

**CITY OF HELENA**  
**REGULAR CITY COMMISSION MEETING**  
**November 23, 2020 – 6:00 P.M.**  
**Zoom Online Meeting <https://zoom.us/j/93789775166>**

- Time & Place** A regular City Commission meeting was held on Monday, November 9, 2020 at 6:00 p.m. via Zoom Online Meeting  
<https://zoom.us/j/97963981141>
- Members Present** Mayor Collins requested City Clerk Clayborn call roll call: Deputy City Attorney Coate, City Manager Harlow-Schalk, Commissioner Haladay, Commissioner Dean, Commissioner O’Loughlin, Commissioner Logan, and Mayor Collins all responded present.
- Pledge of Allegiance** **(4:57)** Mayor Collins asked those persons present to please stand and join him in the pledge of allegiance.
- Minutes** **(5:55)**
- Mayor Collins advised the Budget Work Session, June 10, 2020 meeting minutes will be tabled until the next commission meeting.
- A. Regular Commission Meeting – May 28, 2020
  - B. Special Commission Meeting – June 29, 2020
  - C. Budget Work Session – June 10, 2020
- The approval of the Budget Work Session, May 28, 2020 and Special Commission Meeting, June 29, 2020 were approved.
- Motion** **(7:33)** **Commissioner Logan moved to approve the minutes from the Regular Commission Meeting, May 28, 2020 and Special Commission Meeting on June 29, 2020.** Commissioner Dean seconded the motion. City Clerk Clayborn called a roll call vote, as follows: Commissioner Haladay voted aye, Commissioner Dean voted aye, Commissioner Logan voted aye, Commissioner O’Loughlin voted aye, and Mayor Collins voted aye. **The motion carried, 5-0. (8:10)**
- Proclamations** **(8:18)**
- A. Arbor Day
- “Arbor Day” in the City of Helena was proclaimed by Mayor Collins to be held on December 1, 2020.
- Staff Comment** **(10:30)** Chris Daly with the City of Helena Parks & Recreation Department made public comment.
- Board Appointments** **(16:20)**
- A. BID; HPAC
- (19:39)** Mayor Collins tabled the Board Appointments until the next meeting for clarification as to which Board Appointments need to be made.
- Consent Agenda** **(19:47)**

A. Claims

City Manager Harlow-Schalk gave a report on the claims and recommended a motion be made to approve claims dated November 2, 2020 through November 6, 2020 & November 13, 2020.

Discussion: **(20:24)** No discussion from the Commission.

Public Comment **(20:26)** No public comment was made.

**Motion (20:32) Commissioner Haladay moved to approve Consent Agenda item A Claims.** Commissioner Dean seconded the motion. City Clerk Clayborn called a roll call vote, as follows: Commissioner Haladay voted aye, Commissioner Dean voted aye, Commissioner Logan voted aye, Commissioner O'Loughlin voted aye, and Mayor Collins voted aye. **The motion carried, 5-0. (21:01)**

**Communications from City Commissioners (21:10)** COMMUNICATIONS/PROPOSALS FROM CITY COMMISSIONERS

No comments or proposals were received from the Commission.

**Report of the City Attorney (21:20)**

No report given

**Report of the City Manager (21:29)**

City Manager Harlow-Schalk gave a report in regard to the City of Helena being contacted by a production company to highlight the Helena community. City Manager Harlow-Schalk also recognized Ryan Leland as the new City of Helena Public Works Director. She also recognized Lucy Morell-Gengler, a Planner with the city, who is getting ready to retire.

Discussion Commissioner Dean had follow-up question for City Manager Harlow-Schalk.

**Report from HCC (27:58)** COMMUNICATIONS FROM THE HELENA CITIZENS COUNCIL

Diana Hammer gave an HCC report.

**Regular Items (30:13)**

A. MOVE TO APPROVE A RESOLUTION OF INTENTION TO ESTABLISH FEES TO BE CHARGED FOR SERVICES AND PROGRAMS OF THE CITY OF HELENA AND USE OF CITY FACILITIES TO BE KNOWN AS THE BOOK OF FEES AND CHARGES AND REPEAL ALL PREVIOUS RESOLUTIONS ADOPTING OR ESTABLISHING FEES, AND SET A PUBLIC HEARING FOR DECEMBER 21, 2020.

Staff Report **(30:42)** Budget Analyst Chris Couey reported that the City of Helena has been working on amending ordinances to remove the fee amounts to consolidate into one place for ease of access, for City employees and

the Public. Ordinance #3177-Fee establishment Procedures and Resolution 20003. The process of updating new and increasing fees currently happens many times throughout the year amending many different resolutions and ordinances.

Staff proposed that the City consolidate Fees into the Book of Fees and Charges and have a central location to find all City Fees. These are reflected in Exhibit A with Appendix A. Staff's recommendation is to adopt the new fees in Exhibit B and to adopt the increase in existing fees in Exhibit C.

Staff requested a motion to approve a resolution of intention to establish fees to be charged for services and programs of the City of Helena and use of city facilities to be known as the "Book of Fees and Charges" and repeal all previous resolutions adopting or establishing fees, and set a public hearing for December 21, 2020.

Discussion

**(35:44)** Commissioner Dean had follow-up questions and discussion. Commissioner O'Loughlin had follow-up questions and discussion. Commissioner Haladay had follow-up questions and discussion.

Public Comment

**(57:02)** No public comment was made.

**Motion**

**(57:22) Commissioner O'Loughlin moved to approve a Resolution of Intention to establish fees to be charged for services and programs of the City of Helena and use of city facilities to be known as the "Book of Fees and Charges" and repeal all previous resolutions adopting or establishing fees and set a public hearing date for December 21, 2020.** Commissioner Logan seconded the motion. City Clerk Clayborn called a roll call vote, as follows: Commissioner Haladay voted aye, Commissioner Dean voted aye, Commissioner Logan voted aye, Commissioner O'Loughlin voted aye, and Mayor Collins voted aye. **The motion carried, 5-0. (58:06)**

B. **(58:10) CONSIDER A MOTION TO APPROVE AND ADOPT THE DOWNTOWN RENEWAL VISION FOR CRUSE AVENUE.**

Staff Report

**(58:46)** Michael McConnell and the consultant team (Adam Hughes, Better City and Mike Dowling, Dowling Architects) reported that the Cruse project is an offshoot plan of the Downtown Neighborhood Plan (DNP), approved in 2016 and by extension the Growth Policy. The DNP called upon the City to improve Cruse Avenue for pedestrians with connectivity to the surrounding neighborhoods, potentially add housing, utilizing excess City right-of-way and restructure Cruse Avenue to be a local street emphasizing improved streetscape. In early 2020, the City contracted with Better City to conduct public outreach and craft a new vision for how Cruse Avenue could be redeveloped. Extensive background research including original construction documents up to and including the DNP & Downtown Urban Renewal Plan were used to provide the basis for redeveloping Cruse Avenue. Both plans call for Cruse Avenue to be transformed from the wide right-of-way major collector street that currently exists to the local street which the traffic counts suggest it should be.

Cruse Avenue has been an area of concern in Helena virtually since its construction, with a right-of-way that is too large contextually for its location and poor accessibility. It serves as a barrier not only between the neighborhoods to the east but also between downtown, several parks and the larger trail system. In order to have a functioning and prosperous downtown it is essential to support the redevelopment of Cruse Avenue. This visioning document will enable City staff and stakeholders to chart a course for the redevelopment of Cruse Avenue that is both utilitarian and flexible. Included in the document is a list of potential action steps and policy recommendations that can be used to initiate a variety of projects within the study area as funding opportunities become available. This allows staff to pursue a variety of projects simultaneously if possible or necessary.

The redevelopment of Cruse Avenue will support bicycle, pedestrian and motorist connectivity and safety, increase the number of people living downtown, potentially support the City's goal of establishing land trust properties, beautify an area of downtown that has long been neglected and increase use of city parks and trails. The study will serve as a catalyst for a variety of projects across the study area and could serve as a benchmark for a number of stated City goals. This study promotes density, connections to the downtown core and incorporates projects for multimodal safety in an area of huge importance and opportunity for the City of Helena.

By creating more housing options in the downtown neighborhood center, close to where people work and recreate, we can reduce vehicle miles traveled, lower greenhouse gas emissions and increase public health. This study identifies several locations where there could be opportunities for new housing in the downtown core. By creating housing units within existing city owned surface parking lots, the city will potentially lose up to 50 spaces. The final design of the streetscape and the number of housing units created will determine the final amount.

Staff requested a motion to approve and adopt the Downtown Renewal Vision for Cruse Avenue.

Discussion (1:19:45) Commissioner Dean had follow-up questions.

Public Comment (1:23:18) No public comment was made.

**Motion (1:23:36) Commissioner O'Loughlin moved to approve and adopt the Downtown Helena Renewal Vision for Cruse Avenue.**  
Commissioner Haladay seconded the motion. City Clerk Clayborn called a roll call vote, as follows: Commissioner Haladay voted aye, Commissioner Dean voted aye, Commissioner Logan voted aye, Commissioner O'Loughlin voted aye, and Mayor Collins voted aye. **The motion carried, 5-0. (1:24:12)**

C. (1:24:22) CONSIDER A CERTIFICATE OF SURVEY (COS) FOR A BOUNDARY LINE RELOCATION BETWEEN TWO CITY OWNED OPEN SPACE TRACTS SHOWN ON COS NO.589492 AND ADJACENT PRIVATE PROPERTY SHOWN AS PARCEL 3 COS NO.3156580. PROPERTIES ARE LOCATED SOUTH OF LA

GRANDE CANNON BOULEVARD IN THE CITY OF HELENA AND  
ADJACENT TO THE CITY IN LEWIS AND CLARK COUNTY.

Staff Report

**(1:24:56)** Kristi Ponozzo, Open Lands, Parks and Recreation Director, and Lucy Morell-Gengler, City Planner II, reported that the city has received a request from Paul and Beckie Graham for a boundary line relocation between city owned property and their adjacent property per the attached request.

The boundary line relocation would change the number of lots the City owns, from two smaller lots currently identified as Tract A and SW4 Less Tract A shown on COS No.589492 to one lot to be known as Tract A-1. This platting action would not change the square footage of property the City owns or its location. The Grahams property would change from two larger lots to three smaller lots without changing the total square footage of their subject property.

The subject survey is exempt from subdivision review per Montana Code Annotated 76-3-207 (1) (a) exemption for a boundary line relocation outside of a subdivision. The only component of the plat for City Commission review is the boundary line relocation between city property and the adjoining property. Other actions shown on the plat relate to property located in the county are not within the City Commission's jurisdiction.

Staff proposed a motion to approve a boundary line relocation between City owned property and the adjacent property. Although the boundary line relocation would change the number of lots in city ownership, it would not change the square footage or location of the land in City ownership. Approving the proposed boundary line relocation would demonstrate the City's appreciation for the transfer of property from private ownership to public open space that connects existing public lands.

Staff requested a motion to approve a Certificate of Survey (COS) for a boundary line relocation between two city owned open space tracts shown on COS No.589492 and adjacent private property shown as Parcel 3 on COS No.3156580. Properties are located south of La Grande Cannon Boulevard in the City of Helena and adjacent to the City in Lewis and Clark County.

Discussion

**(1:27:05)** No discussion from the Commission.

Public Comment

**(1:27:15)** No public comment was made.

**Motion**

**(1:27:22)** Commissioner Haladay moved to approve a Certificate for a boundary line relocation between two city owned open space tracts shown on COS No.589492 and adjacent private property shown as Parcel 3 on COS No. 3156580. Properties are located south of La Grande Cannon Boulevard in the City of Helena and adjacent to the City in Lewis and Clark County. Commissioner Logan seconded the motion. City Clerk Clayborn called a roll call vote, as follows: Commissioner Haladay voted aye, Commissioner Dean voted aye, Commissioner Logan voted aye, Commissioner O'Loughlin voted aye, and Mayor Collins voted aye. **The motion carried, 5-0. (1:28:15)**

- D. **(1:28:19)** CONSIDER FIRST PASSAGE OF AN ORDINANCE CREATING THE CAPITAL HILL URBAN RENEWAL DISTRICT ESTABLISHING THE BOUNDARIES THEREOF, AND ADOPTING THE CAPITAL HILL URBAN RENEWAL DISTRICT PLAN, INCLUDING TAX INCREMENT PROVISION PURSUANT TO TITLE 7, CHAPTER 15, PARTS 42 AND 43, MONTANA CODE ANNOTATED, AND ESTABLISHING A PUBLIC HEARING DATE.

Staff Report

**(1:28:42)** Community Development Director Sharon Haugen reported that on August 24, 2020, the Helena City Commission adopted a Resolution of Necessity that included a Statement of Blight for the proposed Capital Hill Urban Renewal District. The resolution, in part, declared the area a blighted area and directed that its rehabilitation and/or redevelopment was necessary in the interest of the residents of the City of Helena. The Commission further directed that an Urban Renewal Plan be created for the area. The City hired Better City, Inc to assist in the development of the Plan. The Plan that is under consideration is the result of several stakeholder interviews, public meetings, and review of the 2019 Growth Policy and other documents relating to the Capital Hill area. The goals stated in the Plan are the result of these meetings and a review of the 2019 Helena Growth Policy.

MCA Section 7-15-4213 requires that the Consolidated Planning Board review the Urban Renewal Plan and provide a written recommendation to the City Commission as to whether the Urban Renewal Plan conforms to the 2011 Growth Policy. On October 20, 2020, the Planning Board heard a presentation regarding the proposed Urban Renewal Plan and the goals identified in the Plan. The presentation also evaluated how these goals were in conformance with the City's current Growth Policy. At that meeting, the Planning Board made a final determination and formal recommendation for the City Commission's consideration that the Capital Hill Urban Renewal Plan and its goals were in conformance with the 2019 Growth Policy.

Prior to the adoption of this ordinance, a public hearing must be held. That hearing is proposed for December 7, 2020. As part of the public hearing process, there will be notice of the hearing sent to all property owners' whose names appear on the county treasurer's tax rolls as the owners or purchasers under contracts within the district pursuant to Title 7, Chapter 15, Parts 42 and 43, MCA. A copy of the draft plan can be found on this link <https://www.helenamt.gov/cd/planning-division/current-projects>. A hard copy of the plan can be obtained by contacting the Community Development Department located at 316 N. Park, Helena, MT.

Two Zoom meetings were held on November 5th and 6th, 2020 to discuss the draft plan and boundary. Notices were sent to all the property owners affected by the district. In addition, notice was on the City of Helena's website and other social media. Several property owners attended the meetings, the majority of which expressed support for the redevelopment of the area and the idea of an Urban Renewal District. However, there was an overall concern that with redevelopment would mean increased property values. This would result in increased taxes. A couple of the residential property owners had

questions concerning the need to include residential properties into the district. The majority of those attending the calls expressed support for the goals of the project.

Staff's proposal is to grant first passage and schedule a public hearing on the merits of creating a Capital Hill Urban Renewal District and to potentially use tax increment financing to make necessary improvements in the district. The creation of the district and the resulting opportunities associated with tax increment financing and other mechanisms as identified in the Plan would help fund projects that would improve the area's and infrastructure, encourage the revitalization and redevelopment of the area. This area has been identified in the 2019 Helena Growth Policy as an area with potential for redevelopment and infill. It also encouraged the establishment of Neighborhood Centers which will include mixed use areas. The 2019 Plan also included the preservation of existing housing and the provision of all types of housing in the City. The creation of an Urban Renewal District will assist in these areas. As stated before, the 2019 Growth Policy encouraged the establishment of Neighborhood Centers and this area was identified as one of the three key areas for a Neighborhood Center. The replacement development concept calls for a mix of housing, retail and office, and will likely have a ripple effect on the surrounding commercial and residential properties. It may also influence the future of the Prospect/11th Avenue couplet, potentially arguing for pedestrian-friendly revisions to each arterial to maximize the attractiveness and viability of this evolving center. The creation of an Urban Renewal District and potential use of tax increment financing will provide opportunities for the city to meet those goals. The development of the Urban Renewal Plan is a combination of the results of several studies, stakeholder meetings and other public outreach, and represents the results of these efforts. The goals relating to enhancing the motorized and non-motorized infrastructure and encouraging greater diversity in the area are goals that were identified by many of the stakeholders interviewed in the process and by the Planning Board. The creation of an Urban Renewal District is one of the few tools that cities have to encourage redevelopment in an area and the use of this tool is appropriate at this time. It is also one of the tools that encourages public private partnerships.

Redevelopment of the Capital Hill area is a more efficient use of existing infrastructure. The use of TIF funds have been used in other communities to help fund improvements necessary to bring existing buildings up to code. This use of funds is also contemplated in this Plan and would help extend the useful life of these buildings and help to make them more efficient. It is anticipated that the actions resulting from the Plan will increase the overall taxable value of the proposed district through strategic public and private investment. The increase in taxable value from a set baseline level will be redirected back into the district. The increment that is derived from the increase in taxable value, therefore, will stay in the district and will not be available to be used elsewhere in the city.

Staff requested a motion to approve first passage of an ordinance creating the Capital Hill Urban Renewal District, establishing the boundaries thereof; and adopting the Capital Hill Urban Renewal District

Plan, including a tax increment provision pursuant to Title 7, Chapter 15, parts 42 and 43, Montana Code Annotated; and set a public hearing date for December 7, 2020.

Discussion (1:47:33) Commissioner Dean had follow-up questions.

Public Comment (1:49:04) No public comment was made.

**Motion** (1:49:27) **Commissioner Logan moved to approve first passage of an ordinance creating the Capital Hill Urban Renewal District, establishing the boundaries thereof; and adopting the Capital Hill Urban Renewal District Plan, including a tax increment provision pursuant to Title 7, Chapter 15, parts 42 and 43, Montana Code Annotated; and set a public hearing date for December 7, 2020.** Commissioner Dean seconded the motion. City Clerk Clayborn called a roll call vote, as follows: Commissioner Haladay voted aye, Commissioner Dean voted aye, Commissioner Logan voted aye, Commissioner O'Loughlin voted aye, and Mayor Collins voted aye. **The motion carried, 5-0. (1:50:22)**

E. (1:50:25) CONSIDER A RESOLUTION OF INTENTION TO AMEND THE REVISED FISCAL YEAR 2021 BUDGET BY AMENDING RESOLUTION 20609 TO INCLUDE APPROPRIATIONS FOR \$299,627.38 (AS OF NOVEMBER 10, 2020) AND SET A PUBLIC HEARING FOR DECEMBER 21, 2020.

Staff Report (1:50:52) Budget Analyst Chris Couey reported that the Commission adopted the Revised Fiscal Year 2021 budget on June 29, 2020. On November 9, 2020 the Commission approved the creation of an Affordable Housing Trust fund. The Commission has expressed interest in transferring the proceeds from the sale of the property commonly referred to as "the old bus depot" and KCAP Park from the Community Renewal fund to the newly created Affordable Housing Trust fund.

These proceeds were received by the city in fiscal year 2020 and as such are currently in the fund reserve (fund balance). Increasing appropriations from fund reserves to complete this transfer requires a resolution amendment to the revised fiscal year 2021 budget as this transfer is not a designated use of the Community Renewal fund's reserves.

Staff's proposal is to consider a resolution of intention amending the revised fiscal year 2021 budget for the city of Helena, Montana by amending resolution 20609 to include appropriations for \$299,627.38 (as of November 10, 2020) and set a public hearing for December 21, 2020. This transfer provides the newly created Affordable Housing Trust fund with initial funding without affecting any other currently scheduled purchases or projects.

Transferring the reserves of this fund in full, coupled with the language for funding the Affordable Housing Trust fund in the future through the sale of City property, will effectively eliminate the Community Renewal fund. Currently, the Community Renewal fund receives all or a portion of the sale of City properties that are not of enterprise fund origin or lack a clear lineage of ownership by any department. These guidelines were

developed by city staff and relayed to the Commission but never adopted as an official City policy such as the Employee Handbook had been done. Without any officiality to those guidelines, the Affordable Housing Trust fund would take precedence and the Community Renewal fund would receive no further funding.

Staff recommends approval of a resolution of intention amending the revised fiscal year 2021 budget for the city of Helena, Montana by amending resolution 20609 to include appropriations for \$299,627.38 (as of November 10, 2020) and setting a public hearing for December 21, 2020.

Discussion **(1:54:05)** No discussion from the Commission.

Public Comment **(1:54:14)** No public comment was made.

**Motion** **(1:54:28)** Commissioner Haladay moved to approve of a resolution of intention amending the revised fiscal year 2021 budget for the city of Helena, Montana by amending resolution 20609 to include appropriations for \$299,627.38 (as of November 10, 2020) and setting a public hearing for December 21, 2020. Commissioner O'Loughlin seconded the motion. Interim City Clerk Clayborn called a roll call vote, as follows: Commissioner Haladay voted aye, Commissioner Dean voted aye, Commissioner Logan voted aye, Commissioner O'Loughlin voted aye, and Mayor Collins voted aye. **The motion carried, 5-0. (1:55:24)**

**Public Communications (1:55:30)** No public comment was made.

Discussion **(1:56:18)** Commission Logan commented on the report regarding the HCC and their request for ways that their communication and recommendations would best be directed to the Commission. Mayor Collins would like to have this included on a commission agenda in the future. City Manager Harlow-Schalk suggested to change the agenda item to read "*Communications and Recommendations from Helena Citizens Council*". Commissioner Dean had follow-up discussion.

**Adjournment (1:59:14)** There being no further business to come before the City Commission, the meeting adjourned at 7:55 p.m.

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MAYOR

ATTEST:

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CLERK OF THE CITY COMMISSION