

Steffen's Pyramid crumbles

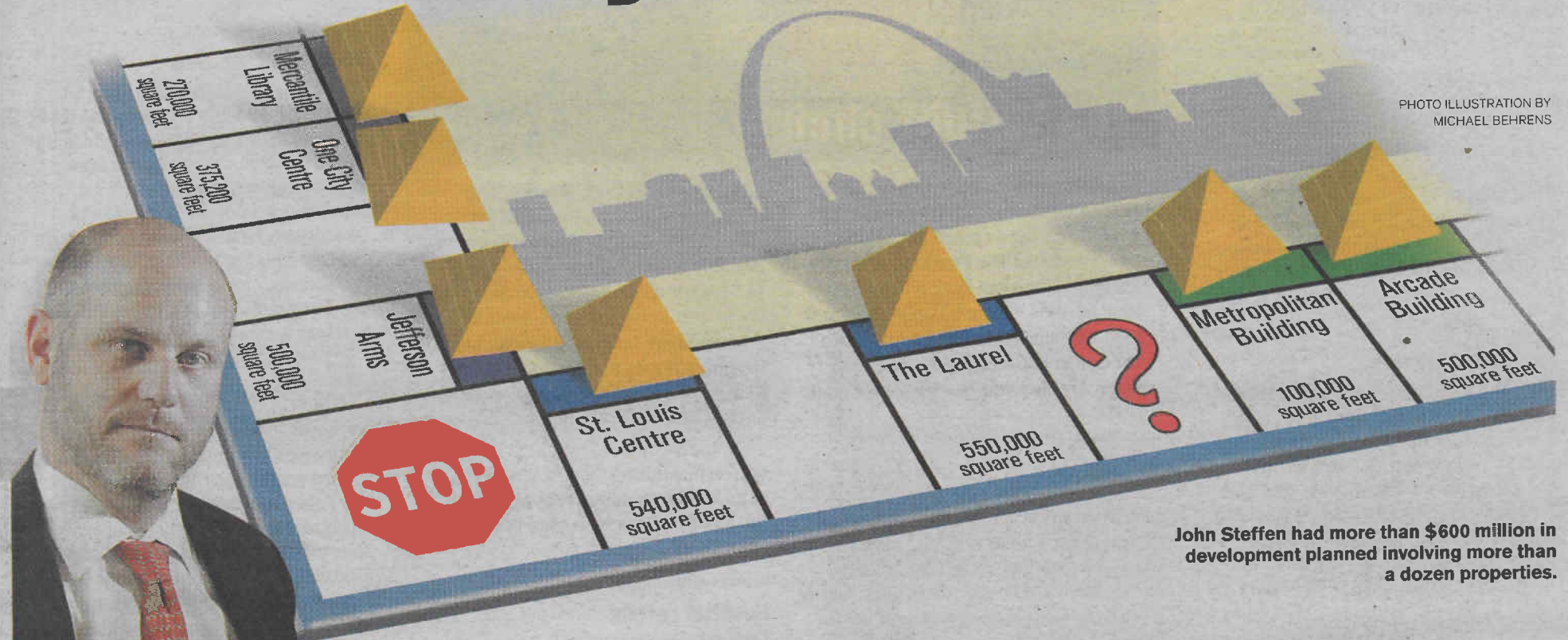


PHOTO ILLUSTRATION BY MICHAEL BEHRENS

John Steffen had more than \$600 million in development planned involving more than a dozen properties.

BY LISA R. BROWN
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John Steffen's dreams for downtown St. Louis have turned into a financial nightmare.

Steffen's lawyers are negotiating the transfer of more than a dozen development projects totaling more than \$600 million after the collapse of his development firm, Pyramid Cos.

The centerpiece of Steffen's fallen empire is St. Louis Centre, the old Dillard's building and One City Centre. His joint venture partner, Spinnaker Cos. of Connecticut, has taken over St. Louis Centre; the Dillard's property, renamed The Laurel; and is considering the nearby Mercantile Library building. However, Spinnaker has no plans to proceed with any other St. Louis properties.

Meanwhile, an investment group led by Environmental Operations Chief Executive Stacy Hastie is pursuing ownership of One City Centre, the 25-story office tower at 515 N. Sixth St., adjacent to St. Louis Centre.

Several other downtown buildings are poised to change hands, including the Arcade, Curlee, Paul Brown and Jefferson Arms buildings, but to whom and when remains uncertain. Almost as soon as a potential developer's name is mentioned, there's a quick denial of interest.

The largest property outside the St. Louis Centre complex is the empty 18-story, 500,000-square-foot Arcade, which spans a city block between Olive and Pine at Seventh Street. Pyramid planned a \$132 million conversion of the Arcade into condos and a hotel but it has sat vacant with windows covered by trash bags since Steffen purchased the building in 2001.

Steffen's downtown projects total more than 2 million square feet of real estate. No other single downtown developer even came close.

"We are examining each and every one of the projects under way and on the drawing board and hope to make an orderly transition for each to a successful developer who will implement Pyr-

amid's vision of the properties," said Pyramid's attorney, Steven Goldstein of Clayton-based Goldstein & Pressman PC. Goldstein was retained by Steffen a week ago, the first time the two met.

Two years ago, Pyramid employed nearly 150 people. Now it maintains a skeleton crew of employees at its sixth-floor offices at 906 Olive St., to oversee property management of 1,000 apartment units in the St. Louis area.

Sorting out the details

On April 18, Pyramid left the joint venture partnership it had formed two years ago with Spinnaker to redevelop the vacant 540,000-square-foot St. Louis Centre mall at Sixth Street and Washington Avenue and the 550,000-square-foot former Dillard's building, across the street at 601 Washington Ave. Called the Mercantile Exchange, the \$400 million project includes plans for an Embassy Suites hotel, hundreds of apartments and condos, and several thousand square feet of new retail

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LAW DAY

History of Missouri Nonpartisan Court Plan

The full version of this history originally appeared in a 2007 edition of "The St. Louis Lawyer."

BY THOMAS GLICK

In 1927, the St. Louis Bar Association had been firmly established for over 50 years. The fundamental goals of BAMSL had been in place since the inception of the association. Among these fundamental values was a belief that the association should act to "maintain the honor and dignity of the profession of the law, ... promote legal science and the administration of justice, ... promote and maintain the efficiency and integrity of the judicial departments of the government."

In 1927, judicial elections were partisan. Political bosses controlled the selection of candidates and the elections. The person most qualified to serve as a judge in the politicians' eyes was the person who had done the most for their political machine or who had the potential to do the most once elected.

The biased administration of justice and the need to raise money are all well chronicled. These problems were not unique to Missouri. Many other states had begun to bemoan similar problems.

In April 1936, BAMSL's Committee on Judicial Selection and Tenure suggested

an untried, entirely new system of judicial selection and tenure now known as the Nonpartisan Court Plan. The new system was groundbreaking at that time because 37 of the 48 states used the system of party nomination and partisan election. The committee unanimously concluded



Thomas Glick

"the (partisan selection) system is inherently defective and presents a major obstacle in current efforts to improve the administration of justice."

The committee complained that even upon election, judges were not able to act strictly in accordance with their well-informed

view of the law because of the continuing need to seek re-election. The judges experienced tenures that, although relatively short, decimated their client relationships, and in turn the private practices they abandoned for the bench. The resulting personal financial pressure forced judges to focus on fundraising and political favoritism for re-election to satisfy their basic need for continued employment.

The committee concluded its condemnation of partisan judiciary elections with its most compelling reason for change. "The present system, while parading under

the cloak of popular election, is utterly undemocratic ... because the people do not in reality nominate the candidates for judicial office."

After rejecting the judicial selection method then being used, the committee crafted a new form of judicial selection that would subsequently be adopted throughout the country as the "Missouri Plan." Members of the committee were dispatched to Kansas City and later Jefferson City to introduce the plan to government and other bar associations.

By November 1939, the committee's campaign picked up steam. The committee had turned its focus to submission by initiative petition of the necessary constitutional amendments to the voters.

On Election Day, November 5, 1940, Missourians voted 535,642 to 445,194 to approve the amendments and adopt the Nonpartisan Court Plan. Even though they had accomplished their goal, the Committee on Judicial Selection and Tenure had little time to celebrate their accomplishment. Less than 90 days after passage of the amendments, before the plan could even be implemented, the Legislature passed a resolution to place repeal of the plan on the ballot at the next general election in 1942. The attack failed, and the plan, to some degree, would subsequently be adopted in 32 of 51 U.S. jurisdictions.

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