

ST. LOUIS HILLS SPECIAL BUSINESS DISTRICT QUESTIONS AND ANSWERS

1. QUESTION

Who is leading the SBD initiative?

ANSWER

There are over 138 special taxing districts already set up in the City of St. Louis. Due to a substantial uptick of community concerns presented to the SLHNA, as well as input from representatives of Friends of Francis Park, the SLHNA organized a group of interested individuals who wanted to volunteer their time to explore to see if the SBD initiative would be a good fit for our neighborhood since other nearby neighbors in Holly Hills, Tower Grove, Soulard, parts of CWE and the Grove have all adopted various SBD approaches for their communities.

The committee is comprised of the following individuals who are residents within the proposed boundaries: Tom Bené, Nancy Vordtriede, Wayne Myrick, John Burghoff, Michael Banahan, Ken Gabel, Mark Johnston, Tom Scheifler, Carol Wilson, Sara Seger, Patricia Talley, Don Orf, Joni Ott, Ed Naeger, Chip Kastner, Dee Baebler, Janice Starbuck, Elizabeth O'Brien, Tom Byrne, and Brad Arteaga.

2. QUESTION

How did the process for the SBD get started?

ANSWER

In 2022, our nearby neighbors in Holly Hills became the most recent neighborhood that proposed and passed, via election vote, a Special Business District for their community. There are quite a few articles on STLtoday.com that document the process and describe how they plan to use it. Since St. Louis Hills has very similar issues affecting our community, many members of the SLHNA and its Board began discussing if an initiative like that would be helpful and work for our community. Due to high level of interest, a working group of interested volunteers, made of residents, members of SLHNA, and members of Friends of Francis Park, began to meet up to explore the process in more detail. This involved research, talking to others in other local SBDs, as well as city officials. The research and dialogue led us to Park Central Development, a 501(c)3 community development corporation (<https://parkcentraldevelopment.org/about-us/>) who has an impeccable track record of assisting communities in the City of St. Louis establish these districts and coordinate efforts with City of St. Louis. The volunteers reached out to clients of Park Central and obtained favorable recommendations. Park Central agreed to assist in our planning efforts. Park Central helps the committee explore this process and understand how it can help our community and assist to ensure we engage our entire affected community in order

to meet the statutory guidelines of the process. After our October 2022 article in the SLHNA newsletter, we received positive responses encouraging us to further explore. We then engaged Tom Oldenburg, our alderman, who was receptive to the idea and agreed to submit a petition to the Board of Aldermen to start the long legal process to comply with statutory and communication requirements necessary to qualify for inclusion on a future ballot to ultimately be decided on by residents within the district's boundaries.

3. QUESTION

How does an SBD become a legal entity?

ANSWER

An SBD can only come into life if approved by majority vote by its affected residents. It can only be on a future ballot if various steps are taken in accordance with the rules and regulations governing these bodies from both the State of Missouri and City of St. Louis. These steps include a filing of a petition at Board of Aldermen level seeking an opportunity to start the process to see if resident engagement would support the initiative. If all the required steps and communication occur, the initiative would be eligible for inclusion on a future election ballot. Park Central was engaged by volunteers exploring this option to help guide them through all the compliance steps and community engagement steps necessary to qualify. This is why affected residents received a letter via US Mail, sent by Park Central, notifying them of this initial petition filing to the Board of Aldermen Ways and Means Committee.

4. QUESTION

What does an SBD cost?

ANSWER

An SBD rate would be determined annually by a nominated Board of residents meeting various criteria, subject to the approval of the Mayor and input from Board of Alderman. The max rate allowable for a Missouri SBD is .85 per \$100 of assessed value of real property. However, the rate decided on from public engagement process is usually much less. The committee of volunteers exploring the SBD initiative set a goal of a Year 1 rate not to exceed .35. There is no expectation of ever needing to assess at the highest rate and we have asked that Park Central amend the initial potential max rate to .50. For example, if your property in the boundary has an appraised value per City Assessor site of \$350,000, the assessed value is \$66,500. A likely proposed SBD rate of .35 cents would be an additional tax of \$233 to your existing RE tax bill, or roughly a 4% increase. The rate assessed each year could increase or decrease based on the needs presented to the SBD for community projects but will never exceed the max rate. The goal is to have funds allocated to the neighborhood of around \$500,000/annually. Through community engagement, there could be exceptions to the tax, such as age or income restrictions, and so having a max rate higher than the proposed rate allows flexibility to ensure the annual

funding goal is met. Additionally, proposed rate in Year 2 could drop after considering one time start up related expenses needed in Year 1.

5. QUESTION

How long does an SBD last?

ANSWER

The proposed St. Louis Hills Special Business District has a proposed life of 7 years per the initial petition. SBDs are usually proposed for a 5,7, or 10-year life that can be renewed via future vote. Due to the lengthy legal process of getting on a ballot, the volunteer committee believed 5 years would not be enough time to show the impact of the SBD and 10 years would be too much time, so 7 years was selected. If the SBD is passed and does not meet the needs of the community adequately, it can be administratively dissolved by not seeking future ballot renewal efforts.

6. QUESTION

What can funds generated by a Special Business District be used for?

ANSWER

The District will generally provide for certain services and public improvements listed in the SBD statute. Without limiting the services and improvements authorized by statute, the District shall:

- A. **Cleaning, Landscaping, and Maintenance:** Services in this category will include the contracting of cleaning and maintenance services to a maintenance provider, which maintenance activities will include, but are not limited to (a) scheduled street sweeping and cleaning; (b) additional trash collection; (c) landscape and streetscape maintenance within the District; (d) maintenance of public art, decorations, improvements, banners, lighting, and signage; (e) graffiti removal; and (f) the purchase of equipment to assist in the above-listed cleaning and maintenance services.
- B. **Purchase, Installation, and Construction of Public Improvements:** Services in this category will include the (a) the purchase, installation, and maintenance of lighting within the District; (b) the purchase, installation, and maintenance of street and/or sidewalk furniture; (c) the purchase, installation, and maintenance of beautification materials throughout the District, including seasonal and holiday decorations and landscaping; (d) the contracting of services for installation of street improvements throughout the District; (e) the matching of funds for grants and projects intended to benefit the District; (f) the purchase and installation of

way-finding signage throughout the District; and (g) the provision of or contracting of transportation services. Public improvements in this category may include, but are not limited to (a) acquisition, construction, reconstruction and/or operation of parking lots and parking structures; (b) construction or reconstruction of sidewalks; (c) acquisition, construction, reconstruction and/or operation of buildings and other structures and the leasing of such buildings or structures to tenants; (d) transportation related improvements; (e) public Wi-Fi; and (f) parks.

- C. Security and Public Safety: Services in this category will include (a) the contracting of security services to private security providers, off duty police officers, or a local police department; and (b) the purchase, installation, and maintenance of security cameras within the District. Services in this category may also include, but are not limited to, (a) the purchase of communication equipment designed to address security related issues; (b) the purchase, installation, and maintenance of lighting for the security of the District; (c) the purchase of bicycles or automobiles for security personnel; and (d) demolition and securing of vacant buildings, structures and exterior minor improvements to homes essential for safety.
- D. Public Transportation: Services in this category may include, but are not limited to, funding, promoting, planning, designing, constructing, improving, maintaining and operating one or more public transportation projects or assisting in such activities, including street, intersection, signage, traffic signals, bus stop, bicycle lanes and parking facilities, shuttles, or other mass transit and any similar or related public transportation improvement.
- E. Marketing, Advertising, Promotion, Branding and Special Events: Services in this category will include (a) the contracting of services for the purposes of marketing, advertising and promotion of the District; (b) the purchase and installation of way-finding markers, banners, electronic and or print newsletters and other promotional materials; and (c) contracting of services for District-wide events. Services in this category may also include, but are not limited to, (a) the purchase of marketing materials such as banners, newsletters, and other promotional materials; (b) the contracting of services for the planning and implementation of District-wide events; (c) funds to help in the planning, coordination, and implementation of District-wide events; (d) the purchase or lease of tents, bleachers, and other similar equipment for use at District-wide events; and (e) the District's professional fees.
- F. Administrative Support: Services in this category will include (a) the purchase of administrative support materials such as office supplies, postage, reporting, and necessary equipment; (b) fees associated with the administrative activities of the district; (c) the contracting of services with a separate entity for the administration of the District; and (d) the hiring of personnel.

Also, the district may:

- A. Cooperate with other public agencies and with any industry or business located within the district in the implementation of projects within the District.
- B. Enter into agreements with any other public agency, any person, firm, or corporation to effect any of the provisions contained in SBD statutes.
- C. Contract and be contracted with and sue or be sued.
- D. Accept gifts, grants, loans, or contributions from City of Saint Louis, the state of Missouri, political subdivisions, foundations, other public or private agencies, individuals, partnerships or corporations.
- E. Employ or contract managerial, engineering, legal, technical, clerical, accountant, and other assistance as it may deem advisable.

7. QUESTION

If passed via majority vote, how is the money collected for the SBD, by whom and is there a fee for collecting it?

ANSWER

Per City Assessor office, they would handle the collection since they are the governmental agency responsible for RE tax collection. There is 1.5% collection fee that assessor charges to collect the funds; therefore, if \$500,000 was collected, City Assessor would charge collection fee of \$7,500. The City of St. Louis is not able to take the funds generated by the SBD, as the SBD is a separate legal entity protected by state statutes.

8. QUESTION

What are the eligibility requirements to join the Board of the SBD?

ANSWER

Per the Initial Petition, below is the language of how the Board should be set up, length of service and removal. Interested parties will need to apply to the Nominations Committee to ensure applicants meet the qualifications below.

Qualifications

1. Members of the Board must be at least 18 years of age;
2. Five (5) members of the Board shall be owners of real property within the District, or their representatives. Of these five (5) property-owning members:
 - a) One (1) member must be a member of Friends of Francis Park, or their representative.

b) One (1) member must be a member of the St. Louis Hills Neighborhood Association and a resident of the District, or their representative.

c) Two (2) members must be residents within the District, or their representatives.

d) One (1) member must be a licensed business owner within the District, or their representative.

3. Two (2) members of the Board must be renters of real property within the District, or their representatives.

C. Term of Office: Each member of the Board shall serve for a four (4) year term (except as provided herein with respect to the initial members), with terms expiring as of December 31st of the designated year or when their successors are appointed as provided herein, whichever is later.

D. Initial Members and Terms: The initial members shall be appointed for the terms set forth as follows: one (1) member shall be appointed for a term expiring December 31, 2024; two (2) members shall be appointed for a term expiring December 31, 2025; two (2) members shall be appointed for a term expiring December 31, 2026; and two (2) members shall be appointed for a term expiring December 31, 2027.

E. Removal: The Mayor, with approval of the Board of Aldermen, may remove any member of the Board for misconduct or neglect of duty upon written charges and after a public hearing.

9. QUESTION

How do we as residents ensure the transparency and accountability of the SBD, its Board, and its operations?

ANSWER

The Special Business District is required to make a website after formation to post meeting minutes, financials, and other public reports.

An annual audit is required for an SBD to operate in City Limits.

An annual report to Board of Aldermen (BoA) is required 60 days after fiscal year end.

Budget for next fiscal year submitted to BoA 180 days prior end of current fiscal year.

Park Central Development has been engaged to ensure all steps taken in formation and operation are compliant with the laws and regulations governing SBDs. They are a recognized organization with long operating history of guiding other local SBDs operating within the City of St. Louis. They would not jeopardize their reputation or take the time needed to assist if they didn't believe this effort would positively impact this community.

A Nominations Committee will be formed later this summer to coordinate with interested individuals who seek a Board seat and ensure their application is consistent with the eligibility requirements.

Members of the Board are subject to approval by the Mayor with consent of the Board of Aldermen

Residents are invited to open, general meetings with notice of meetings published in advance as required by statute.

10. QUESTION

Will there be more public meetings available on an evening outside normal work hours? Or other ways to submit official comments for record?

ANSWER

Absolutely, we are at the 1st step of a many month-long process to engage the community in as many as possible to solicit input and clarity to see if this idea is the correct solution for the community. We encourage all residents to attend the SLHNA General Meeting on 2.16.23 at 7PM at Bishop DuBourg High School, as this will be one of the topics. More meetings and information will be coming soon as we try to get a website built out with more information and background. Please also read previous SLHNA newsletters and SLHNA website for other information addressing this topic. If you are a local organization looking to have an SBD presentation / meeting please send email to Treasurer@stlhills.com to coordinate a visit. We are looking for ideas, solutions, and estimates. Thus, if you have a concern and research on cost of solution, please share so it can be added to a list of possible uses for consideration of SBD funds.

11. QUESTION

Can you clarify the costs and where the money is being spent for the proposed St Louis Hills Special Business District petition?

ANSWER

At this early point in time, there has been \$0 cost for this petition and initial effort. To borrow a cliché, it has truly been a grassroots volunteer effort organized with the goal of providing solutions to concerns of residents. Our volunteers have contributed their own time and talents in areas of their own expertise and certainly more help is needed, especially on the website side. As we start making adjustments to formalize documentation, legal counsel may be engaged with assistance from Park Central to ensure compliance and accuracy needed to meet requirements. If passed and Park Central is formally engaged, they would be paid a fee to provide a scope of agreed upon services to the SBD that may include regulatory compliance, accounting, bill pay, signage for meeting announcements, website buildout, postage to send out bulk letters, etc.

12. QUESTION

How would the SBD allocate funds between Francis and Willmore Park? Aren't we already paying for parks as City residents?

ANSWER

Parks in the City of St. Louis carry the designation of "City" park or "Neighborhood" park. City parks, such as Carondelet, Forest Park, and Willmore Park are separately identified by name in the annual city budget which specifically identified upcoming projects and its source of tax funds to pay for those improvements. Per City budget for Willmore Park, in FY 2023, ballfield improvements, playground equipment replacement and repairs to the Pedestrian Bridge are scheduled. Neighborhood parks are not specifically identified for projects in the budget. That said, there is an expectation that both parks will have unique needs and some requests may from residents may not match up with any future city planned projects so the SBD can help fill that void. The SBD would rely on input from Friends of Francis Park, a 501(c)3 entity as well as input from Friends of Willmore Park, a 501(c)3 entity as well, who we expect to be representatives of those parks that are well versed in the needs of these wonderful parks as well as what city projects related to those parks are in the scheduling queue. Those organizations would solicit community input, and then, reach out to the SBD to assist with any funding needs that are not covered elsewhere that would benefit the community. Additionally, coordination with SLHNA may be needed as well to ensure the project would be helpful to the community. The SBD would ensure requests meet the duties of its regulations that govern it as well as its budget. For Francis Park, the SBD would request the Parks Department outsource its landscaping allocation to its preferred vendor, Midwest Scapes. The SBD would ask that the city allocate funds to cover their promised biweekly obligation to that vendor, instead of self-performing, from late Spring to Early Fall. This would avoid concerns "as resources allow" for letting schedule lapses affect timing of cuts. This would allow one vendor to have maintenance scheduled and the park to be on a consistent landscape plan. This worked very well last year when Midwest Scapes did all park cuts, they could plan accordingly and work on different special needs each visit, such as additional trimming around Lily Pond one week, trimming around sidewalks the next time, etc. Then, for those groups looking to host events in the park, they can then contract out any additional landscaping with that vendor separately. We have reached out to Parks Commissioner to ask her to attend upcoming meeting and provide public comment on this proposal.

13. QUESTION

Who is eligible to vote for the SBD?

ANSWER

Voters who are eligible to vote on this proposition are registered voters who reside in the SBD and non-resident owners of real property located within the SBD. This does include renters who are registered voters.

If the property is owned by an entity (such as a corporation, LLC, partnership, estate or trust), the individual voting on behalf of that entity will also have to provide the poll workers with evidence of the individual's authority to act/vote on behalf of the entity (e.g., a corporate resolution, a copy of a relevant section of the entity's bylaws or articles of incorporation, a copy of a document issued by a probate court appointing the person as Executor or Personal Representative of the estate that owns the property, etc.). Please note that this copy will be kept by the poll worker and included in the ballot envelope with the voted ballot and evidence of property ownership.

Please note, too, that every qualified voter is only entitled to one vote, which means that if the same person or entity owns more than one piece of property located in the SBD, he/she/they may only vote once on the tax proposition. Similarly, if an individual is a registered voter who lives in the SBD and also owns property located in the SBD, he/she/they still may only cast one vote on the proposition.

14. QUESTION

How are the Board Members selected, I'm concerned about taxation without representation?

ANSWER

All interested residents can apply to be on the Board. An interested party would request a nomination form prepared by a Nominations Committee. The application will include questions that confirm eligibility based on the requirements in the initial petition. The elected Alderperson for the boundary of the SBD, will have final say on approving all Board seats as the Alderperson is responsible for submitting all approved Board members to the Mayor and Board of Alderman for approval. If the Board nominations exceed the number of Board seats, then the Nominations Committee will send all applications to the Alderperson for the ward to make the final selection. The Board members will have differing expiring terms lengths as proscribed by the petition. Therefore, as positions become open, if interest exceeds positions available, the

elected Alderperson would be making the final decision on selection since the Alderperson is an elected position.

15. QUESTION

If I'm not on the Board, can I still get involved in the SBD?

ANSWER

Absolutely. For each of the five main proscribed budget categories (Public Safety, Public Infrastructure, Landscaping and Maintenance, Marketing/Promotions, and Administration) of the SBD, we expect to form committees assigned to each category that will serve to make recommendations to the full Board.

16. QUESTION

Additional security, under the AwareNet program, is one of potential uses of generated funds, how is my privacy protected?

ANSWER

Only the camera owner has access to see live video for their camera. Neither the SBD, AwareNet, nor security officer has access to live cameras. The cameras are configured to send alerts to AwareNet, with video clips, only between 10 PM and 6 AM. Only the camera owner can see the video recorded between 6 AM and 10 PM. Video clips are automatically deleted from AwareNet after 15 days unless clip has been marked as unusual, suspicious or criminal by the security officer. The cameras have an option to "block out" private areas the camera would otherwise record (windows, doors, backyard). We encourage all camera owners to show neighbors the view from the camera and address any concerns. The AwareNet program does not exonerate the police department for its obligations and duties to our community, if anything, we seek cooperation and coordinated efforts to safeguard our community.

17. QUESTION

Am I really paying for these services twice?

ANSWER

No, the services provided by the SBD are on top of the services already provided by the functions of City governance. The AwareNet security program is not being provided by the City, it's an additional program not covered by your normal real estate taxes. The goal is to not duplicate any services already covered and strongly advocate for City assistance in duties they should be

provided to ensure proper coordination of efforts to our community. Engaging in secondary policing patrols, does not exonerate the police department for its regular responsibilities for our neighborhood.

18. QUESTION

Is the SBD a Home-Owners Association?

ANSWER

No. All real property owners inside the boundary would contribute, which is the only real similarity. The rate charged is based on the assessed value of real property. The SBD will not be handling any individual neighbor complaints against each other, will not be restricting someone's ability to build a fence, or dictate what type of roof shingles on roof replacement. The mission of the SBD to use its funds in a way to provide the greatest benefit for entire community.