

STUDY SESSION
Scope of Services Review
Housing and Third Ward Revitalization Consultant RFP
CITY HALL, Fifth Floor
6801 Delmar Blvd., University City, Missouri 63130
Monday, October 10, 2022
6:00 p.m.

AGENDA

1. MEETING CALLED TO ORDER

At the Study Session of the City Council of University City held on Monday, October 10, 2022, 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
Councilmember Aleta Klein
Councilmember Steven McMahon
Councilmember Jeffrey Hales; (*excused*)
Councilmember Tim Cusick
Councilmember Bwayne Smotherson

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

2. CHANGES TO THE REGULAR AGENDA

None.

3. SCOPE OF SERVICES REVIEW – HOUSING AND THIRD WARD REVITALIZATION CONSULTANT RFP

Mr. Rose stated the Housing and Third Ward Revitalization Project was created by Council as a result of a Redevelopment Agreement with NOVUS. In this Agreement Council spelled out that 10 million dollars would be used to benefit the 3rd Ward revitalization efforts. Although a different financing structure was discussed prior to the Agreement, this Agreement has established that the 10 million dollars will come from;

- \$3,000,000 upon the sale of the property to Costco,
- \$2,000,116, or \$92,000 over a twenty-three-year period from the SID,
- \$2,000,484 or \$108,000 annually from the pool tax, and
- \$2,000,400 or roughly \$104,000 over a twenty-three-year period from the Park and Stormwater Fund.

Prior to the agreement with NOVUS, there were discussions about a different structure of financing the 10 million dollars. That did not materialize, so this proposed structure is included in the redevelopment agreement.

Resolution 2021-15

On October 11, 2021, Council adopted this Resolution establishing the Housing and Third Ward Revitalization Task Force. As a part of that Resolution, staff was directed to provide support and the resources needed to help the Task Force identify goals, objectives, and priorities for their projects. However, at this point, the City does not have the resources to fully support the Task Force or to bring forward a comprehensive housing strategy and 3rd Ward revitalization strategy.

The Housing Strategy

One reason Council established this component of the Resolution is because of the low to moderate-income tracks within the City that have been identified by the Census as 51% of households earning less than 80% of the area medium income.

This statistic traverses throughout the entire City, with the largest shares in the 2nd and 3rd Wards, and a small component in the 1st Ward. Mr. Rose stated his proposal is to hire a consultant with the expertise to create a housing program and allow the Mayor and Council to decide who will be eligible to participate.

Third Ward Revitalization Strategy

Mr. Rose stated if Council elects to hire a consultant, their first task will be to survey 3rd Ward residents to determine their needs. The results of this survey will be presented to the Task Force to garner their input and work with the consultant to create a program structured around those desires.

Next Steps:

- Deputy City Manager, Brooke Smith to work with the Finance Director and his staff to prepare an RFP for a consultant to assist the Task Force in creating a housing program and guidance on 3rd Ward revitalization, consistent with Resolution 2021-15.
- Staff to narrow down proposals and set up a joint meeting with Council and the Task Force to hear presentations from top firms.
- City Manager's recommendations presented to Council

Mayor Crow asked Mr. Rose if he could explain which funds have to be used for a specific purpose? Mr. Rose stated the Parks and Stormwater Fund is restricted and can only be used for stormwater or parks, but all of the other funds are unrestricted.

Councilmember Clay reaffirmed the financing structure previously stated Mr. Rose and confirmed that a different funding structure had been discussion earlier in process but not bear out for a number of reasons, and the structure presented today was the decided upon.

A. Mr. Rose confirmed that was correct.

Mayor Crow asked Mr. Rose to walk through which buckets have to be used for a specific purposes?

A. The Park and Stormwater is restricted and must be used for stormwater or parks. The other funds are unrestricted.

Councilmember Smotherson posed the following questions to Mr. Rose:

Q. Why was the City-Wide Housing Strategy omitted from this presentation?

A. I understand that the Task Force expressed some concerns since they believed that the program should be limited to the 3rd Ward. And while he thinks everyone agrees that it's important to have a housing strategy, it is not a decision Council has to make today. So, he is proposing that the City-Wide Housing Strategy be altered rather than eliminated.

Q. So, if the Task Force expressed that desire, why is planning for streets, public space, green space, public safety, and other social infrastructures still under your deliverables?

A. While the Task Force can express their desires, Council has charged staff; which also includes the consultant, with making their recommendations on what they believe will constitute a viable revitalization and housing program. Therefore, the consultant needs to be privy to all of the deliverables to effectively assist both entities.

Q. Will the Task Force also be able to present their recommendations to Council?

A. While the ultimate goal will be to reconcile each party's recommendation to make certain they comply with the Resolution, Council will be made aware of both proposals.

Q. Why is the Parks & Stormwater Fund even being utilized for the 3rd Ward?

A. I believe there is one park in the 3rd Ward that is underdeveloped. So, the use of those funds was based on the concept of fulfilling Council's commitment to identify all of the legitimate needs within that community.

Councilmember Clay posed the following questions to Mr. Rose:

Q. To be clear, is it correct that this money can only be spent in the 3rd Ward?

A. Could it be spent elsewhere? Yes. Although it would be troublesome to change directions at this point, the Mayor and Council have the authority to decide where those funds should be allocated.

Q. Is Council's decision to use these funds only for the 3rd Ward contained within the Redevelopment Agreement?

A. No, the Agreement does not restrict this money to the 3rd Ward.

Q. But Council has agreed that these funds should only be allocated to the 3rd Ward?

A. That is correct.

Councilmember Klein stated she would like to reiterate that based on her understanding, this Council is entirely in favor of designating these funds to the 3rd Ward. She then posed the following questions to Mr. Rose:

Q. Is there a timeline for hiring a consultant and bringing together a community development group?

A. Ms. Smith has informed me that the City cannot accomplish these tasks fast enough. So, she is committed to bringing a consultant on board as soon as possible.

Q. Will the consultant be in charge of publicizing this process and the steps being taken to fulfill these goals?

A. Our Communications Manager started today and will be introduced at the next Council meeting. So, she will be active in creating a communication strategy.

Councilmember Cusick asked Mr. Rose if he would elaborate on the relationship between the consultant and the Task Force specifically as it relates to compiling their recommendation? Mr. Rose stated two aspects brought up during Council's initial discussions were providing a pathway for renters to become homeowners and improving the housing stock. And while there may not be a lot of daylight in what the Task Force sees as an effective program and what staff and the consultant sees, the consultant's role is to provide information and guidance to the Task Force; which is led by Brooke Smith, that will assist them in preparing their recommendation.

Councilmember McMahon stated he recalls attending meetings in 2016 with Jonathon Brown of NOVUS and other folks in U City where the nuggets of this housing program began to take shape, and the commitment was made to look at areas of the City that needed help with housing and revitalization. He stated they all realized that the size and scope of this project would give them headaches, but from that meeting forward, he is not aware of a time when the commitment to accomplish this task has ever wavered. Therefore, his impression of this housing program is that it will not solely be focused on where to put low-income folks in the City, but it will be comprised of a big-picture look, where you are trying to develop new ideas and strategies that elevate an area and share what has been created at the west end of Olive. So, at this point, it could really be anything.

Mr. Rose stated that is correct. Part of the discussions associated with the allocation of these 10 million dollars was trying to determine what had caused such a big distinction between the housing values in the 1st, 2nd, and 3rd Wards.

Councilmember McMahon stated he does not see how you can separate the aesthetics of a neighborhood from the structure someone lives in. That said would part of the nuts and bolts for this type of revitalization have to include the infrastructure, stormwater, and parks?

Mr. Rose stated that is correct, and he thinks most experts would agree that in order to create a viable revitalization strategy you have to address more than housing. When the exact same home in the 1st Ward has a different value in the 3rd Ward, it has to be something more than the structure. Do residents feel safe? Do they have good streets? Do they have high-quality parks? Do they live in a floodplain? So yes, the revitalization strategy will need to address a great deal more than just housing.

Councilmember McMahon asked Mr. Rose if the City was looking at leveraging these funds to get more upfront or simply thinking of the annual allocations as money in the bank for future needs? Mr. Rose stated while 10 million dollars won't get everything done, it can lead to significant improvements. And he believes that the consultant will look at the funding streams and help staff identify the best approach for leveraging those dollars.

Councilmember Smotherson stated with the Mayor's approval, he would like to volunteer to become the Council liaison for this Task Force.

Councilmember Clay stated sometimes when additional funding starts coming in for a cause the customary allocations related to that cause can be supplanted, thereby reducing the amount of funding rather than increasing it; much like what happened to the Missouri lottery funds allocated for education. So, he wanted to make sure that the dollars that have already been budgeted for the 3rd Ward will remain and that this funding will be an addition to and not a substitute for those customary allocations? Mr. Rose stated when the Mayor and Council decided to pursue this project it was based on being equitable, not equal. Therefore, the intent behind any program he recommends will be based on having an additional revenue source and not supplanting.

4. ADJOURNMENT

Mayor Crow thanked everyone for their participation and adjourned the Study Session at 6:27 p.m.

LaRette Reese,
City Clerk