

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

Regular City Commission Meeting

Mayor Pro Tempore Wolff presiding
Commission Chambers Room 206

Mayor Pro Tempore Wolff announced that Mayor Kelly is attending remotely from the National League of Cities Workforce Conference.

CALL TO ORDER: 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL/STAFF INTRODUCTIONS: City Commission members present: Susan Wolff, Eric Hinebauch, Joe McKenney and Rick Tryon. Mayor Bob Kelly participated telephonically. Also present were City Manager Greg Doyon and Deputy City Manager Chuck Anderson; Grant Administrator Tom Hazen; Planning and Community Development Deputy Director Tom Micuda; 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: None.

PROCLAMATIONS: BILLY GARBERG DAY [September 16, 2022] This year's Vets4Vets Stand-down scheduled September 16-17, 2022 will be dedicated to Billy.

MILITARY UPDATES

1. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM MALMSTROM AIR FORCE BASE.

Colonel Barry Little provided the following updates:

- The USAF's new ICBM, the Sentinel, coming to MAFB is the single largest line item in the Air Force's budget starting next year. The Environmental Impact Study (EIS) public participation responses are being reviewed as part of the assessment of the impact to the community pursuant to the National Environmental Policy Act (NEPA) of 1969. The team is on track to finalize the final record of decision in the spring of 2023. It is their intention to comply with local and state permit requirements.
- The hangar and alert facility has been built for the MH-139 Grey Wolf helicopter. Military testing of the aircraft will be ongoing at Eglin in Florida for the next 15 months. He anticipates seeing those helicopters at MAFB at the end of 2023, but it could be later. A milestone was met in August with obtaining civil licenses from the FAA and the first all military test crew flying the helicopter as part of its safety testing.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

- The results of the Air Force's housing requirements and market analysis study is expected later this year. He will share that information with City and County officials to further the housing development plans as they anticipate what the need is going to be, especially with Sentinel coming in later this year.
- The transitional kindergarten pilot program kicked off on August 29, 2022. Retention is key for the military. Education and childcare are both critical to military readiness.
- A contingency checklist exercise is scheduled for September 12, 2022 in Harlowton with federal, state, local and tribal agencies. MAFB representatives will put on a military community demonstration event at the Harlowton High School.
- On September 13-14, 2022 MAFB will be testing their ability to respond, secure and mitigate any possible nuclear weapons incidents and provide emergency assistance.
- Suicide awareness activities are going on throughout the month of September.
- The Air Force ball is scheduled at the end of the month at the Heritage Inn.

2.

PETITIONS AND COMMUNICATIONS

Jeni Dodd, City resident, inquired the status of Bannock Group's fundraising efforts for the indoor water recreation facility, as well as the list of ARPA applicants and scores discussed at this evening's work session.

Rep. Lola Sheldon Galloway, not a City resident but owner of property in Great Falls, commented that three Great Falls legislators recently attended an international discussion with the governments of Ireland and North Ireland. She inquired what Great Falls could contribute to that international trade. She also encouraged the Commission to think about sustainable housing with gardens instead of lawns, and purchasing supplies from her lumberyard company for Commission let projects.

Julie Bass, City resident, commented that the marijuana language put forward to Cascade County to print the ballots is confusing. She asked the City to put forth clear information on its website to educate the community.

Melissa Gasper, City resident, suggested the Commission allow chickens in the City limits. The FDA estimates eggs will be approximately \$12/dozen.

Kevin Westie, 602 35th Street North, commented that the Gibson Flats fire turned into a conflagration because the City didn't properly fund the Fire Department, and crime increased because the Police Department was not properly funded.

In response to the public comments, City Manager Greg Doyon pointed out that Gibson Flats is outside of the City limits. The City responded as part of a mutual aid program. During the last 15 budget years there has been a common theme that public safety has not been properly funded.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

Manager Doyon clarified that there were no ARPA applicant names discussed or applications distributed at this evening's work session. That information will be released when the Commission is advanced the recommendations.

Manager Doyon commented that everyone has a civic responsibility to look at the language on the ballots when voting. The marijuana language was done in accordance with statutory requirements.

He also noted that several years ago the Commission allowed zoning for community gardens in Great Falls. The City doesn't usually bid lumber, and it would be inappropriate for the City to recommend that contractors go to certain businesses in the community.

NEIGHBORHOOD COUNCILS

3. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

BOARDS AND COMMISSIONS

4. APPOINTMENT TO THE TOURISM BUSINESS IMPROVEMENT DISTRICT BOARD.

Mayor Pro Tempore Wolff reported that Scott Shull has served several terms on the Tourism Business Improvement District Board of Trustees (TBID), with his most recent term expiring on June 30, 2022. The Board Liaison, Rebecca Engum, sent out letters to all property owners within the TBID district seeking interested candidates. She also sent emails and made phone calls to encourage applications. Jeff Shull, representing the Days Inn, submitted an application.

During the District's meeting on July 21, 2022, the TBID Board recommended that the City Commission appoint Jeff Shull to the Board of Trustees for a four-year term through June 30, 2026.

The Tourism Business Improvement District (TBID) was established by Resolution 9792 on December 2, 2008 and recreated by Resolution 10222 on February 6, 2018 for an additional ten years. Its overall purpose is to utilize tax dollars through the TBID assessment and direct those monies to be used for the purpose of promoting tourism, conventions, trade shows, and travel to the City of Great Falls. Trustees must be an owner of property within the TBID or the owner's assignee.

Commissioner Hinebauch moved, seconded by Commissioner Tryon, that the City Commission appoint Jeff Shull to the Tourism Business Improvement District Board of Trustees for a four-year term through June 30, 2026.

Mayor Pro Tempore Wolff asked if there were any comments from the public or discussion amongst the Commissioners. Hearing none, Mayor Pro Tempore Wolff called for the vote.

Motion carried 5-0.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

5. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

CITY MANAGER

6. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon reported the following:

- He has initiated conference calls with City representatives of Cheyenne and Minot also going through this missile upgrade. Quarterly meetings have been set up with civilian leadership to talk about the impact of what they are seeing. So far they are saying it will not have as much of an impact as when the missile installation complex was put in the ground. He is monitoring what is happening in the two communities and will adjust our course to meet the needs and concerns that people may have. MAFB is not within the corporate city limits of Great Falls, although the City does provide key services to the installation, namely water and sewer.
- A general election is scheduled November 8, 2022. On that ballot will be two questions from the City. One is a charter amendment allowing for an additional municipal court judge. The second is a question about prohibiting all types of commercial marijuana within City limits. Educational information is available to the public on the City's website, a news release was issued, and people can sign up for email notifications about City meetings and news releases, and information was posted on Facebook and LinkedIn.
- Great Falls Police Department (GFPD) swore in three new officers – Oscar D'lassalas, Dakota Lugo, and Zachary Hattan. GFPD is still down two officers. GFPD also hired two dispatchers, but is still down five dispatchers. All of those vacancies affect the overtime budget to backfill those shifts.
- Great Falls Fire Rescue (GFFR) recruits are about half-way through their academy. The fire prevention presentation that GFFR does at elementary schools will be cut because the City is not able to absorb the \$20,000 cost in this year's budget with the overtime requirements.
- He expressed appreciation to Mike Judge who retired August 26, 2022. He worked for the City for 31 years as the Utilities Manager, and he also served as acting Public Works Director on two occasions.
- Chris Gaub has been appointed to the Public Works Director position and will start November 1, 2022. Chris is a retired colonel from the USAF and was stationed at MAFB from 2010-2014. He has worked in the areas of logistics, engineering, force protection, asset management, civil engineer, architectural design, community planning and facility management.

CONSENT AGENDA.

7. Minutes, August 10, 2022, Special City Commission Meeting.
8. Minutes, August 16, 2022, City Commission Meeting.
9. Total Expenditures of \$6,917,118 for the period of July 26, 2022 through August 24, 2022, to include claims over \$25,000, in the amount of \$6,047,432.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

10. Contracts List.
11. Approve extending the Fuel Delivery Service Agreement with Mountain View Co-op for the period of September 7, 2022 to December 31, 2022.
12. Approve the Memorandum of Agreement (MOA) with the Montana Department of Transportation (MDT) for UPN 10190000 City Sidewalk Infill Project.

Commissioner McKenney moved, seconded by Commissioner Tryon, that the City Commission approve the Consent Agenda as presented.

Mayor Pro Tempore Wolff asked if there were any comments from the public or discussion amongst the Commissioners.

Shyla Patera, 1013 7th Avenue NW, submitted written comments in support of agenda item 12.

Mayor Pro Tempore Wolff called for the vote.

Motion carried 4-0-1 [Mayor Kelly inaudible/technical difficulties].

PUBLIC HEARINGS

13. **REQUEST FOR ANNEXATION FROM TIMOTHY AND DEBORAH MURPHY (2917 PARK GARDEN LANE), ALEXANDER IV AND CELIA BLEWETT (2903 PARK GARDEN LANE), AND TOM AND DEBRA LEWIS (2715 PARK GARDEN LANE).**

I. RESOLUTION 10475, TO ANNEX THE PROPERTIES LEGALLY DESCRIBED AS LOT 4A, LOT 5A, AND LOT 8 OF PARK GARDEN TRACTS ADDITION.

II. ORDINANCE 3248, TO ASSIGN R-2 SINGLE-FAMILY MEDIUM DENSITY ZONING FOR LOT 4A, LOT 5A, AND LOT 8 OF PARK GARDEN TRACTS ADDITION.

Mayor Pro Tempore Wolff declared the joint public hearing open and asked for presentation of the staff report.

Planning and Community Development Deputy Director Tom Micuda reported that the owners, Timothy and Deborah Murphy, 2917 Park Garden Lane (Lot 4A), Alexander IV and Celia Blewett, 2903 Park Garden Lane (Lot 5A), and Tom and Debra Lewis, 2715 Park Garden Lane (Lot 8) submitted applications in December 2021 to annex their properties into the City for the purpose of connecting to City water and sewer utilities. All these properties are contiguous to the existing City limits along the Park Garden Lane right-of-way, which was annexed into the City as part of the Foxwood Estates project in 2018.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

The basis for decision for an annexation by petition request is listed in OCCGF § 17.16.7.050. City Commission shall at a minimum consider the criteria, which are attached as *Findings of Fact/Basis of Decision – Annexation by Petition*. In summary, the requested annexation is supported by City staff because the applicants for annexation have the ability to be served by City water, sewer, and a newly paved street – just as the adjoining properties that are already within City limits.

The subject properties are being proposed for R-2 Single-family Medium Density zoning. The R-2 zoning district aligns with the existing use of a single-family residence upon each property. Although the subject properties are larger than the typical lot size for the proposed zoning district, R-2 zoning is still proposed because it best fits the zoning designation of surrounding residential properties within the City limits as seen on *Ordinance 3248 – Exhibit A*. Existing non-conformities for each subject property were identified within the Annexation Agreements and will be allowed to continue when the properties are annexed into the City. Moving forward, use of land upon the subject properties shall be consistent with OCCGF § Title 17 Chapter 64, *Nonconformities*.

The basis for decision on zoning map amendments is listed in Official Code of the City of Great Falls (OCCGF) §17.16.40.030 of the Land Development Code. The decision of the City Commission shall at a minimum consider the criteria, which are attached as *Findings of Fact/Basis of Decision – Zoning Map Amendment*.

The subject properties are located adjacent to Neighborhood Council #1. At its regularly scheduled meeting on December 14, 2021, the Council voted unanimously in support of the request.

The cost of the connection to water and sewer utilities was borne by each applicant according to the agreed upon terms of each Annexation Agreement and Utilities Acknowledgement Letter. The annexation will add three lots into the city, which will increase the City's tax base and increase revenue.

Mayor Pro Tempore Wolff asked if the Commission members had any questions of staff.

Hearing none, Mayor Pro Tempore Wolff asked if there were any comments from the public in support of Resolution 10475 and Ordinance 3248.

Anders Blewett, 2903 Park Garden Lane, on behalf of all applicants, urged the Commission to support the resolution and ordinance for the reasons specified by City staff. The applicants have gone to great lengths and expense to annex into the City. A benefit to the City will be the added tax value.

Mayor Pro Tempore Wolff asked if there were any comments from the public in opposition to Resolution 10475 and Ordinance 3248.

Hearing none, Mayor Pro Tempore Wolff closed the joint public hearing and asked the will of the Commission.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

Commissioner Hinebauch moved, seconded by Commissioner Tryon, that the City Commission adopt Resolution 10475 to annex the properties legally described as Lot 4A, Lot 5A and Lot 8 of Park Garden Tracts Addition, and approve the Annexation Agreements, based on the accompanying Findings of Fact, subject to the Conditions of Approval being fulfilled by the applicants.

There being no further discussion, Mayor Pro Tempore Wolff called for the vote.

Motion carried 5-0.

Commissioner Hinebauch moved, seconded by Commissioner Tryon, that the City Commission adopt Ordinance 3248 to assign R-2 Single-Family Medium Density Zoning for Lot 4A, Lot 5A and Lot 8 of Park Garden Tracts Addition, based on the accompanying Findings of Fact, subject to the Conditions of Approval being fulfilled by the applicants.

Commissioner Tryon noted that the Planning Advisory Board/Zoning Commission, Neighborhood Council 1 and City staff recommended that the Commission approve the annexation and zoning request.

Commissioner McKenney noted that this item is a perfect example of infill, and the more infill the better.

There being no further discussion, Mayor Pro Tempore Wolff called for the vote.

Motion carried 5-0.

14. **ORDINANCE 3249, AMENDING TITLE 17, CHAPTER 4, CHAPTER 8 AND CHAPTER 20 OF THE OFFICIAL CODE OF THE CITY OF GREAT FALLS PERTAINING TO USE OF LAND WITHIN THE CITY OF GREAT FALLS FOR COMMERCIAL MARIJUANA BUSINESS ACTIVITIES.**

Mayor Pro Tempore Wolff declared the public hearing open and asked for presentation of the staff report.

City Attorney Jeff Hindoien reported that before the Commission is second reading and public hearing on Ordinance 3249. As discussed extensively in several work sessions, this is one piece of a multi-faceted process that the City is undertaking relating to the issue of commercial marijuana activities in the City of Great Falls. The Commission took action over a decade ago when medical marijuana activities were first legalized in the State of Montana. After considerable amount of public input and consideration at that time, the City Commission made the conscious decision to not allow for any medical marijuana activities in City limits. That prohibition ordinance has been in place since June of 2010, never challenged, and was similar to the framework that was utilized by a large number of municipalities around the state to prohibit medical marijuana activities.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

That landscape changed in November of 2020 when the Montana voters approved Initiative I-190 that legalized a range of adult use marijuana activities and commercial activities on a statewide basis. As enacted by the voters, I-190 contained a provision that would have expressly prevented the City of Great Falls or any other charter municipality from completely prohibiting commercial marijuana activities. However, the 2021 Legislature took action to amend the I-190 framework. HB 701 repealed the language that put the restriction on cities like Great Falls from completely prohibiting these activities.

Post I-190 and HB-701, the Commission stood by and relied on the same ordinance it had enacted 10 years ago to prohibit any new commercial marijuana activities. An application was submitted for a Safety Inspection Certificate (SIC) to operate a commercial adult use dispensary in the City of Great Falls. Staff did not process that application on the grounds that the City had an ordinance that prohibited that activity. In April of 2022, the Commission conducted a public hearing on applicant's appeal. The Commission affirmed the staff decision to not process the SIC application.

The Commission also directed staff to move forward with the process that would let the City voters decide about whether or not they wanted to specifically prohibit these new activities that have been authorized by the Legislature. That process has now been completed after being worked through at work sessions in June and July and formally considered by the Commission in August. So three public meetings were conducted at which the ballot proposition issue was talked about and the specific language that was going to be part of that ballot proposition.

The Commission took action at the August meeting to formalize that language and passed a resolution that passed that over to the County Election Administrator. That action will place a question before the voters about whether or not they want to specifically amend the City Code to prohibit these new allowed activities under state law. There is now a fair amount of information on the City's website about what that ballot initiative involves, some frequently asked questions, and an opportunity for people to ask questions.

With respect to the comment earlier about the clarity of the ballot language, City Attorney Hindoen explained that they had to deal with some legal framework pieces to navigate with that. The law requires that the referral actually be an ordinance. It can't be an open question about are you for it or against it? It requires language that is crafted around an amendment to the City Code and that is why that language was crafted in the manner it was and is asking voters, do you want to amend the City Code to prohibit these activities or don't you? That piece of the puzzle is now complete, and will be set before the voters.

The final piece of this is what we're talking about tonight. As has been discussed, even when this all started back in April, the Commission needed to build out a framework that would allow for commercial marijuana activities in the City if the voters were to make that choice. The City has to have a framework in place for regulating that at its most basic level. It is a zoning regulation that would dictate where these types of commercial business activities could occur within the City of Great Falls.

The other event that has happened since April, however, is that the City has been put on the receiving end of a lawsuit challenging its decision or its action to prohibit these activities. The

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

City is now in a court case and could receive a ruling from the District Court that says the City is obligated to allow for these activities.

Being discussed tonight is taking action to amend the existing zoning ordinance to reflect how these particular activities would be allowed for in the City of Great Falls if one of two things happens - the voters make the decision in November that they don't want the code to prohibit these activities, or alternatively, a ruling from the court that says the City of Great Falls is required to allow for these activities.

The framework that has been brought forward through the first hearing process and through discussions at the work session is one that not all of the Commissioners agree on at this point. As framed presently, it would restrict the commercial activities like cultivation, manufacturing, transportation, and testing to the industrial zoning districts I-1 and I-2, but would allow the sales and adult use dispensary land use to be permitted in the commercial districts and as a conditional use in the mixed zoning districts and one commercial C-5 and one in M-2.

The Commission, as part of its legislative actions, is free to amend the proposed framework in whatever way it sees fit to decide where it wants those particular uses to occur, contingent on that it wouldn't become operative unless the voters drive things that way or a court tells the City what it needs to do.

Mayor Pro Tempore Wolff asked if the Commission members had any questions of staff.

Commissioner Hinebauch clarified that this public hearing is about zoning for marijuana businesses.

Commissioner McKenney inquired if the Court decision would supersede the vote of the people or could the vote of the people in November overturn the Court decision.

City Attorney Hindoien responded that, as of now, the lawsuit is directed only at the City's current ordinance. It is not directed at the legal authority of the City to refer the question to the voters and it's not directed at the validity of that process.

Mayor Pro Tempore Wolff asked if there were any comments from the public in favor of Ordinance 3249. She noted that zoning maps were on the table in the back of the room for public review.

Melissa Gasper, City resident, commented that she is certified as an advanced practice registered nurse. Her doctorate level research taught her a lot about medical marijuana and chronic pain and access to health care. Cannabis has been a long, hard and expensive battle for Montanans. Just when they think they are gaining way by their vote, they are met with more battles, moratoriums and zoning issues and it is all about access.

Access to healthcare is a key fight addressed in many modern studies for all sorts of medical issues, diagnoses and treatments. This is for equality and justice for all patients. Access to legal, majority voted rights is a fight for liberty and justice for all.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

The opioid death rate was cut in half in Montana after chronic pain was added to the list of diagnoses for which somebody could get a Montana Medical Marijuana Card. Also treated by medical marijuana is endometriosis, seizures, ADHD, Parkinson's, glaucoma, migraines, post war trauma, PTSD, anxiety, and combat injuries that are often chronic, lasting well into old age. Her oncologist even recommended it for cancer treatment side effects.

Cannabis is not a gateway drug. It is used to self-medicate just like alcohol, tobacco and opioids. She suggested finding zoning so Montana citizens could find access to cannabis.

Sahil Mehta, Bozeman resident, commented that other cities have passed this in such a way that their cities seem to be moving forward. If those cities have allowed it for so many years and it hasn't caused an issue, why aren't those cities banning it.

Talan Harrington, City resident, submitted written comments in support of Ordinance 3249 as proposed with certain regulations.

Joshua Gosney, owner of Infinity Wellness Dispensary of Great Falls, submitted written comments in support of Ordinance 3249 as proposed.

Mayor Pro Tempore Wolff asked if there were any comments from the public in opposition to Ordinance 3249.

Ben Forsyth, City resident, commented that adopting Ordinance 3249 will allow more recreational marijuana into the City of Great Falls. He suggested the Commission think about whether or not that allowance of recreational marijuana into Great Falls is good or bad in relation to the health, safety, and welfare of the people, and in relation to the laws as they now stand. The laws specifically state that the health, safety, and welfare of the people are primary. He discussed his experiences and observations of the harms of marijuana in Great Falls, and suggested a great deal more harm will happen if THC is more available.

Noelle Johnson, City resident, commented that the State Initiative references that marijuana retail businesses have to be 500 feet from schools, and also references that localities can change that. She pointed out that there are six public schools directly across the street from C-1 or C-2 zoning: North, CMR, Valley View, West, Lincoln and Lewis and Clark. There are another three that are within a block of C-1 or C-2: Longfellow, Loy and Chief Joseph. There is also an unknown number of other childcare facilities and private schools. There is a big child care facility on Second Avenue North that is in that zoning. Treasure State Academy is across the street, and Foothills is within a block of either a C-1 or C-2. She urged the Commission to take that into account. The Montana School for the Deaf and Blind also has some of those zoning designations near it.

Aside from the schools, there are also nine City parks where a lot of our children and families spend time that are adjacent to C-1 and C-2 zoning designations.

M-1 and M-2 mixed-use areas surround, and are adjacent to, the River's Edge Trail, one of Great Falls' biggest recreational parks. These zoning designations have to be paid attention to in relation to where citizens recreate.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

With regard to Commissioner McKinney's comment that it should be zoned like other retail businesses, Ms. Johnson responded that proposed Ordinance 3249 would allow dispensaries in more zones than vehicle sales, second hand stores and shopping centers. It would also allow more dispensaries than small animal vet clinics, casinos and mini golf.

She concurred with a prior comment by Commissioner Wolff that the marijuana businesses should be kept to I-1 and I-2 zoning districts for now.

She urged the Commission to deny Ordinance 3249 as written.

Linda Madsen, not a City resident, concurred with Ms. Johnson's comments.

Cheryl Scheer, City resident, commented that she is shocked that any person would even consider approving this massive zoning with all of the education received at these meetings, Crime Stoppers, and through statistics describing the dangers. Great Falls will be inundated and will never be the same.

She mentioned at previous meetings that two family members died as a result of drug overdose and health issues due to addiction. Both started out using marijuana and progressed to meth and opioids. She also has a friend whose stepson was killed in a head on collision by a guy who was high on marijuana. It is a dangerous drug that destroys lives, can lead to use of harder drugs and destroys families and communities.

She suggested it would be completely irresponsible to allow pot shops, cultivation, manufacturing and distribution within the city, greatly increasing access of this drug to drug abusers and to our youth. She is opposed to any regulation, policy or law the Commission can create that will allow increases in marijuana availability in the city. This drug must be tightly controlled in order to prevent wide proliferation throughout our community and the devastation of more lives in the process.

Mike Scheer, City resident, commented that the proposed ordinance would allow recreational marijuana to be sold in all retail areas of the entire city. He asked if the community wants to present our city as a city of pot shops and casinos? He suggested keeping Great Falls pot shop free, or as limited as possible. Pot shops located all over the City make it more enticing and accessible to possible first time users. Everyone is aware of the increase in crime and added problems for law enforcement that is associated with this industry. He also expressed concern that two members of the Commission in real estate and insurance industries could benefit from this and it appears to him to be a conflict of interest.

Sandra Guynn, City resident, commented that she took exception to a comment Commissioner McKenney made at the August 16th meeting that indicated 10th Avenue South and Downtown were not neighborhoods. Of the City's nine neighborhood councils, five of those councils call 10th Avenue South either a north or south boundary. She lives a block off of 10th Avenue South and it really is part of the neighborhood. She encouraged the Commission and the public to utilize a crime mapping tool on the City's website to see what crimes are being committed and where. There is quite a bit of crime activity along the 10th Avenue South corridor and within a

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

block or two of 10th Avenue South. She encouraged the Commission not to allow additional zoning for marijuana.

If the voters approve that marijuana should be sold in the City, she would appreciate it, and thinks many others would too, to leave it in the industrial areas as was initially suggested.

Beth Morrison, City resident, encouraged the Commission to consider limiting the number of dispensaries if this comes to pass either through court order or ballot initiative. There are approximately 59,000 people in Great Falls. There are 11 dispensaries in Cascade County already. She further encouraged the Commission to up the 500 foot requirement. She would not like to see dispensaries on every corner like casinos.

Carol Robinson, City resident, concurred with previous speakers in opposition to this ordinance. She also mentioned Dr. Kenneth Finn, a pain management doctor in Colorado that discusses the dangers of taking THC and not knowing whether that person has a psychosis. She concluded that it should only be allowed in the industrial districts if it passes.

Lisa Lord, no address provided, commented that, as part of her position at Walmart, she denies the sale of alcohol when she suspects someone being under the influence of alcohol. She has come across some people with their medical marijuana cards and they act just as drunk as anybody else. But she can't deny them from getting into a vehicle and driving, killing somebody or themselves. She also ministers to women in jail. Marijuana is the beginning stage of people going into other drugs. She would like this City to be safe for families to come in and raise their families. There is no common sense to adopting this ordinance and she doesn't appreciate anybody who would say this drug can help when in fact it does more harm than good.

Nancy Donovan, City resident, concurred with the previous speakers. She urged the Commission, if it does pass, to be aggressive with the zoning. She doesn't want it in her neighborhood, and she hasn't seen any people whose lives have been improved by adding drugs to their daily routine.

Jeni Dodd, City resident, inquired if the City would take the matter to a higher court if it gets ruled against to defend the original ordinance that states it is against federal law and won't be allowed in the City. If it is determined that it has to be allowed, she suggested the Commission consider creating a separate zoning district.

Julie Bass, City resident, commented that her problem with this is there isn't much talk about our kids. Drug use should not be normalized. She prays marijuana doesn't get voted in and she hopes the Commission will do the right thing.

Rep. Lola Sheldon Galloway, commented that the intent of HB 701 was to let the cities decide what was best for the cities. If the current ordinance says that we do not want to violate federal law, then she agrees that the intent of the bill would support the current ordinance. She suggested these subjects be added to the neighborhood councils and Council of Council agendas. Rep. Galloway commented that Idaho law sets forth that medical marijuana has to be sold in pharmacies. Is that an answer for Great Falls? As suggested to her by a youth study group in Great Falls, she proposed HB 568 that set forth any dispensary had to be 1000 feet from churches,

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

schools, parks, recreational facilities and playgrounds. The bill also set forth the number of dispensaries be limited to one for every 10,000 people. She commented that Denver smells like skunk everywhere. She was told in committee that for every dollar of taxes that came into Colorado, they spend \$6 dollars in police services.

Brian Cayko, 44 34th Avenue NE, submitted written comments in opposition to land use allowing for zoning commercial marijuana business activities.

Jeff Keller, 1424 3rd Avenue North, submitted written comments in opposition to any zoning changes that would allow for marijuana dispensaries to operate in any residential districts.

There being no one further to address the Commission, Mayor Pro Tempore Wolff closed the public hearing and asked the will of the Commission.

Commissioner Hinebauch moved, seconded by Commissioner McKenney, that the City Commission adopt Ordinance 3249.

After a brief parliamentary discussion, **Commissioner Tryon moved, seconded by Mayor Pro Tempore Wolff, that the Land Use Table Exhibit 20-1 to Ordinance 3249 be amended to allow marijuana dispensary land use only in I-1 and I-2 zoning districts.**

Mayor Pro Tempore Wolff asked if there were any comments from the public on the proposed amendment.

Melissa Gasper, City resident, inquired if public transportation serviced the industrial zones.

City Attorney Hindoen responded that the City doesn't operate the transportation authority and doesn't know what their routes are.

Ms. Gasper continued that industrial zones not being accessible to public transportation would put up a big barrier to access to healthcare and of adult choices that have already been voted in.

Linda Madsen, Noelle Johnson, Julie Bass, Cheryl Scheer, Carol Robinson, and Gaylen Johnson spoke in support of the amendment.

Leyla Mohler, City resident, urged the Commission to reconsider and allow dispensaries in commercial areas.

Jeremiah Scott, City resident, commented that he is retired from the military. He suffered from PTSD and severe anxiety. He has used marijuana for these mental illnesses and it hasn't helped him. In fact, it made everything worse. He added that he saw a documentary on television in a foreign country about Montana and how bad the methamphetamine problem was here. He asked why the Commission would want to allow a gateway drug, such as marijuana, to be closer to the city where kids are.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

Rep. Lola Sheldon Galloway, inquired about medical marijuana not being in the city since it has been legal in the state.

Ben Forsyth, City resident, opposed anything that would allow recreational marijuana in greater quantities in our community.

Jeni Dodd, City resident, again suggested a separate zoning category for marijuana dispensaries with specific guidelines since it is still illegal under federal law.

Mayor Pro Tempore Wolff asked if there was any discussion amongst the Commissioners on the amendment.

Commissioner Tryon commented that this issue is about zoning, and a federally prohibited Class 1 drug that is illegal. That is the predicate upon which the original Ordinance was adopted in 2010 prohibiting marijuana activities in Great Falls. Should this pass by the voters in November or a Judge declares that the City cannot completely ban marijuana activities, it needs to be carefully considered and not be treated like other products. He doesn't believe the Commission has vetted this issue enough on what the long term impacts are. Commissioner Tryon concluded that the responsible thing to do is to keep the dispensaries in Industrial 1 and 2 and then see what happens. After November's vote, there is nothing that prevents the Commission from coming back and doing its due diligence, research, and vetting about how best to expand the zoning.

Commissioner Hinebauch commented that zoning needs to be in effect if the vote passes. If the vote passes, it will be twice that the citizens of Great Falls have voted in favor. If the business is a legal entity that the voters approve, he doesn't think that city government should over regulate it or stop businesses from coming into the City. He believes a bar is less safe than a marijuana dispensary. Recreational marijuana sales in Cascade County has been \$1 million dollars per month for the past six months. He thinks this is a revenue opportunity for the City and the Commission needs to respect the voters.

Commissioner McKenney commented he believes that local government should strive for less intrusion into the private sector, and local government should protect private property rights. Property owners should have the ability to use the property as they wish, as long as it is legal. It is a balancing act and it is not easy. In his opinion, retail sales of marijuana is similar to other types of retail sales, patrons purchase a product on the premises and they depart. The difference is it is an adult controlled product. It is not the only adult controlled product that is regulated through zoning. He is comfortable regulating it the same way as off premise alcohol. Commissioner McKenney concluded that the will of the voters counts. He will be opposing the amendment.

Mayor Kelly reiterated that medical marijuana has been available in the county for almost 12 years now. Up until this point, he has not heard any problem regarding access to it. The ordinance being considered is, at the very least, increasing access for people.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

The voters have overwhelmingly approved the legalization of marijuana inside the state. He has been approached by community members who have asked that the Commission try to do as much as possible in consideration of the youth in the community.

If there is a huge outcry from the commercial aspect of this and from people who want to expand the revenue opportunities and expand the geographic footprint, the Commission can certainly consider at a later point opening it up to some commercial zoning.

He will support the amendment, not because he personally believes in it, but thinks that it is the best thing for the community going forward.

Mayor Pro Tempore Wolff commented that she agrees with the comments made about moving forward gently. The Commission is not denying access. The Commission can see what happens with this, and then make changes and amendments as time goes along.

There being no further discussion, Mayor Pro Tempore Wolff called for the vote on the amendment.

Motion to Amend carried 3-2 (Commissioners Hinebauch and McKenney dissenting).

Commissioner Tryon moved, seconded by Mayor Pro Tempore Wolff, that the City Commission adopt Ordinance 3249 as amended.

Mayor Pro Tempore Wolff asked if there was any further discussion amongst the Commissioners on the Motion to adopt the Ordinance as amended.

Commissioner McKenney noted that, although he opposed the amendment, it is important that zoning is in place so the City is prepared if retail marijuana becomes legal.

Commissioner Tryon commented that he doesn't believe Commissioners Hinebauch or McKenney have conflicts of interest in their heartfelt and honest conviction on this matter.

There being no further discussion, Mayor Pro Tempore Wolff called for the vote.

Motion carried 4-1 (Commissioner Hinebauch dissenting).

Mayor Pro Tempore Wolff called a recess at 9:29 pm and called the meeting back to order at 9:38 pm.

OLD BUSINESS

NEW BUSINESS

15. **ORDINANCE 3250, AN AMENDMENT TO THE PLANNED UNIT DEVELOPMENT TO ALLOW 4-PLEX MULTIFAMILY UNITS FOR WEST RIDGE ADDITION PHASES VII-XI AND PRELIMINARY PLAT FOR A 40-LOT MAJOR SUBDIVISION FOR WEST RIDGE ADDITION, PHASE X.**

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

Planning and Community Development Deputy Director Tom Micuda reported that before the Commission is Ordinance 3250 for first reading to amend the Planned Unit Development (PUD) zoning for West Ridge Addition Phases VII-XI. The City Commission approved the annexation of the whole property, assigning R-3 Single-family high density zoning on August 18, 2015. At the request of the applicant, the Commission further approved the rezone of the property to PUD on February 21, 2017 to give the applicant the ability to construct 2-unit townhomes. The applicant is now requesting an amendment to the existing PUD to accommodate an allowance for 4-plex, multifamily units for Phases VII-XI.

The applicant is proposing to proceed with Phase X of West Ridge Addition which will include townhomes, single family homes, and multi-family 4-plexes. This proposed phase would create 40 new lots and 70 total dwelling units. The lots on the preliminary plat range from 8,417 – 8,445 square feet for the townhomes, and 10,650 – 11,005 square feet for the single family lots, all of which are located on the eastern side of 2nd St. NE and extend to 4th St NE. On the west side of 2nd St. NE, the 4-plex lots range from 13,473 – 13,709 square feet. The proposed townhome and single family lot standards are consistent with R-3 zoning district requirements as well as the PUD that was added to the development in 2017. The 4-plex lot standards are included in the proposed amendment to the PUD.

Phase X will connect to and extend existing City roadways by extending 2nd and 4th Streets NE, and building 42nd Avenue NE. Service for the proposed 40 lots will require extension of existing 8 inch sewer and water mains that currently serve West Ridge, Phase IX. The on-site improvements required for the development of the subject property shall be installed as shown on the final construction plans that are submitted to, and approved by the City. The on-site improvements shall include everything required to provide water, sanitary sewer, storm water management, and access including streets and sidewalks serving each proposed lot.

The Planning Advisory Board/Zoning Commission recommended approval of the PUD amendment as well as the preliminary plat for West Ridge, Phase X at its public hearing held on August 23, 2022. Neighborhood Council 3 voted in favor of the amendment at its meeting last week. Staff supports the amendment as being faithful to the layout of West Ridge by simply incorporating another product type that adds density and housing diversity. The developer is taking advantage of a market opportunity but also is looking ahead to future development costs and making sure they have enough of a housing product to be able to offset future costs that are only going up as they continue to develop West Ridge.

Commissioner Hinebauch moved, seconded by Commissioner Tryon, that the City Commission accept Ordinance 3250 on first reading and set a public hearing for October 4, 2022 to consider an amendment to the Planned Unit Development for West Ridge Phases VII-XI.

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

Mayor Pro Tempore Wolff noted a traffic study was done in that area and there will be good traffic flow without impacting other streets.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

There being no further discussion, Mayor Pro Tempore Wolff called for the vote.

Motion carried 4-0-1 [Mayor Kelly inaudible/technical difficulties].

16. **GREAT FALLS DEVELOPMENT AUTHORITY (GFDA) PROPOSALS FOR CARES FUNDING.**

Grant Administrator Tom Hazen reported that the City of Great Falls has received more than \$29 million dollars in federal funding through Covid-19 related funds. Initially, the City received \$10,159,163 in reimbursement for Covid related public safety response expenses through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Subsequently, the City was allocated an additional \$19,472,737 through the American Rescue Plan Act (ARPA).

The City Commission has become familiar with these figures and acronyms. This body has evaluated an extensive list of proposed use of these funds. To date, discussion has focused primarily on identifying ARPA uses due to the usage deadlines established by the United States Treasury Department. In addition to an identified group of Tier One internal proposals, a sum of \$3 million dollars of ARPA funds were budgeted for external distributions to local businesses and non-profits through a competitive grant program. The City accepted applications for this program between the dates of February 15 and July 15 of this year.

On June 13, 2022, GFDA submitted two Economic Recovery Proposals to the City. The first proposal requested \$1.4 million dollars to finance the Milwaukee Station construction project. GFDA has since secured sufficient capital to fully fund this development. In replacement, GFDA proposes that the funds be added to its revolving loan fund. This fund is loaned to local businesses in for the form of gap or bridge loans. Proceeds are reissued into the community upon receipt. GFDA has stated that it has received \$12-\$15 million in requests from developers and businesses.

GFDA also submitted a \$2-\$4 million dollar proposal to fund infrastructure development relating to new housing projects. City dollars would serve as capital to create a new low interest revolving loan fund. Loan repayment would be contingent upon the sale of the property after installation of utility infrastructure. Proceeds would be reissued in the form of new loans once repaid.

These proposals were not submitted to the competitive grant program and are, as written, not ARPA eligible. ARPA use requires compliance with established categories to be considered eligible. ARPA also requires adherence to specific deadlines.

Conversely, CARES funds are not subject to the same restrictions. CARES funds were issued to the City as a reimbursement. The City was required to meet all eligibility thresholds prior to receiving funds. There are no requirements to meet to utilize this money. Additionally, there are no deadlines to make in expending these funds. CARES funds may be used at the discretion of this Commission.

Based on his multiple conversations with GFDA personnel, GFDA was aware that ARPA would not apply. GFDA has a well-established success rate in implementing gap and bridge financing. GFDA's personnel have voiced the need for additional capital in this program since the City

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

began receiving funds. Since implementing their revolving loan fund, GFDA has issued over 100 of these instruments totaling over \$40 million dollars. Currently, there is a \$12-\$15 million dollar pipeline for financing. While not all of those programs may materialize, those that do would benefit the availability of the funding resources. Further, the City has no internal capacity, capability or mechanism to achieve the same success as GFDA.

Contrarily, the expansion of infrastructure has been a subject of interest to this Commission and ongoing evaluation by City staff. The City Planning and Community Development (PCD) Department submitted several proposals for housing development and infrastructure expansion to the Commission for consideration on July 5, 2022. PCD proposed the creation of a fund to subsidize permit costs on a project-by-project basis, the expansion of multiple water treatment facilities on the north side, and expanded the infrastructure of the imminent NeighborWorks Great Falls development on the south side. These projects emphasize areas of identified need, benefit low and moderate income (LMI) developments, and are compliant with ARPA requirements, which were recently released by the Treasury Department.

The inherent flexibility of CARES is an undeniable asset to the City operations. As previously stated, the City initially received \$10,159,163 in CARES funds. In Fiscal Year 2022, the City deployed \$1,141,000 of CARES to replenish several fund shortages attributable to the Covid-19 pandemic. Similarly, the City has allocated \$1,677,000 to account for other deficits in the Fiscal Year 2023 adopted budget. While the emergency of the global pandemic has begun to recede, other factors have continued to develop that continue to negatively impact local economies as well as national and global. Workforce shortages, inflation, shipping interruptions, and a potential recession have prevented countrywide operations from returning to pre-Covid norms. Locally, developments such as the Calumet assessment protest make prediction of short-terms financial prospects extremely difficult. Overall, evaluating the future need for CARES funding budgetary subsidies is challenging at this time.

The complete lack of deadlines in evaluating CARES usage is extremely important. There is no rush to use these funds, unlike ARPA. This body may take its time in evaluating how and when to use to use this particular bucket. The question of CARES funded infrastructure financing can be evaluated now, or one year from now.

For these reasons, staff recommends the approval of GFDA's request for \$1.4 million dollars of CARES funds to provide gap financing to businesses that are located within the Great Falls city limits.

Mayor Pro Tempore Wolff asked if the Commission members had any questions of staff.

Commissioner Hinebauch disclosed that he has been a member of GFDA and recently announced his intent to resign. He has no financial benefit from GFDA. He donates money from his business to GFDA on an annual basis.

Mayor Pro Tempore Wolff asked the will of the Commission.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

Commissioner Hinebauch moved, seconded by Commissioner Tryon, that the City Commission approve an allocation of \$1,400,000 in CARES funds to the Great Falls Development Authority to provide gap financing to businesses located in Great Falls.

Mayor Pro Tempore Wolff asked if there were any comments from the public.

Jeni Dodd, City resident, commented that the City continues to state that the CARES funds are unrestricted. She demands to know why the \$1.4 million dollars couldn't be applied to the City's general fund, City infrastructure projects, or the Fire Department programs instead of to a private, non-profit entity.

Ms. Dodd continued that for years the City has passed along significantly large amounts of federal grants, such as Community Development Block Grants (CDBG), to GFDA. GFDA was identified as having conflicts of interest in CDBG funding. It is a slap in the face to Great Falls citizens that the City would continue its granting relationship with this private, non-profit entity.

She attended a 2019 GFDA visioning session wherein the predetermined outcome was to support redevelopment of a predefined block downtown. She opined that one of the GFDA facilitators had his own project in mind and later received GFDA funding for that project. She concluded that action of self-dealing is a conflict of interest. She does not support any funding to GFDA. As a member of GFDA, Commissioner Hinebauch should recuse himself from the vote.

Jolene Schalper, GFDA, noted that GFDA has received Guide Star's platinum seal of transparency after a thorough review of GFDA's best practices. GFDA is one of the only non-profits in the state of Montana to receive the platinum seal for transparency. All of GFDA's loans are on its website and is public record. She further noted that if a board member is going to apply for loan funds, they have to step off of the board and, in some cases, they have to step off of the board two or three years before they apply for the loan funds in accordance with the many federal agencies that they are audited by.

Gap and bridge financing makes projects happen that wouldn't otherwise happen. Project costs for housing and business development have increased exponentially. Typically a business owner or developer will approach a bank. The bank requires 20% to 30% equity. But as costs keep rising those external factors can make that 20% to 30% out of reach. That's where economic development and GFDA come into play. Banks send GFDA good deals that they just can't make work. GFDA evaluates those deals, underwrites those deals and make those deals happen. GFDA prioritizes high wage job creation, housing and competitive community improvements.

GFDA had to borrow \$3.5 million dollars for loan capital in the last two years to meet these gap needs. Great Falls is growing. Entrepreneurs need help to make deals happen to continue to grow our economy and we have to have more capital to put into these deals. The Milwaukee Depot was one example of that. Milwaukee Depot is a market rate housing project. That was one example that GFDA utilized, but GFDA has identified over 14 million gaps that exist in our community right now and those are for housing, small businesses and community redevelopment projects.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

The City's capital investment in GFDA's gap and bridge loan funds will continue to circulate for years and years. The return is tracked in jobs, capital investment, and increased tax base.

GFDA has a proven track record. Over the past 26 years, GFDA has closed \$51,253,855 in loans. That \$51 million leveraged \$255 million dollars of investment in our community that would not have been happening without this gap and bridge financing. That is the leverage that the taxpayers will be getting from this investment in gap in bridge financing.

In the last two years GFDA made \$12,177,798 in loans. In the first two months of this year, GFDA already made \$708,000 in loans. The loans leveraged \$55 million in investment. This allocation will be leveraged exponentially to continue to grow Great Falls for years to come.

Rebecca Engum, GFDA Loan Committee, spoke in favor of this opportunity that is presented to GFDA to do more good in the community. Having presided over loan committee meetings for a number of years, the number of projects that can be done with \$1.4 million dollars is impressive. The gap or bridge that is necessary to make some of these deals happen is absolutely necessary to the growth of some of these businesses. Not all businesses have the opportunity to go to a bank to get the financing they need. The fact that this would become unrestricted funds allows GFDA to open up that opportunity to improve businesses across the board, not just in specific areas, which is extremely helpful.

Sherrie Arey, Executive Director of NeighborWorks Great Falls, commented that to be able to utilize the unrestricted CARES act money to the maximum capacity would be wonderful. The Commission has been thoughtful in developing that approach. If approved, these GFDA funds would definitely pay time and time again.

She reiterated that the City has no capacity to achieve the same results as GFDA in this regard. It is indicative of the fact that GFDA moves at the speed of business.

Beth Cooper, County resident, commented that, if the funds are not on a time limit, the Commission should not be in a hurry to spend CARES money right now. She suggested waiting to see if there are other projects that need the funding.

Brian Cayko, 44 34th Avenue NE, submitted written comments in opposition to this allocation to GFDA.

Mayor Pro Tempore Wolff asked if there was any discussion amongst the Commissioners.

Commissioner Tryon received clarification there are no deadlines applicable to the CARES funds. He inquired if the GFDA proposal was the only proposal for CARES funds that goes outside of City infrastructure, fund replenishment or fund needs, and was responded to in the affirmative.

Staff prioritized discussion on ARPA funding when discussions began about Covid funds mainly because use of ARPA funds had more restrictions. Use of those funds was prioritized first because they had to fit into certain boxes and had to get out the door quicker. The City Commission hasn't had a lot of discussion specifically related to CARES.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

As far as why that is the only external item on the list is because \$3 million dollars of ARPA funds was allocated for the sub-awards being discussed up until now. There hasn't been a proposal or allocation for public distributions through CARES at this point.

Commissioner Tryon inquired how staff determined to make the GFDA recommendation to the Commission.

City Manager Doyon clarified that it was requested by GFDA. The mechanism that staff had available to respond to the request was through CARES. The Commission knew that the City received a request from GFDA directly in writing.

Commissioner Tryon commented that he recalled the original request was for the Milwaukee Station.

Manager Doyon clarified that those were the only two requests for CARES funds. GFDA has indicated that they do not need funding for that Milwaukee project. Staff has taken the position that if the Commission's will is to fund GFDA for economic development, the revolving loan program would probably be the most effective tool at this amount at this time based off of concerns about what next year's economy may look like and knowing that we have the greatest flexibility in those CARES funds.

Commissioner Tryon requested clarification regarding whether the \$1.4 million dollars that GFDA is requesting is not going to be used as a gap loan for the Milwaukee Station.

Jolene Schalper, GFDA, responded that Milwaukee Depot was just used as an example in the proposal and that was erroneous on their part. The developers in Milwaukee Depot have secured their financing. These funds will be used for businesses, housing and community improvement projects that face a gap. The funds will be put into their gap and bridge revolving loan fund.

Manager Doyon commented that the elephant in the room is yes, the money could be used elsewhere in the City. This is a policy decision of the Commission. GFDA hasn't been allocated direct funding from the City since approximately 2014. Sensing that there was a desire of the Commission to make an investment to an outside organization for economic development on the heels of everything that is going on, this proposal makes the most sense to staff.

Mayor Kelly commented that this is a revolving loan fund for \$1.4 million dollars that the City is not saying goodbye to. This money is being put in the hands of people that have the capacity to get results. GFDA has the contacts, the ability, the mechanics, the credit analysts, and they are able to put these dollars into work that benefit the entire community. It will help provide gap financing for great opportunities for a community. It is a great investment in our community and we're utilizing the skillset that GFDA has in order to make the most leverage out of these dollars as possible. He strongly supports putting dollars that the City has into play that will be continually used to create a better community where we live.

Mayor Pro Tempore Wolff noted that she served on the GFDA board for nine years. She could see every month the work that GFDA did in helping people get projects in the ground which then helps our local economy.

JOURNAL OF COMMISSION PROCEEDINGS
September 6, 2022

There being no further discussion, Mayor Pro Tempore Wolff called for the vote.

Motion carried 5-0.

ORDINANCES/RESOLUTIONS

17. RESOLUTION 10478 REPEALING RESOLUTION 10461, AND RESOLUTION 10479, ANNUAL TAX LEVY.

Finance Director Melissa Kinzler reported that the City Commission is required to fix an annual tax levy by setting mills to generate property tax revenues that will balance the General Fund budget and other levy supported funds. The City received its taxable valuation from the Montana Department of Revenue (MTDOR) on August 1, 2022. With this valuation, the City adopted Resolution 10461 setting its annual mill levy. Revised certified values were received on August 26, 2022 due to a settlement with Montana Refining Company and Montana Renewables (Calumet). This settlement resulted in additional decreases in valuation on a parcel that was under protest from 2017 to 2019.

When the Commission originally set the total mill levy for Tax Year 2022 (FY 2023), 211.50 mills totaled \$22,295,632 in tax revenue. This includes mills for the general levy, Permissive Medical Levy, and the Soccer Park General Obligation Bond levy.

The revised certified values lowered the City's mill value from \$105,417 to \$103,300. Without re-certifying the mill levy, the City would lose approximately \$447,625 in tax revenue. Of this amount, \$184,209 is attributable to a loss in newly taxable property and cannot be recovered. However, the remaining amount (\$263,416) can be recovered by re-certifying the tax levy. The re-certified tax levy is for a total of 214.05 mills totaling \$22,111,402 in tax revenue.

	Original Certification		Re-Certification	
	\$100,000 Market Value Home	\$200,000 Market Value Home	\$100,000 Market Value Home	\$200,000 Market Value Home
Inflationary Factor Increase	\$ 8.35	\$16.70	\$8.56	\$17.12
Permissive Medical Levy Increase	\$ 3.17	\$ 6.34	\$3.25	\$6.49
Total Annual Increase	\$11.52	\$23.04	\$11.81	\$23.61

The requested action is that the Commission repeal Resolution 10461 and adopt Resolution 10479 to certify the new mills because of the change in valuation.

City Manager Doyon added that this is not the first time the Department of Revenue has changed valuation after the budget was adopted. In prior years the City has eaten that in fund balance because the City was at a normal level. The concern this year is based off of prior budget discussions and pending tax appeals which are not resolved, potentially involving the same industry that could have additional impact.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

Finance Director Kinzler also added that the School District had to recertify their mills last year, which she believes the School District will have to do again because of the timing. It was so late last year that it caused the tax collections for everyone to be a month later in December. The City did not recertify last year and lost some tax revenue.

Commissioner Hinebauch moved, seconded by Commissioner Tryon, that the City Commission adopt Resolution 10478 repealing Resolution 10461.

Mayor Pro Tempore Wolff asked if there were any comments from the public.

Jeni Dodd, City resident, spoke in opposition to increasing taxes, especially now with the rising food and gas prices. Instead of using CARES money for the City, the Commission gives it to a non-profit who gives loans to people on the board.

Brian Cayko, 44 34th Avenue NE, submitted written comments in opposition to the use of public tax dollars to support private non-profits.

Mayor Pro Tempore Wolff asked if there was any discussion amongst the Commissioners.

Hearing none, Mayor Pro Tempore Wolff called for the vote.

Motion carried 5-0.

Commissioner Hinebauch moved, seconded by Commissioner Tryon, that the City Commission adopt Resolution 10479.

Mayor Pro Tempore Wolff asked if there were any comments from the public or discussion amongst the Commissioners.

Hearing none, Mayor Pro Tempore Wolff called for the vote.

Motion carried 5-0.

CITY COMMISSION

18. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

19. COMMISSION INITIATIVES.

None.

JOURNAL OF COMMISSION PROCEEDINGS

September 6, 2022

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Tryon moved, seconded by Mayor Pro Tempore Wolff, to adjourn the regular meeting of September 6, 2022, at 10:25 pm.**

Motion carried 5-0.

Mayor Pro Tempore Wolff

City Clerk Lisa Kunz

Minutes Approved: September 20, 2022