

**Downtown Business Improvement District of Missoula**  
**Board of Directors Meeting**  
**Tuesday, January 21, 2020 at the DMP Office (218 East Main)**

**Present:** Tim France, Scott Stearns, Carma Gilligan, Ellen Buchanan, Kirk Boldovic, Dan Cederberg

**Absent:** Charlie Beaton

**Staff:** Linda McCarthy (3:55pm), John Corwin, Robert Giblin & Bram Moore

**Guest:** Michelle Staples, Porter Hammett, Kristy Richards, Lisa Thompson, Ellen Greenberg

President France called the meeting to order at 3:08pm.

**Overview & Discussion on DOR Property Valuation & Appeal Processes: Michelle Staples, MDOR:** Staples introduced her team from the Property Evaluation and Appraisal Team. Every two years, they evaluate how they are going to do appraisals. Staples added they are about to start looking at 2021. The team starts to do appraisals in January. They start by learning about land value on all properties and they then set the land value for every Missoula property. They ask what people are actually paying for (e.g. square footage, remodel) so they can put a market price on all units. They will then start analyzing increment expense to see what the final value of the property will be. For commercial properties, they look at increment property assessment to see if these are being rented out at the correct point. Evaluations go out as assessment notices. AB-26's (appraisal review) will go out so they are able to talk about why they are being assessed at the certain points. They welcome anyone to come in to talk about their evaluation. During the appeal period they will talk to the tax payer. Stearns asked if you need to disclose to the Department of Revenue if you are renting part or all of your property? Staples answered that the owners are held to federal guidelines but it is on a voluntary basis to disclose that type of information. Appraisal is an art and not a science. With commercial property, the appraiser ultimately makes the decision on what kind of formula to use based on the market in Missoula. Growth is on the higher end in Missoula and the market is rising. Cederberg asked what cap rate they use? Staples answered that cap rate is broken into property type. There are apartments, rentals and warehouse. All appraisals are different so there are different cap rates in Missoula. A duplex and above is considered a commercial property. Duplex owners get a residential tax rate because the primary purpose is to live in but does fall as a commercial property. Cederberg asked if they can compare evaluation numbers for BID area compared to non-BID area? Staples said it would be complicated but that they can do it. She continued on that they would look at it with a percentage increase. There is more of an upward trajectory in the BID than outside the BID. If you buy a house and rent out five rooms, that is the property owners right to do that. The appraisal will be based on the use of the property and that the appraisal will be looked at as residential and not commercial. Even if you have a home that is being used as an office building it will still be looked at as residential property. That is the same as VRBO and AirBnb type buildings. It depends on what kind of zoning it has as well. There have been 1,400 protests this past year. Montana Cadastral has been very helpful for the Department to be very transparent so people can see exactly what information they have on them. There is a 30-day period to asses all protests and not all get taken care of. The Department of Revenue, is all for a 2-year appraisal period because the market can fluctuate so much like in 2008 through 2010.

**Approval of December Minutes:** Gilligan motioned for approval of December minutes, Stearns seconded and all approved.

**Appointment to the DMP Board for 2020-2021:** McCarthy stated that Beaton's term is coming to an end but will be happy to accept another 2-year term if wanted. Stearns motioned for approval to have Beaton on the BID Board for another 2 years, France seconded and all in are in favor.

**Review & Approval of the Heritage Interpretive Plan:** Giblin stated we have been working with HRA as well as getting funds from a grant to create the Heritage Interpretive Plan. The plan will cover many different areas. The idea is to be involved in different projects and create partnerships to preserve history in Downtown. McCarthy added we are going through adoption with several different organizations. This will provide a roadmap to communicate our history. Many stakeholder meetings took place throughout the year. The committee tried to identify different areas and stories in Missoula. McCarthy then went through the plan with the board. One interesting idea that came through meetings, is to create the Downtown Heritage Trail. This will have different anchors around Missoula. Another idea is to create a Heritage Tree Program. This would feature a walking tour to celebrate the many historical trees in Missoula. McCarthy added that we have tried different pop up exhibits in Missoula. There was one at River City Roots Festival as well as the Hammond Arcade. We are trying to get the University of Montana involved. The implementation timetable is modeled after the Downtown Master Plan adoption. A multi-agency adoption process is taking place. Buchanan asked what the implications are for BID to adopt the Heritage Interpretive Plan? McCarthy said it will be a supporting a broader community vision and that the Heritage Interpretive Plan may come to BID for financial support. BID can vote to approve the plan but the City Council ultimately will decide. Bodlovic asked if a different part of the community, other than Downtown, will be involved? McCarthy answered that there has been a lot of community engagement. Stearns motioned to approve the Heritage Interpretive Plan, Cederberg seconded and all are in favor.

**Financial Review:** Giblin stated at the end of 2019 we received the tax assessments in the amount of about \$180,000. We are currently sitting at \$258,793. Giblin thinks we probably have about \$280,000 but we are missing some assessments. Giblin is working with the City to see where those are. Buchanan thinks that the \$20,000 will come from the appeals that came in. There was not a lot to report in the month of December. BID made the Rent Utility payment and paid a little more in gasoline but most was expected. Giblin stated we are 13% higher right now than we were last year.

**Update & Discussion on BID Renewal:** Corwin said BID Renewal will go before City Council on February 3. It's gone through the A&F Committee and is through to the consent agenda of Council. McCarthy said that they have exempted all residential zoned properties from paying. This is about \$15,000 in tax assessments. She added that BID will have to see how to communicate with the people who live in those zones and see what kind of services we provide them. Many of the people who live in those zones have signed BID Petitions in support of renewal. Hammett explained why he protested the BID Renewal. He bought his four-plex 20 years ago and has rented out his property for many years. He stated taxes have been going up for many years. Hammett does get income from his rentals but that is paying his mortgage. He is not seeing any value of the services from BID. He asked many different property owners near his home and they are not seeing the Clean Team very much. France asked what the specific needs are. Hammett stated that there are several houses that have couches on the side of the road and garbage on the streets. They are not getting taken care of. Hammett wants BID to advocate for the property owner. Stearns said that he thinks property value is going up and that we may not see that until the property is sold. Stearns added that the board is looking at how to change looking at assessments. Things have changed throughout the years as has technology.

**Downtown Master Plan & North Riverside Parks & Trails Planning:** McCarthy explained that we are now in the implementation stage. We have several agencies that are part of this stage. The trail will be widened by 16 feet and there will be more of a gateway to Caras Park off of Front and Ryman. There may be a viewing deck on the river as well. An ice ribbon will be featured in Caras Park with a splash deck during the Summer. The new plan shows three enhanced river access points. The plan features more public trails and access points to the river throughout the trail. There will be more of a formal entrance place down Pattee Street. There could be a parking structure near the Clark Fork Manor. Stearns asked how for the trail will go. McCarthy stated it will go from the California Street Foot Bridge to Missoula College. McCarthy added that they are trying to get through this planning phase to get to the more intricate parts of the plan.

**Update on DMP Strategic Plan Work Sessions:** McCarthy explained we'll be going through weekly meetings for the next six weeks. We want to be able to adopt some of these plans because we know we could be doing some things better. It's been eye opening to see how others do things. The DMP is trying to have a more comprehensive communication plan for all three boards. She added we need to mature our on boarding for all boards. Giblin added that we are learning a lot about our communication process for the general public. He asked are we effectively doing what we have been doing and are people getting the message? Corwin added that we have a problem with sending too many communications. McCarthy added she wants to see the boards all work more closely together.

**Holiday Décor Update:** McCarthy said that the Foundation has allocated \$7,800 for new lights for the Downtown Christmas tree. The Spring Campaign will be about holiday expansion, flower basket expansion and banner expansion. Dr. Steve Kemple is very engaged and wants to help expand holiday décor. We need to get new brackets for the holiday décor and flower baskets.

**Mission Updates:** McCarthy said we have received the year end reports from the Downtown Police Officer and the Downtown Ambassador. We sat with the Ambassador and the Clean Team to discuss what we need to improve upon. McCarthy announced that Downtown Police Officer Randy Krastel was awarded Downtown Employee of the Year.

**Partner Updates:** Giblin said that the MDA is currently planning Spring and Summer events. Sponsorship sales have started and Membership renewals are currently under way. We are also working on advocacy for the year. He added we have two interns for the Spring semester that will assist with the Unseen Missoula program and Marketing and Communications. The Foundation had an excellent December where they made \$96,000 for different projects. We also received a grant to put in wayfinding kiosks in Downtown from the Department of Commerce. Graffiti has become a real problem Downtown and we are looking into getting a service that does power washing year-round.

With no old business, new business or announcements, the meeting was adjourned at 5:27 pm.