

MISSOULA REDEVELOPMENT AGENCY
CONDENSED BOARD MEETING MINUTES

October 21, 2021

FINAL

A Regular meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held on Thursday, October 21, 2021 via Zoom at 12:00 p.m. Those in attendance were as follows:

Board: Karl Englund, Nancy Moe, Tasha Jones, Melanie Brock

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

Public: Scott Street Property (Ravara): Dawn McGee, Kiah Hochstetler, Bryan Topp, Rob Brewster, Todd Schaper, David Koel, Marlon Roxan; Kyle Gauthier, DJ&A; Monte Sipe, City of Missoula Public Works & Mobility (PWM); Jane Van Fossen, Citizen; Missoula Community Access Television (MCAT)

CALL TO ORDER

12:08 p.m.

APPROVAL OF MINUTES

September 16, 2021 Regular Board Meeting Minutes were approved as submitted.

PUBLIC COMMENTS AND ANNOUNCEMENTS

ACTION ITEMS

Railroad Quiet Zone (Hellgate URD) – TIF Request (Gass)

Gass shared photos of the railroad crossing at Spruce Street and Madison Avenue. He said in February 2020 the Board authorized staff to enter into a Memorandum of Understanding (MOU) with Public Works & Mobility (PWM) to conduct a Railroad Quiet Zone Study. Quiet Zones are areas designated by the Federal Railroad Administration (FRA) to help enhance the quality of life in communities adjacent to railroad tracks. Within the Quiet Zone is an area where the community has taken specific steps and safety measures to mitigate the risk of train collisions without train horns. If they can demonstrate a certain threshold or ranking the FRA will allow a Quiet Zone to be established. PWM entered into an agreement with Triple Tree Engineering out of Helena, MT to conduct the Railroad Quiet Zone analysis and also to do some site surveying at the Spruce/Madison/Greenough crossing as well as the Taylor Street crossing.

Monte Sipe, PWM, gave a [Power Point presentation](#) of the project. He reviewed a timeline of the Quiet Zone analysis and traffic study process to date. PWM has been working with Triple Tree Engineering, the FRA, Montana Department of Transportation (MDT) and Montana Rail Link (MRL) on options for permanent improvements at the Spruce/Madison/Greenough crossing and Taylor Street crossing. He said the Taylor Street crossing was eliminated from the study area as it was discovered that a private rail crossing, per FRA rules, cannot be the first crossing encountered in a Railroad Quiet Zone. Sipe said in December 2020 the City sent a formal request to MRL to stop sounding their horns at the Taylor Street crossing. MRL responded back in February 2021 and agreed to stop sounding train horns there if either a Quiet Zone was established, or Wayside Horns were installed at the Spruce/Madison/Greenough crossing. Sipe said Wayside Horns were not one of the original options scoped in Triple Tree Engineering's agreement. They were asked to consider it as one viable option.

Sipe reviewed the Traffic Study and the options considered. He said Option 6 is the Wayside Horn and it is a viable option for the crossing and would not require establishment of a Quiet Zone. The option was brought forth as an alternative because Wayside Horns can be utilized without development of a Quiet Zone, which has significant timing and costs associated with it.

Sipe said a Wayside Horn demonstration was completed on June 2, 2021. PWM, Triple Tree Engineering and MRL set up a Wayside Horn near the railroad crossing at the required height and location of a permanent installation. The demonstration was performed on the north and south sides of the railroad crossing at 2:30pm and 10:30pm on that day. Sound level measurements were recorded from the train horn and the Wayside Horn in four locations and nearby neighborhood. In addition, interested citizens took readings at various residences in the Lower Rattlesnake area. The demonstration showed a significant decrease in horn sound levels across the neighborhood. In addition, several citizens concerned with the train horn noise reported they could not hear the Wayside Horns from their homes in the Lower Rattlesnake. Sipe showed a comparison of the train horn sound contour map versus the Wayside Horn sound contour map. There is a big difference between the two.

Sipe said due to the significant lower costs, significant lower sound levels, and less timing to complete, the Wayside Horn Option 6 was selected as the preferred method to reduce the impact of train horn volumes in the neighborhoods adjacent to the Spruce/Madison/Greenough railroad crossing and along the East Broadway corridor. Gass said the City drafted a proposal to amend their agreement with Triple Tree Engineering to follow through on the Wayside Horn project and get it to completion. The changes involve additional engineering, design, MRL coordination and construction staking. The additional work is \$16,700. The City also solicited an estimate for the horns from RIOTECH (Rio Grande Pacific Technology) who is the supplier and installer of the Wayside Horns. That cost is estimated to be \$160,000. The Tax Increment Financing (TIF) request is for this project is \$200,000. Neither of the estimates had a contingency built into them and since the City doesn't have any experience dealing with these, staff thought it would be appropriate to build contingency into the project budget in case the City runs into unknown costs along the way.

Gass said his memo talks about the Wayside Horn project being in line with the Strategic Goals of the City, essentially enhancing the quality of life in the neighborhoods adjacent to the crossing. It also meets the goal of designing and implementing transportation infrastructures to support safe, healthy and active communities. The public benefit it provides is lowering noise pollution levels, particularly late in the evening and at night in the neighborhoods adjacent to the Spruce/Madison/Greenough crossing in the Hellgate Urban Renewal District (URD).

Gass said the staff recommendation is that the Board move to authorize MRA to amend the March 5, 2020 MOU between MRA and City Public Works & Mobility to include the additional Triple Tree Engineering scope of services for final engineering and design, MRL coordination, and construction staking; and to authorize MRA to enter into an MOU with City Public Works & Mobility for the purchase and installation of Wayside Horns at the Spruce/Madison/Greenough railroad crossing; and to approve a total project budget not to exceed \$200,000 to complete the installation of the Wayside Horns at the Spruce/Madison/Greenough railroad crossing.

Englund clarified that if the Wayside Horns are installed, the trains do not have to blow their whistle. Sipe said that was correct. Englund asked if MRL has said they won't blow the whistle if the Wayside Horns are installed. Sipe said with Taylor Street being a private crossing it initiated PWM's letter to MRL discussing whether in fact they would agree to not sound horns at that private crossing. MRL has agreed to that. One of the steps is to enter into an agreement to get the Wayside Horns installed on their right-of-way (ROW) at the Spruce/Madison/Greenough crossing and PWM will be securing that in the agreement. The horns will not sound at Taylor Street or the Spruce/Madison/Greenough crossings. The next crossing on the west end is out at Butler Creek Road and on the east end is Deer Creek Road. Englund asked if the Wayside Horns have to be approved by the FRA. Sipe said they do not, which is one of the benefits of the Wayside Horn. Part of the scope of the \$200,000 request is to coordinate and tie-in the Wayside Horn equipment with MRL's existing equipment at the intersection including controls and communicates between the train engines and the gates. Gass added that when staff started out, Wayside Horns were pushed aside and not something they were going to look at because it was still a horn sounding into the neighborhood. Once staff got into it and realized the cost savings and quick timeline for installation, they discovered it really does achieve the goal of the Quiet Zone without going through the lengthy process with the FRA and the costs associated with that process and designation. The quieter Wayside Horns do result in the trains not sounding their horns.

Englund said he understands the Wayside Horns replace the train horns. His question is if MRL has agreed to this. He said he is concerned that it replaces the train horn and MRL will become the focus of any mess if there is any problem there. MRL may say it's great, but it doesn't work as well as their horns so they will want to keep using their horns. Englund said if that is what MRL is thinking, then he thinks it may be the responsible thing for them to do. Englund said he isn't trying to say MRL is not being cooperative, he is just asking if the City is putting up something that is really going to replace the horn and if so, how do they assure that. Buchanan asked if there is any agreement between MRL and the City that says if the City makes the investment then MRL will cease using their train horn. Sipe said they definitely need to enter into an agreement and MRL is requiring that from

their side as well, and also because the equipment is above and beyond what they have at the crossing. Englund asked if the agreement will be in place before money gets spent on equipment and engineering. Sipe said yes, an agreement is the next step. He said MRL does state in their letter that in emergency circumstances including MRL employees working on the tracks, pedestrians, or vehicles at the crossing, or alerting wildlife or other animals, MRL's train crew will retain the right to use the train whistle for safety purposes. Beyond that, MRL has verbally agreed and the intent is to get a written agreement to not sound the train horns other than in those circumstances. Buchanan said the City and MRL will need to negotiate whatever easements the City needs in order to place that equipment there before they move forward with spending any more money. Sipe said assuming today's request is approved, he will bring the Triple Tree Engineering agreement amendment back to City Council for approval. Englund said the language that is being proposed to the Board is "MRL coordination" and asked for confirmation that is what Sipe was referring too. Sipe said yes. Englund said his preference is that it be as clear as it can be in writing, with the understanding that MRL will always retain the right to blow the train horn if they think they need to.

MOE: I'LL MOVE THE MOTION THAT GASS ALREADY RECITED INTO THE RECORD. (Gass said the staff recommendation is that the Board move to authorize MRA to amend the March 5th, 2020 MOU between MRA and City Public Works & Mobility to include the additional Triple Tree Engineering scope of services for final engineering and design, MRL coordination, and construction staking; and to authorize MRA to enter into an MOU with City Public Works & Mobility for the purchase and installation of Wayside Horns at the Spruce/Madison/Greenough railroad crossing; and to approve a total project budget not to exceed \$200,000 to complete the installation of the Wayside Horns at the Spruce/Madison/Greenough railroad crossing.)

Brock seconded the motion.

Moe said she appreciated Gass putting the Strategic Plan Goals and Public Purpose in his memo. She noted the money for this will come out of the Public Works Contingency which is adequate to fund the request. Englund noted that this is one of those things that the nimbleness of MRA is able to do for the community that would otherwise probably not occur for a number of years or at all. He appreciates the work that has been done to come up with a solution.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

URD III Southern Sidewalk Project – Request to Approve Professional Services Agreement (Gass)

Gass reviewed a map of the project area. He said last month MRA advertised a Request for Proposals (RFP) for the URD III Southern Sidewalk Project. It is a Capital Improvement Project (CIP) item in the FY22 Budget that was approved in June. MRA received three proposals from local engineering firms. They all demonstrated a good understanding of the sidewalk project. A selection team of MRA and PWM personnel reviewed and ranked the proposals. DJ&A was the firm selected as the project engineer. Gass said MRA has done

several sidewalk and street reconstruction projects with DJ&A over the last several years. They have great ability, particularly with their public outreach, and are bringing that expertise to this project.

Gass said DJ&A and MRA have come to terms on a Professional Services Agreement and Scope of Services. It includes public outreach, development of construction documents, bidding services and construction oversight at a cost not to exceed \$89,995.64. The Scope of Services has an adequate budget in it for a public outreach, public notice, a public open house and also individual meetings with different property owners as they work through developing a final design that is acceptable to the City and the property owners in the project area.

Gass said the staff recommendation is that the MRA Board move to accept the terms of the DJ&A Professional Services Agreement and associated Scope of Services for completion of the URD III Southern Sidewalk Project at a cost not to exceed \$89,995.64 and authorize the Board Chair to sign the Agreement.

Jones asked if there is any pedestrian lighting in the area where the sidewalk is going in behind Kohl's. Gass said he wasn't sure. Jones said she was surprised to see MRA putting a sidewalk in that area because it seems like more of an alley to her. She said there will be development eventually going in on the other side so there will eventually be continuous sidewalk. Gass said it is an outlier and what they may end up doing is curb on the north side to establish that street. He said the long-term goal as it develops would be to have sidewalk through there connecting Reserve Street to Dore Lane. Jones said her concern is for safety. She said if pedestrian traffic is being invited there in what seems like a back alley right now, that some lighting would provide safety. Gass said there is ambient light off the building and there may be a street light there. He said it doesn't strike him as being extremely dark when he drives by, but he will pay more attention to it. Jones said she sees the utility in improving the ROW in the area. Buchanan said if it is not adequately lit, as MRA puts in additional sidewalk they can request a location of a street light there. Staff will look at it in the design development stage of the project.

JONES: I MOVE THE STAFF RECOMMENDATION.

(Gass said the staff recommendation is that the MRA Board move to accept the terms of the DJ&A Professional Services Agreement and associated Scope of Services for completion of the URD III Southern Sidewalk Project at a cost not to exceed \$89,995.64 and authorize the Board Chair to sign the Agreement.)

Brock seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

NON-ACTION ITEMS

Scott Street Property (North Reserve-Scott Street URD) – Update (Ravara)

This presentation took place at the beginning of the meeting. Buchanan said MRA is funding the planning and public outreach effort around the redevelopment of the property

the City owns on Scott Street. The Ravara team that is developing and designing it was present to update the Board on where that process is and where it is headed.

Dawn McGee, Goodworks Development/Ravara, showed the site design plan. She said without MRA's support they could have never gotten this far along. Kiah Hochstetler, Goodworks Development/Ravara, said after the MRA Board's approval they had a kick-off meeting at the Cushing Terrell office. They brought in community members, City employees and WGM Group to go through a process of mapping the landscape of what they are trying to accomplish. Based on that information, they put a package together and had their first open house on July 12th. It was hosted in-person at Burns Street Bistro. He said one of the key things brought to point from that meeting was traffic. The development was important, but attendees were concerned with what would happen to the greater neighborhood. Hochstetler said they had their second community meeting on September 1st. It was held virtually, and they took feedback from the first meeting and incorporated it into the design of the site. They are still working through the geotechnical portion. It is a unique site and there are some challenges that come along with it being a Brownfields site.

Bryan Topp, Cushing Terrell/Ravara, is the project architect. He gave an update of the site planning and where it is at design-wise. At this point, the design is based around the principles they heard from the community and the physical and social context of the project. Topp reviewed a rendering of the site plan. McGee said they were charged by the City with building 70 units on three acres, which is pretty hard to do in a way that is successful and still has a feeling of spaciousness. She is proud of what the team came up with.

Brock referred to socioeconomic elements and asked if Lowell School is full or if they can support the addition of the extra kids with all of the projects going on in that area. McGee said she has talked with the principal of Lowell School and she was excited about this project in the sense that she thought it could bring more income and education levels to the community. She was excited on behalf of the kids to have that represented at the school. McGee said she did not know the statistics about school population increases. Brock said the site plans are beautiful and it is an exciting project.

Moe asked if there are solar panels in the design and/or what energy efficient techniques are being used. Hochstetler said Ravara is looking at how to prep the units in advance for add-ons such as that in an effort to maintain the affordability of the townhomes and condos. The cost of construction has substantially gone through the roof both from materials as well as from subcontractors. In an effort to maintain the affordability, they are looking at "prepping" those so all of the conduit is pre-run so they don't have to tear into walls when and if a resident makes the decision to purchase and put a solar panel on. To deliver the housing in the current market, they are pushing up against the build cost and limits of 120% Area Median Income (AMI). The City has set a range for them between 100-120% AMI.

Hochstetler said there is also an evaluation of whether or not a district geothermal will work there. It is something Ravara is working with the City on. The question always comes down to the cost and units and how to bring all of it in. The other piece is looking at efficient systems to put in there that are taking advantage of modern technologies. McGee added that the City has asked Ravara to look at all options to try to get the project as energy efficient as possible. They are open to any and all suggestions and have tasked one of their

staff with looking at whether there is grant funding available for putting solar on any of it. The project will be set up for success in the future, that as people are able to add on solar or better systems they can do so. McGee said it is a triangle between beauty, durability, and affordability. Energy is in the center of that triangle all the way around. The preliminary numbers they've received from contractors are high and they are hoping they can build and deliver it. They may have to subsidize a little bit in order to get the units out the door on some of them. There is not a lot of wiggle room for doing all of the things they would love to do.

Moe asked if there will be recycling areas and facilities for the residents and businesses there to deposit their recycling in a certain place so it can be picked up or to encourage recycling. McGee said right now they have concept drawings and have not gotten down to the nitty gritty of those kinds of details. It will be in their next phase as they move forward with architects about where systems will actually be placed. She said recycling is on their list of things to be considered as they move towards knowing where things will actually go.

Moe said she is pleased to see all of the trees in the drawings. She asked if there is any consideration of water-wise planting so that once trees are established the use of water will be somewhat diminished in the area. Topp said in the next phase of the project they will narrow down whether or not there are opportunities for graywater use, how things are being irrigated, and choosing plantings that are drought resistant.

Moe referred to the mention of the cost of materials and said availability of labor is also an aspect of that. She asked if those items are affecting the timing of the project. McGee said Ravara has been told by everybody that they do not have bandwidth to even start thinking about putting pen to paper on more drawings until January. The timelines they are getting from the people that are going to be responsible for drawing them up are more extensive than they'd like to see. Rob Brewster, Interurban Development/Ravara, said getting through the drawing process and permitting process to get permits is a substantial amount of time and likely to take a year. That is in part because they have a zone change that the site needs to have because of parking requirements and some of the building heights. He said it can be frustrating because they are designing into an economy that they have no way of knowing what it will look like. He said Cushing Terrell has done a great job of working all of the constraints into the project. The large central square area that was important to them and the neighborhood was made possible by underground parking which you can't see in the drawing, but is under all four apartment buildings. They don't know if that is economically feasible at this point.

McGee said the next steps are dedications of ROW by the City in Charlo, Palmer and Shakespeare Streets. They are also going to be starting site construction work to get the roads and utility infrastructure in and at the same time, pursuing the upzoning part and making sure the City has everything they need to give them the green light to go. Ravara is also working with the Land Trust to determine rules, regulations, etc. McGee said the likelihood is that it will be another 24 months before the project begins to come to fruition. Moe encouraged them to consider any programs that Congress may pass that may be applicable or provide funds for a project like this. She joined Brock in saying it is a very exciting project and is pleased to see how far they've gotten. She was glad to have the

presentation and appreciative at how thoughtful they've been in working with the community.

Englund asked who they are working with on the Land Trust portion. McGee said North Missoula Community Development Corporation (NMCDC) and Trust Montana. NMCDC will be the lead on being a servicing agent for that and Trust Montana will serve as a backup in the event NMCDC is unable to perform for any reason. Englund asked when the pencil hits the paper on that. McGee said the City would like to see things happen before the year is over. It is very complicated and with that being said, they are starting to get the best practices from other land trusts and incorporate those rules. Ravara definitely wants to ensure none of the housing will be able to be on Airbnb because it is housing for the community, not for people that want to come on vacation here. McGee said there is a lot of "devil in the details". They want to get a draft out and then start hammering about what they think and be thoughtful about what circumstances may change because they don't want to unduly encumber owners of the property and yet also make sure everything is done right. Englund asked if the terms and conditions of the ownership on the Land Trust part is subject to a public process. McGee said it is not. Buchanan said the City will convey that land to the Land Trust. She said she imagines there may be some scrutiny of what those documents are. Englund thanked Ravara for their thoughtful and wonderful work. He said the Board always appreciates the updates and welcomed them to come back and give future updates.

STAFF REPORTS

Director's Report

Jones asked what the coordination with business and property owners entails for the Front/Main Conversion project. Buchanan said the consultants will reach out to business and property owners and get reactions from the preliminary layouts and 30% design. She said there will likely be a lot of discussion about parking. Gass said there is a meeting next week with City departments to review the 30% design plans that HDR has completed. With what comes out of that, HDR will target certain property owners where they think further discussion/input is needed.

FY22 Budget Status Reports

Dunn reminded the Board and public that MRA is still using the FY22 taxable values from the state and FY21 mill levies because the FY22 mills have not been finalized yet. MRA is still waiting on those from the County. There will be some changes to the "Adjusted" column over the next month or so as those numbers get wrapped up and finalized.

Dunn said tax bills will be coming out from the County soon. The way the County represents the detail on the tax bill results in several calls to the MRA from concerned citizens about their bill. Instead of doing the tax bills on a property by property basis and determining whether there was actual investment in that property and if there was actual increment generated on that property if it is in an urban renewal district, the County just takes the overall value of increment against the existing total taxable value which is a percentage. She said if the incremental value in an URD is 30%, the tax bill will show 30% of their tax bill going to MRA, which is not necessarily true for each property. MRA has tried to work with the County on this in the past and it is always very confusing for the residents in the districts.

COMMITTEE REPORTS

Englund said MRA was in discussions with City Council regarding a Resolution that would cap funding for MRA. There was a hearing in front of City Council on that. The Council decided to send it back to Administration & Finance Committee for more work on the details of what it would mean, etc. As part of that process, he and Moe have been representing MRA in meetings with the City in terms of looking at a long-term plan. That group will get back together at the end of the month.

OTHER ITEMS

ADJOURNMENT

Adjourned at 1:22 p.m.

Respectfully Submitted,



Lesley Pugh