

CITY OF FERGUSON, MISSOURI
CITY COUNCIL SPECIAL MEETING MINUTES
AUGUST 18, 2020

Due to the COVID-19 pandemic the Council meeting is being conducted through the use of a Webinar invite in which all members of the City Council, staff and citizens are participating in the meeting remotely. Section 610.015 of the Mo. Sunshine Law provides that members of the Council who are not physically in the Council Chambers can participate and vote on all matters when an emergency exists and the nature of the emergency is stated in the minutes. Thus, these minutes reflect that the U.S., and the world, is in a state of emergency due to the Coronavirus—COVID-19. The Missouri Governor and the County Executive have issued Orders directing all citizens to “stay at home” and no meetings and gatherings of 10 or more people can take place. These Orders are intended to avoid the spread of the Coronavirus. Therefore, all members of the City Council, and staff, are participating in this meeting electronically as matter of public health and safety for each other and the general public.

Mayor Ella M. Jones called the meeting to order at 7:00 p.m. in the Council Chamber of City Hall, 110 Church Street, Ferguson, Missouri.

ROLL CALL

Councilman Byron Fry	Present	Mayor Ella M. Jones	Present
Councilwoman Fran Griffin	Present	Councilwoman Linda Lipka	Present
Councilwoman J. Toni Burrow	Present	Councilman Stephen Garrett	Present
Councilwoman Heather Robinett	Present		

A quorum was declared. Also present were Interim City Manager Jeffrey Blume, Attorney Apollo Carey, and City Clerk Octavia Pittman.

PUBLIC HEARING

The Purpose Of Said Hearing Is To Consider The Approval Of A Petition To Establish The 10895 West Florissant Community Improvement District And Authorize Powers Granted To Community Improvement Districts Under The Act. The Petition Was Filed With The Office Of The City Clerk On August 7, 2020.

Interim City Manager Blume, Planning Director Liebson and Chad Hagle with National Retailers explained proposed development; restoration and redevelopment of the former Toy's R US (TRUS) building located at 10895 West Florissant Avenue. This building has remained unoccupied since TRUS closed the store in Spring 2015. For the two years following this date, TRUS refused to sell this property except in bulk with other properties. For the last three years, the property has been managed by the auction house engaged to sell all remaining property of the now (2018) bankrupt company. The project is being developed by Ave Ferguson, LLC whose parent company is Aventine Development Services Corporation (collectively referred to as Aventine). The developer has received first round approval for the project from its primary prospective tenant, Burlington (formerly known as Burlington Coat Factory). Burlington will occupy and operate a retail store in 26,000 square feet of this 46,000 square foot building. The remaining 18,000 square feet will be occupied by one or more secondary retailers. This Burlington store will be smaller than most current [40,000 square foot] stores as they are transitioning to a smaller store format. Burlington has made attempt to acquire this site on their own from the auction house for the last three years, without success. Originally and until recently, the auction house was listing the property for sale at \$3.7 million. The building is currently appraised at \$1.7 million and appraised by the Saint Louis County Assessor's Office at \$1.9 million. By any definition, this is a distressed property. As part of this project, a “blight study” was performed by architectural and urban development

company PGAV. The study's SUMMARY reads in part as follows: The Study Area [10895 West Florissant Avenue] is an area which, by reason of a combination of unsafe conditions, deterioration of site improvements, and existence of conditions which endanger life or property by fire and other causes, constitutes an economic liability, a social liability and a menace to the public health, safety, morals or welfare in its present condition and use.

Burlington is a publicly traded corporation (ticker symbol BURL). Burlington, is formerly known as Burlington Coat Factory. It is an American national off-price department store retailer, and a division of Burlington Coat Factory Warehouse Corporation with 631 stores in 40 states and Puerto Rico, with its corporate headquarters located in Burlington Township, New Jersey. Burlington has annual revenues of over \$7 billion. In addition, recently, Burlington issued \$1 billion in new debt. The purpose of this new debt was to expand and upgrade its stores. Currently, Burlington has no stores north of Interstate 64 and east of Interstate 270. Currently, Burlington has six stores in the metropolitan area. All of this points to Burlington as a strong retail seller and a strong presence in the community.

Renovation of the building within this project will provide about 100 jobs in the Burlington space and about 40% more in the remaining retail space, bringing total employment to about 140. We have yet to negotiate the Community Betterment Agreement (CBA) which was agreed upon as a condition of the granting of tax abatement. We will insist on local hiring as a one of the elements of the CBA. As part of this project, a Community Improvement District (CID) will be formed.

Mayor Jones opened the hearing for public comment.

Jenotta Bodie questioned potential retailers for the adjacent space, noting disinterest in businesses such as check cashing centers, rent a centers, plasma donations, etc. She noted the city can do better than these types of businesses adding there is need for those that help to raise the community to an expected level. She also noted there should also be a required level of cleanliness at these businesses.

Gerry Noll Concerning the petition to establish the 10895 West Florissant Community Improvement District, I would like to inquire whether the findings and recommendations of the August 2018 Missouri Auditor's report on Community Improvement Districts (CIDs) has been reviewed and taken into account. If not, [here is a link](#) to it.

These are the opening sentences of the report's Citizens Summary page:
"Significant changes to the state's Community Improvement District (CID) laws are necessary to protect taxpayers. State law allows a CID to be formed and taxes and assessments to be imposed without adequate public scrutiny or sufficient public protections." While I don't believe there has been any legislative followup on the recommendations in the report, it would be wise for the City Council and the City administration to consider the findings and recommendations as they review this petition. One of the conclusions within the report tells how municipal officials, such as the City Council, can exercise more oversight over CID petitions even without legislative changes. From page 13 of the report: "State law requires municipalities to approve the petition to form a CID. However, state law does not require CID petition documents to include a well-defined purpose, does not require the lifespan of a district to be limited or specifically defined, and does not require any estimate of how much revenue will be collected or an evaluation of the district...State law allows municipalities the flexibility to modify the structure of CIDs, including ensuring the projects are well-defined, and the lifespan of the district is limited before forming the district. Municipalities can review the project to ensure the same project is not already receiving public assistance. The municipalities can also perform an assessment to ensure the district benefits the public before forming the district. However, our survey results indicate municipal officials are generally not utilizing their oversight capabilities when reviewing district petitions. Once a district is formed, the

municipality has limited or no recourse if the district is not structured with adequate public protections, and districts can exist and tax the public for an infinite number of years..."

I would encourage the City administration and the City Council to review the Missouri Auditor's report in its entirety to see if there is any application of it to the current petition.

Discussions were held regarding the monetary breakdown and the purpose of the CID to pay off debts of development. It has a life span of 20 years but can be paid off before.

Mayor Jones closed the public hearing at 7:49 p.m.

BILLS REQUIRING FIRST READING

Bill No 7192 – An Ordinance Establishing The 10895 West Florissant Community Improvement District; Approving The Appointment Of The Initial Board Of Directors To The District; Designating The District As A Blighted Area; Approving A Development Agreement By And Among The City, The District, And Ave Ferguson, LLC; And Authorizing Certain Other Actions In Connection Therewith

Without objection, Bill No 7192 was introduced by Council present. Attorney Carey provided the title only reading.

CLOSED SESSION

None

ADJOURNMENT

Having no further business, a motion was made by Councilwoman Lipka and seconded by Councilman Fry to adjourn the meeting at 7:50 p.m. Unanimous vote in favor taken; **MOTION PASSED.**

ATTEST:

Ella M. Jones, Mayor

Octavia Pittman, City Clerk