

JOURNAL OF COMMISSION PROCEEDINGS
April 19, 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 Hindoien and Deputy City Attorney David Dennis; 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: For transparency, Commissioner McKenney commented that Agenda Item 11 pertains to a Choice Hotel. He disclosed that his wife is a manager of a different Choice Motel under different ownership. Commissioner McKenney referred to Agenda Item 14 and further disclosed that he was a former owner of the Cartwheel Bar.

PROCLAMATIONS: Arbor Day (April 29, 2022) Park and Recreation Director Steve Herrig announced that the City received the Tree City USA award for 41 consecutive years.

Earth Day (April 22, 2022) David Saslav, Citizens for Clean Energy, announced that Cascade County is the third county in Montana to authorize the C-Pace funding initiative. Great Falls business owners can investigate these financial opportunities at <https://lastbestpace.com>. Gerry Jennings invited everyone to the Golden Triangle Resource Council's Launch Party on April 28, 2022 at 6 PM at the Celtic Cowboy. The Council's mission is to bring farmers, ranchers, Native people and other concerned citizens together from Cascade, Chouteau, Teton, and Pondera Counties to build diverse coalitions in service of the land and the people who live here.

COMMUNITY INITIATIVES

1. ALABAMA WORKS TRIP UPDATE FROM COMMISSIONER WOLFF AND CHAMBER OF COMMERCE.

Commissioner Wolff read a prepared statement summarizing her March 9-10, 2022 trip and presented YouTube videos: HS Ready to Work and Great Falls Trip to West Alabama Works.

In 2021 the West Alabama Chamber was named Chamber of the Year largely due to the West Alabama Works! Program and the Chamber's efforts during the COVID pandemic. West Alabama Works! is the #1 workforce education program in the country. It is a 9 county, results oriented, business led coalition. She and 23 others from Great Falls and one person from Helena traveled to Alabama to learn about their workforce program. She discussed the similarities, challenges and opportunities of both Tuscaloosa, Alabama and Great Falls, Montana. Career pathways being developed in Great Falls include Certified Nursing Assistant, Certified

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Medication Aid, Paid Feeding Assistant, Commercial Driver's License program, and, long-standing information tech apprenticeships between Great Falls College MSU and DA Davidson.

Shane Etwiler, President and CEO of the Great Falls Area Chamber of Commerce, shared statistics regarding why it is so important to be involved in workforce development. During the 1970's to mid-1990's two-thirds of graduates had a job before graduating from high school. Today, that statistic is one-third. High school students learn soft skills when they also have a job. The Chamber is focused on key industries: construction and trades, medical and healthcare, and manufacturing. The Chamber is looking forward to the opportunity to create partnerships and pathways going forward. A 12-page strategic plan was recently developed, and the Chamber is very focused on what they want to accomplish for the community.

Scott Wolff, Director of Workforce Education Coalition and Development, commented that the Chamber is getting ready to launch the strategic plan - Central Montana Works. The Chamber is planning for the Worlds of Work event scheduled for October 18, 2022 at the University of Providence and Great Falls College MSU. The Chamber is also starting an Educator Workforce Academy this fall for teachers, pathway advisors and counselors geared specifically toward having those educators going out into the community and seeing what jobs and opportunities for employment are available.

Commissioner Wolff added that both Malmstrom Air Force Base and Montana Air National Guard are very involved in this effort. She invited all employers to get involved and adopt a school.

PETITIONS AND COMMUNICATIONS

2. **Ruth Wardell**, City resident, spoke in opposition to any efforts of building more homeless housing or shelters, as well as the efforts of the self-appointed board of the Big Sky Country National Heritage Area to get Cascade County and part of Chouteau County into a National Heritage Area.

Daniel Hartzell, City resident, discussed his personal court matters. He commented he would be gathering signatures and bringing forward a petition for the removal of Mayor Bob Kelly.

NEIGHBORHOOD COUNCILS

3. **MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

None.

BOARDS AND COMMISSIONS

4. **MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

None.

CITY MANAGER

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5. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon congratulated recently sworn in Great Falls Police Officer Jordan Aliperto. He recognized Great Falls Police Department 911 Dispatch personnel that recently received awards during Public Safety Telecommunicators Week: Doug Wreferd, Dakota Lugo, Rebecca Schultz, Thalia Yancey, Logan Lewis, Robert Ayres, as well as Brandon Skogen who was instrumental in problem solving with the Zuercher 911 dispatching software at the facility.

Manager Doyon commented that the City applied for ARPA funds for two projects, one of which was a Public Works project previously identified. Staff is actively seeking cost information and have put some projects out to bid in response to the tier-1 projects identified by the Commission. The next time the Commission hears about some of these projects will be at a meeting to award a contract, or staff will advise the Commission that the costs are greater than previously thought and will bring forth a plan of action at that point. The harsh reality is that dollars are not going to stretch as far as originally thought.

Manager Doyon congratulated Susie McIntyre who will be recognized at the YWCA Salute to Women 2022 Gala.

Planning and Community Development Director Craig Raymond reviewed and discussed photos of progress made on the Civic Center façade project (OF 1525.2). The project is on schedule, with a full year to go. Director Raymond acknowledged the great team managing the project.

CONSENT AGENDA.

6. Minutes, April 5, 2022, City Commission Meeting.
7. Total Expenditures of \$2,518,541 for the period of March 17, 2022 through April 6, 2022, to include claims over \$25,000, in the amount of \$1,969,625.
8. Contracts List.

Commissioner Tryon moved, seconded by Commissioner Wolff, that the City Commission approve 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

9. RESOLUTION 10447, EXPANDING THE BOUNDARIES OF THE GREAT FALLS BUSINESS IMPROVEMENT DISTRICT.

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

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Finance Director Melissa Kinzler reported that Montana Code Annotated provides statutory authority to the City Commission to expand the boundaries of the Great Falls Business Improvement District. Adoption of Resolution 10447 pertains only to the expanded area.

The City of Great Falls has been presented with petitions signed by 71.21% of the property owners within the proposed expanded area to be included in the District. Pursuant to MCA 7-12-1111(1), upon receipt of a petition signed by the owners of more than 60% of the area of the property proposed in the petition to be included in a district or in the expansion of a district, a governing body shall establish a district or expand a district as provided in this part.

Staff mailed letters regarding the City's intention to expand the boundaries of the district along with a copy of the published legal notice, and outlined the protest procedures. During the 15-day protest period, zero protest letters were received by the City regarding the expansion of the district. No direct fiscal impact to the City is anticipated as a result of expansion of the district. All costs are assessed against the properties within the boundaries of the district and those costs will be used to benefit the downtown area. The proposed expanded area will bring in an estimated \$15,848 in assessments.

Staff recommends that the City Commission conduct a public hearing and adopt Resolution 10447 to expand the Business Improvement District.

Joan Redeen, Community Director of the Great Falls Business Improvement District, 318 Central Avenue, reported that the Great Falls Business Improvement District (BID) is the second oldest BID in the state. The BID was originally created in 1989, and successfully recreated in 1999, 2009, and 2019. In 2009, the BID was renewed with a 71.98% approval rating. In 2019, the approval rating was 83.32%. In 2009, the tax base of the BID was about \$65 million dollars. The BID's tax base is now \$114+ million dollars. Since the 2019 renewal, several property owners outside of the BID have asked to be included within the boundaries. The BID responded by petitioning for this expansion of the BID boundaries.

The mission of the BID is to represent the unique interests of the businesses and property owners located within the district. The goal of the BID is to create an environment that is appealing to shoppers, office workers, residents, tourists, new businesses and investors. Overall, the BID is responsible for downtown revitalization through economic development, real estate development, short and long range planning, grant program administration, and physical and environmental improvement programs.

Adoption of Resolution 10447 will add an additional 20 parcels to the BID boundaries. Of those 20 parcels, 16 voted in favor, 2 did not respond which constitutes a "no" vote, and 2 parcels voted in opposition. The resounding response of those 16 parcels is making a statement that the BID is providing something that property owners want and need.

Community Director Redeen urged the Commission to approve Resolution 10447 to allow the BID to expand the good work they are doing downtown.

Mayor Kelly asked if the Commission members had any questions.

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Commissioner McKenney requested examples of how the funding has been used in the past.

Community Director Redeen explained some of the services the BID provides are snow removal, tree maintenance, holiday décor, flowers, trash removal, beautification including public art, banners, and the pedlet program.

Commissioner McKenney inquired about grants for building improvements.

Community Director Redeen responded that, between 2009 – 2018, the BID invested over \$1.1 million dollars in grants in the properties downtown. The BID has not had a grant program the past few years. The BID Board is currently discussing bringing the grant programs back on July 1, 2022. The BID was also instrumental in establishing the TIF programs for property owners within the Downtown Urban Renewal District. Those programs include façade, code enforcement and environmental safety. The BID Board is also considering a grant to fund a month's rent for new businesses that open within the boundaries, and possibly bringing back an interior grant for redevelopment.

Commissioner Tryon inquired the number of employees of the BID.

Community Director Redeen responded that she is the only part-time employee.

Mayor Kelly asked if there were any comments from the public in favor of Resolution 10447.

Brett Doney, Great Falls Development Authority, commented that the BID was a key partner in the founding of the Downtown TIF District, Master Plan, and the Downtown Development Partnership.

Alison Fried, Owner of Dragonfly Dry Goods and BID board member, commented that the members go out and physically talk to all of their neighbors to get feedback. If there was any miscommunication or doubt in voting for BID renewal or expansion, the owners are made aware of all that the BID offers. Businesses want to be included in the district to have those services in place, and have the connection of community that they are seeing downtown.

Kelly Pierce, Downtown Great Falls Association (DGFA), 318 Central Avenue, commented that she shares an office and works closely with the BID. She explained that the DGFA works to promote downtown and to service the master plan boundary area, and the BID works to make downtown beautiful within its boundaries. An affirmative vote is a huge step forward in making all of downtown, one downtown. She expressed appreciation for the work of the BID Community Director and Board for the revitalization of downtown. It is important to continue the expansion and revitalization efforts.

Sherrie Arey, NeighborWorks Great Falls and BID board member, commented that it is clear that expanding the BID boundaries is value added economic development.

Daniel Hartzell, City resident, commented that he has helped downtown by cleaning windows, painting fire hydrants, and sweeping. He suggested using inmates to help clean up downtown.

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Jolene Schalper, property owner within the BID at 101 and 111 Central Avenue, commented that she and her husband are in favor of Resolution 10477. It is important to note that the money is a self-imposed tax by the property owners, and the property owners vote on how to apply the tax monies via participation at board meetings.

Written comments in support were submitted by **Brian Kaufman**, President of Kaufman's Menswear Center, 411 Central Avenue; **Shane Etwiler**, President/CEO of the Great Falls Area Chamber of Commerce, 100 1st Avenue North; **Andy Ferrin**, property and business owner of Ferrins Furniture, 308 1st Avenue South, Enbar and The Block, #4 5th Street South, and The Newberry, 420 Central Avenue, and **Ashley Forde**, Commercial Banking Representative on behalf of First Interstate Bank.

No one spoke in opposition to Resolution 10447.

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

Commissioner Hinebauch moved, seconded by Commissioner Wolff, that the City Commission adopt Resolution 10447, to expand the boundaries of the Great Falls Business Improvement District.

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

Commissioner McKenney noted that he was contacted by many property owners in favor of Resolution 10447.

Commissioner Wolff commented that it is wonderful to have artist come to town during Artfest and be supported by the BID and all of the business owners in beautifying areas of the community.

Commissioner Tryon commented it is amazing that 16 out of 20 businesses stepped forward in favor of being taxed to be included within the boundaries and receive BID services.

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

Motion carried 5-0.

10. **RESOLUTION 10448, ESTABLISHING RESIDENTIAL AND COMMERCIAL SANITATION SERVICE COLLECTION RATES EFFECTIVE MAY 1, 2022.**

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

Public Works Director Paul Skubinna reported that the requested action is to conduct a public hearing on Resolution 10448 that establishes and revises rates for residential and commercial sanitation services. More detailed information and an assessment of the municipal solid waste collection services was presented at the April 5, 2022 work session. The Sanitation Department continues to service more and more customers per each staff member year after year.

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Drivers for the proposed rate increases are due, in part, to operational costs skyrocketing. Staff anticipates that fuel expenses will increase approximately \$100,000 this year. He added that a significant part of a sanitation budget is personnel costs, and projecting what recruitment and retention will look like into the future is concerning. There are also capital expenses in trying to maintain a functional fleet of garbage collection apparatus.

With the proposed increases, Great Falls' rates remain some of the lowest among the larger municipalities in Montana. Adoption of Resolution 10448 will help put Great Falls in a position to continue to provide this essential public health based service.

Mayor Kelly asked if the Commission members had any questions.

Commissioner Tryon thanked Director Skubinna for the proposed senior citizen rate going up less than \$1.00. He asked for an explanation of what the senior citizen discounted rate is and why those cost increases could not be dispersed to others not on a fixed income.

Director Skubinna responded that the senior citizen rate is already significantly discounted, and they are receiving the same services that are being supported by other customers. It is a difficult time for everybody and he does not take that lightly. Staff felt it was more appropriate to propose a little bit of an increase to everybody across the board.

Director Kinzler added that staff did do an analysis. To qualify for the 30% discounted rate, people must be over 65 years of age and be the primary resident or occupant of the residence. The contact number to set up the discounted rate is 406-727-7660. At the request of Commissioner Tryon, Director Kinzler will also provide that information in the utility billing inserts.

Mayor Kelly asked if there were any comments from the public in support of or opposition to Resolution 10448.

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

Mayor Wolff moved, seconded by Commissioners Hinebauch and Tryon, that the City Commission adopt Resolution 10448 establishing residential and commercial sanitation service collection rates effective May 1, 2022.

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

Commissioner McKenney commented that he would rather see small inflationary fee increases each year than a large amount every five or 10 years to deal with delayed or deferred maintenance.

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

Motion carried 5-0.

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11. RESOLUTION 10452, REMODELING, RECONSTRUCTION OR EXPANSION OF CERTAIN COMMERCIAL BUILDINGS OR STRUCTURES; TAX BENEFIT FOR STARRY NIGHT HOSPITALITY, LLC, 621 CENTRAL AVENUE.

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 applicant, Starry Night Hospitality, LLC, is undertaking a significant remodel of the Greystone Inn and rebranding it as The Gibson, which will be a boutique hotel. The property sits at the entrance of the downtown corridor on the northwest corner of 7th Street and Central Avenue. The owner has had plans to remodel the hotel for over two years but had to postpone the project due to the Covid pandemic. Now that the applicant is ready to resume the project, a tax abatement is being requested to help offset recent increases in construction costs.

This particular tax abatement request is subject to the provisions of MCA 15-24-1501, which provides local government the option of approving requests for tax benefits for the Remodeling, Reconstruction, or Expansion of Existing Buildings or Structures. There are multiple types of tax abatement programs in the State of Montana and each project has to assess whether their particular project fits within the statutory guidelines. This particular request is a five-year benefit that slowly increases the property tax to its full value over a five-year period following the construction period.

Upon receiving a complete application and narrative, staff analyzes the project and application and will issue findings or opinions of conformance to criteria adopted in 2015 by Commission Resolution 10119. One unique issue with this request is that the project is located within the Downtown TIF District. If the abatement is approved, those increment funds that would ordinarily go into that TIF district will be delayed over a five year period. The total cost or impact to the TIF district is estimated to be \$328,860.

Staff finds that the project meets both state statutory requirements and appears to be a good fit considering the criteria in Resolution 10119.

Applicant, **Ty Rollins**, representing the ownership group of Starry Night Hospitality, commented that the original purchase of the Greystone Inn was October 2019, and the project was expected to get across the finish line in March 2020. All loans at that time were put on hold due to the pandemic. He expressed appreciation to the Commission for consideration of this request to help get the project across the finish line.

Mayor Kelly asked if the Commission members had any questions.

Commissioner McKenney inquired if there was a timeline for the construction to be completed before the abatement applied.

Director Raymond responded that staff has the ability to adjust the timeline on the construction period to meet any unforeseen circumstances.

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Commissioner Tryon inquired when the ownership group received the BID grants for this project.

Applicant Rollins responded 2019, before the pandemic.

Commissioner Tryon received clarification that staff's affirmative recommendation took into account the Downtown TIF's healthy fund balance.

Mayor Kelly asked if there were any comments from the public in support of Resolution 10452.

Joan Redeen, Great Falls Business Improvement District, 318 Central Avenue, clarified that The Gibson project was awarded \$62,500 in grant funds from the BID on November 14, 2019. However, the BID grant programs work in such a way that the projects are not financially funded until the project is completed. The BID has historically been in support of tax abatement requests within the BID boundaries and urban renewal district. The BID supports this fantastic project for downtown.

Brett Doney, Great Falls Development Authority, commented this is an aspirational project that will spur more redevelopment. It will be the second boutique, high-end hotel downtown. GFDA issued a \$950,000 loan commitment for the project and feel strongly about downtown revitalization, and supporting the tourism industry efforts to bring in those cultural tourists that are willing to spend money on a unique property and spend money in the community. Not only will the tax abatement help overall, it will particularly help in those early years while they are building clientele. This \$5.8 million dollar project is a major investment in downtown Great Falls. It is exciting seeing the momentum of new businesses and thriving existing businesses.

Mayor Kelly asked if there were any comments from the public in opposition to Resolution 10452.

Hearing none, 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 10452.

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

Commissioner McKenney commented that the motel property has been an ongoing concern, closed for many years, and an eyesore. He thanked the entrepreneurs for taking a risk and developing the property. It will be an asset for the downtown area and for the community.

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

Motion carried 5-0.

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12. RESOLUTION 10453, REMODELING, RECONSTRUCTION OR EXPANSION OF CERTAIN COMMERCIAL BUILDINGS OR STRUCTURES; TAX BENEFIT FOR CMSC, LLC (DOC-GREAT FALLS HOLDING, LLC), 3010 15TH AVENUE SOUTH (GREAT FALLS CLINIC AND HOSPITAL).

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

Planning and Community Development Director Craig Raymond reported that Great Falls Clinic is planning a large expansion project at the hospital located at 3010 15th Avenue South. The estimated cost of the project is approximately \$55,000,000, which will include a new three-story tower that will add 75 beds, and other patient services and patient support resources. The Great Falls Clinic anticipates the expansion will create 150 new full-time positions in addition to their current 600+ employees. Specifically, the new facilities will include a cardiac diagnostic and intervention suite, intensive care unit, medical surgical inpatient unit, surgery, laboratory, procedure, pharmacy, radiology, recovery, administration, and outpatient areas. Great Falls Clinic anticipates the project will break ground this year and be completed in 2024. This is not an insignificant project. The abatement will have a noticeable effect on the general fund over a five-year period. The total cost is estimated to be \$397,168 which is based on estimates of costs and values of the property upon completion of the project.

Director Raymond noted that the prior agenda item abatement request and this request are significantly different in size, scope and value, and the cost of the abatement appears to be essentially equal. He explained that is because Resolution 10452 was in a TIF district and had no County tax impact. This project may request an additional abatement through the county and could, if approved, have an additional impact of approximately \$1.5 million of county taxes.

This tax abatement request is also subject to the provisions of MCA 15-24-1501, and all of the same rules apply as well as the same process for review. Staff finds that the project meets both state statutory requirements and appears to be an approvable request considering the criteria in Resolution 10119.

Applicant, **Ben Worrell**, McGuire Sponsel LLC, a specialty tax group based out of Indianapolis, Indiana, commented that he has been working with Great Falls Clinic Hospital for over a year now as they anticipate the successful conclusion of this project. He introduced Ms. Hailey Denser, Chief Administrative Officer of Great Falls Clinic Hospital.

Mayor Kelly asked if the Commission members had any questions.

Commissioner McKenney discussed rising costs of new technologies, bringing new drugs to the market, lawsuits, and lack of competition. He inquired if the new or expanded specialty care services of Great Falls Clinic Hospital will help keep price increases down.

Applicant Worrell responded yes, it would create more opportunity to access the healthcare that is necessary. In addition, he referred to page 74 of the agenda packet and the analysis of the economic ripple effect of what happens when a project of this magnitude comes into a town. The new job creation as well as the impact of \$55 million in new investment has a direct and indirect impact on the community.

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Mayor Kelly asked if there were any comments from the public in support of Resolution 10453.

Brett Doney, Great Falls Development Authority, commented that the economic impact of healthcare is immense. For a long time a community the size of Great Falls exported healthcare. Having healthy competition helps attract skilled medical people because they know they have options. People are now traveling to Great Falls for specialty and preventative medical care. A key factor to keep talent or attract talent to Great Falls is healthcare, housing availability, quality of the schools and parks, and public safety. GFDA has retained a firm that will be working with the Clinic, Benefis, the College and University, Touro, and many others to build up the industry in Great Falls. To see this happen now in the environment that we are in is extremely exciting. He urged the Commission's support to keep the forward momentum going.

Mayor Kelly asked if there were any comments from the public in opposition to Resolution 10453.

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 Resolution 10453.

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

Motion carried 5-0.

OLD BUSINESS

NEW BUSINESS

13. **RESOLUTION 10456, NEW OR EXPANDING INDUSTRY TAX BENEFIT FOR CALUMET REFINING, LLC., LOCATED AT 1900 10TH STREET NE.**

Planning and Community Development Director Craig Raymond reported that Calumet Refining, LLC., has launched a project to convert a portion of its Great Falls plant to allow for the production of renewable fuels. When the investments in the project are completed, the renewable fuel production output is anticipated to be between 10,000 to 15,000 barrels per day while its conventional fuel production will be reduced by an equivalent output.

The applicant estimates that the totality of the investment needed to fully implement the renewable fuel conversion project will be approximately \$300 million. The applicant is working with the State of Montana Department of Revenue to obtain a permanent property tax abatement on approximately \$250 million of this investment. This is classified as a Montana State Air or Water Pollution Control and Carbon Capture Equipment Abatement. The decision on that request is strictly the purview of the State of Montana and is anticipated to occur by the end of the 2022 calendar year. The applicant is basing its New or Expanding Industry Tax Abatement request on the approximately \$50 million of investment that is not captured by the State's abatement.

This abatement request is vastly different from the previous two agenda items that were Remodeling, Reconstruction or Expansion of Commercial Buildings. This abatement request is

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filed under MCA 15-24-1402 New and Expanding Industry provisions. Staffs' procedure for processing these abatements is essentially the same; however, in most cases the process will be longer due to the timeframe it takes to get accurate data from the State Department of Revenue for industrial type projects. The appraisal and estimate is far more complicated.

The total cost to the City's general fund for this request is estimated to be \$2,777,982 over a 10-year period.

Staff finds that the project meets both state statutory requirements and appears to be an approvable request considering the criteria in Resolution 10119. He concluded that the total cost of nearly \$2.8 million dollars should be weighed carefully against increasing needs and pressures of the general fund.

Staff requests that the City Commission set the public hearing to consider Resolution 10456 for May 3, 2022.

Commissioner Wolff moved, seconded by Commissioner Tryon, that the City Commission set a public hearing on May 3, 2022 to consider Resolution 10456.

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

Ron Colwell, representing Calumet Montana Refining and Montana Renewables, commented that he appreciates Commission consideration to set this matter on the agenda for May 3, 2022. He also expressed appreciation to Planning staff for their help in putting the application together. He requested the Commission consider several points of interest. The History Museum recently awarded Calumet a legacy award for being in Great Falls for 100 years. He noted that does not happen without the community. The City of Great Falls has grown around Calumet. It is a legacy what this refinery has laid out here and is now stepping into a new path. That path actually aligns itself up very well with the growth goals and policies of the City. There is a lot of intrinsic value in those growth policies before the City. The aggregated value of \$2.8 million dollars is kind of a shocker. But, he encouraged the Commission to look at what the refinery has brought to the State of Montana. He provided and discussed portions of an interim report by Patrick Barkey, with the Bureau of Business and Economic Research, University of Montana, noting the ripple effect of the refinery's economic impact upon not only the community of Great Falls, but Cascade County and the State of Montana. The total employment impact of the refinery in the State of Montana is 2,643 jobs, for a total personal income of \$223.6 million dollars annually. The ripple effect of the refinery is a little over a billion dollars annually.

Mr. Colwell further reported that the refinery spent \$500 million for its expansion in 2015-2016, and this project is \$300 million dollars. That equates to three-quarters of a billion dollars that has been invested by Calumet into this refinery. Taking this step into renewables is putting Great Falls on the map in the renewable fuels world. There is no other renewable fuels business in the State of Montana.

Brett Doney, Great Falls Development Authority, commented the benefits that GFDA sees are not only directly tied to this project, but is a value added ag project. GFDA is working hard to attract an oil seed crushing operation in Great Falls. This has been a difficult project to make

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happen. GFDA has others in the works. A lot of eyes are watching what happens with this project. Great Falls needs commercial investment and industrial investment.

Representative Lola Sheldon Galloway, not a City resident, commented that this idea was presented to State Legislators in July and received a lot of enthusiasm regarding bringing that ag product here to the golden triangle. Calumet provides good jobs for Great Falls, which makes better neighborhoods and helps the economy.

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

Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

ORDINANCES/RESOLUTIONS

14. **RESOLUTION OF INTENT 10455, INTENTION TO VACATE A PORTION OF 10TH ALLEY SOUTH BETWEEN 19TH STREET AND 20TH STREET.**

Planning and Community Development Director Craig Raymond reported that Talcott Properties LLC, representing Mountain West Bank as the property owner, is requesting the vacation of a portion of 10th Alley South between 20th Street South and 19th Street South, to make it feasible for a new restaurant building to be constructed on the site addressed as 1900 10th Avenue South.

Currently, the northern half of the property north of the alley is occupied by the former Cartwheel Casino. The southern half of the property is vacant. The site has many unique challenges that make new construction of a commercial building and sufficient parking difficult, particularly the steep grades of the northern portion of the site as well as the alley itself.

The applicant is proposing the partial vacation of the alley, and to move or reroute the alleyway traffic and existing utilities to accommodate more buildable area on the site. The proposed site plan shows that the alleyway will be curved and directed south to an access point on 11th Avenue South. This path for alley traffic has been designed to preserve the ability to continue sanitation, business deliveries, and emergency services for the owners of properties along the alley between 19th Street South and 20th Street South, as well as improve the grade for vehicles. Currently, the alley splitting the site has a slope of approximately 10 percent. The proposed relocated alley would have a slope of just over 3 percent. The proposed alley plan includes gradual turning radii to show that large vehicles will still be able to navigate the curved alley through the site. If the alley is vacated, the City will retain an access easement that incorporates the new alley pathway. Maintenance responsibility for the relocated alley would also be transferred to the owner.

The applicant is also proposing to realign the sewer main that currently runs down the alley. The utility relocation will be reviewed and approved by City staff if the vacation of the alley is approved by the Commission. Additionally, storm water running from east to west along the alley travels at a higher rate due to the alley's steep slope. The applicant has provided the City with preliminary plans to capture this storm water and pipe it off the property. This proposal is also subject to further City review after a more detailed submission of information. This request for

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vacation of rights of way is a complicated project with a lot of moving parts. It will require careful and committed execution of the project to be successful.

Staff requests that the City Commission adopt Resolution of Intent 10455 and set a public hearing for May 17, 2022 to consider the final approving resolution.

Commissioner Wolff moved, seconded by Commissioner Hinebauch, that the City Commission adopt Resolution of Intent 10455 and set a public hearing for May 17, 2022.

Mayor Kelly asked if there were any comments from the public or discussion amongst the Commissioners. He asked City Attorney Hindoien to explain what a resolution of intention is.

City Attorney Jeff Hindoien responded that it part of the statutory framework unique to vacations of public rights of way.

Brad Talcott, City resident, discussed all of the challenges with the lot on 10th Avenue South, but noted the hurdles are not quite as high as presented. This customer will be new to the community and he believes will be well received by Great Falls. Most importantly, the lot will be redeveloped. There will not be many opportunities to redevelop this lot into a successful business operation. He does not think there has ever been this much engineering in a city lot by their civil engineers. He urged the Commission to set the public hearing and ultimately a positive vote. Mr. Talcott concluded that this client is able to spend the money for site improvements on this lot, and it will be a positive improvement for the corridor.

Brett Doney, Great Falls Development Authority, commented that it is exciting to see 10th Avenue properties being redeveloped. The business will be a great addition to the community and this brand will help spur more redevelopment.

Commissioner Wolff commented that she is particularly excited to see the redevelopment going on. She believes the Touro Medical College coming here and the expansion of the Great Falls Clinic is spurring development that will continue. She thanked contractor Brad Talcott for providing this opportunity.

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

Motion carried 5-0.

CITY COMMISSION

15. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

16. COMMISSION INITIATIVES.

None.

JOURNAL OF COMMISSION PROCEEDINGS

April 19, 2022

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Tryon moved, seconded by Mayor Kelly, to adjourn the regular meeting of April 19, 2022, at 9:22 p.m.**

Motion carried 5-0.

Mayor Bob Kelly

City Clerk Lisa Kunz

Minutes Approved: May 3, 2022