

JOURNAL OF COMMISSION WORK SESSION

July 19, 2022

Amended

City Commission Work Session
Civic Center, Gibson Room 212

Mayor Kelly presiding

CALL TO ORDER: 5:30 PM

CITY COMMISSION MEMBERS PRESENT: Bob Kelly, Susan Wolff, Joe McKenney, Eric Hinebauch and Rick Tryon.

STAFF PRESENT: City Manager Greg Doyon and Deputy City Manager Chuck Anderson; City Attorney Jeff Hindoen and Deputy City Attorney David Dennis; Finance Director Melissa Kinzler, Deputy Finance Director Kirsten Myre, Budget Analyst Andrea McCracken and Grant Administrator Tom Hazen; Planning and Community Development Director Craig Raymond; Park and Recreation Director Steve Herring; Municipal Court Judge Steve Bolstad and Court Supervisor Morgan Medvec; Human Resources Director Gaye McInerney; Library Director Susie McIntyre; Fire Chief Jeremy Jones; Police Chief Jeff Newton; and, Deputy City Clerk Darcy Dea.

PUBLIC COMMENT

None.

1. BUDGET FOLLOW UP – MUNICIPAL COURT.

Municipal Court Judge Steve Bolstad reported that Municipal Court's Budget included an increase in paper, printing and travel expenses. He explained that he hopes to utilize ARPA funding for additional security measures and a secondary escape route. Without the addition of a second judge, having a heavy caseload and an overburdened Municipal Court only benefits defendants, as well as defense attorneys. The Justice Reinvestment Act, number of outstanding warrants and COVID-19 have impacted the judicial caseload. A second courtroom would provide efficiency for the City; however, would require additional effort from the prosecution and police department. Judge Bolstad provided and discussed 2021 and 2022 citation fine statistics and outstanding balances spreadsheets.

Judge Bolstad requested that the Commission take into consideration that any changes made in one department would have an impact on other departments.

Commissioner McKenney received clarification that one full-time clerk would be needed, in addition to a second judge.

City Manager Greg Doyon added that an urgent area requiring administrative support is the Prosecutors Office.

2. PUBLIC SAFETY LEVY DISCUSSION

City Manager Greg Doyon explained that the Commission would need to decide soon if it is interested in pursuing a study. A firm provided a proposal for a study of the police department and takes approximately

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135 days to complete with a base cost of \$56,500 plus expenses. City Manager Doyon added that a City Administrator in Billings advised him that the Billings study was helpful in their effort.

Commissioner Wolff commented that she understands the value of having a third party provide information; however, she would rather find resources for a strategist to assist the City with a communication plan for public safety. She expressed concern about the City's expertise with regard to running a public safety levy successfully.

Commissioner McKenney stated that he has mixed feelings about a study; however, the Crime Task Force (CTF) provided the Commission with sufficient information.

Commissioner Tryon received clarification that the money for a study would come from CARES funds. He expressed opposition to having a study done because of the cost and length of time. The CTF provided the Commission with in-depth reports and sufficient information.

Commissioner Hinebauch expressed opposition to having a study done because time is of the essence. He added that the CTF provided sufficient recommendations and made it obvious what the needs of fire, police and judicial are.

Mayor Kelly explained that he does not like to ignore the success of a study and Billings relied heavily on its study. The City of Great Falls relied on the Master Plan for the Park Maintenance District Levy and Great Falls Development Authority (GFDA) relied on its study that indicated a need for 4,500 housing units. A study identifies the needs of a department and equates a City's standard performance, equipment and facilities against other communities similar in size. Mayor Kelly commented that without a study, other funding sources would need to be established or an organization would need to provide a strategy for an educational process for the voters.

Commissioners Hinebauch and Wolff inquired if CARES funds or foundations supporting police and fire could assist with funding for a strategist.

City Manager Doyon responded that CARES funds are very discretionary and there are no foundations for the Fire Department.

Commissioner McKenney suggested that the Commission rely on the CTF recommendations and find a strategist to assist City staff with a communication plan for public safety.

After further discussion, it was the consensus of the Commission that City Manager Doyon consider the Park District Maintenance Plan educational process with regard to finding resources for a strategist to assist the City with a communication plan for public safety.

3. ARPA APPLICATIONS AND REVIEW COMMITTEE.

Finance Grant Administrator Tom Hazen provided and discussed City ARPA Applications and Application Review Process Memo, as well as a scoring matrix for applications for the City ARPA Sub-Awards handouts. He reported that there were 10 capital improvement proposals, seven requests for

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\$500,000 or more, six requests for \$50,000 or less, 27 requests for \$50,000 or more, nine applications from agencies that received funding from Cascade County and 16 for programs designed to impact the low to moderate income population.

Grant Administrator Hazen reported that Fire and Rescue Community Risk Manager Katie Brewer; Finance Deputy Director Kirsten Myre; Legal Assistant Robin Beatty; and, Planning and Community Development CDBG Administrator Tonya Shumaker are members of the Review Committee. The Review Committee would make its recommendations to City Manager Doyon for review and to the Commission for approval. He clarified that an applicant could apply for ARPA funds for different programs.

Mayor Kelly expressed support of the entire ARPA application process, as well as the members of the Review Committee.

Commissioner Tryon inquired about the discretion between the Review Committee, City Manager Doyon and the Commission with what applications to move forward.

City Manager Doyon responded that his first priority is that the Commission is confident with the Review Committee and scoring matrix. He explained that the scoring matrix would help delineate projects that are deserving of an appropriation.

Grant Administrator Hazen explained that documentation and transparency is crucial with regard to the application process.

Commissioner McKenney received clarification that every member of the Review Committee would read and score each application based upon their perspective, as well as the consideration of Commission priorities.

Commissioner Hinebauch received clarification that applicants were aware of the scoring matrix because it was included on the application.

Mayor Kelly received clarification that applicants were aware that they could possibly receive partial funds as opposed to the full amount requested. He further received clarification that the scoring matrix does not indicate if an applicant received funding from Cascade County.

Commissioner Wolff stepped out at 6:23 p.m. and returned at 6:25 p.m.

4. GFDA/CARES APPLICATION DISCUSSION

Great Falls Development Authority (GFDA) Senior Vice President Jolene Schalper introduced GFDA Organizational Development Consultant Heidi Gibson.

Ms. Schalper explained that the GFDA, Association of Realtors and NeighborWorks commissioned a study by a private sector housing study group to confirm that there is a housing problem within the City. Three key findings from the study included the following:

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- There are not enough market rate housing units to meet the current demand.
- The existing migration patterns were seen in the last census; however, did not include the influx due to the pandemic, new Medical University and upgrades to Malmstrom Air Force Base. There is a need for 4,500 units over the next 10 years.
- There is an older housing stock and not enough in the middle or upper end of the spectrum.

The study showed that there were increases in typical family patterns and some families start with an apartment, a starter home and finally purchase a home. Purchasing a home predominantly does not happen and families are stuck at a starter level, which causes pressure overall on the system. Housing and construction costs and higher interest rates. along with high infrastructure rates. There are several local and regional builders that want to build in the City; however, there are not many lots available and rising costs are pricing them out of market.

GFDA works across the United States with economic development teams to come up with solutions such as the following: a community purchases land and gifts it to developers; uses sales tax or other tax dollars to build out infrastructures for specific developers; uses cash incentives to attract housing developers. GFDA helps with gap funding and revolving loans; however, GFDA is running out of money. Ms. Schalper reported that GFDA brought \$233 million in capital investments to the City.

Ms. Schalper requested that the City Commission consider GFDA's request for additional revolving loan funds for two types of specific gaps. The Milwaukee Depot, the station project, because it was the easiest and is not earmarked towards any project and the Housing Infrastructure Revolving Loan Fund capital. Ms. Schalper added that this revolving loan fund would be low interest and GFDA would work with the City to determine what the terms should be. GFDA tracks impacts and reports to the Department of Treasury, Environmental Protection Agency, Economic Development Administration and other various funding sources. She concluded that any amount of money that the City allocates to help GFDA's revolving loan fund would be a long-term solution.

Mayor Kelly received clarification that GFDA utilizes Economic Development Administration Grants and banks as sources for revolving loan funds; the terms for a revolving loan fund depends on the project; and 100 percent of the City's funds would be used within city limits for the duration of the revolving loan.

Commissioner McKenney received clarification that typically, GFDA would be paid prior to a bank because it has a percentage point higher interest for gap financing. He further received clarification that some banks recently started doing Prescribed Investor Rate (PIR) investments into Community Development Finance Institutes and it reviews GFDA's whole loan portfolio.

Commissioner Wolff inquired if there is potential for any kind of a percentage to come back to the City to cover its staff costs necessary to move the projects forward, if it allocates funds to GFDA.

Ms. Schalper responded that GFDA could potentially consider a percentage; however, the margins do not completely cover GFDA's staff costs.

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Referring to the Milwaukee Station project, Commissioner Tryon inquired if it is appropriate for a private developer to utilize CARES funds for a bridge loan to develop an upscale project.

Ms. Schalper responded that the funds would go into a revolving loan pool, be used by private sector businesses, create high wage jobs, and provide homes at all levels in the community. She added that private sector support is necessary in order to have a thriving public sector.

Commissioner Hinebauch commented that using the revolving loan fund, whether for infrastructure or adding to the already existing revolving loan fund, would be a great way to leverage money for the future.

Commissioner Wolff commented that the Milwaukee Station project would benefit the whole community, as well as professionals by providing workforce housing.

DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS

City Manager Greg Doyon reported that topics for the ~~July 19~~ **August 2**, 2022 work session include a Great Falls Veterans Memorial Update, as well as Marijuana Business Regulations.

ADJOURN

There being no further discussion, Mayor Kelly adjourned the informal work session of July 5 ~~19~~, 2022 at 6:50 p.m.