

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

November 19, 2014

FINAL

A **Regular** 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, Ruth Reineking

Staff: Ellen Buchanan, Chris Behan, Jilayne Lee, Juli Devlin

Public: Russell Hicks, Hicks Building Project; Mike Nichols, Tamarack Construction; Jeff Maphis, JCM Architects; Paris Faas, University of Montana Student

CALL TO ORDER

12:00 p.m.

APPROVAL OF MINUTES

October 15, 2014 Regular Meeting Minutes were approved as submitted.

PUBLIC COMMENTS & ANNOUNCEMENTS - None

ACTION ITEMS

Hicks Building – 501 South Russell St. (URD II) – TIF Request (*Behan*)

Behan said Russell Hicks, owner of the Hicks Building, submitted an application for assistance for the project located at 501 South Russell Street. He said because issues regarding the proper location of installing new sidewalks on Russell Street were discovered, the project funding request was delayed and the Board approved the project to proceed without prejudice at the September Board meeting. Behan said Hicks has met with Development Services, Montana Department of Transportation (MDT), and WGM Group (MDT's engineer for Russell Street reconstruction) and has resolved the future sidewalk issues. Behan said the new plan is better even though it increased the total project cost.

Behan said the property at 501 South Russell Street has been vacant for sometime, but was once occupied by a fuel and vehicle service station as well as a drive-thru semi-automated carwash. He said the current owners have found it difficult to persuade potential tenants to sign leases based on the current configuration and condition of the building and property, therefore the owners decided to renovate the building to accommodate retail and office businesses and to continue leasing to City Brew who runs a coffee kiosk on the property separate from the building.

Moe asked if there is a final landscape plan. Behan said not at this point in time but his recommendation is conditional on staff approval of the final landscape plan.

Jeff Maphis, JCM Architects, presented a few drawings of the property remodel as well as the approach to the property, landscaping, and sidewalk and how it will work with the proposed street improvements on Russell Street. Moe asked if the Hicks property drawings conform to MDT's plan for Russell Street. Maphis said yes. Moe asked if in the future MDT alters the plan for the Russell Street improvements, will MDT be responsible for those associated costs. Buchanan answered: "typically yes".

Moe asked if the change in design resulted in the additional \$8,000 from what was estimated at the September Board meeting. Mike Nichols, Tamarack Construction, said yes.

Englund reiterated that the retail space and the office space had not been leased at this point in time and asked if there was interest. Hicks said there is some interest and they are continuing to pursue tenants.

MOE: I MOVE THE BOARD APPROVE TIF ASSISTANCE FOR THE HICKS BUILDING PROJECT AT 501 SOUTH RUSSELL STREET IN THE AMOUNT OF \$51,664.73 SUBJECT TO MRA'S TRADITIONAL CRITERIA AND TO AUTHORIZE THE CHAIRMAN TO EXECUTE REQUIRED DOCUMENTS AND APPROVAL IS ALSO SUBJECT TO THE CONDITION OF STAFF APPROVAL OF THE FINAL LANDSCAPE PLAN.

Reineking seconded the motion. No further discussion. Motion passed unanimously. (3 ayes, 0 nays) Kemmis and Cates absent.

Cedar Street Triangle Public Improvements – Street Paving (URD II) – Additional TIF Request (Buchanan)

Buchanan said the Cedar Street Triangle Public Improvements were done in conjunction with the Poverello Center project. She said the improvements were a two part construction project where the concrete work consisting of curbs, gutters, and sidewalks went out to bid and the milling and paving of Cedar, Broadway, and Hawthorne Streets was done by the Street Division. Buchanan said the Street Division provided staff with a cost estimate of \$22,500 for the milling and paving, given some assumptions, but during the course of the work, field changes arose that increased the

amount by \$11,202.41. She said one reason for the increase was that the pavement on Broadway Street was much thicker than what was anticipated. Buchanan said secondly, Cedar Street is a parking street which required a different grade of asphalt, which cost more per square foot. Buchanan said she spoke with Brian Hensel, Superintendent of the Street Division, and was told that the higher grade asphalt will require less maintenance and will absorb moisture better. She said the cost projection for the entire project appears to be under budget with a cost savings of about \$10,000 for work other than the paving. Buchanan said today's requested amount and the total project cost savings will nearly be a wash.

Moe asked if the Cedar Street Triangle Improvements were complete. Buchanan said the only item left is the landscaping which she said will be finished next spring or early summer.

Englund said today's requested amount is nearly 50% of the amount already approved for the improvements. He said even though he understands it is a cost savings to utilize the Street Division, MRA asks that its engineers be accurate with their cost estimates and he would appreciate the same from the City. Buchanan acknowledged Englund's comment and said she felt the increase will be worthwhile because the asphalt will be better quality, will require less maintenance, and will last longer.

REINEKING: I MOVE THE BOARD AUTHORIZE A BUDGET AMENDMENT TO THE MRA/STREET DIVISION MEMORANDUM OF UNDERSTANDING IN THE AMOUNT OF \$11,202.41 FOR PAYMENT OF THE ASPHALT WORK ASSOCIATED WITH THE CEDAR STREET TRIANGLE PUBLIC IMPROVEMENTS PROJECT, AND AUTHORIZE THE DIRECTOR TO SIGN THE AMENDMENT.

Moe seconded the motion. No further discussion. Motion passed unanimously. (3 ayes, 0 nays) Kemmis and Cates absent.

NON-ACTION ITEMS

STAFF REPORTS

Director's Report

Front and Main Streets Two-Way Conversion Study

Buchanan said the Front and Main Streets Two-Way Conversion Study is moving along well and said the majority of MDT's concerns with the intersection designs have been answered. She said the base line for this study has been that the conversion cannot adversely affect the level of service at the intersections. Buchanan said another project meeting is scheduled for December 2014 and a public presentation will take place once the University is back in session from winter break. Moe asked if Buchanan could talk a little more about the intersection at Orange Street. Buchanan said Front Street will "T" into Main Street and the intersection will be at Main and Orange Streets. She said on

the other end, Main Street will “T” into Front Street and the intersection will be at Front and Madison Streets and will most likely be signalized. Reineking asked what kinds of concerns are being heard from the residents and business owners in this area. Buchanan said the retail businesses love the idea of converting the one-way streets to two-way streets. She said there are a few owner occupied, single family houses in the east ends of Front and Main Streets who expressed their concern of increased traffic within the neighborhoods. Buchanan said the study model is not showing a large increase in traffic and if the intersection is signalized, it will move traffic through more efficiently. She said most of the residential area is occupied by college students.

Wayfinding

Buchanan said the Wayfinding design has been finalized. She said Linda McCarthy, Executive Director of the Missoula Downtown Association (MDA) may either present the Wayfinding project during a future Board meeting or present to a larger funding group.

South Crossing, Brooks Street and Dore Lane

Buchanan said she met with Jeremy Keene, WGM Group, MDT and Development Services to discuss the Brooks Street Corridor project. She said the meetings were productive and design exceptions are being requested. Buchanan said there has been discussion about bus routes along Brooks Street. She said part of Mountain Line’s Long Range Urban Transportation Plan is to make Brooks Street a major bus route with 15 minute service. This would be facilitated by having buses stop in the traffic lane rather than providing bus pullouts so that buses will not get trapped in the pullouts. MDT prefers the bus pullouts, so that will likely be one of the requested design exceptions. Buchanan said the suggestion of having on street parking just south of Paxson Street on Brooks Street has also been discussed, although MDT is not in favor of the idea. She said if the goal is to have future developers build closer to the street, then on street parking will be necessary. Buchanan said the bus routes and on street parking are really the two items of concern by MDT.

Russell Street Corridor Study

Buchanan said the draft of the Russell Street land use study should be available within the next week or two. She said Sonoran Institute and the design consultants did a great job and the public feedback has been very positive.

South Reserve Street Trail Crossing

Buchanan said she and Chris Anderson, DJ&A, met with the realtors, tenants, and property owners of Aaron’s and Loose Caboose to try and better understand and address their issues and concerns with the South Reserve Street above grade trail crossing. She said the concern is the lack of visibility of the businesses because of the bridge structure itself and there is concern as to where the bridge approaches will land on the east side of Reserve Street. Buchanan said she asked if Anderson could provide

realistic visuals from a car while driving up Reserve Street, with graphics of the bridge incorporated to have a better understanding of how the structure may impact Aaron's and the Loose Caboose. Buchanan said a meeting is scheduled for tomorrow (November 20) to present the visuals. She said she has seen the visuals and the bridge structure does not impact the visibility of these businesses to the extent assumed by the business owners; if anything it frames Aaron's. She said the Loose Caboose currently has low visibility due to the landscaping and the Honda Dealership sign. Moe asked if the cost of the video with graphics falls within the original approved design contract amount. Buchanan said yes.

Englund asked about the bridge approaches. Buchanan said the bridge itself is more of an issue for Aaron's and the location of the bridge approach is more of a concern of the Loose Caboose. Buchanan said because the Loose Caboose has low visibility now, perhaps the Loose Caboose will consider being moved forward, closer to Reserve Street. She said the bridge would be a huge landmark for both the Loose Caboose and Aaron's.

Englund asked when the trail from Missoula to Lolo would go out to bid. Buchanan said the trail will probably go out to bid in either December 2014 or January 2015. Englund asked if the bridge would need to be under contract prior to the completion of the trail. Buchanan the Federal Highway Administration (FHWA) has relaxed somewhat on their position and isn't necessarily asking that the bridge be under contract but they would like to know there is a commitment to build the bridge. She said it would be ideal to have the two projects under construction at the same time, but if the easements aren't negotiated in time then the construction of the bridge may be delayed. Buchanan said construction of the trail may start as early as mid to late summer 2015.

URD III Sidewalk Project

Buchanan said the sidewalk project around Grant Street is complete.

Fox Site

Reineking asked if there was an update on the Fox Site. Behan said the developers (Hotel Fox) are finalizing documents for the purchase of the remaining seven acres owned by Providence-St. Patrick Hospital. He said the conference center feasibility and market study is essentially complete and copies will be distributed soon. Behan said the feasibility and market study will provide information and guidance on the size and capacity of a community conference center that is feasible based on certain circumstances. He said those circumstances include how the community conference center will be financed and who should manage the up to 35,000 square foot facility. Buchanan said there are three models which address ownership, operation and size of the facility. Englund asked what MRA's role will be if there is an option which depends on public funding to build the center. Buchanan said once the negotiations are final and the options are provided, the funding source to build the facility would either be through Tax Increment Financing (TIF) Bonds, General Obligation (GO) Bonds or a combination

of bonds with the possibility of assistance from the Tourism Business Improvements District (TBID) revenue streams. She said according to State Law, MRA can't pay for the operation or maintenance of the facility. Buchanan said the larger question will be whether or not tax increment will be generated in an adequate amount to support construction of the conference center, public parking, and infrastructure upgrades.

Budget Reports

Lee said she's been working with the auditors; therefore budget reports by fund were not complete for today's meeting. She reviewed the expenditure reports presented.

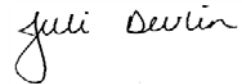
Moe asked when the state typically disperses the tax revenue. Lee said the state usually disperses the entitlement-personal property reimbursements in November and May and MRA receives the majority of the tax revenue from the County in December and July.

Moe thanked the staff for providing the Staff Activity Reports.

ADJOURNMENT

Meeting adjourned at approximately 1:00 p.m.

Respectfully Submitted,



Juli Devlin