

SUMMARY OF ADMINISTRATIVE MEETING
May 17, 2017– 4:00 p.m.
Room 326, City-County Building
316 N. Park Avenue, Helena

1. Call to order, introductions, opening comments – Mayor Pro Tem Ellison called the meeting to order. Commissioners Farris-Olsen, Haladay and Noonan were present. Mayor Smith was excused. Staff present was: City Manager Ron Alles; Executive Assistant Sarah Elkins; City Attorney Thomas Jodoin; Assistant City Attorney Iryna O'Connor; Fire Chief Mark Emert; Human Resources Director James Fehr; Administrative Services Director Glenn Jorgenson; Community Development Director Sharon Haugen; Assistant Public Works Director Phil Hauck; City Engineer Ryan Leland; Engineer David Knoepke; Parks & Recreation Director Amy Teegarden and City Clerk Debbie Havens.

Others in attendance included: IR Reporter Al Knauber; HCC Representative Gary Spaeth; SK Rossi, ACLU of Montana; and Brian Obert and Eric Seidensticker, MBAC.

Mayor Pro Tem Ellison spoke of the tragic death of Broadwater County Deputy Mason Moore and the statement issued by Mayor Smith. He asked for a moment of silence in honor of Deputy Moore.

2. May 3, 2017 Meeting Summary – The May 3, 2017 administrative meeting summary was approved as submitted.

3. Commission comments, questions –

Upcoming Appointment – Mayor Smith is recommending the following appointments:

Helena Zoning Commission	Appointment of Ada Montague to an unexpired term on the Helena Zoning Commission. Term will begin upon appointment and expire September 30, 2017.
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Tourism Business Improvement District (TBID)	Appointment of Karena Bemis to a first term on the TBID. Term will begin upon appointment and expire April 20, 2021.
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Commissioner Noonan asked if abandoned cars are part of the community decay ordinance and how do you prevent the owner moving a car a few feet to avoid getting a ticket or being towed. Police Chief McGee stated it is the law if the car is moved, even a few inches, it is not considered abandoned. The police department receives a lot of calls regarding vehicles being parked on the street. Recreational vehicles can be parked on the street; however, they cannot be camped in. Attorney Jodoin stated many times the issue is not enough off street parking.

Commissioner Farris-Olsen presented a “RESOLUTION URGING CONGRESS TO NORMALIZE RELATIONS WITH CUBA AND LIFT THE CURRENT EMBARGO AND OTHER TRADE BARRIERS WITH THE REPUBLIC OF CUBA AND EXTENDING A HAND OF FRIENDSHIP TO THE PEOPLE OF CUBA” and asked for commission concurrence to put it on the June 26, 2017 city commission meeting agenda.

Manager Alles asked if there are three commission members who would like the resolution on the June 26 city commission meeting agenda. Commissioners Haladay and Noonan concurred to put it on the June 26th city commission meeting agenda and on the June 7th administrative meeting. Mayor Pro Tem Ellison stated he would like the full commission to be present for the discussion.

Commissioner Farris-Olsen addressed the efficiency of the city’s street sweeping and noted the city of Missoula notifies the residents of when they will be sweeping streets and if the cars are not removed, they are towed. This eliminates the sweeper from missing portions of the street where cars are parked. Commissioner Farris-Olsen recognized the work the city employees do; however, he would like to see the process expedited in the future. Manager Alles noted due to the severe winter, there was a lot of sand put on the streets. Commissioner Farris-Olsen stated it is the issue of the cars being on the street and the sweeper having to go around them. Manager Alles stated staff will look at the process and report back to the commission. Further discussion was held on how to improve the schedule for street sweeping and improve the efficiency.

4. **City Manager's Report** – Manager Alles had no items to report on.

5. **Department Discussions:**

City Attorney

ACLU Proposal Related to CI 116 – City Attorney Jodoin stated the ACLU of Montana is interested in a challenging CI116 on the basis that it improperly amended multiple sections of the Montana Constitution. The ACLU of Montana has requested the city become a plaintiff in the lawsuit. Manager Alles stated he would recommend city become a plaintiff in the lawsuit. The MACO board has also voted to become a plaintiff.

SK Rossi with ACLU of Montana stated she is available to answer any questions. Commissioner Noonan noted from previous discussions, the city offers services for victims and with the passage of CI116, in some cases it may encumber what we currently do and for those reasons he would support the city becoming a plaintiff in the lawsuit. Attorney Jodoin concurred and noted prior to the passage of CI116, state law required the victim be notified in criminal cases where there was bodily injury. CI116 expands victims to other things than bodily injury and his concern is the city will have the obligation to provide the current services to all victims and dilute the services currently offered, specifically cases of domestic violence. The intent of CI116 is to protect the victims; however, there are some cases that would require information be provided for the victim to receive services; as an example the Friendship Center would not be able to obtain the victim's information and ultimately not be able to contact them to offer services.

Commissioner Haladay noted he has strong opinions of CI 116; however, he has to bow out of the discussion for personal and professional reasons. Commissioner Farris-Olsen agreed with the comments of SK Rossi and Attorney Jodoin and supports the city becoming a plaintiff.

Commissioners Farris-Olsen, Noonan and Mayor Pro Tem Ellison concurred to have the city of Helena become a plaintiff if the lawsuit filed by the ACLU of Montana.

Consensus Direction to Manager – Concurred to become a plaintiff in the lawsuit filed by the ACLU of Montana.

Community Development

Surplus Downtown Property Discussion – Manager Alles introduced the agenda item and at the end of the presentation would like to discuss a couple of specific parcels.

Community Development Director reported the purpose of her memo is to gain some direction and guidance for city staff as to how to proceed with the sale/leveraging of city property as outlined in the Downtown Master Plan. The Downtown Helena Master Plan identified as a goal the leveraging of city-owned property for redevelopment. It encourages the city to explore opportunities to utilize city-owned surface lots, rights of ways and surplus properties for redevelopment and to reduce land costs to serve as an incentive for encouraging development. The Plan also discussed the potential for converting city rights of ways to create mixed-use housing and structured parking. Director Haugen referred the commission to the map and list of city owned property that is included in the Downtown Master Plan area and also a map that depicted the implementation actions identified in the Plan. The rights of way that were discussed in the Downtown Master Plan are not separately depicted on the city-owned property map since the vacation and redesign of the rights of way have not been completed and therefore no specific parcels can be shown.

State law outlines the process that cities may use for the disposal of property. A copy of the state statutes governing the disposal or lease of municipal properties was included in the packet. City Code 1-4-17 and 7-1-7 both address the disposal of city property.

Based on the deed or plat that may have been filed at the time the property was transferred to the city, there may be restrictions on the future of the property or the method that the city must use to dispose of the parcel.

The current use and size of the parcel may dictate what any future use of the property could be or whether the city commission may want to put any additional stipulations on the property when considering for disposal (i.e. if it is currently used as park or open space or parking do we want to make plans finding a substitute location to serve the same purpose).

The size of the parcel in question may limit as to what any practical use of the property may be (for example some parcels unless combined with adjacent parcels are too small for development).

Staff is looking for direction in terms of how to proceed. Did the city commission want to establish priorities for the disposal of the land. If so, what are the criteria that would be established. The criteria could include the following:

- o Current use of the property
- o Type of property (surface parking lots vs rights of way vs specific parcels)
- o Identify specific parcels and accept proposals
- o Desired use (i.e. affordable housing)

Method of disposal (complete less complicated transactions first). Some conditions could include:

- o Future use of the property
- o Compliance with the Downtown Master Plan
- o Compliance with new zoning district
- o Replacement of any lost parking
- o Timing of the redevelopment
- o Affordable housing component/requirement

Once priorities have been identified, staff can begin the process of disposing of this property and continue the implementation of this task in the Downtown Master Plan.

Director Haugen noted the area on Park Avenue/Cruse Avenue was created by Urban Renewal and to dispose of this property will be a more complicated process.

Mayor Pro Tem Ellison asked for public comment. Brian Obert stated MBAC has worked on the disposal of government property and offered any assistance to the city as you go through the process.

Commissioner Noonan asked what would be the procedures from here if the commission wanted to shift through this and begin to dispose of some of the surplus property. Director Haugen noted there are a couple of options; staff could develop a matrix of the surplus property for the commission to review and set priorities and/or staff could identify one property to begin working through the process. Director Haugen suggested the unoccupied "bus barn" located on Last Chance Gulch may be a good parcel to begin with. The commission may have specific parcels they would like staff to pursue.

Commissioner Noonan stated his first thought would be the commission would identify a couple of properties to test the waters and get more properties on the tax rolls. Manager Alles noted each parcel should be considered individually as there may be different restrictions on each parcel. He also concurred the "bus barn" may be a good choice to begin the process. He also noted both Performance Square and Constitution Park could be disposed of. There may be some interest in putting some deed restrictions on certain parcels for affordable housing. The Park Avenue/Cruse Avenue parcel will take more research in terms of the right-of-way and other issues.

Commissioner Noonan asked BID Director Bauer if any of these parcels are being considered for the Marlow Market. Ms. Bauer noted there may be a couple of parcels the city owns would be of interest for the location of the market. Commissioner Noonan commented once a parcel is identified, the city could sell it to someone to build the market. Ms. Bauer stated the parcel could somehow be leveraged to build the market. Commissioner Noonan stated we should move forward with the process and begin with the "bus barn".

Commissioner Haladay stated he would prefer not to put the property on the open market; but look at what other communities have done. He would like staff to meet with MBAC and BID to discuss if a certain market should be targeted. He suggested targeting a few parcels and working through the process in a much more focused manner.

Mayor Pro Tem Ellison noted he too is interested in developing some of the parcels, however, the commission need to be selective on what they want. He suggested staff create a matrix for the commission to rank.

Manager Alles noted staff will meet with MBAC and BID to discuss the processes.

Commissioner Haladay recommended staff consider a 2nd parcel that will require a more difficult process. Staff will need to figure out what clean-up will be required to dispose of the Cruse Avenue parcel.

Commissioner Haladay noted one recommendation of the Downtown Master Plan is to look at another TIF District for the area. It may be helpful to begin discussion of timelines of creating a TIF District as it may generate interest in purchasing the parcels on getting them on the tax rolls. Manager

Alles noted if the city is going to create the TIF District for this area, he would recommend moving forward sooner than later, due to the many attempts to weaken the TIF laws during the last legislative session.

Mayor Pro Tem Ellison concurred, if a TIF District is going to be pursued, the process needs to begin immediately.

Commissioner Farris-Olsen concurred with all of the comments and specifically the importance of moving forward with the TIF District as the city is going to be completing the Front Street and West Main projects. He also stated when disposing of this property, affordable housing needs to be part of the discussion.

Commissioner Noonan stated his concerns with the Marlow Market can be discussed with the BID; however, he would hope the city would encourage the development of low to middle income housing with the disposal of some of the parcels.

Commissioner Farris-Olsen suggested staff reach out to the non-profits to see what their interest may be.

Commissioner Haladay asked if Helena Housing Authority (HHA) could hold land in trust, similar to the Missoula Development Corp. Director Haugen stated she does not have the answer; however, she will contact the HHA, RMDC and Homeward out of Missoula to discuss options for public housing development. Commissioner Haladay stated he would like to focus on home ownership and not just rentals. Director Haugen noted the concept of the land trust is a good one; however she is not sure if the parcels downtown is the most applicable use; this can be further discussed.

Consensus Direction to Manager - Staff will meet with MBAC and BID to hear what their vision is for some of the parcels and the city is interested in facilitating the construction of low income housing on some of the parcels.

Public Works

Urban Routes Removal Discussion – Manager Alles introduced the agenda item and referred the commission to a draft letter from Mayor Pro Tem Ellison as Chair of the TCC. He asked for commission concurrence to prepare the letter.

Mayor Pro Tem Ellison and Commissioner Haladay concurred to request the removal of Cruse Avenue and Helena Avenue/Lamborn Avenue. All of the urban funds have been expended and neither one of these streets ranked high enough for the funding. Mayor Pro Tem Ellison stated he has struggled with Cruse Avenue for a couple of years; staff has provided a nice draft of what the intersection could look like and with Cruse being removed, it would allow the project to move forward.

Consensus Direction to Manager – Move forward with placing the removal of Cruse Avenue and Helena/Railroad/Lamborn Streets from the urban route system on the TCC agenda and prepare the letter for Mayor Pro Tem Ellison's signature.

Streets Policy Decisions – Assistant Public Works Director Hauck referred the commission to the draft policies for water service lines, septic tanks and street reconstruction. These policies are intended for direction to staff for all upcoming projects throughout the city. As a note, if the commission changes the policies other policy decisions may have to be made, such as to keep brick sidewalks or replace them with concrete.

The draft street policy encourages but does not require sidewalks with the street project. Dirt streets will still be constructed through an SID. ADA ramps and alley approaches will be constructed by the city as part of the project. As for the water service line policy, the resident will be required to replace a deteriorated or galvanized service line with a water project and install a meter if one is not installed. The septic system policy will require residents with septic systems to connect with the project, if a sewer main is in front of the property.

Assistant Director Hauck stated staff's goal is to get policy direction on how far does the city go with the street projects. What can we afford and efficiently achieve. There were other questions that were asked regarding the 10% of the street maintenance assessment being designated for non-motorized entities.

Commissioner Farris-Olsen stated the city has already built in 10% of the street maintenance assessment being designated for non-motorized entities; therefore, he is fine with the city paying for

sidewalks to be replaced. If the sidewalks have been installed recently and do not have trip hazards, he does not believe they need to be replaced.

Commissioner Noonan commented the replacement of the sidewalks and how to fund it is the major question. He asked whether the city would pay for the installation or a combination of the city paying a portion and the property owner paying a portion. Assistant Director Hauck stated the city's policy as it is written now would encourage sidewalks, but not require, as part of the street reconstruction policy. With the city installing the ADA corners, the designated 10% for non-motorized entities would be more than met. If you add the sidewalks in, the percentage would be 30% or more. Staff believes if the city starts getting into sidewalks, you will be dealing one-on-one with every property owner on what they specifically want. The concern is this would take a lot of time and would delay the street reconstruction project. The sidewalk replacement project would allow staff to work with the property owners for the individual needs. This policy separates the two policies and requires the owners to pay for their sidewalks. Commissioner Noonan asked if there would be a set time on when a property owner would be required to replace their sidewalk. Assistant Director Hauck stated if there are trip hazards or complaints, city staff will contact the property owner and give them a set timeline.

Mayor Pro Tem Ellison asked if the city has ever turned down anyone who wanted to sign up for the sidewalk replacement program. Assistant Director Hauck stated no property owner has ever been turned down for the program. The program has grown over the last few years. Manager Alles stated it is his recommendation to continue to fund the sidewalk replacement program and add to it if needed.

Commissioner Haladay referred to the draft Street Reconstruction Policy and stated he has issues with #3 – Sidewalk replacements and completion of corridors will be encouraged, but not required, as part of the street reconstruction policy. Residents would be responsible to pay for the sidewalk improvements consistent with current code and past practice; and #7 – When the elevation of the road/curb changes requiring curbside sidewalks to be replaced, the city will pay 100% of the cost if the sidewalk is not deteriorated and has not trip hazards and meets ADA standards. If a sidewalk has trip hazards, at a minimum, these sections will be replaced to meet ADA requirements at the resident's cost. The resident may determine if they want to replace the rest of the sidewalk, also at their costs.

Commissioner Haladay referenced the Clarke Street project and noted the residents who have already paid for and installed their sidewalks should not have to do so again; sidewalks are a part of the public right of way and should be included in the street project. He understands the recommendation for those residents who do not have sidewalks having to pay. For areas where there is no asphalt, the residents could create an SID to get a new street.

Commissioner Haladay again stated in places where sidewalks already exist and have to be replaced, the city should pay the costs. He believes the guidelines/policies need to be in place; however, each individual project needs to be looked at. The city should pay for the replacement of sidewalks and complete the sidewalk network. There again, each project will have to be reviewed individually and the policy and guidelines need to be flexible. Those areas of town where there are sidewalks and there are a few properties that do not have sidewalks, the city should install and pay for the sidewalks. This would complete the sidewalk networks.

Manager Alles asked for clarification from Commissioner Haladay; for those properties who do not have sidewalks, are you suggesting the city pay for and install sidewalks. Commissioner Haladay stated each project would need to be looked at individually. Those who have already paid into an SID, they should have their sidewalks paid for; the street improvement fund can pay for the sidewalk replacements.

Assistant Public Works Director Hauck noted staff will need to research on how the original sidewalks were paid for. The equity of paying for all sidewalk replacement needs to be discussed for those who may have already installed new sidewalks. Another policy discussion would be if the historic brick sidewalks would be replaced with brick or concrete as the costs of historic brick sidewalks are three times the cost of concrete sidewalks.

Assistant Director Hauck stated staff needs a policy on how to answer specific questions; there will always be individual questions that need to be addressed. Staff wants to be consistent when answering questions.

Commissioner Haladay commented the city of Helena is cursed with the problem that we have money to improve the streets as a result of the street maintenance assessment. He again stated the city should do it correctly; there will be perceived unfairness if the city pays for the replacement of sidewalks. Only the portions that need replaced will be completed.

Commissioner Noonan asked how many SID are in the works. Administrative Services Director Jorgenson stated none at this time. Commissioner Noonan asked if Clarke Street is a hypothetical in creating a SID for the upper portion of the street. Engineer Leland stated no one has come forward to discuss the creation of an SID. Assistant Director Hauck commented the policy would be for any city street that needs to be replaced; street maintenance capital funds will be used. Commissioner Noonan noted city staff and the commission have identified the priority streets.

Assistant Director Hauck noted there is additional work that needs to be done on the prioritization of streets. Commissioner Noonan asked Commissioner Haladay if it is his intent that each project is reviewed individually and the decision on the replacement of sidewalks are discussed. Commissioner Haladay stated there are many streets that have sidewalk networks and he believes those are the ones the city should encourage and pay for them to continue to exist. He would not support paying for sidewalks on streets where sidewalks currently do not exist. A lot of the draft policy would apply across the board. The goal should be to complete sidewalk networks.

Commissioner Farris-Olsen concurred with Commissioner Haladay's comments. Engineer Leland asked for clarity and gave the example of Hamilton Street having sidewalks on one side of the street and none on the other side. How would staff determine when and how much does the city pay for. Is it the intent of the commission to consider each individual street project.

Commissioner Haladay again referenced the Clarke Street project and noted it would require a commission discussion on how to handle the sidewalks on the individual project. We need to require the completion of the sidewalk network and if there is a problem like Hamilton Street, the commission would have a discussion. It may be more irritating but the discussion needs to happen.

Manager Alles stated what he has heard is generally the policy is pretty good; except further discussion needs to happen regarding sidewalks on when they are installed and who pays for it. Additional commission discussion, if necessary, will occur on the sidewalk network with the street reconstruction projects.

Mayor Pro Tem Ellison asked for public comment. Kate Hampton, resident of Clarke Street, noted the residents on Clarke Street want to know what to expect as the costs to the property owners is a major concern. There are many residents who are on fixed income. She asked that the residents be kept informed on what decisions are made.

Consensus Direction to Manager – The Street Reconstruction Policy; except for #3 and #7 is okay. There needs to be an emphasis on completing sidewalk networks. Each project should be brought back before the commission if there are odd circumstances.

Commissioner Haladay recommended # 3 be amended to replace “encouraged” with “required” and change who will pay for it to the city. If there is a specific consideration that needs to come back before the commission, then that discussion can take place. We need to focus the sidewalks are paid for if there is a sidewalk network.

Commissioner Noonan stated he supports Commissioner Haladay's recommended changes to the street reconstruction policy.

Street Maintenance Fees – Administrative Services Director Jorgenson stated in regards to INTERCAP funding, there is limited borrowing authority; under state law, they have \$191 million in the INTERCAP loan portfolio. Director Jorgenson reviewed what is currently earmarked and the balance of the INTERCAP loan is \$15 million. The city of Helena's quiet zone will be funded through INTERCAP funding. In the future, it may hamper the city's ability to borrow for certain street projects.

Director Jorgenson noted the CCIP indicated that Street Maintenance and Improvement rates would need to increase by 10.65%. Currently, commercial rate payers are paying 56% and residential rate payers are paying 44% of the total revenue for street maintenance.

Director Jorgenson asked the commission if they are interested in putting the 10.65% in the resolution of intention; noting it can be lowered but not increased. If approved, the 10.65% increase would generate \$389,941.

Mayor Pro Tem Ellison stated he supports taking staff's recommendation for the resolution of intention; the commission can always lower the percentage at the public hearing.

Commissioner Farris-Olsen stated he would support doing something similar as last year, 7% for residents and 11% for commercial properties. He believes this makes the most sense as the commercial properties creates the most traffic and the need to fix the streets. Mayor Pro Tem Ellison asked Commissioner Farris-Olsen if it is his intent to direct staff to apply different percentages to residential and

commercial. Farris-Olsen concurred. The intent is to collect total amount of dollars, but look at the percentages for residents and commercial.

Commissioner Haladay stated assessments are set by the benefit of the properties. The large box stores drive a direct benefit from non-city residents. He would concur to establish a rate on the benefit. Commissioner Noonan concurred.

Director Jorgenson noted the proposal would be a 7% for residential and 13.5% for commercial. Mayor Pro Tem Ellison asked about the rate for mobile homes. Director Jorgenson noted the mobile home rate has always been 50% of the residential rate. Staff will include these numbers in the resolution of intention.

Mayor Pro Tem Ellison asked for public comment, none received.

6. Committee discussions

- a) Audit Committee, City-County Board of Health, L&C County Mental Health Advisory Committee, Montana League of Cities & Towns – No report given.
- b) Audit Committee, Helena Chamber of Commerce Liaison, Information Technology Committee, Transportation Coordinating Committee – No report given.
- c) ADA Compliance Committee, Audit Committee, City-County Parks Board, Civic Center Board – No report given.
- d) Board of Adjustment, City-County Administration Building (CCAB), Non-Motorized Travel Advisory Board, Transportation Coordinating Committee – No report given.
- e) Business Improvement District/Helena Parking Commission, Montana Business Assistance Connection, Public Art Committee – No report given.
- f) Helena Citizens Council – HCC Representative Gary Spaeth reported the HCC meeting is May 25th. He thanked Community Development Director Haugen for attending the April HCC meeting. The HCC will continue to encourage neighborhood involvement and will hold neighborhood events. The Sixth Ward is having their neighborhood party on Saturday, May 20th.

7. Review of agenda for May 22, 2017 – No discussion.

8. Public Comment – No public comment received.

9. Commission discussion and direction to the City Manager – No discussion held.

10. Adjourn – Meeting adjourned at 6:00 p.m.