

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

October 15, 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, Daniel Kemmis, Rosalie Cates, Ruth Reineking

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

Public: Chris Anderson, DJ&A; Peter Walker-Keleher, DJ&A; Jeremy Keene, WGM Group; Robert Rivers, Imagine Nation Brewing; Fernanda Krum, Imagine Nation Brewing; Bill Wyckman, Lambros Real Estate; Ed Coffman, Lambros Real Estate; Malcom Lowe, The Loose Caboose, LLC.

CALL TO ORDER

12:00 p.m.

APPROVAL OF MINUTES

September 17, 2014 Regular Meeting Minutes were approved as submitted.

PUBLIC COMMENTS & ANNOUNCEMENTS - None

ACTION ITEMS

Imagine Nation Brewery – 1151 W. Broadway (URD II) – TIF Request (*Buchanan*)

Buchanan said Imagine Nation Brewery is requesting Tax Increment Financing (TIF) assistance for work that is being done in the public right-of-way (ROW) on West Broadway. She said the work in the ROW includes sidewalk, curb, street trees, decorative street lighting, and asphalt removal. Buchanan said at the September Board meeting it was discussed that Imagine Nation's portion of the parking lot improvements be done in conjunction with the public section of the parking lot so that the entire parking lot project be completed under one contractor. She said the costs have been

divided to show the amount needed for the ROW, the private section and public section of the parking lot. Buchanan said the TIF request not to exceed \$65,000, is to fund the public ROW improvements at 1111-1151 West Broadway.

Robert Rivers, Imagine Nation Brewery, said the project is moving forward and is confident the project will help make the City a better place. He said he is grateful for MRA's consideration in assisting with the Imagine Nation Brewery project.

Moe asked if the TIF request would be used for improvements in the public right-of-way. Buchanan said the TIF request would be used for curbing, landscaping, street trees, street lighting, and would be used to remove an old driveway and replace it with a sidewalk so that there are two driveways rather than three. Moe asked if there were drawings showing these improvements. Buchanan showed the landscape drawing. Moe asked if the drawing included Morrison-Maierle's feasibility determination of the Riverfront Trail going through. Buchanan said the Riverfront Trail feasibility was part of the West Broadway Island project which is separate from this project.

Moe asked if there was an estimate on new taxes that would be generated from the brewery for tax increment. Buchanan said the new taxes generated from Imagine Nation Brewery are not known at this point in time but the new taxes generated will be based on equipment needed for the brewery rather than the building itself since the building is being renovated, not enlarged.

Moe asked who will maintain the landscaped area in the ROW. Buchanan said maintenance of the ROW is defined by the Parking Easement Agreement and it specifies what the City and property owners are responsible for maintaining.

Reineking asked if the parking lot lighting and ROW lighting would have an impact on neighboring buildings such as the Poverello Center. Buchanan explained that the lighting would be governed by the Dark Skies code and would not impact adjoining properties. Buchanan said two decorative street lights, rather than cobra lights, are planned for the City's portion of the project. She said the plan is to incrementally change the look of Broadway.

Kemmis asked if an itemized cost breakdown was available to show for the \$65,000. Buchanan said the site work for the ROW is roughly \$6,000, asphalt replacement is estimated at \$2,000, landscaping is about \$9,000, lights are estimated at \$25,000 plus a contingency and fee amount for all of these items. She said even though the requested amount is \$65,000, MRA will only reimburse the amount that is expended. Moe asked that the figures be part of the request in future staff memos.

Englund asked Robert Rivers and Fernanda Krum their thoughts of the ROW improvements. Rivers said he supports the lighting which will provide safety and security on that block. He said he and Krum have reached out to the surrounding neighbors and said he hasn't heard any complaints from the neighborhood.

KEMMIS: I MOVE THAT THE MRA BOARD APPROVE THE REQUEST FROM IMAGINE NATION BREWING CO. TO FUND IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY AT 1111-1151 WEST BROADWAY IN AN AMOUNT NOT TO EXCEED \$65,000 AND AUTHORIZE THE BOARD CHAIR TO SIGN A DEVELOPMENT AGREEMENT.

Moe seconded the motion. No further discussion. Motion passed unanimously. (4 ayes, 0 nays) Cates absent.

Imagine Nation/West Broadway Parking – 1111 W. Broadway – Construction of Public Parking (URD II) – Additional TIF Request (Buchanan)

Buchanan said at the September Board meeting, the Board approved up to \$35,000 for construction of the recently acquired parking lot at 1111 West Broadway. She said the \$35,000 was a rough estimate for landscaping, site lighting, curbing, and some asphalt removal. Buchanan said since then, bid prices from Imagine Nation's contractors have been received for improvements in the ROW, the City's portion of the parking lot, and the property owner's portion of the parking lot. She said Miller db, Inc, Imagine Nation's lighting contractor, recommended three lights in the City's portion of the parking lot to address security issues. Buchanan said she recommends the Board approve an additional \$15,000 in TIF funds, which brings the total request to \$50,000 for the City's parking lot improvements.

Moe asked if the light fixtures would all be the same. Buchanan said a shoe box fixture would be used in the parking lot which is different from the street lights. She said the parking lot fixtures, which are common in commercial lots, would be the same as the lights used in the courtyard of the Poverello Center.

Moe verified that the landscaping wouldn't be affected by construction and would be complete once the asphalt was placed. Buchanan said that was correct. Reineking asked if the parking lot lights were going to be consistent throughout the whole parking lot. Buchanan said that was correct.

Englund asked what MRA paid for the City's portion of the parking lot. Buchanan answered \$115,000. Englund asked if the total project cost for the City's permanent parking lot is \$165,000. Buchanan said that was correct plus the City gained additional trail easements.

REINEKING: I MOVE THE MRA BOARD APPROVE AN ADDITIONAL \$15,000 FOR IMPROVEMENTS TO THE CITY PARKING LOT AT 1111 WEST BROADWAY, BRINGING THE TOTAL APPROVED TO \$50,000.

Kemmis seconded the motion. No further discussion. Motion passed unanimously. (4 ayes, 0 nays) Cates absent.

Brooks Street Corridor – Remaining Design (URD III) – Request to Award Professional Services Agreement (Gass)

Gass said Jeremy Keene, WGM Group, presented a 30% design for the Brooks Street Corridor Plan to the Board last August. He said the plan outlines goals and objectives, design criteria, and a preliminary design for Phase 2 and Phase 3 for the proposed Brooks Street Corridor streetscape improvements between Reserve Street and Dixon Avenue. Gass said the plan provides a guideline for implementing safety enhancements to Brooks Street that were identified in a Montana Department of Transportation (MDT) Safety Audit completed in 2012. He said the goal for Phase 3 includes landscaped medians on Brooks Street.

Gass said at the August meeting, the Board directed staff to issue a Request for Proposals (RFP) for final design and engineering of the project, bidding, and construction administration services to construct the next phase of improvements. He said two firms responded to the RFP and WGM Group was selected as the project engineer.

Gass said Phase 2 of the Brooks Street project includes street lighting, landscaping, bike lanes, potential on-street parking, and bus stops along the 2,850 foot stretch of Brooks Street. He said Phase 2 also includes pedestrian refuge crossings near McDonald Avenue and Americans with Disabilities Act (ADA) compliant sidewalk ramps. Gass said Phase 3 of the Brooks Street project includes the installation of landscaped medians, a new traffic signal at the intersection of Brooks Street and McDonald Avenue, if warranted, and a pedestrian refuge crossing near Eaton Street. Gass said part of WGM's scope of services will also include extensive public involvement and individual meetings with landowners as well as involvement with MDT.

Gass said Phase 2 will transform Brooks Street from a "highway" arterial to a functioning urban street. He said WGM Group and MRA have agreed on a scope of services and budget that provides for an extensive public process to achieve final design, completing the bidding, construction administration and project close-out for the Brooks Street improvements on an hourly rate basis plus direct expenses with a cost not-to-exceed \$279,132.06.

Keene said he appreciates the opportunity to work on this project. He said the Brooks Street improvement plan has been in the planning stage for almost fifteen years and said the completed project will significantly impact the look of Brooks Street. Keene said the Urban Land Institute (ULI) study talked about public infrastructure being a key part of District III. He said the Brooks Street project will comprehensively impact the corridor and will provide safety and aesthetic improvements.

Two firms submitted proposals for the Brooks Street Corridor. Reineking asked what the difference was between WGM's proposal and the other firm's proposal. Gass said WGM's proposal was very specific and they submitted a plan that achieves the needs of the corridor as a whole.

Kemmis said the requested amount is a large dollar amount and would like to see a rough itemization of costs. Gass said itemized costs were included in the proposal within the scope of work. He said over 2,000 hours were budgeted for the project which included over 30 meetings with the public, landowners, MDT, and City staff. Buchanan said WGM and MRA will be asking MDT for a number of design exceptions which will require a number of meetings both at the local level and state level. Keene said the cost also includes the design and construction administration services. He said about \$145,000 is for the design phase and the remainder would be for the construction phase.

Kemmis asked if some of the work with landowners would establish a portion of the basis for Phase 3. Keene said the plan is to present the Brooks Street Corridor project as one project. He said the medians may not be done for a few years but landowners will be provided the information so any issues or questions can be resolved. He said knowing about the medians will also be beneficial for landowners who plan to redevelop in the future. Keene said the landowners will at least be aware that the future plan includes medians.

Moe said the memo describes two pedestrian refuge crossings, one at McDonald Avenue and the other at Eaton Street, and asked if the crossings would be established in Phase 2 or Phase 3. Gass said Phase 2 would include the pedestrian refuge near McDonald Avenue and Phase 3 would include the pedestrian refuge near Eaton Street. Moe said when a pedestrian traffic light was discussed at a previous Board meeting; she said she thought Buchanan had mentioned the light at Brooks Street and McDonald Avenue wouldn't be implemented until many years down the road. Buchanan said a traffic light can't be installed at Brooks Street and McDonald Avenue until traffic signal warrants are met. She said a traffic light warrant study has not been conducted for this intersection at this point in time. Buchanan said when the State did the warrant study for the Dore Lane and Brooks Street intersection, the traffic light was originally not warranted but a traffic light at the intersection of Brooks Street and McDonald Avenue was suggested. She said a traffic light at the Dore Lane and Brooks Street intersection was warranted after a second warrant study was completed which, factored in the new retail development at South Crossing (old Kmart site). Buchanan said MDT suggested allowing the retail stores at South Crossing to open and function for a while before doing a warrant study for a traffic signal at Brooks Street and McDonald Avenue.

Keene said the traffic light at the intersection of Brooks Street and McDonald Avenue has to be warranted before a signal can be added. He said funding for the Brooks Street Corridor improvements project is shared between MRA and MDT, where MRA will fund Phase 2 and MDT will fund Phase 3. Keene said it is unknown as to when this project will fit into MDT's funding program. Moe said the memo states a pedestrian refuge crossing will be installed near Eaton Street and asked if that would also be completed in Phase 3. Keene said that was correct.

Reineking said the memo states “the proposed scope of services budgets ample time to work closely with MDT, the City, and other stakeholders to reach agreement on the design standards”. She asked when the design results were expected. Keene said the design of Phase 2 has to first be agreed upon and approved by MDT and their designers as well as be approved by the State Transportation Commission. He said once Phase 2 is approved, then Phase 3 will be discussed and planning efforts will take place. Keene said meetings with existing landowners will take place to discuss both Phase 2 and Phase 3 since MDT has indicated that they prefer not to negotiate the access requirements for private properties in Phase 3. Englund asked how much planning for Phase 3 will be completed in Phase 2. Keene said the landowner meetings would be the only planning portion of Phase 3 that would be done in Phase 2. He said the actual design of Phase 3 will not be included in Phase 2. Englund asked how far the 30% design went in the MDT process. Buchanan said MDT has identified design exceptions required in order to build Phase 2 and potential median locations. She said the MDT Safety Audit of Brooks Street completed in 2012, strongly recommended the installation of medians, better lighting, and better signage along Brook Street. Buchanan said once Phase 2 is complete, depending on what is determined for Phase 2, MDT has indicated that they will build the medians when access agreements are resolved. Englund asked how far along MDT is in approving the 30% design for the Brooks Street Corridor. Keene said WGM Group submitted the 30% design to MDT in July or August 2014. He said if the request to move forward with the final design is approved by the MRA Board, then meetings with MDT will be held to receive their input on the 30% design. Keene said he’s confident that MDT will agree with most of the design but may have some questions or suggestions. Keene said the two main issues with MDT are agreeing on the lane width and on-street parking.

Englund asked how the original cost estimates compare to the requested amount. Buchanan said the original cost estimates included an estimated cost for the Brooks Street and Dore Lane intersection, an estimated cost for construction of Phase 2, and an estimate for 30% design. She said the cost of the intersection at Brooks Street and Dore Lane came in well below what was originally estimated. Keene said the costs have all fallen within or well below what was originally budgeted.

Moe asked if the estimated cost for contract administration was for the completion of Phase 2. Keene said that was correct. Moe asked approximately how much of today’s requested amount would be used for contract administration. Keene said it is estimated at \$110,000 for Phase 2. He said the breakdown is roughly 8% for contract administration and 10% for design of the estimated total construction costs of the project.

Englund asked what the comfort level is with MDT’s work and what MRA is wanting for an urban street. Buchanan said she is confident that the outcome will be an urban street.

[MOTION: STAFF RECOMMENDS THAT THE BOARD MOVE TO APPROVE THE PROPOSED SCOPE OF SERVICES AND BUDGET FOR FINAL DESIGN, ENGINEERING, AND CONTRACT ADMINISTRATION FOR THE URD III BROOKS STREET CORRIDOR IMPROVEMENTS – PHASE 2 FOR A COST NOT TO EXCEED \$279,132.06 AND AUTHORIZE THE BOARD CHAIRMAN TO SIGN THE CONTRACT.]

MOE: I MOVE (WE APPROVE) THE STAFF RECOMMENDATION FOR THE URD III BROOKS STREET IMPROVEMENTS FOR PHASE 2.

Reineking seconded the motion. No further discussion. Motion passed unanimously. (4 ayes, 0 nays) Cates absent.

South Reserve Street Trail Crossing – Final Design, Construction Documents and Construction Administration Services (URD III) – Request for Approval (Buchanan)

Buchanan said Missoula County received a Federal Transportation Investment Generating Economic Recovery (TIGER) Grant to construct a bicycle and pedestrian trail from Missoula to Lolo, which will link to the current trail from Lolo to Hamilton. She said the grant application included an at-grade crossing on South Reserve Street because of some constraints of the grant. After a couple lengthy Board meetings it was determined that a grade-separated trail crossing would be more ideal than an at-grade crossing. In February 2014, the Board authorized DJ&A to conduct a feasibility study to determine the best way to provide a safe and functional trail crossing at South Reserve Street. She said several meetings were held with property owners, stakeholders, City staff, Parks and Recreation, and other various user groups to discuss design concepts. Buchanan said since then, DJ&A has provided three different design concepts for a bridge over South Reserve Street. She said the public feedback of these concepts was pretty universal where a portion of one concept was preferred and a portion of another concept was favored, thus the third option which combined elements from the two original concepts. Buchanan said there are a number of issues that need to be resolved before moving forward with the final design. She said Chris Anderson, DJ&A and she have been working with Malcome Lowe, owner of Loose Caboose as well as Stockman Bank, the property owner, to discuss easement issues as well as impact issues and how existing businesses can be accommodated. Buchanan said DJ&A would like to present to the Board the design concepts with a few different options to consider within those concepts.

Anderson handed out a booklet of bridge alternatives and reviewed the information within it. He talked about the conceptual design workshop that was held and the numerous groups that were involved. Anderson said the goal of the workshop was to identify concepts by all user groups. He said there were many creative ideas discussed from an esthetic standpoint and a user standpoint. Anderson said with these ideas, DJ&A could then go back to the design table to develop plans and renderings.

Peter Walker-Kelleher, DJ&A, reviewed the public outreach part of the presentation and said the goal was to get the word out about the superstructure (bridge) and the trail extension. He said the public was educated on the bridge concepts including the two approach alternatives (river theme and spiral) and the superstructure alternatives (rectangular or arched). Walker-Keleher said comment cards were available for the public in which DJ&A received many great responses.

Anderson went over the cost estimates located in the booklet under the recommended alternative schedule. Moe said when the grade separated trail crossing was originally recommended, it was discussed that it would need to be removable to accommodate mega loads. She asked if the cost of designing the superstructure so it could be removed was included in the construction cost. Anderson said yes. He said the rectangular structure is the easiest bridge to move. He said the arch structure would be removable but would be more difficult. Anderson said DJ&A has been in contact with MDT to see what their requirements are to accommodate mega loads. He said MDT does not have standards to accommodate mega loads and said even though Reserve Street is not a mega load route; MDT did show interest in having a removable component to the bridge.

Malcome Lowe, owner of Loose Caboose, said he's proud to be a local business man, competing on Reserve Street. He said Ed Coffman, Lambros Real Estate, and he worked hard to lease this property from Stockman Bank and said he is looking at leasing this property for at least another 10 years if not 20 years. Lowe said the bridge will negatively impact the visibility of his business as well as the value of the property. He said he's in favor of a crossing so that the trail is accessible, but said he was not included in the early conceptual designs nor does he feel that other options have been explored. He said the renderings for the bridge do not include his business which he said causes him concern. Lowe said he feels that the plan for the bridge in this location was with the assumption that his business would just go away. Anderson said he and Lowe met and talked about the design concepts and the options of relocating the Loose Caboose on the property. He said Lowe has been involved with the development portion of the project but was not involved with the actual design charrette. Anderson said the purpose of the design charrette was to get a better understanding of the user group interests and suggestions before going back to the design board. Anderson said after discussions with Lowe about his concerns with his business, different design concepts and the possible relocation of his business on the property were discussed. Anderson said he feels that accommodations were made for Loose Caboose. He said the recommendation to the MRA Board is to approve final design contingent upon resolving issues with Loose Caboose, so he said he hopes Lowe doesn't feel like this project is being rushed.

Ed Coffman, Lambros Real Estate, said he and Bill Wyckman, Lambros Real Estate, helped Stockman Bank not only purchase the property on South Reserve Street but also helped them with the lease agreement and relocation of Aaron's and the lease agreement and remodeling of the area around the Loose Caboose. He said soon after Lowe was finished with the remodeling of the Loose Caboose area, they learned of the

bridge trail crossing at South Reserve Street. Coffman said he has not been involved nor was ever informed by MRA or DJ&A about the superstructure. He said the superstructure will decrease the property value of the new Aaron's location.

Moe asked if the estimates provided in the Bridge Alternative booklet included money for acquisition of property. Anderson said the acquisition of property is included in the estimates but exact dollar amounts are not identified. He said the estimated cost for land acquisition is located under the mobilization costs which are about \$400,000.

Englund said it is his understanding that the MRA Board is being asked to select a concept, not a final design, and settle on the cost options so that parameters are set in order to move forward. Buchanan said that was correct. She said there are still negotiations that need to take place that may or may not be successful. Buchanan said the Board is not being asked to approve a new scope of services for DJ&A to do a final design nor is the Board being asked to approve a dollar amount. She said if issues can't be resolved with regard to where the bridge is placed on either side of Reserve Street then an alternative plan will need to be considered. Anderson said he agreed with Buchanan and said he is hopeful that a resolution can be agreed upon by everyone including Aaron's and the Loose Caboose. Englund said, for clarification purposes, that there is no established bridge design but that the bridge idea is being considered and the Board is being asked to allow DJ&A and MRA staff to move forward with discussions and negotiations to see if the bridge can even transpire. Anderson said that is correct and said a 30% design has been established and they wanted to present the design concepts and possible costs associated with those design concepts to the Board. Wyckman asked if Stockman Bank is aware of the bridge design concepts and costs associated with those design concepts. Buchanan said she spoke with Bill Coffee, Chief Executive Officer of Stockman Bank, and he understands the bridge project and the need for a land easement if the bridge is located on Stockman's property.

Kemmis said based on the last sentence of the staff recommendation, he asked if it was true to say that nothing else will proceed until the needs of Stockman Bank, Aaron's, and the Loose Caboose are satisfied. Buchanan said that was true, that the Board will not be asked to approve a scope of services, a final design, or construction documents until all the parties' issues have been satisfied.

Kemmis asked for clarification of the motion and asked if the Board is being asked to select the design concept reflected in the preferred alternative and to set a maximum construction cost for that option. He asked if the remaining portion of the motion would include a not to exceed professional services fee that will be 10% of whatever the maximum construction cost is. Buchanan said there have been a few updates since she wrote her memo and said the recommendation today is for the Board to approve a design concept and a maximum estimated construction cost, to direct DJ&A to move forward with the additional design to fulfill the 30% design contract, and direct DJ&A to move forward with negotiating land easement agreements as necessary. Buchanan said as of today, the Board has approved a professional services agreement with DJ&A

for a 30% design with alternatives. Moe asked if today's motion should not include the statement "set a maximum construction cost for that option, approve a not to exceed professional services fee for final design, construction cost and authorize the Chair to sign a Professional Services Contract with DJ&A", that was stated and recommended in Buchanan's memo. Buchanan said that was correct.

REINEKING: I MOVE THE BOARD SELECT THE DESIGN CONCEPT THAT HAS THE GREATER PUBLIC APPROVAL WHICH IS THE ARCHED SUPERSTRUCTURE AND THE RIVER THEMED RAMPS, CONTINGENT ON SATISFYING THE NEEDS OF THE LAND OWNERS AND THEIR TENANTS.

Kemmis seconded the motion. No further discussion. Motion passed unanimously. (4 ayes, 0 nays) Cates absent.

NON-ACTION ITEMS

STAFF REPORTS

Budget Reports

Lee briefly reviewed the budget reports.

Director's Report

Russell Street Corridor Study

Buchanan did not have a Director's Report but gave a few updates. She said the consultants from the Sonoran Institute will be in town next week for a series of meetings to discuss the land use vision in regards to the Russell Street Corridor Study.

Front/Main Street Two-Way Conversion

Buchanan said the feasibility study for the Front/Main Street Two-Way Conversion Study should be completed by the end of the calendar year. She said staff met with the consultant team, MDT, Development Services, as well as other parties to talk about the feasibility of converting Front and Main Streets to two-way streets. Buchanan said based on those discussions, it seems that the two-way conversion will be feasible.

Hal's Walk

Behan said staff received approval from the Parks and Recreation Board to advertise an invitation to bid for Hal's Walk. He said bids were advertised and one submittal was received. Behan said it was a great submittal and the cost was considerably lower than what the MRA Board approved.

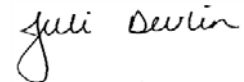
Silver Park – Public Art

Buchanan said she and Behan have been meeting with the Public Art Committee (PAC) and are involved with the process of reviewing submittals for the two public art pieces to be placed in Silver Park.

ADJOURNMENT

Meeting adjourned at approximately 2:05 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Juli Devlin".

Juli Devlin