TIF Commission May 23, 2018 Meeting Minutes

The TIF Commission met at the Mandarin House Banquet Hall, 8008 Olive Boulevard, University City, Missouri on Wednesday, May 23, 2018. The meeting commenced at 7:05 pm.

1. Roll Call

Voting Members Present

Paulette Carr
Lawrence Welty
Margaret Hart-Mahon
Gerry Greiman
Lisa Brenner
Chelsea Addison
Dorothy Davis
Glenn Powers
Thomas Curran
Susan Armstrong

Voting Members Absent

Thomas Malecek Andrew Durkett

Staff Present

Gregory Rose, City Manager
John Mulligan, City Attorney
Rosalind Williams, Acting Director of Community Development
Adam Brown, Community Development Specialist
Andrew Stanislav, Planner

Others Present on City's behalf

Mark Grimm, Gilmore & Bell Mark Spykerman, Gilmore & Bell Andy Struckhoff, PGAV Planners

2. Old Business

Upon motion duly made and seconded, the Commission unanimously approved the minutes from the May 15, 2018 TIF Commission meeting with the correction of the meeting date.

Mr. Grimm provided an overview of the redevelopment plan. He explained why this TIF is unique and that the primary factor is to create a pool of funds to benefit RPA 2 and RPA 3 with the funds generated from the commercial development in RPA 1 by Novus. He clarified that Novus has no rights to RPA 2 or RPA 3 and that the generated funds would be used to benefit existing housing and businesses. Mr. Grimm further clarified the blighted areas of RPAs 1 and 3, and noted that RPA 2 is a conservation area that will use the generated funds to improve these neighborhoods to not become blighted.

Mr. Struckhoff explained the RPA areas and the concepts of the proposed programs, the TIF act and its requirements, and further explained the difference between the blighted areas and the conservation area. He also explained some financial estimates and briefly described the cost-benefit analyses of each RPA area.

Jonathan Browne, President of Novus Development, stated that this development in RPA 1 would be a public-private partnership and recognized the amount of interest in the larger project overall. He said that the benefits to U City would be substantial, and gave an outline of the financial benefits.

Bruce Holland said that it would be difficult to achieve 39% minority inclusion in contracting for the construction project, but that they would make their best effort to include minorities. Ms. Armstrong said she believed that they could find 39% minority participation in the construction of the project. Missouri's Office of Supplier and Workforce Diversity is one resource to help achieve inclusion of minority/women-owned vendors, suppliers, businesses, and skilled labor for the construction project.

Rosalind Williams explained 3rd ward redevelopment; RPA2 is the primary reason for this project. Compared with the 1st and 2nd Ward, the 3rd ward's median sales price has dropped since recession; in wards 1 and 2, trends are okay. 3rd ward prices went down after the recession and haven't recovered.

She explained that the City would act as the Master Planner, and that the intention of the plan was to disrupt the decline in home values and quality that has occurred over time. She said that the City has no intent to take properties, but to protect and stabilize the neighborhood. She said the community would be involved in the planning process.

She then explained the relocation plan for businesses and residents, including incentives offered to retain businesses and residents displaced by the development in RPA 1.

Ms. Addison asked if the \$10,000 relocation assistance would be available to renters. Ms. Williams responded yes, for down payment in RPA2 area. For other parts of U City, \$2,000 would be available.

Taxing Districts

Ms. Brenner read a statement from the CFO of the University City School District, Mr. Hafertepe. The school district is analyzing PGAV analysis of costs and benefits, and the loss of 12 students projected; the District strongly urged the City to provide substantial assistance to owners/renters to keep students in school. Safe stable neighborhoods would benefit schools, but recommended modifications to TIF may provide more revenue to schools as their enrollment increases.

3. Public Comments

Comments limited to 3 minutes each.

Larry Glinn, 8668 Olive, Cummings, McGowan and West, has been in business since 1961 and has 18 employees. Pays a lot in sales tax already. His business uses 1.5 acres and needs area near an interstate; he cannot relocate in U City. He wants the same price his neighbors are being offered.

Karen Nielson, 521 Westport, understands developers passed by for decades, feels this is regionally significant, would rather spend her money in U City; development examples nearby with success; tax benefits and upgrades sound great; direct benefits for residents and schools.

Helen Fletcher, 8701 Delmar, feels this is an opportunity of a lifetime for U City; asked if you're not on board, what else do you propose?

Jackie Hutchinson, 6921 Etzel Ave, 42 year resident. Not convinced that TIF funding is needed to bring this project to U City. Wants to see a timeline for when funds will go back into Ward 3. Are there other development options? Not convinced, wants to see more data.

Vera Carter-Smith, 8505 Elmore, in favor of improvement, but concerned about the area on the edge of RPA1. Will eminent domain be used to claim more properties on the boundary line? Concerned about health effects related to construction.

Judith Gainer, 721 Harvard, says she can imagine why some people oppose; RPA2 to lose homes and businesses too; many folks have been working for a long time on Olive, hope for redevelopment; developer to reach out; understands process; City Council has best interest, faith and trust in them. Developer is a man of his word.

Sandra Whitley, 8642 Spoon, said she is 100% against this proposal, it is a black and white issue; the Developer is taking homes from families. If it's 100% black homes being taken, how about 100% minorities hired in construction?

Elsie Glickert, 6712 Etzel, 93 year resident; knew the Browns for a long time, spoke to Jon's 3rd ward roots; has support for him.

Norma Foster, 8525 Richard, lives in RPA1, intends to live her life there and says she doesn't need extra money to keep her house beautiful.

Jane Zeni, 1310 Midland, has lived here 40 years and loves her neighborhood. A lot is attractive (about the proposal), the money from RPA1, but what guarantees it will happen? Wants a "Ferguson Commission" style guarantee. Also, is this project going to be connected to the sewage construction? Would like to see area with trees and green, not like a strip mall.

Ella Swierkosz,7227 Cambridge, concerned there is no thought about if the income from the TIF does not meet its mark. Where would that leave us?

Tom Sullivan, 751 Syracuse, opposes TIF development. It treats residents as disposable. The Developer claims there is no eminent domain used but for Public Storage, but this is not true. Sounds good coming from the City but it is not believable. It's a bad deal for U City.

Ariel Gardner, 8649 Richard, moved to our house (in RPA1) 15 years ago, got married in the backyard. At first did not consider Novus' proposal, but after considering their family's future, decided it was best to take the offer. It's important other people know the good narrative (about Novus), they gave us a straight and fair deal. Being offered more than 2x the market rate. This gives us security and potential to pass something down in our family. We are buying our next home in U City.

Janet Whitney, 526 Purdue, was already excited about this project, does not shop here (U City) now. Very impressed with the planning of the project.

Don Johnson, 8310 Elmore, look at the past. Projects in Meacham Park and Brentwood have replaced entire communities. Do the board members live in RPA1? No support for NOVUS. Hard to believe minorities will get hired, even in 2018.

Brian Burkett, 7471 Kingsbury, supports project, this vision has been an idea over the years, this will increase property values, he owns a home in U city and Wards 1 and 2 have seen increased values, why shouldn't Ward 3? He wants to be able to spend his money shopping in U City.

Ms. Black, 8642 Richard, is from U City and feels there is more traction for the development, that the community used to be bustling. She noted that Novus had come up in price for purchasing property, she will have memories of her old home, but there is money for benefits now.

Jeff Atkinson, 222 Central, is a lawyer speaking on behalf of John McClaire and Ed Beyers, owners of Bavarian BMW and Beyers Lumber. He noted that these businesses had operated successfully in U City for 29 and 72 years respectively. They offer high end work to many employees with good wages. He claims the definition of "blight" by the developer is false, and that the numbers do not add up.

Bobette Patton, 8639 Spoon, loves the project, lives next to the project, wants to see people spend money here. They have to go to Illinois for the nearest Costco, said that lack of minority participation is a problem

Phillis Hardy, from Sunset Hills, expressed concern for businesses in the area, concerned about the use of eminent domain on businesses, and is against this use, she is an advocate for small businesses, she said that Novus had attempted to use eminent domain in Sunset Hills, but due to efforts by the community had not, and she requested that eminent domain be taken off the table in this negotiation.

Joshua Hedlund, 1135 81st Street, could minorities outside of the union be used? Questions about relocation, businesses cannot afford to wait 2-3 years for new spaces to be built, wants green, pedestrian friendly development incorporating the Greenway.

James Bashkin, 7739 Stanford, is concerned that revenues will not be met, concerned about traffic on Olive Blvd, construction doing damage to businesses on Olive and even Delmar due to construction.

Christie Mackey – (read by Tim Cusick) lives on Princeton, Olive is a source of distress, there is a need for U City to put attention into Ward 3, wants tax revenues to remain in the community and likes the idea of investment in the 3rd Ward.

Scott Herman Keeling, 7350 Stanford (read by Tim Cusick), supports the development, wants 3rd Ward residents to be treated fairly.

Julian Hess, 7431 Stanford (read by Tim Cusick), supports projects and likes Novus' approach, said there is a great need for investment.

Amy Redfield, 7033 Stanford (read by Tim Cusick) supports the TIF as a rare and good project.

Gary Nelling, 853 Warder, (read by Tim Cusick), Novus has a good track record.

Aren Ginsburg, 430 West Point, been in U City about 20 years, happy to see property values go up, wants 3rd Ward to see values increase, wants people to spend money in U City.

Nathan Kwarta, 1039 Rasher, opposed because of the lack of minority representation, impact on Deer Creek watershed, concerned about flooding issues, says \$2,000 is not enough money for relocation.

Claire Antoine, 6424 Cates, grew up in 3rd Ward, asked about the Jon Ferry report, submitted a sunshine request for the report, which is pending, asked why this is not on city's website, she wants to see a Community Benefits Agreement, and asked why Wash U does not pay more taxes - \$1.89 Million per year lost, pushes diversity to edges of town, affluent families send kids to private schools.

Matt Stiffelman, 8523 Varney, north of Olive, close to Woodson, his home will be impacted. He has a family history in U City, opened Vernon's BBQ, he said there are good and bad developments, he said the City has done a bad job explaining this project to citizens, wants citizen involvement, the 3rd Ward has been neglected, he stated the need for a contract to bind the promises.

Margaux Sanchez, 521 Purdue, 10 year resident, feels this is the right project for U City, feels that groups speaking to commission about CBA need more info, including the Jon Ferry report, she recommends that Forward Through Ferguson, For the Sake of All, and Equitable STL be brought in to speak with the Commission, she requested to delay a vote until this info is available.

Patricia Washington, 7040 Plymouth, City intentionally divested itself from the 3rd Ward, now wants the 3rd Ward to be the "carrot" for this project, she likes the emphasis on the 3rd Ward but doesn't see a plan for the 3rd Ward, 3rd Ward was not involved from the get-go, she wants to see money not just spent on brick and mortar, but on job training, etc., calls for a codified and well thought-out plan.

Sonya Pointer, 8039 Canton, wants to delay the vote until a CBA is in place, community development is more focused on economic development because the community is not involved, concerned about gentrification, displacement, and long-term affordability issues, called for inclusionary zoning ordinance for affordable housing.

Patricia McQueen, 1132 George, wants to approve the TIF, 2015 vacancies in Ward 3 are 2-3 times the amount in Wards 1 and 2. Wants retail money spent in U City, recession and banks have not done 3rd Ward justice, need influx of revenue to attract and retain businesses, does not think the process has been too fast.

Alison Andrelchik, 1039 Raisher Dr, Seconds all social just issues raised, has environmental concerns about waterways, long-term effects are less sustainable, more concrete in development, tired and old kind of project.

David Harris, 8039 Gannon, will TIF Commission discuss the designation of areas as blighted by consultant, what are the public safety cost impacts of the project, RPA 2 funds of \$13 million are actually only \$570,000 per year, which is not as much as it seems, are RPA 1 corners east of McKnight included or not? Could the development happen only north of Olive?

Cindy Zirwes, 6935 Waterman, in favor of the development, but is concerned about the environment, traffic, and the CBA demands – feels that the City's plans should be specific with regard to language.

Tim Parson, 1161 Ursula, not opposed, city has money, we shouldn't subsidize, wondered where money comes from, would like a full disclosure of agreement/contract, needs to ask community what businesses will bring in.

Zun Xing Lee, 8224 Olive, Lulu's owner (read by Caroline Fan), His Asian-American business, Lulu's, has been a top generator for U City for 15 years, does not want his taxes to bring in outside businesses, but to grow U City's existing businesses, Costco would take out local supermarkets, nothing was translated for foreign owners, Ms. Fan felt there should be another hearing for interested people, read from a letter by the owners of Nobu, and stated that Olivette had said no to Novus due to their reputation.

Jan Adams, 7150 Cambridge, clarified issues from the last meeting. If approved, she feels TIF should be contingent on CBA, she also asked if the MSD construction would be happening at the same time.

Senator Marie Chappelle Nadal, 7133 Dartmouth, stated she is a lifelong U City resident, she is concerned with the history of blighting, she said she has been filibustering efforts to get rid of the pool tax this year, and that there is a 5 year wait for Section 8 in St. Louis County.

Pho Long restaurant – sister and brother (children of the owners) said their restaurant had been at that location for over 20 years. The proposed rent in the new space would be 2 times higher and not affordable to them, other restaurants are in the same boat, said relocation payments are not enough to move a restaurant, and that they will likely move if this goes through.

Ellen Bern, 7001 Washington, disagreed with the process, the problem with meetings, the rushed Roars issue with no numbers or what is proposed, the Chamber of Commerce had not been included, feels the process has been rushed, on 17% of the funds generated go to the 3rd Ward, while the developer would get 83%, said McNair building is not surplus, that more data was needed and more meetings to discuss a CBA.

Arlene Zarembka, 7500 Trenton, 40+ year resident, worries about displacement of people, especially older people, who do not want to leave, we don't know how projected receipts will go, CBA in writing, wants eminent domain taken off the table.

Maryanne Coley, 7365 Drexel, huge expense for Roars put out without much info, it was a chance to gain trust but did not, what is the timeframe of the development, what about the schools, schools need McNair for growth.

Yvette Liebesman, 7570 Cornell, in support of the TIF, what happens to homes in 3rd Ward if this does not go through? Example of parents' home, sold for land only – need to invest in housing to help sell homes.

Daarina Musaddiq, 8315 Fullerton, optimistic about plan. Lack of transparency a concern – the City could gain more support that way, hopes jobs offer living wages

Lindell Boyd, 1100 Kingsland, family history in U city, feels that the north side of the City has been decaying, the south side has received more attention from the City, this is a crossroads and opportunity for the community

Kathy Straatman, 6855 Plymouth, 3rd Ward resident, the community is a tight-knit community of homeowners, the decline in property values concerns her and her neighbors, supports project because it will be good for community and houses, encourages anyone who wants to be involved to go to meetings and get involved

Adolphus Pruitt, 4811 Delmar, with NAACP, wants more expert opinion, explain specifics of minority workers in area, make contingent on County Bill 350, says there are enough minority people willing and able to work.

Lianet Blanco, 6957 Corbitt (read by Caroline Fan), just hearing about it for the first time today, wants another public hearing, will fall on residents to pay if it fails, other Novus developments have failed, wants to protect schools, no eminent domain, wants a CBA, need info in multiple languages, Ms. Fan also read for Nobu Kidera, 8643 Olive, Nobu would like to stay in U City, lack of info, on a short-term lease, just purchased \$20,000 AC system they will have to leave behind, owners are older, have no retirement savings, want CBA, want another hearing.

Mr. Greiman proposed to continue the public hearing. He proposed June 6 at the same location unless a better could be found. Motion was made, seconded, and unanimously approved to continue the public hearing to 7 p.m. on June 6 at the Mandarin House Banquet Center.

Adjournment

The meeting was adjourned at 11:10pm.

Note: These minutes are a summary. The full recorded meeting including public comments are available in the Public Documents section of University City's website: www.ucitymo.org