

MINUTES OF THE MEETING
URBAN REVITALIZATION AGENCY
MAY 24, 2016

1. **CALL TO ORDER AND ROLL CALL** – Stephen Coe called the meeting to order at 8:35 a.m.

MEMBERS PRESENT: Bob Worley, Stephen Coe, Jim O’Neill and Robert Brown

MEMBERS ABSENT: Dale Mahugh

STAFF PRESENT: Karen Byrnes and Susan Powell

CONSULTANT: Keith Kemble, on speaker phone

GUESTS: Annie Pentilla, The Montana Standard; Robin Jordan, Butte Weekly; and Todd Hunkle, NAHN

APPLICANTS PRESENT: No applicants.

2. **APPROVAL OF MINUTES AND FINANCIAL REPORTS**

Robert Brown made a motion that was seconded by Bob Worley to approve the minutes of April 26, 2016, with the amendment to change Cindy Shaw from Staff to Guests. The motion carried unanimously.

A copy of Financial Report is made part of the minutes.

Robert Brown made a suggestion to put stars in front of the delinquent loans on the Loan Summary sheet so the Board can tell which loans are delinquent – put 1 for one month delinquent, 2 for two months delinquent, etc.

Bob Worley made a motion that was seconded by Jim O’Neill to accept the Financial Report as presented. The motion carried unanimously.

3. **DIRECTOR’S REPORT**

Karen Byrnes stated to the Board that unless there are any specific questions for her, everything she has she has to talk about today is related to the Parking Garage update in Item Number 5.

4. **PUBLIC COMMENT**

No public comment.

5. PARKING GARAGE UPDATE

a) Financing Analysis

Karen Byrnes discussed the Estimated Real Property Tax Receipts sheet FY 2016-2041 with the Board (this sheet is attached to these minutes). Keith Kemble was on speaker phone to answer any questions asked by the Board. Karen told the Board that as we move ahead the steps that will happen is upon the Board's agreement that this is something that looks okay to them, as we move ahead to finance the garage a resolution will be passed through the Council of Commissioners and it is called a bonding resolution. What we are shopping for here is a loan from a single entity, so we are approaching banks to be involved in this project. It will function as a loan from this entity, from the bank, but it is called a bond.

b) Draft Development Agreements

Karen Byrnes updated the Board on the Development Agreement with NAHN (the Draft Development Agreement with NAHN is attached to these minutes). Todd Hunkler, from NAHN, was present at the meeting. Butte-Silver Bow will purchase the adjacent parcel currently owned by NAHN for the parking garage. Butte-Silver Bow will also help NAHN with the expenses of moving their store and also help them with the vaulted sidewalk situation around the building in a year to follow after the garage is built. The sidewalks are vaulted around the Phoenix Building on all three sides and need to be addressed. As part of this construction project, we are going to be impacting those sidewalks in certain areas and then the year to follow we will look at to replace those vaulted sidewalks or to fill them – whatever the best option is to the engineering analysis. Known costs for the contract with NAHN, what we know we will pay, are \$25,000 for the land, up to \$64,000 for the move (which is a portion of what the move is going to cost), and then we are going to be paying for the improvements on the water-tight membrane on their deck (we don't have an exact number for that yet), and the additional is an up to amount of \$350,000 on the other repairs that would take place in the Galena Street level. The Development Agreement with NAHN is drafted by the Bond Council.

Karen Byrnes updated the Board on Development Agreement with Park West (the Draft Development Agreement with Park West is attached to these minutes), the building to the East of the parking garage site. We will be impacting them by a construction easement when we are pretty much taking over their parking lot during construction as our staging area and site and we have agreed to put their lot back – resurface their lot, restripe their lot, put the landscaping back that we will interrupt during the construction of the parking garage. We have to come to some agreements with them on how we can do that. We also have an airspace encroachment going forward on their property. That means that the second story of our garage, on the east side of our garage, will overhang their property into the future by about 10 feet. It does not impact their ability to park. Their parking spaces will still be available after we leave but they will be covered because they will under an overhang of a deck of

the garage. The airspace encroachment is something we are still negotiating with them as the terms of the value for value of what we are taking of the airspace and what they are receiving in the future. We are very close to having that complete so that we will be able to move this ahead.

c) **GMP – Contract Amendment**

Karen Byrnes updated the Board on the GMP Contract. The plan sets will be delivered to the plan boards and the building exchanges. They should have the plans today. The plan sets from Sletten Construction will distribute those to the building exchanges and planners so local contractors will have the ability to look at those and see what they can bid on and what pieces they would want to be a part of. There are some of the things that are not source locally. They are doing their best to make sure they are involved and included in the project. We will have our guaranteed maximum price to bring that contract amendment to the Council of Commissioners on June 15, 2016.

Stephen Coe asked the Board if they feel like they have enough information to give Karen approval to move forward with what Karen has given the Board today. Specifically, the two contracts and the financial analysis pretty much to get everything to Council for approval to move forward with this project. Karen told the Board that if something changed significantly from what she presented to the Board today, she would bring it back for the Board approval.

Robert Brown made a motion that was seconded by Jim O'Neill to accept in concept the document entitled Estimated Real Property Tax Receipts sheet FY 2016-2041 as prepared by Keith Kemble and by Karen Byrne's office and submitted to us today and explained to us today during this meeting. Motion carried unanimously.

Robert Brown made a motion that was seconded by Bob Worley to accept in concept the Development working draft Agreement with the National Affordable Housing Network as presented to us this morning with the explanation and clarifications present by Karen Byrnes within the financial boundaries as described to us today. The motion carried unanimously.

Robert Brown made a motion that was seconded by Jim O'Neill to accept the Development Agreement draft presented to us today with Park West L.P. as explained to the Board meeting today by Karen Byrnes and as submitted within the financial perimeters outlined today to the URA Board. The motion carried unanimously.

Robert Brown made a motion that was seconded by Bob Worley that if there is any further follow-up needed by the URA Board on the draft Agreements within the perimeters that it is something minor that Stephen Coe or Dale Magugh be authorized to act on behalf of the URA Board to accept. The motion carried unanimously.

6. OTHER ITEMS

Robert Brown asked that for the next URA Board meeting that he would like to see a breakdown for the 2016-2017 Budget for the URA.

7. ADJOURN

Bob Worley made a motion that was seconded by Jim O'Neill to adjourn the meeting. The meeting was adjourned at 9:15 a.m.

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