

**UNIVERSITY CITY COUNCIL
STUDY SESSION**

5th Floor of City Hall
6801 Delmar
March 12, 2018
5:30 p.m.

MEETING CALLED TO ORDER

The City Council Study Session was held in Council Chambers on the fifth floor of City Hall, on Monday, March 12, 2018. Mayor Welsch called the Study Session to order at 5:35 p.m. In addition, the following members of Council were present:

Councilmember Rod Jennings
Councilmember Paulette Carr
Councilmember Steven McMahon
Councilmember Terry Crow (*excused*)
Councilmember Michael Glickert (*excused*)
Councilmember Bwayne Smotherson (*excused*)

Also in attendance was City Manager, Gregory Rose; City Attorney, John F. Mulligan, Jr., Mubeen Mahmood, Mubeen Investment Group, and Deanna (Townsend) Burrell, Acting City Clerk

Hearing no requests to amend the Agenda, Mayor Welsch proceeded to turn the meeting over to Mr. Rose.

AGENDA

(Requested by City Manager)

1. RFP – Midland and Olive Blvd.

Mr. Rose stated the study was for a presentation on a proposal to redevelopment a City owned parcel at Olive and Midland Boulevard. Mr. Rose reminded Council that a request for proposal was submitted during the winter of 2017. One proposal was received from Mubeen Investment Inc. He stated Mr. Mahmood was present and would be making the presentation to Council. Mr. Rose invited Mr. Mahmood to the podium.

Mr. Mahmood stated there was some confusion with staff regarding getting the PowerPoint presentation ready for the meeting. Mayor Welsch asked Mr. Mahmood if he would discuss/review the information provided in the Council packet. Mr. Mahmood stated that RFP was for 7301 Olive at Midland Blvd., which is the northwest corner of Olive. He believes this is very unique corner and Olive needs a lot of development in his opinion. He thinks the whole corridor is underutilized. There is good focus on the Loop area. This development could help Olive directly if we work with Washington University. As we all know there is no room to grow on the Wash U campus; sooner or later they will need to go somewhere else. University City might work with them to expand on the north side of University City; which is the Olive corridor.

DeBaliviere has a lot of apartments and a lot of Wash U. students live there. So much so that Wash U has a shuttle running every 15 minutes during peak hours and every half hour on the non-peak hours to transport their students to campus. The students are living in the city of St. Louis, although University City is closer to Washington University.

His thought is to develop something commercial and residential. Commercial would serve the tax base and residential would help the students. We would need to offer something of better value than what they are currently getting in the City of St. Louis. He would propose building studio apartments and offering them to Wash U students with the thought that they would teach a class to high school students. The Wash U students would receive a break on their rent to live in this area. This is just one idea to make the students a part of this development arrangement.

Another part of this development would be to build retail spaces. He has been in U City for 27 years and he owns the Phillips 66 gas station at Delmar and Hanley and also the strip mall at Olive and Ferguson. He has a vested interest in this town. He would like to build some commercial property on the bottom floor and bring in a variety of restaurants and shops that would cater to the needs of the community and Wash U students. It might be franchises or more unique business that might synch up with the Loop. This development if done properly could set the standard for further developments which would be a great value to the neighborhood. This could be the start of the development going east along with the developments at I-170 and Olive; and one day become one great corridor.

Mayor Welsch asked Mr. Mahmood how he envisioned the development looking and how relates to having street level commercial property in the floodplain?

Mr. Mahmood stated that he had been working with the maps received from FEMA and believes he would have to raise the ground; which would add cost to the project. He believes it's workable. The east side of the property has the greater issue so perhaps that side could be used for parking and the development would be more on the west side.

Mayor Welsch if his vision was dependent upon acquiring the two apartments building to the west?

Mr. Mahmood stated yes it that the area is significant and it would be much better if something could be worked out.

Mayor stated that she admire the thought of having Wash U but also believes there is need for other as well. Would it be mandated that the apartments be only for Wash U? They recently put up a few hundred apartments in the Loop. Could it be residential for the greater community?

Mr. Mahmood stated the apartments would be for anyone, however he is thinking of giving something back to the youth that live in University City. We could offer the Wash U students something with lower rent and also take something by giving the youth the opportunity to learn something of value from the students teaching. He is open to ideas.

Mayor Welsch if he was familiar with the commercial that closed about twelve years ago; and the challenges that they faced with the area? Why do you think this will turn out better?

Mr. Mahmood said he didn't remember exactly what was there before.

Councilmember Jennings stated there was a nail shop, Chinese restaurant, a cell phone store and a laundromat. Parking was limited.

Mr. Mahmood stated there are too many nail shops, cell phone places; we need some quality developments and very aggressive rents to have come and work with us. He wants to bring very diverse businesses and ethnicity. He wants the development to be contemporary and also to set the bar for further developments in the area of Olive Blvd. He built the development at Olive and Ferguson ten years ago, and he believes it's one of the better developments but also feels it has been better. He wants to set the bar for further developments with this new project and he wants to take the first step.

Councilmember Jennings asked if \$2.5 M was enough considering the work that will be needed because of the floodplain and parking concerns?

Mr. Mahmood said no it would not be enough. At the point it's way above \$3M. Councilmember Jennings asked if the aggressive construction schedule of one year was enough time?

Mr. Mahmood replied that already things are a little behind but that he believed it could be done.

Councilmember Jennings asked if Mr. Mahmood had contacted any major cell phone companies?

Mr. Mahmood said he would like to see a branded company like AT&T, T-Mobile or Sprint, not the smaller cellphone stores.

Councilmember Jennings asked if there was a financial need; such as a TIF? Mr. Mahmood replied that had not been discussed as of yet.

Mayor Welsch asked how the strip mall at Olive and Ferguson was doing; are the spaces occupied?

Mr. Mahmood stated that all the tenants from 9 years ago are still there. That tells you that aggressive pricing in terms of per square foot rent and he works well with the tenants and has never had any problems keeping tenants.

Mayor Welsch asked how the new strip would be different and a step or two better as stated earlier? Do you mean the finishes inside or the exterior; how would it be better?

Mr. Mahmood stated both would be better. When he built the first strip mall, there were challenges because the property at 6800 Olive was extremely steep from front to the back. It took a lot to fill the property up, a setback variance was needed. He wanted to build a two story but there wasn't enough room. This will be very different, similar to the development on Delmar (Provisions). It's a risk for him to do an expensive development but he believes it will work. Something has to happen; if you don't build they won't come.

Mayor Welsch asked if he felt the presence of Family Dollar, which has been a challenge for many years, would be a negative if this project moves forward?

Mr. Mahmood stated that he had tried to purchase that property in the past. He believes when you build something nice, it forces those around it to improve. It was also to increase the value of the neighborhood. That's you much set the bar very high. That's a gamble he's willing to take for the neighborhood and for himself.

Councilmember Carr stated that the residents in that area have expressed the desire to have a restaurant and/or a coffee shop at the location. What kind of tenants would you bring to the space?

Mr. Mahmood stated he had spoken with Penn Station, and then he reconsidered and decided not to do fast food. He is thinking about a Bosnia bakery, coffee shop, Starbucks or Bread Company.

Councilmember Carr stated she believed people were interested in an American style restaurant, something like Applebee's. She hopes that it would be appealing to the residents that live in the immediate area.

Mr. Mahmood stated he did not think the property would be larger enough for an Applebee's. His concern with a franchise, although he is not opposed to Applebee's, is that it does not cultivate the culture. Franchises and big box stores are about the money so they pick up and leave after a few years if the numbers are not right. They are not about creating jobs or benefit to the society or the community. He would focus on solid good mom and pop operations that would give value to the community and build diversity. He would be ecstatic if a mom and pop shop wants to open a hamburger; like he built for the Spice and Grill.

Councilmember Jennings asked of 20 thousand square feet; how much would be devoted to commercial verses residential? Does the proposal have rendering included?

Mr. Mahmood replied that he would like to do 15 on commercial and 5 for residential; there are some restrictions regarding parking. There are no renderings at this point. If he receives positive feedback he would have no problem with providing renderings.

Mayor Welsch mentioned a place in Webster called the Boardwalk cafe which does not have a lot of space but is very good American and Greek food. She recommends them.

Mr. Rose asked what the architectural theme for the development would be?

Mr. Mahmood replied that the idea would be a very contemporary design; similar to design in the Loop going east.

Mr. Rose asked Mr. Mahmood which companies he has relationships with, which ones has he recruited in the past for other developments?

Mr. Mahmood stated that he has worked with the oil companies in the St. Louis area; also with Jack in Box and McDonalds. But that is not his idea for this development; he wants to go off the path and bring a cultural them here.

Mr. Rose asked if there was development that he could visit that Mr. Mahmood had done elsewhere?

Mr. Mahmood replied that has done many unique and different things. Of course you can visit the strip at Olive and Ferguson, the theater in the Galleria, several historic buildings in St. Louis City; mostly office buildings or doctor's offices.

Mr. Rose asked is this was the first mixed use development? Mr. Mahmood replied this development is different.

Councilmember Jennings asked Mr. Mahmood how many developments he has done during his career?

Mr. Mahmood stated he has done over 100 including residential; in different cities, Florida, St. Louis and Chicago.

Mayor Welsch stated this location has a number of challenges; the floodplain, the dept. and the residential directly behind. The previous strip was just one story.

Councilmember McMahon asked Mr. Mahmood is his biggest challenge was going to be bringing in the right mix of retail?

Mr. Mahmood replied that is his issue. He can build whatever, but for his own satisfaction, he wants to build something that will be for the greater good for the future. He wants to bring the variety of Loop to this side of the City. This is his vision, if Council wants something different, he can do that as well.

Mayor Welsch stated that she believes some of the variety has been lost in the Loop with the independently owned businesses when the chains started coming in. She believes there is a market in the region independently owned businesses. If this proceeds and could be a first step towards encouraging this along Olive, that would be great.

Councilmember Carr reminded everyone about Frank and Helens, which is a mom and pop restaurant. She understands the vision but would like to also remember the people that live in the area, because they would like a place to go to.

Mr. Mahmood agreed with Councilmember Carr. He stated that the owners of Spice and Grill brought their idea to him and paid for and built the building for that business. He would do it again if he was presented with the right opportunity.

Mr. Mahmood stated that he has been in the gas business for many years and has built well over the 100 in different cities. He is not proposing a gas station, which he could do in is sleep, but it would not bring value to the community. He's in the construction and petroleum business.

ADJOURNMENT

Mayor Shelley Welsch thanked Mr. Mahmood and adjourned the study session meeting at 6:13 p.m.

LaRette Reese
City Clerk

Mubeen Investment Group Inc

VIA HAND DELIVERED & EMAIL

C/O Mubeen Mahmood

1 Outer Ladue Dr.

Saint Louis, MO, 63131

314-727-4000

REQUEST FOR PROPOSAL (RFP)
DEVELOPMENT OF CITY OWNED PROPERTY
LOCATED AT NORTHWEST CORNER OF
OLIVE AND MIDLAND BOULEVARD

RESPONSE TO THE
OLIVE AND MIDLAND BOULEVARD
REQUEST FOR PROPOSAL
ISSUED NOVEMBER 20TH 2017'

BY

OLIVE AND MIDLAND LLC
(A to-be formed limited liability corporation)

Developer:

Mubeen Mahmood
BAM Properties Inc
3505 Mississippi Ave
Cahokia, IL, 62206

EXECUTIVE SUMMARY

BAM Properties as a lead developer and Mubeen Mahmood as owner is submitting this response to NORTHWEST CORNER of OLIVE and MIDLAND BOULEVARD development RFP on behalf of OLIVE and MIDLAND LLC (a to-be formed limited liability corporation), This response hopefully will meet and exceed the requirements set forth in this RFP.

OLIVE and MIDLAND LLC (“ OM’) brings a unique and highly informed perspective to the development to Northwest corner of Olive and Midland property, Mubeen Investment group Inc, BAM properties Inc and its officers have extensive experience of development the project and business operations having been in business for over 27 years, the development plan for this site calls for meeting challenges of floodplain and bringing architectural creativity given the depth of the parcels, yet OM recognizes the importance of Northwest corner of Olive and Midland, this site is extremely pivotal for the future growth of everything East and West of this corner, with the help of city planners, visionary developers and elected officials all the development on the eastside of this project should integrate with Delmar loop and Washington university, on the west side with Interstate 170 and china town.

OM recognizes the importance of this development at 7300 Block of Olive and Midland, we believe a Mixed use commercial and residential development will be very viable for that corner, A two story building with commercial on the ground level and student housing residential on the first floor will set the tone for future developments in the area, we believe this will be the first and initial step in connecting Olive with Washington university and the loop.

We already have a vested interested in University City with two commercial projects for several years, therefore we would like develop a unique structure

with Architectural significance to conform with recent development in the loop area and loop extension. We believe this project will bring significant tax revenue for the city, it will create commerce, employment and safe community. OM will achieve a great level of public benefit with this development through the approach it sets out in this RFP.

- An experienced and financially strong developer and development team with 2 commercial projects already in University city and several others in different cities and states.
- A development plan that will elevate the bar for future projects in the area.
- A development plan which will be attractive for student housing as well.
- A clearly defined development and project timeline.
- Market appropriate and financially feasible for tenants.
- Bring new businesses to the city.
- A project with extensive public benefit and safety.

OM will provide Washington University students very economical housing in exchange for teaching high school students computer programming and other subjects, therefore an area will be designed in this development for tutoring.

OM would like to build 20,000 square feet of commercial store front and 15 studio apartments, we are currently in discussion with few national fast food franchises' such as Penn Station, Dunkin Donut and others, further follow ups will take place once the land is secured. We believe only one restaurant can fit on this site along with other commercial businesses to compliment.

As a project developer OM and its principles have long standing commitment, history and belief in the viability and importance of each and every project it develops, with the development of Northwest corner of Olive and Midland OM would like to create a model that would encourage Washington University students to expand their presence towards Olive Boulevard, OM with this project would set a model for all future developments along Olive.

Section 1

Cover Page

Response to RFP

Developer:

Olive and Midland LLC / Mubeen Mahmood
(A to-be formed Limited Liability Corporation)

Architect:

Edin Covic
314-578-4953

Contractor:

BAM Properties Inc
3505 Mississippi Ave
Cahokia, IL, 62206
314-727-4000
FEIN: 43-1945939

Land Survey and Civil Engineering:

Gary Ploesser
12015 Manchester Rd
Saint Louis, MO, 63131
314-965-6732

Section 2

Project Description

Section 2, Project Description:

OM at 7300 Block of Olive Blvd will build a unique structure to compliment all recent development in the Loop area, We would recommend 2 story structure with 20,000 Square feet of commercial space on the first floor and 15 apartments on the first floor, these apartment will be designed to serve as student housing for Washington University, These apartments will be offered to University students at a very economical rate in exchange for tutoring High school students few hours a week, Commercial spaces will have a potential for fair market rate leases but still be significantly reasonable rates than the loop area.

Significant parking will be provided for commercial clients, customers and residents, all commercial spaces will be ADA compliance, ample green space will be designed around the project, we would try our best to make this a LEED standard project.

Once the site is secured by OM we would approach property owners at 7343 and 7347 Olive to purchase and incorporate those properties in this project.

Based upon our independent projections and experiences with our project at 6800 Olive we anticipate this development will generate significant tax revenue, over 50 to 75 new permanent full time and part time jobs that will benefit community residents, currently vacant corner with this development will provide safety in the community and create a link on both east and west of Olive.

OM is committed to work with the City and the community as it develops this site, this project would be directly influenced for attracting Washington University student housing and extension of loop activities on Olive, this project will set the tone for all future development in the future, OM would like to incorporate the following uses.

- Coffee shop / Bakery
- Sit-Down or Fast food restaurant
- Neighborhood oriented retail
- Game room or Party room for Birthdays and kid's activities
- Outdoor Seating
- AT & T or Sprint Mobile
- Outdoor green spaces for artwork and sculptures
- Tutoring room

Unfortunately, Gable tea room building does not incorporate with our plan therefore we recommend that it should be removed or demolished.

We have studied and enclosed several maps from Saint Louis county and FEMA, after going over many details we have concluded that elevating portions of this site and with creative design work we will be able overcome floodplain issues, that will meets and exceed all the requirements by DNR and FEMA, our project details and drawings will to be submitted to DNR to notify them with our design elements, after its approved by the city and county, this will add significant amount of expense to the project in order to complete the site work.

We would like to build a contemporary structure with LEED standards, Site plan, elevations and architectural renderings will be submitted once approved.

Site acquisition details including values, deed, legal and other particulars to be discussed if project is deemed viable.

The construction loan funding will be provided by the banks we currently work with, we believe Project cost will be around 2.5 Million Dollars, all monies will be private financing through financial institutes, we work with several financial

institutes for commercial developments, we would be able to narrow down construction cost numbers once the detail design and drawings are completed.

3. Project Timeline:

The project timeline anticipates site control by OM, once all legal issues are worked out, following should be the schedule.

RFP Submittal	January 4, 2018'
RFP Award	February 2018'
(Once RFP awarded architectural rendering and elevation drawings start)	
Completion of agreements	March 2018'
Acquisition completed	March 2018'
Community and city council/ presentation of rendering	April 2018'
Presentation of construction drawings	June 2018'
Begin planning/ permit approvals	July 2018'
Construction commencement	August 2018'
Site work Begins	August 2018'
Project completion	December 2018'.

Thank you for giving us an opportunity to respond to OLIVE and MIDLAND development RFP.