

CITY COUNCIL STUDY SESSION

TO: Mayor and City Council
FROM: Mari E. Macomber, City Manager ^{MEM}
SESSION DATE: June 6, 2011
TIME: 4:30 pm
PLACE: Second Floor Conference Room

AGENDA:

- BUSINESS LICENSE UPDATE
- LIQUOR LICENSE REPORT
- SPECIAL EVENTS POLICY
- CITY ROLE WHEN APPLYING FOR GRANTS FOR OTHERS
- REVIEW COUNCIL NEWSLETTER

BUSINESS LICENSE UPDATE

The City Council spent time this past year, discussing the business license process and ways that the system could be improved based upon the authority given to Kirksville as third class council manager city.

Significant changes were made to the licensing ordinance to clarify language and to add some teeth to the process. The biggest changes were the new no tolerance policy for those businesses who were not in compliance with the ordinance after the required due dates and the disconnection of city services (water) to those businesses who failed to comply after April 1.

Laura Guy, Finance Director will be in attendance at the Study Session to give the Council a summary on if the ordinance changes were successful.

Recommendation – Review the attached staff report and discuss the results of the licensing process that occurred earlier this calendar year.

LQUIOR LICENSE REPORT

In 2009, we began providing a report to the City Council on the various calls for service that are responded to and attributable to those businesses with liquor licenses. The report for this past year is included for your review. The businesses are listed in alphabetical order.

Recommendation –Council is asked to review the report and give direction to staff regarding any concerns there may be.

SPECIAL EVENTS POLICY

Last fall, the Council discussed the City's Special Events Policy with specific emphasis on insurance requirements placed upon the organizers of the events. It was explained that if an organizer made contact with the City upfront to allow our participation in the planning process and the event was something beneficial to the community, as a whole that we would assist the event by sponsoring it, thus eliminating the need for insurance on the part of the event organization.

The Council requested a review of this policy and the insurance requirement by the Lakes, Parks and Recreation Commission. Included with this cover memorandum is a report from Melanie Smith that outlines the criteria reviewed by the Commission.

Since the determination, as to whether or not an event is sponsored by the City is up to the Assistant City Manager, the Commission has proposed the addition of an appeal process that would allow the organization the ability to appeal the decision to the City Manager.

If this is agreeable with the Council, the policy would be amended in two sections to include the appeals language.

This is the proposed language: **If the proposed special event is denied for any reason, the sponsoring organization/person may submit a written request for the City Manger to review the Special Event Application and make a final determination.**

Recommendation – It is recommended that the City Council discuss this issue and determine whether or not the proposed appeal process addresses any concerns the City Council may have had regarding the use of city facilities and the protection of the City from potential damage.

CITY ROLE WHEN APPLYING FOR GRANTS ON BEHALF OF OTHERS

Over the last few years, the City has given support to various organizations by applying for state and federal funding.

Examples include:

- CDBG – Saint Andrews Apartments supporting ATSU (completed on time)
- CDBG loan – Cochran Building supporting private business (returned)
- CDBG – Downtown – in progress
- Loan - Commercial Envelope – company did not meet all requirements
- Loan – Wi-Fi Sensors – company has not meet all requirements
- Action Fund Loan – HIT – no response received from State

The City has participated itself in the CDBG process and has been successful in the past in securing funding support. The most recent example is the stormwater drainage grant of \$300,000.

The City has had little to no control over the grants and loans that have been applied for on behalf of other entities. In the case of CDBG programs, if the City has not met the requirements or fails to complete the close-out of the project in the timeline allowed, we run the risk of eliminating our chances to apply for future funding.

Following is a list of some things that we should think about if future requests are made of the City.

- What information should the City require from a proposed private partner before proceeding with the application process?
 - Financial Statements (of the existing business or personal financial information if the business is new)?
 - Business Plan?
 - Marketing Plan?
 - Budget?
 - History of success elsewhere or in Kirksville?
 - Assurances to the City?
- Cost of preparing the application versus the return the community will receive?
- Should preference be given to local developers/organization?
- How much lead time should be required, if any.

If the City Council is ok with the approach that we have taken over the course of the last years, there is no need to make any changes. However, if there are concerns and a desire for City staff to conduct additional due diligence, we would want to make sure that we are requiring and requesting all of the information that is relevant and would help to move the success of these efforts along.

Included with this cover memorandum is a list of CDBG grants the City has obtained for city improvements.

Recommendation – The City Council is asked to discuss whether or not additional requirements should be implemented and if so, what are those requirements.

NEWSLETTER – June 2, 2011

Attachments

- Staff Report – Business License
- Liquor License Report
- Staff Reports - Grants
- Staff Report – Special Events
- Staff Report – Grants
- List of Grants

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: Business Licensing Enforcement Update

STUDY SESSION MEETING DATE: June 6, 2011

CITY DEPARTMENT: Finance

PREPARED BY: Laura Guy, Finance Director

The licensing ordinance was revised February 7, 2011 to allow the City more enforcement authority on businesses that continue to operate after license expiration, without getting an initial license or have outstanding obligations due to the City or State. This revision has shortened the licensing process since 98% renewed by March 31st compared with 84% as of March 31st of 2010. With the exception of three businesses, the remainder still in operation renewed by the end of April compared with the prior year when renewals were still being pursued through October. This was due largely to the certified mailing to 58 businesses in March advising that their water/sewer services were subject to disconnection after April 1st in addition to a \$500 per day assessment if still in noncompliance.

Since it was necessary to do only one mailing of 58 in 2011, the amount of paperwork and mailings have also seen a reduction since 228 violation notices were mailed in March 2010 with 22 follow-up letters mailed in June 2010 to those still in noncompliance. Even with those notices of violation, 17 were turned over to court in July 2010 with one case still pending to date. In comparison, there have been seven businesses turned over to court this year, either for nonrenewal and/or for violating their probation, with only two still pending in court as of June 1st.

After renewing, one business had their sales tax license revoked by the State. Due to the enforcement provisions included in the revised ordinance allowing for revocation of any current business and liquor licenses and potential disconnection of water/sewer services, the business was brought into compliance within 21 days of the City's notification.

Responses to Bars and Drinking establishments

April 1 2010 to April 30, 2011

It should be noted that there are numerous events (398) on the streets and parking lots around these locations that could be attributed to the drinking establishments in general but it is impossible to determine which one in particular. In addition there are events that happen in these locations that have nothing to do with any of the establishments listed. Below is a listing of Alcohol establishments that have had events entered into the CAD Computer Aided Dispatch program since April 2010..

Dukum Inn

111 S Elson

- 58 responses to the area directly in or around the establishment.
- 21 events that appear to be directly related to the establishment to include open container violations, fights, intoxicated people and damaged property. ***

Geno's 70 Club

303 W McPherson

- 29 responses to the area directly in or around the establishment..
- 12 events that appear to be directly related to the establishment to include open container violations, fights, intoxicated people and damaged property. ***

MY BAR

120 S Main

- 2 responses to the area directly in or around the establishment..
- 1 event that appears to be directly related to the establishment for an open door.

TP's Office

110 S Elson

- 24 responses to the area directly in or around the establishment.

- 11 events that appear to be directly related to the establishment to include open container violations, fights, intoxicated people, damaged property. ***

Wooden Nickel

114 S Elson

- 35 responses to the area directly in or around the establishment.
- 4 events that appear to be directly related to the establishment to include open container violations, fights, intoxicated people. ***

Wrong Daddy's

301 W McPherson

- 71 responses to the area directly in or around the establishment.
- 37 events that appear to be directly related to the establishment to include open container violations, fights, intoxicated people, thefts and damaged property. ***

*** Indicates the total number of events to include reports taken.

This report prepared by Deputy Chief Tim King

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: Special Event Policy Update

STUDY SESSION MEETING DATE: June 6, 2011

CITY DEPARTMENT: Community Services

PREPARED BY: Melanie Smith, Assistant City Manager

The topic of special event planning and the associated liability for special events is one that is discussed each year, most recently in September, 2010. At that meeting, the City Council discussed the various types of events, City involvement in event planning and special event insurance. The topic of special event insurance was the primary focus of the discussion because it can be difficult and expensive for citizens and organization to get the correct insurance coverage for events. Typically, the event organizer must purchase an insurance policy that lists the City as an additional insured for their event or they get insurance coverage from a larger umbrella organization related to their event (i.e. American Heart Association, YMCA, etc). Occasionally, the City will choose to sponsor a special event and then the City's insurance would cover the event. The decision to sponsor an event is made by the Assistant City Manager and there are several criteria that are used to determine if the event is a good fit for City sponsorship:

- Event fits well the Parks and Recreation Departments programs and the City Council's Goals;
- City staff is involved in the event planning process to ensure that the City's liability is controlled;
- Event is open to the general public;
- City gets recognition as an event sponsor.

The Council asked the Lakes, Parks and Recreation Commission (LPRC) to review the current policy and make recommendations. The LPRC has reviewed the policy and discussed it at several meetings over the past few months. They looked at a variety of questions related to special events including:

- What type of risk should the city be willing to assume?
- Is the event charging a fee for participation or intended to make a profit?
- Is the event sponsored by a non-profit organization?
- Is the event open to the public?
- Is the event asking for exclusive use of the public facility?
- Are there things that should never be allowed regardless of liability coverage?

Ultimately, LPRC did recommend one change to the policy. This change would allow an event organizer, who has an event denied, the opportunity to appeal to the City Manager for further consideration regardless of the reason for the denial. This change would be incorporated into the "Procedures" section of City Council Policy #7. LPRC

feels this would give organizers who feel they have been treated unfairly, a chance to seek an appeal and further consideration for their event.
The Study Session Report from September, 2011 has also been included with this report for reference.

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: Applying for grants on behalf of private groups/business

STUDY SESSION MEETING DATE: June 6, 2011

CITY DEPARTMENT: Community Services

PREPARED BY: Melanie Smith, Assistant City Manager

The City of Kirksville applies for a variety of grants through the State of Missouri and other organizations. One of the programs that is frequently utilized is the Community Development Block Grant (CDBG) Program administered through the Missouri Department of Economic Development. The CDBG program offers funding support for both public and private projects. Examples of past public projects that have received financial assistance from CDBG are upgrades to public facilities such as sewer systems, housing rehabilitation programs and the storm water drainage project in Bear Creek 9. Examples of private projects would be Commercial Envelope, Kirksville Senior Living Campus (St. Andrews) and more recently, Cochren Building Renovations, WiFi Sensors, KDIC Planning and HIT-Missouri. The CDBG program is important to the economic development capabilities of the City. The City typically prepares and submits an application on behalf of the company/individual. Each grant application that is prepared by City Staff requires a large time investment to prepare the necessary application paperwork.

In the past few years, the City has had limited success with the CDBG projects that have been submitted to the State for consideration on behalf of others. This limited success can be attributed to a variety of reasons depending on the project. We have approached each potential project as an opportunity that should be pursued to the best of our ability. The question that needs to be discussed is whether this is the correct approach for submission of future CDBG applications. Some questions that the Council may want to consider include:

- What should the City require from a proposed private partner before proceeding with the application process?
 - Financial Statements (of the existing business or personal financial information if the business is new)?
 - Business Plan?
 - Marketing Plan?
 - Budget?
- Cost of preparing the application versus the return the community will receive?
- Should preference be given to local developers/organization?

Community Development Block Grant (CDBG)

The CDBG funds vary depending on the projects currently in progress through these grants. Listed below is a summary of projects that have been completed with CDBG funds:

1997-98 – During 1997-98 the City had one grant for low income housing rehabilitation.

1998-99 – During this year, the City continued working on the housing rehabilitation project. The City was also awarded a public facilities sewer grant. The sewer grant was for installation of sewer extensions, a new pump station, and a 3,500 ft. force main in a low-income part of Kirksville.

1999-2000 – In 1999-2000 the City continue work on the housing rehab and sewer projects. During this year the City also received CDBG funds for public improvements along the west side of the downtown square in conjunction with the downtown movie theater project. Over the next few years, funds were used to construct parking lots, sidewalks, street lighting and landscaping.

2000-01 – The City continues work on existing CDBG projects.

2001-02 - In this fiscal year, the City completed the construction of the sewer project as well as the downtown project.

2002-03 – The City received another CDBG for housing rehabilitation. This grant would provide for the rehab of 34 homes within a specified target area. Storm drainage improvements, the construction of a hike/bike trail, the extension of Burton Street and the installation of curb and gutter along Franklin Street are all components of this grant project. The other CDBG project during this year was a part of the Kirksville Senior Living Campus. The City provided administrative support and assistance in water and sewer improvements.

2003-04 – In 2003-04 the City continued its work on the housing rehabilitation project.

2004-05 – The City anticipates completion and closeout of its one outstanding grant – the neighborhood housing rehabilitation grant.

2010 – City applied for a stormwater grant in the amount of \$300,000.