

MINUTES OF THE MEETING
URBAN REVITALIZATION AGENCY
June 29, 2021

MEETING WAS HELD IN PERSON AND BY PHONE CONFERENCE

1. **CALL TO ORDER AND ROLL CALL** – Dale Mahugh called the meeting to order at 8:30 a.m.

MEMBERS PRESENT: Dale Mahugh, Stephen Coe, Kevin Patrick and Bob Worley (these Board Members were present in person) and Robert Brown was on the phone

MEMBERS ABSENT: All Present

STAFF PRESENT: Karen Byrnes, Director (in person), Brianne Downey (in person), Susan Powell (in person) and Sherry Carpino (in person)

CONSULTANT: John Montoya and Leslie Gilmore from Ensitio Design

GUESTS: Mary McCormick, Historic Preservation Officer (in person); Holly Carpenter, BLDC (by phone); Mike Potts (in person); Shanna Adams (in person); Cindy Shaw, Commissioner (in person); Walker Christiansen (in person); Gabe Preston (in person); Crystal Herzog (in person); Paul Filicetti (in person)

APPLICANTS PRESENT: Flynn Stormer, Applicant (in person); Doug & Rose Jones, Applicant (by phone); Matt O'Brien Applicant (by phone); John Anderson, Applicant (in person); Justyn Joyner, Applicant (in person); Amy Lockmer Applicant (in person); John Montoya and Leslie Gilmore, (representing 65-69 & 75 E. Park) Jeff Riggs, Applicant (in person); Justin Daymude, Applicant (by phone); Mary McCormick (in person); Eric Wixton, Applicant (by phone); Joe Tobiness (in person); Jeanne & Rick Larson, Applicant (in person); Dana & Bart Wackerbarth; Applicant (by phone); Ted Ackerman ; Applicant (in person) and Steve Grover, Applicant (in person)

2. **APPROVAL OF MINUTES**

Stephen Coe made a motion that was seconded by Bob Worley to approve the minutes from the May 25, 2021, meeting. The motion carried unanimously.

3. **FINANCIAL REPORT**

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

Brianne Downey, URA Financial and Project Manager, went over the Financial Reports with the URA Board.

Bob Brown had 2 requests one being that in the future that all grant requests and loan requests have a street photo of the business be included and #2 for everyone receiving a grant or grant application be told going forward if the grant is for a one year in time that doesn't mean that we can't do extensions we do them frequently, but the burden should be put on the owner to contact Brianne within the year if an extension is warranted.

Kevin Patrick made a motion that was seconded by Stephen Coe to accept the Financial Report as presented. The motion carried unanimously.

4. DIRECTOR'S REPORT

Karen Byrnes most importantly please join us for a gathering to honor Susan in the rotunda from 3pm to 5pm tomorrow. Thank you so much Susan for your hard work. Butte Silver Bow we are in the midst of budget season, the budget will be going to the council of commissioners next week from the Chief Executive Office and turned over to the council and at that time after it's in the council hands there can be more adjustments to it, the council members can discuss it and make and suggest changes to that budget going forward. As far as the Uptown Master plan things are going well. Some information was sent out last week from our consultants I haven't had a chance to review yet due to being on vacation but information on the strategic visioning session we had, vision statements, mission statements for the master plan more to come on that we should have draft by August of the plan. Today at 10am there is a meeting of the local ARPA funding committee for Butte Silver Bow which I am a part of that committee, and I let them know that I probably will not be there due to the length of our agenda but there will be discussion of projects that Butte Silver Bow will be undertaking ARPA funds and trying to leverage all the different pots of funds. The lists of projects that have been identified as eligible by Butte Silver Bow department heads and others that will be discussed in our 2nd meeting which are open to the public. We are very busy, and I will continue to say that until it is untrue, and I want to give a shout out to Brianne for handling a vast amount of information and getting it prepared. Dale Mahugh gave Susan a board of acknowledgement and thank you for your service and all board members want to wish her nothing but the best.

5. GRANT REQUEST

a. 401 S. Main Street – Lockmer Plumbing

Roof
Project Cost - \$31,650.00

The Applicant, Amy Lockmer, 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 building roofing. The roof will be 60 mil TPO Roofing material. The Applicant has provided all necessary documentation within the application. The Applicant has

approval from the Historic Preservation Officer. URA Staff recommended funding in the amount up to \$7,912.50 or 25% of the eligible cost.

Amy Lockmer was present and stated that they needed to update the roof so they can get the condenser on the roof for air conditioning.

Bob Worley made a motion that was seconded by Stephen Coe to approve a 25% grant in the amount up to \$7,912.50 to Lockmer Plumbing for partnership on the building roofing at 401 S. Main Street. The Applicant has received approval from the Historic Preservation Officer. The motion carried unanimously.

b. 701 S. Dakota – Doug & Rose Jones

Interior Improvements
Project Cost - \$16,272.00

The Applicant is seeking matching grant funds for interior improvements to the property. The improvements include electrical and plumbing rough in along with an electric heating system. The Applicant has provided all necessary documentation within the application. URA Staff recommends funding in the amount up to \$4,068.00 or 25% of the eligible cost.

Doug and Rose were on the phone and stated that if anyone was not familiar with the location that it is the old Special Occasions on Dakota. Doug stated that they are going to fix this location up and live at this location when they move to Butte. Dale had a question about the electric heating why they decided to go that direction. And the location has an old system in there that is not in working and they are not set on electric they will probably go with natural gas. Rose made a special motion for Brianne to get a raise because she is so helpful to those that are out of state.

Stephen Coe made a motion that was seconded by Bob Worley to approve a 25% grant in the amount up to \$4,068.00 to Doug & Rose Jones for the interior improvements to include electrical and plumbing rough in along with an electric heating system at 701 S. Dakota Street. The motion carried unanimously.

c. 533 W. Park – Justin Daymude

Interior Improvements
Project Cost - \$35,391.50

The Applicant is seeking grant funds for interior improvements to the residential property. The improvements include electrical and plumbing rough in. The Applicant has provided all necessary documentation within the application. The Applicant has approval from the Historic Preservation Officer. URA Staff recommended funding in the amount up to \$8,847.88 or 25% of the eligible cost of the eligible cost.

Justin stated after purchase of the property he found that none of the electrical or plumbing was usable. So, it all needs replaced.

Robert Brown made a motion that was seconded by Kevin Patrick to approve a 25% grant in the amount up to \$8,847.88 to Justin Daymude for interior improvements to the residential property. The motion carried unanimously.

d. 221 N. Idaho – Horsepower Holdings, LLC – Justyn Joyner

Exterior Improvements
Project Cost - \$12,975.78

The Applicant, Justyn Joyner, 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 improvements to the residential property. The improvements include new front porch which includes a roof and decking. The Applicant has provided all necessary documentation within the application. The Applicant has also received tentative approval from the Historic Preservation Officer and will be presented at the next HPC meeting. URA Staff recommended funding in the amount up to \$3,243.95 or 25% of the eligible cost.

Justin was on the phone and confirmed the work to be done and no questions were asked. Dale congratulated Brianne for putting together such complete packets, so we haven't had many questions due to the completeness of the packets.

Kevin Patrick made a motion that was seconded by Bob Worley to approve a 25% grant in the amount up to \$3,243.95 to Justyn Joyner, Horsepower Holdings, LLC for the exterior improvements to the residential property at 221 N. Idaho Street. The motion carried unanimously.

e. 125 S. Main Street – 406 Enterprise, LLC – Eric Wixten

Roof
Project Cost - \$21,250.00

The Applicant, Eric Wixten, 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 building roof. The roof will be 60 mil TPO roofing material. The Applicant has provided all necessary documentation within the application. The applicant has approval from Historic Preservation Officer. URA Staff recommended funding in the amount up to \$5,312.50 or 25% of the eligible cost.

Eric is on the phone and stated that an inspector looked at the roof and said it needs replacing before tenants move in. Bob Worley asked if we had done previous work with this building, and we had not.

Bob Worley made a motion that was seconded by Stephen Coe to approve a 25% grant in the amount up to \$5,312.50 to 406 Enterprise, LLC, for the building roof. The roof will be 60 mil TPO roofing material at 125 S. Main Street. The project was approved by the Historic Preservation Officer. The motion carried unanimously.

f. 125 S. Main Street – MCB Investment Group – Joe Tobiness

Property Redevelopment
Project Cost – \$231,530.00

The Applicant is seeking matching grant funds for the redevelopment of the commercial building. Improvements include rough in electrical and plumbing along with new heating and cooling systems. Structural supports and fire suppression are also included in the application. The Applicant has provided all necessary documentation within the application. URA Staff recommended funding in the amount up to \$57,882.50 or 25% of the eligible cost of.

Eric Wixten is on the phone and stated that they are bringing back the mid quick brewery with some different investors and a couple of the same owners and the back part of building will be the brewery and then they will have a front tap room along with a kitchen and bathrooms. Robert Brown questioned who the owner is. The owner is MCB Investments will hold a lease on the property. 406 Enterprise owns the building Brianne confirmed that Eric is working on getting the ownership on file. And Karen stated that we always do. Joe Tobiness showed up at the meeting and he is excited about this project it has been a long haul getting it to this point. The original plan was to build a new building, but things fell in place to get this location. Lot next to the building they are planning an outdoor patio for eating and live music. The goal is to get beer distributed in cans. And having the tap room to test things out and they also want to eventually distribute out of state.

Stephen Coe made a motion that was seconded by Kevin Patrick to approve a 25% grant in the amount up to \$57,882.50 to MCB Investment Group, for the property redevelopment at 125 S. Main Street. The motion carried unanimously.

g. 403-405 W. Granite Street – Odyssey Rentals – John Anderson

Interior Improvements
Project Cost – \$16,000.00

The applicant is seeking matching grant funds for interior improvements to the residential property. The improvements include the replacement of 4 furnaces. The applicant has provided all the necessary documentation within the application. URA Staff recommends funding in the amount up to \$4,000.00 or 25% of the eligible cost.

John on the phone and confirmed that the location was a 4 plex and that the furnaces were looked at and are not in working condition. No questions.

Stephen Coe made a motion that was seconded by Bob Worley to approve a 25% grant in the amount up to \$4,000.00 to John Anderson, for the property interior improvements at 403-405 W. Granite Street. The motion carried unanimously.

h. 329 S. Washington – Jeanne & Rick Larson

Property Redevelopment
Project Cost – \$11,286.80

The applicant is seeking matching grant funds for the redevelopment of the residential property. Improvements include asphalt shingles and a highly efficient forced air furnace. The applicant has provided all the necessary documentation within the application. URA Staff Recommends funding in the amount up to \$2,821.70 or 25% of the eligible cost.

Jean is present and stated that her and her family have started wiring on this location. They found that the easiest fix for this location is replacing the furnace and replacing the roof.

Kevin Patrick made a motion that was seconded by Bob Worley to approve a 25% grant in the amount up to \$2,821.70 to Jeanne & Rick Larson, for the property redevelopment at 329 S. Washington Street. The motion carried unanimously.

i. 65 E. Broadway – Quaggfor, LLC – Jeff Riggs

Elevator Replacement
Project Cost – \$135,387.00

The applicant is seeking matching grant funds for the redevelopment of the commercial property. Improvements include removal and replacement of the existing elevator. The applicant has provided all the necessary documentation within the application. URA Staff recommends funding in the amount up to \$33,846.75 or 25% of the eligible cost.

Jeff was present and confirmed that they have a buy sell close on the 31st of July for the Thornton building but considering the tenants that are currently living there we are trying to get this going because the project will still take 6 – 8 months.

Bob Worley stated that we have in the past assisted in repairs to the current elevator. But it is in direr need of replacement.

Bob Worley made a motion that was seconded by Kevin Patrick to approve a 25% grant in the amount up to \$33,846.75 to Quaggfor, LLC, for the property redevelopment at 65 E. Broadway Street. The motion carried unanimously.

j. 321 W. Galena – Manual Arts, LLC – Jeff Riggs

Property Redevelopment

Project Cost – \$18,225.00

The applicant is seeking matching grant funds for the redevelopment of the commercial building. Improvements include new heating and cooling systems and a new water heater. The applicant has provided all necessary documentation within the application. URA Staff recommends funding in the amount up to \$4,556.25 or 25% of the eligible cost.

Jeff is still present for this project as well. The heating system is very old and non-efficient, and it is about 160 degrees on the 4th floor. So, the combination of the heating and cooling system is warranted. The hot water heater is as old as the building so installing a more efficient system will benefit the building.

Bob Worley stated that it is nice to see Jeff's involvement in Butte. And thanked Jeff for investing in Butte. And Dale stated that he would love for Jeff to schedule a tour to go thru the buildings to see how things are progressing. Jeff stated that probably within the month they are doing an open house at the First Baptist Church that you guys helped with and so I will relay to them that we would like a tour.

Stephen Coe made a motion that was seconded by Kevin Patrick to approve a 25% grant in the amount up to \$4,556.25 to MCB Investment Group, for the property redevelopment at 321 W. Galena Street. The motion carried unanimously.

k. 317 E. Aluminum – RSM3 LLC -Dana & Bart Wackerbarth

Exterior Improvements – Phase 2
Project Cost – \$18,970.87

The applicant is seeking matching grant funds for the exterior improvements to the residential property. Improvements include exterior doors, rebuilding a common wall and reinforcing landings. The applicant has provided all necessary documentation within the application. The project has previously been approved by the HPC and this phase follows the COA agreed upon. URA Staff recommends funding in the amount up to \$4,742.72 or 25% of the eligible cost.

Bart and Dana Wackerbarth are on the phone. Brianne needed to make an adjustment on your agenda there was a little miscommunication with what the actual project costs were in relation to the grant. Bart did send a new updated application sheet which was passed around to you guys this morning. So, the total project costs for the 2nd Phase of this redevelopment and Bart you are on the phone so you do not have this in front of you but what was presented on the original was the 25% request and not the total project cost it was already pre calculated out. So, I did update the cover sheets to reflect that discrepancy. Bart stated for clarity they are under a LLC for this so it's ours and my 3 LLC that consists of us as numbers. Overall, this phase of the projects represents additional support items that needed to be addressed. With the last phase we completely removed the dormer and in doing this alleviating the weight on the house that uncovered additional problems with the support wall. Dale questioned if our participation in the past was under RSM3 and Brianne confirmed that it was. Dale again asked originally

that the staircase was a point of contention so what you have found is that you have had to go thru a lot more in the reconstruction to make it stable and meet code as far as weight and load bearing so you can go ahead and put in the new stairway? Bart stated that this work is not directly associated with the stairway it is with removing the dormer once that weight came off the common wall it jumped up a bit in some spaces, so this is reinforcement to that common wall to support the weight again. There is also some work to the corner done that was requested by the building and codes to provide additional support to one of the rear corners for stabilization. Bob Worley asked if this work would finish this property. Bart stated that there is still interior work that would need to be done as well as the sidewalks and that should finish out the URA. Mary from the historic preservation stated that Bart and Dana already went thru her for the façade and what is being presented today does not affect or change what was presented to the historic preservation.

Bob Worley made a motion that was seconded by Stephen Coe to approve a 25% grant in the amount up to \$4,742.72 to Bart and Donna Wackerbarth, for the exterior developments at 317 E. Aluminum Street. The motion carried unanimously.

1. 65-69 East Park Street – Ensitio Design

Exterior Improvements
Project Cost – \$223,300.00

The applicant is seeking matching grant funds for the exterior improvements to the commercial property. Improvements include the restoration of Park Street façade, including windows, masonry, cornice, store front and transom. The applicant has provided all necessary documentation within the application. The applicant has also received tentative approval from the Historic Preservation Officer and will be presented at the next HPC meeting. URA Staff recommends funding in the amount up to \$55,825.00 or 25% of the eligible cost.

John Montoya and Leslie Gilmore stated that they are very excited to get some light back into this building and Mary from the historic preservation has been working with us and they decided that bringing the building back to the 1920's is a good year. Dale asked if Ensitio Designs would be the ultimate owners or partners. John confirmed that they are just the architectural partners. Brianne has the legal entities; she did not have before the meeting, but we do now, and it will be on file.

Bob Brown wants to know who the owner is. Brianne stated the legal owner is Ford & Sons Real-estate Investors LLC, Bob asked if this was all façade not structural and that was confirmed that it is only façade. Bob Worley commented that he worked in that area in 85 spent time in those buildings and has been in the back of his mind as far as getting something done with these buildings and he wishes you all the luck going forward.

Bob Worley made a motion that was seconded by Robert Brown to approve a 25% grant in the amount up to \$55,825.00 to Ford & Sons Real-estate Investors LLC, for the property redevelopment at 65 – 69 East Park Street. The motion carried unanimously.

m. 75 East Park Street – 75 E. Park Street LLC -Ensitio Design

Property Redevelopment – Phase 1
Project Cost – \$600,000.00

The applicant is seeking matching grant funds for the redevelopment to the commercial property. The first phase includes temporary roof and drainage systems along with stabilization of the basement and first floor. The applicant has provided all necessary documentation within the application. URA Staff recommends funding in the amount up to \$150,000.00 or 25% of the eligible cost.

John stated this building has a long history in Butte and we started looking at this project about a year ago. We have already done quite a bit of work on it some of you have seen the plans and the intention. The front façade is pretty well preserved. However, the inside is in rough shape, and we are doing everything we can to keep the building from falling, it is on the verge right now. Renovations that were done over the years have jeopardized the structure both in the basement and the roof. So, we are going to work from the top down. Fix the water problems and seal up the building and seal up the structure in the basement and roof. Dale agreed that if that building were to fail it would compromise the buildings on both sides, so we appreciate your diligence and efforts on this. We have had interest in the past, and it has not come to fruition. Thank you. Bob Worley asked if the projects are going to be done together or separate. John stated that they would be separate, and they are being efficient with their time and finances by starting on them both at the same time. Bob Brown asked who the members of the LLC are. John stated that the members are the owner Rick Ford and his real-estate investment trust, and I believe a partner out of Bozeman. Bob stated that the new fiscal year starts tomorrow for a “new day”, and I share in Bob Worley’s interest in bringing back to life this block. Bob asked if Mary from the historic planning was on board with this project and Mary confirmed that she is.

Bob Worley made a motion that was seconded by Robert Brown to approve a 25% grant in the amount up to \$150,000.00 to Rick Ford and his family real-estate investment trust, for the property redevelopment at 75 East Park Street. The motion carried unanimously.

n. 614 N. Alaska Street – Flynn Stormer

Exterior Improvements
Project Cost – \$50,312.80

The applicant is seeking matching grant funds for the exterior improvements to the residential property. Improvements include the new windows for the entire property, new exterior doors and masonry repair and replacement. The applicant has provided all the necessary documentation within the application. The applicant has also received tentative approval from the Historic Preservation Officer and will be presented at the next HPC meeting. The URA Staff recommends funding in the amount up to \$12,578.20 or 25% of the eligible cost.

Flynn stated that he is attending college at Tech, and he bought this place to fix up and live in it. Karen and Brianne both agreed that it is a very interesting building and Brianne asked how many rooms upstairs? Flynn stated there are five. Dale stated that he was talking to Flynn before the meeting, and he has about 3 more years to finish, and we know he will be a hard work for at least the next 3 years. We really appreciate the younger generation getting involved in projects like this.

Robert Brown made a motion that was seconded by Kevin Patrick to approve a 25% grant in the amount up to \$12,578.20 to Flynn Stormer, for the property redevelopment at 614 N. Alaska Street. The motion carried unanimously.

o. 8 W. Park - Metal's Banc Building – Matt O'Brian

Exterior Repairs

Project Cost – \$12,735.90

The applicant is seeking matching grant funds for the exterior repairs to the commercial property. The repairs include LED repairs and re-installing the signage on the west and south side of the building and a new flagpole atop the building (flagpole was removed as it will be paid by insurance). The applicant has provided all the necessary documentation within the application. The URA Staff recommends funding in the amount up to \$3,183.98 or 25% of the eligible cost.

Matt is on the phone, and he stated that this is basically a retrofit of the sign as you know we have had a numerous number of windstorms and we have had to fix the sign several times before and we decided to reengineer the mechanism that holds the sign on the side of the building. Which is why the cost has increased. This is the overage of the cost to fix the sign right.

Kevin Patrick made a motion that was seconded by Stephen Coe to approve a grant in the amount up to \$3,183.98 to Matt O'Brian, for the exterior repairs at 8 W. Park Street. The motion carried unanimously.

p. 53 W. Park – Miner's Motel – Ted Ackerman

Property Redevelopment

Project Cost – \$30,455.00

The applicant is seeking matching grant funds for the redevelopment of the commercial property. Improvements include parking lot and sidewalk improvements along with a new 200-amp service and air conditioning unit. The applicant has provided all necessary documentation within the application. The URA Staff recommends funding in the amount up to \$8,108.75 or 50% of the sidewalk costs 25% of the remaining eligible costs.

Ted stated that he had a water problem in the front corner of the basement. The parking lot is like a thru street for a lot of people so about 25% of the sidewalk is compromised.

So, it is not draining correctly instead of the water draining into the street its draining in a little hole that has created a bubble for us in the parking lot, but I am getting water in the basement. The city did come and check the fire hydrant for any possible leaks it looks like that is all ok. And 2 years ago, we did put in a new 800-amp service it cost us \$20,000 at the time but that but that got us out of that alley so now the last 200 amps we are going to fill into the top floor. And I think what we are going to have to do in there is put in a couple long term units because we are getting a lot of requests for that to. Bob Brown stated that he as looking at the aging report and he noticed that the last payment was on June 6th what is the status. Brianne stated that Ted will probably give me a check as soon as we walk out of here.

Stephen Coe made a motion that was seconded by Bob Worley to approve a 25% grant in the amount up to \$8,108.75 to Ted Ackerman, for the property redevelopment at 5 W. Park Street. The motion carried unanimously.

6. FESIBILITY STUDY PARTNERSHIP

a. Montana Studios 40 E. Broadway Redevelopment – Steve Crover

1. Separation of the heating and cooling systems analysis for the redevelopment of the building. Requesting \$7,500.00

Steve stated that it has come down to a funding issue, plans have not changed with the master plan for the 5 buildings with the focus of the film hub taking up the beehive and the electrical buildings. Using mix use development on the price east and the ranch house. And because we have been funding this with the opportunity zone fund the initial anticipation of what was happening in the market at that time was keep it a large project and bring in a single primary investor and structure down at that point. I think a combination of what is happening in the market in terms of opportunity zones there is new interest in opportunity zone that we are starting to see. You either have a mega fund of 5 hundred billion or a billion dollars or they are getting much more project as specific type funding. So, what we are looking at doing is taking this property that consists of the 5 buildings and splitting it into 3 properties. The price east will become 1 property Beehive & Electric will be 1 property and The Ranch house will become the other property. So, the next piece of that is the infrastructure. There are 3 boilers supplying the heat to all the buildings so those need to be separate for the 3 buildings to stand on their own. The water system and cooling system are a part of this process.

Robert Brown asked if the building is being used to do any projects at the current time? There is a production in there now called Broke film and they are using some office space, and this is the 2nd time we had a production use office space. Robert Brown multiple stages just moving forward to separate properties.

Dale asked Mary from the historic preservation if she was going to be involved and she stated that what they do on the inside is up to them she is deals with the outside of the building.

Robert Brown made a motion that was seconded by Stephen Coe to approve a 25% grant in the amount up to \$7,500.00 for feasibility study at 40 E. Broadway 50% participation matching funds. The motion carried unanimously.

7. PUBLIC COMMENT

None.

8. OTHER ITEMS

Robert Brown asked Karen an update on the budget. Personnel matters. Karen stated that they needed to have a separate meeting regarding this subject. No staffing measures have been approved for the budget. Robert Brown expressed his concerns on adding to the staff due to the business of the Community Development office, I do not want to be a part of a train wreck.

Bob Worley stated that the projects that have come before us today are in excess 1 million dollars and this adds to Robert Brown's concerns about staffing.

9. ADJOURN

Kevin Patrick made a motion that was seconded by Bob Worley to adjourn the meeting at 10:41 a.m. The motion carried unanimously.