



MRA Board Memo Cover Sheet

September 12, 2022

Project Name: Fire Hydrant and Public Improvements Supporting Diversified Plastic's Expansion and Implementing the North Reserve Scott Street Master Plan

Urban Renewal District: North Reserve Scott Street

Map and Project Location: 3721 Grant Creek Road

TIF Investment: \$46,253

Private Investment: \$ 1,733,820

Ratio of Public to Private Investment: 1:37

Project Description: Diversified Plastics is a family-owned manufacturing firm operating in Missoula since 1978. Their property at 3721 Grant Creek Road was annexed into the City in December 2021 and added to the North Reserve-Scott Street Urban Renewal District (NRSS URD) in June 2022. They plan to complete two expansions that will add employees and accommodate space needs, including a 4,000 SF building expansion in 2022 and a new approximately 25,000 SF by 2025. These expansions and City annexation conditions require a series of public improvements on Howard Raser Drive and Grant Creek Road. Diversified Plastics is requesting funding for a new fire hydrant on Howard Raser Drive as well as approval to "Proceed Without Prejudice" for the remaining improvements on Howard Raser Drive and Grant Creek Road. They will return to the MRA Board for funding approval of Grant Creek Road improvements when they are closer to beginning the approximately 25,000 SF building.

Cost Breakdown of TIF Funds:

Installation of new hydrant on Howard Raser Drive \$ 46,253

Estimated New Property Taxes from First Phase of Expansion: \$ 7,379

Public Purpose and City of Missoula 2020–2023 Strategic Goals: The City of Missoula's 2020–2023 Strategic Plan outlines a number of goals with regard to Safety and Wellness; Community Design and Livability; Environmental Quality; and Economic Health.

- **Help community businesses start, grow, and thrive:** Diversified Plastics employs approximately 50 individuals. CEO Brad Reid is committed to providing a living wage for all employees. Funding for public infrastructure supports the expansion of a local traded sector company.



- **Prioritize infrastructure development that promotes equitable growth and implements adopted policy:** Improvements on Howard Raser Drive and Grant Creek Road are identified in the North Reserve-Scott Street Master Plan, including by adding trees, landscaping, and sidewalks. Installation of a new hydrant on Howard Raser Drive is consistent with the City's annexation conditions for the property.



MEMORANDUM

TO: MRA Board

FROM: Annie Gorski, Deputy Director

DATE: September 9, 2022

SUBJECT: Public Improvements Supporting Diversified Plastic's Expansion and Implementating the North Reserve Scott Street Master Plan, 3721 Grant Creek Road (**North Reserve-Scott Street URD**) – TIF Request

Overview / Project Description / Background

Diversified Plastics is a family-owned manufacturing firm operating in Missoula since 1978. The company designs, engineers and fabricates plastic components used in a variety of industries including food processing, forestry, agriculture and waste water treatment. Their products are sold around the globe. Their property at 3721 Grant Creek Road was annexed into the City in December 2021 and added to the North Reserve-Scott Street Urban Renewal District (NRSS URD) in June 2022. They plan to complete two expansions that will add employees and accommodate space needs, including a 4,000 SF building expansion in 2022 and a new approximately 25,000 SF by 2025. These expansions and City annexation conditions require a series of public improvements on Howard Raser Drive and Grant Creek Road. Diversified Plastics is requesting funding for a new fire hydrant on Howard Raser Drive as well as approval to "Proceed Without Prejudice" for the remaining improvements on Howard Raser Drive and Grant Creek Road. They will return to the MRA Board for funding approval of Grant Creek Road improvements when they are closer to beginning the approximately 25,000 SF building.

Request for Tax Increment Assistance

Public Right-of-Way Improvements

New fire hydrant on Howard Raser Drive	\$46,253
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Total TIF Request	\$46,253
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City of Missoula Strategic Plan

The project aligns with the following goals in the City's Strategic Plan:

- **Help community businesses start, grow, and thrive:** Diversified Plastics employs approximately 50 individuals. CEO Brad Reid is committed to providing a living wage for all employees. Funding for public infrastructure supports the expansion of a local traded sector company.
- **Prioritize infrastructure development that promotes equitable growth and implements adopted policy:** Improvements on Howard Raser Drive and Grant Creek Road are identified in the North Reserve-Scott Street Master Plan, including by adding trees, landscaping, and sidewalks. Installation of a new hydrant on Howard Raser Drive is consistent with the City's annexation conditions for the property.

Economic Stimulus and Employment

The request for \$46,253 represents approximately three percent of the development cost for the first phase of expansion. The ratio of public to private investment is approximately 1:37. Diversified Plastics recently hired three employees tied to this expansion and anticipates hiring another 15 individuals with the second phase of expansion. The initial expansion will add 4,320 SF of space for additional shipping equipment to help with increased product demand.

Tax Generation

The estimated annual property taxes after the initial expansion are expected to increase by about \$7,400 annually. After the second phase of expansion the property taxes are expected to increase by about \$150,000 annually.

Urban Renewal Goals

The development plan aligns with goals in NRSS URD related to supporting business growth and infrastructure expansion, including:

- ***Support retention and expansion of existing commercial and industrial businesses.***
- ***Improve, maintain, and upgrade public infrastructure***

Impact Assessment

Construction activity will likely result in some temporary disruption to local traffic and create noise and dust.

Financial Assistance

The project will be financed by First Security Bank. The NRSS URD TIF assistance is the only known public funding in the project.

Project Feasibility

The December 2021 annexation conditions required that improvements to Howard Raser Drive, Grant Creek Road, as well as connections to City sewer and water, be installed within 12 months. Installation of a new hydrant is required prior to construction of a new building. Because of construction contractor availability, design and permitting timelines, Diversified Plastics is requesting an extension of the Grant Creek Road annexation conditions until 2024.

Approval by City Council is required. Diversified Plastics anticipates installation of the new hydrant associated with this URD funding request in the next month or so.

Payment of Taxes

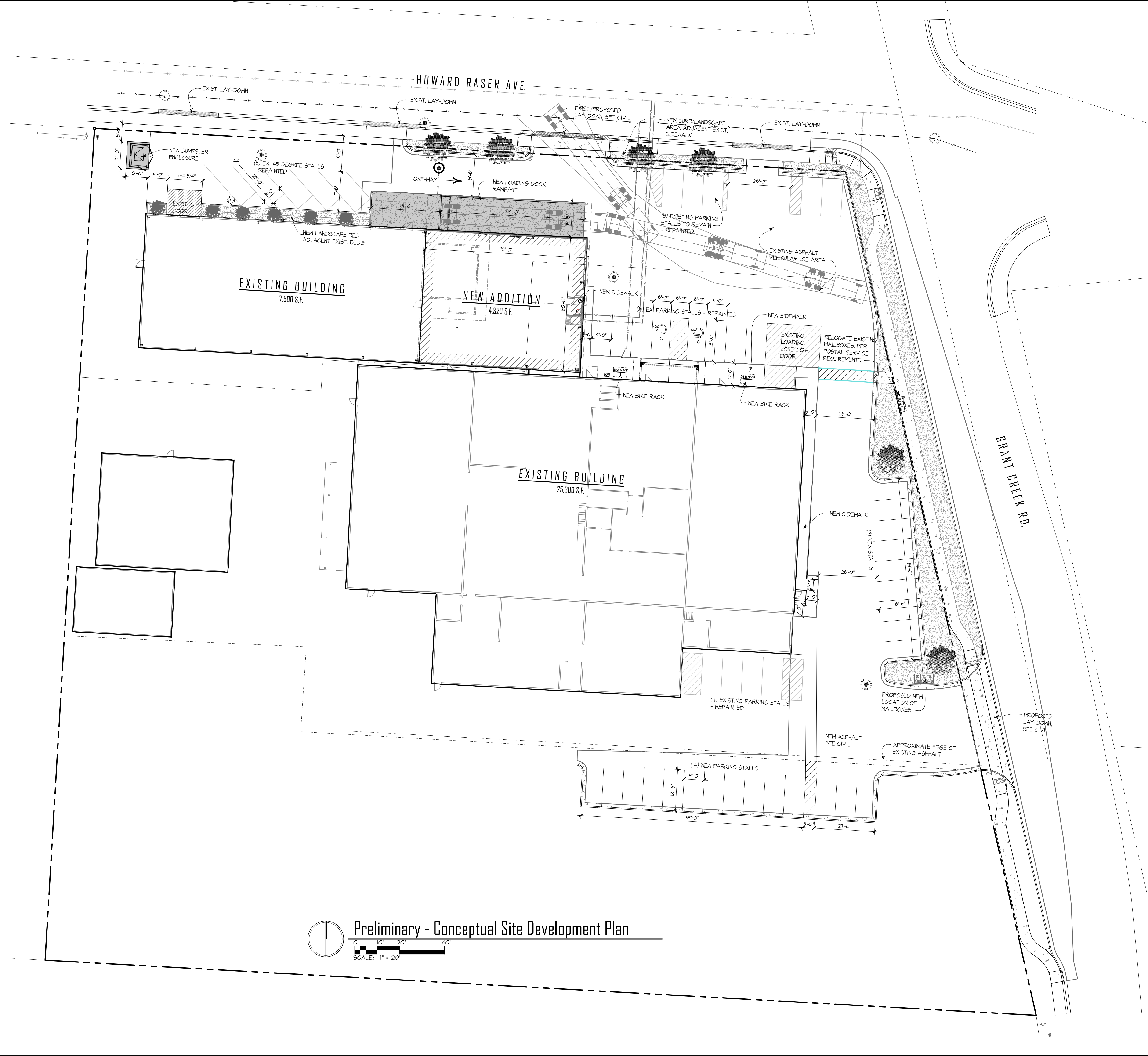
All taxes are paid and current.

RECOMMENDATION: Staff recommends that the MRA Board approve two motions:

- 1) A request from Diversified Plastics in the amount \$46,253 for a new fire hydrant on Howard Raser Drive, with the understanding that the TIF assistance will be a reimbursement to the owner upon full completion the project as evidenced by the issuance of a Certificate of Occupancy from the City of Missoula, and further, that the amount of the TIF reimbursement will be based on paid invoices submitted by the owner documenting actual costs of the TIF eligible improvements, and authorize the Board Chair to sign the Development Agreement.**
- 2) A request to Proceed Without Prejudice with public right of way improvements on Grant Creek Road and Howard Raser Drive.**

PLOT DATE: Tuesday, May 10, 2022

DWG LOCATION: S:\2020\20-161 Diversified Plastics Expansion\CAD\20-161 A1.1 Site Development Plan



 Preliminary - Conceptual Site Development Plan
SCALE: 1" = 20'

Legal Description

S08, T15N, R14W, PARCELS 1, 2, & 3, TOTAL OF 3.3 ACRES
GEOCODES:
04-2200-08-2-03-08-0000
04-2200-08-2-03-22-0000
04-2200-08-2-03-24-0000

Building Info / Zoning

EXISTING MAIN BUILDING = 25,300 S.F. +/-
EXISTING BUILDING = 7,500 S.F. +/-
NEW ADDITION = 4,320 S.F.
ZONING AREA = COUNTY C-12, INDUSTRIAL SERVICE USE PERMITTED.
ZONING AREA = CITY C2-4, INDUSTRIAL SERVICE USE PERMITTED,
NO SETBACKS REQUIRED.

Parking Requirements

INDUSTRIAL SERVICE = 1 SPACE PER EMPLOYEE = 45 PARKING SPACES REQUIRED. - EXISTING BUT NON-CONFORMING.

PROPOSED PARKING = 45 PROVIDED
ADA PARKING SPACE PER 25 = 2 REQUIRED, 2 NEW PROVIDED
- 22 EXISTING SPACES TO REMAIN, REPAINTED
- 4 EXISTING SPACES WITH REVISED LAYOUT
- 14 EXISTING SPACES WITH NEW LAYOUT

BIKE PARKING
SHORT-TERM = 1 PER 20 PARKING SPACES = 3 REQ'D, 4 PROVIDED
LONG TERM = 1 PER 5 EMPLOYEES = 9 REQ'D.

Engineering Information

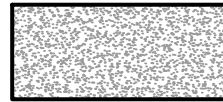
- EXISTING PARKING ASPHALT TO REMAIN EXCEPT FOR MAINTENANCE. NEW ASPHALT SEALING AND NEW STRIPING.
- SEE CIVIL FOR EXTENT OF NEW ASPHALT.

Landscaping Requirements

EXISTING DEVELOPMENT IS NOT EXPANDED OR MODIFIED IN ANY WAY THAT RESULTS IN A 10% OR GREATER INCREASE IN OFF-STREET PARKING REQUIREMENTS.

OWNER WOULD LIKE TO IMPROVE THE LOOKS OF HIS PROPERTY. APPROX. 4,290 S.F. TOTAL NEW LANDSCAPE PROVIDED (APPROX. 1,241 S.F. IN THE RIGHT-OF-WAY)

NEW LANDSCAPE AREA



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GHA architects
1605 Stephens Ave
Missoula, MT 59801
p406.543.1477 www.gavin-hanks.com
GAVIN-HANKS ARCHITECTS

DIVERSIFIED PLASTICS, INC.
3721 GRANT CREEK ROAD
MISSOULA, MT 59808

REV.	DESCRIPTION	DATE
ISSUE		
○	PRELIMINARY DRAWINGS	
○	PLAN SET FOR BIDDING	
○	PLAN REVIEW SET	
●	PERMIT DRAWINGS	
●	FINAL CONSTRUCTION SET	
○	AS-BUILT DRAWINGS	
○	OTHER	

May 9, 2022

GHA Project #20-161

SITE DEVELOPMENT PLAN

A1.1

THIS REPORT WAS FUNDED IN PART, BY AN AWARD FROM THE MONTANA DEPARTMENT OF COMMERCE, BIG SKY ECONOMIC DEVELOPMENT TRUST FUND PROGRAM.

