

# JOURNAL OF COMMISSION PROCEEDINGS

August 18, 2020

Regular City Commission Meeting

Mayor Kelly presiding

**CALL TO ORDER:** 7:00 PM

Commission Chambers Room 206

## PLEDGE OF ALLEGIANCE

**ROLL CALL/STAFF INTRODUCTIONS:** City Commission members present: Bob Kelly, Tracy Houck, Mary Sheehy Moe, Owen Robinson and Rick Tryon. City staff present: City Manager Greg Doyon and Deputy City Manager Chuck Anderson, City Clerk Lisa Kunz, Finance Director Melissa Kinzler, Park and Recreation Director Steve Herrig, Planning and Community Development Director Craig Raymond, Public Works Environmental Manager Paul Skubinna, City Attorney Sara Sexe, and Police Chief Dave Bowen.

Due to the COVID-19 health concerns, public participation is welcomed as follows:

- Attend in person. Refrain from attending in person if you are not feeling well. The City will require social distancing at the meeting, and may limit the number of persons in the Commission Chambers according to applicable health guidelines.
- Provide public comments via email. Comments may be sent via email before 12:00 PM on Tuesday, August 18, 2020, to: [commission@greatfallsmt.net](mailto:commission@greatfallsmt.net). Include the agenda item or agenda item number in the subject line, and include the name and address of the commenter. Written communication received by that time will be shared with the City Commission and appropriate City staff for consideration during the agenda item and before final vote on the matter; and will be so noted in the official record of the meeting.
- Call-in. The public may call in during specific public comment periods at 406-761-4786. All callers will be in a queued system and are asked to remain on hold and be patient. Calls will be taken in the order in which they are received. Callers will be restricted to customary time limits. We ask for your patience in the event there are technical difficulties.

**AGENDA APPROVAL:** There were no proposed changes to the agenda by the City Manager or City Commission. The agenda was approved as presented.

**CONFLICT DISCLOSURE/EX PARTE COMMUNICATIONS:** Commissioner Moe reported that she had a couple of phone calls, but cut off the conversations when it was clear that the subject matter pertained to the Milwaukee Depot.

Commissioner Tryon reported that he works for one of Phil Faccenda's companies, Stray Moose Productions, and that Phil Faccenda, Architect, submitted written comments and a drawing pertaining to Item 11. He further noted that Phil Faccenda does not represent Farmers Union.

## PETITIONS AND COMMUNICATIONS/NEIGHBORHOOD COUNCILS/BOARDS AND COMMISSIONS

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## 1. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Mayor Kelly read a “Happy 106<sup>th</sup> Birthday” certificate that he issued for Edward P. Bucko, Sr.

Commissioner Robinson urged citizens to complete the seven census questions at 2020Census.gov or return the census form via mail, or the Census 2020 Non-Response Follow-Up Phase (NRFU) employees would be knocking on their doors.

**Kevin Westie**, 602 35<sup>th</sup> Street North, expressed appreciation to all medical personnel involved in saving lives. He commented that healthcare professionals have used science to perform miracles with regard to the coronavirus, and that Governor Bullock does not trust the healthcare professionals in Montana. He suggested Governor Bullock be told to stop being an autocratic bully.

## CITY MANAGER

## 2. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon updated the Commission on the following:

- Ground Based Strategic Deterrent (GBSD) is replacement of the Minuteman III missile system. The Air Force plans to begin military construction activities as early as 2023 at F.E. Warren AFB, Wyoming; Malmstrom AFB, Montana, in 2026; and, Minot AFB, North Dakota, in 2029. The construction start dates are pending the completion of Environmental Impact Statements for each base in accordance with federal laws and policies.

Gen. Ray, Commander of Air Force Global Strike Command, said “The Minuteman III is 50 years old; it’s past time to upgrade the missile systems. Our goal is ensure our systems remain fully safe, secure and effective in the defense of our nation and allies.”

Malmstrom Air Force Base advocates have argued that GBSD is the most cost-effective leg of the nuclear weapon triad.

At this point, it is difficult to fully understand the impact of GBSD on Montana, or Great Falls. But, with the three year increments mentioned, one can appreciate that there will be positive economic impact, opportunities for small and large businesses, and a long construction timeline, and testing before the system fully comes on line.

- On August 3, 2020 staff copied the Commission with an information request to Maclean Cameron Animal Adoption Center (MCAAC) based off MCAAC’s presentation to the City Commission on July 21<sup>st</sup>. On August 12<sup>th</sup>, Lynn Formell, Chuck Anderson and I met with MCAAC representatives. MCAAC is working on responding. Staff will present findings to the Commission after receipt of their response to aid in the discussion and provide the Commission with what it needs to bring the discussion to conclusion.

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- For the 26<sup>th</sup> consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Great Falls for its Comprehensive Annual Financial Report (CAFR) for the fiscal year that ended June 30, 2019. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting.
- The Commission was provided a July 30<sup>th</sup> summary pertaining to staff's internal efforts to review and address concerns related to matters of racial discrimination of African Americans in Great Falls.

The Great Falls Police Department reviewed its policies and made some meaningful adjustments.

Subsequent to a panel meeting held June 11<sup>th</sup> titled *All Things Not Black*, representatives from the City and County have been meeting with leaders from the African American community, including a team of African American Airmen from Malmstrom Air Force Base. The meetings have occurred with the goal of improving communication between the City and its African American residents. The discussions have been informative, eye-opening, and productive. His focus has been on opening the lines of communication, building trust, and establishing relationships that will take time, patience, understanding, and effort. He believes it is also important to continually encourage members of the African American community to become more involved in local government.

Manager Doyon shared a few of his observations: Representatives from the African American community may not always collectively agree on issues of race, how to address community concerns, or even how to prioritize efforts; some longtime African American residents do not think Great Falls is racially divided; others are very upset by people who post "Support the Blue" signs on their front lawns; and, the range of sensitivity to issues of race in Great Falls is nonexistent to acute.

Whatever City administration does moving forward, or whatever policy direction may come from the Commission, it will be seen as either overactive or not enough. What may work in other communities to address race relations may not necessarily be the right approach in Great Falls. The bottom line is that we're committed to working together to determine what works best for this community.

The discussions regarding racial disparities with African Americans has exposed other concerns for other minorities, namely Native Americans. Chief Bowen has identified a need to address Native American relationships in the community. More directly, there are far more Native American residents in Great Falls than African Americans. Both

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communities have their own set of unique experiences and concerns. Chief Bowen and members of his leadership team have begun establishing lines of communication with local Tribal representatives.

- Progress at Great Falls Fire Rescue Station #4 includes demolition of the locker/bathroom area, and finished concrete cutting in both the apparatus bay and bathroom areas. New sewer line laterals are being installed. Once all rough plumbing has been completed, concrete will be poured and the first phase of the project will be complete. The next phase will begin the reconstruction of the locker/bathroom area to include all final fixtures, appliances, and finishes.
- A major electrical upgrade is scheduled to begin this Thursday at the Housing Authority. Phase I includes transformers and underground work, followed by service connection to Parkdale.

A new Housing Authority leasing manager, Walter Coutu, was hired and will begin next week.

- An announcement regarding the appointment of a new Public Works Director is forthcoming in a day or two. He expressed appreciation to Mike Judge who has served as the Interim Director, and to the engineers for their patience. His desired pathway was to hire the Director first so that person could hire the City Engineer.
- He and Deputy City Manager Anderson begin preliminary virtual interviews with five candidates for the Fire Chief position tomorrow.
- The City of Great Falls, in partnership with Malmstrom Air Force Base, applied for a \$10 million dollar Defense Community Infrastructure Program (DCIP) grant with the Department of Defense for a new indoor pool/recreational facility. The grant requires a match, which the City proposed to be \$10 million dollars using Park Maintenance District funds.

On August 10, 2020, the Office of Economic Adjustment (OEA) formally invited the City of Great Falls to submit a complete application. The formal application for the federal grant is due August 26, 2020. A final decision will be made by the Secretary of Defense by September 15, 2020.

Essential aspects of the formal application include the scope, construction-ready status, validation of cost estimates, and status of funding sources contained in the initial proposal submission. Other application elements include specific eligibility requirements, including site control and any required environmental analyses under the National Environmental

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Policy Act. Failure to meet these criteria may result in a reconsideration of the City's proposal.

The proposed facility would meet community recreational and aquatics needs that are identified in the Park and Recreation Master Plan adopted by the City Commission in November, 2016, and will help the Montana Air National Guard and Malmstrom Air Force Base meet training needs for Airmen and contribute to the quality of life for them and their families. The facility will be owned and operated by the City of Great Falls.

A concern that has come up from the community is the location. While there might be a desire to explore other locations, it needs to be kept in such a way that there is a clear and direct access from Malmstrom to make this project work. The expectation of the Department of Defense is that the facility will complement the installation.

There are critical steps that need to occur before next Wednesday. He requested that Commission members contact him tomorrow with thoughts about the preliminary Request for Proposal for architectural/engineering services.

Commissioner Tryon inquired about pool size, and suggested that a 50-meter pool would attract swim meets.

Manager Doyon responded that the City needs to keep along the lines of what was presented for funding. He doesn't believe OEA will allow the City to radically deviate from that.

Park and Recreation Director Steve Herrig added that the smaller pool is what was designed and submitted for the project. The 50-meter pool obviously meets the need of competitive swimming, but the State of Montana actually swims the shorter course of 25-yards.

Mayor Kelly expressed appreciation to Manager Doyon, Chief Bowen and others involved in reaching out and getting involved in race relations.

Commissioner Robinson commented that most people desired a 25-meter pool.

### **CONSENT AGENDA.**

3. Minutes, August 4, 2020, City Commission Meeting.
4. Total Expenditures of \$2,725,206 for the period of July 17, 2020 through August 5, 2020, to include claims over \$5,000, in the amount of \$2,460,309.
5. Contracts List.
6. Approve a Memorandum of Understanding between Montana Counterdrug Joint Task Force and Russell Country Drug Task Force.

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7. Approve a Professional Services Agreement in the amount of \$187,868 to TD&H, for the Sewage Lift Station No. 1 River Crossing Feasibility Study, and authorize the City Manager to execute the agreement documents. **OF 1758**
8. Approve the final payment for the Septage Receiving Station project, to Ed Boland Construction in the amount of \$23,598.62 and \$238.37 to the State Miscellaneous Tax Fund and authorize the City Manager to make the payments. **OF 1731.1**
9. Approve the purchase of water meter equipment for the 2021 Fiscal Year from Ferguson Enterprises, Inc. in an amount not to exceed \$230,000.

**Commissioner Robinson moved, seconded by Commissioner Houck, that the City Commission approve the Consent Agenda as presented.**

Mayor Kelly asked if there were any comments from the public.

Appearing telephonically was **John Hubbard**, City resident, commenting that the focus should be on getting rid of the coronavirus instead of building a new swimming pool.

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Moe noted she received clarification from Chief Bowen that the Memorandum of Understanding in Item 6 is a template and although it implies that there will be the use of personnel for quasi police functions, including use of force, that is not the intent of the analyst position nor of the City.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

**PUBLIC HEARINGS**

10. **RESOLUTION 10364 and 10365, REQUESTS FROM THE DOWNTOWN DEVELOPMENT PARTNERSHIP (DDP) TO USE UP TO \$12,000 PER YEAR IN DOWNTON URBAN RENEWAL DISTRICT TAX INCREMENT FINANCING (TIF) FUNDS TO ASSIST WITH THE COST OF DDP OPERATIONS FOR FISCAL YEAR 2020 AND 2021.**

Planning and Community Development Director Craig Raymond reported that this item is consideration of an application for reimbursement for costs associated with annual operating expenses of the DDP. Tax Increment Financing is a mechanism that allows communities to use new tax dollars resulting from increasing taxable value for reinvestment within a defined geographic area in which they are derived for a period of 15 years, or up to 40 years if the incremental taxes were pledged to the repayment of a bond. The Downtown Urban Renewal Area is just one of five TIF districts within the City of Great Falls. The Downtown Urban Renewal and Tax Increment Financing District was established by the City Commission in 2012 and

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encompasses property roughly between 5<sup>th</sup> Avenue South to 3<sup>rd</sup> Avenue North and Park Drive to 10<sup>th</sup> Street.

The DDP is requesting \$12,000 for fiscal years 2020 and 2021 each in order to assist with the annual operating costs of the DDP. The DDP serves as the coordinating body for downtown development groups and includes members from the Great Falls Development Authority, the Business Improvement District, the Downtown Great Falls Association, the City of Great Falls, Great Falls Public Schools, and the Chamber of Commerce. One of the major goals of the DDP is to put the City adopted Downtown Master Plan and Downtown Urban Renewal Plan into action, thereby revitalizing the downtown creating employment, entertainment and living opportunities.

The DDP proposes to utilize the \$12,000 by covering several general expenses including National Main Street membership, International Downtown Association membership, Downtown website maintenance costs and registration for targeted conferences. The DDP originally proposed to use \$1,300 for liability insurance. The City's outside TIF counsel has stated this expense does not likely comply with allowable expenses and the \$1,300 should be budgeted into an allowable expense such as additional downtown marketing activities, event promotion or streetscape improvement activities.

In order to approve TIF reimbursement requests, it must be demonstrated that they meet the criteria recommended in the Urban Renewal Plan as well as the Montana Code Annotated. To aid in this determination, the City of Great Falls' Tax Increment Application Process established twelve specific criteria to assess the merits of the project in relation to the Plan. After review and evaluation of the project, City staff has determined that the proposed use of TIF funds qualify for funding.

Kellie Pierce, representing the Downtown Development Partnership, reported that the DDP has reviewed numerous TIF requests and made recommendations to the City Commission, and the DDP has requested TIF funds in the past to support the efforts the DDP puts forth in the revitalization of downtown. The DDP's main source of income has been from membership dues of \$1,000 per year paid by five of the 11 member entities. The \$5,000 per year operating budget does not go very far to cover the website, revitalization projects, and memberships to national and international organizations. In the past couple of years the DDP has requested the City's support of the DDP's TIF requests of \$5,000. The DDP understands the TIF funds cannot be used for insurance costs and will reallocate the funds to projects. The TIF funds will enable DDP to invest most of its partner contributions towards important revitalization projects, such as wayfinding, promotion of the Livability Magazine, and traffic signal boxes.

Mayor Kelly asked if the Commissioners had any questions.

Commissioner Robinson received clarification that the DDP will purchase liability insurance this year, and will not have to pay back the 2018 and 2019 TIF funds used to purchase liability insurance.

Mayor Kelly requested counsel's written opinion as to the logic of that change this year so that he is aware going forward of what changed or is new.

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At the request of Mayor Kelly, Kellie Pierce commented that DDP members would begin reporting to the Commission what they learned after attending national or international conferences.

Commissioner Tryon inquired and informed how the DDP arrived at the conference travel and website related figures in its budget.

Commissioner Houck commented that this is a great way to move forward and the entire community benefits from it. She is excited that wayfinding was included, and hopes the City will be lenient on signage when it gets to that point. She inquired and informed that once the allocated monies are spent the City receives receipts for the expenditures.

Mayor Kelly declared the public hearing open.

Appearing telephonically was **Brett Doney**, Great Falls Development Authority (GFDA), 405 3<sup>rd</sup> Street NW, Suite 203, commented that he is the current treasurer of the DDP and Sherrie Arey with NeighborWorks Great Falls was the prior treasurer. GFDA has provided pro-bono accounting services for the DDP for many years. He expressed excitement regarding the momentum the past 10 years for revitalizing downtown.

**Shane Etzweiler**, President/CEO of the Great Falls Area Chamber of Commerce, 100 1<sup>st</sup> Avenue North, commented that when he was hired in 2012 downtown didn't have an Embar, Block, Elevation or Central Meats. The momentum is continuing to build and grow. He commented that the pedlet program was an idea that came from a conference. The Mighty Mo business was up 20% after the first summer and hired additional staff for the customers outside. There are many more pedlets around downtown today. The pedlets today are what is keeping restaurants going in the midst of this pandemic. The fund helps the DDP continue to grow the momentum and continue to move forward in spite of the challenges these days.

**Joan Redeen**, Community Director for the Great Falls Business Improvement District, 318 Central Avenue, called in and submitted written correspondence urging the Commission's adoption of Resolutions 10364 and 10365 approving the DDP's TIF applications.

No one spoke in person or telephonically in opposition to Resolutions 10364 and 10365.

Mayor Kelly closed the public hearing and asked the will of the Commission.

**Commissioner Houck moved, seconded by Commissioner Robinson, that the City Commission adopt Resolution 10364 to allow the use of up to \$12,000 in Downtown Urban Renewal District Tax Increment Financing Funds for the DDP for Fiscal Year 2020.**

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Tryon reiterated that staff's recommendation was to approve the application in the amount of \$12,000, and the \$1,300 for insurance policies would be repurposed for something else. He requested a more detailed breakdown of the expenses in the future and suggested competitive bidding for contracted services.



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There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

**Commissioner Robinson moved, seconded by Commissioner Tryon, that the City Commission adopt Resolution 10365 to allow the use of up to \$12,000 in Downtown Urban Renewal District Tax Increment Financing Funds for the DDP for Fiscal Year 2021.**

Mayor Kelly asked if there was any further discussion amongst the Commissioners.

Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

11. **ORDINANCE 3218, TO REZONE THE PROPERTY LOCATED AT 101 RIVER DRIVE NORTH AND THE ADJACENT UNADDRESSED PROPERTY LEGALLY DESCRIBED AS: TRACTS #1 AND #2 OF CERTIFICATE OF SURVEY 3607, LOCATED IN SECTIONS 2 AND 11, TOWNSHIP 20 NORTH, RANGE 3 EAST, P.M.M., CASCADE COUNTY, MONTANA, FROM MIXED-USE TRANSITIONAL TO C-4 CENTRAL BUSINESS CORE.**

Planning and Community Development Director Craig Raymond reported that this item is a request to conduct a public hearing and to adopt Ordinance 3218 and the Findings of Fact.

The property owners and applicants, Big Sky Select Properties, LLC, have applied for a zoning map amendment to change the zoning designation of the subject property from M-2 Mixed Use Transitional to C-4 Central Business Core. The applicants intend to construct a mixed-use addition to the iconic Milwaukee Station Depot building. From a “use” standpoint, M-2 zoning generally works; however, certain elements of their desired plan would work better with the C-4 zoning because of the dimensional allowances that are more generous under C-4. Those dimensional advantages include height and off-street parking requirements. Based on the submitted application and supporting documents, City staff supports the map amendment request.

In addition to the zoning request, the applicants have been working with City staff to work out access and use easements. These easements are an essential element to the proposal. Due to the size and scope of the project, more than one access point is needed. As such, access drives through City parkland would be necessary in order to provide adequate access and egress.

The Zoning Commission conducted a public hearing and voted unanimously to recommend that the City Commission adopt Ordinance 3218, supporting the zoning map amendment and easements.

Applicant **Brion Lindseth**, Big Sky Select Properties, LLC, 202 2<sup>nd</sup> Avenue South, reported that he is one of a local group of entrepreneurs and business owners that started Big Sky Select for the purpose and goal of reinvesting in Great Falls. They have pulled together a local development

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team of L'Heureax Page Werner Architecture, Woith Engineering, Loenbro Plumbing, Heating & Electrical, Rocky Mountain Hardscapes, Guy Tabacco Construction, to bring this project before the Commission. Big Sky Select is focused on implementing a premier housing project on the site and to bring the housing and commercial component to downtown Great Falls.

A recent downtown visioning study done by the Great Falls Development Authority identified as a top priority for Great Falls additional high quality housing in and around the downtown area. This is one of the needs Big Sky Select hopes to fill. The study also identified additional entertainment options, rooftop amenities, and additional event spaces. Big Sky Select's project proposes to develop 112 high quality residential units, a commercial component for not only the residents of the apartments but also the general public. Big Sky Select wants to implement the project in a way that enhances the usefulness and enjoyment of some of the local parks, as well as the waterfront.

This project also finds significant support from the Missouri River Urban Corridor Plan completed by the City. Some of the recommended focuses of the Plan were on projects that would enhance the connections between the West Bank river and the downtown area. In addition, the Plan recommended a number of appropriate and beneficial uses including apartments, multi-family residential, mixed-use residential and commercial, as well as restaurants and other entertainment facilities. Big Sky Select's project fits very well with the recent visioning study and the Missouri River Urban Corridor Plan. The Plan also recommended the City consider zoning changes that may be necessary to help facilitate developments, and encouraged the City to work with developers to implement better utilization of certain City parks to further the developments.

**Dani Grebe**, L'Heureax Page Werner Architecture, displayed and discussed renderings of the project to help illustrate what the project will be.

**Tim Peterson**, L'Heureax Page Werner Architecture, reported that after meeting and showing the Historical Preservation Advisory Commission the initial renderings, Big Sky Select changed the project colors to be more neutral based on their recommendation.

Mayor Kelly asked if the Commissioners had any questions.

Commissioner Robinson received clarification that the green line on the easement document is a 50-foot landscape easement.

Commissioner Robinson inquired if there would be any issues with ingress and egress.

Applicant Lindseth responded that he has met with the Montana Department of Transportation (MDOT) and neighboring landowners to get their input on the locations. He has evaluated a number of different possibilities. MDOT wants to maintain an adequate distance from the existing interchange. He believes this plan will be acceptable to MDOT.

Commissioner Robinson also inquired and informed that the Chicago Title area will still be accessible via stairs and elevator from the interior of the building and the parking arrangement will be similar.

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Commissioner Moe expressed concerns about parking.

Applicant Lindseth explained that, even though the requested zone change does come with a bit of relief from the parking requirements, the goal is to come as close as they can to meeting what the recommended parking requirements would be. Big Sky Select has the same concerns and wants everybody to have accessible parking. To help that equation, the lower level of the facility was made into underground parking, and there is associated parking in other areas.

Commissioner Moe estimated 101 vehicles from apartment renters would be parking there all of the time.

Applicant Lindseth explained that there are efficiencies with the time most renters would be home/away and when the other commercial uses are open/closed. He believes they have a plan in place that will accommodate parking efficiently.

Commissioner Robinson pointed out that there is almost two acres for the parking easement.

**Spencer Woith**, Woith Engineering, 3300 Jasper Road, reported that the proposed parking count is a total of 213 regular parking spaces plus handicap spaces, which includes the roughly 40 parking spaces in the parking garage. The zoning change allows for relaxed parking standards. However, from a development standpoint, if they don't provide for enough parking to start with they would already be starting off on the wrong foot. They used a similar Urban Land Institute parking matrix that was used at the West Bank development. He explained shared parking as different businesses in the mixed-use development that have traditional parking demands from eight to five, versus the residential parking component that has opposite parking demands.

Commissioner Moe inquired if the same numbers used for parking were used for traffic. She expressed concern about the additional traffic causing a level of dysfunction at the nearby intersection.

Director Raymond responded that staff had similar concerns. He confirmed that applicants would be going through a systems impact with the Montana Department of Transportation to get approval for the proposed access points. He is confident that the access points will be allowed because of the distance from the intersection.

Commissioner Moe inquired and informed that historic preservation is part of the City's growth policy.

Commissioner Tryon noted the empty buildings in Great Falls, and inquired what kind of market research was conducted.

Applicant Lindseth responded that both residential and commercial market research was conducted. They tailored the project and how it is set up to best match what was recommended for a successful project. Applicants believe, not only will the project be successful, but will also draw additional synergy to similar recent development downtown to give additional options to some of those other vacant properties. Applicants are excited about what the site has to offer as far as

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location, amenities, walking distance to entertainment or work at the West Bank or downtown areas. They have tailored some of the aspects of their plans to better match the desires and the needs of their target market, post-Covid as well. Based on the residential and commercial market research they believe this will be a successful project, and will help produce some synergies for the surrounding area.

Commissioner Moe expressed concern about hearing “trying” to conform to historic preservation guidelines. She inquired what obstacles were anticipated by applicant that will not have him say they would comply.

Applicant Lindseth responded that they have met with the Historic Preservation Advisory Commission and State Historic Preservation Officer, and considered and incorporated many of the suggestions. They have also looked at the Department of Interior standards, including additions to historic structures, and have incorporated many of those requirements. Applicants have not applied for any additional assistance that would require them to meet any of those standards. They hope to bring an additional commercial component and residential component to the historic area that will blend well together and not harm, but enhance, both its usefulness and its appeal to the Great Falls area.

Commissioner Moe inquired if applicant would rather not be hamstrung by historic preservation decisions made in other agencies by not applying for those funds.

Applicant Lindseth responded that they have voluntarily met with those agencies because they want to structure the project in a way that is complementary to the existing historic structure. L’Heureux Page Werner has implemented and carried over certain things from the existing Milwaukee building, but in ways that are not meant to replicate it but complement it.

Mayor Kelly asked and informed Big Sky Select Properties owns the Milwaukee Depot, and that the most recent development was done by Ted Mitchell in the 1990’s.

Commissioner Houck commented that she applauds this project and has been impressed with how it is coming together. The target population of young professionals like the idea of being able to live and work downtown. If she were here to vote, she would be in favor of this item. Due to a medical issue, Commissioner Houck was excused at 8:55 p.m.

Mayor Kelly declared the public hearing open.

Speaking in support of Ordinance 3218 were:

Appearing telephonically was **Brett Doney**, Great Falls Development Authority, 405 3<sup>rd</sup> Street NW, Suite 203. Mr. Doney noted his support of this project, and pointed out additional important things about this project were high quality housing, connects downtown to the river, and downtown to the West Bank Urban Renewal Area.

**John Hubbard**, City resident, called in to express support in restoring the beautiful historic building.

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**Shane Etzweiler**, President/CEO of the Great Falls Area Chamber of Commerce, 100 1<sup>st</sup> Avenue North, noted support for the project and the all-star team of architects and engineers. It's impressive that these are local investors that see the opportunity. They have a vested interest in making sure the project is done right and moving Great Falls forward.

Mayor Kelly noted that written correspondence was received from **Joan Redeen**, Business Improvement District, expressing support of this item, and **Phil Faccenda**, Faccenda Architects & Planners, suggesting a design for access to the building.

No one spoke in opposition to Ordinance 3218.

Mayor Kelly closed the public hearing and asked the will of the Commission.

**Commissioner Tryon moved, seconded by Commissioner Robinson, that the City Commission adopt Ordinance 3218 and the accompanying Findings of Fact/Basis of Decision subject to the Conditions of approval being fulfilled by the applicant.**

Mayor Kelly asked if there was any further discussion amongst the Commissioners. Hearing none, Mayor Kelly called for the vote.

Motion carried 3-1 (Commissioner Moe dissenting).

Mayor Kelly called a recess at 9:03 pm and called the meeting back to order at 9:08 p.m.

12. **ORDINANCE 3220, REPEALING AND REPLACING TITLE 3 OF THE OFFICIAL CODE OF THE CITY OF GREAT FALLS (OCCGF) PERTAINING TO REVENUE AND FINANCE, AND REVIEW OF THE PROPOSED CORRESPONDING UPDATES TO THE CITY OF GREAT FALLS FINANCE POLICIES.**

City Attorney Sara Sexe reported that in order to improve on process consistency, efficiency, and predictability for City staff and outside vendors and contractors, over the past couple of years City Staff endeavored to update the City Finance Policies for City Manager and City Commission consideration. Staff formed a City Purchasing Policy Committee which included the Deputy City Manager and representatives from the Finance, Legal, City Clerk's Office, Park & Recreation, Police, Fire, Human Resources, Planning & Community Development, and Public Works Departments. The Committee met once a week from August 2018 to February 2019 and Finance met with individuals on specific items after February 2019. The Committee made efforts to align the Policies with current law and City practice. The Committee also considered and vetted various process improvements for consideration.

The last update to the financial policies was in December, 2004. Since then, many City departments had questions about old outdated policies. Also, the City financial software changed on July 1, 2020. Staff intended to present these policy updates before the July 1 software implementation in order to create a smooth transition, but scheduling was delayed because of the COVID-19 pandemic. The City's purchasing is decentralized, meaning that each Department

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completes its own purchases. The Committee looked at changing policies to be more efficient for staff in all departments to maintain this decentralized process, while maintaining internal controls.

At the July 21, 2020 Work Session Staff presented the City Commission with drafts of the updated Finance Policies and proposed Title 3 code changes. At that time, Commissioner Houck recommended changing the policy regarding tip amounts to not more than 20%, versus 15%. This change was made to the Finance Policies, attachment 4.

Staff refers to the proposed Finance Policies, the July 21, 2020 Work Session presentation, and attached forms for full details of the proposed substantive changes. A summary of the substantive changes are included in the agenda report. Staff recommends adoption of Ordinance 3220, approval of the Finance Policies, and that the effective dates be retroactive to July 1<sup>st</sup> to synchronize with the new financial software.

Finance Director Kinzler added that staff would be providing the check register report from the new software soon.

Mayor Kelly asked if the Commissioners had any questions. Hearing none, Mayor Kelly declared the public hearing open.

No one spoke in person or telephonically in support of or in opposition to Ordinance 3220.

Mayor Kelly closed the public hearing and asked the will of the Commission.

**Commissioner Moe moved, seconded by Commissioner Tryon, that the City Commission adopt Ordinance 3220.**

Mayor Kelly asked if there was any discussion amongst the Commissioners. Hearing none, Mayor Kelly called for the vote.

Motion carried 4-0.

**Commissioner Moe moved, seconded by Commissioner Robinson, that the City Commission approve the updated City of Great Falls Finance Policies including attachments.**

Mayor Kelly asked if there was any discussion amongst the Commissioners. Hearing none, Mayor Kelly called for the vote.

Motion carried 4-0.

**OLD BUSINESS**

**NEW BUSINESS**

**ORDINANCES/RESOLUTIONS**

# JOURNAL OF COMMISSION PROCEEDINGS

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## 13. RESOLUTION 10351, ANNUAL TAX LEVY.

Finance Director Melissa Kinzler reported that the City Commission is required to fix an annual tax levy by setting mills to generate property tax revenues that will balance the General Fund budget and other levy supported funds. The City received its taxable valuation from the Montana Department of Revenue (MTDOR) on August 3, 2020. With this valuation, the City can now compute and set its annual mill levy.

The total mill levy for Tax Year 2020 (FY 2021) is 208.79 mills totaling \$20,502,570. This includes mills for the general levy, the Permissive Medical Levy, and the Soccer Park GO Bond levy. The newly taxable property will generate additional revenue of \$119,488. There is no increase to the total levy for the inflationary factor or increase to the Permissive Medical Levy.

During the FY 2021 Budget Adoption Process, the Finance Department projected the City's newly taxable property revenue would be \$425,000. The projection was based on an 18-year average of newly taxable property. The newly taxable revenue reported by MTDOR is actually \$119,488. This amount of newly taxable property revenue means that the City will have slightly less tax revenue than projected in the FY2021 budget of \$305,512 (0.9% of total General Fund revenue). The City anticipates property assessment appeals/abatement requests which means the City will not definitively know how much of this new projected tax revenue will be available until those appeals/abatement requests are processed.

The City's total taxable value is \$101,651,616. The taxable value per mill decreased from \$101,525 in FY 2020 to \$98,197 in FY 2021. The decrease in value is due to the protest settlement between the Montana Department of Revenue and Calumet Refinery. Other changes to the tax base (e.g. increases from development) are not distinguishable.

One immediate effect to the City's budget is to the Great Falls Public Library. The library receives nine (9) mills under its agreement with the City. With the new value per mill, this translates to a decrease of \$29,952 in tax revenue for the library in FY 2021.

Last year's mill levy for Tax Year 2019 (FY 2020) certified revenue was \$20,384,444. The differences between the mill levy for Tax Year 2019 (what the City milled last year) and \$20,502,570 (what the City will mill this year) include the following:

### *General*

- \$119,488 for newly taxable property,
- \$0 for the inflationary adjustment,
- \$0 for the "Permissive Medical Levy", and,

### *Voted General Obligation Debt*

- \$(1,663) for the decrease in the revenue needed for the soccer park debt.

The total mill levy allowable under state law is 214.00. The actual mill levy total for FY 2021 is 208.79.

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The FY 2021 Budget was adopted July 21, 2020. Setting the mill levy for Tax Year 2020 (FY 2021) is the last step in the adoption of the FY 2021 City of Great Falls Budget.

**Commissioner Moe moved, seconded by Commissioner Robinson, that the City Commission adopt Resolution 10351.**

Mayor Kelly asked if there were any comments from the public. Hearing none, in person or telephonically, Mayor Kelly asked if there was any discussion amongst the Commissioners.

Mayor Kelly noted that, due to the pandemic, it has been a more difficult budget to work with. He noted that, once again, this budget doesn't address all of the needs of the departments, but the City is doing as much as it can for the population to ease their tax burden.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 4-0.

14. **ORDINANCE 3221, AMENDING TITLE 17 OF THE OFFICIAL CODE OF THE CITY OF GREAT FALLS (OCCGF) CHAPTER 20 LAND USE, EXHIBIT 20-1 PRINCIPAL USES BY DISTRICT, AND SECTION 17.20.6.080 REGARDIGN THE DISTANCE REQUIREMENTS FOR LIQUOR LICENSES IN ASSOCIATION TO WORSHIP FACILITIES GOVERNED BY MONTANA STATUTE.**

Planning and Community Development Director Craig Raymond reported that this item is a request to accept Ordinance 3221 and Alternate Ordinance 3221 on first reading and to set a public hearing for September 15, 2020.

Around the time that the City received an application for a Conditional Use Permit from a church that wished to locate in a vacant building in downtown, staff began receiving phone calls and comments of concern from various persons associated with downtown businesses and groups. The cause of concern is that there exists in state statute and city ordinances restrictions on certain establishments which have liquor licenses within 600 feet of churches. What this could mean in effect is that if the church is allowed to exist and people be allowed to worship in the downtown, it could hamper future efforts to locate additional alcoholic beverage serving establishments nearby.

Staff learned that state statute also allows local jurisdictions to replace those restrictions with options of their own. Staff may propose eliminating the distance rule altogether. Other Montana cities have already done so, allowing both churches and liquor serving establishments to enjoy similar flexibilities, liberties and benefits. As such, staff brought forth this ordinance in order to support members of the faith community as well as those in the business community who have expressed concerns.

During the Planning Advisory Board public hearing, one member of the public asked about and expressed concern that casinos were not specifically mentioned and provided similar additional



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benefits as the liquor serving establishments. After board discussion, the Planning Advisory Board voted to recommend approval of the ordinance but with the inclusion of casinos similarly to taverns and the like. With all due respect to the board, staff disagrees that the community desires additional flexibility for casinos. Therefore, staff presents the original staff recommended ordinance as well as the Planning Advisory Board alternative ordinance which adds additional benefits to Type 1 and type 2 casinos.

**Commissioner Moe moved, seconded by Commissioner Robinson, that the City Commission accept Ordinance 3221 and Alternative Ordinance 3221 on first reading and set a public hearing for September 15, 2020.**

Mayor Kelly asked if there were any comments from the public. No one responded in person or telephonically.

**Joan Redeen**, Business Improvement District, 318 Central Avenue, submitted written comments in support of the Commission's adoption of Ordinance 3221, adding that it will benefit businesses and remove hurdles to development that existed in the past.

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Tryon received clarification that Ordinance 3221 pertains to both churches and liquor serving establishments, and alternative Ordinance 3221 pertains to churches, liquor serving establishments, and casinos.

Director Raymond noted that there is a provision within City Code for minor casino activity as a minor accessory use, accessory gaming, that would still be allowed at a restaurant or bar.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 4-0.

### **CITY COMMISSION**

#### **15. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

Commissioner Moe read a prepared statement paying tribute to the 100<sup>th</sup> Anniversary of the Women's Suffrage Movement and the passage of the 19<sup>th</sup> Amendment to the U.S. Constitution.

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**ADJOURNMENT**

There being no further business to come before the Commission, **Commissioner Robinson moved, seconded by Mayor Kelly, to adjourn the regular meeting of August 18, 2020, at 9:29 p.m.**

Motion carried 5-0.

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Mayor Bob Kelly

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City Clerk Lisa Kunz

**Minutes Approved: September 1, 2020**