

STUDY SESSION
Façade Improvement Program
CITY HALL, Fifth Floor
6801 Delmar Blvd., University City, Missouri 63130
Tuesday, June 13, 2023
6:00 p.m.

AGENDA

1. MEETING CALLED TO ORDER

At the Study Session of the City Council of University City held on Tuesday, June 13, 2023, Mayor Terry Crow, called the meeting to order at 6:00 p.m.

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

Councilmember Stacy Clay (*excused*)
Councilmember Aleta Klein
Councilmember Steven McMahon
Councilmember Jeffrey Hales
Councilmember Bwayne Smotherson
Councilmember Dennis Fuller

Also in attendance were City Manager, Gregory Rose; City Attorney, John F. Mulligan, Jr., and Deputy City Manager, Brooke Smith

2. CHANGES TO THE REGULAR AGENDA

No changes were requested to the regular meeting agenda.

3. FAÇADE IMPROVEMENT PROGRAM

Mr. Rose asked Council to receive an overview of the Façade Improvement Program from Deputy City Manager Brooke Smith.

Ms. Smith state the program was created in 2015 and funded by the Economic Development Retail Sales Tax Fund (EDRST). Applicants can receive a matching grant of up to \$15,000 to rehabilitate commercial building facades. Per the current contract applicants are responsible for properly maintaining the improvements for 5 years. And they shall not enter into any agreement or take any steps to alter, change, or remove the improvements for 5 years.

Vacant Buildings:

The current policy does not prohibit funding for vacant buildings.

Ms. Smith presented the following options for consideration:

- **Option 1: Vacant Buildings are ineligible**
 - Suggested Language: *Must be an active and operational business prior to [insert date].*
Vacant buildings are ineligible
- **Option 2: Vacant Buildings eligible if applicant can prove intent to occupy**
 - Suggested Language: *Building must be currently occupied by compliant business. If not currently occupied, applicant must show proof of intent to occupy and/or lease the property to a compliant business. Business must occupy the improved building within 60 days of façade work completion*
- **Option 3: Vacant buildings are eligible**

Mixed Use:

The current policy does currently distinguish between 100% commercial properties and mixed-use properties. The current language reads “The program is open to all commercially and industrially zoned areas in University City.”

Ms. Smith presented the following options for consideration:

- **Option 1: No Mixed-Use**
 - Suggested Language: *Property must be zoned as one of the following:*
GC – General Commercial
IC – Industrial Commercial
CC – Core Commercial
LC – Limited Commercial
Buildings serving a residential use are ineligible.
- **Option 2: Reduced Award for Mixed-Use**
 - Add a provision that caps the award at a lesser amount of mixed-use (for example, mixed-use eligible for \$10,000 instead of \$15,000)
- **Option 3: No change to current language**

Other Proposed Changes to Consider:

- Limit how many grants may be given to one building
 - One grant every three years
- Require proof of current property and casualty insurance
- Require work to commence within 60 days and must be completed within 1 year or grant funds revoked

As reference, Ms. Smith reviewed other policies which included:

St. Louis Economic Development Partnership, Edwardsville, IL
St. Louis Development Corporation, Hanover Park, IL
Dutchtown Main Streets, O’Fallon, IL
Maryville, MO

Councilmember Smotherson stated that he agreed that there should be time limits for when the work is started and completed, but he does not think sixty days is enough time for work to commence. He agreed that the project should be completed within one year.

He stated he prefers Option 1 for Mixed Use and also Option 1 for Vacant Buildings

Councilmember Hales stated that he does not believe that security systems constitute façade improvement and should not be eligible under this program.

- Q.** Is there is limit of the number of grants given to the same business/owner?
- A.** There is currently no limit.

He stated he would like to understand who actually owns the LLC. He would like to greater advertisement to obtain new applicants. He is okay with the Mixed-Use policy, maybe review the square footage requirement. He recommends the EDST Board and Council have the opportunity to review every application going forward.

Councilmember Klein posed the following question:

Q. What are the expectations of the business owners and who will monitor for compliance?

A. *Currently the expectation is that the business owner will maintain the improvements for five years and they cannot enter any agreement that would alter the improvements. The Economic Development team will oversee the projects*

Councilmember Fuller stated that he was in favor the changes and asked if the changes would apply to the current applicants?

A. *Staff recommends any changes not be applied retroactively as those applicants submitted their documents in good faith under the program as it is currently written.*

Mayor Crow stated that 60 days to begin work might be difficult given the challenges with contractors and supply issues. He stated the Mixed-Use building should be allowed otherwise we cut out most of the business in the Loop. He stated staff may face some challenges as many owners have multiple LLC's.

Councilmember Smotherson stated is okay with allowing Mixed-Use buildings. He believes security systems should be removed and he is against allowing vacant buildings to qualify.

Ms. Smith stated that her understanding is that Council desires to strengthen the contract and allow vacant buildings with conditions.

Mr. Rose reminded Council that the policy applies to the whole city.

City Attorney Mulligan agreed that a timeline would be good, and extensions could be allowed.

Mayor Crow thanked Ms. Smith for her presentation.

4. ADJOURNMENT

Mayor Crow adjourned the Study Session at 6:26 p.m.

LaRette Reese
City Clerk, MRCC