

STUDY SESSION
Guiding Principles for
Development of Housing and Communication Plans
VIA VIDEOCONFERENCE

November 9, 2020
5:30 p.m.

AGENDA

Requested by the City Manager

1. MEETING CALLED TO ORDER

At the Study Session of the City Council of University City held via videoconference, on Monday, November 9, 2020, Mayor Terry Crow called the meeting to order at 5:30 p.m.

In addition to the Mayor, the following members of Council were present:

Councilmember Stacy Clay
Councilmember Aleta Klein
Councilmember Steven McMahon
Councilmember Jeffrey Hales
Councilmember Tim Cusick
Councilmember Bwayne Smotherson

Also, in attendance were City Manager, Gregory Rose; City Attorney, John F. Mulligan, Jr.; Director of Planning and Zoning, Clifford Cross, and Communication Specialist, Robyn Frankel.

2. CHANGES TO REGULAR AGENDA

Mr. Rose requested that Items J (2) and (3) be removed from the Consent Agenda and added to the City Manager's Report.

3. HOUSING PLAN

Mr. Rose stated for several months the Department of Planning and Zoning has been looking at ways to establish Housing Programs designed to address some of the issues facing this community. Council's input, along with community outreach associated with the Comprehensive Plan, the Olive/170 TIF, and neighborhood plans, will be utilized to develop a draft plan.

Mr. Cross stated their goal is to preserve and enhance a range of housing options that will improve the quality of life for residents while maintaining diverse and inclusive neighborhoods. This process was initiated by looking at some of the housing programs offered by other entitlement communities which he has had personal experience in administering. The summary provided to Council is a supplemental document that illustrates the funding sources and partnerships needed to institute these programs.

Housing & Urban Development Programs

- Community Development Block Grant (CDBG)
- Home Investment Partnership

Both programs are administered by St. Louis County, an Entitlement County that receives funds on a yearly basis established by Census data. Annually the County receives \$5,666,736 in CDBG funds and \$3,623,107 in Home funds which are redistributed throughout multiple communities. These funds constitute St. Louis County's 5-Year Consolidated Plan which sets the framework for their yearly Action Plan.

U City receives roughly \$100,000 a year, which is typically distributed as follows:

- \$75,000 to Public Works projects, and
- \$25,000 to the police projects

St. Louis County distributes approximately \$10,000 a year for the City's home rehabilitation projects.

Mr. Cross stated he would like to see the City's Housing Programs mirror the County's 5-Year Consolidated Plan. Part of this process requires evaluating whether the City could receive more funding if it were a Standalone Entitlement Community that could receive funding directly from the State, rather than in a partnership with St. Louis County. Columbia, Missouri is one example of a Standalone Entitlement Community that receives roughly \$974,000 in CDBG funds and \$606,000 in Home funds on an annual basis.

Columbia, Missouri - Primary Housing Programs

- **Home Rehab & Energy Efficiency**
 - An important program for homeowners caught between fixing major repairs and abandoning their home.
- **Acquisition & Demolition**
 - Provides funds for the demolition of unsalvageable properties which ultimately leads to the creation of a land bank or trust program to work with private developers on in-fill developments to help stabilize neighborhoods.
- **Homeowner Assistance**
 - An avenue for homeownership that provides down-payment and closing cost assistance.
- **Columbia County Land Trust**

Funding

CDBG

20 - 40% Affordable Housing Stock
20 - 50% Infrastructure
10 - 50% Economic Development
0 - 30% Community Facilities
0 - 5% Fair Housing
Up to 18% Administration

Home

15% Community Housing & Development
75% Rehabilitation, New Construction and Homebuyer Assistance
10% Administration

Home Rehab & Energy Efficiency - Potential Improvements

- Roof Replacement
- HVAC
- Removal of Lead-Based Paints; *(corresponds with HUD's Lead Program; 90% of the work associated with this program encompasses window replacement.)*
- Electrical & Plumbing Repairs
- Excessive Building Improvements
- Energy Improvements

Acquisition & Demolition - Potential Improvements

- Demolition
- Grading & Site Prep
- Repair & Replacement of Water and Sewer Connections

Homeowner Assistance – Potential Activities

- Down-Payment and Closing Costs; *(Staff's recommendation would be to partner with a Homebuyer's Education Program.)*

Benefits of Homebuyer's Educational Programs

- Enhances buyer's ability to demonstrate an understanding of the steps associated with homeownership; selecting and financing a home; the loan process, and budget and credit management
- Provides greater appreciation for communication with the lender
- Improves the underwriting process
- Improves individual credit scores
- Avoids delinquency and foreclosure

Where Do We Go

Development of 5-Year Consolidated Plan

- Seek public input to create and implement programs
- Identify priorities
- Yearly Action Plan
- Annual Performance Report

Mr. Cross stated he believes this type of plan would strengthen the City's application process and possibly lead to additional funding.

The eventual structure would probably fall under a new Housing and Neighborhood Services division within Planning and Development. This division would be responsible for neighborhood outreach, administration of housing programs, education of residents on available resources, securing funding, and maintaining partnerships with all stakeholders.

Councilmember Cusick asked if the \$100,000 from the County included the CDBG and Home Investment Partnership Funds. Mr. Cross stated his understanding is that the \$100,000 comes from the CDBG funds. Councilmember Cusick asked if that amount is based on the City's population? Mr. Cross stated it is based on the Census and a formula that the County uses to distribute funds. And this program is premised on the fact that his previous employment with a Standalone Entitlement Community that had a population of roughly 27,000, received \$464,000 in 2017. Councilmember Cusick stated based on Columbia's appropriations he estimated that U City could possibly receive \$439,000 if it became a Standalone Entitlement Community. Mr. Cross stated that would be pretty close since U City's population is comparable to the City where he was previously employed. He would note, however, that the amount they received in 2017 was reduced, and he's heard grumblings that these types of programs may eventually go away.

Councilmember Clay stated he really appreciates the thinking behind this program because it's something they have been talking about for a while. So, to the degree that the City can look for funding sources that emphasize renovation; particularly in the 3rd Ward, he thinks the City would be very well served.

He then asked Mr. Cross if he would describe what the community engagement aspect of this plan would look like given the current environment? Mr. Cross stated Zoom meetings could be coordinated with the creation of a link on the City's Website that offered information and updates about the program, along with a residential survey. He stated a key element of this plan will be to determine the ratio between ownership and rental occupancies because that will help to disclose some of the underlying problems. Most healthy communities have a 65% ownership ratio to a 35% rental ratio.

Mr. Rose stated community outreach has already been initiated with members of the West Loop organization, and staff will continue to reach out to other not-for-profits involved in housing to ensure they craft a program that is sustainable and meets the needs of the community.

Councilmember Clay asked if any aspect of the plan addressed vacancies? Mr. Cross stated vacancies are a difficult area to address because there are so many variables associated with vacant properties. But ultimately, it will need to be addressed using more aggressive measures. From a code enforcement perspective, staff has begun to put more pressure on absentee landlords and owners by enforcing the public hearing and nuisance declaration process. So perhaps, this will pull some of these owners out of the woodwork. He stated he's also experienced situations where the bank has offered a municipality ownership of abandoned property and \$10,000 for renovations. In most cases, this amount is insufficient to complete any realistic renovations, but now you have ownership and the money can be used to assist with demolition.

Mr. Cross stated his intent is to work with Mr. Mulligan because he believes there are other programs out there that address this issue.

Councilmember Clay stated one concern expressed by the community related to the Olive/170 development was the belief that property values would accelerate to a point where folks on a modest income could not afford to pay their real estate taxes. Although personally, he does not believe that is likely to happen, he would like to be mindful of their concern since this program could potentially stir up that same sentiment; especially from folks in the 3rd Ward. So, is there a way to monitor that type of appreciation in the 5-Year plan to ensure that residents will not be priced out of their homes? Mr. Cross stated staff could gain instant access to a tax analysis on a block by block or Ward by Ward basis through the GIS. And a summary of those improvement values and how they relate to individual property taxes could be provided to Council in the 5-Year Plan's Annual Report. Councilmember Clay stated that would be fantastic.

Mr. Rose stated they could also work with the State legislature to enact laws that would create homesteading provisions to smooth ballooning values out and reduce the amount of tax an individual would be required to pay on their primary dwelling. So, there are several avenues staff can pursue.

Mr. Cross stated if an individual elected to eliminate the PMI insurance under the Homeowner's Assistance Program; they would save almost \$960.00 a year that could be used to pay property taxes.

Councilmember Smotherson asked if this was a general plan for the entire City? Mr. Cross stated while it is a general plan, they could separate each Ward or specifically, the 3rd Ward, since it would probably be the most active, and its numbers would be helpful for other programs like Section 108, where individuals are eligible based on their income or the median income of an identified Census tract.

Councilmember Smotherson stated he believes Columbia formed a Task Force entitled *Affirmatively Affirming Fair House* to assist them in determining what the issues were and why they existed. So, he was curious to know staff's plans for identifying the needs and problems associated with each Ward? Mr. Rose stated as a result of the TIF process, staff accumulated significant information from residents in the 3rd Ward on what they believed were the existing needs related to housing. So, at this point, while he certainly believes any structure that provides staff with an opportunity to gain additional insight on the City's Wards should be given substantial consideration, tonight's discussion is geared towards receiving input from Council on whether they believe staff is headed in the right direction. He stated the decision or recommendation to explore different techniques; which could include the creation of a Task Force, is something that will be explored at a later time.

Councilmember Smotherson stated he is unclear how funds from the TIF development could be viewed as an additional revenue stream for this project when it has already been designated for the 3rd Ward? Mr. Rose stated when the City went through the TIF process it identified housing, infrastructure, and public safety as the critical needs that existed in the 3rd Ward, and those are the areas they will likely use the proceeds from the TIF development for. So, some of the funds can be restricted for use in a specific area even though they are incorporated up under the umbrella of a larger program.

4. STRATEGIC COMMUNICATIONS DISCUSSION

Mr. Rose stated Council was provided with a copy of the Communication's Plan drafted by Allison Bamberger in November of last year. Since that time, Ms. Robyn Frankel; who has an extensive background in communications, has been contracted to provide the City's communication services. As a result, he has invited Ms. Frankel to participate in tonight's discussion designed to obtain comments and direction from Council on the City's role as it relates to the dissemination of information to the public on social media.

Ms. Frankel stated she had already initiated conversations with each member of Council in an attempt to establish a preliminary relationship and ascertain any thoughts or ideas that impact the City's communication services. The ability to manage social media often raises questions, especially when it comes to engaging people one-on-one. Which is why her goal is to establish a social media strategy that limits the City's exposure and benefits everyone. She stated her hope is that Council will view her as a resource for guidance on how to interact or not interact with all forms of media.

Mayor Crow stated he thinks everyone struggles a bit with social media postings based on the mere speed at which comments and responses can be received. And with all the development going on throughout the City there are an awful lot of engaged citizens that are clearly wired into social media. He stated he and Mr. Rose have had lengthy conversations about the City's speed of responding versus the need to be more intentional and precise than the citizen sitting at home on their computer. So, he thinks postings intended to clarify issues are important and most of the time that's exactly what staff has done.

Councilmember Clay stated he appreciates Mr. Rose bringing this topic forward because as he's mentioned on several occasions, you need not let the perfect be the enemy of the good. The City does not have to respond in 30 seconds; but it also does not have to wait until it has all of the details to respond. Sometimes a response that simply says staff is aware of the situation and will follow up with additional information at the appropriate time is efficient because it communicates that the City is aware of what is going on, rather than giving the appearance of being oblivious. Therefore, a strategic or tactical approach can be accomplished by using a two-tiered method; an initial response acknowledging the situation, and a detailed follow-up with the form of clarity demanded from a municipal body.

Councilmember Clay stated while he certainly understands the City's current position and Ms. Frankel has served ably, he would like to get Mr. Rose's thoughts on what the City's communication structure will look like once things return to a more normal state? Mr. Rose stated he does not know that there will ever be a time when he won't have Robyn or someone of her caliber assisting with the City's communications, since there may not be enough capacity to keep a full-time director busy. In addition to the fact that anyone who possesses broad expertise in the area of crisis management and the like, can make a lot more in the private sector. So, from that perspective, he would certainly recommend that the City always have some sort of contractual relationship.

Additional staffing will be contingent on the City's long-term needs and its ability to finance new positions. Mr. Rose stated it's likely that the City will remain in its current state until the end of 2021 because the projections are that even if the vaccine is effective it will take that long to contain the virus and start moving forward.

Councilmember Hales stated over the last couple of weeks he's spent a great deal of time familiarizing residents about the use and location of the Notify Me link on the City's website. It's a great tool that is extremely user-friendly, however, it needs to be modified so that it's easier to find.

In his opinion, NextDoor is one of the greatest social media tools in terms of the opportunity to communicate with residents. U City has strong neighborhoods across all three Wards where neighbors talk to each other, and although the City has done a good job of communicating some of its more challenging topics, some type of structure or guidelines should be established for all employees to ensure that every post has value.

He stated he also thinks there is an opportunity to talk about some of the good things that have taken place or problems that have been resolved. So, he would encourage all the City's departments to take advantage of this platform by showcasing some of the great things being accomplished by some of the hardworking men and women who oftentimes don't get much recognition.

Mr. Rose stated at some point, a Communications Manager might be necessary to act as the point person for overseeing the City's online communications, ROARS, internal newsletters, and press releases. However, he is somewhat hesitant to suggest that anyone is hired at the level of a director because he still thinks the City will get more value out of contracting these things out to individuals who deal with them daily.

Councilmember Klein questioned whether there should be a forum where residents could ask questions and interact with City staff on social media? Mr. Rose stated for the most part the approach has been to simply provide residents with complete and accurate information. Nevertheless, the ability to properly manage interactive communications is part of a broader strategy that he will be working with Ms. Frankel on because social media is definitely not going away.

Mr. Rose informed Council that he has asked Robyn to create a communications strategy for the City and that a component of that strategy will focus on social media.

5. ADJOURNMENT

Mayor Crow adjourned the Council Study Session at 6:28 p.m.

LaRette Reese
City Clerk