

MEETING OF THE CITY COUNCIL
CITY OF UNIVERSITY CITY
CITY HALL, Fifth Floor
6801 Delmar Blvd., University City, Missouri 63130
Monday, April 24, 2023
6:30 p.m.

AGENDA

A. MEETING CALLED TO ORDER

At the Regular Session of the City Council of University City held on Monday, April 24, 2023, in the excused absence of Mayor Terry Crow, Mayor Pro Tem Bwayne Smotherson called the meeting to order at 6:30 p.m.

B. ROLL CALL

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

Councilmember Stacy Clay
Councilmember Aleta Klein
Councilmember Steven McMahon
Councilmember Jeffrey Hales
Councilmember Dennis Fuller

Also in attendance were City Manager, Gregory Rose; City Attorney, John F. Mulligan, Jr.; Deputy City Manager, Brooke Smith; Interim Assistant City Manager/Economic Development Specialist, Rajaye Smith, and Co-Founder of Navigate Building Solutions, Todd Sweeney

C. APPROVAL OF AGENDA

Mayor Pro Tem Smotherson requested that Items K (8); Navigate Building Solutions Agreement, and K (9); Façade Improvement Applications, be moved from the Consent Agenda to the City Manager's Report.

Mr. Clay moved to approve the amendment, it was seconded by Ms. Klein, and the motion carried unanimously.

Mr. Hales moved to approve the Agenda as amended, it was seconded by Mr. Clay, and the motion carried unanimously.

D. PROCLAMATIONS - (Acknowledgement)

1. A Proclamation celebrating the 150th Anniversary of the Sutter-Meyer Farmhouse on June 3, 2023
2. A Proclamation recognizing U City as a USA Tree City by the National Arbor Day Foundation

E. APPROVAL OF MINUTES

1. March 6, 2023, Special Session Meeting Minutes were moved by Mr. Clay, it was seconded by Mr. Fuller, and the motion carried unanimously.
2. March 9, 2023, Special Joint Session; (Third Ward Housing and Revitalization TF) Meeting Minutes were moved by Mr. Hales, it was seconded by Mr. Clay, and the motion carried unanimously.
3. March 13, 2023, Regular Meeting Minutes were moved by Mr. Clay, it was seconded by Ms. Klein, and the motion carried unanimously.

4. March 27, 2023, Regular Meeting Minutes, were moved by Mr. Hales, it was seconded by Mr. Fuller, and the motion carried unanimously.

F. APPOINTMENTS TO BOARDS AND COMMISSIONS

1. Brandon Bradshaw is nominated for reappointment to the EDRST board by Mayor Pro Tem Smotherson, on behalf of Mayor Terry Crow, it was seconded by Mr. Hales, and the motion carried unanimously.

G. SWEARING IN TO BOARDS AND COMMISSIONS

1. Mary Dorothy Schmidt was sworn into the Senior Commission on April 7, 2023, in the Clerk's office.
2. Peter Holness was sworn into the Historic Preservation Commission on April 14, 2023, in the Clerk's office.

H. CITIZEN PARTICIPATION (Total of 15 minutes allowed)

Procedures for submitting comments for Citizen Participation and Public Hearings:

Request to Address the Council Forms are located on the ledge just inside the entrance. Please complete and place the form in the basket at the front of the room.

Written comments must be received **no later than 12:00 p.m. on the day of the meeting**. Comments may be sent via email to: councilcomments@ucitymo.org, or mailed to the City Hall – 6801 Delmar Blvd. – Attention City Clerk. Such comments will be provided to City Council prior to the meeting. Comments will be made a part of the official record and made accessible to the public online following the meeting.

Please note, when submitting your comments, a **name and address must be provided**. Please also note whether your comment is on an agenda or a non-agenda item. If a name and address are not provided, the comment will not be recorded in the official record.

Tom Sullivan, 751 Syracuse, U City, MO

Mr. Sullivan stated it was no surprise that Council selected Dennis Fuller to be the new member of Council for the 2nd Ward because that means they can continue to act in coordination and the City will continue to decline.

Mr. McMahon made an attempt at playing Perry Mason when questioning Mr. Tiers about Proposition F (Prop F). And while there seemed to be a gotcha moment, Mr. McMahon tripped up when he got confused about what Mr. Tiers said last year regarding his opposition to Prop F. But what really disqualified Mr. Tiers automatically, was the fact that his opinion was different from that of the City Hall group thinkers. Mr. Sullivan stated all campaign spending is a public record and the only exception is when people violate this law and don't file anything; which is what the City did by unlawfully spending tens of thousands of dollars on this campaign. And Mr. Tiers was among the 58% of residents who made it clear that they did not believe their City officials by voting against Prop F.

The City government, public library, and school district also corrupted the Prop M election held this month, by again violating the law and failing to file a campaign disclosure report. Postcards sent out by the City stated, *"Revenue generated from Prop M may go towards public safety and youth education programs"*. This statement was clearly intended to influence the minds of voters, and there certainly will be actions taken on these Prop M violations. An Opinion referenced by the Missouri Attorney General states, *"Use of the public treasury to mount an election campaign which attempts to influence the resolution of issues which our Constitution leaves to the free election of the people presents a serious threat to the integrity of the electoral process."*

Thank you for listening to my comments.

Ben Ellermann, 6911 Washington Avenue, U City, MO

Mr. Ellermann stated as the representative for the Trustees and residents of University Heights Subdivision #2, he is here to inform the Board that they are looking into potential legal consequences for the sale and zoning amendment that would reduce the educational

area from 2 ½ acres to 0.45 acres in the PA District influenced by their indentures.

Aren Ginsberg, 430 West Point Court, U City, MO

Ms. Ginsberg stated in the last month U City TNR volunteers tracked, neutered, vaccinated, and returned eight cats, and placed two into rescue at no cost to U City taxpayers.

In January of 2023, Richard Parker; named after the resilient tiger in the Life of Pi., was trapped for neutering and vaccinations, when a City Paws veterinarian discovered that he had underdeveloped eyelids. This debilitating and painful birth defect can only be corrected with specialized surgery. So, with the support of many generous donors comprised of community members, U City volunteers, and the St. Louis Feral Cat Outreach, approximately \$2,000 was raised to save his eyesight. While awaiting surgery Richard turned in his feral card after being adopted by a lucky family in April and is now living his best life. Thank you for your service to our community.

I. COUNCIL COMMENTS

Mr. McMahon stated he thinks the question Tom thought was a gotcha moment was whether Mr. Tiers had donated money to the campaign, which he denied. However, his research revealed that Mr. Tiers had donated money. So, Tom's support is for someone who told a bald-faced lie in their presentation to Council.

But what's more important, is that ever since Mr. Sullivan started talking about members of Council; and specifically, me, being investigated by the FBI, someone has been driving through his neighborhood, stopping at his house, as well as his neighbors, saying that the FBI was out to get him. Mr. McMahon stated his family's safety has been an issue. And that's the reality he's been forced to live with as a result of all these conspiracy theories that Mr. Sullivan continues to toss around.

He stated while he can appreciate Tom's desire to be a watchdog, and his desire to hold people accountable, some of these accusations cross the line. Members of this Council are not criminals; not under investigation by the Bar Association, FBI, or the Attorney General, and they are not awful human beings. So, maybe it's time to dial it back a little bit because this type of rhetoric is dangerous.

Mr. Fuller stated he's only been on Council for three weeks and he's already received two emails from Mr. Sullivan. But since he has not been on Council long enough to be corrupted, it would be greatly appreciated if Mr. Sullivan would stop making these accusations about him.

J. PUBLIC HEARINGS

None

K. CONSENT AGENDA - (1 voice vote required)

1. Self Contained Breathing Apparatus (SCBA) Bottles
2. Supplemental Agreement No. 1 - Engineering Services for Canton Phase II (EFK Moen)
3. Supplemental Agreement #7B – to Engineering Services Agreement - 2023 Asphalt Overlay Project. (Cochran)
4. Pool Operations Change Order Agreement
5. ROW Mowing Contract Agreement
6. St. Louis County Easement Agreement – Rabe Park
7. CDBG Supplemental Cooperation Agreement
8. Navigate Building Solutions Agreement; *(moved)*
9. Façade Improvement Applications; *(moved)*
10. Farmers Market Request for Additional Funds (EDRST)

Mr. Clay moved to approve Items 1 through 7, and 10 of the Consent Agenda, it was seconded by Mr. McMahon, and the motion carried unanimously.

L. CITY MANAGER'S REPORT - (voice vote on each item as needed)

1. Navigate Building Solutions Agreement

Mr. Rose stated staff is recommending that Council consider the approval of a contract with Navigate for owner-representative services. The initial cost of the agreement is \$70,000, and if the project advances to the construction phase staff is recommending a monthly fee of \$16,500. The scope of work that would be performed is value engineering of the project, coordination of design, bidding assistance, and coordination of project construction. Mr. Rose stated Mr. Todd Sweeney of Navigate is present and would be happy to answer any questions.

Mr. Clay posed the following questions to Mr. Rose:

Q. Is Council being asked to approve a contract in which the total amount is undetermined?

A. *The reason it was identified as undetermined is that staff does not know how long it will take for construction to be completed. So, staff is recommending a monthly fee of \$16,500 that would extend throughout the construction period.*

Q. What I have seen in similar situations are provisions for an up-to amount, and if the contract starts to exceed that amount it is renegotiated. Is it also correct that there is no end date assigned for this contract?

A. *If the City advances this project to construction, the contract will terminate once the construction is complete.*

Mr. Clay stated he does not have a problem with the concept of an owner's representative or with the company, but it is a little challenging for him to vote on such an open-ended contract. He stated even though he understands the dynamics associated with construction projects, he has not encountered a situation where a contract was approved with an indeterminate amount and expiration date.

Mr. Rose stated one option would be to include a not-to-exceed amount of \$150,000, and when it appears as though the contract will exceed that amount, it can be brought back to Council for further consideration.

Ms. Klein stated there is also no provision for delays in the contract. So, will the City be liable for the entire monthly fee if construction is not completed in a timely manner? Mr. Rose stated a date of completion could be added to the contract. However, what typically happens is once you advance to the construction phase the contract identifies penalties to be assessed if the construction does not progress.

Mr. Sweeney, Owner of Navigate Building Solutions stated he would be happy to do a not-to-exceed cost based on a specific timeframe. However, to achieve the best value, one of the strategies he's been seeing in the marketplace when trying to secure a bid is allowing the contractor to stipulate the duration of a project. What is happening is an evaluation that takes place where bidders are not only required to provide a price for the job, but they must also provide a schedule that can be evaluated to determine which contract offers the best value. For example; if the first bidder has a bid amount and twelve-month duration, the second has a fourteen-month duration and the third a sixteen-month duration, the City now has the option of selecting the best timing and price to suit its needs. And since Navigate's contract will be directly tied to those terms the contractor will be forced to achieve those deadlines. Typically, there is always a liquidated damages clause in the contract in the event the contractor does not meet their timeline requirements and Navigate does not receive any compensation beyond that date. Or his company could provide a maximum cost based on the predicted duration that could be adjusted to meet the City's expectations.

Mr. Sweeney stated they would also be happy to include a clause suspending their payments in the event of a delay in the project.

Mr. Rose stated staff combined these agreements on the assumption that the project would advance to construction. The initial agreement is capped at \$70,000, however, there might be a potential to trim down this amount, which he'll ask Todd to explain.

Mr. Sweeney stated the City's initial inquiry into his firm's services was associated with the fact that the proposal submitted by the bidder exceeded the amount of money allocated for this project. So, Navigate presented a solution based on its last five years of experience with 60 public agencies and over 208 publically bided projects, to help mitigate this cost. This solution consisted of a two-pronged approach designed to provide options that would assist staff in determining the best value, and an opportunity to make changes to the proposal.

Navigate's first step is to identify value engineering opportunities by reviewing the drawings, benchmarks, schedules, and anything that had a number associated with it. And what they determined in this bidder's contract was there was no benchmark data to suggest that it should take thirty-one (31) months to complete the project. As a public agency, U City can direct order materials through cooperative agreements that eliminate the overhead, mark-ups, and reduces this schedule; all in accordance with State Statutes. Mr. Sweeney stated this is just one of the numerous strategies outlined in a report to the City Manager that could be implemented in a six to eight-week period.

Another suggestion was the need to bring more than one bidder. In today's marketplace, the ability to attract multiple bidders gives you the opportunity to achieve substantial savings of 5 to 10 percent. And the way to engage those contractors and get them to respond is by utilizing a third-party resource like Navigate which can bring strength to the process by communicating the City's integrity.

Mr. Sweeney stated while the proposed cost for revisiting the drawings, working with staff on revisions, and publicizing the new bid is \$70,000, if they are unable to achieve a project that meets what the City is seeking, \$15,000 can be withheld from that amount. And of course, the \$16,500 would go away, since the project as proposed, did not move forward.

Mr. Hales stated Council may not have seen all the materials presented to the City Manager and his staff, so, he is still trying to wrap his head around Navigate's value proposition. Do you have case studies where you've worked on other municipal projects which demonstrate the value Navigate has returned for those tax dollars?

Mr. Sweeney stated in 2017 they conducted a study of every project completed for public agencies to do just that; assess the validity of Navigate's value proposition. In most of those cases, Navigate was engaged early on, oftentimes before the architect was hired, and managed the project through completion. And some of these samples and case studies were provided to U City's administration because they had asked the same question. These are some examples specific to this project:

- **Value engineering.** As a mechanical engineer by trade, Mr. Sweeney stated they examined the mechanical systems. This project has a 4-pipe system with several 90+ fan cooler units and independent slip systems, which was much more robust than what was used in the 24 police stations they've completed. And while there is a benefit to having a 4-pipe system because it is efficient and offers the best control, when you look at the initial cost versus the long-term costs, most cities could not afford it.
- **Industry benchmarking.** Navigate constantly looks at benchmark opportunities that can help reduce costs. Clayton's project consisted of \$600,000 worth of AV. When that was benchmarked against industry standards, they concluded that AV costs pretty consistently ran around \$350,000. Navigate discovered areas like the number of pixels being used for cameras and recording hours that seemed excessive. And when that was brought to Clayton's attention they agreed that it exceeded their needs. Those two things were adjusted, and it saved them \$150,000 in AV costs.

- **Schedules.** There is no standard to indicate that the construction of this project should take 31 months to complete. So, what the contractor might be doing is charging for the time it will take them to receive designated outside area units, which typically have a long wait time. Navigate can identify and help secure a different unit from a vendor who then supplies it to the contractor. No money flows through Navigate because the City works exclusively with that vendor who then delivers the merchandise for the contractor to install.
- **Contracts:** Kirkwood's RFB contained two lines that Navigate disagreed with because they could place an undue burden on contractors. The School Board noted that it was a part of their standard contract and issued the RFP. Every proposal they received was 2 million dollars higher than anticipated. Thereafter they removed the two lines, re-bid the project, and the proposals came in on target. Receiving one qualified bidder is something no one expects to happen. But in lieu of that, Navigate's experience from working on so many police stations put them in a unique position to work with any general contractor and make sure U City receives a quality facility.

Mr. Sweeney stated the gist of their strategy is to provide clients with the facts so they can make prudent decisions.

Mr. Clay stated at minimum, there have been two proposed amendments to the contract; a not to exceed amount and a clause suspending payment in the event of a delay in the project, as well as the need to review some of the materials Mr. Hales alluded to. He stated right now, he feels a little unprepared to vote on this contract and would suggest rescheduling this item for a Study Session, which would allow Council to gain a better understanding of Navigate's proposal.

Mr. Hales stated he thinks it would be helpful to have a better grasp of this project, which he believes Council wants to move forward. So, at this point, he would like to hear the City Manager's response to Mr. Clay's comments.

Mr. Rose stated MSD has been asked to provide Council with a presentation at the May 8th Study Session, so if a Study Session is desired, it will have to be at a later date. He stated the two amendments are pretty simple to incorporate, and while he certainly wants to ensure all of Council's questions and concerns are addressed, he would like to emphasize two points. One is that currently, the City does not have anyone on its staff with the level of expertise in the construction and/or renovation of police facilities that Navigate brings to the table. And two is the impact postponing this item might have as it relates to the market. When this project was initiated the City budgeted roughly 20 million dollars and we now know that the minimum amount; even with Navigate, is likely to be around 22 million dollars. So, while keeping in mind the potential impact any extended delays might have, he would suggest addressing everyone's concerns tonight and providing all of the requested documentation for review before the next Council meeting.

Mr. Clay stated to put this in some perspective, approval of a \$150,000 contract is rare. So, while he is comfortable with this item coming back at the next Council meeting, he thinks it will be crucial to receive the documents requested by Mr. Hales as soon as possible in order to completely understand the ins and outs of this contract.

Mr. Sweeney stated he would submit all of the documentation being requested to Mr. Rose by Monday.

Mr. McMahon stated that based on Council's documents, this project was scheduled to start on March 7, 2023, and since they are already a month behind, that also needs to be amended. He then posed the following questions to Mr. Sweeney:

Q. If the construction phase begins once bids are received rather than when a shovel hits the dirt, will the first monthly payment commence upon the receipt of those bids?

A. *Yes, it will. And the reason that it does is because prior to the shovel hitting the ground Navigate will be working with staff to review and assemble everything to make sure all of the documentation is in order. So, even though you may not see any activity on the job site there will be a very active process going on behind the scenes.*

Q. It appears as though there will be a delay between when bids are received, when they are presented to Council for consideration, and when construction starts. However, during those delays, Navigate could potentially receive about \$30,000, which he does not think he would be comfortable with.

A. *I would be happy to change the wording to "the award of the contract," if clarification is required to ensure the trust and transparency of the document.*

Q. If we still only receive one bid will that trigger the construction phase and monthly payments, because the contract says "bids"?

A. *Certainly, that is the intent that after the bid or bids, are received, their due diligence begins. However, Council has the authority to terminate Navigate's contract at any time without cause, and if necessary, he would be happy to add that Council's formal action approving the contract shall also be tied to Navigate's authorization to proceed to the construction phase.*

Mr. McMahon stated he believes the contract says that if the City terminates without cause, Navigate will still get paid for their time spent. This means you would have already received \$55,000, and the rest is kind of muddled because the language is not very clear. So, in that regard, there seem to be a lot of things in the contract that need to be looked at and perhaps, tightened up.

Mr. Sweeney stated he certainly respects that opinion.

Mayor Pro Tem Smotherson stated he thinks there are some relevant factors from the Brentwood project; which Navigate is currently working on, that could assist Council in gaining a better understanding of this project. So, could you briefly explain what you're doing there? Mr. Sweeney stated four or five years ago, the City of Brentwood embarked on a project called Brentwood Bound, an improvement project to create a tax-generating district that would mimic other successful districts along Manchester Road. The critical element was that this area was in a 100-year floodplain that was prone to flooding because of the watershed created by Deer Creek running parallel to Manchester. So, they invested in rechanneling the creek to prevent flooding and turned this dilapidated area into a pretty remarkable redevelopment that has now become a community asset, with playgrounds, ponds, trails, etc. Mr. Sweeney stated the beauty of this project is that it was tied to MoDOT's funding to improve Manchester Road.

All in, the project came in under budget and Navigate is proud of its ability to help Brentwood get additional funds through grants, and funding from Great Rivers Greenway; another client, to do some joint projects. He stated Navigate is thrilled to be a resource that has exclusively served public agencies in numerous capacities and would love to do the same thing for U City.

Mr. Rose stated his understanding of the concerns expressed by Council is as follows:

- Establishing a not-to-exceed amount for the monthly fees, apart from the \$70,000 pre-construction value engineering phase
- A revision in the contract indicating that no payments shall be made between delays associated with the receipt of bids; approval of bids, and the start of construction, i.e., *"Council's formal action approving the contract shall also be tied to Navigate's authorization to proceed to the construction phase"*.

- The submission of case studies or documents demonstrating Navigate's value proposition
- The addition of a date of completion and/or penalties for delays during the construction phase

Mr. Clay posed the following questions to Mr. Rose:

Q. Are you now saying that no payment will be made until the start of construction?

A. *I don't think that I would agree or recommend waiting until the start of construction because staff will need Navigate to assist them in creating the bid documents and evaluating those bids; which is outside their initial scope of work.*

Q. Will the rebidding process be initiated upon payment of the \$70,000?

A. *Yes, the \$70,000 provides for the value engineering phase of the project, assisting staff with the preparation of the bid documents, and marketing of the project to contractors.*

Q. Then the \$16,500 kicks in during the construction phase?

A. *That is correct.*

Mayor Pro Tem Smotherson asked Mr. Rose if he could explain why this service is being recommended under a Professional Service Agreement rather than the typical bidding process.

Mr. Rose stated one reason is based on legal requisites that Mr. Mulligan can explain. But in general, staff recognized the level of expertise Navigate has in this field which was confirmed by the documentation and references they received. In addition to that, Navigate has an established relationship with Trivers who is the design team for this project.

Mr. Mulligan stated essentially the Code specifies which contracts are required to be bid out and a contract for professional services does not fall under those requirements.

Mr. Rose stated he does not believe any action needs to be taken by Council. He will simply put this back on the May 8th agenda with the requested changes.

2. Façade Improvement Applications

Mr. Rose stated staff is recommending that Council consider approving the Façade Program for the total amount of \$188,000. Deputy City Manager Brooke Smith will provide Council with the details.

Ms. Smith stated \$150,000 was included in the budget for this program, which has not been utilized since FY 20. Twelve applications met the requirements, with one exception where the applicant asked for \$6,500 to repair a roof which is not an eligible improvement. Staff removed this item and is now recommending that the business receive the full amount of the award. These twelve applications were presented to the EDRST Board and after determining that they exceeded the budgeted amount agreed to add \$38,000 from the EDRST Reserve Funds.

Ms. Smith stated Council has been provided with a copy of each application, along with a photo of the structures, and a summary of the improvements, that she would be happy to address, should there be any questions or concerns.

Mayor Pro Tem Smotherson invited Mr. Fox to provide Council with his comments.

Citizen's Comments

Patrick Fox, 1309 Purdue Avenue, U City, MO

Mr. Fox stated while he thinks everything being presented can be funded, when you have a set budget sometimes you have to make difficult decisions to remain within that budget. So, after looking through the applications there are some observations that he would like to share.

- The 7649 Delmar application includes trash removal as an eligible expense

- The 7843 Olive includes a security system as an eligible expense; *(if the EDRST's goal is to improve the economic conditions of businesses, he is not sure how these two items align with the program's objectives)*
- 6185 Olive was previously awarded EDRST funds from this program

Mr. Fox stated two properties are not wholly listed as commercial properties, and in part, are zoned both residential and commercial by the Assessor's office. So, in the interest of fairness, it seems as though the program's funding limits of up to 50 percent, or a maximum of \$15,000, should be distributed proportionally.

- BobQ is at least 69.5 % commercial, making the proportional amount \$10,425; *(there is also a very strange range in his budget from \$28,000 to \$53,000)*
- 7301 Tulane is 54.4% commercial, making the proportional amount \$8,154.01

Mr. Fox stated although he was unable to find the specific qualifications for these funds on the City's website, he still felt the need to share this information and will apologize if he is overstepping.

Mr. Clay noted that 8327 Olive has been vacant for quite some time and the Tulane property is vacant. So, it's hard for him to understand why these properties should be included, especially when there is nothing in the summaries to indicate that these repairs are being made for the purpose of opening new businesses. He stated his concern is that without any restrictions that prohibit owners from immediately selling these properties or that requires them to maintain the property for a certain period, the City could be funding something that produces unexpected outcomes.

Ms. Smith stated while staff is aware that 8327 Olive was vacant, as established, the program's criteria does not indicate whether a property has to be occupied or if vacant, that the repairs must be made to recruit a new business. So essentially, their hands were tied since these applications met all of the requirements.

Mr. Clay stated he is in a bit of a quandary since he wants to support businesses, but also thinks that an award of this amount without a clear understanding of the owner's intent for making these repairs on a vacant property is somewhat disconcerting.

Ms. Smith stated these repairs are not going to start tomorrow. And since each applicant is required to enter into an agreement with the City before these funds are released, Council has the option of placing specific stipulations on that agreement or removing it completely.

Mr. Clay stated at this point, he would simply like to pull this application out until he can learn more about the circumstances associated with the owner's request.

Mr. Rose stated one option that might address this concern is to add a stipulation to the owner's agreement that if the building is sold within 12 months all funds must be reimbursed.

Mr. Clay stated to make all of these extensive repairs and the building remains vacant for another five years does not seem to have any real value. So, that's another concern fostering his desire to extract this application until more information is received.

Mr. Rose stated another consideration is the visual impact that an improved facade could have on the corridor. Deterioration hinders staff's ability to recruit new businesses along that corridor, so one perspective could be to look at this as being a beautification project.

Mr. Clay stated that is certainly a fair point, but he is familiar with this building, and it needs a whole lot more than doors and gutters.

Ms. Klein stated while she thinks this is a great relationship, she was unable to identify any expectations that owners must adhere to after being awarded these funds to benefit the City.

Ms. Smith stated although she is not familiar enough with this program to provide those expectations this evening, it is a contractual relationship. So, she will review the contract in greater detail and provide that information to Council.

Mr. Fuller stated he is familiar with the Tulane property, which is not only a mixed-use, but says that the applicant only owns 50% of the building. So, who owns the apartments, and how should a structure that is part residential and part commercial be negotiated?

Ms. Smith stated, here again, the program does not distinguish between a mixed-use and exclusively commercial business. The only thing the criterion states is that it has to be a for-profit business and commercially zoned. And the owner does not even have to be the applicant as long as they have obtained written permission from the owner. She stated one could even argue that a landlord could be considered a business owner.

Mr. Fuller stated he is still confused about the 50% ownership aspect of this building.

Mr. Smith stated he inadvertently forgot to add that he had attempted to get some clarity about ownership. The building is owned by an LLC, and confirmation was provided that the LLC had approved this partial owner's application for funding.

Ms. Smith stated Council was only provided the summary of each application because that had been the preference of the EDRST Board. However, earlier today staff emailed a zip file containing all of the application materials for Council to review.

Mr. Fuller thanked Mr. Fox for the information he presented to Council and acknowledged that he had received the zip file.

Ms. Smith stated that she would like to note the following in response to Mr. Fox's comments:

- Trash removal is not referring to any existing trash, but the cost for removing any trash/clean-up incurred as a result of the repairs
- Security systems or an eligible expense
- There is no limit on the number of times a business can apply for and/or receive funding

Ms. Smith stated she has already started to have conversations with the EDRST Board about the need to tweak some of the program's standards because she was surprised to learn that there were no limitations on how many times a business could apply for these funds. And despite staff's efforts to inform every business within U City, the EDRST Board is concerned about the fact that businesses located in The Loop are the ones who seem to benefit the most from this program.

Mr. Hales stated he also would like to thank Mr. Fox for his comments and would be interested in hearing the Board's views on how their Economic Development Retail Sales Tax strategy fits into businesses that do not pay a retail sales tax. He stated the question about mixed uses and the fact that his review of the 2015 and 2019 standards for this program are almost identical highlights the need to have a conversation with the Board to tighten up the program. Mr. Hales then asked if it was correct that this item could not be rescheduled? Ms. Smith stated that is correct. And the reason is that their goal was to make sure these projects were completed by the end of this fiscal year. She stated currently, they have projects awarded in FY 20 that still have not been completed. So, they were trying to implement a policy to keep that from reoccurring. However, since this is April, and the request may be moved to a later date, that policy can be implemented next year.

Mr. Hales stated he thinks everyone would like to see that happen, so perhaps this could be rescheduled to the next Council meeting? Mr. Rose stated that it could be moved to the May 8th agenda, and the funds that have been allocated can be carried over as a part of the budget process.

Mr. Hales stated he would like to confirm whether the EDRST Board had or had not looked at all of the materials associated with each application? Ms. Smith stated their opinion was that the complete review of applications was an administrative function, and they only requested a summary. Mr. Hales stated he thinks the Board should have eyes on what's being proposed in detail. Nevertheless, while he does not want to micromanage, he would like an opportunity to review the zip file and gain a better understanding of these projects.

Mr. McMahon stated these are hard decisions and while he understands everyone's perspective, no one can ever truly know someone's intent or what the outcome will be. This application could be from an owner with no mortgage that has been waiting for a buyer. And that new owner, who now has a mortgage, has a real incentive to do something with that building. He stated along that same vein, something he thinks should be included in the contract; if it's not already, is that recipients agree to an inspection that goes beyond the project itself. That would allow staff to see what's really going on with these buildings. And if they could occur regularly, the better those properties will become.

Councilmember Clay and Mayor Pro Tem Smotherson both agreed that this item should be revisited on May 8th.

Mayor Pro Tem Smotherson stated while he will speak more about this later, 8327 and 8423-37 Olive are two properties that he'd like to see demolished.

That said; Olive is unique in that its buildings are not contiguous, and after living on Olive for fifty years he can say for certain that making improvements on one building has no impact on the building that it sits next to. Here's a perfect example; numerous improvements were made on the white building now used as a beauty supply in the 8300 block of Olive; which happens to sit next to 8327 and 8423. He stated that the white building looks great, but it has had absolutely no impact on the rest of Olive.

And he also does not believe that the City should be looking at making limited investments in the 8200 to 8500 blocks of Olive because, at some point, he is going to ask that an RFP be issued to develop that entire area. So, it would be counterproductive to make investments in something that may not even exist in a year or two.

M. UNFINISHED BUSINESS(2nd and 3rd readings--roll call vote required)

N. NEW BUSINESS

Resolutions (voice vote required)

1. Resolution 2023-06 - Certification of April 4, 2023, General Municipal Election Results. Mr. Hales moved to approve, it was seconded by Mr. Clay, and the motion carried unanimously.

2. Resolution 2023-07 - Application Electronics Recycling Collection Grant; St. Louis County

Ms. Klein moved to approve, it was seconded by Mr. Clay, and the motion carried unanimously.

3. Resolution 2023-08 - Acquisition and Construction of a Facility for an Industrial Development Project.

Mayor Pro Tem Smotherson announced that no vote would be taken on Resolution 2023-08, which was only included in Council's packet to provide supplemental information related to Bill Number 9511.

Bills - (No vote required for introductions and 1st readings)

Introduced by Councilmember McMahon

- 1. Bill 9511** - AN ORDINANCE AUTHORIZING THE CITY OF UNIVERSITY CITY, MISSOURI, TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS (DIERBERGS UNIVERSITY CITY, LLC PROJECT), SERIES 2023, IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$34,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF ACQUIRING AND CONSTRUCTING AN INDUSTRIAL DEVELOPMENT PROJECT IN THE CITY AND AUTHORIZING THE CITY MANAGER TO ENTER INTO CERTAIN AGREEMENTS AND TAKE CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS. Bill Number 9511 was read for the first time.

O. COUNCIL REPORTS/BUSINESS

1. Boards and Commission appointments needed
2. Council liaison reports on Boards and Commissions
3. Boards, Commissions, and Task Force minutes
4. Other Discussions/Business

P. CITIZEN PARTICIPATION - (continued if needed)

Q. COUNCIL COMMENTS

Mayor Pro Tem Smotherson stated last week he took his mother to Costco to purchase flowers, and then to Quik Trip to get a hot dog and a lottery ticket. And the importance of his telling this story is because not only did they not leave U City, but they never left the 3rd Ward.

R. EXECUTIVE SESSION - (Roll call vote required)

Motion to go into a Closed Session according to Missouri Revised Statutes 610.021 (1) Legal actions, causes of action, or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives or attorneys.

Mr. McMahon moved to go into a Closed Session, it was seconded by Mr. Hales.

Roll Call Vote Was:

Ayes: Ms. Klein, Mr. McMahon, Mr. Hales, Mr. Fuller, Mr. Clay, and Mayor Pro Tem Smotherson.

Nays: None.

S. ADJOURNMENT

Mayor Pro Tem Smotherson thanked everyone for their attendance and closed the Regular City Council meeting at 8:02 p.m. to go into a Closed Session on the second floor. The Closed Session reconvened in an open session at 8:28

LaRette Reese,
City Clerk, MRCC