

MISSOULA REDEVELOPMENT AGENCY
CONDENSED BOARD MEETING MINUTES

December 15, 2022

FINAL

A Regular meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held on Thursday, November 17, 2022 in the Hal Fraser Conference Room, 140 W. Pine St., and via Microsoft Teams at 12:00 p.m. Those in attendance were as follows:

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

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

Public: Mayor Jordan Hess; Nathan McLeod, David Selvage – City of Missoula Parks & Recreation; Max Haller - RESPEC; MCAT

CALL TO ORDER

12:00 pm.

INTRODUCTIONS

Introduction of Mayor Hess

Englund welcomed Mayor Hess to the meeting. Mayor Hess expressed his enthusiasm for the work MRA does and said Tax Increment Financing (TIF) is the best and only tool for a lot of work the City does. He respects that it needs to be used wisely. It is used creatively and boldly and in a way that has great impact on the community. He supports the work MRA does and is available to be a cheerleader for anything he needs to.

Mayor Hess said the City is in the process of updating its Strategic Plan and there was a facilitated session with senior staff and City Council. They are working through a three to four month process to get it completed and ready to go. He said it will build on the previous Strategic Plan and focuses on climate and resiliency, housing and equity. Englund said the door is always open and MRA is happy to talk. Reineking thanked Mayor Hess for coming to the meeting and said MRA has always strived to and expects to help the City achieve its goals. MRA is here to support that Strategic Plan and appreciates the communication. Englund said he thinks there has been a misconception that MRA is an independent body that doesn't operate within the rules and structure of the City. MRA does have responsibilities and statute it has to follow. MRA is part of the City and understands City

Council and the Mayor are in charge and communication lines should always be open. Mayor Hess said he and Buchanan have had very productive weekly meetings.

Jones added that Mayor Hess has a lot of experience with MRA from his prior work on City Council. She said it would be helpful to her for the Mayor to be an educator and advocate for MRA's processes and why TIF is important, to help dispel some of the misconceptions about the programs MRA uses. It would be helpful not only for members of the public, but also those who are new to City Council. It is an ongoing dialogue and often times the Mayor has more frequent access to those individuals. She asked Mayor Hess to be vocal and enthusiastic to those people too. Mayor Hess said one of his personal priorities is to build upon the City's communication infrastructure and is really excited about the work MacPherson is doing. He thinks there has been a scarcity mindset about communicating at the City. The City needs to take time to talk about what it is doing, why it is doing it and why it is important. Mayor Hess said one of the main legislative priorities is to protect TIF and the ability to utilize it in a beneficial manner. He is planning to be fairly present at the Legislature to do what he can there.

APPROVAL OF MINUTES

[November 17, 2022](#) Regular Board Meeting Minutes were approved as submitted.

PUBLIC COMMENTS AND ANNOUNCEMENTS

There were no public comments or announcements.

ACTION ITEMS

South Reserve Pedestrian Bridge Electrical Modifications (URD III / Ward 5) – TIF Request (Gass)

Gass said the South Reserve Pedestrian Bridge (SRPB) was built in 2017. The goal was to provide a safe passage over Reserve Street for bicycles, pedestrians and other non-motorized users. Gass said the SRPB averages about 180 daily trips. The Bridge is the first of its kind, sensing weather and controlling itself with a heated bridge deck system by melting snow. Being the first of its kind, there have been some bugs to work out along the way. In 2020 MRA entered into a Memorandum of Understanding (MOU) with the City Parks and Recreation Department to make some adjustments to the weather sensors on the Bridge to help increase efficiency of the system in sensing snow. A programmable automations system was also installed to allow Parks & Rec to monitor and control the heating system remotely.

Over the last two winters it was brought to MRA's attention that the Bridge's steel super structure had become energized through an electrical leak. Out of an abundance of caution, Parks & Rec has not operated the heated deck surface for the last couple of winters. The source of the electrical leak was unknown until recently when Jackson Contractor Group (JCG) worked with Jensen Electric to identify the source of the electrical leak. They presented a solution to Parks & Rec which is to install Ground Fault Circuit Interruption (GFCI) protection.

Gass said GFCI is a requirement of the National Electric Code (NEC) for fixed outdoor electric and snow melting equipment. Somewhere in the complex chain of contractor/subcontractor/supplier design/shop drawing submittals to the City, this

requirement was missed or omitted and not picked up on. It was not enforced during electrical inspection. Gass said staff opinion is that it would/should have been something that was part of the construction contract when the Bridge was built, so it is appropriate to address now and incur the expense to remedy the construction deficiency.

JCG has submitted a proposal to Parks & Rec to install the GFCI and associated contacts in the electrical system that will provide full ground fault protection for the deck heating system. Gass said if the Board approves the request it will be a Parks & Rec managed project with MRA TIF funding through an MOU with Parks & Rec. The staff recommendation is that the Board authorize MRA to enter into a MOU with Parks & Rec in an amount not-to-exceed \$47,611 for the installation of Ground Fault Protection Circuits and Contactors For Heat Tracing Circuits on the SRPB and authorize the MRA Director to sign the MOU.

David Selvage, Parks & Rec, said the Bridge's system is complicated and there have been challenges with the fiber-reinforced panel contractor who should have known some of these things. As Gass said, the project was complicated with a lot of moving parts and this was missed. They believe it will address the primary safety concerns of energy leakage.

Brock asked if the Bridge maintenance comes out the Parks & Rec budget. Selvage said yes. It is their responsibility to maintain the Bridge. Their previous work with the MRA Board has been to amend how the energy works and flows through the deck so it doesn't get too hot and burn unnecessary energy. These issues are code and safety-based at present. This fix should do it and provide use needs, as it is a valuable connection.

Jones said the status quo is that there is a system that is not operable in its current state that is very valuable. Selvage said that was correct. With energy flowing into the super structure because of the lack of contactors to shut off the power, they can't run the system. Jones said she supports this because the City has a valuable asset they're not able to operate currently. In addition to that, they're having to reincure added expense to maintain a usable and used connection in the community. Jones said approval of this request is a no-brainer for her.

Englund wanted to take the opportunity to tell the story of the Bridge. He said the City had its trail system, and when the Montana Department of Transportation (MDOT) rebuilt Lolo to Hamilton they put in a trail system. There was a missing connector link and the County was able to figure out that they could build the missing link. In 2009 the County received shovel-ready stimulus money to build the link. The connection into the City's trail system was an at-grade pedestrian-activated traffic light. MRA got requests from people so see if something safer could be figured out. There were several public meetings held where ideas were researched, and MRA heard from bridge, tunnel, safety, bicycle, traffic and all kinds of people before they came up with the idea that said they could afford to build a bridge. It was a proposal and still had to be approved by the County Commissioners because this was their project. It had to be approved by City Council because it was bonded. It had to be approved by the board that oversees the MDOT and that took two public meetings. While it was an URD III/City project, it was really the work of all of the City, County and State. Any one of them could've stepped in and said they weren't going to do it. Englund said it's neither here nor there for this particular request, but every now and again there are complaints about the Bridge and he wanted to clarify this. Gass added there was also an

extensive feasibility study done to look at those options and come up with the final one that was selected. It was a very public process.

Lawson thanked Englund for the background and said he supports this for the same reasons Jones expressed. He asked if 180 trips is good daily usage/on target. Englund said at the time they were working through options the tunnel option was a little cheaper. There was a meeting where they tried to decide how to evaluate it and if a bridge was worth spending more money. They talked about use and one of the things they learned was that when things like this are built, they generally don't have a lot of money leftover to do really good monitoring of how much they get used. People were more than willing to tell them what their estimates were and were also very clear that it was just an estimate. In the end, using some of those estimates and even slicing things off the estimates in order to be conservative, and looking at the lifespan of a bridge versus a tunnel, it came down to pennies difference in costs. Also, the community did support the Parks bond that significantly increased use out at Fort Missoula. Gass said 180 is the average daily trips and March – September it is closer to 300. Selvage said what Parks & Rec knows from the Bitterroot trail is that this is a valuable connection for the entire community and for tourism. He said there are probably 200 people using it daily that live here. He said he can't imagine 200 people trying to cross Reserve Street at this location every day without accidents, delays, etc. The Bridge is well worth it.

Buchanan said another thing that is often missed when the Bridge is looked at is that there are a couple of neighborhoods on the east side of Reserve Street that are drastically underserved with park land. This Bridge connects them to Fort Missoula Regional Park. As there are more and more activities there, it will create more use of the Bridge. She suspects that when the California Street Bridge was built there weren't anywhere near these kind of numbers, especially because Silver Park didn't exist yet. It was a leap of faith by the MRA Board to say it was worthy of investing TIF funds in and has paid off in spades.

Englund noted there were several parents that attended the public meetings for the SRPB to say if there was a pedestrian crossing put in they would not be letting their kids use it to cross Reserve Street. Mayor Hess said one of the discussions at the time was quantifying the economic impact of 200 people pushing a button to stop traffic on Reserve Street every day. Jones said Linda Vista is a rapidly growing area and City Council just approved another subdivision there. The people that live there have a safe crossing by use of the SRPB to the downtown area and it is worth making this investment to keep it usable.

JONES: I MOVE THE BOARD AUTHORIZE MRA TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH MISSOULA PARKS & RECREATION IN AN AMOUNT NOT TO EXCEED \$47,611 FOR THE INSTALLATION OF GROUND FAULT PROTECTION CIRCUITS AND CONTACTORS FOR HEAT TRACING CIRCUITS ON THE SOUTH RESERVE PEDESTRIAN BRIDGE AND AUTHORIZE THE MRA DIRECTOR TO SIGN THE MEMORANDUM OF UNDERSTANDING.

Reineking seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (5 ayes, 0 nays).

Caras Park – Clark Fork ADA River Access and Riverbank Restoration (Front Street URD) – TIF Request (Gorski)

Gorski said the Parks & Rec Department are proposing ADA (Americans with Disabilities Act) access improvements in Caras Park. This fall they received a \$1.2 M grant from the U.S. Department of Commerce – Economic Development Association (EDA) to construct improvements along the north bank in Caras Park. The improvements include construction of an ADA accessible path along the north bank of the Clark Fork River adjacent to the Park, stone river access stairs and stone platform, as well as restoration of the riverbank including landscaping and stabilization. Gorski said the EDA grant is for construction and outside of that component there is a need for an additional funding for design and permitting to get to construction. Up to \$405,076 in local funding is needed to satisfy the required EDA grant match for construction and complete design and permitting of the project. Missoula Downtown Partnership and the City of Missoula have committed \$305,076. There is a need for an additional \$90,000 for design and permitting to get to construction and Parks & Rec has requested TIF funding from MRA for that amount and \$10,000 in contingency funds.

Gorski said the improvements along the Clark Fork River are consistent with the North Riverside Parks & Trails Master Plan. MRA provided funding for that Master Plan. In addition, these improvements will provide a new, formalized river access located in the vicinity of Brennan's Wave as well as a direct connection to Ron's River Trail.

The total grant funding for construction is just over \$1.2 M. There is a match the U.S. Dept. of Commerce requires for that construction grant which is just over \$300,000. In addition to that, there is a need for funding for design and permitting. The project is currently at 60% design and to get it to construction drawings and ready to bid there is a need for an additional \$90,000. Gorski ran through the breakdown of funds as outlined in her memo. This project fits in with the City's Strategic Plan and Front Street Urban Renewal Plan by designing facilities that promote equitable growth and implementing adopted Energy Conservation and Climate Action initiatives.

Gorski noted that Parks & Rec has had initial consultation with federal, state and local permitting agencies that will be needed for this project. So far there have not been any major challenges or constraints identified. The numbers that Parks & Rec provided are based on recent estimates, but if there are cost overruns with the project there may be funding available through the City's Open Space Bonds.

Nathan McLeod, Parks & Rec, said this project has gone through a number of public processes. The idea of the river access started during the Downtown Master Planning process and carried through to the North Riverside Parks & Trails Master Plan. The entire Clark Fork River Restoration and Access project has had its own series of public processes involved with it. Of all the areas Parks & Rec has been looking at for doing river restoration and access improvements, Caras Park has come to the very top of the list every time they've polled the public. In the North Riverside Parks & Trails Master Plan this was one of the top improvements of all that were proposed. McLeod said in recent years river recreation has exploded in Missoula and there is a big economic benefit to have a clean river where people are recreating. Many people float from East Missoula to downtown

Missoula where they take out and end up going to businesses for lunch, dinner, shopping, etc.

McLeod said Parks & Rec has been involved with permitting agencies from the very beginning of this project. Involving them from the beginning is very critical, especially when dealing with the river. They are not proposing any improvements under water, so all work will be done on the banks of the river and not in it, which does help with permitting. He said they are also dealing with the Army Corps of Engineer's levy, which has its own challenges, but at the same time because it is already a hardened levy, agencies like Fish, Wildlife & Parks (FWP) are a little less concerned with vegetation because it is already a structure that's been constructed and engineered. Parks & Rec is proposing to make the bank greener, and they've heard from FWP that shading of the banks is very important because if there is a lot of rock on the side of the river it can actually bring the river temperature up because of reflective heating. Adding more vegetation will shade this part of the river more than it is now. McLeod said Max Haller from RESPEC, the engineering consultant team, was present to answer any questions.

Jones asked for a timeline. McLeod said the project is at 60% design right now. The next step is to get to 100% and start the permitting process to formally get approvals. That will take some time, and they also have to wait for the river level to drop so it will be a summer/fall project. The goal is to start construction in the summer of 2024. Jones asked if MRA funds will be the last money used. Gorski said that was correct. The reason the project is coming to the Board now is because the match requirement is required by the grant. The agencies need to know that commitment is there for a match. Jones asked if it will come out of the 2024 budget, or even spill into 2025, depending on how things go. Gorski said that was correct and MRA will need to show a line item in its budget that is carried forward. Per the October Budget Status Report, there are \$600,000 in contingency funds in the Front Street URD. Staff is not aware of any projects coming in this fiscal year beyond the Front/Main Conversion, so feels this is something that can be accommodated.

Brock said she is so excited to safely increase access to the river. It is getting more and more popular every summer. She asked if there are plans to work on Brennan's Wave. McLeod said it is not in any current plans for Parks & Rec. Buchanan said Brennan's Wave was built by a private, non-profit group that raised the money to build it. The permitting and ownership of the wave is in the Ditch Company. There are some repairs that need to be done. She said it is her understanding that same group is committed to raising the money to make any repairs that are needed to it. It has withstood a lot of fast and deep water and is still functioning really well, but there has been some scouring that has undermined it. They may be coming to MRA at some point to ask for assistance with that project, although there has been no indication of that because they are still dealing with how to get through the permitting. Reineking noted that any repairs to Brennan's Wave would not impact the work that is being done here. Brock said she would like to see it dovetail because it will increase access. Buchanan said she thinks there is an assumption that Brennan's Wave is functioning well right now, but they need to look to the future. Brock said there was a death in Bend, OR and they were able to turn off the water. Missoula doesn't have the safety features that other waves in the middle of cities have now. She said there are things that Missoula can do to make it a safe feature as use increases and brings more and more

people to the center of the city. She would love for that to be a part of all plans moving forward so there is no tragedy.

LAWSON: I MOVE THE MRA BOARD APPROVE THE CITY OF MISSOULA PARKS AND RECREATION DEPARTMENT'S REQUEST FOR UP TO \$100,000 TO HELP FUND CONSTRUCTION OF THE CLARK FORK RIVER ACCESS AND RIVERBANK RESTORATION PROJECT AND THAT THE AMOUNT OF THE TIF WILL BE BASED ON ACTUAL COSTS OF TIF ELIGIBLE IMPROVEMENTS, AND AUTHORIZE THE BOARD CHAIR TO SIGN THE MEMORANDUM OF UNDERSTANDING WITH THE PARKS AND RECREATION DEPARTMENT.

Brock seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (5 ayes, 0 nays).

Englund asked that McLeod keep the Board apprised of what is happening. He said it is something the Board has been involved with for a long time and it would be nice to know how it is coming along.

NON-ACTION ITEMS

STAFF REPORTS

Director's Report

No Director's Report this month.

FY22 Budget Status Reports – Final

FY23 Budget Status Reports

Dunn noted the November Reports have updated adjusted fund balances. MRA waits to get those adjusted beginning fund balances because of all the closing entries that happen between the end of the fiscal year in June and through the audit. She didn't anticipate them changing a whole lot, and said those numbers are adjusted but not audited. The other change she wanted to point out is that the debt service is now included on the Budget Status Reports in each of the Districts that have debt.

Dunn said the audit is still ongoing and is being done by Anderson Zurmeuhlen (AZ). AZ is planning a merger with Pinion, and have reached out to MRA and the City to inform that as part of that merger they are assessing their strengths and weaknesses as they move forward. After they complete the City's contract (completing the audit for FY23), they will no longer be doing any governmental audits. MRA will need to consider what it wants to do in the future. Since it is a component unit of the City, MRA can rely on the City's overall audit or continue to do an independent audit.

Sleepy Inn property

Gorski said an Invitation to Bid was advertised earlier this week. The City is looking for proposals for asbestos abatement, building deconstruction and building removal. The bids

are due on January 6, 2023. Once it is awarded the contractor will have up to 60 days to complete that work. The hope is that the City's realtor will then be able to market the site for sale.

Montana/Idaho Water & Sidewalk Project

Gass said bids will be opened on December 20th and hope to award a construction contract on that project.

COMMITTEE REPORTS

Englund said Reineking and Lawson will be part of a Workforce Housing Working Group. Buchanan said she thinks it will be two to three meetings at the most.

OTHER ITEMS

ADJOURNMENT

Adjourned at 12:56 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Lesley Pugh".

Lesley Pugh