

CITY OF HELENA
REGULAR CITY COMMISSION MEETING
May 4, 2020 - 6:00 P.M.
Zoom Online Meeting <https://zoom.us/j/4129664351>

Time & Place A regular City Commission meeting was held on Monday, May 4, 2020 at 6:00 p.m., via Zoom Online Meeting <https://zoom.us/j/4129664351>.

Members Present Mayor Collins requested Interim City Clerk Clayborn call roll call: City Attorney Jodoin, Interim City Manager Reed, Commissioner Haladay, Commissioner Dean, and Commissioner Logan all responded present. Commissioner O’Loughlin was excused from this meeting.

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 March 27, 2020 Special City Commission meeting were approved as submitted.

Proclamations Buddy Poppy Month

Discussion Mayor Collins presented a proclamation designating May 2020 to be Buddy Poppy Month. A representative of the VFW will receive a copy of this proclamation by mail.

Board Appointments BOARD APPOINTMENTS:
A. Business Improvement District.

Mayor Collins recommended the following board appointment:

Business Improvement District Appointment of Larry Middagh to an interim term on the BID. This term will begin upon appointment and expires October 31, 2020. At which point Mr. Middagh will be eligible for re-appointment for a full four-year term.

Public Comment Mayor Collins asked for public comment. None was received.

Motion Commissioner Halladay moved approval of the board appointment as outlined above. Commissioner Dean seconded the motion. Interim City Clerk Clayborn called a roll call vote, as follows: Commissioner Dean voted aye, Commissioner Logan voted aye, and Mayor Collins voted aye. **The motion carried, 4-0.**

Consent Agenda CONSENT AGENDA:
A. Claims
B. Grant Award Acceptance of Montana Department of Natural Resources and Conservation and Montana Urban and Community Forestry Association, Urban Forestry Program Development Grant for \$9,000

Staff Report Parks, Recreation and Open Lands Director Kristi Ponozzo reported on the Grant Award Acceptance of Montana Department of Natural Resources and Conservation and Montana Urban and Community Forestry Association, Urban Forestry Program Development Grant for \$9,000. Helena’s urban forest is comprised of 55% green ash. The Urban

Forestry program operates on a cyclical pruning cycle averaging 8-9 years with a target cycle of 5 years as per the City's Urban Forestry Management Plan. Currently trees along our pruning route are evaluated for declining health and excessive risk. Trees marked for removal are removed by the pruning crew as they are encountered along the route. The City is removing more green ash in preparation for the invasive emerald ash borer and these removals are by far the most time consuming and expensive part of the City's program.

The City is proposing to hire a private contractor to perform the scheduled green ash removals for the next phase of the pruning route using grant monies from the Urban Forestry Program Development Grant Program for \$9,000. The removals would be performed with a remote-controlled articulated telescoping boom with a grapple saw. The City plans on hiring a contractor for 4 days with a target of 5-8 trees per day for a total goal of 20-30 trees. The cost breakdown would be \$320-\$480 per tree compared with the City's in-house average of around \$1000. Stumps will be ground and sites will be replanted by Helena Urban Forestry staff. Any open planting sites along these routes will be considered for planting as well. The goal is to plant 50 trees. Properties that are adjacent to a removal site or planting site will receive a care agreement. If they agree to water the tree the site will be added to the planting list. City staff understands this project does not end at the project deadline and plans on monitoring new plantings for 3 years during the establishment period. The Urban Forestry Program successfully completed a previous grant cycle for this same work and grant monies.

Acceptance of the grant will allow the city to move forward with goals set in the Helena Urban Forestry Management Plan, including reducing the percentage of Green Ash Trees in the urban forest resulting in an overall healthier urban forest.

Director Ponozzo recommended a motion to accept the Montana Department of Natural Resources and Conservation and Montana Urban and Community Forestry Association, Urban Forestry Program Development Grant, in the amount of \$9,000.

Discussion

Interim City Clerk Clayborn noted that item A on the Consent Agenda, Claims, still needed to be discussed with Interim City Manager Reed. Mayor Collins moved to table the vote on item B. Commissioner Haladay asked if Mayor Collins moved to approve the entire consent agenda or individual items. Mayor Collins clarified that he was moving to approve individual items.

Motion

Commissioner Haladay moved to approve consent agenda item B. Commissioner Dean 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 and Mayor Collins voted aye. **The motion carried, 4-0.**

C. GRANTING SERENDIPITY, LP, AN EASEMENT ACROSS THE CLOSED EDWARDS STREET AND ALLEY THAT BORDERS LOT 82 OF THE SECOND SUBDIVISION OF THE LAST CHANCE REVISION OF A PORTION OF THE ORIGINAL

TOWNSITE OF HELENA, MONTANA, LESS LOT 82-A OF
CERTIFICATE OF SURVEY NO. 264149 AND TRACT B OF
CERTIFICATE OF SURVEY NO. 268794.

Staff Report

City Attorney Jodoin reported that Serendipity, LP is in the process of selling Serendipity Apartments. Wishcamper Developers have obtained \$6.3 million-dollar Montana Board of Housing Low Income Housing Tax Credit in order to rehabilitate the apartments, to be known as Firetower Apartments. A similar previously granted easement expired on 2001. The easement will allow Wishcamper's tenants to continue motor vehicle access and parking on the alley and closed Edwards Street rights-of-way. Maintain access and parking for tenants of the apartments which is critical affordable housing for low-income elderly tenants and tenants with special needs.

City Attorney Jodoin recommended a motion to grant an easement across the closed Edwards Street and alley that borders Lot 82 of the Second Subdivision of the Last Chance Revision of a portion of the Original Townsite of Helena, Montana, less Lot 82-A of Certificate of Survey No. 264149 and Tract "B" of Certificate of Survey No. 268794, as more specifically shown and defined on Exhibit "A" attached to the proposed Easement Agreement.

Discussion

Commissioner Haladay brought up a point of order and stated that if each item on the consent agenda is going to be voted on individually, there should be public comment on each individual item before voting.

Public Comment

Mayor Collins asked for public comment, on item C. None was received.

Motion

Commissioner Logan moved to approve consent agenda item C. Commissioner Dean 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 and Mayor Collins voted aye. **The motion carried, 4-0.**

D. AUTHORIZATION FOR STAFF TO VOID STALE DATED CHECKS

Staff Report

Controller/Treasurer Liz Hirst reported that 7-6-4303, MCA authorizes the City to void outstanding stale dated checks. The total amount of outdated checks staff is requesting to void issued prior to September 20, 2019, is \$350.45. Each payee was notified by letter so a replacement check could be requested and issued. None of the payees on the attached list responded to the City's letters, or they indicated they did not want a replacement check, or they could not be located. A list of the checks recommended to be voided is attached. Staff recommends voiding these checks as unclaimed property. The check amounts will be credited to the fund they were expended from. Voiding stale dated checks ensures other persons do not cash lost or misplaced checks. The process also clears up the accounting records and makes the funds available for current operational costs.

Controller/Treasurer Hirst recommended a motion to authorize staff to void the checks listed in Exhibit A.

Public Comment Mayor Collins asked for public comment, on item D. None was received.

Motion

Commissioner Dean moved to approve consent agenda items B and D. Commissioner Haladay 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 and Mayor Collins voted aye. **The motion carried, 4-0.**

Communications from City Commissioners COMMUNICATIONS/PROPOSALS FROM CITY COMMISSIONERS

Commissioner Dean had an update on the COAD Shelter Group. People have seen in the local news in the past week the COAD was able to secure Camp Child for homeless families that had been living at God's Love. It's been reported that the families out there love it, and that the groups that make up the COAD and DES are trying hard to facilitate employment for the parents and finding permanent housing for the families.

Report of the City Attorney

REPORT OF THE CITY ATTORNEY

City Attorney Jodoin reported to the Commission that Judge Seeley held a hearing today about Beattie Street lawsuit and the preliminary injunction. The Judge said she would get an order to both parties soon. For now, the project remains on hold.

Discussion

Commissioner Haladay asked City Attorney Jodoin if Judge Seeley indicated that the temporary restraining order remains in effect at this time, or if it is being procedurally treated as being in effect. City Attorney Jodoin stated that the Court did not address it, but the City is treating it as if it were procedurally still in effect, even though technically it is not.

Litigation Strategy

LITIGATION STRATEGY

City Attorney Jodoin stated there was nothing to report.

Report of the City Manager

REPORT OF THE CITY MANAGER

Interim City Manager Reed reported that the City is continuing to adapt to the COVID-19 situation and continuing to inform the public about any changes to City services. She expressed thanks to City staff for their hard work and to the public for their understanding as operations continue to be modified. City departments have been working on a preliminary budget which will be presented later in this meeting. As a follow-up regarding downtown parking, after the last administrative meeting a survey was put out by the Business Improvement District, which closes May 9, and the City will report back to the Commission about information that was gathered in that survey. As of May 1, 2020, parking permits are being enforced and downtown parking enforcement remains suspended.

Report from the

REPORT FROM THE HELENA CITIZENS COUNCIL

HCC

HCC Chairman Dylan Klapmeier reported that HCC is focused on its duties outlined in the City Charter as the City is operating under a State of Emergency declaration. Currently that means the City budget. The HCC budget committee is reviewing the proposed changes to the draft second biennium of the budget and the HCC will be meeting on May 20 to get an update from the Finance Division on what the major changes are. The HCC will then meet on May 27 to formalize their comments and recommendations about changes to the City's budget and will present those to the Commission in June. Chairman Klapmeier stated that the HCC is interested in the process for hiring the permanent City Manager position and looks forward to being updated on that, so the HCC remain involved in that process. Individual HCC members have been working to support their neighborhoods and the Helena community during the COVID-19 outbreak, including working with the Co-Ad Group to make sure that populations that are especially at-risk and might need additional help, such as the elderly, are aware the HCC is available as a resource during this time.

Discussion

Commissioner Dean asked HCC Chairman Klapmeier if there was widespread participation in the City Manager survey and focus groups. Chairman Klapmeier stated that the HCC sent the survey out to all of their members and he's aware of a couple other members as well as himself who participated. The input sessions went well and there was discussion about characteristics that Helena residents would like to see in the new City Manager. Everyone on the HCC was asked to fill out the survey but he isn't sure how many did.

Regular Items

REGULAR ITEMS

- A. CONSIDER ACCEPTANCE OF THE PRELIMINARY REVISED FY21 BUDGET FOR THE CITY OF HELENA.

Staff Report

Budget Analyst Chris Couey reported the City previously adopted a biennial budget for Fiscal Years 2020 and 2021. As required by law, the City must present a Preliminary and adopt a Final budget annually. The Finance department has held reviews with all other departments to revise and review the original FY21 adopted budget. Mr. Couey reported that as far as notable energy impacts, the City does have energy efficiency projects that were added to the budget in this process. That resulted in additional costs being added as a result of those revisions. At the end of tonight's presentation, he will be looking for a motion to accept the preliminary revised FY21 budget and to set a public hearing date of June 22, 2020.

For anyone who wants to follow along, Mr. Couey stated that he will go through the overall summary and changes, which can be found on page 8 of the preliminary document.

The City of Helena implements a multiple fund class platform through which its operations are conducted. These classes include the General Fund, Special Revenue Funds, Debt Service Funds, Capital Outlay Funds, Enterprise Funds, Internal Service Funds and other pass-through type funds such as the Downtown BID, Tourism BID and Lighting Districts. On June 24, 2019 the Helena City Commission approved a biennial budget for fiscal years 2020 and 2021. As expected with any budget, circumstances surrounding the city's operations create variances and warrant revisions. The following are summarized explanations of the variance between the FY20 amended budget and the FY20 estimated projection, as well as the recommended revisions to the

FY21 adopted budget. Variances from FY20 adopted budgets to FY20 amended budgets are not included as they can be attributed largely to previously approved expenditures from fiscal year 2019 that were brought forward.

Mr. Couey expressed his appreciation towards City staff for their hard work in bringing the budget together. The collaborative effort resulted in the document being presented here today, and many challenges were encountered ranging from unfamiliarity with established processes to having to create new processes in response to COVID-19 in order to keep the budget moving forward. Virtual environments were instituted including file sharing and updating, which had both advantages and disadvantages. Because of that it can be expected that in the budget work sessions, there may be instances where a change might not have been saved and the director or staff member for that department may indicate some numbers don't match up. In those cases the issue will be addressed and corrected. This process will result in the production of an accurate and thorough final budget for adoption.

Under "Significant Changes to Revenues", in the current fiscal year, FY20, The majority of the decrease in projected revenue is related to unrealized debt funding. The remainder are attributed to closures and/or concessions made by the city in the COVID-19 response effort such as the Civic Center, Golf Course/Muni's Restaurant and suspension of parking permits. In FY21 going forward, increases in tax revenue will include maximizing the fire safety levy, and budgeting for the Downtown TIF District. Mr. Couey commented that there were some calculation errors in the numbers provided by the County in the Downtown TIF District, which shows a greater dollar amount of revenue in the current year than what it should have been. The County is correcting the error.

"Operating Revenue" is relatively unchanged overall but notable changes include building fee waivers for affordable housing projects and an anticipated slow start to Recreational revenues. Internal revenues have been updated to reflect Internal expenses. Debt revenues have been reduced to reflect the updated capital schedule.

Mr. Couey next presented personnel expenditures for the current year FY20. Vacancies in multiple departments have created cost savings in the overall Personnel expenses. Notable vacancies include the permanent replacements for the Directors of Finance, Public Works and Human Resources. Revisions to the FY21 Personnel budget include annual steps for eligible employees, a limited number of reclassifications, recently updated Police and Fire Agreements and a 2% COLA.

Significant Changes to Operating & Internal Expenditures for FY20. The decreased projection in Operating expenses can be attributed to reduced material costs, unrealized projects or limited operations for non-essential departments during the COVID-19 response effort. Increases to Internal expenses are due to the new Fort Harrison Fire Service Contract. Note: some expenses may be carried forward to FY21 after final adoption.

For FY21, revisions to the FY21 Operating budget are attributed to new contractual obligations, increased material costs or expenses that only occur every other year. Increased Internal expenses are the relative increase in costs that are charged out to other departments such as the recovery of the Finance dept through Internal Charges. The increase in Transfers Out is associated with the Fort Harrison Fire Service Contract and Commission priorities for renewable energy projects. IT&S costs increased approximately \$30,000 for the whole city.

Significant Changes to Capital Schedules, unrealized debt funding in fiscal years 2019 and 2020 has led to a revised capital schedule. Please see individual funds for updated schedules.

Mr. Couey stated there were some items to be presented to the Commission before budget work sessions, to include: new community renewal fund of \$300,000 from the sale of the KPAC park and the Bus Depot; currently there are no anticipated budget revenues or expenses in that fund.

On Personnel, for Police and Fire now that their agreements have been finalized; originally union members were included in the 2% COLA so that part has been removed which resulted in cost savings. The 407 Fund, for the Downtown TIF has an inaccurate calculation so those exact numbers will be updated before the work session.

Mr. Couey recommended a motion to accept the Preliminary Revised FY21 budget and set a public hearing date of June 22, 2020.

Discussion

Commissioner Dean asked for clarification from City Attorney Jodoin that accepting this preliminary budget presented today does not necessarily mean that the Commission is approving this budget. City Attorney Jodoin confirmed that is correct and this step simply starts the public input process with the Interim City Manager, the public and different departments before final adoption on June 22, 2020. Commissioner Dean asked about the Law and Justice Center, which is where the new Municipal Court was in the first FY20 budget. There appears to be a reduction in the numbers here from the original amount of \$250,000 to \$100,000. Commissioner Dean explained her understanding was that the original \$250,000 budgeted was not enough for the building of the courtroom and asked for clarification as to whether that is correct.

Mr. Couey confirmed Commissioner Dean's reading of those numbers is correct. There had been a discussion earlier with Troy Sampson about the courthouse project, and the account that the \$250,000 for this fiscal year is coming out of should have enough in the end to cover that. Mr. Sampson wondered what the process would be if he needed more funds to get that project going. Mr. Couey stated that the \$250,000 is more than enough to start the project in this fiscal year. There is another \$100,000 slated for the next couple of years. He believes there is room within the current budget authority if more funds are needed but there is no specific number for that yet. Commissioner Dean requested that there be more clarity on that when they have the budget work session, since November is the date when Judge Peterson needs to be moved into a new arrangement whatever that might look like given COVID-19. Commissioner Dean asked Mr. Couey about page 10 of the preliminary budget, page 41 of the agenda packet, All Funds, it shows projected for FY20 what a \$17 million budget deficit would be. When the budget was originally adopted in June 2019, it looks like they were budgeting for a \$3.9 million deficit. She asked for an explanation as to why there is a difference there, and the accuracy of that number.

Mr. Couey explained that a large part of that is the updated capital schedule that was discussed, with all the debt funding. The long-term debt has gone down almost \$14 million and the capital outlay has gone down about \$10 million. That accounts for \$4 million. The rest is along the lines of a combination of decreased revenues that we might get before the end of this year, such as taxes and assessments. It is not known if banks will be able to provide their entire escrow payments at this point for second half taxes, so that contributes to having less

revenue and having that deficit. It is expected that the City will still receive all that revenue at some point, just maybe not on time at this point. It may not be received by the end of this fiscal year.

Commissioner Dean asked if at one of the budget work sessions a breakdown could be provided of each piece of that. Commissioner Dean asked about the resolution for the FY20 biennial budget that was adopted in June 2019. She commented it appears that the City needs to repeal that resolution and then adopt a new resolution for FY20 and FY21 budget both being significantly changed. She asked City Attorney Jodoin if that is the case. City Attorney Jodoin stated the City already has an adopted FY20 and FY21 budget, but state law requires that a preliminary budget be presented annually even if no changes are being made to the adopted budget. That is why it is called a preliminary revised budget. There is no need to repeal the previous budget because the City is revising the approval via this current process that is being undertaken.

Commissioner Dean commented that she appreciated all the answers to her questions. As the City goes into the six budget work sessions over the next month, she advocates acting responsibly to maximize the impact for Helena. This FY20 and FY21 budget particularly must be operationalized in a way that allows City staff to provide quality service and effectively implement initiatives and be ready to go in such a way that the City does not have to make further dramatic adjustments. Commissioner Dean stated that this budget must meet the needs of our community and make sure the City provides top-notch service especially given the looming economic uncertainty that lies ahead, and throughout this budget process she will advocate that the City effectively address the fundamental responsibilities of city government, including basic infrastructure and providing better processes to solicit community input, and to increase transparency in City policy-making and operations. It's important that the City reach out to the public and translate the budget work session process in a way that the average Helena resident can understand. Commissioner Dean stated that she wants to be sure the City is pursuing and completing projects that improve quality of life for Helena residents. She stated she also wants to be sure the City pursues equitable sustainability initiatives. Commissioner Dean hopes that the community will remain involved in the budget process as the City works to operationalize these projects, by attending these meetings virtually and learning about the budget process. Lastly, Commissioner Dean expressed her appreciation for the hard work of City staff getting this budget ready to be presented for the Commission and the public to view.

Mr. Couey further responded to Commissioner Dean's question regarding the \$17 million deficit. This is mostly a result of the carry-over process, so expenditures that were approved for FY20 that are not completely executed in the fiscal year for which they were budgeted, are carried forward into the next fiscal year. That also applies to the revenue side, so this process explains the discrepancy in the numbers.

Commissioner Dean asked if it's normal to have that much of a swing in the carryover numbers. Mr. Couey stated he's not sure if the numbers are normal, but that this is a typical process, especially for areas such as public works and transportation, which work on multi-million-dollar projects throughout the year. The Finance Department has been working with other City departments to find ways to account for things like this in the adopted budget, so that the public is aware of those expenses, and this is an ongoing discussion.

Commissioner Haladay commented when looking at all funds combined, going back and looking at past years, sometimes the City is in the range of \$76 million, sometimes as high as \$98 million, sometimes

drop down to \$85 million. It seems like it's like looking at polls at the national and the state level, in that a few large projects, or a new enterprise fund, or a new revenue source, or a one-time cash injection somewhere, can skew the all funds number in a way that can be confusing to look at, and that gives you an overall ballpark number, but doesn't really help with the nuances of individual departments, because one individual department might make that number swing wildly.

Mr. Couey concurred with Commissioner Haladay's statement. The all funds tab is not the best way to view the City as a whole. If you go through the table of contents, you see the general funds, the enterprise funds, the special revenue funds, etc. They all operate differently so it's important to view them individually and in their own categories. The general fund doesn't take on much debt unless you are talking about general obligation bonds, but the enterprise funds take on debt fairly often. It can be a fairly skewed sight of the City's actual financial standing, but there's the other side by providing a whole picture view of how much money the City has coming in and going out.

Commissioner Haladay asked about a comment that was received in the group chat. The question related to a decrease in the City's revenue based on COVID-19 impacts, and Commissioner Haladay's take on it was because the City doesn't rely on sales tax, which is what's hitting larger cities or cities outside of Montana, the City may not necessarily see an overall potential collection rate because we can levy the number of mills necessary to meet our prior year. So in regard to property taxes, as long as those taxes come in and are paid, the City can remain relatively stable there. The City may see some decrease in the portion of money that comes back from the state share. So first of all, if property taxes aren't paid, and secondly if portions of our money come back low from the state share, either because income taxes are down or because individuals don't pay their taxes, that could be another area where the general fund could see a decrease. But in the case of any monies that are impacted by the state share by any form of state revenues, at this point we would be talking about next year, so he doesn't think we'd see that impact until next year's budget.

Mr. Couey responded that yes, up to a point that is correct especially when it comes to the general fund which is heavily weighted in property taxes as opposed to sales tax. He has contacted number of local banks to get input onto what their policies will be, since they have mortgage-holders that are behind a couple of months on their payments because of COVID-19, are they still planning to pay their entire second half tax payment. In general, the answer he got was that originally, they weren't sure because they hadn't thought about it. As the conversations progressed it became more that the banks were saying yes, they expect to put that money forward and then cover it and would adjust things on the mortgagee's side of things. As far as the general fund goes Mr. Couey doesn't expect the City to see a lot of lost or decreased revenue because of non-payment of taxes. Outside the general fund is a different story, for example with the golf course being closed for awhile and its restaurant, that's still trying to get going again so they will definitely be affected by this. The Civic Center is another big one that relies on different revenues outside taxes, that is for all intents and purposes closed for the rest of this fiscal year and depending on how the state moves through different phases, may not open again in time for the next fiscal year. Parking is another area where the City gave concessions for the month of April, and a smaller concession in May, so those funds will be impacted. For other areas like the water fund, the City doesn't expect to lose revenue there because of COVID-19, that revenue may be

delayed since the City is not shutting off water because of non-payment, so people may be directing their money at this point to more necessity type things. The harder areas will be things like the Civic Center, where there's no way to recover that lost revenue, or like the Municipal Swimming Pool, where it's uncertain if it will be able to open at all this summer. This is the reason Finance broke these areas out into separate budget work sessions, so these conversations could happen in more detail. Mr. Couey expects they will be looking at some wild revenue projections going forward into the next fiscal year.

Commissioner Logan thanked Mr. Couey and the Finance Department who have worked to assemble and present this preliminary budget. In response to Commissioner Dean's comment along the lines of "show me your budget and I'll show you what you value," one item that Commissioner Logan had hoped to bring up for discussion far earlier this year is the state of the Helena Police Department. A couple of years ago some members of the HPPA and some other individuals approached the Commission about the HPD and its ability to respond to the ever-increasing demand that they are being faced with, both the police officers and dispatchers and others within the organization. That came up at a time and in the context of when the Fire Department approached the Commission to address its own shortages, and the Commission gave them the go-ahead for a levy in that case to address their ability to meet the demand the community was putting on them through the 911 system. HPPA wrote a letter to the commission and one person in the department offered individual public testimony about some details and data on the struggles they were facing. Commissioner Logan is bringing this up as a placeholder if the Commission is looking at this budget in terms of the things the City values, to keep important and essential services in the discussion. The Commission needs to at some point address these issues that were brought up years ago.

Mayor Collins asked Commissioner Logan for further details about those issues.

Commissioner Logan replied that the issue was call volume and the Departments' ability to respond timely. Data shows how many calls they're responding to relative to staffing, and also their ability to follow up and take care of necessary reporting requirements. It's part of a needed broader discussion that needs to happen in a different context or venue to being to seriously address the issues.

Commissioner Dean stated she went on a ride-along in either early January 2020 or late December 2019 with the HPD and was surprised to find when someone was pulled over, the HPD still handwrites all of the tickets. In other municipalities, the process is the officer scans the back of someone's ID to put their information in the system, and the ticket then gets printed out. The HPD is handwriting all of this information and this takes a significant amount of time. Commissioner Dean commented that she is aware that HPD's technology needs to be updated but thinks there are many areas where the City can make the officers' lives easier and provide a better level of service to the Helena community.

Commissioner Haladay asked regarding the budget work session meetings, if the Commission can ask if staff can go back and get those broken out numbers in advance of those discussions, due to the accelerated schedule from now until approving the budget in June, and needing to get everything done in that timeframe. What tends to happen in the budget sessions is that discussions spin off into talking about specific policies. In the case of the fire levy, the Commission was using work that had been done years earlier when the original fire levy had

been proposed, with additions from the HPD, but mostly going off of that as far as the package being done and what had to be included. To the extent that commissioners want to bring up individual pieces to include within the budget, it would be helpful to be in touch with either specific departments or Mr. Couey in nailing down the numbers. Commissioner Haladay commented that in order for the City/Commission to not end up in a tailspin trying to design things on the fly, if there are specific policy pieces to be brought in that will need corresponding budgetary numbers, it would be helpful to start today, since there will be a discussion about all these items over the next three weeks. It would be helpful if there's going to be a discussion about amending the budget, or changing part of the budget before it is presented in June, if the Commission can think about those pieces ahead of time so that it can be seen what the numbers add up to in order for them to be authorized.

Public Comment

Mayor Collins asked for public comment. Interim City Clerk Clayborn noted that there was one comment that as stated by Commissioner Haladay was entered in the group chat and read Denise Barber's comment for the record, inquiring as to the impact on City revenue as a result of COVID-19 and associated closures in the City.

Discussion

Mayor Collins stated that Commissioner Haladay had explained how the City would be impacted because of the state government. Commissioner Haladay further commented that Mr. Couey did a thorough job of explaining those financial impacts. If Ms. Barber has follow-up questions, she should contact the Commission or Mr. Couey.

Motion

Commissioner Haladay moved to accept the preliminary revised FY21 budget and accept a public hearing date for June 22, 2020. Commissioner Dean 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 and Mayor Collins voted aye. **The motion carried, 4-0.**

Public Hearings

PUBLIC HEARINGS

- A. CONSIDER A FINAL CONDITIONAL PRELIMINARY PLAT EXTENSION UNTIL MAY 7, 2023 FOR THE CROSSROADS AMENDMENT AT MOUNTAIN VIEW MEADOWS SUBDIVISION INCLUDING THE COMMERCIAL PHASE II AMENDMENT FOR PROPERTY GENERALLY LOCATED SOUTH OF HIGHWAY 12, EAST OF CROSSROADS PARKWAY, AND WEST OF HIGHWAY 282, IN HELENA AND LEWIS AND CLARK COUNTY, MONTANA.

Staff Report

City Planner Lucy Morell-Gengler noted for those attending the meeting virtually without visual capability that this presentation is the last attachment to the agenda item in the meeting agenda packet. On the first slide of the presentation, Ms. Morrell-Gengler explained the details on the vicinity map, and further explained the City's platting process.

Ms. Morell-Gengler reported that on May 7, 2012, the Helena City Commission gave conditional preliminary plat approval for the

Crossroads Amendment at Mountain View Meadows subdivision creating 956 lots from approximately 442 acres. This preliminary plat approval was for three (3) years which was subsequently extended twice for a total five (5) additional years. The current approval will expire on May 7, 2020 unless extended by the City in accordance with City Code Section 12-2-11(G). The applicant is requesting a three-year extension, until May 7, 2023, of the conditional approval. Several changes to the City Subdivision Regulations and Montana Subdivision and Platting Act (MSPA) have been adopted since that approval that cannot be applied to this subdivision until it is resubmitted or preliminary plat review.

The applicant has submitted final plat and infrastructure plans for two phases, Craftsman Village Phases 6 and 7, of the development that would be significantly disrupted if the preliminary plat approval is not extended. Granting another three (3) year preliminary plat extension would also provide additional time for the applicant to resubmit a subdivision preliminary plat compliant with the changes to the subdivision regulations and MSPA.

A three-year extension of the conditional preliminary plat approval for the Crossroads Amendment at Mountain View Meadows Subdivision including the Commercial Phase II preliminary plat; legally described as: Tracts 1-A-2 and 1-A-1, and portions of Tract C-2-A-1-A-1-A-1-A-1-A of Uplands Phase 1 of the Crossroads at Mountain View Meadows Subdivision COS No. 3305702; Tracts 2-A-1 and 2-A-2 of Antelope Trace Phase 2 of Crossroads at Mountain View Meadows Subdivision COS No. 3206220; Parcel D-1-A, COS No. 3173426; Tract A-1, COS No. 3015742; Tract 1-B of Antelope Trace COS No. 326467; and portions of Tract A-1-A-1-A-1-A-1, Craftsman Village Phase 3 of the Crossroads at Mountain View Meadows Subdivision, COS No. 3312862 (all filed in Lewis and Clark County, Montana); generally located south of Highway 12, east of Crossroads Parkway, and west of Highway 282 in Helena and Lewis and Clark County.

The proposed Agreement precludes any further preliminary plat extension beyond May 7, 2023.

Extending the preliminary plat approval for only one additional three-year period would allow platting phases currently under final plat review. Limiting any further extension would encourage resubmitting the preliminary plat in compliance with changes to the City subdivision regulations and the MSPA.

If approved, changes to the subdivision regulations and MSPA would not apply to this preliminary plat and additional conditions cannot be added to the subdivision.

Ms. Morell-Gengler noted that a public hearing notice was published in the Independent Record; also, certified letters were sent to adjacent property owners. The City received one comment in support of the extension. The applicant has submitted a request to amend the agreement and is present to discuss the proposed changes.

Staff recommends a motion to approve a final conditional preliminary plat extension until May 7, 2023 for the Crossroads Amendment at Mountain View Meadows Subdivision including the Commercial Phase II Amendment as stated in the extension agreement

for property generally located south of Highway 12, east of Crossroads Parkway, and west of Highway 282, in Helena and Lewis and Clark County, Montana.

Discussion

Commissioner Haladay asked if the City has ever before extended a conditional preliminary plat extension with the condition that it is the final extension. Ms. Morel-Gengler answered that the City has not before had a subdivision which has had this many extension, so to her knowledge, the City has not done so before. Commissioner Haladay asked if counties that have had done a lot of subdivisions over the years have 1) done extensions and 2) done extensions as long as this and if so, how have the counties handled it. Ms. Morel-Gengler stated that she is not familiar with the counties' subdivisions. Commissioner Haladay stated that his understanding was that staff and the applicant both agree that there should be a three-year extension; is the disagreement then whether or not this extension should be the final one, or whether it should leave the door open in three years for the applicant to request another extension? Ms. Morel-Gengler confirmed that is correct. Commissioner Haladay asked if the Commission engages in this extension tonight as a mutual agreement between the applicant and the City, with the caveat of there being no more extensions, what happens if in two or three years the Commission realizes there should have been an allowance for the applicant to come back and apply for a further extension. He further asked if there is anything in this extension process that prevents the applicant and the Commission in the future from reaching a new agreement stating it would push the previous, final extension condition aside and amend it to say the applicant can have another extension? Simply, if the current Commission says there will be no more extensions granted, can that just be undone years from now?

Ms. Morel-Gengler deferred this question either to City Attorney Jodoin or to Community Development Director Sharon Haugen. Community Development Director Sharon Haugen stated that she will defer to City Attorney Jodoin on this point, but first noted that there is no guarantee that state law might change and may or may not permit that. She concurred with Commissioner Halladay that currently it is vague but that she defers the question on the Commission's ability to reverse this to City Attorney Jodoin.

City Attorney Jodoin stated it is generally correct that as Commissioner Haladay pointed out, this extension does not bind future Commissions. However the thought here was the parties would mutually agree to it with the understanding at some point there is a need for the Commission to engage in a preliminary plat review in order to avoid the issues in Ravalli County which drove the changes in phased subdivision review in state law. The answer to this question is the Commission could decide to grant an extension contrary to this agreement.

Public Comment

Mayor Collins asked for public comment and comment from the parties concerned. The applicant, Greg Worth of Stahly Engineering at 3530 Centennial Drive, thanked Ms. Morel-Gengler and Ms. Haugen for assisting him in the preparation of this extension request. The original approval for this project was filed in 2012 and the project was planned as a 20+ year duration project. The extension is needed due to the project's large size, which is not economically feasible to complete within a single three-year approval period. It is approximately 900 lots on 400 acres. There have been changes to city and state subdivision regulations, but

the applicant feels these have little impact on the existing approval. Mountain View Meadows has voluntarily implemented some of these changes. Typically, the phasing at Mountain View Meadows is implemented as a one-year inventory so there is no financial over-extension by the developer, and streets and sidewalks are built in a timely manner allow for occupancy. The water body setbacks is another change in subdivision regulations; in this case the water body is bisecting Mountain View Meadows already, so the new changes have minimal impact to the remaining property. In regard to the state changes to the phasing plan, in this scenario it's very idealistic because of its large size and has seen some changes due to market demand. As noted with Aspen Park, there has not been as strong a market demand for that area as for the Crossman area.

Mr. Worth further stated that in regard to the pending Growth Policy update, Mountain View Meadows has been the primary provider of owner-occupied housing in the Helena market for the last ten years. Mountain View Meadows provides well-planned development on City services that reduces demand on infrastructure and significantly increases the tax base and provides essential and much-needed housing opportunities in Helena. Depending on lot size, the lots can contribute \$3,500-\$6,500 in total taxes annually so this is a significant revenue stream for the city. Mountain View Meadows provides modern infrastructure with minimal maintenance requirements for decades, and the surplus taxes provided will provide additional revenue for other City infrastructure needing repair. Mountain View Meadows has provided housing for essential workers and in addition has partnered with Habitat for Humanity in building the last twelve Habitat for Humanity houses. The necessity of review of subdivision projects of this size is recognized, however subdivision review generally has become a burdensome regulatory barrier that inhibits development. It requires a large amount of time and effort and expense to prepare an application, which can take almost as long as a year to go through the process. The existing approval had very fair conditions and doing any new review introduces uncertainty and provides to the developer the risk of new conditions that may limit the development potential. In the current greater Helena market, there are 480 plats that are preliminarily approved in East Helena, so if Mountain View Meadows is limited in ability to provide lots in Helena, East Helena is poised to provide lots for the greater Helena area market. In that case, the City of Helena would bear some of the burden but would not take on any of the additional tax benefits.

Mr. Worth continued that Mountain View Meadows has applied for this extension agreement for an additional three years, but they would like to request that this agreement be amended to include the ability to request an additional three-year extension following the expiration of this current three-year extension approval period. Development is actively being continued and Mountain View Meadows has established a strong commitment to the community and has a proven track record of providing housing while adhering to platting requirements. Minor changes in the subdivision regulations and to the preliminary plat changes can be anticipated in a project of this size. The project has been tailored in response to market demand. The need for changes is recognized and Mountain View Meadows is prepared to coordinate with the City on those potential changes. While changes may be viewed negatively they provide room for betterment and other opportunities. The approval of this preliminary extension will eliminate regulatory barriers and allow Mountain View Meadows to continue being the primary housing provider in Helena while allowing public comment and Commission oversight

throughout the three-year approval period. Mr. Mark Runkle of Mountain View Meadows is in attendance tonight and is available to answer questions.

Public Comment

Mr. Mark Runkle commented that Mountain View Meadows is not asking for a six-year extension – they’re asking for a three-year extension with the possibility open for another three years. Plat work is time-consuming and expensive for the developer. The material changes that periodically arise as phases progress are allowed for in the subdivision regulations and will be reviewed and approved by the Commission. Mr. Runkle stated that changes that have happened so far have been enhancements and Mountain View Meadows will work with the Commission and City staff on any material changes that arise as the engineering process begins. There would not be any changes requested that would exceed the approved impacts on sewer, water, stormwater, or traffic capacities. If these issues could be brought to the Commission ahead of time, that would also bring public comment into the discussion. Another possibility later on would be to switch to one-year extensions which would then include public comment related to new laws. Mr. Runkle commented that the provisions Mountain View Meadows is currently under are still active in state law, and the new laws are driven more by issues which were out of the control of old plats, with unlimited timelines, and were located near rivers so that water quality was impacted – those are very important differences between that and where this project is now. Mr. Runkle stated he appreciates the perspective of City staff but disagrees that this extension should be limited.

Discussion

Commissioner Dean asked what the timeline is for completing this project, and whether it is certain that three years is not enough time. Mr. Runkle stated that for residential, there are currently 300 homes and before COVID-19 the goal was to have 50. The target is to have about 1000 homes, some of which would be outside this territory. In short, the expectation would be for this to be done in about 10 years.

Commissioner Dean asked Ms. Morel-Gengler for clarification as to whether if the Commission approved this final conditional preliminary extension, and then three years goes by and another extension is not possible, what does the process look like at that point for another re-start.

Ms. Morel-Gengler explained that the applicant would submit a preliminary plat and go through the major subdivision process, for a phased development is one option. The other option is to submit multiple preliminary plats, to review one section at a time through final plat, and then move on to the next preliminary and final plat, as opposed to a phased development. With the structure of a phased development, the applicant would submit a schedule for all phases, and before commencement of each phase there would be a public hearing. Any deviation from the original schedule submitted with the preliminary plat would also require a public hearing and there’d be a final plat process. Both of these processes are permitted by state law.

Commissioner Haladay asked Mr. Runkel and Mr. Worth when this project started in 2012 with the original preliminary plat approval, how long before that was the planning process and regulatory compliance to get to that point. Mr. Runkel answered that the development started in 2003 with a preliminary plat in 2009. Looking statewide and at the new state laws, they have pretty much eliminated phased development. The new law allows for 20 years but it can be

worked through the process and with public involvement and working with the city to have enough oversight.

Commissioner Haladay asked if this was passed tonight in the current form, and it was known for certain that the project was not going to be finished by 2023, what would be the lead time to begin the new regulatory process for preliminary plats? Mr. Worth stated that with large projects like this it generally takes 6-8 months in starting to prepare the application through getting preliminary plat approval from the governing body.

Commissioner Halday commented that it seemed like that Commission was being asked to answer a question that doesn't need to be answered tonight, which is whether or not to grant another extension in the future. It would be different if the question was whether or not this extension should happen today but everyone seems to agree that at this point there should be a three-year extension. Based on the fact in three years another Commission could turn around and deny any further extensions or go back on what was decided in May 2020 and grant another extension, it doesn't make sense to answer that question this evening. If the question is whether or not a three-year extension should be granted today, then the answer would be yes, and questions beyond that should be left to the future Commission. If there are reasons to not grant an extension then those can be the talking points.

Commissioner Dean asked Ms. Morel-Gengler since the staff recommendation was to put "final" in here does that mean staff does not feel there is adequate oversight or adequate respect for the new laws even though they're not necessarily under that right now. Ms. Morel-Gengler answered that the concern is that the new state law has a more robust public hearing process than what the City currently follows for each phase of the subdivision. The emphasis is on trying to get public comment on this throughout instead of just at the start.

Commissioner Dean asked if there was a way for the Commission to increase the public comment if another extension did come up, or is the only option to have the public comment at the beginning. Ms. Morel-Gengler stated that the City has been following the public hearing process for this extension and the previous extension. Any extensions prior to that did not have a public hearing. The City has been trying to follow the intent of state law by having the public hearings for each extension, and by sending certified letters to adjacent property owners notifying them of this process.

Commissioner Haladay commented that if the conversation is going to happen again in the future as far as evaluating another extension, Mr. Runkel already spoke as to what they were willing to voluntarily comply with – the Commission should take him up on that willingness to put in time and money on that and then a future Commission can evaluate whether or not that was done. Commissioner Haladay stated that he doesn't feel the Commission should be making a decision tonight for May 2023.

City Attorney Jodoin commented in regards to Commissioner Haladay's comments, he would recommend that the language of the current agreement be kept, which does talk about a future preliminary plat. It states that it is anticipated that the developer will be submitting an application for a new preliminary plat to accommodate final platting in phases in accordance with 76.36.17. This is the important language that needs to be clarified or kept in the agreement. Rather than striking all of Section 5 the language is kept that says if they decide that phasing in order to get the 20 years is in their best interest, that those conditions of

approval have control over the conditions of approval in 2010 that the Commission is currently going to extend.

Mayor Collins asked for clarification about what that process would be. City Attorney Jodoin stated that if the motion was to approve the final conditional preliminary extension until May 7, 2023 as per the current 2018 agreement. Then the dates can be changed accordingly.

Commissioner Haladay wondered if the Commission is interested in doing that or with going forward with what is in front of them tonight. Commissioner Dean stated she was comfortable with the motion that City Attorney Jodoin suggested. Commissioner Logan concurred with Commissioner Dean and stated he thought Commissioner Haladay's point about answer a question for the future was a good one.

Motion

Commissioner Haladay moved to approve a conditional preliminary plat extension until May 7, 2023 for the Crossroads amendment at Mountain View Meadows Subdivision including the Commercial Phase II Amendment as stated in the extension agreement for property generally located south of Highway 12, east of Crossroads Parkway, and West of Highway 282, in Helena and Lewis and Clark County, Montana and to specify the extension agreement is per the 2018 extension agreement. Commissioner Dean 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 and Mayor Collins voted aye. **The motion carried, 4-0.**

- B. CONSIDER A RESOLUTION ESTABLISHING NEW FEES TO BE CHARGED FOR CITY OF HELENA PARK AND OPEN SPACE USES, RECREATION SERVICES AND PROGRAMS, AND WAUKESHA COMMUNITY GARDEN AND REPEALING RESOLUTIONS NO. 19816, 19995, 20331, AND 20332

Staff Report

Parks, Recreation and Open Lands Director Kristi Ponozzo reported that Parks and Recreation fees were originally established for the City of Helena in 2013 to recover a portion of the costs associated with Parks, Recreation and Open Lands use related to special events, and pool and recreation use. Currently the fees charged for Open Lands events are not specific to Open Lands; general park use fees have been used for special events. One of the objectives identified in the draft Open Lands Management Recreation Chapter 7 re-write is to set a fee schedule specific to Open Lands for special events.

The Parks Department proposes updated fees as outlined in the attached Resolution. Except for Golf and Use Agreements, this consolidates all our Parks fees that will be included in the City of Helena book of fees when it is adopted. Fees for Waukesha Park Community Gardens are not being changed, and those park uses will continue to be managed through an agreement with Helena Community Gardens – this just allows that fee structure to be retained, if it is ever needed, and wrap them into one resolution and, eventually, the City book of fees. These fees have been presented to, and reviewed by, the City County Parks Board and the Helena Open Lands Management Advisory Committee. Proposed fees were determined using current fees, similar municipal parks fees and verified by the fee justification calculator (attached).

The updated parks fees replace an existing fee structure that was based on benefit levels for setting the appropriate fees. This fee schedule is challenging to administer and challenging for the public to understand what their fees might be for an event. The new fee structure sets basic fees that include regular versus resident discount fees, and/or commercial versus non-profit events. This is consistent with the benefit level philosophy and also consistent with similar municipal parks fee structures. The resident discount fees are consistent with similar municipalities and are roughly a 12% discount from regular fees. The new fee structure allows the City the ability to move towards more online bookings of park amenities. Fees are deposited into a park improvement fund for the development and improvement of Parks.

Director Ponozzo moved to approve a Resolution establishing new fees to be charged for City of Helena Park and Open Space uses, recreation services and programs, and Waukesha Community Garden and repealing Resolutions No. 19816, 19995, 20331, and 20332.

Discussion

Commissioner Dean asked what the plan is to implement the reduced resident fee system and is Director Ponozzo confident that can be accomplished for this summer, or if it's a longer-term project. Director Ponozzo stated that this a longer-term project. The Department has looked into what other municipalities do – sometimes they do residential discount cards. Initially this will have to be based on the honor system where people will be asked if they are Helena residents and the City will have to rely on that. The Department will be looking into what could be used as a more robust system to determine residents versus non-residents.

Mayor Collins asked why the system could not be based on people's driver licenses or addresses. Director Ponozzo stated people can be located outside of city limits but still have a city address, so that would require doing some research, but that potentially is an option.

Commissioner Haladay thanked Director Ponozzo and the boards that have reviewed these fees and expressed appreciation for the structure of having a resident discount and a regular fee. It's important to acknowledge what benefits city residents provide to the community as a whole, including the Helena Valley, East Helena, and Jefferson County, because Helena parks and open lands are a major draw for this whole area. Over the last few months we have seen exactly how important the Parks facilities are for the entire community.

Public Comment

Mayor Collins solicited public comment; none was received.

Motion

Commissioner Dean moved to approve a resolution establishing new fees to be charged for City of Helena park and open space uses, recreation services and programs, and Waukesha Community Garden and repealing Resolutions no. 19816, 19995, 20331, and 20332. Commissioner Logan 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 and Mayor Collins voted aye. **The motion carried, 4-0.**

Public Communications

PUBLIC COMMUNICATIONS
None were received.

Adjournment

There being no further business to come before the City Commission, the meeting adjourned at 8:24 p.m.

/S/ WILMOT COLLINS

MAYOR

ATTEST:

/S/ DANNAI CLAYBORN

CLERK OF THE CITY COMMISSION