

CITY OF HELENA
REGULAR CITY COMMISSION MEETING
July 6, 2009
6:00 P.M.

Time & Place A regular City Commission meeting was held on Monday, July 6, 2009 at 6:00 p.m., in the Commission Chambers, 316 N. Park Avenue, Helena, Montana.

Members Present Mayor Smith indicated for the record that Commissioners Cartwright, Peura, Shropshire and Elsaesser were present. City Manager Tim Burton, City Attorney David Nielsen and City Clerk Debbie Havens were present. Others present were Matt Cohn and Dan Bernhardt representing the Helena Citizens Council.

Pledge of Allegiance Mayor Smith 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 June 22, 2009 were approved as submitted.

Consent Agenda CONSENT AGENDA:
A. Claims
B. Agreement with Helena Civic Television (HCTV)
C. Acceptance of FEMA grant money for work on fire mitigation in the Tenmile Watershed
D. FY2010 Job Access Reverse Commute (JARC) Operating Grant for operation of the East Valley Bus Service
E. Tri-party agreements for railroad crossing improvements at Roberts Street and National Avenue
F. Ownership Allocation Agreement between the City of Helena and Community Works for the Exploration Works Building in the Great Northern town Center.

City Manager Tim Burton recommended approval of the claims and the consent agenda. He noted there were substantial expenditures for capital projects and equipment in the claims list.

Commissioner Cartwright asked Item E be removed from the consent agenda for further discussion.

Public Comment Mayor Smith asked for public comment.
Ellen Feaver, Chair of Exploration Works, 901 Floweree; thanked the Commission, City Manager Burton and Community Facilities Director Gery Carpenter for their support of Exploration Works.
Stephen Maly, Executive Director of HCTV; also thanked the Commission, City Manager Burton and Community Facilities Director Carpenter for their continued support of HCTV.

Motion Commissioner Cartwright moved approval of items A –D and F on the consent agenda. Commissioner Peura seconded the motion. All voted aye, motion carried.

Item E E. Tri-party agreements for railroad crossing improvements at Roberts Street and National Avenue

Commissioner Cartwright addressed the improvements to the crossings and asked for more information on the pedestrian crossing. Assistant Public Works Director Phil Hauck explained the agreement sets the project responsibilities in motion; the City of Helena is responsible for the pedestrian crossings and will begin to design them to meet or exceed city standards once the agreement is approved.

Motion **Commissioner Cartwright moved approval of Item E on the consent agenda.** Commissioner Shropshire seconded the motion. All voted aye, motion carried.

Bid Award BID AWARD:
A. Chip and Seal 2009

Staff Report Engineering Technician Kevin Harrington reported the 2009 Chip and Seal Project #09-05, will add a new wear surface and pavement sealer by applying a single application of asphalt material on a prepared asphalt surface, followed by spreading a 3/8-inch gravel chip.

The city opened bids for the project on April 21, 2009; four bids were received. Riverside Contracting was the lowest responsible bidder with a bid for schedules A: Northwest Side; B: Southeast Side Hills; D: Northeast side and E: City Shop, for a total of \$288,394.15. The unit prices range from \$1.44 to \$1.92 based on the area of coverage for each schedule.

Mr. Harrington recommended awarding schedules A, B, D and E to the lowest responsible bidder, Riverside Contracting, in the amount of \$288,394.15. He noted the new wear surface would extend the life of city streets.

Public Comment Mayor Smith asked for public comment, none was received.

Motion **Commissioner Elsaesser moved to award schedules A, B, D and E of the 2009 Chip and Seal Project #09-05, to the lowest responsible bidder, Riverside Contracting, in the amount of \$288,394.15.** Commissioner Peura seconded the motion. All voted aye, motion carried.

Commission comment Commissioner Peura noted the Commission will consider the Fiscal Year 2010 street assessments in August; they are how the chip and seal projects are funded.

Communications COMMUNICATIONS/PROPOSALS FROM COMMISSIONERS

Commissioner Cartwright reported he received a reply back from Senator Baucus related to national health care and stated he hoped it wouldn't end up as bad as Medicare plan D.

Commissioner Shropshire recognized her personal friend, Anne Murray-Brusard, in attendance and announced that she did not seek election to the Commission in 2010.

Commissioner Elsaesser highlighted several agenda items and thanked City Manager Burton and staff for their work.

Commissioner Peura thanked everyone who filed for the City Commission.

Report of the City Attorney

REPORT OF THE CITY ATTORNEY

City Attorney Nielsen reported the City of Helena received a letter entitled "Findings of Violation and Order for Compliance" from the Environmental Protection Agency (EPA) regarding the city's industrial pre-treatment program. Attorney Nielsen explained the letter is related to illegal chromium discharged into the city's system and stated staff has responded with a schedule of what is being done to correct the findings. City Manager Burton added this is an administrative order from the EPA and there was not a fine.

Report of the City Manager

REPORT OF THE CITY MANAGER

City Manager Burton reported he met with the Executive Director and Board Chair of the Helena Housing Authority regarding the spray park. At this time, the spray park will not open for this season; however, the city is interested in discussions about how to take the park into city ownership and operation for next season. Both the Chair of the Authority and the Executive Director were interested in having the city take ownership of the park.

Report from the Helena Citizens Council

REPORT FROM THE HELENA CITIZENS COUNCIL

HCC member Matt Cohn reported 17 people have filed for the HCC and gave an overview of a report by Youth Connections at the HCC's June meeting. Mr. Cohn also recognized City Manager Burton for his service to the City of Helena.

Commissioner Peura asked if HCC has held discussions on what would replace the VISTA position after this 3rd and final year. Mr. Cohn responded the HCC Executive Committee has begun to look at all options including a part-time city employee.

City/County MOU

CONSIDER A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF HELENA AND LEWIS & CLARK COUNTY RELATIVE TO COORDINATED LAND USE ISSUES.

Staff Report

City Manager Burton reported the city and county have operated through an implied and mutual understanding regarding the planning and promotion of sustainable development in the Helena valley. The city has been faced with increased requests to annex property and retrofit water and wastewater systems in neighborhoods where those systems are failing.

Staff is recommending the City of Helena and Lewis & Clark County enter into a Memorandum of Understanding (MOU) that memorializes the respective obligations of both the city and county with respect to promotion of sustainable development. The proposed MOU creates a framework that requires the city and county to make land use decisions that promote the efficient provision of services and infrastructure such as water and wastewater treatment, parks, transportation networks, and emergency services in the Helena valley.

Public comment

Mayor Smith called for public comment, none was received.

Commission comments

Commissioner Shropshire recognized City Manager Burton for his work on the MOU and expressed her support for the document. Commissioner Peura spoke on the importance of the MOU.

Commissioner Cartwright referred to the phrase “when appropriate” in the agreement and noted he would be agreeable to provide city services to developments within a certain distance from the city but probably not those way outside of the city limits.

Commissioner Elsaesser concurred with Commissioner Shropshire, Peura and Cartwright’s comments.

City Manager Burton commented on why the city is ready to enter into this MOU and spoke on the wastewater treatment plant and the city’s water supply.

Motion

Commissioner Peura moved approval of a MOU with Lewis & Clark County for the promotion of sustainable development in the Helena valley. Commissioner Cartwright seconded the motion. All voted aye, motion carried.

TWCC

CONSIDER ACCEPTANCE OF RECOMMENDATIONS FROM THE TENMILE WATERSHED COLLABORATIVE COMMITTEE.

Staff Report

Parks & Recreation Director Amy Teegarden recognized Brian Kahn, John Gatchell and Pat McKelvey who helped present the staff report. Director Teegarden reported the Ten Mile Watershed Collaborative Committee (TWCC) was appointed by the City Commission via Resolution #19605 on September 8, 2008, with the charge to develop recommendations to address interrelated issues in the watershed arising from the threat of uncontrolled wildfire, including the city’s water supply infrastructure, the water quality that sustains it, and multiple watershed values. The committee met a self-imposed goal of completing its work by June 2009.

The TWCC utilized a consensus process to develop the approval of six goals with multiple recommendations for action items under each goal as well as general recommendations for prevention projects, landscape-scale treatments, road density, temporary roads and a flume fuels treatment project. These goals and recommendations were further explained in Exhibit A which was included in the Commission packet as part of the official record.

Brian Kahn, Facilitator of the TWCC, thanked the Commission and City Manager for the support the group received and city staff for their participation on the Committee. Mr. Kahn gave an overview of when the committee met and outlined their approach for reaching consensus.

John Gatchell, Co-Chair of the TWCC; explained the six goals reached by the Committee: protect and improve water quality in the watershed; protect the city water delivery infrastructure; protect and improve the quality of wildlife habitat in the watershed; reduce or lessen the damage from wildfire; restore a viable fishery and wetlands in the watershed; and to provide for public safety, both now and for the long term future of the watershed.

The actions recommended by the TWCC were to: develop a cooperative group of stakeholders in the process of implementing goals; develop defensible space around inactive mine sites and community of Rimini; implement fuel hazard reduction projects; prioritize defensible/survivable space around city water supply infrastructure; utilize prescribed burning with proper site preparation and prescription; enhance local firefighting capability; designate evacuation routes and plans; mitigate power line risk; identify linkage zones and develop habitat

conservation strategies; and form an interdisciplinary planning approach and coordination with Montana Fish, Wildlife and Parks and the United States Forest Service.

Prevention and Mitigation Officer Pat McKelvey reviewed the recommendations "sideboards for future activities": prevention projects; landscape-scale treatment projects; reducing road density; temporary roads (no new permanent roads); roaded/roadless area treatment; and formation of a citizen engagement group.

The recommendations that were developed through the collaborative process support the city's request to the Forest Service that the agency prioritize funding and immediately move forward with an environmental assessment in the watershed.

Staff recommended the Commission approve the recommendations of the TWCC and also send a letter to the United States Forest Service urging them to move forward with project proposals and an environmental analysis for the Ten Mile Watershed.

City Manager Burton explained that city staff had worked on prescription projects in the Upper Tenmile and in bringing some of the projects forward there was disagreement in the broader community on how the city should handle vegetative treatment the area. At the same time, staff learned the Tenmile Watershed was at the bottom of the Helena National Forest's list of priorities; the City Commission wanted to elevate its status. The Upper Tenmile was chosen as a superfund site, the EPA has invested more than \$30 million dollars in the cleanup and the city wanted the Forest Service to take the area just as seriously. These recommendations are the outcome of a process initiated by the City Commission. He commented they coincide with investments in the Missouri River Water Treatment Plant. There was three criteria to settle with the EPA: protect the city's water rights; the cost would not be borne by the residents of Helena; and all issues would be resolved before an agreement was signed with the EPA.

Public comment

Mayor Smith called for public comment.

Karl Kochman, resident of Rimini and member of the TWCC; spoke in support of the agreement.

Eric Hummel, Helena; asked how many miles of power line would be buried and at what depth; he also asked if the Forest Service would assist in the removal of the trees.

Commission comment

Mayor Smith thanked the members of the Ten Mile Watershed Collaborative Committee for reaching consensus on the report and spoke on the assets the city owns in the Tenmile watershed.

Commissioner Shropshire stated the Commission received this report at the last Administrative Meeting. She then explained the Department of Labor has been doing an analysis of the amount of jobs being created from these types of projects.

Commissioner Elsaesser also thanked everyone involved in this project for bringing forward the recommendations and goals.

Mayor Smith asked Director Teegarden if she could answer Mr. Hummel's questions. Director Teegarden stated she could not answer the technical questions about the amount of power line and noted the committee did not get specific on exact project design.

Commissioner Peura commended the detail of the report.

- Motion** **Commissioner Cartwright moved to accept the recommendations from the TWCC as outlined in Exhibit A.**
Commissioner Shropshire seconded the motion. All voted aye, motion carried.
- Motion** **Commissioner Cartwright moved to submit a letter to the Forest Supervisor of the Helena National Forest and the Northern Region, Regional Forester, encouraging the United States Forest Service to begin an environmental analysis for project development and implementation in the Ten Mile Watershed and to incorporate the recommendations of the TWCC as they proceed with management of the watershed.** Commissioner Shropshire seconded the motion. All voted aye, motion carried.
- Armory Property** CONSIDER A LEASE AGREEMENT BETWEEN THE STATE OF MONTANA AND THE CITY OF HELENA FOR 5.85-ACRES OF UNDEVELOPED PROPERTY ADJACENT TO CENTENNIAL PARK.
- Staff Report** Parks & Recreation Director Teegarden reported for several years the city has desired to lease 5.85 acres of undeveloped land (Armory Property) from the State of Montana. The city has included the state property in the overall design and engineering of the Centennial Park development project. This part of the park will be enhanced to include open field space, additional parking, segments of the park trail system and a potential location for a temporary performance tent.
The terms and conditions of the lease agreement are outlined in the lease agreement. The city will pay the state one (\$1.00) dollar and shall furnish and pay for all improvements associated with the park development of the leased site. The state and city will cost-share parking lot improvements and expansion. The parking lot is not part of the lease agreement and the state will be responsible for maintenance and repair of the parking lot. The parking lot will be used for state employees as well as park patrons.
Director Teegarden recommended approval of the agreement and noted for all practical purposes, the 5.85 acres of land adjacent to Centennial Park functions as parkland. The public most likely does not even realize the area is not a part of the park. Leasing of the site will allow the city to enhance the land and incorporate it into the overall development and function of Centennial Park, including the construction of a north-south trail terminus from Centennial Trail to the Great Northern Development. Furthermore, the addition of a parking lot will improve public parking opportunities.
- Commission comment** Commissioner Peura referred to Page 2, Item 10, regarding temporary structures and asked Director Teegarden if she has any concerns with that language. Director Teegarden stated the State has reviewed the temporary uses and have agreed to them.
City Manager Burton commented it has been ten years since the City and State began discussions on this lease agreement.
Commissioner Cartwright stated he would support this lease agreement; however, he would like to see the city take ownership of it at some time in the future. He would also like to see a community recreation building at the south end of the property. Commissioner Peura concurred with Commissioner Cartwright's comments.

Public comment

Mayor Smith called for public comment, none was received.

Motion

Commissioner Cartwright moved approval of a 10-year lease agreement with the State of Montana for 5.85 acres of undeveloped land adjacent to Centennial Park as described in the agreement.

Commissioner Peura seconded the motion. All voted aye, motion carried.

Final Plat

CONSIDER THE FINAL PLAT FOR AN AMENDED PLAT OF LOT 1A-1, SHOPKO MINOR SUBDIVISION CREATING 5 LOTS FROM 21.44-ACRES LOCATED IN THE B-2 (GENERAL COMMERCIAL) DISTRICT; GENERALLY LOCATED NORTH OF CUSTER AVENUE, EAST OF MONTANA AVENUE AND WEST OF SANDERS STREET.

Staff Report

Community Development Director Sharon Haugen reported the City Commission approved a preliminary plat for the minor subdivision of the Shopko Minor Subdivision, amending the filed plat of Lot 1A-1 and creating 5 lots from 21.44 acres located in the B-2 (General Commercial) District, on May 18, 2009. This approval was subject to 4 conditions related to effects on local services, natural environment, public health and safety, and the Helena Subdivision Regulations.

The subdivision conditions from the findings of fact, and the status of these conditions, are attached. Condition #4.D states: *A 30-foot wide north-south public access easement must be constructed to City standards to connect the 48-foot wide ROW to Custer Avenue.* Condition #4.E. states: *All of the public accesses must be dedicated for public use, and must be installed and constructed to city standards for pavement thickness.*

The 30-foot wide public access easement is not shown as required on the plat. The plat shows a 20-foot wide public access easement. The findings for the subdivision state the following reasons for Conditions #4.D. and #4.E.:

Streets:

8. Y. The status of discussions with the adjacent property owners for this access connection to Montana Avenue is currently unknown.

8.Z. As currently proposed, the application does not clearly identify that the 48-foot wide ROW would connect to pavement to the west. As a result, the proposed ROW would end at an intervening unpaved unimproved portion of land on the adjacent property.

8.AA. A 30-foot wide north-south public access easement should be installed, constructed with a pavement thickness to city standards, to connect the 48-foot wide ROW to Custer Avenue. This second access would alleviate using Sanders Street as the sole vehicular access and would provide an alternative to crossing adjacent property to access Montana Avenue.

Legal and Physical Access:

11. D. As presently shown on the plat, the 30-foot wide public access easement along the west side of Lot 1A-1D does not connect to the proposed ROW to the north. With the projected traffic volumes, this public access easement should be extended to connect Custer Avenue to the ROW.

The submitted financial guarantee includes the construction of the north-south public access easement which would satisfy the intent of Condition #4.D. Therefore, all of the conditions have been satisfactorily completed, and the infrastructure has been installed or will be financially guaranteed.

The subdivider has requested to relocate the property line between Lots 1A-1D and 1A-1E. As a result, Lot 1A-1D would contain 1.66 acres instead of 1.571 acres; Lot 1A-1E would contain 6.797 acres instead of 6.886 acres. The revised boundary and acreages are shown on the final plat.

Director Haugen recommended approval of the subdivision's final plat as it would facilitate the infill development of a commercial area that can be readily served by city infrastructure.

Public comment

Mayor Smith called for public comment.

Robert Schmidt, PEG Development, applicant; spoke in support of the final plat.

Mr. Hummel asked if the infrastructure has been installed and if there is proper drainage.

Motion

Commissioner Peura moved approval of an amended plat of Lot 1A-1 of the Shopko Minor Subdivision, creating five (5) lots from 21.44 acres located in the B-2 (General Commercial) District.

Commissioner Shropshire seconded the motion.

Comment

Commissioner Peura commented the Commission had a very in-depth discussion on this proposal at the May 18th Commission Meeting.

Mayor Smith asked Director Haugen to respond to Mr. Hummel's questions. Director Haugen explained the infrastructure is either installed or financially guaranteed and the applicant was required to submit a stormwater drainage plan.

Vote

All voted aye, motion carried.

ROW Vacation

CONSIDER A RESOLUTION OF INTENTION TO VACATE ALICE STREET RIGHT-OF-WAY (ROW) FROM CROSSROADS PARKWAY TO RUNKLE PARKWAY.

Staff Report

Engineering Technician Kevin Harrington reported the owners of the Aspen Park at Mountain View Meadows wish to move Alice Street two to four feet to the east and widen Alice Street from Crossroads Parkway to where Alice Street turns south by 26 feet. The current design of Alice Street has a bike path on the south side of the street and only four feet of ROW on the north side, which is not enough ROW to install a sidewalk in the future. In order to facilitate the installation of a future sidewalk and not change the established centerline of the road the ROW needs to be relocated. The developers will be dedicating the new alignment for Alice Street at the July 20, 2009 Commission Meeting.

Mr. Harrington recommended the vacation as it would allow the installation of a future sidewalk without changing the established centerline of Alice Street.

Public comment

Mayor Smith called for public comment, none was received.

- Motion** **Commissioner Shropshire moved approval of a resolution of intention to vacate Alice Street ROW as shown on the final plat from Crossroads Parkway to Runkle Parkway and set a public hearing date for July 20, 2009.** Commissioner Peura seconded the motion. All voted aye, motion carried. **Res #19654**
- Name Change** CONSIDER A RESOLUTION OF INTENTION TO CHANGE THE NAME OF ALPINE VIEW DRIVE IN THE CITY OF HELENA TO ALPINE VIEW LOOP SOUTH OF RUNKLE PARKWAY AS SHOWN ON THE PLAT OF PHASE A OF ASPEN PARK AT MOUNTAIN VIEW MEADOWS.
- Staff Report** City Planner Lucy Morell-Gengler reported on February 9, 2009, the City Commission gave conditional preliminary approval for the Crossroads at Mountain View Meadows Subdivision which was the second phase of the larger Mountain View Meadow development. When the street systems from the first phase, Aspen Park, and the second phase, Crossroads, were connected, the city addressing coordinator identified issues with the proposed street names. One of those issues related to Alpine View Drive which runs east/west, then north/south in the Crossroads phase and then east/west again in the Aspen Park phase creating two east/west areas with the same street name. This name change would also be consistent with street design and other street names in that phase of the Mountain View Development.
Section 7-14-4112 MCA states a City Commission may change the name of any street or avenue when it appears to be the best interest of the city and a plat showing the street name change must be presented to the City Commission for approval. If 51% of the property owners object to the change of street name, then the name may not be changed. Therefore, to allow an opportunity for the property owners to comment a public hearing date of July 20, 2009 is proposed.
Ms. Morell-Gengler recommended approval of the resolution of intention and to set a public hearing date for July 20, 2009.
- Public comments** Mayor Smith called for public comment, none was received.
- Motion** **Commissioner Cartwright move approval of the resolution of intention changing the name of Alpine View Drive to Alpine View Loop south of Runkle Parkway and set a public hearing date for July 20, 2009.** Commissioner Elsaesser seconded the motion. All voted aye, motion carried. **Res #19655**
- Public Hearings** PUBLIC HEARINGS:
A. CONSIDER A RESOLUTION AUTHORIZING SUBMISSION OF THE NEIGHBORHOOD STABILIZATION PROGRAM APPLICATION ON BEHALF OF ROCKY MOUNTAIN DEVELOPMENT COUNCIL (RMDC) FOR THE DEVELOPMENT OF THE CAIRD PROPERTY FOR LOW INCOME ELDERLY HOUSING.
- Staff Report** Community Development Director Sharon Haugen reported the Montana Department of Commerce has received \$19,600,000 in Neighborhood Stabilization Program (NSP) funds as part of the Housing and Economic Recovery Act. Twenty four counties and seven Indian Reservations are eligible to apply. Any incorporated communities in the qualifying counties or on the eligible reservations are also eligible. Twenty five percent of the NSP funds must be used to assist households

at or below 50% of the area median income. There is no limit on the number of applications that an entity can submit or any limit on the dollar amount; however the Dept of Commerce has stated that their goal for the program is to distribute the funds as equably as possible throughout the State.

Rocky Mountain Development Council (RMDC) is purchasing the former Caird Foundry to develop low income housing. The multi phased redevelopment project will result in the construction of a combination of senior housing, other multifamily housing, and commercial mixed used development. The first phase, which is the subject of the NSP application, consists of 15 one-bedroom and 15 two-bedroom units for persons who are 62 or older.

The development of the senior housing units at the former Caird Foundry site addresses a need for additional housing units for lower income senior citizens. The US Census estimates that almost 30% of the City's population will be 65years or older by 2030. There continues to be a demand for this type of units. The site of the project is centrally located to businesses and public services, including transit. It will also result in the redevelopment of an area that is currently underutilized

The property is currently zoned Commercial Light Manufacturing (CLM). The CLM zoning district permits multi-family uses with a Conditional Use Permit. RMDC could request that the property be rezoned to B-2 General Commercial zoning which would allow the uses proposed by right. The other zoning that may be appropriate for the site is B-2 Commercial zoning. The zone change and the CUP would require hearings in front of the Helena Zoning Commission and the Helena City Commission.

There has been concern expressed by neighborhood for the reuse of the property for residential purposes and potential impacts of those uses. RMDC has met with the Mid Town and Sixth Ward Neighborhood Association to try to address some of these concerns.

Director Haugen recommended approval of the resolution and commented the redevelopment of the former Caird Foundry site will address a community housing need by addressing the need for additional housing units for lower income senior citizens. The site of the project is centrally located to businesses and public services, including transit. It will also result in the redevelopment of an area that is currently underutilized

Commission comment

Commissioner Peura asked if there is a deadline for the submittal of this grant application. Director Haugen explained there is not a specific deadline; however, applications are currently being submitted for consideration as the award must be obligated within 18 months of when the state received the funding.

Commissioner Shropshire asked what staff time would be allocated for this grant. Director Haugen explained the role city staff would have in the submittal of the grant.

Mayor Smith stated in the past the Commission has had to decide if there is a need for low income housing. Ms. Haugen explained the difference between a tax credit public hearing and NSP hearing, which is specific to the application.

Commissioner Cartwright asked if the decision tonight would be specific to the Caird property. Director Haugen stated yes.

Public Testimony

Mayor Smith declared the public portion of the hearing open and called for any persons wishing to address the Commission.

The following persons appeared before the commission:

Gene Leuwer, Executive Director of Rocky Mountain Development Council (RMDC) spoke in support of the proposal and handed out a whitepaper on the projected framework. In order to complete the proposed project, there will be a need for additional grant applications.

Mr. Leuwer noted that the Phase I Environmental Assessment (EA) has been completed and Phase II should be finished very soon. Mr. Leuwer also explained the NSP funding and how the Caird Project qualifies.

Jeff Miller, Community Development Director for RMDC; gave an overview of the 30-unit senior project. Mr. Miller handed out the Executive Summary of the Phase I EA of the Caird Engineering property. Tetra Tech will submit the Phase II report by the end of July 2009.

Mr. Miller handed out the RMDC Caird Project Communication Timeline. There have been nine articles in the papers and numerous neighborhood meetings. There was also one large stakeholder's meeting to discuss the proposal.

Laura Erickson, Lewis & Clark County Grants Coordinator; updated the Commission on the Brownsfield grant; the Caird property received 30% of the votes to receiving the grant funding. She stated the RMDC Caird Redevelopment Project is consistent with the goals of the Brownsfield Program and Neighborhood Stabilization Program.

M. C. Beebe, 1620 Townsend Avenue; spoke on communications with RMDC staff and the stakeholders meeting. There are concerns with the neighborhood being overburdened with low income housing. Ms. Beebe asked the Commission to consider appointing a collaborative committee to review the proposal and asked the Commission to deny the resolution.

Andy Skinner, representing the business community, Helena; stated this project would not be a Neighborhood Stabilization Project. Mr. Skinner stated RMDC has not followed the normal process and spoke on the needed zone change in order for this project to move forward.

Rose Casey, 1422 Walnut Street; spoke against the proposal and expressed concern for over-saturating the neighborhood with low income housing.

Paul Trebetta, 1101 Missoula Avenue; stated he is a retired engineer and spoke of the Caird property being zoned commercial and not acceptable for housing. Mr. Trebetta asked the Commission to deny the resolution.

Joe Mueller, 2002 Sweetgrass, representative of the seller; noted he has been trying to sell this property for the past six to seven years. Mr. Mueller spoke of the high quality of the proposal and commented this property could be revitalized.

Bonnie Lorang, Helena; asked the Commission to slow the process down. Ms. Lorang referenced the IR poll in which 60% stated this is not a good location for low income housing. Ms. Lorang also spoke on the upcoming zone change request.

Terry Krantz, 1413 Boulder Avenue; spoke in support of the proposal due to the property needing to be cleaned up. Mr. Krantz stated the residential property would have less traffic impact than commercial.

Eric Hummel, Helena; gave general comments on the proposal.

Becki Brandborg, 4835 Echo Drive; commercial property owner in the Sixth Ward, spoke in support of the proposal. Ms. Brandborg spoke of focus groups she has held addressing senior housing.

Ralph Coslet, 802 9th Avenue; spoke against the proposal and submitted written testimony.

There being no further persons wishing to address the Commission, Mayor Smith closed the public hearing.

Commission Comment

Commissioner Shropshire referred to resolution language stating the City will conform to certain regulations and asked for an explanation of the city's liability. City Attorney Nielsen stated this resolution is a template from HUD. Community Development Director Haugen explained the language covers HUD regulations for projects; NSP would also have rules on how the money could be spent.

Commissioner Shropshire stated Phase I of the EA calls for remediation of the property and asked what liability the city might incur by being involved in the project. Director Haugen stated the city is sponsoring RMDC's application, they would be the property owners and therefore responsible for complying with all contract language. City Attorney Nielsen explained the environmental clean-up would be the responsibility of the owner, which would be RMDC.

Commissioner Shropshire asked if the resolution would require zoning regulations be followed. Director Haugen stated yes. Commissioner Shropshire stated she is concerned with the city endorsing or sponsoring an application on a site that needs remediation. She asked if RMDC has received any cost estimates for the environmental cleanup. Mr. Miller stated that information has yet to be determined and added RMDC would apply for an EPA grant to assist in cleanup costs.

Commissioner Shropshire asked for a timeframe on when the various aspects of the project would occur. Mr. Miller explained there could be several barriers that could stop the project, including the amount of time it would take for property remediation, securing related funding and approval of a CUP or zone change. The NSP money would have to be spent by September 2011.

Commissioner Peura asked if the Brownsfield grant would cover the assessment of the Caird property and then other funding would need to be used for the cleanup. Ms. Erickson concurred and noted the cleanup remediation cannot be funded until a project is identified.

Commissioner Peura referred to the Executive Summary from Tetra Tech and asked if RMDC received the report in March 2009. Mr. Miller stated yes. Commissioner Peura asked if this report was shared with the Board of Health. Mr. Miller stated no.

Commissioner Peura asked for the basis of the reduction in the unit cost. Mr. Miller explained going from 20 to 30 units spreads costs further. Also, the first proposal had a lot of underground parking and the senior project would require less parking. Less square footage is being built compared to the first proposal.

Commissioner Peura asked if there have been any discussions between HHA and RMDC regarding a joint effort in building this project and redeveloping Stewart Homes. Mr. Miller confirmed there have been discussions between the two entities. Commissioner Peura asked if there have been discussions of focusing all of this money on the

redevelopment of Stewart Homes. Mr. Miller stated that specific conversation has not been held.

Commissioner Cartwright asked if the city agrees to conform with the regulations, then would the Commission be bound to change the zoning. City Attorney Nielsen stated the zoning regulations would not fall under the NSP regulations.

Mayor Smith referred to Ms. Lorang's testimony and asked if there would be a conflict of interest. City Attorney Nielsen stated this is not a partnership, as the city would not own any of the project. The role of the city is to make the application on behalf of RMDC.

City Manager Burton noted many of these questions will be answered once the grant application has been submitted. The Commission has dealt with other grant applications in the past, before all the zoning and other property questions have been resolved.

Mayor Smith asked Mr. Mueller if he had received an offer to purchase the property from Mid-Towne/6th Ward Association representatives. Mr. Mueller stated he has not been contacted by any representatives from the Mid-Towne Group.

City Manager Burton spoke on the suggested consensus process for this project and noted all parties have to be in agreement. There are private property owners who are not asking for consensus on the future use of the property.

Commissioner Peura stated he has a number of concerns with the proposal, specifically the environmental issues; the Health Department should be asked to weigh in on the proposal. He is also concerned with funding going toward this project and not Stewart Homes. He encouraged RMDC and HHA to sit down and develop a joint proposal. He referred to Ms. Lorang's testimony and stated he does not believe a conflict of interest exists. He also referred to Mr. Mueller's testimony and commented he believes there is still the possibility of selling the property for commercial development.

Motion

Commissioner Peura moved to deny a resolution authorizing submission of the CDBG Neighborhood Stabilization Program (NSP) Application on behalf of RMDC for the development of the Caird property for low income elderly housing. Commissioner Shropshire seconded the motion.

Discussion

Commissioner Shropshire concurred with Commissioner Peura's comments as she continues to have concerns with the groundwater on the property and where the monitoring devices are located.

Commissioner Elsaesser stated he would vote against the motion and until the updated Growth Policy is approved, it is not certain the project will go forward. He is interested in moving it forward as a viable and safe project.

Mayor Smith stated he too would not support the motion. There will be many more steps before any project is built. All past projects from RMDC have been good projects and he would anticipate the same with this proposal.

Commissioner Cartwright noted he would support the motion, as he has concerns with the project. He spoke of the housing being located on a busy street and recommended a buffer between Montana Avenue and the housing project. He indicated various types of housing should be distributed throughout the city.

Vote Motion carried 3-2 with Commissioner Elsaesser and Mayor Smith voting no.

Public Communications PUBLIC COMMUNICATIONS
No public communications were given.

Meetings of Interest MEETINGS OF INTEREST
The next Administrative Meeting is July 15, 2009 and the next Commission Meeting is July 20, 2009.

Adjournment There being no further business to come before the Commission, the meeting was adjourned at 10:00p.m.

Mayor James E. Smith

ATTEST:

Clerk of the Commission