

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

December 11, 2013

FINAL

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

Board: Karl Englund, Nancy Moe, Daniel Kemmis, Rosalie Cates, Ruth Reineking

Staff: Ellen Buchanan, Chris Behan, Jilayne Lee, Tod Gass

Public: Jeff Smith, WGM Group; Kraig Erickson, Woodbury Corporation; Darren Smith, Woodbury Corporation; Ed Toavs, Montana Department of Transportation; Jeremy Keene, WGM Group (via phone)

CALL TO ORDER

12:00 pm

APPROVAL OF MINUTES - None

PUBLIC COMMENTS & ANNOUNCEMENTS - None

ACTION ITEMS

South Crossing – Right-of-Way Improvements on Brooks Street & Dore Lane (URD III) – TIF Request (Buchanan)

Buchanan said in May 2013 the Board approved a Proceed without Prejudice request for the Woodbury Corporation's project on the Kmart site. They were given a TIF grant for demolition but the public improvements portion of the project was not ready for discussion. The project is now at a point where those public improvements are ready to be discussed.

Buchanan said MRA allocated \$1.2 million in its FY13 Budget for improvements at Brooks Street and Dore Lane but those funds were not used. Recently, the Montana Department of Transportation (MDT) determined the development at the Kmart site necessitates a traffic signal at Brooks Street and Dore Lane.

The options are:

1. Standard curb and sidewalk improvements and a traffic signal
2. Add public improvements along with traffic signal to change nature of street

Buchanan said if the City or MRA proceeds with modifications to Brooks Street then there are a few options as to what type of improvements could be constructed there. All of the options are expensive but the goal would be to significantly modify the street and the nature of the driving habits on that street.

As the developer, Woodbury is required to:

1. Put in the traffic signal
2. Add street trees
3. Build sidewalks on Dore Lane along their property

Proposed Enhancements - Phase I

1. Curb Extensions
2. Rebuild Dore Lane with sidewalks on both sides of Dore Lane
3. Bike Lanes on Brooks Street

Proposed Enhancements – Phase II

1. Restriping of Brooks
2. Modifications to Intersections up to Paxson Street

Proposed Enhancements - Phase III

1. Raised Medians in Brooks Street

The proposed Enhanced Public Improvements project would be a multi-year plan that addresses the business driveways and access. It would require a significant commitment from MRA but does the most to change the nature of Brooks Street. Buchanan reviewed her memo that included the options and the associated costs. Truck aprons are an add-on option. Chip sealing in different colors and restriping are also options. Buchanan said the section at Brooks and Dore is due for a chip seal treatment in the near future.

Buchanan said she wants the Board to look at options, the price tag for each, the parameters MRA has and consider how much MRA wants to do to change the nature of Brooks Street to increase the benefit to businesses. Buchanan asked WGM Group to put together a PowerPoint presentation of graphics to show the look of the street from the drivers', pedestrians' and bicyclists' perspective.

Jeff Smith, WGM Group, gave a quick overview of the project. Cabela's is under construction at this time. Kohls will start construction in spring 2014. MDT's safety audit discovered a few issues at this site that were a result of the redevelopment project. Cabela's is expected to be complete in May 2014 and a Certificate of Occupancy requires base level of improvements be completed, including a traffic signal, sidewalks,

landscaping, bus stop and bus shelter. Enhanced Improvements would change the nature of Brooks Street and the proposal would be to do these in two phases.

Phase I: additional improvements at Brooks & Dore, colored and patterned crosswalks, bulb outs, pedestrian plazas, decorative street lights, bicycle lanes and sidewalks on both sides of Dore.

Phase II: street trees, reduced lane width from 12 feet to 11 feet, gateway and wayfinding signs, decorative street lighting, chip sealing using colored chip seal to encourage lower speeds, and then treat Brooks and McDonald intersection similar to Brooks and Dore.

Cates asked about future access to the casino at the corner of Brooks and Dore Lane. The northeast corner of the Woodbury property has some businesses with long-term leases. Once the leases expire the access at that corner to Brooks Street would expire.

Smith showed comparisons of the existing lane configuration at Brooks and Dore and the options of redesigning it to slow traffic. Ed Toavs, Montana Department of Transportation, said MDT tries to balance the property owner's right to have access to their property and the safety of the street.

Moe asked about the full access at the mid-point of the development and whether adding medians in Brooks would restrict the access. At this point, per the design, it appears the median would restrict the left turn in access. Kraig Erickson and Darren Smith, both of Woodbury Corporation, said the mid-block access is very important to the development. Buchanan said that Proposed Enhancements - Phase III would include raised medians in Brooks Street and would require a lot of access issues to be worked out. It also would require a substantial monetary investment from MRA.

Jeremy Keene, WGM Group, said what he felt needs to be decided today is what MRA wants to do with the signal at Brooks and Dore and what it wants to do or the long term on Brooks Street.

Moe clarified there seems to be elements of this project that are part of Woodbury's development but other elements that are beyond the scope of the project. She wondered if there would be an RFP process for the design for Phase II and Phase III. Buchanan said there are time constraints involved in this project. In order for Cabela's to open, the traffic signal needs to be put in. The design for the signal and components needs to be approved by MDT and City of Missoula Development Services. Keene said he felt it would be a missed opportunity if just a traffic signal was installed at Brooks and Dore without further thought about how to define the rest of Brooks Street.

Kemmis asked if MRA would be paying for the entire traffic signal if the Board approved Woodbury's base request. Buchanan said development impact fees would pay for a portion of it; about \$74,000. Kemmis wondered if there could be some cost sharing for the signal. Buchanan said if the initial MDT warrant study, which was done prior to

Woodbury's proposal, had required a signal, the State would have paid for the signal. But because a signal is warranted due to the development, Woodbury is responsible for paying for the signal. They are asking MRA to assist with the cost by using tax increment financing.

Englund asked why the enhanced improvements option has to include sidewalks on the other side of Dore Lane. Buchanan said installing sidewalks in the entire district is one of MRA's goals so it would make sense to put those in at the same time as the other side of the street is being done.

Summary of Project Improvement Options

Base Improvements: signal, curbs, gutters, sidewalks (TIF request from Woodbury)

Enhancements - Phase I: enhanced intersection and reconstruction of Dore Lane

Enhancements - Phase II: enhancements to intersections along Brooks from Dore Lane to Paxson

Enhancements - Phase III: raised medians in Brooks from Reserve to Paxson

Buchanan said if the Board approves this concept; it would give the City a model to apply to the other intersections on Brooks Street. Toavs said the 74 foot street width is approved. Brooks is considered a traffic route. MDT would approve 12 foot outside lanes and 11 foot inside lanes. MDT doesn't have an issue of moving from an 84 foot to 74 foot street design. The 16 foot median would require 2 foot curbs and gutters on both sides, so you would have 12 feet of landscaping space.

Cates asked if this request would be the extent of the public improvements related to the Woodbury project. Buchanan said there may be an additional request when the leases expire on the northeast corner of the property. Cates asked how much tax increment would be coming back to the district once the development is complete. Buchanan said it's very difficult to determine an exact number. The Department of Revenue is now saying they might go to a tax assessment based on income instead of building worth. Erickson said they would be looking at asking for demolition assistance for the leased properties when the leases expire.

Moe asked what options MRA has for bonding if it doesn't know the potential revenue from the Woodbury project. Buchanan said MRA wouldn't consider issuing bonds only on the tax increment generated by the Woodbury project. It would look at bonding based on the tax increment revenue from the entire district. Behan said looking at all the different components, the development would probably generate around \$200,000-\$300,000 per year in tax increment. Discussion ensued.

Englund asked, in the absence of the medians, how effective the striping is, colored chip seal and trees would be at changing the behavior on Brooks. Keene said it creates a better feel of an urban street. Individually they might not affect anything but together they might. Keene said it's an incremental approach. Toavs said he echoes Keene's sentiment. He thinks it's a good place to start.

Buchanan said the chip seal idea is very creative; but the issue is how the City would perpetuate it. It could definitely set the stage and let drivers know that this area is going to change. Buchanan said the City Engineer and Chief Administrative Officer are ready to do something on Brooks Street to start changing driving behavior.

Kemmis said if medians are not a viable option, then he's less likely to support enhancements to the intersection. Buchanan felt the improvements at the intersection would only serve to improve safety because of the curb extensions and crosswalks. Erickson said they have a lot of activity and interest in the project itself and these enhancements could be the opportunity to change driving behavior. Cates felt the proposed improvements change the feeling and look of the area in addition to improving the safety. Buchanan said she asked WGM to price a different freestanding traffic light to improve the aesthetics. This would help start establishing a look for Midtown Missoula. It could be a starting place to giving Midtown its own identity.

Darren Smith, Woodbury, said the mid-block access is very important and it helps the development work better. He felt it makes sense to do more improvements now instead of tearing up Dore Lane later to do more, i.e. sidewalks. Smith said Woodbury supports the City and MRA in considering doing the Phase I Enhancements. Toavs said MDT would support the Phase I Enhancements. Currently MDT has an issue with Brooks Street and the way it increases in width after Paxson from a narrow roadway to a wide highway design.

Buchanan said she is asking the Board to consider the enhancements to Brooks Street from Reserve to Paxson. Cates said she is supportive and is happy to have such a great developer at the site.

Discussion ensued about the request before the Board and what action should be taken today.

Project Options & Price

Base (Request from Woodbury) \$936,520

Enhancements – Phase I \$863,011

Enhancements – Phase II (preliminary engineering-30% design) \$32,293

Sub-Total \$1,831,824

Enhancements – Phase III (remaining design and improvements) \$1,237,910

Total \$3,069,734

Discussion ensued.

CATES: I MOVE THAT THE BOARD APPROVE MOVING FORWARD WITH THE BASE IMPROVEMENTS AND THE ENHANCEMENT OPTION PHASE I, IN ADDITION TO THE PRELIMINARY ENGINEERING FOR PHASE II, IN AN AMOUNT NOT TO EXCEED \$1,831,824 AS LONG AS WOODBURY CORPORATION IS WILLING TO ADD THESE SERVICES TO THEIR EXISTING CONTRACTS AND THAT CITY TRAFFIC IMPACT FEES OF APPROXIMATELY \$75,000 WILL BE APPLIED TO THE ABOVE COST.

Moe asked about the project timing. Buchanan said all improvements would need to be done by May 2014 in order for Cabela's to open their doors.

Reineking seconded the motion. No further discussion.

Motion passed unanimously. (5 ayes, 0 nays)

NON-ACTION ITEMS

STAFF REPORTS

Budget Reports – URD III report provided to Board.

COMMITTEE REPORTS

OTHER REPORTS

ADJOURNMENT

Meeting adjourned at approximately 1:32 p.m.

Respectfully Submitted,



Jilayne Lee