

## SUMMARY OF ADMINISTRATIVE MEETING

June 5, 2019– 4:00 p.m.

Room 326, City-County Building

316 N. Park Avenue

1. **Call to order, introductions, opening comments** – Mayor Collins called the meeting to order. Commissioners Haladay, Noonan, O’Loughlin and Wicks were present.

Staff present: City Manager Cortez; Assistant to City Manager Amanda Opitz; City Attorney Thomas Jodoin; Deputy City Attorney Iryna O’Conner; Interim Police Chief Steve Hagen ; Interim Fire Chief Ken Wood; Community Development Director Sharon Haugen; Planner Ellie Ray; Assistant Director Public Works Libbi Lovshin; City Engineer Ryan Leland; Interim Director Transportation Systems Department David Knoepke; Utility Maintenance Supervisor Troy Schroeder; Finance Director Glenn Jorgenson; Budget Manager Nikki Davison; Human Resources Director James Fehr and City Clerk Debbie Havens.

Others in attendance IR Reporter Thomas Plank, HCC Representatives Sumner Sharpe and Tom Woodard; Mark Esponda, Dick Anderson Construction.

2. **May 15, 2019 Summary** – The May 15, 2019 administrative meeting summary was approved as submitted.

3. **Commission comments, questions**

**Upcoming Appointments** – Mayor Collins recommended the following board appointment:

<b>Citizen Conservation Board</b>	Appointment of Valerie Stacey, representative from the Watershed or Water Conservation Sector, to the Citizen Conservation Board. No specific term for members of the Citizen Conservation Board.
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**City Manager’s Report** – Manager Cortez handed out a Montana Municipal Officials Handbook for each commission member. Manager Cortez updated the commission on the following items:

- Press conference was held today to discuss city trees; it was well attended by staff, the public and the press.
- Attended the Great Open Space for City Manager’s meeting in Great Falls.
- CDR Consultants has been hired to help with Open Lands Management Plan and will be contacting the commission to receive their comments.
- Kristy Ponozzo will begin as Director of Parks & Recreation on June 12. Thanked Craig Marr for his work as Interim Parks & Recreation Director.
- Manager Cortez has received a number of calls and in person visits regarding the service line program and associated fees. Manager Cortez recommended staff develop an information packet on the programs, educate the public and report back to the commission. Commissioner O’Loughlin noted the commission has received comments and she would like to have continued discussions and to receive an update on how many people have used the program. Manager Cortez noted staff could provide the requested information; however, at this time the city has not promoted the service line programs so the demand has not been high. She recommended scheduling a community meeting to

hear what the concerns are of the citizens. There was commission concurrence to schedule a public meeting on the service line programs.

Mayor Collins on behalf of the commission thanked Craig Marr for his service as Interim Parks & Recreation Director.

**4. Department Requests –**

**Finance Department – FY20 – Provide direction to staff on any changes to the preliminary biennial FY20&21 budgets.** Director Jorgenson stated the commission accepted the preliminary FY20&21 budgets on May 20, 2019. Staff is requesting direction regarding any amendments the commission may want to consider for final budget. State law requires the commission to adopt the “preliminary budget as amended”.

Director Jorgenson handed out staff’s recommended budget adjustment from Public Works – Solid Waste/Transfer Station, net change of (-\$44,200, reduced expenses) and requested an additional \$150,000 from the Fire Safety Levy for window replacement, roof replacement and fire truck exhaust ventilation.

Manager Cortez stated the intent of bringing these items forward was to show the commission where the changes are from what was in the preliminary budget.

Commissioner O’Loughlin asked where we sit with proposed salary increases and how that was reflected in the budget. Manager Cortez stated right now salary increases are not reflected in the budget. Once negotiations are completed, staff will bring a proposal forward that will require a budget amendment.

Director Jorgenson reviewed the proposal for the use of the Fire Safety Levy; \$20,000 for window replacement, \$50,000 for roof replacement and \$80,000 for fire truck exhaust ventilation (2 source capture systems). He also addressed the funding of positions from the SAFER grant and capital purchases out of the Fire Safety Levy.

Commissioner O’Loughlin asked for clarification on how much of the mill levy can be levied, is it the full \$750,000. Director Jorgenson clarified \$900,000 can be levied.

Commissioner O’Loughlin asked if a portion of the \$900,000 is for capital purchases. Director Jorgenson clarified the \$900,000 is to cover salaries and capital needs with no specific amounts identified. In FY19, we levied \$500,000; \$300,000 for capital purchases the \$200,000 for 25% of the new firefighter’s positions that the SAFER grant did not cover.

Commissioner O’Loughlin asked why we are not levying the same \$300,000 for capital purchase for FY20. Director Jorgenson noted the Fire Department has additional capital needs in FY20 and into the future.

Director Jorgenson then referred the commission to the Street Rates being recommended to be included in the resolution of intention: \$17.18 per month for residential/vacant base; \$6.87 for mobile home base; \$30.00 for commercial base and \$0.00500 per square fee > 6,000. The rate can always be lowered; however, it cannot be higher than the proposed increase. Manager Cortez noted the reason the street rate was separated, she had concerns with capacity and to avoid not being able to assure the projects can be accomplished. At this time, she is confident the projects can be delivered.

Director Jorgenson stated the rates will generate the revenue; however, staff is looking at leasing equipment instead of purchasing and that may change the recommendation for the street assessment.

Commissioner O'Loughlin asked where we are on Rodney Street, what is the expected timeline for that project. Manager Cortez noted the street priorities discussion is further down the agenda.

Director Jorgenson asked if the commission has any amendments to forward them to staff prior to the public hearing on June 24.

Commissioner Wicks asked at what point amendments could be brought forward. Manager Cortez stated amendments could be brought forward at any time; this is an ongoing process. She noted any change in salaries would require a major amendment.

**Community Development – Discuss and determine the appropriate use levels for prerelease centers, casinos and emergency shelters in the proposed Downtown and Transitional Residential Districts.**

– Director Haugen stated following discussions at the May 15, 2019 administrative meeting and ahead of next week's public hearing on the proposed downtown zoning code update, the Commission is being asked to consider proposed permitted and non-permitted uses for the Downtown and Transitional Residential Districts.

The Zoning Commission met and deliberated over permitted uses at an April 16, 2019 at a work session, following questions from the public regarding permitted versus non-permitted uses in the two districts. The Zoning Commission outlined land uses to be permitted by right in the Downtown District, and not permitted in the Transitional Residential District. These recommendations were presented to the Commission on May 15.

City code currently defines these uses in Title 11 as follows:

- Prerelease center: A community corrections facility or program as defined by state law.
  - Per MCA 53-1-203(c)(i), prerelease centers serve the purpose of “preparing inmates of a Montana prison who are approaching parole eligibility or discharge for release into the community, providing an alternative placement for offenders who have violated parole or probation, and providing a sentencing option for felony offenders pursuant to 46-18-201. The centers shall provide a less restrictive environment than the prison while maintaining adequate security. The centers must be operated in coordination with other department correctional programs.”
- Casinos: An establishment licensed for on premises consumption of alcoholic beverages which:
  - A. Is licensed for and has six (6) or more video gaming machines or gambling devices; or
  - B. Is licensed for and used to conduct any of the following types of gambling: calcutta pools, live card games, live card game tournaments, and live keno.
- Per Section 11-49-3, “casinos are only allowed by conditional use permit in those districts shown in section 11-2-3, table 1 of this title and are subject to subsection A of this section. A casino may not be located within three hundred feet (300') of any R-1, R-2, R-3, R-4 or R-O zoning district measured in a straight line distance from the closest exterior edge of the licensed premises to the closest boundary of the applicable residential zoning district.”
- Emergency shelter: Temporary housing and ancillary services for primarily indigent, needy, homeless, or transient individuals, including crisis intervention centers.

At the May 15, 2019 administrative meeting, the Commission asked staff to further evaluate the Zoning Commission's recommendations through a public health lens. The

Commission directed staff to adopt such framework when considering land use as a community development tool.

To affirm land uses that promote positive public health outcomes, Staff provides the Commission the option of allowing current inconsistent land uses in the Downtown, but to limit further expansion of such inconsistent uses. Increased number of prerelease centers, casinos, and emergency shelters in the DT zoning district will not be permitted uses in the Downtown and Transitional Residential Districts as part of updates to Title 11, Chapter 2. However, current operations will be allowed to continue. The Commission may request staff to prepare the recommended amendments for the June 10th City Commission meeting.

Manager Cortez clarified current uses will continue, the impact is for the expansion for the existing uses. God's Love will remain as is unless there is an expansion.

Commissioner O'Loughlin asked is it a conversation or is it not a permissible use. Manager Cortez commented it is not a permissible use; but if we are going to look at it from the public health perspective, what if it is a clinic that wants to work with God's Love. If you look at it from the public health view, a clinic would be permissible.

Commissioner O'Loughlin asked what process the commission would go through for a potential expansion. Director Haugen stated a non-permitted expansion would not be allowed; however, if the use is a permitted use it could expanded. A clinic is an example where the use would be permitted.

Commissioner Wicks asked if there is any potential where non-permitted uses could be considered individually. Director Haugen stated under the current framework of the ordinance, if uses were going to be added back in, they would have to back through the entire process.

Manager Cortez noted zoning is imposed by the elected officials; zoning can change anytime the commission wants to change it.

Commissioner Noonan asked what the public hearing schedule is for the casino on Partridge. The public hearing on the CUP is scheduled for June 24, 2019.

Director Haugen gave an overview of the process for first and final passage of an ordinance regarding casinos, prerelease centers and emergency shelters. Staff could draft an amendment for consideration if requested by the commission.

Commissioner Wicks asked what area does the proposed downtown district include. Director Haugen referred to map outlining the district, which will be adopted later this summer. If the commission were to exclude casinos, emergency shelters and prerelease centers, they would not be allowed in either the downtown or transitional districts.

Commissioner O'Loughlin asked staff to be proactive and outreach to those stakeholders in the downtown and transitional districts regarding the uses that may not be allowed. Director Haugen stated there has been no direct conversations. Manager Cortez noted she has had discussions with merchants in the downtown and conversations with representatives from God's Love. Planner Ray noted staff has worked heavily with the BID and Chamber to notify their members.

Commissioner Wicks commented with the commission not having feedback from everyone, when the zoning would take effect. Director Haugen stated the ordinance requires first and second passage. Commissioner Wicks asked if the commission has approved an ordinance with a later implementation date. Director Haugen stated she does not recall an instance when zoning was adopted with a later implementation date. Attorney Jodoin stated an effective date could be adopted. Commissioner O'Loughlin asked Commissioner Wicks if she is looking at making just the one component have a later implementation date. Commissioner

Wicks stated her thoughts would be the one specific section. She does not want to hold up the entire process.

Attorney Jodoin stated these regulations would not be effective until all the properties in the downtown are rezoned. The commission has to adopt regulations prior to re-zoning the properties. Notification will be sent to all property owners prior to rezoning of the properties.

Commissioner O'Loughlin stated this clearly is a policy decision that needs to be made. She would like to see some flexibility for pre-release centers and asked how other municipalities handle that topic specifically.

Commissioner O'Loughlin stated she hopes for pro-active outreach to receive feedback on the proposal. Current emergency shelters would be grandfathered in and worth a conversation with God's Love due to the services they provide to the community.

Manager Cortez stated staff would take pro-active steps and contact the owners of the casinos and God Love and other stakeholders to gather any concerns.

Commissioner Noonan asked how many pre-release centers are located in the proposed district. Director Haugen stated there currently are no pre-release centers in either proposed district. She committed to contact the owners of the casinos and Gods Love. She noted second passage of the ordinances could be delayed to assure public outreach.

Commissioner Wicks asked that staff not only reach out to the stakeholders but to the community has a whole and ask what they want downtown to look like.

Commissioner Noonan asked if transitional living facilities are considered a pre-release centers. Director Haugen stated they are not.

Attorney Jodoin stated if the commission were to adopt the Zoning Commission's recommendation, casinos, emergency shelters and pre-release centers would be permitted in the downtown zone. The commission may want to change it to not permitted (NP). When staff is doing the outreach, are they to indicate the commission may change the uses to not permitted. What he is hearing, the commission may want to go to non-conforming. Is the message to the property owners the commission wants feedback on whether these three uses should be permitted or not permitted, grandfathered in with no expansions allowed.

Commissioner Wicks stated what she is looking at is these uses would not be permitted; so conversation on that possibility. Commissioner O'Loughlin asked what the Zoning Commissions recommendation was. Director Haugen stated the Zoning Commission recommended these uses not be allowed in the transitional district but allowed in the downtown district.

**Public Works – Street Reconstruction Priorities Decision Matrix** –Manager Cortez introduced the agenda item and stated as part of the budget process, when we started talking about the street assessment we came to the commission with the concept of creating a \$1-million dollar pool. The logic was the assessment would incorporate personnel, O&M, city support, debt services and capital improvements. The idea was the proposed assessment of \$2.75 would be enough for the \$1-million dollar pool and after a year of collecting that assessment. That is in addition to the \$1-million that we receive from gas tax. If we think of all the streets in the city that need improvements, which would be millions of dollars, what we have is two pots of money that add up to \$2-million. Manager Cortez stated she has been told the gas tax funds is how we pay as we go on projects. The second pot of money, which is the assessment, is where we could potentially borrow. The advantage of borrowing is you have more money available for projects. So it was in that content and the question came as what should the priorities be. The content of

this presentation is what we could do with the \$1-million gas tax funds and the \$1-million from assessments to borrow for larger projects. Manager Cortez spoke of past commission direction to develop a fund to address the street infrastructure needs. At this point, under the new Transportation Systems Department, she has the expectation the director will be responsible for anywhere between \$6 and \$9-million dollars in projects. The city has not done this before; we have paid as we went. The policy direction is, where would the commission like staff to spend the money. She then referred the commission to the staff's priority decision and to one she developed that added the criteria of community priorities. She spoke on the importance of community involvement. She then referred the commission to the top five-project list from the matrix, with a total of approximately \$10.5-million dollars in projects. She spoke of the ability to borrow responsibly to complete the projects.

Manager Cortez again referred to the priority project list from the matrix and noted if the commission concurs with the list, construction on Phase I of Rodney Street could break ground in the spring of 2020. Manager Cortez asked the commission what decision matrix they are comfortable with and if they concur with the priority list. She noted the projects identified on the list are streets throughout the city.

Commissioner O'Loughlin referred to the Top 5 Draft Project List and noted Phase 3 of Rodney Streets is scheduled to be completed prior to Phase 2. City Engineer Leland explained the work in Phase 3 is an easy project; however, there is much more details in Phase 2 including working with School District and residential properties. He noted with commission concurrence of the project list, staff would begin work on the design of both projects; the date on the project list is when construction would begin.

Commissioner Haladay asked score wise, where did 6<sup>th</sup> and 11<sup>th</sup> Avenues come in relative to the group of streets listed. Engineer Leland stated 6<sup>th</sup> and 11<sup>th</sup> came in right around California. He further explained that Urban Funds could be used for different projects. Staff is working with MDT on various funding options to complete 6<sup>th</sup> and 11<sup>th</sup> Avenues. Manager Cortez noted the streets listed on the project list are the streets where we want to use gas tax funds or street assessment funds. Whenever there is a project, if there is other money, we will use it. Commissioner Haladay stated MDT did a project on 6<sup>th</sup> Avenue a couple of years ago. Engineer Leland stated it was a mill and overlay. Commissioner Haladay referred to the priority list and asked what the next three priorities would be after Peosta. Transportation Systems Interim Director Knoepke stated there are a couple of streets on the upper westside and a few above the capital area.

Engineer Leland stated this is a draft; staff can run additional scenarios and bring it back for further discussion. Manager Cortez asked for policy decision, preference on the matrix or come back with a different matrix.

Commissioner Haladay referred to Benton Avenue scores and noted it does not seem to generate many vehicle trips per day; however, the condition could warrant the ranking. Engineer Leland stated Benton Avenue is in very poor condition based on the pavement analysis and that is why it scored high.

Commissioner Noonan stated he prefers the matrix that includes community priorities. He referred to the information on streets for various PCI ranges and noted Clarke Street scores very poor and he is reluctant to let it go.

Engineer Leland noted the design on Clarke is still available and may become a community priority. Commissioner Noonan asked if there is some planning to help resolve the boulevard tree issue. Manager Cortez noted one of the reasons we held the press conference

today is because we predicted there might be a conversation about trees during this presentation. We are trying to create synergies whenever we can, not because we like to be creative but we like to save money. Manager Cortez stated wherever we have green ash trees, they are coming down; we want to protect our city trees. We have 60% of our trees that are one species; so whether it is Clarke or Rodney, we have a situation of heavy density of green ash and those trees are coming down. It is not the question if folks want it or not, the trees must come down to protect the other trees. She noted not all of the green ash trees would be removed. Manager Cortez again stated the idea of not removing the green ash trees is not responsible; we need to be pro-active in protecting our trees.

Commissioner Noonan stated if we can gradually take care of the Clarke Street issues that would help us in the long run. Manager Cortez stated what she is hearing there needs to be a space for commission priorities. Commissioner O'Loughlin noted the community priorities will help develop the commission priorities.

Commissioner Haladay asked if the plan is if we are going to go onto any street and there is green ash, those trees are going to be removed. Manager Cortez stated the goal is to take advantage of labor, if we are already tearing up streets, we do not want to come back and have to come back and tear them up again to remove trees. If there is an opportunity to remove the trees at that time, they will be removed. Engineer Leland stated staff is working closely with the city arborist on what trees should be removed. Staff is not making the decision in a box; they work closely with parks department.

Commissioner Haladay referred to Rodney Street, Phase 2 and noted staff will hold community meetings in July to ask people what they want it to look like, but there is some general idea the city is going to overall be taking down all the green ash trees along Rodney Street. This needs to be articulated to the public. Transportation Systems Interim Director Knoepke stated the boulevards along Rodney are wider and not all trees may not have to be removed; however, some may be removed and new species will be planted. This will promote new growth.

Commissioner Haladay stated there needs to be a policy and/or a plan for removing trees. He also addressed the trees on Clarke Street versus Rodney Street and asked if the removal of trees could be phased in with planting new species. Manager Cortez clarified staff wants to take advantage of once on site completing all the work; the goal is not trying to remove all green ash. This is not a blanket direction, but what makes sense.

Manager Cortez asked for commission direction on what decision matrix they would like used. Commissioner O'Loughlin stated she would prefer the matrix that includes the community priorities; this gives the commission the information to relay to the community.

Commissioner Noonan stated the matrix with the community priorities should be used; he would not want commission priorities included. Commissioner O'Loughlin stated she too would like to see a longer list of street priorities and not just for the next few years. Manager Cortez stated staff could bring forward a comprehensive list of streets projects, including identified funding sources.

Commissioner Wicks thanked Manager Cortez for the presentation. It was the consensus of the commission it would be helpful to know what other funding sources are available.

## **5. Department Presentations**

**Police Department – Presentation on Helena Crime Statistics** – Police Chief Hagen presented Helena's crime statistics, which included information on the latest and historical crime

states, as reported by the Helena Police Department through the Montana Board of Crime Control. It also included information on crime reporting, the story behind the numbers, and a discussion the facts and myths about safety in the city.

Commissioner O'Loughlin referred to the impact of having streetlights installed affecting crime statistics. Chief Hagen stated lighting does not seem to affect the vehicle break-ins and he is not sure if streetlights would help with deterring other crimes.

Commissioner members thanked Chief Hagen for the presentation.

**Community Development** – Director Haugen introduced Mark Esponda, representative of Dick Anderson Construction, who presented the initial plans regarding the redevelopment of the Capital Hill Mall property project and possible time lines. The overall plan includes housing, hotel, restaurants, businesses and to open Sanders Street.

Commissioner Wicks asked what type of housing is being looked at; rental versus ownership. Mr. Esponda stated it would be density rentals and would be higher end units. Commissioner Wicks asked if green space would be included in the plans. Mr. Esponda stated if housing is built, the goal is to have green space that is inviting with walkability and a community feel.

Commissioner Noonan asked if the plan is to open Sanders. Mr. Esponda stated a request to open Sanders would be submitted to the city. Commissioner Noonan commented the commission does receive inquiries about the flow of traffic for access to the capital area.

Commissioner O'Loughlin would like to see Sanders open; this is the number one issue she has heard. It would improve traffic flow going north and south. She is not sure of the pros and cons but would like to see a proposal.

Commissioner O'Loughlin asked if this is within the Railroad TIF District. Director Haugen stated the property is not within the Railroad District; however, there have been discussions to create a new district. Department of Revenue has recommended waiting to create a new district until the property is developed. Director Haugen and Manager Cortez has been talking with owners regarding the extension of Sanders and the infrastructure improvements are eligible for TIF funds.

Commissioner O'Loughlin noted this area is not included in the opportunity zone and commented as this relates to housing and multi-use development what is the property zoned. The commission has talked about downtown zoning and re-promoting multi-use, how does that compare to this and is there an opportunity where the city can facilitate the type of development we have been talking about downtown. Director Haugen stated the property is zoned B-2, which is the most flexible commercial zone. If the commission wants staff to look at the same type of district as the downtown district, staff could look at similar regulations.

Manager Cortez stated this is an opportunity to connect some of the dots; zoning is a powerful tool if it is used correctly. Staff will be pay a lot more attention on what is being done in other communities throughout the state. She proposed that eventually, we should have a retreat on land use economic development to discuss opportunities/threats. Staff needs to complete some of the preliminary work prior to giving a presentation to the commission.

Commissioner Haladay noted with the proposed higher density development, one of the problems with that area in regards to design standards, it is an unwelcoming zone for foot traffic. It is his understanding if someone re-built the mall for same use, it would not work because the current parking minimums would not fit that property and we would have too many expected vehicle trips. Commissioner Haladay asked Mr. Esponda what they are looking at in terms of

parking with the high-density development. Engineer Greg Wirth stated they are looking at the current zoning and parking regulations; looking at urban design concepts used by other communities. Mr. Esponda stated the vision is not to make it a giant parking lot; there will be trails and green space.

Commissioner Wicks referred to the design standards and asked if an underground garage or parking structure has been considered or is it cost prohibitive. Mr. Esponda stated for the size of the development an underground garage or structure would be cost prohibitive.

Commissioner O'Loughlin asked as conversations continue keep the commission updated; and commission needs to be proactive and have the conversations on what they would like to see there. Commissioner Wicks asked if this is a potential site for the museum. Mr. Esponda stated they have had conversations regarding the location of the museum; however, that is not their decision to make.

Linda Grady, state employee, asked the commission to make the decision to open Sanders Street and she would not want to see an apartment complex built on the site.

**7. Committee discussions**

Helena Citizens Council – No report given.

**8. Review of agenda for May 20, 2019 Commission meeting** – No discussion held.

**9. Public comment** – No comments received.

**10. Commission discussion and direction to City Manager** – Manager Cortez summarized staff will provide additional information on the outreach on agenda item 5B; there was commission consensus on the decision matrix to include community priorities and will continue to update the commission on the status of the mall property.

**11. Adjourn** – The meeting adjourned at 5:55 p.m.