

CITY OF HELENA
REGULAR CITY COMMISSION MEETING
January 25, 2016
6:00 P.M.

Time & Place

A regular City Commission meeting was held on Monday, January 25, 2016 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 Ellison, Haladay, Farris-Olsen and Noonan were present. City Manager Ron Alles, City Attorney Thomas Jodoin and Deputy City Clerk Robyn Brown were present. Others present were Gary Spaeth and Terry Ray 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 January 11, 2016 were approved as submitted.

Presentation

PRESENTATION:

A. State of the City Address

Mayor Smith presented the annual State of the City Address, including a PowerPoint presentation on the functions and responsibilities of City Departments. A copy of the address is included in the Commission packet as part of the official record.

Board Appointments

BOARD APPOINTMENTS:

A. Civic Center

Mayor Smith recommended approval of the following board appointments:

Civic Center Board – Reappointment of Craig Wilkerson, Skip Hatveldt and Kendall Stewart to the Civic Center Board. Terms will begin upon appointment and expire March 1, 2019.

Public comment

Mayor Smith asked for public comment, none was received.

Motion

Commissioner Ellison moved approval of the appointments to the Civic Center Board as listed above. Commissioner Haladay seconded the motion. All voted aye, motion carried.

Consent Agenda

CONSENT AGENDA:

A. Claims

B. Release of a 60' Access Easement across Wissahickon Mineral Survey No. 5714

C. Final passage of Ordinance No. 3215 pre-zoning to R-2 (Residential) District and upon annexation amending the Official Zoning Map for the City of Helena for property legally described as Lots 1 and 2 in Block 2 of the Highland Park Subdivision, in Lewis and Clark County, Montana **Ord #3215**

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 Haladay moved approval of items A through C on the consent agenda. Commissioner Ellison seconded the motion. All voted aye, motion carried.

Communications

COMMUNICATIONS/PROPOSALS FROM COMMISSIONERS

Commissioner Ellison commended Mayor Smith's State of the City address and stated it is a pleasure to serve with him.

Commissioner Noonan stated he was happy to see the Holter Museum was able to get back on track; it is a testament to the Helena community and the ongoing work of the area's non-profit organizations.

Report of the City Attorney

REPORT OF THE CITY ATTORNEY

No report was given.

Report of the City Manager

REPORT OF THE CITY MANAGER

Manager Alles reported the Street Department would be using the patch truck to fill potholes this week, as allowed by the forecasted warmer weather.

Report from the Helena Citizens Council

REPORT FROM THE HELENA CITIZENS COUNCIL

HCC member Terry Ray reported the HCC unanimously endorses the creation of the Railroad Urban Renewal District and urged the Commission to approve final passage of the ordinance creating the district.

Public Hearings

PUBLIC HEARINGS:

- A. CONSIDER FINAL PASSAGE OF ORDINANCE NO. 3214 CREATING THE RAILROAD URBAN RENEWAL DISTRICT AND ESTABLISHING THE BOUNDARIES THEREOF, AND ADOPTING THE RAILROAD URBAN RENEWAL DISTRICT PLAN, INCLUDING TAX INCREMENT PROVISION PURSUANT TO TITLE 7, CHAPTER 15 PARTS 42 AND 43 MONTANA CODE ANNOTATED (MCA).

Staff Report

Community Development Director Sharon Haugen reported on December 14, 2015, the Helena City Commission approved first passage of Ordinance No. 3214 to create the Railroad Urban Renewal District (URD) or (District) and establish the boundaries thereof, and adopt the Railroad Urban Renewal District Plan (URDP) or (Plan), including tax increment provision pursuant to Title 7, Chapter 15 Parts 42 and 43 MCA, and set January 25, 2016 as the date of a public hearing to consider final passage of the ordinance.

As part of the public comment portion of that meeting, the Helena School District (HSD) requested that the proposed boundary be amended to include three school district properties. They were Helena Middle School and Vigilante Stadium area; Lincoln/Central Elementary School area, and Helena High School/Ramey and Robinson Parks area. The School District commented that the inclusion of these properties would further the goals as outlined in the URDP. After discussion, it was determined by the Helena City Commission that the inclusion of the

Helena High School/Ramey and Robinson Parks area into the URD would be appropriate. The goals of the Plan would also encompass consideration of this additional property. The URDP will be amended to reflect the change in boundaries and boundary description upon final adoption by the City Commission. Any further changes to the boundaries will have to be done by formal motion and if there are additions to the current boundary, a new public notification process will have to be followed. Over 540 notices were sent to property owners included in the proposed District as part of the public hearing notification process.

The creation of the District and resulting opportunities associated with the various mechanisms identified in the Plan would encourage revitalization and redevelopment of this area. The City of Helena Growth Policy identifies this area as an area with potential for infill and redevelopment and as a designated "Mixed Use" area. The creation of the District will help accomplish some of these goals and is one of the few tools that cities have to encourage redevelopment in an area. It also encourages public/private partnerships. Many of the goals identified in the Plan are the result of a number of stakeholder meetings, public outreach, and other visioning efforts affecting the area. Director Haugen recommended approval of the proposal.

Ms. Ann Cossitt, representing the WGM Group and Cossitt Consulting; provided the Commission with a PowerPoint presentation detailing the history and purpose of the proposal, requirements of law, public process, the vision and goals of the District, the District boundary and steps for implementation of the plan.

Discussion

Commissioner Farris-Olsen asked for the reasoning behind the HSD's request to include the Helena High School area in the URD. Ms. Cossitt and Manager Alles explained the request to include the area was related to funding for Safe Routes to School and improved walkability in the area.

Public Testimony

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

Dorothy Bogard, 6th Ward resident; expressed concern that her house was designated as blighted according to the information sent to property owners.

Jake Gunther, Chestnut Street; expressed concern over possible changes to the zoning of his property according to the City's Future Land Use Map and URDP.

Kim Flatow, 6th Ward Resident; expressed concern that her home is located in what has been designated a blighted area.

Bonnie Lorang, 1512 Butte Avenue, President of the 6th Ward Association; spoke in support of the RURD.

Ed Beall; Capitol Sports & Western owner; spoke in support of the District.

Richard Schute, 1061 North Ewing; expressed concern for the inclusion of his property in the District and the lack of public notice regarding the proposal.

Mike Sheckman, Big Sky Institute for the Advancement of Non-Profits; urged the Commission to approve creation of the RURD.

Bruce Wood, Pacific Steel and Recycling; indicated they have neutral feelings on the creation of the proposed District.

Kyla Getz, 1511 Boulder Avenue; spoke in support of the District and urged the Commission to improve sidewalks within the area.

Chris Stockwell, consultant for the 6th Ward Garden Park; stated he feels the creation of the RURD will benefit the creation of the park.

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

Motion

Commissioner Haladay moved approval for final passage of Ordinance No. 3214 creating the Railroad Urban Renewal District and establishing the boundaries thereof, and adopting the Railroad Urban Renewal District Plan as amended including tax increment provision pursuant to Title 7, Chapter 15 Parts 42 and 43 MCA. Commissioner Farris-Olsen seconded the motion.

Discussion

Commissioner Farris-Olsen requested clarification of the boundary of the District, specifically Davis Street. Director Haugen reviewed the boundary and explained the north side of Davis Street is included while the South side is not.

Commissioner Haladay requested more information on neighborhood concerns regarding condemnation of residential homes. Director Haugen stated in presentations to and conversations with neighborhood residents, condemnation or tearing down of homes or properties had never been discussed or proposed. The only time it was discussed was with commercial property owners whose buildings have gone past their useful life; demolition or improvement of these structures was brought up by the property owners themselves. Commissioner Haladay asked for confirmation that there is nothing in the URDP stating condemnation or tearing down of structures would occur unless the property owner is interested in doing so. Director Haugen concurred.

Commissioner Haladay referred to concerns over zoning related to adoption of the URDP, and stated it is his understanding there are no zone changes specifically proposed in this Plan; any discussion of zoning changes would be contained in the City's Growth Policy. Director Haugen explained there are two primary maps contained in the plan; one is the traditional zoning map designating this area as commercial and the other is the Future Land Use Map. On the latter map the area is viewed as a commercial/residential area as a general indication of the type of property. She confirmed there is nothing contained in the URDP that speaks to re-zoning any of the property within the District. Commissioner Haladay stated adoption of the Plan tonight does not re-zone any property or set in motion future re-zoning of any property. Director Haugen concurred.

Commissioner Haladay asked how the plan will operate, be funded year to year, and release expenditures. Director Haugen stated under state law, TIF Districts have a lifespan of 15 years unless a bond is put into place to finance some improvements for the area. Depending on what kind of bond is issued, the lifespan could reach 40 years.

If approved tonight, the District would next be certified by the State of Montana Department of Revenue. Following certification, the plan calls for a citizen advisory group to be formed to make recommendations to the City Commission in terms of what projects should be budgeted for using the funding created by the Tax Increment Financing/Urban Renewal District. Director Haugen noted it is most likely that the Commission will not see a request for expenditure of funds for the first five years.

Commissioner Haladay asked for an example of other areas in the community that had previously been identified as blighted in order to

achieve TIF status. Director Haugen explained how blight is defined in state law, for example- a lack of sidewalks, underutilized properties, or because of infrastructure issues. She noted the property that is now known as the Great Northern was identified as blighted and received TIF funding. She stressed the term "blight" is not the traditional blight of residential properties.

Commissioner Ellison thanked Commissioner Haladay for his questions. He noted creation of this District has been proposed and discussed for some time and he's glad it is finally coming to fruition. He thanked the citizens who provided testimony on the proposal and assured the residents of the District that approval of this proposal will not result in any re-zoning, property tax increases, homes being torn down, or required to upgrade; otherwise he would not support its creation. Commissioner Ellison commented he feels it will be a good plan for the neighborhood and indicated he would vote to approve creation of the district. He encouraged staff and the consultants to reach out to the neighborhood to provide clarification on what the District is and alleviate their concerns over condemnation and zoning.

Commissioner Noonan stated the questions he had on the proposal had been answered during Commission discussion. He noted he witnessed the help the creation of a TIF District gave to the Great Northern and downtown area, and would vote in support of its creation.

Mayor Smith and Commissioner Noonan both noted they hope the concerns brought up during public testimony were addressed and alleviated by Director Haugen's testimony.

Vote All voted aye, motion carried. **Ord #3214**

Public Communications PUBLIC COMMUNICATIONS
No public communications were given.

Meetings of Interest MEETINGS OF INTEREST
The next Administrative Meeting is February 3, 2015 and the next Commission Meeting is February 8, 2015. The City/County Joint Work Session on February 4, 2015.

Adjournment There being no further business to come before the Commission, the meeting was adjourned at 7:41 p.m.

/S/ JAMES E. SMITH
Mayor

ATTEST:

/S/ DEBBIE HAVENS
Clerk of the Commission