

Richmond Heights delays vote on development

By Margaret Gillerman

ST. LOUIS POST-DISPATCH

Tuesday, Nov. 18 2008

Richmond Heights — Hadley Township residents, who were supposed to have been paid long ago by a developer for their properties, would get \$1,500 extra each for their troubles under a new plan.

But they'll also have to wait a week longer than they had expected for the City Council to hold a final vote on whether to grant Michelson Commercial Realty and Development another year to come up with financing for the \$210 million project.

The company has asked for and received extensions from the city because it has been unable to obtain financing.

The council was sharply divided Monday on whether to go forward with the plan for the developer to pay \$1,500 to each owner of a family-owned property or insist that the developer come up with \$3,000 for each household — an amount Michelson had said it would not pay.

Rather than put the entire project at risk, the council voted 5-3 to go with the smaller amount. The difference to the developer would have been about \$72,000 overall for 48 households.

Kevin McReynolds, a seminary student, urged the council to approve the \$1,500 amount rather than gamble away the project. McReynolds, who is studying in Nebraska, pays \$1,000 a month mortgage on a house in Hadley Township. Because of the uncertainty, he can't rent it or sell it. "We're a family of five living on \$800," he told the council.

Reginald Finney, a neighborhood activist in the effort, said, "I also think that \$1,500 in the hand is better than \$3,000 in the bush."

Councilman Jim Thomson, who represents the area, said he felt compelled to go with what residents said they wanted.

But Councilwoman Gina Mitten was disappointed.

"A \$200 million project — and the developer can't come up with another \$72,000?" said an exasperated Mitten.

Council members Tim Gallagher and Camille Greenwald also favored insisting on the \$3,000.

At the last meeting, the developer was only offering to pay \$500 to each household.

Resident JoAnn Bailey said the council should have said no to the developer and terminated the project.

"The council had said before that they had given the last extension — I think they should have kept their word," she said.

But Mamie Jones, another resident, was more lenient with the developer.

"With the economy the way it is, nobody is lending money," she said. "I think the man is doing the best he can."

Michelson wants to build a \$210 million office, retail, residential and hotel project. The city approved the proposal south of Highway 40 and east of Hanley Road two years ago.

A survey of residents last month showed an overwhelming majority wanted to give the developer an extension until the end of 2009 to close on the properties.

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