

Regular City Commission Meeting

Mayor Winters presiding

CALL TO ORDER: 7:00 PM

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

ROLL CALL: City Commissioners present: Michael Winters, Bob Jones, Bill Bronson and Fred Burow. Commissioner Bob Kelly was excused. Also present were the Deputy City Manager; City Attorney; Directors of Fiscal Services, Planning and Community Development, and Public Works; Police Chief; and the City Clerk.

AGENDA APPROVAL: No changes were proposed by the Deputy City Manager or City Commission. The revised agenda as submitted was approved.

PROCLAMATION: Mayor Winters read a proclamation for the 25th Annual Lewis and Clark Festival "Visit Montana in 1805."

**** Action Minutes of the Great Falls City Commission. Please refer to the audio/video recording of this meeting for additional detail. ****

NEIGHBORHOOD COUNCILS

1. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Richard Calsetta, NC 3, updated the Commission with regard to the council's June meeting. The council requested training for neighbors on the west side in the event of an emergency at Calumet Montana Refinery, and that businesses located on Havre Highway be contacted and directed to drive heavy vehicles down Havre Highway rather than through the Riverview/Skyline area. Mr. Calsetta also announced that a special meeting is scheduled for 7 p.m., June 19th at the Corpus Christi Church to discuss NeighborWorks proposed project in the Valley View area.

Deputy City Manager Jennifer Reichelt reported that NeighborWorks' proposed land swap will be a discussion at a future work session for direction from the Commission if that is something the Commission wants staff to work on.

CONSENT AGENDA

2. Minutes, June 3, 2014, Commission meeting.
3. Total Expenditures of \$2,436,136 for the period of May 23-June 11, 2014, to include claims over \$5,000, in the amount of \$2,173,480.
4. Contracts list.
5. Lien release list.

6. Set public hearing for July 1, 2014, on lease of Visitor Center.
7. Set public hearing for July 1, 2014, on Resolution 10076, Establishing Usage Fees for the Community Recreation Center.

Commissioner Burow moved, seconded by Commissioner Jones, that the City Commission approve the Consent Agenda as presented.

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

Kathy Gessaman, 1006 36th Avenue NE, noted the range of fees set forth in Item 7, and suggested the increase in revenue is minimal to the City but is a great expense to the young families that utilize the Rec Center.

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

Motion carried 4-0.

BOARDS & COMMISSIONS

8. APPOINTMENT, POLICE COMMISSION.

Commissioner Bronson moved, seconded by Commissioner Jones, that the City Commission appoint Kevin Heffernan to the Police Commission for a three-year term beginning July 1, 2014, through June 30, 2017.

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

Commissioner Bronson noted that Kevin Heffernan was a unanimous recommendation of the Police Commission.

Mayor Winters asked if there were any comments from the public. Hearing none, Mayor Winters called for the vote.

Motion carried 4-0.

9. PRELIMINARY PLAT, CITY VIEW SUBDIVISION.

Planning and Community Development Director Craig Raymond introduced the newest planner to his staff, Garrett Norman.

Director Raymond reported that this item is a request for approval of a preliminary plat of certain property known as Tract 2 of the Certificate of Survey 4705, which would subdivide the property into seven lots. One lot would be dedicated to the City for the development of a storm water detention pond which will serve the subject property in addition to storm water run-off from the surrounding area, primarily from 36th Avenue NE. The remaining six lots will be residential lots where 4-plex multi-family buildings are intended to be constructed.

The developer is ultimately requesting approval of the Preliminary Plat, City zoning and

annexation of City View Subdivision. The property immediately to the east is also owned by the applicant, who recently went through the annexation and zoning approval process with the City Commission for the Skyline Heights Apartments development. R-5 Multi-Family Medium Density Zoning District was approved for that property, and in order to address concerns of the Neighborhood Council and other interested parties, the owner voluntarily committed to filing a restrictive covenant on the property for the current application, Tract 2, that would restrict the type of structure and density of development. Even though the City does not enforce private covenants, the owner has followed this commitment and is proposing 4-plexes and R-5 zoning.

At the conclusion of a public hearing held on May 27, 2014, the Planning Advisory Board recommended the City Commission approve the Preliminary Plat of City View Subdivision and the accompanying Findings of Fact subject to fulfillment of Conditions of Approval.

Commissioner Burow moved, seconded by Commissioner Bronson, that the City Commission approve the Preliminary Plat of City View Subdivision and the accompanying Findings of Fact subject to fulfillment of conditions stipulated by the Planning Advisory Board.

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

Commissioner Jones inquired the status of the detention pond and drainage pipe of the previously approved Skyline Heights Apartments project.

Public Works Director Jim Rearden responded that it was determined that it makes more sense to use the first lot as a detention pond, install a public piping system from 11th Street to the pond, and adjoining 36th Avenue NE to the elevated water tank area, so that the water tank can be drained if needed to that storm drain. It will be a public storm drain facility with cost sharing between the City's contributing area and the developer's contributing area.

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

Brett Doney, Great Falls Development Authority, 300 Central Avenue, thanked the developers and City staff for working through the process for much needed housing and growth in Great Falls.

Ron Gessaman, 1006 36th Avenue NE, requested a timetable for the connection of 12th Street NE to 36th Avenue NE.

Director Rearden responded that the connections, which will include some utilities as well as the public storm drain piping system, is currently being developed into one bid package, and work will be scheduled for this construction season.

Richard Calsetta, 56 32nd Avenue NE, reported that Neighborhood Council 3 voted unanimously to support this project.

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

Motion carried 4-0.

10. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

There were no miscellaneous reports and announcements from representatives of Boards and Commissions.

PUBLIC HEARINGS**11. SALE OF CITY-OWNED PROPERTY LOCATED AT 1100 15TH STREET NORTH (FORMER CITIZEN'S CONVENIENCE CENTER).**

Public Works Director Jim Rearden reported that this item is to conduct a public hearing for the consideration of the sale of property at 1100 15th Street North, formerly known as the Citizen's Convenience Center. The operations at the facility were terminated on July 31, 2012, and numerous attempts to lease the property since that time have been unsuccessful. The property was offered for sale and two bidders responded. The highest bid was received from Macek Companies on behalf of Kent Reimer, KK&B Partnership, d/b/a Midway Rental, Inc. in the amount of \$435,000. The bid included several contingencies, including the City re-zoning the property and performing a Phase 1 Environmental Study. The second bid of \$401,000 was received from Mike Mitchell, d/b/a Mitchell's Crash Repair, and contained no contingencies. Both bidders have responded with letters of clarification concerning their respective bids.

City staff, including the City attorney, has concerns with the contingencies presented in the highest bid and recommends accepting the Mitchell bid as being the responsible and responsive bid that meets the requirements and criteria as set forth in the invitation to bid.

City Attorney Sara Sexe reported that the two primary issues with regard to the contingencies in the high bid involved the requirement of the zoning process, which is disallowed by Montana law as potential contract zoning. Because the City Commission sits in determination of zoning issues, a zoning determination cannot be forgone by the terms of a contract. The other contingency issue was the refund of the bid security if the sale did not consummate, which is not consistent with Montana law or City code.

Mayor Winters declared the public hearing open.

Speaking in opposition to the sale of City-Owned Property located at 1100 15th Street North to Mike Mitchell of Mitchell's Crash Repair were:

Mark Macek, Macek Companies, Inc., 801 Fox Drive, representing KK&B Partnership, d/b/a Midway Rental, commented that his client submitted the highest bid. After speaking with the City Attorney, they understand the issues related to the City zoning and agree to remove that contingency from the contract. He submitted that the contingency regarding the environmental Phase I site assessment on the property is a normal course of action when anybody is buying real estate.

Kent Reimer, co-owner of Midway Rental, 2414 Hwy 2 East, Kalispell, reported that they have been in business for 35 years and have four stores in Kalispell, Whitefish, Shelby and Great Falls. The Great Falls' store opened in 2009 and they are looking to move to accommodate their growth in Great Falls. The building plan is to invest over \$1 million dollars in the property in question, and noted the increase to the tax base in Great Falls.

Kurt Reimer, co-owner of Midway Rental, 2414 Hwy 2 East, Kalispell, commented that they are willing to drop the zoning contingency, and he inquired if there were any other issues to resolve to consummate the sale of this property.

Speaking in support of the sale of City-Owned Property located at 1100 15th Street North to Mike Mitchell of Mitchell's Crash Repair was:

Mike Mitchell, 4605 12th Street NE, reported that he and his wife are the owners of Mitchell's Crash Repair in Great Falls. Since 2003 the business has increased drastically in size and volume, and they have outgrown their current location. Mr. Mitchell urged the Commission to accept his compliant bid. He noted ethical problems with changing contingencies and bid prices after the bid closed.

There being no one further to address the Commission, Mayor Winters closed the public hearing.

Commissioner Burow moved, seconded by Commissioner Jones, that the City Commission accept the bid from Mike Mitchell of Mitchell's Crash Repair for the sale of City-Owned property at 1100 15th Street North in the amount of \$401,000.

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

Commissioner Bronson noted Reimer's zoning contingency withdrawal, and asked City Attorney Sexe to address other concerns with regard to Reimer's proposal.

City Attorney Sexe responded that the contingency to return the bid security is not consistent with City Code or Montana Code Annotated.

Commissioner Burow commented that contingencies compound problems. He has concerns with requests for changes after the bid closes. He concluded that a public auction is the cleanest way to sell property "as is."

Commissioner Jones concurred with the concerns expressed.

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

Motion carried 4-0.

12. 905-909 5th AVENUE SOUTH.

A. AMENDED PLAT OF LOTS 12 & 13, BLOCK 446, GREAT FALLS ORIGINAL TOWNSITE.

B. ORDINANCE 3121, REZONES PROPERTY FROM THE EXISTING C-1 NEIGHBORHOOD COMMERCIAL DISTRICT TO R-3 SINGLE-FAMILY HIGH DENSITY DISTRICT AND APPROVES A CONDITIONAL USE PERMIT.

Planning and Community Development Director Craig Raymond reported that this is a public hearing to consider Ordinance 3121 which would rezone the subject property from C-1

Neighborhood Commercial to R-3 Single Family High Density and approve a Conditional Use Permit which will allow the construction of three townhomes.

The subject property historically had a large single family residence that had fallen into disrepair and had become a code enforcement issue. NeighborWorks purchased the property and demolished the blighted structure. NeighborWorks is proposing to construct three townhomes. Staff finds that this sort of residential infill redevelopment is not only financially beneficial for the developer but also an appropriate means of fostering higher density residential development in appropriate locations which will ultimately benefit the surrounding neighborhood as well.

Staff finds that approval of the rezoning, conditional use permit and proposed development will meet the specific criteria for approval of rezoning applications, as well as the specific approval criteria for conditional use permits.

The applicant presented the project to Neighborhood Council 7 on April 14th. To date all comments received have been favorable.

At a public hearing held on April 22, 2014, the Planning Advisory Board/Zoning Commission recommended that the City Commission rezone the subject properties to R-3 Residential Single Family High Density, approve the Conditional Use Permit, and approve the amended plat.

Mayor Winters declared the public hearing open.

Speaking in support of the Amended Plat and Ordinance 3121 was:

Brett Doney, Great Falls Development Authority, 300 Central Avenue, spoke in support of underutilized properties as “infill” sites that maximize use of current infrastructure and services provided.

No one spoke in opposition.

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

Commissioner Jones moved, seconded by Commissioners Bronson and Burow, that the City Commission approve the Amended Plat of Lots 12 & 13, Block 446, Great Falls Original Townsite, Cascade County, Montana, and addressed as 905-909 5th Avenue South.

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

Motion carried 4-0.

Commissioner Jones moved, seconded by Commissioner Bronson, that the City Commission adopt Ordinance 3121.

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

Motion carried 4-0.

13. **HILTON GARDEN INN ADDITION.**

A. **RESOLUTION 10078, VACATES 26TH AVENUE SOUTHWEST IN THE VICINITY OF 14TH STREET SOUTHWEST AND PARK GARDEN ROAD.**

B. **ORDINANCE 3120, REZONES PROPERTY FROM R-5 MULTI-FAMILY MEDIUM DENSITY TO C-2 GENERAL COMMERCIAL.**

Planning and Community Development Director Craig Raymond reported that this is a public hearing to consider Resolution 10078, vacation of rights-of-way, and Ordinance 3120 to rezone certain property within the City of Great Falls.

Erck Hotels (locally known as the Hilton Garden Inn) is proposing to build a new convention center and an additional hotel building. The existing Hilton Garden Inn was approved in 2008 and the site plan at that time included an area to the west of the existing hotel for a convention center to be built at a later date. Erck Hotels is ready to move forward with construction of the convention center which is a permitted use, and also to construct a HOME2 suites facility. In order to provide adequate parking for the facilities, Erck Hotels is proposing to construct the parking lot to the south across 26th Avenue SW.

The applicant is proposing to rezone the subject property to the south from R-5 Multi-Family Medium Density to C-2 General Commercial in order to accommodate the parking lot. It was also determined that it would be in the best interest of Erck Hotels and the City of Great Falls to propose a vacation of right-of-way of 26th Avenue SW. The City of Great Falls will maintain access and utility easements and the neighbors to the west which access their property from 26th will also maintain access easements.

At a public hearing held on April 22, 2014, the Planning Advisory Board/Zoning Commission recommended that the City Commission rezone the subject properties to C-2 General Commercial, approve the vacation of right-of-way, and approve the amended plat.

Mayor Winters declared the public hearing open.

Speaking in support of Resolution 10078 and Ordinance 3120 were:

Laurie Price Manning, 6 Prospect Drive, representing Louis Erck and Erck Hotels, commented that Erck Hotels built the Hilton Garden Inn in 2008 and is requesting approval to move forward with Phase II that would add additional space to a conference center and an additional hotel.

Jana Cooper, TD&H Engineering, 1800 River Drive North, reported that this project is in line with the growth policy, will enhance the urban built environment by promoting infill and redevelopment, will utilize existing infrastructure in the area, and will encourage businesses and industries that will utilize that infrastructure.

Brett Doney, Great Falls Development Authority, 300 Central Avenue, commented that the importance of this project is to grow the economy, particularly the tourism and visitor market.

The extended stay hotel will be a good addition to Great Falls, and having more meeting space is important and is centrally located for statewide meetings.

Speaking in opposition were:

Richard Calsetta, 56 32nd Avenue NE, commented he was not speaking in favor of or against this project. He noted that the general area used to be swamp land and inquired if the construction process will address the shifting ground issue insofar as public safety for this size of a facility.

Jana Cooper responded that there is an underground detention facility for the existing Hilton Garden Inn that was originally sized to include the convention center. A detention pond is being designed for the Home2 Suites property that will tie into the City's storm drain system. The Ercks are aware of the soil conditions, and the structural engineers are working hard on a solution.

Laurie Price Manning added that Erck Hotels has been addressing the ground water issues for the past 12 years. Erck Hotels does a good job at maintaining its facilities to make the conditions safe for its patrons.

Ron Gessaman, 1006 36th Avenue NE, commented he was not speaking as a proponent or opponent. Mr. Gessaman commented that when the Hilton Garden Inn property was originally zoned, the Commission at that time agreed to a "buffer" between the commercial development and the houses along Park Garden Road.

There being no one further to address the Commission, Mayor Winters closed the public hearing.

Commissioner Jones moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 10078.

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

Commissioner Burow discussed who the surrounding property owners were.

Director Raymond commented that the parking lot is proposed towards 26th Avenue SW. Staff believes that the aggressive landscaping buffer between residential and the parking lot was appropriate in this case.

Ms. Price Manning displayed a rendition of the proposed project.

Commissioner Jones commented that a buffer will be built as part of this project that currently doesn't exist today.

Commissioner Bronson noted that when he was on the Planning Advisory Board/Zoning Commission there was discussion about further development in this area.

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

Motion carried 4-0.

Commissioner Bronson moved, seconded by Commissioner Burow, that the City Commission adopt Ordinance 3120.

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

Motion carried 4-0.

14. 315 21st AVENUE SOUTH, LEGALLY DESCRIBED AS LOT 4, GRANDVIEW TRACTS, SECTION 13, TOWNSHIP 20 NORTH, RANGE 3 EAST, PMM, CASCADE COUNTY, MONTANA.

A. RESOLUTION 10074, ANNEXES SAID PROPERTY.

B. ORDINANCE 3119, ASSIGNS ZONING CLASSIFICATION OF R-2 SINGLE-FAMILY MEDIUM DENSITY DISTRICT TO SAID PROPERTY.

Planning and Community Development Director Craig Raymond reported that this public hearing is to consider Resolution 10074 to annex and Ordinance 3119 that would assign zoning to certain property within the Upper Lower River Road Water and Sewer District.

The owner is requesting annexation of their property, which consists of ± 1.26 acres. The owner is making the request in order to connect the existing single-family home to the City sewer system, with eventual connection to the City water system.

In 1996, the Cascade City-County Health Department and the Montana Department of Environmental Quality initiated an 18-month groundwater pollution study in the ULRR area, and it was determined that impacts to the areas groundwater were being caused by individual sewage septic systems and two aging sewer lagoon systems.

In 2001, property owners voted to create the Water and Sewer District with a five member board. The Water and Sewer District entered into a Memorandum of Understanding with the City in 2003 to connect properties in the Water and Sewer District to the City's water and sewer system by annexation of smaller service districts within the larger Water and Sewer District boundary.

If the request is approved by the City, then the subject property will become part of Service District #3 and the applicant will be required to pay their proportionate share of the applicable improvement fee to Service District #3, and the Memorandum of Understanding for District #3 will apply.

At a public hearing held on April 8, 2014, the Planning Advisory Board/Zoning Commission recommended that the City Commission approve of the annexation of the subject property and to assign R-2 Residential Single-Family, Medium-Density subject to conditions.

Mayor Winters declared the public hearing open.

No one spoke in support of or in opposition to Resolution 10074 and Ordinance 3119.

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

Commissioner Jones moved, seconded by Commissioner Burow, that the City Commission adopt Resolution 10074 and approve the Annexation Agreement all pertaining to Lot 4, Grandview Tracts.

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

Commissioner Burow inquired if the other residents in this area that are outside of the City get water from the Water and Sewer District.

Public Works Director Jim Rearden responded that those residents either have wells or are hauling water. The District is currently looking at Phase 5 for improvements in the area to provide water and some additional sewer to the area.

Motion carried 4-0.

Commissioner Bronson moved, seconded by Commissioner Burow, that the City Commission adopt Ordinance 3119.

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

Motion carried 4-0.

OLD BUSINESS

NEW BUSINESS

ORDINANCES/RESOLUTIONS

15. **RESOLUTION 10082, AUTHORIZING ACCEPTANCE OF GRANT FUNDS FROM THE MONTANA DEPARTMENT OF COMMERCE HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM (VOYAGER APARTMENTS).**

Planning and Community Development Director Craig Raymond reported that this is a request to consider adoption of Resolution 10082 authorizing the acceptance of grant funds from the Montana Department of Commerce HOME Investment Partnership Program.

On February 18, 2014, the City Commission adopted Resolution 10068 to annex and Ordinance 3098 to assign zoning to certain property within the City limits of Great Falls. This property is intended to be developed as a 38-unit accessible, affordable, senior independent rental housing development.

Resolution 10082 will authorize the City Manager to appropriate Federal or State funds from the Montana Department of Commerce and enable the City to accept \$750,000 in grant funds from the State of Montana U.S. Department of Housing & Urban Development HOME Investment Partnership Program funds.

As the administrator of the State HOME Program funds, the Montana Department of Commerce requires passage of a resolution by the governing body authorizing the City to accept the grant funding to perform the development and new construction of Voyager Apartments, a 38-unit accessible, affordable rental housing complex, and ensure the compliance with HOME Program requirements, regulations, statutes, terms and conditions described in the HOME Certifications for Application found within the Federal Fiscal Year 2012 HOME Application Guidelines.

Commissioner Bronson moved, seconded by Commissioner Burow, that the City Commission adopt Resolution 10082, authorizing acceptance of grant funds from the Montana Department of Commerce HOME Investment Partnership (HOME) Program.

Mayor Winters asked if there was any discussion amongst the Commission or comments from the public. Hearing none, Mayor Winters called for the vote.

Motion carried 4-0.

PETITIONS AND COMMUNICATIONS

16. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

- A. **Ron Gessaman**, 1006 36th Avenue NE, referred to recent articles in the *Tribune* regarding the Library and the Natatorium reducing hours. Mr. Gessaman related these cost savings and other recent fee increases to the losses of ECP.

CITY MANAGER

17. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Deputy City Manager Jennifer Reichelt reported that the FY 2015 budget will be discussed at the work session on July 1st. The general fund hasn't increased very much the past few years which makes growing programs or increasing the budgets for departments very difficult. The budget focus was on core services. For some departments that meant reducing hours of operation. Press releases and notices were sent out so that the public wouldn't be surprised on July 1st.

She also reported that fireworks and safety information is posted on the City's website. She reminded residents that, although fireworks go on sale in the county next week, fireworks are allowed to be set off in the City limits on July 2, 3 and 4th.

Deputy Manager Reichelt further announced that cats can be adopted from the Great Falls Animal Shelter for \$9 for two more weeks.

CITY COMMISSION

18. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

With regard to comments about the hour cutbacks at the Natatorium, Commissioner Bronson reported that everyone knows Aaron Weissman to be a staunch advocate of maintaining the Natatorium. Mr. Weissman informed him today that he read the *Tribune* article and was actually pleased with the decision by City staff to manage the hours. He thought it was an efficient use of resources.

Commissioner Bronson also commented that, through the Commission's actions this evening pertaining to annexations and rezonings, the economic growth will add to the tax base and general fund to sustain critical activities.

Commissioner Bronson further discussed an email blaming this Commission for preventing Buffalo Wild Wings from coming to Great Falls. He noted that he responded asking who provided the false information. Contractors are currently breaking ground for this new business in the community.

With regard to Item 11, Commissioner Jones noted that the Commission wasn't being rude when Mr. Reimer got up to speak after the public hearing was closed. Although he wanted to hear what Mr. Reimer had to say, testimony is taken during the process of an open hearing and it was closed at that particular time.

Mayor Winters also noted that he felt the decision on Item 11 was right, but he didn't believe it would have harmed the Commission to let him speak even though the public hearing was over.

19. **COMMISSION INITIATIVES.**

There were no Commission initiatives.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Bronson moved, seconded by Commissioner Jones, to adjourn the regular meeting of June 17, 2014, at 8:34 p.m.**

Motion carried 4-0.

Mayor Michael J. Winters

City Clerk Lisa Kunz

Minutes Approved: July 1, 2014