

# MISSOULA REDEVELOPMENT AGENCY

## CONDENSED BOARD MEETING MINUTES

September 29, 2016

FINAL

A **Special** meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held on Wednesday, September 29, 2016 at the Hal Fraser Conference Room, 140 W. Pine, at 12:00 p.m. Those in attendance were as follows:

**Board:** Melanie Brock, Karl Englund, Daniel Kemmis, Ruth Reineking, Nancy Moe

**Staff:** Ellen Buchanan, Chris Behan, Annette Marchesseault, Tod Gass, Jilayne Dunn, Lesley Pugh

**Public:** Kraig Erickson, Woodbury Corp. (tele-conference); David Erickson, Missoulian; Bob Moore, citizen; Clint Burson, Missoula Chamber of Commerce; Jeremy Keene, WGM Group; Scott Johnson, CMS Inc./Missoula Food Bank; Hope Capon, Emcompass V2; Steve Adler, 1029 Pine-Rowan Center; Jerry Dirnberger, 1029 Pine-Rowan Center

### CALL TO ORDER

12:00 p.m.

APPROVAL OF MINUTES – No minutes

### PUBLIC COMMENTS & ANNOUNCEMENTS

The Board welcomed Lesley back as the new Administrative Assistant for MRA. Reineking said tomorrow is the last day to comment on the New Mobility West project on Brooks. Behan said the deadline for comments regarding the North Reserve Scott Street Master Plan is October 5<sup>th</sup>.

### ACTION ITEMS

#### 1029 West Pine St. (URD III) – Request to Proceed without Prejudice (Behan)

Behan said the project is approximately one-half of a block along Pine St. between Scott and Hawthorne streets. For many years the large building there has been used as a glass warehouse. The block was recently split and one-half is going to be developed into an office building and they are working on design for the other half of the site which will include a two to three story structure. The owners, the Dirnberger family, are in discussions with the City regarding 90 degree parking along Pine St. Behan said at this point they have a contractor who can do deconstruction only if the job can be completed within the next few weeks. Behan said the Dirnbergers would like to Proceed Without Prejudice for demolition

and will be back to MRA with an application within the next month for sidewalks, maybe parking, and the demolition.

Jerry Dirnberger, owner, said the two older buildings have been demolished. Steve Alder, architect for the project, said he communicated with Behan via email that demolition was scheduled for this week and understood the letter requesting assistance had to be in before they could start. Behan said it has to come to the MRA Board for approval before any work is done. He was not aware demolition had taken place. Behan said he thought he made it as clear as he possibly could that approval is not the same as applying.

Englund said there's nothing the Board can act on. He said his understanding is that the Board doesn't approve assistance for work that occurred prior to coming to the Board for approval. Behan said MRA can look forward to an application for the remainder of the eligible activities.

**No action was taken.**

**URD II Orchard Homes Irrigation Culvert Cover – TIF Request (Marchesseault)**

Marchesseault said this is an issue that was brought to Staff's attention by Council Member Michele Cares. She lives in the neighborhood and one of her constituents brought to her attention that there is a gap in an irrigation ditch culvert in the City right-of-way. It is adjacent to the location where the Missoula Food Bank is under construction. Cares sent a notice to MRA because she knew MRA provided funding for the Food Bank and wondered if it fell within the purview of the Food Bank work. Marchesseault reviewed photos and described what was going on with the culvert. It is an unsafe condition because if pedestrians are moving across the site it's not very apparent there's a hole there. The culvert does not fall within the Food Bank's scope of work.

Marchesseault said there's also some concern about liability because the ditch is owned by the Orchard Homes Ditch Company. It sits in an easement on City property. If there's work that's done on the ditch by someone other than Orchard Homes there are questions about who has the liability for it. Marchesseault said Staff felt it was most clean and efficient to work directly with the owner of the ditch, Orchard Homes. Staff recommends that MRA provide funding to Orchard Homes in the amount of \$15,000 which is an estimated, upper end amount. This amount will allow them to work with the same engineer that's working with the Food Bank to build a concrete structure with a steel grate on top. It will close the gap and make it safe.

Buchanan suggested making the recommendation an amount not to exceed \$15,000. She said as the MRA has done sidewalk projects in URD II and URD III they have encountered conflicts with irrigation ditches and they are addressed on a case by case basis. She said the ditch companies don't take care of these things and if you're doing a project around one of their ditches and issues come up, the expectation is that you'll take care of the issue.

Brock asked if the City keeps an eye City-wide about how many of these may be problematic. Buchanan said the area was very weedy and once the weeds were cut the hole was discovered. Buchanan said she doubts the City has an inventory, but it would be kept in Engineering or the Streets Dept. if there is one.

Kemmis said it troubles him a little to do what seems to him to be basic maintenance of the Orchard Homes' assets. He said he can imagine making some kind of contribution that would reflect the additional public benefit. He said he's open to being persuaded that MRA should take care of the Orchard Homes' maintenance problem. Marchesseault said Staff did propose cost-sharing with Orchard Homes and were told that they are a non-profit and have no money. She said Staff's concern is that Orchard Homes is not legally required to do anything and they could say it's not their problem, which will still leave a safety hazard in the City right-of-way. Kemmis said Orchard Homes says they have no money but they must have maintenance issues here and there that they have to spend money on. He said he feels it's imminently fair for MRA to offer a cost-sharing, but doesn't understand the logic of doing the Orchard Homes' work for them. Englund said it won't happen if MRA doesn't pay for it. Marchesseault said she can't say with 100% certainty that Orchard Homes would refuse, but reiterated they are not legally obligated so there's not a mechanism to require it.

Reineking said she thinks Marchesseault made some good points. She said maybe it's not that Orchard Homes has no money, they just don't have enough. She said she suspects they may ask property owners to do a lot of the maintenance where the ditch goes through. Marchesseault said in this particular location the hole by the culvert is sitting in the public right-of-way on a ditch easement. Moe asked if Orchard Homes gets money from the mill levy. Gass replied that Staff talked to Al Brule at Orchard Homes. Brule said they don't assess taxes like Missoula Irrigation District. He said they operate on the edge of the red or in the red most years. Moe noted they haven't even put hazard signage up around the culvert.

Moe asked if MRA is assuming some liability for the City or making the City subject to liability if they don't clean up all the ditches they're aware of that are safety hazards and close to curb/gutter projects MRA has put in. Buchanan said when MRA has done curb/gutter/sidewalk projects it has taken care of ditch issues. Marchesseault said within the last few years MRA constructed the segment of the sidewalk along Wyoming St. but the segment of sidewalk along Garfield St., adjacent to the irrigation ditch, was not constructed by MRA.

Moe asked about the safety issue, wondering if there was a way to expedite the project. Steve Johnson, CMS Inc./Missoula Food Bank, said the Food Bank has offered his services to coordinate the project with the construction on the Food Bank site to make sure they can facilitate the project as best as possible. He said they have storage available on the site for construction materials, equipment, etc. The culvert work needs to be scheduled to be completed by April 1, 2017 because that's when the water comes in. He anticipates construction yet this fall. Johnson assured the Board that the Food Bank will put up a snow fence around the structure with signage to provide temporary protection.

Englund asked what happened after Michele Cares brought it to MRA's attention. Marchesseault said initially Staff sat down with City Engineering and their initial thought was to amend it to the Food Bank TIF application and make it a condition of the Food Bank's work. MRA then sat down with the Food Bank and they expressed concern that if the Food Bank does the work on Orchard Homes' ditch then there are some murky liability issues. At that point, Staff said maybe it's cleanest if MRA takes the Food Bank out of the mix (aside

from their offering to coordinate between contractor and engineer) and work directly with Orchard Homes to keep the liability with Orchard Homes. Marchesseault said MRA reached out to Orchard Homes and they subsequently made the application to MRA.

Johnson said he got Territorial Landworks, Inc. involved when the initial discussion happened. He said Territorial was offered as the civil engineer because they are already on site and already have the surveying information for that location so the cost to the City/Orchard Homes/Whomever is less.

**REINEKING: I'LL MOVE THE STAFF RECOMMENDATION WITH THE AMENDMENT SUGGESTED BY ELLEN THAT IT'S AN AMOUNT NOT TO EXCEED \$15,000.**

**STAFF RECOMMENDATION: Staff believes this project will rectify a public safety hazard. Therefore, Staff recommends the MRA Board approve TIF assistance in an amount of \$15,000 to design and construct a concrete structure which will support a grate that can be locked, to cover an open gap in the culvert at the northeast corner of Wyoming and Garfield Streets. Payments will be made on a reimbursement basis based on copies of contractor and vendor invoices that have been reviewed and accepted by Staff, showing the actual work completed and materials used. The MRA Board Chairman is authorized to sign the TIF Development Agreement.**

**Brock seconded the motion. No discussion. No public comments.**

**Motion passed. (4 ayes, 1 nay with Kemmis voting nay)**

Englund wanted to thank the Food Bank for their help. Johnson said he will get the fence up right away and thanked the MRA Board for addressing the hazard.

**Lucky Strike/Five Valleys Bowl – 1515 Dearborn Avenue – Woodbury (URD III) – Reconsideration of TIF Request (Marchesseault)**

Kraig Erickson, Woodbury Corporation, was teleconferenced into the meeting. He said he was sorry he couldn't be there but appreciated the opportunity to be on the phone.

Marchesseault said this is a continuation of a TIF request that was submitted by Woodbury Corp. at the September 22nd [sic actual meeting date was September 21, 2016] meeting. To recap, Marchesseault said Woodbury Corp. has purchased the property at 1515 Dearborn Ave. in URD III. It's adjacent to the fairgrounds and in close proximity to Brooks St. Currently Lucky Strike/Five Valleys Bowl and a car wash are on the site but both businesses are closed. Most of the finishes have been removed from the Bowling Alley. The developer is proposing to remove both buildings to build Les Schwab tire store on the east side of the site and prepare the west side of the site for up to two restaurants.

Marchesseault said the developer, Erickson, has requested in his initial TIF application a little over \$753,000 in funding for building removal, relocation of a utility line, asbestos abatement and curbs, gutters, sidewalks and landscape improvements in the right-of-way. She said at the last meeting Staff recommended that if demolition were used as opposed to deconstruction the amount of TIF funding would be reduced to a little over \$660,000.

Marchesseault said at the last meeting there were four items that the Board expressed some concern about and wanted more information. The items are the east façade of the proposed Les Schwab building on Russell, the unknowns about the development of the west side of the site, demolition vs. deconstruction and finally the ratios of public to total investment.

Marchesseault addressed the demolition vs. deconstruction first. She said it's MRA's policy to encourage deconstruction wherever feasible. However in the deconstruction policy there is language that recognizes that it's not always feasible to do deconstruction. She said it's a concrete block building and doesn't have a lot of valuable material in it to begin with and the interior fixtures have already been removed. Marchesseault said Erickson reached out to Western Excavating who would be doing the deconstruction and they've estimated that they would be trying to salvage windows, doors, maybe some framing, toilet and sink fixtures. If they do that, Western Excavating has estimated upwards of \$20,000 worth of salvageable material. Marchesseault said Staff feels that spending \$71,000 for deconstruction to salvage \$20,000 worth of material would not be the most prudent way to use public funding in this instance. She apologized that this was not made clear at the previous meeting.

Marchesseault said with regard to the east façade of the building as it fronts Russell St., the initial elevation of the Les Schwab facility was just a blank wall. Staff worked closely with Erickson, who worked closely with Les Schwab's architects, to provide a modification to the façade to include some building articulation, columns, decorative metal trellis and mesh screens to break up the expansive façade. She said Erickson is also proposing a substantial amount of landscaping between the building and the sidewalk as well as a robust row of boulevard street trees for an additional buffer. Staff feels the eastern façade issue has been fairly well addressed and Erickson's recommendation is acceptable.

Marchesseault said at last week's MRA Board meeting, Staff recommended that funding be provided, but no funding be reimbursed, until the building was completely constructed as shown in the renderings. Erickson expressed concern about the condition of distributing the funding because of the lag time between the outlay and the reimbursement. Some of the Board discussion was with regard to the potential of adding a clause that required the developer to have a clause in his development agreement with Les Schwab that would require Les Schwab to construct as shown in the renderings. Marchesseault said the concern is that Woodbury Corp. will be selling the east end of the site to Les Schwab and while MRA has a relationship with Woodbury Corp. and has worked successfully with them in the past, once that parcel is sold MRA doesn't have a relationship with Les Schwab and risks losing the leverage to get what it's requesting. After further consideration, Marchesseault said Staff also discussed the issue of timing. Staff felt that relying on the development agreement between Les Schwab and Woodbury Corp. could be a risk because there is the potential that Les Schwab may not develop the site for several years. Another potential risk is that Les Schwab could decide not to do the development and sell completely and MRA would have provided reimbursement to Woodbury Corp. and not have anything for it. Marchesseault said Staff suggested that MRA not rely on a development agreement between Woodbury Corp. and Les Schwab with regard to what the façade looks like but rather to build it into the development agreement with MRA and Woodbury Corp.

Marchesseault said on the west side of the site there is still uncertainty as to who the tenants will be and what it will look like. Staff is recommending MRA start to look at the project as a three phase project. The first phase is demolition. Regardless of what happens on the east or west side and regardless of which gets built first, Marchesseault said demolition needs to occur on the entire site. Because Les Schwab is the project that is most certain and is proceeding, this is the one that needs to absorb the full amount of the demolition costs. She said Staff is recommending that MRA look at it (with regard to reimbursement) as a demolition project, a Les Schwab construction project and then Phase III would be the west side of the site (restaurants).

Marchesseault said ratios were also a consideration at the previous meeting. Typically MRA uses the 1:10 ratio that's in the program descriptions as a target for the amount of public funding in relationship to the overall project costs. Marchesseault said initially it can be looked at in a lot of different ways. The overall funding request is \$660,000 and the developer's total project costs ranged from a little over \$5,000,000 to a little over \$10,000,000 – a pretty wide range. Based on the initial ask of \$750,000, the ratios would have been somewhere between 1:7 and 1:11. Taking demolition and reducing the ask to a little over \$660,000, the developer has gotten more firm numbers and is now estimating the total project cost to be \$5.8-\$6.8 million. Based on a \$660,000 TIF funding request the ratio would be between 1:7 and 1:10. Marchesseault said the ratio could be broken down by phase.

Marchesseault said if the desire is to keep the ratios at 1:10, one way to look at it would be to cap funding for the Les Schwab portion of the project at a 1:10 ratio which would be a little over \$500,000. She said to encourage Erickson to come back for funding for the restaurants or whatever development occurs on the west end of the site, at that point the balance of what wasn't funded in the first phases because it didn't meet the ratios could be evaluated against the total project costs for Phase III and addressed at that time.

Marchesseault said Staff is recommending that MRA proceed with funding for Phases I & II on the understanding that even though demolition is benefitting both sides of the project it's being weighted toward the Les Schwab project because it has to occur for the project to happen. She said even though the ratios are a little bit under the 1:10 recommended ratio, Staff recommends funding Phases I & II under the ratio because of the way demolition is weighting the project. Staff further recommends that Phase III of the project not be considered at this time but that the applicant be encouraged to come back for funding when that development is known.

Erickson said he appreciates Staff recognizing and recommending the Les Schwab being in a separate phase. He said he hopes the Board approves it as well because of what he mentioned last week about the importance of being able to market the project. He said his understanding is that Phase I is conditioned upon the agreement that MRA and Woodbury Corp. would have written into it that they are getting the product they saw last week. He asked if that will be conditioned upon Les Schwab submitting to the City and getting approval of their plans. Buchanan and Marchesseault replied yes. Erickson said for the Board's information he has been in conversations with Les Schwab since last week and for what it's worth he's incorporated the renderings into his development agreement with Les Schwab and they're perfectly understanding of the situation.

Jeremy Keene, WGM Group, said he thinks phasing the payments addresses the timing and the assurance that MRA will get the product they were shown. He said he appreciates Staff's efforts to lay it out and thinks it works very well.

Moe asked if there was an easement for the roundabout. Erickson replied no. He said to the best of his knowledge it's not known whether or not there will be a roundabout. Buchanan concurred. Erickson said it's something the City brought up and therefore Woodbury Corp. and Les Schwab changed their plans to accommodate one should it happen. The easement will have to be negotiated at the time it happens.

Englund asked the Board how they wanted to work through this. He asked the Board if they feel they have the information and/or justification they need if they do demolition instead of deconstruction. The Board said yes.

Englund asked Erickson about the \$2.7 million cited as construction costs for Les Schwab. He wanted to know if it was both construction and land or just the building. Erickson replied it's building construction. He said all of the other improvements remaining to get Les Schwab built amount to \$1.2 million. Keene said the total costs for the Les Schwab portion of the site are \$3.9 million. Moe asked what it includes. Keene replied demolition, asbestos, utility relocation, site improvements, right-of-way improvements and the building itself, but not the land. Englund asked if MRA has included land in the ratios in the past. Buchanan replied no. She said they don't because it's unfair to a project where somebody's owned the land for a number of years and are redeveloping versus someone who goes out and buys a piece of property to redevelop. She said in the past MRA has acknowledged a land purchase. Behan said Staff has sometimes included the ratios with and without the land to acknowledge the land purchase.

Brock asked about the first condition to see if it's enforceable to get the money refunded if the work isn't done. Buchanan replied it will be put in the development agreement. It's a contract so it is enforceable.

Moe asked what Les Schwab is agreeing to in their agreement with Woodbury Corp. Erickson said they are in the process of finalizing the development agreement. They are going to have the building, as it was presented in the renderings and their architects have designed, developed to that standard as well as the elevations. Moe asked if Les Schwab has talked about a timeline. Erickson said it's an eight month construction and they are planning to start right after the first of the year. He said Les Schwab has the ball rolling and are almost ready to submit their building plans to the City. Buchanan asked if Woodbury Corp.'s development agreement with Les Schwab contains any time requirements for them to start construction. Erickson replied he wasn't sure, but they can incorporate that if it doesn't. He said knowing Les Schwab's situation, they're set to close on the property mid-November and are in dire need of a new facility and are anxious to get something built. Buchanan said Erickson needs to understand that Woodbury Corp. being reimbursed for demolition costs, if this is approved, is tied to Les Schwab obtaining a building permit and beginning construction. Erickson said that is how he understands it.

Buchanan said this project isn't a whole lot different than South Crossing. We reimbursed them for demolition before they knew what would occupy the out parcels. MRA trusted their judgement and good taste to put what was appropriate there. In some ways, this isn't a whole lot different than that project other than the ratios. She said if you were only getting Les Schwab then the ratios are out of whack of public investment to total project costs. In the case of South Crossing it was such a large development and so much of it was in the public right-of-way, compared to what they spent in total project costs there, the cost of demolition was miniscule. She said this is a unique project in that you can't do the demolition or deconstruction in pieces. It all has to go to accommodate Les Schwab.

Keene said the way it's structured, the known costs on the Les Schwab portion come out close to a 1:10 ratio. He said what they would need for the second half of the site is about \$2.7 million in the future construction so it's in the range of what they think will happen there and the additional development costs provided are a conservative estimate of what might happen based on one large restaurant or two smaller restaurants. He said getting to the \$2.7 million level is reasonable and there will be a second opportunity to look at the designs before the last portion of the funding is approved. Keene said it's a good way to make sure MRA is managing its risk in the project as well as Woodbury Corp.'s.

Kemmis said he'd like to see MRA maintain an appropriate level of influence over Phase III. He said he hopes the design standards/guidelines MRA is in the process of exploring are in place by the time Phase III comes to the Board. He said a further incentive would be to withhold that portion of the demolition costs that put Phase I beyond the 1:10 ratio and only make that available when Phase III is brought forward. Englund asked if MRA has ever done anything like that. Buchanan replied she wasn't sure MRA has ever had a project quite like this one. Behan added he didn't think MRA ever held onto something for another project to come along.

Englund said to get to a 1:10 ratio on the whole project, Phases I, II and III, the cost of the second half of the project needs to come in at \$2.7 million. He asked what would happen if they hold back money and the second half doesn't come in at \$2.7 million, it comes in at \$1.5 million. Kemmis responded they maintain the 10% overall. Erickson said in the case of South Crossing, what was actually submitted was less than what they asked for.

Buchanan pointed out a concern that worried her about the discussion. She said it seems the Board is starting to etch the 1:10 ratio in stone. She said she doesn't know how that carries through to future projects, but there are a lot of projects MRA assists with and the community needs that do not meet the ratio. One good example is Sweetgrass Commons. She said the \$250,000 MRA wrote down the cost of the land with probably didn't meet a 1:10 ratio. If MRA is going to hold projects to the ratio standard, Buchanan said she thinks MRA will find projects that are worthy and should be invested in but it won't be able to. Englund replied that he's always understood that the 1:10 is a guideline and that the Board shoot for it when they can. He said when a project doesn't make that ratio then there is some compelling reason that the Board usually expresses on the record as to why it is. Kemmis agreed and said Englund expresses the policy as he understands it, the 1:10 is a guideline, but the Board can go beyond that guideline if there is sufficient public benefit to justify it.



Englund asked if the improvements (curb/gutter, sidewalk and landscaping) in the right-of-way for Phase III are all required. Marchesseault replied yes. Keene added that the improvements shown in the site plan are more than Woodbury would do if MRA funding wasn't involved. He said they'd probably try to save more of the existing sidewalk, which is not great, but would pass standard as far as what a building permit requires.

Englund said the Board could approve Phases I & II with the idea that when Phase III comes in they will be looking very carefully to ensure that I, II and III are all at or very close to the 1:10 ratio and if it's not then they won't provide the money for Phase III.

Brock said the metamorphosis from last week to this week does it for her. She said it checks the box with the conditions, especially with them having to come back for Phase III. She said she thinks MRA will have enough leverage to say whether or not they would want to support and make additional investment in Phase III.

Moe asked about the Staff memo, page 6 – she said the last sentence is not complete. Marchesseault replied it should read “If the buildings at the west end of the site are not constructed fundamentally as shown in drawings submitted to and approved by Staff, then funding is not provided.”

Reineking said she wasn't sure the second condition needed to be in the motion. She said she also wasn't sure the second paragraph of the Staff recommendation needed to be in there either. Englund said only to the extent to make it clear that Woodbury Corp. can come back for Phase III to be considered. Reineking asked if it was like a Proceed Without Prejudice for Phase III. Englund replied they've already got that, it's just that the MRA wouldn't consider Phase III a second ask on the same project.

Kemmis said he wanted to know where others stood in terms of reserving any of the demolition costs for Phase III. Moe said she's amenable to the idea. Englund said he was too. Reineking said she was ambivalent. She said it's complicated, but isn't sure the justification for front loading on Les Schwab is compelling enough. She said she would be fine going with it though.

Discussion ensued regarding how to frame the motion. Dunn asked that the specific amounts the Board wants to approve and relevant timing of the reimbursements be clear in the motion for budget purposes.

**ENGLUND PROPOSED THE FOLLOWING MOTION: THE MRA BOARD APPROVES TIF ASSISTANCE TO WOODBURY CORPORATION IN AN AMOUNT NOT TO EXCEED \$541,172 FOR THE LES SCHWAB (EASTERN) PORTION OF THE PROJECT TO BE PAID IN THREE PAYMENTS AS FOLLOWS:**

**Phase I – Up to \$253,748 for demolition, asbestos abatement, and utility relocation, to be paid when Les Schwab has obtained a building permit and begins construction.**

**Phase II – Up to \$130,252 for curb/gutter, sidewalk and landscaping in the public right-of-way, to be paid when Les Schwab has substantially completed work and obtains a Certificate of Occupancy from the City of Missoula.**

**The balance of up to \$157,172 in demolition/asbestos abatement/utility relocation costs will be paid if and when the Board has approved the developer's application for Phase III funding.**

**Payments will be made on a reimbursement basis based on copies of contractor and vendor invoices that have been reviewed and accepted by Staff, showing the actual work completed and materials used.**

**Conditions:**

- 1. If the final Les Schwab project is not constructed fundamentally as shown in the drawings submitted to the MRA Board at its September 22, 2016 [*sic* actual meeting date was September 21, 2016] meeting, Woodbury Corporation must refund to MRA all tax increment funds distributed as outlined above.**

**KEMMIS: I SO MOVE. Reineking seconded the motion. No discussion. No public comments.**

**Motion passed. (5 ayes, 0 nays)**

**NON-ACTION ITEMS**

**STAFF REPORTS**

**COMMITTEE REPORTS**

Englund said the Fox Site Working Group is moving along rapidly. He said big issues are getting resolved and they got an optimistic report from the developer about their meetings and resolution of issues with the Community Benefits Coalition. Behan agreed that it is optimistic. He said the developer is also meeting with various neighborhood groups and will be at the community forum in October. Behan said zoning and right-of-way issues are in process and will be coming to a head in early November. He said the biggest piece hanging out there right now is the beginning of the work on what they're calling the TIF Agreement at this point. They want to get to a point where they understand the financial feasibility is in place before they move ahead with the main development agreement. Reineking asked if they have the parking issues worked out. Buchanan replied yes, they think so. Englund said the other part of it is a piece which doesn't involve MRA and it's the relationship between the developer and the City and the operation of the convention center. He said it's really Council's decision because it will require participation by the City. Buchanan said it looks like parking revenues can go a long way towards solving that.

**OTHER ITEMS**

Clint Burson, Missoula Chamber of Commerce, spoke and said he is relatively new at his position at the Chamber and is trying to soak in as much government information as he can. He said it's good for him to come and learn and see the process.

Buchanan said at the last meeting there was an agenda item regarding Caras Drive and creating the loading zone. She said she made mention of a Memorandum of Understanding between MRA and the Missoula Downtown Association or the Fire Dept. She corrected herself and said it needs to be between MRA and whoever has the construction contract, most likely Development Services.

Buchanan asked if the Board wanted to keep an appointee spot for a member on the Historic Preservation Commission. The Board decided they do not want to maintain a spot.

**ADJOURNMENT**

Adjourned at 1:52 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Lesley Pugh".

Lesley Pugh