

MINUTES OF THE MEETING
URBAN REVITALIZATION AGENCY
June 27, 2023

MEETING WAS HELD IN PERSON AND BY PHONE
CONFERENCE

1. **CALL TO ORDER AND ROLL CALL** – Dale MaHugh called the meeting to order at 8:31 a.m.
MEMBERS PRESENT: Dale Mahugh, Stephen Coe, Bob Brown, and Bob Worley
MEMBERS ABSENT: Kevin Patrick
STAFF PRESENT: Karen Brynes Director, Pauline Giacomino, and Sherry Carpino
CONSULTANT:
GUESTS: Courtney, Jessica and Carrie from BLDC, Josh for the TV station
APPLICANTS PRESENT: Ted Ackerman, Paul Herendeen , Anthony, Jess, Andy on the phone Keith, Selina Pankovich and Emily Jordan

2. **APPROVAL OF MINUTES**

Stephen Coe made a motion that was seconded by Bob Worley to approve the minutes as amended from the May 23, 2023. The motion carried unanimously.

3. **FINANCIAL REPORT/BUDGET**

Pauline Giacomino went over the Financial Reports with the URA Board members.

Bob Brown made a motion that was seconded by Bob Worley to accept the financial information as presented. The motion carried unanimously.

TAKEBACKS

Bob Worley made a motion that was seconded by Bob Brown to accept the takeback information as presented. The motion carried unanimously.

4. **DIRECTORS REPORT**

Karen begins with thank you everyone for carrying on without me being present I really appreciate that. I was told it went very well. We are hopping, very busy here, big things not in just our area but other districts in Butte as well in terms of development and big projects. Courtney and I along with others from the BLDC and Headwaters work very closely with these projects. As you have seen in some of the announcements more official things to come on those. As far as the Uptown Master Plan Stephen and I have been working on that, Pauline is attending those meeting now as well and we are still in startup

phases on quite a few of our grant applications that were successful but now we are to the point where we have signed contracts on all of those so that is very exciting so now we will begin getting professional services hired to implement some of these projects. Those are the crosswalk improvements on Park Street that is the planning for Wayfinding and also planning for our Lighting plan for Uptown Butte. And then also Headwaters and BLDC worked with us on a Big Sky Trust Fund Planning Grant for a business improvement district. That RFP is out I'm not sure when it's due, Courtney I'm looking at you for when it's due. Courtney responds I'm not certain, but I believe very soon. Karen continues so that is very exciting, and we have also applied for transportation alternatives grant for corner improvements, ADA accessibility improvements all through uptown Butte to the tune of a couple million dollars so we hope that is successful. We are submitting for a federal grant called Safe Streets for All SS4A, and that would update our safety transportation plans in the entire community that is not just specific to Uptown Butte, it is the entire community, and it will call out projects that will fit very well, it's time to update that plan, the last update was 2016 for Butte Silver Bow. We are also working on a lot of affordable housing type projects around our community our housing plan is getting its first draft finalized within the next couple of months and will be ready for public consumption in September it's very timely that this housing plan be completed then because there are grant applications and deadlines for a lot of funding that comes through the federal government to the state of Montana then to us through the HOME funds they received an allocation of 10 million dollars from the federal government to that program for the State that's 3 x's more than we normally receive so we want to be poised to take advantage of that. Also, CDBG and the Housing Trust Fund applications are now open and those are extremely detailed applications, so we are going to be working on those. But this housing plan will set us up very well in terms of being able to apply for these and being ready to apply for them. So, a lot of things that aren't particular to just the URA but a lot of these are going on in the community that we will be a part of. Legislative updates, still have legislative hangover and that is a good word for it, we have not recovered. And I think it will still be a while. We had a Statewide planning call yesterday afternoon with all of the different districts and folks around the State that work in this arena we are putting together an intern committee that is going to work very closely with the State Chamber of Commerce and other business owners to get ready to educate the Legislature for next session about what not to mess with basically. So, hate to be so blunt but that is the truth. I have also been asked to give a presentation to the Chamber of Commerce in Big Sky Montana to educate them on tax increment financing and how these districts work and what we can do and how they function and to get their Chamber of Commerce on board with what might benefit their community. So, I will be doing that presentation on July 11th by zoom. Other than that, I know we are busy, and we have a big agenda, so I don't want to take too much time but if anyone has questions. Bob Worley asked how we are involved in the housing project on Iron Street the affordable housing, I saw an article in the paper saying URA was involved. Karen confirmed yes, we awarded them \$150,000 for that project and that is for infrastructure and construction of the new homes. Dale states he was able to attend that groundbreaking, so we were represented and acknowledged as well. Bob Brown states and it includes affordable housing. Karen continues it is all affordable housing. And in our strategic planning session and the things we identified as our goals and things to change and move forward, we are having a meeting later today to calendar out what we need to do

officially in terms of public hearings, public meetings to make changes to our plan and talk about new projects I have more to come on all that and I will keep you informed at our next meeting in terms of how that schedule looks and what the steps are with the things we identified. Bob Worley is the intersection you were talking about on Granite and Main. Karen states yes for the improvements. And that project is going well so we will be seeing more draft plans on that soon for the contract we awarded. Bob Brown, do you have any idea when it will be done. Karen states no, not this summer clearly but probably next construction season would be a guess. Bob Brown states I have one comment, Karen you weren't here last month, or I would have said it last month, but the phenomenal job you did on educating us about the legislature about URA's all the different legislation was so appreciated and helpful. I know that you are respected by your peers throughout the state, and you played a leading role in protecting what I think is one of the better government programs. So, I just wanted it in the record how much you were appreciated and how hard you worked. Karen thanked Bob and appreciated that. Dale states yes, I have been in some of those meetings and watched Karen in action and Kristin as well and they really represent the whole state well. They are recognized kind of as the experts.

5. GRANT REQUEST

a. 101 W. Galena – Ethan Hjorten

Exterior Improvements
Project Cost - \$16,500

The applicant is seeking matching grant funds to paint the exterior of the building. The applicant has provided all necessary documentation within the application. The URA Staff recommended funding in the amount up to \$4,125 or 25% of the eligible costs.

Ethan states I just wanted the building painted I have paint chipping and my dad had it painted in 2001 and painted it brown which I told him it was a mistake, he should have painted it red. Bob Brown asked if HPC has to weigh in on this one. Karen states it's already painted brick he is just repainting the brick they will like the new color better even though they don't get to comment on color.

Bob Brown made a motion that was seconded by Kevin Patrick to approve a grant in the amount up to \$4,125 or 25% of the eligible cost of the property renovation to 101 W. Galena – Ethan Hjorten. The motion carried unanimously.

b. 514-516 W. Park – Kevin Conlan (Emily Jordan)

Exterior Improvements
Project Cost - \$27,300

The applicant is seeking matching grant funds to repair/replace the stairs, repair the rock walls on the side and back of the house, along with adding heat trace to the roof and gutters. The applicant has provided all necessary documentation within the

application. This project has been reviewed and approved by the HPO. The URA Staff recommended funding in the amount up to \$6,825 or 25% of the eligible costs.

Emily states overall I would like to say thank you first of all for considering this as well as thank you for everything you guys do, I don't know everyone there, but I have had lots of questions for Pauline, and I think she is amazing, and I'm really excited about all the things you spoke about previously going on in the community. As far as my project is much needed the steps are crumbling after all the salt that was used unfortunately this last winter even though it was requested not to. But it is a hazard at this moment even though the tenants are using the back way, but the poor mailman has to go up them every day. I'm excited to get the project going. It just was a lot more than expected when we got the quote.

Stephen Coe made a motion that was seconded by Bob Worley to approve the amount up to \$6,825 a 25% of the eligible cost for 514-516 W. Park Street -Emily Jordan. The motion carried unanimously.

c. 65 E. Broadway – Quaggfor, LLC/Jeff Riggs-Keith on the phone

Exterior Improvements

Project Cost - \$13,450

The applicant is seeking matching grant funds to replace the cooling tower pump, build a roof over it, and repair covering around the roof drain. The applicant has provided all necessary documentation within the application. The URA Staff recommends funding in the amount up to \$3,362.50 or 25% of the eligible costs.

Keith Waring states I am Jeff's partner and Jeff is doing things out in Peru and is getting ready to get on a plane to come home. So, the Thornton Building heat and cooling system, well mainly the cooling system it goes up and there is this big evaporation chamber that it has a recirculation pump on it and that pump is on its last legs making terrible noise. And then this cooling tower if you ever get over there you can kinda see this red building that's above the roof and that is how the whole building is cooled and on the top of that there is a big louver that has not worked for years. So, all winter long unfortunately the heat just blasts out the top of this thing. We are just gonna build a roof over top of the louver so that in the summer we would take it off and the thing will vent out and, in the winter, we would cover up with the roof that we are proposing so that we don't lose all that heat all winter long. And the other little chunk of the grant that we got there together is we have, the roof is not bad shape but there are 2 spots where the drains that come together that will get some ice damming and leakage in the winter, and we received a proposal from a contractor to fix just those 2 sections of the roof. Bob Brown states

Stephen Coe made a motion that was seconded by Bob Brown to approve a grant in the amount up to \$6,204.18 or 25% of the eligible cost of replace the cooling tower pump, build a roof over it and repair covering around the roof drain at 65 E. Broadway – Quaggfor, LLC/Jeff Riggs. The motion carried unanimously.

d. 200 N. Main – Clearwater Credit Union/Claire Pepper

New Construction

Project Cost - \$1,345,055.63

The applicant is seeking matching grant funds for construction of new commercial property. The applicant has provided all necessary documentation within the application. The project has been reviewed and approved by the HPC. The URA Staff recommends funding in the amount up to \$150,000 or 25% of the eligible costs.

Paul Herendeen states I'm with the credit union, Claire Pepper is with A&W Architects the project architect. We are really excited about this project. It's a tremendous opportunity for us, we are really pleased to be building a permanent home in Uptown Butte. It has always been our goal to build a long-term asset to the community up here. So, we want a really good-looking building with a lot of public amenities, something that will last a long time and really look good. So, we really appreciate all the help we have had so far and appreciate any support. Bob Brown asked if the project is ready to go. Paul states yes, the amount has been approved by the board we have been working through signing the construction contract, that will be signed within the week and construction has already started with Jay Fortune as the general contractor. Bob Brown asked when it will be done. Paul states we anticipate about 12 months from now. Karen states they have been great partners on this project with us in Butte because they are looking at implementing the concepts out of the Master Plan into their design that is what we are leveraging on those other 3 corners. It's been a great partnership and such a great asset to our community. They have board meetings coming up in July and Shanna Adams and I will be speaking to the board, and we are really excited to have them as part of our community. Thank you, Paul.

Bob Brown made a motion that was seconded by Stephen Coe to approve a grant in the amount up to \$150,000 or 25% of the eligible cost for construction of new commercial property at 200 N. Main Street – Clearwater Credit Union. The motion carried unanimously.

e. 17 N. Main – M & M Bar & Café/Selina Pankovich- on phone

Interior Improvements

Project Cost - \$17,480

The applicant is seeking matching grant funds to install AC. The applicant has provided all necessary documentation within the application. The URA Staff recommends funding in the amount up to \$4,370 or 25% of the eligible costs.

Selina states that they have been really struggling in our kitchen area with the refrigeration equipment and my icer. I put a ceiling over the kitchen and now I have capture all the heat in that room so the equipment is struggling to work properly so we are going to add mini split air conditioning to feed into the kitchen and also out to the

bar area with the ability to add a 3rd end in the dining room if these 2 don't do what I need them to do. It will also be easier for our employees also. Bob Brown asked how much we contributed to the building when it was OMG. Karen states she wasn't sure of the amount. Bob Brown continued with obviously nothing was done with the air conditioning when it was OMG. Karen confirmed. Bob Brown asked how has the use changed from when it OMG to now as far as needing air conditioning. Karen states it has changed the whole interior and configuration of the inside, new kitchen area larger systems. Bob states ok that makes total sense. Selina added when I purchased the building Dick Nichols had warned me right from the beginning that the air conditioning was not going to be sufficient and that it never was sufficient so we kind of anticipated this problem but I wanted to wait until we got there before I decided to do anything about it so, I did add a walk in cooler down in the basement but other than that there really hasn't been much change to the interior of the building other than adding a bar and breakfast counter and more equipment.

Bob Worley made a motion that was seconded by Stephen Coe to approve a grant in the amount up to \$4,370 or 25% of the eligible cost of installing AC at 17 N. Main Street – M & M Bar & Café/Selina Pankovich. The motion carried unanimously.

f. 123 – 135 E. Park – Uptop-Anthony Lasovich & Andy Durkin

Design Services

Project Cost - \$828,500

The applicant is seeking matching grant funds for surveying, geotechnical investigation, architectural and engineering designs for new construction of a mixed-use development. The applicant has provided all necessary documentation within the application. The URA Staff recommends funding in the amount up to \$150,000 or 25% of the eligible costs.

Dale states before I let you fellas add more meat to this project I just wanted to mention, and they may bring it up as well that this is all preparation work if you will and below the ground type of work to be done so the project can get off and moving. And as they move above ground, they will be working extremely close with HPC to go ahead and make sure they meet the criteria that is expected of them there, I have seen some initial renderings and I think this will be a great addition to that part of the town. Anthony states he is an engineer with WET and represents the group that is proposing this project. And I believe the address is 123-135 E. Park. So, this is a mixed used development that is being proposed as you stated this is the Phase 1 effort where Proforma dialing in exactly what the mixed-use development will look like it will be a mixture between commercial use and residential. Two to three floors construction could possibly start this year, or next and could end next year or the year after. Right now, things are being dialed in. A lot of effort is being put forth exploring to finalize exactly the final funding structure. But this group is very motivated and organized and they are taking a great approach to this, other consultants include SMA Architects who have done a lot of preliminary effort and will continue to work through the pre-

construction phasing portion that architects provide. And then Langlus and Associates are offering preconstruction services to dial in costs to help shape the project to ensure that for 1 that it is feasible and practical. It's an exciting project, definitely what we are calling Phase 1 and could be up to 8–10-million-dollar investment depending on where things land. Andy added just want to thank Pauline for all the assistance with the application and we look forward to a partnership with the URA we think this will be a great development on Park Street. Bob Worley asked did you say 4 floors. Anthony states 2-3 there has been a 4th discussed but not for sure. And UpTop they do plan on having their warehouse facility there as well as a store front as part of many other store fronts along the main floor. That is the tentative plan. Bob Brown states so is there a schematic of what it is going to look like I mean what do you talk about when you meet with the historic people. Anthony states so we had some initial schematics that would be inspiration more than actual for that location. And they used the ins Po for finishings to make sure that the backdrop is very well suited for the uptown Butte architectural area. We don't have anything actually generated for this specific spot, yet it is more pictures of other buildings that match the facade that is well accepted in line with all the efforts that have been sought after in uptown Butte. Bob Worley states there is not much to match to on that block. Anthony states no there isn't. Karen adds we have lots of conversations and consultations and we are working very closely together. Dale adds I know you will work with historic preservation values to make sure that it incorporates into the area very well. Anthony states that Langlus who is offering preconstruction services that would eventually roll into a GCCM type of contract delivery method is actively doing multiple buildings on that block, so they are familiar with the process. And provide a lot of good input on what is received in line with what everyone wants for uptown Butte. Andy adds as a board I want you to know how valuable of a resource Karen is because she has been invaluable with all the contacts and helping us set up meetings with new market tax credit people in Bozeman who will facilitate a lot of the things that will help to make the project happen. Karen, thank you. Karen states you are welcome and I'm happy to do it. Bob Brown adds we have an incredible team, and it makes our role pretty straight forward. Bob Worley adds kudos to the Anderson family for their participation or their project back in Butte. Anthony adds yes, a lot of people don't know that UpTop is originally Missoula, and they made the decision to bring it back of course they don't have to, but it is definitely what they want, and I think that is a big deal. Bob Brown states he is very pleased that you are working closely with historic preservation people so that everybody can feel good about the building.

Bob Brown made a motion that was seconded by Bob Worley to approve a grant in the amount up to \$150,000 or 25% of the eligible cost of design services for 123-135 E. Park Street/Uptop. The motion carried unanimously.

- g. 116 W. Park – Ted Ackerman**
Property Renovation
Project Cost - \$25,870

The applicant is seeking matching grant funds to install a security gate, seal the skylights, and install new electrical and plumbing. The applicant has provided all necessary documentation within the application. The HPO is reviewing the outside stuff, and this is tentative upon HPC approval. The URA Staff recommends funding in the amount up to \$6,467.50 or 25% of the eligible costs.

Ted states we are redoing an original jail. The second floor, Butte Stuff is on the main floor and there are 2 really nice units up there. They are pretty good size and also that entry way is extremely wide that also is the entry way for above the Terminal, so we are trying to get everything slicked up. We want to put a gate at the very bottom and somehow tie it into the jail house theme and keep the stairway free of any free loads. Bob Worley asked if the gate would be secured. Ted confirmed it would.

Bob Worley made a motion that was seconded by Stephen Coe to approve a grant in the amount up to \$6,467.50 or 25% of the eligible cost to install a security gate, seal the skylights, and install new electrical and plumbing at 116 W. Park – Ted Ackerman. The HPO is reviewing the outside stuff, and this is tentative upon HPC approval. The motion carried unanimously.

MEETING CLOSED FOR LOAN DISCUSSION – ITEM 7, A, MEETING WILL REOPEN AFTER DISCUSSION FOR BOARD ACTION

6. LOAN REQUEST

a. 521 W. Park – Vu Villa/Mercedes Scott

Total Loan Request and Terms:

Total Financing Request:	\$137,666
Interest Rate:	5% Fixed Rate
Term:	20 Year Term (240 months)

Loan Purpose:

To assist in purchasing the Vu Villa Restaurant and Bar including all inventory and equipment at 521 W. Park Street. URA staff is recommending approval of this loan at the terms above.

Bob Brown asked sometimes we hold off on principle it hasn't been requested in this matter. Pauline confirms with a no. Dale states that the applicant has done her homework on this project, and we appreciate that. And as mentioned earlier it's nice to be a partner with a commercial lender, with the BLDC and us the URA as being able to make a project come off the ground and be successful.

Stephen Coe made a motion that was seconded by Bob Worley to approve a loan to Mercedes Scott for \$137,666 with an interest rate of 5% for a term of 20 years. The motion carried unanimously.

7. **PUBLIC COMMENT**

None.

8. **OTHER ITEMS**

Bob Brown asked about the Praxis Center. Karen states they are still working towards getting all of their final financing together. They do plan to start doing some site work I think this year at some point probably this fall. In terms of clearing the site, we have met with their architects, they have had a special historical preservation meeting to review the project and to give comments on the design of the actual building so that is still all moving forward. We have had a preapplication meeting with their team and with Butte Silver Bow with our team in terms of permitting, building codes all of those kinds of things. So, there is progress being made and so I think that it's just a matter of time before we see movement. The other thing is they are working with the USDA for a loan guarantee and that is part of their financing package and that is a lengthy and arduous process. And they are completing those requirements. It's a federal program so it does have a lot of the same requirements of section 106 review for historic preservation and environmental assessments. Stephen intercepts with I did their application and it's quite lengthy and we had to hire an archaeologist who has request that during construction to view things because there may be artifacts from the buildings that were pushed into that area. Karen states they will do a culture resource survey of the site and then like the Stephens have an agreement in place that during excavation if they find anything they have to be able to stop it and look. So, it's a process I guess long story short is they are making progress and moving through all the hoops and hopefully we will be seeing something soon. Does UpTop have to do that also Bob Brown asked. Karen answers no because it's a funding requirement from the loan with the federal government so that is where that comes from. Bob Brown asks is there anybody starting to look ahead to building a hotel or additional space somewhere uptown. When the Praxis Center is done there will be big demand for places. Karen states she hasn't heard of anything. Stephen states that's why the Finlin is expanding. They have a lot of unused floors, especially in that 2nd tower. Karen states yes and we have grant funds with them for that and so does the State of Montana Historic Preservation Program has grant funds for them also. I believe they have 36 rooms that are shuttered right now that need to be brought back online but they have to do a fire suppression. We have a grant that we are working towards to try and help them with that and that's not through the URA, it's through the state and CDBG program. Bob Brown asked if Banner with the BLDC was gone gone. Karen confirmed and Bob also asked with the Uptown Master Plan when are we going to be talked to next about considering more money to it next month. Karen states probably not next month but after that, we have to get through the planning stages of things so I will know how much to ask for, I want to get some estimates together first. Bob Brown says the Main and Granite corner is going forward regardless right. Karen states right it's in design right now it's just a matter of time. The credit union will

take care of their corner and we just had a meeting about the other 3 corners in terms of what that will look like and they are finalizing those plans and once we have that done, well we are also partnering with Northwestern Energy and their building on the corner they are doing a sidewalk program as well and we are going to make sure everything works together. Bob Brown also asked the parking garage we have nothing to do with that except pay for it right, no responsibility to keep it clean, we have no responsibility for the people that hang out in there and approach people on the street because that is what I have told people and I just want to make sure I'm right. Karen states you are correct, it used to be me and my other half now it's with the Community Enrichment Department and so they manage the garage and operations of the garage. Desiree Stark is the lead parking officer but there is also Cindy Winston that over sees the operations. It's not our problem as a URA board but it's our problem as a local government and how we manage the garage and make sure that it feels clean and safe. Those are things that I will continue to work on even though it's not our responsibility as the URA. Point well taken and it is a thing where it is a bus stop and people do wait for the bus there.

9. ADJOURN

Stephen Coe made a motion that was seconded by Bob Worley to adjourn the meeting at 10:13 a.m. The motion carried unanimously.