

CITY OF HELENA
REGULAR CITY COMMISSION MEETING
October 6, 2014
6:00 P.M.

Time & Place A regular City Commission meeting was held on Monday, October 6, 2014 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 Elsaesser, Haque-Hausrath and Haladay were present. Commissioner Ellison was excused. City Manager Ron Alles, City Attorney Thomas Jodoin and Deputy City Clerk Robyn Brown were present.

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 September 29, 2014 will be considered on October 20, 2014.

Proclamations PROCLAMATION:
A. Fire Prevention Week

Mayor Smith read the proclamation designating October 5-11, 2014, as Fire Prevention Week in the City of Helena.

Fire Marshall Craig Trapp accepted the proclamation and noted the Helena Fire Department (HFD) is using Fire Prevention Week to remind citizens to test their smoke alarms monthly, change their smoke alarm's batteries every year and replace smoke alarms every ten years. He gave an overview of activities occurring to acknowledge this year's Fire Prevention Week and commented the HFD is providing an educational tour/program to approximately 800 2nd graders.

Board Appointments BOARD APPOINTMENT:
A. Bill Roberts Golf Course Advisory Board

Mayor Smith recommended the following appointment:

Bill Roberts Golf Course Advisory Board – appointment of Kelly Casey to a first full term on the Bill Roberts Golf Course Advisory Board. Term will begin upon appointment and expire October 30, 2017.

Public Comment Mayor Smith called for public comment; none was received.

Motion **Commissioner Haladay moved approval of the appointment as outlined above.** Commissioner Haque-Hausrath seconded the motion. All voted aye, motion carried.

Consent Agenda CONSENT AGENDA:
A. Claims
B. Grant from the Land Water Conservation Fund for the replacement of playground equipment at Barney and Waukesha Parks

City Manager Ron Alles recommended approval of the claims and the consent agenda.

Public comment

Mayor Smith asked for public comment, none was received.

Motion

Commissioner Elsaesser moved approval of items A and B on the consent agenda. Commissioner Haladay seconded the motion. All voted aye, motion carried.

Communications

COMMUNICATIONS/PROPOSALS FROM COMMISSIONERS

Commissioner Haque-Hausrath commended Parks Department staff for continually seeking out sources of funding to make improvements to the City's parks.

Commissioner Elsaesser concurred with Commissioner Haque-Hausrath's comments. He commented that while attending the Carroll College homecoming game this past Saturday, it was wonderful to notice a great number of people utilizing all of the amenities of Centennial Park. He stated the walking tour for Centennial Trail-West was very productive.

Mayor Smith concurred it was great to see another busy weekend at Centennial Park.

Commissioner Haladay stated absentee ballots were mailed out today and he reminded citizens to keep an eye out for them. He stated on a related subject, there is a ballot initiative, LR126, which seeks to end same-day voter registration. He noted in the last election (mail ballot) only 44% of registered voters returned their ballots; anything that can be done to increase voter turn out should be, including allowing for same-day voter registration and urged Helena's citizens to join him in voting no on LR126.

Mayor Smith gave Montana's history of allowing same-day voter registration, explaining the delegates of the 1972 Montana Constitution Convention approved same day registration, yet decided not to make it a constitutional provision and left it up to the next Legislative assembly to act on their recommendation. During the next Legislative session, it was not acted on, nor was it at any of the following sessions until 2013. He commented on Montana's long history related to the provision and agreed with Commissioner Haladay's concerns.

Report of the City Attorney

REPORT OF THE CITY ATTORNEY

No report was given.

Report of the City Manager

REPORT OF THE CITY MANAGER

No report was given.

Report from the Helena Citizens Council

REPORT FROM THE HELENA CITIZENS COUNCIL

No report was provided.

Regular Items

REGULAR ITEMS:

- A. CONSIDER A 2014 COOPERATION AGREEMENT BETWEEN THE CITY OF HELENA AND HELENA HOUSING AUTHORITY (HHA).

Staff Report

Former City Attorney Jeff Hindoien reported public housing authorities are required under federal law to enter into a "cooperation agreement" (CA) with the local governing body for the area in which their

projects are located. The general structure of a CA recognizes the tax exempt nature of a housing authority, recognizes that the housing authority is required to make a payment-in-lieu-of-taxes (PILT) to the local governing body, and recognizes that the local governing body will provide at no cost or no greater cost the same type of public services provided to others in the community.

There has been a Cooperation Agreement (CA) in place between HHA and the City of Helena since at least 1950, if not before. The Montana Legislature made changes in 1983 relating to special assessments, and HHA and the City modified the CA in 1984 to have HHA making a fixed PILT payment in-lieu-of both taxes and special assessments, i.e., a PILTA. That CA was in place until 1999, when discussions between the City and HHA led to a new CA structure that, in essence, had the City assessing and collecting various special assessments, but agreeing to reimburse HHA for those assessment collections to the extent that they exceeded a certain amount (roughly 7% of HHA's rental revenues).

By 2005, however, the formula placed into the 1999 CA began to yield substantially higher "reimbursement" amounts due back to HHA from the City (as high as \$22k/year and generally in excess of \$10k/year). Based on significant concerns on the part of the City, the parties had an extensive dialogue and discussions between 2006 and 2012 over differences in how the reimbursement calculation was intended to operate. After a significant amount of effort in 2012 between City Manager Alles and former HHA Executive Director Josh LaFromboise, the parties were able to reach an agreement to reconfigure the CA structure to simply have HHA make a 10% payment to the City per year in-lieu of the former complicated and disputed payment mechanism under the 1999 CA. As part of that reconfiguration, the City would make one final reimbursement payment to HHA to resolve the dispute in the amount of \$15,930, and then would simply begin receiving the new 10% PILTA figure on an annual basis going forward.

That resolution of the situation was approved by HUD in 2013, the City has already made that reimbursement payment to HHA, and now both HUD and the HHA Board of Directors have approved of the new 2014 CA document itself. The only remaining item to close this situation is for the City Commission to do likewise and formally approve the new 2014 CA document.

Mr. Hindoien noted approval of the proposed agreement would formally close out a multi-year dispute concerning the PILT structure of the 1999 CA, and leave a straightforward 10% of shelter rent figure being paid by HHA to the City of Helena on a going-forward basis.

Discussion

Commissioner Elsaesser asked for more information the difference between the gross and net shelter rent amounts; is HHA paying 10%, after they've paid all monthly expenses, such as water and power. Mr. Hindoien stated that is his understanding and related to how they do their internal accounting. He added part of this restructuring includes the HHA now paying lighting district and solid waste assessments, which they previously did not. He noted the city views those charges the same as monthly utilities like water, sewer and power.

Commissioner Elsaesser asked if the HHA will pay special assessments the general tax levy. Mr. Hindoien stated they will not as they are classified as exempt from those tax rolls under Montana Law and the Constitution.

Public comment Mayor Smith called for public comment; none was received.

Comment Mayor Smith urged the Commission to approve the agreement as it's taken several years to get a version developed that is acceptable to both parties, in addition to HUD.
Commissioner Elsaesser stated while he is not comfortable that HHA won't be paying many of the city's special assessments, he believes this proposal cleans up many issues from past agreements, adding that the Housing Authority provides an absolutely vital service in the community.
Commissioner Elsaesser commented Centennial Trail will serve HHA and HUD well, as it runs along many of their housing locations.

Motion **Commissioner Haque-Hausrath moved approval of a 2014 Cooperation Agreement between the City of Helena and Helena Housing Authority (HHA).** Commissioner Elsaesser seconded the motion. All voted aye, motion carried.

Public Communications PUBLIC COMMUNICATIONS
No public communications were given.

Meetings of Interest MEETINGS OF INTEREST
The next Administrative Meeting is October 15, 2014 and the next Commission Meeting is October 20, 2014.

Adjournment There being no further business to come before the Commission, the meeting was adjourned at 6:29 p.m.

/S/ James E. Smith
Mayor James E. Smith

ATTEST:

/S/ Debbie Havens
Clerk of the Commission