

JOURNAL OF COMMISSION PROCEEDINGS
August 19, 2025 -- Regular City Commission Meeting
Civic Center Commission Chambers, Room 206 -- Mayor Reeves Presiding

CALL TO ORDER: 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL/STAFF INTRODUCTIONS:

City Commission members present: Cory Reeves, Joe McKenney, Rick Tryon, Shannon Wilson, and Susan Wolff.

Also present were City Manager Greg Doyon and Deputy City Manager Bryan Lockerby, Public Works Director Chris Gaub, Planning and Community Development Director Brock Cherry, Finance Director Melissa Kinzler, ARPA Project Manager Sylvia Tarman, City Attorney David Dennis, Fire Chief Jeremy Jones, 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 Commission approved the agenda as presented.

CONFLICT DISCLOSURE/EX PARTE COMMUNICATIONS:

None.

PETITIONS AND COMMUNICATIONS

1. **Kathryn Wisnoski**, City resident, shared a personal story as a military spouse, business owner, volunteer, and mother of a 3-year old son. After the birth of her child, she found herself overwhelmed, unequipped and struggling with post-partum depression, with no family in Montana and a husband frequently away in the missile fields. What helped her begin to heal was Toby's House, who provided the support she needed during a vulnerable time in her life. Now, Toby's House needs "us." A portion of Carter Park has been identified as a solution to build a safe, single-level building with proper parking, accessible entry and an outdoor play space. Most importantly, this project is funded by donors.

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

NEIGHBORHOOD COUNCILS

2. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

BOARDS AND COMMISSIONS

3. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

CITY MANAGER

4. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon updated the Commission and made the following announcements:

- 4th Street NE access road to the City's Wastewater Treatment Plant and discussions with BNSF about crossing ability in light of some rail expansion occurring to serve Calumet – "No trespassing" and "Authorized Vehicles Only" signage will be installed in the interim along the crossing, and public access to the parking lot to the park will be blocked off. BNSF acknowledges that it will take some time to design a gate system and work with the City on some permitting issues.

Commissioner Tryon received clarification that BNSF is not contributing to the cost of the gate.

Commissioner Wolff noted that the public can access the park via a parking lot further south.

- Park and Recreation recruitment efforts – four people were invited and three people interviewed in person for the Park and Recreation Director position. The Department Head team, leadership team, and community partners were engaged to participate in the process. In this case, he will be re-advertising for the position. The Park and Recreation Department has a very specific need and will require a director with a specific skillset because, what this community is about to go through as a result of the last legislative session in its budgeting for next year, will really have to rethink the way the City does Park and Recreation services in this community. The Park and Recreation Department has the responsibility of a new aquatics facility that the Director will need to figure out how to operate in a more resilient and cash effective manner. The Director will need to be someone ready to have a conversation with the community about what is most important to

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

Great Falls in terms of its park and recreation activities and figure out a business plan on how to meet those needs within the resources the Department has.

- Deputy City Manager recruitment efforts – interviews are scheduled Thursday and Friday this week with two internal and two external applicants. He is hoping for good outcomes from that process to decide and get that position filled.
- Agenda Items 19 & 20 – readjusting the Library’s mills that were articulated in the City Charter - He is not opposed to the Commission recalibrating the mills to equal out what the Legislature has done. He is opposed to the Commission being required to make a decision about its Charter without a vote of the people. It was done legislatively. That is not good governance in his book. However, he doesn’t think the Commission has a choice to meet the intent of what the voters passed. He knows the legislators amended the original bill to accommodate the City of Billings with regard to its Charter and how much they can raise for police and fire. Anybody that pays attention to the City’s conversations at work sessions and meetings, hears how difficult it is to do appropriate budgeting for the City. He would hope that the voters recognize that these are the types of legislative intrusions that have significant impact.

Regarding Item 20, people often ask about the valuation from the State and setting taxable values. If the Commission wanted to know a breakdown of where the City grew new taxable value, staff cannot even tell the Commission where it does grow because a breakdown of the information is not provided by the Department of Revenue. When meeting with the DOR, they can’t define what a multi-family unit is. He expressed frustration that the City is getting its data to make local budgetary decisions from an entity that can’t provide good data points to help the community understand why they are being taxed the way that they are. Because of the way the State recalibrated the taxable values, the City anticipates that there will be more tax protests.

CONSENT AGENDA

5. Minutes, August 5, 2025, City Commission Meeting.
6. Total Expenditures of \$5,009,748 for the period of July 10, 2025, through July 30, 2025, to include claims over \$25,000, in the amount of \$4,080,471.
7. Contracts List.
8. Grants List.
9. Approve the purchase of water meter equipment for FY26 from Ferguson Enterprises, Inc. in an amount not to exceed \$650,000.

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

- 10.** Approve a Professional Services Agreement in the amount of \$123,757.06 to DJ&A, P.C. for the 9th Street NE Water Main Replacement project and authorize the City Manager to execute the necessary documents. **OF 1848.0**
- 11.** Approve an Interlocal Agreement between the City of Great Falls and Cascade County to jointly resurface sections of Airport Bench Road.

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

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

Hearing none, Mayor Reeves called for the vote.

Motion carried 5-0.

PUBLIC HEARINGS

12. RESOLUTION 10585 TO LEVY AND ASSESS THE GENERAL BOULEVARD DISTRICT NO. 3570.

Mayor Reeves declared the public hearing open and asked for presentation of the agenda report.

Finance Director Melissa Kinzler introduced that agenda items 12-16 are to set the annual assessments for the City of Great Falls. To adopt annual assessments, it is required by state law to adopt a budget for the assessments based on the cost of work, improvements and maintenance to the owners of property within the boundaries of each district. The City Commission adopted the budget at the last City Commission meeting for these different assessment funds.

She reported that the Park and Recreation Department, Natural Resources - Boulevard Division, is responsible for the care and maintenance of over 15,000 street trees located within the General Boulevard District. Services provided within the District are pruning, removal, planting, and streetscape design.

After calculating all factors pertinent to the operation of the Boulevard Division, an assessment amount of \$587,407 was calculated, proposed and presented to the City Commission for approval in the FY 2025 adopted budget. The boulevard assessment is increasing 15% or \$16.20 for the average size lot to cover the increased costs of operations (personnel, tree planting, fuel, etc.) and will result in an assessment of approximately \$124.16 for the average size lot of 7,500 square feet.

Mayor Reeves asked if the Commissioners had any questions of Director Kinzler. Hearing none, Mayor Reeves asked if there were any comments from the public in support of Resolution 10585.

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

Hearing none, Mayor Reeves asked if there were any comments from the public in opposition to Resolution 10585. Hearing none, Mayor Reeves closed the public hearing and asked the will of the Commission.

Commissioner Wilson moved, seconded by Commissioner Wolff, that the City Commission adopt Resolution 10585.

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

Commissioner McKenney inquired why the annual assessment increase was more than the consumer price index annual rate of inflation.

Director Kinzler clarified that the actual costs of the trees and the cost of personal services has increased over the general inflation rate. This increase will offset costs of increases that the City didn't take in the past to try to catch up with the current costs.

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

Motion carried 5-0.

13. RESOLUTION 10586 TO LEVY AND ASSESS GREAT FALLS PARK DISTRICT NO. 1.

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

Finance Director Melissa Kinzler reported that on June 5, 2018, the City Commission adopted Resolution 10238 creating the Great Falls Park District Number 1. The boundaries of the District are the current incorporated limits of the City, as well as all properties later annexed thereto.

The Park District's overall purpose is to utilize assessment dollars and direct those monies to management and maintenance of City-owned facilities, lands and equipment under the responsibility and care of Park and Recreation Department. The Park District's revenue may not be used for programming. The cost of the proposed assessment for the Great Falls Park District No. 1 is \$1.5 million dollars annually. FY 26 is year eight of the assessment with no increase for this 20-year district. Tax year 2025 will be the first year of the tiered tax rates enacted by the Legislature. While there is no increase in the overall assessment amount of \$1,500,000, individual property owners may see fluctuations in their Park District assessment according to the tiered tax rates. Last year, the estimated annual assessment for every \$100,000 of market value was \$19.26.

Mayor Reeves asked if the Commissioners had any questions of Director Kinzler. Hearing none, Mayor Reeves asked if there were any comments from the public in support of Resolution 10586.

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

Hearing none, Mayor Reeves asked if there were any comments from the public in opposition to Resolution 10586.

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

Commissioner Wolff moved, seconded by Commissioner Wilson, that the City Commission adopt Resolution 10586.

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

Hearing none, Mayor Reeves called for the vote.

Motion carried 5-0.

14. RESOLUTION 10587 TO LEVY AND ASSESS PROPERTIES WITHIN SPECIAL IMPROVEMENT LIGHTING DISTRICTS.

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

Finance Director Melissa Kinzler reported that there are currently 27 Special Improvement Lighting Districts with approximately 9,429 roadway lights. The purpose of the Special Improvement Lighting District Fund is to maintain the lights and poles and furnish electrical supply for the lighting districts throughout the year and throughout the City.

The assessment amount for the Special Improvement Lighting District funds for FY 2026 is \$1,487,790, which reflects an aggregate 5.2% increase from the prior fiscal year. She noted that not all districts would have an increased assessment. Only those districts without a sufficient cash balance to cover the cost of operations will be increased. Many districts have been using their fund balance in recent years to offset assessment increases.

Mayor Reeves asked if the Commissioners had any questions of Director Kinzler. Hearing none, Mayor Reeves asked if there were any comments from the public in support of Resolution 10587. Hearing none, Mayor Reeves asked if there were any comments from the public in opposition to Resolution 10587. Hearing none, Mayor Reeves closed the public hearing and asked the will of the Commission.

Commissioner Wilson moved, seconded by Commissioner Tryon, that the City Commission adopt Resolution 10587.

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

Motion carried 5-0.

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

15. RESOLUTION 10588 TO LEVY AND ASSESS THE PORTAGE MEADOWS MAINTENANCE DISTRICT NO. 1195.

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

Finance Director Melissa Kinzler reported that in February 1977, the Commission adopted Resolution 6913 that created the Special Improvement Maintenance District 1195 for the purpose of maintaining the Green Belt of the Portage Meadows Addition. The assessment covers the costs of materials, snow removal labor, water, mowing labor, fertilizer costs and labor, and tree pruning, which was part of the original Planned Unit Development.

The estimated assessment is a total of \$80,071 and will result in an annual assessment of approximately \$428.14 for an average lot size of 4,501 square feet. For Fiscal Year 2025, the Portage Meadows assessment is increasing 6% or \$24.24 for the average size lot to cover the increased costs of operations (personnel, fuel, maintenance and replacement of some of the irrigation system, etc.). The last Portage Meadows Maintenance District increase of 5% was approved in Fiscal Year 2025.

Mayor Reeves asked if the Commissioners had any questions of Director Kinzler. Hearing none, Mayor Reeves asked if there were any comments from the public in support of Resolution 10588. Hearing none, Mayor Reeves asked if there were any comments from the public in opposition to Resolution 10588.

John Hubbard, 615 7th Avenue South, commented that Portage Meadows was built on swamp land.

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

Commissioner Tryon moved, seconded by Commissioner Wolff, that the City Commission adopt Resolution 10588.

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

Hearing none, Mayor Reeves called for the vote.

Motion carried 5-0.

16. RESOLUTION 10591 TO LEVY AND ASSESS THE STREET MAINTENANCE DISTRICT.

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

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

Finance Director Melissa Kinzler reported that the Street Division maintains approximately 393 miles of streets and alleys within the City limits. Maintenance consists of pavement rehabilitation and restoration, street cleaning, snow and ice removal, and alley maintenance. In addition, the Traffic Operations Division is responsible for the maintenance of all roadway signs, signals and pavement markings.

After calculating all factors pertinent to the operation of the Street Maintenance District, an assessment amount for the next fiscal year was calculated and presented to the City Commission for approval in the FY26 adopted budget. A 10% increase is proposed for FY26. The estimated increase is \$13.30 for an average size lot of 7,500 sq. feet, or approximately \$146.35 for the year. The total estimated assessment for the District is \$6,100,327.

Mayor Reeves asked if the Commissioners had any questions for Director Kinzler. Hearing none, Mayor Reeves asked if there were any comments from the public in support of Resolution 10591. Hearing none, Mayor Reeves asked if there were any comments from the public in opposition to Resolution 10591. Hearing none, Mayor Reeves closed the public hearing and asked the will of the Commission.

Commissioner Wolff moved, seconded by Commissioner Tryon, that the City Commission adopt Resolution 10591.

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

Commissioner Tryon thanked the Public Works department for maintaining the streets.

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

Motion carried 5-0.

17. PEACE HARBOR PHASE I MAJOR SUBDIVISION ANNEXATION AND PLANNED UNIT DEVELOPMENT ZONING.

- I. RESOLUTION 10593, TO APPROVE THE ANNEXATION OF THE SUBJECT PROPERTY AND THE IMPROVEMENT AGREEMENT, ANNEXATION OF THE ADJOINING RIGHT-OF-WAY OF 21ST AVENUE SOUTH, AND THE ADJOINING PARCEL OWNED BY THE CITY OF GREAT FALLS.**
- II. ORDINANCE 3276, TO ASSIGN A PLANNED UNIT DEVELOPMENT (PUD) ZONING DISTRICT FOR THE SUBJECT PROPERTY, AND APPROVAL OF THE PRELIMINARY PLAT OF PEACE HARBOR PHASE I MAJOR SUBDIVISION.**

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

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

Planning and Community Development Director Brock Cherry reported that the applicant, KIB Homes, is requesting annexation of approximately 15.47 acres, assignment of a Planned Unit Development (PUD) zoning district, and approval of the preliminary plat.

This project supports the City's goals of expanding access to housing through a mix of lot sizes. A key feature of this proposal is the use of PUD zoning, which allows for greater flexibility in site design. Specifically, the applicant is proposing a minimum lot size of 5,000 square feet, while the current zoning code allows a minimum of 7,500 square feet by right. This smaller lot size enables more compact and diverse single family residential development.

The proposed subdivision includes 67 single-family lots to be developed in two phases:

- Phase 1 includes 30 lots
- Phase 2 includes the remaining 37

Access to the subdivision will be provided from both 20th Avenue South on the west and 21st Avenue South on the east. Importantly, no development of Phase 2 lots may occur until the 21st Avenue South extension is constructed and connected to 8th Street South. This condition ensures adequate access, circulation, and emergency service response. The developer will fund and construct all public infrastructure, including streets, sidewalks, curbs, gutters, water and sewer systems, and a regional stormwater detention facility. Once completed, these public systems will be transferred to the City for long-term maintenance.

A traffic analysis estimates the subdivision will generate 623 weekday trips, with about 65% of traffic likely using 21st Avenue South to access 10th Avenue South. The surrounding local road network is expected to adequately support this traffic volume. This project aligns with the 2013 Growth Policy Update, supporting housing variety and infill development. It also received unanimous support from Neighborhood Council #6.

Further, after a public hearing held on June 24, 2025, the Planning Advisory Board/Zoning Commission unanimously recommended that the City Commission: (1) Approve the annexation request; (2) Assign Planned Unit Development (PUD) zoning to the property; (3) and Approve the Preliminary Plat for Peace Harbor Phase 1.

Therefore, based on compliance to the City's Growth Policy, zoning ordinance, and based on the recommendation of the Zoning Commission, Staff recommends approval of: (1) Resolution 10593 – to annex the property and approve the Improvement Agreement, (2) Ordinance 3276 – to assign PUD zoning, and (3) The Preliminary Plat – for Peace Harbor Phase 1, subject to all conditions of approval.

Jason Crawford, Triple Tree Engineering, on behalf of applicant, KIB Homes, reviewed PowerPoint slides (available in the City Clerk's Office) and discussed the following:

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

- Introduction to the Project – Peace Harbor Subdivision is a 50-acre parcel, located about three blocks south of 10th Avenue South, three blocks east of the river and has Benefis Campus and the Peak Health and Wellness to the north.
- General Description – develop 67 lots with city streets, water, sewer and storm water systems
- Construction Schedule 1 – construct Harvard Avenue and Columbia Street and construct water main, sewer main and dry utilities
- Construction Schedule 2 – construct Columbia, Stanford, and 21st Avenue, construct water main, sewer main and dry utilities
- KIB's Vision – smaller lot option, nice neighborhood with City amenities

Karl Birky, owner of KIB Homes, commented that he has been building homes for 20-years. He wants to provide lots for his home building business. When he started in this career, he could look in the newspaper and find city limit lots for sale. Today, that has completely changed. This will be his first development. He knows affordable housing is a topic nationwide. Everything is expensive. He is in the business for profit and does a fair margin mark up to arrive at his prices. He urged the Commission's support and believed housing is needed.

Mayor Reeves asked if the Commissioners had any questions of staff, the applicant's representative or the applicant.

Mayor Reeves received confirmation that the newly constructed sidewalks will be ADA compliant and meet current standards.

Commissioner Tryon inquired what it is about Great Falls, the current environment and projecting five years out, that the applicant believes this project is an investment that will pay off.

Applicant Birky responded that he goes by his 20-years of experience. He builds about 30 new homes in Montana per year. A fair number of those are spec homes, speculating that customers want them. It is easier to sell something that is built and somebody can see than it is to buy something off a piece of paper or idea. The biggest problem is where to build. It isn't always new people in town that buy homes, it is people that want to upgrade to higher priced housing that frees up lower priced housing for others.

Commissioner Wilson inquired about plans should the storm water basins become overwhelmed during an event.

Engineer Crawford responded that the existing regional stormwater pond system that was designed for future development will tie into the existing storm drain system that pipes water directly to the river.

Director Cherry added that the engineering team has spent a considerable amount of time on stormwater. Proof of concept was required from the applicant and his engineering team. A benefit from the applicant's team was the willingness to do this project

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

incrementally. This will allow staff the maximum opportunity for due diligence and learn things along the way. Future phases will have to be annexed and go through the same robust and comprehensive process. He further clarified that staff has assured that the project will meet all the City's standards for stormwater.

In the interests of transparency, Commissioner McKenney noted that he is a realtor specializing in single-family homes. He is not involved in this development. There is no personal gain or loss. He intends to participate.

Mayor Reeves asked if there were any comments from the public in support of Resolution 10593 and Ordinance 3276.

Ron Paulick, City resident, commented that he has worked for Jim Workman a number of years and has seen the Birky name, trucks and personnel. He thinks they will spend their money in Great Falls, and it will be the best thing for Great Falls to get homes built.

Sherrie Arey, NeighborWorks Great Falls, commented she has had the pleasure of working with Karl Birky and KIB Homes in the Meriweather Crossing project. He was able to buy some lots and made a wonderful addition to those missing middle priced homes that release up homes that other folks can buy. Every year housing stock is lost to the obsolescence of homes in the community because they are not being renovated. NeighborWorks supports KIB Homes and this project.

Jake Clark, Great Falls Development Alliance, commented that Mr. Birky and KIB Homes has addressed development challenges in Great Falls for a long time. When GFDA conducted a market demand assessment, KIB Homes was called out as one of the most prolific ongoing builders in the community. This is a great local company that builds homes that meet the workforce and have proven success in our market. It is a great project and development challenges have been worked through with City staff.

Mayor Reeves asked if there were any comments from the public in opposition to Resolution 10593 and Ordinance 3276. Hearing none, Mayor Reeves closed the joint public hearing and asked the will of the Commission on Resolution 10593.

Commissioner Wolff moved, seconded by Commissioners Tryon and Wilson, that the City Commission adopt Resolution 10593 to annex the property legally described as Lot 1A of the Mercedes Minor Subdivision and approve the Improvement Agreement, subject to the Conditions of Approval being fulfilled by the applicant.

Mayor Reeves asked if there was any discussion amongst the Commissioners. Hearing none, Mayor Reeves asked the will of the Commission on Ordinance 3276.

Commissioner Wilson moved, seconded by Commissioner Tryon, that the City Commission adopt Ordinance 3276 to assign Planned Unit Development (PUD)

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

zoning to the subject property, subject to the Conditions of Approval being fulfilled by the applicant.

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

Commissioner McKenney thanked Mr. Birky for his pursuit of his entrepreneurship and for his public comments on how well he worked with Planning and Community Development staff. Great Falls has the need and has the staff in place for developers to meet that need.

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

Motion carried 5-0.

18. CDBG & HOME 2025-2026 ANNUAL ACTION PLAN.

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

ARPA Project Manager Sylvia Tarman reported that the CDBG and HOME programs are federal programs administered by the U.S. Department of Housing and Urban Development (HUD) to help fund local community development programs including affordable housing, public service agency assistance, economic development, and public infrastructure projects. The primary goal of these programs is to assist low- and moderate-income people in Great Falls. State and local governments receive funding from HUD based on a formula derived from population and housing statistics. HUD requires public input, especially input from lower income citizens and the agencies representing them, on issues and needs of the community. Holding a Public Needs Hearing to receive community input on the needs within the community is a requirement outlined in the City's Citizen Participation Plan submitted with the City's Five-Year Consolidated Plan to HUD.

The Public Needs Hearing is the first formal opportunity for the public as well as subrecipient agencies to impact the priorities the City will outline in the development of its Annual Action Plan submission to HUD. The Commission will be asked to consider citizen comments received during this public hearing when determining funding priorities for the CDBG and the HOME Grant Programs.

For the 2025-2026 Program Year the City will start a competitive application process for CDBG funded projects once again. Prior to the 2024-2025 Program Year, the City operated a year-round application process to enable the City the opportunity to meet its timeliness deadline. Given the City is timely once again, staff will go back to accepting quarterly applications for funding.

The priorities outlined in the 25-26 AAP are in line with the priorities set forth in the 5-year Consolidated Plan approved by the Commission at the July 15, 2025, meeting. Conducting the Public Needs Hearing is a pre-condition for the City to receive its annual

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

allocation of CDBG and HOME grant funds from HUD. For the current program year, the City received \$777,762 in CDBG funds and \$231,257 of HOME funds. Although the expected allocation of funds for the next program year is not yet known, it is reasonable to assume that funding amounts will be consistent with current and past program years.

Mayor Reeves asked if the Commissioners had any questions of staff. Hearing none, Mayor Reeves asked if there were any comments from the public in support of the CDBG & HOME 2025-2026 Annual Action Plan.

Sherrie Arey, NeighborWorks Great Falls, spoke in favor of the Action Plan for the next fiscal year. She noted that our area median income of people below 80% is an individual that makes about \$50,000 and a family of four that makes about \$70,000. People are spending 40%-45% of take home pay for housing. It is important to be able to use the CDBG and HOME funds to leverage the ability of those hard-working individuals to get into home ownership, or for those projects that help support more affordable rental properties. NeighborWorks provides downpayment assistance that make up the difference for the gap in financing that can get someone that is an 80% LMI into single-family home ownership. Those funds are recaptured when the home is sold. She urged the Commission to continue to leverage the funds for housing in the community.

Mayor Reeves asked if there were any comments from the public in opposition to the CDBG & HOME 2025-2026 Annual Action Plan.

Hearing none, Mayor Reeves closed the CDBG & HOME 2025-2026 Annual Action Plan Needs Hearing.

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

Commissioner Wilson noted the funds were really stretched out. She wished there was more for slum and blight removal.

OLD BUSINESS

NEW BUSINESS

ORDINANCES / RESOLUTIONS

19. RESOLUTION 10599, ACKNOWLEDGING THE EFFECT OF MONTANA HOUSE BILL 231 ON THE CITY'S FIXED LIBRARY MILL LEVY.

Finance Director Melissa Kinzler reported that on May 13, 2025, Governor Gianforte signed into law House Bill 231 and Senate Bill 542 (the "Tax Bills"). A side effect of these bills was a corresponding decrease in the mill value for 2026 and beyond.

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

In communities like Great Falls that have voted or have charter-authorized fixed mill limits, reduced mill values would result in significant revenue shortfalls beginning in fiscal year 2026. To offset the revenue impacts, the Tax Bills require taxing jurisdictions to balance the effect of reduced mill values by resetting their fixed mill limits. For voted levies with fixed mill limits, the 2025 Tax Bills provide an option to convert the levy to a dollar-based mill levy. However, for charter-authorized mill levies with fixed limits, the recalculation provision for fiscal year 2026 is contained in Section 7(3) of House Bill 231. This section applies to the Library mills and reads:

Under Section 7(3), the City must levy the number of mills in fiscal year 2026 that are necessary to raise the same amount of property tax revenue for the Library that was assessed in fiscal year 2025. This recalculated number of mills will become the new maximum mill limit under the Charter going forward. Effectively, the statute authorizes a one-time recalibration of the mill cap to maintain revenue levels without requiring a formal charter amendment or voter approval.

From the certified mill value for fiscal year 2026, the recalibrated mill cap for the Library is 19.55 mills. This will generate tax revenue of \$2,246,354. Resolution 10599 will update the City Charter's stated mill limit for the Library levy to reflect the recalculated value of up to 19.55 mills, consistent with the authority granted in HB 231.

The next item on the agenda, Resolution 10582, will set the annual tax levy for the Library mills for FY26.

Commissioner Wolff moved, seconded by Commissioner Wilson, that the City Commission adopt Resolution 10599.

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

Commissioner Tryon concurred with City Manager Doyon's comments during Agenda Item 4. He took exception to the State Legislature superseding a vote of the public by legislation on a City Charter matter. City Charters are meant to be amended or changed by a vote of the public, and not by legislators in Helena deciding for Great Falls how it needs to conduct its business and how it needs to conduct its budget.

Commissioner Tryon clarified that this is a one-time recalculation. During the next budget cycle there is no requirement that the City maintain a 19.55 mill for the Library.

Director Kinzler concurred, adding that the City Charter states it is "up to" a set number of mills. Once the mills are set this year at 19.55, that is the maximum number of mills that could be set in the future.

Commissioner Tryon inquired about setting less mills in the future.

Director Kinzler responded that is part of the option because the Charter says, "up to."

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

Commissioner Tryon referred to the public voted 15 mills, and inquired if the Commission could, at some point, change it back to 15 mills.

Director Kinzler responded that is the option of the Commission since the Commission sets the mills.

Commissioner McKenney inquired if someone could make an argument that this is possibly unconstitutional to have the Legislature force a change in our City Charter without a vote of the people.

City Attorney David Dennis commented that the Legislature has control over things related to taxation. The Legislature didn't take into account that there are some levied taxes that aren't on a floating mill. There are fixed mills - primarily in Billings. The City of Billings was looking at an \$8 - \$10 million dollar shortfall in their budget because of the recalibration of the tax values. Legislators went back in to fix it to help Billings. The entities that would be in a position to challenge what the legislators did on the back end, probably wouldn't do that because that puts them right back in the situation the Legislature had put them in to begin with.

Commissioner McKenney commented that the Library levy divided the community. He sees an opening for folks on that division to maybe take it to court.

City Attorney Dennis responded that the role the Legislature plays in setting tax policy would probably ultimately prevail, and a challenge to it would fail, even in this situation. It was an odd way of conducting business and it puts the City of Great Falls in a situation where the voted mill number in the Charter is different than the 19.55 mill number the City is using as the maximum.

Commissioner McKenney concluded that he agrees with making the Library whole. He expressed frustration that legislators say, "support local government," and then they don't follow that campaign message resulting in this mess because they don't understand local government.

Commissioner Tryon inquired what would happen if the Commission voted "no."

City Attorney Dennis responded that, technically, the Commission would be in violation of state law because the statute requires it.

Commissioner Tryon concluded that this is another instance of the City Commission not having a choice.

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

Motion carried 4-1 (Commissioner Tryon dissenting).

20. RESOLUTION 10582, ANNUAL TAX LEVY.

JOURNAL OF COMMISSION PROCEEDING

August 19, 2025

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 4, 2025. With this valuation, the City can now compute and set its annual mill levy.

The total mill levy for Tax Year 2025 (FY 2026) is 248.74 mills totaling \$28,580,698. This includes mills for the general levy, which includes the newly taxable property, the inflationary factor, the Permissive Medical Levy and the Great Falls Public Library Mill Levy. The taxable value per mill decreased from \$132,152 in FY 2025 to \$114,903 in FY 2026 – a decrease of 13.05%. The MTDOR provides no specific project or development that attributes to this decrease.

Legislative changes in 2025 created a tiered tax rate system that is also included in the certified values for tax year 2025. Tax year 2025 (FY 2026) was a revaluation year for residential properties, which are on a two-year cycle.

This year's newly taxable property reported by the MTDOR will generate additional revenue of \$334,233. During the FY 2026 budget adoption process, the Finance Department projected the City's newly taxable property revenue would be \$400,000. The projection was based on a 24-year average of newly taxable property. No particular development project can be identified for this newly taxable property. This reduced revenue of \$65,767 not included in the FY 2026 Adopted Budget will be used to offset by additional revenue collected throughout the year and/or reduce the general fund unreserved fund balance. The fund balance policy is 22% and the Adopted Budget projected ending fund balance is 23.8%.

The City anticipates property assessment appeals/abatement requests, which means the City will not definitively know how much of this new projected tax revenue will be available until those appeals/abatement requests are processed. The City has a large ongoing appeal that could have a material effect on the valuations once settled, according to the MTDOR. A mill levy recertification may be warranted if the appeal is completed timely, or the City will have to compensate for any decreased revenue as a result of the appeal determination.

The inflationary factor increase for the property owner of a \$100,000 market value home would be \$2.97, a \$300,000 market value home would be \$8.91, and a \$600,000 market value home would be \$20.47 per year.

Adoption of Resolution 10582 is the final action for setting the fiscal year 2026 budget.

Commissioner Wolff moved, seconded by Commissioner Tryon, that the City Commission adopt Resolution 10582.

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

Hearing none, Mayor Reeves called for the vote.

JOURNAL OF COMMISSON PROCEEDING
August 19, 2025

Motion carried 5-0.

CITY COMMISSION

22. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

23. COMMISSION INITIATIVES.

None.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Tryon moved, seconded by Mayor Reeves, to adjourn the regular meeting of August 19, 2025, at 8:36 p.m.**

Motion carried 5-0.

Mayor Cory Reeves

City Clerk Lisa Kunz

Minutes Approved: September 2, 2025