



COMMUNITY BUILDERS NETWORK OF METRO ST. LOUIS

**Civic Capacity Committee Meeting Minutes
February 15, 2017
Park Central Development Corp, 12-1:30pm**

Members Present:

- Reggie Scott
- Jim Roos
- Suzanne Hough
- Sean Spencer
- Dana Gray
- Breigh Montgomery
- Brooks Goedeker
- Michelle Petersen
- Stephanie Co
- Kevin McKinney
- Michael Powers

CBN Staff Present:

- Karl Guenther
- Constance Siu
- Jenny Connelly-Bowen
- Gary Newcomer
- Brendan East

I. Welcome - 12:00 (5 min)

II. Updates - 12:05 (20 min)

- a. Invest STL
 - b. St. Louis County Strategic Framework
 - c. LIHTC/Energy Efficiency
 - d. Vacancy Bond Proposal
 - e. Mayoral Forum
 - f. PSSP
- The Invest STL leadership board has taken shape and continues to meet. A finalized ask has been made for CRA banks to support Invest STL with



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\$330,000/year for 3 years to support capacity building. Supplemental documents were requested and are now being drafted by the Board. Meanwhile, they are working with a consultant on communications and marketing. Last month, staff at the St. Louis Community Foundation orchestrated Invest STL as a sponsor for scholarships to CBN Members wanting to attend the New Partners for Smart Growth Conference. As a result, 7 community development practitioners were able to attend the event.

- CBN continues to pursue conversations around the County Executive's Strategic Framework. Right now, a group is meeting internally about establishing a land bank in St. Louis County to advance the goals of the framework. These conversations are occurring between the Economic Development Partnership & the Office of Strategy & Innovation. CBN continues to stay engaged with these discussions and will report as progress is made.
- Dana Gray shared details about their need for individuals to testify before the state legislature regarding LIHTC property and energy efficiency credits. The current framework through the MO Energy Efficiency Investment Act has restrictions in the legislation that prevent LIHTC properties from taking advantage of Ameren's energy efficiency credits. Please contact CBN or Dana Gray if you are interested in giving a testimony in Jeff City when the opportunity arises. As a reminder, these testimonies do not qualify as lobbying for nonprofits. For those interested, two bills to follow include MO HB 648 & the Grid Modernization Act (SB 190).
- As you may recall, the Vacancy Bond proposal is a \$40m bond that will fund stabilization of vacant properties for the purpose of security and neighborhood economic development. This will go before the voters in April 2017 and will require a 2/3 majority to pass. A decision was ultimately made not to include amendments to the language including recommendations from CBN. The purpose of this decision is to prevent the initiative from becoming politicized via aldermanic committees as they need a large portion of votes for issue to pass. SLACO continues to reiterate the inclusion of a citizen-driven process in how properties will be selected for inclusion in the stabilization program. This is being left out of the language purposefully so that aldermen cannot influence the project. The Committee also noted that an ordinance must follow the ballot initiative so it would be highly unlikely an initiative would spell everything out administratively ahead of time. SLACO envisions a matrix or rating system to determine priority properties. CBN staff will continue to keep members informed, but will be taking no future action when/if administrative policies are considered. SLACO has put together a brochure to educate voters on the bond (without advocating a side). **CBN will share this brochure as well as create our own educational literature to share about the proposal.** Additionally, SLACO is hosting a vacancy summit next



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Friday (2/24) at T-Rex downtown with a happy hour to discuss the Vacancy Bond Proposal immediately afterward at the Over Under Bar. Please reach out to Kevin McKinney at SLACO or CBN for information on how to register.

- CBN is co-hosting a Mayoral Forum on Feb 22nd in collaboration with Trailnet, For the Sake of All, EHOC, Ready by 21, Social Innovation District, Envision STL, SLACO & MCU with a focus on community development. The Nine Network, St. Louis American, and St. Louis Public Radio have recently joined as partners to help facilitate and broadcast the event as neutral parties. Broadcasts will be on the air at a later date. The Forum will address the 3 themes in the Ferguson Report (Justice For All, Youth at the Center, and Opportunity to Thrive) with racial equity as a theme woven throughout.
- CBN is slowly rolling out the Professional Services Support Program to members. This program uses collective bargaining and preferred and vetted nonprofits to ease access and lower the purchasing cost of professional services for CBN members. In the future, CBN intends to provide subsidies to further support nonprofits for back office costs. Staff encourages CBN members to try it out and associate members to use our VistaPrint and Office Essentials account to provide revenue stream for the service. Anyone interested in the program should reach out to Gary or Constance. We welcome any feedback for our business plan and can share more information. CBN is also looking for larger organizations to consider using our corporate Office Essentials or VistaPrint account to not only receive access to discounts, but to also generate revenue for the program by contributing to the CBN rebates.

III. **Sales Tax Increase Proposal - 12:25 (25 min)**

- a. Update on role of neighborhood-based planning
 - b. Review brief, where should it go? Who is audience?
 - c. What role should CBN be take in terms of knowledge sharing/taking a stance?
- As you may have heard, two sales tax proposals are headed to the ballot in April. Currently, Christine Ingrassia introduced/passed two bills through the BoA (BB 226 & 227) concerning the sales tax that were signed by Mayor Slay and approved by judge Michael Mullen.
 - The first (226) would place a ½ cent increase in the city's sales AND use tax. This would go to a vote by city residents and the proceeds of this would fund:
 - 60% of total - \$12m - "First alignment" of North-South MetroLink. The goal is to get federal matching funds that would be enough to "build out a significant piece of the alignment."



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- 10% of total - \$2m - "Neighborhood revitalization" programs
 - "Mini-Choice Neighborhood" grant to one neighborhood
 - \$50,000 annual planning grant
- 10% of total - \$2m - Security cameras, updated equipment
- 10% of total - \$2m - "Workforce development" programs
- 10% of total - \$2m - Infrastructure improvements for streets, alleys, waterworks, public buildings, and parks
- The 2nd bill (227) would dedicate the use tax increase to pay for the proposed soccer stadium. If this bill fails to pass by the voters, then the use tax increase would go toward the city's general revenue (pending approval of 226). This \$4-5m annually could go toward funding community development.
- CBN staff set up meetings with Ald. Christine Ingrassia and Nahuel Fefer (Mayor's staff) to learn more and see how it will impact neighborhood-based planning. In January, the CBN Board met to take a stance on the language. The Board voted to support the current language of the two bills ONLY if the allocations for neighborhood revitalization and proportional doling of funds remain part of the language. While most of the details of the bill remain in tact, the allocation to neighborhood revitalization decreased from 12.5% to 10% during the legislative process.
- Some questions raised by the Committee included whether city agencies can receive this funding, if there could be a shift in CDBG dollars away from the neighborhood revitalization area, and general confusion over the administrative process. The Committee agreed that CBN should take a role in facilitating the spread of information about the Sales Tax Initiative. **CBN shared a brief about the bill that will be updated and sent out to members.** Additionally, the Committee believed **CBN should host some brown bag workshops for individuals to come and learn or ask questions about the proposal.**

IV. Affordable Housing Trust Fund - 12:50 (15 min)

a. Ask for specific dollar amount

- As you may know, the City has been underfunding the Affordable Housing Trust Fund by \$500,000 per year for the last 5 years. CBN originally initiated discussions with the city with little success. The City's attorney claims that underfunding affordable housing is legally sound although that claim is certainly up for debate. CBN staff shared a policy brief with the Committee to help ease the spread of information.
- If the vote for a sales tax increase passes, but the vote for a stadium does not pass, more dollars may be available to support the Affordable Housing Trust Fund. CBN Staff asked the Committee what amount of those potential funds CBN should recommend be moved to the Affordable Housing Trust Fund on behalf of our



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membership. As a reminder, the Committee recommended at the October meeting that if CBN is expending staff time and political capital, that we should advocate for more than the minimum required funding at \$5m/yr. The Committee ultimately determined through a vote that 50% of future use tax receipts are an appropriate amount to direct toward Affordable Housing.

- Per the request of the Committee, CBN staff will conduct research on current CDBG funding allocations to determine the current %'s going to CDCs.

V. SB 285 & Tax Credits - 1:05 (25 min)

- Missouri State Senator Andrew Koenig (R-Kirkwood) recently introduced SB285 that reduces the corporate income tax while cutting funding for several tax credit programs that directly benefit our region's neighborhoods. Last Tuesday, the Senate Ways & Means Committee voted "DO PASS" on the bill and sent it for a full vote by the Senate. Two weeks ago, CBN went to Jeff City to speak against the bill with partner MO Preservation. CBN has alerted members and partners about this bill and can share additional information or talking points in support of these programs.
- The programs impacted by SB285 include the following:
 - Low-Income Housing Tax Credit
 - SB285 implements a cap on the amount of tax credits that may be authorized in a given fiscal year under the Missouri Low-Income Housing Tax Credit program. The initial cap will be \$160 million and will decrease annually until the cap is \$90 million.
 - Historic Preservation Tax Credit
 - SB285 reduces the annual cap on tax credits for historic preservation of buildings from \$140 million to \$50 million.
 - Brownfield Tax Credits
 - SB285 eliminates the Brownfield Demolition tax credit.
 - Neighborhood Preservation Tax Credit
 - SB285 reduces the cap on the aggregate amount of Neighborhood Preservation tax credits that may be authorized in a calendar year from \$16 million to \$1 million.
- In the last 10 years, the St. Louis region CDBG and HOME have been cut 50% adjusting for inflation. These programs are some of the very few tools left for rebuilding communities. If Missouri wants to revitalize its rural and urban communities, these programs are essential.
- CBN will look into how many LIHTC credits are issued to projects annually.



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- CBN will continue to spread the word of the threat to these programs, including a follow-up email to the Committee with more information.

VI. Conclude - 1:30