

**MINUTES OF THE MEETING**  
**HARRISON AVENUE SOUTH URBAN REVITALIZATION DISTRICT**  
**BOARD OF DIRECTORS**  
**May 09, 2023**

**MEETING WAS HELD IN PERSON AND BY PHONE**  
**CONFERENCE**

1. **CALL TO ORDER AND ROLL CALL** – Rick Edwards called the meeting to order at 8:35a.m.  
**MEMBERS PRESENT:** Rick Edwards, Bill Fogarty, Jeremy Whitlock all in person and Rhonda Keenan on the phone  
**MEMBERS ABSENT:** excused absence Jim Woy  
**STAFF PRESENT:** Karen Byrnes, Director Pauline Giacomino and Sherry Carpino  
**CONSULTANT:** None  
**GUESTS:** Ty from Butte Auto  
**APPLICANTS PRESENT:** David Billion, Mike from Markovich Construction

2. **APPROVAL OF MINUTES**

Bill Fogarty made a motion that was seconded by Jeremy Whitlock to approve the minutes from the October 11, 2022, meeting. The motion carried unanimously.

3. **DIRECTOR'S REPORT**

Karen begins with our meeting room will be changing to upstairs in 203 for our future meetings. I do foresee additional meetings coming within the next few months. We have projects to preface and projects to work on, but they haven't gotten to the point where they need to come see you just yet. So, it's going to be busier for us, which is exactly what we are supposed to be doing. The Legislative Session ended thank goodness. I have never been so happy to see a session end than I was this one. We were at risk, our tax increment financing funding for our districts across the state was under attack and we came very close to losing our ability to do the work that we do. The whole office was involved watching and listening and testifying and we were working very hard to oppose and thankfully we came out unscathed, which is amazing given what was proposed. But I do think there may be more room to do some education of the legislature some more as Rick is more aware as well with media you have to constantly communicate and tell stories. So, we will be doing that through the next couple of years and prep for the next session. The other thing that is going on community wide is we are working on a community wide housing plan for Butte Silver Bow that our office is leading those efforts. I encourage you if you get a chance you can go onto our website and take the survey. We had a community meeting last week where we had great attendance with about 75 people show up at 11:30 on a Tuesday to a public meeting. That doesn't happen. And so, it was very encouraging to see, you see

kind of the same people at community meetings the people that are actively participating in these things, I saw a ton of folks I didn't recognize or know. A housing plan is very important for our community it sets us up for growth, for planning, dollars that will come down through federal and state sources that we can get in line for in all sorts of areas not just housing, like infrastructure, roads all of those kinds of things. Please participate if you get a chance, there is a link on Butte Silver Bow website, and we would love to see that. As far as our district goes, we are very busy have a lot going on in terms of projects that we are talking to and going through logistics with. We are happy to have the 2 large projects that we have today. Rhonda is on the phone, I don't have an update on situations on the mall, Rhonda maybe knows more than me. I tried to get an update from the property owners yesterday and wasn't able to hook up with them. Again, we are working on multiple large projects for the district. Pauline states that she did include pictures of Highway 55 so you can see the progress that we assisted with. Karen continues one of my pet projects that I would love to see come to fruition. It has been called out on the transportation plan for Butte Silver Bow, is the upgrade of Howard Avenue which is the east side of the current projects to all street standards. Howard Avenue is a connector on the other side of all these businesses that I would like to see brought up to standard. But with these projects that are happening that whole length on the west side of Howard Avenue will be sidewalk curb and gutter. Jeremy states that will have to be a primary entrance for those businesses going south. Karen confirms and continues with it's going to be busy so I would love to see that happen. And if that is something that we can partner with the transportation committee on the BTCC and highlight federal dollars and state dollars and then our dollars to get that project up to snuff. Rick asked, "did someone just join? Yes, this is Mike Asher with Markovich construction. Rick welcomes Mike and states Karen is just giving her report right now so we will call on you shortly. Rick asked Karen, "do you know right behind Highway 55 is that an extra lot that another entity could rent or purchase. Karen states no that is not it belongs to Highway 55 all the way back to Howard Avenue. Rick continued not necessarily related to our project here, but do you know what is going on the west side of Taco Del Sol? Karen states no, I drove up the street and saw the construction going on and I don't know I'm assuming they are building something to be moved somewhere else.

**4. FINANCIAL REPORT/TAKE BACK**

Pauline went over the financials and continued into take backs.

Bill Fogarty made a motion that was seconded by Jeremy Whitlock to approve a take back in the amount \$4,770.00 for reallocation to the district and to approve the financials as presented. The motion carried unanimously.

**5. MONTANA MINI STORAGE – DISPURSEMENT**

Pauline started with attached to the financials there are all the development agreements, and we want to see about paying out the Montana Mini Storage, their balance is now a little \$25,000. There are some issues with his family. Karen continues so just a little bit about that situation without going too far down that road. Speaking with Mr. Brown, who is the grantee, he is aging, and he is having some family situations, so he needs to kind of consolidate on all his business entities and all of his work somewhere so it's a much easier transition. His wife is ill, and he is not in the best of health either. So, he asked if it would be a possibility to consider a pay out of this so that it's not something left out there. So, it's a little bit cleaner for inheritors or taking over his business dealings. I completely understand that, and I would recommend it if it's the board's pleasure to release the remaining funds to pay this one off early. Rick asked if \$25,000 would be a reduction of the \$184,000 is that correct? Karen confirmed that we already included in our obligations \$8260 of this so it would be 25 less that would be the reduction in our funds available. Rick states there is not necessarily a downside to it other than a little bit less money to work with for the end of this fiscal year. Karen continues we do have new budgets coming that will be presented to this board after July 1<sup>st</sup>. I feel we are in a fine position to close this one out and it relieves that obligation to us in the future as well. Rick asked if they had already completed the work. Karen confirmed and stated that we don't pay out anything on our development agreement until the work we funded is complete. And they are moving onto a second stage, without Mr. Brown it's a different entity. Rick asked if it was the one that will butt up to Rural Road. Karen confirmed yes.

Jeremy Whitlock made a motion that was seconded by Rhonda Lee to approve the amount of \$25, 0000 to be paid to Bill Brown to close out the development agreement. The motion carried unanimously.

## 6. **GRANT REQUEST**

### a. **3941 Wynne Ave. – SMT Holdings, LLC/Mark & Scott Thompson**

Property Improvements  
Project Cost - \$567,372.50

The applicant is seeking to enter into a development agreement for improvements to the commercial property. The project includes engineering, stormwater, and parking improvements.

#### **Total Development Agreement Request and Terms:**

Total Reimbursement Request:	\$113,475
Percentage of Eligible Cost:	20%
Term:	Maximum 8 years
Annual Reimbursement:	\$15,000

Karen states the development agreement has been attached and is very similar to the past development agreements. We used the exact same template for the other projects that we have. So, the way that we get to participate at this point in these larger projects is to still incentivize over time and still have the ability to participate at a greater level should our funding allow us to do that. Scott adds this page kind of depicts it pretty well. Those of you that are familiar with the facility it is almost 240,000 square feet total. It's 5 acres under one roof sitting on 23 acres. The portions that we are looking at paving are on the East side of the building between the building and Wynne Avenue. We do have pavement currently in place, but it does not go all the way out to the chain link fence that we have on Wynne Avenue. So, with the semi traffic and with the companies that we have in the facility now and we are 100% full. We have noticed that we have a lot more trailers than we ever used to have on the lot, and it creates a lot more dust, more issues that way. So, we needed to develop a parking plan and you can't really develop a parking plan on dirt. We then made the decision to pave it and Mark approached the board obviously and has gone through most of the process with it. It would add all the parking spaces that you can see outlined in red and it would provide for more dust control than what we currently have. A little more organized and less confusion and make it a much neater operation. And we do have plans in place to do curb and gutter along that section that is being paved. Then we will have landscaping done around the storage unit area, I believe that is the plan right now. Rick asked if the storage units were yours. Scott confirmed they are. And currently the parking and trucking control are the railroad ties that are sunk into the dirt and those railroad ties will be gone and it will be a much cleaner entrance. Jeremy adds so about 30 trees are being added. Scott confirmed. Karen states trees lend to dust control also. Rick asked what the timeline for this project. Scott states Hoffman said he would be able to start on it by the end of the month and we should have it finished I believe 6 weeks my understanding that is with the landscaping. Scott continues that it will be in 3 phases, he is going to start on the north end of the building in front of Butte Produce and work his way to the south side because once we get to where all the semis are it will be pretty crazy. Rick asked if someone else joined the call. And it was confirmed that it was Dave with the next project.

Bill Fogarty made a motion that was seconded by Jeremy Whitlock to approve this development agreement as submitted for 3941 Wynne Avenue – SMT Holdings, LLC/Mark & Scott Thompson property. The motion carried unanimously.

b. **3900 Harrison Ave. – Dealer Properties Butte GM, LLC**

Property Improvements

Project Cost - \$808,494.38

The applicant is seeking to enter into a development agreement for improvements to the commercial property. The project includes stormwater and parking/sidewalk improvements.

**Total Development Agreement Request and Terms:**

Total Reimbursement Request:	\$150,000
Percentage of Eligible Cost:	20%
Term:	Maximum 8 years
Annual Reimbursement:	\$18,750

Ty is a CPA representing Butte GM, he states he moved to Butte about a year and ½ ago, so this is an exciting project that we have been working on for quite some time. All the pain and suffering that goes with working with the manufacturer to get design approvals and we finally have final contracts in place, and we are ready to execute them. So, this piece is where Hoffman will be doing this particular phase. This project has gone from new construction on South Harrison to buying this property and working with SNR Investments and bankruptcy and all of that. So, it will have some new construction and some renovation of the existing building. So, Cory and them have a little dancing to do as we continue business at the store and still get the work done. I think we have Mike on the phone. Mike states well this looks like an awesome project for Butte and it's a good one for Markovich construction as well. And quite honestly, I'm looking forward to getting started on this project. Rick asked what is the timeline for this phase Mike. Mike states I'm not exactly privy to that at this point. That would definitely be a Cory question. Dave states that he can speak to that, Cory, Ty, and I spoke about this yesterday and we are looking at this particular part of the package done before wintertime this year. And we are also trying to push as hard as we can to get the complete project done or a vast majority of it before the end of year. We plan on staying open during the project so it will be a couple of phases that Hoffman excavating will have to come in and do different portions at different times to keep us open during the different phases of the remodel project of the building as well as an addition. So, that there is a proper service ride and customer delivery that is out of the element. Currently you have to drive around the back of the building to get to the service department and the hazards with the potholes and the asphalt crumbling and being in very poor condition. Hoffmans recommendation is to take all the asphalt crush it and use it for portions of the back lot. Then being able to have some control fill brought in compacted correctly so that the drainage drains appropriately as well as the drainage off of the building drains directly onto the apron of the building of which they have had a couple of different overlays that didn't grind down so there is some water damage and separation that occurred on the north side of the building due to improper storm sewer drainage so that will entail some retention ponds and some subsurface storm drains to allow for water to flow onto the asphalt to perform correctly for long term due to the a commercial grade parking lot. Rick states that he noticed in the list of different items you talked about some landscaping including it said 2 trees and some seeding where that is going to occur on the Harrison side or in between. Dave states I think there are a couple of trees that are along the frontage and towards the back of the parking lot there has been a history of a little bit of depression back there and the elevation drops down into toward the airport and the prior owner allowed people to drop grass clippings and tree branches so there is some soft ground back there. And we plan on doing some screening with some fencing to prevent people continuing to do that. So, we are going to do some excavation and screening which is probably going to also include some more

trees on the East side of that property. And that is something Rick Hoffman and I have talked about is the best way to kind of screen that is probably with some more trees. Rick asked in Phase one are there any enhancements to the building itself or is it all civil stuff? Dave continues this particular application is just the civil so with the complexities we could originally talked about creating the front of the building and having a set back on the building and folding to the East and reorient that building or that we found the water main as well as the main electrical and transformer it was like gutting the whole building and replacing it on the backside as opposed to continuing to operate within the framework of the building so it will flow quite differently with putting the service drive on the North side of the building. But ultimately, we found that the excavation is going to be kind of the 1<sup>st</sup> phase, we didn't know exactly what to do when we found out that the cost of building to the East would unstable soil and the like, we determined the best alternative is this plan. So, that is what we carved out of the Markovich aspect of the contract and so we are dealing directly with Rick Hoffman on this part of the project. Obviously, they would need to coordinate with Markovich to get access to the building when they need to do the renovation and also the addition of the building. Rick said so I assume if appropriate Phase 2 you would come back to the board for assistance. Dave confirms and continues with also the signage the building structure itself; the addition of the building will be a separate conversation in the future.

Jeremy Whitlock made a motion that was seconded by Rhonda Lee to approve a development agreement of \$150,000 for improvements to the commercial property at 3900 Harrison Avenue – Dealer Properties Butte GM, LLC. The motion carried unanimously.

7. **PUBLIC COMMENT:** None

8. **OTHER ITEMS:** None

9. **AJOURN:** Jeremy Whitlock made a motion that was seconded by Bill Fogarty to adjourn the meeting at 9:11 a.m. The motion carried unanimously.