

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

August 17, 2010

FINAL

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

Those in attendance were as follows:

- Board:** Hal Fraser, Nancy Moe, Rosalie Cates, Daniel Kemmis, Karl Englund
- Staff:** Ellen Buchanan, Chris Behan, Kari Nelson, Tod Gass, Lesley Pugh
- Public:** Dax Kuehn, River Road Neighborhood; Lori Davidson, Missoula Housing Authority; Linda McCarthy, Missoula Downtown Association; Pat Corrick, Farran Group; John Paoli, Inkstone Architecture

APPROVAL OF MINUTES

July 20, 2010 Regular Board Meeting Minutes were approved as amended.

PUBLIC COMMENTS & ANNOUNCEMENTS

Behan announced that Staff has been meeting with Mike Grunow, owner of Trails End Bar. He will be coming to the MRA with a request.

Dax Kuehn, River Road Neighborhood, came to share the Neighborhood's appreciation and thank the Board for the sidewalks and all the wonderful work MRA does. He presented the Board with a "thank you" that was signed by several residents in the River Road Neighborhood.

STAFF REPORTS

Director's Report

North Higgins

Buchanan said the North Higgins project is on schedule. The second week of September is the projected completion date.

TIGER II Grant Application

Buchanan said the City has been notified by the offices of Senator Tester and Max Baucus that the appropriations request that's been submitted for the last three years to fund the construction of Cregg/Wyoming, rebuild of the railroad trestle, and other things that the TIGER II grant is applying for, has gone through subcommittee and the Senate

Appropriations Committee in a reduced form (\$1.8-\$5). She said they're told it has a 95% chance of surviving Washington, but nothing will be funded until after the election. In the meantime, Buchanan said the City made the decision to apply for a TIGER I Grant which was not successful. TIGER II requires a match, which TIGER I did not, and so they focused on the same area and included additional items. She said there's an \$18 million total project cost, and roughly \$14 million is the grant application and the match is made up by the value of the right-of-way that Millsite Revitalization Project (MRP) will dedicate within the Old Sawmill District development, including some SIDs and TIF funding. She said it will build the Old Sawmill District streets and put the backbone in place for the Cregg/Wyoming connection, Clearwater Lane and Silver Parkway. It also completely rebuilds California St. from the river down to 2nd St. It rebuilds River Road and raises the elevation of that road approximately three feet so it becomes a dike and they can ultimately apply for modification to the flood plain in that area. It improves Wyoming all the way out to Russell to be a complete street and improves the trails in the vicinity.

Buchanan said at the July meeting the MRA Board approved paying for half the cost of the TIGER II Grant application preparation. She said whether it's funded or not, it gives the riverfront neighborhood a great infrastructure plan.

Kemmis said he doesn't understand how the match is a contribution of right-of-way from property that MRP doesn't own. Buchanan said they have worked out an agreement with the Silver Foundation that will let them, even without purchasing the fee, donate the right-of-way and put a value to it. She said the bulk of the City match has always been envisioned to be SIDs.

ACTION ITEMS

Caras Park Improvements – Front St. URD TIF Request

Buchanan said the Downtown Foundation has made the decision to embark on a fundraising campaign for much needed improvements in Caras Park. They are looking at raising \$160,000 by this fall and ultimately \$500,000 over the course of three years. She said MRA has invested over \$1.6 million in the Park over the years for multiple projects. Buchanan said the Missoula Downtown Association (MDA) has asked MRA to do a multi-year pledge to help with the improvements. MDA has pledged \$25,000 per year for three years and is asking MRA to do the same.

Linda McCarthy, Director of the Missoula Downtown Association, gave a Power Point presentation to the Board regarding the proposed improvements to be made in Caras Park. She said the MDA, as a 501c6 organization, was unable to apply for a significant number of grants that fall in line with the mission of what they do in the Downtown. Through the partnership with MRA, BID, and the Parking Commission, the Downtown Foundation was created which will allow for tax exemptions for contributors and allow them to apply for grants that were previous ineligible. She said to date, they have raised over \$25,000 in business contributions. The Foundation also submitted an application to the Tourism, Infrastructure and Investment program asking for \$80,000.

Kemmis asked about the possibility of replacing some of the surface parking with structured parking in Phase 3. McCarthy said the Greater Downtown Master Plan calls for relocating a lot of the surface parking adjacent to Caras Park into structured parking. McCarthy referred to the proposed parking structure near the First Interstate Bank building, a proposed parking structure in the Cultural District in cooperation with a museum and performing arts center, and a parking structure proposed for the Orange & Broadway area. McCarthy said the parking structures can serve Caras Park, but they don't want to take parking out without putting it in first. Buchanan said this campaign does not build parking structures.

Cates asked if the \$75,000 donation takes up the City portion (\$50,000) on the fundraising chart. Buchanan said the thought process is that MRA's donation does not become the City's contribution. McCarthy said they'd like to see Parks & Rec be a donator at some point, but they're currently not in a position to do that.

Moe asked if Parks & Rec thinks the changes will noticeably increase the amount of time they will need to spend in that area. McCarthy said she spoke with the Parks & Rec Board last week and Parks staff wants to be involved with the construction plans and how the systems get put into place. She said they're not in a position to necessarily be actively involved from a staffing or a revenue perspective. They do want to see the grass kept with an irrigation system in place. She said she doesn't know if it will reduce the amount of time they spend in the Park.

MOTION

ENGLUND: I MOVE APPROVAL OF THE REQUEST FROM THE MISSOULA DOWNTOWN ASSOCIATION TO ALLOCATE \$75,000 IN INCREMENTS OF \$25,000 PER YEAR FOR THREE YEARS AS A MATCHING FUND FOR THE CAMPAIGN FOR CARAS AND THAT THE FUNDS ARE OBLIGATED IN THE FY11, FY12 AND FY13 FRONT STREET URBAN RENEWAL DISTRICT BUDGETS IF MDA IS SUCCESSFUL IN SECURING ADEQUATE CONTRIBUTIONS TO MATCH THAT AMOUNT. Moe seconded the motion. 5 ayes, 0 nays. Motion passed unanimously.

Change tape 1 s1/s2

URD III Residential Curb & Sidewalk Project – Phase 2 Mailbox Purchase – Request for Approval

Gass reviewed his memo. The mailbox purchase for Phase 2 will be handled in the same manner it was for Phase 1. MRA will purchase the mailboxes from mailboxexchange.com, they will be delivered to the main Post Office and installed by them. Gass said the Post Office has agreed via email that they will provide long-term maintenance of the mailboxes. He said MRA and Territorial Landworks, Inc. (TLI) are seeking a letter to memorialize that.

Moe asked how people with disabilities will get their mail. Gass replied the resident can work with the Post Office on this issue. He said they will need to get a doctor's note to

get it delivered to their door. Moe asked how the residents will know this. Gass said MRA included it in a letter to the residents.

MOTION

KEMMIS: I MOVE THE BOARD ACCEPT THE MAILBOXIXCHANGE.COM QUOTE AND AUTHORIZE THE STAFF TO PURCHASE THE MAILBOX CLUSTER UNITS FOR PHASE 2 OF THE URD III RESIDENTIAL CURB & SIDEWALK PROJECT IN THE AMOUNT OF \$10,205.86. Cates seconded the motion. 5 ayes, 0 nays. Motion passed unanimously.

NON-ACTION ITEMS

Presentation by the Farran Group Regarding Mixed-Use Development on the Garden District (Former Intermountain Lumber Site)

Behan introduced this proposal by the Farran Group for a development in the Garden District. Behan said Staff is looking for guidance on this item. He said the Farran Group would like Staff to provide a letter to a lender saying that certain items are eligible, not committed, for MRA assistance. Pat Corrick with the Farran Group reviewed their proposal for the site. Lori Davidson, Missoula Housing Authority (MHA) and John Paoli, Inkstone Architecture, were present and have been working on this with the Farran Group.

Corrick said the development will have 196 market-rate units with a mix of studios and one and two bedroom units. It will also have a clubhouse with weight room, conference center, computer facility, great room with kitchen, a spa, pool and staffed offices. Along Russell Street they have programmed in 15,000 sq. ft. of neighborhood retail which will be done in a future phase. However, since it's the primary entrance to the residential, Corrick said they will build out all of the infrastructure and some landscaping.

Davidson said the MHA would like to move their offices to the site. They are working to see if there's enough room for their offices and if there will be enough parking to get by. She said one of her goals is to get the MHA's offices closer to Downtown and this would be a good way to do that. The MHA is also talking about adding some public or mixed housing and having a shared parking agreement.

Corrick said at this point, they're looking at \$17.4 million to build the project out. As listed in the Farran Group's memo, there's \$952,000 worth of items eligible for TIF funds. Buchanan said this is one of the properties that MRA excluded from being required to debt service the 2006 bond that was issued, along with Safeway and the Old Sawmill District. Fraser asked what the expected tax revenue will be three years from now. Corrick replied around \$170,000. Corrick and Paoli reviewed the green aspects of the project.

Moe asked what impact they think the project will have on Russell St. and what will they do to make sure people can use the trail to get across Russell. Corrick said his understanding is that the trail is programmed to go underneath Russell. Paoli said they

have other access to the site than just Russell St. This project will have access off the new street, Milwaukee Street, which was platted by the City.

Change tape 1/tape 2

Englund asked what the Farran Group wants the letter from MRA to say. Behan replied they'd like it to say that based on the items listed, TIF would be available to the project from MRA. Behan said it is understood by the developer that the letter is not a pledge or commitment to provide TIF to the project. Moe asked if the criteria need to be spelled out now. Corrick said he didn't think so and the letter just needs to talk about the District and its purpose, and state that the eligible costs meet the criteria. Fraser suggested that Behan draft a letter and submit it to the Board for comments.

Cates exited the meeting at 1:00.

PCI Professional Services Agreement Amendment: Add Landscape Phase to Scope of Work (4,400)

Gass wanted to let the Board know that Staff is working with PCI, the engineer for the Catlin/Wyoming Project, on the landscaping phase to put in street trees and grass in areas that were disturbed during construction. PCI has given MRA the draft proposal for this phase and the cost is \$4,400. This amount is within the Director's approval limit. Gass said they hope to bid this at the beginning of September and have the trees in place next spring. He said as part of this, they're looking at doing two-year maintenance to have someone water and care for them.

COMMITTEE REPORTS

OTHER ITEMS

ADJOURNMENT

Meeting adjourned at 1:30.

Respectfully Submitted,

Lesley Pugh
Secretary II