

SUMMARY OF ADMINISTRATIVE MEETING
July 19, 2017– 4:00 p.m.
Room 326, City-County Building
316 N. Park Avenue, Helena

1. Call to order, introductions, opening comments – Mayor Smith called the meeting to order. Commissioners Ellison, Farris-Olsen, Haladay and Noonan were present. Staff present was: City Manager Ron Alles; Executive Assistant Sarah Elkins; City Attorney Thomas Jodoin; Assistant City Attorney Iryna O'Connor; Police Captain Curt Stinson; Administrative Services Director Glenn Jorgenson; Community Development Director Sharon Haugen; Planner Ellie Ray; Parking Director Dave Hewitt; Fire Chief Mark Emert; Community Facilities Director Gery Carpenter; Parks and Recreation Director Amy Teegarden and City Clerk Debbie Havens.

Others in attendance included: IR Reporter Matt Neuman; BID Director Renee Bauer; Daniel Pocha; HCC Representatives Gary Spaeth, Mary Ann George and Dick Sloan; Mark Burzynski and representatives from the Montana Conservation Corp.

2. June 21, 2017 Meeting Summary – The June 21, 2017 administrative meeting summary was approved as submitted.

3. Commission comments, questions –

Upcoming Appointment – Mayor Smith is recommending the following appointments:
Helena Housing Authority Reappointment of Sherri Downing to a first full term appointment to the Helena Housing Authority. Term will begin upon appointment and expire August 1, 2022.

Reappointment of Bruce Hodess, resident representative, to the Helena Housing Authority. Term will begin upon appointment and expire August 1, 2019.

Mayor Smith reported he met with the HHA Board and HUD representatives on June 13th to discuss funding for the redevelopment of Stewart Homes.

Commissioner Haladay asked for updates on the following topics:

- Residential assistance program for water/sewer repair projects. Manager Alles reported the assistance program is being worked on.
- City owned land in the downtown area. Manager Alles reported staff is preparing a follow-up report on specific property for commission discussion and long term disposal of real property. Commissioner Haladay asked what the timeframe is for receiving the report is and specific concerns are outlined. The commission will need to have a larger scale discussion of properties in the general downtown area and how it all fits into selling the property. Discussion also needs to include the concept of placing certain restrictions on properties, donating the property to a non-profit, selling to private developers and how it fits in with the Downtown Master Plan. Manager Alles stated staff will bring forward the bus property and the commission can discuss if there is a need to place a caveat on the property for development and in conjunction discuss the disposal of other properties.

Commissioner Farris-Olsen suggested the commission may want to schedule a 2 to 3 hour work session to discuss the disposal of property as outlined by Commissioner Haladay. He does not want to act on one specific property without understanding the entire picture.

Commissioner Haladay concurred and noted the property adjacent to Cruse Avenue has been discussed and asked if there are limitations on the property and to what extent, including pricing below market value and how the property can be used.

Manager Alles noted it will take additional staff time; however, a proposal will be ready for discussion by late summer/early fall. Staff needs to be prepared to bring forward a complete package for commission discussion. Other interested parties will be identified to be included in the meeting. There was commission consensus to schedule a 2 to 3 hour meeting to discuss the disposal of surplus and city owned property.

- Downtown Master Plan, asked for an update during one of the August administrative meetings. Manager Alles concurred.
- Property tax value certification – asked for an update on the initial increment for the Railroad District and move forward with the appointment of the TIF Advisory Committee. Manager Alles noted staff has been working on creating the Advisory Committee and will bring it forward for commission action. Administrative Services Director Jorgenson noted there will not be increment funds received until December 2017. Mayor Smith asked Clerk Havens and Manager Alles to work on the creation of the TIF Advisory Board. Director Haugen noted the TIF Plan outlines the make-up of the TIF Advisory Board.
- Traffic study request from the Helena School District for the Six Ward neighborhood that would include improved access points from Montana Avenue into the neighborhood. Manager Alles concurred to set a meeting to discuss the request and identify and invite other stakeholders to the meeting, including MDT. He also noted this plan could be coordinated through the TCC; which would include MDT. Other identified stakeholders would be the Helena School District #1, Helena College and representatives from the neighborhood.
Commissioner Noonan asked if MDT has made a decision on the left turn lane from Montana Avenue on to Boulder Avenue. Manager Alles stated a decision has not been made.
- Commissioner Farris-Olsen asked for an update on street priorities; during the last discussion both he and Commissioner Haladay expressed concern with the condition of Rodney Street. Manager Alles noted staff is working on an update.

4. **City Manager's Report**

Climate Change Task Force – Manager Alles referenced the Climate Change resolution and the appointment of the committee; he asked if the commission wants to establish a committee or use the Helena Citizens Council members as the committee. The HCC has appointed a sub-committee to look at climate change.

Commissioner Haladay referenced Implementation Recommendation #3 of the Helena Climate Change Task Force Action Plan 2009 and recommended the board appointments be the same as outlined in the original recommendation; noting there are specific representatives on the board. Commissioner Haladay stated it needs to be an independent body. Commissioner Farris-Olsen concurred with Commissioner Haladay. Manager Alles and Clerk Havens will bring forward the resolution for the creation of a Climate Change Task Force.

HCC Chair Gary Spaeth noted the HCC wants to be involved and are elected officials of the city and have knowledge to offer. HCC members have been doing excellent work and should continue to do so. HCC member Dick Sloan noted Recommendation 3 in the original plan does include a representative from the HCC.

Manager Alles updated the commission on the Rimini Road waterline project; the original pipe is not available; however, the alternate pipe will work fine the city's portion of the project should be completed late this fall.

5. **Department Discussions**

Parks & Recreation

Tobacco Free Parks – Mayor Smith introduced the agenda item and introduced Daniel Pocha, who has concerns with the tobacco free parks resolution.

Daniel Pocha addressed the commission regarding the use of sacred tobacco at Native American ceremonies. He spoke of the history use of the sacred tobacco and requested language be added to the resolution that would protect the American Indian Religious Freedom Act.

Mr. Pocha read Article 10, Section 1 of the Montana State Constitution that recognizes the cultural of Native Americans. Mr. Pocha again asked that language be added to the resolution to address the exemption of sacred tobacco.

Manager Alles stated staff is looking for direction from the commission; if you want to amend the resolution, staff will prepare the amendment.

Mayor Smith stated he has heard from Attorney Jodoin and Director Teegarden that there is not a ban on sacred tobacco. Attorney Jodoin noted the resolution is a "soft ban" on tobacco; the original

intent was to educate the community regarding the tobacco-free policy. A resolution is not a law and is not enforceable.

Director Teegarden stated the City-County Parks Board discussed Mr. Pocha's concerns and the staff memo addressing these concerns. After through discussion the Parks Board decided not to recommend that the city commission amend the resolution, noting that the resolution does not supersede State or Federal laws, with specific attention to the American Indian Religious Freedom Act.

HCC Representative Spaeth stated he too is native of the Crow Tribe and he grows three plants that are used for ceremonial purposes in his family. He supports making an allowance for sacred tobacco in the city parks.

Mayor Smith asked the commission to look at the language the city of Portland Oregon used. He too concurred there is nothing in the resolution prohibiting the use of the sacred tobacco.

Commissioner Noonan stated the resolution is an educational tool and is an opportunity to offer education on the Native American traditions and he would support adding the language used in the Portland resolution.

Commissioner Ellison noted he will think about this also; however, in the last couple of years a number of resolutions have been passed on a wide range of topics and the city has a segment of our population whose cultural has used this plant for years. Since the resolution does not have the authority of an ordinance, he will support adding the language that would show respect to Native Americans.

Commissioner Farris-Olsen concurred to add the language and noted it would benefit a section of our population.

Commissioner Haladay concurred to add the language proposed by Daniel Pocha; he noted by adding the language does not change the intent of not using tobacco in the city parks.

Consensus direction to Manager – Staff will look at the language used by the City of Portland and bring the resolution forward for commission consideration.

Community Development

Downtown Zoning Proposal – Director Haugen introduced the agenda item and gave an update on what has transpired regarding the Downtown Zoning Code.

Planner Ray gave the following update on the Downtown Zoning;

Code Highlights to Date

- Content as of July 2017 includes the following:
 - District intent, overview, boundary, administration
 - Use categories (broken out into residential, commercial, and public)
 - District design standards
 - Sub-districts and associated standards

Zoning Commission Work Session, 7/11/2017

- Reviewed the common themes borne out of the April stakeholder sessions with staff, Zoning Commissioners, the BID, and others
- Reaffirmed the need to collaborate with the Parking Commission, Public Works, and Parks and Recreation to align any standards written into the revised code with the City's existing policies and regulations
- Noted that there may need to be an enhanced approval process built into the code that would allow for deviations from the standards
 - The Zoning Commission discussed this potentially being something akin to a CUP or variance-type process, but this matter requires further consideration
- Discussed the merits of modifying the district's boundaries to deviate from those use for the Downtown Neighborhood Plan (ex: the inclusion of the Armory on Lyndale and the Central School/7th Avenue Gym as well as the potential removal of pockets of residential development)
- Discussed the need to cross-reference the City's existing code with the revised code
- Briefly discussed some of the design standards as written, with the intent of reviewing them more intensively in the month of August
- Reviewed massing models to determine potential growth in the general district and potential sub-areas along with examples of graphic elements that will be incorporated into the code

Next Steps

- Orion Planning + Design partners will be engaging the HPC, Engineering, and Parks & Rec in coming weeks to get input on areas of the code that touch their jurisdictions
- Two Zoning Commission work sessions in August to review a revised draft in order to fine tune language, particularly for the design standards
 - Must also review additional areas needing consideration: types/boundaries of any sub-areas, updating definitions, establishing landscaping/stormwater/LEED/etc. standards and potentially development incentives
 - Must also finalize the administrative process(s) that may occur
- Next public participation event to be held as early as September (date TBD)

Mayor Smith asked for public comment. BID Director Bauer stated she is pleased with the direction the plan is moving forward.

Director Haugen noted in addition to Ms. Ray's report the Zoning Commission is also looking for things such as zero lot lines, parking on the back of lots; new buildings would have glass fronts; commercial uses on main floor with residential/offices on upper floors; and landscaping. They are not focused on uses, which would be general in nature. A school in downtown is an example of a use. There were very few uses the Zoning Commission wanted to exclude; mobile home and industrial uses are two that they would support excluding.

Commissioner Noonan asked Ms. Haugen if the commission adopts the zoning code could property owners then ask for variances; for example the recommended glass front would that be problematic for some builders/owners. Director Haugen noted prior to moving forward with the downtown zoning proposal, staff will work with property owners and developers of the downtown to get their input. This code will affect the properties that would be re-developed or on vacant lots. The Zoning Commission does not support requiring any change of existing buildings. The properties being discussed are along Neill/Lyndale and going up Last Chance Gulch and along Cruse Avenue. It is not the intent to adopt anything that could not be implemented.

Commissioner Haladay stated it looks good; he has had discussions with others and believes it is moving forward as intended.

Mayor Smith commented the coordination between all the interested parties is important as is the need to cross reference the existing code with the revised code.

Commissioner Farris-Olsen noted by looking at the recommendations, some of them are from the Greening American Capital report and asked if additional recommendations from the report will be incorporated into the update. Director Haugen noted the consultant for the downtown zoning has looked at the Greening American Capital report and some of the recommendations can be incorporated into the zoning. Some issues still need to be vetted by staff and the consultant.

Commissioner Farris-Olsen asked for an update on where the creation of the TIF District for downtown is in the process. Director Haugen noted staff has applied for a grant through Big Sky Trust Fund to fund a consultant for the Downtown TIF District. Staff wants to see if funding is available prior to hiring a consultant.

Commissioner Haladay clarified if the city does not receive the grant funding, the creation of the TIF District will still move forward. Manager Alles concurred and noted if we want to receive grant funding for the consultant, we cannot hire one until the funding decision is made.

Consensus Direction to the Manager – Stay the course and move forward.

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 Chair Gary Spaeth and HCC Treasurer Dick Sloan reviewed the HCC's written recommendations regarding the FY18 city budget. A copy of the recommendations was included in the meeting packet.

Mayor Smith thanked the HCC for the report and recommendations and noted this is the sort of report the commission has been looking for. He asked that this report be available when the commission begins discussion on the FY19 budget.

Commissioner Noonan asked if there are any thoughts from the HCC on what the best way to respond and implement some of the recommendations. HCC member Dick Sloan stated the HCC does not anticipate specific responses; the recommendations were flagging issues they would like further discussion on for FY19.

Commissioner Noonan stated the commission wants to make sure to acknowledge and encourage continued input from the HCC.

Mayor Smith noted he was surprised to see the city increased FTE's by 11. Manager Alles clarified there was an increase of 5.66 FTE's for the FY18 budget. Dick Sloan noted he would go back through the entire budget document to confirm the increase in FTE's.

Mayor Smith referenced the predicted June 30, 2018 cash balance is about \$18 million less than the cash balance on June 30, 2016. Manager Alles stated he would have to look at the 18 million and noted he is very comfortable with the cash balances being carried in the various funds. Some of the differences may be a result of grant funding.

Commissioner Ellison asked Manager Alles to tell the commission what was the projected cash balances when we started the FY17 budget and where we ended up for FY17. Manager Alles reported there was a projected ½ million deficit spending; however, the initial end of year balances show we are one million to the good. A good portion of that one million is revenues being more than budgeted and departmental savings.

Commissioner Ellison stated he appreciates the work the HCC has done; however, the need to defend the numbers in the recommendations troubles him. In addition the document shows an increase of 11 FTE's and in reality there was an increase of 5.66 FTE's. Most of the increases in employees are from grant funded positions. He asked that the HCC members report back on the numbers needing clarification.

Commissioner Haladay asked if the one million to the good will be rolled over into the 440 fund. Manager Alles concurred and noted there is a positive cash flow for the general fund of one million.

Mayor Smith stated in previous years, the city begins with a budget out of balance and then recoups during the fiscal year. It is okay to begin a fiscal year with an unbalanced budget but needs to end with a balanced budget.

HCC member Dick Sloan referenced page 35 of the FY18 budget showing the cash balance of 45 million for FY16 and 27 million for FY18.

Mayor Smith again thanked the HCC for the recommendation and asked that the document be available at the beginning of the budget discussions.

HCC Chair Gary Spaeth recognized the HCC report would be helpful to have prior to the adoption of the budget.

Commissioner Noonan acknowledged the HCC members who attended the day-long budget work session.

7. Review of agenda for July 24, 2017 – Commissioner Haladay referenced the Charter Franchise Agreement and asked if the agreement was any different than the one the commission discussed at a previous administrative meeting.

Manager Alles noted Charter representatives will be at the commissioner meeting to answer any questions. He acknowledged Commissioner Haladay had asked about the bundle packages on whether or not the city receives less franchise fees for those packages, the HD channel that had to do with the switch digital, and the franchise fee of \$.15 cents to both the city and county residents, which is \$.05

cents less than what is presently being received. Again, representatives from Charter will be at the meeting to answer questions.

Commissioner Haladay asked if an external audit of Charter had been requested as they have played down the total amount due to their accounting practices. Manager Alles stated Charter used to provide an itemized break-out of the hook-ups and the revenue sources; services; however, the last couple of years, a general number was provided. Manager Alles contacted Charter and they started providing the itemized break-out report.

Commissioner Haladay asked if Charter has been providing information for rental of equipment and is the city receiving the revenue from the obscure services. Further discussion on what revenues Charter is paying the city franchise fees.

Commissioner Haladay stated there are a number of jurisdictions that state they will pro-rate the bundle charges; why isn't the city advocating for that. Manager Alles stated he will contact Charter.

Commissioner Ellison asked if Bresnan is the operating name, what the business name is. Manager Alles stated it is Charter Communications.

Commissioner Noonan asked for an update on how the hearing went on the Westside. Attorney Jodoin stated both he and Assistant Attorney O'Connor were happy with the hearing, they learned some of the legal theories of the petitioners. Judge Menehan has converted the city's motion to dismiss to a motion for a summary judgement. The city has not filed an answer and will respond after further discussion.

Mayor Smith recognized and thanked the members of the Montana Conservation Corp for the work they have done on behalf of the city of Helena in our open lands.

8. **Public Comment** – No public comment received.
9. **Commission discussion and direction to the City Manager** – No discussion held.
10. **Adjourn** – Meeting adjourned at 5:45 p.m.