

Columbia City Council Work Session Minutes

Monday, October 20, 2014 5:00 p.m.

City Hall – Conference Room 1A/1B

701 East Broadway

Council members present: Mayor McDavid, Ginny Chadwick, Mike Trapp, Karl Skala, Ian Thomas, Laura Nauser and Barbara Hoppe

Absent: None

The City Council met on Monday, October 20, 2014 at approximately 5:04 p.m. in Conference Room 1A/1B of City Hall, 701 E. Broadway, Columbia, Missouri.

The roll was taken. Council Members McDavid, Chadwick (arrived at approximately 5:14 pm), Trapp, Skala, Thomas, Nauser (arrived at approximately 5:12 pm) and Hoppe (arrived at approximately 5:07 pm) were present.

Motion for Closed Meeting: Mayor McDavid made a motion for the City Council of the City of Columbia, Missouri, to immediately hold a closed meeting in Conference Room 1A/1B of City Hall, 701 E. Broadway, Columbia, Missouri, to discuss legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a governmental body or its representatives and its attorneys as authorized by Section 610.021 (1) of the Revised Statutes of Missouri. The motion was seconded by Mr. Skala.

The vote was recorded as follows: VOTING YES: MCDAVID, TRAPP, SKALA, THOMAS. VOTING NO: NO ONE. ABSENT: CHADWICK, NAUSER, HOPPE

At approximately 5:05 pm, the City Council went into the closed meeting pursuant to RSMo Section 610.021 (1).

The closed meeting adjourned at approximately 5:47 p.m., and the meeting was then open for the normal pre-council work session which began at approximately 5:49 p.m.

Retail Strategy:

Deputy City Manager Tony St. Romaine stated that we are reliant on sales tax in the community. We have a diverse community with retail opening frequently. He introduced Matt Petro from Retail Strategies to present findings on how many dollars leave Columbia; or how many people are going elsewhere to shop. This can help us look at gaps for entrepreneurial opportunities. He noted that there is

an agenda item at the regular meeting tonight to pursue this should Council agree.

Mr. Petro provided an overview of what's going on in the retail marketplace. Auto parts and home furnishings are two key segments in the market today. He reviewed the site selection process which includes the following areas: market research (competitor analysis, area socio-economic characteristics, area demographic characteristics and customer profiles); performance measurement (gravity modeling, trade area analysis, store performance against plan, market share by store); real estate planning (profile of trade areas and segmentation and ranking); and site selection (prioritize sites and markets for expansion, index reporting, identifying ideal sites, create trade areas for stores, develop marketing campaigns, develop merchandise efforts).

Mr. Petro provided background information for Retail Strategies and noted that there are 28 team members with 125 years of collective retail real estate experience. They average 4 clients per team member and have office in Fort Worth, New Orleans and Birmingham. Their process begins with market research and analysis; strategic planning; retail recruitment (including property owners, developers and brokers). Results of the process include increased tax revenue, job creation, industrial recruitment and an improved quality of life.

Mr. Petro explained that their research includes: demographic reports, tapestry segmentation analysis, peer analysis, retail spending reports, retail gap analysis and retail void analysis. He added that everything is uploaded to a site called basecamp. He noted in regard to the gap analysis; that it would never truly be a complete analysis because of online sales. He showed a property catalog for a comparable city. City Council person Hoppe asked if those areas were already zoned for retail. Mr. Petro explained that they look at both. When they come for the first time, they look at desirability. Further site visits will include looking at plans and zoning, etc. Then they look at development zones and focus areas. Then they come up with retail prospects for what they believe is needed in the community and would be successful. They also develop a marketing guide for the community. He explained that the execution phase is the key piece. It begins with retail recruitment, which includes: executing the strategic retail recruitment plan, outbound calls and follow up, trade show meetings and follow up, contacting land owners, development opportunities, identifying developers, and introducing developers. They will represent the community at retail conferences to market opportunities for this community. He shared some success stories in other towns.

Council person Chadwick felt that this process doesn't leave much room for entrepreneurial approaches if we immediately begin to recruit from larger retailers. City Manager Mike Matthes added that we do intend to allow time for

entrepreneurs to participate. We will look to local and large retailers to fill gaps in retail. Mayor McDavid sensed discomfort from some Council on this and added that we have lost manufacturing jobs here and that the private sector is bringing retail already. He wondered what the need for this is, when retailers do come here already. He asked if the private sector was requesting this analysis.

Council person Thomas noted that there are gaps that are being filled by online purchases.

Mayor McDavid wants to see the private sector ask for this rather than us putting this on them. Mr. Matthes explained that the intent of this is not to bring in competitors; this is for filling the gaps on things people go to St. Louis or Kansas City for. Council person Skala felt that the key is the gap and research. Mr. Matthes added that in addition to not recruiting competitors, we have a lot of traffic coming here for healthcare and other things, and visitors have asked for more shopping options.

Ms. Hoppe asked if we can do this analysis in stages since there seems to be a lot to agree to before we see stage by stage products. Mayor McDavid felt that we are underestimating the ability for private sector to recruit and he wants business community validation on wanting this before committing. Mr. Skala felt that this would just be information gathering to identify holes. Mr. Petro explained that we can take it as far as the city wants to. He planned to explain the full process, and Council can proceed any way they see fit.

Mr. Petro continued to explain that the gap analysis shows hundreds of millions of retail dollars leaving the city. Council person Nauser asked if anyone has talked to the County. Mr. Matthes replied no, and added that REDI has a regional view and this retail analysis is done mostly on the city. The REDI Board is aware and supportive. Ms. Chadwick understands keeping sales tax here, but wants to keep shops local. Council person Trapp explained that he gets asked why there aren't more restaurants on the north side of town. He never really has an answer on that consistent question and feels that this could help address those issues. Ms. Hoppe asked if the survey includes residents to see where gaps are. Mr. Petro replied that the questionnaire is to community leaders and asks what the most common requests are for retail.

Mr. Matthes added that this item is on Old Business tonight, he just wanted to introduce the item here first. Ms. Hoppe asked if there was time sensitivity on this passing. Mr. Matthes said no, Council can table if they desire further discussion. Mr. Skala felt there may be sensitivity from existing businesses and Council may need more time to gather input on this from constituents.

The Retail Strategy presentation can be viewed at the following link:

<http://www.gocolumbiamo.com/Council/Commissions/downloadfile.php?id=15677>

Urban Service Area:

City Manager Mike Matthes stated that this topic has come up in various means over the past year, so he wanted to take some time to go over this topic. He introduced Tim Teddy, Director of Community Development.

Mr. Teddy provided an overview of what would be covered at this session. He began by defining the problem, which was defined as follows: the shape, extent and physical make up of cities affects the cost of delivering service and the environmental costs of development. Expansion of cities outward consumes land. Efficient expansion would be land consumed based on need for housing, jobs and services; inefficient expansion is when an excess of land is consumed; intervening territory is less productive and less efficient for service provision.

Mr. Teddy noted that the Urban Service Areas appear in the Columbia Imagined plan with varying policies that all work together; but Policy Two specifically instructs to establish an Urban Services Area. This can be enforced by limiting City contributions to infrastructure to those in the capital improvement program. The area could also be amended at specified intervals to adapt the area to changing circumstances. Mr. Thomas asked if we manage our CIP planning based on these principals at all now. Mr. Teddy replied that most CIP projects are within city limits, with the exception of sewers and we do follow that practice somewhat.

Mr. Teddy explained some of Columbia's geography and growth patterns and noted that Columbia does not have metropolitan system geography. Columbia has minimal topographic and no political-geographic barriers to expansion. Historical context is that 1969 annexation enveloped an area of uncontrolled development to avoid suburbs.

Mr. Teddy explained that the purpose of an Urban Service Area is to be more efficient, orderly and have compact development. Principles should include: a large enough area to accommodate projected growth in population, employment, and services; allow for a reserve area; may consider "limited service areas"; identify area for preservation; coordinate with the County on urban fringe; and revise boundary as projections and circumstances change. Urban growth boundaries focus on delineation of contrasting land use and growth patterns. A growth boundary may be coterminous with the urban service area or the services area may be a subset of the urban growth boundary. Limited urban service areas are one in which the City agrees to sell one or more of its services without annexation or with deferred annexation. Mr. Thomas asked if there was a time frame. Mr. Teddy explained that you plan 20 years out.

Mr. Teddy noted that he would skip a few slides due to time constraints. At this time Council discussed having a dedicated work session in the future for this topic so that it could be discussed in full. The City Manager's Office will schedule this.

The Urban Service Area presentation can be viewed at the following link:
<http://www.gocolumbiamo.com/Council/Commissions/downloadfile.php?id=15678>

Other Topics Council Wishes to Discuss:

None.

There being no further discussion, the meeting adjourned at approximately 6:46 PM.