

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

May 20, 2009

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: Nancy Moe, Rosalie Cates, Karl Englund, Daniel Kemmis

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

Public: Debbie Williams, Tremper Shopping Center; Mary Anne Moseley, Tremper Shopping Center; Gary Clark, Missoula Federal Credit Union; Hope Capon, CTA Architects; Joni Walker, MFCU; Ezra Williams, CTA; Todd Schaper, CTA; Stewart Hillaboe, Aspen Sound; Jeremy Keene, WGM Group

APPROVAL OF MINUTES

March 27, 2009 Special Board Meeting Minutes were approved as submitted.

April 15, 2009 Regular Board Meeting Minutes were approved as submitted.

PUBLIC COMMENTS & ANNOUNCEMENTS

Lee said she got a call from homeWORD regarding the Equinox project. She said they were approached by the State Housing Finance Agency and they requested that homeWORD apply for some additional funds that came through the stimulus package. Lee said the funds are through the tax credit assistance program. She said homeWORD didn't have time to come to the Board before then and the funding changed the Phase II of their project. Lee said they will be at the June meeting to provide a formal update.

STAFF REPORTS

Director's Report

Old Sawmill District

She said the Plat, Annexation and Zoning Committee approved requested amendments to the plat for the Old Sawmill District. She said it phases the project, tweaks a couple of alleyways and adjusts a lot line to accommodate some encroachments.

Downtown Master Plan Implementation

Buchanan said she, Rod Austin and Brent Campbell went to Portland to work through some design details on the North Higgins project with Crandall Arambula. She said there will be bicycle accommodation in the Master Plan and they will get to build the first three

blocks (Broadway to the XXX's) of protected bike lanes. She said the funding is close to being committed on the state level and the Mayor has signed the CTEP agreement to the state.

ACTION ITEMS

Aspen Sound – URD II Façade CRLP Request

Lee said Stewart Hillaboe, owner of Aspen Sound, submitted an application under the façade section of MRA's Commercial Rehabilitation Loan Program. She said Aspen Sound got assistance in 1998 from MRA when they relocated, as described in her memo. Hillaboe's current proposed project is to redo the façade on the south and east sides of his building. He will remove the current siding and replace it with Cor-Ten siding. She said Hillaboe will also use galvanized metal accents with accompanying back lighting and new signage above the front entrance. Lee said the intent is to clean up the cluttered look of the existing building and present a more uniform façade that clearly directs customers to his entrance. Lee said the estimated total project cost is \$41,104 and will take approximately 4-6 weeks to complete. She said Staff recommends the Board approve up to \$5,640 for this project, subject to contingencies listed in her memo.

Lee said Kemmis approached her about talking to Hillaboe about the possibility of him redoing some of the landscaping on his property. Hillaboe said he's open to whatever everyone thinks will look good there. He said he was thinking of a bunch grass concept that requires low water. He said he has Aspen trees on the east side and didn't want to put them out front because they tend to get thick and will block the view of his store. Kemmis said he took a drive by there to remind himself of the sight. He said the idea of a façade improvement is something he welcomes and supports. As he was looking the area over, he said he thought about the possibility of enhancing the neighborhood even more. He said there's a narrow boulevard with minimal landscaping there now. Kemmis said landscaping does make a difference and thought it could be a follow up project that's brought to the Board. Discussion ensued.

Kemmis wondered who to turn to for landscaping advice and establishing a consistent look along Broadway. Cates suggested contacting Jenny Meinershagen at Rocking M Design. Moe suggested having the Staff come back with a suggestion for taking initiative in the area. She said if MRA is landscaping right-of-way then it also includes sidewalks.

MOTION

CATES: I MOVE TO APPROVE AS PRESENTED. Englund seconded the motion. 4 ayes, 0 nays. Motion passed unanimously. Fraser absent.

Missoula Federal Credit Union (3600 Brooks) – URD III TIF Request

Nelson said Staff received an application from MFCU for assistance with renovations on their property. She said the project has four components: constructing an addition, remodeling the existing main building, moving the drive-thru service and extensive site improvements as described in her memo. Nelson said there's \$136,000 worth of eligible items which amount to approximately 1.8% of the projected costs of the whole project.

Nelson reviewed the fourteen criteria listed in her memo that are used to evaluate projects in URD III. Moe asked if they're closing other facilities. Nelson replied it's not her understanding that they are. Nelson said she loves everything the Bank is doing and likes their idea for the sidewalk along Brooks, however there's already a really good sidewalk there. She said she'd like to see it enhanced, but the sidewalk that's there is in good shape and has 20-40 years of usable life left, if not more. Nelson said she left that part out of her recommended financing for the project. Therefore she recommended approval of all the eligible items, excluding the sidewalks on Brooks, totaling \$95,420.

Gary Clark, MFCU, thanked MRA for entertaining the application. He referred to the sidewalk on Brooks. Clark said by putting that in they will be enhancing the visual and pedestrian-friendliness of Brooks.

Change tape 1 s1/s2

Clark also referred to the second drive up location. He said it turned into a major project because they had to comply with ADA. He said they had a \$39,000 change order for replacing the asphalt and curbing. Clark asked the Board to consider that if possible. Buchanan asked if the parking lot was already done since Clark referred to a change order. Clark said they've ordered it to be done. Nelson mentioned that MRA did receive a letter of support from Mayor Engen. Also, she said the drive thru reconfiguration is all on public right-of-way.

Cates asked what will be done with the sidewalk concrete if it's taken out. Clark said on other projects they've had it ground up and reused. Cates said she favors the curved sidewalk and landscaping. Buchanan asked if there was a way to achieve the same kind of impact on Brooks through more enhanced landscaping. Ezra Williams, CTA Architects, said their original intent was to have swales that collect water so the landscaping wouldn't have to be irrigated. However, Williams said MDT has said they will not allow any land form that could potentially collect water to be there, which makes the existing swales non-compliant as well. Williams said if they leave the sidewalk they will still have to fill in the swales.

Cates asked others how they feel about the sidewalk. Buchanan said she understands the aesthetic and would like to find a different way to get there. She said there will be a presentation that points out lots of areas in URD III that don't have any sidewalk period. Therefore, Buchanan didn't see how to justify tearing up sidewalk that has a 30 year life to build a new sidewalk that will have a 50 year life when there are whole neighborhoods and sections of Brooks that don't even have sidewalks. Nelson said that's where she was with her recommendation. She said she hoped MFCU would come back with a landscape plan that leaves the sidewalk. Todd Schaper, CTA Architects, said if the Board sees that it's an acceptable reapplication for that portion then they can bring a visual back that shows what it would take.

Buchanan asked if the serpentine sidewalk was driven by the swales and storm water management. Schaper said there were a number of factors included in the decision. He

said in talking with the City Engineering Dept. and looking at URD III they decided the existing sidewalk, albeit fine, doesn't fit. Cates said she can live with the sidewalk change if the old one is recycled.

MOTION

CATES: I MOVE THAT WE APPROVE THIS REQUEST, WITH NELSON MAKING THE LANGUAGE SUCH THAT IT INCLUDES THE SIDEWALK AND IRRIGATION ELEMENTS ALONG BROOKS AND EXCLUDES THE PRIVATE PARKING LOT AND SIDEWALK TO THE SHARED PARKING, SUBJECT TO OUR NORMAL PROCEDURES.

Nelson said she broke those items out so the total for the approved items would be \$136,529.

Kemmis seconded the motion. 4 ayes, 0 nays. Motion passed unanimously. Fraser absent.

Tremper Shopping Center – URD III TIF Request

Nelson said the Board approved expenditures for the loading dock portion of this project in February. The Board also expressed that they would approve \$229,116 for other site improvements, contingent on the Board's approval of a satisfactory utility relocation plan. Nelson said the Trempers have spoke with Northwestern Energy and they have agreed to pay \$117,060 for utility relocation.

Nelson said after discussing their options, Trempers decided on an option that would reduce the number of poles and set them back to accommodate loading, unloading, sidewalk and street trees. It will also remove overhead transformers and underground the aerial lines across Russell between Kent and Sussex. Nelson said the cost to Trempers, beyond what Northwestern Energy will pay for, is \$101,550. Nelson reviewed a table in her memo and said the previous request to MRA was for \$408,096 and the current request is for \$407,614 for a difference of \$482. Two items the current request includes that the previous one didn't are for concrete and asphalt removal and paver stones around the planter areas. Nelson said the Staff recommendation is to approve expenditures in an amount not to exceed \$407,614 for project elements including exterior building improvements, site utility improvements, site surface improvements, street improvements, utility relocation, concrete/asphalt removal, and paver/planter areas.

Jeremy Keene from WGM Group added that this request still achieves all the things they set out to do, minus the undergrounding of utilities. He said this will clean up a lot of the clutter.

Moe asked where the funds will come from. Lee replied it will come out of contingency in URD III. There's currently \$2.272 million in contingency. Cates asked if the 8.5% request of the project total is something MRA is comfortable with. Nelson replied yes and said the average request is usually around 10% of the project total.

MOTION

ENGLUND: I MOVE APPROVAL AS RECOMMENDED. Cates seconded the motion.

Englund said he moved approval of this because when he looks at the work Trempers have done in the front of the building he thinks it's amazing and a major contribution to the District.

4 ayes, 0 nays. Motion passed unanimously. Fraser absent.

Change tape 1/tape 2

Sidewalk/Curb Needs Assessment – URD II & URD III Discussion & Request for Direction

Gass presented the Board with Sidewalk/Curb Needs Assessments in URD II and URD III. Moe asked what the difference is between primary and secondary routes. Buchanan replied there are connections between arterials and collectors of major routes and connections back into neighborhoods. Primary would be the collectors and arterials, secondary would be connections from collectors and arterials back into the neighborhoods. Moe asked if all the curbs, gutters and roadwork are done on the primary routes. Gass replied no. Moe said she was concerned that whoever puts in the road and curbs will destroy the sidewalks. Gass replied he'd cover it in his presentation.

Gass said it will cost roughly \$1.9 million to address missing sidewalk and curbs throughout URD II. Contingency funds available in that District are \$1.1 million. Gass said it will cost roughly \$2.5 million in URD III to address missing segments. He said there are 22 years left in the life of URD II and six years left in URD III. Gass said to keep in mind the possibility of an URD III TIF Bond to address infrastructure.

Gass reviewed potential sidewalk/curb project areas. He suggested several options for moving forward and said Staff wants to know the interest level of the Board for filling in the gaps in the Districts. Englund said the six years in URD III is a big concern and said this may be a tool to extend the District. Buchanan said there are a couple of opportunities Staff has pinpointed for bonding. One is whether or not there's an opportunity to do something with the area south of the mall. The other possibility is to do something with the Forest Service property at 14th and Catlin if they move out of there. Englund said six years is a long time and he's not panicked to do something. Behan mentioned the possibility of an affordable housing bond. Discussion ensued.

Englund said it would be his idea that Staff do like it did with the Downtown alleys and put together a program that, in the foreseeable future, addresses the needs and does sections of work each year. Buchanan asked if the Board would want to think about having a discussion about whether MRA tries to move forward with an infrastructure bond issue in URD III. She said this would allow MRA to get as much as it can get done early on the front end rather than parcel it out. Englund said he'd be interested in hearing someone explain why MRA should do that. He said he wouldn't be interested in doing it now just to extend the life of the District. He said if there was some propelling reason to

do it he would be interested. Moe said she's interested in the project and thinks it would be great.

Buchanan said one of the concerns raised is that the City doesn't want to be in the business of going door to door trying to get people to agree to SID's. Buchanan said Administration's concern was that if MRA builds sidewalks for free then they'll never be able to order an SID in that area again. Buchanan said she agrees with and understands that. Buchanan said these are low-income areas, there's rationale for going in and doing it and if it's ordered in with SID's the neighborhood will be gentrified because the rent will go up and the renters will leave. Moe said it will also make the neighborhood safer.

Jeremy Keene said sidewalks are a critical part of URD III. He said sidewalks are important to making the District more of a mixed-use place and getting housing. It will also help the grid-street network deficiencies, landscaping and lighting, which are important to whether or not someone wants to live in that area. He said when MRA considers its investments in the District it might want to think about how to make it a more livable place. Buchanan said the unit prices in Gass' presentation assume boulevard sidewalks with street trees.

Kemmis said he thinks the idea of investment in sidewalks, curbs, etc. is a solid redevelopment strategy because over time it will raise property values and generates increment. He said MRA wouldn't want to commit to it at a level that will keep it from pursuing others. Kemmis said a sense of proportionality is important. He said he was in favor of pursuing this as a strategy and project with clearly delineated phases to it. He said the idea of an infrastructure bond in URD III has real potential to it and wants to keep that on the table. He said Gass put together a great piece of work in terms of laying the bases for the Board to make a policy decision.

Change tape 2 s1/s2

Behan said a sidewalk project that could create a lot of impact and buzz is one out by Catlin. He said it won't interrupt a lot of traffic and could probably get done this construction season. He said Staff can get started, find out how much it costs and bring something back to the Board. Buchanan said a residential project in Franklin to the Fort neighborhood is manageable and Staff could hit the ground now and take advantage of concrete prices. Behan said there's an opportunity right now if the Board wants Staff to do it rather than come back with more studies.

Englund said he wants the Staff to bring back an idea, not more studies. Lee said the City has a priority for the curbs, gutters and sidewalks for the city. She said this falls right in with the Plan. Buchanan said in talking with the City Engineering Dept., if MRA wants to do Catlin it's beyond their capacity to handle for MRA. If MRA wants to do the remnant pieces on Brooks it will have to do an RFP and hire a firm to negotiate and take care of them. Buchanan said MRA could do some areas in the Franklin to the Fort neighborhood that Engineering could step in and assist MRA with. Buchanan said this would be an opportunity to put some people to work and solve some problems. She said she'd like to get it going this summer in the areas it can.

Moe said the Board wants short-term and long-term plans. She said she's excited and it will be nice projects for MRA to have. Buchanan said if the City can't handle the engineering and management part of Catlin, she asked if the Board would object to Staff doing the RFP and bringing an engineering firm to the next meeting. The Board said they don't mind. Moe added she doesn't mind as long as they understand they're not approved until they're approved award. Buchanan concurred.

No action was taken on this item.

NON-ACTION ITEMS

COMMITTEE REPORTS

OTHER ITEMS

ADJOURNMENT

Meeting adjourned at 1:40 pm.

Respectfully Submitted,



Lesley Pugh
Secretary II