

# CITY COUNCIL STUDY SESSION

**TO:** Mayor and City Council  
**FROM:** Mari E. Macomber, City Manager

**SESSION DATE:** February 12, 2008  
**TIME:** 5:30 p.m.  
**PLACE:** Second Floor Conference Room

## **AGENDA:**

- **KREDI Report**
- **DREAM Initiative and Downtown TIF Update**
- **Veolia Solid Waste Services Proposal**
- **Newsletter Review – February 8, 2008**

## **KREDI REPORT**

Since late 2003, the City of Kirksville has supported the efforts of the Kirksville Regional Economic Development Incorporated (K-REDI) through an annual allocation of \$100,000. These funds are intended to support the employment of a full-time economic developer whose main responsibility is focused on the recruitment of jobs. K-REDI is a 501 (c) (6) not for profit organization that is funded not only by the City of Kirksville, but by private memberships. These annual memberships come from private business and institutions.

The primary purpose of K-REDI is to create new jobs and investment in Kirksville and the surrounding region. K-REDI accomplishes this through the efforts of its Director of Job Creation, Phil Tate. Mr. Tate reports to a Board of Directors who meets monthly. K-REDI operates on an annual budget of about \$150,000.

## **K-REDI's Goal**

**CREATING NEW, AND RETAINING EXISTING, INDUSTRIAL JOBS AND  
INVESTMENT IN KIRKSVILLE AND THE SURROUNDING REGION**

K-REDI's plan consists of web site development, industrial appreciation of the existing manufacturing base of employment, community image enhancement, industrial job recruitment and marketing, representation of Kirksville in matters with the Missouri Department of Economic Development in Jefferson City, working with individual entrepreneurs in the community and region, supporting and serving on the Board of the Missouri Economic Research and Innovation Center, representation of Kirksville at both the regional and state association of professional economic developers organizations.

K-REDI investigates new ideas and responds to citizen input regarding potential new employment opportunities. K-REDI has also facilitated numerous efforts to assist the existing manufacturing base.

It is the responsibility of K-REDI to make four quarterly and one annual report to the Kirksville City Council regarding its activities and initiatives.

Included for your information is a written report. Mr. Tate will be in attendance on Tuesday evening to provide a summary report and to discuss economic development with the City Council.

Recommended Action:

The City approved a renewal of its commitment to K-REDI toward the end of last year for another three-year commitment. This meeting will give Council members an opportunity to learn more about what K-REDI is doing and share ideas and suggestions on possible economic development projects.

**DREAM INITIATIVE AND DOWNTOWN TIF UPDATE**

In 2006, the City of Kirksville applied for a new initiative established by the State of Missouri, DREAM Initiative. We were not selected. In 2007, we brought the concept back to the City Council and again Council supported the submission of an application. We were one of ten (10) communities selected to participate in this program.

The program is a three-year commitment on the part of three state agencies – Missouri Development Finance Board, the Missouri Department of Economic Development and the Missouri Housing Development Commission to provide technical and financial assistance to downtown areas of selected communities. The goal of DREAM is to revitalize or increase the economic vitality of these areas through the productive use of 1) land and buildings; 2) neighborhoods; and 3) downtowns. This is done by combining private and public investment with an *emphasis of leveraging private funds*.

Each of the selected communities received an initial assessment, ours was held in the fall with good attendance from a variety of downtown interests. From this assessment a Scope of Work was developed and presented at the end of January to the City. Our Scope of Work includes ten areas: 1) Organizational Structure; 2) Land Use and Building Survey; 3) Community/Consumer Survey; 4) Retail Market Analysis; 5) Downtown Housing Market Analysis; 6) Financial Assistance Evaluation; 7) Downtown Strategic Plan; 8) Building and Streetscape Revitalization Program; 9) Marketing Plan; and 10) Communications Plan.

The Scope of Services will be provided through a collaborative effort with the previously mentioned state agencies and Peckham Guyton Albers & Viets, Inc. (PGAV) an architectural, planning and urban consulting firm that was selected by the state to work with all DREAM communities. The development of each of the ten identified areas will cover a three year period ending in 2010. The total cost of the project for PGAV and subcontractors hired by PGAV will be \$225,822 with the State of Missouri committing \$180,658 and local contributions of \$45,164 or 20% of the cost.

The TIF Commission has discussed the project and has requested that the Kirksville Downtown Improvement Committee (KDIC) contribute something toward the project. Since the KDIC budget is \$16,000 annually, the City Manager has proposed a \$1,500 commitment each year for the next three years. TIF Funds would pay \$40,664 and KDIC would pay \$4,500.

### Recommended Action:

The City Council needs to understand the Scope of Services being proposed by the State of Missouri since the contract approval will be presented to the City Council for formal approval at the March 4 City Council meeting.

### **VEOLIA SOLID WASTE SERVICES PROPOSAL**

The City entered into an agreement with Veolia Solid Waste Services (previously Onyx) in 2005 with the intent to continue this agreement until early 2010. However, in an effort to try and improve the waste services provided to the citizens and address some specific needs that existed, a review of the agreement was requested by the City Manager. Discussions with Veolia have taken place over the past year on possible options.

### Problems

We experience a number of problems throughout the year. With the limited weekly quantity, we find people dumping trash in other locations and private dumpsters. Citizens are limited on where to purchase the \$1.00 sticker for additional bags. At the end of each semester, we see large quantities of trash due to the stock piling of trash in garages and other places. Spring Clean up has turned into a multi-month program from the planning and publicity to the actual pickup and cleanup. The quantity of what people put out has become excessive. The actual pickup occurs during the month of April which is a critical time for the street and park maintenance crews to begin doing the work they need to do for summer construction and outdoor recreational seasons. We also receive numerous complaints from citizens and others regarding the appearance of the community for that two-month period when people begin putting their trash out as soon as the weather starts warming up. We currently offer a one-time per year appliance drop-off, which has cost those citizens who have taken advantage of this program.

In January, after City staff met with the new regional manager, Dave Sellhorst and Amber Burnam, Municipal Marketing Representative to review a proposal that was intended to address spring clean up issues, end of school year trash accumulation, dumping within the city, provide improved service to the citizens and transfer the responsibility of bulk pick up from the City's street and park maintenance crews to the solid waste provider.

### Proposal

- 1 – Renewal for eight (8) years. Previous agreements were for five years.
- 2 – Veolia would provide 96 gallon tote cans to customers. Residents can place up to 40 pounds using a 33 gallon approved container at the curb.
- 3 - Instead of an annual Spring Cleanup, Veolia would allow one large item (couches, chairs, beds, dressers, TVs, etc.) per household each week at no extra charge that would be set out with the regular trash.
- 4 – There would be an appliance pick up offered for a set fee two times per year.
- 5 – No changes to the Recycling Program.
- 6 – The yard waste would no longer be a pick up service. Veolia would provide two 20-yard containers at their site on Centennial Street. This would cost the citizens \$1.00 per bag or trash can.
- 7 – The City would continue to provide the brush and limb pickup in the fall.

If we accepted their proposal and went for this service, they could have an effective date of between 30 and 60 days after the Contract was signed.

The cost for this service would definitely increase from the current contract amount of \$6.50. However, the City would eliminate its bi-monthly \$1.00 fee assessed on all accounts to help defray the cost of Spring Cleanup.

The City Council had discussed the amount of time and costs associated with the annual clean up and the delay that it places on our ability to address street repairs, park improvements and general maintenance issues. In addition, we constantly hear from citizens regarding the limited amount of trash they are able to dispose of within a week. We will also most likely hear from citizens who do not want to pay more. Regardless of this, the cost for this service will continue to increase.

A decision will need to be made regarding Spring Clean up. If Council members are interested in moving this proposal forward, then it is recommended that we not do a spring cleanup and implement the new contract as soon as possible.

Recommended Action:

It is recommended that the City Council invite citizens to a public meeting possibly at the March 4 City Council meeting or a special date to hear about the proposal and ask questions.

**NEWSLETTER REVIEW – February 8, 2008**

Attachments

KREDI Report – pgs. 5 - 10

DREAM Initiative Conceptual Overview – pg. 11

Veolia Proposal – pg. 12

## K-REDI Quarterly Report for Kirksville City Council

### **Activities of the Industry Appreciation Committee----**

The Industry Appreciation Committee holds events throughout the year in recognition of these companies. Planning is underway for 2008. Former Chair Person of this committee, Deb Boughton resigned her position due to her new duties as full time Tourism Director. K-REDI will be re-organizing this committee with new membership for 2008. Also, the ongoing events will continue. For the first quarter of 2008 will be the Kirksville Shootout for employees of our major manufacturers with contests and recognition at a home Truman State Basketball game.

**Health Care Committee-** K-REDI is facilitating a broad based committee and their look into how we can retain more health care dollars in the community. The health care industry is one of the economic pillars upon which this community is built. K-REDI and the committee have outlined potential tools and costs associated thereto, to do a public awareness campaign regarding this issue. K-REDI will be conducting a survey among health care providers in Kirksville and the region as to the possibility of forming a local organization to fund such a project. The survey has been delayed by the resignation of Hank Waulkley and his position now filled by Bob Moore.

**Recruitment Activities-**K-REDI has conducted a marketing visit to a Forensic DNA testing Laboratory in Redlands California. Phil Tate visited the company and did a presentation based upon the incentive package offered by K-REDI, Kirksville and the State of Missouri. One week later, the company CEO, visited Kirksville. We flew him from Des Moines to Kirksville, conducted a windshield tour of the community, talked in detail regarding the proposed building and property, and concluded with a luncheon at Truman State. Phil Tate presented a power point presentation which was followed by specific collaboration opportunities addressed by individuals from both Truman State and A.T. Still University. It was an outstanding event and we continue to follow up in pursuit of bringing this company to Kirksville and their commitment to 100 new employees starting at an average salary of \$ 28.60 per hour plus benefits. The California company continues to be upbeat about their expansion to Kirksville. We are currently scheduling a trip for other partners of the company and board members thereof, to visit Kirksville and the proposed location. We continue to be very excited and enthusiastic though cautious optimism is the order of the day regarding their final decision.

**Retention Activities-** K-REDI continues to respond to needs of Ortech regarding employment questions and need for information. Ortech has announced the laying off of 100 people in the spring of 2008. This layoff is due to the loss of a major production contract with General Motors. The contract was awarded to a company located in Mexico. Spring of 2008 layoffs will leave the remaining number of employees at Ortech at about 85. Ortech continues to seek and bid upon new production contracts in hope of replacing as much of the lost production from the GM contract, as possible.

K-REDI completed the Development Tax Credit Process for Commercial Envelope.

K-REDI's Director, Phil Tate attended CoreNet Global in Atlanta in late October. This was the gathering of corporate, government, and private consultant site selection groups that is

held twice a year. The state of Missouri sponsors a marketing event. K-REDI usually attends only one--the fall event which is the most attended.

While attending CoreNet, Phil met with officials from SeedAmerica. SeedAmerica is a new 501 c,3 organization that purchases underutilized or vacant commercial buildings, holds them for five years, create jobs within, and re-sells the buildings.

K-REDI participates in RMDA ( Rural Mid America Development Authority ) the North Eastern association of professional economic developers in our region. We hold regular meetings to discuss economic development issues that are of importance to our local communities and common approaches to overcoming similar problems or barriers.

There are other ongoing, daily activities performed by K-REDI but I hope the above gives the City Council a look at what activities K-REDI has been performing and in which they are involved. K-REDI is most appreciative of the funding provided by the City of Kirksville and could not successfully operate with said funding.

## October 2007 Activity Report

- Oct 2 Tue Work on Gift items for CoreNet  
Dr. McGovern contact re: Prospect visit  
Contact w/ prospect re: final details of my visit
- Oct 3 Wed Develop power point for upcoming California client visit
- Oct 4 Thu Meeting w/ Sasaki at Ortech
- Oct 5 Fri Stay over in Kirksville –final details and preparation for Calif client visit
- Oct 6 Sat Trip to Southern California to conduct a prospect visit at the clients current business location. Return to Kansas City and home
- Oct 7 Sun Died from fatigue (Just wanted to see if you were reading this)
- Oct 8 Mon Still recovering but did follow up contacts and thank You's with Calif client re: week end visit
- Oct 9 Tue K-REDI Monthly Board meeting  
Noon meeting @ El Spazios w/ Adrian Anast and A.T. Still Staff re: upcoming prospect visit to Kirksville
- Oct 10 Wed Meeting at Wire Rope w/Plant manager and Terry Hughes and staff from Moberly Area Community College re: job training for WRCA
- Oct 11 Thu Multiple planning for the Sat client visit. Development of new power point presentation for Saturday event
- Oct 12 Fri Final preparations for client visit  
Evening travel to Des Moines to pick up client/prospect for tomorrow
- Oct 13 Sat Fly with client to Kirksville for Community visit, examine potential site, luncheon meeting at Truman State with K-REDI presentation, return flight to Des Moines with Client
- Oct 15 Mon Contact Maglich of Mo DED re: job training for Calif prospect
- Oct 16 Tue K-REDI Exec Board meeting

Thank you letter out from Winkler  
DED follow up  
Work on Development Tax Credit for Commercial Envelope  
Gilmore and Bell contact re: DTC for Com Env

- Oct 17 Wed Noon Health Committee meeting at Chamber Office
- Oct 18 Thu Contact from Sasaki/Ortech re: request for information
- Oct 22 Mon Contact with Sasaki/Ortech
- Oct 23 Tue Follow up questions with Calif client
- Oct 24 Wed TSU Student Interview  
MREIC Board meeting at City Hall
- Oct 25 Thu TSU Student Interview  
Prepare for Atlanta trip
- Oct 28 Sun Travel to Atlanta for CoreNet Meeting with State of Missouri Dept of  
Economic Dev
- Oct 29 Mon 2-6 pm work show booth  
6 pm Missouri evening event—Reception, Dinner,  
Reception with Consultant Guests
- Oct 30 Tue Work show booth  
Meeting with SeedAmerica Group re: 631 Tax transfer of existing  
manufacturing buildings
- Oct 31 Wed Return travel to Kansas City

#### November Activity Report

- Nov 1 Thu Off after returning from Atlanta

Week of Nov 5 through 10<sup>th</sup>

K-REDI Executive Board meeting  
Truman State University Community Breakfast  
Truman Economic Project Interviews  
Daily Express Interview re: State Press release for DTC for Commercial  
Envelope  
Joint meeting with Entrepreneur/Charlene Boyes of MRICK  
Contact with Adair County Commission re: state loan for local project  
Follow up with Seed America----company from Atlanta CoreNet  
Detailed info from California prospect received and transferred to  
appropriate person in Kirksville  
Contact with Marc Abbott of Gilmore and Bell re: DTC for Commercial

## Envelope

Week of Nov 13 through 17<sup>th</sup>

K-REDI regular monthly board meeting  
Attended MEDC Conference in Columbia (Missouri Economic  
Development Council)

Week of Nov 20<sup>th</sup> through 24

Compilation of employment report from Reliant Hardwood  
Gilmore and Bell/Commercial Envelope activity re: DTC  
Development with Terry Maglich of DED of job training proposal for  
California Prospect  
Executive Committee meeting of K-REDI board

Week of Nov 27 through 30

Speak at Highway 63 ribbon cutting  
MRICK (Innovation Center) Board meeting

## December Activity Report

Week of December 3 through 7

7 am K-REDI Executive Board meeting  
MoDOT meeting at Conservation Department with Pete Rahn, House  
Speaker Rod Jetton, and local officials and leaders regarding MoDot  
funding and projects for the future  
Lunch with Mike Hartman and Ed Musgrove of Commerce Bank regarding  
sale of tax credits and bond issuances without company letter of credit  
Meeting with Jack Benninghofen re: SeedAmerica  
Meeting with Jack Benninghofen and Ken Read/Heritage regarding  
SeedAmerica company and their new concept of charitable giving and  
building ownership  
Sent out Christmas Cards  
Worked with Ingram's Magazine re: Develop article about Harriet Beard-  
local community hero article

Week of December 10 through 14

Meeting with Terry Maglich, DED re: Calif Company project and  
state incentives  
Trade and Industry Magazine, ad development and placement with editorial  
content  
Cancelled K-REDI Exec Board Meeting  
Work with Bruce Pearl/Commercial Envelope re: Equip appraisal for Dev  
Tax Credit  
Contact with existing manufacturers to gather information on employment  
numbers for year end  
Meet with Deb Boughton re: Labor Survey number and upcoming  
presentation to K-REDI Board email and calls with local plant manager re:  
building availability

Week of December 17 through 21

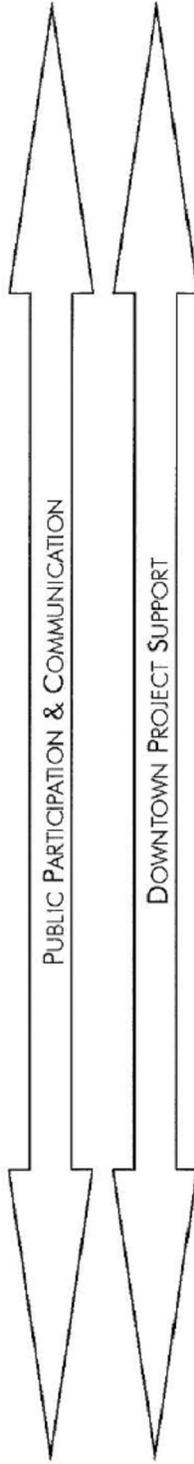
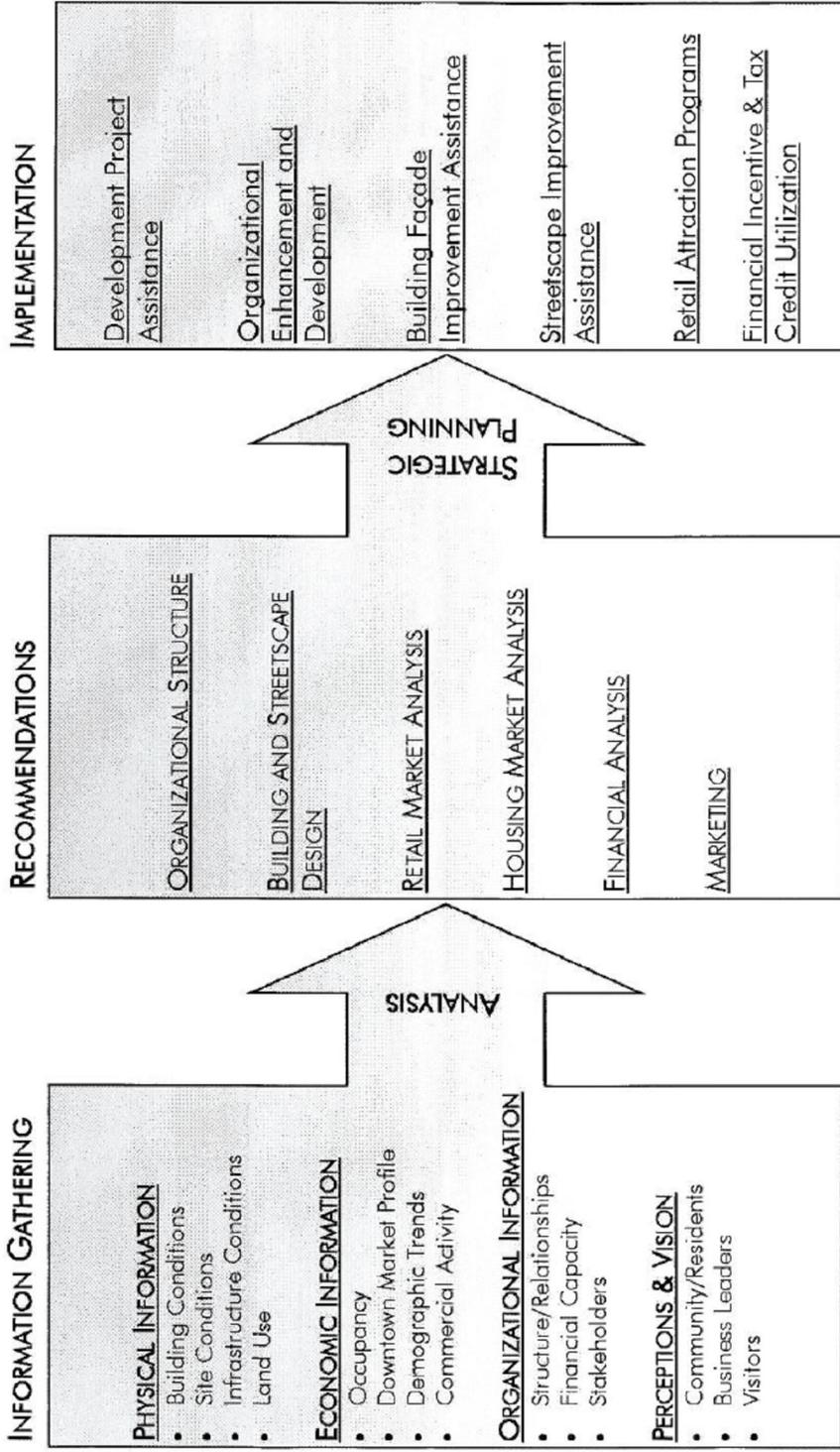
Meeting at plant with local plant manager and assistant re: building availability and manner of construction questions  
Several contacts with state DED re: Calif Prospect and state incentive package  
Numerous contacts with California Prospect  
Noon luncheon for City Hall employees by K-REDI

Week of December 24 through 28

Off for Holidays



DREAM INITIATIVE — CONCEPTUAL OVERVIEW





January 29, 2008

City of Kirksville  
201 S Franklin  
Kirksville, MO 63501

RE: Proposal Contract Amendments

Dear Mrs. Macomber:

Upon reviewing the discussion we had regarding your trash collection we have put together a proposal that we not only think would benefit the City, but also the residents and the safety of our drivers. With this amendment we would ask for an extension on the current contract in the amount of 5 years.

We would supply one (1) 96 gallon tote to each residential customer in a single housing unit. Residents would be able to place desired number of bags in the container so long as the lid would close, we would ask that everything placed within the tote be bagged. Any bags or cans outside of the tote would not be picked up until the following week. Apartment buildings, multi residential units or any other revenue generating venue would not be part of the tote program and would need to contact separately through Veolia.

The recycling program would remain the same.

The Spring Clean-Up would be eliminated and a 1 large item a week program would be set in place. This would allow each resident to place one large item out for pick up each week. Items taken will be listed within the amendment. Landlords with college students would be able to have special cleanups for their move-in and move-out seasons. 1-unit \$35.00, 2-units \$75.00, multiple units would need to contact Veolia for pricing information.

Appliance Clean-Up would be available twice a year, the date of the Appliance pick up would be decided by the Contractor. These days would be advertised in the Kirksville Crier and Daily Express for City Residents.

The once a month yard waste program would be eliminated and in its place we would provide the following:

Two (2) 30yd containers would be placed at the Kirksville Recycling Center, all city residents would be able to drop off their yard waste for \$1.00 per bag.

We would also provide a special yard waste cleanup the 2nd week of November for brush and leaves.

Yard Waste must be placed in 33 gallon biodegradable bags or loosely in 33 gallon cans and all limbs be in 4ft sections and bundled.

We would like to thank you for the opportunity in working with the City of Kirksville on enhancing the services we provide, and hope this option has covered all of the items we have discussed.