

**Downtown Business Improvement District
Board of Trustees
Tuesday, August 12, 2012 from 3-5 pm**

Attending: Tim France, Rich Huffman, Charlie Beaton, Carma Gilligan, Dan Cederberg, Ellen Buchanan

Staff: Rod Austin, Julie Walsh

Guests: Linda McCarthy

The meeting was called to order at 3:07 pm.

Introduction of Guests and Public Comment

There was no public comment or introduction of guests at this meeting.

Value of Downtown / Joe Minicozzi (Austin) Action Item

Austin announced that Joe Minicozzi had first contacted him through Chris Behan at the Missoula Redevelopment Agency (MRA) via the Sonoran Institute, an organization that helped Bozeman and Billings complete projects similar to the current proposal. The idea is to hire Minicozzi as a consultant to do a comparative tax analysis on various properties in Missoula. He will be coming to do the analysis in Great Falls this fall, and Missoula has the chance to cost-share his travel expenses, while paying \$5,000 for his analysis of Missoula properties. Austin announced that he is asking the BID board of trustees for \$6,000 to secure the analysis and confirm with Minicozzi, although he plans to fundraise at least \$3,000 from partners in the next two weeks. Austin said this analysis will provide support for developing the city's center core, not just downtown. It would encourage updating existing infrastructure for use rather than generating more urban sprawl. That way there is no need to build new roads, curbs, or sewers. Austin mentioned that Alan Newell thinks the information should be intuitive, he disagrees. Billings is using its analysis to create infill policies for the community. Also, there are a lot of vacant spaces in downtown, and filling those spaces will create downtown traffic. France commented that the Downtown Master Plan focused on discouraging commuting and encouraging living in the central core. This analysis seems to support the same argument, yet from a government point of view. Buchanan said the analysis would be most valuable if it helps influence the city's decisions on extending roads and sewers. It is important to figure out how this can seriously influence urban policy. Austin said we need to change the mindset at city meetings that seems to think we already know all this information and don't need to hear it more. Buchanan remarked the Master Plan has gone a long way in changing those attitudes already. Looking at the way Minicozzi's work has been used in other communities, it seems that Missoula is ahead of the curve. France asked if the commissioners are aware of this proposal. Austin said Minicozzi reports that when his presentations are given, the county is most influenced because it rarely looks at the urban core otherwise. France said he heard that it was good for cities and great for counties. For every tax dollar the county spends, the resident

spends four. Buchanan remarked that if the BID is going to spend money on this, the board needs to think about how it will be used to influence the city and county. Austin remarked that Buchanan's relationship with other political entities will help convince those entities. He added that changing attitudes is a long process. France mentioned considering how BID ratepayers would feel if we spent money on this. Beaton agreed, adding he is weary of spending more money on studies and intangible projects. Gilligan considered whether we should be paying for this now or later. Buchanan mentioned building partnerships, and Beaton added he is interested if that is the case. France agreed, and emphasized that this is great timing since Minicozzi will already be in Great Falls soon. Beaton added that Minicozzi could really travel from anywhere.

Austin reminded the group the cost for the analysis is \$5,000 plus travel. He also added that having the analysis done on Missoula properties would make a bigger impact than trying to convince people with the data found in the Billings and Bozeman studies. Austin said he has put together some arguments about how this information can be used, and that it will help secure future project funding. McCarthy gave the example of the library not wanting to move locations, and needing support to prevent this. Austin said that is an immediate example, but this analysis will help builders build downtown and reduce urban sprawl. McCarthy mentioned you can make a case that urban property owners will receive better taxes than will those at Midtown and Reserve Street. France asked whether this will politically step on other peoples' toes, for example council people. Buchanan said it doesn't step on their toes, it just gives them information they might not want to hear. France said he slightly agrees that it is intuitive to know that downtown is a higher tax contributor. Buchanan remarked she thinks the average person would guess Reserve Street is a higher tax contributor.

McCarthy said the Missoula Downtown Association (MDA) board had talked about this in June. Rod remarked there was no momentum in June, because at that point, Great Falls was backing out of the study. Now that they want to do it, Austin has jumped on this opportunity to cost-share. Beaton mentioned it could cost \$1000 to bring Minicozzi in from anywhere in the country. Austin said Minicozzi would stay in Missoula about two nights before heading to Great Falls. He would look at properties, take photos and give presentations. He knows how to get the important information collectively and has been successful in many cities. Huffman asked what Minicozzi will do on-site. Buchanan mentioned he does a lot of his work remotely, and Austin added the trip is primarily for groundwork and presentations to different groups. Buchanan added that he could just ship the information over, but that would not be as effective as presenting it in the community. She also mentioned there needs to be a tool afterward that will show us how to change policies. France mentioned this plan seems like a verification of the Downtown Master Plan from a different source, and that it is an extension of what is already being done. The hard numbers will be compelling. Austin agreed that it is cohesive with the Master Plan in that it promotes a Balanced Centered Community. He will compare the downtown area with urban sprawl areas. Michael Tree from Mountain Line said he could be a partner because it supports his mission. McCarthy asked whether there are other projects with the BID and whether funds are currently stretched too thin. Buchanan suggested the group agree to fund a portion of it. Austin said he needs to confirm with Minicozzi that he should come to Missoula on his trip to Great Falls. That is why Austin is asking for the full \$6,000, now. He has found \$1,000 from Mountain Line, and may ask larger property owners to fund \$500 each. Beaton mentioned he would be interested in paying one-third. Beaton also mentioned we the board should not fund the analysis if the other \$2,500 cannot be raised. This would mean we do not have to necessarily cost-share with Great Falls if it takes longer to raise the required money.

Cederberg voiced that he is not completely in agreement with funding the proposal, although he would support \$2,500. Cederberg said he feels it will be useful someday. Austin said he sees this as a tool that people can use over and over again. Beaton mentioned he also values the study, and if it is important enough, it will gain support from others. McCarthy added that the next 10 years will involve spending money on projects, and the data from this analysis will provide ammunition to contend for project funds. Huffman advised there be conversations upfront before fundraising.

Austin said if the board is going to put together a motion, he asks at least \$3,000.

Cederberg remarked this information coming from an expert would have greater influence than us promoting the same thing, since that is what we have been doing all along. Buchanan added this would pay for a tool and not a study.

Beaton added that he has not regretted anything the board has spent money on yet. Cederberg agreed, adding that it is the job of the BID to use its money, not to accumulate it.

Beaton motioned to fund \$2,500 for the analysis and \$500 for travel expenses, the remainder being raised by Austin and partners within one year. Buchanan seconded the motion, and it passed unanimously.

Cederberg added that it should come out of the contingency budget, not business development.

Downtown Inventory Intern

Austin drew attention to a memorandum Jessica Daniels made in April regarding a downtown inventory intern. Austin will manage an intern to get an update on the inventory. The position is posted on the University of Montana website. Beaton asked whether Daniels could be hired as an independent contractor, but Austin said she has not returned his inquiries, and that that route would be unaffordable anyway. Austin is currently looking for the intern at \$9 per hour and cedar mountain upkeep that will take place throughout the year. Gilligan point out the cost would be \$2,875. Gilligan asked how much Cedar Mountain work would cost, which Buchanan replied is \$3,538. Austin also mentioned the marketing brochure is almost finished. Buchanan said there has also been talk about putting together a residential inventory.

Cederberg motioned to spend \$6,413 of the business development budget to hire an intern to update the inventory and to cover Cedar Mountain Work. Huffman seconded, and the motion passed unanimously.

Discussion of City Assets

Austin announced there is less need for this item, as there was clarification in June. City sheets show the trial balance. June 2012 shows cash receipts that give us an ending balance of \$443, which does not match up. Robert Giblin went to the city, yet they wouldn't say whether it was a clerical error. Austin said it has been resolved, and the city responded well and quickly to it.

Director's Report (Austin)

Austin announced Robert Giblin is resigning to take a job at J.R. Banna as an accountant. Beaton mentioned he saw this coming, and McCarthy said we can't expect to keep people around at \$12.50 per hour. Cederberg acknowledged that the bookkeeping position has changed a lot lately. Austin said we should be thankful the BID has had Robert for the time being. Without the foundation and without the BID, the position could fall back to 25 hours per week. Austin will sit in on interviews.

Buchanan mentioned the BID and MDA had acquired furniture for the new office space. McCarthy said they would be moving into that additional space next month. The deadline for Robert's position is the 29th of August. He will start his new job on September 18th. The priority is to fill the position before moving. The space has been acquired on a five-year contract and rent will stay the same for the next five years.

Downtown Master Plan – Update

Park Place Parking Structure:

Buchanan reported the parking structure is coming along fine and panels for the exterior should be here in one week. Those will start going up the 28th or 29th of August. She reported she has not heard much about the retail space. Austin said he is waiting for her to see a copy of what Tom Boone has done. Buchanan said they will talk about this uncertainty later. Buchanan also said the opening date will be mid-October. The Missoula Redevelopment Agency (MRA) is paying to do a raised pedestrian crosswalk, which will be the same level from sidewalk to sidewalk. Sidewalks are being put in soon.

Implementation

McCarthy reported the Wayfinding Committee has raised \$90,000-\$92,000, and thanked the group its \$2,500 contribution. The committee is currently writing a Request for Proposals with plans to get responses in late October. McCarthy reported last month's Master Plan Implementation Committee was cancelled and moved to August 30th, 12-2pm. She said it is time to reorganize and choose the next few projects. Buchanan mentioned there is interest in adding under-lighting to the Higgins Street Bridge. McCarthy said there is also room for conversation about the old First Interstate Bank drive-through lot. The ensuing conversation centered on potential businesses and development in the downtown area.

Committees

Business Development Committee (formerly Recruitment and Retention)

Austin reported that Susan Ash wants to make sure that whatever we have for collateral embraces the branding concept and there is no more rush to finish it by the end of August. There will be two branding workshops, one on September 6th and on September 12th, which are open to all businesses. These workshops are trying to create harmony and education, with hopes to get the most people possible on the same page with marketing, especially going into the holiday season. France added that the branding efforts are going well. Buchanan asked how the 'Open Late and Sundays' ad campaign was going. McCarthy replied it was meant for summer, and will be revisited in December. Seasoned retailers understand what it looks like. Some are having good evenings and weekends, and some are not.

Employee

No meeting.

Streetscape

No meeting.

Marketing

Austin again mentioned the downtown branding.

Other – Residential and Commercial Open House Events

Austin reported the new interest in hosting open houses for properties downtown, perhaps on First Fridays. It would be a great way to get properties seen. McCarthy suggested a parade of downtown spaces. This could include the Uptown Flats, Adventure Life, or the new project on West Spruce, upper level apartments on West Spruce, the building, and the Babs. Austin said this may produce a better relationship with property owners, and currently only half of the available downtown properties get listed on the MDA/BID website.

Discussion ensued regarding a business potentially looking for specific office accommodations.

Ambassadors Report

Austin reported that things are quieter than ever. McCarthy added it has been the best summer in her history. Buchanan said it might be nice to make this into a news story about downtown safety. She asked if there was a possibility of writing a press release that cites numbers.

Discussion ensued regarding various fundraising and development efforts.

Approval of July 17th Board Minutes

Huffman motioned to approve the minutes as amended. Cederberg seconded the motion and it passed unanimously.

Financial Report

Austin mentioned that he is worried about losing Robert Giblin as the bookkeeper, but it was predictable. Cederberg said there is now a standard to which to hold the new employee. Austin said he will be involved in the hiring process this time. Buchanan asked if there was any merit to hire a basic bookkeeper, then contracting out for more complex tasks. That position has been transformed from its original description. Austin said it would be best to decide that after the position has been filled. Buchanan said that we could hire someone else with Robert's skills, but that person would find a better job one year later. Austin mentioned the challenge of having a bookkeeper work for two very different entities. It is like bookkeeping for two separate businesses. *Austin said he would inquire about what it would cost to contract with JCCS.*

Trustee Comments

Buchanan relayed that the MRA board had a very tough meeting regarding the mill site. A three-page agreement has been finalized, and the Missoula Redevelopment Agency (MRA) is set to

build Wyoming Street. The MRA will have to pay to rebuild the trestle, as there is currently no access underneath it. The MRA will be issued \$5-5.5 million in bonds.

Cederberg said the flowers on the corner of Higgins and Broadway are great and wonders if there is a way to encourage that in more areas. He referred to the Sunday Missoulian article about the jewelry vendor who care-takes the street corner.

The meeting adjourned at 5:18 p.m.