

MISSOULA REDEVELOPMENT AGENCY
CONDENSED BOARD MEETING MINUTES

January 19, 2023

FINAL

A Regular meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held on Thursday, January 19, 2023 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: City of Missoula: Tyler Walls, Jeremy Keene, David Gray, Matt Lawson, Eric Hallstrom, Leigh Ratterman, Deborah Postma, Andy Schultz, Jon Sand; HDR: Jon Updike, Jon Schick; Jack Hall, Missoula Downtown Partnership; Kristen Jordan, City Council; Martin Kidston, Missoula Current; Bret Serbin, Missoulia; MCAT

CALL TO ORDER

12:03 pm.

INTRODUCTIONS

APPROVAL OF MINUTES

[December 15, 2022](#) Regular Board Meeting Minutes were approved as submitted.

PUBLIC COMMENTS AND ANNOUNCEMENTS

There were no public comments or announcements.

ACTION ITEMS

[Sleepy Inn – 1427 West Broadway \(URD II / Ward 1\) – TIF Request \(Gorski\)](#)
[Power Point Presentation](#)

Gorski presented an update for Sleepy Inn as well as a request for approval to enter into a contract for building deconstruction and removal. The building has been vacant since March 2022 and has become a liability for the City. There is vandalism, illegal trespassing and camping on the site. The Urban Renewal District (URD) II Strategic Exit Plan and Envision West Broadway Master Plan state that redevelopment is a priority in this area. The City's realtor has stated that the site will likely be more marketable with the building removed.

Gorski said MRA and Community Planning, Development & Innovation (CPDI) published an Invitation to Bid in December for asbestos abatement, building deconstruction and building removal. Five bids were received and Three Rivers Landworks was the responsive low bidder at \$283,665. They will be partnering with two subcontractors, Abatement Contractors of Montana (ACM) and Heritage Timber.

Gorski said because this is a joint contract, staff is asking for both MRA Board and City Council approval to enter into the contract. It was presented to City Council Committee on Housing, Redevelopment and Community Programs (HRCP) yesterday and will be going to City Council on Monday, January 30th.

In terms of the budget, staff is proposing that CPDI's City Brownfields program would fund \$83,151.78 for asbestos abatement and lead paint testing on the shed building, as well as splitting mobilization and miscellaneous which serves as contingency. With MRA Board approval, MRA would fund \$200,514 in Tax Increment Financing (TIF) for building deconstruction, building removal and splitting mobilization and contingency with CPDI. Staff is recommending the Board approve up to an additional \$9,486 in contingency which brings the total to \$210,000.

Gorski noted the alignment of this project with the City's Strategic Plan and URD II Plan including supporting sustainable growth initiatives, implementation of the adopted Energy Conservation and Climate Action Initiatives, supporting collaboration and effective delivery of services and encouraging a thriving commercial atmosphere that stimulates private investment.

This item is on the City Council agenda for Monday night for approval of the contract. After that, the City will enter into a contract with Three Rivers Landworks. The contractor will have 60 days to complete the scope of work with an optional extension if the deconstruction contractor can identify additional materials to be salvaged. Gorski said the building will be down by the end of March and marketing of the property will begin as early as February or March.

Tyler Walls, City Brownfields Coordinator, spoke to the project and said he is very proud to be working alongside Gorski and MRA. It has been a great relationship and one that has been historically long lasting. The Housing, Redevelopment and Community Programs Committee was in favor of awarding this bid 8:2, with the recognition that the property would be more marketable for developers. This is the first step in carrying out the Envision West Broadway Master Plan. Walls also wanted to recognize and emphasize the savings of \$50,000-\$60,000 from the original quote found in the Phase 2 Environmental Site Assessment on the abatement costs which were monumental for the Brownfields Program. The combination of partnering on the phases for abatement versus deconstruction lowered the abatement costs. Walls thinks this is also true for the deconstruction costs.

Brock asked who will be reviewing the offers on the land once it goes on the market and what the next steps will be. Gorski said the City would like to see a development that aligns with and is consistent with the Envision West Broadway Master Plan. They need to understand what the market will bear and what there is room for on the site. Buchanan said

that determination will be made once the funding is in place to go ahead and take care of the removal of the liability there and a realtor is the most effective way to market the property. Marketing it with conditions could affect the ability to sell it. There are some controls in place with zoning and the Master Plan, but staff will need to sit down with Administration to map out how it proceeds.

Englund asked if the thought is that it will be marketed for sale or be a Request for Proposals (RFP). Buchanan said the determination was made by the City some time ago that rather than trying to do an RFP/partnership, it made more sense to sell it and put that money into the Affordable Housing Trust Fund (AHTF). Dover, Kohl & Partners did a total analysis of the site as a tool for the realtor to use and give a lot of information for somebody to base a decision on whether or not they want to purchase the property. Marchesseault said the Master Plan looked at that corner as being a significant corner/gateway into the greater downtown area. It envisioned some sort of a signature building there, and in the Plan it had commercial on the ground with residential above. It is definitely a possibility, but the site does have difficult access and the amount of housing in the Master Plan may be ambitious. During the Master Planning process, the Neighborhood was very interested in maximizing affordable housing and thinking that the very first development may be an option for that. Given the subsequent Neighborhood meetings and tightness of the site, there are no guarantees it would be affordable housing. Buchanan said the Master Plan also addressed that the development shouldn't address and concentrate just one type of housing in the corridor area. There are opportunities to include all types of housing.

Englund asked if the timetable is imminently doable. Gorski said if MRA gives the contractor notice to proceed by February 1st it will give them 60 days to do the work. Staff did get input from various contractors prior and felt given what their timelines were that 60 days is reasonable. Also, Three Rivers Landworks has not said that timeline is unachievable. There is the extension option in the contract of up to another 45 days if they can salvage more material. Reineking asked if there might also be an extension if there is an unusual weather event. Gorski said yes, it is standard language in the contract.

REINEKING: I MOVE THE MRA BOARD AUTHORIZE THE BOARD CHAIR TO SIGN THE CONTRACT WITH THREE RIVERS LANDWORKS IN THE AMOUNT OF \$283,665.65 WITH THE UNDERSTANDING THAT UP TO \$210,000 WILL BE FUNDED WITH TAX INCREMENT FUNDS, CONTINGENT UPON CITY COUNCIL'S APPROVAL OF THE REMAINING CONTRACT AMOUNT.

Lawson seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (5 ayes, 0 nays).

[Downtown Recycling Receptacles \(Front Street URD / Ward 1\) – TIF Request \(Buchanan\)](#)
[Power Point Presentation](#)

Buchanan said Leigh Ratterman, the City's Climate Action Specialist, initiated this project. There are a number of recycle bins that were placed downtown a number of years ago

through some grant funding. They are not compatible visually or quality-wise with what has been chosen for street furniture in the downtown, and are also near the end of their life cycle. Ratterman came to the Business Improvement District (BID) board and asked that they provide some funding to add recycling containers. It was the decision of the BID board that what is there now also needs to be replaced with something that will last for many years. The new recycle containers will be Victor Stanley brand, which is the same line of street furniture and trash receptacles already in use in the downtown.

Buchanan said the BID is requesting that MRA partner with them and the City to achieve this goal. It addresses the City Council initiative of Zero by Fifty which is zero waste, and recycling is a key component of that. They believe the cans will be much more effective in terms of people understanding it is not a trash can, they will be “recycle blue” and well-labeled with language about what can go in them.

Jack Hall, Downtown Missoula Partnership (DMP), reviewed a [Power Point Presentation](#) on behalf of the BID. During the first year of implementation the City has allocated \$9,000 to purchase five receptacles and they are asking BID and MRA to match that. There would be a total of eight receptacles funded by MRA in the Front Street URD over the next two years, with five being placed in the first year and three in the second. While BID will be spreading them throughout downtown, the City’s initial investment will be receptacles placed in and around City Hall. Hall said the trash receptacles were a worthy investment years ago and it will be worthy to match them with recycling receptacles. Hall said a majority of the funding will come from BID. They are asking MRA for \$9,000 in FY23 and \$5,670 in FY24.

Ratterman said City Council adopted the Zero by Fifty Plan in 2018 to get to zero waste as a community by 2050. Public recycling is identified in the Plan as an infrastructure solution and so this works directly towards those goals. She said when people come to visit Missoula it isn’t always easy to understand that we are a sustainable community. Public recycling and zero waste infrastructure is a great way to signal to residents, businesses, visitors, etc. that we are invested in a sustainable future.

Buchanan said this project will be managed by the BID. MRA will simply be providing funding, which is a relationship MRA has enjoyed with them for a number of years. This does meet some of the City’s Strategic Plan goals including standardization of things like green infrastructure and design standards under “Community Design and Livability”. It also meets the goal of Environmental Quality. Staff is asking the Board to approve the total amount of \$14,670 today and direct staff to enter into the appropriate agreements with the BID.

Lawson spoke to the funding timeline and asked if funding was a constraint. He said three years to install 30 recycling containers seemed a little strange. Hall said they’d like to get it done and moving. The initial request from the City was to do 13 receptacles but they didn’t feel like that was enough so they bumped the number up. Based on the BID’s budget, they are prepared to do \$9,000 this year and continue it over the next couple of years.

Reineking asked if the BID will manage the receptacles and recycling. Hall said yes. Currently the BID contracts with the City for garbage and recycling removal. It includes a maintenance officer removing trash and recycling from every receptacle and taking it to the

landfill twice a week at minimum. Reineking asked if that includes sorting out anything that is not recyclable. Hall said it does. Buchanan said the hope is that the new recycling containers will have clear language that makes for less contamination.

BROCK: I MOVE THE MRA BOARD APPROVE A TOTAL OF \$14,670 TO PARTNER WITH THE BID AND THE CITY TO PLACE 30 NEW RECYCLING CONTAINERS IN THE DOWNTOWN WITH EIGHT OF THOSE BEING LOCATED IN THE FRONT STREET URD AT A COST OF \$14,670 AND AUTHORIZE STAFF TO DETERMINE THE BEST WAY TO FORMALIZE THIS PARTNERSHIP AND SIGN ANY REQUIRED AGREEMENTS WITH THE BID.

Lawson seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (5 ayes, 0 nays).

City Shops Air Exchange Unit – 1305 Scott Street (North Reserve-Scott Street URD / Ward 1) – TIF Request (Buchanan)

Buchanan said this is a request from the City. They entered into a contract arrangement with McKinstry Montana to evaluate a number of City-occupied and City-owned facilities to look at what kind of energy upgrades can be put into place that would then be paid for through energy savings. McKinstry guarantees those energy savings and take on the capital costs through those energy savings over a period of 20 years. In doing this investigation at the City Shops building they discovered the air exchange unit there is not functioning the way it should and is obsolete at this point. Eric Hallstrom, City of Missoula Chief Operating Officer, was present to go through the technical details. Buchanan said the new unit that needs to go in there cannot be financed through the energy savings because it doesn't create enough and is a very expensive unit. It does create a portion of the cost, the new unit costs about \$1.3M and the energy savings will manage the debt service part of that. There is a gap of \$760,000 that MRA has been asked to provide. She said there is also a safety issue with the current unit where the air is not as good as it should be because the air exchange unit isn't working.

Hallstrom said most of the projects that have been selected through the McKinstry project are where the energy savings over 20 years would allow the City to recapture the initial expenses. It is ultimately a cost-neutral proposition for the City because the contractor provides an energy reduction guarantee. The City can make some budget adjustments that account for that and if the calculations are off, the City is to an extent held harmless by the contractor. That is the reason this is a desirable approach to take. Hallstrom said the City had identified a couple of projects where the energy savings, although significant, are not adequate to get enough savings where the repayment covers the entire capital costs in that 20-year period. This project is one of them and that is why they're asking for additional resources to take advantage of that cost reduction that they can get through this process and still come up with the upfront costs that will be necessary. He said what is really motivating them is that it is a health and safety issue for City Shops right now. The memo in the Board packet does have specific articulation of how the current system works, but the long and short of it is that the controls are not operating well and is currently on a manual

trigger. When someone senses an elevated unsafe air level or sees a haze in the building they will manually click the machine on. Levels will sometimes trip the emergency air handler and the system will kick over on its own. The new system will do a much better and more efficient job of moving the air in that facility to reduce the amount of carbon monoxide/nitrogen dioxide levels that hangs around.

Matt Lawson, Facilities Manager for the City, said the current system was originally installed in the 1990s when the City moved into the space. When he started working for the City in 2011 the system was having issues. It was being switched into manual mode because the controls weren't properly functioning and the heat exchangers do not work properly. The new system will replace the inoperable infrastructure and change the ducting points to greatly change the air environment in the shop.

Buchanan noted in her memo what is in state statute relative to this being an appropriate use of TIF. One of the eligible expenses is acquisition, construction and improvement of a whole lot of things which include publicly-owned buildings. MRA has invested in publicly-owned buildings around the City in the past. This request, if approved, does meet some of the City's Strategic Plan goals including identifying and incentivizing adaptive reuse and maintenance of existing resources, environmental quality and workplace safety. The staff recommendation is that the MRA Board approve the request from the City for \$760,199 for this new system with the understanding that the costs would be included in a future North Reserve-Scott Street (NRSS) Urban Renewal Revenue Bond. MRA will have to issue bonds when it gets to the place where the infrastructure associated with the Scott Street redevelopment project is ready to be built. It will be around a \$4M bond issue to cover design and construction. The NRSS URD has just over \$1M of discretionary money and did not seem to make sense to take \$760,000 and use cash to pay for this because of the opportunities that may come along in the District.

Brock asked how much money will be taken out of the NRSS URD per year if bonded. Buchanan said it will depend on the interest rates, etc. MRA just had its financial advisors run current numbers on the bonding capacity of the District based on the current taxable values. There is more than adequate bonding capacity to cover the infrastructure and this. MRA may consider rolling the \$1.3M allocated for Villagio Apartments into the bond issue to free up that money as cash to invest in other projects.

Jones asked what the timeline is for that bond issuance. Buchanan said it will be in March or April. The infrastructure will be out to bid by the end of this month and bids will be in by the end of February. Jones said she sees no reason why that timeline wouldn't proceed, but as optimistic as they are there could be delays. This project would take over half of the available contingency if MRA has to float it, but maybe the City can find the money. Hallstrom said he doesn't expect they will have significant construction costs in the first couple of months because they have more final design work to do.

Reineking said she is okay with moving this into the Urban Renewal Revenue Bond and asked if a bond has already been approved by City Council. Buchanan said it has not, but they are aware it will happen. She asked if it needed to be made a contingency in the motion. Buchanan said they could, or choose to pay for it out of cash in the NRSS URD.

City Council has already approved a Reimbursement Resolution in anticipation of a bond resolution coming to them.

Reineking asked who will install the new air intake system. Hallstrom said McKinstry will serve as the general contractor for all of these projects. They have recently signed the contract, City Council has approved it and Mayor Hess has signed the contract with McKinstry that serves as the Master Agreement. Budget amendments are being done right now for many departments that are moving money and will go in front of City Council on February 6th and 13th. Once McKinstry has the work order for this project it will go out to bid for their subcontractors. They don't know exactly who will be the installer at the moment, but McKinstry will act as the general contractor.

Brock said when MRA has done redevelopment of public spaces before like the locker rooms for the Police Department facility in URD II, it wasn't in a district where there were massive public infrastructure needs for redevelopment like there are in the NRSS URD. She said there isn't a lot of money in the district and there is so much potential. Brock asked where the funds would come from if it doesn't pass today. Hallstrom said that is a question that remains to be seen. They would pursue other options and it might have to wait until they could bring a budget request as part of next year's budget, along with looking for other alternatives. He said it would probably prevent them from getting it on this summer's schedule, which is the biggest challenge for them because they are trying to get projects bid in the February time period so they can get on the 2023 construction calendar. The longer they wait the more questionable it will become. It is an important project, they just may not be able to move as quickly if they are unable to secure resources today.

Jones said the City Council has documented through Resolution its support of a future bond offering for the Scott Street development. Buchanan said they have approved a Reimbursement Agreement which lays the groundwork for that. It puts them on notice that MRA will be coming to them asking to issue bonds for the installation of the infrastructure and other appropriate costs in the District. They have not been asked to approve a Resolution of Intent (ROI), but this certainly will not be a surprise to them. Jones asked if staff has a good indication that City Council would be supportive of the Scott Street redevelopment project. Buchanan said yes. Englund asked if they are aware of the size of the potential bond. Buchanan said staff doesn't have firm numbers for the installation of the infrastructure yet, so they can't size the bond before that work is bid. Staff feels it could be around \$4M.

Jones expressed her acknowledgement of the concern for employees and that she wants the employees to have a safe system. She is personally opposed to this at this time because there are too many variables and she isn't comfortable depleting the NRSS URD contingency fund. Reineking said for her, the employee health and wellness is the reason it should be approved now as opposed to hoping that some other funds show up in a future year. She would put a contingency on it that it would wrap into a bond with a future bond issue within a certain time frame so it's not tied up for very long. Buchanan said if MRA found that it weren't moving forward with the Scott Street project, staff would probably bring an item forward to bond Villagio Apartments \$1.3M with this and do a \$2M bond issue in this fiscal year. Jones said that certainly helps. Buchanan said there are no guarantees on the Scott Street project. It is looking good, but every project has its challenges. Jones said she

would like a more firm indication from City Council that they are behind this plan and that would satisfy her concern. Englund asked how this money could be conditioned on a future bond when the money for the air exchange unit will be used sooner than a potential bond resolution. Hallstrom said he doesn't have a firm answer on how they would deal with the time component of managing to that contingency. He suspects they could figure out a way to do that, but hasn't thought through what the mechanism is and what it would mean for initial project expenses.

Buchanan said MRA could consider taking a ROI to City Council for them to verify their intention to issue bonds in the NRSS URD. If MRA did not have the prospect of issuing bonds in the near-term she would not have recommended to use \$760,000 of NRSS URD resources to pay for this. Staff could take a ROI to City Council that would either roll this into a bond issue to pay for the infrastructure for the Scott Street project if it remains on course which would probably be in March, or if that is not a project MRA moves forward with then Villagio Apartments financing could be rolled into a bond issue in combination with this and a smaller bond could be issued. MRA's bonding capacity in NRSS URD is over \$10M. In either case, the improvements in the City Shops building would be a part of the bond issue.

Brock asked at what point in the year this could be worked into the budget. Hallstrom said McKinstry is trying to ink the work orders/individual project contracts with the departments that have projects in the next month or so. He would need to figure out if they have the ability to enter into a contract prior to having all of the contingencies on the funding satisfied. They may need to wait to sign the contract, which could affect contractor availability and timing. Most likely they will need to wait to execute the contract until the contingency is satisfied unless they have another way to assure they have adequate appropriations to undertake that obligation.

Englund asked where the cash comes from on the City's portion of \$580,667 that is financed through energy cost savings. Hallstrom said the City will issue bonds for some of this later in the year, but will undertake the obligation through cash management in the first few months. It will essentially be a City bond for the portion that is guaranteed through energy savings and that will become debt service for the City where they repurpose those energy savings funds from departmental budgets to debt service on those energy savings financed dollars. Buchanan said McKinstry doesn't do the financing themselves, the City will borrow the money and McKinstry guarantees the energy savings. Englund asked how that works. Hallstrom said McKinstry is guaranteeing that the City realize the energy savings based on volumes, not based on dollars, that are projected. It is very detailed in the numbers on the spreadsheet as well as the contract. The City is guaranteed three years of energy savings at the guaranteed amount. If there is a year of energy savings that meet what the guarantee was, then the next year there isn't that same level of savings, it resets until there are three consecutive years of savings based on McKinstry's guarantee. Once they do that it is assumed that McKinstry has met their energy savings guarantee. Hallstrom said if the departmental funding for utilities and repurposing that for debt service are in the red then McKinstry will be on the hook for those costs that were not anticipated.

Englund asked how long it would take to go through the process of doing a ROI. Buchanan said staff has to make a referral to Committee and get it on the Committee schedule and

then go to City Council. Holidays in January and February make it a little problematic because they're on Mondays. If staff got a referral in next week, it could be in Committee the following Wednesday and in front of City Council on that following Monday. Englund asked Hallstrom if that is a timeline they could work with. Hallstrom said it is.

Jones made a motion that she later withdrew.

Englund said he is sympathetic to the idea of getting the project going for the safety of the employees, while at the same time understanding that leaving the NRSS URD with a little over \$400,000 in contingency funds is not accomplishing what MRA needs to in the District. Discussion ensued regarding brainstorming ideas on how to fund this. Dunn noted that when MRA did the TIF grant for the Police facility on Catlin it was a bond that the City took out for those improvements and MRA broke that grant up into a four-year payback cycle for the City. Jones asked how that would reduce the contingency funds. Dunn said it could be spread out over however many years the Board wanted. Buchanan said all MRA carried in the budget was that year's contribution so it didn't tie up a lot of contingency. Brock said her concern is that Ravara, the Scott Street property developer, is going to come back and need more money. She said everyone is talking about projects costing more than they anticipated right now and this District isn't there right now for the Board to not be scrutinizing every penny. She said she would vote no on this if they vote right now because she is not convinced that in the grand scheme of everything MRA needs to do in the NRSS URD, this is up there as a high priority. She said that's not to say an unsafe work environment isn't something MRA has to absolutely prioritize, it is a great need, but housing will be a big deal when it comes to MRA this fiscal year. Brock said if the vote on this is delayed and the Board has more assurances that there is a plan that is not going to have more of an effect on the assets of the URD, she would be in favor of that. Jones asked if staff could spend more time pursuing options and come back to the next Board meeting. Hallstrom said it could wait and he is sympathetic to the concerns that have been expressed.

JONES: I MOVE TO TABLE THIS ITEM UNTIL THE NEXT MEETING ON FEBRUARY 16TH.

Brock seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (5 ayes, 0 nays).

Montana/Idaho Water & Sidewalk Network – Phase 1 (URD II / Ward 3) – Request for Authorization to Enter into a Construction Memorandum of Understanding (Gass)

Gass said this is a combined project with the new Water & Sidewalk Network program that was approved in the Capital Improvement Projects (CIP) in Fiscal Year (FY) 2022. In the fall of 2021, the Board approved MRA entering into a design Memorandum of Understanding (MOU) with Missoula Water for preliminary design of the project area as outlined on the map in Gass' memo.

The project is structured in phases and will be three phases over a three-year period. IMEG Corp. is the project engineer for Missoula Water and they have completed the preliminary

design for the whole area with completed design for Phase 1 which is identified in yellow on the map. Andy Schultz, City Engineer with Public Works & Mobility (PWM), will be working with MRA on this project. The construction contract is structured in two schedules. Schedule A is the water line installation and Schedule B will be curb and sidewalk improvements so there are two distinct pieces of work going on that can be bid as one project to get better costs from the contractor. Timing wise, it works better because they can do the water work and then turn around and do the sidewalk improvements right after.

Gass said an Invitation to Bid was advertised at the end of November. Bids were opened in December. The low bid was from RLC Enterprise in the amount of \$733,988.59 for the water main installation and curb and sidewalk improvements for Phase 1. IMEG Corp. has reviewed the bid and found it to be responsive, correct and complete. They have issued a letter to Missoula Water recommending that the contract be awarded. Today's recommendation is that the Board authorize MRA entering into a MOU with Missoula Water to memorialize MRA's commitment to provide TIF funding for the water main, curb and sidewalk improvements in an amount not to exceed \$733,988.59.

Englund asked if the north-south running water line in California Street is included in the request. Gass said it is. The yellow outlines on the map are Phase 1. Phase 1 is the water line in Idaho Street from Russell to California Streets, and the surface improvements which are the red outlines. Phase 2 will be the water line and surface improvements in Montana Street and curb and sidewalk on Dakota Street. Gass said at that point the sidewalk will be done and Phase 3 will just be a water line on California Street.

Jones said there is already an approved project in URD II labeled Montana/Idaho Phase 1 with water and sidewalk. She said there is money contributed towards that, but asked if it was the same as this. Buchanan said it is the same thing and this came in under what was budgeted. Schultz said the City hasn't necessarily seen prices come down, they've just seen them stop inflating. When the estimates were being done they were rapidly increasing them because they were chasing the construction costs. Now they've caught up to the construction costs and are over estimating now. They got this out to bid early in the year and had six contractors bid for it.

LAWSON: I MOVE THE MRA BOARD AUTHORIZE MRA TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH MISSOULA WATER MEMORIALIZING MRA'S COMMITMENT TO PROVIDE TIF FUNDING FOR THE WATER MAIN AND CURB AND SIDEWALK IMPROVEMENTS IN AN AMOUNT NOT TO EXCEED \$733,988.59 AND AUTHORIZE THE MRA DIRECTOR TO SIGN THE MOU.

Reineking seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (5 ayes, 0 nays).

NON-ACTION ITEMS

Brooks Street BRT/TOD Consultant Selection Process & Joint Board Meeting with Mountain Line (URD III / Wards 3, 4 & 5) – Update (Marchesseault)

Marchesseault said interviews were held last week with two firms for the Brooks Street BRT/TOD (Bus Rapid Transit/Transit-Oriented Development) RAISE (Rebuilding American Infrastructure with Sustainability and Equity) Planning Study, Stantec and HDR. They both went well and the firms had a lot of experience with BRT and planning. The selection committee consisted of MRA staff, City staff and Mountain Line. The team led by HDR was selected. HDR is in the process of putting together a scope of services. When staff and HDR have agreed upon a final scope, staff would like to schedule a joint meeting with the MRA Board and Mountain Line Board to review and approve entering into a contract. Because the funding for the project is Federal Transit Administration (FTA) Federal Funding, Mountain Line will be the holder of the contract. The reason for this is that FTA doesn't do business with municipalities, they do business with transit agencies. MRA will be a subrecipient and manage the project. Therefore, Marchesseault said it makes sense to have a joint meeting to approve the contract. She was unsure when that meeting will happen because they are still waiting for the Office of the Secretary to sign the grant agreement.

Downtown Infrastructure RAISE Grant Application (Front Street, Riverfront Triangle & Hellgate URDs / Wards 1 & 3) – Update (Buchanan)

Buchanan said Jon Sand and Deborah Postma from PWM have been working on this grant. The Front & Main Two-Way Conversion project has been combined with the Higgins Avenue project from Broadway to Brooks Streets. Additions to the project include an ADA (Americans with Disabilities Act) accessible connection from Beartracks Bridge down to Caras Park, widening the trail from Levasseur to Orange Streets and entrances down to the Park at Ryman and Kiwanis Streets.

Postma gave an informational presentation of what they have been working on. She said the City and the Missoula Metropolitan Planning Organization (MPO) are applying for the current RAISE 2023 Grant with the working title "Missoula Downtown Safety and Multimodal Connectivity". The minimum grant award for Missoula, which is considered a rural area based on population size, is \$1M. The maximum grant award is \$25M. There is a required local match of 20%. The City is still finalizing the cost estimates for all the project elements. Once those are finalized they will know exactly what the local match will be and have a better idea of what funding sources are needed. Postma said they plan to come back to the February meeting with more details and anticipate asking for TIF funding as a portion of the local match. Regarding timing, the application is due by the end of February and the City hopes to hear a response within six months. If the grant is awarded, construction would not start for two or three more years.

STAFF REPORTS

Director's Report

Buchanan said all soils on the Scott Street property have been tested and everything is good. Results have been sent to the Department of Environmental Quality (DEQ) and is about a two-week turnaround for them to give the green light.

Communications Update – FY22 Annual Report

MacPherson shared the FY22 Annual Report with the Board. It is on MRA's website. She said staff has received positive feedback so far. She'll soon be working on the FY23 Annual Report and welcomes suggestions and feedback in preparation for doing that one.

FY23 Budget Status Reports

Dunn said MRA received the first installment of tax increment in November and that is noted on the Reports. The January 1st debt service payments have also come out.

FY23 Staff Activities Reports (10/22/22 – 12/17/22)

COMMITTEE REPORTS

OTHER ITEMS

ADJOURNMENT

Adjourned at 2:05 p.m.

Respectfully Submitted,

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

Lesley Pugh