

Minutes
Downtown TIF Advisory Board Meeting
April 14, 2022, 10:00 a.m.
Via Zoom Meeting Platform

Board Members Present:

Andy Shirliff, Chair
Brian Obert, Vice-Chair
Lee Shubert
Lori Ladas
Krys Holmes
Jennifer Deherrera
Tatum Curtis
Charlie Carson

Staff Present:

Ellie Ray, Planner II
April Sparks, Administrative Assistant

Non-Board Members:

Micky Zurcher, BID Director
HCTV

Member of the Board Absent:

Andrew Chananian
Nathan Bilyeu
Riley Tubbs

Call to Order:

(0:00:08) Chair Shirliff called the meeting to order, and introductions were made.

Minutes:

(0:01:08) Minutes from the January 13 and March 10, 2022, meetings were approved.

Budget Report:

(0:01:38) Ms. Ray presented a verbal budget update, stating nothing had changed since the last budget report, approximately \$113,000 is available, however as per previous discussion, there is a 10% set aside for Affordable Housing Projects will need to be taken out for this per resolution as it has not been set aside yet. Finance will be working on the exact amount of accruals and how much must be set aside. Chair Shirliff asked if that is 10% of what the district has now or of all accruals. Ms. Ray stated for all TIF districts it is going to be 10% of what has accrued since the passage of the resolution establishing the TIF district in November 2020, so there will need to be a retroactive set aside. Vice-Chair Obert asked if that will be getting caught up all at once or can it be set aside over several years. Ms. Ray replied that she will defer to Finance and the City Attorney's office on the process of setting aside those funds. Vice-Chair Obert noted that at the early stages of the TIF there is a struggle with the increment, and in later years the increment grows and then the 10% can be put back in and it would be less onerous on the TIF to allow for the set aside to happen that way than taking it all out now. Ms. Ray stated there is a possibility that the Board will get an application involving affordable housing sooner than that, so

under the letter of the law there is some uncertainty if that would work, but an inquiry can be made. Ms. Ray added that at some stage the Board will be moving the two applications for the Penwell building and Union Market building forward to the City Commission as they have been held up in the City Attorney's office to determine if these projects qualify as eligible expenses under the letter of the law, it does fall on the City Commission to make that determination and what type of precedent they want to set. Chair Shirliff stated that he was aware of a possible application coming in regarding the rebranding project for the City of Helena, asking for around \$30,000. Vice-Chair Obert stated that the board may want Ms. Zurcher to report on this as BID is spearheading this effort and went into more detail about the potential timeline of the project and request.

(0:07:44) Mr. Shubert added information about a recent report about a new EPA lead water pipe regulation that would relate to the Union Market application. Vice-Chair Obert stated that there are funds out there available for lead pipe removal. Ms. Ray asked Vice-Chair Obert from whom those funds are available. Vice-Chair Obert said he would look into it and get back to Ms. Ray.

Discussion on match requirements and funding caps:

(0:10:31) Chair Shirliff introduced the discussion topic and re-capped the subcommittee discussion. Ms. Ray stated that this had been discussed at the previous meeting and the consensus was that the Board would move forward with requiring those matches and that later remove that requirement once the TIF starts building its increment. If the members present would like to recommend that requirement moves forward to the City Commission along with the work plan, that can happen. Once the change is made the website and application can be changed to reflect the requirement ahead of the July application window. Chair Shirliff asked for discussion or a motion. Ms. Holmes asked if there was wording for a motion. Ms. Ray stated the Board can come up with the wording for a motion now, and that there was not one prepared and invited the Board to draft language. Ms. Ray invited the Board to also speak about any possible funding caps they would like to institute.

(0:14:40) Chair Shirliff asked how the March discussion went regarding a cap, and stated he felt it was a way to extend the life of the fund. He stated he felt it important to do this before applications started coming in for the July allocation. He listed some of his reasoning and asked Ms. Ray about the options. Ms. Ray stated there needs to be a determination to forward to the Commission, but everyone seemed to be in agreement that they are happy to entertain a 50% match agreement, and it was reiterated that the work plan is not static and can be changed.

(0:17:48) Ms. Holmes made a motion to require a 50% match for all applications over \$10,000 and a 25% match for applications under \$10,000. Mr. Curtis seconded the motion. Mr. Carson stated that he liked that motion but asked if there were any legal implications. Ms. Ray stated that she did not think that there were any legal implications and that the Board may want to discuss their rationale. Mr. Carson stated he understood the rationale for the 25% match being a small-time guy himself, and it helps the smaller guy because he doesn't have

as much money. Chair SHirtliff stated when he thinks of a project under \$10,000, he thinks of a mural or art installation, and it seems fair to have something under \$10,000 need to pay a quarter of that. He asked if any of the other Board members have had experience with a match. Vice-Chair Obert stated that this is something he has heard of and going back to what Ms. Ray stated, if the Board explains their rationale behind the decision the Board should be able to get this to pass. Ms. Ray stated that she agrees with Vice-Chair Obert that if the Board states why they think this is reasonable there should not be any legal issues.

(0:21:27) Chair Shirliff asked Mr. Shubert if he had any thoughts to add to the discussion. Mr. Shubert stated he doesn't have anything to add, but that he has been party to discussions about the possibility to re-pave the pedestrian mall, and at the BID they have had discussions about how to address the funding for the improvement, he brings that up because of the proposed 50% match, and further spoke about possible sources of funding, and questioned the implications of the match requirements on plans like that. Ms. Ray stated that with that particular project, there is a capital improvement plan for the Downtown and what Mr. Shubert was talking about might be dovetailing with that effort, but to hold off on any such thing until that plan is completed. Mr. Shubert stated that the project is being thought of for years from now. Ms. Zurcher stated one of the strategic goals for the BID for FY23 is to do a master plan just for the pedestrian mall and sees the CIP being a precursor to master plan and might not come forward for two years, but that these discussions should be had as it could become a priority for the city. Ms. Ray stated that similar to sidewalk improvements that happened in the Railroad district, this could possibly be partially funded via TIF funds, but there were also allocations set aside from the city's budget. Mr. Shubert stated that the project is a long-term idea. Ms. DeHerrera asked if there is a clause that can be added for situations like the project Mr. Shubert spoke about. Ms. Ray pointed to the workplan and that the board could use it to create exceptions for things like infrastructure projects.

(0:26:43) Ms. DeHerrera stated she would like to add something that the TIF Board would like to add something to the motion that the Board can change the match depending on situations. Ms. Ray said that was discussed previously and that more people were inclined to make it a straight 50% to make it a level playing field, and it is up to the Board to make a recommendation to the Commission and that the Commission can approve whatever they choose. Mr. Shubert stated that the proposals and restrictions can be modified [regarding the workplan]. Ms. Ray stated that is correct and as Vice-Chair Obert noted as the TIF increment grows that Board may be able to begin bonding and exploring other types of projects and having the match requirement will not be as important. Chair Shirliff also stated that with the walking mall, it is a city park so there are funds there and that it may be a great opportunity for a public/private partnership and the TIF fund may be part of the funding package. Chair Shirliff also stated that it is nice to know that the fund is flexible to accommodate projects that are of higher importance regarding the workplan. Chair SHirtliff asked if there was any additional discussion about the motion on the table.

(0:30:40) Mr. Shubert suggested that the Board move forward with the motion but if it turns out to be detrimental to the Board, it can be modified later. Chair Shirliff restated the motion and asked for a vote. Ms. Holmes asked to amend the motion to require a 50% match for all applications over \$10,000 and a 25% match for applications up to \$10,000. Mr. Shubert stated that this motion makes sense to him. Mr. Shubert seconded the motion. A vote was taken. The motion passed unanimously.

(0:34:55) Ms. Ray stated that to help her finalize some of the wording in the workplan, she asked if anyone had any final thoughts. Mr. Shubert stated considering the discussion there may need to be some rewording done. Ms. Ray stated that was correct and outlined the wording she would be using to provide flexibility to the Board.

Public Comment:

(0:38:17) Ms. Zurcher gave the Board an update on the 300 Block tree project, and that 5 of the 7 electrical boxes were completed, and the other 2 will be completed shortly. The grates are in Great Falls, and will be installed shortly, and the hope is that the project is completed before the end of this fiscal year.

Next Meeting:

(0:39:25) The next Downtown TIF Advisory Board meeting is scheduled for May 12, 2022. Ms. Ray noted that she will have a memo to present to the Board from the City Attorney's office on the applications that were subject to review for qualified expenses.

Adjournment:

(0:41:19) With no further business before the Board, the meeting adjourned around 11:00 a.m.