

**Downtown Business Improvement District of Missoula
Board of Trustees Meeting Minutes
Tuesday, November 15, 2011
ALPS Conference Room
111 North Higgins (Second Floor)**

Attendees: Charlie Beaton, Ellen Buchanan, Dan Cederberg, Tim France, Carma Gilligan, Alan Newell

Absent: Rich Huffman

Staff: Rod Austin, Patrick Ryan

Guest: Jessica Daniels, Martin Knight

1. **Meeting Commencement:** 3:09 pm
2. **Introduction of Guests and Public Comment:** Jessica Daniels, Program Director of the MDA, and Martin Knight, Downtown Inventory intern, were in attendance to do a presentation on the Downtown Inventory.
3. **Downtown Inventory:** Jessica Daniels presented a PowerPoint presentation of the information collected to date from the Downtown Inventory. The purpose was to give background on the analyses and statistics and then discuss the findings with the board. The inventory was described as essentially a tracking system for all businesses and buildings in downtown, with one of the major goals being to aid in recruitment and retention. The work scope presented at the BID Ratepayer's Breakfast identified five tasks which had now been completed.

Daniels and Knight had previously presented on the inventory at the March 15, 2011 BID board meeting and Knight reported on the work and process that had been done since that meeting. The study area had been expanded to include the Hip Strip, Front St. and W. Broadway. The first round of vacancies had been compiled and GIS mapping was integrated into the report. An inventory marathon had been conducted, utilizing 16 UM and community volunteers with over 150 surveys completed in a three day period. Information was also culled from 2009 surveys and MDA membership information. Daniels then reviewed how the information was extrapolated, discussed some of the areas that were represented and responded to questions.

Distribution of Space: There were 736 units, representing approximately 2.3 million square feet. Consumer services, government and retail represented a little over 75% of this space. Daniels noted St. Patrick Hospital was not included in this ranking because it skewed the numbers.

Vacancy Rates: There was a 9% vacancy rate, representing a little over 209,000 square feet, with 71% being ground floor units. Alan Newell asked how vacancy rates were determined. Daniels said it was done unit by unit. Daniels also noted separate locations, even if part of a single organization such as the County, were counted separately.

Annual Sales and Revenue: Over \$222,000,000 in total annual sales and revenues for the inventoried businesses were reported. Daniels noted annual sales were far less reported in the surveys than other information. Additionally, the governmental percentage of 44% was based on budget. Annual sales per employee were \$116,000, although governmental employees were not included as it was difficult to quantify these numbers. Governmental budgets couldn't simply be divided by the number of employees due to remote locations outside of downtown. Dan Cederberg suggested, however, that such information for governmental employees would be highly beneficial in demonstrating the value of having government entities located downtown. Such employees represented a spending force and, based on salaries and time spent downtown, could demonstrate how much they might spend in downtown.

Annual Sales per Square Foot: Combined retail and eating and drinking establishments averaged \$169 per sq. ft., with retail at \$140 and eating and drinking at \$244. Daniels reported eating and drinking establishments represented 27% of all sales, retail was at 73%, and convenience goods comprised less than 1%. Carma Gilligan questioned the use of the term “convenience” and suggested showing examples of each of the categories might be beneficial.

Lease Rates: Lease rates per sq. ft. were presented for various sectors. These numbers could be examined on a block by block basis, by building class, or by areas such as the Hip Strip, downtown core, or western and eastern fringes.

Business Position: This was separated between ground floors and upper floors. Retail comprised 21% of ground floors, while 77% of all businesses were located on the ground floor. A vast majority (71%) of vacant units were located on the ground floor.

Closing Times: Regarding retail specifically, and examining only weekdays, over 50% of retail businesses closed by 6 pm. This was significant because it meant people who worked outside of downtown and left work at 5 pm probably wouldn't come downtown to shop.

Daniels said the next steps would include conducting additional analysis, doing side-by-side comparisons, expanding on GIS analyses, and conducting property tax analyses. Also, currently underway were efforts to make these findings available to the public and developing a marketing brochure. Daniels recommendations for the future included:

- Biannual updates, with some of the information being used to feed into a downtown wayfinding directory.
- Creating additional maps for a variety of uses.
- Conducting a retail revitalization strategy by exploring in greater depth the story behind business closures and using that information to inform and empower other businesses.
- Seeking additional funding sources from Big Sky Trust Fund, planning and development grants, and sustainable community grants. (Daniels noted the need to have a grant writer work on this process.)
- Project partnerships which could include: a market and land use study of downtown, informing zoning guidelines; exploring community technical assistance programs for preliminary studies; showcasing downtown housing and upper floors for realtors and investors; and pursuing design guidelines to create predictability in neighboring development projects.

Daniels then opened up the floor to questions or comments. Newell was very impressed and said Daniels had done a great job. A lot of work in a short period of time and far more than anticipated. Tim France agreed, noting there were far more directions the inventory could pursue. Newell indicated it would be important to have some of this available for the ratepayers' breakfast, although not all of the information needed to come out at once. Some information would need to be refined and vetted before it was made public. Ellen Buchanan thought the inventory could and should be used as an interactive tool and not just a marketing brochure...that there were a number of ways this information could be disseminated. Newell noted it would be beneficial to show the inventory to realtors and get their feedback about how to use or shape this information for their benefit. Newell then asked what would be needed in terms of staff time and resources to get a presentation ready for the ratepayer's breakfast. Daniels said a professional brochure would cost between \$5,000 and \$7,000. Refining the PowerPoint presentation would require additional time from Daniels, perhaps two weeks. An intern would be needed for bi-annual updates and additional mapping. Buchanan suggested the initial brochure not be too professional as the ratepayers, much like the realtors, could offer some valuable feedback before a final product was decided upon. Buchanan also suggested giving the inventory a headlining name while retaining “Missoula Downtown Building and Business Inventory” as a subheading. France said for the next meeting, the cost for moving forward should be on the agenda.

4. **Downtown Police Officer MOU:** Rod Austin presented a copy of an MOU with the City regarding the Dedicated Downtown Police Officer (DDPO) which the City considered the final version. The biggest change was from having the DDPO on duty year round to a seven-month, April to October, time period. Also, Austin said the MOU did not address the Missoula Parking Commission's (MPC) contribution to the DDPO's salary. Austin believed the City would rather deal with a single entity, the BID, and then the BID would invoice the MPC for their share. After review, questions arose regarding the salary amount listed in MOU. As originally agreed, the BID and MPC would pay half of the DDPO's yearly salary and the City would pay the other half. As written in the current MOU, the BID (and MPC) would pay \$42,904.50, but this number reflected half of the DDPO's yearly salary of \$85,809. Several board members said if the contract was only for seven months, then the salary in the MOU should reflect that change. Alan Newell asked if the MOU should include the ability for renewal, but Dan Cederberg said the issue had never been discussed with the City and shouldn't be raised at this juncture. Ellen Buchanan asked downtown ambassador Laurie Johnson if the holiday shopping season was a good time to have a police presence downtown, to which Laurie agreed. Buchanan suggested it would be worth lobbying for a year-round DDPO. Newell suggested countering with an offer to have the DDPO work through December. Further discussion ensued. Cederberg said the board needed to approve a proposal for the MOU and submit it to the City. Cederberg suggested the following specific changes:

- Section 2, Paragraph 1: The BID shall pay the City one half the DDPO's salary.
- Section 2, Paragraph 2: The total amount not to exceed would be changed from \$42,904.50 to \$32,500. The billing dates would be July and January.
- Section 4: The dates of service would change to end on December 31 instead of October 31.
- Section 8: The Term would be extended from October 31, 2013 to December 31, 2013.
- Section 9: The second sentence would be changed from "The agreement may be amended..." to "The agreement may be amended and extended..."
- Section 16: An email address for the City would be obtained for service of notice.

Dan Cederberg moved that Rod Austin be authorized to enter into negotiations and Tim France be authorized to sign an MOU with the City regarding the DDPO that incorporated these changes in the MOU. Alan Newell seconded and all approved.

5. Director's Report

a. Downtown Master Plan Update:

- i. **Front & Pattee Parking Structure:** Ellen Buchanan reported construction would be closed down for the winter, although some work would be able to continue. Discussion ensued about being able to pour concrete during winter months, but it wasn't feasible to do so here. Expecting the structure to be completed in August 2012. Also, there had been a lot of interest in the retail space.
- ii. **Implementation:** Rod Austin reported the committee continued to meet. The wayfinding and zoning subcommittees were actively working. The City had asked the implementation committee to help gather information about back-in angle parking on Main St. A survey had been sent out to Main St. businesses and the results would be forthcoming, although Austin believed such a parking change would be put off until the Front & Main conversion. Dan Cederberg said there should be some recognition of the group effort to get the Surface Transportation Program Urban (STPU) funding of \$100,000 for a Front & Main engineering study, with Buchanan volunteering to oversee the study. Also, Mountain Line received \$44,000

in STPU funding to study a traffic light shifting system, which would allow buses to slightly change traffic light timing to allow better maintenance of schedules. Linda McCarthy added Buchanan and Michael Tree had gotten \$30,000 in funding from various sources to conduct an urban streetcar study.

b. Committees

- i. **Recruitment & Retention (R&R)** – Rod Austin reported the committee had met and gone over the Downtown Inventory. Additionally, following the MDA strategic planning session, it was decided to create a combined downtown R&R committee. Heidi Starrett from the MDA board volunteered to serve and Todd Frank, from the same board, would also be invited.
- ii. **Employee Committee:** The committee had met and all employee reviews had been completed.

c. Other

- i. **POV Relocation** – Austin said a decision on the relocation should be forthcoming within a week. McCarthy asked how the announcement would be handled, but this was unclear. Also, the Salcido Center at the current Poverello Center location had been closed.
- ii. **Orange Street Expansion** – Austin reported waiting for information from the City. Apart for Orange St., Austin said a car sharing meeting would be taking place the following day at the Missoula Public Library. Discussion ensued about what car sharing was, with Austin reporting it was like a Zip car. The meeting would show if enough people were willing to put in the work to establish a car sharing program in Missoula. Austin had spoken to Burlington, VT, and their car sharing program was being subsidized, which might be difficult to make work in Missoula. Finally, Austin said Jim Bowman of the Missoula Economic Partnership was scheduled to attend the December board meeting.

6. Ambassadors Report: Laurie Johnson distributed the Downtown Police Officer’s report. Laurie noted 44 citations, including 14 for open containers, had been issued from 10/11 – 11/11. Discussion ensued.

Laurie reported on overall statistics which compared this year through the end of October with the same period last year, noting positives were increasing while negatives were decreasing. Following the report, discussion ensued.

Actions	2010	2011	Difference
Individuals moved	532	231	-301
Panhandlers counted	6204	3524	-2680
Police Assistance	189	64	-125
Graffiti	Same	Same	Same
Bill Posting	Same	Same	Same
Business Contacts	5151	5431	+280

Rod Austin noted Rick Stephens was done for the season and added that holiday decorations were up on Higgins Ave.

Finally, Austin reported Laurie Johnson had a non-fiction autobiographical book published and would be having a book signing at the Prudential office on Wednesday, November 16. Discussion ensued about the book and its content. The board offered congratulations on her achievement.

7. Approval of October 18th Board Minutes: Regarding Item #3, Carma Gilligan asked that the line “Dan Cederberg suggested a UM Japanese professor review the characters for translation” be bolded. **Ellen Buchanan moved to approve the October 18th minutes. Dan Cederberg seconded and all approved.**

8. Financial Report:

Alan Newell reported the financials were in great shape and there wasn't much to report. Rod Austin indicated there might need to be a discussion about giving bookkeeper Robert Giblin a raise, title change and increase in hours to ensure he remains with the organization.

9. Trustee Comments:

Linda McCarthy invited the board to attend the MDA Christmas Party on December 8 from 5-8 pm at the Holiday Inn.

10. Meeting Adjournment: 5:32 pm