

Proposed Scott Street Parcel Purchase



City Council Consideration, Administration and Finance

July 29, 2020

Continuing Public Engagement

- News and updates
- Opportunity to ask questions
- Opportunity to provide feedback

<https://www.engagemissoula.com/scott-street-land-purchase>

Parcel Location

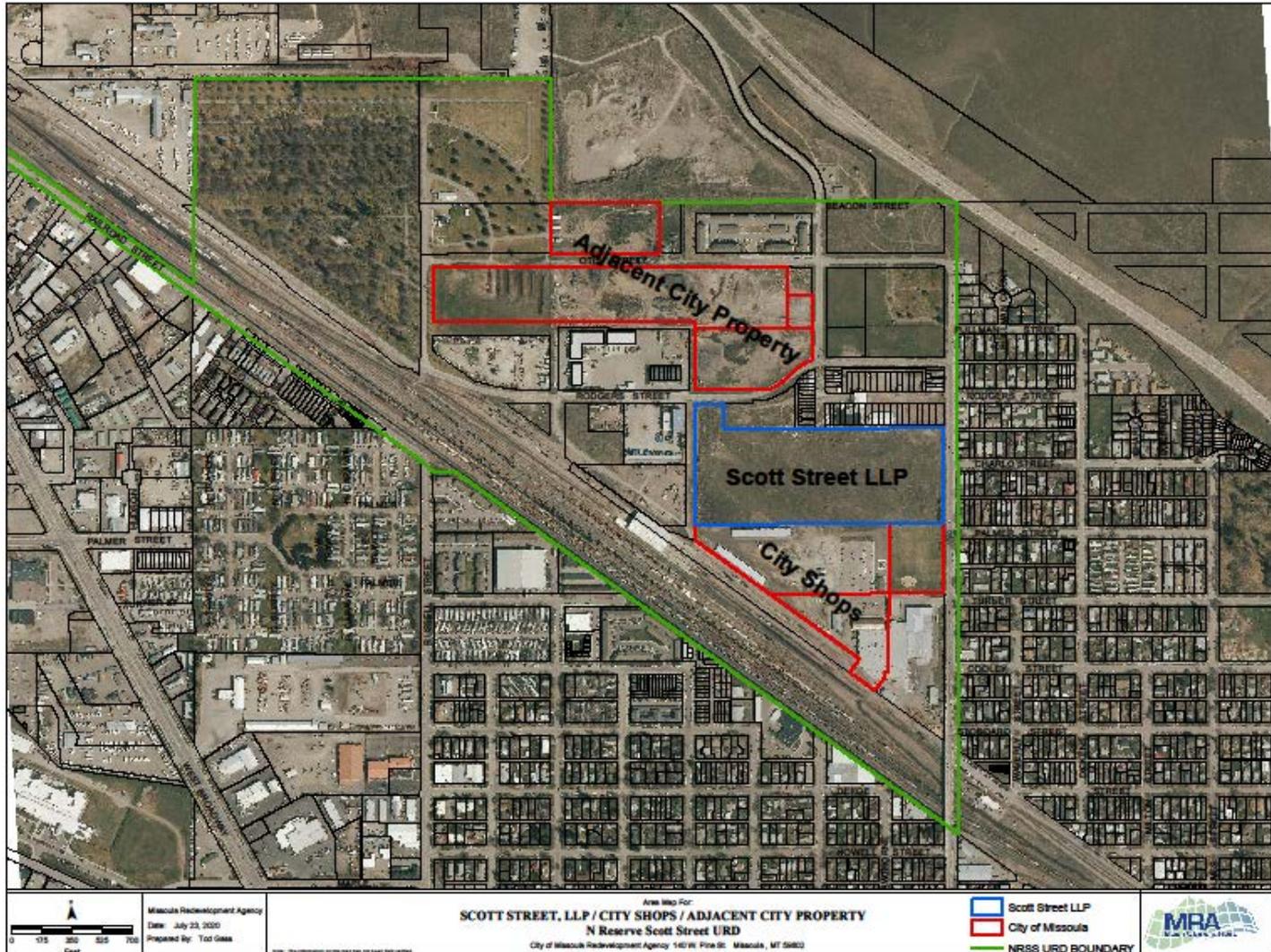


FIGURE 4: Historical MWPS Facility in 1964
 Scott Street Limited Liability Partnership Property
 Missoula, Montana



WGMGROUP
 www.wgmgroup.com

LOC: Missoula County PROJ MGR: TC
 TR: 138, 139W DRAWN BY: EC
 BASE: 1964 Aerial FIG: 20-01-27
 FILE: 04_Fig_4_Historical Court DATE: 3/4/2020

This is not a legally recorded map or survey. WGM does not guarantee the accuracy, completeness, or compliance of the material contained herein and is not responsible for any errors, misrepresentation, or omission of information or its derivatives. This graphic representation is for general planning purposes only.

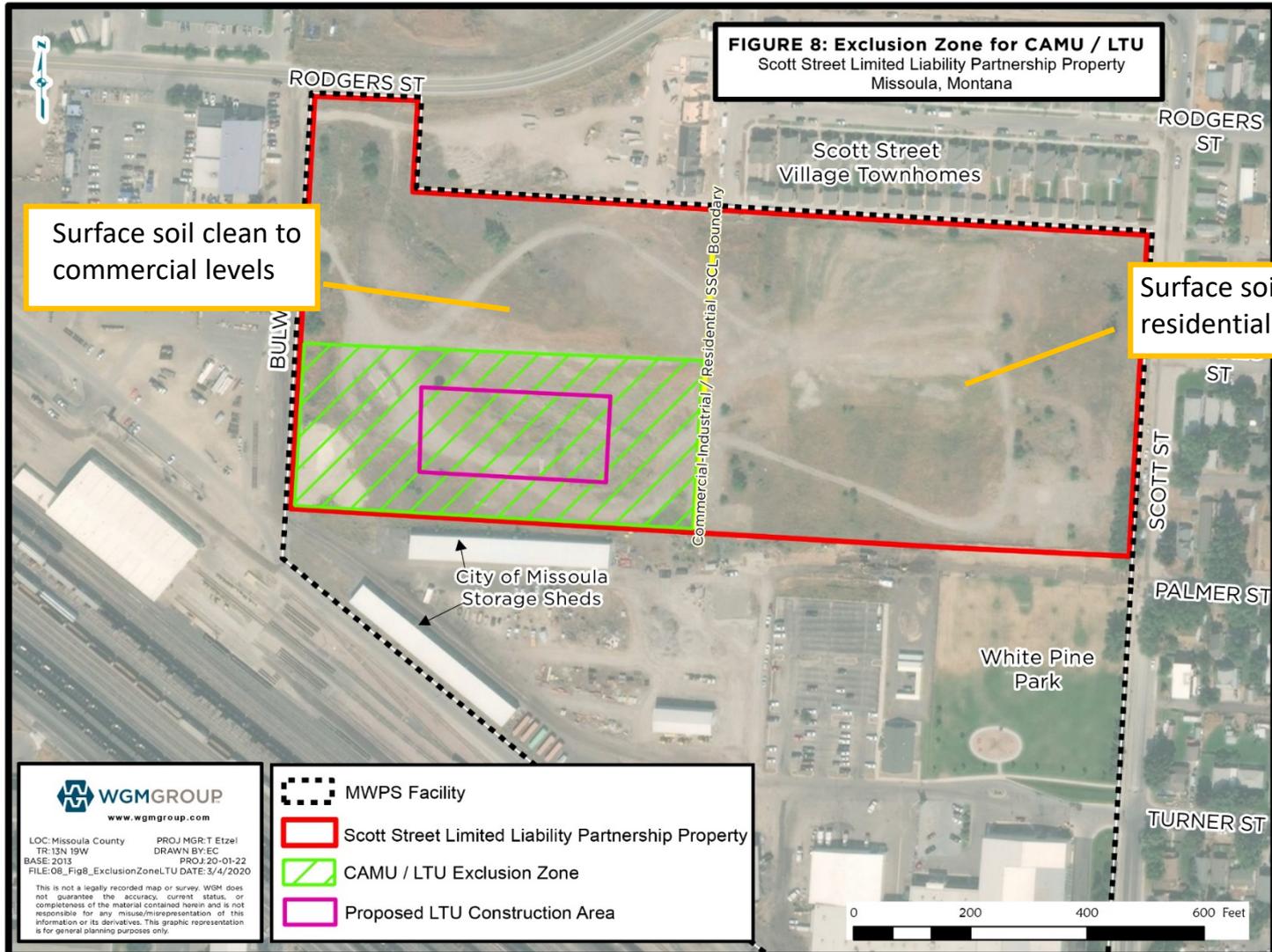
0 100 200 400 600
 Feet

 MWPS Facility
 Scott Street Limited Liability Partnership Property

Site History and Current Status

- Formerly part of White Pine Sash wood manufacturing and treatment facility
- Designated as a State Superfund site; Huttig Building Products responsible for remediation
- East half (9.8 acres) surface soil has been cleaned up to residential standards
- West half (9.3 acres) surface soil has been cleaned to commercial/industrial standards but cannot be fully redeveloped until Land Treatment Unit has been decommissioned (@ 2024)

Bifurcation and Land Treatment Unit Exclusion Zone



Potential Future Uses

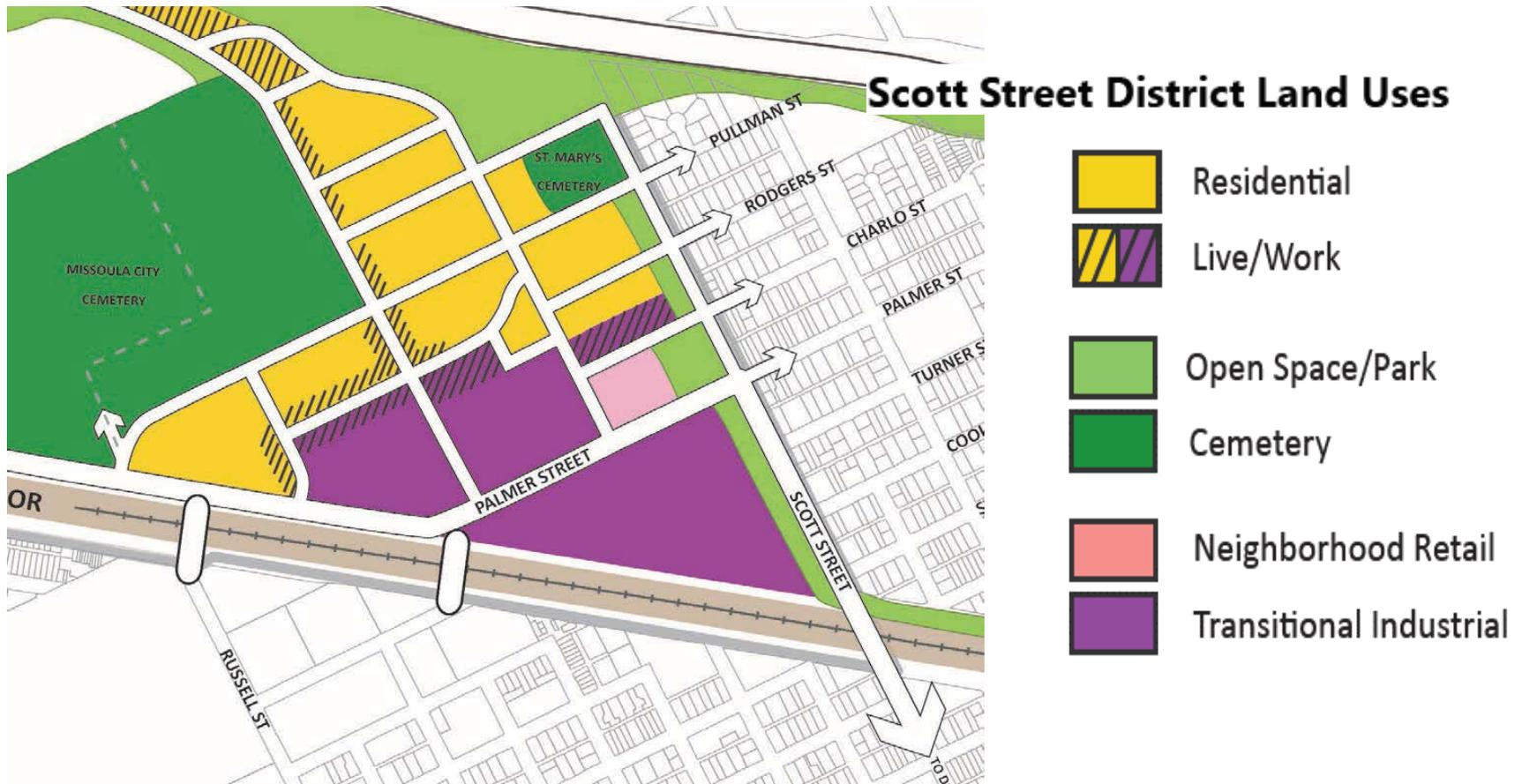
- Plans will consider neighborhood input and existing and necessary infrastructure, including transportation grid
- Proposed uses include:
 - Housing and/or mixed use on east side
 - Public Works operations on west side
- Possible public/private/nonprofit partnerships

Consistent with Existing Plans and Policies

- **A Place to Call Home:** land banking; affordable rental homes; leverages Opportunity Zone, Qualified Census Tract, and Urban Renewal District funding options
- **Strategic Plan, Public Works Facility Plan,**
- **Northside/Westside Neighborhood Plan:** affordable housing, mixed use development, and high-quality development
- **North Reserve-Scott Street URD Master Plan**

Consistent with Existing Plans and Policies

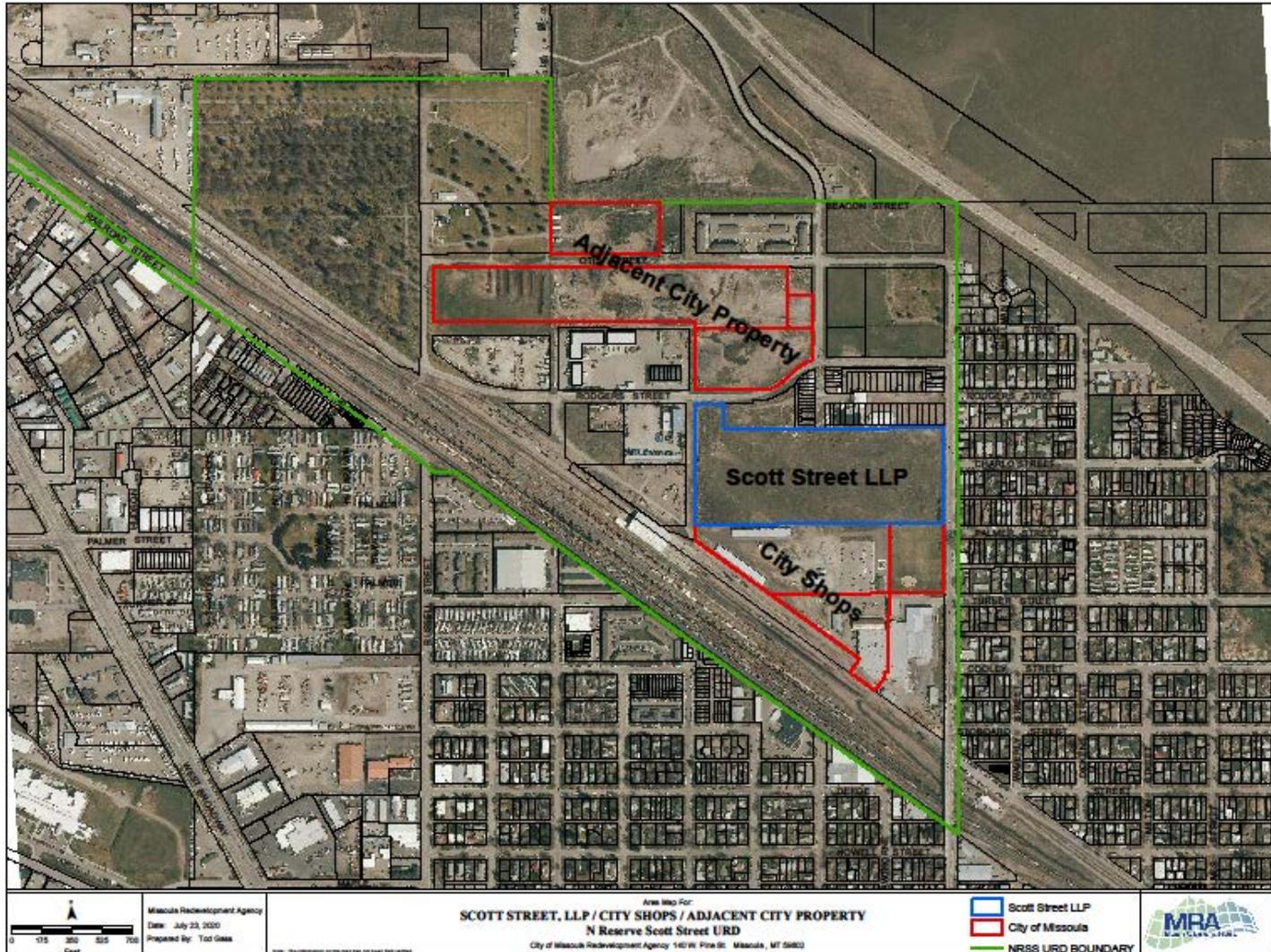
- **North Reserve-Scott Street URD Master Plan:**
residential and live/work area



Importance of City Acquisition

- **Support Housing Development:** Create new housing and/or mixed use opportunities on the east side of parcel
 - Future redevelopment to be planned in collaboration with the neighborhood and community
 - City uniquely able to catalyze this redevelopment
- **Frees other City property by consolidating operations:**
 - West side of parcel available to consolidate Public Works operations improving efficiency
 - Potential for cohousing other partners such as Parks & Rec
 - Frees current “yard” locations for better use

Parcel Location



Purchase Agreement

- **Purchase price:** \$6,380,540
- **Appraisal:** Kembel, Kosena, & Company appraised parcel at purchase price
- **Contingencies:**
 - Due diligence (completed)
 - Amendment of deed restrictions to allow residential (completed)
 - City Council approval (in consideration)
- **Closing:** August 14

Financing

- **Issuance of \$6.6 million in Tax Revenue Bonds**
- **Net debt service approximately \$590,000/yr**
- **Current taxes on property @ \$22,000/yr**

Process

- **Phase I:** negotiation of a buy-sell agreement, due diligence, and navigation of several issues with Huttig Building Products, Inc. and the Montana Department of Environmental Quality (DEQ).
- **Phase II (current phase):** MRA Board and City Council consideration with public comment.
- **Phase III:** planning site use and evaluation of necessary infrastructure and transportation grid. Redevelopment of the eastern half of the Scott Street Parcel for residential and other community-oriented uses.
- **Phase IV:** redevelopment of the western half of the Scott Street Parcel to centralize City Public Works operations.

Recommendation to Council

- Approve the Buy-Sell Agreement completed in December and authorize acquisition of the property
- Approve the issuance of Tax Increment Revenue Bonds to fund the purchase per the recommendation of the Missoula Redevelopment Agency