

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

June 25, 2009

FINAL

A meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held at 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

Staff: Ellen Buchanan, Kari Nelson, Tod Gass, Jilayne Lee, Lesley Pugh

Public: Philip Maechling, Historic Preservation Commission; Jamie Lockman, MRA Rep to the HPC; Allie O'Connel, MCDC Intern

APPROVAL OF MINUTES

May 20, 2009 Regular Board Meeting Minutes were approved as submitted.

PUBLIC COMMENTS & ANNOUNCEMENTS

Historic Preservation Update

Philip Maechling, Historic Preservation Commission (HPC), passed around draft copies of the revised Historic Preservation Ordinance. He said the HPC and the University of Montana Law School have been working on a Preservation Ordinance that would both meet legal standards and work for Missoula. Maechling said the Plan is scheduled to go forward to the Planning Board for a public hearing on July 21st. He reviewed a map of areas that are on the National Register of Historic Districts. Currently there are no protections on the Districts. He said projects that require building permits will need pre-approval before having architectural drawings. Maechling did say, however, that there's no requirement that anyone do anything even if it is adopted.

Buchanan asked what the guidelines are for issuing a Certificate of Appropriateness. Maechling said the current guidelines are called the Secretary of Interior Standards for Rehabilitation. He said they're intended for new construction, not for preservation or restoration.

Buchanan asked about the status of the Downtown Historic Designation. Maechling said it's taken two years for the State Historic Preservation Office (SHPO) to try to get the map to coincide with the addresses. Buchanan said one concern she's heard is that if the Downtown designation happens and the Ordinance goes into effect, any infill projects might be subject to a Certificate of Appropriateness. Maechling said those are questions the City Council will need to deal with. He said they will decide whether or not projects will need that kind of review or some other review. Buchanan asked if the Secretary of Interior Standards works for brand new construction. Maechling replied they're intended to. Buchanan asked if an area would be subject to this if it's designated as a national register district and there's someone who wants to demolish a building that has not been deemed contributing. Maechling said the way it's written now there's a demolition delay of 60 days for contributing buildings and there is no delay for non-contributing buildings. Maechling says right now he signs every demolition permit. He said if

it's an historic building he tries to convince people to consider rehabilitating it unless it's a health issue or an absolute scraper.

Cates asked if this was informational only or something MRA needs to be thinking about. Buchanan replied there are some things in it that concern her. She said she's talking with BID and the MDA. She said the Front Street URD could have some issues.

STAFF REPORTS

FY09 Budget Status Reports – URD II, URD III

Lee reviewed the Budget Status Reports.

Fraser asked the Board, since he wasn't at the last meeting, if they were satisfied that there will be a clean enough appearance with the Tremper building considering they won't be able to bury all the lines. Moe and Cates said yes. Moe said they're reducing the number of poles from 7 to 3 and they're taking down the big transformer box. Buchanan said it will be a lot cleaner and there will be a sidewalk.

Cates asked if the new Montana Legislative Evaluation will cause chaos for the Finance Department. Buchanan and Lee said they don't know. Buchanan said Staff has tried to analyze the reassessment mitigation that was done and have asked the Dept. of Revenue to look over MRA's analysis of it and give feedback. Buchanan said MRA has not received any feedback. Discussion ensued.

Director's Report

Silver Park

Buchanan said the parking lot is out to bid. July 6th is the bid opening. The trail connection and the bridge over to the California St. Bridge will follow. She said the goal is still to put the entire Park out to bid this summer and see how the numbers come in.

Old Sawmill District

Buchanan said they're trying to get some new EPA/Brownfields money to do the methane abatement. She said there's an application turned in for reimbursement of what's being spent on the parking lot.

Front Street Parking Structure

Buchanan said the Buy/Sell with Macy's is complete. Currently they're working out the details on the Buy/Sell with the Holiday Inn. She said they continue to try and pin down the financing. She said the only way they can use New Markets Tax Credits is if First Interstate Bank buys the Tax Credits. Buchanan said First Interstate isn't sure they want to do that and she's directed Mae Nan Ellingson to do no more work on the Memorandum of Understanding (MOU) until it's resolved.

North Higgins Project

Buchanan said she's been working on this project to figure out a way to meet the deadlines. She said it has to be under contract no later than February 15th. She said they got the budget to where it needs to be and she wrote the Request for Proposals for Engineering Services. She said she wanted to talk to the Board about MRA's involvement and taking the project on. She said the dilemma is that if it's run by Public Works and has to go through all the normal approval, it will add four weeks to the process, making it almost impossible to meet the deadline. If MRA takes it on there will be a two week cushion at the end and if the City does it there's only a three day cushion. Buchanan said if the MRA Board is amenable then Staff will go to City Council and ask

them to request that MRA manage the front end of the process until it's under contract and then Public Works will step in and manage the construction. She said MRA will be compensated for its work because it's not in an URD and legally MRA can't spend money on Staff time for it.

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Moe asked what the authority for the Board action is. Buchanan said she believes the Board can respond to requests from the governing body to act as its agent. Cates suggested having Jim Nugent, City Attorney, look into it. Buchanan said the other option would be to invest it with the Business Improvement District (BID), but she said they don't have the staff capability to do it.

Moe asked who the contract would be between. Buchanan replied the City and the engineering firm and the City and the contractor. Moe asked if the Board action would be to make a recommendation to City Council. Buchanan replied it would be to award because if it's to make a recommendation to City Council then it adds time to the project. Moe said she doesn't think the question of who's signing the contract is answered. Buchanan said they haven't gotten to that level of detail yet. She said her intent is to see if it's legal, find out a structure, and see if the MRA Board is willing to allocate Staff to use time on it. Moe asked if Buchanan has talked with Public Works about it. Buchanan said yes and they absolutely want it done this way. Buchanan said she will get the questions answered and email the Board. Fraser said he's positive about the project and not losing any money that can be invested in Missoula.

Moe referred to the schedule Buchanan passed around. She asked what would be needed to find out the answer to the questions beside the asterisk. Buchanan said Doug Harby, Public Works, is working on that with the Community Transportation Enhancement Program (CTEP) people and they have committed to a quick turn around. She said once responses are in from the RFP, the MDT will have to look at the agreements before the Board would approve it. Moe said "look at" is a lot different than "concurrence and authorization". Buchanan said MDT has to concur with the agreements. Moe said that could throw the whole schedule. Buchanan replied, saying they understand that. Nelson said they are very motivated and committed to expedite something. Moe asked if that's been their pattern in the past. Nelson replied no, not really. Buchanan said the advantage is that if any of the stimulus projects fails it will be a black mark on the state as much as it is on the locality. She said she was told that Montana is the only state in the country that's letting local government use CTEP stimulus money.

Downtown Master Plan

Buchanan reported that the Plan got unanimous approval from the Planning Board. A referral has been put together for City Council and a public hearing has been set for July 27th.

ACTION ITEMS

Catlin/Wyoming Sidewalk Project – Request for Approval of Engineer

Gass said at the last meeting, Staff presented the Board with a sidewalk inventory in URD II and URD III. Gass identified target areas within the Districts for sidewalk curb improvement projects and the Board expressed interest and enthusiasm towards public infrastructure improvements in the Districts. The Board directed Staff to move forward with putting together curb and sidewalk projects and moving forward with a Request For Proposals (RFP).

Gass said MRA advertised and received proposals from several different engineering firms for Catlin/Wyoming Streets curb and sidewalk project and a Brooks St. commercial corridor sidewalk project. He said a selection committee was formed consisting of MRA and Public Works personnel to review the five proposals MRA received. They met and chose an engineering

firm to provide design engineering and contract administration. Gass said the committee selected Professional Consultants Incorporated (PCI). He said the Staff request is that the MRA Board authorize Staff to negotiate and enter into an agreement for professional services with PCI for design engineering and construction administration for the Catlin/Wyoming Streets curb and sidewalk project.

Moe asked if the existing curbs will be disturbed during sidewalk construction. Gass replied no and said they work around them to not disturb them. He said a lot of that was done on 14th St. Buchanan said generally they don't build sidewalks unless there's curb and gutter and they won't be built without it. Therefore some places only need sidewalks where other places need curbs and sidewalks.

Fraser asked Gass if he knew what it would cost if the Board authorizes Staff to enter into an agreement with PCI. Gass guessed 20% of what the construction cost will be. Moe asked what the total budget was for sidewalks in URD II. Buchanan replied \$1.9 million. Moe asked if the procedure is that Staff will submit individual projects that have been identified and bring them to the Board for approval. Gass concurred.

Discussion continued regarding extending the project area along Catlin, S. 2nd St. going west and the other street that goes in front of Sussex school. Gass said he will look into extending the project.

Buchanan said Staff is asking the Board to engage an engineering firm today. Then Staff will bring back to the Board what the extent of the project might be if it's not what the Board looked at today. Cates asked if Staff needed a dollar amount approved. Gass said the dollar amount will be negotiated with PCI and Staff will bring it back.

MOTION

CATES: BASED ON ALL THAT I'LL MOVE TO APPROVE AS PRESENTED. Moe seconded the motion. 3 ayes, 0 nays. Motion passed unanimously. Kemmis and Englund absent.

Brooks Street Commercial Corridor Sidewalk Project – Request for Approval of Engineer

Gass said MRA received six proposals for the Brooks St. corridor sidewalk project. He reviewed the project area, consisting of areas along the main artery and a block on either side of Brooks. Gass said this area will cost roughly \$573,000. Gass said the same group that met to review proposals for the Catlin/Wyoming project also met for this. He said they looked for experience negotiating sidewalk easements with private property owners and curb and sidewalk design along Brooks. Gass said the committee selected WGM Group as the engineering firm to negotiate sidewalk easements with private property owners and to provide design engineering and contract administration services for the Brooks St. commercial corridor. He said WGM group negotiated sidewalk easements along Brooks in a previous sidewalk project several years back. He said the Staff requests that the Board authorize Staff to negotiate and enter into an agreement for professional services with WGM Group to do the easement acquisitions, design engineering and contract administration. Gass said there are still some unknowns in this project such as landscaping and retaining curbs.

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MOTION

CATES: I MOVE WE AUTHORIZE STAFF TO ENTER INTO A CONTRACT WITH WGM GROUP FOR THE BROOKS STREET COMMERCIAL CORRIDOR SIDEWALK PROJECT. Moe seconded the motion. 3 ayes, 0 nays. Motion passed unanimously. Kemmis and Englund absent.

URD III Residential Sidewalk Project – Request for Approval

Buchanan said she did an analysis of what the entirety of the residential sidewalk deficiencies are in URD III and what MRA thinks the total cost will be to rectify them. She said Staff thinks there's more than adequate capacity in URD III to go ahead and make improvements in the low-income residential areas and do it in its entirety, even if URD III only has a six year life. She said there's a little over \$1.7 million in contingency right now. She said that will be reduced with the Brooks St. project, but this past year MRA had \$1.4 million in revenue and revenues should be in excess of \$1 million per year over the next six years. She said MRA hasn't had people beating down the doors to do projects out there. Staff has tried to drum up projects with the Master Planning that was done south of Bob Ward's and Buchanan said she's been talking with the Forest Service about the property on 14th, neither of which has come to fruition. Buchanan said she felt a project could happen on 14th and hopes there will be a bonding opportunity that revolves around affordable housing in URD III. Buchanan said Staff's analysis is that MRA has more than adequate capacity in the District to improve the quality of life in the residential areas without placing the burden for the sidewalks on property owners and tenants.

Buchanan said when this District was created the boundary line was run down the center line of the streets. Therefore, one side of the street is in the District and the other side is outside the District. She said it doesn't make sense to build a sidewalk on one side of the street and not the other. She said Staff has spoken with Mae Nan Ellingson about whether there's any precedent for doing work outside of the District that benefits the entire District. Buchanan said Ellingson strongly feels that it's absolutely appropriate and said there's language in the statutes relative to the Industrial Districts that acknowledges that. There's not in the Urban Renewal District statutes.

Buchanan said the options are to either take the position that building sidewalks on both sides of the street benefits the entire District and is therefore a reasonable expenditure of tax increment funds or adjust the boundaries. Buchanan said Staff is willing to do either. Buchanan said the recommendation is for the Board to discuss the boundaries and authorize Staff to issue an RFP for Engineering Services for Phase I.

MOTION

MOE: I MOVE THAT WE AUTHORIZE THE STAFF TO ISSUE AN RFP FOR ENGINEERING SERVICES FOR PHASE I OF THE FRANKLIN TO THE FORT NEIGHBORHOOD SIDEWALK PROJECT. Cates seconded the motion. 3 ayes, 0 nays. Motion passed unanimously. Kemmis and Englund absent.

Moe asked what the discussion amongst Staff was for doing the commercial section in URD III first rather than doing residential. Buchanan responded it was the Board's concern about whether MRA had the capacity to take on all of the residential. She said at the last meeting Staff asked for permission to do URD II and URD III commercial and residential and there was concern about the shortness of the life of URD III without bonding and the Board wanted more thought about how it would be phased. Buchanan said this is why it was brought back to this meeting this way. Moe said she didn't recall the Board emphasizing commercial over residential. Buchanan said the thought was that as projects happen along the commercial corridor, they're always going to

come to MRA and ask to build sidewalks because they're required. She said making it more walkable has been an emphasis of the URD III Plan from the beginning. Moe said she didn't object to it.

Lee asked the Board to discuss boundary amendments. Cates said she'd rather amend the boundary than be operating outside the boundaries.

NON-ACTION ITEMS

COMMITTEE REPORTS

OTHER ITEMS

ADJOURNMENT

Meeting adjourned at 1:25 pm.

Respectfully Submitted,



Lesley Pugh
Secretary II