



# **City of Missoula, Montana Russell Street Development Recommendations**

**Activating Missoula's Russell Street for  
Pedestrian Mobility**

Winter 2014

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## INTRODUCTION

The City of Missoula applied for and was accepted to receive free technical assistance from the Sonoran Institute, via its New Mobility West Initiative. The city's project was to examine urban design and land use regulations on a portion of the Russell Street corridor.

This project application was submitted by a multi-agency team including the Missoula Redevelopment Agency (MRA), City of Missoula, and the Missoula County Metropolitan Planning Organization. To provide technical assistance, Sonoran Institute contracted Progressive Urban Management Associates (P.U.M.A.), a land use planning and economic firm based in Denver, Colorado that offers expertise in urban design, zoning, and real estate economics. P.U.M.A.'s role included leading a public process to cultivate a vision for the Russell Street Area bounded by Broadway, 3rd, California, and Catlin Streets that focuses on land use and the built environment elements that foster an attractive, walkable, and bikeable neighborhood. In addition, through this report, P.U.M.A. is providing specific and actionable zoning recommendations to the Missoula Redevelopment Agency and the Missoula Development Services can use to achieve the Russell Street area vision.

## PURPOSE AND STUDY AREA

According to the project application, "Russell Street is one of Missoula's primary transportation and commercial corridors, cutting through the center of the city and providing one of only five bridge crossings over the Clark Fork River. The corridor serves as an important connection between neighborhoods in the center of Missoula, the Downtown, and the commercial districts in the southern half of the city. Despite the centrality of Russell Street to Missoula's transportation and land use systems, the corridor has long been in need of an upgrade and a significant amount of time and money has been invested over the last two decades to plan for its ultimate transformation." At the same time, Russell

### NEW MOBILITY WEST

*New Mobility West (NMW) provides communities across the Rocky Mountain West with the tools and resources necessary to become stronger, more prosperous places through building smarter transportation systems. NMW offers technical assistance to communities in this region looking to generate real, on-the-ground progress with targeted issues and opportunities at the nexus of transportation planning and community development. Beyond their local impact, these assistance projects create models that inform and inspire smart transportation and land use throughout the region.*

*This report is the product of a collaborative effort between NMW team members and the partner community that was selected for technical assistance through the program. It provides an overview of the project's goals, process, outcomes and recommended next steps.*

*NMW is an initiative administered by the Sonoran Institute, a non-profit organization that inspires and enables community decisions and public policies that respect the land and people of western North America. Information about the New Mobility West technical assistance program can be found at: [www.newmobilitywest.org/community-assistance](http://www.newmobilitywest.org/community-assistance).*



*cyclist utilizing Russell Street*

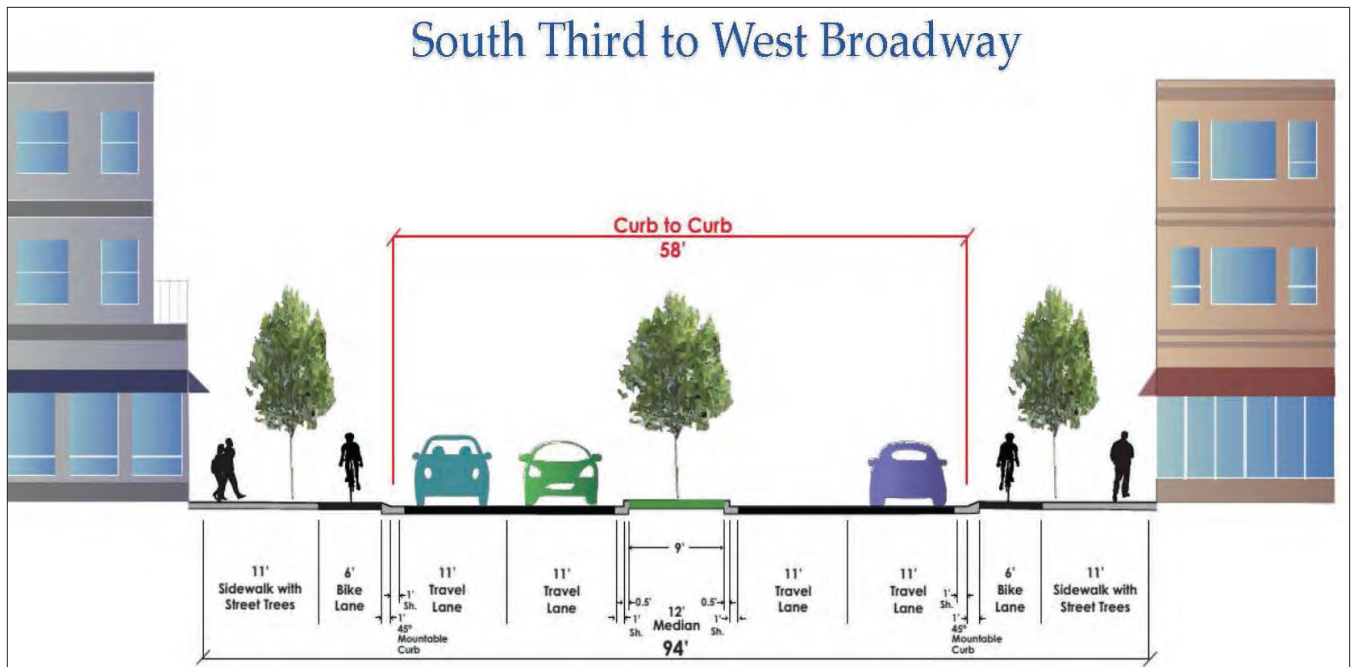
Street creates a significant barrier in the community, both between the east and west sides of Russell, because of the lack of safe crossings but even more significantly because of its inability to effectively move people between the north and south sides of the Clark Fork River due to a lack of adequate capacity.

A proposed \$30-\$40 million street project is slated for Russell Street, which is expected to begin construction in 2016. It includes the removal of the existing two-lane Russell Street bridge and replacement with a four-lane bridge; reconstruction of Russell Street from Broadway to Dakota; expansion of the cross section from two/three lanes to four lanes with center medians and left turn-pockets; constructing raised bicycle lanes (cycle track) and commercial-scale sidewalks; transit stop facilities and amenities; and one grade-separated trail crossing. The adopted cross section is illustrated below.

While some redevelopment is already starting to occur, it is expected that the significant investment in the reconstruction of Russell Street will catalyze transformation of the northern part of Russell Street. In addition adjacent areas of West Broadway may redevelop as this area has been in a holding pattern waiting to capitalize on the improvements to Russell Street.



existing new development in Russell Street area



Russell Street adopted cross section

The primary purpose of this document is to develop recommendations for MRA policy and City regulations that will help realize the character anticipated by the future Russell Street cross section. The study area as illustrated is bounded by South 3rd Street, North Catlin Street, North California Street, and Broadway Street.



project study area

## VISION

The neighborhood surrounding Russell Street between Third and Broadway Streets should become a mixed use neighborhood that provides a unique sense of place in Missoula. Transportation choices should be maximized that include automobiles, transit, bicycles, and walking. A variety of neighborhood oriented services should be encouraged to locate here.



The City Brew drive-thru in Missoula is a good example of how a drive-thru can work in a mixed use building that fronts the street



example of an auto-oriented use fronting a Denver street and utilizing aesthetically pleasing materials

### EXAMPLE DESIRED USES

- Neighborhood restaurant(s) that build on and use the local urban agriculture
- Brewery/Brew Pub with restaurant – encourage existing Bayern Brewery to remove the privacy fence to create a beer garden that fronts the street
- Health services, doctor offices, dentist, urgent care, bank
- Small office space to help increase the employment density
- Townhomes, row homes, multidwelling, small lot single family homes, senior housing
- Light manufacturing with a retail presence (similar to Big Hip Snowboards and Blue Dog Custom Furniture).



Blue Dog Custom Furniture is an example of existing light manufacturing in Missoula that could work near Russell Street

# MARKET ASSESSMENT

## PURPOSE

Land use and character change in the Russell Street area will occur as private property redevelops, with or without public incentives. In order to better understand the market conditions that are likely to drive redevelopment of Russell Street within the study area, P.U.M.A. conducted research on demographics and the retail market.

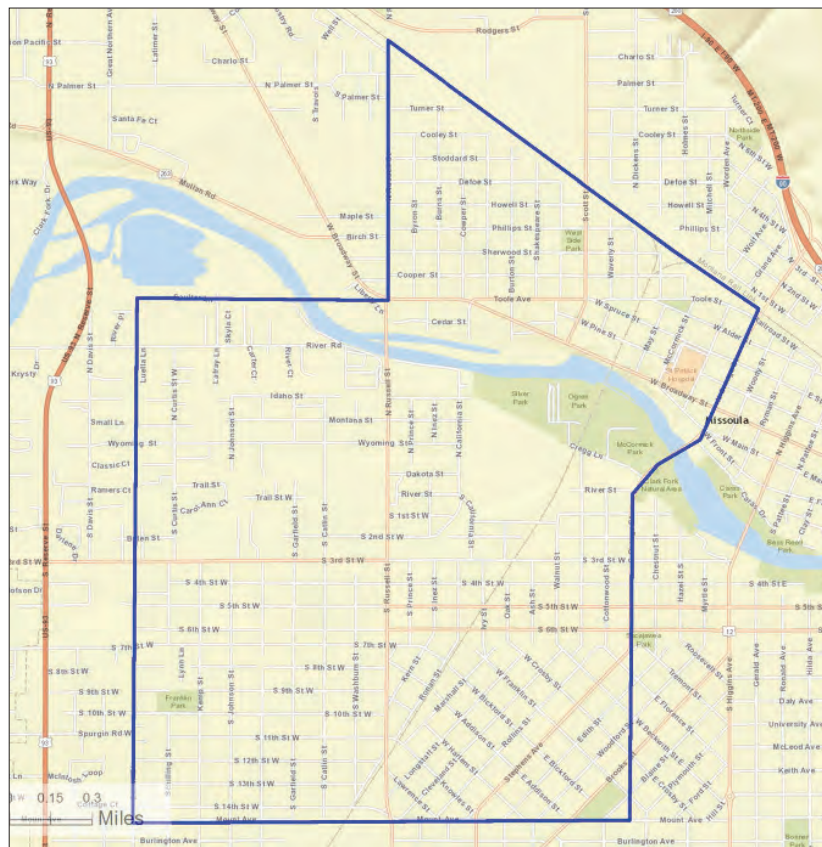
## PRIMARY MARKET AREA

The Russell Street Project Team members determined a logical boundary for the primary, or in-place, market area (PMA) for the Russell Street study area. The PMA boundary is delineated simply to serve as the area from which market and demographic data is collected. Such data can be informative about the types of uses and developments that may realistically be proposed along Russell Street.

The PMA boundary was delineated by considering all of the following:

- A 1-mile distance radius from the intersection of Russell & Wyoming Streets
- A three-minute drive time from the intersection of Russell & Wyoming Streets
- Local neighborhood boundaries
- Roadways and other natural and infrastructure barriers
- Commuting and travel patterns, particularly relating to crossing

The resulting PMA boundary is an irregular shape, shown in the figure on the following page. It is bounded by the Rail Road right of way and Saulter Lane on the north; Mount Street on the south; Eaton Street on the west and Orange Street on the east.



market area boundary

## DEMOGRAPHICS SUMMARY

As part of the Market Assessment, P.U.M.A. extracted and analyzed demographic and income data using ESRI Business Analyst Online.<sup>1</sup> The data summary presented below contains figures from the most current available estimates. ESRI reports generated for this project are appended to this document.

### SELECTED FINDINGS FOR THE PMA

- Population is approximately 13,000 people. The Missoula Growth Policy projects that the population will grow about one percent per year between 2014-2019.
- There are about 6,700 households; the average household size just under 2 persons.
- About 2,500 of the households are families, with an average family size of 2.7 persons. In 2010, about 18% of households included one or more children.
- The largest age segment is 26% between the ages of 25-34.
- About half of adults have never married while just over one-quarter are married, and one-quarter divorced.
- The area is fairly evenly split between males and females.
- Median income (\$26,562) and average income figures (\$36,825) are below the state and city averages, and nearly a third (31%) earn less than \$15,000. However, median disposable income is estimated at about \$23,000 and average household disposable income at \$30,800.
- Just 5% of housing units are vacant; nearly 2/3 are renter-occupied while about 1/3 are owner-occupied. In 2010, nearly a third of owner-occupied households owned their home outright with no mortgage.
- Median home value is \$182,000.
- The predominant race of the PMA population is 91% White. About 4% are American Indian and are 4% of Hispanic Origin (any race).
- Over 30% of the study area residents have income of less than \$15,000 and nearly 20% receive food stamps (SNAP).
- Among adults 25 years or older, 29% have completed high school or the equivalent, 25% of have completed some college but no degree; and 37% have completed an advanced degree.
- Nearly one-fifth (19%) report being enrolled in undergraduate or graduate school.
- Approximately 7,300 workers reside in the PMA (2008-2012 estimate).
- While the majority of area workers (68%) drive to work alone, about 8% carpool, 8% walk, 9% bicycle, 2% take the bus; and 5% work from home.
- Of workers who do not work at home, nearly 1/3 travel less than 10 minutes to work, and about half travel 10 to 19 minutes to work.
- Age distribution numbers, educational attainment, and ESRI psychographic data support the local understanding that the area resident population includes many University students and young professionals, as well as a modest cohort of aging-in-place, low-income seniors.

<sup>1</sup>ESRI utilizes data from a variety of sources to compute and publish yearly estimates for many of the data points. In general, 2014 estimates are used in this document. In some cases however, such as the Retail Marketplace Profile, the most current estimate is from 2013. Given the slow rate of growth in the PMA in recent years, most differences in 2014 and 2013 demographic data can be considered negligible. Where earlier data is used, it is noted in the text.



*a variety of housing types exist in the study area*

## MARKET SUMMARY

### PRIMARY MARKET AREA

- Population 13,000
- One-quarter between 25-34 years old
- One-fifth of adults are enrolled in University
- About 20% commute to work by bike, walking, or transit
- 6,700 Households
- One-fifth of have children
- Despite modest income, spending potential is robust
- High spending areas include: technology and personal electronics, health & wellness, green products, bars & nightclubs.

### OTHER MARKETS

- Thru-traffic ~ 20,000/day
- Destination business (The Good Food Store, The Source) customers
- University students

### GLOBAL CONTEXT

- Rental residential very strong now
- Walkable, transit-accessible neighborhoods command a premium
- Storefront retail generally contracting
- Retail expansion niches align well with spending potential and community vision

### KEY MARKET OPPORTUNITIES

- Residential: Multi-family rental units
- Commercial: destination & franchise retail and services businesses
- Industrial: Artisan manufacturing

## BUSINESS AND EMPLOYMENT DATA

### BUSINESSES

ESRI estimates the following related to businesses and employment:

- There are 991 businesses in the PMA employing 5,394 persons.
- Top business types currently in the PMA include:
  - o As classified by SIC code: 464 services; 119 retail; 124 unclassified; 79 construction; and 66 finance, insurance, & real estate.
  - o As classified by NAICS Code: 125 professional scientific and tech services; 124 unclassified; 102 administrative & support & waste management remediation; 102 other services; 92 retail trade; 82 construction; 81 health care & social assistance.

### RETAIL LEAKAGE

Within the PMA, ESRI identifies retail demand and supply, and resulting retail leakage or surplus. Overall, the trade area is a net supplier of retail trade and food and drink, with \$14.5 million more in supply than demand. Specific surplus areas include grocery retail, building and garden equipment and supplies, health and personal care stores, and food services and drinking places.

Where there is leakage, businesses are likely to be able to attract customers who would have to travel further to meet their demand for the product or service offered. Some specific retail types that show leakage, include:

- General merchandise stores - \$17.3 million
- Motor vehicles & parts dealers - \$9.1 million
- Clothing & clothing accessories stores - \$3.4 million
- Electronics & appliance stores - \$1.2 million

These numbers do not reflect new stores opened in 2014, such as the AutoZone on 3rd Street.

## RESIDENT EMPLOYEES

ESRI provides estimates from the 2008-2012 American Community Survey for civilian employed population over the age of 16 that reside in the PMA ("resident employees"). These employees may be employed either within or outside of the PMA. According to the most current estimates:

- There were about 7,400 resident employees.
- Industries: Nearly two-thirds were employed in some type of service industry. Top industries include retail trade (16%), accommodation and food service (16%), health care and social assistance (14%), and educational services (11%).
- 49% of resident employees are in white collar occupations, 34% in service occupations, and 17% in blue collar occupations.
- Top occupations are office and administrative support (13%), sales and related (12%) and food service and related (12%).



*The Source is a new cafe and gym in the study area*

## PRIMARY MARKET AREA HOUSEHOLD RETAIL SPENDING

Despite modest income numbers, average disposable income of PMA households is over \$30,000. The retail market potential profile of PMA households shows robust spending potential overall with many categories of spending very similar to national averages. According to ESRI, the Market Potential Index measures, "the relative likelihood of the adults or households in a trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average."

PMA households have an MPI of at least 125 in a wide range of categories, such as: digital online movies and music, home computers, televisions, and music players, bars and nightclubs, exercise clubs, convenience store items, digital and printed books, printed digital photos, green products, and domestic and foreign travel. Such patterns and rate of spending is consistent with young adult students and young professionals that may have non-work sources of money for discretionary spending and who may save little because they can reasonably expect to earn more in future years.

MPI was 75 or lower than national average in only a few categories, such as home owners' insurance, new car purchases, and limited availability or older technologies such as fiber optic and camcorders. MPI was about 80 for purchase of children's clothing and pet ownership.

The young professional and student adults that are the cornerstone of spending in the PMA are price point sensitive as well as tech savvy. They typically have internet access and comfort with online purchasing and will readily purchase many types of goods online rather than in brick and mortar stores. To be competitive with online options, retailers must offer desirable brands, enjoyable experiences, or unique goods to reach this market segment.

## ADDITIONAL RETAIL MARKETS

In addition to the in-place market of residents in the PMA, other significant potential markets for the Russell Street corridor include through-traffic, existing destination business customers, and university students.

### THROUGH-TRAFFIC

2012 Average Daily traffic volume on Russell Street is reported as 17,780 at Russell just south of 3rd Street. A significant portion of this volume is locally understood to be generated by through-traffic headed to downtown Missoula. ESRI data generally supports this notion: a rough estimates based on ESRI worker commuting data indicate that PMA resident workers generate only about 5000 trips per day commuting to work, not all of which can be assumed to include Russell Street. (No ESRI data is available related to non-commute trips.)

This traffic volume presents both challenges and opportunities along Russell Street. Congestion and a lower Level of Service along Russell Street is among the reasons the City and the Montana Department of Transportation are seeking street reconfiguration and enhancement of multi-modal infrastructure. At the same time, the demand for travel on Russell Street brings customers and exposure and is very attractive to businesses and commercial developers. Businesses that locate based on high traffic volumes such as fast food and quick

serve restaurants, automotive services, banks and check cashing, discount stores, and personal services such as dry-cleaning, and even some professional and medical services such as tax preparation, family dental and vision care would likely be interested in locating in the Russell Street study area.

### DESTINATION CUSTOMERS

Some businesses in and near the Russell Street study area are themselves destinations, most notably The Good Food Store and The Source fitness center and to a lesser extent, Bayern Brewery, Home Resource, the Pink Grizzly, and Black Coffee Roasting (although the latter has recently relocated to Spruce Street). Destination businesses anchor other retailers and can offer attractive synergies to those that seek a similar customer. The typical natural grocer customer -- educated and relatively affluent -- is an attractive customer for many retailers. Grocery customers typically arrive by car in order to transport a large grocery purchase, and would typically be able to transport additional purchases, including bulky goods, in the same trip. Destination retailers such as home furnishings, general merchandise, garden supplies, appliance stores, and similar would potentially be interested in a location nearby The Good Food Store.



existing peak hour traffic on Russell Street



Good Food Store is a popular destination in the study area

## UNIVERSITY OF MONTANA STUDENTS

As described in the PMA demographic summary above, university students generally offer much stronger spending potential than their income levels suggest. The location of the University of Montana campus is about two miles away; downtown and other retail areas are closer than Russell Street. There is easy auto access to and from the campus along routes other than Russell Street. As mentioned previously, many students live in the area and could potentially be attracted to destination businesses in the Russell Street corridor that offer a unique product or service at a competitive price point. Some destination businesses mentioned above already provide a draw for students to the area. Other examples of businesses that target the student demographic include as technology, entertainment, green products, exercise/outdoor clothing and equipment, and personal services. Students who live near Russell Street could create a bridge to other students by trying such businesses and introducing other students to them. Locations on and near the Milwaukee Trail would be particularly advantageous for such businesses.

## DEVELOPMENT CONTEXT

P.U.M.A. conducts research on current global trends that affect downtown and community development. Some of these trends that have an impact in Missoula include the following:

1. Millennials are emerging into the front and center position of the economy. They will soon be 50 percent of the workforce and are coming into their prime spending years. They are also increasingly coupling and starting families, and looking for housing options that have urban appeal with neighborhood amenities. Millennials preferences – including for technology, mobility, and housing – are shaping the urban landscape. The Russell Street neighborhoods, including the Sawmill Site, are well-aligned with their preferences and affordability needs.
2. There is strong demand for market-rate rental housing, and less for home ownership units.

Personal debt, the housing collapse, and high mobility resulting in shorter housing tenure among Millennials, have all combined to make rental housing relatively attractive. For developers, financing has become more difficult across the board, but is less difficult to secure for rental housing than many other development types.

3. Many mixed-use projects are now developed on the strength of the residential market, with commercial included and even subsidized in order to provide desirable tenant amenities. The strong rental housing trend is evident in the Russell Street area with low rental vacancy and quality new product coming on line and leasing rapidly. This trend can be expected to continue which could result in properties fronting Russell Street being developed as exclusively residential.
4. Mobility is changing as Millennials eschew personal car ownership and use other modes more frequently. While Missoula is not yet served by major car sharing services, this trend is evident in the high number of PMA residents that walk and bike. Transit use is also robust and expected to increase by 40% or more with the free, 15-minute service starting in January 2015.
5. Storefront retail is in contraction nationally. The increase in online-spending, the sharing economy, and lasting frugality effects of the recession all contribute to higher retail vacancies even in prime locations. While retail vacancies are evident in existing buildings in Downtown Missoula, Russell



Missoula has robust bicycle use

Street should not expect a deep market for the addition of many thousands of new square feet of storefront retail. The Sawmill Site within the Russell Street area would be a potentially attractive site for resident-serving retail and restaurant businesses that do not depend on high traffic volumes such as those found along Russell.

6. Certain retail categories are expanding. These include health and fitness related retail, green products, local foods and beverages, quick-serve restaurants, auto parts stores, and personal electronics and technology. Some of the expanding retail types are well-aligned with the spending tendencies of the PMA resident and University student markets.
7. Personal and medical services remain healthy and many franchise price-point versions are expanding. Examples include Comfort Dental, Massage Envy, Cost Cutters, 24-hour Fitness, H&R Block, Jiffy Lube, Molly Maids, and Gymboree. These business types would likely find the combination of residential growth, traffic volumes, and improved level of service on Russell Street to be highly attractive. Many of these neighborhood-serving retail and service uses are among the use types identified by stakeholders as desirable for the Russell Street area. Under current market conditions, they appear to be more likely, rapidly, and abundantly delivered as franchises than as unique local businesses. However, stakeholders indicate that they prefer not to see “cookie cutter” design used by franchises. Thus, these two aspects of the community vision for the Russell Street area – desired uses and design - are in some degree of tension.

In imagining a future for Russell Street, local project team members emphasized a need to create a niche for the area that is distinct from both Downtown Missoula, where unique local businesses are concentrated, and other major corridors (e.g., Reserve and Brooks) that are home to concentrations of auto-oriented uses and large format retail.

Through public input, a desire for high-quality design in the corridor is strongly evident. While some use

types were called out, such as auto-oriented uses, in general community concerns about the existing examples of such businesses, as well as concerns about desirable new land uses centered almost exclusively on the business’ appearance.

## KEY MARKET OPPORTUNITIES

Based on analysis of the information above and observed conditions during our site visit, P.U.M.A. has identified key opportunities within the Russell Street study area that are favored by market conditions. The purpose of identifying such opportunities is to understand what the market may bring in order to evaluate fit with the community vision. There are opportunities for the City if Missoula and the Missoula Redevelopment Agency to influence, shape, or even prohibit such development using regulatory and public financing tools.

### RESIDENTIAL: RENTAL HOUSING

The current market cycle is very strong for market-rate moderate and up-scale residential rental unit housing development. With low (5 percent) vacancy rates and proximity to both the University and Downtown, the Russell Street area is clearly a desirable place to reside. The multi-



existing senior housing in the Russell Street area

modal improvements planned for Russell Street can be expected to strengthen its appeal to millennial downtown workers and students, whose interest and ability to own and drive a car is lower than other segments.

Starting a few blocks back from either side of Russell Street, surrounding neighborhoods are comprised primarily of single-family homes and are mostly zoned to stay that way. The commercial and mixed use parcels in the first few blocks to either side of Russell Street allow for a wide range of uses and development types, including exclusively commercial, mixed use, or exclusively multi-family.

Under current market, infrastructure and regulatory conditions, a realistic outcome could be that some of these parcels would redevelop in exclusively residential multifamily land use. With the street reconfiguration, streetscape enhancements will improve the attractiveness of Russell which could make nearby parcels even more appealing as residential sites.



existing housing types west of Russell Street

## RETAIL AND COMMERCIAL: DESTINATION AND FRANCHISE

While P.U.M.A. was not scoped to conduct a full retail market analysis and absorption study, it is possible to characterize the market opportunity for storefront retail on Russell Street as being somewhat limited. Missoula has numerous areas zoned for retail that are excellent for various niches. Other corridors have better parcel configurations and have established themselves with large format retail (such as Brooks and Reserve.) Also, Missoula has established downtown as the priority location for unique/boutique/ local retail and sites and storefront remain available there. Finally, the nearby Sawmill development is entitled raw land poised to create yet another desirable retail node.

*Caution is strongly advised in supposing that all parcels abutting Russell between 3rd and Broadway can realistically be filled with storefront retail uses due to both global market conditions and the ample availability of retail space in other existing and entitled retail areas in Missoula.*

The planned street reconfiguration can be expected to greatly improve the commercial development environment along Russell Street by improving the infrastructure, reducing congestion, and removing existing uncertainty in the development environment such as future street level. This force will push back against the potential for residential-only development of parcels abutting Russell Street. Businesses that will be most attracted to the study area include those that seek the exposure and convenience offered by a major thoroughfare, including both destination and franchise businesses. Neighborhood-serving retail and service business owners that do not have the means or desire to own real estate may also seek a presence along Russell depending on the relative cost and availability of well-suited tenant space as compared to downtown or the Sawmill site.

## INDUSTRIAL: ARTISAN MANUFACTURING

In general, the Russell Street area is moving away from its light industrial history with the conversion of the Sawmill site to mixed retail and residential uses and the South Riverfront Neighborhood Overlay District prohibition on new auto-oriented uses. However, there are several artisan manufacturing businesses adjacent to Russell Street that keep a connection to that past while offering unique and desirable products. These include the Bayern Brewery and tasting room, Zombie Tools, and Black Coffee Roasting (the latter of which recently relocated to Spruce Street).

The relatively low land cost in the study area coupled with a great location and zoning that allows for a wide range and mix of land uses are attractive for artisan manufacturers. The niche could help develop an emerging hipster character for the Russell Street which could be promoted and developed through flexible zoning, and an emphasis on design. Artisan Manufacturing uses with ancillary retail is a good fit with the preferences and spending patterns of the psychographic segments currently in the PMA and likely to be attracted to new market-rate rental housing units. The depth of demand for this land use is somewhat unclear without further analysis. The Spruce Street Plaza and 806 West Spruce in Missoula also represents an example of this type of niche. These appear to be fully leased and are surrounded by other stable uses that may limit expansion of this niche.



*Black Coffee Roasters on Russell and Wyoming Streets is an example of an artisan manufacturing use*



*Spruce Street Plaza is a great precedent of a desired type of development in the Russell Street area*

## STAKEHOLDER AND COMMUNITY INPUT SUMMARY

In October 2014, P.U.M.A and Sonoran Institute staff spent three days in Missoula for an intensive immersion and problem solving effort. The team conducted and about a dozen interviews and focus group meetings with key stakeholders that included: Missoula Redevelopment Agency, Mountain Line, Missoula Development Services, Missoula Metropolitan Planning Organization, Montana Department of Transportation, Missoula Bicycle/Pedestrian Board, property owners, developers, architects, bankers, City Council members, and residents.

### COMMUNITY MEETINGS

Three opportunities were provided to the citizens of Missoula to listen to P.U.M.A.'s presentation and provide input on what the vision should be for the Russell Street Area. The meetings were publicized through local print media, on-line, radio, and television. In addition, Russell Study area residents and property owners were given individual notice by mail. The first public meeting was held at The Source the evening of Wednesday October 22. After a brief presentation by the consultant team and short question and answers session, break out groups were formed for more detailed discussions. On Thursday October 23, a public open house was held during the lunch hour at the MRA and another evening public meeting was held at The Source for additional input. Below and on the following pages is a summary of these three meetings.



community meeting break out discussion at The Source

### Aesthetics and Design

- The aesthetics of the corridor must be improved to create a bicycle and pedestrian friendly corridor as well as on all the intersecting streets.
- Overhead utilities should be put underground.
- The community does not like that The Source has turned its back to Russell Street. Mechanical elements should not be allowed to face Russell Street on future developments.
- Auto oriented uses should be screened.
- Outdoor storage should not be allowed.
- Good materials, such as wood, brick, stone, and steel, for surfaces and buildings should be encouraged and/or required.
- Long building frontages without pedestrian access should be discouraged (i.e. The Source). If that is not possible, there should be breezeways/cut troughs between the buildings.
- Ground floor glazing and fenestration should be different than stories above.
- Building heights should step down into the surrounding community. The tallest buildings should front Russell Street and step down into the adjacent neighborhoods. Most community members in attendance felt that four stories should continue to be the maximum building height.

### Land Uses

- Work to attract neighborhood serving businesses along the corridor such as (pharmacy, small general store, bank, dentist, health services, pet store, café, restaurants, etc.)
- Create land uses that naturally make people drive slower and bring buildings up to the street to slow traffic.

- Affordable housing in perpetuity should be provided.
- Encourage accessory dwelling units which are allowed in the zoning overlay.
- New building should be designed to be adaptable to changes in use
- Drive-thru uses could work if they are attractive and proportionally scaled to pedestrians with the drive-thru on the back or side of the building. They City Brew drive thru at Broadway and Orange is a good example of a well-designed drive-thru.
- Mini storage should be prohibited in the area.

### Parking

- Parking standards should be stricter and parking lots should have better access agreements between uses and properties.
- Parking lots must accommodate delivery trucks and emergency vehicles. If parking structures are built, they should include a ground floor use so there are not blank walls facing Russell St.
- Establish parking maximums as opposed to minimums and eliminating car parking lots where there should be buildings along the arterial.
- Parking should be on the sides or rear of buildings.



*parking at the side or rear of buildings is desired as illustrated in the Denver example*

### Streetscape

- Gateway features into this corridor are important. An identity should be incorporated into this corridor that is unique from everywhere else in Missoula. Gateways at Broadway and 3rd could welcome people to the neighborhood.
- Public art can be one method of providing a unique gateway
- Vertical features on the new Russell Street Bridge could include gateway features.

### Connectivity

- Cross connectivity is important to this corridor. People are not willing to walk out of their way to cross the street. There needs to be more designated pedestrian and bike crossing in between the signals at 3rd and Wyoming. A pedestrian/bicycle activated signal (HAWK) is desired between 3rd and Wyoming.
- Require street connections to rebuild the street grid west of Russell Street on the larger parcels when they redevelop.
- The Good Food Store “back entrance” at 2nd Street could serve as a good location for an additional pedestrian/bicycle underpass because of the existing grade difference.



*this pedestrian activated signal in Denver greatly improves the crossing safety of a four lane road*

- The intersection of Wyoming and Russell is seen as a potential nucleus/node for retail for the corridor.
- The Milwaukee trail must have improved access from the surrounding uses.

### Safety

- Safety is a major concern for pedestrians and bicycles
- Curb cuts should be minimized to reduce vehicle conflicts with bicyclists and pedestrians.

### Lighting

- Lighting on this corridor is extremely important, especially in the darker months, also on the side streets to draw people over to Russell. Unique pedestrian scale lighting should be provided along Russell Street.
- Light trespass should be avoided and blinking lights should not be allowed.
- There should be restricted hours for bright lights and manufacturing noise.

### Open Space

- Engage the riverfront and provide more bicycle and pedestrian access.
- Usable public places such as pedestrian plazas or pocket parks should be built to fulfil the open/green space requirements rather than unusable green space such as grass berms.
- The use of permeable materials should be encouraged.
- The open irrigation ditches should be enhanced and utilized in the landscape.



*an example of unique pedestrian friendly lighting in Lakewood, CO that has full cut-off to prevent light trespass and conform with dark sky standards*



*engage the riverfront and provide pedestrian/bike access as along the S. Platte River in Denver*

## STAKEHOLDER INTERVIEWS

Local Missoula Project team members identified a range of stakeholders from the study area and community that are actively involved. These included business and commercial property and business owners, Missoula Redevelopment Agency, Mountain Line, Missoula Development Services, Missoula Transportation, Montana Department of Transportation, Missoula Bicycle/Pedestrian Board, city councilors, and local residents. In addition, developers, builders and architects that are active in Missoula were asked to participate to help provide perspectives on the development potential and challenges in the Russell Street area. Interviews were conducted on Wednesday October 23. Below is a summary of the conversations with stakeholders.

### VISION

- Be specific about the vision of what should develop in the area.
- Corridor redevelopment should be about corridor vision, not current property owner’s individual wishes.

### LAND USES

- There are few neighborhood amenities in the area such as dining and retail.
- Employment is distant from the area as people need to travel to it.
- There is a variety of transition in the area with all the new multifamily housing development occurring
- There is a strong demand for housing in the corridor at the right price point (95 percent rented).
- Would be great if Bayern Brewery had more of a street frontage and better outdoor seating.
- Land values are significantly lower along Russell Street than other parts of town. Approximately. \$10 per foot.



*work session with MRA and City staff*



*ground floor residences should have stoops so front doors are not directly on Russell Street as in this Denver example*



*encourage Bayern Brewery to remove the privacy fence to create a more pedestrian inviting beer garden*

- Uses are more important than design standards. Integrate performance standards with design standards. They are important but use prescription should be avoided.
- Declining uses on Russell may end up on West Broadway where there is ample developable land.
- Successful businesses on Broadway should be on Russell.
- The Russell area should have land uses and zoning similar to the Sawmill District.
- Multifamily housing should be an asset to the community.

### AESTHETICS AND DESIGN

- Design standards may need to address façades on front, side and rear (to make parking attractive as well).
- Corridor looks “warehousy” – storage units ruin the neighborhood character.
- Permeability standards are challenging.
- If the height limit were removed, development may not go above three stories due to elevator requirements.
- Design standards are good and can help “soften” the buildings – standards should be visual and include 3-4 scenarios of what buildings should look like.



the community desires aesthetic improvements to the corridor

- Density should be allowed if the developer can meet all the other requirements.
- Front and side entrances should be encouraged/required.

### PARKING

- The parking requirements per square foot and height limits are challenges. Residential developers need density to make projects economically viable.
- Encourage shared parking agreements.
- From a financing perspective, the parking must be adequate.

### Streetscape

- Soften the Russell Street character – it should be a welcoming corridor into downtown.
- There should be ample street furniture: bike racks, trash receptacles, benches, banners, lighting, bus shelters, and café tables.

### Connectivity

- This area should a more livable community. The Russell Area redevelopment should be tied into the Sawmill Site from a character perspective and the physical connections should be improved for bicycles and pedestrians.



the Milwaukee Trail is a major attraction in the study area

- The Milwaukee Trail has helped the character of the area and has increased foot and bike traffic – it is also good for marketing the housing.
- Create more accessible walking and bicycling facilities off Russell (further into neighborhood).
- Enhance non-motorized transportation.
- Bike share is desired.

### SAFETY

- Make area “look safer” - restrict front yard barbed-wire fencing and chain link fencing.
- Need more pedestrian-scale lighting on Russell Street.

### OPEN SPACE

- Provide better access to the Clark Fork River.
- Create mini parks and small-scale destinations along the Milwaukee Trail.

### IMPEDIMENTS TO DEVELOPMENT

- Grade issues present construction challenges (two – three feet make it hard to accommodate ADA standards).
- The cost of building code requirements for steel frame construction and elevators above three stories effectively limits heights. The regulations allow for more.

- The City needs to be flexible as some of the regulations are difficult to meet due to the grade and limited lot depth of parcels in the area.
- Multidepartment review can be inconsistent. Better coordination would reduce frustration and cost.
- The 85 percent maximum impervious lot area standard is the most significant regulatory limitation to development intensity.

### ZONING

- In an ideal world development professionals want regulations that offer both predictability and flexibility. Where one must prevail, most prefer predictability.
- The zoning must match the vision with a clear path to get the desired results.
- The overlay must allow for mixed-use and be more flexible on uses.



*new development should provide access to the Clark Fork River such as the Equinox and Solstice project*



*many buildings have a finished floor elevation below Russell Street*

## RECOMMENDATIONS

Comparing the community vision for the corridor, existing regulations, and the market opportunities in the current investment cycle, P.U.M.A. has developed a range of recommendations for regulatory revisions and non-regulatory approaches. They are summarized in this section.

We anticipate that regulatory revisions suggested in this document would most likely be implemented through a revision of the existing overlay district or adoption of an entirely new overlay district. Other options exist, such as re-zoning the area, but the overlay revision appears to be an expedient and effective path forward.

In many cases, we suggest recommendations that apply to street-facing buildings. In addition to Russell Street, we recommend such standards apply to building faces on side streets within a block of Russell Street, along the length of the Milwaukee Trail - a significant asset and public infrastructure investment- as well as Wyoming Street between Russell Street to the Sawmill redevelopment area.

In many cases, we have suggested both regulatory and non-regulatory approaches, understanding that a regulatory approach may not be palatable in all instances, and that the two approaches can be mutually supporting. For example, regulations could prohibit the least desirable outcomes while incentives encourage the most favored ones, leaving room for acceptable outcomes in the free-market middle ground.

### PEDESTRIAN-FRIENDLY STRUCTURES

***Encouraging pedestrian friendly buildings along Russell Street is paramount to achieving the character the community expects and that appropriately complements the public investment in the street reconfiguration.***

The community vision is for quality, pedestrian-friendly structures along the street face of Russell. Franchise services businesses are highly likely

to be attracted to the corridor once the street reconfiguration is complete and their standard designs will likely not contribute to the envisioned character. *The anticipated public investment in the street reconfiguration of nearly \$7-10 million per block is a platform from which it is imminently reasonable to expect the private sector to partner in making a pedestrian friendly character.* Current standards allow for a range of outcomes including some that do not meet the community's expectations. The existing design standards are few, and allow for materials, colors, and uninteresting buildings that are not acceptable to the public.



*pedestrian-friendly design is highly desired in the study area such as this new streetscape in Lakewood, Colorado*

## RECOMMENDATIONS

### First Story Glazing Standard

The 20 percent glazing requirement in the existing overlay is grounded in the fact that building transparency adjacent to the street is one of the most fundamental and effective treatments to create a safe pedestrian character. However, the current standard does not specify the location enough to ensure that it is placed where it matters most: at the pedestrian level of the primary street face. Stakeholders criticized both The Source and Auto Zone recent developments for lack of windows along the abutting street. The existing glazing standard in the overlay should be refined so that it must be met on the first story of each street facing side of a building. For the purpose of this standard, the first story would be defined as the first twelve feet of building elevation from the engineered grade of the street.

### Storage Areas

No outdoor storage should be allowed fronting onto Russell. On all other parcels in the overlay, outdoor storage should be limited to the back or side of lots (similar to parking). No razor wire should be allowed facing a street.

### Mechanical Equipment

Mechanical equipment (heating, ventilation and cooling systems and similar) should not be allowed facing onto Russell.

### Street-Facing Entrances

If a more flexible approach to pedestrian friendly features is used, as in the following recommendation, the requirement for an entrance directly onto Russell Street can be made to apply strictly only where the building would otherwise block internal site access. Consider changing the requirement to a “pedestrian access point” to the building/site if the building street face exceeds 60 percent of the block length. Pedestrian access points may include a street-facing door, a walkway between two buildings (paseo), or an enclosed arcade or lobby that visibly and physically

allows access. Pedestrian access points should be required to be located in the middle third the building face.

### Pedestrian Friendly Feature Choices

Most importantly, the existing regulations should be revised to embrace a wider range of pedestrian-friendly treatments and features, allowing developers more flexibility to select those that fit their design, budget, and project needs. This will result in more variation of treatments and outcomes, which further enhances pedestrian appeal. An example approach is indicated on the following page (listed pedestrian friendly features and quantities are illustrative, not exhaustive).



*a pedestrian walkway (paseo) between buildings to access parking lots can also include business entrances as in Lakewood, Colorado*

### EXAMPLE PEDESTRIAN-FRIENDLY CODE TEXT

*In addition to the minimum requirements of this overlay, for every 25 feet of building frontage along Russell Street, the development shall incorporate at least one of the following features on the Russell street frontage:*

- 1. 30% glazing between the street grade and 12' in height (i.e., 10% more glazing than the minimum requirement of 20%).*
- 2. A street facing or corner public entrance. (Additional to any such entrance as may be required by this code).*
- 3. An outdoor café seating area of not less than 100 square feet.*
- 4. An outdoor plaza oriented to pedestrian use that includes seating and trash receptacles.*
- 5. Public art<sup>2</sup> measuring at least 50 cubic or square feet that is visible from the sidewalk.*
- 6. Building modulation(s) of not less than 2 feet depth and totaling at least 20 square feet, with resulting areas landscaped (and may contain public art as in 4, above.)*
- 7. Pedestrian scale lighting in conformance with this code placed at least every ten feet that illuminate the adjacent sidewalk; and architectural projections between 8' and 15' from street grade, totaling not less than 20 square feet. Lighting may be integrated in architectural projections.*

*In addition to the minimum requirements of this overlay, for every 40 feet along Milwaukee Trail or a side street within 400 feet<sup>3</sup> of Russell Street, the development shall incorporate at least one of the following features on the trail or side street frontage:*

- 1. 20% glazing between the street grade and 12' in height.*
- 2. A street facing or corner public entrance.*
- 3. An outdoor café seating area of not less than 80 square feet.*
- 4. Public art measuring at least 50 cubic or square feet that is visible from the sidewalk.*
- 5. Building modulation(s) of not less than 2 feet depth and totaling at least 20 square feet, with resulting areas landscaped (and may contain public art as in 4, above.)*
- 6. Pedestrian scale lighting in conformance with this code placed at least every ten feet that illuminate the adjacent sidewalk; and architectural projections between 8' and 15' from street grade, totaling not less than 20 square feet. Lighting may be integrated in architectural projection*



*City Brew/UPS building on Broadway is a good pedestrian friendly example with street entrances and good building transparency and outdoor cafe seating*

<sup>2</sup>Public art not only adds pedestrian appeal but would contribute to a unique and artistic character compatible with the desire to foster artisan manufacture. If not already defined in Missoula code, "Public Art" should be defined to exclude signage, require enduring materials and similar.

<sup>3</sup>Because the street grid is not consistently intact through the Russell Street area, we recommend the use of a number of feet rather than indicating a number of blocks. The specific distance should reflect the typical block length of side streets where the grid is intact in the area.

If the City adopts such a provision, then MRA could tie its incentives to achievement of a higher number of pedestrian friendly features than required by code. If the City does not, then MRA could incorporate such a provision in its policy guide for Russell Street area reinvestment.

### Drive-Thrus

Currently drive-thru establishments are prohibited in the overlay. However, some uses that insist on a drive-thru, such as many pharmacies, are desirable uses that would likely see Russell Street as an attractive location once the street reconfiguration is complete. Community stakeholder comments suggest that objections to drive-thru uses are primarily aesthetic. However, there are well-designed examples of such uses that appear to meet the desired character for Russell Street, including the City Brew in downtown Missoula. The City could revise the overlay to allow drive-thru when they comply with design controls to ensure that they meet the community's aesthetic concerns and to address traffic control and keep curb cuts to a minimum.

### POTENTIAL INCENTIVES TO ATTRACT DESIRED DEVELOPMENT

- *Fee waivers*
- *Landscape standards that allow alternative street features and buffers*
- *Expedite the permit process*
- *Development financing for highly desired uses*
- *Incentives for shared and cross-access within blocks*
- *Impervious surfaces requirement alternatives*
- *Additional lot coverage allowance for multi-dwellings*



*a well-designed auto-oriented franchise with a drive-thru in the rear accomplished through Denver's "Main Street" zoning*



*the City Brew drive-thru in downtown Missoula is an example that is accessed from the sides street and rear of the building*

## DESIGN STANDARDS

Many Russell Street stakeholders expressed concern about building colors and finish materials. Many are unhappy with the new AutoZone building on 3rd Street due to “ugly” colors on concrete masonry units (as well as lack of windows on the street-facing sides—which would be addressed by provisions in the above section.) Many stakeholders specified a desire not to see “cookie-cutter” corporate design schemes along Russell, citing the AutoZone as a negative example. Some also criticized the galvanized metal exterior of The Source.

Stakeholders desire new neighborhood-serving uses such as banks, pharmacy, urgent care, and other personal and medical services. As discussed earlier in this document, market conditions and traffic volumes on Russell favor attraction of such uses in volume-oriented franchise formats services that are currently expanding, such as CVS and Comfort Dental. There are no design standards for exterior building treatments in the existing zoning. As such, there is significant potential for standard corporate design along on Russell Street.

While the community vision is for attractive building exteriors, there are challenges to regulating exterior building treatments, including:

- It can be difficult to define desirable design and more difficult to regulate it while still allowing for innovation and creativity. Both of the latter

elements could help to give Russell Street a unique character and should not be stymied.

- It is extremely difficult to specifically prohibit “corporate” design, because it comes in so many variations.
- If standards exclude elements of their standard design in just a small portion of Missoula, many franchises simply will go to another location. Such standards in the Russell Street area between 3rd and Broadway could discourage and slow redevelopment there.
- Design standards that strive for “quality” exterior treatments may increase costs, which could present a challenge to attracting start-ups and artisan businesses that are desirable for the Russell area.
- Precedents of design standards that address paint color and finish materials are very limited in Missoula, so the community may not readily embrace their use on Russell Street.

All of the above must be weighed by the City, MRA, and community in determining how to address the community’s strong desire for attractive buildings along Russell Street. The recommendations for design standards below represent two possible approaches that could be taken singly or combined.



*Zip Auto in downtown Missoula is a good example of a pedestrian friendly auto-oriented use with ample transparency to the street*



*Denver example of bright hues that add artistic appeal*

## RECOMMENDATIONS

Because strict design standards are not used elsewhere in Missoula, P.U.M.A. is not recommending their use. The two following design recommendations could be implemented singly or together.

### *Limited Design Prohibitions*

The City could adopt modest, limited design standards in the overlay that focus on prohibiting the least desirable colors and materials. For example, the regulations might prohibit bright orange or yellow; unpainted concrete or concrete block; and restrict metal panels to less than 40 percent of the street-facing building wall. This, coupled with more specificity in the glazing standards as suggested above, would address some of the recently named concerns while still allowing a wide range of design flexibility. However, some desirable artistic signs and exteriors with vivid hues would be prohibited which could be an unintended consequence. Also, artisan manufacturing and other desirable, cost-conscious businesses (i.e., local start-ups) would be prohibited from using some of the more affordable building treatments and may seek to locate elsewhere in Missoula.

### *Guidelines with Financing and Expedite Incentives*

The City and MRA could jointly develop design standards that would be non-binding guidelines at the City but required for MRA financial participation or support. Developers indicate that expedited permit



*Denver example of bright hues that add artistic appeal*

processing may be an effective incentive for them to implement non-binding design guidelines. The City could offer expedited processing for projects meeting the design guidelines. MRA could review projects prior to the City's review to make a recommendation as to whether the project meets the guidelines.

It is important to note that the incentive-based approach leaves open the potential for a project developer to decline MRA's financial assistance and use the non-expedited process to get approval for "cookie cutter" design, leaving the city no design provision for denial. Using incentives, MRA was able to negotiate modest improvements in the exterior treatment on AutoZone. However, the project developer would not consider diverging from the standard corporate design and in fact the project developer could have declined MRA's assistance and refused any changes whatsoever. Similar outcomes could occur without strict design regulations; however strict regulations would likely have other consequences such as discouraging redevelopment.

## SETBACK TREATMENTS

The visual preference exercise conducted in all the community meetings in October indicate that Russell Street stakeholders embrace a range of front treatments, including buildings built to the lot line, café seating, inset entrances, and even well-buffered parking. The existing overlay district appears to offer flexibility by allowing front setbacks of zero (minimum) to 40 (maximum) feet. In actuality, the front setback regulations in the overlay couple with the parking and landscaping regulations to effectively result in only one viable alternative: zero lot-line building construction.

The existing overlay district requires parking to the rear or side unless it is not feasible to do so. Design requirements for a single row of angled parking plus a one-way drive aisle and sidewalk add to 42 feet, meaning it is not possible to place anything more than parallel parking in front of a structure and keep the building within the 40-foot maximum.

Finally, Landscaping requirements are not addressed in the overlay and therefore the requirements of the underlying district apply: if not occupied by a structure, the first ten feet of front setback must be landscaped.<sup>4</sup> The landscaping requirement creates a disincentive to set the structure in any position other than at the lot line, and as such effectively eliminates the option for any other features along the street such as outdoor seating, pedestrian amenities, public art, or similar – all of which were indicated as desirable in public meetings and can contribute positively to pedestrian experience.

In addition to areas between the building and sidewalk, the code seems to allow only one possible treatment between parking areas and the sidewalk: again, a ten-foot landscaped area. When lots depths are narrow, as is the case on some Russell Street properties, this can create a considerable site-design challenge. Also, visual preference exercises show that the Missoula public embraced a wider range of possible buffering treatments including some that take less space. In some cases, grade-level changes from Russell Street to adjacent parking lots provide enough screening – as in the case of the new Equinox and Solstice project.

## RECOMMENDATIONS

P.U.M.A. recommends modifying the overlay zone to allow a range of street interface including outdoor seating, pedestrian amenities, and public art. Plazas, café seating, and public art along the street all add to pedestrian appeal and can contribute to the desired character. In many cases, small variations in street frontage create a more appealing pedestrian experience than any single monotonous street treatment, including zero lot line development.

<sup>4</sup> The code currently allows an exception to be made in cases where a Montana licensed landscape architect provides plans; our recommendations would add more flexibility for all parties.

## Incent Plazas and Café Seating

Amend the overlay regulation to allow hardscape areas in the front setback that provide outdoor cafe seating, public art features, and pedestrian and bike amenities such as benches and bike racks. Blank hardscape areas that do not include named features should be carefully excluded from such provisions. Allowing such areas to count toward street frontage landscaping requirements, effectively reducing the net required landscaped area, would provide an incentive. Alternatively, these areas could be named as allowed encroachments into landscaped areas, with the offset landscaped area required to be provided elsewhere onsite. (But see related discussion on impervious surface area, below.)

## Allow Other Buffers

Allow a wider range of treatments for parking lot buffering and landscaping along Russell Street and adjacent side streets including artistic fencing treatments that use quality materials; intensive landscaping that incorporates a 50-100% more plant materials than standard requirements, and the use of natural features such as berms, boulders and grade separation. The use of alternatives could either be allowed for any parcel in the overlay or as an incentive granted for the provision of extra pedestrian enhancements. Allowing creative and artistic buffer treatments could contribute to a creative, authentic, slightly edgy character for Russell that sets it apart from other, more landscaped



building setbacks such as this example in Denver that provide usable space for pedestrians should count toward landscaping requirements

corridors in Missoula. It could enhance the appeal of the study area for destination and artisan businesses that want to present a face to the community that is unique and out-of-the-norm.

### ***Twenty Foot Maximum Setback***

The existing regulations require that parking be located in the rear or side unless required parking cannot be accommodated in these locations. However, parking cannot be accommodated within a 40-foot setback. P.U.M.A. recommends that the primary intent of the parking provision should be reinforced by reducing the maximum allowed front setback maximum to 20 feet, which in conjunction with the revision to the landscaping requirement would be adequate to allow for desirable seating, plazas, entrances, and similar. In cases where parking cannot be accommodated to the side or rear, a discretionary approval process would be necessary to approve an alternative site configuration – as it currently is because the 40-foot depth is unworkable.



*parking at the side or rear of buildings is desired as illustrated in the Denver example*

## **ENCOURAGE INTENSITY**

While the quality of development is the highest priority, it is also worth considering quantity: zoning in the study area generally allows for more units per acre and more height than is being built in recent projects. The study area has only about 10 block-faces that appear realistic to be redeveloped in this market cycle. In order to contribute as much as

possible to character redefinition for Russell Street, it would be ideal if they are developed at or near maximum intensity. According to local developers and financiers, the main regulatory constraint on development intensity is primarily the existing impervious surface requirement. Paired with the cost constraints of four-story steel construction, the impervious lot requirement is resulting in projects that deliver fewer residential units than the code allows. There are ways the City and MRA may be able to encourage full development intensity despite the cost of achieving full-heights.

## **RECOMMENDATIONS**

### ***Allow Greater Lot Coverage for Multifamily dwellings***

City and MRA staff indicate that the Russell Street reconfiguration infrastructure investments are anticipated to resolve localized puddling along the street, and that the study area is generally served by adequate water drainage infrastructure. In order to help stimulate investment in previously developed areas, many communities apply impervious surface requirements only to greenfield development, and reduce or remove stormwater drainage requirements for redevelopment areas. The City could include a reduced the impervious lot area requirement for mixed-use and multi-dwelling projects within the overlay district. For projects with a residential component, it may be more useful to require provision of specific common use outdoor features – such as picnic tables and a minimum size of pet relief area (in separate locations!); amenities desired by the neighborhood demographic of young adults.

### ***Finance Full Intensity***

MRA could influence development intensity by tying the amount of financing incentives offered to the percentage of maximum density that the project achieves, or, as might be allowed by Montana law, by evaluating project pro-formas and filling a demonstrated gap created by building to full, rather than partial, intensity. Such incentives would apply to mixed use development, which optimizes intensity.

## RESIDENTIAL ON RUSSELL

P.U.M.A. clearly heard that the community vision for the area is for attractive, commercial and mixed use buildings directly on Russell Street. Residential uses were envisioned behind commercial buildings or perhaps on upper floors of multistory mixed use buildings fronting on Russell Street. Some stakeholders suggested that commercial uses should be required on the first floor of all structures fronting Russell Street. The storefront retail market is currently so soft, however, that such a requirement may create vacancies rather than vibrancy. In fact, studies of Missoula zoning have shown an overabundance of retail zoning, and substantial storefront vacancies and development opportunities remain in community-identified retail priority areas such as downtown.<sup>5</sup>

Currently, the regulations allow for residential units to be built at zero lot-line to Russell Street, and the rental residential market is so strong that there is realistic potential for developers to propose residential-only development on Russell. While some stakeholders expressed skepticism that these units would be desirable or concern that the street noise would be problematic, the City is not in a position to deny such a project if proposed. It is possible that the street infrastructure improvements may improve land values enough to tip the balance of market forces in favor of commercial redevelopment on Russell. P.U.M.A. believes it may be prudent to take measures to protect the community vision of non-residential uses on the first floor fronting onto Russell.

### RECOMMENDATIONS

#### ***Require First Floor Commercial Use or Construction***

Due to the global trend of contracting storefront retail, P.U.M.A. recommends against dictating commercial use on the first floor of structures. If residential use is to be restricted, regulations should only limit that while allowing a full range of commercial uses including services. In terms of

pedestrian appeal, almost any use is preferable to vacancy so long as it has a pedestrian friendly street face through windows and other design features as indicated above. Alternatively, to be most responsive to market conditions, the regulations could specify the construction type, rather than use. New projects would be required to construct the ground floor to meet commercial code, but could allow any use. Although the unit might be occupied for residential use in the short run, if market conditions allow the property may be readily converted to commercial use. Because commercial rents are typically higher per square foot than residential rents, conversion would happen naturally over time.

If the City does not adopt commercial use or construction requirements, MRA could incent this by supporting the differential cost of development to commercial, rather than residential building code requirements.

#### ***Mitigate Noise Impacts***

Street and other noise is a realistic concern for any residences facing Russell Street, and will potentially increase after the reconfiguration as traffic congestion eases and thus speeds increase. If residential will continue to be allowed fronting Russell Street, whether on lower or upper floors, noise mitigations may be appropriate. The overlay regulations could require noise mitigations for residential units facing onto Russell, such as extra-



*ground floors should be designed for commercial uses but could be residential uses in the interim such as this Boulder example*

<sup>5</sup> City of Missoula Downtown Master Plan

thick windows, wall insulation, and other sound attenuation features. Such mitigations do increase construction cost, however they protect residents and discourage residential uses to be built up to the property line. Regulations may either dictate specific mitigations or may require the developer to achieve an average interior noise level; the former is generally used outside of highly noisy environments (such as airport environs), is easier for developers to learn, and can be verified during the course of construction rather than tested at the completion of construction.

In lieu of regulations, MRA could encourage commercial construction and discourage residential structures on Russell Street by tying this to financial participation in the project. Alternatively, MRA could decide to concentrate its effort on protecting future residents by supporting the additional cost of noise mitigations.

## HIGHLY DESIRED USES

Certain uses were identified as highly desirable for the Russell Study area, including first-floor retail (addressed above), non-franchise businesses and artisan manufacturing. There do not appear to be significant regulatory barriers to these desired uses. Use-based regulatory incentives are generally limited in effect and are often considered unfair. Hence P.U.M.A.'s recommendations related to desired uses are focused on potential incentives.

### *Incentives for Local and Artisan Businesses*

P.U.M.A understands that local Economic Development entities have not typically focused on individual areas in Missoula or specific uses. In that light, MRA is the logical entity to provide incentives for desired uses in the Russell Street study area. MRA should consider offering development incentives for artisan manufacture, personal services and retail and other uses that the MRA Board determines can contribute significantly to the desired character of the Russell area.

### *Create Tenant Space*

One challenge for some of the desired use types – including locally owned, entrepreneurial, neighborhood serving businesses – is that affordable, quality tenant space is difficult to find. Many Russell Street properties are older and underdeveloped, and as such are better configured for redevelopment, rather than reuse. Business entrepreneurs often lack the means or the experience to redevelop a parcel and instead look for existing space to fill. However, as developers redevelop the properties, the cost of newly developed commercial tenant space can be prohibitive to local and start-up businesses. The MRA could partner with a private developer to redevelop a site on Russell Street and either retain control of or place covenant on one or more tenant spaces restricting them to uses approved by MRA. These spaces could be offered at below-market lease rates to neighborhood-serving uses that fit the community vision and help establish the desired character, with the hope that they may also help attract other such uses to the area.



*existing neighborhood compatible artisan/light industrial uses*

## USE INTERFACE

A feature of the Russell Street area that is currently somewhat undervalued in the community, and that could contribute to developing a distinct niche, is the eclectic mix and diversity of land uses including everything from large lot single-family residential to light industrial. *Existing regulations allow for diversity to continue as Russell redevelops.* Residential is being added, while Artisan Manufacturing has been identified as a desirable niche to expand. One challenge with areas that are redeveloping and transitioning can be the interface between uses. In particular, early residential pioneers to an area may embrace certain elements of light industrial uses, such as noise of operations and truck traffic. However, as the balance tips and the area increasingly identifies as a neighborhood, residents often begin to complain. Meanwhile, the appeal of the area to non-residential users may decline if residents impede easy vehicle access and demand quiet hours.

## RECOMMENDATIONS

### ***Protect Both Manufacturing and Residents***

It may be wise to designate an area for light industrial/artisan manufacturing and exclude residential use in order to preserve it for this use. By restricting residential, this may help keep land costs from exceeding the reach of artisan manufacturers and encourage that niche. The likely candidate area is a block west of Russell where Black Coffee Roasters and Bayern Brewery are located. Alternatively, residential uses could continue to be allowed while noise mitigations would be required for any new residential facing a parcel zoned to allow artisan manufacturing/light industrial.

## URBAN DESIGN

### **BICYCLE AND PEDESTRIAN SAFETY**

The Russell Street reconstruction will implement curb and gutter which will consolidate the vehicular access points on and off Russell Street. The number of new driveways and curb cuts should be minimized, as well as the width, for the safety of bicyclists and pedestrians.

Some uses may not have any access off of Russell Street such as corner business. This increases the importance of internal circulation and shared access between properties.

Today, vehicles can back directly onto Russell Street due the lack of curb and gutter. This situation should be eliminated with the new street configuration as it is unsafe for all modes of travel, particularly pedestrians and bicyclists.

As future density increases, there will be a need for an additional safe pedestrian and bicycle crossing between Third Street and the Milwaukee Trail. This could be accomplished with a pedestrian activated signal or an additional underpass.

### **SIDE STREETS**

In order to connect Russell Street to the neighborhood and because it influences the character on Russell, design standards as suggested in the recommendations above should apply to side streets within one block of Russell; along the Milwaukee Trail, and Wyoming Street all the way east to the Sawmill site.



*several businesses on Russell Street have parking that backs onto Russell Street which is unsafe for pedestrians and cyclists*

Developments fronting Russell Street should provide access off of side streets when possible, particularly for service vehicles.

### MILWAUKEE TRAIL

The Milwaukee Trail is a major asset to the neighborhoods and should continue to be enhanced with pocket parks and interesting features adjacent to the trail to continue to attract more use. This will help with the safety of the trail users.

The Milwaukee Trail should be treated as a side street within the overlay. Developers should be able to attain “regulatory points” by providing access and improvement along the trail.

### REDESIGN OF RIVER ROAD

As the area continues to redevelop, the properties along River Road should be redesigned to allow for public access to the river. The portion of the



provide “regulatory points” to developments that provide access point to the Milwaukee Trail

Milwaukee Trail adjacent to the river should be enhanced under the Russell Street bridge and be enhanced the entire length to connect to the existing trail adjacent to McCormick Park.

### GATEWAYS

Missoula residents have identified the Russell Street corridor as an important asset. Several ideas were discussed to celebrate this by creating gateway elements. This could be accomplished through architectural, landscape, art, and lighting elements at 3rd, on the Clark Fork River bridge, and along Russell Street.

### RIVERFRONT ACCESS

Redevelopment of the large mobile home park site west of Russell Street and fronting the Clark Fork River is a key opportunity for riverfront access that ties into the planned improvements under the Russell Street Bridge. In the short term, it would create access for east side residents to McCormick Park and bicycle/ pedestrian bridge. In the long term, it creates the possibility of connecting the existing Sawmill and proposed gravel pit parks.

#### *Require Access Dedication*

The overlay could require public riverfront access dedication on any parcel with direct waterfront access. This would apply to very few parcels, possibly only the mobile home site. Access through this parcel is the keystone to making a connection and as such it may be worth taking a regulatory approach.

#### *Negotiate Purchase or Tie to Development Incentives*

The City’s open space requirement could approach the land owner about purchase of the mobile home parcel. Alternatively, MRA could offer financial incentive to a future developer in order to acquire access and construct the public infrastructure of a trail connection through the mobile home parcel. This approach is preferable if the land owner or future developer is willing but cannot guarantee the desired outcome.



Idaho St.

Montana St.

Montana St.

N. Catlin Street

Wyoming St.

Wyoming St.

Russell Street

N. California Street

Milwaukee Trail

Dakota St.

River St.

Prince St.

S. 1st St. W

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