

MISSOULA REDEVELOPMENT AGENCY
CONDENSED BOARD MEETING MINUTES

July 21, 2022

FINAL

A Regular meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held on Thursday, July 21, 2022 via Microsoft Teams at 12:00 p.m. Those in attendance were as follows:

Board: Karl Englund, Ruth Reineking, Melanie Brock, Tasha Jones

Staff: Ellen Buchanan, Annie Gorski, Annette Marchesseault, Tod Gass, Jilayne Dunn, Maci MacPherson, Lesley Pugh

Public: Timothy Erickson, Jon Updike - HDR; Adam Hertz, Kody Swartz – Otis Street Apartments; Julie Lacey, Grant Kier – Missoula Economic Partnership; Claire Trimble, City of Missoula Clerk’s Office; Jana Staton, Resident

CALL TO ORDER

12:00 pm.

INTRODUCTIONS

APPROVAL OF MINUTES

[June 16, 2022 Regular Board Meeting Minutes](#) were approved as submitted.

PUBLIC COMMENTS AND ANNOUNCEMENTS

Reineking shared her appreciation for the articles in the Missoulian and Missoula Current this morning about the Sleepy Inn and thanked staff for their presentation to City Council regarding it.

ACTION ITEMS

[Otis Street Apartments – 1300 Otis Street \(formerly 1600 Otis Street\) \(North Reserve-Scott Street URD/Ward 1/Northside Neighborhood\) – Additional TIF Request \(Marchesseault\)](#)

Marchesseault said at the August 2021 Board meeting, Otis LLC was granted Tax Increment Financing (TIF) assistance in the amount of up to \$315,100 for removal of structures, water and sewer main extensions, curb/gutter/street/sidewalk construction and landscaping in the public right-of-way (ROW) for their project on Otis Street. The project proposed to build 39 units of multi-family residential. Subsequent to the MRA application,

the applicant submitted their documents sometime after the 1st of the year for permit review at the City. Construction climates have become tight and there were some things that came out through the permitting process which have subsequently increased the cost of the project when it went out to bid this spring. The applicant is requesting an additional \$275,461.43 to cover the additional project costs. Marchesseault said staff has heard consistently from the Board that their strong desire is to provide funding once for a project. Based on that precedent, staff does not recommend granting additional funding. The applicants were present for further discussion.

Kody Swartz, Woith Engineering, introduced himself as the design engineer on the project that helped with some of the cost estimating based on plans they had at the time. He also introduced Adam Hertz, one of the developers with Otis LLC. Swartz reviewed the cost changes. He said the lift station currently in place does not have capacity for this development. He had conversations with City Engineering before their initial TIF request and it wasn't brought up as an issue until they got further into the design and permitting process. The cost for new lift station pumps and installation is about \$45,000. Swartz said they're seeing about a 30% increase from last August to now on items that are road related and that may be due to fuel prices and asphalt being a petroleum-based product. Water line and PVC pipe have also become harder and harder to obtain. Additionally, Swartz said this project has been delayed through the Department of Environmental Quality's (DEQ) overloaded schedule and review timeline. Everything has been submitted to them and their statutory deadline for reviewing this project was May 2nd, but Swartz heard from the reviewers yesterday that it is still 22nd on their list and they haven't reviewed it yet. As they try to pinpoint when they can start on utilities they still don't have a firm timeline on when DEQ is going to get to it.

Hertz said he was appointed Project Manager by Otis LLC to work through some of the challenges. Last August when they came before the Board their total development cost was a little under \$5.2 million. Now, it is a little over \$7.2 million. The cost of everything really has gone up and a lot of the construction crews are out in the Sx^wtpqyen area and it is hard to get people to bid on projects. Hertz said he feels they've designed a very good housing product that is much needed. Rents are 68-75% of Area Median Income (AMI) but it is challenging to hold those rents and make the project viable with the drastic construction cost increases and interest rates. He said right now the project is on the verge of viability and the additional injection of support for public infrastructure would make all the difference. Otis LLC understands it is not the Board's typical policy to approve these kinds of requests. Hertz wanted to reiterate they are not mid-construction or asking for help for things that are new requests, other than the lift stations. Mainly the cost of things have gone up in a short period of time and they are trying to keep the project viable.

Buchanan said staff is very diligent in encouraging applicants to have their numbers firm before they come to the Board and ask for money. It is in MRA's written material around the programs and staff says it verbally all the time. Staff is consistent and persistent about it. If a developer chooses to be premature in putting their numbers together that is their choice.

Reineking said she thinks Hertz, newly appointed to the Governor's Housing Task Force, will bring a great perspective to that. She said this is not only affecting Otis LLC, it is affecting other developers including non-profits like YWCA and Homeward. As sad as it is

and in spite of the fact they didn't even know about the lift station, she doesn't see this as something that deserves a variance from MRA's typical procedures or precedence.

Jones asked if Otis LLC is still waiting for regulatory approval from DEQ and if it could be months before they can even start the project. Swartz said they would have to check with City Engineering to see if they could start prior to the DEQ approval. They might in this situation because there is infrastructure adjacent to it. Hertz said they are ready to break ground and are happy to start construction knowing they will get approval from DEQ. DEQ is over two months behind their statutory deadline on approving it. Their building permit with the City is pending DEQ approval and if the City was willing to let them start without having wet utilities in, they would be more than happy to do that. Jones said they currently do not have assurances that they could move forward without DEQ approval. Hertz said that was correct, they don't know if the City would approve that or not. Jones said she thinks everyone in the room is very sympathetic to the situation they're in, but if MRA was to open the floodgates in this manner then literally every project that inevitably experiences some sort of delay or unexpected costs would be coming back to MRA. She feels badly about this and wants the project to be viable, but fears if MRA is to react emotionally because it is a project that is needed right now, MRA may create a very significant problem for itself going forward. Englund said he can't think of a policy MRA follows that is more important than this one. It gives MRA the ability to budget, plan, and make sure folks that come in have their projects well planned and timely so that when MRA does set aside money for the project they can be reasonably sure it will come in as close as possible to budget and time. This is such an important policy to MRA and although he agrees with Jones and Reineking about their unusual situation, it is too big of a can of worms and he is in favor of the staff recommendation.

BROCK: I MOVE THAT WE APPROVE THE STAFF RECOMMENDATION BASED ON THE LONG-STANDING PRACTICE OF THE MRA RELATIVE TO ADDITIONAL FUNDING REQUESTS, STAFF DOES NOT RECOMMEND THAT THE MRA BOARD APPROVE THE REQUEST FROM OTIS LLC FOR ADDITIONAL TIF FUNDING FOR THE OTIS STREET APARTMENTS PROJECT.

Jones seconded the motion.

Hertz said he understands MRA's policy. He said he was not involved in the project planning last fall and as Buchanan said the staff policy is to tell developers to have their numbers dialed in and they obviously were not at that point in time. If the project is not viable for them he asked if it could be reconsidered by the Board for a new owner if they were to sell it to a different developer who came to the MRA and asked for assistance. Englund said every project is looked at individually. Buchanan said Englund was correct. There are a number of lenses MRA looks at projects through including a cost benefit analysis, and would 36 apartment units warrant a half million dollar investment of public funds as opposed to \$200,000-\$300,000. Staff also looks at increment generated over what period of time, the ratio of public to private investment and the capacity of the District. Staff would use those lenses to look at it if it came in as a new project with a new owner. Englund said on multiple occasions before the Board, and many other occasions that don't get to the Board because the staff has vetted the project and determined it infeasible, the

Board has said no to those kinds of requests. The exceptions to that are extremely few and very special circumstances that aren't anything like what this is.

Hertz asked the Board to, at a minimum, consider the lift station upgrades because Otis LLC believes those don't really have much of anything to do with their project. They were an oversight on the part of City Engineering due to the capacity caused by the Villagio Apartments, which is a great project and one he supports, but not one they want to have to pay for upgrades for because they were missed at that time. He said that is a big help to the entire area, not specific to their project, but if they got into arguing the details and argued the legality of it with City Engineering that would delay them even further and increase their costs even more than the amount of those upgrades. Hertz encouraged consideration of those.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

[Contract with Missoula Economic Partnership to Identify Redevelopment Partners \(Multiple URDs\) – Request for Approval \(Gorski\)](#)

Gorski said in August 2019 the MRA Board approved \$50,000 for a contract with Missoula Economic Partnership (MEP) to identify potential sites in Missoula's Opportunity Zones (OZ). That work resulted in identification of Ravara Development LLC for redevelopment of the former White Pine Sash site in the North Reserve-Scott Street Urban Renewal District (NRSS URD). Ravara plans to purchase approximately six acres from the City to develop into a mixed-use and mixed-income project.

MEP approached MRA about performing a similar set of services for the City to support business growth and identify redevelopment partners. Gorski reviewed the three key focus areas in the scope of work: 1) to support redevelopment of existing City-owned parcels that present a redevelopment opportunity and 2) targeted business retention, expansion and development opportunities in the NRSS and Hellgate URDs and 3) support strategic business relocation efforts that align with urban renewal goals in those districts.

Gorski said the budget will depend on where the focus and opportunities are within the URDs. Front Street URD has an existing \$25,000 budgeted for Fiscal Year 2023 (FY23) to support the Library Block, so if that becomes a focus that is a budget that could be drawn upon. Staff also proposes to utilize existing contingencies in URD II, URD III, Hellgate and NRSS URDs if the focus is in those areas.

The initial budget proposed for MEP's work is \$25,000 and would be for their staff time to support targeted meetings and outreach with businesses in the two Districts identified. It would also go toward MEP compiling reports and analysis to support marketing of redevelopment sites including the former Library, meeting with development partners and conducting due diligence on those redevelopment partners. Gorski said the contract with MEP also includes an additional amount of up to \$25,000 that is an optional budget task that staff is proposing would be under the MRA Director's approval. It would be on an "as needed" basis to support technical studies, web design and additional communication to support the above tasks, and in particular to support matching funds for the studies. Places

where additional grant funds could support the studies include the Big Sky Trust Fund and City's Brownfields program. They already know that Big Sky Trust Fund requires a match.

Gorski said staff recommends the MRA Board approve the Scope of Services with MEP and authorize the Board Chair to sign the contract and allocate up to \$50,000 in urban renewal funding for the contract.

Jones asked if it is an "up to" \$25,000 commitment and if it is on an hourly basis or otherwise. Gorski said staff is proposing monthly check-ins with MEP to understand progress on the tasks and where the needs are. They will also give regular updates to the Board. The additional \$25,000 is envisioned for studies if they are needed. An example would be MEP coming to MRA with a request for a land use, infrastructure or zoning analysis for the Library Block. Gorski would present that to Buchanan and she would authorize (or for a grant match) to support those studies. Julie Lacey, MEP, said the \$25,000 for their staff time allows them to get off the ground running on the projects. The additional funds are "as needed" depending on what they see as necessary with development partners or support the efforts that align with their initial work.

Englund said the first \$25,000 is for outreach, talking to people and finding out the opportunities. Grant Kier, MEP, said he doesn't think of this as necessarily sequential. MEP is saying they have a \$25,000 contract with a certain set of deliverables based on the work they do for MRA. That work is primarily about going out and developing a clear presentation of what the City's goals are and what the sites are, and then outreach to developers and developer partners to identify folks who are interested in pursuing those goals and where they align with their development potential and opportunities for creating viable businesses and new developments in those sites. That is work MEP will do as baseline work throughout the course of the year. What they expect in that process, as happened at Scott Street, is once they talk to developers and start to understand where there are consistent concerns or areas where they've realized there are potential findings on the properties that create certain risks for developers that are, for some reason, keeping them from being interested in going further, MEP might ask for funding to go in and investigate so they have a baseline knowledge and can de-risk the project for everybody to continue to move forward.

Jones asked if Buchanan will review the requests as they are made for the second \$25,000 portion. Buchanan said yes, and staff is certain once they move forward with the Library Block there will be a lot of interest with it and one of the biggest advantages from this relationship with MEP is that those interested parties will be vetted through them. Jones asked if Buchanan would have that authority anyway at certain benchmarks. Buchanan said she can authorize up to \$5,000 without the Board's approval. If the Board approves this, they approve staff to oversee deployment of the second \$25,000.

Brock asked if it is case by case project-based where MRA gets involved with TIF funding. Buchanan said this will be the third time MRA has been asked to consider contributing funds. Staff was also a contributor to the creation of MEP. The City and County make annual contributions to MEP.

Reineking said she appreciates the request because it really helps MRA achieve its goals, which is not just the elimination of blight but also the rehabilitation of blighted areas and economic development in general. She also recognized that MEP can be more proactive about that and appreciates they would vet anybody that comes to look at the Library Block or other areas. She asked how this coordinates with what Dover, Kohl & Partners (DKP) were doing on the Library Block. Buchanan said the City had a Big Sky Trust Fund grant and got a proposal from DKP. The Big Sky Trust Fund grant was not received because the City couldn't meet the timelines on it and never entered into a contract with DKP. MRA continues to carry the \$25,000 forward as a line item in the Front Street budget. Englund asked if that is where the first \$25,000 will come from. Buchanan said a portion of it may, depending on where the work is done. She said the money for this will likely be scattered across the districts where staff thinks there is the most potential for MEP to work in. Budget adjustments can be done, the budget for this can be flexible, and money will be allocated in the districts where the time is spent.

Jones said to her the decision is if MRA should be proactive or reactive. These sites are going to be redeveloped, their locations and opportunities are very viable. MRA can sit back and let things come in and be reactive, or MRA can go seeking those projects and partners that really align with the goals and hopes for the properties. She favors this and feels it is a responsible approach to make sure MRA has the best opportunities to reach its own goals for redevelopment.

JONES: I MOVE THE MRA BOARD APPROVE THE SCOPE OF SERVICES WITH MISSOULA ECONOMIC PARTNERSHIP, AUTHORIZE THE BOARD CHAIR TO SIGN THE CONTRACT, AND ALLOCATE UP TO \$50,000 IN URD FUNDING FOR THE CONTRACT.

Reineking seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

[Front/Main Conversion Design Contract – Amendment #1 \(Multiple URDs\) – TIF Request \(Buchanan\)](#)

Buchanan reviewed her memo which covered the history of the Front/Main Conversion to date. The conversion from one-way to two-way has been a top priority in both of the Downtown Master Plans (DMP) and for the community long before a DMP was ever done. As a result of the initial DMP and the prioritizations in that Plan, MRA was able to secure some funding through the Missoula Metropolitan Planning Organization (MPO) and added to that funding with TIF revenue to go through a Request for Proposals (RFP) process. HDR was selected as the consultant to create the concept around the conversion to two-way and do traffic analysis to examine how those changes affected the three state-route intersections at Madison, Higgins and Orange because the Montana Department of Transportation (MDT) has to be satisfied with any changes that impact those intersections. Buchanan said the study had a dual purpose. One was to demonstrate to MDT that level of service at their three intersections was not adversely impacted. The second purpose was to give the City a roadmap so that as development came online on Front & Main Streets prior

to them being converted to two-way traffic, things weren't being done that would have to be undone later. That study was completed in 2015.

The second DMP also addressed Front & Main Streets and had the priority that they be converted to two-way. It acknowledged that Broadway is really MDT's only east-west route other than the Interstate and might not be the best place to accommodate all of the things in the ROW as outlined in the first DMP. The recommendation was to move the protected bike lanes to Main Street. When it became apparent there was going to be a federal infrastructure bill passed by Congress and there would be a significant amount of funding available if the current Administration's proposals were followed, the City made the decision to go ahead and do real engineering on the Front/Main Conversion so they were positioned to go after federal funding to build it.

MRA commissioned HDR to take the 2015 plans and create engineering documents. When they came back for 30% review by City staff, those plans did not anticipate a protected bike lane on Main Street because it was assumed it would be elsewhere. Staff felt the most expedient and affordable way to move it forward was to take the base they already had and build on it. When the 30% plans were done and presented to the City they all collectively took a step back and said they ought to be looking at the recommendation in the DMP. HDR went back and did an analysis of what would happen if the bike lanes were moved to Main Street. The result was that there wasn't enough room to get everything in and a lot of parking would be lost which would not be acceptable to downtown businesses and property owners. HDR then came up with the idea to bifurcate the bike lanes and put a one-directional bike lane on Main Street and a one-directional bike lane in the other direction on Front Street so there is a rotator going on the north and south sides of those two streets. That was the compromise that allowed them to minimize the amount of parking lost, have travel lanes that worked for MDT, Mountain Line and emergency vehicles, and accommodate protected bike lanes. Buchanan said the work HDR had done to the 30% point is not work that is lost. It was work that had to be modified if they were going to incorporate the bike lanes. At best, it has been a challenge because like with every existing street they are trying to put a size 10 foot in a size 5 shoe.

Buchanan said the other piece that has been very different than the 2015 exercise was that the City charged HDR at the outset to really take a hard look at the Kiwanis Park Neighborhood. The Neighborhood had legitimate concerns about how they would be able to get in and out of their neighborhood if Front Street went to two-way traffic. They discovered there were two good options for cleaning up and facilitating traffic flow in that neighborhood. One was to do an extension of Kiwanis Drive which would have had a big impact on Kiwanis Park. It is encumbered with land and water conservation funds and the way in which the Park was deeded to the City with reversionary clauses, etc. It would have been tough and time consuming to figure out how to do this option. The other option was to take Parsons Drive, which is currently one-way into the Kiwanis Neighborhood, and reverse it to get the exiting traffic further away from the Madison Street intersection at mid-block which would clean things up a lot. What they found out during this process is that Parsons is a privately-owned street and the owner has no interest in seeing its direction altered. They also own several rental properties on either side of Parsons. The City and HDR strongly think reversing the direction of that street will benefit the tenants because they will be able to get out of the neighborhood easier. They have not been able to make that

happen, so HDR is in the process of redesigning the Madison/Front/Hartman intersection to be a five-way intersection with a traffic signal there. It has been a long and complicated negotiation that hasn't gotten them where they hoped it would, but they have a solution they think MDT will be okay with once they do the warrant study for the traffic signal.

Buchanan said all of the above have added to the cost of the project. The other piece added that was not part of this project is they've asked HDR to give a price to create a real-time traffic model simulation in hopes that maybe it will have some influence on decisions now or down the road. Reineking asked if the traffic simulations will be available to the public. Buchanan said yes, and there will be some public meetings once this plan is gelled completely.

Buchanan said the City has been working for a number of years on the redevelopment of Riverfront Triangle. They were at a place in negotiations with MDT, before the pandemic hit, about what impact the proposal Logjam had on the table would have on Broadway and Orange Streets and what modifications would have to be made, etc. Those negotiations stopped midstream. There is now a different group of developers who seem to have a strong interest in developing the property. To try to expedite decisions around what is going to happen as a result of that development they've asked HDR to add the traffic analysis and recommendations to the scope of this project. Buchanan said it would be hard to look at what is going to happen at the Riverfront Triangle without taking into account Front & Main maybe being two-way, or vice versa. This will be the most expedient way to get those questions on and off of the table about where there may need to be additional turn lanes, where there may need to be ROW dedication, etc.

In summary, the key elements include relocation of the bike lanes from Broadway to Front and Main Streets, reconciliation of the desired elements including bikes, pedestrians, vehicles, street trees, and parking in a constrained amount of space, and to hold tight on the basic premise that they are not taking out the curb line but rather they are working between the curbs. It also includes the additional traffic analysis for Riverfront Triangle with the traffic simulation. Buchanan said the other piece that wasn't in play in 2015 is that now there is a very active project around what is going to happen to Higgins Avenue south of Broadway Street.

Tim Erickson and Jon Updike from HDR were present. Updike said it has been a privilege to work on this and Buchanan covered it very well. He said they do plan to put the simulations up on Engage Missoula website for the project as an easy way to disseminate along with some other information they have on there that they plan to update and publish. Erickson said it has been a really fun project to work on and there is a lot of great momentum and energy behind it right now. It gives the opportunity to get the project to the finish line with the vision the community is designing for Front & Main.

Brock asked what the timeline is before movement is seen. Buchanan said it will be dependent on what they decide to do with the Higgins intersections. There are options and there seems to be a way to design the traffic signals so they can adapt to three or four lane. They also may only do part of the curbs. There are ongoing discussions about what to do. Updike said aside from the Higgins piece, they need to get the additional survey and traffic analysis going. In the meantime they will coordinate with Kittelson & Associates on the

Higgins piece they are currently working on, along with some other items they are looking at in order to finalize the design. Ideally that will be wrapped up late this fall. Upon approval they will roll into producing final, 100% plans and construction documents in winter/spring 2023. Erickson said after that they have the ability to focus in on what parts of the federal infrastructure money really are best suited for this project they hope it finds its way to successful application to be able to put it in the ground. Englund asked when that money gets disbursed. Buchanan said some of it is already out there. Erickson said this was the first year of authorization for those monies. Under the current Administration they are planned on being authorized over a five-year period with the same programs. Buchanan said ideally the City/MRA/MPO will be able to marry the Higgins project and the Front/Main Conversion into one large infrastructure project and go after significant federal funding.

Englund said his concern is if there are 90% drawings there has to be some assurance they can be used, although he realizes there is no guarantee. Buchanan said this is the best climate the City has seen for infrastructure projects. It is a massive Bill and pieces can be pulled out of different ones, so they could apply for three or four different funding sources. Reineking asked if MRA is expecting an ask in 2024 for the Brooks corridor. Buchanan said they are hopeful. The ask for this would be in 2023 so they would be different pots of money. Also, the Brooks corridor is going through the Federal Transit Administration (FTA) as opposed to Federal Highway Administration (FHWA) like this one is, so they are different animals.

Reineking said there are a lot of good things in the ask. She said Buchanan's memo refers to relocation of east-west bus service to Front Street. She asked if Mountain Line was in on the meetings that resulted in agreement with that direction. Buchanan said they are adding bus stops and there will be a mini transit hub on Ryman between Main & Front. There will also be several bus stops on Front Street.

Reineking said she is glad to see a landscaping plan and asked what a suspended pavement system is. Buchanan said it is a way of planting trees. Parks & Rec said if the current downtown street trees were in a suspended/structural system they would be twice the size they are. Buchanan said she would argue they are currently the size they ought to be and are the right scale for downtown. She said the City has adopted the standard that any time there is a street tree that is curbside/sidewalk it has to go into the structural suspended pavement system. The trees in the Old Sawmill District (OSD) are having to be done that way. All of the trees around The Mercantile and AC Hotels are also done with the system. They do grow a lot faster, but it adds between \$10,000-\$20,000 to the cost of the street tree.

Reineking said the request includes a contingency of just under \$32,000 and she asked if that would be enough. Buchanan said the number was generated by HDR. She said she hopes they may not need it. Updike said it was a modest amount to identify that would give HDR some flexibility. Little things have come up and it is an easy way for them to go ahead and take them on and get them done. An example would be looking at traffic relative to the Riverfront Triangle, there might be some further coordination or civil design solutions that are fairly simple and they could take those on through that mechanism. It is for unforeseen future items.

Englund and Reineking asked about the one-directional protected bike lanes and if they have been tested in other markets. Updike said they have and there is very good guidance from NACTO (National Association of City Transportation Officials), for bicycle and pedestrian design guidance. Massachusetts DOT has a protected bike lane design guide that is very detailed. City staff at Public Works & Mobility (PWM) recommended HDR largely look to that and they have since adopted those standards in their design. They also looked at very similar configurations in other cities.

BROCK: I MOVE WE APPROVE THE STAFF RECOMMENDATION TO APPROVE AMENDMENT 1 TO THE PROFESSIONAL SERVICES AGREEMENT FOR THE FRONT STREET/MAIN STREET TWO-WAY CONVERSION AND KIWANIS NEIGHBORHOOD ACCESS AND CIRCULATION DESIGN IN AN AMOUNT NOT TO EXCEED \$233,563, AUTHORIZE THE DIRECTOR TO APPROVE USE OF ANY CONTINGENCY FUNDS AS NECESSARY AND AUTHORIZE THE CHAIR TO SIGN THE AMENDMENT.

Reineking seconded the motion.

Reineking clarified that these funds will come out of various URDs as appropriate for various parts of the study. Buchanan added those URDs are Front Street, Hellgate and Riverfront Triangle. Collectively, they have over \$2 million in contingency.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

MRA Board – Election of Officers

REINEKING: I MOVE TO ELECT KARL ENGLUND AS CHAIR AND TASHA JONES AS VICE CHAIR OF THE MRA BOARD.

Brock seconded the motion.

Reineking and Brock said Englund Chairs the Board well and they appreciate it. In the event they are both away the rest of the Board will cover for them.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

NON-ACTION ITEMS

STAFF REPORTS

[Director's Report](#)

Englund thanked Buchanan for her Director's Reports and said it's nice to get them. Buchanan said staff is working on the purchase agreement for Scott Street which will result in a development agreement. She said the market-rate piece is substantially ahead of the income-qualified piece in terms of design and architecture. Ravara is far enough along that they are getting some good pricing on it. They are working hard to fill the daycare/childcare requirement. Englund asked what the income-qualified piece is going to be. Buchanan said

it is the piece that is for sale as owner-occupied and includes the condos and townhomes on the north three acres. Community Land Trust (CLT) will own the underlying land and everything vertical will be privately owned. It will be run similar to Clark Fork Commons where appreciation will be capped when it is sold. Englund asked if anyone has talked about the idea that among the people really getting squeezed are teachers and public safety workers. Buchanan said they are part of workforce housing. She said the City hasn't looked at specific occupations. She said there are projects in the other parts of the country that have had financial support from certain industries and their employees may get preferential treatment in terms of buying or renting units.

Buchanan said staff gave an informational presentation of a look back at the process for the Sleepy Inn. It helped publicly set the standard for the City's expectations around the redevelopment of that corner. Englund asked if MRA is managing the Sleepy Inn. Buchanan said no, the City has been working with a realtor. MRA paid DKP to do an analysis of that property. From that point on it is in the hands of the realtor to go and find potential developers. The City owns it and MRA will be involved in removal of those buildings.

FY22 Budget Status Reports (6/30/22)

Dunn said most of the highlights are on the second page of her memo and she was happy to answer any questions. Reineking thanked her for the cover memo and said it is very helpful.

COMMITTEE REPORTS

OTHER ITEMS

ADJOURNMENT

Adjourned at 1:46 p.m.

Respectfully Submitted,



Lesley Pugh