tenants. In August, the city stripped Prost of the exclusive right and solicited interest from other developers.

The finalists are Prost, Springfield's Magers Management Co. LLC, and St. Louis firms McGowan & Walsh and Restoration St. Louis.

"We're here to ask your permission to take the most beautiful building in Springfield and return it to the splendor of yesteryear," developer Kevin McGowan told city officials before describing his

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Heer's: Parking deck remains big hurdle

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company's résumé, which includes \$800 million in historic restoration.

Competitive spirit

Prost bought Heer's from Warren Davis Properties for \$2.2 million in 2004. Since then, he's invested another \$3.5 million for remediation work, such as asbestos and lead paint removal.

Now, he isn't happy about the city shopping the Heer's project.

"I'm the developer who got the project going," Prost said. "If I hadn't been there, Warren Davis would still be owning the proj-

ect and still be looking at a blighted building.

No one seems to appreciate that. I spent the money. I spent the time. I'm the one who is creating this thing."

The city is exploring options to take possession of the building, if Prost is not chosen as developer, Whall said.

Tom Bunch, branch manager for MTS Contracting Inc., was one of more than 40

“I spent the money. I spent the time. I’m the one who is creating this thing.”

people at the public presentations. Bunch said he was impressed with Prost's detailed plans, though he said he wants to work with whichever developer lands the deal.

"I think (the developers) are very able to handle the project," Bunch said.

The bottom line

Prost was the only developer who presented detailed plans. He said construction could begin as soon as loan papers were signed.

Prost brought Bank of America representative David Puricelli to the meeting to vouch for a \$20 million loan commitment.

"I don't see any significant hurdles at this point," Puricelli told the crowd gathered at the Busch Building.

The other developers told city officials that financing wouldn't be a problem either, and that they could have plans in place anywhere from 30 days to six months from now. McGowan said projects such as Heer's typically take 15 months to finish.

After hearing the pitches, Springfield Senior Planner Mike MacPherson said construction of an adjoining parking deck is likely to be the biggest hurdle moving forward. The city has committed to the parking deck but it's unclear who will pay for it.

"That seems to be the paramount issue that needs to be settled," MacPherson said.

—Vaughn Prost
Prost Builders Inc.

SBJ Poll

Who should redevelop Heer's?

**Magers Management Co. LLC,
Springfield**

Pro: Local

Con: No historic restoration experience

McGowan & Walsh, St. Louis

Pro: Vast experience with historic restoration

Con: Not local; Many other projects taking its attention

Restoration St. Louis, St. Louis

Pro: Vast experience with historic restoration

Con: Not local, though it expressed interest in tackling other Springfield projects

Prost Builders Inc., Jefferson City

Pro: Intimate knowledge of Heer's

Con: Missed financing deadlines

Vote online at sbj.net/poll.

Credentials

Restoration St. Louis, like McGowan & Walsh, boasts extensive historic restoration work. It has redeveloped \$200 million in St. Louis real estate.

Philip Estep, representing Restoration St. Louis owners Amrit and Amy Gill, said their Heer's plan would likely include condos for sale, apartments for rent and commercial space for lease. Estep even mentioned a possible boutique bowling alley.

Magers Management Co. is the lone local firm. Randy Magers wasn't on hand for the presentation. Instead, partner Kenny Ross of Morelock-Ross Builders described why Magers should be chosen.

Neither Magers Management Co. nor Morelock-Ross has experience with historic preservation tax credits, which are vital to this project, but both firms have broad construction experience. Together, they've done more than 250 commercial jobs in the Springfield area, Ross said.

Also, Magers Management Co. won the 2005 Developer of the Year Award from the Springfield Contractors Association primarily for Battlefield Marketplace, a 46,400-square-foot, \$7.5 million commercial development near Battlefield Road and National Avenue.

Presentation attendee Brian Fogle, vice president of community development for Great Southern Bank, said all the contenders are worthy of redeveloping Heer's, though all are very different. Great Southern has an interest having loaned Prost \$2.8 million.

"Ten years ago, we couldn't get anybody to even look at Springfield or especially look at Heer's," Fogle said. "It's exciting that we've got interest these days. City Council's got a very difficult decision."

The Final Four



**Magers
Management Co.
LLC, Springfield**

Represented by partner **Kenny Ross** of Morelock-Ross Builders
"We grew up here, and we have a vested interest in the continued growth of this community."



**McGowan &
Walsh, St. Louis**

Represented by **Kevin McGowan**
"Anyone who wants to look at this building as just a building is missing the boat. This should be the **linchpin (downtown).**"



**Restoration St.
Louis, St. Louis**

Represented by broker **Philip Estep**
"Some say (Restoration St. Louis owners) the Gills are **true building huggers.**"



**Prost Builders
Inc., Jefferson
City**

Represented by **Vaughn X. Prost**
"It's the most beautiful building and will be on Park Central Square."

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