

AGENDA  
U City Loop Special Business District Board Meeting  
Blueberry Hill-Pac Man Room, 6504 Delmar  
Tues., January 14, 2020, 10 am

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1. Call to order and Introductions
2. Approval of minutes from December 10, 2019 meeting
3. Public comments: three-minute limit requested
4. City Council Updates
5. Quarterly Financial Report-Ending 9-30-2019
6. Old Business:
  - a. Strategic Plan Consultant Update
  - b. LSBD By Laws Changes
    - i. Members
    - ii. Committee Selection
7. New Business:
  - a. Elect Officers
8. U. City staff report: Libbey Tucker
9. Next Meeting-February 11, 2020
10. Adjourn

M I N U T E S  
U City Loop Special Business District Board Meeting  
Blueberry Hill-Pac Man Room, 6504 Delmar Blvd.  
Tues., December 10, 2019

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**Attending Board Members:** Michael Alter, Joe Edwards, Ben Evans, Wendy Harris, Ryan Patterson, Tom Schmidt, Nakita Smith & Steve Stone

**Absent Board Member:** None

**Guests:** Councilmember Paulette Carr, Councilmember Tim Cusick, Mary Gorman (property owner), Aleta Klein (resident), John Mulligan (City Attorney), Gregory Rose (City Manager), Paul Schoomer (resident), Libbey Tucker (Director of Economic Development)

**Call to Order:** Joe Edwards called the meeting to order at approximately 10:50 a.m.

Approval of Minutes: A motion was made by Nakita Smith and seconded by Ryan Patterson to approve the minutes of the November 12, 2019 meeting. The motion was approved unanimously.

Public comments – No Comments.

**OLD BUSINESS**

LSBD Annual Election Update: As announced in the general meeting, the three candidates receiving the most votes from the mail-in ballots were Nakita Smith of Clarity Salon, Tom Schmidt of Salt + Smoke and Brent Roam, Pastor of One Family Church. The fourth candidate was property owner Dan Wald. Considerable discussion was held on the validity of Mr. Roam being eligible for a board position since churches are exempt from obtaining a business license or contributing directly to the tax base. Mr. Evans noted that attorneys are also not subject to the business license fees according to state statute, however he holds a board position. Councilmember Carr stated that this recent determination by the City Attorney that attorneys and churches should not be issued a business license won't be retroactive and that Mr. Evans should finish out his board term.

Mr. Evans stated he felt this stance on the license fees and board positions was results oriented. Mr. Rose stated that that focus is on City Council clarifying the ordinance and by-laws and not on a new policy being created. Councilmember Carr stated that this was discussed at the last meeting and that Council has been working to bring all Boards and Commissions of the City into compliance, including the LSBD. She stated she was not aware any exemptions existed for business licenses until recently and that she is not willing to support a change in the ordinance or by-laws to modify those who are eligible to be on the Board.

11:05 a.m. – Ben Evans left the meeting due to prior obligations.

Mr. Stone stated that he understands Ben's frustration, but that this Board makes recommendations to Council about spending of public funds and that some businesses contribute more than others. He feels the church does not have the capital investment that other businesses make and that he is happy have Mr. Roam's input from the general meeting but not to participate at a Board level. It's a different level of commitment than a business or property owner has.

Mr. Stone stated that the way the votes are cast is unusual in that it's based on the ownership of businesses or property. He stated that he has two votes; Mr. Edwards has 11; yet they own roughly the same amount of building area. He feels they should each have one vote. Mr. Stone stated that he shouldn't be on the board if one of his tenants is on the board due to an inherent conflict of interest. Mr. Stone stated that if the organization is seeking openness, then we need to change the way we do business and elect board members who represent the area.

Mr. Edwards disagreed and noted that it's an anonymous election; there is no influence. He feels he has a right to cast a vote per each business and property he has invested in and that it is a fair process. He noted that in 1980s, Mr. Stone and Mr. Wald had two buildings and he owned one building and one business. They each had two votes. He further stated that he has purchased and renovated additional buildings and added businesses over the years and feels it is fair to have representation for each parcel and business he has invested in. He stated that we want the best people on the board to give the best to the board.

Mr. Schmidt stated that it will be hard to find nine people to run for the board seats if these exclusions are put in place. Mr. Stone stated that we need to change the way we do business to seek openness to the process.

Mr. Alter stated that he understands governance is important and that he's been on the Board a long time and has worked to make The Loop a better place. However, it disturbs him that as a board they have struggled to make greater change. He wants to find ways to be more inclusive and noted that the board structure must be set up to bring more talent to the board with members who are willing to work. Ms. Smith stated that there is a need to bring more business owners to the meetings and get involved.

Mr. Patterson stated that the Board needs to review the rules/by-laws and clarify the voting process on whether to include not-for-profits and service businesses. Ultimately the City will need to approve this. Mr. Edwards noted that at the last meeting, the Board decided to wait to see the outcome of the vote. Mr. Stone reiterated that the Board needs to rethink the election process.

Financial Report. Mr. Edwards stated that the financial documents as prepared by the accountants would be ready in January to coincide with a quarterly report.

Strategic Plan. Mr. Edwards stated he met with the principal of The i5 Group, Stephen Ibandahl, to negotiate the term and cost of the work for the strategic plan. They are

currently quoting a cost above the budget and Joe noted that since there is overlap of work being done with the City's strategic plan for economic development there should be some economies of scale. They are continuing to refine the scope of the work to be done.

Selection of West Loop Major Events. Mr. Edwards stated that holiday events have been ongoing since Halloween through the December Holidays. Others include the Loop Ice Carnival and the Arts & Music Festival (Arts Fest). Nakita Smith noted that Style in the Loop was an event discussed at the Marketing meeting in September. Wendy Harris stated that the residents need to be involved in the events. Mike Alter noted that there used to be an organizer behind each event, such as the Loop in Motion, and that we should try to bring back those larger events. The publicity-type events are not turning into sales. It was also suggested to get involvement from the Parkview Gardens Association and Wash U students. There was some question as to whether the Loop in Motion name was available for use.

A motion was made by Ryan Patterson and seconded by Wendy Harris to select the following to be the four major West Loop events:

1. Loop Ice Carnival
2. Holidays in the Loop (Halloween to Christmas)
3. Loop Arts Fest
4. Loop in Motion/Style in the Loop

The motion was unanimously passed.

## **NEW BUSINESS**

Term Sheet & Bylaws. Attorney John Mulligan suggested working with a smaller group of board members to refine the services to be offered by the City in the Term Sheet and updates to the Bylaws. The language regarding the members at large and district members needs to be addressed, in addition to the reference to standing committees. Another issue he identified is that currently, the members-at-large must approve any by-laws changes the Board makes, which is not typical. He suggested a small committee would be productive to work with on this effort. Mr. Mulligan reiterated the importance of this and that special taxing districts are under scrutiny from the Missouri State Auditor and that the City Council and City Manager are very mindful of this. We want to be sure we are transparent and in compliance.

Mr. Stone stated that in their formulation of the West Loop CID, they are discussing the board voting based on some standard such as floor area or property taxes paid. They will be looking to the City Attorney for guidance on this and suggested that method could also be applied to the LSBDD board. Mr. Rose noted that the goal is to minimize the City's involvement in the inner workings of the LSBDD. The City is making sure this Board, and others, are operating in compliance. He felt John's suggestion of working with a small group of Board members on this is good and that the LSBDD Board members need to formulate what goes into the document. He noted the City Council approves the Memorandum of Understanding for City services, but not the Bylaws.

Consideration of Part-Time Executive Director Position. Ms. Tucker noted that the Board approved the job description for an Executive Director position at the November Board meeting. It is suggested that the Board consider hiring a part-time person for the position. Her research for similar positions around the state show a salary range for a full-time position were \$50,000-\$75,000 per year, so a part-time position would correlate to \$25,000 - \$37,500 per year. The City will advertise the job, post on their web site, and lend HR assistance in screening and passing applications on to a selection committee. We would like to establish the salary range so that can be a known part of what's being advertised.

In response to Mr. Edwards, Ms. Tucker stated the money for the salary would come from the LSBF funds. Mr. Rose stated that the City suggests it be a part-time position with the potential to become full-time and that the City wants to be sure the salary aligns with the revenues the LSBF receives. Mr. Schmidt stated that there aren't excess funds in this fiscal year to support a \$25,000 salary, noting that previous direction was to end the MOU with the East Loop and use those funds. He stated that depending on when that occurs, there would be \$20,000 in the second half of the year that hasn't been spent for Rachelle's services, unless the agreement is terminated sooner.

Mr. Patterson questioned whether a part-time position could deliver the marketing efforts that are needed, stating that the managerial part is important, but wondered whether the position could deliver the marketing needed. Mr. Rose noted that part-time can be up to 30 hours per week and the position would be not be based on hours worked, but a set amount to get the work done within a given timeframe.

Mr. Edwards noted that they need to decide where that person could have an office. Mr. Rose noted that decision could be made later. They could start out working from home; however, long term it will be important for the person to be in the Loop. Mr. Schmidt pointed out that the \$25,000 salary doesn't include payroll taxes or benefits, so the amount is higher. Mr. Rose stated that the board should ensure they are able to advertise the position consistent with what the needs are. City Council is interested in making sure someone is in place who can address the events, marketing, and administrative roles.

Mr. Alter asked how much is there to invest in the events? It was stated that \$85,000 was approved from the EDRST fund. Mr. Rose suggested that some of that funding could go toward the position salary for administering those events. Ms. Tucker stated that her research showed that a full-time salary would range from \$50,000-\$70,000 plus funds for insurance and a phone allowance.

In response to a question by Mr. Edwards, Ms. Harris stated she felt Rachelle does a great job and that her business shows big increases with events. Mr. Edwards questioned how the LSBF could keep her as well as fund a part-time position? Mr. Stone stated that ultimately, the organization needs a full-time person to coordinate with the East Loop CID but that the West Loop needs an individual to be responsive to U City's needs.

12:20 PM – Ryan Patterson left the meeting.

Mr. Alter stated that with the Loop Ice Carnival being four weeks away, it's not practical to end the MOU with the East Loop. Mr. Schmidt stated that as business owners, they know what is needed better than City Council and that it seems short sighted for the West Loop to pay for their own director. Mr. Rose stated he didn't think having two executive directors would limit collaboration but enhance it. He noted that it's important from an economic development standpoint as well and that this person also will perform economic development functions in recruitment and retention. Further, he stated that while we can work with someone representing the East Loop, the City of St. Louis is a competitor for us. It serves as a conflict of interest if they are working to attract businesses for both the east and west Loop. The allegiance will be to who pays them, and that factor can't be removed. Mr. Edwards stated that the ¼ cent sales tax for economic development pays for Libbey's salary to do economic development and questioned why the person in this position should be doing economic development as well. Mr. Rose noted that the Loop businesses contribute 17% to the EDRST tax and that it has been and should be higher. Libbey is responsible for economic development throughout the entire city, so 17% of her time should go toward the Loop; however, he noted the Loop needs more than that and that having a dedicated person for economic development in the Loop would be important.

Mr. Stone noted that The Loop Ice Carnival would take place before a hiring decision could be made. In response to a question, Ms. Tucker stated that the part-time salary range would be \$25,000 - \$35,000 and that benefits, if offered, could be an additional 30%. Mr. Alter stated that it's important to collaborate effectively between the two positions.

Mr. Stone made a motion to proceed with establishing a salary structure for a part-time position with the established scope of work in the previously approved job description and to begin discussions with the East Loop CID about terminating the MOU for services. Mr. Rose asked if the motion includes the approval of the salary structure that is being recommended, approving a part-time position, and that it would be advertised that it could become a full-time position. Mr. Stone agreed that it did.

The motion died for lack of a second.

A motion was made to adjourn the meeting by Steve Stone and was seconded by Wendy Harris and was unanimously approved.

The meeting adjourned at 12:36 p.m.

**FINANCIAL STATEMENTS  
AND  
ACCOUNTANTS' COMPILATION REPORT**

**UNIVERSITY CITY LOOP SPECIAL BUSINESS DISTRICT**

**September 30, 2019**



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## Accountants' Compilation Report

To the Advisory Commission  
University City Loop Special Business District

Management is responsible for the accompanying financial statements of the governmental activities and each major fund of University City Loop Special Business District (the "Loop Special Business District"), a component unit of the City of University City, Missouri, which collectively comprise the statement of net position and governmental fund balance sheet – cash basis as of September 30, 2019, and the related statement of activities and governmental funds revenues, expenditures and change in fund balances – cash basis for the three-months ended September 30, 2019. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures required in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Loop Special Business District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require the budgetary comparison information included in the schedule of revenues collected and expenditures paid – general fund – budget and actual – cash basis, be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

*Kerber, Eck & Braeckel LLP*

St. Louis, Missouri  
January 6, 2020



**UNIVERSITY CITY LOOP SPECIAL BUSINESS DISTRICT**

**STATEMENT OF NET POSITION AND  
GOVERNMENTAL FUNDS BALANCE SHEET - CASH BASIS  
September 30, 2019**

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	<u>Statement of Net Position General Fund</u>
ASSETS	
Cash	<u>\$    91,297</u>
FUND BALANCE/NET POSITION	
Unassigned/unrestricted	<u>\$    91,297</u>

No assurance provided

**UNIVERSITY CITY LOOP SPECIAL BUSINESS DISTRICT**

**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - CASH BASIS**

**Three-months ended September 30, 2019**

	Statement of Activities General Fund
Expenditures/expenses	
General government	
Contractual services	
Professional services - marketing & executive director	\$ 20,000
Maintenance contracts	1,500
Insurance	5,176
Telephone & pagers	246
Total contractual services	<u>26,922</u>
Commodities	
Office supplies	360
Agriculture supplies - planters and watering	6,000
Recreational supplies - holiday lights	348
Miscellaneous	(1,500)
Total commodities	<u>5,208</u>
Other - EDRST	
Special Events	5,343
Official visitors guide ads and promotions	6,712
Loop brochures & illuminated directories	40
Total other - EDRST	<u>12,095</u>
Total expenses	44,225
General revenues	
Real estate tax	-
Licenses, permits, fines & fees	-
Other - EDRST	74,470
Total governmental revenues	<u>74,470</u>
Net governmental revenue (expense)	30,245
Other financing sources (uses)	<u>-</u>
CHANGE IN FUND BALANCES/NET POSITION	30,245
Fund balance/net position at July 1, 2019	61,052
Fund balance/net position at September 30, 2019	<u><u>\$ 91,297</u></u>

No assurance provided

**UNIVERSITY CITY LOOP SPECIAL BUSINESS DISTRICT**

**SCHEDULE OF REVENUES COLLECTED AND EXPENDITURES PAID - GENERAL FUND -  
BUDGET AND ACTUAL - CASH BASIS**

**Three-months ended September 30, 2019**

	Budgeted amounts		Actual	Over (Under)
	Original	Final		
<b>Revenues</b>				
Real estate tax	\$ 50,000	\$ 50,000	\$ -	\$ (50,000)
Licenses, permits, fines & fees	30,000	30,000	-	(30,000)
Other - Economic development retail sales tax (EDRST)				
2018-2019	-	-	74,470	74,470
2019-2020	124,000	124,000	-	(124,000)
Total revenues	<u>204,000</u>	<u>204,000</u>	<u>74,470</u>	<u>(129,530)</u>
<b>Expenditures</b>				
<b>Contractual services</b>				
Auditing & accounting	3,000	3,000	-	(3,000)
Professional services - marketing & executive director	42,100	42,100	20,000	(22,100)
Maintenance contracts	8,400	8,400	1,500	(6,900)
Temporary labor	1,000	1,000	-	(1,000)
Postage	500	500	-	(500)
Printing services	1,000	1,000	-	(1,000)
Insurance	1,500	1,500	5,176	3,676
Telephone & pagers	100	100	246	146
Internet services	2,000	2,000	-	(2,000)
Membership & certifications	1,000	1,000	-	(1,000)
Total contractual services	<u>60,600</u>	<u>60,600</u>	<u>26,922</u>	<u>(33,678)</u>
<b>Commodities</b>				
Office supplies	1,300	1,300	360	(940)
Agriculture supplies - planters and watering	8,000	8,000	6,000	(2,000)
Recreational supplies - holiday lights	2,000	2,000	348	(1,652)
Miscellaneous	8,000	8,000	(1,500)	(9,500)
Total commodities	<u>19,300</u>	<u>19,300</u>	<u>5,208</u>	<u>(14,092)</u>
<b>Other - EDRST</b>				
Special Events	85,000	85,000	5,343	(79,657)
Official visitors guide ads and promotions	14,000	14,000	6,712	(7,288)
Loop brochures & illuminated directories	6,000	6,000	40	(5,960)
New lighting & wayfinding signage	19,000	19,000	-	(19,000)
Total other - EDRST	<u>124,000</u>	<u>124,000</u>	<u>12,095</u>	<u>(111,905)</u>
Total expenditures	<u>203,900</u>	<u>203,900</u>	<u>44,225</u>	<u>(159,675)</u>
Revenues over (under) expenditures	100	100	30,245	30,145
Other financing sources (uses)	-	-	-	-
Net change in fund balance	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 30,245</u>	<u>\$ 30,145</u>
Fund balance at July 1, 2019			<u>61,052</u>	
Fund balance at September 30, 2019			<u>\$ 91,297</u>	