

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

April 18, 2019

FINAL

A Regular meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held on Thursday, April 18, 2019 at the Hal Fraser Conference Room, 140 W. Pine, at 12:00 p.m. Those in attendance were as follows:

Board: Nancy Moe, Ruth Reineking, Melanie Brock, Tasha Jones

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

Public: David Edgell, Edgell Building; Theresa Cox, Dragon Hollow; Ryan Weibush, citizen; Martin Noyd, OZ Architects; Glen Tremper, Tremper's Shopping Center; Mary Anne Moseley, Tremper's Shopping Center; Debbie Williams, Tremper's Shopping Center; Bryan von Lossberg, Missoula City Council; Derek Hitt, Carpenter's Union; Wyatt Hatch, Morrison-Maierle; Mark Edgell, Edgell Building; Heidi West, North Missoula Community Development Corporation (NMCDC) and Missoula City Council; Gwen Jones, Missoula City Council; Craig Schaeffer, Morrison-Maierle, Inc.; Andrew Gault, HomeBase Partners/Missoula Investors LLC; Lauren Cummings, HomeBase Partners/Missoula Investors LLC; Tony Moretti, Gavin-Hanks Architects; Andy Holloran, HomeBase Partners/Missoula Investors LLC; Martin Kidston, Missoula Current; Jeff Stevens, citizen; David Erickson, Missoulian; Gillian Fetz, Glacier Sotheby's; Harold Dye, citizen; Missoula Community Access Television (MCAT)

CALL TO ORDER

12:00 p.m.

APPROVAL OF MINUTES

March 21, 2019 Regular Board Meeting Minutes were approved as submitted.

PUBLIC COMMENTS AND ANNOUNCEMENTS

Moe said on Wednesday the Missoulian had a column about the Fairgrounds. In that article it said that the MRA would be considering bond issues for the Fairgrounds at its Thursday meeting. Moe said that is not correct. It is not on the agenda and will not be discussed today.

ACTION ITEMS

Tremper's Kent Plaza – 1200-1210 West Kent Avenue (URD III) – TIF and FIP Requests (Behan)

Behan said about ten years ago Tremper Shopping Center, Inc. did a major upgrade of their front and Russell Street façades. Recently, the Tremper partnership purchased what they are going to call Kent Plaza, which is four contiguous buildings located at 1200-1210 West Kent Avenue and located directly north of Tremper Shopping Center. The longest term tenants that have been there are Grimebusters Laundry and Harrington Medical Supply.

Behan said the place was built as four different buildings over the period of a decade. In the 1980s the then-owner decided to put all of the buildings together with one façade. That is still what it looks like today with a few minor changes. With a couple of exceptions, Behan said there has been chronic vacancy in all of the buildings except for Harrington Medical Supply and Grimebusters. He said the reason for the vacancies includes a lack of convenient parking, systems in the buildings deteriorating, and sizes of the tenant spaces themselves. With the chronic vacancy there never was the money to upgrade the space and it has gone downhill quite a bit. The long-term tenants have very low rents just to hold onto somebody in the buildings. All of that will change with the Tremper's purchase.

Behan said the solution is to take out the Grimebusters building and put in a parking area with a series of smaller retail and office spaces on the interior. They will go inside of the other buildings and change them so they work well for current businesses also. The exterior will be upgraded to a much more modern and permanent-looking façade. Behan said Tremper's have applied under the Façade Improvement Program (FIP) for the three remaining buildings and Tax Increment Financing (TIF) for help with deconstruction of the Grimebusters building at 1202 West Kent, paving the alley and some sidewalk work out front. Behan showed drawings of the buildings with and without FIP assistance.

Behan said it is a highly visible building and the direction the Tremper's are going is a really good one in terms of upgrading the building and updating it so that more businesses can utilize it. For a building like this there is a substantial tax increase that is often seen. Behan said in this case there may be a small tax increase or it may be a wash. He said the two reasons for that is because they are taking out a building and the last valuation for the four buildings is very high.

Behan said the staff recommendation is for approval of up to \$226,100 under the TIF program for deconstruction and demolition of 1202 West Kent, and public right-of-way (ROW) improvements in the alley connecting Russell and Oxford Streets and along Kent Avenue. Staff further recommends approval of up to \$150,000 under the FIP grant program (\$50,000 per building).

Glen Tremper, owner, said he is one of the 3rd generation of Tremper's running the Shopping Center. He said they believe it is the only family-owned retail center of any size in this town anymore. They have been part of Missoula since the beginning and will continue to do so. Tremper said they are very proud to be able to participate in the MRA's redevelopment of URD III. He thanked the members of the Board for their service and taking time out of their day to serve on the Board.

Reineking said she really likes the Kent Plaza sign in the drawings. She asked if signs were included in FIP. Behan said no. She asked what will happen to the west side of the building that faces Russell Street. Tremper said Russell is not adjacent on that side, there is a State Farm building and another building that is owned by Tremper's there. Tremper's are trying to figure out what they want to do with it. He said the owner of the State Farm building is happy with his ownership. Tremper said they have made efforts to see if he would like to work with them or sell the property, but at this point he is not interested in doing that.

Reineking said the staff memo includes sidewalk, curb, gutter, and ROW landscaping under TIF eligible items. She asked what the plan is for landscaping. Tremper referred to the site plan drawing. He said the ROW goes to the front of the building because there was an easement granted in the very front of the building several years ago when the owners of the building participated in the effort to add parking along Kent Avenue. He said the public easement is everything from the front façade of the building forward. Tremper said the landscaping in the front will be on the two islands at the entry. In the back it will exit into the alley which is a public access. The alley will be torn up with construction and they will repave it.

Moe asked if the second floor is Americans with Disabilities Act (ADA) accessible on the Harrington building. Tremper said yes, they are planning on putting an elevator in it. Moe asked what will be done to the east side of the building. Tremper said it will be similar to the south side. There are actually three spaces there. The front space will have a couple of storefront windows with an entrance into the front space from Oxford Street. The back space will have an access both from Oxford Street and from the interior plaza area.

Moe asked for clarification on why this is considered four buildings. Behan said it was constructed over a period of time as four buildings and it had four owners. At one point one person bought all four buildings and put the façade across the front of them. He said legally and for tax purposes it is four different buildings.

REINEKING: I MOVE THE MRA BOARD APPROVE AND AUTHORIZE THE CHAIR TO SIGN DOCUMENTS APPROVING UP TO \$226,100 IN TIF PROGRAM ASSISTANCE TO THE TREMPER SHOPPING CENTER, INC. PROJECT LOCATED AT 1200-1210 WEST KENT AVENUE FOR DECONSTRUCTION AND DEMOLITION OF 1202 WEST KENT AVENUE AS WELL AS IMPROVEMENTS TO THE PUBLIC RIGHT-OF-WAY IN WEST KENT AVENUE AND THE ALLEY BETWEEN RUSSELL AND OXFORD STREETS ADJACENT TO THE PROJECT SUBJECT TO PROGRAM CRITERIA AND TRADITIONAL CONDITIONS MRA PLACES ON SUCH ASSISTANCE.

Brock seconded the motion.

Moe noted there are adequate funds in the URD III contingency to cover this TIF request and if the motion for FIP passes there are adequate funds to cover both sums.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

JONES: I MOVE THAT THE BOARD APPROVE AND AUTHORIZE THE CHAIR TO SIGN DOCUMENTS APPROVING UP TO \$150,000 IN FAÇADE IMPROVEMENT PROGRAM GRANT ASSISTANCE TO TREMPER SHOPPING CENTER, INC. FOR THREE BUILDINGS IN THEIR PROJECT LOCATED AT 1200 WEST KENT AVENUE, 1204-1206 WEST KENT AVENUE, AND 1208-1210 WEST KENT AVENUE SUBJECT TO PROGRAM CRITERIA AND TRADITIONAL CONDITIONS MRA PLACES ON SUCH ASSISTANCE.

Reineking seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

Moe said the Board is pleased with what was done with Tremper Shopping Center and their participation in the community.

“The Row at Milwaukee Trail” Residential Project – 201 South Catlin Street (URD II) – TIF Request (Behan)

Behan said this is a great project and one of the reasons he thinks that is because sometimes MRA doesn't get all the credit for making changes to an area that actually spur investment. He said when you look at this area you can see some of the reasons that a developer like the Edgells might want to come in and purchase land and invest money. Behan said the Milwaukee Trail, Corso Apartments, the Missoula Housing Authority development, Missoula Food Bank, Good Food Store, Garden City Harvest, the community gardens at Corso, and the Police Station are just some of the projects in the area that MRA has assisted. Behan said if you look at the boundary line of Garfield Street there are still a lot of reasons to encourage development of this area because there is still blight in every sense of the word.

Behan said the property at 201 South Catlin has a house on it that was built in the 1940s that was converted into a duplex. It has some issues in terms of its upkeep and systems, but is structurally pretty good and valuable for deconstruction. There are two manufactured homes on the property that are pre-1976 buildings and would be difficult to sell, move or give away as outlined in Behan's memo. Reineking said she thinks the aerial photo included in Behan's memo shows those buildings in better light than you would get from walking on the trail and seeing them. They are fairly deteriorated. Behan said even if they were in great shape they would not be able to be moved because of federal, state and local building codes.

Behan said the project parcel under the current zoning is eligible for up to sixteen residential units per acre and a maximum of ten townhouses. He said the developers, Edgell Building, Inc., have decided to put in eight townhouses to be able to have more room for some green space. The project plan is for construction of eight, three-story townhouses with parking on the ground floor. It will be a car port with a space behind it. Behan said the car port element is in an effort to provide an incentive for folks to actually put their car in it and not

use it as storage and spill over with their car elsewhere, which has happened with a lot of developments.

Behan said the townhouses will be relatively large, 1,990 square feet, with living room areas on both the second and third floors. He said this is a great project visually because it helps to address issues in the area. There will be a significant tax change by a factor of about ten in terms of the amount of taxes coming in. The investment and quality are substantial as well. Behan said Edgell Building has a long reputation of producing quality projects, including some MRA assisted projects, that use durable materials and stay in good condition for a long time.

Behan said the request is for \$122,239 in TIF assistance to help with abatement/deconstruction/demolition and site clearing, and natural gas and electrical main line upgrades. Behan said the bones of the house on the property are all the old style 2x4 and 2x6. They are all two inches and rough cut and have value on the market so they will be reused. The natural gas and electrical main line upgrades will be able to be shared with the next development adjacent to this property when it comes. Prevailing wage rates are also included in the TIF request.

Mark Edgell said this is a property he has been looking at for a couple of years. When it came on the market he jumped on it. He said it's going to be a really nice project with great views. Also, the second living room was really important to them. He said they could have had a different look with more of a flat roof but the living room would have been lost. He said they went to this design with the two living rooms so the families are able to spread out a little bit and not be on top of each other.

Reineking referred to Behan's comments about the quality of Edgell's building. She said it is worth mentioning that this also meets a community need with the median price. She said there is a huge need for that in the community and she is appreciative of this project for that. Reineking said Behan also mentioned a project next door that will benefit from the utilities and wondered what it is. Behan said there is no project planned yet but he is hopeful there will be one. David Edgell said one of the toughest parts is the fact that people are living in the trailers and can't afford to go anywhere else. He said it is very difficult to deal with and he wished there was a better alternative because then it would be much easier to go into those neighborhoods.

Jones said today's meeting is nostalgic for her. She said when she was in college she did her laundry at Grimebusters and she purchased her first home from David Edgell in a starter development in Lolo 17 years ago. She said Edgell makes beautiful, high-end homes and yet here he is still participating in the community and making homes available for people in a certain bracket and she thinks that is wonderful.

Moe asked if the natural gas and electrical main line upgrades will benefit more than just this development. Behan said it will benefit new developments eventually, but that doesn't mean the next property won't need more extension. Moe said she appreciates the goal of encouraging parking in the development, but wondered if any of the trees would be salvageable. Mark Edgell said they are going to do what they can to keep at least one of them, but with the way the utilities come in they aren't sure they will be able to.

Derek Hitt, Carpenter's Union, asked what the asking price of the finished townhomes will be. Mark Edgell said they don't have an exact number yet. They are supposed to get their construction plans any day so they can put it out to bid. Jones asked if there was a chance the number of units will be increased because Behan mentioned there being a potential for separation between levels. Mark Edgell said no, but there is flexibility in the owner's design. Behan said the target price is \$325,000-\$350,000.

REINEKING: I MOVE THE MRA BOARD APPROVE UP TO \$122,239 IN TAX INCREMENT FINANCING ASSISTANCE TO EDGELL BUILDING, INC. FOR THE ELIGIBLE ITEMS DESCRIBED IN THE TIF APPLICATION AND THIS MEMORANDUM FOR THE ROW AT MILWAUKEE TRAIL PROJECT LOCATED AT 201 SOUTH CATLIN STREET AND AUTHORIZE THE BOARD CHAIR TO SIGN RELATED DOCUMENTS SUBJECT TO THE STANDARD CONDITIONS FOR MRA ASSISTED PROJECTS INCLUDING ASSISTANCE BEING MADE ON A REIMBURSEMENT BASIS BASED ON COPIES OF PAID CONTRACTOR AND VENDOR INVOICES SHOWING THE ACTUAL WORK COMPLETED AND MATERIALS USED.

Jones seconded the motion.

Moe noted that there are contingency funds available in URD II for this.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

AC by Marriott Hotel – 175 Pattee Street (Front Street URD) – TIF Request (*Buchanan*)

Buchanan said this is a project to develop a hotel at the intersection of Pattee and Main Streets at the location known as "the old Firestone building". It is a building that was built in the 1920s and functioned as an automotive business for its useful life. It has been vacant since the late 1990s with intermittent uses in the building for short periods of time. There has been a lot of vandalism including broken windows and graffiti. Essentially nobody has found a way to reuse it. Several years ago there was a proposal to put a microbrewery, distillery and restaurant at the location but the developers were not able to adapt the building to what they needed in a way that was economically supportable.

Buchanan said the property was purchased by the developers of the Mercantile Residence Inn, Missoula Investors (MI) LLC. They used it during the construction of The Merc as a construction office and staging area. The Merc is now completed and MI would like to redevelop this property as another Marriott product that is very different than The Merc. It will be approximately 70,000 square feet with 105 guest rooms. Street level will have the lobby, limited restaurant facilities (breakfast bar, tapas, hors d'oeuvres) and a bar. Plans also consist of a rooftop garden and a downstairs restaurant with access off the alley that would be a leased space and not operated by the operators of the hotel.

Buchanan said the request is for remediation and deconstruction of the building that is currently on the site, improvements in the public ROW and some utility relocation. She said MRA will be seeing these things on virtually every redevelopment downtown. Utilities are an

issue and land is too expensive not to go multi-story and all of the public ROW that hasn't been done in the last decade needs improvement. Buchanan said MRA is accomplishing what it wants to incrementally, project by project. She said Dick Anderson Construction will be the contractor on this, as they were on The Merc, and they absolutely set the gold standard in terms of an evaluation of what can be deconstructed and recycled and what can't. There is a very small portion of this building that cannot be reused or recycled in some way.

Buchanan reviewed her evaluation of the TIF request in her memo. The request is for TIF assistance not to exceed \$1,886,105. She said one of the key elements is that it will require bonding, just like The Merc, ROAM Student Housing and Park Place required bonding. Staff's analysis was to make sure the new property tax revenue generated by this hotel is more than enough to satisfy the debt service on the bonds, which it is. She said there will be spinoff tax increment revenue from The Merc so the URD will be healthy this next fiscal year when almost the full value of The Merc comes online, less the restaurants/retail on the ground floor, and the full value of ROAM and Levasseur Street Townhomes come online. She said financially the URD will see a very different financial picture than this year.

Andy Holloran, MI, said The Merc would not be there without the support of the MRA. He talked about full-time jobs created and said it is a big driver of what we all do. Holloran said someone came to him the evening of the ribbon cutting and said she started her framing business a week before Radius Gallery hired her and it jump started her company. She has already had to hire another employee. He said within four weeks she had to frame over 500 pieces of art and it was really cool to see. He said artists were commissioned for special projects including making the tables and benches from scratch at The Merc. He said when they talk about jobs being created for The Merc, which has 33 employees, he can't imagine how many other people in the community are impacted by a project like this.

Holloran said the proposed project is an AC Hotel by Marriott. A number of projects throughout the US are gravitating towards this dual brand concept which enables properties like this that are adjacent to one another to operate as one. He said The Merc is an extended stay hotel with kitchens and is geared towards families and leisure travelers whereas the AC is geared towards a younger crowd, typically, including millennials and business travelers. Holloran said it casts a wide net for those guests looking to come to Downtown because they have everything to offer.

Holloran said they have gone through great analysis of the old Firestone building to see what they can salvage. He reiterated that just about everything will be repurposed in some way. He mentioned they have a long-term lease and a first right of refusal on the surface parking lot at Broadway and Pattee Streets. He said there has been a lot of public opinion about lack of parking and even though the community does not have parking minimums, it would be irresponsible for somebody to develop a project without thinking about the impact on the community, downtown and neighborhood. Holloran said the surface parking lot striped can park 80 cars and they also have 93 spaces in the Park Place garage.

Holloran said the AC will be six stories, slightly taller than The Merc. The façade will be mostly brick with lots of glazing. There is a full basement and they are proposing to keep most of it for back of house functions and storage. The ground level has a lot of the

common area functions, meeting space, fitness center, check-in off of Pattee Street and the AC Lounge. Holloran said the Main Street frontage will be activated with people gathering and having breakfast at the AC Lounge. During the day the space will turn into more of a co-working dynamic with people meeting and having a quick bite to eat. In the afternoon it becomes more of a happy hour with the bar and light hors d'oeuvres. Holloran said it is not meant to take away from the local business and is more of a meeting spot for a drink before dinner and a show. Holloran said the guest rooms are all fairly similar with 21 rooms per floor with double queen and king beds. The rooftop amenity will be on the corner of Main and Pattee Streets. Holloran reviewed renderings of the AC.

Buchanan noted that this project was the guinea pig for big projects undergoing review under the Design Excellence Guidelines and Standards. She said it passed. Holloran said being the guinea pig was a little rough early on but he thinks both MI and City staff learned a lot. He thinks it is a good thing going forward for the community.

Moe asked for more detail on the parking. Holloran said they have leased 93 spaces in the Park Place garage. Those are generally on the upper floor. They also have a long-term 20 year lease on the surface parking lot at the southwest corner of Broadway and Pattee Streets. He said they have a first right of refusal on that. Combined there are 175 parking spaces. Holloran said their business model is to begin valet parking service. He said The Merc has been running high occupancy and they were sold out last night.

Moe asked if there is a bulb-in at the AC for registering guests to pull into. Holloran said yes, it is similar to The Merc where there is a loading zone. Brock asked if the 93 spaces at Park Place are the ones that were originally leased in anticipation of The Merc or if they are a second, additional round of parking spaces. Holloran said 30 came with The Merc property itself. MI then leased an additional 63 spaces for a total of 93 which was really what they needed for The Merc. He said as this was coming into design and fruition they felt they needed additional parking and so they entered into the lease for the surface parking lot. Brock asked if Park Place will be available to both hotels. Holloran said that is the idea. The hotels will operate generally as one full operation and the valet service will be for both. He said the surface lot is striped for approximately 80 spaces, but they can valet 120-130 cars in there.

Jones asked what the experience has been at The Merc for use of the parking. Holloran said their experience in Montana, and it's showing to be true here, is that about 65-70% of their guests have a car. For an urban market it's a little higher than they would see in larger cities where New York City might be 5%. He said a typical community is in the +/- 30% range. There is a higher drive-in guest experience in Missoula. At The Merc they are seeing half of those spaces being used all the way to most of them being used, depending on their occupancy. Jones asked if there was an option to purchase the surface parking that is being leased. Holloran said yes, they have a first right of refusal. Reineking asked for clarification about turning the 80 spaces of surface parking into 120-130 if they are valet parked. Holloran said that was correct. Valet parkers are typically professional drivers that can park very close and tight.

Jeff Stevens, citizen, said he is pretty impressed with the design he has seen so far for the AC Hotel and likes it considerably more than what was initially proposed for The

Merc. He asked what was proposed for the alley exposure on the surface of the building. Holloran said the gray brick turns the corner and the building turns into an L-shape. The inside of the L-shape will be metal panels. Stevens said his feelings on The Merc are quite mixed, he thinks some parts look nice while others are disappointing. He said he is especially disappointed with the stucco surfaces because they lack definition or interest. He said he hopes the AC will be better.

Gwen Jones, Missoula City Council, said she appreciates this corner being developed. She said she also appreciates the foresight with the parking. She asked about the \$245,000 cost of the ROW improvements and asked what the City will see from that investment that isn't already required by its regulations. Buchanan said one thing the City will get is curb extension that is not required by regulation. It will be similar to what happened at the corner by Conflux Brewing. She said it will also happen at the corner of the old Days Inn if anyone redevelops that. Buchanan said there may also be an opportunity to do the corner at the Century Link building. Gwen Jones said she is having a hard time understanding how it's \$245,000 to extend the curb. Buchanan said all of the sidewalks will be reconstructed along Pattee and Main streets for this building frontage. Holloran added that it includes trees, tree grates, landscaping, pedestrian-scale lighting, etc.

Gwen Jones asked about the deconstruction costs. She said deconstruction for The Merc was about \$1.6 million. The AC is about half the footprint of The Merc and is one story and the cost is \$1.26 million. She said she understands costs have increased since The Merc was deconstructed, but can't wrap her mind around that figure or explain it to constituents. Buchanan said one big difference was that the funding that was approved for deconstruction and demolition for The Merc did not include State Prevailing Wage Rates. That made a big difference. She said Holloran came back to the MRA Board and asked for that difference in wage rates. It was not granted. It was bid at Local Wage Rates and there was a gap. Holloran said in regard to that there is shoring, which allows an internal wall not to collapse. There is a 100 year old building to the west of the AC Hotel location (Radio Central Building) and they have to make sure that will not collapse. The cost for that is \$217,000. Other costs Holloran listed include hazardous material abatement, deconstruction, structural backfill so the sidewalks don't collapse, and general conditions for the contractor.

Gwen Jones referred back to the Prevailing Wage Rates. Holloran said the State Prevailing Wage Rates were not originally included in their request for The Merc. Jones asked what that number was. Holloran said they asked for an additional \$460,000 which also included additional utility and relocation costs. Behan said it should be clear that those wages were paid, they just weren't reimbursed by MRA.

Gwen Jones said she appreciates this project and wanted to share the lens of looking at it through City Council since it involves bonding and will come before Council. She said with The Merc it was such an important, iconic, historical building and there was such community lean-in on the entire process it was very important to address that as holistically as they could. Gwen Jones said TIF money went into the deconstruction and that was great. Now parts of the old Mercantile are throughout the Missoula valley and beyond. She said the situation with AC Hotel is different. She said she sees MRA and

TIF money at this stage in its long career as that it “primes the pump” and puts the money into private investment which creates tax increment to raise the base, which is awesome. However, Gwen Jones said she was also very hesitant with The Merc at the time it was done because pretty much all of that tax increment went back into that bonding and covers that debt. She said Buchanan’s memo states that eventually there will be a significant amount above and beyond in this district with servicing the debt, which is great, but she is looking at it from the point of view of City Council. She said she doesn’t want to see all of the increment going back into private investment. She said the Front/Main conversion is coming up and the City now has the donated library block which is a huge game changer in this district. The City wants to have all of the good tools at its disposal to get the most bang for its buck.

Moe said Buchanan’s memo states that the Mercantile Residence Inn should generate \$180,000 after debt service. So it’s not all going back into The Merc. Gwen Jones said she understands that and thinks it’s something to be equating. She said she wants to articulate that there is a balance here and there are other opportunity costs that are great that will come down the pike. Buchanan said The Merc will have a significant spinoff beyond debt service. ROAM will have excess after debt service as well. She said all of these require 1.25 coverage, but you don’t spend the .25. It goes back into funding that can be used for other projects. Buchanan said when the numbers come in this fall for FY20 it will be a change from what’s been seen this year in that district because of the excess beyond the debt service requirements for these big projects. Gwen Jones said the City needs to keep its options open. Buchanan concurred.

Bryan von Lossberg, Missoula City Council, said he appreciated Holloran’s comments about going through the Design Excellence program and is very interested in feedback from it. He said the lens that City Council looks through is what he sometimes calls the “opportunity cost” of certain projects, which means looking at other things. If and when this comes before City Council it will be important to flesh out more with Council what their capacity looks like relative to projects like the Front/Main conversion which has been a long identified project in this area. He asked if the City increasing its capacity to effectuate that project via excess increment, which is what he is hearing but wants to be really clear and explicit about it. von Lossberg said this is a dynamic landscape and there are other projects out there. That is the lens he is referring to so they make sure they aren’t somehow foregoing other opportunities that are important to the community relative to another investment. He said when it comes before City Council he would like to see more detail with respect to capacity and other projects out there.

von Lossberg said City Council needs to be able to look at the amounts for the project in some context that gives them confidence in the specific amounts. He said he would like to see that information and City Council is used to looking at it. He said they look at water main replacements often and the engineering predictions and multiple bids, which is the level of granularity City Council will want to see when they go through this so they can understand the ask. They will need as much context around the numbers as they can get.

von Lossberg said he challenges everyone to do a better job of explaining what the dollars on the ground are achieving. He said when you work with this on a regular basis

there is a tendency to understand it implicitly and City Council needs to be able to show it. For instance, he referred to the Tremper project drawings with and without MRA assistance and said that would be really helpful in this sense. He said they've talked about pedestrian-scale lighting, trees, landscaping, bulb-outs, etc. and it would be nice to see that visually. von Lossberg said City Council needs to be equipped with the tools both visually and in more detail so they can speak to them and show people how the project would be different with and without TIF investment.

von Lossberg said utility relocation happened as part of The Merc project and asked what was happening with the AC. He said he needs to understand the amount. Holloran said some of the alley needs to be relocated as well as a large pole on the corner that will be relocated. He said that number is a straight bid from NorthWestern Energy. There is also component utility work along the alley. von Lossberg said City Council needs to see the next level of detail for it for them to take action. Buchanan asked what specifically is being asked for in the next level of detail. von Lossberg said they will need a visual and a breakdown of the component pieces.

von Lossberg said the recommended motion in Buchanan's memo talks about a Resolution of Intention from City Council. He asked what the timing is for it. Buchanan said she has spoken with bond counsel and they will put together the Reimbursement Agreement and a Resolution of Intention. Once that Reimbursement Agreement is approved by the developers and the MRA Board if they want to look at it in detail, it will be brought to City Council along with the Resolution of Intention before the end of May. MI hopes to start construction around June 1st so they will need to have assurance as to what the City's participation might be in this project because it could change some things. For instance, they might not do deconstruction and it would certainly be easy to haul everything off to the landfill. The curb extensions might not be done nor the pedestrian-scale lighting, etc. von Lossberg said he wants to make sure the developer and the City Council aren't so disconnected that things get odd.

Moe said she appreciates City Council members coming so the Board and Staff can understand where they are coming from. She said all of the figures are supported and doesn't see any reason why it can't be made available to the City Council as part of the developer's presentation. Buchanan said it needs to be made clear that there is only reimbursement from MRA based on what is spent. If the numbers are inflated or have big contingencies, MI has to provide MRA documentation of what has been spent and that they have paid their contractor(s) by securing lien waivers.

Reineking noted that the Missoulian reported that some deconstruction had started on the site already. Holloran said MI just submitted a foundation and demolition permit application yesterday so no work has started.

Moe asked if this bond will affect the life of the district. Buchanan said it will if they do a 25 year bond, but it depends on the length of the bond. The assumptions in the financial analysis are that it will be a 25 year bond issue.

Reineking followed up on the numbers discussion and asked if going forward the Board could see consistent breakdowns for projects so they can have some basis for

comparison. Buchanan concurred. Moe asked that the contractors also be asked to report in those distinct categories too.

Ryan Weibush, citizen, said it is difficult for him to look at the other areas the MRA is focusing on and see this area as blighted. He said it sounds like MI is already planning to build so it is difficult for him to understand why they are asking taxpayers to help build it. He said he doesn't understand the justification behind spending nearly \$2 million to help somebody who clearly is going to build and has the money to do it as well. Weibush said he also wondered what the average nightly room rate will be for an AC Marriott. Holloran said MI is not building this unless they are granted TIF assistance. Weibush asked if MI owns the old Firestone building now. Holloran said they purchased that about two and a half years ago and have been using it for staging and construction offices as well as construction of a model room for The Merc. Weibush said he really enjoyed Holloran's framing story and asked if he felt like that business would have occurred had The Merc not been deconstructed. Holloran said he should ask the business owner that question. He said he thinks there is a lot of benefit that continues to trickle down to the economy and is very impactful and is more anecdotal than MI just saying they have 54 full-time employees at The Merc and they know that each of the leased spaces will employ anywhere from 10-40 people each. He said they know that, but there is a lot more involved like supplying the food and linens, etc., and it is a fascinating and positive economic engine. Weibush said he thinks it shows a real lack of imagination.

Heidi West, Missoula City Council and North Missoula Community Development Corporation (NMCDC), asked where they plan on staging for the AC Hotel considering the traffic complications in the area. Holloran said they have a construction plan they are working with the City on that will extend into the parking lanes and potentially out onto the midway of Main Street. He said they will also utilize a portion of the surface parking lot they are leasing for loading, offloading, and heavy equipment so that Main and Pattee Streets are safe and continue to have traffic.

Hitt asked if the construction will be more of a traditional route like steel studs and drywall or more of a greener route with cross-laminated timbers. Holloran said right now it is five stories of wood framing and Type 3 construction over a concrete podium which is more intense than what they did at The Merc.

Reineking referred to the Citizen's Academy that council members Gwen Jones and Heather Harp put together and some subsequent conversations with Harp. She said MRA tends to look at these projects and call them "AC by Marriott" and it isn't always clear that the TIF funding that goes into them is for public improvements. MRA is not buying the tub/shower combos or paying for the framing, etc. She said the taxpayer money is going toward public improvements.

BROCK: I MOVE THAT WE APPROVE AN AMOUNT NOT TO EXCEED \$1,886,105 IN TIF ASSISTANCE FOR THE AC BY MARRIOTT MISSOULA AS REQUESTED BY MISSOULA INVESTORS, LLC AND AUTHORIZE THE CHAIR TO SIGN A REIMBURSEMENT AGREEMENT WITH THE FOLLOWING CONDITIONS:

1. **AN ACCEPTABLE COMPETITIVE FINANCING PROPOSAL HAS BEEN NEGOTIATED FOR THE SALE OF BONDS WITH A PRIVATE LENDER PROVIDED BY MI, PRESUMABLY STOCKMAN BANK.**
2. **THE CITY COUNCIL HAS ADOPTED A RESOLUTION OF INTENTION TO APPROVE THE REIMBURSEMENT AGREEMENT AND TO AUTHORIZE THE SALE OF THE BONDS.**
3. **THE BONDS WILL BE SIZED BASED ON THE CAPACITY OF THE TIF REVENUE GENERATED BY THE HOTEL PROJECT IN THE FRONT STREET URD.**
4. **NO REIMBURSEMENT WILL BE MADE UNTIL THE PROJECT IS COMPLETE AND HAS RECEIVED A CERTIFICATE OF OCCUPANCY.**
5. **FINAL TIF REIMBURSEMENT SHALL BE DETERMINED BASED ON THE BOND SIZING AND PAID INVOICES ACCOMPANIED BY LIEN WAVERS SUBMITTED BY MISSOULA INVESTORS FOR ELIGIBLE ITEMS IDENTIFIED IN THE STAFF REPORT.**

Reineking seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

A Carousel for Missoula/Dragon Hollow (Front Street URD) - Request for Refurbishment Expansion Assistance (Buchanan)

Theresa Cox, Director of A Carousel for Missoula and Dragon Hollow, gave a presentation of how Dragon Hollow came to be as well as the upcoming refurbishment project. They are calling their campaign "Save the Dragon". The Dragon Hollow play area was originally built in 2001 and is showing signs of deterioration. Cox said a lot of other playgrounds are putting in features for children with disabilities and they want to add them to Dragon Hollow to make it an all-abilities playground.

Cox said Dragon Hollow will be expanded 50 feet to the west. A new swingset will be added to that area. There will also be an expression swing which allows a parent and child to ride facing each other, along with a team swing and a merry-go-round that allows wheelchairs to be rolled onto it. Other additions include a cozy cocoon, poured in place rubber to allow ADA access, a spinning cable jungle gym, musical instruments and activity panels. Cox said there are pickets all around the fence that will be replaced with composite. She said each of the pickets are made from 42 recycled milk jugs so 54,000 of them will be recycled for this project.

Cox said the plan is to start removing the trees in early May and put up fencing to secure the site. They will also remove the swingset and pickets, set up the site and receive materials. The timing for the build is from noon on May 14th to 5:30pm on May 20th. May 21st the contractors will pour the poured in place surfacing. Cox said they hope to reopen on May 25th which is also their birthday and every year they do free rides at the Carousel on the Saturday of Memorial Day weekend. She said they always give free rides to anyone with a physical or mental disability so this carries through to the mission at Dragon Hollow.

Cox said to date they have raised \$240,000. She said it is a moving target number. She has solid numbers for \$207,000. She has verbal commitments from people who have said if they need the money to come to them at the end. The total budget is \$290,000. Cox said they will need about 2,300 volunteers to build it and anyone can help no matter what the skill set is. She said you have to be 12 years old to be on site and 16 to be in the construction zone.

Cox said this project is very different from the others discussed today. It doesn't generate tax money, but what it does is bring people to town. She said A Carousel for Missoula and Dragon Hollow are symbols of what this community does, and the community works so well together, especially for children.

Buchanan said the MRA has invested multiple times in A Carousel for Missoula and Dragon Hollow, as well as in improvements around Caras Park. She said this ask is a little different because MRA does not have the funds available today to do it. This is the same situation as the Missoula Public Library. Buchanan said staff is recommending the MRA Board approve up to \$50,000 with the understanding that it will be paid when funds are available, likely in FY20. The Carousel will have to bridge between May and when the MRA has money to reimburse them. Buchanan said she thinks this is a great project, and particularly making it an all-abilities playground is huge. She said staff will put together a simple agreement between MRA and A Carousel for Missoula/Dragon Hollow that memorializes everything.

Moe confirmed that Dragon Hollow still needs to fundraise \$83,000. Cox said yes. Moe asked Cox if she feels comfortable with the \$50,000 from MRA. Cox said yes. Reineking asked Buchanan if she expects enough in FY20 to satisfy this request and the \$75,000 that is already committed to the Library. She said on the off chance there is not \$125,000 available, her understanding is MRA's prior commitment to the Library would get paid first and Dragon Hollow may have to wait until FY21 to get the remainder. Buchanan said that is correct.

Reineking asked if there is a plan to replace any of the trees that are being removed. Cox said they have talked with the City Parks and Recreation Department about replacing the trees. They don't know where they will be yet, but they are prepared to do that.

JONES: I MOVE THE MRA BOARD APPROVE A GRANT OF UP TO \$50,000 FOR THE DRAGON HOLLOW REFURBISHMENT AND EXPANSION, WITH THE CONDITION THAT THE FUNDING WILL NOT BE AVAILABLE UNTIL THERE IS ADEQUATE CAPACITY IN THE FRONT STREET URD, AND AUTHORIZE STAFF TO CREATE A PLEDGE FOR THAT GRANT THAT DOES NOT CONSTITUTE DEBT AND AUTHORIZE THE CHAIR TO SIGN THE AGREEMENT.

Reineking seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

Bitterroot Trail – Pine Street Link (URD II) – Request to Approve Change Order #1 (Behan)

Behan said this project includes construction of one-half block of trail, pedestrian-scale lighting from Broadway Street to Toole Avenue, and sidewalk replacement adjacent to the project on the east side including the sidewalk/railroad crossing on the south side of Pine Street. He said the project went out to bid and two bids were received. The lowest bid came from JAG Grading and Paving, Inc. in the amount of \$357,406. Behan said JAG also built the trail adjacent to Montana Rail Link (MRL) Park and are currently the subcontractor on the West Broadway Island project. He said JAG wants to be the City's trail builder and they are doing a good job at making sure that happens.

Behan said the engineers have looked at the bid and everything looks good and reasonable. He said a couple of issues have come up. One is the location of an MRL switch box for the railroad. He said its location required the trail design to go around it and cut into the hillside, which was not the best trail alignment but it worked. Behan said as of yesterday MRL has decided they don't need the switch box anymore because they have a backup system. Behan said that will allow the box to be removed and the trail to be straightened. Also, the two houses located at 804 and 808 West Pine will have impacts to their front yards because of the sidewalk. They both have stairs that go up to their houses and those will need to be rebuilt. The City has talked with them and they are okay with it. Unfortunately, Behan said one of them is going to try and sell their house in May. He said they have worked a deal where the contractors can hopefully get to their items first, it will just require repeated steps from the concrete people. Behan said between these two things it looks like there will be some savings and some additional costs and staff is working with the contractor on it.

Behan said the staff recommendation is that the MRA Board approve a construction contract with JAG Grading and Paving, Inc. in an amount up to \$357,406 for construction of the trail, which includes installation of the lights which were purchased last month. Behan said that once the Board approves a contract they are the only ones that can change it, other than change orders up to \$5,000 that Buchanan can approve. He said what staff wants to do here is work with pluses and minuses to balance out the two contracts, so the suggestion is that the Board allow staff to treat the design and construction budgets as one to enable exchange of funds between the two. More money won't be spent between the two, but money can be shifted plus or minus as necessary without coming back to the Board each time. Moe asked if the money for the construction contract comes out of the Public Works contingency. Behan said yes.

Moe said Behan's memo states that the low bid is somewhat higher than the engineer's estimate. She thinks 21% higher is more than "somewhat". Behan said the original engineer's estimate was for \$500,000. The most recent estimate was based on more recent pricing. He said the engineer and the contractor got together and went through all of the different pieces of why their prices were where they're at, and the engineer agreed with the contractor. Behan said there were several areas of disconnect, particularly in work coordination with MRL and the tearing up of the street, and coordination with Missoula Fresh Market and their ability to get delivery trucks in and out. For instance, the contractor will need to have people there guiding trucks in and out of the driveway off Broadway Street at 6:00am. Doing that every single day starts to add up. Behan said those kinds of things

were not taken into account by the engineer. Behan said the engineers were here earlier and had to take off, but they were present to say that their estimate did not account for some things that were placed on the contractor. Behan said that probably accounts for about half of the 21%. He said the engineers look at pricing coming from other bids, but nobody is doing trails so they have to figure out what the materials and labor costs might be. The owner of JAG and another company were involved at the end of the design to provide ideas on how to save money and what costs might be. Behan said he thinks they have good costs from JAG. The costs are less than they thought they would be last fall, but more than the engineer's estimate.

West thanked Behan for keeping after this project. She said she used to babysit for the people in the 808 house and spent a lot of time there. She said it's slick and dangerous and there is unsafe activity that happens in the corridor so connecting it will change the whole environment for the better. She is very excited for it to be in place.

Moe said there is adequate capacity in URD II for this project under Public Works contingency.

BROCK: I MOVE TO APPROVE A CONSTRUCTION CONTRACT WITH JAG GRADING AND PAVING, INC. IN AN AMOUNT UP TO \$357,406 FOR CONSTRUCTION OF THE BITTERROOT TRAIL – PINE STREET LINK AND AUTHORIZE THE CHAIR TO SIGN ALL NECESSARY CONTRACT DOCUMENTS.

Behan asked that the Board add that staff has the ability to change funds between the Engineering Design and Construction budgets.

BROCK: I ACCEPT THAT AMENDMENT.

Reineking seconded the motion.

Jones asked whether the authority to exchange the funding has been done in the past. Behan said no. He said it is a creative way to not have to come back to the Board and to be able to have the flexibility at staff level to make needed redesign adjustments within the overall project budget. Buchanan said one of the balancing acts staff does is to try and allow projects to proceed timely. When they are complicated projects like this one, staff knows there will be changes, particularly once they get into the field. She said one of the ways that the Board has dealt with that in the past on projects like Silver Park was to increase Buchanan's authority to approve change orders to \$10,000 so they didn't have to stop work and come back to the Board for an \$8,000 change order. She said if the Board desires, they can increase her authority to approve changes on this project from \$5,000 to \$10,000 instead of authorizing the ability to change funds between the budgets. Buchanan said her preference would be to change staff authorization to \$10,000 on this project so they can respond to the moving landscape going on and she can report changes at the Board meetings.

Jones asked if the concern comes from this project being so complex. Buchanan said yes. She said it is not any simpler than when MRA started on it ten years ago. She said she thinks once they get out on the ground there will be more discoveries. Moe said her

preference is to use the procedure that has been used in the past and increase Buchanan's approval authority to \$10,000 for this project. When any approvals are made she would like them reported at the subsequent Board meeting.

Reineking withdrew her second on the amended motion.

BROCK: I WITHDRAW MY AMENDED MOTION.

BROCK: I MOVE TO APPROVE A CONSTRUCTION CONTRACT WITH JAG GRADING AND PAVING, INC. IN AN AMOUNT UP TO \$357,406 FOR CONSTRUCTION OF BITTERROOT TRAIL – PINE STREET LINK AND AUTHORIZE THE CHAIR TO SIGN ALL NECESSARY CONTRACT DOCUMENTS.

Reineking seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

BROCK: I MOVE TO APPROVE THE MRA DIRECTOR TO AUTHORIZE UP TO \$10,000 IN CHANGE ORDERS OR CONTRACT MODIFICATIONS RELATED TO THIS PROJECT.

Reineking seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

West Broadway Island (URD II) – Request to Approve Change Order #1 (Behan)

Behan said the Board approved a construction contract to do a modified version of the West Broadway Island project at the December 2018 meeting. Originally the design had two bridges and a gravel trail linking the two bridges on the island. It also included north shore improvements and vegetation replacement. Behan said the plant replacement work is being done by the Open Space and Conservation Lands division of the Parks Dept. Other parts of the project, including the north shore, can be folded into a bigger effort down the road to look at pedestrian and bicycle activity in the area because the new Russell Street bridge will change everything down there. Behan said when the project was approved, and if MRA could find the money, staff wanted to add the trail back in. Now that the scope has changed there are funds available to put in a compacted gravel and clay trail similar to what was on the south side of the river for many years before it was paved. Behan said the staff recommendation is to add the trail back in and approve Change Order #1 for an amount not to exceed \$49,570. He said Frontier West, Inc. is the contractor on the project and JAG Grading and Paving, Inc. is the subcontractor. Behan said when staff looked back at the original bids the material costs are now substantially less and the labor costs are comparative.

JONES: I MOVE THE BOARD APPROVE CHANGE ORDER #1 TO THE WEST BROADWAY ISLAND PROJECT CONTRACT WITH FRONTIER WEST INC. IN AN

AMOUNT UP TO \$49,570 TO BUILD A COMPACTED CLAY AND GRAVEL TRAIL ALONG THE SOUTH HELLGATE IRRIGATION COMPANY DITCH AS ENVISIONED IN THE ORIGINAL PROJECT DRAWINGS AND AUTHORIZE THE CHAIRMAN TO SIGN ALL NECESSARY CONTRACT DOCUMENTS.

Reineking seconded the motion.

Moe noted that this money also comes out of Public Works contingency for URD II.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

NON-ACTION ITEMS

Moe said the Design Excellence overlay has a component in it that addresses recycling and deconstruction. She said she would like the Board and staff to think about how, if there is a project like AC Hotel, there is a way to encourage recycling from that business as a whole so that they can segregate papers, glass, metal, etc. as part of their project. She said MRA has a history of encouraging landscaping, but MRA pays for it. She said this is a task that maybe isn't done by the contractor who is building it, using the AC as an example, but done by whoever owns and runs the business or tenants in a building. She said they tried to encourage it when her business was in the ZACC building, but the owners of the building said there were some problems and could not set that kind of recycling up. Moe said she is just asking that MRA consider zero waste and think about how they can encourage it.

Buchanan asked if it would be helpful to bring Chase Jones, Energy Conservation Coordinator for the City, to the Board to do a presentation. Moe said she thinks that would be helpful. Reineking said she is wondering how Moe expects MRA to participate in that because, as she mentioned, when there is a concern for public ROW and landscaping the MRA pays for it. She said this doesn't fall under any of the categories approved by state law. Reineking suggested asking Jim Nugent, City Attorney, if there is something MRA can do. Buchanan said TIF funding is not an entitlement and MRA can demand a higher standard for the use of TIF. With the façade program MRA built in the sustainable/green aspects but it also pays for those upgrades. Buchanan said the other thing to think about is what MRA can legally pay for that would make a building more sustainable or greener, which is very limited. She said staff can research some things and have Chase Jones come to talk about "Zero by Fifty" and ideas he has seen in other places and then do a brainstorming session.

Reineking said she did not make it to the Innovate UM conference, but that Grant Kier, Missoula Economic Partnership, mentioned that they had sent invitations to the MRA Board but she did not receive one. She said she was wondering if there was something that would make a worthwhile presentation to the MRA Board and if there is anything that MRA can participate in. West said a link will be sent out for all of the presentations that happened and it should be available soon. Moe noted that she did not receive an invite. Brock said she got an email.

West said she is the Project Manager for Lee Gordon Place, a seven-unit permanently affordable Community Land Trust development on Front Street. MRA paid for the deconstruction of a home that was on the property as well as public ROW improvements and minor site-work. She said the Community Land Trust Model keeps the land tax-exempt but all of the units do pay into the tax base. She said there will be at least a three-fold increase to the tax base.

West said the units are almost finished and NMCDC just received temporary Certificates of Occupancy. She said they have painting and landscaping left to do. West said the NMCDC has seven homebuyers lined up, but before they are purchased she wanted to offer the MRA Board the opportunity to come see them. She said they are also going to have a ribbon cutting on May 10th at 3:00pm followed by a gathering at the Union Club at 4:00pm.

STAFF REPORTS

Director's Report

Buchanan said the housing policy work is winding up at this point and the schedule has it going to City Council for discussion in May. She said a lot of work has been done on it with a lot of participation by a number of people. She said she was happy to see if Eran Pehan, Director of Housing and Community Development, could come to an MRA Board meeting and give a briefing of where it is. Moe said if the agendas allow time it would be nice to have a presentation.

Buchanan said the Downtown Master Plan consultants will be back in town May 21-23. The Board will get an invitation to a joint meeting of the Business Improvement District (BID) Board, Missoula Parking Commission Board (MPC) and the MRA Board on the afternoon of May 21st in the Jack Reidy Room. A public presentation will be given May 22nd. Buchanan said the Steering Committee for the Downtown Master Plan are already getting draft chapters from the consultants to review and comment on.

Behan said the Hotel Fox group has come a long way but have run into some difficulties. The investors in the core group felt like they could get most of the project on the Fox site financed by going through their rolodex. It hasn't worked out that way so they are working with a broker now. He said the design has been refined to the point where the costs for the interior are much better than before. In the meantime they are running close to the deadline of when they are supposed to deliver an entire package of design and then financing to the City. Hotel Fox have asked that they be granted an extension which will need to be done before the next Board meeting. Behan said staff will reach out to the Board to set up a Special Board meeting to consider the request.

Moe asked if staff has an idea of how long an extension they are asking for. Behan said they are asking for six months but staff will recommend one year. Buchanan said if they turned their architects loose today and asked for a full set of plans for permitting and pricing they could not do it in six months. She said staff is recommending one year because they don't want to keep coming back for little extensions. She said one encouraging thing is that they are getting ready to move forward with remediation of the Broadway buildings they bought from Providence Health Center. The thrift store there has found a new home so that building can also be remediated. There are Brownfields Revolving Loan Fund (RLF) funds earmarked for that but it still has to go through City Council. There is a deadline for that

money to be spent. Behan said Barry Fisher suddenly passed away a few months ago. He said Fisher was an amazing person and kept a lot of the parts moving and had done it all over the world. Buchanan said it was a stunner and a setback for Hotel Fox to try and figure out all the things Fisher knew and all the balls in the air.

Jones said she enjoyed the participation by City Council today and said they had very good questions. She said there has been some debate about MRA in the public and the City Council fields those questions from their constituents rather than MRA. She said there is still a lack of education about how much work MRA staff does and how much expertise staff brings to the table before it gets to the MRA Board meeting, as well as the wealth of backup material that is summarized for the Board at the meetings. Jones said it occurred to her that perhaps what might be helpful is on the information that is available for some of the memos, if there were more of the granular backup data available to the public by link for some of the projects. She said it may be helpful to City Council members to have the information they need to answer some of the questions they get. She said as a Board member she understands that staff doesn't provide all of the backup information to the Board because it isn't the scope of what the Board is doing. The work is done by staff and the Board relies on staff's expertise, which Jones said she has observed as hugely competent. However, she said City Council may need some of that information to answer some of the questions they field. Jones said she wasn't suggesting it be included in the packet of information, but maybe a link could be added online to more data.

Buchanan said that sounds like what City Council is looking for and they want that more granular information. She said if it is going to be provided to City Council for Resolutions of Intention or approval of Development Agreements then it may as well be provided to the Board on the front end. Jones said the Board knows that staff has done all of the analysis and there is documentation, which is sometimes attached. She said she doesn't want that information because she knows staff has done the work and has the expertise to look at it and see if it is reasonable and acceptable. However, she said City Council may have varying levels of need for that information depending on the questions they are getting. Buchanan said it could also help them distinguish how different the apples and oranges are. Deconstruction will vary with every single project and there is no rule of thumb for the square feet involved, etc. She said it is not a problem to provide the information. Moe agreed that MRA should give City Council the support they need with the figures it has.

Buchanan said the other part of this is that staff doesn't have the expertise to know what demolition or deconstruction of the old Firestone building should cost. The contractor is giving the developer the numbers. Staff's check and balance is that it gets copies of paid invoices for the work the MRA Board has approved that shows what it costs at the end of the day. The developer doesn't get reimbursed if they didn't spend the money. She said what staff doesn't need to be doing is becoming project cost estimators and telling contractors their numbers are wrong. Moe reiterated that MRA only pays off of paid invoices. Jones said recent action has demonstrated that contractors and developers need to put a lot of time and effort into making their estimates as firm as possible on the front end because if they're wrong on the back end they will pay the price of that on their own. She said there is a lot of incentive for them to be diligent in their estimates.

Budget Reports

COMMITTEE REPORTS

OTHER ITEMS

ADJOURNMENT

Adjourned at 2:25 p.m.

Respectfully Submitted,

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

Lesley Pugh