

CAPITAL IMPROVEMENT PROGRAM

City of Missoula CIP Project Request/Update Form FY 2018-2022

Department Priority		Major Department	New or Update	Required	Delay	Project Title		
1	of 2	Redevelopment_Housing	New	Is this project Required?	Can project be delayed?	Hotel Fox Conference Center & Parking		
Project Rating	Project Number	Division/ Sub-Department		No	No			
0	0	MRA	Is the project APPROVED for Fiscal Year 2018?			Y	FUNDED?	Y

Summary Description and rationale of project and funding sources:

MRA and the City have been working for thirty years to redevelop the Riverfront Triangle without success. MRA and the City have been working with the current developers, Hotel Fox Partners (HFP), for approximately four years on what started as a hotel on the City owned property and has evolved into a comprehensive development of the entire triangle which includes a publicly owned conference center as part of the hotel. HFP has now purchased all of the property owned by third parties, a master development agreement has been approved by the City Council and we are working on finalization of the collateral agreements. In addition to the hotel/conference center, the development will consist of housing, office buildings, retail space and public open space. The funding will be a result of a public/private partnership between the City/MRA and HFP.

History & Current Status: Impact if Cancelled or Delayed

The effort to redevelop this property spans three decades. There have been numerous proposals, all of which have failed for differing reasons. The current partnership between the City/MRA and Hotel Fox Partners is entering the home stretch. It is, by far, the redevelopment proposal with the most positive impact on the community to date. Interest rates are good and our market is strong; consequently, any delays by the City would likely trigger another failed attempt to development this important site in downtown.

Are there any site requirements/ Potentially Affected Interest (PAI) Coordination:

No

How is this project going to be funded:

Funding Source	Accounting Code	Prior Year Summation	Yr. 1. budget		Unappropriated subsequent years		
			FY18	FY19	FY20	FY21	FY22
Conference Center - Riverfront Triangle URD TIF			3,262,500	3,262,500			
Parking Structure - TIF			4,000,000	4,000,000			
Parking Revenue		See "UPDATE" tab for detail of revenue funding sources and amounts.	400,000	400,000			
			-	7,662,500	7,662,500	-	-

How is this project going to be spent:

Budgeted Funds	Accounting Code	Prior Year Summation	FY18	FY19	FY20	FY21	FY22
A. Land Cost							
B. Construction Cost							
C. Contingencies (10% of B)							
D. Design & Engineering (15% of B)							
E. Percent for Art (1% of B)							
F. Equipment Costs							
G. Other	City Purchase		7,662,500	7,662,500			
			-	7,662,500	7,662,500	-	-

Is this equipment prioritized on an equipment replacement schedule?

N

Is there ongoing Operating and/or Maintenance costs upon completion of project?

N

If "Y" then complete the section below (Operational Budget Impact)

(account for operational savings and/or reduction in current budget of previous operating/maintenance charges)

Expense Object	Accounting Code	FY18	FY19	FY20	FY21	FY22
A. Personnel						
B. Supplies						
C. Purchased Services						
D. Fixed Charges						
E. Capital Outlay						
F. Debt Service		1,082,400	1,082,400	1,082,400	1,082,400	1,082,400
G. (Operational Savings)						
		1,082,400	1,082,400	1,082,400	1,082,400	1,082,400

NOTE: Approval of the CIP does not indicate approval of the ongoing operating and maintenance costs. Those costs must be submitted as a "New Request" in the regular budget process. This will ensure the coordination exists between the CIP and the new request

Description of additional operating budget impact:

Responsible Person:	Responsible Department:	Date Submitted to Finance	Today's Date and Time	Preparer's Initials
Ellen Buchanan	MRA	4/20/2017	1/23/2018 12:35	EB

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Project description/Rating

(See C.I.P Instructions for explanation of the Project Rating and Rational that is required)

Department Priority	Project Rating	Department	New or Update	Project Title
1	0	Redevelopment_Housing	New	otel Fox Conference Center & Parki
of 2	0	MRA		
Project Rating #1				
Leverage		Project Rationale #1		
<p>Does the project have funding partners where the CIP portion of funding leverages a significant amount of other sources? Examples include Federal or State grant funding.</p>		<p>This project will leverage approximately \$150M to \$250M of investment in a key downtown parcel. The City participation in this first phase of development will not only serve as a catalyst for future phases, but it will result in a state of the art conference center that is sized to position Missoula to attract conferences and events that are not currently able to be accomodated in the community. This is a strong partnership resulting in a significant investment of private dollars in the urban core.</p>		
Project Rating #2				
Plan		Project Rationale #2		
<p>Does the project meet a goal in an adopted City plan? Identify the plan and how this project meets that goal</p>		<p>This development meets or exceeds the goals of the Growth Policy, the Downtown Master Plan, and the Riverfront Triangle Urban Renewal Plan.</p>		
Project Rating #3				
#N/A		Project Rationale #3		
#N/A		Project Rationale #4		
#N/A		Project Rationale #4		