

Minutes
Downtown TIF Advisory Board Meeting
March 10, 2022, 10:00 a.m.
Via Zoom Meeting Platform

Board Members Present:

Brian Obert, Vice-Chair
Lee Shubert
Lori Ladas
Krys Holmes
Riley Tubbs

Staff Present:

Ellie Ray, Planner II
April Sparks, Administrative Assistant

Non-Board Members:

Micky Zurcher, BID Director
HCTV

Member of the Board Absent:

Andy Shirliff, Chair
Tatum Curtis
Andrew Chanania
Nathan Bilyeu
Jennifer Deherrera
Charlie Carson

Call to Order:

(0:00:07) Vice-Chair Obert opened the meeting after 10:00 AM. Introductions were made. It was noted that there was not a quorum, but Ms. Ray gave an overview of the discussion topics and why it is important that there is a quorum to move forward with the discussion topics.

Discussion Topics:

1) Discussion on match requirements and funding caps

(0:04:14) Ms. Ray went over the discussion of the subcommittee on match requirements and nothing the following:

The subcommittee was in favor of having a 50% match requirement. There was also discussion for a potential waiver program, but there wasn't clear consensus on what would constitute a hardship to qualify for a waiver. Mr. Carson had mentioned that he would like to see funds only going towards hard costs and not towards mobilization, design, and planning efforts for projects. There was a discussion on what constitutes a match, and the subcommittee decided that it is any committed funding. Essentially any type of cash match, not in-kind. Mr. Shirliff had stated that he appreciates match as it shows that applicants are serious contenders.

Mr. Obert added that the subcommittee noted that this is a living document that can and likely will change over time and there is a limited amount of increment coming in on an annual basis and the board is being careful and that the district should eventually start generating more increment and this should be readdressed at that point. Ms. Ray concurred and stated that the

workplan can and should be reviewed on an annual basis. Ms. Ray stated that in her notes from the subcommittee meeting that Vice-Chair Obert had stated in the meeting that there is a utility to the match now but could be less of an issue in five or more years when the increment is higher.

(0:08:10) Vice-Chair Obert asked Ms. Ray if there were any updates to the budget or on the items that were voted on and prioritized at the last meeting. Ms. Ray stated that there was nothing new from finance, and that the finance director is trying to work out some of the funding that the amount available has changed from the meeting in early January. It should be around \$60000, less the park improvements near the Independent Building. The other two projects were not moved forward to the City Commission after review by the City Attorney's office and their eligibility came into question. We are waiting for legal review and determination of their eligibility. Vice-Chair Obert stated his opinion that he does not feel that the advisory board taking a conservative approach to appropriating the TIF funds that will hurt development is not in the Board's best interest. Mr. Shubert pointed out that the ADA does not discriminate between interior and exterior. Ms. Ray stated that the City Attorney office's concern is that these are privately owned commercial buildings and it is difficult to see how the proposed projects are for the public benefit. There was additional discussion over the two projects which are stalled by the City Attorney's office review.

(0:17:28) Vice-Chair Obert asked the board members in attendance if there were any questions regarding the discussion topics, as there was not a quorum to make any official recommendations. Mr. Shubert stated he thinks the Board needs to start to discuss the ideas. Ms. Holmes stated she appreciates the format as it makes things clearer. She did have a question about Branding and Marketing Downtown to stimulate investment, and that she feels like if all of the other problems are addressed the challenge of marketing and branding downtown will address itself, and questions if Goal #1 and #2 reflect priorities. Ms. Ray clarified that is a near-term priority meaning in the next 1-2 years. Mr. Obert stated that Item 2.1 also had high priority, short term and a dollar amount on it so those two are perceived as having the same level. Ms. Ray stated that the only difference is that seven of the thirteen Board members recommended funding toward the effort to demonstrate its importance. Ms. Holmes questioned what the dollar amount meant. Ms. Ray stated it was intended to help the Board members to figure out how they would prioritize money across all of the objectives within this exercise. Mr. Obert stated that this goes to his statement that this is a living document as these priorities can change as other organizations may be working on some of these goals and they may remain high priorities, but dollar amounts would change. Ms. Zurcher stated that once a brand is established some entity may come to the TIF to ask for funds to get the brand out. Mr. Obert stated that it's helpful to see that other organizations are seeing the same kind of interest and that the TIF Advisory Board doesn't have to take the lead on some of these priorities. Ms. Ray asked if June would be an appropriate time for MBAC and the BID to give a presentation on where those projects stand to both URD boards. Ms. Zurcher stated that Andrea Opitz was scheduled to present at the Administrative Meeting on March 23, as funding for the consultants was semi-secured under former city manager Harlow-Schalk, and the Commission was going to add more from the ARPA funds.

(0:28:53) Vice-Chair Obert asked Ms. Ladas if she has been hearing what MBAC has been hearing about the lack of housing. Ms. Ladas stated that they are in a partnership in the Our Redeemer's Lutheran Church housing project and an overview of the partners and their goals, and this is likely a few years out. Other than that, Rocky has not looked at anything downtown, and Red Alder is almost wrapper up and is about at capacity. Vice-Chair Obert stated that is exactly the information that was needed. Ms. Ray noted that Helena Housing Authority have properties that are within and adjacent to the URD and they would like to do some infill on those properties and once the city figures out the realignment of Cruse Ave, there may be land surplus on the eastern side of Cruse that could be rolled into their properties that would allow for more units to get developed. Also, the owners of 301 S Park, would like to build some mixed-use buildings that would include housing, based on the assumption they would get some of the right-of-way from the Cruse project. Ms. Ray also mentioned other proposals which she assumed housing was included in. Ms. Ladas asked Ms. Ray about the Cruse Ave project. Ms. Ray stated that Public Works told her surveying work is complete and it's possible that the contract for design work from Broadway South would be signed in the coming weeks. Design work is possibly three months out from completion, and we should have a better sense in June or July as to what the design will look like. Vice-Chair Obert stated the key is projects are being discussed, but intent and doing are two different things, but downtown is starting to see residential interest. Ms. Ray noted a few other areas of the URD which potentially will have new residential projects and stated that there seems to be growing interest in residential projects in the URD. Ms. Holmes stated that a lot of these proposals don't seem as though most of these are not affordable housing. Ms. Ray stated that the Housing Authorities would be affordable, but that some would steer towards market rate and try to capture the market of the 80-120% median income which is also underserved. Ms. Ray also stated that she is unaware of what percentage of AMI the Housing Trust Fund is looking to serve but it would have an impact on the 10% of funds all TIF districts are supposed to put towards affordable housing projects, which all of this is to say the city is still defining what affordable means for those purposes. As much as the city can encourage people to develop what is determined to be affordable housing that is in our interests and what the URD's speak to across all the districts. Ms. Ray has spoken to the finance director about that 10% or more allocation, and we will need to go back to the resolution creating the housing trust fund and do a set aside from the increment since that resolution has been adopted to earmark it to the Trust Fund, so to make the Board aware some of the available funds will need to be set aside for affordable housing.

(0:38:30) Mr. Tubbs asked what the number one reason why Cruse Ave has not moved forward with development. Ms. Ray stated the hold up is that Public Works and Transportation Systems are figuring out what the right-of-way is going to be as it is so vastly oversized right now, and they are narrowing it down, and need to study exactly how and where infrastructure will be installed. Once we have that information it can help inform what the city will do with the disposition of land to neighboring property owners. Mr. Tubbs asked about the timeline. Ms. Ray stated we should have more information in the next 3-4 months on the plan for the infrastructure plan. Ms. Zurcher stated she was on the scoring committee for the Cruse Ave redesign which happened late last spring, and it takes time to get through the process.

Other Business:

(0:42:25) No other business at this time.

Public Comment:

No public comments were provided.

Next Meeting:

(0:42:29) The next Downtown TIF Advisory Board meeting is scheduled for April 14, 2022.

Other Business:

(0:42:37) Ms. Ray did note that the Railroad URD has an application moving forward to the Commission, as it abuts the Downtown URD. Ms. Zurcher asked about vacancies on the Board and if they are being advertised, and if she would be able to apply for one of those vacancies. The vacancies were discussed.

Adjournment:

(0:46:54) With no further business before the Board, the meeting adjourned around 11:00 a.m.