

# MISSOULA REDEVELOPMENT AGENCY

## CONDENSED BOARD MEETING MINUTES

August 20, 2009

DRAFT

A meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held at MRA Conference Room, 140 W. Pine, Missoula, MT 59802 at 12:00 PM. Those in attendance were as follows:

- Board:** Nancy Moe, Daniel Kemmis, Karl Englund
- Staff:** Ellen Buchanan, Kari Nelson, Tod Gass, Jilayne Lee
- Public:** Jamie Lockman, MRA Rep to the HPC; Jennifer Clary, Encompass Design; Curt Bowler, Abbey Carpet

### APPROVAL OF MINUTES

July 16, 2009 Regular Board Meeting Minutes were approved as amended.

### PUBLIC COMMENTS & ANNOUNCEMENTS

#### HPC Update from Jamie Lockman

Lockman said the draft Historic Preservation Ordinance passed at the Planning Board meeting and there were a couple of edits made. She said the Ordinance will go before City Council at a date to be determined. Lockman said the Alan Matthews book titled *Historic Missoula* is now available online. Also, she said there's a position available on the HPC for a member-at-large.

Buchanan added that the HPC endorsed the Downtown Master Plan at its last meeting.

### STAFF REPORTS

#### Director's Report

##### *Greater Downtown Master Plan*

Buchanan said the Plan was considered yesterday at the Plat, Annexation and Zoning Committee (PAZ) and there was a unanimous vote to recommend its adoption as part of the City Growth Policy.

##### *Fox Site RFQ*

Buchanan said Behan sent an email out to the Developers saying that because of their lack of response to emails and letters, MRA assumes they are no longer interested in doing this project and therefore will recommend to the Board that discussions terminate. Buchanan said that did generate a response from the Developer in Oregon and there will probably be further discussions.

##### *North Higgins Project*

Buchanan said this is on track and will include the protected bike lanes. Also, Buchanan added that the City striped the first back-in diagonal parking on Spruce St. in front of US Bank.

#### *Sidewalk Projects*

Buchanan said the Franklin to the Fort public meeting went very well. The Catlin/Wyoming public meeting was received positively for the most part, minus a few property owners who were upset because they had to pay for sidewalks when they did their projects, one of which was 12 years ago.

Gass said they held a public meeting for the Brooks St. Commercial Corridor and it was lightly attended with two people showing up. He said there will be another notification sent to the owners about Phase I.

Buchanan showed the Board the Traffic Signal Art Box models that were picked by the Public Art Committee. Moe asked about a previous request by Cates that a high school student be solicited to do a box. Buchanan said there was a high school student that submitted one and it was not chosen. She said this is an ongoing project and there will be more boxes to do.

#### **FY09 Budget Status Reports**

Lee reviewed the Budget Status Reports.

#### **ACTION ITEMS**

##### **URD III Residential Curb & Sidewalk Project – Request for Approval of Engineering Contract with Territorial Landworks, Inc.**

Gass said MRA requested proposals for the URD III Residential Sidewalk Project and received five proposals. He said the selection committee, consisting of MRA and Public Works personnel, selected Territorial Landworks, Inc. (TLI) as the engineer for this project. Gass said MRA Staff met with TLI and developed a scope of work and negotiated an Agreement for Professional Services for public involvement, design development and construction administration.

Gass said TLI proposed completing the project in four phases over a four year period, as described in his memo. Phase 1 costs are not to exceed \$104,341 and design will begin this winter with construction planned for spring 2010. Phases 2-4 will follow. He said TLI gave MRA an estimate of \$102,300 for completing Phases 2-4 for a total estimated consulting cost of \$206,641. Gass said the Agreement allows TLI to adjust their billing costs for overhead administrative billing, being that the contract covers a period of four years. He said final costs for Phases 2-4 will be agreed upon between MRA and TLI at each separate phase and the contract will be amended at each phase.

Gass said Staff recommendation is that the Board authorize MRA to enter into an Agreement for Professional Services with Territorial Landworks, Inc. for design development of the entire URD III Residential Curb & Sidewalk Project Area, and final design and construction administration services for Phase 1 of the project area as defined on the map, for an amount not to exceed \$104,341. Also, that the Board approves of Phase 2-4 as identified on the attached map and authorizes the Chair to sign subsequent amendments to the contract as they

occur over the life of the Project, provided the aggregate amount of the contract amendments does not exceed the total estimated cost of \$206,641.

Englund asked how this number was comparable with MRA's initial analysis. Gass said it's in the ballpark. Kemmis asked what would happen if Phase 1 came in so high that MRA decided not to move forward. Gass replied MRA would first look at what it could cut back, such as trees and landscaping. Kemmis asked if MRA would be on the hook for the design of the next phases. Buchanan said it's a decision the Board can make if the time comes. Discussion ensued.

Moe asked what the construction time is. Gass said MRA will try to bid each one mid-winter and try to time it when they think the best bidding prices will be available. He said construction would begin in the spring when weather allows. Buchanan said Phase 1 will be bid this winter and built in the spring. She said there's nothing that says MRA can't go ahead and bid Phase II next spring and build it in the summer, especially if the bidding climate is down. Moe said when MRA does the construction contracts it will want to have a penalty in there for missed deadlines because it's in a residential area and will affect people. Gass said MRA has told TLI it also wants the flexibility to divide phases if need be.

#### **MOTION**

**KEMMIS: I MOVE THAT THE BOARD TAKE THE ACTION RECOMMENDED IN THE AUGUST 13, 2009 MEMO. Englund seconded the motion. 3 ayes, 0 nays. Motion passed unanimously. Fraser and Cates absent.**

#### **Abbey Carpet Center Sidewalk Construction – URD II TIF Request**

Buchanan said when the public meeting was held for the Catlin/Wyoming project, Curt Bowler, owner of Abbey Carpet, inquired as to whether or not his property could be included in the sidewalk project. Buchanan said it is a piece of sidewalk that MRA would build, but rather than have him hold up on finishing his building by waiting on MRA's sidewalk project to catch up, she suggested he submit a TIF request to let him move forward with sidewalk construction and have MRA reimburse him. Buchanan said there will also be a sidewalk constructed on the side of his building. She added the good thing is that PCI is the engineer for Abbey Carpet as well as the Catlin/Wyoming sidewalk project.

Buchanan said the sidewalk is estimated to cost \$25,557.50 and Staff recommendation is to approve the request for MRA to reimburse Bowler out of URD II TIF Funds.

*Change tape 1 s1/s2*

Bowler said he's happy to put in sidewalks and said it will beautify their project and tie everything in. He said assistance from MRA will help him out because his original preliminary budget didn't include curb, gutter and sidewalk because according to the zoning law he didn't have to. However, Bowler said he was told he had to have curb, gutter and sidewalk and that really threw his budget.

There was some confusion as to what portion of sidewalks was included in the cost estimate of \$25,557.50. Buchanan said it is for the entire sidewalk on the east side of the building on Catlin and part of the sidewalk on the north side of the building on S. 2<sup>nd</sup> St. Discussion ensued about the placement of the sidewalk along 2<sup>nd</sup> St. and the complications added by the

irrigation ditch. Many kids currently cut across Bowler's property and cross the ditch on an old bridge to get to and from school.

**MOTION**

**ENGLUND: I MOVE APPROVAL OF THE REQUEST TO REIMBURSE CURT BOWLER FOR THE CONSTRUCTION OF CURB, GUTTER AND SIDEWALK FROM 401-409 S. CATLIN STREET AND AROUND THE CORNER ON 2<sup>ND</sup> STREET IN AN AMOUNT NOT TO EXCEED \$25,557.50, SUBJECT TO THE CONDITIONS CONTAINED IN THE MEMO DATED AUGUST 15, 2009. Kemmis seconded the motion. 3 ayes, 0 nays. Motion passed unanimously. Fraser and Cates absent.**

**First Interstate Bank – Front St. URD TIF Request**

There was not a representative from First Interstate Bank present to answer questions.

**Moe asked for a motion to table this item.**

**MOTION**

**ENGLUND: SO MOVED. Kemmis seconded the motion. 3 ayes, 0 nays. Motion passed unanimously. Fraser and Cates absent.**

**URD III Façade Assistance Program – Approval of Guidelines**

Buchanan said this was talked about at the last meeting as a result of a request from Brent and Pam Small to do work on the old Holiday Gas Station at 1701 Brooks St. She said two proposals were turned in as possibilities for that façade improvement, one of which was noticeably superior to the other and more expensive. Buchanan said the result of that was whether or not MRA wants to create a façade program in URD III. She said the difficulty with this is that there is no standard in URD III for what would guide a façade program. Buchanan said Board asked Staff to look at the legal basis for a façade program and if there turned out to be a legal basis to come back to the Board with some guidelines.

Buchanan said she's gone through Montana Code Annotated and cited several references she believes support the creation of this program. She said she ran it by Mae Nan Ellingson and Jim Nugent. They both concurred and sent emails saying they agree with the reasoning and the references she included in the memo. She said Nugent also cited three other sections that further gave permission. Therefore, both Ellingson and Nugent agree MRA has the statutory authority to create this program.

Buchanan said the other question was whether the Board has the authority to do this or if the City Council has to do it. She said in the Urban Renewal Plan for URD III it very clearly gives MRA the authority to assist with renovation of buildings. She said City Council approved the URD III Plan in 2000. She said Ellingson and Nugent also agree with this.

Buchanan said her memo includes a series of recommended standards for MRA to look at for projects coming in that want assistance with façade renovation or restoration. Also, Buchanan suggested MRA have a discussion of whether this becomes a grant program or whether it's a loan program, low interest or interest free. Buchanan said she spoke with Fraser about this. She said he said he likes the program and wants to move forward with it in URD III. Fraser favors a grant program versus a loan program because he feels it makes a

bigger statement about MRA's seriousness about wanting to improve what's going on in the District. They also spoke about thresholds. For instance, no grant or loan would exceed \$50,000, unless there's a finding by the Board that circumstances warrant more. Fraser suggested having a threshold for grants and anything beyond that could be a loan.

Buchanan said one of the things that's attractive about doing a loan program is that it becomes program income to MRA. She said in the 2005 session of the legislature there was a law enacted that says when a District terminates, the program income still comes to the Agency and can be invested in any urban renewal district. Buchanan said Cates also wants to move forward with this program. Buchanan said Cates said she always likes program income, but understands the advantages of having it be a grant program as well.

Kemmis asked Buchanan if she'd given consideration to a match requirement if MRA does grants. She said it's something MRA can do, such as the investment has to be "x" in order for it to be a grant. Buchanan said she personally doesn't think it will work in URD III because the need is too great and the gap is too big. Kemmis said another way to do it is to separate out the façade improvement part of the project and require a certain amount of private investment in that portion. Kemmis said if MRA does entirely a grant program for façade improvement then it's defining the façade improvement. Buchanan replied maybe, depending on how structured the program is.

*Change tape 1/tape 2*

Buchanan talked about the possibility of giving Staff the authority to approve requests up to \$10,000 and anything above that would be approved by the Board. Kemmis said he trusts the Staff to make that kind of decision, but likes having the Board involved so they can keep track of the progress MRA is making in a District. Therefore, his preference would be to have the Board involved in each one. Englund agreed.

Englund suggested changing a word under the *Eligible Participants and Improvements* section to read "energy efficiency measures where feasible" instead of "where possible". Englund asked why a painting and masonry cleaning is allowed but not the abrasive cleaning of exterior bricks. Buchanan replied it destroys brick surfaces and they will start to crumble. Buchanan said Nugent suggested changing a sentence under *Program Objectives and Elements* to "presented to the MRA Board for consideration" instead of "MRA Board for approval".

Englund said his problem with façade improvement in this District is that it's going to be a lot more subjective than it was in URD I. Buchanan concurred. Englund said if it's going to be this wide open and the project meets all the criteria, there's got to be room for the Board to say no. Kemmis said he agrees with where Englund is going. He said the difference is that MRA is not like a design review board that is saying you can or can't build something. He said all MRA has the power to say is whether or not a project gets public assistance in doing it. With that, Kemmis said he was in favor of making it crystal clear that it is discretionary on the part of the MRA Board. Buchanan said she didn't know any other way to do it. Kemmis said he does like the design criteria.

Lockman said their Historic Preservation Ordinance includes scale and massing. She asked if it's something MRA could put in as a consideration. Moe said the HPC guidelines could be

looked at. Buchanan said this is probably the same discussion that's been held about the Historic Preservation Ordinance. She said there's so much discretion in there that it makes people nervous. She said the difference is the HPC Ordinance is regulatory and with MRA it's a matter of whether or not MRA will help pay for it. Discussion ensued.

Moe said no action will be taken on this today. She asked the Staff to look into some of the questions raised and see what additional information can be brought back. Buchanan said Staff will try to put together a Special meeting. Moe said she didn't see any problem with the Board giving permission to the Small's to Proceed Without Prejudice and if the program is adopted they can take advantage of it. Buchanan said this was talked about at the last meeting and there are structural differences between the two building versions that would preclude them from starting the project until they knew which design they were building.

**NON-ACTION ITEMS**

**COMMITTEE REPORTS**

**OTHER ITEMS**

**ADJOURNMENT**

Meeting adjourned at 1:30 pm.

Respectfully Submitted,



Lesley Pugh  
Secretary II