

# MISSOULA REDEVELOPMENT AGENCY

## CONDENSED BOARD MEETING MINUTES

February 16, 2017

FINAL

A **Regular** meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held on Thursday, February 16, 2017 at the Hal Fraser Conference Room, 140 W. Pine, at 12:00 p.m. Those in attendance were as follows:

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

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

**Public:** Gwen Jones, City Council; Laval Means, Development Services; John Adams, Housing and Community Development (HCD)/Leitrim Consulting; Jeremy Keene, WGM Group; Heidi West, City Council; James Grunke, Missoula Economic Partnership; Andy Holloran, Mercantile Building; David Erickson, Missoulian; Jason Rice, Territorial-Landworks, Inc.; Clint Burson, Missoula Chamber of Commerce; Eric Clements, KPAX TV; Ben Weiss, Development Services

### **CALL TO ORDER**

12:00 p.m.

### **APPROVAL OF MINUTES**

January 19, 2017 Regular Board Meeting Minutes were approved as submitted.

### **PUBLIC COMMENTS & ANNOUNCEMENTS**

Behan announced that City Council adopted the North Reserve-Scott St. Master Plan and the Growth Policy was changed to reflect the Plan's inclusion. He said the Master Development Agreement for the Fox Site was also passed by City Council. The only major change was the removal of Section 4.5F which was the portion that talked about Federal Law.

Gass said the South Reserve Pedestrian Bridge has a couple more weeks of electrical work to be done to hook up the heated deck and lighting. He said Jackson Contracting Group plans to start the site and landscape work on April 1<sup>st</sup> or sooner if weather allows. He said they are aiming to have a Grand Opening on April 29<sup>th</sup> in conjunction with the Grand Opening of Fort Missoula Regional Park.

### **ACTION ITEMS**

**Stockman Bank Downtown – 321 W. Broadway St. (Riverfront Triangle URD) – TIF Request (Marchesseault)**

This item was tabled.

**MRL/Johnson St. Property – Environmental Assessment (URD III) – TIF Request  
(Buchanan)**

Buchanan said environmental assessments have been done during the due diligence phase for this property. The City utilized Brownfields Assessment Grant money that it received from the Environmental Protection Agency (EPA). She said there are two different categories for the Brownfields Assessment Grant: one is petroleum and one is hazardous. She said the City is looking primarily at hazardous and those funds have already been tapped midway through the project. She said they have the option of switching over and trying to use some petroleum funds to finish it out, but this will cause about a three week delay. She said the due diligence period of 90 days ends at the end of March and the City has already asked Montana Rail Link (MRL) for the 30 day extension that is part of the the Purchase and Sale Agreement and MRL has said they will grant that to the City. Buchanan said she would like to get this going and not delay it to wait on petroleum funds; if they are even able to use them. Buchanan said she'd like to move forward and use Tax Increment Financing (TIF) money to supplement the assessment money.

Buchanan said her staff report recommends that the Board authorize approval of up to \$30,000 in additional funds. She said John Adams, HCD/Leitrim Consulting, has estimated a lesser number of \$25,973. She said the approval of up to \$30,000 will give staff a cushion so they wouldn't need to come back to the Board if it runs a little higher than Adam's estimate. Buchanan said her main motivation in wanting to move this forward as quickly as possible is to close on the land, get a Request for Proposals (RFP) out for design of the missing trail segment and try to get it built this summer during construction season so there is a complete trail system from Missoula to Hamilton.

Adams said moving quickly is important and waiting for the petroleum money or funds is fraught with potential further delays and issues. Englund asked Adams how comfortable he is with his estimate. Adams said he is comfortable with it. He said things can happen at the site, but he feels comfortable that EPA has given them a good estimate. They have an approved sampling plan for the south property and there is consensus on the sampling point for the north property. He said that's what can drive expenses, so he thinks his estimate is close to what the actual number will be.

Moe asked if the area that is part of the environmental assessment includes the trail. Buchanan replied yes. Moe asked if they expect anything in the assessment to delay construction completion of that segment of the trail. Buchanan said she doesn't think so, but they need to complete the environmental assessments before the City buys the property and they can't build the trail if they don't buy the property. She said that's the only chain of events that has to take place.

**REINEKING: I MOVE THE STAFF RECOMMENDATION.**

**Staff recommendation: Staff recommends that the Board authorize an amount not to exceed \$30,000 to supplement the EPA Assessment Grant funds to complete the Phase II Environmental Assessment on the MRL/Johnson Street property and enter into a Memorandum of Agreement with the Housing and Community Development Department to complete the work.**

**Moe seconded the motion.**

**No further discussion. No public comment.**

**Motion passed unanimously. (4 ayes, 0 nays, 1 absent)**

**Agnes Ave. Shared Use Path – Agnes & Brooks (URD III) – TIF Request (Buchanan)**

Buchanan said the basis for this request is that in conjunction with the Mary Avenue project through Southgate Mall, there will be an improved signalized intersection at Mary Avenue and Agnes Avenue. This will provide safe crossing across Brooks Street at that point. She said the City is in the process of adopting a Master Bicycle Plan which includes a Greenways Plan. Buchanan said the Greenways Plan identifies local streets and areas that are low traffic volume where the 60% that don't feel comfortable riding their bike in traffic would feel safe riding on the greenway. The City has developed a network throughout Missoula of identified greenways that will get someone from point A to point B, C or D without a lot of money being spent to build bike lanes or make improvements on the streets. She said it may be just a matter of signage, and not markings for sharrows, because they are local streets.

Buchanan said one of the greenway connections that's been identified is the first block of Agnes Avenue east of Brooks Street. It would continue on Garfield and tie into the network that is projected throughout the City. She said in order to do that, what makes sense at this point in the opinion of the Bicycle and Pedestrian Office and the Transportation Division, is that in conjunction with the re-construction of the Brooks/Mary/Agnes intersection, the sidewalk on the south side of Agnes be widened to a 10 foot multi-purpose lane that can accommodate bicyclists and pedestrians comfortably. Buchanan said the proposal is only to do this for a portion of that block, driven by the fact that Tower Pizza has changed hands, and it is her understanding that they will do some rework of the building which would be the time to redo the sidewalk. She said the speculation is that east of that point there will probably be additional redevelopment along the first block of Agnes Avenue to Garfield Street and it doesn't make a lot of sense to do the 10 ft. wide new sidewalk if it is going to be adversely impacted by future redevelopment efforts.

Buchanan said WGM Group has already bid the work on the Mall property so they have unit prices. She said Jeremy Keene, WGM Group, has surmised that it is a \$21,733.00 expense to do this greenway segment. She said Development Services is requesting that MRA pay for this upgrade. Buchanan said she suggested that it is not appropriate at this point to add it to the contract for the Mary Avenue construction through the Mall and re-open that Development Agreement. She said it is more appropriately done as a contractual arrangement between Development Services and Southgate Mall Associates with a request to MRA to fund the work through Development Services.

Moe referred to page 12 of the Brooks Street Corridor Plan and said the existing traffic light is south of where the traffic light to the Mall actually is. Buchanan said the existing traffic light will be relocated as a result of the Mary Avenue/Southgate Mall project. Moe asked if it was already included in the work that's being done by the Mall. Buchanan replied yes, it is in the funding that MRA approved last year. Moe said the drawing that was in the materials the Board was given does not show where the light is going to be positioned at the new intersection. Buchanan said what the City asked for in the illustration is the limits of that sidewalk improvement so WGM Group did not include the entirety of the intersection or where mast arms of the signal poles would go. Keene said the drawing is the signalized intersection where the signal is going to be, they just didn't show all of the crosswalks, signal equipment, etc. Moe asked if the location of the traffic signal has an impact on the pedestrian and bicycle use of the

new sidewalk. Buchanan said the traffic signal has been designed to facilitate bicycle and pedestrian access across Brooks, Agnes and Mary. She said the reconfiguration of the intersection also enhances that. Keene said the signal poles are located so there is 10 feet of space for the greenway.

Kemmis said this is the first time he's heard about the Master Bicycle Plan. He said he was curious about the plan for bicycles and pedestrians to share the sidewalk and asked if that was part of the overall plan. Ben Weiss, Development Services Program Manager, said the City is getting ready to adopt its first ever Bicycle Facilities Master Plan which was written along with the Long Range Transportation Plan update. He said by widening the width to 10 feet they are not wanting to call it a sidewalk, even though it is going to be built out of concrete. He said it meets the characteristics of a shared use trail/multi use path, which meets all of the national standards for 10 foot width and what is designated as a trail. He said there is a similar location called the RUX, where the Rattlesnake/University Crossing comes alongside Van Buren Street and then crosses Broadway Street by the Press Box. Weiss said it is comfortably shared by people biking and walking.

Kemmis said his concern is whether that kind of practice will encourage bicyclists to use sidewalks elsewhere in the City, which in general is not encouraged. He asked if it's constructed or signed in such a way that it makes it clear that it is different than a normal sidewalk. Weiss said its width will make it different than a normal sidewalk. He said he's not that concerned about sending the wrong message to people because they have spent a lot of time and energy teaching people to ride places that aren't on a normal sidewalk. He said one of the concerns Development Services had and why they brought this up was that as it was designed before, with the 10 foot wide shared-use path terminating at Brooks, people would continue on bicycle across Brooks Street onto Mary Avenue and only be then sharing a five foot space. He said this project is a way to prevent those conflicts.

Moe referred to page 25 in the Brooks St. Corridor Plan and asked if that map shows the proposed bike path. Weiss replied yes. Buchanan said as she understands it the greenway system will be signed so it's obvious that you're on the system. Weiss concurred. Keene said part of the thinking on the Corridor Plan is that nodes are created where there's signalized access to help people get across Brooks Street. Also, he said the bicycle-pedestrian system feeding into those nodes will have an activity spot to encourage transit service and things like that. He said what's being done around the Mall is creating one of those nodes and the bicycle-pedestrian connection is an important part.

Moe asked if this work will be billed separately so that staff can see it is specific to the intersection. Keene said yes, it will be separated out. Buchanan said Development Services will have some sort of contractual agreement with Southgate Mall that will require separation and MRA will have a Memorandum of Understanding (MOU) with Development Services that will also require separation. Reiniking asked if it needs to be in the motion or if it is understood in the staff recommendation. Buchanan said it is understood and if Development Services wants MRA to fund it then that is how it has to happen. She said it's spelled out in the memo and if the Board wants to make it part of the motion that is okay too.

**KEMMIS: I MOVE THAT THE BOARD APPROVE THE FUNDING REQUEST FROM DEVELOPMENT SERVICES TO BUILD A 10 FOOT WIDE SHARED USE PATH ON A PORTION OF AGNES AVENUE IN AN AMOUNT NOT TO EXCEED \$21,773 WITH THE**

**STIPULATION THAT DEVELOPMENT SERVICES ENTER INTO AN AGREEMENT WITH SOUTHGATE MALL ASSOCIATES TO COMPLETE THE WORK.**

**Moe seconded the motion with the understanding that reimbursement is dependent on vendor invoice approval by the staff.**

**Kemmis accepted the amendment.**

**No further discussion. No public comment.**

**Motion passed unanimously. (4 ayes, 0 nays, 1 absent)**

**NON-ACTION ITEMS**

Buchanan said Andy Holloran, HomeBase, was present to bring the Board up to date on where they are in their process with the Mercantile. She said the goal right now is to have a formal request for TIF funding in front of the Board at the March meeting. After Holloran's presentation, she said James Grunke will update the Board on the happenings at Missoula Economic Partnership.

**Mercantile Building – Presentation by Andy Holloran**

Andy Holloran, HomeBase Montana, said they are very excited to have a project and the community has been generally very supportive. In terms of where they are schedule-wise at this point, Holloran said they have begun securing the area with fencing and prepping the building for salvage work. HomeResource has been engaged to begin the salvage work and they will be in the building for approximately eight weeks. Once that work is complete, Holloran said they will begin demolition of the building and expect it to take about five weeks. Then they will backfill the site with the goal of having a pad-ready site for construction by the end of June. He said the only part of the building that will remain will be the old pharmacy façade. Construction of the new Mercantile will begin in July or August and the goal is to be open in December of 2018.

Holloran said the new building will have about 23,000 square feet of ground floor retail space. He said they have been getting a number of inquiries from local businesses that want to relocate there. He said they have the Muse and would love anyone's feedback on how to curate material for the Muse. It is HomeBase's intent that it becomes a community space where they can pay tribute to the history of the Mercantile. He said HomeBase will be looking for a person or group that wants to be involved with them on the design so they can begin procuring images, photographs and artifacts they can utilize in the space to tell the story of the Mercantile. In addition, Holloran said the building will be a Residence Inn by Marriott. It will be a custom hotel and they are allowing HomeBase to have an art program centered on the Mercantile.

Holloran gave a Power Point presentation showing HomeBase's plans for redeveloping the Mercantile Building. He said they are in the process of acquiring the Firestone building next door to the Mercantile. HomeBase would like to have a construction and development office. Holloran said it will be a great location to help support the construction of the Mercantile with stored materials and a lay down area. Most importantly, Holloran said all of the activity going on Downtown with the Mercantile, student housing project, Library, Stockman Bank building, Riverfront Triangle, etc. is very exciting and they hope to be a part of it and have the Firestone building be their next project.

Holloran said the vision of HomeBase is to create a balance between protecting the architecture and melding the economic opportunities and vitality of the corner. He said important elements for them are the tribute of commerce to the site, the history and the people. Other important elements Holloran outlined are trade, vitality, being communal and a place to gather. He said as they have evolved the design of the project they really wanted to pay tribute to the sense of trade and think it is the most important component of the history of the Mercantile.

Holloran reviewed plans for the new building. The first floor and second floors of the old pharmacy portion are each 1,500 square feet. He said HomeBase envisions the first floor being a bar, design office or retail shop and the second floor will most likely be integrated into the hotel itself and converted into a special room or two for guests. A variety of retail spaces will be along Higgins Avenue and Front Street with the center part of the building being the Muse itself. He said it provides a great connection from Higgins Avenue to Pattee Street and connects all of the retail and hotel functions together to create cohesion. The second floor will have a pool and Holloran said they are still figuring out the functionality of having a pool inside or outside.

Holloran said there are three main components they would like the MRA to consider. The first phase is the salvaging, deconstruction and demolition of the site to get it ready for new construction. Phase two is the underground utility work, power lines, site concrete, curbs, gutters and sidewalks. He said they are working with NorthWestern Energy on an estimate to bury the power lines along Pattee Street. Phase three is the breakout of the preservation of the pharmacy building itself.

Holloran said one of the areas HomeBase has looked at extensively is the economic impact this type of project can have. He said there are three primary components involved. First is the hotel component that creates jobs, creates tax revenue, brings guests to the community and the impact those guests will have on the community, and the hotel operation itself. The second component is the ground floor retail which is similar to the hotel component. Third is the construction portion of the hotel itself.

Holloran said HomeBase pulled a lot of data from the American Hotel and Motel Association. Just for the hotel itself, he said they are anticipating \$6.5M of gross revenue. The multiplier from Missoula is 2.0 so the revenue generation from the hotel is about \$12M. He said they looked at the wages they'll be paying which is about \$2.6M to begin with. The multiplier for Missoula is 1.77 so the true annual wage impact to the community is about \$4.7M. In terms of jobs, the Residence Inn will have approximately 58 full-time employees as well as part-time employees. On the retail/restaurant side they expect about 40 full-time employees and Holloran said if most of the spaces are restaurants that number could easily quadruple. He said it will depend on the type of retailers they bring to the project.

Holloran said they went thru the room revenue which is based on 72% occupancy and what impact the Montana Bed Tax will have on the revenue generation as well as the \$2/night Business Improvement District tax. They also looked at the tax on the property/real estate side. In 2016 this property generated \$23,000 in tax revenue. He said in HomeBase's discussions with the Department of Revenue, given their cost structure, the first year is expected to generate \$275,000 of property tax revenue. Overall, he said in the first ten years of operation they expect the project to produce something north of \$8M of tax revenue.

Englund asked how far along HomeBase is on final exterior design. Holloran replied they have a very detailed Development Agreement with the City and have to adhere to what has been

presented to City Council and stay largely with what has been agreed to. Englund asked what MRA's role is in it. Gwen Jones, City Council, said her understanding is that the Council had phase one and MRA will have phase two. She said if there are improvements that can be made that are good for Missoula and make it a better project, she sees MRA negotiating that and handling it. Laval Means, Development Services, concurred with Jones. She said one of the things that City Council included in their finalizing of the Development Agreement and their recommendations was a series of seven different design recommendations for the MRA to consider for future steps and investment in the project. Means said this was forwarded to Buchanan a few months ago and they want to make sure it's put in front of the MRA Board as they are looking at any design elements in the future. Buchanan said they will be part of the presentation next month when an actual request is brought to the Board. Englund asked if MRA has dealt with anything like this before. Jones said she feels like City Council got it as far as they could and it is a little bit more on the side of MRA's expertise so there was a direction of hoping the MRA can take it further. Buchanan said the way she's seeing approaching this is that it will probably be phased much like South Crossing was. Therefore, there will be a request for deconstruction and demolition for xxx dollars and then a subsequent request for the site improvements for xxx dollars. She said there will be no reimbursement on it until it is a tax generating property. Therefore, Buchanan said the work has to be done before any money changes hands. She said if there are modifications that seem to be appropriate to the design concept that City Council saw, then it can easily come before the MRA Board if it is a departure. She said the City Council felt comfortable with the MRA Board's ability to deal with that kind of level and design of understanding what they are trying to accomplish. Englund said his understanding was that the City Council also wanted to feel comfortable with something that resembles the old Merc building and asked if that is what MRA is being asked to ensure happens. Buchanan said yes, the building plans will be submitted and they should reflect the concept that has been in front of City Council and the MRA Board. Moe said it would be helpful to the Board if the presentation includes the list that was referred by City Council and the response of the Developer on how those suggested items are incorporated in the design, or why they're not, so they can see that the Developer has considered each of the items. Buchanan said that is the intent. She said MRA is bound to make sure the Development Agreement is implemented if there are going to be public funds put into the project. Holloran said they have gone through a number of design evolutions and iterations to get to where they are today. He said it goes back to the collaboration of the City Council and HomeBase's design team to come up with something they felt was a design that stood on its own and also fit in well with the Downtown and took elements of the Mercantile that could translate into a new building. He said their expectation is that they have to adhere to the Development Agreement and are committed to that. Jones added that it would be constructive at the next meeting to show the series of projects from where HomeBase started to where they are now as they went through the processes.

### **Missoula Economic Partnership – Update by James Grunke**

James Grunke, Missoula Economic Partnership (MEP), said he wanted to come and speak to the Board about what he's been up to because it has been a while since he has given the MRA Board an update. He said he has invited Buchanan to the next MEP board meeting because MEP utilizes TIF and uses Missoula's Targeted Economic Development Districts (TEDDs) as tools to incentivize businesses to invest in Missoula. They closely monitor the legislature like MRA does; he said the MEP board doesn't have a good understanding of how that works and what the impacts mean in the community.

Grunke said MEP works on five year plans. Their very first five year plan ended June 30, 2016. He said they concentrated on three primary activities: 1) What is MEP doing to recruit companies to Missoula? 2) What is MEP doing to help companies get started? 3) What is MEP doing for companies to expand? He said in July of last year, MEP absorbed the functions previously held by the BitterRoot Economic Development District (BREDD). He said BREDD no longer exists other than under the umbrella of MEP. He said they have hired Nicole Rush to manage that. He said absorbing BREDD transitioned the MEP into more long-range planning that they haven't previously done.

Grunke said there are two other things the MEP has done in its long-range planning. First, they are working on their very first State of the Workforce for Missoula and Missoula County. He said when he talks to area employers they often tell him their biggest barrier to growth is access to workforce. Grunke said MEP doesn't really know what that means – is it that Missoula doesn't have the right training, people, skill sets, etc? He said MEP was awarded a \$27,000 grant through the Department of Commerce to fund a State of the Workforce study which will begin in the next month. Grunke said the Montana Chamber of Commerce is working to do a State of Montana Workforce report. Grunke said when MEP was created in 2011 it was the only economic development organization he'd ever been affiliated with that did not have a workforce component in their economic development strategy. In 2011 he said there was not a workforce deficit problem in Missoula County, there was a deficit of opportunity. Second, Grunke said housing has become an economic development component for MEP. He said MEP knows that even if it were to track quality of workforce into the community, there is a question of where they will live. He said MEP has seen projects that were targeted for affordable/workforce housing being taken out of the market by other demands. He said MEP has seen it with Edgell properties where the people that were targeted are not necessarily the ones that are purchasing. Grunke said MEP has worked in conjunction with MRA, Housing and Community Development, Missoula Organization of Realtors, and Missoula County to develop a housing study because Missoula can't attract the workforce if they don't have a place to live.

Grunke said currently MEP is managing ten grants through the Big Sky Trust Fund in the Missoula community totaling \$1.1M of state funds. He said many of the companies that are recipients of grant money are in an urban renewal district or a TEDD. He said two of the companies are unique for MEP, onXmaps and Orbital Shift are creating jobs in both Missoula and Bozeman. He said this is the first time the state has ever done a multi-jurisdictional grant application.

Grunke said business startup and attraction has always been MEP's goal. He said when there is business startup and/or business attraction, it leads to what they really do in economic development, which is business expansion. He said he was recently out in the Bonner/Millsite area visiting with a company they helped locate there in May. They have grown from four employees to 20, and are now working on a hiring plan for 80 employees. Grunke said that was a startup attraction and now an expansion. He said MEP has had to get a little more sophisticated in how they go about business retention and expansion and said they have developed a "next step". He said the way to do it is to actually go and visit with the businesses. MEP has developed a formal survey process that they will announce March 1 at their investor meeting. Their goal from the survey is to get a list of target businesses and visit 100 of them over the next year.

Moe said Grunke referred to the Bitterroot and Bonner as examples of and asked if MEP has considered looking at transportation of employees back and forth as part of the development.



Grunke said MEP did work with Mountain Line at the Bonner site and they do have a bus stop there now. He said the County's TEDD paid for it. He said transportation is generally not where MEP gets engaged, specifically in how people are moving back and forth. MEP hasn't really thought about that component other than anecdotally. Buchanan said it's kind of like how the City never really thought about housing until it became a problem. Buchanan said she thought looking at the transportation component was a great suggestion and it might have some merit to get out in front of it. Grunke concurred.

West said she thinks there are two different ways to look at housing affordability, one being price and the other being attainability of the home, which includes the cost of getting to and from one's residence. She said you could have a really affordable home but live twenty miles from work so it is a factor to consider. Grunke said MEP is working with Bryce Ward, Bureau of Business and Economic Research, to try and answer those two questions. Moe said her interest is on the other end of the spectrum, where the affordable housing is located. People in affordable housing only have so much income, so how do they get from Missoula to Bonner or the Bitterroot to Missoula. Grunke concurred there has to be a public transportation component. Buchanan said this became acutely apparent when gas prices spiked and people were paying as much for transportation to and from work as they were paying for their housing costs. Behan said Missoula in Motion used to work with companies to put together transportation plans for their employees. Grunke said when MEP puts a site visit together they put together every person that the potential company would ever need to know to help them make a decision of whether or not Missoula is the right place for them. He said Mountain Line is always included as one of the places because it is component. He said a more sophisticated approach in that is something MEP does not currently do.

Jones said City Council is quite focused on affordable housing and it is a complex issue. She recommended to Grunke to do an overview of and become familiar with the Growth Policy. She said there's a Growth Policy, but the City needs to rezone in order to effectuate the Growth Policy in areas. Jones said there is a lot of discussion of creative zoning so there are incentives for creative development that are different products from what has been traditionally seen. She said having the market address some of the affordable housing and having the results of MEP's survey will be very interesting pieces to add to the conversation. Grunke said their study will provide some recommendations to policy makers on those issues. West followed up on Behan's comment and said Missoula in Motion just approved purchase of a new system that can be used to create ride share programs on a broader scale than what was previously possible. It's called Ride Amigos. She added that she is looking forward to seeing the results of MEP's study.

**Brooks St. Corridor Plan – Invitation to Presentation by John Lavey (Marchesseault)**

Marchesseault said a couple of years ago a group of community leaders got together with the intent of focusing on future development patterns in Midtown Missoula. The group was coined Midtown Mojo. She said Midtown Mojo submitted an application, and was accepted, for funding through Community Builders to do a study. She said John Lavey was the leader of that and subcontracted with Progressive Urban Management Associates (PUMA). She said they came to Missoula last fall and did an intense two day charrette. The result is the Brooks St. Corridor Plan. She said it's an overview look on Midtown and not a really detailed Plan. She said the City is looking at it as an opportunity to begin the planning process in Midtown. Marchesseault said John Lavey will be presenting the plan on February 22<sup>nd</sup> at City Council's Land Use and Planning Committee at 1:00 pm. He will also present the Plan at a public meeting at 5:30pm at the Fairgrounds. She said the Land Use and Planning Committee will be asked to pass a

Resolution that endorses using the Plan as a development guide. Reineking added that part of the conference she attended a couple of years ago to start looking at this was really related to transit-oriented development because of the importance of transit in transportation as it relates to both commercial and housing development.

Moe asked if the Plan duplicates the Urban Land Institute's (ULI) study. Behan said it doesn't duplicate it, it is a good and consistent companion to it. Buchanan said one of the things Lavey and PUMA did was use the ULI study and the Curb and Sidewalk Needs Assessment that WGM Group did years ago, along with all of the various plans that have been done for the corridor, and move things another step forward, especially with transit. Buchanan added that New Mobility West has been a great friend to the City on this. They gave the group a scholarship to go to Bozeman, which was the genesis of the Midtown Mojo group, which has turned into a group that meets monthly and is serious about looking comprehensively at the Brooks Street corridor and transforming it. She said they applied for a second New Mobility West grant which resulted in the Brooks St. Corridor Plan.

Keene gave an update on the Southgate Mall/Mary Avenue extension. He said the theatre project is moving along well and they were able to keep working through the winter despite the weather. He said WGM Group will resume its site work for Mary Avenue and the related parking lot work around March 1<sup>st</sup>. Keene said WGM Group bid the second phase of Mary Avenue, which is the signal on Brooks Street, and are about to sign a contract on that. He said everything is progressing well and they hope to have the signal in place and operational by June 30<sup>th</sup>.

## **STAFF REPORTS**

### **Director's Report**

Buchanan said the past few weeks have been active for MRA staff with the legislature. She said there is a lot of TIF legislation being introduced and a fair number of the bills are not sympathetic to the use of TIF by cities and counties. Buchanan said she was in Helena on Wednesday and Thursday last week and Behan was there on Friday. Between them there were seven bills they testified on. She said the League of Cities and Towns has been fantastic in terms of coordinating what is going on and being very engaged with the legislators who are sponsoring the bills.

Buchanan said there have been amendments and compromises talked about through the whole process, but as of this morning she said it appears that the most onerous bills have been tabled in committee. She said a couple of bills that staff supported have passed through the committee process and are on the floor in their respective house or senate. She said it looks like there will be a serious effort to form an interim study committee between sessions to really drill into things. Buchanan said every year during the legislative session, and after it is over, all of the cities and counties that have TIF districts pledge to get together and figure out a way to communicate with the legislators and have a united voice to try to avoid the last minute notices that they need to be in Helena the next day because certain bills are up for discussion and then they're scrambling to put together their material. She said that pledge is going to happen now and the League of Cities and Towns will be the repository for the data. This will help the cities keep a consistent database.

Buchanan reviewed the bills in her memo. She said HB 359 has been tabled. HB 403 is going to be talked about in an interim study committee. HB 411 has been tabled. HB 30 will go forward. Englund asked about HB 134 and the 95 school mills. Buchanan said she does not

think it will come out of the education committee as part of that bill. She said the bill may come out but the 95 mils won't be a part of it. Behan said the League of Cities and Towns has been invited to come and offer an amendment that eliminates the 95 mils out of the bill. Buchanan said they were able to demonstrate effectively that the positive impact to the school maintenance fund is quite minimal but the negative impact on the tax increment districts is substantial. Buchanan said there is an effort underway to create a permanent local government study committee for between sessions.

## **COMMITTEE REPORTS**

### **ADJOURNMENT**

Adjourned at 1:46 p.m.

Respectfully Submitted,

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

Lesley Pugh