

Council committee delays look at East Village plan

By Jim Davis. Kansas City Business Journal: January 11, 2006.

A Kansas City Council committee on Wednesday postponed its consideration of the East Village plan until Jan. 18.

The Planning, Zoning and Economic Development Committee will wait until then to authorize City Manager Wayne Cauthen to sign a memorandum of understanding with the proposed redevelopers of a 12-block area east of City Hall.

David Seamon, Kansas City's assistant city manager-economic development, said he welcomed the postponement because it will give him more time to craft an agreement with East Village LLC, which wants to build more than 1,200 housing units, and J.E. Dunn Construction Co., which wants to replace its headquarters at 929 Holmes St. with a larger building.

"Talks are still moving forward," said Seamon, who briefed City Manager Wayne Cauthen on Tuesday afternoon. "It's still a very difficult process."

Negotiations are focusing on the amount and timing of public incentives in relation to investments that will be made in the housing by Swope Community Builders, an African-American community development corporation that organized East Village LLC, and J.E. Dunn, No. 1 on the Kansas City Business Journal's list of the Top 25 area commercial contractors.

"The city will not give away the store," Seamon said. "At the same time, we are cognizant of the risks the parties are entertaining. We want to mitigate their risk within reason to provide a fair return to the city and its citizens."

City Councilman Troy Nash, who chairs the Planning, Zoning and Economic Development Committee, said he wants to review the financing request soon because it probably will need incentives from Missouri.

Nash said the proposal needs to reach the General Assembly quickly so it can take action this year. The Legislature's session ends in May.

Tax increment financing, which probably will be sought for the 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 the Legislature 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 represents that area. Nash said he wants to get the East Side anchored before his term ends in 2007.

Barnes already has traveled to the state capitol this year to lobby lawmakers. She'll get help on the East Village from Swope CEO Kelvin Simmons. Before returning to Kansas City last year, Simmons directed the Missouri Department of Economic Development and chaired the Missouri Public Service Commission.

Swope would become the 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.

In late December, Swope collaborated with Dunn to give the city a joint request for public benefits.

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