

**JOURNAL OF COMMISSION PROCEEDINGS**  
**February 15, 2022**

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, Eric Hinebauch, Joe McKenney, Rick Tryon and Susan Wolff. Also present were City Manager Greg Doyon and Deputy City Manager Chuck Anderson; Public Works Director Paul Skubinna; Planning and Community Development Director Craig Raymond; Finance Director Melissa Kinzler; City Attorney Jeff Hindoen; Police Chief Jeff Newton; and, City Clerk Lisa Kunz.

**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:** None.

**PETITIONS AND COMMUNICATIONS**

1. **Giordana Lahaderne**, City resident, read a prepared statement regarding the growing homeless encampment at the First United Methodist Church. In summary, he described living near the encampment as a nightmare. Neighborhood residents were never consulted about Rev. Wakeley's decision to provide for the encampment in their neighborhood. He questioned why the church does not open its doors to the homeless people instead of encouraging them to sleep on concrete in subzero weather. He noted it is obvious these people need help and suggested holding them accountable and pointing them to the many mental health, housing and additional recovery resources available, and not enabling their destructive behavior by giving them a consequence free zone that makes it easier for them to keep using. The encampment solves nothing, helps no one, and exacerbates problems. Such a disaster would not be allowed to operate in Fox Farm or Prospect Heights, and should not be allowed in their neighborhood just because their incomes are lower. He urged Rev. Wakeley or the City to shut down the encampment, start treating our brothers and sisters like human beings, and not exploiting their anguish and suffering as some kind of marketing campaign for their personal projects.

**Rachel Lahaderne**, City resident, commented that the encampment at the First United Methodist Church is directly harming our city and the community members, and it is not helping the people who are encamped there. The conditions in which Rev. Wakeley are allowing these people to live would not be tolerated at any homeless shelter, halfway home, or any other program across the entire developed world. A homeless shelter would be issued fines for non-compliance of public health standards and the infringement of individual rights. Neighbors to the encampment, herself included, do not feel safe walking with their children to the Perkins restaurant, the Library, or any place that passes near the encamped. The encampment does not provide lasting solutions, but rather directly harms our city. It does this by condoning and encouraging drug and alcohol addiction. She would like to see the City do as other cities have done and fine the First United

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Methodist Church a sum of \$12,000 or \$1,000 per day until they are in compliance with the basic humane standards of living required at every homeless shelter across the United States.

**Michael Yegerlehner**, 313 2<sup>nd</sup> Avenue North, commented that he attends the Methodist Church. Just an hour ago, he was having dinner with the people being talked about. He does not feel threatened when he walks downtown or when he goes to church with his wife. He has gotten to know some of the people. He is concerned about some of the very hurtful and mean comments being made. He would like to work for a solution and for everyone in the city to feel safe, but not at the expense of the most vulnerable and hurting people.

**Daniel Hartzel**, City resident, commented it is a very uncomfortable feeling walking by the homeless and that he has felt threatened. This matter needs to be addressed, cleaned up, and the laws enforced.

**Rev. Stephen Underwood**, City resident, Pastor of Central Christian Church, named several cities across the United States that all have something in common. All of the municipalities have defied the First Amendment and attempted to restrict the church's free exercise of religion in ministering to the unhoused and impoverished in their communities, whether through zoning laws, health code minutia or nuisance ordinances. All of them have lost that fight in the judicial system. Rather than paying out thousands of dollars in a settlement, he suggested collaborating with the people who are trying to make a difference. The situation at First Methodist Church is not ideal. He suggested coming to a solution that promotes the health and safety of the entire community. Rev. Underwood concluded that it is time for the City to recognize the homeless as human beings and as neighbors, not as a nuisance, and act accordingly.

Appearing telephonically was **David Saenz**, resident and pastor in the community, commented that the hospitality of the United Methodist Church should not be construed or confused as extending a helping hand from Jesus towards the encamped people. While the spirit and intent of the United Methodist Church of wanting to provide assistance to the unhomed is commendable, their method is harmful to others within our community. To continue to allow the unhomed people to be a nuisance, a safety concern and a threat to our community is irresponsible and will continue to be harmful. If the needs of the unhomed people are real and if they are sincere about wanting help, there are plenty of local organizations within the community that are willing to assist in such a way that would not be harmful to others in our community. He is not in favor of the City standing silent towards this issue or to prolong a response, but rather in favor of the City being proactive and taking swift action to help the community be safe before an incident or something worse takes place.

**Rev. Jeff Wakeley**, Pastor, First United Methodist Church, commented that the church has been serving the community for 144 years. What everyone has spoken about is true. He admits it is a messy thing. However, the church responded to the needs of this community and allowed the homeless to be on their property. It is not perfect but he has done his best to try to help these people. He is trying to make the situation better by cleaning up the property. The fact that the unhomed are on his property does not mean they are bad people, it is telling you that there are not enough beds in town.

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**Shane Etzwiler**, President and CEO of the Great Falls Area Chamber of Commerce, commented that the Chamber has been focused on workforce and workforce issues this past year. The Chamber hired an additional staff person to be its Workforce and Education Coalition Development Director. The Chamber partnered with the Montana Chamber of Commerce and recently hosted a workforce event that was well attended by business leaders and teachers. He discussed an exciting entrepreneurship program for high school students called Prospects, which is similar to Shark Tank. The Chamber and the Great Falls Development Authority have put up prize money for this Prospect event, and the Montana Chamber has raised about \$70,000 in prize money, toward these young entrepreneurs and some of the exciting ideas that they have.

Chamber representatives and a group of about 25 business leaders and individuals from Great Falls, including Commissioner Wolff, will be traveling to West Alabama to visit with the Chamber in Tuscaloosa to learn what they're doing to improve their workforce situation in their community.

**Karl Spitzmacher**, City resident, commented that he was homeless in Salt Lake City for a number of years. He suggested the Commission members go to the Methodist Church to observe, interact with the homeless, think about collaboration with the community and businesses, and come up with a dynamic solution of the possibility of a resource center.

**Kenten Miller**, 1525 3<sup>rd</sup> Avenue North, commented that in the last six months he has been involved with the homeless downtown. Through social media, he has collected blankets, sleeping bags, clothes, tents, tarps, and other items to keep them warm. When it is cold outside he encouraged people to bring the homeless people coffee or sit with them. He and his wife and kids have never felt threatened by them. He and his family are trying to help them out with what they can provide from their own pockets until there is a long-term solution.

**Carley Tuss**, City resident, commented that she has been working with the homeless since she retired from nursing a couple of years ago. Someone said the homeless is not a homogeneous population. The homogeneous population does not exist in this room either. One size will not fit all in terms of solutions. She works with Saint Vincent de Paul to get people housed and employed. In the last year, they have helped 17 people become employed. It is very difficult to come from the street and leave that tribal mentality where you understand the rules, and move into a more structured environment, where there is also a tribal mentality, but you do not understand the rules. That is a really hard transition. Another hard transition is saying "I have to leave my friends because I am learning new things and it is detrimental to me to go back." The whole continuum of learning keeps going. She commented that an out of state corporation bought up 16 apartment buildings, raised the rent, and now do not accept Section 8 housing vouchers. She is helping people get housing. Sometimes it happens in a matter of weeks and sometimes it is months. None of that continuum is quick, none of it is immediately successful, and it takes a lot of handholding.

**Carl Donovan**, City resident, commented that he has been working with the homeless for about a year and a half. He is not afraid of them. He and several others have been collecting their blankets to do the laundry for them. He hoped people would realize that the homeless people are the same as everyone else and they deserve dignity. To address some of the complaints, the First

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English Lutheran Church and the Methodist Church now have outside porta-potties for the homeless.

**Carrie Parker**, Director of Helping Hands Food Pantry at First English Lutheran Church, commented that Helping Hands has been helping struggling community members for almost 40 years. In the last couple of years, they have seen nothing like what they are seeing now with the homeless community. Rev. Wakeley is helping the homeless and that is what we are called to do to be caring and compassionate members of the community. She encouraged everyone to do what they can to stop the division, and to pull the citizenry and resources together to try to solve the problem. Great Falls has many resources.

There being no one further to address the Commission, Mayor Kelly commented that homelessness is not an easy topic. There is community concern. There is also community compassion. A Continuum of Care, that includes a group of 30 professional agencies, meet regularly. Tomorrow evening at Rev. Wakeley's church there will be a gathering of people who are trying to seek solutions to this topic. He recommended that people bring their resources, experience, education and positive comments to that meeting. This community does work effectively in housing people who need it. There is, in fact, emergency shelters that come with minimal barriers when it is cold outside. This kind of conversation tonight is very helpful because the Commission hears all the aspects that this situation creates. But, there are efforts being made in the community to help with these situations, and the efforts that everyone talked about tonight need to be coordinated with the Continuum of Care group and maybe have some new ideas. He concluded that the Commission hears both sides of this conversation. It is not easy and that is why it is a problem in many, many communities around the country.

## NEIGHBORHOOD COUNCILS

### 2. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

## BOARDS AND COMMISSIONS

### 3. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

## CITY MANAGER

### 4. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon reported:

- On February 10 the City's primary internet provider experienced an outage. The City's service was uninterrupted due to the IT department previously securing a lower speed redundant connection.
- The January 26, 2022 Boards, Committees, Councils and Commission leadership training was recorded and is now available on the City's website under Boards and Commissions.

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Members that were unable to attend the training are asked to watch the video and return the training acknowledgement form to Krista in the City Manager's Office or Lanni in the Communications Specialist/Neighborhood Council Coordinator Office.

- Progress is being made on the Civic Center façade/roof project. He will provide an update for the Commission at a future session to show in closer fashion what is happening on the project.
- He participated in "Read across America" today and read to students at Longfellow Elementary School.

**CONSENT AGENDA.**

5. Minutes, February 1, 2022, City Commission Meeting.
6. Total Expenditures of \$2,421,248 for the period of January 20, 2022 through February 2, 2022, to include claims over \$25,000, in the amount of \$1,788,602.
7. Grants List.
8. Approve the cancellation of City of Great Falls checks that remain outstanding and unpaid for a period of one (1) year or longer.
9. Adopt Resolution 10435 and authorize the Public Works Director or his designee to request distribution of Bridge and Road Safety and Accountability Act (BaRSSA) program funds.
10. Set a public hearing on Resolution 10443, Establishing Golf Fees for March 1, 2022.
11. Set a public hearing on Resolution 10444, Revising Fee Schedule for Great Falls Fire Rescue Superseding Resolution 10436, for March 1, 2022.

**Commissioner Tryon moved, seconded by Commissioner Wolff, that the City Commission accept the Consent Agenda as presented.**

Mayor Kelly asked if there were any comments from the public or discussion amongst the Commissioners.

Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

**PUBLIC HEARINGS**

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**12. RESOLUTION 10439, ESTABLISHING FEES FOR THE CITY OF GREAT FALLS ENGINEERING DIVISION OF THE PUBLIC WORKS DEPARTMENT.**

Mayor Kelly declared the public hearing open and asked for presentation of the staff report.

Public Works Director Paul Skubinna reported that Resolution 10439 establishes an encroachment permit fee and right-of-way occupation fee for new linear underground private utilities that come in the form of fiber optic cable.

The City has charged right-of-way application and annual occupation fees for a long time. Those annual occupation fees have been characterized as rent for occupying the public right-of-way. This request, however, is not a new fee resulting in a revenue source for the City, but is a retooling of those existing fees so it is applicable to the different types of right-of-way occupations being proposed, and are intended to recover the City's cost. The City does not currently have an encroachment permit for underground linear projects. Staff is putting the final touches on what that permit and accompanying template agreement(s) will look like. The proposed resolution provides a one-time application fee of \$50 each to cover the administrative costs for issuing the permit. This is exactly like the one-time fee of \$50 for a surface encroachment permit.

Staff is also proposing an annual Linear Underground Utility fee of \$1.00 per inch diameter per foot installed. This fee is directly analogous to the existing right-of-way occupation fee of \$1.00 per square foot per year for surface encroachment. However, the annual fee proposed in this resolution is not rent for occupying the public right-of-way by private for-profit companies as is customary. The intent of this fee is to offset the City's costs to track, inventory, and maintain basic as-built information for projects approved to occupy the City right-of-way. This information will help the City manage where companies are allowed to place fiber in the right-of-way in the interest of dig once type policies. The goal is to manage the City's right-of-way such that it remains functional for both surface and below the surface for City infrastructure needs and other public utility access. The annual fee will help support these efforts.

The second element of this proposal is defining what types of projects will pay these fees. Currently, staff is working with three different types of entities proposing to install fiber optic in the right-of-way: (1) those regulated by the Federal Communications Commission as a telecomm, or those entities that provide cable television services and whereby are regulated under Federal statute allowing them access to the public right-of-way via a franchise agreement; (2) those regulated by the Public Service Commission as a Public Utility, such as a telecommunication company providing traditional telephone services; and, (3) private for-profit company providing internet and other services. These fees will apply to that third category, the private for-profit companies.

At this time, one project is on the docket for permitting in that third category. A private company will be installing dark fiber. Dark fiber is a private, dedicated network that may only be accessed by its owner or those entities the owner sells services to. At this time staff knows the company will be providing service to the Great Falls School District and staff expects they will also be selling services to other private entities once they have their infrastructure in the ground. Staff has been approached by other private fiber providers also proposing smaller projects for this next construction season.

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Staff believes the time is ripe to retool the City's right-of-way encroachment and occupation fees to accommodate the proposed projects.

Mayor Kelly asked if the Commission members had any questions.

Mayor Kelly inquired if other communities experiencing growth around Montana have a similar fee structure.

Director Skubinna responded in the affirmative, adding that the City of Billings revised its fee to \$2.00 per linear foot on the annual fee, and are also charging for a fraction of the appraised value of what is being installed above ground. That is not being considered at this time because some of the only options to get fiber to some places, specifically in the alleys, is overhead because the alleys are already crowded. Staff has also been working with a consultant to look at what is happening on a regional and national scale and to get some perspective as to what the industry norms are.

Commissioner Tryon received clarification that the proposed fee is \$1.00 per inch per linear foot. He inquired if the company that is going to begin the school project this spring was made aware that this fee was likely going to be coming down the pike before they signed the contract.

Director Skubinna responded that staff has been working with that company on an agreement for their ability to occupy the right-of-way and he believes fees were included.

Commissioner Tryon inquired the fee amount for the School District project.

Director Skubinna commented that the company's proposal is not final so he is not sure what the linear feet will be. One staff person, possibly two, will be dedicated to tracking the information and permitting.

Mayor Kelly asked if there were any comments from the public in favor of Resolution 10439. Hearing none, Mayor Kelly asked if there were any comments from the public in opposition to Resolution 10439.

**Karl Spitzmacher**, City resident, inquired what this fee would cost the people receiving the service.

**Jenni Robertson**, KDS Networks, 2901 15<sup>th</sup> Street SW, Black Eagle, commented that KDS is planning to do work in the City of Great Falls. However, KDS will not be doing work in the massive scale as others would propose. KDS does not welcome any additional fees, especially on a yearly schedule. She suggested that, because the fees are for underground work, it would push businesses into wanting to do aerial along the power lines. The community has worked hard on urban city beautification and the alleys are already cluttered with hanging cables.

Mayor Kelly asked Director Skubinna to respond to the inquiry about the cost being passed on to the consumer.

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Director Skubinna responded that he would imagine the for-profit companies would pass that cost on to the consumer.

Mayor Kelly asked, other than the fee relationship, was there a preference to go underground or aerial.

Director Skubinna explained that, part of the permitting processes is to determine the appropriate location within the right-of-way. Most poles are owned by NorthWestern Energy or other entities. Staff is not considering that fee at this time because of the complicated nature of who owns the poles.

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

**Commissioner Wolff moved, seconded by Commissioner Hinebauch, that the City Commission adopt Resolution 10439.**

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

Commissioner McKenney received clarification that at this point in time staff is seeing proposals for internet fiber optics.

Commissioner McKenney commented that he thought fiber optics were already out there. He inquired if the proposals are for new neighborhoods or a new fiber optic.

Director Skubinna responded that fiber optic technology has been around for quite some time and that it has been advanced significantly. There are proposals for new development, and fiber to homes by a company that would be covered under a franchise agreement, as well as businesses looking into their own fiber optic network to connect their facilities within town.

Commissioner McKenney requested examples of City right-of-way.

Director Skubinna responded that, generally, the right-of-way extends from just behind the sidewalk to just behind the sidewalk on the other side of the road. Depending on what type of street it is, there are varying widths of what that looks like. The fees are based on square footage of surface occupation. In looking back when the old resolution was considered and adopted, it was characterized in the discussion at that Commission meeting as being rent of the right-of-way to discourage private entities from putting semi-permanent or permanent structures within the right-of-way so that the City could maintain the right-of-way for the public utilities and public passage.

Commissioner McKenney commented this will be more of a workload for the division and he inquired if Director Skubinna would need more staff.

Director Skubinna responded this is definitely an increased workload for staff. He saw some of the writing on the wall with the situation in this last budget year and requested additional staff. Those personnel have been fully deployed developing what these programs are going to look like and what the fee structure would be to recover costs.



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Commissioner Tryon requested Director Skubinna address the issue raised about whether this fee will incentivize or cause companies to go above ground rather than below ground.

Director Skubinna responded that the City certainly does not want additional clutter in the alleys. But, when speaking with the companies they are working with, to get service to certain places the only option is going to be in the alley. There was not a specific thought process to try to incentivize or disincentivize, other than the thought process of trying to keep them out of the ground in the alley.

Commissioner Tryon inquired if there was any evidence that this fee will incentivize cable fiber companies to go above ground, rather than paying the \$1.00 per linear foot.

Director Skubinna responded that he did not have any evidence to that effect.

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

Motion carried 5-0.

13. **RESOLUTION 10440, CONDITIONAL USE PERMIT TO ALLOW A “COMMUNITY CENTER” LAND USE IN THE R-3 SINGLE-FAMILY HIGH DENSITY ZONING DISTRICT FOR 4.25 ACRES ADDRESSED AS 3400 FLOOD ROAD.**

Mayor Kelly declared the public hearing open and asked for presentation of the staff report.

Planning and Community Development Director Craig Raymond reported that Foothills Community Christian School submitted an application requesting a Conditional Use Permit (CUP) to allow a “Community Center” land use in the R-3 Single-Family High Density zoning district for the property located immediately south of an existing church at 3400 Flood Road. The municipal code has a fairly broad definition of activities that can take place as part of a community center use but can also include sporting or recreational uses.

The applicant proposes to develop a 16,100 square foot indoor athletic facility as well as an outdoor soccer field. Foothills intends to host sporting events that are school related, but also partner with other outside organizations for recreational play at various levels from youth to adult competition. Larger events, such as tournaments, are expected to be held two to four times a year. These events may have an attendance of around 500 spectators. The specific property that proposes to have the Community Center use is a 4.25-acre parcel that was originally part of the Valley Community Bible Church located to the north, which was annexed in 2008 and was assigned R-3 zoning. Last year, the subject parcel was created by way of a boundary line adjustment with the church property to the north. Concerning the surrounding properties, to the west of the subject property is the Burlington Northern Santa Fe Railroad, which is not within City limits. To the south is a vacant parcel within the County that has Suburban Residential zoning. To the east are existing single-family residences within the City limits across Flood Road. These residential lots are zoned R-3, Single-Family High Density. Because of the existing commercial use to the north, no existing residential use to the south and limited but distant residential uses to the west, staff finds that the proposal should be a reasonable fit for the existing development pattern.

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In this particular case, the first concern was related to parking adequacy. While staff did not necessarily feel that the applicant provided enough parking for max peak events, they were able to work out an acceptable shared parking agreement with the church to the north. Staff encourages and is a proponent of shared parking agreements where there can be effective and efficient use of existing facilities. It cuts costs for developers and promotes mutually beneficial agreements. Additionally, staff identified the need for a safe pedestrian connection into the existing neighborhood to the east of the subject property. This crossing should be located at the intersection of either Derby Drive or Dixie Lane and Flood Road to account for residents of the existing neighborhood who may want to access the facility.

During the processing of this CUP two citizens spoke of a concern related to traffic safety. Along these lines, staff notes that there were specific provisions for roadway improvements of Flood Road in the annexation agreement when the property was annexed in 2008. While staff does not necessarily think that this specific development will likely require the execution of those improvements at this time, staff does believe that the area needs to be monitored post-development.

Mayor Kelly asked if the Commission members had any questions.

Commissioner Wolff received clarification that the former Valley Church is now known as the Bridge Church.

Commissioner Tryon noted that Neighborhood Council 1 voted unanimously to recommend approval of the CUP.

Mayor Kelly asked if there were any comments from the public in support of or opposition to Resolution 10440.

**Kelly Mimnaugh**, City resident, submitted written comments via email inquiring about fencing, parking, ingress/egress to the property and operating hours of the facility.

Director Raymond responded that staff is not aware of any specific fencing that is going to be constructed. The applicant could choose to do so, but at this point staff does not feel that it should be a requirement. The applicant is developing some of their own parking, and they worked out a shared parking agreement with the church to the north.

Applicant, **David Culpepper**, Foothills Community Christian School, responded that they are expecting shared usage of both buildings with the church, and do not anticipate using it 7/24.

Director Raymond added that there will be one new entrance and one shared entrance with the church.

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

**Commissioner Tryon moved, seconded by Commissioner Hinebauch, that the City Commission adopt Resolution 10440 for a Conditional Use Permit to allow a “Community Center” land use in the R-3 Single-Family High Density Zoning District upon the property**

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**addressed as 3400 Flood Road, and the accompanying Basis of Decision subject to the Conditions of Approval being fulfilled by the applicant.**

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

Commissioner McKenney inquired if substantial work has not commenced within one year, could the applicant request an extension.

Director Raymond responded in the affirmative. Staff also sees what is going on behind the scenes, and can use discretion as to whether applicant is making substantial progress in that regard.

Commissioner McKenney inquired how the community residents heard about the project so that they could offer comments or concerns.

Director Raymond explained that staff advertises by putting signs on the property providing notice of a public hearing and where public comment can be made, sending out letters to neighboring properties, putting public hearing notices in the newspaper, and posting on the City's website and Facebook page.

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

Motion carried 5-0.

### **14. HOME-ARP PLAN AS AN AMENDMENT TO THE 2021 ANNUAL ACTION PLAN.**

Mayor Kelly declared the public hearing open and asked for presentation of the staff report.

Planning and Community Development Director Craig Raymond reported that the American Rescue Plan Act of 2021 appropriated \$5 billion to provide housing, services, and shelter to individuals experiencing homelessness and other vulnerable populations, to be allocated by formula to jurisdictions that qualified for HOME Investment Partnerships Program allocations in Fiscal Year 2021. The City of Great Falls has been awarded \$1,026,477 of HOME-ARP funds. These HOME-ARP funds are in addition to the annual allocation of \$283,494 of HOME funding that the City received for the current fiscal year. HUD has outlined specific guidance on who and what qualifies for assistance as well as eligible activities, which is outlined in the agenda report.

HUD issued CPD Notice identifies qualifying populations as:

- a. Homeless (as defined by the McKinney-Vento Homeless Assistance Act)
- b. At risk of homelessness (as defined by the McKinney-Vento Homeless Assistance Act)
- c. Fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking
- d. Part of other populations where providing supportive services or assistance would prevent a family's homelessness or would serve those with the greatest risk of housing instability
- e. Or, veterans and families that include a veteran family member that meet the criteria in one of the above

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The eligible activities for the use of HOME-ARP funding are limited to the following:

- a. Development and support of affordable rental housing
- b. Tenant based rental assistance
- c. Supportive services to qualifying individuals
- d. Acquisition and development of non-congregate shelter units

Even though there are pretty limited options for activities that can be funded, staff conducted a fairly extensive outreach effort to gain public input from not just the general public but also those groups or agencies that specifically work in these areas which the HOME-ARP funding is intended to target. The agenda report lists all those agencies or entities that were asked to provide input. Of the 17 solicited, nine responded. From the responses received, four main priorities rose to the top:

- 1) Development and support of affordable rental housing,
- 2) Supportive services to qualifying individuals, and
- 3) Tenant based rental assistance and acquisition and development of non-congregate shelter units

This message was consistent during the public needs hearing as well.

HUD rules, feedback and public testimony were all considered as this plan was developed. Staff is recommending that \$722,505.45 be allocated to development of affordable rental housing (more specifically permanent supportive housing), \$150,000 towards supportive services such as mental health services, substance abuse services, childcare assistance along with education, case management and other eligible outreach services. Finally, staff proposes to allocate 15% or \$153,971.55 towards administration. This is primarily due to the requirement to administer and monitor compliance of the projects for 15 years after the projects are complete.

Mayor Kelly asked if the Commission members had any questions.

Mayor Kelly reiterated that the Commission is not being asked to designate these dollars to any particular group or organization. The funds will be available for any entity that wants to apply.

Director Raymond added that the entities that apply for these funds have to be able to meet the qualifications. Particularly, if they are looking at building supportive housing, they have to be able to commit to maintaining that operation for at least 10 years.

Commissioner Tryon asked Director Raymond to explain “non-congregate.”

Director Raymond explained that it needs to be a similar setup as an apartment type dwelling, with units for individuals or family units, as opposed to a large room with a lot of beds or cots where everybody is together.

Commissioner Tryon inquired if shipping containers made into individual apartments would qualify, and was responded to in the affirmative.

Commissioner Tryon expressed concern that the acquisition and development of non-congregate shelters has a designation of zero dollars. The requested action tonight is to approve an

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amendment to the 2021 Annual Action Plan, and the money has to be spent by 2030. He inquired if the needs assessment changes in a year or two and it is discovered that the City would need the acquisition and development of non-congregate shelters, could the Commission make an amendment at a later time or is there a deadline or timetable to adhere to once this amendment is passed.

Director Raymond responded that another amendment process could be done should the Commission desire.

CDBG Administrator Tonya Shumaker explained that once the Commission approves the HOME-ARP plan as an amendment and it is submitted to the United States Department of Housing and Urban Development (HUD), HUD has 45 days to then respond. Once HUD responds, they typically remit an agreement to the City. Once the City signs that agreement, then the funds are released within the federal system to be used on projects.

Commissioner Tryon received clarification that there is no federal deadline to get a plan approved. The funds must be completely spent by 2030.

Commissioner Tryon commented that there does not seem to be an urgent time consideration for passing this amendment.

Director Raymond suggested that, given that this money is due to Covid, it's better to spend the money sooner because we're more impacted by the Covid situation now than we will be eight years from now.

Mayor Kelly asked if there were any comments from the public in support of the HOME-ARP Plan as an amendment to the 2021 Annual Action Plan.

**Sherrie Arey**, Executive Director of NeighborWorks Great Falls, commented that for 41 years NeighborWorks has been helping to provide affordable housing solutions to the community. In the last several years, NeighborWorks has been in the process of helping with multi-family and rentals because of the need for some in lower economics that are not ready for homeownership.

NeighborWorks supports staff's recommendation to pass the amendment to the Annual Action Plan for many reasons; the biggest one is due to the current housing crunch in Great Falls. She urged the Commission to pass this amendment and to get those dollars out to whomever may be able to provide affordable housing.

NeighborWorks has the Baatz project that is permanent, supportive housing and which has many of the elements that can help those that have suffered through homelessness or housing insecurity with wraparound services. NeighborWorks believes that is one solution to help with the current homelessness issues in our community. This is a one-time funding source. It costs three times as much to provide emergency shelters than it does for a permanent housing solution.

**Rev. Jeff Wakeley**, First United Methodist Church, commented that anything to help the homeless or dealing with housing issues is needed. He read an article that stated Great Falls is 1,200 units short. If we are going to have economic development in Great Falls, we need the

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housing. He wants the City and others to think about what to do in the meantime. That is one of the reasons he is talking about building a new homeless shelter. He encouraged the Commission to pass this amendment to get the money as soon as possible to help people.

**Michael Yegerlehner**, 313 2nd Avenue North, commented that his focus has been the people who are in the most desperate need. He thinks Great Falls needs another shelter. As a counselor, he works with many people who are struggling. They work full time jobs, but it is hard for them to make ends meet. He is in favor of the construction of housing that is actually affordable. His only concern is that he does not want his tax dollars going to landlords.

**Karl Spitzmacher**, City resident, suggested building a resource center with a graduated program where people have an opportunity to become more rewarding to society.

Appearing telephonically was **Sheila Rice**, 913 3<sup>rd</sup> Avenue North, commented that she could argue for a slight redistribution of the funds to include things like pallet shelters, but believes that this plan as proposed should be passed in particular. She urged the Commission to act quickly.

Written comments via email were received from:

**Shyla Patera**, North Central Independent Living Services (NCILS), urged funding support for food insecurity and healthy eating for low income residents, broadband and assistive technology. She suggested the hiring of a housing navigator to ensure all newly constructed and rehabilitated housing is affordable, accessible, and universally designed housing stock, as well as a promotional campaign in support of rental and homeowner assistance. NCILS also urges support of funding allocations for sustainable infrastructure for emergency transportation, and incorporating ADA accessibility and connectivity into a universal design.

**Sandra Rice**, Neighborhood Council 7 Secretary, requested consideration of the use of one-time Covid funds to include emergency shelter options. The Council believes that the churches involved in the encampment on the corner of 6<sup>th</sup> Street and 2<sup>nd</sup> Avenue North would be willing to work together to create and administer an emergency shelter if funds were available.

Mayor Kelly asked if there were any comments from the public in opposition to the HOME-ARP Plan as an amendment to the 2021 Annual Action Plan.

Hearing none, Mayor Kelly closed the public hearing and asked the will of the Commission.

**Commissioner Wolff moved, seconded by Commissioner Hinebauch, that the City Commission adopt the HOME ARP Plan as an Amendment to the 2021 Annual Action Plan.**

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

Commissioner Tryon commented he would support the motion, but has a concern that there is no money in this allocation for emergency, non-congregate shelters. Even though it is not listed as a priority, it seems to be a concern in the community. He would be in favor of revisiting this at a later time and changing some of the allocation to provide money for emergency shelters if and

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when some of the folks that spoke up here tonight about the homelessness issues have a specific proposal that they could bring forward.

Mayor Kelly commented that it is important to recognize that the activity at the church that was discussed tonight is really at the beginning of a movement here. There is an opportunity for the community to collaborate around situations like this, and to come up with a solid proposal. There will be opportunities to apply for funding. The Commission has the ability to amend the plan if it chooses and if there are funds left.

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

Motion carried 5-0.

## OLD BUSINESS

## NEW BUSINESS

### 15. ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) AND AUDIT REPORT, FY 2020-2021.

Finance Director Melissa Kinzler reported that the City's Audit Committee met on January 26, 2022. Members of the Audit Committee received a copy of the Draft FY 2020-2021 ACFR, the Draft Independent Auditor's report, and the Required Client Communication Letter. The Required Client Communication Letter comments on any internal control recommendations related to the operations of the City that would have adversely affected the City's ability to record, process, summarize and report financial data. The auditors had no recommendations for FY 2020-21 and no prior year comments from FY 2019-20. The FY 2020-2021 ACFR and Required Client Communication Letter and Responses were approved by the audit committee.

**Sarah Stanger**, Anderson ZurMuehlen & Co., P.C., reported that the audit engagement has two parts: review of the City's financial statements and a separate agreed upon procedures engagement over the City's building code program.

Ms. Stanger reported that the ACFR is required to be submitted to the Government Finance Officers Association's (GFOA) Certificate of Achievement Program for review. The City has received the Certificate of Achievement for Excellence in Financial Reporting every year since 1994. She commended the City for its long track record of good reporting and work in putting the ACFR together.

She discussed the four sections of the ACFR, which included the Introductory, Financial, Statistical, and Single Audit. She noted that the major federal program that was selected for testing for the second year in a row was the Coronavirus Relief Funds and were no findings.

Ms. Stanger concluded that all audit opinions were clean and there were no findings, comments or recommendations made.

**Commissioner Tryon moved, seconded by Commissioner Hinebauch, that the City Commission accept the FY 2020-2021 ACFR, the Required Client Communication Letter and the City's Response to the Required Client Communication Letter, and authorize staff**

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**to submit the related reports to other governmental agencies and financial institutions as necessary.**

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

Commissioners McKenney and Wolff commended the finance department and Director Kinzler for a job well done, for their expertise, and for a well-written document.

Mayor Kelly also thanked the members of the Audit Committee.

Mayor Kelly called for the vote.

Motion carried 5-0.

### **16. CITY OF GREAT FALLS APPLICATION FOR THE MONTANA HISTORIC PRESERVATION GRANT.**

Grant Administrator Tom Hazen reported that current employees and past members of the City Commission have repeatedly voiced the need to invest in the renewal of the Mansfield Theater. In particular, addressing damage to the ceiling and replacement of the original seating have been characterized as priorities. The ceiling received its last large scale overhaul in the 1940s and, due to the factors of age and water damage, has been stained and loose tiles in desperate need of replacement. The seating in the theater was installed in 1939 and has grown uncomfortable and noncompliant with modern standards (the seats are 5” slimmer than seats installed in modern theaters).

The Mansfield Center management team has worked diligently to research avenues of addressing the concerns above in a manner that will not alter the historic designations assigned to the Great Falls Civic Center and the Mansfield Theater. Materials and installation methods have been selected that will maintain the aesthetic character of the theater while adhering to historic factors. Estimates were requested with these factors in mind. Their findings have informed the attached application in describing an effective project that will not only restore the Mansfield Theater to previous standards but will also provide significant comfort to patrons and preventing interruption of services due to facility wear and tear.

The project scope of work includes restoring the Mansfield Theater Ceiling to a “new” condition that will improve the aesthetic character of the Theater and prevent damage or injury due to loose or falling tiles, and replacing the current seating (installed in 1939) with chairs adhering to modern standards. The work would be scheduled for summer months to minimize conflict with traditional Mansfield events. Ideally, the work would be scheduled to commence with completion of installation of Great Falls Civic Center HVAC installations.

The proposed budget of this project totals \$1,086,567.18. If selected, the City of Great Falls would receive \$500,000.00. The City of Great Falls would commit to providing the remaining \$586,567.18 to complete the project.



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Currently, the Mansfield ceiling and seating projects are being considered as potential uses of ARPA funding. Depending on the outcome of those considerations, these projects would likely be proposed in conjunction with other funding sources (such as CARES, TIF, or other sources). This grant program would, potentially, provide a substantial reduction to the financial burden of reinvigorating a fundamental element while also preserving COVID related resources for other governmental projects.

**Commissioner Wolff moved, seconded by Commissioner Hinebauch, that the City Commission approve application for the Montana Historic Preservation Grant for funding a project to rejuvenate the Historic Mansfield Theater by making the necessary repairs to the ceiling and replacing the current seating with updated fixtures while maintaining the historic character of the facility.**

Mayor Kelly asked if there were any comments from the public or discussion amongst the Commissioners.

It was clarified that the theatre seats are the original seats, and that the City's match is eligible for ARPA funding.

Mayor Kelly called for the vote.

Motion carried 5-0.

### ORDINANCES/RESOLUTIONS

#### CITY COMMISSION

#### 17. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

#### 18. COMMISSION INITIATIVES.

Mayor Kelly discussed his efforts in looking into how to get the Commission's message out across all platforms, including hiring a media consultant or communications specialist, with management. Great Falls High School is known for its student publications and they have had to suspend publications recently because of lack of funds and teachers that have left. Great Falls High is interested in helping the City with putting together a layout for a newsletter. He has not committed anything but time and effort up to this point and, if the City could use the school district's expertise, the City would take care of the expenses. If there are no objections, he would continue to pursue those conversations and, if it looks like it is firming up, he would like to fold it into any other strategies the City has for communications.

Commissioners Wolff and McKenney expressed support. No one expressed opposition.

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**ADJOURNMENT**

There being no further business to come before the Commission, **Commissioner Tryon moved, seconded by Mayor Kelly, to adjourn the regular meeting of February 15, 2022, at 9:09 p.m.**

Motion carried 5-0.

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Mayor Bob Kelly

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City Clerk Lisa Kunz

**Minutes Approved: March 1, 2022**