

# **MISSOULA REDEVELOPMENT AGENCY**

## **CONDENSED BOARD MEETING MINUTES**

**November 21, 2012**

**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 1:00 PM. Those in attendance were as follows:

- Board:** Karl Englund, Nancy Moe, Daniel Kemmis, Ruth Reineking, Rosalie Cates (Skype)
- Staff:** Ellen Buchanan, Chris Behan, Tod Gass, Juli Devlin
- Public:** Mark Anderlik, Missoula Community Benefits Coalition; David Tyson, Missoula Community Benefits Coalition; Richard Hauer, The University of Montana; Holly Truitt, The University of Montana

### **CALL TO ORDER**

12:05 p.m.

### **APPROVAL OF MINUTES**

October 17, 2012 Regular Meeting Minutes were approved as submitted.

### **PUBLIC COMMENTS & ANNOUNCEMENTS**

Mark Anderlik and David Tyson were present at the meeting representing the Missoula Community Benefits Coalition (MCBC) to remind the MRA Board and staff of their continuing interest in the Fox Hotel Development.

Buchanan said MRA is waiting to hear from the Fox Hotel Developers with their proposals. She said the Farran Group has done market studies but staff is still waiting for finalization of their due diligence. The deadline for Farran Group to get their material to the City is January 1, 2013.

Kemmis thanked MRA staff for resolving the drainage issue in the woonerf near Kiwanis Park.

## **ACTION ITEMS**

### **SpectrUM Discovery Area – University of Montana (Front Street URD) – TIF Request (Buchanan)**

Buchanan said about a year ago The University of Montana (UM) came to the City with a proposal to expand the spectrUM Discovery Area with the use of grant funds. SpectrUM Discovery Area is a discovery and science center for children currently located on The University of Montana's campus. She said spectrUM has the opportunity for growth but there are challenges with physical growth and limited parking on campus. Buchanan said originally spectrUM was going to move into the Mercantile Building but is no longer the plan because of timing constraints. Buchanan said due to grant requirements spectrUM needs to be up and running by May 2013. After an extensive search, Buchanan said the University has decided to relocate to the Maya Building in downtown. Buchanan said John Barrett, Barrett Productions, did an extensive renovation of the building about six years ago.

Buchanan said Mayor John Engen asked if MRA could somehow get involved with this project and provide some assistance. She said MRA can assist public bodies and the University is a state entity. This project is different in the fact that the University would not own the building but would lease a space in the building. She said the proposal is to use tax increment funds for permanent improvements in the Maya Building to accommodate the spectrUM Discovery Area so the program can continue.

Buchanan said there are many reasons to bring spectrUM to the downtown area. She said as part of the Downtown Master Plan goal, spectrUM would bring local citizens and people from out of town to the downtown area. She said this project may produce minimal tax increment but would improve economic opportunity for other downtown businesses. Also, Buchanan said, the space in the Maya Building has been vacant for about seven months and it is not healthy for downtown to have empty storefronts.

Holly Truitt, Director of The University of Montana spectrUM Discovery Area, said she is also one of multiple Program Directors/Principal Investigators (PD/PI) on the National Institutes of Health (NIH) R25 Grant which funds most of the operational components and will allow spectrUM to relocate downtown. She said the spectrUM Discovery Area Downtown will provide a neuroscience lab that will be staffed by UM researchers and Missoula high school students during the school year as well as rural tribal students outside of Missoula during the summers. She said spectrUM works with over 23 counties including seven reservations. Their goal she said is to not only serve local youth but to also provide an accessible place for parents and families. Truitt said spectrUM is known for their neuroscience emphasis but they offer other exhibits such as exhibits on ecosystems.

Truitt said one key aspect of this project that was considered is off site parking for school busses. She said it's not unusual to have 30-40 students there at one time. Another

important aspect is the opportunity of a long-term lease since the University does not purchase buildings off campus. The Maya Building, she said, will be leased by the University for the next 12 years. The lease she said also gives spectrUM the opportunity to expand in the future. She said another reason why downtown is such a great location is because spectrUM collaborates with the Children's Museum and the Natural History Center which are in close proximity to the Maya Building. Truitt discussed the future layout of spectrUM Downtown and described where the different exhibits, labs, and classrooms would be located.

Rick Hauer, Director of the Institute of Ecosystems and also one of multiple PD/PIs for the National Science Foundation Grant said the NIH funding has supported spectrUM for its ten year existence and will continue to provide funding to spectrUM. He said spectrUM will be the primary location for connecting students and science education through their variety of programs.

Truitt said the Board may be asking 'how does this benefit Missoula'. She said spectrUM Downtown will benefit youth by inspiring them about education and science for not only an intellectual pursuit but also a future career pursuit. She said that in accordance with the Downtown Master Plan goals, spectrUM will be located within close proximity of other collaborative organizations and businesses making it convenient for residents and out of town guests. The last component she said was the economic component. Truitt said there's this elegant pipeline between providing education to young children all the way to providing education at a doctorate level.

Moe asked Buchanan if improvements done by a non-profit organization affects the property value which in turn may increase the taxable value of the property. Buchanan said these improvements may increase the taxable value but very minimally. She said it doesn't make any difference if the improvements are done by a non-profit organization. Moe said she thought this was a great project. She said she liked the idea of future expansion in the same location and the 12 year lease term.

Reineking said spectrUM seems to have a long term benefit for the City. She asked Truitt if spectrUM receives funding from individual donations. Truitt said spectrUM receives funding from a number of areas which include foundations, federal and private funding. She said spectrUM also receives funding from individual donations as well as from their membership base. Truitt said she anticipates an increase in individual fundraising opportunities once spectrUM is in their downtown location.

Kemmis asked if Truitt and her team have explored parking in the new Front Street Parking Structure. Truitt said Linda McCarthy, Director of Missoula Downtown Association (MDA), is on spectrUM's Advisory Board and has discussed parking opportunities in the new Parking Structure in conjunction to spectrUM's new location.

Englund asked if the \$4,000 set aside for furniture under fixed improvements would be subtracted from the total cost of \$101,787. Buchanan said yes and clarified that these were estimated figures and MRA would only reimburse spectrUM for eligible improvements

up to the maximum approved. Englund asked for clarification on the additional amount of coverage for the bonds. Buchanan said MRA has money in the Front Street District from this year's budget that has not yet been committed. She said there was a large amount of coverage required for the Parking Structure bond but once the debt service is paid then the extra money is available for other projects. Also MRA money left over from the previous year is always rolled over to the following year. Buchanan said the Wilma will also be paid off in the next couple of years so those payments will no longer be an obligation.

Kemmis asked if the existing entrances on Front Street would be changed. Truitt said they would not be changed although they may not be used on a regular basis. She said in consideration of families with children, Jeff Crouch, CTA Engineering, has advised use of the foyer for the main entrance on the east side of the building. Kemmis asked if part of the request was to re-glaze the windows on the south side of the building on Front Street. Truitt said yes the request is to use glass so that people could see inside. Buchanan said there is currently reflective glass and is very difficult to see into the space. Englund asked if there were any additional changes with the façade. Buchanan said most likely not due to the renovations done in 2005 and 2006. She said MRA has already invested \$109,768 into this building and a large portion of that was used for Life-Safety Code improvements.

Moe asked if the University has first right to lease additional space that interests spectrUM once the current resident of that space departs. Truitt said she would like to say yes but needs to check the Lease Agreement. She said Barrett is aware that spectrUM has a need to be able to grow. Moe said when spectrUM moves in the Maya Building the building may become more attractive so securing this language in the Lease Agreement would be a good idea.

Kemmis said he liked this concept and said spectrUM is a nice feature of the University. He said he is glad to hear spectrUM will be moving downtown even though it's not ideal that the University doesn't own the building.

**KEMMIS: I MOVE THAT THE MRA BOARD APPROVE THE REQUEST FROM THE UNIVERSITY OF MONTANA FOR A GRANT OF TAX INCREMENT FUNDS FROM THE FRONT STREET URBAN RENEWAL DISTRICT IN AN AMOUNT NOT TO EXCEED \$97,787 FOR THE RENOVATION OF THE MAYA BUILDING WITH THE UNDERSTANDING THAT THE FINAL AMOUNT WILL BE DETERMINED BY ACTUAL COSTS.**

**Moe seconded the motion.**

Reineking said part of the motion should also include that it's understood this money would cover fixed assets. All other Board members agreed.

**Motion passed. (4 ayes, 0 nays) Cates on Skype; didn't respond.**

**Bitterroot Branch Railroad Trestle – Resolution Declaring Trestle an Urban Renewal Project (URD II) (Buchanan)**

Buchanan said when MRA issued 2006 Urban Renewal Bonds for the Old Sawmill District (OSD) Project, MRA declared the construction of Wyoming Street and Silver Park as Urban Renewal Projects. She said Erin McCrady, Dorsey & Whitney, LLP, has advised MRA to also declare the reconstruction of the Railroad Trestle as an Urban Renewal Project in District II. Buchanan said the resolution would go to City Council so the reconstruction of the Trestle could be part of the bond issue if MRA were to issue bonds for the construction of these projects.

There was a workshop held the morning of November 21, 2012 to discuss the design of a railroad overpass (trestle) at Cregg Lane. Moe asked about the workshop and what comments were made. Buchanan and Behan both agreed that the workshop went well and Don McCammon with HDR provided a great presentation. Buchanan said the workshop group identified and discussed issues such as continuing Civic Stadium operation during construction, what the trestle was going to be made out of, what it might look like, what was required for clearances, etc. Behan said there were five basic proposals; proposals that included sidewalks and proposals that did not. The working group, Behan said, discussed using concrete verses steel and the majority agreed on concrete due to cost and since color and texture could be added to simulate wood timbers. He said the future use of the Bitterroot Line has been a concern from many but Behan said Steve Werner from Montana Rail Link (MRL) was present at the workshop and provided information that brought relief. Behan said Werner gave an example of rail lines that had been suspended for 35 years but were still available for use. Buchanan said Werner confirmed during the workshop if the line were ever to be abandoned, it wouldn't happen for at least the next 35-50 years. Discussion ensued.

**MOE: I MOVE THAT THE BOARD RECOMMEND THAT THE CITY COUNCIL ADOPT THE ATTACHED RESOLUTION DECLARING THE CONSTRUCTION OF A NEW RAILROAD TRESTLE ON THE BITTERROOT BRANCH LINE AT CREGG LANE AS AN URBAN RENEWAL PROJECT IN URBAN RENEWAL DISTRICT II AND SET A PUBLIC HEARING.**

**Reineking seconded the motion. Motion passed. (4 ayes, 0 nays) Cates on Skype; didn't respond.**

Moe made a suggestion that the resolution should say the "Project" rather than the "Proposed Project".

**Silver Park – Phase IV Storm Water Pollution Prevention Plan (URD II) – Approve Contract with Territorial Landworks (Behan)**

Behan said for many years the Environmental Protection Agency (EPA) required storm water protection on construction sites. Over time, these guidelines have changed and become more complicated. He said the responsibility of regulating Storm Water Pollution Prevention Plan (SWPPP) permits have been placed on state and local governments.

Behan said Silver Park is even more complicated because it involves multiple phases and overlapping of these phases. He said MRA may need professional help in Phase IV to design and implement the SWPPP. Behan said since Territorial Landworks, Inc. (TLI) is familiar with the site and has already created the Park's previous SWPPPs; it would make sense for them to continue with the Phase IV SWPPP permit. He said the amount being requested today is quite a bit more than what was requested for the storm water work that was done in Phase III. Behan said the timeline entails completion of construction by spring of 2014, utility main work done during the summer and fall and larger trees planted perhaps in spring of 2015. Most of the cost being asked for today is for inspections of the storm water controls after an estimated number of weather events of a certain intensity through final construction of the project. Behan said the recommendation is for the Board to approve TLI design and inspection services in an amount not to exceed \$18,553. He said the final cost will be based on invoices from TLI describing actual work performed and materials used at hourly rates and costs detailed in TLI's service proposal.

Kemmis asked if Behan could explain more about how the requested amount was figured. Behan said TLI looked at the average number of weather events (rain or melting snow) that may push materials off the site. He said TLI also looked at the time it may take to plant, complete the inspections, observe and document, and then make any necessary corrections. Kemmis asked if a contingency amount was included. Behan said yes there is about an eight percent contingency that has been added.

Englund asked if this SWPPP permit would also include Wyoming Street. Behan said no.

Moe asked if this amount included creating the permit plan, submitting it, and making any necessary changes. Behan said yes.

**MOE: I MOVE APPROVAL OF A TLI DESIGN AND INSPECTION SERVICE PROPOSAL IN AN AMOUNT NOT TO EXCEED \$18,553 WITH THE FINAL COST BASED ON INVOICES DESCRIBING ACTUAL WORK PERFORMED AND MATERIALS USED AT HOURLY RATES AND COSTS DETAILED IN THE TLI SERVICE PROPOSAL.**

**Kemmis seconded the motion. No discussion. Motion passed. (4 ayes, 0 nays)  
Cates on Skype; didn't respond.**

**NON-ACTION ITEMS** - None

## **STAFF REPORTS**

### **Director's Report**

A Director's Report was not provided in the Board packet but Buchanan provided a verbal update on Wayfinding efforts and the East Front Street Parking Structure.

### **Wayfinding**

Buchanan said she was on the interview committee for the Missoula Wayfinding project. She said there were two firms who were interviewed and one firm was selected. She feels the selected firm will do a great job and said the firm has experience with similar projects in comparable cities. The design of the wayfinding system will most likely start the first of the year and may take six to nine months for completion.

### **Urban3, LLC**

Buchanan said MRA provided \$500 to the Business Improvement District (BID), to assist in retaining Joe Minicozzi, Urban3, LLC, to conduct an evaluation of investment in Missoula's urban areas compared to areas such as north Reserve Street. She said Minicozzi completed his analysis in other Montana cities such as Billings, Bozeman, and Great Falls. Minicozzi did a presentation for City Council and the difference in return on investment is huge. Buchanan said the value of investment in the urban core is massive compared to suburban development. She said the idea is to compile all of the information from these studies, statewide, and place them in one document. Buchanan has suggested this document be provided to the legislature. She said Minicozzi is willing to share the PowerPoint with MRA. Buchanan said she would be happy to show the PowerPoint and explain his ideas to the Board if anyone was interested.

### **Front Street Parking Structure**

Buchanan said the aluminum panels will be delivered sometime next week and installed. She said steel frames are up on two sides of the structure. The Parking Commission decided to go with solar panels which will provide between 70-80% of the power needed for the building. It is believed that it will be the largest solar array in the State of Montana.

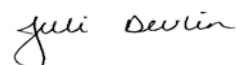
Moe said she was pleased to see the County participating with the Wayfinding Project. She said the Board encourages staff to work with other entities when given the opportunity to help with costs for various projects.

Kemmis said he would be interested in seeing Minicozzi's PowerPoint but more importantly he hopes Governor Steve Bullock will be more aware of the value of downtown areas. Discussion ensued.

### **ADJOURNMENT**

Meeting adjourned at approximately 1:10 p.m.

Respectfully Submitted,



Juli Devlin