

**Economic Development Retail Sales Tax Board
Minutes
October 6, 2022
6:30 p.m.**

The Economic Development Retail Sales Tax (EDRST) Board held a virtual meeting on Thursday, October 6, 2022. The meeting commenced at 6:32 pm and adjourned at 7:50 pm.

Voting Members Present:

Bobette Patton
Brendan O'Brien
Cynthia Martin
Brandon Bradshaw
Kathleen Sorkin
Matthew Erker
Byron Price

Voting Members Absent:

Matthew Bellows

Council Liaison:

Mayor Terry Crow

Staff Present:

Brooke A. Smith, Deputy City Manager/Dir. of Economic Development

Others attending:

None

Approval of Minutes

There were no minutes for approval.

Public Comments

Chair Sorkin called for Public Comments. There were none.

Mayor Comments

Mayor Crow discussed the flood that occurred at the end of July and the effect it had on the city, acknowledging the frustration of those affected. He also acknowledged those that have pitched in and discussed the loss the city experienced. He mentioned the city was seeking to buyout approximately 24 properties. He discussed reaching out to other communities affected to discuss the flooding on the regional level. Mayor Crow mentioned that he obtained his Costco membership and noted that Costco opens October 25th with a ribbon cutting around 7:30 a.m. He also mentioned that the developer is working on 2 other anchors and looking forward to filling the plaza. Mayor Crow also noted that the Council voted on the approvals for the Avenir project which is currently in the demolition phase to make room for apartments. He also referenced the apartments on the opposite side and said they are coming out of the ground but there is no date on when they will be ready for occupancy. Mayor Crow stated that Quik Trip would be going at the intersection of Olive and North and South with an expected opening date of April 1, 2023. He mentioned the BP/Amoco on Forsyth is being transitions to a BP On the Run, noting there was an issue with finding

mechanics. He discussed the gas stations' desire to sell liquor at their stores and his speculation on what the outcome will be. He mentioned being hopeful that the stations will become police sub-stations. Mayor Crow mentioned the U City Farmers Market and his experience on his last couple of visits.

Chair Sorkin asked if the ribbon cutting as open to the public. Mayor Crow said it was, but he noted that Costco has been clear that ribbon cuttings are not a big deal and it will just be him and the General Manager cutting a ribbon before it opens.

Brandan O'Brien asked if Chik Fil A was one of the restaurants and the Mayor confirmed that they were going through the process with the Department of Planning and Development.

Old Business

Update on Staff

Deputy City Manager Smith provided an update on staffing following the board's approval of funding for additional staff. She noted that Rajaye Smith will be joining team later in the month and he will be in the role focusing on Business Expansion and Recruitment. She noted that recruitment will continue to fill the second role.

End of Year Reports from UCIB, Farmers Market, and LSBD

Deputy City Manager Smith stated that she included expenditure reports for each entity for the board to review, noting that this is the documentation they must submit to be reimbursed for their expenses. Representatives from each entity was present to provide an end of year summary for their activities.

Smith noted that for FY22, U City in Bloom was awarded \$50,573 and the Farmers Market was awarded for \$28,000. Smith turned the floor over to representatives from these organizations to provide summaries for their activities in FY22.

Motioned by Brendan O'Brien, seconded by Cynthia Martin to receive the end of year reports for UCIB and Farmers Market, and carried by voice vote.

Motioned by Brendan O'Brien, seconded by Cynthia Martin to approve funding for UCIB and Farmers Market for FY23.

Deputy City Manager Smith noted there was a 3% increase requested by UCIB to account for inflation.

Motion carried by voice vote.

New Business

Mannequins in the Loop

Deputy City Manager Smith explained that Mannequins in the Loop was awarded \$15,000 in FY22 and they have been fully reimbursed for FY22. Audrey Jones was present to present a video and her end of year report ahead of asking for additional funds for FY23.

Audrey Jones gave a summary of the activities for The Mannequins Project. She noted that she was seeking \$40,000 for funding in FY23. She explained that the fund would be used to increase marketing and expanding the project to the Olive corridor.

Chair Sorkin stated that the board has been very pleased with the project and its expansion.

Mayor Terry Crow asked what was the historical funding of the project and how much of an increase was being requested. Audrey stated that the first award was for \$5,000, it was then increased to \$21,500, and then after the pandemic funding was reduced to \$15,000. She provided additional information on how the extra funds would be used.

Mayor Terry Crow confirmed that this would be 100% increase. Cynthia Martin asked if Ms. Jones was staffed to grow that quickly. Ms. Jones said she was. Brendan O'Brien asked if the project was being moved to Olive, and Ms. Jones said it would be expanded to Olive but would also stay in the loop. Deputy City Manager Smith added that the \$15,000 for FY22 was off the cuff during an emergency meeting for funding for two other entities. She noted that it was not intentionally reduced, that was just a number provided from memory by one of the board members. Bobette Patton asked if the name would be changed if it is going to be expended outside of the Loop. Ms. Jones responded that the name was changed last year to The Mannequins Project. Cynthia Martin asked where the project would be on Olive, stating that she did not see Olive as having the same pedestrian traffic as The Loop does. Ms. Jones answered that it would be along the "Chinatown" area and she noted they were also interested in the area surrounding the new development. Brandon Bradshaw asked if they would try to get promotional or free press. Ms. Jones confirmed that they would and highlighted a free interview with KSDK. Mayor Crow stated that he was a big supported for The Mannequins Project but believes that a 100% increase in one year is a lot and there are other projects to fund. Brandon Bradshaw stated that he shares this concern. Chair Sorkin stated that she did not believe scholarships were eligible expenses but that marketing and advertising were eligible. She made suggestions for other sources of funds for scholarships. Chair Sorkin asked if \$25,000 would allow for an exciting event and address the scholarships from another direction. Ms. Jones said she believes she can.

Motioned by Bobette Patton, seconded by Brandon Bradshaw and carried by voice vote to receive the end of year report for The Mannequins Project.

Motioned by Brandon Bradshaw, seconded by Bobette Patton to award The Mannequins Project \$25,000 for FY23.

Cynthia Martin asked \$25,000 was the number or close to the number she needs to expand the project if the scholarship line item is removed. Ms. Jones said it would help in her expansion and that she would seek other funding for the scholarships.

Deputy City Manager Smith added that when she spoke with City Manager Rose earlier, he noted that he would be asking for a line-item budget before submitted to Council for final approval. Mayor Crow noted that when the EDRST Board votes, it then goes to Council who can tweak as it deems necessary.

Byron Price noted that he had just joined the meeting at 7:07 p.m.

Motion carried by voice vote.

Deputy City Manager Smith presented the end of year report for the LSBSD, noting that they had been reimbursed for events held in FY22 after being awarded \$85,000 in a previous fiscal year that were carried over. Chair Sorkin stated that there was a dollar amount attributed to administration and wanted to know how that number was arrived at. Jessica Bueler answered that it was 25% of the total for administration expenses. Chair Sorkin asked if that was a previous agreement with the city or done in the past. Ms. Bueler said this was the first time she had done that at the recommendation of City Manager Rose.

Motioned by Matthew Erker, seconded by Bobette Patton and carried by voice vote to receive the end of year report for LSBSD.

LSBD Funding Request for FY23

Deputy City Manager Smith stated that the LSBSD was requesting \$220,700 for FY23 and noted that the reason staff was okay with recommending approval of this amount is because LSBSD has not received funding for FY21 or FY22, noting that they were last funded in FY20 that was just reimbursed in FY22. She noted the breakdown of their funding request was as follows:

1. Events and Receptions - \$100,000
2. Funds allocated for Advertising - \$17,500
3. Digital Directory Installation/Tents for Events - \$66,000
4. EV Charging Station w/2 charging ports - \$5,400
5. Gift Cards purchased from Loop businesses for Promotions - \$10,000
6. Expanded Outdoor Dining and Storage - \$21,800

Jessica Bueler and Derek Deavers (Chair of LSBSD) went through the line items explaining the reasons for the additional funds. Derek Deavers also noted that in years prior to the pandemic they LSBSD had been awarded more than \$200,000 each year. He stated that the \$85,000 should not be a basis point, but the \$200,000 received prior should be. Cynthia Martin asked if the \$85,000 and \$200,000 was strictly for events and programming. Derek confirmed this. Mayor Terry Crow said he believed the \$200,000 would not have been just for events, but for other items as well. Brendan O'Brien said the EV Charging Stations were concerning for him because he didn't see the Economic Development part of it. Jessica provided the rationale for this. Mayor Crow asked who would pay for the electricity for the charging station. Jessica said there were a few options available, but noted that what was requested from the EDRST Board was the funds for installation. Deputy City Manager said she was confident in saying that prior to final approval by the City Council, City Manager Rose will want to have that information and know who is paying. Byron Price asked if there are two charging stations, how productive is that if only two cars can be there for however long it takes. He asked for more details on how the charging process would work. Jessica said they

would probably assign a time limit to those spaces. Bobette Patton asked if there as consistency between cars and their plugs that use electricity, across the make/model of the car. Chair Sorkin said she believes there are not all compatible. Mayor Crow said for the sake of moving along the agenda, this should probably be tabled for now. Derek agreed. Byron Price asked about the occupancy rate at the Loop. Derek said there has not been an actual study, but he thinks its about 20-30% vacated as far as storefronts and businesses. He said there are some landlords asking for too much money and with the economic climate, no restaurant or entertainment wants to go in. He said the Loop Retail is a tough sale. He noted there are some landlords asking \$35 per square foot. Mayor Crow agreed this was a good number assigned to the vacancy in the loop.

Motioned by Brandon Bradshaw, seconded by Byron Price and carried by voice vote to approve funding for LSBDB for \$200,700 subject to the submission of a line-item budget and further review of the EV Charging Station request.

Tentative Schedule for Façade Improvement Applications

Deputy City Manager Smith presented the Tentative Schedule for accepting applications for the Façade Improvement Program for FY23. The schedule was listed as follows:

Nov 1st – Nov 22nd: Staff to advertise/market the program
Nov 14th – Nov 28th: Application period (closes at 5pm on the 30th)
Nov 29th – Dec 13th: Staff Review Period and due Diligence
Dec 14th – Dec 16th: City Manager Review/Approval
January 5, 2023: Applications submitted to EDRST Board for Review/Approval
January 9, 2023: EDRST Board recommendation submitted to City Manager for Review/Approval
January 23, 2023: Applications submitted to City Council for Review/Approval
Feb 1st – June 30th: Work to commence, Projects completed by June 30th

Motioned by Byron Price, seconded by Brendan O'Brien and carried by voice vote to accept the Tentative Schedule for the Façade Improvement Applications as presented by staff.

Local Businesses and Flooding – Request Report

Deputy City Manager Smith noted that Chair Sorkin asked if the Board should be considering assistance for businesses affected by the flood. She noted that City Manager Rose who thought the best action would be for the board to request a report from staff on how businesses were affected by the flood.

Cynthia Martin noted that she thought this was a very long time to wait to consider funds following an emergency that occurred back in January. Further discussion was had on this, including whether it was an undue burden on the city to generate this report. Mayor Crow said he thought it might be a good idea for staff to reach out to FEMA and SEMA for information. He noted that he thought most of the business had already made requests for emergency funds at this time. Brendan O'Brien suggested handling it the same way as the COVID program.

Motioned by Brendan O'Brien, seconded by Byron Price and carried by voice vote to create a report on the businesses affecting by the July flood.

Meeting Dates and Location for 2023

Chair Sorkin asked if the board was ready to resume meeting in person. Everyone agreed it would be nice to resume in person meetings. Chair Sorkin said they should plan to get together in person in January, but noted that it may not be at the community center. Deputy City Manager Smith also asked for confirmation that the quarterly meetings on the first Thursday still work for the board so that she could submit them to Finance for the city calendar. The Board members agreed to those dates.

Board Member Comments

No Comments.

Next Meeting Date – January 5, 2023 at 6:30 p.m. (Tentative)

Adjourn

Chair Sorkin called for a motion to adjourn. Motioned by Brandon Bradshaw, seconded by Bobette Patton and carried by voice vote.

The meeting adjourned at 7:50 p.m.