

Downtown BID Board of Trustees Meeting
Tuesday, February 18th, 2025 at the First Interstate Bank Building Conference Room

Present: Charlie Beaton, Scott Stearns, Karen Sippy, Ellen Buchanan, James McKay, Carma Gilligan

Absent: Dan Cederberg

Staff: Linda McCarthy, Jack Hall, Jake Treece

Guests: Officer James Caton, Christine Littig, Tim France

Charlie Beaton called the meeting to order at 3:11 pm.

OVERVIEW OF DOWNTOWN POLICING BY JAMES CATON, MPD

Officer Caton introduced his role and an overview of the Dedicated Downtown Police Officer (DDPO) program, which includes Officers Castro and Hardin. He announced that Officer Castro will step down in July, and the selection process for a new BID officer will begin in June. Caton presented Downtown Missoula crime data comparing 2023 and 2024, showing an overall decline in reported incidents except for burglaries, which increased slightly from 20 to 22. Robberies, on the other hand, were cut in half. In total, calls for service decreased from just under 1,800 in 2023 to 1,600 in 2024. The busiest months for incidents tend to be August, July, and occasionally October.

The challenges Officer Caton presented for the DDPO program are that Officer absences due to training or injury have strained response capabilities. These issues are largely uncontrollable. The successes of the DDPO program are that having two BID officers has contributed to the downward trend in incidents. There have also been more one-on-one interactions between officers and downtown business owners, helping build stronger community relationships.

The board suggested the incorporation of Officer Caton's crime statistics in the annual ratepayer report. Beaton suggested having officers attend the ratepayer meeting to highlight their impact. McCarthy mentioned that the DDPOs should have a more distinguishing identifier in their uniform to show they are part of the downtown area. She also noted that the DDPO contract expires at the end of the year, and renewal options (1-3 years) will need to be evaluated.

Caton finalized his presentation answering targeted questions from board members.

BUSINESS DEVELOPMENT QUARTERLY UPDATE BY CHRISTINE LITTIG, MEP

Littig provided an update on downtown business conditions in 2024, noting a significant shift in confidence toward the end of the year. In January, multiple businesses reported revenue declines of 3-6%, though they did not attribute this solely to the election year. The overall business climate remained sluggish, with both January and February feeling particularly slow. Conversations with the Small Business Development Center confirmed that this slowdown extended to the startup sector as well.

Littig has primarily adjusted her focus from restaurant engagement to retail, though she noted that some restaurants also experienced weaker-than-expected performance at the close of 2024 and the start of 2025. On the Hip Strip, new investment is underway, with notable activity at Bernice's Bakery, Le Petit, and Bridge Pizza, signaling strength in that corridor.

Several key downtown properties, including The Wren, The Catalyst, and Bicycle Hangar, have remained vacant, with Sushi Hana recently joining the list. Littig suggested that a business attraction strategy may be needed, whether by encouraging startups, facilitating business expansions, or relocating businesses from midtown to downtown.

A discussion followed about vacancies, upcoming openings, and tenant-landlord dynamics. Littig concluded her report by promoting the upcoming round of Downtown Dialogues she will be helping facilitate in 2025.

APPROVAL OF MINUTES

Stearns called for any review or edits to the January minutes. With no edits, Karen Sippy motioned to approve the minutes, and Carma Gilligan seconded. All approved.

FINANCIAL REVIEW

Hall reviewed the financials for January, noting that all figures appear normal. Net income is sitting at -\$34,539, a decrease from the previous year, but this is standard based on the assessments processed by the city. There was no tax assessment journal entry for January, and the Clearwater Credit Union CD was cashed out.

On the income side, there was nothing significant to report aside from the maintenance team's snow removal efforts, with invoices set to be sent out for February. On the expense side, the BID had a standard month with payments for DMP salaries and benefits, gas and garbage can liners, and the Clean Team contract. The BID was also billed for policing expenses from July to December, with the amount aligning with expectations.

The contract for MEP is up this year and will be reviewed in March and April as part of the budgeting process. The new contract will begin on July 1, with changes expected in splicing, business development contracts, and clean team contract removals.

For the cash flow statement, the current balance is \$261,633, which is lower than anticipated. There is a \$27,000 year-over-year gap in assessments due to the timing of the January entry, resulting in slightly less cash on hand than expected.

Hall noted that there have been no updates on the city audit at this time.

DOWNTOWN BID BOARD: CEDERBERG & MCKAY TERMS END MAY 31, 2025

Discussion took place regarding the upcoming expiration of Dan Cederberg and James McKay's terms on the BID Board, as well as the mayoral appointment process for their potential reappointment. Cederberg and McKay will follow up with their decisions on whether they wish to continue serving. If either chooses not to renew, an update to the candidate list will be necessary.

DOWNTOWN ADVOCACY: MONTANA LEGISLATURE

McCarthy highlighted several recently proposed bills that could negatively impact downtown, particularly those affecting Tax Increment Financing (TIFs) and voter-approved BIDs. She expressed concerns that these funding mechanisms could be at risk of being eliminated.

Buchanan discussed challenges in the Montana Legislature with new proposed bills impacting urban districts, downtown funding, and development efforts. A broader conversation followed regarding the impact of legislative decisions on safety, cleanliness, and overall business stability in downtown Missoula.

DOWNTOWN MASTER PLAN UPDATES

Buchanan provided an update on the Downtown SAM project, noting that all procurement steps are complete and a contractor has been selected. The working group is making progress, and both the Downtown Master Plan and North Riverside Parks & Trail plans were recently presented to the Downtown SAM team. Sippy emphasized that progress is

being made and praised the thoughtful and well-organized execution of the project. The team is currently exploring how to phase the project into manageable sections.

McCarthy added that a recent presentation on the Downtown SAM project highlighted 2025 and 2026 as key planning years, with major construction scheduled for 2027, 2028, and 2029. BID will contribute \$40,000 toward the project.

There was also a mention on zoning codes for the downtown area, which will be finalized and ready for council approval by May or June. A council and planning session is scheduled for Tuesday, March 11, where discussions will focus on parking, density, and building heights.

PARTNER UPDATES: MDA & MDF

The MDA hosted Winter Brewfest is scheduled for Saturday, February 22nd, with almost all volunteer slots filled. Downtown on Tap is set for Tuesday, February 25th, at the Missoula Symphony's new location, and Downtown Dialogues will take place on March 11th. Membership renewals are ongoing, with about half of renewals completed, and event sponsorship sales continue.

The Campaign for Caras Park has officially launched. Dick Anderson Construction contributed \$50,000, bringing the total funds raised to \$225,000, with fundraising efforts set to continue throughout the year. The Arts and Culture Impact Grants deadline is approaching, and progress is being made on installing six information kiosks, which are expected to be completed soon.

The Director of Giving position has been filled, with the new hire starting in early March, fully staffing the team.

Other project updates include:

- Underbridge Playground: Dumpsters have been painted; the lighting plan is in progress and will be submitted to MDT.
- DRAW Project: Sippy reported steady progress, with work set to begin in late spring/early summer and a goal for completion in October.

UPDATES ON 218 E. MAIN

The DMP team is scheduled to move back into the 218 E. Main Street office at the end of February.

NEW BUSINESS & ANNOUNCEMENTS

The annual BID ratepayer meeting is set for Thursday, May 29th, at 8:00 AM at the Residence Inn by Marriott.

TRUSTEE COMMENTS

No additional comments were made.

ADJOURNMENT

Beaton called the meeting adjourned at 4:48 pm.