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The District • Downtown Community Improvement District 11 South 10th Street • Columbia, MO 65201 • (573) 442-6816

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March 11, 2014

Mr. Mayor and City Council:

The Board of the Downtown Community Improvement District understands the severity of the current infrastructure needs and is interested in being part of a broad-ranging discussion about how to address those needs now and in the future. We do believe this approach is the best way to reach a workable solution that will have wide support.

The current infrastructure problems are decades in the making and to ask a 3-year old, independent political subdivision to redirect 20% of their sales tax revenues away from voter approved projects to city infrastructure upgrades is problematic on many levels.

First, although state statute does grant CIDs a number of powers, many of those permitted powers are outside the legal purview of this particular CID. Building and maintaining a dam, for example, is included in the state statute but is in no way expected of our CID.

The voter and Council approved CID Petition outlines the following areas of impact: cleaning/maintenance, public safety, beautification/streetscape, business support, marketing, and events. The voter approved ballot language included: beautification; technology and public information enhancements; business marketing and development assistance; event recruitment and promotion; and shopping, dining or entertaining enhancements.

To redirect 20% of our sales tax revenues away from these voter approved areas would be legally questionable and would undermine public confidence in both the CID and the city.

The CID provides programs and services in these areas over and above what the city is expected to provide. For instance, no city department is responsible for recruiting and assisting restaurants or retail shops but the CID steps in to do this because it is vital to Columbia's economy. In fact, our programs and services are all designed to enhance the downtown economy and ensure that the CID will continue to provide the city with over \$2 million a year in sales tax revenue.

Second, a municipality is prohibited from decreasing public services within a CID and from transferring the financial burden of city services to the CID.

RSMO Section 67.1461 states:

CID Board

Blake Danuser Binghams

Adam Dushoff Addison's

Tony Grove Grove Construction

Christina Kelley Makes Scents

Tom Mendenhall
The Lofts at 308 Ninth

Michael McClung Déjà vu, Resident

Allan Moore Moore & Shryock

John Ott Paramount Building

Tom Schwarz Landmark Bank

Deb Sheals Historic Preservation Consulting

Ben Wade Guitarfinder

Michael Wagner Boone County National Bank

Marti Waigandt 808 Cherry

Skip Walther Walther, Antel, Stamper & Fischer

Andrew Waters
Columbia Daily Tribune

"The governing body of the municipality establishing the district shall not decrease the level of publicly funded services in the district existing prior to the creation of the district or transfer the financial burden of providing the services to the district unless the services at the same time are decreased throughout the municipality, nor shall the governing body discriminate in the provision of the publicly funded services between areas included in such district and areas not so included."

This language is boilerplate in CID legislation across the nation to prevent municipalities from viewing a CID as simply a new revenue stream. It prohibits the municipality from either redirecting those new funds for their own purposes or pulling back on regular city services so that the CID must step in and take over.

Again, a CID is designed to enhance the city's effort, not substitute for it. We believe that our work is highly complementary to that of the city and that this cooperative effort has proven itself time and time again here and in other cities.

That said, we do want to assist the city in formulating a solution to these infrastructure problems. In fact, there are any number of potential projects within the CID boundaries that our organization may be able to assist with while still remaining true to our commitments to the voters. The recent TIF proposal, for instance, listed Downtown Gateways, Broadway streetscape improvements, a bike boulevard, and a museum district as just a sampling of some of the possible projects.

By assisting with these, we may be able to help the city redirect resources to key infrastructure needs. In some cases, we may also be able to use our limited funds to leverage federal or private dollars for the project as well, leading to an overall gain for the city.

Finally, we have several board members who have already offered to assist with a task force designed to analyze both the long and short term infrastructure needs, review all possible solutions, and advocate to the public on behalf of that solution. We have a large and diverse downtown constituency and we have a track record of reaching consensus-based decisions. We offer our services in this area to you.

We would also like to extend, once again, an invitation for any of you to attend one of our CID Board meetings to discuss this or any other issue with us. If you have any questions, please feel free to contact me at (573) 442-6816.

Thankyou for your help.

Şîncerely,

Carrie Gartner Executive Director

Downtown Community Improvement District

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