

MISSOURI STATE PENITENTIARY REDEVELOPMENT COMMISSION

MEETING MINUTES

Open Session – January 26, 2011

Call to order: Call to order at 1:09 p.m. by Chair Dan Carr.

Roll Call: The following Commission members were present: Michael Berry, Frank Burkhead, Gene Bushmann, Dan Carr, Bob Meyer, Kathy Peerson, John Sheehan

Quorum met. (Six members must be present to constitute a quorum, 2 vacancies.)

The following Commission members were absent: Darrell Roegner

Present: John Kuebler (Attorney)

The following Facilities Management, Design and Construction staff members were present: Director Cathy Brown, Deputy Director and Legal Counsel Larry Weber, Deputy Director Chief Engineer Mark Hill, Charlie Brzuchalski, Cindy Layton, Sam Puckett, and Dianne Beasley.

- I. Public Comments – None

- II. Approval of previous meeting minutes – August 25, 2010 and September 29, 2010
 - a. MOTION: Chair Dan Carr requested a motion be made to approve the minutes from the August 25, 2010 meeting and the September 29, 2010 meeting. Motion to approve minutes made by John Sheehan. Motion seconded by Gene Bushmann. All in favor. None opposed. Motion passed. Minutes from the August 25 meeting and the September 29 meeting approved.

- III. MSPRC sub-committee reports
 - a. City/Neighborhood sub-committee – Michael Berry, Kathy Peerson
 1. Michael Berry and Kathy Peerson spoke with Alan Pollack at the Housing Commission and Melva Fast, City Administrator for Jefferson City and asked Melva to speak to the MSPRC regarding the idea of developing a new urban renewal district for the MSP property. Michael Berry introduced Melva Fast. Berry and Peerson recommend that the MSPRC consider expansion of the urban renewal area and that the MSPRC's recommendation be taken to the Housing Commission.
 2. Ms. Fast referred to the Urban Renewal MSP Site Map (shown on the screen; copies of the map included in meeting packets) to the area in orange, which is the existing urban renewal district established in 1978 Partial property tax abatement is available in areas designated as urban renewal districts. Michael Berry brought up the concept of including the MSP property in the green area in the urban renewal plan. A new urban renewal district would have to be added

just for the MSP property. Expanding the existing area and opening it for review would be costly and difficult. The process includes hiring a consultant to determine whether the area meets the criteria for an urban renewal district. Cost for the consultant is at least between \$40,000 and \$50,000 and could be double that amount to form a new urban renewal district. Further discussion is needed to determine whether or not to pursue the project and how it would be funded. The land is currently publicly owned but only privately owned would benefit from tax abatement.

3. Gene Bushmann asked for clarification that the tax benefits would not occur until the property was transferred to a private owner and that the fact that the MSP property is currently publicly owned is not an impediment to creating the urban renewal district for the MSP property. The benefits would occur when the property is transferred. Melva Fast agreed and confirmed that to get the tax abatement the property has to be privately owned and that the Capitol Complex was excluded from the original urban renewal district because the thought was that this area would always be publicly owned. If the green area (on the map) becomes privately owned, the property would be eligible.
4. MOTION: Michael Berry made a motion that the MSPRC recommend to the City of Jefferson and the Housing Authority to begin the study to establish an urban renewal district for the MSP property in the green area on the map. Gene Bushmann seconded the motion.

Discussion: John Sheehan asked that New Market tax credits be explored for the property.

All in favor. None opposed. Motion passed.

b. MSP Development Subcommittee – John Sheehan, Gene Bushmann

1. RFP Development and Issuance
 - a. Draft of proposed request for proposals (RFP) for development near river included in meeting packet for review.
 - b. Discussion on the draft RFP.
 - John Sheehan provided background on the subcommittee and stated that the MSP Development Subcommittee consisting of himself and Gene Bushmann was created to explore the prospect of developing the property once the State had identified the parcels that would be available for commercial development. A combined body was formed to include the city, county and the Chamber of Commerce with the State and the MSPRC. The need for the draft RFP is for commercial property parcels on the site for the market that are consistent with the historic guidelines for the City of Jefferson, the State, and the MSPRC.

- Gene Bushmann stated that the draft RFP document was drafted in cooperation with the Office of Administration and the working members of the MSPRC and its subcommittees as a joint effort. Bushmann referred to the RFP and the magenta area (northern end of site). Following the observation on the cooperation between the MSPRC and the Office of Administration, Gene made a further personal observation. At the meeting Gene gave the opinion that it was fundamentally a waste of time talking about the RFP. The area is totally isolated, and it will be years before the area is developed. There has been substantial modification on the development of Lafayette Street, and it has not been developed according to the Master Plan. There is no feasible way to build a road that goes from the roundabout to the lower level that accommodates Housing Unit 5 and the Shoe Factory. There is no way to get to the area. The only way would be the extension of Chestnut Street, and there is no money to do that now.
- Gene Bushmann referred to the last page of the draft RFP, which is a layout of the property with the buildings numbered.
- Gene Bushmann stated that the actual boundaries of the historical district were never identified.
- Michael Berry stated that the value of the RFP process is to have respondents offer ideas for MSP redevelopment. Berry asked that the RFP be modified to include all of the magenta or pink area. Gene Bushmann agreed that this is a good suggestion.
- There was discussion on the areas included for demolition. There is no funding for the Phase B demolition; no timeline is set.
- Michael Berry opined that the areas on the map are guidelines and that all prospects should be entertained for all areas for any proposals that are received since nothing is set. These discussions are advisory since the MSPRC does not own the property.
- Cathy Brown stated that the Office of Administration will look at any ideas for demolition that fall outside the magenta area on the map for review prior to making a commitment.
- Dan Carr asked the county and city representatives if there is a priority plan for streets. City/County representatives (Mayor John Landwehr and Presiding County Commissioner Marc Elinger) commented that they are planning a new sales tax to commit funds for streets, which would be in effect next year if approved by voters.

- Discussion followed on how to propose the motions and amendment for the draft RFP.
- MOTION: Gene Bushmann made a motion to approve the RFP in draft form. John Sheehan seconded the motion.
Discussion: Michael Berry discussed proposed amendments to the original draft RFP document. Cathy Brown stated that any suggested deviation to the demolition schedule stated in the Master Plan must be reviewed and that these decisions will be made at a higher level. Berry stated that all proposed modifications and suggestions should be considered including modification to the Master Plan. Berry further stated that the Master Plan was developed 12 years ago and should be reviewed and amended.

All in favor. None opposed. Motion passed.

- MOTION: Michael Berry made a motion to adopt the RFP and amend the document to change the attachment so the property subject to the RFP includes the generalized area shown in magenta on the map for MSP redevelopment. Frank Burkhead seconded the motion.
- Original RFP Motion: All in favor. None opposed. Motion passed.
- Amendment RFP Motion: All in favor. None opposed. Amendment motion passed.
- Frank Burkhead referred to the first page of the draft RFP, paragraph #3 following the bullets, "Applicants shall not contact, directly or indirectly, any member of the MSPRC." and wanted to clarify that the Commission members can contact contractors to submit responses but the contractors cannot contact members directly once they submit their proposals. Cathy Brown confirmed that the intent is to supply consistent information to anyone that is interested.

IV. Review and Update on MSP Redevelopment Project

- a. Whitton Expressway Final Environmental Impact Statement (EIS) – Review and comment period ends February 7, 2011 – Mike Dusenberg, Missouri Department of Transportation (MoDOT)
 1. Mike Dusenberg is the Planning Manger for District 5 Office in Jefferson City and has been the Project Manager for the Whitton Expressway Project.
 2. Dusenberg stated that the Environmental Study began three years ago as a joint effort between the City of Jefferson, MoDOT, and Cole County. The consulting

firm, HNTB, was hired to develop the document. Director Kevin Keith signed off on the EIS and the Federal Highway Administration has also approved the EIS. The EIS is subject to a public comment period ending February 7. Printed copies of the documents are available at City Hall in Jefferson City and at the Cole County Courthouse. Copies can be viewed at the Lincoln University Library and the Regional Library in Jefferson City. Copies are also available at the District 5 Office on Missouri Boulevard. The document is also available at <http://www.modot.mo.gov/central/> (copies of website page in meeting packet). Click on the Whitton Expressway EIS Logo. Background on the study was provided. Alternatives proposed are broken into five areas. Study was based on the redevelopment outlined in the MSP Master Plan. Barring any major comments from the public comment period ending February 7, the next step is to complete the Record of Decision (ROD), which goes to the Federal Highway Administration for approval. With the approval of the ROD, which should occur around the end of February early March, the portion of the project is complete. Staff is currently developing the mapping for the design work for the construction plans and work on funding. Could begin by 2014 if funding is available.

- b. Federal Courthouse Project Update – GSA Staff unavailable, Charlie Brzuchalski
 1. Charlie Brzuchalski stated that work continues on the Federal Courthouse. Will have slides for next meeting. Continuing with interior work. Anticipating that staff will move in the building September 2011 timeframe and will open a little later. Discussing a fall dedication; will share plans when received. Nothing finalized.

- c. MSP Historic Tours Update – Steve Picker, Jefferson City Convention and Visitors Bureau
 1. Steve Picker discussed the success of the MSP tours. Increased by 75% in 2010. Steve introduced Meagan Wiley, Prison Tour Coordinator, and Sara Stroesser, Communications Manager. Appreciate support from the MSPRC and the Office of Administration.
 2. Two handouts were distributed.
 - 2011 Missouri State Penitentiary Tour Offerings document
 - 2011 brochure listing dates and costs
 3. Paranormal tours are planned but have not yet been announced. This is a highly marketable area which is high demand. There will be a great deal of interest from paranormal groups to get into the facilities. These tours will increase the economy for the community and the entire state. Have the site evaluated for paranormal activity. TV shows are interested in coming to MSP as well as other film crews.

4. Historic Tours: 12,000 people attended the historic tours last year. Working with other facilities around the country to increase attendance up to 50,000 to 60,000 per year. 133 motor coach tours in Jefferson City last year. MSP is a unique offering that draws interest from people attending motor coach tours who are looking for something unique.

d. Environmental Assessments – City of Jefferson (Melva Fast) and FMDC Staff

1. Phase 1 and Phase II Reports and Hazardous Waste Inventory

- Melva Fast stated that every structure on the MSP property has been tested and evaluated for various hazards. Now in good position for completing the environmental assessment. The completion of the evaluation of the MSP buildings allows the process to move forward to complete the environmental assessment.
- Working with HUD to complete the environmental assessment. A public meeting will be held on February 10. Should have final demolition plan approved prior to that meeting. The final environmental assessment presented to HUD for final approval must indicate which buildings are scheduled for demolition, and the public also needs to know. Final packet will be presented to HUD on February 11 for their review. This project is high on the Federal HUD priority list. It will take time for HUD to review the packet. The final product will include everything needed to allow redevelopment of the property. There is a 15 day review for local HUD office and another 15 day review for federal HUD. After this 30 day review process, will begin asbestos removal and demolition.
- Michael Berry asked for clarification of the demolition document that will be submitted to HUD. Charlie Brzuchalski responded by stating that the Phase I and Phase II environmental assessment covers the entire site. The Phase A and Phase B cover specific buildings for the demolition activity although they overlap. Melva Fast stated that HUD needs to know which specific buildings will be demolished. Berry clarified that buildings must be identified prior to receiving the responses from the RFP. Fast verified that the demolition schedule must be presented, however, a disclaimer can be submitted taking notice of the pending RFP and that the schedule is subject to modification.
- Gene Bushmann asked a question about the manpower to begin the demolition. Charlie Brzuchalski stated that the project would have to be bid. Melva Fast stated that the asbestos contained in almost all of the buildings must be removed prior to the demolition. Charlie stated that the asbestos removal is included in the demolition project.

- Kathy Peerson asked how the funding is set up. Melva Fast stated that the funding is set up in phases and that all of the funds will be expended.
- e. MSP Greenway Trail Project (Survey, Archeology, Photography) – Charlie Brzuchalski
1. Charlie Brzuchalski stated that the timeline for the Greenway Trail has been contingent upon the environmental assessment. Can assemble packets and move forward.
 2. Ready to release contracts for archaeological and photography work to be done.
 3. Can get final clearance on final Phase 2 work. EPA commissioned Tetra Tech to do inventory of miscellaneous hazardous materials. Saves money that can be applied to demolition work.
 4. Gene Bushmann asked why it is taking so long to complete the photography work. Charlie Brzuchalski stated that the reason it has taken so long is that environmental investigations had to be complete so the contracts can be finalized and the funding in place. Bushmann stated that this is just a trail and that no archeological evidence is along the trail. Charlie stated that the Department of Natural Resources requested that an archeological review be done of the site.
 5. Cathy Brown stated that we should see work begin within 30 to 60 days. Will use in-house Department of Corrections' staff to begin the work.
- f. Lafayette Street / Lafayette Street Extension / State Street Project – City/County Staff
1. Concrete Wall Demolition Proposal
 - Matt Morasch, City of Jefferson, clarified the area of the Wall proposed for demolition is not part of the historic Wall. Would like to take the Wall down to about a 4 foot wall to allow people to see a view of the river at the end of the Lafayette Street cul-de-sac. Nothing on the far west side or the guard tower would be removed. The City hopes that the State and the MSPRC will endorse this proposal. State, City and County would have to agree on the cost. Michael Berry asked if there is anything that needs to be discussed by the MSPRC with respect to this issue. Landwehr stated that the city and county are prepared to use funds from sales tax revenue and hope that the Commission will approve removing this portion of the wall.
 - Cathy Brown stated that the city, county, and the MSPRC need to endorse the proposal so that this can be presented to State Historic Preservation Office (SHPO.) Can request that SHPO expedite the review of taking the wall down. Anticipate that SHPO will approve. Once the proposal is approved by SHPO, the State would enter into a cooperative

agreement with the city, county, and the MSPRC to be able to contract for removal of the portion of the wall.

- Comments that it will still be hard to see the river through the trees once the portion of the wall is removed. Bank stabilization issues if the trees are cut down by the river would need to be addressed. Would work with railroad. The property boundary between the state-owned MSP and the railroad is not well-defined. Gene Bushmann suggested that it would be a good idea to build an elevated observation area.
- MOTION: Chair Dan Carr asked if there was a motion to endorse the plan. Frank Burkhead made a motion to endorse the plan. John Sheehan seconded the motion. No discussion. All in favor except Gene Bushmann who asked that the record shows that he abstained. Motion passed.

2. Parking

- John Sheehan asked about traffic congestion and parking issues. Steve Picker stated that tours take place mostly on the weekends with some during the weekdays. Sufficient parking is available.
- Charlie Brzuchalski stated that the Federal Courthouse includes parking and plan to develop a parking lot further down State Street. Federal Courthouse has sufficient parking for their purposes. There are some restrictions because of Homeland Security. Matt Morasch advised that there are currently no time restrictions in the area. There is a process to set time restrictions with the city. Federal courthouse staff asked the city not to allow any parking in front of the courthouse on Lafayette for security reasons.

3. Shoe Factory/Road

John Sheehan asked Matt Morasch for his comments on the proposed street construction by the shoe factory (the planned "MSP Parkway"). Matt commented that the grade differential is extreme and that a street would be difficult to build in that area.

g. CDBG Demolition Project – (City of Jefferson, Department of Economic Development, FMDC Staff)

1. Proposed Scope Revision

- Charlie Brzuchalski displayed the original demolition plan that the CDBG Grant application is based on. Slide was shown on the original plan and a slide was shown on the revised plan illustrating the difference between the two plans. This is the plan suggested to be submitted with environmental assessment on February 11.

- MOTION: Michael Berry made a motion to approve the demolition plan. Frank Burkhead seconded the motion. No discussion. All in favor. Motion passed.

h. Historic Area Project Update – (Department of Natural Resources/State Parks, FMDC Staff)

1. Cathy Brown introduced J. C. Kuessner, Deputy Director for State Parks, Department of Natural Resources.

- J. C. Kuessner stated that Gene Bushmann previously posed the question whether or not State Parks would be interested in keeping any part of the operation of the historic area at MSP.
- Gene Bushmann asked if all parties were in agreement that Housing Units 1, 3, and 4 will be restored and classified as historic structures and asked if an historic district was envisioned. Kuessner stated that this has not been considered yet and could not provide an answer at this time. State Parks is supportive of proposal and what is happening and is currently considering the part they will play.
- Cathy Brown clarified that J. C. has indicated that State Parks is taking a serious approach and will leave this meeting for further discussion and will provide information to the Commission when available.
- Michael Berry stated the need to look at other options and the need for a community that is behind the project. The project is tied up until it is known whether or not Parks is interested. Cathy Brown stated that the State is in a difficult economic position, but will provide information as soon as decisions are made.
- Gene Bushmann asked if a broader historic district is being considered besides the three buildings and the Wall. Kuessner stated that they are reviewing and cannot provide an answer yet.

2. State Energy Program (SEP) Funding - Historic Area Project – Cathy Brown

- Cathy Brown discussed the potential for the state energy program (SEP), funneled through the Department of Natural Resources, to receive stimulus money for the historic area. The funding would not pay to replace roofs. FMDC is actively looking for matching money to cover the roofs. Talked to Ameren Missouri. Cathy thanked the Mayor and Presiding Commissioner for meetings and phone calls on short notice to discuss their participation. Looking at about \$3.2M SEP money, which would require about \$350,000 for another source. Need to get all major stakeholders involved to get sources to get the buildings repaired. FMDC staff working hard to find grant opportunities. Federal money

with SEP funds has a lot of restrictions. The Department of Natural Resources is not sure if we can use the funds for this application, but should know soon. When confirmed that the money can be used, will immediately go to the contract phase if we find matching money. Money must be expended by early 2012. An email will be sent to everyone when information is available.

- Question was asked on what the SEP money would be used for. Cathy Brown clarified that this money would be used for Housing Unit 1, 3 and 4, which would be characterized as museums to get maximum funds from SEP. Funds would cover HVAC replacement, electrical replacement to include lighting, new windows, new doors, roofing insulation. SEP money will not pay for roofs. In order to install roofing insulation, FMDC needs additional funding for replacement roofs.

i. Project CommuniTree – FMDC Staff/Cindy Layton

1. Cindy Layton stated that the State applied for two grants and received 150 free trees in three to six gallon containers. These trees are available for planting along the streets at the exterior perimeter of the site or inside the site in the spring or fall. Planting of these trees is called for by the Master Plan.

V. Old Business (Pending Items from previous meetings)

VI. New Business Items for Discussion (Agenda Items for Next Meeting)

a. Report for Housing Units 2 and 5

1. Gene Bushmann asked for a report on maintenance and condition of Housing Unit 2 and Housing Unit 5.

b. RFP Timeframe

1. Michael Berry asked that a time be established for the RFP to go out. Larry Weber stated that the Office of Administration will do the revisions and will send the RFP to the same distribution list.
2. Clarification that the RFP is sent by OA on behalf of the Commission and that Charlie Brzuchalski is the contact to receive responses and will notify the Commission when responses are received.

VII. Adjournment

- a. Motion to adjourn. Adjourned at 3:15 p.m.

Next Meeting: February 23, 2011

Truman State Office building
Room 850
Jefferson City, MO