

L A F A Y E T T E   S Q U A R E

**LOOKING**

*forward*

our tax dollars | our to-do list

# Welcome and Introductions



Kacey Cordes Mahrt

# Opening a new chapter



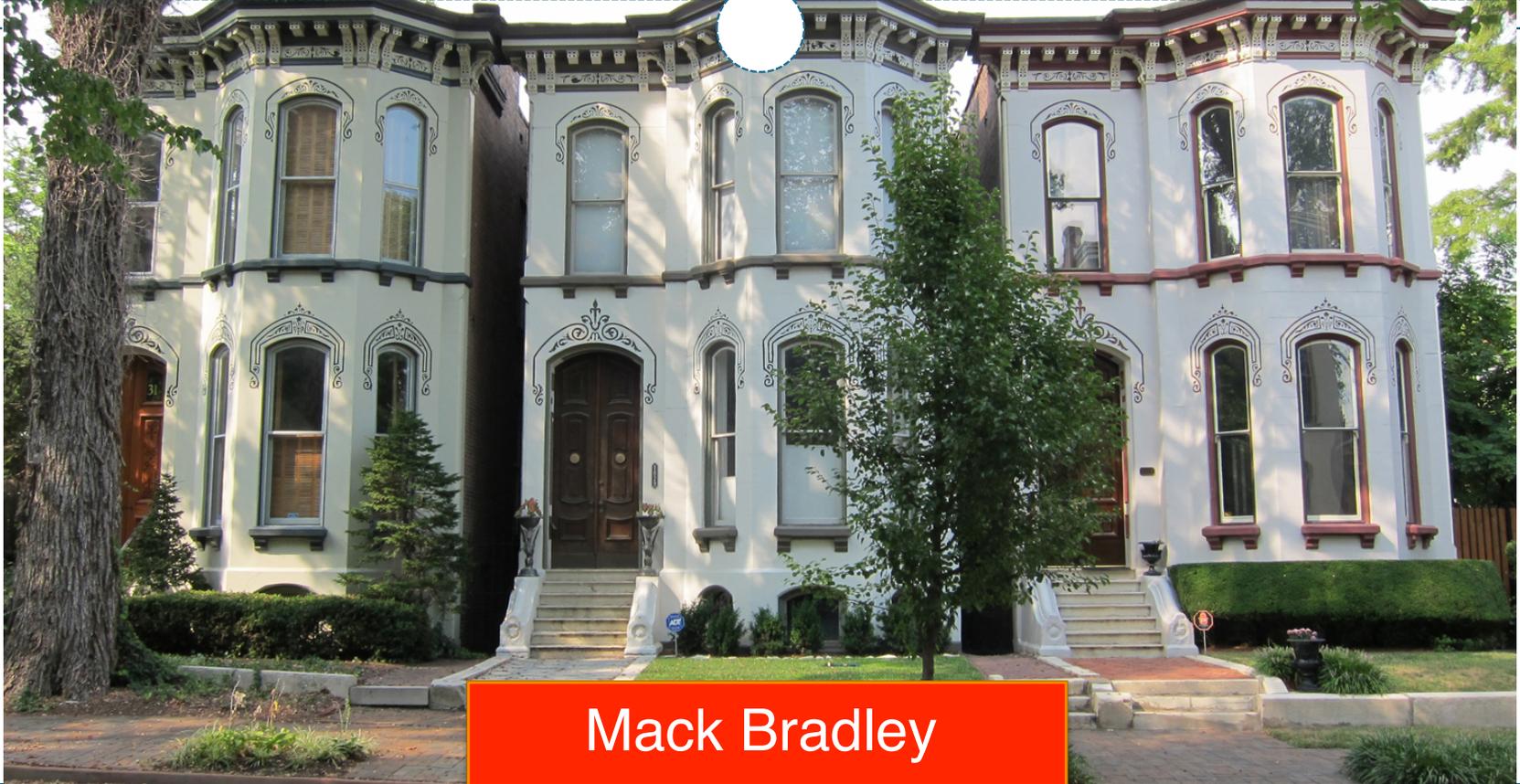
- ◆ Welcome to the opening of what we think will be a new, forward-looking chapter in the story of Lafayette Square.
- ◆ For some time now a working group of 18 of our neighbors has been looking at new ways to fund major improvements for the Square, many of them badly needed and seriously behind schedule.
- ◆ This is a first chance to share what we think is a great solution: instituting a Special Business District for Lafayette Square.
- ◆ In this meeting we will present the SBD concept, followed by an open Q&A session for everyone to join in.
- ◆ Leading our meeting is St. Louis public policy expert Mack Bradley, plus six of our neighbors who have done a lot of the fact-finding.

# Introductions



- ◆ Mack Bradley is president of Standpoint Public Affairs, whose clients include Fortune 100 companies, government agencies, and charitable, and religious organizations.
- ◆ He serves on the St. Louis Regional Chamber & Growth Association's Public Policy Council, the Cardinal Glennon Foundation Development Board, and the Mardi Gras Foundation Board.
- ◆ Mack is a past president of AmeriCorps St. Louis. He was a National Security Forum Fellow at the Air War College, and a Coro Public Affairs Fellow.
- ◆ In addition, we're grateful to have St. Louis Alderwomen Phyllis Young and Christine Ingrassia, who are working with our SBD study team, and are here to help answer questions.
- ◆ A list of our SBD Study Committee members will appear on-screen at the very end of this presentation.

# The City and the Neighborhood: Why We're Here Today



Mack Bradley

# Getting to Know the SBD as a Concept



- ◆ Welcome
- ◆ Professional Backgrounds
- ◆ Meeting Expectations
- ◆ SBDs as a funding mechanism for positive and ongoing change
- ◆ Strengthening your neighborhood and your district
- ◆ SBD governance and accountability

# The SBD as a concept for Lafayette Square



- ◆ A new way of seeing Lafayette Square's urban landscape
- ◆ Smart growth and historic preservation
- ◆ SBD: why, why here, and why now?
- ◆ Introducing immediate past-president of the LSRC Houston Smith

# What is a Special Business District and how will it work for Lafayette Square?



Houston Smith

# The Special Business District: a definition



- ◆ An SBD is a hands-on unit of very local government, authorized by state statute and instituted and operated by neighborhood residents.
- ◆ An SBD can impose taxes based on the assessed value of property within that neighborhood, and then use those funds to improve and benefit the neighborhood.
- ◆ The revenues collected are reserved for and used *only* to benefit the neighborhood and only in the neighborhood.
- ◆ In general, both revenues and expenditures are controlled by the neighborhood's SBD rather than the city or state government.
- ◆ The revenues raised are designated by residents for specific public projects, such as neighborhood improvements and security.

# The Special Business District: a definition (contd)



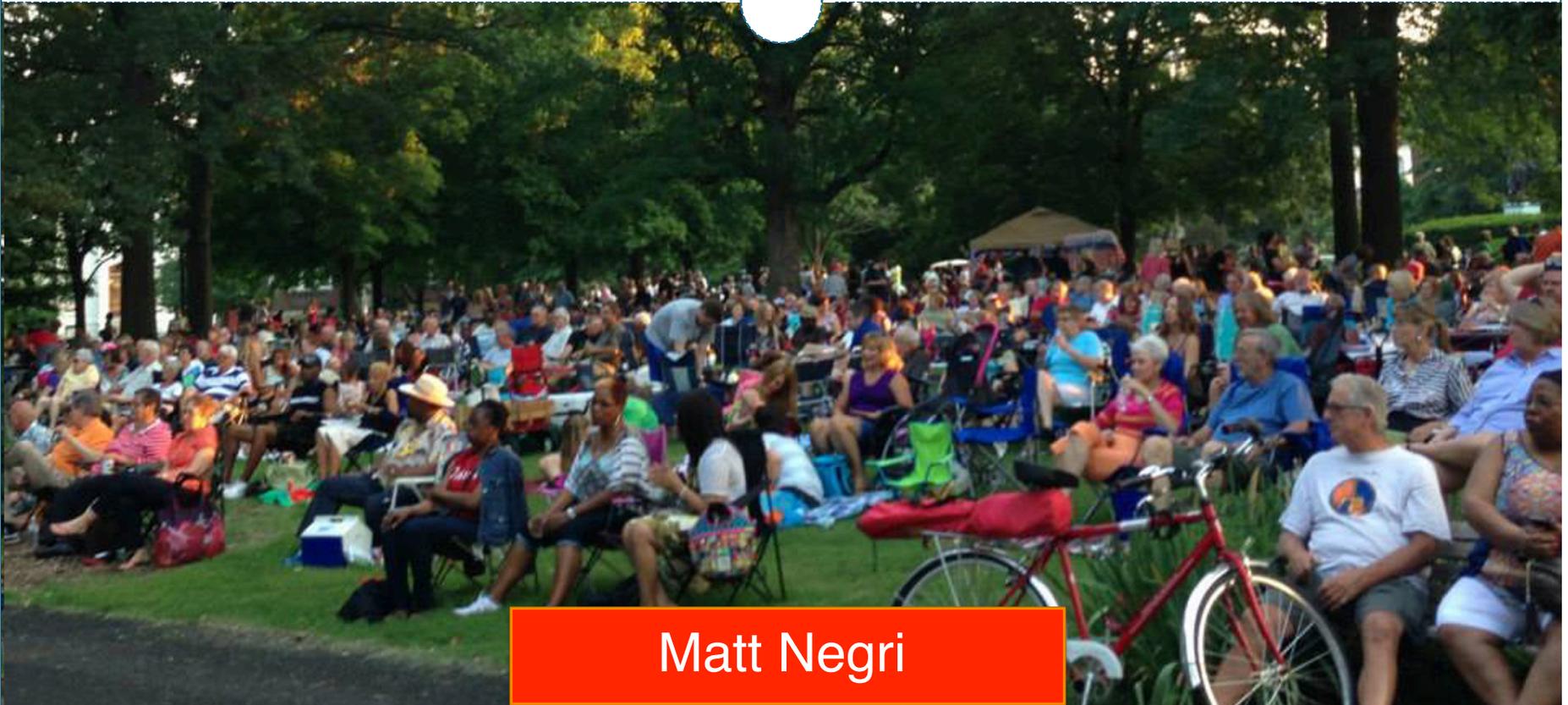
- ◆ The term “business district” is misleading, since both residential and commercial properties are taxed. Sections 71.790 to 71.808 of the Revised Statutes of Missouri govern SBDs.
- ◆ Once authorized by the city, an SBD is a separate legal entity and may contract independently of the city to hire and manage contractors.
- ◆ Forming the SBD begins with submitting a petition to the city’s Board of Aldermen. Upon approval of the SBD by ordinance, the level of the SBD tax must then be approved by residents in an election.
- ◆ The SBD and the property tax would be term limited to only five years; if the neighborhood then wants to extend the tax for additional years, another ordinance and another election would be required.

# How an SBD will work for Lafayette Square



- ◆ The Special Business District will enable our neighborhood's residents, for the first time ever, to invest property tax dollars in neighborhood improvements rather than see them go outside the community.
- ◆ The SBD will provide a stable, reliable, on-going source of the substantial funds we need for infrastructure improvements, maintenance, and security enhancements.
- ◆ Because the SBD can work independently of many of the city's public contracting regulations, individual projects will become much more cost effective.
- ◆ The SBD takes nothing away from the city. We achieve all these objectives without lessening the city's tax base and without reducing funding for schools.

# Who will be in charge of the Special Business District?



Matt Negri

# Governance of the SBD



- ◆ Who's in charge of the SBD? Our neighborhood is.
- ◆ Residential property owners, renters, commercial property owners, and business owners from all quadrants of the Square will make up the SBD's seven-member Board of Commissioners.
- ◆ Current thinking is that the Board might include representatives from the LSRC, the Park Conservancy, the Arts Council, the Lafayette Square Business Association, and several at-large members.
- ◆ Seasoned neighborhood pioneers and emerging leaders will work hard together on the board, which will be directly and continuously responsive to the neighborhood.
- ◆ Just about any resident or property owner can apply to be a board member, with our Alderpersons reviewing applications.

# Governance of the SBD (contd)



- ◆ All SBD meetings will be open to the public.
- ◆ SBD minutes and other records will be easily available on-line and the Board will regularly and proactively report to the neighborhood.
- ◆ This hands-on, collaborative, neighborhood-driven governance, analysts say, is key to successful SBD performance.
- ◆ Nationwide and even worldwide, special districts working under this governance concept are successfully reshaping traditional assumptions about neighborhood problem-solving.
- ◆ The special district concept is being praised for its effectiveness in putting significant resources back in the hands of the most local of all government levels, the neighborhood.

# Crunching the numbers: the SBD financial picture



**Keith Houghton**

# What will the SBD cost homeowners?



- ◆ Passage of the SBD at 85 cents on each \$100 of assessed valuation would mean that more than two-thirds of our homeowners would see a property tax increase of less than \$1 a day.
- ◆ At this same 85¢ level, for a Lafayette Square home with an appraised value of \$300,000 and an assessed valuation of \$57,000, the homeowner would pay additional property tax of about \$485 a year, or \$1.33 a day.
- ◆ Residents who rent rather than own their homes would see increases averaging 33 cents a day (about \$120 a year) if their building owners pass along the costs of the SBD levy.
- ◆ A key point: the SBD amounts are very different from conventional property tax costs because we invest them on improvements in our own neighborhood rather than see them go outside the community.

# How Does My Home's Value Affect the Amount of My Increase?



Your Home's Appraised Value	Your Home's Assessed Value	Your Annual Increase at 85¢ per \$100	Your Increase on a Daily Basis
\$100,000	\$19,000	\$162	About 44¢ a day
\$200,000	\$38,000	\$323	About 89¢ a day
\$300,000	\$57,000	\$485	About \$1.33 a day
\$400,000	\$76,000	\$646	About \$1.77 a day

# What will our neighborhood's revenues be?

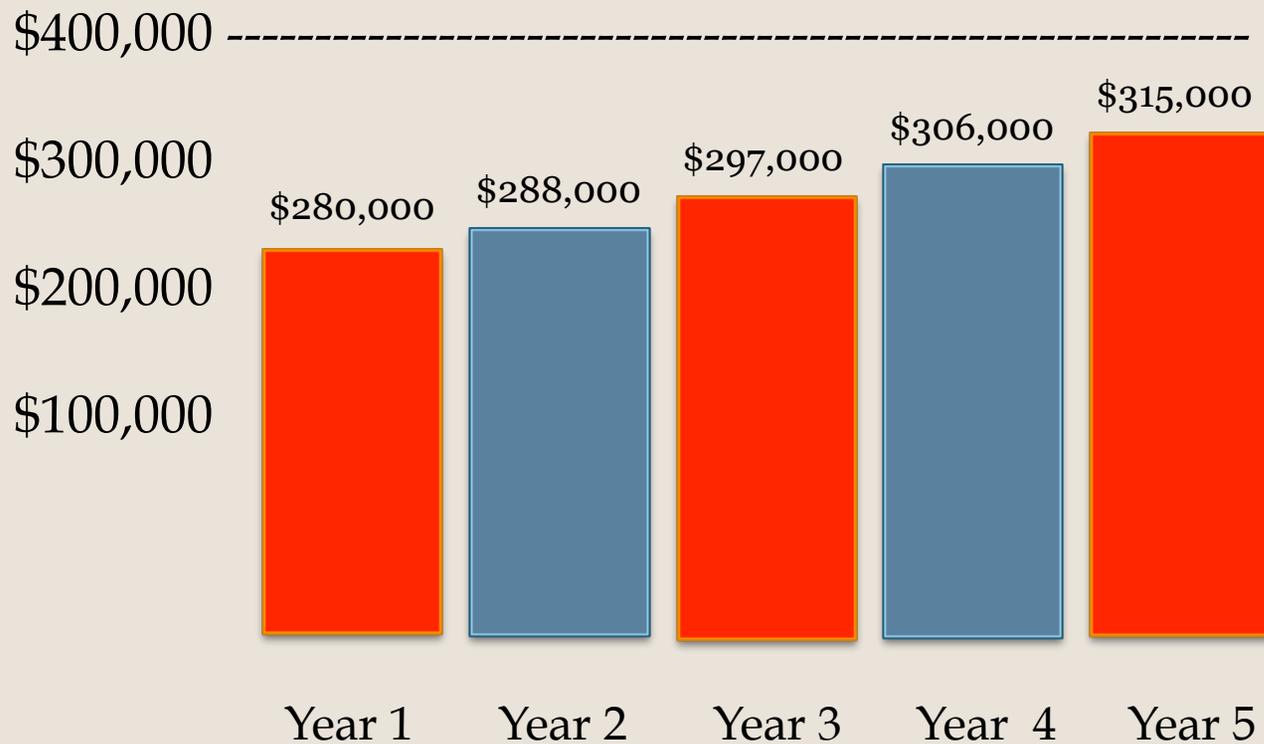


- ◆ Our additional annual yield for the neighborhood from the SBD alone will be around \$280,000 for the first year, more than all of our neighborhood organizations have averaged from all sources in our best years in the past.
- ◆ With revenue increases based on 3% inflation each year, the SBD revenue stream would grow to \$315,000 a year in five years with a cumulative total of \$1,486,000 at the end of that time.
- ◆ The bottom line: all of the SBD benefits described here today could come as the result of a relatively modest boost in property taxes, shared by residential and commercial property owners.
- ◆ The idea is that everyone contributes a little, and the neighborhood as a whole benefits a lot.

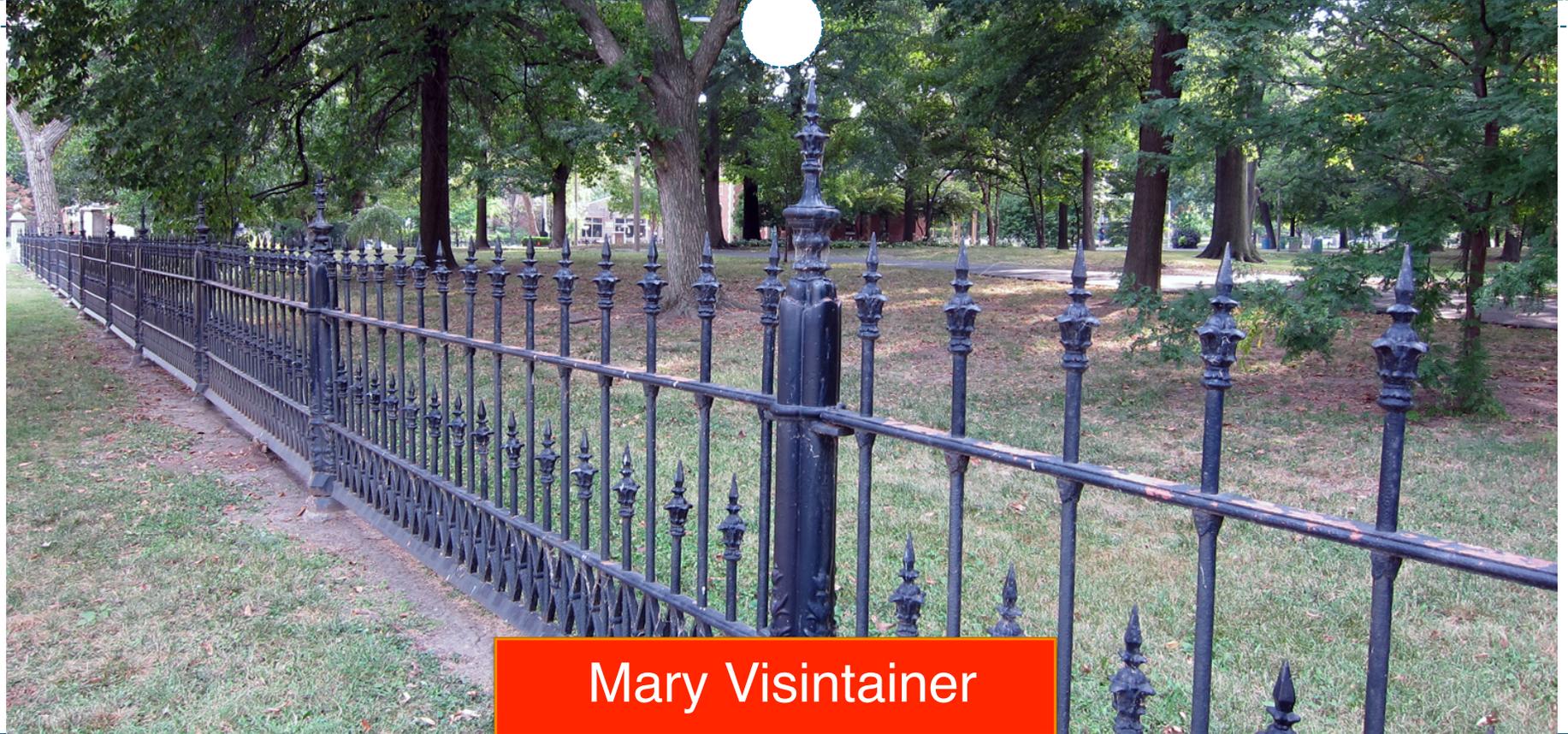
# Estimated Five Year SBD Revenue Stream



The SBD revenues would grow to \$315,000 per year in five years, with a cumulative total of \$1,486,000 at the end of that time.



# Lafayette Square's Critical and Growing To-Do List



Mary Visintainer

# The Urban Plan's Entry Features: Closing in on a Key Objective

- ◆ A key objective in the Urban Plan 14 years ago was the building of historically compatible entrance gate features at key neighborhood entry points to visually define and shape the neighborhood.
- ◆ To gain access to substantial TIF funds for these projects and others, the neighborhood agreed to provide future funding for maintenance of all the features, since TIF funds cannot be used for maintenance.
- ◆ Actually accruing the building funds has been a challenge and has taken a long time. Now preliminary and final designs have been approved and bids are being solicited from contractors. We're close!
- ◆ Construction of the large entry features is being coordinated to align with major renovations at Fountain Plaza Park and will begin soon.

# Closing in on a Key Objective (contd)



- ◆ This architect's rendering shows what the striking new entry features will look like when installed at Jefferson and Lafayette, and you can see what a transformational effect multiple installations like this will have on our cityscape.



# Closing in on a Key Objective (contd)



- ◆ These next two images show the before-and-after magic that can be worked by traffic flow and wayfinding improvements. These will go in on Park Avenue at Vail Place. Before:



# Closing in on a Key Objective (contd)



And After:

LAFAYETTE SQUARE TRAFFIC AND WAYFINDING IMPROVEMENTS



Proposed Concept

DRAFT

# Closing in on a Key Objective (contd)



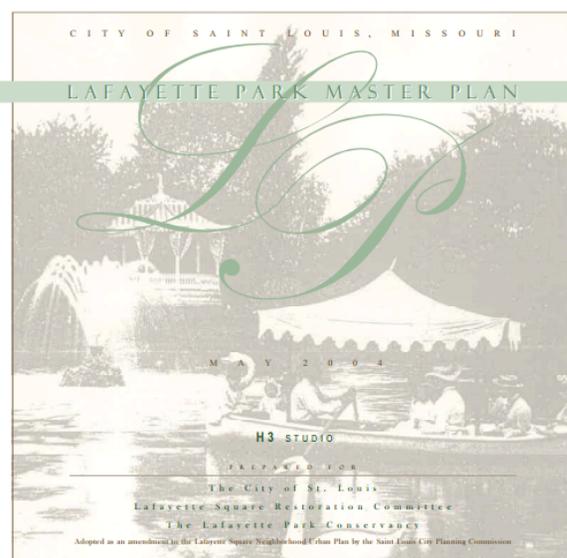
- ◆ Finally, the Fountain Plaza Park renovations will create a more interactive outdoor space for the area, with an art stand, rain garden spaces, a commemorative brick quadrangle, benches, and kiosks.
- ◆ Next up will be single column entries at secondary neighborhood entry points, and additional traffic calming measures. These projects will replace the barrels and barriers currently in use.

# Looking Forward as a Neighborhood



Kacey Cordes Mahrt

# A New Focus on Needs and Improvements



- ◆ Neighborhood Master Plan To-Do List - 2001
- ◆ Lafayette Park Master Plan To-Do List - 2004
- ◆ A new SBD To-Do List we will create together
- ◆ A renewed, forward-looking sense of place

# Building a new SBD To-Do List . . .



- ◆ The SBD will give us funding resources we've never had before. But it won't begin to pay for everything we need.
- ◆ What key things should we target first? Some items show up near the top of almost everyone's list:
  1. Sensible measures to ensure safety and security for the Square.
  2. Saving the park's at-risk fence for our children and grandchildren.
  3. Providing a period lighting system that will visually unify our historic streetscape and enhance our safety and security.
  4. Creating a system of historical markers that recall the people who lived in these homes and walked these streets.
  5. Paying special attention to the unique needs of our NW quadrant, where much of our future development will take place.
- ◆ But we also need to look realistically at costs. . . .

# Perspective: Safety and Security Costs



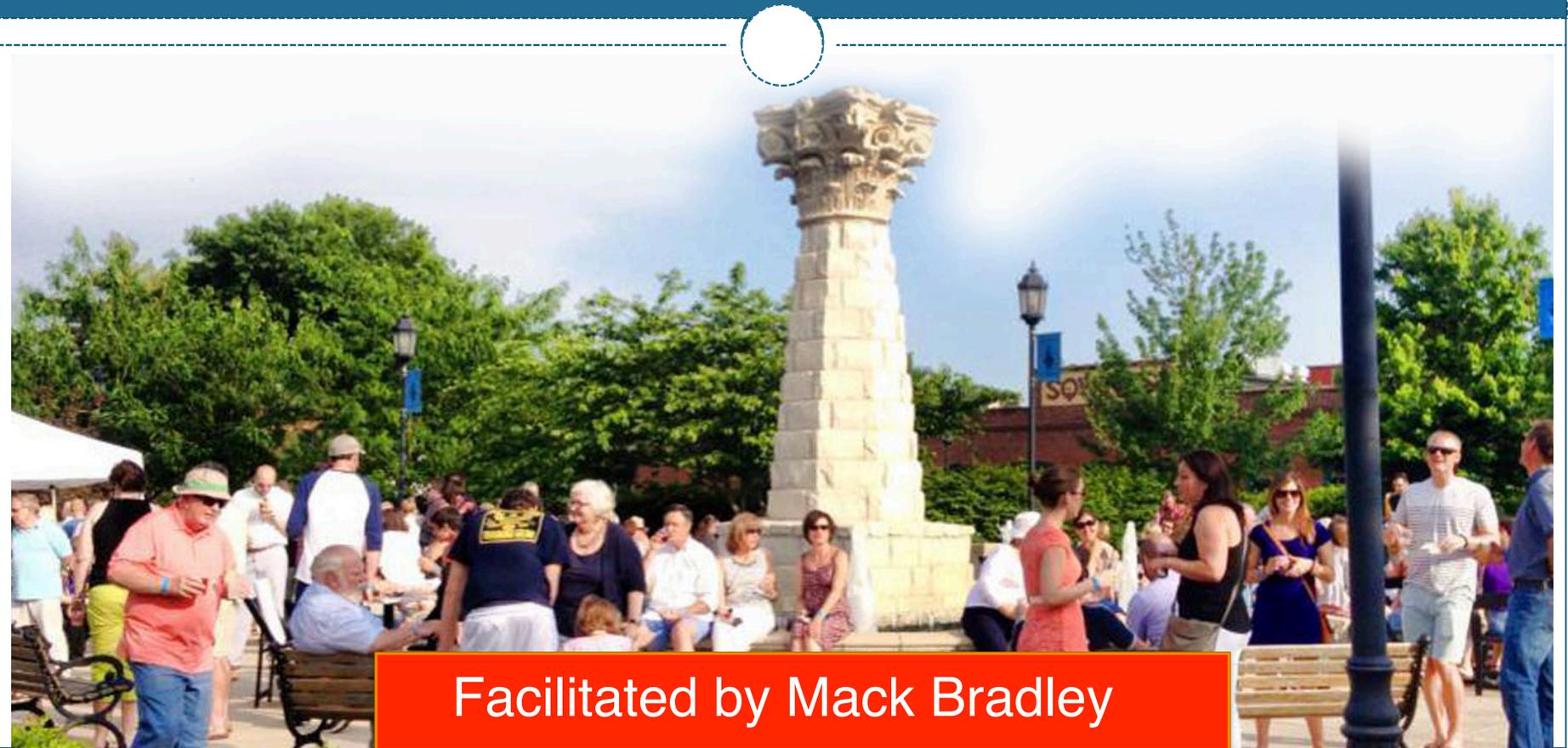
- ◆ No one intervention , or set of them, will stop criminal activity in any urban neighborhood; but many parts of Saint Louis have used the SBD model to help fund neighborhood safety initiatives.
- ◆ The CWE North SBD has devoted its income to three on-going safety initiatives: lighting features; unmonitored security cameras; and secondary patrols by off duty police. Now crime is down there.
- ◆ The North SBD (one of six in the CWE) has spent well over \$1,000,000 on increased neighborhood lighting, and spends more than \$280,000 a year hiring officers at \$50 an hour for secondary patrols, not counting administrative costs.
- ◆ Using our neighborhood's limited resources in the most judicious way possible is a complex task. Some CWE North commissioners are convinced that their most effective security measure has been the added street-level lighting systems.

# Perspective: Park Fence Restoration Costs



- ◆ The custom-designed iron fence surrounding our park is one of only a few of its kind left in the country, in a league with those at the Boston Public Garden and at Prospect Park in New York.
- ◆ A 100 years of deferred maintenance have left our imposing 4,100-foot fence in fragile condition, with many sections broken, 14 gates missing, 43 fence posts tottering, all 280 post foundations (restored improperly in the 70s) needing replacement; and the gate columns eroding.
- ◆ Restoration will be a complex phased effort over a period of years, including feasibility assessments, stabilization, fabrication of missing sections using sand casting, section-by-section repairs, stripping and repainting of iron elements, and protective sealants for the columns.
- ◆ Ornamental iron contractors and foundries have been slow to bid on a national heritage project of this kind; with studies of the fence underway, a ROM cost estimate for all repairs is one million dollars.

# Q & A



Facilitated by Mack Bradley

# Putting Together a Team to Study SBD Pros and Cons



## The SBD Study Committee for the Lafayette Square Neighborhood

Pat Barber	Glenn Eckert	Kacey Cordes Mahrt
Matt Brazelton	Kate Francis	Matt Negri
Ward Buckner	Donna Hagerty-Payne	Houston Smith
Merry Dahms	Keith Houghton	Pete Snyder
Tom Dahms	Christine Ingrassia	Rachel Witt
Jay Divine	Eric Lemmo	Phyllis Young

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