

REGULAR SESSION – OCTOBER 3, 2011

The Cape Girardeau City Council convened in regular session on Monday, October 3, 2011, at 7:00 p.m., with Mayor Harry Rediger presiding and Council Members Mark Lanzotti, Loretta Schneider, Kathy Swan, Debra Tracy and John Voss present. Council Member Meg Proffer was absent.

Reverend Mark Anderson, of Lynwood Baptist Church, presented the invocation, and the Pledge of Allegiance was recited.

Prior to the regular session, the City Council convened in closed session for purposes of discussing property acquisition, confidential communications with legal counsel, and personnel, pursuant to Sections RSMo. 610.021(1), (2), and (3) upon Mrs. Tracy's motion, Mrs. Swan's second, and the following vote: Ayes, Lanzotti, Rediger, Schneider, Swan, Tracy and Voss. Nays, none.

Mrs. Schneider made a motion, seconded by Mrs. Swan to remove BILL NO. 11-157, a Resolution expressing support for the construction of an affordable housing development to be known as Silver Springs Apartments, from the Consent Agenda, and approve the Agenda as amended. The motion was approved upon the following vote: Ayes, Lanzotti, Rediger, Schneider, Swan, Tracy and Voss. Nays, none.

PRESENTATIONS

Mayor Rediger, Mrs. Schneider, Mrs. Swan, and Mrs. Tracy presented a Pink Up Cape Proclamation to representatives of St. Francis Medical Center, recognizing their Breast Cancer Awareness campaign during the month of October.

COMMUNICATIONS/REPORTS

The Mayor announced elections for Council Members of Wards 3, 4, and 5 will be held in April of 2012. Petitions are available now at City Hall. October 25 is the first day to file petitions, with a closing date of November 22.

Mayor Rediger said that he had attended the Electric Car Conversion Convention held at the Cape Girardeau Regional Airport. People from all over the world attended the convention, and it attracted 145 entries. The Electric Car Conversion Convention will become an annual event for Cape Girardeau. Mrs. Tracy said that members from the Girardeau Goes Green advisory board had attended the electric car show at Capaha Park and passed out recycled money.

Mayor Rediger said that he had joined the Southeast Missouri Food Bank and over 1,000 volunteers to stuff backpacks with food last Friday at the Osage Centre. He appreciated the assistance of City staff.

Mrs. Schneider said that she had attended the Silver Haired Legislators meeting in Jefferson City in early September. The Silver Haired Legislators are advocates for senior citizens with 150 delegates from around the state that propose bills to present to legislators that are of interest to senior citizens. The Silver Haired Legislators proposed 20 bills that had to do with health issues, consumer affairs, and taxation of special interest to seniors.

Mr. Lanzotti thanked the community and applauded the citizens of Cape Girardeau and Jackson for their support of the Notre Dame High School golf tournament. Brother David Anthony announced that the school had raised almost \$200,000 during their fundraising campaign last week.

City Manager Scott Meyer said that he and the Mayor had visited the Humane Society of Southeast Missouri last week. He said the Humane Society representatives appreciated the legislation approved by the Council relating to problem dogs coming to their facility. Due to that Ordinance, the number of dogs coming to the facility dropped from 5,000 to 4,000.

Mr. Meyer updated the Council on local construction. The Big Bend Road Project will open in the next week or two. Short sections between Roberts Street and Cape Rock Drive will be closed until the end of the year. The Bloomfield Road Project should be open by the end of the year. In addition, construction has begun on the Vasterling Building.

PUBLIC HEARINGS

This being the date set for a public hearing to discuss the request of Iris Ford to rezone property located at 2901 Hawthorne Road from the R-1 (Single-Family Suburban Residential) District to the AG (Agricultural) District, the hearing was opened.

Mr. Jack Pettet addressed the Council, representing the applicant, Ms. Iris Ford. He said that when Arena Golf opened for business, they were given a 15 year special use permit which expired this year. They were told that no special use permit was available for this purpose in the R-1 district, and they would have to apply to rezone the property. Ms. Ford submitted an application, and the Planning and Zoning Commission unanimously approved it. Mr. Pettet said that they want to continue operations at the business as they have for the last 15 years. Mayor Rediger asked if the Planning and Zoning Commission had commented about installing netting along Hawthorne Road. Mr. Pettet confirmed that the Commission has requested they put up netting, and the property owners have agreed to do that.

There being no further appearances, the hearing was closed.

BILL NO. 11-156 was given first reading as follows:

AN ORDINANCE AMENDING CHAPTER 30 OF THE CODE OF ORDINANCES OF THE CITY OF GIRARDEAU, MISSOURI, BY REZONING 2901 HAWTHORNE ROAD, IN THE CITY AND COUNTY OF CAPE GIRARDEAU, FROM R-1 TO AG

Mrs. Tracy made a motion, seconded by Mrs. Schneider to approve the first reading of BILL NO. 11-156. The motion was approved upon the following vote: Ayes, Lanzotti, Rediger, Schneider, Swan, Tracy and Voss. Nays, none.

APPEARANCES

Mr. Jason Maddox, of MACO Development Company, LLC, appeared with Mr. Dan Sanders, regarding a Resolution of support for an affordable housing development to be known as Silver Springs Apartments. They presented handouts of preliminary drawings of the development to the Council. MACO Development is proposing to construct a 48-unit multi-family housing complex with a 3,000 square-foot community room, and they will submit an application to the Missouri Housing Development Commission (MHDC) for allocation of financing. The application process

has changed, and this year developers are required to submit a Resolution of Council support with their application.

Mr. Maddox said that he has successfully completed three other developments in Cape Girardeau on South West End Boulevard that were completed in the early 1990's and stay full all the time. Heritage Manor, Rose Brook, and West Court Manor are senior housing units with an on-site manager, Ms. Carol Mouser.

Mrs. Schneider said that she would be concerned with the way the units are maintained. Mr. Maddox answered that the intent was for Ms. Mouser to manage the new units, as well. Mr. Lanzotti noted that these housing units would be different from the senior housing program, this program is for multi-family housing. He asked if the multi-family housing would be open to anyone. Mr. Maddox replied that there is a stringent screening process with an income limit of less than 60% of the median income, or approximately \$36,000 for a family of four. The median income for a single person is \$22,680.

Mr. Lanzotti said that MACO Development has a good track record, but this is a different project, and he is concerned about what it would bring to an area that is already strained. He asked if they are applying for tax credits. Mr. Maddox said that they have done preliminary models of what the project will cost, and they have requested \$669,052 in annual tax credit from the MHDC. Mr. Lanzotti said that he had concerns with adding 96 units on this 12-acre lot. He will not be supporting this application, he said, because of his concern with its impact on the surrounding neighborhood. Mr. Voss asked what the \$669,052 tax credit is worth over the 10-year tax credit life. Mr. Maddox replied that he was told it would be 80 cents.

Mr. Maddox said that this project is different than the senior units MACO Development has done in the area, including in Poplar Bluff. It is important to have the right on-site manager in place, as well as a stringent screening process. The tax credit does not allow full-time students to live there. These renters will have to work and pay rent. The proposed rent is \$415 per month, there is no rent subsidy.

Mr. Lanzotti asked if MACO Development had initiated any dialog with the surrounding property owners or with any single family residents along Red Bud and other areas regarding this project. Mr. Maddox answered that he had not. He said that the application will be submitted November 14, and they won't know until February if they received the funding. MACO Development will start the Planning and Zoning process at that time. Mrs. Tracy said that Cape Girardeau has a need for more low income housing.

Mr. Meyer commented that MACO Development would have to go through the staff site plan review process, if the project proceeds. He also noted that the Comprehensive Plan recommends this area for high density use.

Mr. Maddox said that funding this year will be very competitive, and approximately 40% of tax credits are going to Joplin. Outside of Joplin, St. Louis and Kansas City, only about eight projects will be funded. If the Council doesn't support this project, the State will not fund it.

Mr. Larry Haertling, of West Cape Development Corporation, addressed the Council and said that he has owned the property for 40 years. He tried to put in a good mix of housing in this area. The 12-acre lot is zoned commercial now, but he doesn't think that is a good use. He owns property to the South with duplexes and triplexes. There are no single-family residences adjoining the property, but there are some several blocks away. Those residents would be upset if they were to

use the property for commercial use. This is the best use for this property. Mr. Haertling requested the Council's support for this application process.

Mrs. Tracy asked if anyone had expressed concerns about the project. Mr. Haertling answered that the Sterling Group had requested tax credits previously, and no opposition had arisen. However, they did not follow through with the development at that time. Some of the single-family residential residents two or three blocks away on Wisteria may have opposed it, but the adjoining properties are apartments.

Mr. David Epps, of 312 West Lorimier Place, appeared before the Council, and said he is an apartment owner in this area. Mr. Epps said he is not opposed to this project, but the Council needs to look at it from the long-term viewpoint and what the net income to Cape Girardeau will be. The construction materials will be imported, and the net economic gain would only be about \$1 million. This is a fully subsidized project funded by other people's money. The rental income will be exported to Mr. Maddox's company in Clarkton and to his investors. Over time, this will be a net loss for the City. Mr. Epps asserted that the government will set the rental rate for these facilities, and that will be lower than most other rentals in the area. This will affect the rental rates for all units in the City.

BILL NO. 11-157 was presented as follows:

A RESOLUTION OF THE CITY OF CAPE GIRARDEAU, MISSOURI, EXPRESSING SUPPORT FOR THE CONSTRUCTION OF AN AFFORDABLE HOUSING DEVELOPMENT TO BE KNOWN AS SILVER SPRINGS APARTMENTS

Mr. Lanzotti announced that he will oppose this Resolution. He said that this development will bring more rental units and pressure to an area that already has a high concentration of rental property. Many of the old units are being rehabilitated. If low rent apartments are constructed in the area, he asked what will happen to the motivation for other unsubsidized rental housing owners to participate in property improvements, if neighbors can rent their units for \$400 per month. Mr. Lanzotti said that rent that low will skew the market and hinder redevelopment in the area. It would also increase traffic flow in the area, he said.

Mr. Voss asked if they understood the propensity of subsidized rent in this area. Subsidized housing could change the balance of the current rental properties in the area. Mr. Voss asked if there are high-density rental housing units in the area. Mr. Haertling answered that there is no other high-density rental housing. Most are four to six units, and there are no subsidized units in this area. Mr. Haertling stated that he disagreed with the assertion that low-income rental property would increase area traffic.

Mrs. Tracy said that she appreciated the concerns expressed for the area. Regardless of where subsidized housing is located, the balance in terms of competition is going to be the same, no matter where it is in the community. Low income housing was identified in the City's Comprehensive Plan as an area of great need.

The reading of BILL NO. 11-157 was approved, and the Resolution adopted upon Mrs. Schneider's motion, Mrs. Swan's second, and the following vote: Ayes, Rediger, Schneider, Swan, and Tracy. Nays, Lanzotti and Voss. BILL NO. 11-157 is RESOLUTION NO. 2651.

CONSENT AGENDA

A motion was made by Mrs. Schneider, seconded by Mrs. Swan, to approve the following items on the Consent Agenda:

City Council September 19, 2011, regular and closed sessions minutes.

BILL NO. 11-149, AN ORDINANCE APPROVING THE RECORD PLAT OF LOHMANN SUBDIVISION. Second and third readings.

BILL NO. 11-150, AN ORDINANCE APPROVING THE RECORD PLAT OF DOMBROWSKI'S FIRST SUBDIVISION. Second and third readings.

A motion accepting the improvements to the Central Municipal Pool and authorizing final payment to Penzel Construction Company, Inc.

A motion accepting into the City's system the improvements completed to Veterans Memorial Drive Phase IV, and authorizing final payment to Fronabarger Concreters, Inc.

The motion was approved upon the following vote: Ayes, Lanzotti, Rediger, Schneider, Swan, Tracy and Voss. Nays, none. BILL NO. 11-149 is ORDINANCE NO. 4273; and BILL NO. 11-150 is ORDINANCE NO. 4274.

OTHER BUSINESS

Mr. Steve Pitman, of 1901 Brucher Street, addressed the Council and said that, although he fully supports the City leash laws, as a disabled citizen, he moves slowly and has been unable to always get a leash on his dog. On September 20, Mr. Pitman received a ticket and fine for failing to maintain his dog on a leash. He asked the Council for a waiver for his particular instance.

There being no further business, the City Council adjourned upon Mr. Lanzotti's motion, Mr. Voss' second, and the following vote: Ayes, Lanzotti, Rediger, Schneider, Swan, Tracy and Voss. Nays, none.

Harry E. Rediger, Mayor

Gayle L. Conrad, City Clerk

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