

Council committee could advance East Village proposal

By Jim Davis. Kansas City Business Journal: January 9, 2006.

A Kansas City Council committee on Wednesday will review a request to let City Manager Wayne Cauthen respond to a development proposal for East Village from the project's private-sector proponents.

Councilman Troy Nash, who introduced the empowering ordinance on Friday and chairs the Planning, Zoning and Economic Development Committee, said Sunday that he wants to complete a deal as soon as possible with J.E. Dunn Construction Co. and Swope Community Builders because the \$340 million East Village plan will require financial support from the state.

"We want to give the state an idea of how serious we are about this," he said.

Final approval of the ordinance could come as soon as Thursday from the City Council.

Nash said the financing request needs to reach state lawmakers quickly so they can take action this year. The General Assembly's session ends in May.

Tax increment financing, which probably will be sought for East Village, already has come under fire this session from critics in Jefferson City, including legislators representing Eastern Jackson County.

Nash said he knows from experience how tough it is to get state financing for Downtown. Kansas City Mayor Kay Barnes had to work for two years before legislators in 2003 passed the Missouri Downtown Economic Stimulus Act, which is helping finance the Power & Light District.

Now it's the East Side's turn, said Nash, whose 3rd District includes that area. Nash said he wants to get the East Side anchored before his term ends in 2007.

East Village calls for more than 1,200 housing units to be built in a forlorn 12-block area east of City Hall. The anticipated neighborhood, which would resemble Quality Hill on the West Side of Downtown, also is to include a new headquarters for J.E. Dunn.

The construction company, No. 1 on the Kansas City Business Journal's list of the Top 25 commercial contractors, has outgrown its current location at 929 Holmes St.

Swope, an African-American led community development organization, would become East Village's master developer. Then Swope would assign its rights to Dunn for a new headquarters on a now-vacant block bounded by 10th and 11th streets between Locust and Cherry streets.

Swope, which organized East Village LLC to work on the project, collaborated with Dunn late in December to give the city a joint request for public incentives.

A person who worked on the request and asked for anonymity to avoid influencing the city's consideration, said Friday that deliberations among the "trilateral partnership" are now trying to establish the city's financial commitment.

"Infrastructure is a very big issue," the source said. "That's one issue that has to be negotiated. What is the price tag? What level of incentives can this project have?"

Federal incentives also could be sought, the source said. Possible sources include low-income housing tax credits.