

INUTES OF THE MEETING
URBAN REVITALIZATION AGENCY
July 7, 2020

1. **CALL TO ORDER AND ROLL CALL** – Dale Mahugh called the meeting to order at 8:33 a.m.

MEMBERS PRESENT: Dale Mahugh, Stephen Coe, Robert Brown and Bob Worley

MEMBERS ABSENT: Jim O’Neill

STAFF PRESENT: Karen Byrnes, Director, Brianne Downey and Susan Powell

CONSULTANT: Joe Willauer, Executive Director, BLDC and Holly Carpenter, Loan Portfolio, BLDC and Headwaters RC&D

GUESTS:

APPLICANTS PRESENT: Nancy Woodruff (by phone), Applicant; Mary Gallicano, Applicant; Bob Carlson (by phone), Applicant; Celeste Johnston (Cindy filled in by phone), Applicant; Jen DeLong, Applicant; Alex Subrayan, Applicant; Shelly Connors, Applicant; and Dave Goodwin, Applicant

2. **APPROVAL OF MINUTES**

Robert Brown made a motion that was seconded by Stephen Coe to approve the minutes from the May 26, 2020, meeting as presented. The motion carried.

3. **FINANCIAL REPORT**

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

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

Stephen Coe made a motion that was seconded by Robert Brown to accept the Financial Reports as presented. The motion carried unanimously.

4. **DIRECTOR’S REPORT**

Karen Byrnes explained that we continue to work through our budget process at Butte-Silver Bow. We don’t know how our assessed values are going to come in necessarily and we don’t know how our collections are going to come in November. That is the biggest question. Tax collections were slightly down comparatively from where we were last year. We usually have about a 3% uncollectable rate and this year they said it was about 5% --

slightly different but not astronomically different. It will be a wait and see kind of thing to see how things go.

Karen stated that as far as investment in Butte and things that are going on, we are still very busy. There is still a lot of inquiries. There is still a lot of people looking at buying property here. There are some big projects that are still on the horizon for us including the Praxis Center, it has been a little quiet, but it is not done, it is not over, it is moving. Our Montana Studios, 40 East Broadway, and they are moving ahead. The façade work should start here soon. Our Harrison Avenue URA District is in the process of establishing Board Members. Names for those positions have been forwarded to the Chief Executive so we will have a five-person Board. The East Butte District is clicking along. We have a couple of projects that we are going to look at. We are going to be funding renovation and enhancement of the historic Water Tower that sits over here in East Butte, turning it into a little bit more a destination for folks. The Clear Water Credit Union has gone in where Hennessey Market used to be. They are under construction inside and they will be open soon. The Co-op is continuing to move on and real close to choosing a location. We are continuing to work on the Uptown Master Plan. We did apply for a large EDA Grant for \$100,000 and we are still waiting to hear on that.

5. GRANT REQUESTS

a. 625 North Main Street – Nancy Woodruff and Steve Thompson

Exterior Upgrades
Project Cost - \$21,165.00

The Applicant, Nancy Woodruff, 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 exterior improvements to the residence. The improvements include window repairs and painting. The Applicant has provided all necessary documentation. The Applicant has also consulted with the Historic Preservation Officer and received approval from the Historic Preservation Commission.

URA Staff recommended funding in the amount up to \$5,291.25 or 25% of the eligible costs.

Stephen Coe made a motion that was seconded by Robert Brown to approve a 25% grant in the amount up to \$5,291.25 to Nancy Woodruff and Steve Thompson to include improvements for window repairs and painting at 625 North Main Street. The Applicant has received approval from the Historic Preservation Commission. The motion carried unanimously.

b. 315 West Broadway Street – Mary Gallicano

Exterior Improvements
Project Cost - \$13,500.00

The Applicant, Mary Gallicano, was present at the meeting. A copy of the application is made part of these minutes. The Applicant is seeking matching grant funds for exterior improvements to the residence. The exterior of the residence will be prepped and repainted. The Applicant has provided all necessary documentation. The Applicant has also consulted with the Historic Preservation Office and received approval.

URA Staff recommended funding in the amount up to \$3,375.00 or 25% of the eligible costs.

Bob Worley made a motion that was seconded by Stephen Coe to approve a 25% grant in the amount up to \$3,375.00 to Mary Gallicano for exterior of the residence to be prepped and repainted at 315 West Broadway Street. The Applicant has received approval from the Historic Preservation Commission. The motion carried unanimously.

c. 129 West Park Street – CPK, LLC – Bob Carlson

Interior Upgrades

Project Cost - \$12,978.50

The Applicant, Bob Carlson, 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 interior upgrades to the Mayer Building located at 129 West Park Street. Upgrades include, a roof-top air conditioning unit that serves the entire building. The Applicant has provided all necessary documentation.

URA Staff recommended funding in the amount up to \$3,244.63 or 25% of the eligible costs.

Robert Brown made a motion that was seconded by Stephen Coe to approve a 25% grant in the amount up to \$3,244.63 to Bob Carlson to include upgrades for a roof-top air conditioning unit that serves the entire building at 129 West Park Street, the Mayer Building. The motion carried unanimously.

d. 130 West Galena Street – Moon Real Estate – Celeste Johnston

Exterior Improvement

Project Cost - \$1,982.00

The Applicant was represented by Cindy that 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 exterior upgrades to the building. Upgrades include the replacement of 3 single hung windows. The Applicant has provided all necessary documentation. The Applicant has also consulted with the Historic Preservation Officer and received approval.

URA Staff recommended funding in the amount up to \$495.50 or 25% of the eligible costs.

Stephen Coe made a motion that was seconded by Robert Brown to approve a 25% grant in the amount up to \$495.50 to Celeste Johnston, Moon Real Estate, for 3 single hung windows

at 130 West Galena Street. The Applicant has received approval from the Historic Preservation Commission. The motion carried unanimously.

e. 15 South Montana Street – Porphyry Properties, LLC – Matt and Jen DeLong

Exterior Improvements
Project Cost - \$30,194.88

The Applicant, Jen DeLong, was present at the meeting. A copy of the application is made part of these minutes. The applicants are seeking matching grant funds for exterior upgrades to the building. Upgrades include new exterior windows and glass panes, a commercial exterior door, masonry work, electric upgrades for exterior lighting and painting. The Applicant has provided all necessary documentation. The Applicant has also consulted with the Historic Preservation Officer and received approval.

URA Staff recommended funding in the amount up to \$7,548.72 or 25% of the eligible costs.

Bob Worley made a motion that was seconded by Stephen Coe to approve a 25% grant in the amount up to \$7,548.72 to Matt and Jen DeLong, Porphyry Properties, for new exterior windows and glass panes, a commercial exterior door, masonry work, electric upgrades for exterior lighting and painting at 15 South Montana Street. The Applicant has received approval from the Historic Preservation Commission. The motion carried unanimously.

6. BLDC LOAN SERVICE CONTRACT FY 20/21

Joe Willauer, Executive Director BLDC and Holly Carpenter, Loan Portfolio, BLDC were present at the meeting by phone. A copy of the Contract is made part of these minutes. The Contract is for Urban Revitalization Agency (URA) agrees to pay Butte Local Development Corporation (BLDC) \$17,000 for URA loan fund application evaluation and processing in FY 2021 from date of signing and shall be completed on June 30, 2021.

Stephen Coe made a motion that was seconded by Bob Worley to approve BLDC Loan Service Contract FY 20/21 between BLDC and BSB Urban Revitalization Agency for the total amount of \$17,000 through June 30, 2021. The motion carried unanimously.

7. FY 20/21 BUDGET

Karen Byrnes explained to the Board FY 20/21 Budget. This is the Preliminary Budget. The Board decided to wait to vote on FY 20/21 Budget for final approval, will revisit in July and final vote in August.

8. LOAN MODIFICATION – MOUNTAIN VIEW MUSIC HALL

Dave Goodwin, Mountain View Music Hall, was present at the meeting. Request for a loan modification from Dave Goodwin is made part of these minutes. Dave is asking for a loan modification on his loan for Mountain View Music Hall at 301 North Montana Street.

Karen Byrnes explained that what we are actually considering is to go to full payment with Dave Goodwin, but he would prepay his payments in a lump sum to us of \$25,000.00. That would allow him to buy himself a little bit of breathing room time to get his business established in terms of actually making some money. We are not forgiving anything; we are collecting exactly what we would collect. We are just doing it in a different timeframe. Brianne Downey explained that in the packets she inserted two amortization schedules. The first one in there has absolutely no adjustments made to this loan and Dave wanted a buy down or prepayment of \$25,000.00 and his deferral period ended, his interest extension only payment ended, and he picked up on October 1, 2020 with full payments of \$842.36. The next amortization schedule that was inserted reflected of \$25,000.00 buy down prepayment and that buys him time until September of 2023 is when that \$25,000.00 would satisfy. Also, inserted is loan payment history that shows all the payments that Dave Goodwin has made to the URA that was purely interest only and that totaled \$13,258.89 to date.

A discussion took place between the Board Members.

Stephen Coe made a motion that was seconded by Bob Worley that we accept the proposal to accept \$25,000.00 for the Loan Modification request from Dave Goodwin for the Mountain View Music Hall to accept prepayment of \$25,000.00 within the next week per the terms presented that the \$25,000.00 will be applied to the loan going forward, prepayments on principle and interest per loan agreement until it is exhausted on or around July of 2023 and then to resume full payments on the loan. Two Board Members voted yes and one (Robert Brown) voted no. The motion carried.

9. MOTEL 6 ROOF/FOUNDATION WALL PROJECT DISCUSSION/AWARD

Roof/Foundation Wall Project

Project Cost - \$55,348

URA Portion - \$13,837 (25% URA Grant)

The Applicant, Alex Subrayan, was present at the meeting by phone. A copy of the request is made part of these minutes. Request from Alex Subrayan, Motel 6, 220 North Wyoming Street, for stabilization of foundation and retaining wall on southeast corner. Installation of micropiles.

Robert Brown made a motion that was seconded by Stephen Coe to approve a 25% grant in the amount up to \$13,837.00 to Alex Subrayan, for stabilization of foundation and retaining wall on southeast corner and installation of micropiles for Motel 6 at 220 North Wyoming Street. The motion carried unanimously.

10. PUBLIC COMMENT

There was no public comment

11. OTHER ITEMS

Shelly Connors was present at the meeting by phone. Karen Byrnes read an email from Shelly Connors, Gloss: The Green Beauty Counter, for a request to continue loan deferment on her payment to September 2020. A copy of the email is made part of these minutes.

Robert Brown made a motion that was seconded by Stephen Coe to approve the request from Shelly Connors, Gloss: The Green Beauty Counter, to continue loan deferment until September of 2020 when she will resume with regular payments and the extra months that were deferred will be added to the end of her loan. The motion carried unanimously.

12. ADJOURN

Robert Brown made a motion that was seconded by Stephen Coe to adjourn the meeting at 11:12 a.m. The motion carried unanimously.