

## FINANCE AND ADMINISTRATION COMMITTEE

February 3, 2026

12:00 p.m.

Councilman Denny Whayne Conference Room

Busch Building, 4th Floor

**Members Present:** Brandon Jenson, Chair; Bruce Adib-Yazdi; Monica Horton; and Craig Hosmer.

**Members Absent:** None.

**Staff Present:** David Holtmann, Director of Finance; Colin Quigley, Deputy City Manager; Maurice S. Jones, Deputy City Manager; Kyle Tolbert, Assistant City Attorney; Paul Williams, Police Chief; Monica Meador, Financial Analyst; Bob Jones, Grants Administrator; Jenny Deppe, Probation Officer; David Pennington, Fire Chief; Bryan Lundquist, Equipment Maintenance Supervisor; Jordan Coiner, Health Program Administrator; Cora Scott, Director of Public Information and Civic Engagement; David Mercer, Municipal Court Judge; Rinda Davis, Assistant Director of Health; Jordan Paul, City Attorney; and Anita Cotter, City Clerk.

**Guests:**

Isabelle Jiminez-Walker, Community Partnership of the Ozarks, Civic Engagement and Advocacy; Kristy Vaughn, Springfield Community Land Trust; Emily Fessler, Community Partnership of the Ozarks; Darlene Mabins, Community Partnership of the Ozarks; Sherry Blair, Affordable Housing Action Board; Heather Heggs; and Michelle Garand, Community Partnership of the Ozarks.

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**Call to Order**

Councilmember Jenson called the meeting to order at 12:00 p.m. Anita Cotter, City Clerk, called the roll call was conducted. Present: Bruce Adib-Yazdi, Monica Horton, Craig Hosmer, and Brandon Jenson. Absent: None. Councilmember Jenson noted the meeting was being recorded and reminded those present to complete the official sign in sheet provided. He noted committee meetings were work sessions intended for detailed policy discussion and refinement prior to full City Council consideration.

**Approval of January 6, 2026 Minutes**

Councilmember Horton expressed her appreciation for Errin Kemper, Director of Environmental Services, providing a follow up as noted in the minutes and requested an

update regarding the status of written follow up from the Building Development Services Department concerning the boarded-up building permit fee structure and enforcement process. Maurice S. Jones, Deputy City Manager, responded the report would be provided as soon as it was available

Councilmember Hosmer moved to approve the January 6, 2026, minutes as presented. Councilmember Adib-Yazdi seconded the motion, and the minutes were approved by the following vote: Ayes: Hosmer, Adib-Yazdi, Horton, and Jenson. Nays: None. Absent: None. Abstain: None.

### **Allocation of Adult Use Marijuana Three Percent Sales Tax**

Collin Quigley, Deputy City Manager, and David Holtmann, Director of Finance, presented the Marijuana Sales Tax Fund overview. Mr. Quigley noted this was the second full year of the tax. He added recommendations from the Committee would be part of the budget process. Mr. Holtmann reviewed the ballot language approved on August 8, 2023, by City Council authorizing a three-percent sales tax effective January 1, 2024, with expenditures limited to public safety, mental health services, housing, and substance abuse services.

Mr. Holtmann provided a multi-year revenue analysis noting Fiscal Year 2024 collections of approximately \$785,000 with no main expenditures, Fiscal Year 2025 collections of approximately \$1.9 million with expenditures of \$526,000, and Fiscal Year 2026 revenues trending approximately \$300,000 below adopted projections. Paul Williams, Police Chief, noted individuals had begun to use legalized marijuana and individuals who used it illegally in the past had returned to their illegal suppliers. He added there was also an increase in the amount of marijuana available. Mr. Holtmann noted the projected revenue was reduced for Fiscal Year 2027.

Councilmember Horton asked if expenditures to the Affordable Housing Action Board were tied to the United States Department of Housing and Urban Development (HUD), and if funding would continue for the Springfield Community Land Trust. Mr. Holtmann responded both were ongoing expenditures. Sherry Blair, Affordable Housing Action Board, responded the \$50,000 received was used for maintenance costs for affordable housing properties. Kristi Vaughn, Springfield Community Land Trust, responded their funding was used to offset operations.

Councilmember Adib-Yazdi asked for a review of the Fire Station Alerting Project. David Pennington, Fire Chief, responded the Fire Station Alerting Project was a replacement of a Fire Station Alerting System which was approximately 40 years old. He thanked the Committee and City Council for their support and noted the project was in the integration phase with the networking phase completed. He added they were waiting for equipment to arrive to begin the construction phase. Mr. Quigley noted there was an ongoing cost related to the required support agreement which would be a new expense.

Councilmember Hosmer asked if it was anticipated the amount would stay with the marijuana funding indefinitely. Mr. Quigley responded affirmatively. He added this could be moved to the General Fund if that was what the Committee preferred. Councilmember Hosmer expressed his belief some of these issues needed to be new programs for mental health and drug and alcohol dependency as they were core issues. Mr. Quigley noted the alerting system was previously a mechanical system and the new system was software based, causing it to be a new expense. Chief Pennington added the alerting system would improve efficiency.

Councilmember Jenson noted there were two line items that did not have any encumbrances or expenses: the Police Virtual Crime Center and City Services Overhead. Mr. Holtmann noted the Virtual Crime Center was an annual payment, and the bill had not yet been received. He added the current budget was increased for the cost of the contract. Mr. Holtmann further noted the City Services Overhead was the four-percent charge on sales tax revenues to support City administrative functions, and this was used at the end of the year.

Mr. Holtmann discussed Fiscal Year 2027. He noted it was anticipated the tax would bring in approximately \$1.6 million with just over \$540,000 remaining for the current fiscal year, leaving a balance of approximately \$700,000 in one-time funding for the Committee to review.

Councilmember Adib-Yazdi expressed his belief new ongoing expenses such as the Fire Alerting System and the Police Crime Center could be funded for two to three years and then worked into the overall budget.

Mr. Holtmann noted additional budget requests for ongoing funding included a Project Specialist for the Affordable Housing Program, Ozarks' Gun Safety and Violence Reduction Collaborative, and additional funding for the future Municipal Court building. He added the request for a Project Specialist came from the Director of Planning and Development and would fit within the housing category. He added funding had previously been made available to the Gun Safety and Violence Reduction Collaborative.

Darlene Mabins, CPO representative, noted the collaborative focused on young adults to provide programming and activities for them in a safe space. She added 180 gun locks and 71 gun boxes were also provided to community members.

Councilmember Hosmer asked how the effectiveness of the program was measured. Chief Williams responded less youth gun violence would be one indicator, with the main goal being preventative. Ms. Mabins responded referrals were tracked with community partners. She added an annual report was available.

Steve Childers, Director of Planning and Development, provided an overview of the Project Specialist request. Mr. Childers noted the program had grown to a \$55 million portfolio. He further noted they were at capacity from a staffing situation. He added there were currently managing over 450 active loans, and federal funds were more administratively heavy.

Councilmember Adib-Yazdi expressed his belief the resources were necessary in order to accomplish the goals set forth by the tax. He further expressed his belief he would like to see the item phased out over time.

Councilmember Horton expressed her belief there were going to be requests for stopgap funding to address changes at the federal level. She expressed her opinion the marijuana tax was a prime funding source to address Housing First. Councilmember Horton questioned the appetite to restructure funding so the majority of public safety initiatives would come from the 1/4-cent tax rather than the marijuana tax. She further expressed her belief the Citizens' Advisory Board was reluctant to fund housing-related items.

Councilmember Jenson asked what the funding gap for Housing First was anticipated to be and when it would be known if the gap existed. Emily Fessler, a representative of Community Partnership of the Ozarks, noted they were waiting on information regarding whether the program would be federally funded for the next fiscal year. She added they had one project identified currently as a need for contingency funding.

Councilmember Jenson noted funding could be reserved for allocation at another time.

Councilmember Horton asked if the Fire Alerting System and the Police Virtual Crime Center would be more appropriate under the ¼-cent tax which would free up funds for the other three categories.

Councilmember Jenson disclosed he was a board member of the Springfield Community Land Trust. He recused himself and turned the meeting over to Councilmember Hosmer. Councilmember Jenson left the room.

Councilmember Adib-Yazdi expressed his belief at some point those items could be funded through other means; however, this might not be the right time to do so.

Councilmember Horton expressed her belief the Jail Diversion Program would encompass all four needs of public safety, housing, case management for mental health, and case management for substance abuse.

Committee members reached consensus that ongoing allocations should be approved with the understanding that certain public safety expenditures may transition to alternative funding sources in future fiscal years to maintain long term fund stability.

Councilmember Horton recommended funding for the Springfield Community Land Trust and Affordable Housing Action Board be continued under ongoing expenditures.

Councilmember Jenson returned to the meeting.

Mr. Quigley noted it was the consensus of the Committee members that the allocation to the Springfield Community Land Trust be continued as recommended.

Councilmember Jenson noted if a phased approach were taken, the cost for the Police Virtual Crime Center would be approximately \$109,000, and the Fire Alerting System would be \$87,577. He asked staff if they were aware of funding sources for these items.

Mr. Quigley noted the budget process was beginning, and it would be a good time to review what was needed.

Councilmember Jenson noted he would entertain a motion for existing ongoing expenditures including the Jail Diversion Program, Police Virtual Crime Center, City Services overhead, Fire Alerting System, New Day for homeless crisis, cold weather shelter funding, and the Affordable Housing Action Board.

Councilmember Hosmer moved to approve the Fiscal Year 2027 ongoing allocations as presented with direction to evaluate phased transition of the Police Virtual Crime Center and Fire Alerting System to be reduced by one-third and gradually reduced by additional amounts over the next three years, beginning in Fiscal Year 2028. Councilmember Jenson seconded the motion, and discussion continued.

Councilmember Adib-Yazdi expressed his hesitation with reducing the funds for the Police Virtual Crime Center and Fire Alerting System for the current year.

Mr. Holtmann noted the budget process was beginning. He further noted Councilmember Horton had noted the ¼-cent tax as an option. He added they were able to meet the pension obligation and pay plan improvements through that tax. Chief Williams noted the Crime Center was impacting every aspect of crime and life issues discussed. He added they were currently in the middle of the process and asked that the funding remain in place at this time and discussion continue next year.

Councilmember Hosmer amended the motion to start the one-third reduction for the Police Virtual Crime Center and Fire Alerting System beginning the next budget year to allow additional time. Councilmember Jenson seconded the amended motion.

The amended motion was approved by the following vote: Ayes: Hosmer, Adib-Yazdi, Horton, and Jenson. Nays: None. Absent: None. Abstain: None.

Councilmember Jenson noted that left just under \$700,000 to obligate for Fiscal Year 2027.

Councilmember Hosmer noted ongoing problems in the City were homelessness, mental health, and alcohol and drug issues. He expressed his belief the City should have an action plan. He further expressed his belief the City needed someone to identify best practices to address the issues.

Councilmember Jenson clarified the three pending items included homelessness services funding gap, Land Bank administration, and strategic planning for homelessness, mental health, and drug and alcohol issues.

Councilmember Adib-Yazdi clarified there was potentially an opportunity for outside expertise in planning, which could be a one-time cost. He recommended reserving some of the funding for the one-time cost of the Municipal Court.

Councilmember Adib-Yazdi moved to fund the Affordable Housing Project Specialist position within the Planning Department and the Ozarks Gun Safety and Violence Reduction Collaborative request, and set aside \$250,000 of the remaining \$542,000 in

one-time funding for the Municipal Court Building project, with the remaining one-time balance for future allocation. Councilmember Hosmer seconded the motion, and it was discussed.

Mr. Quigley noted there was not enough in ongoing revenue to fund the two projects. Mr. Holtmann responded there was \$157,000 in ongoing revenue. He added there had to be enough revenue available to support he requests for ongoing funding.

Councilmember Adib-Yazdi amended his motion to fund the Affordable Housing Project Specialist position within the Planning Department and allocate remaining ongoing revenue to the Ozarks Gun Safety and Violence Reduction Collaborative, set aside \$250,000 in one-time funding for the Municipal Court building project, and reserve the remaining one-time balance for future allocation. Councilmember Hosmer seconded the amended motion, and discussion continued.

Councilmember Hosmer asked the status of the Municipal Court building. Mr. Quigley noted the preliminary design study was completed with the architects and a presentation would occur at the February 17 City Council Workshop. He added a location was identified, and the estimated cost was roughly \$42 million.

Councilmember Horton emphasized upstream investments in housing stability and behavioral health services as strategies to reduce downstream public safety expenditures. Councilmember Hosmer highlighted the need to maintain operational reliability in police and fire services while simultaneously investing in preventative initiatives.

Councilmember Jenson noted the motion before the Committee would preserve approximately \$292,000 in the one-time expenditure category that could be allocated at a future date. He further noted the next Committee meeting would include a presentation from the Ozarks Alliance to End Homelessness.

The amended motion was approved by the following vote: Ayes: Hosmer, Adib-Yazdi, Horton, and Jenson. Nays: None. Absent: None. Abstain: None.

Councilmember Hosmer requested a proposal to where information on how to obtain best practices regarding alcohol, drug abuse, homelessness, and mental health issues. Mr. Quigley responded the New Day program and Jail Diversion program addressed these issues, and a report from these programs could be provided.

## **Chapter 118 Taxicab Inspection Review**

Kyle Tolbert, Assistant City Attorney, presented an overview of Chapter 118 regulations governing taxicabs, courtesy cars, and airport limousines. He noted that entailed licensing and permits, including a taxicab company license, proof of insurance, driver's licenses for all drivers, rate regulations and required equipment. He added transportation network companies (TNC), such as Lyft and Uber, used a digital network to connect passengers to services and did not own, control, operate, or manage any of the vehicles. He added State law preempted any local regulations for the TNC. Mr. Tolbert noted City Code required taxicab yearly inspections, and the State required biennial inspections.

Committee members reviewed inspection comparison data reflecting 28 inspections in 2025, with 19 initial failures, including mechanical deficiencies and taxicab specific equipment issues.

Discussion focused on balancing consumer protection standards with administrative efficiency. Committee members examined overlap between biennial State inspections and annual City inspections and discussed potential duplication. Equity considerations were raised regarding regulatory differences between traditional taxicab operators and State regulated transportation network companies.

Committee members expressed support for maintaining local oversight of taxicab specific safety requirements while reducing unnecessary duplication. The Committee discussed aligning City inspection cycles with State inspections to reduce burden without compromising safety. Mr. Tolbert expressed his belief TNC statutes required inspection even if the vehicle had under 150,000 miles or was less than ten years old.

Councilmember Horton noted speaking with the owner of Yellow Cab, who reported ridership was 975,000 customers annually. She added individuals benefited from the service for a variety of reasons including transportation to schools and hospitals. She expressed her belief the taxicab services were filling an equity gap in access to transportation. She added the industry had communicated the regulatory requirements were overly burdensome.

Councilmember Hosmer expressed his belief there was a need for more education on any change in taxicab regulations.

Councilmember Jenson noted the fee structure was modeled to allocate the cost of service and asked if there would be the expectation of a functional decrease in the fee structure if a portion of requirements were repealed. Mr. Quigley responded the time spent on the activity was reviewed in the fee study. He added an analysis would have to be conducted afterward to determine if there was a change.

Mr. Tolbert noted a temporary suspension of the Code could be enacted rather than modifying the Code. Councilmember Jenson noted his thought in modifying the Code was to analyze or eliminate State mandated inspection requirements and continue to waive the fee for an additional year to have a report on the cost of the service to determine whether to reinstate or continue to waive the fee.

Councilmember Adib-Yazdi asked for clarification that regular inspection for vehicles over 150,000 miles or ten years old would still require inspection. Mr. Quigley responded affirmatively. He noted State inspection information was checked.

Councilmembers continued discussion on the comparison between State inspection requirements and City inspection requirements. The history of the issue coming to the Committee was discussed, and it was noted duplication of State and City inspections was an issue, and the issue of fairness was questioned as TNCs were not required to have City inspections. Councilmember Horton noted if exceptions were made in City Code for taxicabs, there may also be a claim by limousines.

Councilmember Jenson expressed his belief City inspections reviewed significantly different items than the State and that preemption at the State level would not allow the same standards of consumer protection to be applied to TNCs. He noted the referral was from Mayor Pro Tem Hardinger.

Mayor Pro Tem Hardinger noted the primary concern was in equity of fees. Councilmembers continued discussion on differences between taxicabs and TNCs. Councilmember Hosmer clarified if the vehicle had less than 150,000 miles and was less than ten years old, it would be assumed there was a State inspection.

Councilmember Adib-Yazdi moved to maintain existing inspection requirements, transition to a biennial City inspection schedule alternating with state inspections and reinstate inspection fees. Councilmember Horton seconded the motion, and discussion continued.

Councilmember Horton noted it was helpful to view the state of City cab inspections with the types of failures found and the success of reinspection.

Councilmember Adib-Yazdi amended the motion to include leaving the Code in place, conducting inspections every other year with the City inspection being on the off-year from the State inspection, inspecting for all elements including those in the State inspection, and reinstating fees. Councilmember Horton seconded the amended motion.

The amended motion was approved by the following vote: Ayes: Hosmer, Adib-Yazdi, Horton, and Jenson. Nays: None. Absent: None. Abstain: None.

## **Adjournment**

Councilmember Adib-Yazdi moved to adjourn. Councilmember Hosmer seconded the motion, and it was approved by the following vote: Ayes: Hosmer, Adib-Yazdi, Horton, and Jenson. Nays: None. Absent: None. Abstain: None.