

MISSOULA REDEVELOPMENT AGENCY

CONDENSED SPECIAL BOARD MEETING MINUTES

March 9, 2012

FINAL

A 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, Rosalie Cates, Dan Kemmis; Ruth Reineking

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

Public: Shandell VanDonsel, University of Montana; Steve King, City Public Works; Jeremy Keene, WGM Group; Christine Ross, Southgate Triangle NC; Matt Ulberg, DJ & A, P.C.; Bob Giordano, Missoula Institute for Sustainable Transportation (MIST)

CALL TO ORDER

11:00 a.m.

APPROVAL OF MINUTES

PUBLIC COMMENTS & ANNOUNCEMENTS - None

ACTION ITEMS

URD II & III Street Trees – Award Bid (Gass)

Gass said the street tree bids were opened on February 21st for 52 trees to be installed in URD II and URD III. This includes 14 trees on Montana Street, six trees on Clark Street, and 32 trees on Brooks Street. The bid award went to Brugh Landscaping with a low bid of \$22,350. The staff recommends the MRA Board approve the award of the landscape contract for the URD II & URD III Street Tree Project for installation of 52 street trees to Brugh Landscaping in an amount not to exceed \$22,350, authorize the MRA Board Chairman to sign the contract documents and authorize staff to sign the necessary documents to execute the contract (Notice of Award and Notice to Proceed). Kemmis asked why there was a large difference between the two low bidders and the other two

bidders. Gass said Patterson Enterprise Inc. (PEI) isn't a landscaping company and would have to subcontract the work. Buchanan said the maintenance agreement may have had some influence as well, which includes watering and fertilizing the trees for two years.

MOE: I MOVE THAT THE MRA BOARD ADOPT THE STAFF RECOMMENDATION.

Kemmis seconded the motion. Motion approved unanimously.

Bob Giordano from the Missoula Institute for Sustainable Transportation (MIST) said the types of trees listed were not all native trees. Gass said the Forester from the Parks Department had recommended these trees. The Forester was confident in his tree selection and said the root system would grow well in the small square section of the sidewalk and are resistant to urban pollution.

URD III Infrastructure Priorities – Working Session (Buchanan)

Buchanan said that after reviewing the URD III Curb and Sidewalk Needs Assessment, prepared by Jeremy Keene, WGM Group, she tried to structure the projects in a way that made sense. Buchanan said the revenue projections for URD III are about \$2 million per year over the life of the District, which ends December 2015. This projection doesn't include any additional future revenue. Buchanan provided an URD III Revenue spreadsheet showing the total revenue, committed revenue costs, and uncommitted revenue costs for fiscal years 2012-2016. She suggested that 50% of the MRA operating costs be dedicated to District III. A 3% escalator was also assumed throughout the calculation which still provides approximately \$1.6 million in uncommitted revenue every year. This does not include any carry over from the previous years or any growth within the District. Buchanan said not all of the projects are within the District, therefore not all of the identified needs can be paid with tax increment money. Some of the projects require a private developer. For these reasons, Buchanan categorized five different options that would be paid with tax increment money. These options along with the sub areas are located on the spreadsheets that were handed out. The sub areas shown on the spreadsheets have been designed for presentation purposes but can be modified as appropriate.

Options:

1. Build the missing sidewalk segments – minimal impact of future ability
2. Replace sidewalks that are deteriorated – broken and/or in poor condition
3. Dore Lane (safety issues) and Bitterroot Branch Trail
4. Catalyst projects identified in the report – aesthetic enhancements and pedestrian enhancements
5. Network Improvements – requires partnerships

While going through the options Englund asked Keene how comfortable he was with these numbers. Keene said the WGM Group was conservative with the numbers. WGM Group didn't do any drawings so there are some unknowns but he felt the figures were on the

high end in all fiscal years (2012-2016). The numbers are given in today's dollars and there could be some inflation over time but with the contingencies that were used, any inflation should be covered. Buchanan said that every figure includes a 20% design fee and 25% contingency. King said he and Buchanan had met prior to the meeting and both felt comfortable with the figures over the five year period. Buchanan explained how it was determined as to what the City or County would cover, what Montana Department of Transportation (MDT) would cover, and what would be paid from the District. Buchanan said that the assumptions are that the County is responsible for improvements at the Fairgrounds, the City will pay for all new bike lane markings on existing streets and any traffic signals located on a state route will be paid for by MDT. Buchanan said those assumptions were not unreasonable. There are some larger projects that extend outside the district boundaries where partnerships are necessary.

King said the City is very supportive of potentially leveraging renewal funds for projects outside the district over time. It makes sense to have a larger project and help connect adjacent neighborhoods. King said the City is not making a commitment right now since any joint projects would need to be approved by City Council and County Commissioners on a case by case basis.

Buchanan shared a list of recent URD III projects and pointed out that prior to 2009, MRA did not have projects over \$100,000. Since then, MRA has completed more expensive projects with significant impact in URD III. If the decision is to fund the infrastructure projects strictly from cash flow, there may not be adequate revenue to continue to assist large projects. This will depend on what options the Board chooses to fund. She said that shortly after URD III was created, the MRA Board commissioned the Urban Land Institute (ULI) to do the Missoula Midtown study, and one of the most fundamental needs identified is infrastructure. Buchanan said District III will not be an area where people choose to live or invest in until the infrastructure improves. She said simply filling in sidewalks is not going to get them closer to the main goal. This area currently is not pedestrian or bicycle friendly, is isolated from the City in many ways, and the streets and sidewalks are in poor condition, etc.

Englund asked for clarification on "infrastructure projects". Buchanan said the ULI report determined that the streets are substandard in that area. The report recommended the streets be made walkable, at a minimum.

Cates entered the meeting at 11:35 a.m.

Kemmis thanked Buchanan and Keene for all their hard work. He said when looking at the different options, he was concerned about committing revenue to the point where there is very little flexibility to do eligible projects within the District. Kemmis said he would be willing to commit to the infrastructure in general, but to do it in a way that MRA can maintain a decent cushion for other projects. Englund asked Kemmis to be more specific with the "cushion". Kemmis said he feels uncomfortable when using more than half of the available resources. Discussion ensued.

Ross suggested the median designs be carefully looked at if there was going to be commercial development. She said that since the medians have been built around the mall area, it is difficult for the semi trucks to get into the mall parking lot; so the semi traffic is using residential areas. This is damaging the sidewalks and the residential streets. Buchanan said that the only medians that have been discussed would be located on Brooks Street on either side of Dore Lane, which will be used to slow traffic down. Discussion ensued.

Buchanan said that development in URD III is a priority. Development is more apt to happen if the area is more pleasing and walkable. There are key redevelopment sites which MRA has helped with for a number of years. For example, MRA helped fund a master plan for the project south of Bob Ward's. One of the messages that MRA is trying to reinforce is that, if these developers wait until 2016 to do anything, then they will not have a partner because the life of the District will have ended. Buchanan said these are opportunities in which bonds could be issued to do the project and extend the District. Buchanan is not recommending that they sell bonds and build the infrastructure but would like to use the next two years to inspire the idea of serious redevelopment with the use of tax increment. She said that if the decision is to complete projects over and beyond the sidewalks then yes they would want to discuss bonding options. More importantly Buchanan would like the Board to make a recommendation to move forward on building and replacing sidewalks as well as looking at Dore Lane. Discussion ensued.

Englund said, as a priority, MRA should finish what they started and extend the Bitterroot Branch Trail. Buchanan said the challenge is to convince MRL to grant the needed easements, reducing their liability with a formal trail system. People are currently using it as a trail system anyway. Buchanan said that even though the Bitterroot Branch Trail was under option three, it didn't mean that was the order in which projects had to be done. Kemmis said he was comfortable with the path that was lined out. Englund said he was concerned about committing funds for these projects which could then eliminate flexibility for other public/private projects. Englund said in the past MRA has worked closely with Public Works in improving the streets and the sidewalks. Buchanan said that they recently had a request from the Street Division to chip seal the streets that were built last year. In the past, the MRA Board asked that this be done as part of the sidewalk project so that the streets had a longer life span. Buchanan said the MRA Board also agreed when the sidewalks projects started, MRA would build the missing sidewalks in Districts II & III without assessing the property owners.

Cates said she felt building the sidewalks was a commitment and she liked the path and options that Buchanan was explaining but suggested that MRA discuss bonding sooner rather than later. Buchanan suggested they discuss bonding the beginning of FY13. Buchanan said there were no guarantees of bonding unless City Council approved it.

Reineking said the commitment was building the missing sidewalks not replacing the poor sidewalks. She also said that MRA was not committed to the order of the sub areas. Cates said the Bitterroot Branch Trail and Dore Lane should also be priorities. The Board directed Staff to move forward with the commitment to complete the sidewalk network and

bring projects to them for implementation using cash flow from the District to fund the projects.

Giordano said he was impressed with the quality of the conversation during this Board meeting. He handed out a map that showed a 50% drop in traffic numbers on Brooks Street past South Avenue but right before Strand Avenue. Stephens Avenue is a natural 'lane drop' point. Because of this dramatic drop in traffic, Giordano proposed a 3-lane road on Brooks Street between Strand Avenue and Mount Avenue which would provide a more pedestrian friendly area. Giordano said he wasn't sure if this was outside MRA's scope; maybe it is a Public Works project, but at least he wanted to voice his opinion for this area. Englund said this decision is beyond MRA's scope but would be contingent on the money still available to develop medians, sidewalks, etc. in that area. Keene said he and Giordano had talked about this and found it very interesting. The reason it wasn't included in the report is because it was outside the scope and they would need to do more studies in that area. Buchanan said MRA might be able to help with the additional studies.

NO MOTION

NON-ACTION ITEMS - None

STAFF REPORTS - None

Director's Report - None

Budget Reports - None

ADJOURNMENT

Meeting adjourned at approximately 12:35 p.m.

Respectfully Submitted,

Juli Devlin