

Minutes of June 15, 2022, Regular Meeting  
Board of Directors of  
Downtown Moberly Community Improvement District  
Moberly, Missouri

The Board of Directors (the "Board") met at 3:00 p.m. in the Moberly City Hall Conference Room at 101 West Reed Street, Moberly, Missouri, on Wednesday, June 15, 2022.

Brian Crane, Chair, presiding, called the meeting to order at 3:00 PM and asked for roll call. Board Members answering the roll call were: Brian Crane, Kelsie Jeffries, Doug Sharp, Michael Bugalski. Absent: Tom Sanders. Others present included: Tim Brubaker, City Council liaison; and Tom Cunningham, Legal Counsel (via Zoom).

The Chair first asked for approval of the Agenda. Mr. Bugalski requested that the Agenda be amended to include a new discussion item number (a), "Lease Assistance Program Update". A motion was made by Mr. Sharp to approve an amended Agenda adding discussion item number (a), "Lease Assistance Program Update. Mr. Bugalski seconded the motion. Ayes: Bugalski, Crane, Jeffries, Sharp. Nays: None. Amended Agenda approved.

HEARING FROM CITIZENS:

The Chair next asked if there were any written communications or comments received or if any person present wished to address the Board. There were no communications or requests.

OLD BUSINESS:

Under Old Business, the Chair called for approval the Regular Meeting minutes and the Closed Session minutes of May 18, 2022. A motion was made by Mr. Bugalski to approve the May 18 Regular Meeting and Closed minutes. Ms. Jeffries seconded the motion. Ayes: Bugalski, Crane, Jeffries, Sharp. Nays: None. May Regular and Closed Minutes approved.

NEW BUSINESS:

Under New Business, the Chair first called for consideration of Resolution No. 2022-21: **A RESOLUTION APPROVING AN ELEVENTH ROUND OF GRANT AWARDS UNDER THE DISTRICT'S PRIVATE PROPERTY IMPROVEMENTS PROGRAM; AND PROVIDING FURTHER AUTHORITY.** Mr. Bugalski noted applications for properties at 210 N. Williams/217 West Reed and at 214 N. 4<sup>th</sup> Street had been received for PPI Program Round 11 and were recommended by the reviewing committee for approval. After a brief discussion, a motion was made by Ms. Jeffries to approve Resolution No. 2022-21. Ms. Bugalski seconded the motion. Ayes: Crane, Bugalski, Jeffries, Sharp. Nays: None. Resolution No. 2022-21 adopted.

The Chair then called for consideration of Resolution No. 2022-22: **A RESOLUTION CONTAINING FINDINGS; APPROVING AND RATIFYING AN EXPENDITURE FOR THE PROMOTION OF SPECIAL EVENTS TOURISM; AND PROVIDING FURTHER AUTHORITY.** The Chair reported that Moberly Rotary Club had presented a letter to Moberly City Council requesting funds for the Railroad Days Event which request was refused. The Chair noted that at the last meeting the District agreed to provide a \$1,000 contribution to the Moberly Rotary Club for this event. After a brief discussion, a motion was made by

Mr. Sharp to approve an allocation of \$1,000 to support the Railroad Days event. Ms. Jeffries seconded the motion. Ayes: Bugalski, Crane, Jeffries, Sharp. Nays: None. Resolution No. 2022-22 adopted.

The Chair next called for consideration of Resolution No. 2022-23: **A RESOLUTION APPROVING A TWELFTH ROUND OF GRANT AWARDS UNDER THE DISTRICT'S PRIVATE PROPERTY IMPROVEMENTS PROGRAM; AND PROVIDING FURTHER AUTHORITY.** Mr. Bugalski observed that this is the first round of applications for the new fiscal year. Applications for property at 417 West Reed Street and 400 West Reed Street had been received for PPI Program Round 12 and were recommended by the reviewing committee for approval. Mr. Bugalski also noted that although the properties were owned by the same owner, the applications still fell within approved PPI guidelines. After a brief discussion, a motion was made by Mr. Sharp to approve Resolution No. 2022-23. Mr. Bugalski seconded the motion. Ayes: Bugalski, Crane, Jeffries, Sharp. Nays: None. Resolution No. 2022-23 adopted.

The Chair then called for consideration of Resolution No. 2022-24: **A RESOLUTION approving a SETTLEMENT AGREEMENT; ACKNOWLEDGING A CERTAIN EQUIPMENT LEASE/PURCHASE AGREEMENT AND A CERTAIN EQUIPMENT STORAGE AND STAND-BY PURCHASE AGREEMENT; AND PROVIDING FURTHER AUTHORITY.** The Chair reminded the Board that the owners of Shady Tuesdays restaurant had defaulted on a loan collateralized by a District Certificate of Deposit with the result that the restaurant owners were in debt to the District in an amount over \$9,000. The Settlement Agreement which is the subject of Resolution 2022-24 provides for the conveyance on behalf of the District of restaurant equipment stored at the business premises to the City in exchange for forgiveness of the debt. The Chair also noted that the City plans to sell or lease the equipment for the amount of the debt to a new restaurant operator identified by the owner of the premises, all as memorialized in a certain Lease/Purchase Agreement included as an exhibit to the Resolution. Finally, the Chair explained that in the event the new restaurant operator failed to acquire the equipment under the Lease/Purchase Agreement, the premises owner would be obligated to purchase the equipment under a certain Storage and Stand-by Purchase Agreement included also as an exhibit to the Resolution. The Stand-by Purchase Agreement also grants extended storage rights for the equipment. Legal Counsel explained that by adoption of the Resolution the Board approved the execution and delivery on behalf of the District of the Settlement Agreement and concurs with the terms of the Lease/Purchase Agreement and the Storage and Stand-by Purchase Agreement between the City and, respectively, the new restaurant operator and the premises owner. After further discussion, a motion was made by Mr. Bugalski to approve Resolution No. 2022-24. Mr. Sharp seconded the motion. Ayes: Bugalski, Crane, Jeffries, Sharp. Nays: None. Resolution No. 2022-24 adopted.

The Chair then called for consideration of Resolution No. 2022-25: **A RESOLUTION APPROVING A REIMBURSEMENT TO THE CITY OF MOBERLY FOR PAYMENTS MADE IN CONNECTION WITH A COOPERATIVE FUNDING AGREEMENT FOR THE FENNEL COMPLEX; MAKING CERTAIN FINDINGS; AND PROVIDING FURTHER AUTHORITY.** The Chair stated that the resolution authorized reimbursement of various payments including those to Mack Hils, DMC Concrete, R. P. Lumber, NEMO Electric Company, and Butler Supply as part of a previously approved program of improvements to the Fennel Complex. After brief discussion, a motion was made by Mr. Bugalski to approve Resolution No. 2022-25. Ms. Jeffries seconded the motion. Ayes: Bugalski, Crane, Jeffries, Sharp. Nays: None. Resolution No. 2022-25 adopted.

The Chair then called for consideration of Resolution No. 2022-26: **A RESOLUTION APPROVING A SECOND AMENDMENT TO COOPERATIVE FUNDING AGREEMENT FOR EXPANDED IMPROVEMENTS TO THE FENNEL COMPLEX; AND PROVIDING FURTHER AUTHORITY.** The Chair stated that the resolution and the attached Second Amendment to Cooperative Funding Agreement provide for funding by the

District of an expanded program of improvements reflecting experience at events recently held at the Fennel Complex. Expanded improvements include installation of concrete vehicle pads in the Events Area; installation and placement of sod in unpaved areas of the Events Area; installation of additional light poles to support café lighting; completion of decorative fencing to surround and enclose the Events Area; and supplying and installation of a public address and sound system. The Chair noted that at the last meeting the Board by consensus had agreed to provide funding of these additional improvements at the level incorporated in the Second Amendment. After a brief discussion, a motion was made by Ms. Jeffries to approve Resolution No. 2022-26. Mr. Sharp seconded the motion. Aye: Bugalski, Crane, Jeffries, Sharp. Nays: None. Resolution No. 2022-26 adopted.

#### ITEMS FOR DISCUSSION:

The only item for discussion under the Amended Agenda was “Proposed Changes to the District’s Leasing Assistance Program” (**Discussion Item “a”**). Mr. Bugalski as Program Administrator presented proposed revisions to be applied to the FY ’22-23 Leasing Assistance Program procedures. Mr. Bugalski stated that the objective of the proposed changes would be to require landlords to allocate money towards interior upgrades such as painting, wall and ceiling improvements, flooring, etc. as a condition of obtaining leasing assistance. Mr. Bugalski provided a monograph summarizing the objectives and approval requirements for the revised program which is attached as an exhibit to these minutes. Mr. Bugalski clarified that in each case a grant of 50 percent (50%) of actual investment up to a maximum \$5,000 would be provided. A two year hiatus between applications at a particular property would also be imposed. Legal Counsel questioned whether the “leasing assistance” benefit would devolve on the proposed tenant. Mr. Bugalski responded that it did not matter so long as the improvements were made and, even if the grant amount was retained by the landlord, the tenant would still receive the benefit of improved finishes at the premise without cost. Finally, Mr. Bugalski observed that priority focus will be given to properties identified for commercial lease to business ventures whether for profit or non-profit. The Chair explained that the authority to revised program guidelines and requirements, subject to Board concurrence, was inherent in the Program Administration agreement. After additional brief discussion the Board concurred with the proposed Leasing Assistance Program changes.

#### ADDITIONAL MATTERS:

The Chair asked if there were any further matters or concerns to be brought before the Board. Hearing none, the Chair then asked for a motion to adjourn. A motion was made by Mr. Bugalski and seconded by Ms. Jeffries to adjourn. Ayes: Bugalski, Crane, Jeffries, Sharp. Nays: None. The meeting was adjourned at approximately 3:45 p.m.

The next regular meeting of the Board of Directors will be held on Wednesday, July 20, 2022, at 3:00 p.m. in the Moberly City Hall Conference Room.

*Respectfully submitted:*  
*Shirley Olney for Doug Sharp, Secretary*