

MINUTES OF THE MEETING
URBAN REVITALIZATION AGENCY
August 22, 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 8:30 a.m.
MEMBERS PRESENT: Dale Mahugh, Stephen Coe, Bob Brown, Kevin Patrick and Bob Worley
MEMBERS ABSENT:
STAFF PRESENT: Karen Brynes, Director, Pauline Giacomino, Kate McCourt HPO, and Sherry Carpino
CONSULTANT:
GUESTS: Carrie BLDC, Mr. Margolus NBC tv station
APPLICANTS PRESENT: Dawn Kramer, Flynn Stormer, Kurt Doffinger, Steve Grover in person and Doug Kienzle, and Regina Gustasen on the phone.

2. **APPROVAL OF MINUTES**

Stephen Coe made a motion that was seconded by Bob Worley to approve the minutes as amended from July 25, 2023. Kevin Patrick abstained due to absence. The motion carried unanimously.

3. **FINANCIAL REPORT**

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

4. **DIRECTORS REPORT**

Karen begins with it's extremely busy in our office as always, lots of activity, lots of interest and we are having preapplication meetings quite frequently with the developers who are looking at doing things in our community and we are excited about that. Projects for the Uptown Master plan that we have been working on are moving forward. We have received responses to our requests for proposals for the crosswalk markings and we scored those, and I believe we have a selection and so we will be bringing that contract forward. And that contract will also be going up to the Council of Commissioners because it is also a construction project for public infrastructure in a way as a sidewalk marking job. But I do believe it makes sense to make sure everyone is involved and knows what is happening there. That one will be coming forth and the URA will be providing matching funds for that project. We did do a grant from Main Street to do a large portion of it as well. We do

have RFP responses back for the Wayfinding project and the Lighting project for Uptown Butte related to the Master Plan. Haven't had a chance to organize those yet. Our scoring committee were utilizing Steven Coe from this body is on that scoring committee and we are also utilizing multiple members of the Uptown Master Plan Association group and then also people from our planning department. So, there are a wide variety of people that are scoring these responses more to come on that. And then today at the end of the meeting we will have some consultants that will join us to talk to us about the uptown BID effort and so that consultant has been hired to Big Sky Trust Fund that was secured through Headwaters and the BLDC and that consultant is Cascadia Management Group and they have started working on that and so we are really excited about those efforts. They will be introducing themselves to this body today and talking about where we are in the process. And then there will also be some meeting this afternoon with some staff with Butte Silver Bow just to introduce themselves and get everyone on the same page. And we will try to get as much work done as we can before the snow flies. I also want to make an announcement to the whole group that we did have a public meeting last week thank you to the board for attending that, we are moving forward with our efforts to look at the possible expansion of our district boundaries for the Uptown Butte Urban Renewal district. And also, to amend our original plan to include some additional projects. We had that public meeting last week at the archives and we did have a couple members of the public attend and ask questions and that was great. The next step in this process is we will be drafting the amendment to our plan, working on finalizing those boundaries, consulting with the school district and also moving on to amending our ordinance so we will be presenting an amended plan through ordinance to the council. So, there is much more public participation coming but we are excited to move that forward as well. We are looking at probably sometime at the beginning of October to be introducing the ordinance changes. Bob Worley asked if the council was aware of this going on. Karen confirmed and stated that they passed a resolution, it takes 3 weeks to pass a resolution, so they passed the resolution recognizing this effort. Bob Brown asked if Karen was close to having a budget for this year established. Karen states yes, the budget should be established tonight at the special meeting to adopt the budget and if we have no changes in our allocations that we needed to make related to that we are going to see probably a dip in collections of tax increment and Pauline, and I can send the board a note on to what that actually means. We don't have to change our budget in terms of expenditure authority because we have enough in cash and investments to keep it at the level that we predicted. Bob continues so at the October meeting we will have a pretty good sense of where we are going to be for this fiscal year. Karen states we can give you some information as soon as possible and then we can talk about it at our next meeting in September.

5. **GRANT REQUEST**

a. **401 S Wyoming – BHS/Kevin Patrick**

Security Improvements

Project Cost - \$495,000

The applicant is seeking matching grant funds to install an access control system for the exterior doors. The applicant has provided all necessary documentation within the

application. The URA Staff recommended funding in the amount up to \$123,750 or 25% of the eligible costs.

Kevin begins with this summer they have been working on installing some access control and they are also putting in an intercom and communication system. We are asking for funds for the installation of the access control so they are putting those on all the outside access doors so that can be codes and then cards for safety and security. They should be finishing up on that project before school starts because they have been working on it all summer. Bob Worley asked, I see they had a recommendation on their SMA about an additional alternate, is that something they are looking at down the road. Kevin states that is the intercom and the communication system, so they are doing that I just don't think that qualifies for grant funds. Bob continues so they are going to do it. Kevin confirmed. Dale asked will those be wireless connections. Kevin states he believes they are hard wired in and then the cards are wireless. Bob Worley asked who will have access to these cards and that. Kevin states teachers and staff and then they can program the doors to be open at certain times.

Bob Brown made a motion that was seconded by Stephen Coe to approve the amount up to \$123,750, or 25% of the eligible cost for 401 S. Wyoming Street – BHS. The motion was carried unanimously, and Kevin Patrick abstained from voting.

b. 614 N. Alaska – Flynn Stormer

Property Improvements
Project Cost - \$18,137.77

The applicant is seeking matching grant funds for concrete work and installing insulation. All necessary documentation within the application has been provided. The URA Staff recommends funding in the amount up to \$4,534.44 or 25% of the eligible cost.

Flynn states that he is trying to get all the grants that he has applied for all wrapped up before snow starts flying. Bob Worley asked if the sidewalk had been poured. Flynn states not yet and I am doing all of the work. Dale asked \$143 a yard for concrete. Flynn states yes. Bob Brown asked how much money we had in this project. Pauline states almost \$28,000.

Bob Worley made a motion that was seconded by Stephen Coe to approve the amount up to \$4,534.44 a 25% of the eligible cost for 614 N. Alaska Street – Flynn Stormer. The motion carried unanimously.

c. TBD S. Jackson – Crown West Development/Kurt Doffinger

New Construction
Project Cost - \$491,385

The applicant is seeking matching grant funds for construction of a three plex. The applicant has provided all necessary documentation within the application. The project

has been reviewed and approved by the HPO. The URA Staff recommends funding in the amount up to \$122,846.25 or 25% of the eligible costs.

Kurt begins with this particular project is on the corner of Jackson and Platinum. It's a fairly high visible area and many may know this lot, my sources tell me it's been vacant for 5 decades at least. There really hasn't been any interest apparently to do much on this particular lot. It came available for sale just a few months. I do have some investment property within this block, so we were excited to be able to get this. So, what we are proposing to do is do the exact same building as we did at 432 S. Jackson and 476 S. Jackson, which this board has supported. Just an update of course 432 has been done now but 476 we are down to our last 30 days, and we are just finishing up. The response from the community has been very positive in that neighborhood. The footprint of course has been approved by the Historic Preservation so again we have their support, and we did need a zoning variance to do this particular project. Mr. Coe, thank you again for your support with that. This particular neighborhood is just like most other neighborhoods uptown there is some bite in there. There are some multi-families on this block, so I think it just fits in well with the neighborhood. It will be facing Jackson and not Platinum. It does have a severe slope so there are some challenges to this particular lot, but we have addressed them. Our estimate is to do this building for \$133 a square foot which there again we are controlling the cost because we do a lot of the work ourselves. So, we don't have to rely on certain subcontractors. The typical costs for these buildings are \$220-\$230 a square foot. Bob Worley asked if this was on the Leipheimer property? Kurt states it is kiddy corner from that on the South side of the street. Bob Worley states again that the only thing he saw in your grant application was this is a 2-bedroom 2 bath because on the original application it stated 3 bedrooms. Kurt confirmed it's definitely a 2-bedroom 2 bath. Bob asked if these are going to look like the other buildings you built on this block. Kurt states it's an identical building. The only difference is because that slope puts us back about 100 feet. And by doing that it presents an open area underneath the building which is just a natural living space. So, we will just add that 3rd unit right underneath there and so there will be access through the back alley and most of the houses have access from the alley so it will conform the same. Bob states so these are 1150 square feet of living and then garage and Kurt confirms they are just at 1000 of living and 290 for single garage.

Stephen Coe made a motion that was seconded by Bob Worley to approve a grant in the amount up to \$122,846.25 or 25% of the eligible cost for the construction of a three plex at TBD S. Jackson – Crown West Development/Kurt Doffinger. The motion carried unanimously.

d. 156 W. Granite – Carpenter's Union

Exterior Construction
Project Cost - \$298,180

The applicant is seeking matching grant funds to purchase and construct a new elevator on the exterior of the building. The applicant has provided all necessary documentation

within the application. The URA Staff recommends funding in the amount up to \$69,580 or 25% of the eligible costs. The project has been reviewed and approved by the HPO.

Karen states that we have been working together for a very long time on this project. Butte Silver Bow needed to get a piece of land so they would have enough room for the elevator, so we worked through that process, and they have applied for grants funds from the State of Montana and were successful in that. So, they have been working very hard on this moving it forward and they have been working with Kate the HPC on the design and that has been reviewed and approved. It's been a long haul and I just want to thank you for your perseverance in getting this done and making that building more accessible. Mike thanked Karen for that background we initially applied for the MHPG program at the Montana Department of Commerce in 2020 and it was January 2020 when I submitted the application and a lot of things changed after that, the pandemic came and the prices of everything went up but in 2021 the legislative session there approved a grant for \$228,000 for this project. Since getting that we also got a SARTA grant and now we are hoping the URA will be the 3rd piece of funding to make this happen. So, given that the price of everything has gone up we modified our design slightly, the elevator would now be 3 stops instead of 4 stops and we wouldn't penetrate the foundation wall, there was a lot of cost savings there. The particular model of elevator model that we landed on with working with our architect Steve Henick also helped with cost savings and the exterior finish that design and really the structure of the shaft itself has all been designed to save money and make this possible. I think with URA funding and Steve's estimate there it's realistic that we can construct this elevator and go to bid later this year, so we are pretty excited as Karen said it's been about a 2-3-year process between paperwork, surveying, land records, grant writing but we think it's going to happen. Dale stated he was wondering about the land acquisition there if it was too tight to the building so that just answered my question. Bob Brown asked was your original plan going to have an exterior entrance on the ground level or was it always going to be contained building only. Mike confirmed it was and stated the idea being that we have a lot of community events in that building as it is, the Hibernians meet there a lot of labor unions meet there and different community groups and elderly folks want to go to the renovated ball rooms the upper stories and the stairs are too hard for a lot of people so we figured if the entrances are all inside, we will have a ramp inside the door where they will be able to go upstairs. If you saw in the attachments there the design there, I figured I'd bring a big print out and it sits back 70 feet from the street. It is kind of like a shipping container is latched onto the building. Bob Worley states it looks like from most of your estimations that this will start to happen next year. Mike declares I hope so. I have been wanting it to happen next year for several years. Bob continues to be completed in 2025 right. Mike states I think that is realistic for the elevator itself and the renovation on the 3rd floor ball room is ongoing. Bob asked just out of curiosity what was the 4th stop. Mike declared in the basement. Bob Worley states that probably would have cost a lot more money to dig that hole for the elevator. Mike replied with it has a granite stone foundation on it, so it created a challenge to penetrate that without compromising that side of the building. Dale states it looks like Kohne had the elevator that would work

best for that. They confirmed. Dale asked Kate if she had anything to offer. Kate states no they preferred that box ribbed material of the metal and so it went off without a hitch at HPC. They were all happy with it and approved of it and appreciated the finish so it would blend in rather than stick out.

Bob Brown made a motion that was seconded by Kevin Patrick to approve a grant in the amount up to \$69,580 or 25% of the eligible cost to purchase and construct a new elevator on the exterior of the building at 156 W. Granite – Carpenter’s Union. And it has already been approved by the HPO. The motion carried unanimously.

e. 310 N. Washington – Doug Kienzle-on the phone

Exterior Improvements
Project Cost - \$25,900

The applicant is seeking matching grant funds for building a new retaining wall and stairs, tree removal, and to replace the sidewalk. The applicant has provided all necessary documentation within the application. The URA Staff recommends funding in the amount up to \$5,175 or 25% of the eligible costs along with funds up to \$2,600 or 50% for sidewalk replacement for a total up to \$7,775 of the eligible costs.

Doug adds this is the 1st phase of rehabbing this house. We have to remove the 2 large trees that are overgrown. The roots of the trees have decimated the sidewalks so that is why we ripped everything up and why the trees need to be removed. The retaining wall is very very old and disintegrating so we have to reconstruct and get engineering involved for that and so this is the first part of 310 N. Washington rehab. Bob Brown asked if HPC has nothing to say about sidewalks. Kate confirmed that they don’t. Dale states that he drove by this property the other day and it’s improved the neighborhood already. And then with the 2 trees breaking up the sidewalk you can’t really save them.

Kevin Patrick made a motion that was seconded by Bob Brown to approve a grant in the amount up to \$5,175 or 25% of the eligible costs along with funds up to \$2,600 or 50% for sidewalk replacement for a total up to \$7,775 of the eligible costs at 310 N. Washington – Doug Kienzle. The motion carried unanimously.

f. 40 E. Broadway – Big Sky Opportunity Fund/Steve Grover

Feasibility Study
Project Cost - \$15,200

The applicant is seeking matching grant funds for a feasibility analysis / energy audit of the Beehive and Electrical buildings. The applicant has provided all necessary documentation within the application. The URA Staff recommends funding in the amount up to \$7,600 or 50% of the eligible costs.

Steve begins with I wanted to take an opportunity in this meeting to give an update on what is happening with the buildings. So, as it probably been seen and discussed there

definitely has been some shift in our development plans there and I think at the last meeting we were here we were in negotiations for the sale of the pricease building and unfortunately that sale fell through. They are still indicating interest in the building, but the timing ended up not working out on terms of the closing on that sale. So, with that happening and the other issue that has impacted us is the exit of the film industry from the state with a failure to increase the film incentive and so we are going to take one more run at the legislature in 2025 so we still think there is potential but there has been some political issues in terms of the industry and so all of that has impacted our development plans of what is happening there. In terms of the update really where we are focused at this point is the development of the Beehive and the electric building. Those are the 2 largest buildings kind of the center, the 2 buildings kind of the place where we had most of the development plans and were the furthest along in the development and so that is really where our focus is at this time. We have put the ranch house on the market to my disappointment my favorite building because it has probably the strongest potential for sale, it has been on the market probably a couple months now and I think we have shown it 4 times showed it again last week and definitely has some strong interest. We are really trying to kind of being protective over the developmental plans so in our listing we do require any buyer to participate in the plans in terms of the over all facade development plans for the entire 5 buildings. And we have had some good feedback on that so I remain optimistic that we will find a good partner to sell that building to that will help our overall ability to fund the development plans. I guess another really good update we had a masonry specialist actually out of Ohio that came in a couple of weeks ago and they are recommended by Christian Terrell architects, and they came in and did an analysis of all of the existing façade in terms of the existing condition of the brick work and they are in the process of putting a proposal together as part of our historic tax credit application. But great feedback from them. They said really 4 of the 5 buildings are really strong in terms of existing condition of the brick or the masonry that is there. The electric building is the one that has the kind of white terracotta tile on it which had received the most damage when they cut things off in order to put the metal façade on that one is going to require the most work but they came back with some good recommendations in terms of what is realistic or not in terms of restoration and we have a meeting scheduled with SHIPO in the middle of September they are going to come in and meet with everybody and look at what we think we can do realistically from a restoration standpoint and make sure that we have an initial buy in in terms of the historical tax credit application. So, all of that is moving forward at a snail pace unfortunately but we are moving forward in terms of that, and we anticipate that façade restoration work could potentially start the spring of 2024 as all of this is moving forward. The plans for the Beehive and the electric building I think one thing that has been really strong we have had to think of our development plans and working with existing community partners we already had Praxis in leasing a couple of offices on the 4th floor and they should pretty strong interest in longer term leasing options for office space. They have had to scale back at their facility some so through ongoing conversations with them they were looking for an opportunity to get some of their training programs started sooner vs later. So, while they are continuing to raise funding and learning construction of the main facility, they have one specific program a nurse on boarding program that they already have the

director hired for running that program and are already in negotiations with the hospital. We did a tour with the Beehive with them to take a look and see what was realistic there and it went really well. They are willing to commit to a long-term lease for the basement and 1st floor for office space and their training program and then for this nurse on boarding program they bring in about 20 students at a time for 2-3 weeks and it's an ongoing program. They have a strong need for 20 housing units associated with that program and so we have shifted our development. We were planning on 2nd and 3rd floor apartments both for market rate and also for the film industry and in working with the Praxis we have shifted that plan to be able to provide housing for their nurse on boarding program. They are not going to own that space we are going to be on board preferred provider for that space since we are doing a combination of studio & 2-bedroom apartments, so we also have the ability to go market rentals with those in the events they are not able to fill up that capacity. So, that's really strong and we have applied at local bank for a construction loan for that project along with BLDC and looking at the SSBCI program so that is in underwriting at this time and is all related to and circling back to why we are actually here today. We are looking at applying for a REAP grant for the HPAC system due to the energy efficiencies and the new system that we are looking at putting in vs the big boilers and chillers that are in there now. And everybody feels it's a strong contender for that funding unfortunately it costs money to try and find money and so part of the REAP application process you have to submit a pretty extensive energy audit that goes back and looks at multiple years of what the historic energy costs have been for those buildings. It gets a little more complicated with ours because we have to back to when Northwestern Energy had the buildings in terms of when it was occupied so Christian Terrell came back with a proposal for a little over \$15,000 to do that energy audit. That then will become part of our REAP application for the funding for the HPAC system. Bob Worley of the 5 buildings number it from the ranch house going east which building are you talking about? Steve answered it would be 2 and 3. So, the ranch house is the furthest west electric is the large building with the white façade and the beehive is the large brick building so 2 and 3 would be the ones we are talking about. Bob Worley states you have done somethings as far as energy audit with 4 and 5 haven't you. Steve answers no so the original grant we had you guys provided some funding to do the initial analysis with the existing systems and Christian Terrell came back with recommendations in terms of how to separate those systems for the 5 buildings. So, that gave us our base line for what the new systems might be and now we are putting the funding together to go forward with those plans. And right now, all we are looking at would be 2 high efficiency boilers to provide general heating for those buildings and then unit specific heat pumps for the 4th floor and then the 2nd and 3rd floor apartments. Bob Worley continues I haven't been by that lately has all the facade been done as far as removing. Steve answers 90% so on the street level on the beehive building we weren't able to pull the granite off because the windows were interval to the granite installation so that is only removal that hasn't taken place yet. Dale states it good to see that you have a plan for these strong buildings to move them into the 21st century and I know that Christian Terrell do quality work. Bob Brown states he appreciates the candor and breath of your report because those buildings have been around a long time do you have any sense from the street of when there will be any changes. Steve

states we are looking to start that work in the spring of 2024 for the façade restoration work and we are putting the historical entrance to the beehive building back in place as part of that renovation work and so we will finish removing that granite hopefully this fall and do the window modifications that we need to close that back in. So that is going to be weather dependent. Bob Brown states that Steve stated that the state stopped the support of the film industry, the legislature did. Steve replies with well I shouldn't say they stopped so we have been working well I started in 2017 actually in that process but we have had a competitive incentive in terms of the percentages that are available for film as a tax credit. We have always been restricted to a 10-million-dollar cap and so when Yellowstone 1923 when they came in, they were willing to come in on those numbers because we have a 5 year carry forward on the program. But in 2021 and 2023 we went back to the legislature and tried to make the case to say that 10 million dollars basically one big production uses up all that allocation and we need to be at 50 million in order for major infrastructure to get developed is what the analysis shows. And we just haven't been able to do that so now what's happened, with Yellowstone 1923 with their first 2 years spent enough money that they used 5 years' worth of tax credits, so the carry forward has used all of it up. So, in addition to the strike and other things that have happened, I know that one article where Charlie made the comment that it would be challenging for them to come back because that tax incentive is a strong portion of their budget and what they do. So, we are going to work through the legality of that and I think over the next couple of years and see what the legislature and the executive office think of in terms of incentivizing that industry whether we can get it here or not. Bob Brown so in other words the legislature didn't change the program they just didn't expand it. Steve confirmed that was correct. The biggest thing it impacts is major investments in infrastructure because without enough volume continually goes through it doesn't pencil out to put in the money like sound stages and the things it takes to support multiple productions. Bob Brown continues the reason I'm confused is 40 million doesn't sound like much with the kinds of billions that they were talking about in Helena. Steve agrees. Dale interjects with there is a lot of this financial incentive also brings a lot of investment on other sides of the street. Steve again agrees but the industry does bring challenges and I think so far, I feel like the industry did a good job in being respectful of the State, but I think it is eye opening on both sides and since the legislature only meets every 2 years, we have to wait till 2025 to have another opportunity we are going to keep working on it. And we continue to work with the interim committees. We did a lot of work going into the 23 legislatures with and we hope to do that again. Dale states he echoes Mr. Browns appreciation of the overview.

Bob Worley made a motion that was seconded by Stephen Coe to approve a grant in the amount up to \$7,600 or 50% of the eligible cost of the feasibility analysis at 40 E. Broadway/Big Sky Opportunity Fund/Steve Grover. The motion carried unanimously.

- g. **401 W. Granite – Regina Gustafson- on the phone**
Property Improvements
Project Cost - \$56,290

The applicant is seeking matching grant funds to install new exterior doors, paint the exterior, repair the rafters and columns, replace the gutters, build a new privacy fence, replace the waterline including sidewalk replacement, and asbestos removal. The applicant has provided all necessary documentation within the application. The URA Staff recommends funding in the amount up to \$13,822.50 or 25% of the eligible costs along with funds up to \$500 or 50% for sidewalk replacement for a total up to \$14,322.50 of the eligible costs. The exterior components of this project are tentative upon HPC's approval.

Regina begins with it's been a labor of love this is a beautiful home and has been in Butte for a very long time and our goal is to update it so that it can be safer and just have the historic look back on that corner. Most of this is exterior, it is really degraded at this point it has been neglected and the winters have been hard on this house so that is the whole improvement at this point. Bob Brown asked how the roof. Regina came back with its brand new, we just replaced it in June. Bob Worley asks Ingrim Environmental is removing the asbestos I see there were 3 options on there and I see an amount for \$7910.00 for removal, which option did you select. Regina states that she is still discussing with them the 3 options are so the boiler is next to a concrete wall that a person cannot get through there, but they can get their tools back there for scraping the boiler off that is why they gave the 3 options to scrape what they can and then they can take it completely out. Because it is so big, so old and been there for so long and the basement is just mechanicals, no tenants will be down there it's strictly for the water heaters only and the toilet system has been removed so I think we are still talking with them about which option we are going to do but it's likely it will be the 1st or 2nd option not removing it completely just doing what we can removing on the outside of that boiler to the best that they can. And then they will do an encapsulation part on top of it.

Stephen Coe made a motion that was seconded by Bob Worley to approve a grant in the amount up to \$13,822.50 or 25% of the eligible cost along with funds up to \$500 or 50% for sidewalk replacement for a total of \$14,322.50 to install new exterior doors, paint the exterior, repair the rafters and columns, replace the gutters, build a new privacy fence, replace the waterline including sidewalk replacement, and asbestos removal at 401 W. Granite – Regina Gustafson. The exterior components of this project are tentative upon HPC's approval. The motion carried unanimously.

h. 160 W. Granite – Jamie Decker

Exterior Improvements

Project Cost - \$8,307.69

The applicant is seeking matching grant funds for material to replace the back deck. The applicant has provided all necessary documentation within the application. The URA Staff recommends funding in the amount up to \$2,076.92 or 25% of the eligible costs. The exterior components of this project are tentative upon HPC's approval.

Jamie adds the rest of the project is going well we are down to sheetrock this week then tape, texture and flooring is going in. So hopefully opening in the next month. If you haven't driven by the exterior in the front got a facelift same green color of the building and I painted all the trim. They replaced the fascia on the front. I didn't ask for funds for that, but we had to do some stuff while it was the summer and time contingent. The back decks, the east deck there are photos attached I think is a deck on a deck I couldn't see how bad it was until the spring when I got in there and cleaned up some of the brush between the carpenter's union hall and this building. Structurally it's starting to decay on the side, so we are hoping just for safety reasons, that is the back entrance of the clinic so replace that and then the other side, the west side structurally it is intact we just want to replace the tread so that they match the new deck. I'm not asking to replace any of the wood structure, just want the same on the back. Bob Worley starts with Jamie this deck what is the use of the deck going to be. Jamie stated that the east deck is exit for the alley side per fire code it's the backside of the building the other entrance comes in directly it will be for staff and that entrance will be where the lab stuff is so that's only access for staff.

Bob Brown made a motion that was seconded by Kevin Patrick to approve a grant in the amount up to \$2,076.92 or 25% of the eligible cost for material to replace the back deck at 160 W. Granite – Jamie Decker. The exterior components of this project are tentative upon HPC's approval. The motion carried unanimously.

i. **43 E. Park – Butte Tough, LLC/Marco Kurilich**

Interior Improvements
Project Cost - \$16,000

The applicant is seeking matching grant funds to install a new heating/cooling system. The applicant has provided all the necessary documentation within the application. The URA staff recommends funding in the amount up to \$4,000 or 25% of the eligible costs.

Dawn begins with it is just super cold in there and really hot in the summer. Well, we have 2 heaters in there, but they are like old garages heaters, and they face the front doors. I don't even understand why they would put them in there because you open the door you get a blast of heat, and you enter further, and you are freezing. And there is no air in there. Dale asks where you are renting the building or leasing it what do we do in conjunction with the building with I believe Jeff Francis to go ahead and make this type of application. Karen states so tenants are allowed to apply for assistance through us with approval of the landlord and I spoke with Marco Kurilich last week and he is out of town right now, so Dawn is representing for him, so they are in the process of getting a letter from the property owner to make these improvements. So, I told him we could go ahead and move this forward contingent on receiving that authorization.

Kevin Patrick made a motion that was seconded by Stephen Coe to approve a grant in the amount up to \$4,000 or 25% of the eligible cost for installing a new heating/cooling

system at 43 E. Park – Butte Tough, LLC/Marco Kurilich subject to documentation from the owner of the building. The motion carried unanimously.

6. PRESENTATION OF BUSINESS IMPROVEMENT DISTRICT PLANS

Karen begins with so we are joined today by Tracy Worley from Cascadia and then Shanna Adams with Uptown Master Plan Association and I believe that Ray Rogers is here in his roll and affiliation with the Uptown Master Plan Association and other things. So, we are really excited to have this opportunity to update the board of how things are progressing with the analysis and we're to try to establish a Business Improvement District in Uptown Butte and so this is something that we have worked hard on multiple times over the years and tried to figure out how to get this done for our community. It is really important, and I know that this time we have the team together to make it a success. So, I will turn it over to Tracy. Tracy begins with we are a consulting firm that was hired to help with the Butte BID implementation and success. I want to thank everyone involved in implementing the infrastructure for this to go through first and foremost. Shanna and Mr. Rogers are here today as part of our steering committee, so we do have a quorum steering committee that we have created. With that and we can share those names later and Karen can send that over to you who will play an active roll and a supportive roll with that we just received all of the assessment material and the data to move forward with some assessment options for the steering committee to approve, we are looking for that around the 1st of September. With the steering committee and we are here to also thank you for your support and funding part of this implementation of Butte BID, so I will hand it over this way for you to talk about why you are in the room and your passion around the Master Plan. Ray Rogers with the Praxis Center begins with I have been associated with the Uptown Butte Master Plan really since it's inception, I think there was a small group of us that pulled that together and I have been involved in that ever since and have watched all the great work especially led by Shanna of that organization and where we are moving with implementation of a lot of the ideas and plans that came out of all the planning process for the Uptown Butte Master Plan Association. Praxis Center of course will be a pretty large player in uptown Butte, a 35,000 square foot facility. We will have 40 plus employees at the facility, and we will train 5,000 people a year coming to uptown Butte. So, we are going to be a major player in the uptown district. Certainly, being passionate about the revitalization of uptown Butte and being a part of that and understanding the importance of creating a Business Improvement District can help in many ways. I'm excited about where it is going and the opportunities and glad to be here today. Shanna Adams with the Uptown Butte Master Plan Association begins with just a reminder for everybody we applied for a Big Sky Trust Fund Grant to help fund this process so that was \$25,000 dollars, URA has agreed to put in \$20,000 and then the Uptown Master Plan Association is putting in \$5,000. So, it is about a \$50,000 dollar effort to try to stand up a business improvement district and one of the ways we are going to do that is listening to all the property owners. So, Cascadia is going to help us through this process, they are going to set up some listening sessions. So, I think you will see some of those start happening, I think there are some today actually just with commissioners and Butte Silver Bow staff. But I think we really need to listen to the property owners and understand what they want to support and then answer that mail.

I think that will look like a couple of things, like offsetting expenses for property owners and business owners, driving revenue to businesses and increasing property values. Those are the things we are going to be looking at with our first year of work plan for the Business Improvement Plan. Tracy thanks both Shanna and Ray Rogers. Three areas of even your constituents, the direct so those are the property owners and the leases those that have businesses within the Uptown Butte BID area to the indirect so that is maybe the school BSB all those people who are directed and indirect within the area. And then community at large is the 3rd part. As the district in uptown Butte grows economically and we are going to fill vacancies and do some economic development business here is when I want to meet Stephen for a cup of coffee, I have choices I can go the flats, or I can go to uptown Butte. So, what is accessible and what is there and how do I say that. So, community at large also within your constituents what does that look like for them within this BID district as well. So yes, business owners and property owners will be the 2 prong and then of course those who are proponents and those who may have additional questions or oppose it directly and that is fine. We all have a voice at the table and so those are 3 areas to think about what does that look like for you. So that is why we are here today. We are the faces of the BID and if you have questions are their other areas of address for you today. Dale asked what are the geographic boundaries for the BID. Tracy answers with the 1st geographic boundary we are looking at what the Master Plan suggested within that as well and as we look at the assessment, we are also looking at some different zones so part of the Master Plan and what they heard from the community is what does it look like to pull tech into BID and some improvement district as well. So, there are several different areas, but we are 1st starting into the Master Plan area and if you look at the Master Plan it's in red. Bob Worley asked what is your final goal. Tracy replies with the final goal is 60% or more approval rate from the property owners from within the district that we define and then it goes in front of the Council of Commissioners for approval. And the Big Sky Trust Fund and some of the other things that are associated with this Butte BID our timing is December 14th. So, our goal is tight but by the end of year. Bob Worley states so I heard you mention that you are trying to bring businesses into the area also is that part of your goal too. Tracy answers the BID is nationally a trend so when there is a business improvement district you have a very strong URA already in place. Businesses will start to invest within those vacancies and or look for business opportunities. Karen states would it help to just run through the process of what it takes to establish a BID. Like where you are starting, what are the steps that might help the board understand where we are sitting because we are at the very beginning phases where we have a boundary sort of established and then what's next. Shanna explains what we are trying to do is establish a geographic boundary. And the property owners within that boundary we need 60% of them to say yes this is a great idea, I'm in. And what that means is they are agreeing to an assessment. So, throughout this process we are going to figure out what that looks like it has to fair, it has to be equitable, and it has to make sense and then they are agreeing to that assessment annually moving forward. Bob Worley and this is to make improvements in the district. Shanna continues and then those funds can only be used to make improvements in the district, they can't be used to offset other county expenses, they have to be used for improvements within that district. That can be hard improvements like capital type projects, promotions, festivals some things that other communities have seen success include graffiti removal, street sweeping, downtown ambassadors that help welcome guests

into our community. Visitor center type functions and then like events, programming within the district so all of those types of improvements are what this could be used for. But like I said in the beginning we want to hear what property owners want, and what they need. I talked about off setting expenses so one of the other things that we hear over and over again is snow removal is very costly for businesses, a lot of businesses have to actually put the snow into a dump truck and have it hauled off somewhere and it's a whole process that is very costly. So that maybe something that the district might want to take on holistically, clear all of the sidewalks within that boundary. So that business owners don't have to do that, maybe maybe not. But those types of things that we will be looking at. Bob Brown asked how do you differ from what George Everett's group is doing. Shanna replied that is a great question, so Main Street Butte is very focused on what their kind of core mission is which is the Folk Festival, Farmers Market they do street trees and some of the Christmas stroll so it is similar, but we would just want to not duplicate efforts. And we have approached them about taking this on and they are not interested. So, they want to stay focused on their core mission of what they are doing, which we all love, the Folk Festival, the Farmers Market and all that so this organization is going to take on other things. Karen also states that Main Street is membership driven so it's voluntary. Bob Brown asked if your group was to become then, and you got the 65% then do the 35% come along whether they want to or not then on the assessment. Shanna confirms. Bob Brown asks does it work like a tax assessment. Shanna confirms. Bob Brown continues so is it based on the millage. Shanna adds we are going to have the figure all that out how the assessment is calculated and there are a number of different methods that are allowed in the State of Montana. So, some of them do it based on the property value like a percentage of the property value some of them will do it on square footage some will do it on linear footage from the front of the building, how many linear feet they have to the street. So, there is a number of different methods, a number of ups and downs with each of those so a vacant lot would have a different perspective than Northwest Energy on the value that they are going to get. So, we are going to have to weigh all of those things and come up with something that is as fair and equitable as possible. Bob Brown adds, and I assume it's assessed annually, the value. For example, Praxis is a lot right now has a far less value now than when the building is built. So, I assume there are adjustments to cover that. Shanna answers yes so, every year would be a little bit different based on whatever method that we end up with. Could be different I should say. Bob Brown asks what kind of operating budget you are looking for. Shanna states you know we don't really know yet we aren't really there yet. We just kicked this process off a month ago, so we are just in the place where we are collecting all the property data, all the tax data and now, we will run them through these different assessment methods, and we will poke holes in them. You know is this really fair most people is it equitable those types of things. So, we don't really know what the total dollar amount is yet. Bob Brown states I don't want to get to into the weeds, but would Northwest Energy have 1 vote within the district and your distillery would have 1 vote but only 1 vote each right. So, if a person has a small store that does \$50,000 a year in business, they get a vote equal to you. Shanna answers yeh so 60% for the petition to stand up the district every property owner would have 1 vote for each property that they own. Tracy interjects with no its 1 vote so BSB would have 1 vote. Bob Brown states even though it owns multiple properties. Tracy confirms. Shanna thanks Tracy for clarifying that. Tracy continues yes when you are reading the Montana

law and when we are looking at historical documentations of other cities with a Montana or nationally everybody is a little bit different as well. And then the assessment my understanding is it would be a renewal and not every year so the assessment changes or what have you be at that renewal so that would be also a part of our recommendation if it's going to be a 5-year renewal or a 10-year renewal or a 3-year renewal. Bob Brown states so you establish this in 25 and then in 26 Colt Anderson builds his project on Park and you build your business on Park, and you would pay the same price as you would be paying the next 4 years as your paying them currently. Shanna states I think that is what I heard from you right Tracy, that assessment would stay the same until that renewal. Tracy states we would have to look at that a little bit deeper of that assessment. So, to be determined of what that looks like for the Butte BID. Bob Brown continues I would think that people that are being asked to comment or vote on this process would be significantly interested in what the cost was going to be. Shanna answers and we will know that before we go to these listening sessions we are just not quite there today. Karen states you have establish an assessment method to move forward and you have to look at like Shanna and Tracy said it can be based on all sorts of different things, or a hybrid of those things, but you have to make a decision about that to be able to present that or a couple options for people to look at. Bob Brown asks, so is that where the \$50,000 went or is that still in the process of being spent. Karen answers with the \$50,000 is to hire consultants to do this work for us. Bob injects I see so it's a work in progress for the 50 and that will answer all of these questions when that \$50,000 is spent. Karen continues at the end of the day we are having a yes to establish a BID that's the goal to simplify it. Dale adds I have been involved in a couple BIDs around the state in my previous working relationship and I think this is a great way to go because a lot of times you get the confrontational aspect of things that people said I didn't know this, or I didn't know that or if I would have known this, I wouldn't have done this. This is a perfect way to try to move forward. Baby steps at a time but to go ahead and grow as you move forward. Bob Brown states and finally would we just have a symbiotic relationship with the URA we wouldn't have a funding relationship with you. Shanna confirms no. Karen states we have established a partnership relationship with different projects and different things and if the criteria is meant we would probably want to participate that's how we get things done. Dale thanks Tracy, Ray and Shanna for coming a sharing this information with us. Tracy adds that if any of you have any questions or want to reach out to us, I have an office in Missoula, a little bit about Cascadia, I'm proud to say we are Montana's doing business with Montanians. And when one of founders Colleen Rudeo, and she was born and raised in Butte. And we want to thank you for the opportunity.

7. **PUBLIC COMMENT**

8. **OTHER ITEMS**

9. **ADJOURN**

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