

CITY OF HELENA
REGULAR CITY COMMISSION MEETING
December 3, 2018 - 6:00 P.M.
City Commission Chambers, Room 330

- Time & Place** A regular City Commission meeting was held on Monday, December 3, 2018 at 6:00 p.m., in the City Commission Chambers, 316 N. Park Avenue, Helena, Montana.
- Members Present** Mayor Collins indicated for the record that City Commissioners Haladay, Noonan, Farris-Olsen and O'Loughlin were present. City Attorney Thomas Jodoin; City Manager Dennis Taylor; City Clerk Debbie Havens and Deputy City Clerk Dannai Clayborn were present.
- Pledge of Allegiance** Mayor Collins asked those persons present to please stand and join him in the pledge of allegiance.
- Minutes** The minutes of the regular City Commission meeting of November 19, 2018 were approved as submitted.
- Board Appointments** BOARD APPOINTMENTS:
A. Non-Motorized Transportation Advisory Committee (NMTAC), Public Art Committee.
- Mayor Collins recommended the following appointments:
Appointment of Erin Woodrow as a city representative on the Non-Motorized Transportation Advisory Committee. First term will begin upon appointment and expire March 31, 2021.
- Appointment of Jennie Stapp as a member on the Public Art Committee. Unexpired term will begin upon appointment and expire December 31, 2020.
- Public Comment** Mayor Collins asked for public comment, none was received.
- Motion** Commissioner O'Loughlin moved approval of the board appointment as outlined above. Commissioner Noonan seconded the motion. All voted aye, motion carried
- Consent Agenda** CONSENT AGENDA:
A. Claims
B. Storage Area Rental Agreement with Cottonwood ALC Inc. for Furniture, Fixtures & Equipment that will be stored in the Law & Justice Center located at 404-406 Fuller Avenue.
- City Manager Taylor recommended approval of the claims and consent agenda.
- Public Comment** Mayor Collins asked for public comment, none was received.
- Motion** Commissioner Haladay moved approval of the consent agenda, items A-B. Commissioner Noonan seconded the motion. All voted aye, motion carried.
- Communications From City Commissioners** COMMUNICATIONS/PROPOSALS FROM CITY COMMISSIONERS
No communications.

**Report of the City
Attorney**

REPORT OF THE CITY ATTORNEY

City Attorney Jodoin reported the city received a complaint of discrimination from a former public works employee, on the basis of a disability. A Human Rights Bureau investigator had a finding of No Cause; on the basis no discrimination was made known to the city. The employee had until this day to make an appeal to the human rights commission, no word on whether or not an appeal had been made. The employee did have 90 days to appeal to district court.

**Report of the City
Manager**

REPORT OF THE CITY MANAGER

Manager Taylor stated the regular City-County Joint work session meeting will occur after city commission vacancy interviews at 3:30 p.m. on December 4th, instead of the usual 4:00 due to scheduling conflict of a county commission member.

**Report from the
Helena Citizens**

REPORT FROM THE HELENA CITIZENS COUNCIL

No report given.

Regular Items

- A. CONSIDER FIRST PASSAGE OF AN ORDINANCE PLACING A MORATORIUM ON THE ENFORCEMENT OF SECTION 4-1-11 OF THE HELENA CITY CODE INSOFAR AS IT PROHIBITS THE ISSUING OF A BUSINESS LICENSE TO A BUSINESS, OCCUPATION, VOCATION, PROFESSION OR ENTERTAINMENT WHICH IS PERMITTED BY STATE LAW BUT PROHIBITED UNDER ANY LAW OF THE UNITED STATES UNTIL JUNE 30, 2019.

Staff Report

Deputy City Attorney O'Connor reported on September 24, 2018, following a public hearing, the City Commission passed Resolution No. 20490, annexing and incorporating within the boundaries of the City of Helena the wholly surrounded area east of Granite Street, South of Highway 12 West, and generally west of the existing city limits. The annexation of this wholly surrounded area will become effective December 1, 2018. A medical marijuana dispensary currently operates within the area affected by Resolution No. 20490. Medical marijuana dispensaries and grow operations are permitted under the laws of the State of Montana. However, the City's business licensing ordinance, adopted in 1926 and codified in Section 4-1-11 of the Helena City Code, states "Prohibited Occupations Not to be Licensed: No provision herein contained shall be construed so as to license any trade, business, occupation, vocation, pursuit, profession or entertainment prohibited by any law of the United States or this state or by any provision of this code." As a result, because the sale and growing of medical marijuana remains illegal under federal law, the city's ordinance prohibits the issuance of a business license to medical marijuana dispensaries or grow operations.

A business cannot legally operate within the city without a business license. See § 4-1-9 HCC ("No person shall conduct, operate, transact, engage in, or carry on any of the industries, trades, pursuits, professions, vocations, or businesses within the city hereinafter specified and enumerated, without first applying for and obtaining a license as herein provided, and if such application for license is granted, shall pay the required fee."); § 4-1-16-18(A) HCC ("No person shall conduct, operate, transact, engage in or carry on any business within the city

without first applying for and obtaining a license therefor from the city, as herein provided, and if such application is granted, shall pay therefor as hereinafter provided. Except that the requirements of this section shall not apply to persons or entities with no base of operations in Lewis and Clark County who exclusively deal with and contact licensed businesses only by salesmen, telephone or mail.”). As a result, at present, there are no medical marijuana dispensaries or grow operations located within the City of Helena city limits.

In addition, although pre-existing nonconforming land uses are permitted pursuant to the city’s zoning laws, See Title 11 Chapter 6, no such allowance is made under the city’s business licensing laws. Thus, a nonconforming business use may continue in a zoning district where it is now prohibited, but that business would still be required to obtain a business license to continue its operations. Thus, the medical marijuana dispensary that is located within the soon-to-be annexed wholly surrounded area, would not be permitted to legally continue operating the business and would be required to either discontinue operation or to relocate the business because city staff is prohibited from issuing such a city business license to this business by operation of § 4-1-11 HCC. The City Commission has expressed interest in considering either repealing or amending section 4-1-11 of the Helena City Code to potentially allow medical marijuana dispensaries and grow operations within the city limits. However, the City Commission recognizes that it is unable to take final action on this question prior to Resolution No. 20490 taking affect.

The City Commission would like to place a moratorium on the enforcement of section 4-1-11 of the Helena City Code insofar as it prohibits the issuing of a business license to a business, occupation, vocation, profession or entertainment which is permitted by state law but prohibited under any law of the United States. The purpose of the moratorium is to allow the medical marijuana dispensary to continue operation within the newly annexed area while the City Commission engages in the public process to consider whether or not to amend section 4-1-11 of the Helena City Code. The moratorium will be effective city-wide and will become effective thirty (30) days after final passage.

The medical marijuana dispensary located within the newly annexed area will be permitted to operate while the City Commission engages in a public process to consider amending section 4-1-11 of the Helena City Code.

If any business begins operation within the city limits due to the effects of this moratorium, any such business would be required to immediately cease operation if the City Commission does not take action with respect to section 4-1-11 of the Helena City Code prior to the expiration of this moratorium.

Attorney O’Connor recommended the commission approve, table or deny first passage of an ordinance placing a moratorium on the enforcement of section 4-1-11 of the Helena City Code insofar as it prohibits the issuing of a business license to a business, occupation, vocation, profession or entertainment which is permitted by state law but prohibited under any law of the United States, until June 30, 2019, and set a public hearing date of December 17, 2018

Discussion

Commissioner Noonan asked if only in certain zones the businesses would be allowed or would the entirety of the City be included. Attorney O’Connor stated that under current zoning regulations, these would be considered general retail use. The licenses would be permitted in zones B2, CLM and B1 under current zoning policy. This could also be put forth to the zoning commission to

determine if these needed to be reclassified for alternative uses, or should be limited to certain zoning districts within the city.

Commissioner Haladay asked if a process existed to review the licenses and staff recommendations, such as referral to the zoning commission, prior to the June 30th deadline. Manager Taylor answered should the moratorium be passed, matters related to the licenses could be reviewed at the next Administrative meeting after the first of the year. Commissioner Haladay asked Director Haugen what zones casinos were allowed in, and where they are required to have a CUP in order to operate. Director Haugen stated all casinos are required to obtain a CUP prior to operating in the city. Director Haugen stated that zoning commission is prepared to address these conversations.

Commissioner O'Loughlin asked Director Haugen a follow-up question regarding the CUP's required of casinos, asking where the requirement originates from; ordinance or zoning commission determination. Director Haugen stated this originates as a zoning ordinance to mandate where casinos were allowed to operate.

Public Comment

Mayor Collins called for public comment.

Doreen Bomar spoke in favor of consideration of moratorium, citing the research of the benefits of medical marijuana. She spoke in favor of continuing to allow access to "medicine" for individuals through the types of businesses that might be impacted by the moratorium. She stated the process to change providers (of cannabis) within the current medical marijuana system is long and arduous. She was concerned about the effect disrupting the access could have on patients.

James Thomas spoke as the owner of a cannabis shop that will be directly impacted by the moratorium. He stated his business licenses in other cities where he owns dispensaries; the license was considered a general retail license. Mr. Thomas asked what the timeline of the process for licenses would be. He asked if he would be allowed to apply for a business license tomorrow, for example. City Attorney Jodoin stated that this evening would be the first passage of the ordinance, and the public hearing would be on December 17th. Operating under the assumption the first passage occurs and continued on for final passage, there would be a 30 day operational effective period from that point. Due to the assumption of the continuing passage, the city would not be pursuing any violations for operating without a business license.

Discussion

Commissioner Haladay asked for clarification from City Attorney Jodoin, regarding the enforcement of the new process this ordinance would create. City Attorney stated a business would still need to follow the established process of applying for a business license and be reviewed for zoning compliance. This ordinance would simply suspend the City's inability to issue a business license. Commissioner Haladay asked City Attorney Jodoin what the impact on the business licenses issued during this moratorium would be if no action was taken after the June 30, 2019 deadline. City Attorney Jodoin stated the licenses would expire on July 1, 2019, and the affected businesses would need to move out of the city limits. Commissioner Haladay asked if the expiration would be listed on the license itself. City Attorney Jodoin stated the expiration language could be added to the licenses. Commissioner Haladay confirmed that the language should be added, as a clarification on those licenses issued.

Motion

Commissioner Farris-Olsen moved approval for first passage of an ordinance placing a moratorium on the enforcement of section 4-1-11 of the Helena City Code insofar as it prohibits the issuing of a business license to a business, occupation, vocation, profession or entertainment which is permitted by state law but prohibited under any law of the United States, until June 30, 2019, and set a public hearing date of December 17, 2018. Commissioner O'Loughlin seconded the motion. All voted aye, motion carried.
Ordinance 3248

C. CONSIDER MODIFICATION TO THE AGREEMENT TO LEASE, SELL, AND PURCHASE REAL PROPERTY LOCATED AT 404-406 FULLER AVENUE KNOWN AS THE NEW LAW & JUSTICE CENTER.

Community Facilities Superintendent Sampson reported the City of Helena and Lewis and Clark County entered into an Agreement to Lease, Sell and Purchase Real Property ("Agreement") on May 2018. That agreement was approved by the city commission on June 18, 2018 and was for the lease and ultimate purchase of the 406 Fuller Avenue building and associated parking lot for \$1,290,000. The Agreement also called for an amended plat to be prepared so that the property with the 406 Fuller building and parking lot could be legally divided from the 404 Fuller Avenue building and property. Subsequently it was determined that legally dividing the properties would require extensive interior work to the 404 and 406 Fuller Avenue buildings to construct the necessary rated fire separation. Staff recommends that such work is not cost effective and that purchase of both structures and associated surface parking lots is a better approach. The city and county have been leasing the 406 Fuller Avenue building and associated parking lot and rent payments will go to the purchase price of the property.

The attached modification to the present agreement to lease, sell and purchase real property ("Modified Agreement") would commit the City of Helena and Lewis and Clark County to purchasing 404 Fuller in addition to 406 Fuller Avenue for a total purchase cost of \$1,950,000. This includes the surface parking lot properties at the northeastern corner of Lawrence Street and Park Avenue. The City Manager has the authority to enter into the buy-sell upon successful conclusion of negotiations. However, the obligation to close on the property is contingent upon Helena City Commission approval.

An appraisal of all the property was conducted on December 13, 2017. Section 1-4-15, Helena City Code, requires two independent appraisals be conducted if the purchase price is over \$500,000. Since the purchase price is \$1,950,000 two appraisals are required unless the Commission finds a second appraisal will prevent the purchase from occurring or not in the best interest of the City. Staff recommends the commission waive the requirement to obtain a second appraisal because a second appraisal is not in the best interests of the city.

Ownership of the entire property gives the city and county the ability to determine who occupies the buildings and who would be the neighbor to the Police Department and Sheriff's Department. It also assures that both the city and county have office space available for expansion of existing departments or space for new departments. However, there will be an additional cost of \$330,000 for the city and the

county.

Superintendent Sampson recommended approval of the Agreement to Lease, Sell, and Purchase Real Property and waive the requirement to obtain a second appraisal and authorize the City Manager to sign the agreement.

Discussion

Mayor Collins inquired as to why a second appraisal was not in the best interest of the city. City Attorney Jodoin stated a second appraisal would not provide any more beneficial information on the property, it may even appraise the value of the property at a higher amount, causing a larger financial burden on the city and county. Finally, a second appraisal would cause unnecessary delay of the closing date, given the limited number of appraisers in the city and their current workload. Additionally, a second appraisal would cause delay to the remodel of the building and the move of the HPD and Sheriff offices.

City Commissioner O'Loughlin asked if the closing date would be before the end of the calendar year. Superintendent Sampson responded the closing date is scheduled for December 14th, 2018.

Public Comment

Mayor Collins called for public comment.

Motion

Commissioner Ferris-Olson moved to approve the modification to the Agreement to Lease, Sell, and Purchase Real Property and waive the requirement to obtain a second appraisal and authorize the City Manager to sign. Commissioner Haladay seconded the motion.

Discussion

Commissioner O'Loughlin asked for further discussion due to the amount and significance of the purchase, stating the purchase made the most sense, due to the complications of separating the property. Commissioner O'Loughlin also thanked the staff for their efforts of bringing the purchase forward.

Commissioner Haladay supported Commissioner O'Loughlin, stating the cost analysis of renting the property for a long term lease, would eventually surpass the purchase price of the property.

Commissioner Noonan stated, for the record, he had recused himself in matters related to this subject, as a board member of Cottonwood ALC Inc.

Vote

Motion carried 4-1 with Commissioner Noonan recusing himself.

C. CONSIDER APPROVAL OF THE CITY MANAGER EMPLOYMENT AGREEMENT BETWEEN THE CITY OF HELENA AND ANA CORTEZ.

Staff Report

Director of Human Resources James Fehr reported the previous City Manager, Ron Alles, retired from the City on June 30, 2018. Following Mr. Alles' retirement, the City engaged, with the assistance of a consultant, in a nation-wide search to find a new city manager. At a meeting open to the public, on November 11, 2018, the City Commission voted to select Ana Cortez as the top candidate for the City Manager position. The City Commission also voted to authorize Commissioners Haladay and O'Loughlin to negotiate an employment agreement with Mrs. Cortez.

During this process, the city contracted with Dennis M. Taylor to act as the City's Interim City Manager. Mr. Taylor's contract will terminate ten (10) business days after Mrs. Cortez's start date to facilitate the transition of authority from Mr. Taylor to Mrs. Cortez.

Mrs. Cortez has signed the agreement that has been negotiated by Commissioners Haladay and O'Loughlin that outlines Mrs. Cortez's terms of employment by the city and specifies a start date of January 23, 2019.

Director Fehr recommended approval of the City of Helena City Manager Employment Agreement between the City of Helena and Ana Cortez.

Public Comment

Mayor Collins called for public comment. No public comments.

Motion

Commissioner Noonan moved to approve the City Manager Employment Agreement between the City of Helena and Ana Cortez.

Commissioner O'Loughlin seconded the motion.

Discussion

Commissioner Haladay stated this was a long process and thanked Jenn Reichelt with Novak Consulting Group for their work on the process and acknowledged the amount of public comments the commission received. Commissioner Haladay also thanked the HCC for hosting the candidate forum.

Commissioner Noonan thanked Interim City Manager Taylor for all of his hard work. Mayor Collins also thanked Interim City Manager Taylor. Commissioner O'Loughlin thanked Director Fehr and Novak Consulting for their efforts in selecting qualified candidates. Commissioner O'Loughlin also expressed confidence in Mrs. Cortez and her skills and competence. Commissioner Farris-Olsen thanked Commissioners Haladay and O'Loughlin on their extra time and effort in the selection process.

Vote

All voted aye, motion carried.

C. CONSIDER ENTERING INTO AN INTERLOCAL AGREEMENT WITH LEWIS AND CLARK COUNTY FOR THE MANAGEMENT OF THE CITY-COUNTY BUILDING AND THE LAW AND JUSTICE CENTER, BOTH OF WHICH ARE JOINTLY OWNED BY THE CITY AND THE COUNTY.

Staff Report

Deputy City Attorney O'Connor reported the city and the county jointly own, as tenants in common, the City-County Building located at 316 North Park Avenue in Helena, Montana. This building was originally owned by the federal government but in 1978 the United States government deeded the building to the City and the county as tenants in common to be used as an administrative building. Currently, the building is being used to house various city and county departments. Previously, the City-County Building was administered by the City-County Administrative Building, Inc., a 501(c)(3) non-profit corporation, pursuant to an Interlocal Agreement entered into by the city and county in 1977. This corporation used to have its own employees that maintained the building and had its own accounting. However, over the years the operation for the building has been consolidated in the City's Facilities Department with the City's Administrative Services Department providing all of the accounting and budgeting services. As such, the need for the corporation has been eliminated and the city and county are currently

wrapping up the dissolution of the corporation. The dissolution process should be completed by the end of the year.

The city and county are also working on finalizing the joint purchase of a new Law and Justice Center located at 404-406 Fuller Avenue. The Law and Justice Center will also be owned jointly by the city and county like the City-County Building. The building will be used to house the City of Helena Police Department and the accompanying administrative and record services, and the Lewis and Clark County's Sheriff and Coroner's Department. Future plans for the building include the relocation of the Justice and Municipal Courts to the building.

Section 7-11-104, MCA authorizes one or more public agencies to contract with any one or more other public agencies to perform any administrative service, activity, or undertaking or to participate in the provision or maintenance of any public infrastructure facility, project, or service.

Over the last several months the city and the county have worked together to arrive at terms and conditions specified in the Interlocal Agreement as presented to the City Commission. The Lewis and Clark County Commission is also prepared to take action to authorize and approve the agreement.

The city and county would like to enter into a mutual Interlocal Agreement to outline each government's rights, duties, obligations, and responsibilities with respect to the maintenance and operation of the City-County Building and the Law and Justice Center. The proposed agreement will allow for a more efficient and cost-effective operation of the two buildings while still providing both governments with an opportunity for input about the budget, maintenance, and operation of each property.

Deputy City Attorney O'Connor recommended approval of the Interlocal Agreement between the City of Helena and Lewis and Clark County for the maintenance and management of the City-County Building and the Law and Justice Center and to authorize the Interim City Manager to sign the Interlocal Agreement as presented.

Discussion

Commissioner Haladay asked Deputy City Attorney O'Connor how the cost of the facilities would be allocated between city and county. Commissioner Haladay asked if any discussions had taken place as to the process of approval and allocation of expenditures with the dissolution of the board. Deputy City Attorney O'Connor stated the commissions preferred to maintain their authorities over the budget items regarding the facility. This authority made the board inconsequential, since it was largely made up of individuals that would be involved in the approval process. This procedure allows the city and county commissions to be able to fairly distribute the funding with proper oversight and process, due to the commissions working cooperatively as budgetary issues arise. Interim City Manager Taylor stated each entity would have its budget managed and approved by the commissions based upon occupancy of the physical space. Commissioner Haladay responded with further discussion regarding whether a different ownership arrangement would need to be made between city and county, due to the amount being put forward by both. This agreement would address the possibility of disparities in the occupied space that may arise by the entities who are equal co-owners of the property. Deputy City Attorney O'Connor stated that both entities understood there would not be an even split, and in recognition of the mutual benefit of the arrangement, the two entities would cooperate despite a possible uneven split of the physical occupancy.

Mayor Collins expressed concern regarding a large disparity of occupancy and inquired as to what process exists to address these types of concerns. Manager Taylor stated that commissions would need to work with one another to determine any budgetary conflicts that may arise. Joint budgets already exist and could be adopted in this situation, with negotiations which could occur between the commissions.

Commissioner O'Loughlin seconded Commissioner Haladay's concerns, asking a note be made as to how the facility and its costs will be split, due to the uneven split of the occupancy. Commissioner O'Loughlin referenced the fact that, unlike the current agreements between the city and county, this was an equal 50/50 split of a purchase of a property. Commissioner O'Loughlin stated that occupancy was not referenced in the agreement, and wanted clarification on the process between both parties for budgetary concerns. Manager Taylor referenced the agreement and explained it would be up to the two governing bodies to decide the budgetary responsibilities of each entity, collaboratively. Staff recommends this type of agreement, instead of relying on a third party or board, since this type of agreement already exists between the city and county; and a third party would unnecessarily complicate the process. Further, no specific occupancies or agreements have been made at this time, and those decisions can be made jointly, as they arise.

Commissioner Noonan stated, as a City-County Building board member, that discussion has always been constructive between the two parties in previous negotiations, with no conflict arising about use of the space. Commissioner Noonan proposed an amendment could be added which states, outside of budgetary process, when occupancy questions arise, these types of matters would return to the commissions for approval. This would address the concerns of the commission members and mayor.

Deputy City Attorney O'Connor referenced the agreement in the section that addresses sub-leases to third parties of the facility, stating all of those types of leases would need to come back to a joint City-County meeting for approval and then to both commissions for final approval. Any significant re-allocation of space would be subject to this process and the governing bodies have the opportunity to address questions and concerns for management of the facility.

Public Comment

Mayor Collins called for public comment.

County Administrator Roger Baltz stated the agreement presented tonight will also be presented to the county commission on December 6, 2018. In reference to the concerns of the city commission, the city cannot unilaterally impose its will on the county or vice versa. The agreement is written such that each entity is an equal party in the agreement and the concerns can be addressed directly, if needed. However, if an amendment was needed the county would not oppose such an amendment.

Motion

Commission Noonan moved to approve the Interlocal Agreement between the City of Helena and Lewis and Clark County for the maintenance and management of the City-County Building and the Law and Justice Center and to authorize the Interim City Manager to sign the Interlocal Agreement as presented.

Commissioner Farris-Olsen seconded the motion.

Discussion

Commissioner Haladay asked the language of the agreement be revisited, regarding the acquisition of space, and its use by both parties,

to specify the language of the agreement in regards to future use of the space.

Mayor Collins stated that if a change to the language of the agreement would delay the purchase of the property, he would not be in favor. Commissioner O'Loughlin asked if this was given a second passage would this impact the closing of the agreement. City Attorney Jodoin stated it would cause issue due to the closing date of December 14, 2018, and the need for insurance on the property. Interim City Manager Taylor recommended the commission pass the motion and any concerns could be addressed at a later time in amendments of the agreement, after the purchase of the property.

Commissioner Noonan stated there may not ever be a 50/50 split and a consideration should be made due to the space being empty for revenue purposes, regardless of who occupies the space, rent would be paid. Commissioner Haladay asked that County Administrator Baltz address the concerns expressed by the city with the county commission, and ask for a recital to be added to the current agreement. Interim City Manager Taylor stated a recital could be amended to the current agreement, expressing the intent the property be shared as equally as possible between both parties.

Commissioner O'Loughlin asked if an amendment could be added to the motion, directing the City Attorney to coordinate with the county to add a recital with language articulating the usage of the property space. City Attorney Jodoin responded with a recital stating "intent to have equitable use and occupancy of 404-406 Fuller by both parties."

Amendment

Commissioner O'Loughlin moved to amend the motion, to direct the City Attorney to work with the County Administrator and City Manager on language to add a recital that is the intent the Law & Justice Center be occupied equally. Commissioner Haladay seconded the amendment. All voted aye, motion carried.

Discussion

Commissioner O'Loughlin stated the conversations between the city and county has been a productive one, and that any reservations that have been expressed, are simply due to the novelty of purchasing a property jointly.

Vote as Amended

All voted aye, motion carried.

Public Hearings

A. CONSIDER A RESOLUTION DECLARING THE BILL ROBERTS MUNICIPAL GOLF COURSE CLUBHOUSE OWNED BY THE CITY OF HELENA SURPLUS REAL PROPERTY AND AUTHORIZING SALE TO THE HIGHEST BIDDER OR, IF NO BIDS ARE RECEIVED, DEMOLITION OF THE STRUCTURE.

Staff Report

Interim Director of Parks and Recreation Marr reported the city owns a structure known as the Bill Roberts Municipal Golf Course Clubhouse. The structure used to belong to the school district but was moved to the city's golf course in 1984 for use as a clubhouse. The structure is of masonry/wood construction, two stories high, and has an area of approximately 4,310 square feet. The roof of the structure is of wood construction with asphalt shingles. There is minimal insulation in the walls and the attic, resulting in low R-values. Currently the building sits on a masonry foundation crawl space. The city's building department indicated that the structure is solid and would sustain another move to a new location.

With the completion of construction on and opening of the new combined clubhouse, pro shop, and bar and grill, the former Clubhouse structure is no longer needed for use by the golf course. A memo was circulated to all city departments asking if any of the departments have use for the structure. Responses indicated that no other city department or board have a need for the structure.

The city's building division estimates that it would cost between \$25,000 and \$40,000 to demolish the structure.

Section 1-4-17 of the Helena City Code sets forth the process for sale, disposal, or lease of real property owned by the city. Even though the structure does not have a parcel of land associated with it, it is nevertheless considered real property. See Mont. Code Ann. §70-1-106.

It is the opinion of city staff that the structure would not sell for more than \$500,000. As such the provisions of §1-4-17(A)(3) of the Helena City Code requiring two appraisals of the property prior to providing the required public notice are not applicable.

The GIS office has confirmed that the city is the only property owner located within three hundred feet of the structure for purposes of mail notice required by §1-4-17(A)(2).

Given the estimated cost to demolish the structure, staff recommends that the structure be declared surplus real property and be advertised for sale to the highest bidder. In the event no bids are received, staff recommends that the structure be demolished.

Interim Director Marr recommended approval of the resolution declaring the Bill Roberts Municipal Golf Course Clubhouse owned by the City of Helena surplus real property and authorizing sale to the highest bidder, or, if no bid are received, demolition of the structure.

Public Testimony

Mayor Collins declared the public portion of the hearing opened and called for anyone wanting to address the commission.

There being no persons wanting to address the commission, Mayor Collins closed the public portion of the hearing.

Motion

Commissioner Haladay moved approval of the resolution declaring the Bill Roberts Municipal Golf Course Clubhouse owned by the City of Helena surplus real property and authorizing sale to the highest bidder, or, if not bids are received, demolition of the structure. Commissioner O'Loughlin seconded the motion. All voted aye, motion carried. **Resolution 20503**

Public Communications

PUBLIC COMMUNICATIONS
There were no public communications.

Meetings of Interest

Interviews for City Commission Vacancy - December 4, 2018 –10:00 a.m. - Room 326, City-County Building

City-County Joint Work Session - December 4, 2018 – 3:30 p.m. - Room 326, City-County Building

Administrative Meeting - December 12, 2018 - 4:00 p.m. - Room 326, City-County Building

Regular City Commission Meeting - December 17, 2018 - 6:00 p.m. - Commission Chambers, City-County Building

Adjournment

There being no further business to come before the City Commission, the meeting was adjourned at 7:15 p.m.

/S/ WILMOT COLLINS
MAYOR

ATTEST:

/S/ DEBBIE HAVENS
CLERK OF THE CITY COMMISSION