

**CITY OF ROCK HILL  
MINUTES OF THE BOARD OF ALDERMAN MEETING  
TUESDAY, DECEMBER 4, 2007  
7:00PM**

- 1) Mayor Morgan called the meeting to order at 7:02 p.m.
- 2) The Mayor requested and led the recital of the Pledge of Allegiance
- 3) Roll call was taken with the following members of the Aldermanic Board being present: T.J. Redmond, Daniel DiPlacido, Edward Johnson, Mary Wofford, Sheri McCann and Philip Scherry.
- 4) **Emergency items to be added to the agenda:** None
- 5) **Citizens to Address the Board:**
  - Jim Hoel 1057 N. Rock Hill Road:** Wanted clarification on some items pertaining to the 3 million dollar difference in the original TIF amount and what the developer has requested. He also wanted to know where that money will come from. Mr. Hoel wants to know when the residents can expect offers if the developers are chosen tonight.
  - Steve Harre: 1030 N. Rock Hill Road:** Wanted to point out a Walgreens receipt, indicating that there were two different tax levels. When he questioned Walgreens they said it had something to do with the City. Alderman Scherry stated that the different taxing percentages pertains to non-food items, vs. taxable food items, medical items, which are all taxed differently by the state.
  - Chris Musial 801 Leonard:** Referenced an email sent to the Board by he and his wife regarding traffic from other area Target stores. He stated that those locations were connected by 4 lane roads, where our proposed Target will only be accessed by two lane roads which will really create a hardship for the residents choosing to stay in Rock Hill. He asked the Board once again to consider the traffic increase if this project goes through.
- 6) **Announcements, Presentations, Proclamations, Communications and Invitations:**
  - a) Market at McKnight I, LLC (NOVUS) representative Pete Sebeliski reported that they are tying up the last loose ends with the development. RSI Kitchen and Bath's additional parking lot, the cell tower issue which is still not resolved. NOVUS is waiting for Crown Castle to sign the paperwork. Mayor Morgan wanted to know if NOVUS has explored any more possibilities with regards to condemning the property. Not legally, yet. It would be a last resort option to resolve the issue as it would not serve either the City or NOVUS' best interests. Pete wanted to know if NOVUS could use the increased TIF of \$700,000, which was voted on in May, could that note be used as collateral the bank came forward and wanted them to sign an estoppel. What procedure needs to take place in order to get that signed? City Administrator Liyeos states the issue will be further discussed this evening.

Alderman Scherry wanted to know if any of the business owners on the North side have been approached to move into the south side. Mr. Sebeliski responded no, they had not approached or called anyone to solicit. He indicated that there are only 4 spots left with Manchester Road frontage. With Bandana's, Baskin Robbins, Cartridge World, Clarkson Eyecare, Starbucks, and others in negotiation. NOVUS is aware of the redevelopment agreement with the City, that any existing business in Rock Hill that wanted to relocate into the new development had to go before the

Board of Alderman for approval. Alderman Johnson wanted to know if Mr. Sebelki knew anything about the termination of the development agreement. NOVUS received a letter 90 days ago. The validity of that letter really needs to be discussed with their legal counsel. Alderwoman McCann wanted to know about the water feature. NOVUS sent out an update today by e mail to each of the board members. They are putting together construction documentation that needs to be done prior to breaking ground. One of the first questions that has to be addressed is can the wall be built. This is the first question posed to the architectural engineer.

- 7) **Old Business:** NONE
- 8) **Treasurers Report:** Finance Director, Ann Robertson reported on the warrants that need to be paid, noting changes on the way the report is produced, and asked if the Board approved of the new format. There were no objections or questions. Alderman Scherry moved to approve the warrant list. Alderwoman McCann seconds the motion. Motion passes unanimously.
- 9) **Minutes of the previous meeting:** Alderwoman McCann moves to approve the minutes from the November 20, 2007 meeting. Alderwoman Wofford seconds the motion. Motion passes unanimously.
- 10) **Bills and Resolutions:** Pursuant to RSMo.79.130, all bills and resolutions will be read by "title" only. Copies will be available to the General Public at City Hall during regular office hours.

**ITEMS TO BE CONSIDERED FOR FIRST READING:** NONE

**ITEMS TO BE CONSIDERED FOR SECOND READING AND OR ADOPTION:**

**Resolution No. 07-12:** APPOINTING ANN ROBERTSON TREASURER OF THE CITY OF ROCK HILL. Upon no objection from the Board of Alderman, Resolution 07-12 was read by the City Attorney by "Title" only. Alderman Scherry moves to adopt the resolution. Alderwoman McCann seconds the motion. The motion carries by voice vote.

**Resolution No. 07-13:** APPOINTMENT OF HUTKIN PROPERTIES GROUP, LLC AND MILLER WEINGARTEN REALTY, LLC, AS DEVELOPER FOR RPA2 OF THE MCKNIGHT MANCHESTER REDEVELOPMENT AREA IN THE CITY OF ROCK HILL. Upon no objection by the Board of Alderman, Resolution 07-13 was read by the City Attorney by "Title" only. Alderwoman Wofford moves to adopt Resolution 07-13. Alderwoman McCann seconds the motion. The Mayor called for the vote: Alderman Johnson had a question to Miller Weingarten: if we approve the developer, when do they start buying property? Mayor Morgan responded that it would become officially official after the December 18<sup>th</sup> board meeting. Mr. Hutkin stated that after the agreement is finished with the City, then the date will be nailed down, but most likely after the first of the year the developer will be sitting down with the residents. The projected opening date for Target to open will be October 2009. Alderman DiPlacido wanted to voice his concerns stating: "That the people of Rock Hill in the conception phase of the redevelopment plan rejected the big box development and it seems that we are not listening to the people of Rock Hill; for whatever that is worth. I am also concerned that it doesn't seem like there has been any analysis of any negative

effects of a big box on our city. It seems like we are looking at the positive aspects and the pot of gold at the end of the rainbow, but there are negative aspects that come with the big box such as the increased traffic impact on the city, the cost of public service increases that come along with street maintenance, police and fire protection for such a large development. I think that studies have also shown that it affects local businesses. So how many local businesses are going to be downsized; or how many local businesses are we going to lose because of a big box? Add to this the risky position that the city has accepted of pledging its EATS to pay down the bonds. There are just a lot of concerns with this particular project. I would lastly have to say that I can really only support development that respects the property rights of the people, the residents of Rock Hill, and I don't think that this development does as the developer has stated previously that it is willing to use eminent domain to assemble the parcel of land."

Alderwoman McCann said that she has thought about this a lot and remembers that 7 or 8 years ago she helped assembled a movement against what was then a Wal Mart. The primary concern at that point was the issue of the Wal Mart coming in. Most of the people that she has talked with over the last few months that were involved in that anti-Wal Mart campaign have reacted quite favorably to a Target, particularly with the underground parking, the fact that it is sticking to the walker friendly footprint that we have on the south side, and she thinks that most people understand, most of the residents of Rock Hill, particularly those who have been involved over the last 7-10 years understand what is involved in getting this project done, and thinks that we are on track to do that. Alderwoman McCann understands that pledging part of the revenue from the bottom half, because we are using the worst case scenario, is not ideal. But, she thinks it is better than the alternative. We have to get the project moving and conceptually, she is happy with what we are doing. I am anxious and looking forward to moving on.

Alderman Scherry asks Hutkin what conceptually are the lease timeframes of all the outparcels for this property. We are looking at approximately 20 years worth of TIF here, and leases that don't stretch that amount would seem that would be the best way to get the TIF paid off. Mr. Hutkin stated the lease terms will vary. Smaller shops will have shorter leases, as they generally turn over more frequently; such is the nature of retail. Anchors and junior anchors will be there beyond the life of the TIF, especially those that are national chains. Depending on the tenant, the retailer request terms with an option and the end of their lease. Smaller retailers have leases generally in the 3-5 year term. Miller-Weingarten Developments currently operate 2 million square feet of retail space in the St. Louis Metropolitan area, and enjoy an overall occupancy rate of over 93%.

Alderman Johnson wants to know what types of leases the anchor tenant will have. Mr. Hutkin replies that Target will own their property. Mayor Morgan calls for the voice vote. Motion passes with a majority voice vote. Aldermen DiPlacido and Johnson voting against.

**11) Departmental Reports:**

**Police:** Capt. Paul Arnett reports that at the request of Heartland Bank a police substation will open at the bank, giving the police officers a place to get caught up with paper work and grab a cup of coffee without being out of service. Last month a compliance officer with the Department of Public Safety with the state conducted an inspection of the police station, which was found to be in compliance with all state and federal requirements. Officers conducting radar patrol on Des Peres and Bismark have

issued a total of 26 tickets for speeding, and this will continue. Monday will be a meeting with other area chiefs pertaining to the Highway 40 closure; and lastly, according to Santa at Tilles park, the new patrol car will be arriving before Christmas.

**Fire Department:** Capt. Kevin Halloran reports that the department is continuing work on the new firehouse, and waiting for the delivery and completion of the garage. The department is currently working with Arch Helicopter, setting up the landing zones for north and south Manchester, anticipating gridlock once the highway shuts down. The department assisted Shrewsbury on Saturday with a 3 alarm fire in the Kenrick Condominiums, where there was extensive damage. Alderman Scherry wanted to know if the department has installed the equipment on the truck to control the traffic lights. Not yet, as the state has not installed them on the street lights. City Administrator Liyeos had a conversation with Gary Earls with St. Louis County, who indicated that Clayton Rd is all taken care of, Manchester Road has been a challenge, but once the County gets that figured out, they will complete the restriping and signal work that is needed. Olive and Manchester have been the issue because they are state roads.

**Finance Department:** Ann Robertson reports the police car is forthcoming, as well as the public works vehicles. We are considering a lease to purchase finance deal, and moving forward on that. Lori Medlin received a scholarship to continue her education in becoming a certified City Clerk. The state of Missouri has informed us that we will be sharing the cost of collecting vehicle revenue and fees. The Public works vehicles being replaced are the pick up truck and a dump truck.

- 12) **City Attorney's Report:** Ken Heinz reports that there will have quite few ordinances for the next meeting: a TIF amendment, another cell phone settlement, revised relocation policy, and a preliminary redevelopment agreement with Miller Weingarten.
- 13) **Mayor's Report:** Mayor Morgan is pleased to announce the TIF Commission voted unanimously to recommend the amended redevelopment plan and cost benefit analysis, which includes an additional 8 million dollars in public support.
- 14) **City Administrator's Report:** George Liyeos issued a reminder regarding the traffic commission meeting on December 13 at 7:00pm here at City Hall. The agenda has been sent to the individuals who attended the meeting in August, who had voiced displeasure in terms of the inconvenience that they are experiencing. Another reminder regarding the employee potluck luncheon on Friday, December 14<sup>th</sup>. A closed session is needed tonight for a couple of things that have been brought to my attention that need to be discussed.
- 15) **CLOSED SESSION (if necessary): MOTION:** to hold a closed meeting with closed record and closed voting, pursuant to Subsection (1),(2),(3),&(12) of Section 610.021, RSMo, 2004, in order to discuss 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 representative and its attorneys; and leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration thereof; and the hiring, firing, disciplining or promoting of an employee of a public governmental body; and documents related to a negotiated contract.

Alderwoman McCann moves to go into closed session at 7:50pm. Alderwoman Wofford seconds the motion. Mayor Morgan proceeded with the roll call vote on the motion: Redmond, Johnson, Wofford and McCann voted in favor. Aldermen DiPlacido and Scherry voted against. The motion carries by majority.

**16) Return to open session:** at 8:58pm

**17) Adjourn:** Alderman Scherry moves to adjourn the open session at 8:58pm. Alderman Redmond seconds the motion. The motion carries unanimously by voice vote. Meeting adjourns.