

Minutes of Meeting  
Advisory Board on Washington University  
Thursday, January 29, 2015 at 6:30pm

**Members in Attendance:** Gary Nelling, Steve Stone, Caryn St. Clair, Greg Pace, Kevin Taylor, Christine Albinson, Kristin Sobotka, Todd Swanstrom, John Breier, Councilmember Carr, and Councilmember Kraft

**Members Excused:** David Whiteman, Stephen Selipsky, and Raheem Adegboye,

**Members Absent:** Robyn Williams, Mae Weston

**Guests:** Dan Wald

**Others in Attendance:** Keith Cole

**Call to Order**

The meeting was called to order by Mr. Nelling at 6:37pm.

**Open Discussion**

Mr. Nelling opened the meeting stating, at Dr. Kraft's request, he delete the word PILOT from his Summary of the Mandate with the Committee's consent since the Resolution 2014-3 did not use that term and instead substituted 'additional revenue' and other quotes. The summary of 14 pages was deemed a little long and he has currently cut that down to 12 pages by deleting some redundancy and non-essential detail. Several people, including Ms. Sobotka, Ms. Albinson, Mr. Swanstrom, and Dr. Kraft have expressed concern that the length and detail of our total report make reading daunting for both City Council and citizens. Therefore, he will take a shot at writing a one page Highlight for inclusion as a first page, which everyone can accept, revise, rewrite or delete.

Question was raised about the reduction in lost real estate tax revenue from the prior report, and it was pointed out that it was little reduced, but redistributed to City, School District, State and County percentages, which we all then accepted in principal. Mr. Stone and Mr. Wald, who has attended several meetings as an interested citizen and real estate owner and developer, both pointed out that the cap rates used on Washington U real estate holdings were a bit high in the current market, and therefore property values a little low. Steve Stone is looking into that, so any revisions have the full support of your Subcommittee.

Mr. Pace noted that Washington U owns several non-profit properties on which they voluntarily pay real estate taxes, and that this amount should be credited to their cash contribution total. He has sent out an e-mail to us all with details of this claim but not the taxes being paid. Steve Stone's office is challenging some of these claims.

Question was raised if Washington U directly owns property for academic purposes on which they voluntarily pay real estate taxes, and then those payments probably should be credited to their package of contributions. However, if they are owned by a for-profit subsidiary or independent company and/or are used for non-academic or profit making purposes, then they should be paying real estate taxes as they will on the profit-making portions of the Lofts at Washington University. Under that circumstance, these payments shouldn't be a contribution.

Mr. Nelling did some additional research on the metrics by which various PILOT programs can be measured, since University City is such a small city compared to Greater Boston MA, Providence RI and even New Haven CT, etc. I looked at PILOTs between Boston U and Greater Boston, and between Yale and New Haven CT measured as percent's of total city revenues, as contributions per student living in the cities, and as per acre of university land within the each city, as well as by our method of percentage of lost nonprofit real estate tax revenue. He found that PILOTs vary greatly depending which metric are used and suggested we average these to make fair recommendations.

Ms. Sobotka asked that this be added information to the Subcommittee 4 Report and Ms. Albinson provided some useful additional information and proposed revisions. They will meet shortly to go over these. Dr. Kraft asked that the metrics be expanded to include the square footage and/or value of the tax exempt properties generating lost revenues, so that the scale of comparisons is clear, and Mr. Nelling agreed.

Mr. Nelling was introduced recently to Martin Braeske, AICP, formerly a professor of urban planning at SIUE and consultant to public agencies and school districts, currently teaching at St Louis University, and University City resident, who has written a detailed report on the Vanderbilt - Nashville PILOT. He offered to provide him a copy and looking forward to seeing what additional relevant information we might find there.

It was recommended by Mr. Nelling that all sub-committees to resend their most up to date summary reports with all attachments with revisions and additions to Mr. Nelling and he will circulate a final draft of the total UCWU Advisory Committee Report to all involved, and wish to give everyone several weeks or even a month to read it closely and entirely, so that everyone has sufficient time in their personal schedules. Mr. Swanstrom suggested a separate Subcommittee to do the final editing of that final draft. Mr. Nelling would like to rephrase that suggestion to say that anyone on the Committee is welcome to participate in the final editing

with the caveat that you must have read the whole report and come prepared with a marked-up copy of your suggestions or compliments and accolades as you see fit!

**Adjournment**

The meeting adjourned at 9:08pm. The next meeting tentatively had not been scheduled.