

**MINUTES OF THE
EAST BUTTE RENOVATION AND REHABILITATION AGENCY
BOARD OF DIRECTORS**

May 6, 2021

MEETING WAS HELD IN PERSON AND BY PHONE CONFERENCE

1. **CALL TO ORDER AND ROLL CALL** – Chuck Krause called the meeting to order at 9:00 a.m.

MEMBERS PRESENT: Chuck Krause (in person), Mark Rule (in person), Melissa O’Dell (in person), and John Riordan (in person)

MEMBERS ABSENT: Paul Babb

STAFF PRESENT: Karen Byrnes, Director; Brianne Downey, Financial and Project Manager; and Susan Powell, Administrative Assistant

CONSULTANTS: None

GUESTS:

APPLICANTS PRESENT: Charlie O’Leary, Applicant (in person); Emmett Riordan, Applicant (by phone); Carrie Leary, Applicant (by phone); David and Marcus Drew, Applicant (in person); Maisie Sulser and Mike Handley, Applicant (in person); Chris Ewing (by phone) and Kjersten Sandu (in person), Applicant

2. **APPROVAL OF MINUTES**

Mark Rule made a motion that was seconded by John Riordan to approve the minutes from April 1, 2021, meeting as presented. The motion carried unanimously.

3. **PUBLIC COMMENT**

None.

4. **FINANCIAL REPORT**

Brianne Downey, Financial and Project Manager, went over the Financial Report with the RRA Board. A copy of the Financial Report is made part of these minutes.

John Riordan made a motion that was seconded by Melissa O’Dell to accept the Financial Report as presented. The motion carried unanimously.

5. GRANT TAKE-BACKS

Brianne Downey went over the Memo dated May 6, 2021, to take-back the outstanding balances for grant projects. Memo is attached to these minutes. There are two grants that were awarded that we have been following up on to see what the status is and we feel that it is time to take these back. It was recommended for the Board to take back \$2,597.55 to be re-appropriated back into our funds.

John Riordan made a motion that was seconded by Mark Rule to accept and approve the recommendation as stated in the Memo dated May 6, 2021, to take back the total of \$2,597.55 in grant projects to be re-appropriated back into our funds. The motion carried unanimously.

6. DIRECTOR'S REPORT

Karen Byrnes talked about it being the last couple months of operating and trying to get all of our funds allocated into projects because we need to do that prior to June 30. There may be interim conversations between our normally scheduled Board meetings to talk about this. We will be tracking our funds in our budgets very carefully to ensure that we do get all the funds allocated into the correct places at the end of the fiscal year so that we can continue to operate with these projects and keep moving them forward as they come to fruition. Lots to come on that.

Karen Byrnes explained that it is still a really busy time at Butte-Silver Bow, a ton of interest in our community on all sectors – manufacturing, residential, commercial property development, etc. It is a really busy time, which is great. The State Legislature has ended for this round. It was getting really strange. They did pass one Bill that does affect how we would operate in the future if we were to form a new district. They passed Bill 388 that affects targeted economic development districts, the life of those districts, what those districts can spend money on and how they can bond. It is pretty significant and we were out in force against it, it did not matter what sort of logic we put towards the situation, they were going to pass it regardless. It really does tie hands in terms of what you can do for large projects in smaller communities that do not necessarily have economic resources that large communities have. If a community is rich and rural, they are golden with this, they are still okay. An example of one of those communities would be like Big Sky Montana. Communities like Ravalli County, Jefferson County, they are never going to be able to use this tool again unless a law changes because of all of the restrictions they put on it. It was very detrimental to the small guy and very beneficial to the big guy. That was not okay with us, but it passed with flying colors.

John Riordan made a motion that was seconded by Melissa O'Dell to accept the Director's Report. The motion carried unanimously.

7. **GRANT REQUESTS**

a. **405 East Park Street – Charlie and Kristi O’Leary**

Property Renovation

Project Cost \$993.76

The Applicant, Charlie O’Leary, was present at the meeting in person. A copy of the application is made part of these minutes. The Applicant is seeking matching grant funds for the various renovations. The Applicant has provided all necessary documentation. The Applicant has also received approval from the Historic Preservation Officer.

Staff recommended a grant in the amount up to \$496.88 or 50% of the eligible costs associated with this project.

Mark Rule made a motion that was seconded by John Riordan to approve a 50% grant in the amount up to \$496.88 to Charlie and Kristi O’Leary for the various renovations at 405 East Park Street. The Applicant has received approval from the Historic Preservation Officer. The motion carried unanimously.

b. **204 East Broadway Street – Arizona Street Garage – Emmett Riordan**

Painting

Project Cost \$19,995.00

The Applicant, Emmett Riordan, was present at the meeting by phone. A copy of the application is made part of these minutes. The Applicant is seeking matching grant funds for the painting of the exterior of the commercial property. The Applicant has provided all necessary documentation. The Applicant has also received approval from the Historic Preservation Officer.

Staff recommended a grant in the amount up to \$9,997.50 or 50% of the eligible costs associated with this project.

Mark Rule made a motion that was seconded by Melissa O’Dell to approve a 50% grant in the amount up to \$9,997.50 to Emmett Riordan, Arizona Street Garage, for the painting of the exterior of the commercial property at 204 East Broadway Street. The Applicant has received approval from the Historic Preservation Officer. The motion carried unanimously.

c. **750 South Utah Street – Carrie Leary**

Interior Upgrades

Project Cost \$66,100.00

The Applicant, Carrie Leary, was present at the meeting by phone. A copy of the application is made part of these minutes. The Applicant is seeking matching grant funds for the interior upgrades to the building. These upgrades included new

electrical service and high efficiency furnaces. The Applicant has provided all necessary documentation.

Staff recommended a grant in the amount up to \$19,830.00 or 30% of the eligible costs associated with this project.

Mark Rule abstained from voting on this project because of a conflict of interest.

Melissa O'Dell made a motion that was seconded by John Riordan to approve a 30% grant in the amount up to \$19,830.00 to Carrie Leary for new electrical service and high efficiency furnaces at 750 South Utah Street. The motion carried unanimously.

**d. 801 South Utah Street – Casagrande’s Steakhouse – Carrie Leary
Electrical Upgrades
Project Cost \$14,980.00**

The Applicant, Carrie Leary, was present at the meeting by phone. A copy of the application is made part of these minutes. The Applicant is seeking matching grant funds for the electrical upgrades. These upgrades include new electrical wiring for deck lighting. The Applicant has provided all necessary documentation.

Staff recommended a grant in the amount up to \$7,490.00 or 50% of the eligible costs associated with this project.

Mark Rule abstained from voting on this project because of a conflict of interest.

John Riordan made a motion that was seconded by Melissa O'Dell to approve a 50% grant in the amount up to \$7,490.00 to Carrie Leary for new electrical wiring for deck lighting at 801 South Utah Street. The motion carried unanimously.

**e. 222 East Park Street – Sparky’s Garage – David Drew
Property Redevelopment
Project Cost \$367,539.30**

The Applicant, David Drew, was present at the meeting in person. A copy of the application is made part of these minutes. The Applicant is seeking matching grant funds for the exterior remodel and parking lot improvements to the restaurant. The Applicant has provided all necessary documentation. The Applicant has also received tentative approval from the Historic Preservation Officer.

Staff recommended a grant in the amount up to \$73,507.86 or 20% of the eligible costs associated with this project.

John Riordan made a motion that was seconded by Melissa O'Dell to approve a 20% grant in the amount up to \$73,507.86 to David Drew, Sparky’ Garage, for the exterior

remodel and parking lot improvements to the restaurant at 222 East Park Street. The Applicant has received tentative approval from the Historic Preservation Officer. The motion carried unanimously.

**f. 701 South Arizona Street – Maisie Sulser and Mike Handley
Property Redevelopment
Project Cost \$621,487.32**

The Applicant, Maisie Sulser and Mike Handley, was present at the meeting in person. A copy of the application is made part of these minutes. The Applicant is seeking matching grant funds for the construction and related cost of six (6) residential apartment units in an existing structure. The Applicant has provided all necessary documentation. The Applicant has also received approval from the Historic Preservation Commission.

Staff recommended a grant in the amount up to \$124,297.46 or 20% of the eligible costs associated with this project.

Melissa O'Dell made a motion that was seconded by John Riordan to approve a 20% grant in the amount up to \$124,297.46 to Maisie Sulser and Mike Handley for the construction and related cost of six residential apartment units in an existing structure at 701 South Arizona Street. The Applicant has received approval from the Historic Preservation Commission. The motion carried unanimously.

**g. TBD East Broadway Street – Audaciter Capital Management Opportunity Zone Fund, LLC
New Construction
Project Cost \$1,263,949.07**

The Applicant, Chris Ewing, was present at the meeting by phone and Kjersten Sandu was present at the meeting in person. A copy of the application is made part of these minutes. The Applicant is seeking matching grant funds for the construction and related cost of five (5) residential apartment units. The Applicant has provided all necessary documentation. The Applicant has also received approval from the Historic Preservation Commission. They are tentatively planning to start construction within a year.

Staff recommended a grant in the amount up to \$150,000.00 or the maximum allowable grant.

Mark Rule made a motion that was seconded by John Riordan to approve a grant in the amount up to \$150,000.00 or the maximum allowable grant to Chris Ewing, Audaciter Capital Management Opportunity Zone Fund, LLC, for the construction and related cost of five residential apartment units at TBD East Broadway Street. The Applicant has received approval from the Historic Preservation Commission. The motion carried unanimously.

8. WATER TOWER PROJECT UPDATE

Karen Byrnes updated the Board on the Water Tower Project. The water tower is completely sealed from pigeons cannot access the interior of the tower. It has been steamed cleaned on the inside, it has been leveled around the tower, a staircase has been established there – it is really, really heavy. All of the bands have been tightened around the tower. It is all secure and it is all cleaned up. That part of the project is very close to being done. Marty was evaluating the timbers that are underneath the tower. He was testing them and cutting the ends off of them to see what kind of shape they are in. It looks like a few of them will definitely need to be pulled but some of them look very, very solid. We are working with Water and Environmental Technologies on the design of the park as we talked about and we have that active project. Karen passed around their first set of schematics that they put together on the improvements to the park area. Printouts of park schematics are attached to these minutes. Our goal would be to allocate any of our funds that we need to in addition to the funds that we have already allocated, if we need to towards getting this project done. That would be the goal is to bring this to the RRA Board prior to our sunset, we do have other projects out there that are still hanging. We have our stormwater line that we need to figure out, we have got some other projects that are in the hopper. As we stated before, it is a busy time and we will make sure that we bring everything to you for your consideration prior to June 30. This project is already on our books and we have funds budgeted towards it, Karen wants to see where she can pull other funding sources from as well.

9. OTHER ITEMS

None.

10. ADJOURN

Mark Rule made a motion that was seconded by Melissa O'Dell to adjourn the meeting at 10:12 a.m. The motion carried unanimously.