

CITY WATCH

“The Week”

FEBRUARY 16, 2019

JUST WHEN THINGS WERE STARTING TO SETTLE DOWN...

With a new city manager and new police chief in place, it seemed as though things were starting to settle down a bit in this city. Well... not for long. The weather has kicked back up with some fury; a councilman is in hot water over a development deal; MU Health Care hits a snag in its purchase of St. Mary's Hospitals in Mexico and Jeff City; and a new report suggests new housing construction was way off during the past year. And oh yeah, we hired a new City Treasurer. These stories and more in this edition of “The Week” from CityWatch.

FOURTH WARD COUNCILMAN FACES SCRUTINY OVER DEVELOPMENT DEAL

4th Ward Councilman Ian Thomas found himself in hot water after he suggested that a contribution to a local affordable housing fund might help a property developer win favorable treatment when the issue came before the city council for approval. Initially, Thomas had suggested that the developers of a mixed-use project along Oakland Gravel Road include some affordable housing stock in the mix of homes. The project applicants indicated that plans were too far along to make such a change, so Thomas suggested a contribution to an affordable housing fund instead. That's where he ran afoul of the ethics rules. City staff informed the councilman that the suggestion was not proper and advised Thomas to report his activity to the Missouri Ethics Commission for review, which Thomas did.

Although the contribution would not have enriched Thomas personally, the action could be viewed as coercion or as a “pay for play” negotiation which is not allowed. The matter is still under review. Thomas is seeking re-election to the 4th Ward Council seat in April. He is running unopposed. A recent editorial in the Columbia Tribune suggested that a write-in candidate in the 4th Ward council race could help legitimize Thomas' hold on the seat.

HELL HATH NO FURY LIKE A MISSOURI WINTER

Less than two weeks after the groundhog assured us that we could expect a short winter, snow and ice returned to Columbia on Friday dumping up to 4 inches of powdery snow in some places. Paired with sub-freezing temperatures and road damage from earlier winter storms, the situation proved hazardous for drivers and forced the cancellation of many weekend activities. A 22-person crew began treating and plowing priority routes in Columbia on Friday at 10:30 a.m. Street Division crews continued treating bridges, curves, raised elevations and intersections on priority routes throughout the day and plows were running into the late evening hours.

Some reports indicated that the city has enough road salt to last throughout this month and into March, but that additional storms could tax resources of the department depending on the severity of the weather. Additional snow was expected to return to the area again on Sunday.

MISSOURI RIVER BRIDGE REPAIR COULD HAVE HUGE IMPACT ON COLUMBIA

In recent days, substantial discussion has emerged regarding a proposal to rebuild the I-70 bridge over the Missouri River at Rocheport. The current plan suggests rebuilding the existing lanes of the bridge a few lanes at a time rather than constructing an entirely new bridge next to the current one and eventually decommissioning the old bridge. Rebuilding in place is significantly less expensive than building a new span from scratch.

The problem is, the bottleneck that would be caused by rebuilding in place could cause massive traffic jams, with traffic backups extending as much as 10 miles or more in either direction and potential wait times of up to 6 to 8 hours along the I-70 corridor. Such delays and backups could cost the city and businesses along the highway millions in lost revenues and could potentially harm the economic base of the entire area for years to come.

MoDOT is asking the city, county and the surrounding communities to support expediting a full bridge replacement option that would cost approximately \$238 million, and be funded primarily through a competitive federal grant. The project score of the competitive federal grant will improve with demonstrated local financial support for the project. Accordingly, MoDOT is requesting the city support this expedited replacement option with a \$2M local contribution. The grant application is due in early March with an expected notification of award in the fall of 2019. MoDOT is willing to finance the city's \$2M contribution with a 15-year loan at 1.7% interest if needed.

During its regular meeting on February 18, the Columbia City Council will consider a bill that expresses support for an application for such federal funding to offset the costs of the "new" bridge option and pledges local financial support for the preferred bridge alignment project.

This topic was also discussed during a legislative update sponsored locally by the Lathrop & Gage Law Firm. Appearing at the forum, State Senator Caleb Rowden indicated that the failure to pass the recent fuel tax increase to fund road and bridge construction and repair has led to a lack of money for major road projects throughout the state. He believed that voters should get one more crack at passing a clean road tax, free of unrelated matters such as the taxation of Olympic medals, and if voters do not pass a new funding mechanism, we may need to take a look at toll roads. He also noted that the Governor has recently rolled out a plan to issue road bonds to raise money for road improvements.

State Representative Kip Kendrick, who also appeared at the forum, said that while he is looking for a solution to the road funding program, he wants to be careful about issuing bonds, since the repayment of those bonds would come from the General Revenue budget and could reduce the amount of funding available for other discretionary programs, including public education. The debate continues.

HOSPITAL DEAL HITS SNAG

In early 2018, SSM Health announced its intention to sell three hospitals in its outstate Missouri portfolio, including the St. Mary's hospitals in Mexico and Jefferson City. In August, SSM and MU Health Care announced that they were in exclusive talks to negotiate a purchase by the MU organization and that a due diligence period would ensue. Many people believed that such talks could result in a formal announcement by MU Health Care to purchase the two hospital facilities this January. However, the

process has not been completed to the satisfaction of both parties, even though both parties have publicly indicated that they are interested in continuing to pursue the sale and purchase.

On Thursday, administrators at the St. Mary's facilities in Mexico and Jefferson City receive an internal letter indicating that the process for purchase continues, but in the meantime, SSM will pursue other partnerships with MU Health Care to fill needed medical support in the areas of orthopedic care, sports medicine and cardiac care. The talks will continue as the new partnerships are formed. One complicating factor is that the sale of the Jefferson City facility may require state legislation to pave the way for federal approval of the transaction. The deadline to file new bills for consideration in the Missouri Senate during this legislative session is March 1. Supporters in both Mexico and Jefferson City have established petitions in support of the proposed sale and are continuing to push for approval of the deal yet this year.

NEW CITY TREASURER HIRED

The City of Columbia has hired Chelsea Miller to fill the position of treasurer in the Finance Department. Miller comes to the City with experience in finance and business management and most recently worked as the corporate controller/finance director for Onshore Outsourcing, a large private IT corporation headquartered in Macon, Missouri. Her past work has given her experience with goal setting, staff management and strategic alignment. In addition to her past work, Miller holds a Master of Business Administration degree from the University of Central Missouri.

According to the city news release, her first day was Monday, Feb. 11. Her starting annual salary is set at \$75,000.

RUNNING FOR MAYOR

A new poll released by the Missouri Scout, a statewide political and governmental reporting service, indicates that Chris Kelly is currently leading incumbent mayor Brian Treece in the race for Columbia Mayor. The poll, conducted two weeks ago, shows Kelly with an overall 8-point lead, with his strongest support coming from neighborhoods in the south and central areas of the city. The poll has a margin of error of 4.5%. What could be even more telling however, is that approximately 25% of likely voters still consider themselves to be "undecided" in the race. It should also be noted that council races in the 3rd and 4th wards of the city, that are also on the April ballot, are unopposed, so voter turnout could be lighter than usual. A strong Get Out The Vote effort by either camp could affect the final vote tally in this race.

Also, challenger Chris Kelly will be slightly sidelined during the campaign. Apparently, he fractured a vertebra in his lower back while attempting to ski in Colorado. Kelly pledges to continue his campaign, but it is widely expected that his personal door-to-door activities will be curtailed.

Additional candidate forums are anticipated in the near future. The Boone County Democrats will be hosting each of the two mayoral candidates in the next few weeks – but not at the same time. Incumbent Mayor Brian Treece will be the guest speaker at the weekly Muleskinners luncheon on February 22. Challenger Chris Kelly will be the featured speaker on Friday, March 1. Weekly Muleskinners meetings are now held in the upstairs meeting room at Hy Vee on Grindstone and begin at 11:30. (They used to be held at the Columbia Country Club.)

The Boone County Democrats will also hold their annual Chili Supper on Tuesday, February 26 at the Elks Club beginning at 5:30 PM. Both Mayoral candidates are expected to attend that event, along with various candidates for Council 3rd and 4th Wards and school board.

Apparently, a candidate forum to be hosted by KMIZ-TV and radio station KOPN was canceled after Treece declined to participate in the event. Kelly had earlier agreed to appear at the forum.

Expect more yard signs and direct mail in the coming weeks.

NEW HOUSING MARKET REPORT ISSUED

Rob Wolverton, President of R. Anthony Development Group, LLC, has released the 2018 version of his annual Boone County Residential Real Estate Market Overview. The report, which is available from Rob Wolverton upon request, highlights several strengths and weaknesses in the Boone County market, noting that although home sale prices are rising in both the Columbia and broader Boone County markets new construction permits for single family homes slowed sharply in the second half of 2018 and that downward price forces are hitting the residential rental sector harder than in past years.

[FOR A COMPLIMENTARY COPY OF THE REPORT FROM R. ANTHONY DEVELOPMENT, LLC, CLICK HERE.](#)

REMINDER: CHAMBER TO HOST ECONOMIC OUTLOOK CONFERENCE

Each year, the Columbia Chamber of Commerce hosts the annual Economic Outlook Conference, providing local business leaders with an examination of the year past, and forecasts for the future.

This year, local and regional business and government leaders will discuss key workforce and infrastructure issues that affect the vitality of the Columbia community and the central Missouri region.

This year's conference will be held on February 19 from 3 to 6 PM on the Columbia College Campus in the Brouder Science Center/Bixby Lecture Hall. The event is limited to the first 135 people who register. The registration fee is \$50. Contact the Chamber for details.

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