



## **MRA Board Memo Cover Sheet**

March 13, 2023

**Project Name:** Public Improvements and Building Deconstruction, 2500 Garfield and 1704 Dearborn Avenue (First Security Bank)

**Urban Renewal District:** URD III

**Council Ward:** 4

**Project Location:** 2500 Garfield Street and 1704 Dearborn Avenue

**TIF Investment:** \$711,083

**Private Investment:** \$23.5 M

**Project Description:** First Security Bank plans to consolidate operations from multiple facilities into a new three-story building at the corner of Garfield Street and Dearborn Avenue. The bank is requesting funding for public improvements in the right of way, surrounding the site, as well as deconstruction of two existing buildings onsite. In June 2022, the MRA board approved Proceeding without Prejudice for deconstruction of the building at 2500 Garfield Street.

**Cost Breakdown of TIF Funds:**

Deconstruction of two buildings	\$380,355
Public improvements in the Right of Way	\$330,728

**Total TIF Request \$711,083**



## MEMORANDUM

**TO:** MRA Board

**FROM:** Annie Gorski, Deputy Director

**DATE:** March 16, 2023

**SUBJECT:** Public Improvements and Building Deconstruction, 2500 Garfield Street and 1704 Dearborn Avenue (**Ward 4, URD III**) – TIF Request

### Overview / Project Description / Background

First Security Bank plans to consolidate operations from multiple facilities into a new three-story building at the corner of Garfield Street and Dearborn Avenue. The bank is requesting funding for public improvements in the right of way surrounding the site, as well as deconstruction of two existing buildings onsite. If approved, Urban Renewal District (URD) III assistance will leverage \$23.5 M in private investment for this catalyst project in Midtown, developed using innovative Cross Laminated Timber. The URD assistance will prevent building materials (asphalt, wood, roof trusses, siding, door hardware, and interior finishes) in two obsolete buildings from going to the landfill. In June 2022, the board approved Proceeding without Prejudice for deconstruction of the building at 2500 Garfield Street.

### Request for Tax Increment Assistance

#### Deconstruction/Demolition

Deconstruction of blg. at 2500 Garfield	\$64,605
Deconstruction of blg. at 1704 Dearborn	\$315,750
Subtotal	\$380,355

#### Public Right-of-Way Improvements

Landscaping, sidewalks, curb, gutter in the ROW	\$140,364
Design, engineering, and construction oversight	\$115,364
Utility undergrounding	75,000
Subtotal	\$330,728

**Total TIF Request    \$711,083**

### City of Missoula Strategic Plan

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

- **Sustainable growth initiatives:** The project involves redeveloping a site in Midtown, at a primary node close to transit, rather than developing a greenfield at the edge of Missoula. Boulevard sidewalks will be installed surrounding the project, adding much needed trees and greenery to this portion of Midtown. American with Disabilities Act (ADA) accessible pathways throughout the site will connect the public right of way to all points of the new building, exterior plazas, and associated landscaping. The new building will be close to the planned Brooks Rapid Transit project, providing transportation options. The Cross Laminated Timber (CLT) construction reduces the amount of non-renewable materials in the construction, including steel and concrete. The CLT panels are manufactured to fit the project, eliminating waste, and can be left exposed which minimizes the amount of finish materials. The project team expects to obtain LEED Silver certification for the building.

### Economic Stimulus

The request for \$711,083 represents approximately 3 % of the development cost. The ratio of public to private investment is approximately 1:33. First Security Bank intends to utilize local contractors and labor for the project. They anticipate that 20 local subcontractors and an estimated 150 individuals will be employed over the duration of the project with 90% of the work going to Montana businesses.

### Tax Generation

After project completion the estimated annually taxes are expected to double to approximately \$280,000 annually.

### Employment Generation

An estimated 20 local subcontractors and 75 workers will be employed during the peak of construction. Over the duration of the project it is estimated that 150 individuals will be employed in various roles. The bank expects that 80 individuals will work in the new building, with 37 of these individuals joining from other branches. Overall bank employment is expected to remain the same across Missoula, but efficiencies will be gained by consolidating bank divisions such as commercial banking and marketing in this location, rather than operating out of multiple locations.

### Urban Renewal Goals

The development plan aligns with goals in URD III related to enhancing infill in the urban core, including:

- ***Create a vibrant commercial area typified by architectural excellence and compatibility*** – innovative design and site layout aligns with City Design Excellence guidelines, including by using durable and natural materials and orienting the building to the sidewalk on Dearborn and Garfield with minimal setbacks. Burying overhead utility lines crossing Garfield Street improves the site aesthetics and provides clear site lines

- ***Encourage the use of landscaping in all URD private and public projects and facilities.*** - trees and landscaping will be added in the right of way, parking areas, and building entrance.

#### Impact Assessment

Construction activity will likely result in some temporary disruption to local traffic and create noise and dust. The CLT construction is expected to shorten the construction timeline and the amount of waste generated on site.

#### Financial Assistance

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

#### Deconstruction

Two existing buildings will be deconstructed. Deconstruction of the vacant structure at 2500 Garfield Street was completed in August 2022. Deconstruction of 1704 Dearborn Avenue building will occur after the new building is complete in 2024, to provide additional parking, landscaping, and hardscape plaza at the new building entrance. Dick Anderson Construction and Waste Less Works will oversee deconstruction. Deconstruction efforts will include reclamation of the wood framing, roof trusses, exterior siding, doors, interior finishes and furniture. Existing asphalt materials will be milled for re-use as temporary surfacing on other projects.

#### Project Feasibility

In December 2022 the City Council approved an interim zoning ordinance that removed Enterprise Commercial uses from the Conditional User Permit, making them permitting uses. This allowed the First Security Bank project to proceed through the City's administrative review process.

#### Developer Ability to Perform

First Security Bank is working with Dick Anderson Construction and A&E Design to manage design and construction of the project. Both firms have a history of successfully delivering projects with URD funding.

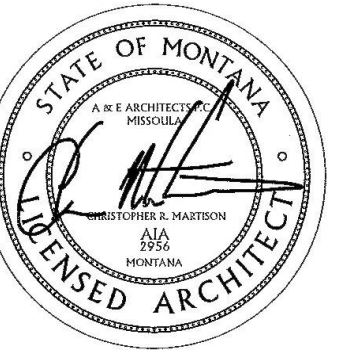
#### Timely Completion

Construction completion is expected in last quarter of 2024.

#### Payment of Taxes

All taxes are paid and up to date.

**RECOMMENDATION:** Staff recommends that the MRA Board approve the request from First Security Bank in the amount \$711,083 for deconstruction, public right of way improvements, and utility undergrounding within the public right-of-way, and authorize the Board Chair to sign the Development Agreement. Reimbursement for eligible costs will occur following receipt of proof of payment and lien waivers.



### KEYNOTES

### SITE PLAN NOTES

- REFER TO ALL DRAWINGS FOR ADDITIONAL INFORMATION CONCERNING THE WORK. NOTIFY ARCHITECT IMMEDIATELY OF ANY CONFLICT PRIOR TO COMMENCING WORK.
- REFERENCE LANDSCAPE DRAWINGS FOR ADDITIONAL INFORMATION REGARDING SITE WORK.
- REFERENCE LANDSCAPE DRAWINGS FOR LANDSCAPE REQUIREMENTS, LANDSCAPE AREAS, AND ADDITIONAL INFORMATION.

### MISSOULA MUNICIPAL CODE

#### TITLE 20 - ZONING

BASE ZONE: C1-4  
 LAND USE: COM-R  
 EXCEEDS 30,000SF - ENTERPRISE COMMERCIAL  
 20.40.050 ENTERPRISE COMMERCIAL  
 E.1- LOCATE AT LEAST 50% OF THE PARKING TO THE REAR OR SIDE OF THE BUILDING

#### TABLE 20.10-2 PARCEL AND BUILDING STANDARDS

PARCEL SIZE	
MINIMUM PARCEL AREA	NONE
MINIMUM FRONT SETBACK	NONE
MINIMUM REAR SETBACK	NONE
MINIMUM INTERIOR SIDE SETBACK	NONE
MINIMUM STREET SIDE SETBACK	NONE
(NO FRONTAGES ABUT R DISTRICTS)	NONE
MAXIMUM BUILDING HEIGHT	125'

#### 20.60.020 REQUIRED MOTOR VEHICLE PARKING

NEW BUILDING  
 PARKING REQUIRED: 1 PER 480SF (22,760 SF OCCUPIED SPACE= 47.42 STALLS)

EXISTING BUILDING  
 PARKING REQUIRED: 1 PER 480SF (13,040 SF OCCUPIED SPACE= 27.16 STALLS)  
**TOTAL= 75 STALLS**

PARKING REDUCTION IF WITHIN 500' OF PUBLIC TRANSIT: 15% (64 REQ, 103 PROVIDED)

#### 20.60.090 BYCYCLE PARKING:

SHORT TERM: 1:10 MOTOR VEHICLE, 2 MIN  
 10 REQUIRED, 12 PROVIDED  
 LONG TERM: 1:5 EMPLOYEES, 1 MIN  
 75 EMPLOYEES: 15 REQUIRED, 15 PROVIDED

- PROPERTY LINES
- - - EXISTING BUILDINGS
- PROPOSED BUILDING
- ..... ACCESSIBLE ROUTE

sheet SITE PLAN  
 project FIRST SECURITY BANK - MISSOULA OFFICE BUILDING  
 owner FIRST SECURITY BANK

project # 20129.10

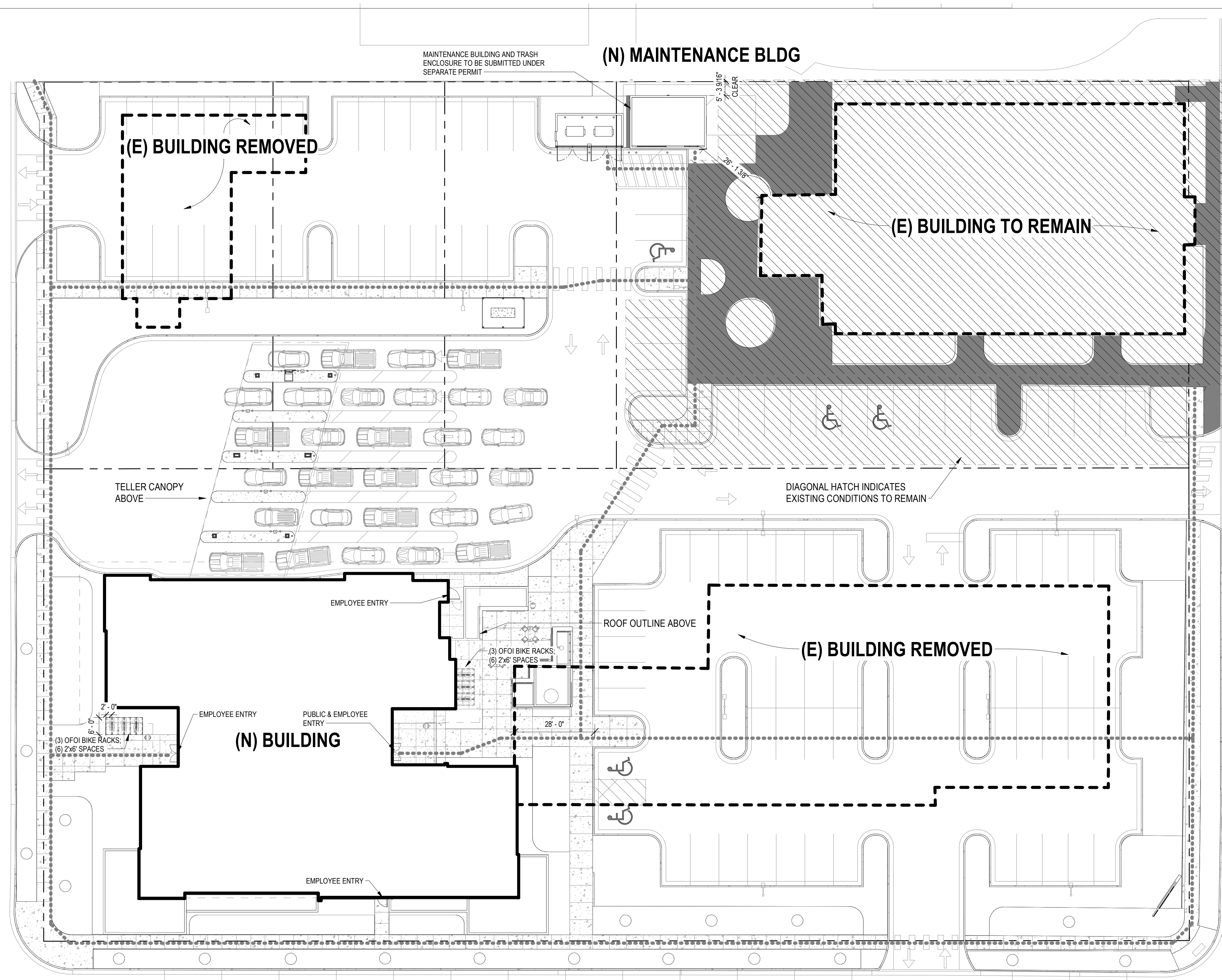
revision 2 date 02.03.2023

phase  
 100% CONSTRUCTION DOCUMENTS

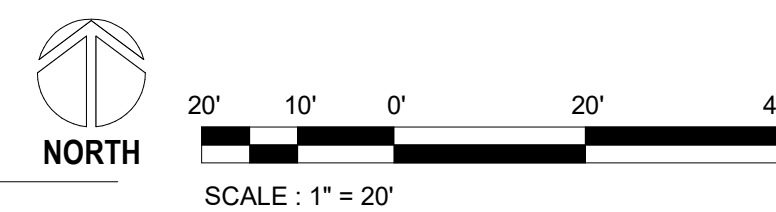


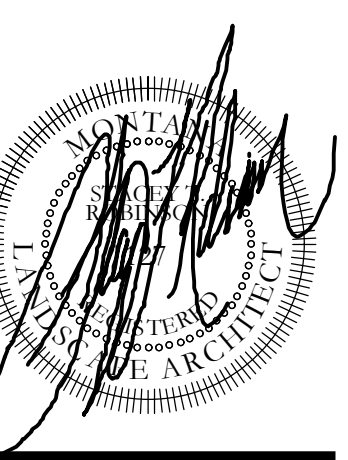
issue date  
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A1.1



**13** SITE PLAN  
 1" = 20'-0"





**FIRST SECURITY BANK - MISSOULA OFFICE BUILDING**

sheet: LANDSCAPE PLAN

project # 20129.10

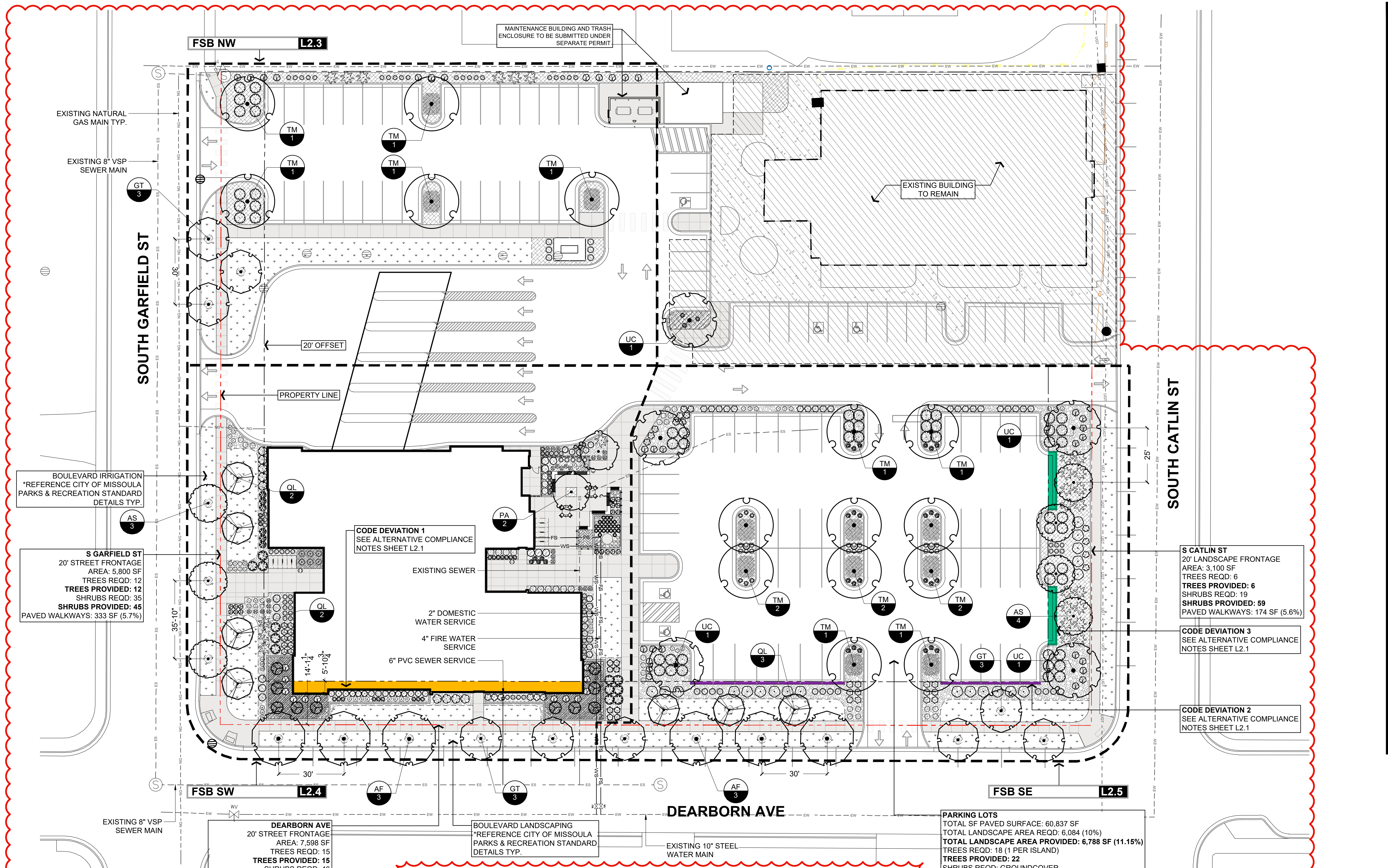
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issue date 09.30.2022

L2.2



BOULEVARD IRRIGATION  
\*REFERENCE CITY OF MISSOULA  
PARKS & RECREATION STANDARD  
DETAILS TYP.

**S GARFIELD ST**  
20' STREET FRONTAGE  
AREA: 5,800 SF  
TREES REQ'D: 12  
**TREES PROVIDED: 12**  
SHRUBS REQ'D: 35  
**SHRUBS PROVIDED: 45**  
PAVED WALKWAYS: 333 SF (5.7%)

**CODE DEVIATION 1**  
SEE ALTERNATIVE COMPLIANCE  
NOTES SHEET L2.1

**S CATLIN ST**  
20' LANDSCAPE FRONTAGE  
AREA: 3,100 SF  
TREES REQ'D: 6  
**TREES PROVIDED: 6**  
SHRUBS REQ'D: 19  
**SHRUBS PROVIDED: 59**  
PAVED WALKWAYS: 174 SF (5.6%)

**CODE DEVIATION 3**  
SEE ALTERNATIVE COMPLIANCE  
NOTES SHEET L2.1

**CODE DEVIATION 2**  
SEE ALTERNATIVE COMPLIANCE  
NOTES SHEET L2.1

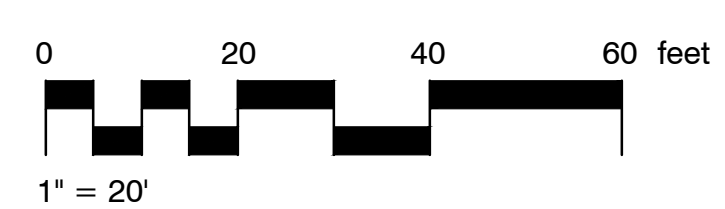
**DEARBORN AVE**  
20' STREET FRONTAGE  
AREA: 7,598 SF  
TREES REQ'D: 15  
**TREES PROVIDED: 15**  
SHRUBS REQ'D: 46  
**SHRUBS PROVIDED: X**  
PAVED WALKWAYS: 206 SF (2.7%)

BOULEVARD LANDSCAPING  
\*REFERENCE CITY OF MISSOULA  
PARKS & RECREATION STANDARD  
DETAILS TYP.

**PARKING LOTS**  
TOTAL SF PAVED SURFACE: 60,837 SF  
TOTAL LANDSCAPE AREA REQ'D: 6,084 (10%)  
**TOTAL LANDSCAPE AREA PROVIDED: 6,788 SF (11.15%)**  
TREES REQ'D: 18 (1 PER ISLAND)  
**TREES PROVIDED: 22**  
SHRUBS REQ'D: GROUNDCOVER  
**SHRUBS PROVIDED: 165**

**PLANT SCHEDULE FIRST SECURITY BANK**

TREES	BOTANICAL / COMMON NAME	CONT	SIZE	QTY
AF	ACER RUBRUM 'FRANKSRED' / RED SUNSET® MAPLE	B&B	1.50"	6
AS	ACER X FREEMANII 'SCARSEN' / 'SCARLET SENTINEL' FREEMAN MAPLE	B&B	1.5"-2"	7
BJ	BETULA PLATYPHYLLA 'JEFPARK' / PARKLAND PILLAR BIRCH	B&B	1.50"	10
GT	GLEDTISIA TRIACANTHOS INERMIS 'STREET KEEPER' / STREET KEEPER HONEY LOCUST	B&B	1.50"	9
PA	PYRUS CALLERYANA 'ARISTOCRAT' TM / ARISTOCRAT CALLERY PEAR	B&B	1.50"	2
QL	QUERCUS ROBUR X BICOLOR 'LONG' / REGAL PRINCE® OAK	B&B	1.50"	7
TM	TILIA MONGOLICA 'HARVEST GOLD' / HARVEST GOLD LINDEN	B&B	1.50"	15
UC	ULMUS X 'FRONTIER' / FRONTIER ELM	B&B	1.50"	4



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NORTH EAST PERSPECTIVE







SOUTH WEST PERSPECTIVE

