

**Journal of Proceedings**  
**Missoula City Council Meeting**

**September 27, 2021, 6:00 pm**

**ZOOM Webinar**

**Members Present:** Stacie Anderson, Mirtha Becerra, John P. Contos, Heather Harp, Jordan Hess, Gwen Jones, Julie Merritt, Jesse Ramos, Sandra Vasecka, Bryan von Lossberg, Heidi West

**Members Absent:** Amber Sherrill

**Administration Present:** Mayor John Engen, Jim Nugent, City Attorney, Marty Rehbein, City Clerk, Claire Trimble, Senior Deputy City Clerk

**1. CALL TO ORDER AND ROLL CALL**

The virtual meeting of the Missoula City Council was called to order by Mayor John Engen at 6:00 PM.

**2. APPROVAL OF THE MINUTES**

The minutes were approved as submitted.

**3. SCHEDULE OF COMMITTEE MEETINGS**

**3.1 Committee Schedule for the week of September 27, 2021**

Parks and Conservation Committee, September 29, 9:00 - 10:10 a.m.

Administration and Finance Committee, September 29, 10:25 a.m. - 11:00 a.m.

Public Works Committee, September 29, 11:15 a.m. - 12:30 p.m.

Land Use and Planning Committee, September 29, 1:00 - 3:45 p.m.

Mayor John Engen Thank you Ms. Trimble. With that, are there any changes to the committee schedule from Council members this evening? Seeing none, we will move on to the public comment portion of our agenda.

**4. PUBLIC COMMENT**

Mayor John Engen This is your opportunity to talk about items not elsewhere on our agenda this evening, if you would please keep your comments to about 3 we will be grateful. And there is one hand raised this evening and that is Ms. Peterson.

Kaia Peterson Hello this is Kaia Peterson. I don't have anything to share during public comment, I'll be presenting later during the CDBG portion of the meeting.

Mayor John Engen Oh great, thank you Kaia. I am going to promote you to a panelist so that you will be in a position to participate that way.

Kaia Peterson Thank you.

Mayor John Engen All right, seeing no other general public comment this evening, we'll move on to our consent agenda.

## **5. CONSENT AGENDA**

Mayor John Engen Items there were approved by Council committees unanimously and we save a little time on Mondays by considering these items all at the same time. Ms. Trimble will read the list of consent agenda items allowed so those attending via ZOOM will know what we're considering, and we'll take comment on these items before we vote. Ms. Trimble.

AYES: (11): Alderperson Anderson, Alderperson Becerra, Alderperson Contos, Alderperson Harp, Alderperson Hess, Alderperson Jones, Alderperson Merritt, Alderperson Ramos, Alderperson Vasecka, Alderperson von Lossberg, and Alderperson West

ABSENT: (1): Alderperson Sherrill

Vote result: Approved (11 to 0)

### **5.1 Accounts Payable (claims) for checks dated September 28, 2021**

Approve accounts payable in the amount of \$512,380.38 for checks dated September 28, 2021.

AYES: (8): Alderperson Anderson, Alderperson Becerra, Alderperson Harp, Alderperson Hess, Alderperson Jones, Alderperson Merritt, Alderperson von Lossberg, and Alderperson West

NAYS: (3): Alderperson Contos, Alderperson Ramos, and Alderperson Vasecka

ABSENT: (1): Alderperson Sherrill

Vote result: Approved (8 to 3)

### **5.2 Reappointments to the Bicycle and Pedestrian Advisory Board**

Confirm the Mayor's reappointment of Jessica Dougherty Goodburn and Gene Schmitz to the Bicycle and Pedestrian Advisory Board for a term beginning October 1, 2021, and expiring on September 30, 2024.

**Vote result: Approved**

**5.3 Resolution Requesting Distribution of Funds from MDT's Bridge and Road Safety and Accountability Act (BaRSAA)**

Adopt a resolution requesting that MDT distribute the City of Missoula's 2021 allocated share of Bridge and Road Safety and Accountability Act (BaRSAA) funds (\$1,289,370.42), committing to the City's contribution of five percent in matching funds, and authorizing the Mayor to execute further documents as may be necessary for the distribution of funds.

**Vote result: Approved**

**5.4 Contract for Filevine Sales Order and License Agreement**

Authorize the Mayor to sign the Sales Order and License Agreement for Filevine in the amount of \$72,234.00

**Vote result: Approved**

**5.5 Amendment to Corporation for Supportive Housing Contract for Services**

Approve and authorize the Mayor to sign a contract amendment to contract A8172 Contract Agreement for Services – Corporation for Supportive Housing.

**Vote result: Approved**

Mayor John Engen Thank you. Any questions or comments from Council members with regard to the consent agenda? Mr. Ramos.

Aldersperson Ramos Thank you Mr. Mayor. Can you please divide the question so we can vote on item 5.1 separately for the \$88,000.00 going out the door for legal bills for mount water?

Mayor John Engen Yes sir. Any further comment or questions from Council members? Anyone in the audience care to comment? Seeing none, there we will have a roll call vote on item 5.1.

Mayor John Engen And on the remainder of the consent agenda.

Mayor John Engen Ms. Anderson, I see your hand is up.

Aldersperson Anderson Thank you so much Mr. Mayor. I, I just for the record want to point out that the vote tally on the previous vote was off by one. It was recorded or I'm sure that it was reported properly in the system but verbally said as 7 ayes, 3 nays, when there are 11 members present tonight.

Claire Trimble Yes, that was my mistake thank you.

Aldersperson Anderson No worries....figure it out, on the job.

Mayor John Engen All right the consent agenda is approved.

**6. COMMENTS FROM CITY STAFF, AGENCIES, BOARDS, COMMISSIONS, AUTHORITIES AND THE COMMUNITY FORUM - None.**

**7. SPECIAL PRESENTATIONS - None.**

**8. PUBLIC HEARINGS**

Mayor John Engen We do you have a number of public hearings and the state law and our own Council rules set guideline for inviting comment in a formal way on a variety of issues and following a staff report on each, Council and I will invite comment. During the pandemic, it's been our practice to hold the public hearings open for a week following additional presentation and have Council take final action during final consideration, the following, the next following meeting, unless there is some requirement for a final action on that particular evening. Our first public hearing this evening is on a Resolution to Authorize Submission of Community Development Block Grant Coronavirus (CDBG-CV) Applications and our staff report this evening comes from Ms. James.

**8.1 Resolution to Authorize Submission of Community Development Block Grant Coronavirus (CDBG-CV) Applications**

The City Council will hold this public hearing open for a week and will take it up on October 4, 2021, under final consideration.

Montana James Good evening. Thank you Mayor. I will share my screen here and let me know that it comes up correctly for you. All right can everyone see that okay?

Mayor John Engen We can.

Montana James Thank you. So, I'm Montana James, Deputy Director of Community Development and Community Planning Development and Innovation at the City. And with me this evening is Tracy Pohndorf, our Grants Administrator working on ARPA and COVID funds and we also have Donna Gaukler, the Director of Parks and Recreation, and Kaia Peterson, the Executive Director of NeighborWorks Montana to help present on the particular projects. So, the, the purpose here tonight is to share a little bit of information about the Community Development Block Grant, COVID funds, the program for the State of Montana, as well as some details on two applications that the City would like to submit for that program. The, the real goal is to share that information with Council and residents, give residents and Council an opportunity to discuss the public facility, public service, and housing, and homeless needs in the community, and to seek input on the

prioritization of the, the two proposed projects that we would like to submit, as well as take any conversation, comments, and feedback on the, the program overall. So, Tracy will provide an overview of the grant program and requirements, as well as a little bit of background and then we'll hear from the, the project teams on the two proposed projects for, for some more details. And then we will wrap up the presentation and ask that Council hold the public hearing open for an additional week, during which time residents can reach out and provide their comments directly to Tracy or via the Council public comment process so that can inform our submission and ranking of the applications. So, I will turn it over to Tracy.

Tracy Pohndorf Okay, thanks Montana. I apologize, the name on my screen is Montana James but I am actually Tracy Pohndorf, the ARPA Grants Administrator. And a little bit about this line of funding, go ahead to the next slide Montana. So, this line of CARES funding is specifically called CDBG-CV Grants and that stands for Community Development Block Grant coronavirus. The funding starts at the U.S. Department of Housing and Urban Development and comes through the State of Montana, specifically from the Montana Department of Commerce. There are two main guidelines for this funding. It needs to be used for projects that prevent, prepare for, and respond to COVID-19, and 70% of the funds must be used for projects that benefit low- and moderate-income individuals. Next, the State of Montana received three allocations of this funding but they're combining all three allocations into this one funding opportunity. The Montana metro cities are only eligible to receive funding from the second and third allocations and so for Missoula, this means the available funding is about 6.2 million out of the total 10.1 million. Only counties, cities, and towns can apply for the funding, though other entities can either partner with a county, city, or town, or receive a subaward. Next, in addition to the federal guidelines Montana DOC is specifically asking that these state CDBG-CV funds are used for public facility, public services and housing, and homelessness assistance projects. With these parameters in mind, we would like to submit two separate applications for funding. A sub, a sub award to NeighborWorks Montana and a grant to Missoula Parks and Recreation. Next, so a little more information about the subaward structure and this would apply to NeighborWorks Montana. They're owning their projects, so to speak. This is a sub award, excuse me, versus partnering with the City. The City would receive the award and pass along the funding through a sub award, but as the award recipient, the City does ultimately hold responsibility for any post award requirements. And something new with this funding guideline, Montana DOC is allowing administrative costs in the budget, as long as they are

necessary and reasonable, and do not exceed 10% of a project's total award. So, we'd like to tell you more about the projects this funding would support if awarded, and first we'll hear from NeighborWorks Montana. I'll turn it over to Kaia Peterson, the Executive Director from NeighborWorks Montana.

Mayor John Engen Ms. Peterson.

Kaia Peterson Thank you Mayor Engen, Council members. I'm Kaia Peterson. As Tracy said, I'm the Executive Director of NeighborWorks Montana, thanks for having us tonight. Many of you heard from my colleague Danielle Maiden in the previous meeting, and so most of this won't be new to you but we did want to make sure to answer some of the questions that were raised in the last meeting. So, just for review, we are requesting and planning to apply for 1.3 million dollars to support the resident-owned community program. This is a program where NeighborWorks Montana works with residents of manufactured home communities to help them form cooperatives and buy their land. There's currently one resident-owned community within city limits in Missoula and a second within the county. We've been doing this program for over a decade; it's well established nationally and is a really fantastic way to support preservation of this really important source of naturally occurring affordable housing. Most of the residents who live in these communities are homeowners and as we all know, the access to homeownership continues to be further out of reach in our community. So, we see this as a really great way to support existing residents and also to address some of the COVID impacts we're seeing. Next slide, please. In terms of how this program fits with the CDBG-CV program specifically; we're looking at the impact of these communities in terms of what happens when communities are closed for redevelopment and when residents are displaced due to significant rent increases. We know that folks who live in these communities are primarily low-income, some have been shown to be at higher risk for COVID-19 impacts and severe impacts. And we know that what happens when folks are displaced, as they often end up in situations with overcrowding. They end up having needs for rental assistance and putting pressure on other programs including entering our homeless system and needing support there. So, preserving this housing, keeping residents stably housed, I think is a, an important way to both support affordable housing and to address some potential COVID impacts in the community. So that's the, the approach that we're taking and why we see this as a good fit for these CDBG funds. Next slide please, and then it sounds like at your last meeting there were some questions around you know what will these dollars do? What we've

seen in the resident-owned community program is historically, we've been able to support this program without subsidy, without grant dollars, without government dollars. And that's really been our, our goal, is to have a program that doesn't compete with other funding sources, but in the current market, that just is not realistic. There's so much pressure for redevelopment, such an incredible pressure on rent increases, that we just aren't able to purchase these properties at the rates that current sellers are looking to achieve. So, it makes it much more difficult to preserve these properties and to prevent the displacement that I spoke about. So, without these grant dollars, we would be trying to make a market-based offer to sellers that would require current rents, current lot rents to jump to about \$1,000.00 a month. With grant dollars, we would be looking at being able to preserve lot rents at a much more affordable rate, somewhere below \$600.00 a month and still being able to ensure that that housing is accessible and attainable for folks living at about 50% or below the area of median income, and again preventing that displacement risk. So, that's what we're proposing. We hope to have the support of, of Council and the City, and really be able to enhance this rock model and make it viable here in Missoula during this time. Thank you.

Mayor John Engen Thank you Ms. Peterson.

Montana James Next we'll hear from our second proposed project and Donna Gaukler, Director of the City's Parks and Recreation Department is here to share that with us.

Mayor John Engen Ms. Gaukler.

Donna Gaukler Thank you Mayor and City Council. I'm here to present to you a project that we've been working on for some time. Montana, you can go to the next slide please. We've been working with area residents, Downtown Lions Park, which is a park located just off of California Street on the north side of the Clark Fork river and near Broadway. It's surrounded by multiple properties that currently serve marginalized populations. There's Affordable Housing, Missoula Youth Homes. There's a significant amount of housing related in providing services for those individuals with disabilities and it is in a low moderate-income neighborhood. It is in our long-term plans, and the ways and the reasons that we feel this project fits the CDBG-CV is that during the pandemic, we've seen an immense increase in use of parks, trails, and open spaces and this is an area that's largely underserved. It is also a park that is underdeveloped, and it is a park that has continued a park in a trail area and a neighborhood that has continually struggled with what we call CPTED or crime prevention through environmental design. I want to share, I do not see a,

those parks and trails project as in instead of. The project that Kaia presented to you, housing is ultimately critical to our residents, but I do see this project as something that allows for an appropriate and respectable quality of life for all individuals regardless of their social economics. Next slide. So, looking at that, I did mention that the west side neighborhood is in a qualifying area per the CDBG requirements. It is one of three neighborhoods that have some of the greatest barriers to mental and physical health, per the, the Health Plan. It is also made up of 4,000 residents, 30% living in poverty, 16% of children living with obesity. It is one of our most racially diverse neighborhoods with 8.3% of the neighborhood residents identifying as non-white and it also has the highest population of Native Americans in our community. It is a park that serves some pretty unique needs for a huge number of individuals who are generally underserved, as it relates to parks, trails, and open spaces. And I also want to note that those trails do provide affordable access to jobs, schools, shopping, as necessary. If I could get to the next slide. Just a little bit of the view. There's been a fair amount of infill in this area. We are in, in an urban renewal district that is slated for significantly more high density residential. There are narrow corridors that are hidden, Downtown Lions Park, in the lower left-hand corner, is basically some green space, an undeveloped lot, if you will with a bench and we would like to activate and enliven this space. And also, one of the most important things that we could do for this section of Ron's River Trail, which follows the Clark Fork corridor between Russell and Orange Street is to get it lighted. Right now, there's one light on this trail area. Next slide. The site has gone through significant public process. It was one of the parks that we engage citizens in and planning around the Downtown Master Plan, Parks and Trail Plan. And the proposed project is a 1.3 million dollar set of improvements for the trail and the park, and all related improvements to, in essence, make this park active, lively, engaging. And it does include gardens, in likely partnership with Garden City Harvest. It does include play areas, exercise equipment for adults, picnic pavilion, perimeter path, and other active use spaces. We have had a great deal of involvement from the general public, but also specific partners would include the Westside Neighborhood, North Missoula Community Development Corp., Missoula Redevelopment Agency. We have a unique partnership here with All Nations Health Center and Native Americans Against Drugs and Alcohol, and a number of service groups. And so again, I just want to assure you that we see this as a complementary and wonderful improvement to serve a number of members in our community



who are very underserved with open spaces, something that we saw growth in by 30% or greater throughout the pandemic and that has not declined. Thank you.

Montana James Thank you Donna. So, as we mentioned, we're hoping to hear more from our residents and Council through this process on the needs in the community, and the prioritization of these projects. And, and as Donna mentioned, it's a really challenging thing to do, to rank these two really different and really important projects but that is what the Department of Commerce has asked us to do. In addition to getting City Council and community feedback on the needs, to also get feedback on the ranking order of the applications, and to, to submit that with our, our final applications. So, our process will be that you know any public comment provided here tonight and any Council comments, we will consider, we'll also take additional comments through the week, as I mentioned via email or phone calls or the, the existing Council comment process. And then the project teams and CPDI staff will meet next Tuesday to review all of that comment and then ultimately decide on, on ranking based on the comment before we submit applications later in the week, next week. And the recommended motion for the close of the public hearing is here on the screen and we're happy to take any questions or feedback from Council.

Mayor John Engen And thank you all for that. I appreciate it. If I can trouble you to take down the screen, I will invite any public comment on the proposals this evening. And Mr. Gray.

David Gray Yeah I am the immediate past president of the Missoula Lions Club, and it is wonderful to see something happen with the Missoula Lions Park. It really needs improvement to serve that neighborhood. There is tons of affordable housing and some accessible housing next door, and I really support the park being improved.

Mayor John Engen Thank you Mr. Gray. Anyone else this evening on these grant proposals? All right well seeing none, we will keep this public hearing open, as promised and look forward to hearing from anyone else who has interest in these projects. Questions or comments from Council members?

Alderperson Jones Thank you. Thanks for the presentation and I know, it was great getting all this information last Wednesday. I just wanted to follow up on the, the third prong or the third project that had been offered and if that was not fitting in with guidelines, so is no longer on listed as an option? I think that involved Veteran housing and the Poverello. Could you have some clarification on that?

Montana James Yes. Thank you Councilman Jones. I meant to mention that at the end, and it slipped my mind. So yes, last Wednesday, we originally presented on three proposed projects. The last was that partnership with the Poverello Center, for expansion of their veterans housing program and potentially some additional transitional housing. And as Tracy and, and our team and the Poverello Center team dug more into the application materials and guidelines and, and all of the administrative processes that come with these funds, we just ultimately got to a place where we realized that the funds were not a great fit for this particular project. You know, we presented last week that they do have some other committed funding sources. So, they're, they're pursuing the project; that's still moving forward, but just ultimately was not a good fit for these particular funds.

Alderson Jones Great thank you. Thank you for that, I appreciate it.

Mayor John Engen And Ms. West.

Alderson West I was wondering what the time window is in which the funding has to be? I guess in which the project has to be started? I imagine that there's some sort of a threshold.

Montana James Yes, that's a great question. Tracy, I am not sure if you have that in front of you, but these CARES Act funds through CDBG do have a tighter timeline. They have a spend down window of a few years, I believe, and the Department of Commerce would like to see projects sort of shovel ready, ready to move when we administer our own direct entitlement funds. In this program, we typically have dates built into the, the project contract that speaks to some of those deadlines. So, we will, we'll proceed with that, that same process with these funds, but Tracy I don't know if you remember the, the final spend down date for these funds through commerce, what that is? We can follow up and get that as well.

Tracy Pohndorf Yeah Montana, I don't have that right on my desktop, but I will take a look and follow up. Thanks.

Mayor John Engen And my recollection with other ARPA funding is, I think we have until 2024. So that may be the case and just a sort of a ballpark guess, but we'll certainly get that information to you. Ms. Harp.

Alderson Harp Thanks for the presentation everybody. I had a couple questions. The first one that comes to mind is, is Montana, Montana rather is this an either or that we are being made to choose between these two top selected projects or are we looking to prioritize them so that we can submit that to the higher agency to make that decision?

Montana James Yeah thank you for the opportunity to clarify. So, we have just been asked to prioritize them or rank them in order of priority but we still will submit both applications. Both applications will be considered but commerce has just asked that that rank come with the applications because it helps them in their consideration of the full suite of applications from around the state.

Alderson Harp Thanks for that clarification. And so, my next question will go both to Donna and then to Kaia, just so that we as councilors have a good understanding of how many outcomes we're trying to, to achieve here. And I guess that question is, like how many residents are, are likely to be, have their lives improved by your particular project that you propose for this grant?

Kaia Peterson I'll jump in; this is Kaia. So, for this, we're proposing that we could support preservation of 20 households, 20 homes with the 1.3 million, so about \$65,000.00 per household.

Alderson Harp Okay.

Kaia Peterson \$60,000-\$65,000.00.

Mayor John Engen Donna, would you like to answer the impossible questions?

Donna Gaukler Numbers in parks aren't as succinct. We do know that there are over a thousand visitors on the section of trail in a given day and of course the LMI area serves 4,000. A typical neighborhood park serves an area of about a half mile. So, I can try and give you more exact numbers but that's about as close as we can get.

Alderson Harp So, a thousand to four thousand.

Donna Gaukler At least, yeah.

Alderson Harp All right, thanks folks, appreciate it.

Mayor John Engen And Mr. Contos.

Alderson Contos Yes, thank you for your presentation. I was just curious on the, the 1.3 million for keeping the lot rent for trailers lower, that's quite a jump from four something to a thousand. What happens when the money runs out?

Mayor John Engen So Mr. Contos, the, the concept behind the resident-owned community is that there is, there's no longer a, there's no longer a landlord. The residents themselves own it. So, this is a perk, this helps the residents themselves purchase the, the mobile home, the mobile home park, and maintain it themselves. And Ms. Peterson, if I'm misstating any of that, please let me know.

Kaia Peterson That was exactly right. Thank you Mayor Engen.

Alderson Contos Thank you.

Mayor John Engen Do we have further questions or comments. All right, seeing none, this public hearing.... oh, I'm sorry Ms. James.

Montana James Thank you Mayor. I just wanted to quickly follow up because Tracy is very fast, and she did find the, the spend down timeline. So, so these are CARES Act funds, and they can extend, our project contracts can extend through June 30, 2023.

Mayor John Engen I'm sorry CARES or ARPA?

Montana James These are CARES.

Mayor John Engen Oh fantastic. Okay good, thank you. All right with that the public hearing will remain open and we will move on to our second public hearing of the evening.

Mayor John Engen And this is a conditional use request for a property located at 2100 South Reserve Street and Spencer Starke has our staff report this evening. Mr. Starke.

## **8.2 Unleash Boarding Kennel Conditional Use Request located at 2100 South Reserve Street.**

The City Council will hold this public hearing open for a week. The Land Use and Planning committee will take it up on September 29, 2021, and City Council will take it up on October 4, 2021, under final consideration.

Spencer Starke Thank you. My name is Spencer Starke, I'm an Associate Planner with CPDI Development Services. For you this evening is a conditional use permit application or Unleashed, an animal boarding kennel service, located at 2100 South Reserve Street. The applicant is Jennifer Havilland and the applicant's representative is David Gray of DVG Architecture and Planning. Each zoning district in the Title 20, city zoning ordinance, includes permitted, conditional, and prohibited uses. This project's requested use of an animal boarding kennel is labeled a conditional use on the zone district C, neighborhood commercial, C1-4. A conditional use is one that is allowed only if reviewed and approved in accordance with the conditional use procedures outlined in Title 20, Section 20.85.070, which includes this public hearing and final action by City Council. City Council's final action may be to approve the proposed use or to approve the proposed use of conditions. City Council must make their determinations based on a list of criteria outlined in Title 20. Not all criteria will be applicable and only the applicable criteria must be met. Later in this

presentation, I will describe how this proposal addresses each of these criteria. Unleashed is a currently a dog daycare facility located at 2100 South Reserve Street, south of and adjacent to West Kent Avenue and west of adjacent to Clark Street in an existing commercial space. The site is, it's zoned neighborhood commercial, C1-4, is within the design excellence corridor typology four and is surrounded by a mix of zoning districts including Residential 5.4 to the east, Business 2.2 to the north, and Residential 2.7 to the west. The area is in the commercial mixed-use designation in our Missoula Growth Policy. This land use designates a broad range of functions including retail, education, financial institutions, professional and personal services, offices, residences, and general service activities. In this location, it adjoins the land use designation of residential high density. The site is surrounded by a mix of uses to the south, a commercial development similar to the one this use is located in. To the west across Clark Street is our residential uses and to the east across Reserve Street is a school, in this case CS Porter, and to the north across Kent Avenue is single detached residential homes. The current use, the dog daycare facility, operates in the southern portion of the shown site plan, with the applicant proposing to move into the northern section indicated above, which is half of the existing tenant space. No exterior modifications have been proposed, to the structure that is, and no expansion of a building footprint would result from this conditional use. The area is served by an outdoor area attached to the structure. This is proposed to be, is currently paved, but it the applicant is proposing to install imitation turf in this area and will improve the screening surrounding it with some planting material and some additional screening. As part of the public outreach and relationship, in relation to this conditional use permit application, there were some concerns raised over noise generated by this use. The applicant, both in their application and in response to this comment, has indicated the following measures to mitigate and reduce noise generated from this use. Firstly, is to, the applicant has already installed some sound dampening panels in the existing indoor spaces. They will continue to add sound dampening panels and be expanded when they expand into the northern section and will install sound dampening panels in the ceiling. Again, they're proposing to install imitation turf to reduce the noise reflected off of the paved area and then the dogs will be supervised outdoors at all times, but especially during afterhours, restrooms associated with the proposed boarding kennel use. In addition to noise, some concerns were raised over waste generated on site. The applicant has indicated the following measures to mitigate against waste generated, waste generated by the animals. This includes the timely collection of solid waste and the disposal of

that waste in the adjacent dumpster. In addition, the timely treatment of liquid waste with sanitizer and the collection of liquid waste with a wet dry vacuum. And in addition to all this, the inclusion of designated contained areas to capture liquid waste. The applicant also implements a daily cleaning ritual, which include both indoor and outdoor areas, and comprises of sanitizing all services and general cleaning. As part of the review process, storm water was contacted and has reviewed the applicant's proposal in regard to the outdoor area and has found it to be acceptable. In addition, the site requires, or this use would require three parking spots, one for every 1,200 square feet, resulting in a requirement of three vehicle parking spots, which are provided on site. Bicycle parking is also required as part of this use and would require one short-term bicycle parking spot and two long-term bike parking spots. The applicant hasn't indicated that any are provided at this time, but if the, if City Council imposes the recommended conditional approval bicycle, parking will be required as part of the subsequent building permit. As mentioned previously, conditional uses are required to be reviewed based upon the following seven criteria. The first is whether the proposed use complies with the Growth Policy and all applicable standards of the Title 20 zoning ordinance. As mentioned before, this site is within the community mixed use, land use designation and is compliant with that designation. In addition, the boarding kennel use is a conditional use in the C-14 neighborhood and all Title 20 zoning ordinance requirements will be satisfied if City Council proposes the recommended condition of approval. The second criteria is whether the use is in the interest of public convenience would not have a significant adverse impact on the general welfare of the neighborhood or community. The boarding kennel use is an expansion of the current animal daycare use and should not compromise the general welfare of the neighborhood or community. The use will be served by adequate existing public facilities and services as the subject property has rented on Reserve Street for principal arterial. Reporting kennel use is proposed in an area that is already served by City Police and Fire, and the use will provide a convenient service residence of the nearby area. The third criteria is whether well proposed use could be compatible with adjacent properties and uses in terms of physical elements such as open space design, screening, offering any applicable use and specific standards, and any other elements considered important by City Council. The boarding kennel use is compatible with the adjacent local businesses in the area; it does not abut parcels zone for residential uses. Title 20 zoning ordinance compliance will be met if City Council again imposes the recommended conditions of approval. In addition, no screening or buffering could be required in

Title 20 because the commercial use does not directly abut parcels zoned for residential uses. The fourth criteria is whether the use will not impede the orderly development and improvement of the surrounding properties for uses permitted in the district. Again, this is an addition to an existing commercial space in an existing animal daycare business. It will not impede the orderly development and improvement of the surrounding properties for uses permitted in the districts and compliance with all Title 20 zoning ordinance will be confirmed if City Council [inaudible] the conditional approval. The fifth criteria is whether the proposed use has operating characteristics that are compatible with the surrounding area in terms of hours of operation, outdoor lighting, noise and traffic generation. The use is existing, and the projected traffic is similar to what it's listed currently. The business will operate from 7:00 a.m. to 8:00 p.m., similar to, as it does now with the exception that there will be overnight boarding for no more than 10 dogs and two staff members. All customers, those being the owners of the dogs, will drop off and pick up dogs between those regular business hours. The boarding kennel use should not be incompatible in terms of noise if the applicant follows through with their stated business plan, to have staff present in the outdoor areas with dogs at all times, and to improve the site with those noise mitigating improvements. The sixth criteria is whether the proposed use would have significant adverse impacts on traffic safety or comfort, including all modes of transportation and will be functional and safe in terms of pedestrian, bicycle, and vehicular access, parking, loading, and servicing. Again, the use is served by Reserve Street which has pedestrians' facilities and bike lanes located along the Reserve Street frontage. And finally, the seventh criteria is whether the proposed use would properly address open space, light protection, and protection of natural features. This review criteria does not apply because there'll be no changes to the exterior of the building and no additional lighting is proposed. There are no natural features on or adjacent to the site. Staff is recommending one condition of approval and that is that the boarding kennel conditional use at 2100 South Reserve Street shall comply with all applicable portions of Title 20. Plans submitted at the time of building permit applications shall substantially conform with plans submitted at the time of conditional use review, subject to the review and approval of development services prior to building permanent approval. Staff is making the following recommendation which is the approval of the boarding kennel conditional use request located at 2100 South Reserve Street in accordance with Missoula City Zoning Ordinance Title 20, Section 20.10.20.D, Section 20.85.070, Section 20.105.040.A2, and based upon the findings of fact in the

staff report and subject to the condition of approval. This concludes staff's presentation. The applicant and the applicant's representatives are in attendance this evening and have a prepared comment and are available for questions.

Mayor John Engen Thank you Mr. Starke. With that, I'm happy to have applicants come forward. If we could remove the presentation from the screen. Thank you very much. And with that, Ms. Halley.

Jennifer Haviland My last name is Haviland, sorry. It's pulled up that way, when I normally talk to my family.

Mayor John Engen And Ms. Haviland.

Jennifer Haviland I'm the owner of Unleashed Doggy Daycare.

Mayor John Engen And maybe Mr. Gray is going to make the presentation? Mr. Gray.

David Gray How about now, can you hear me?

Mayor John Engen We can, yes sir.

David Gray All right. Yeah, I just had Jennifer introduce herself. I am David Gray with DVG Architecture and Planning, and I'm proud to present this project. One small modification to the presentation is they actually have a maximum of 20 dogs in our application, not 10. I think it was just a minor error. So, the Unleashed has been there for a little over a year operating as a doggy daycare and they would like to expand into boarding. I'd like the City Council know that the building that they are currently in is a concrete block building with concrete block walls between the tenants and the exterior. They have a significant amount of sound attenuation materials on the ceiling and the walls inside the place. On the exterior, when the mailing had gone out, the owner had talked to all the neighbors to make sure concerns were addressed, but one concern had come forward during public comment and the owner immediately addressed that. We are putting in additional exterior acoustical materials and working with an acoustical engineer to come up with the solution for that. We are adding additional screening around the dog area and then we are also adding some bushes and then the noted AstroTurf around the area, and Ms. Haviland has also sent out a later letter to the adjoining neighbors to please notify her if they have any issues so she can address them immediately. They've had some staff changes and some procedural modifications due to the comments of the one person who commented negatively. So, they wanted to make sure they were good neighbors and it's very important to them. So, right now with all of the COVID puppies in Missoula, all those people are looking for a place for those



puppies to go and there are very few options. So, this is a service that is in desperate need in Missoula. They screen all of their dogs like any good daycare would do to make sure the dogs play well, have good behaviors, can play with other dogs, and not be problems in the facility or with the neighbors. They will continue doing that with the expansion of boarding. The boarding occurs inside the building, not outside the building. In the outside of the building is a bit of a run to give the dog some outdoor air. There is an indoor potty and an outdoor potty at the facility. So, we do not have to worry about any stockyard conditions, everything is kept very clean and very sterile. So, they do not have any smells or adverse issues due to the dogs. And I hope the City Council would be able to support the application, and feel free to ask us any questions you would like.

Mayor John Engen Thank you Mr. Gray. With that, I will open the public hearing. Anyone among attendees care to comment on this proposed conditional use? All right, seeing none, this public hearing will remain open. Thank you for the presentation and the comments, and Council will consider this at its next meeting.

Mayor John Engen Our third public hearing this evening is on an application to rezone 500 South Higgins Avenue from the existing PUD to a new zoning district. And our staff report this evening comes from Cassie Tripart.

**8.3 Rezone 500 South Higgins Avenue from Missoulia PUD and M1R-2 Limited Industrial Residential to C1-4 Neighborhood Commercial / DE-D Design Excellence Overlay, Hipstrip and OP1 Open Space.**

The City Council will hold this public hearing open for a week. The Land Use and Planning committee will take it up on September 29, 2021, and City Council will take it up on October 4, 2021, under final consideration.

Cassie Tripart Hi can you hear me?

Mayor John Engen We can.

Cassie Tripart And can you see my screen?

Mayor John Engen We can.

Cassie Tripart Great, my internet crashed earlier so let me know if you lose me. I'm Cassie Tripart, I'm a Land Use Supervisor with Community Planning Development and Innovation. We received a request from Jamie Erbacher of WGM Group on behalf of Lee Enterprises, Inc. to rezone property address 500 South Higgins Avenue. The property is proposed to be rezoned from Missoulia

planned unit development and M1R-2, limited industrial residential, to C1-4, neighborhood commercial, with a design excellence downtown hipstrip overlay in OP1, open space. This rezoning will result in a standard zoning district under Title 20 which cannot be conditioned, per state law. Standard zoning districts must apply the same requirements to all parcels within the same zoning district equally. So, for example, properties on C1-4 will have the same requirements and we can't put additional special requirements on just one property owner. The subject property is located at the intersection of South Higgins Avenue and South 4th Street East. It is part of the University District neighborhood Council and City Council Ward 4. The property abuts the Clark Fork river to the north and is intersected by the Milwaukee Trail. And here is a closer view of the parcel outlined in red. The property currently contains the Missoulain Building and related parking. The Milwaukee trail is located near the river and an irrigation ditch bisects the property, and naturally delineates the current open space with the trail from the Missoulain Development. Surrounding the property along Higgins Avenue, there are mixed-use residential, tavern, restaurant, office, and retail uses. Near the river to the west, there is a parcel containing the Boone and Crockett Club and to the south, there is multi-volume, a multi-dwelling building and detached houses, and to the east there is a park. The applicable regional plan is Our Missoula City Growth Policy 2035, which recommends a land use designation of urban center in parks and open lands for the subject property. The urban center land use designation supports mixed use, commercial and high-density residential developments, that promote walkability, urban street stock escapes, outdoor seating, and open space. The applicant is requesting the C1-4, neighborhood commercial, zoning district for that southern portion of the site which is one of the recommended zoning districts for the urban center land use designation. All of the recommend recommended zoning districts and this designation permit general commercial uses and residential densities up to 43 dwelling units per acre. The applicant, or the portion of the property that they're proposing to zone C1-4, neighborhood commercial, will have a design excellence downtown hip-strip overlay. This overlay applies to the other commercial properties along this portion of South Higgins Avenue. The parks and open lands designation supports larger park areas to be used as open space and active recreation. The City Growth Policy suggests the OP1 open space zoning district for the parks and open lands designation, which is what they're requesting for the portion of the property along the river north of the irrigation ditch. Additionally, the parcel is located within the hip strip area of the Downtown Master Plan which City Council adopted as an amendment to the Growth Policy. The

City Growth Policy strongly emphasizes a focus inward approach to development. This means encouraging denser development and infill in areas that have existing infrastructure such as roads and sidewalks, water and sewer service, and access to multi-modal transit options like bus stops and bike paths. It also encourages denser development and proximity to service such as schools, shopping, and economic opportunities, and in central locations close to the urban core. This location meets all the criteria above. The parcel is located along a commercial portion of South Higgins Avenue. Across the bridge from the urban core, there is existing infrastructure serving the property including roads, sidewalks, bike lanes on Higgins and water and sewer service. The parcel is currently served by City Fire and City Police, and additionally bus stop serving routes 6 and 8 are located within two blocks of the property, as shown on this map. The Downtown Master Plan includes vision statements for the hip strip including better utilize the river, improve urban design off of Higgins Avenue, and grow inward and upward. The Downtown Master Plan includes illustrations showing significant change on the subject property including a new mixed-use building where that Missoulian site is. Because the current PUD of zoning is only applicable to development of the Missoulian land use, rezoning is necessary to facilitate future development that can help to achieve the vision for the site in accordance with the Downtown Master Plan and Growth Policy. Here you will see a map taken from the Our Missoula Development Guide, formerly known as the Urban Fringe Development area. The purpose of the development guide is to identify locations within the study area that have capacity for increased density. Suitable net capacity for parcels is shown as graduated circles colored by suitability tier. This map begins to show how the City might prioritize the focus inward development described in the Growth Policy. The parcel subject to the reason falls within tier 4, which means it's very suitable, suitable to serve net capacity due to proximity to commercial services existing infrastructure and transit stops. Currently, the Missoulian Planned Unit Development zoning only accommodates the Missoulian development. The current zoning does not permit residential development, so the proposed rezoning would allow high density residential, reflecting the parcels suitability for serving capacity, as shown in the development guide. The parcel is currently split zoned Missoulian Planned Unit Development and M1R-2 limited industrial residential. In this case, the Missoulian PUD zoning would apply to the entire site because Title 20, that's how it interprets split zoning cases like this. The Missoulian Planned Unit Development is designed specifically to allow the Missoulian development with office and newspaper printing uses. The majority of the parcels to the west and

to the south along Higgins are zone C1-4, neighborhood commercial, with the design excellence downtown hipster overlay, which is the zoning the applicant is requesting for the southern portion of the site. Abutting the river to the west, the parcel containing the Boone and Crockett Club is zoned park PUD and to the east, the park is zoned M1R-2, limited industrial residential. There are parcels to the south containing residential development that are zoned RT2.7 with the University District neighborhood character overlay. The requested zoning is C1-4, neighborhood commercial, with a design excellence downtown hip strip overlay south of the irrigation ditch and OP1, open space, north of the irrigation ditch. The staff supports the requested zoning districts because they comply with the Growth Policy recommendation for this area, and it also aligns with zoning of nearby parcels on South Higgins Avenue. The rezoning application is accompanied by a boundary line relocation, to create parcel lines that align with the boundaries of the proposed zoning district because you cannot create new split zone parcels. The proposed zoning boundary is shown in red. The OP1, open space, district will include the irrigation ditch, current open space, and trail and then the parcel area south of the red line would be zoned C1-4, neighborhood commercial, with a design excellence overlay. So, here's a comparison between the existing and proposed zoning districts. Again Title 20 states that the Missoulain PUD would apply to the whole parcel but the M1R-2 zoning district is still shown here for reference. PUD does not allow residential development so there's no permitted density provided. The C1-4, neighborhood commercial zoning, permits one dwelling unit for a thousand square feet of parcel area, which equates to 43 dwelling units per acre. The OP1 zoning district, to be applied to the open space north of the irrigation district, does not allow residential development so it also doesn't have a permitted density. It doesn't have very many permitted uses. It permits parks and recreation, utilities, agriculture, and garden. There are setbacks if it were to abut a residential zoning district for C1-4, but it does not, which means there would be no setbacks in this case. The maximum height for the Missoulain PUD is the height of the current building. Any changes to that need to be approved by City Council and the proposed C1-4 zoning district would allow a maximum height of 125 feet. So, currently again, Missoulain PUD only allows office, limited industrial, newspaper printing uses, whereas, C1-4 permits commercial uses, high-density residential, and some industrial uses. So, design excellence was approved by City Council and made effective January 2019. Design excellence is an overlay that applies additional design standards to parcels downtown and along our main commercial corridors. The overlay was created to reinforce high quality design that adds

value to the properties and the City at large while protecting Missoula's identity and character. The overlay is broken down into subdistricts to maintain the distinct identities of different areas within the City and I'll go through a few of the main requirements of design excellence, but feel free to ask questions after because this policy can be quite complicated. So, design excellence includes specific site standards such as build two zone, build to width, and parking setbacks. Build two zone means that new development must place the building near the street frontage or at that corner and the build two zone is intended to activate street frontages in the pedestrian environment. When completely redeveloped, parking cannot be located between the building and the street in the hip strip subdistrict, promoting active uses along the street and sidewalk while screening for the view. Upper story step backs are required as well. This means the building can go up to the maximum 125-foot height but at four stories or 60 feet, whichever is less, the building has to step back from that front facade at the street level. So that you know you can see it in that diagram and the upper left. As the height increases, portions of the building are pushed back. The standard prevents tall buildings from appearing monolithic and ensures more sunlight can reach the street despite the height of the building. The upper story step back is also intended to help protect views. Additionally, the overlay requires a certain percentage of blasts on street facing facades and frequent entries along the street. The hip strip sub-district requires natural sighting materials on 25% of each facade and limits the use of synthetic stucco. These natural materials include wood, stone, and brick. Applicants may vary from the requirements of the overlay but only if they meet the intent of each requirement. Adjacent parcels on South Higgins Avenue are within this design excellence hip strip sub district as well. And then the portion that this overlay would apply to would be the C1-4, neighborhood commercial, portion of the parcel. While no development plan was provided with the application, possible future redevelopment of the site would need to comply with the design excellence standards. So, the C1-4 zoning district permits a maximum height of 125 feet. While many zoning districts allow this height in Missoula, you don't often see it utilized. So, I thought I'd show some examples so that we could visualize what that looks like. For reference, the Millennium Building shown on the left is approximately 128 feet tall and the Wilma is about 103 feet tall. These buildings were constructed prior to design excellence, which means they don't have that step back that would be required now. But looking at the building from the street, if they did have that step back, the upper portion would appear smaller because it's further away from the street than the lower section of the building which would help

preserve views of the mountains, access to light at the street, and reduce the impact of height on the pedestrian level to create a more human scale. Staff's recommendation is based on the review criteria provided in the Title 20 zoning ordinance. The requested rezoning complies with the land use designations and focus inward objections of the objectives of the City Growth Policy. The requested rezoning also supports the visions shown in the Downtown Master Plan which is an amendment to the Growth Policy. The subject property is served by City Fire, City Police, sewer, water, and existing multi-modal transportation infrastructure including bike lanes on Higgins and bus stops. It's also in proximity to adequate services and amenities to serve possible future residents of the site, should they choose to redevelop with residential. And future development must comply with all applicable local, state, and federal regulations, which ensures protection of public, health, safety, and welfare. The upper story step back required by design excellence will ensure adequate provisions of light and air. The rezoning considers compatible urban growth because the reasoning complies with the Growth Policy recommendation, Downtown Master Plan, and promotes efficient use of existing infrastructure. The rezoning considers the character of the district because design excellence will apply to the same design standards as other development in the hip strip. The requested C1-4 zoning district matches the zoning of parcels adjacent on South Higgins and would allow the same uses as these parcels. The requested OP1, open space, zoning district north of the irrigation ditch will preserve the existing use of the area as open space into the future. Missoulian PUD only permits office and limited manufacturing uses. The requested C1-4 zoning would allow the land to be used for additional commercial, mixed use, or residential development which encourages the most appropriate use of land located in the urban center. Design excellence will ensure high quality design and conservation of building volume and again, the OP1 zoning district complies with the parks and open space land use designation. So, it's the most appropriate use of the land per the Growth Policy. The Missoulian businesses will no longer be printing newspapers at the subject property, so the proposed rezoning meets the changing condition of the site by removing the use restrictive, Missoulian PUD. The proposed development also permits high-density residential which if it were to be redeveloped as such could help meet the challenge of changing housing conditions in Missoula. The requested rezoning is in the best interest of the City as a whole because the C1-4 zoning promotes mixed-use, commercial, and high-density residential providing additional economic and housing opportunities in the City and the proposed OP1, open space, zoning preserves and appropriately zones an existing open space,

and trail used by the public. So, there is no motion today, but the project will go to final consideration before City Council on October 4, 2021. Staff recommends that City Council adopt an ordinance rezoning the property located at 500 South Higgins Avenue for Missoulian PUD and M1R-2, limited industrial residential, 2C1-4, neighborhood commercial, C1-4, with a design excellence downtown hip strip overlay and OP1, open space, subject to the applicant filing the amended plat and meeting the terms of approval for subdivision exemption application within 100 days of the approval of the rezoning. This motion refers to the boundary line relocation which is a type of subdivision exemption. The boundary line relocation is necessary to create those running district boundaries because Title 20 does not allow split zoning. So, the rezoning would take effect when they file the amended plat. If they don't do that within 180 days, then the rezoning would become null and void. Thank you.

Mayor John Engen Thank you Ms. Tripard. And with that, I will open the public hearing. Anyone care to comment on this rezoning and boundary line relocation?

Cassie Tripard We also have Jamie Erbacher and Jeff Smith here from WGM to answer questions as well.

Mayor John Engen Thank you. And seeing no hands up among attendees this evening are there questions or comments from Council members? And Mr. Hess.

Aldersperson Hess Thanks Mayor. This is just a process reminder for this item as well as the Unleashed Dog Daycare, that this will come to the Land Use and Planning Committee this Wednesday, and we'll have, we'll have about a three-hour Land Use and Planning Committee where we can go over all of these things in great detail. So, if folks have questions that they want to get into the record tonight that's great, or if they want to send questions by email that's, that's great too, but we'll have lots of time to dig into this.

Mayor John Engen Thank you Mr. Hess. And Ms. Jones.

Aldersperson Jones Thanks. Yeah, I agree. We will have time to ask far more detailed questions on Wednesday. I did have a couple of questions that I just at least wanted to broach tonight because I think, I think there's some people watching, and I don't know if everybody will catch it on Wednesday. The first question I had Cassie was, with the design excellence program and the mechanism in there for the step back, I just wasn't clear, is it a ratio for when you go for the step back based on the entire height of the building or is it do we already have some kind of a chart in place for what those, how high it will go before it steps back? I just, how does that work?

Cassie Tripard Yeah I could pull it up if you give me a second but basically it doesn't matter how tall the building goes, anytime a building in that sub district reaches four stories or 60 feet, whichever is less, that's when they have to step back. I think the required step back is 10 feet and then there is an exception where for 30% of that building frontage on a street, they can go up one more story and then the other about two-thirds would need to be at that level and what that kind of creates is. Imagine it going up at the street, part of it goes in at four stories, and then there's just one little bump up to create some modulation. I can show a diagram too, let me get to that. That would be helpful. Okay, so this is Title 20, our design excellent section down here on hip strip. Under the vertical scale portion, you see sort of this diagram, it goes up four stories and then cuts in what would be 10 feet and then this is what I mean by they get one little bump up for 30% of that frontage. That can be one extra story, but not anymore and then any additional height would need to be past that 10-foot point.

Alderson Jones Great, thank you. And follow-up Mr. Mayor?

Mayor John Engen Yes ma'am.

Alderson Jones Thank you. Do we have a measurement of how tall the Penwell Building is? Just so that we can have a sense of the scaling or maybe that could be provided Wednesday? But it just, I think that would help to take these abstract concepts and make them a little bit more concrete.

Cassie Tripard Okay definitely.

Alderson Jones Great, thank you. And one more question, if I may? Could you just discuss parking requirements potentially under this proposal?

Cassie Tripard Yeah, it, they would have to comply with Title 20 for any parking they would propose if they redeveloped the site. That would depend on uses, each use has a different parking requirement. So, they'd have to park it for the combined uses. There are a few incentives in design excellence that could allow them to provide less, meaning design excellence allows you to count on street parking abutting the parcel. There's some incentives for providing additional bike parking. They could do shared uses and also some uses can share parking, allowing for a reduction, but past what you would see in design excellence or the rest of town, there aren't any further incentives or reductions available.

Alderson Jones Thanks and I will, we can go into it in more detail on Wednesday. I just wanted to at least touch on those topics and Cassie, I also do have some several emails that were sent to



me, I think last week, regarding this and I will get those on to you so they can go into the public records since this is a land use item. So, remind me to stay caught up with my email. Thank you.

Mayor John Engen And Ms. Becerra.

Alderson Becerra Thank you. Cassie while you're collecting some points of reference and maybe I missed this already but if you could tell us on Wednesday what the proposed Reed Development will, how tall that will be. I think that would be super helpful.

Cassie Tripart Yeah. So, the Penwell Building and the proposed Reed Building.

Alderson Becerra Thank you.

Mayor John Engen I think, I think the Reed is past proposal at this point so.

Alderson Becerra Whatever state it is in, I just want.....

Mayor John Engen Any further questions or comments from Council members? All right. That item will remain open for public hearing as well. Thank you Ms. Tripart and we have no additional public hearings this evening.

## **9. FINAL CONSIDERATION**

Mayor John Engen We have one item for final consideration this evening and that is a Project Review and Outcomes for Community Development Block Grant (CDBG) & Home Investment Partnerships (HOME) Program Year 2020. There is no action required here so I won't ask for a motion. And with that, we will have completed putting some ink on some paper as a function of our agenda for purposes of our federal compliance.

### **9.1 Project Review and Outcomes for Community Development Block Grant (CDBG) & Home Investment Partnerships (HOME) Program Year 2020**

## **10. COMMUNICATIONS FROM THE MAYOR**

Mayor John Engen I was invited to spend some time on Friday afternoon at Community Medical Center where I toured the intensive care unit. I wanted to get, I wanted to get eyes and some first-hand experience with regard to what's happening at our medical centers, our hospitals in Missoula and I can tell you that, that everything you've heard I have now seen those folks who are providing healthcare in our community are exhausted but they're not giving up. The lion's share of folks in that unit were folks suffering from COVID-19 and they were suffering. While I was on the tour, there was a code blue and I do not know, but I imagine that that that patient passed away during that tour from COVID-19. The hospital is expanding into its pediatric unit to accommodate the challenges associated with the Delta variant and the numbers of patients it's dealing with and, and

each of those expansions requires all sorts of heaven and earth to be moved in order to accommodate the, the complexities of caring for folks in that environment. And at this point, those hospital workers and administrators are continuing to plead, as I will, with the community that if you haven't been vaccinated please do so. If you, if you're not practicing the simple, simple precautions that help prevent the spread of this virus like wearing masks when you're around folks who aren't in your pod, frequent hand washing, etc., please do those things. The virus continues to be very real and it's having very real impacts in our community. Lives are being lost unnecessarily and, and folks who might otherwise need services in a hospital setting are at risk of not being able to receive those services. As of Friday, we had members of the Montana National Guard join our community to provide services at Providence St. Patrick Hospital. They're helping us with our non-congregate shelter at the Sleep Inn, which is full and, and providing assistance elsewhere. We're grateful for that resource but, but those folks as well need our community's help. So please do all of the right things, chief among them is get a vaccine, which will in some cases prevent you from getting sick or in cases where you have a breakthrough case from becoming deathly ill and potentially dying from this virus.

#### **11. GENERAL COMMENTS OF CITY COUNCIL**

Mayor John Engen We'll move on to general comments from Council members starting with Ms. Becerra.

Aldersperson Becerra I will pass, thank you.

Mayor John Engen And Mr. von Lossberg.

Aldersperson von Lossberg Pass. I was wondering if we might take up the committee reports items with The Bridge before doing Council comments, if no one objects to that?

Mayor John Engen If there are no objections, we certainly can. Seeing none, all right, we'll move on to committee reports.

Mayor John Engen We'll be back in order with comments from Council and I believe we left it at Mr. von Lossberg.

Aldersperson von Lossberg Pass, thank you.

Mayor John Engen Ms. Anderson.

Aldersperson Anderson Thank you so much Mr. Mayor. I really appreciate your comments at the beginning of Council, Council, Mayor comments about going and seeing first-hand what COVID is doing to our healthcare workers and the extraordinary links that they're going to, and they're

being called on a daily basis to do such unimaginable work and they do it day in and day out. To that effort I know I have been on Council comments multiple times asking people to do the right thing and I can continue to do that tonight but instead I actually want to give a sincere thank you to some of the members here on Council tonight. I would like to thank the Mayor, Bryan von Lossberg, Gwen Jones, Jordan Hess, Heidi West, Amber Sherrill, Julie Merritt, and Mirtha Becerra. Our former Ward 5 Councilwoman, Annelise Hedahl, and her friend, Jennifer Barnard, came up with a great idea of let's try to spread a little cheer to our healthcare workers and give them a hot meal, and just show them our sincere appreciation, that we see them and if we they are thankful for them every single day. And so, all of you stepped up very generously and helped raise a little bit of money so we were able to buy breakfast burritos for both the staff at Community, as well as St. Pat's. I want to thank some of our local businesses, Market on Front, The Gold Yolk Griddle, and Noodle Express on Broadway. We were able to hand out chicken teriyaki bowls to St. Pat's last week and we're doing it again tomorrow morning, and we've got sack lunches from docs coming up next week. I also want to thank sincerely the Missoulia's at ATG, they, for transparency my husband works there, and he sent out an email to his co-workers and told them what we were doing, and they very, very generously stepped up. So obviously what the healthcare workers want more than anything, even though breakfast burritos are delicious, is for Missoulia's to get vaccinated, to keep your COVID bubble small, to wear your masks, to do all those things, but thank you so much for stepping up and contributing and I was there handing those out and one nurse started to cry, and it made all of us cry because she was so thankful and more so and anything else so exhausted. So yes we gave them a tiny little bit of cheer but the biggest cheer that we can give them is for this not to be their day in and day out reality. So, my sincere gratitude to the generosity of so many of you and those in our community and be in touch with Annelise if you would like to continue to keep this meal train going. And, and, and please just, you know, do everything you can so that we can eventually get through this, and our healthcare workers can get the much-needed break that they need and the stresses of what they have been dealing with over the last year and a half begin to eventually fade. So, thank you so much.

Mayor John Engen Mr. Hess.

Alderpess Hess I'll pass, thanks Mayor.

Mayor John Engen Ms. Merritt.

Alderpess Merritt I'll pass.

Mayor John Engen Ms. West.

Alderson West So while we can still hang out outside and gather and have a safe interaction with our friends, I just wanted to invite everyone to the Northside-Westside Block Party that's going to be happening on October 2, 2021, so that's this Saturday. Parks and Rec is going to have lots of activity booths, as are local businesses, and local organizations. There's going to be food trucks including ice cream, some live music, and some really exciting announcements about things that are happening at the Westside Park and at Lowell School. So, I hope folks come and join us. I will give the caveat that if you are experiencing any COVID symptoms or are not feeling well to please stay home. If you're planning on coming and going to be in close proximity with, you know, people in our community that aren't vaccinated and can't be because they are too young, please wear a mask and we will have lots available for folks that didn't bring them because we want everyone to be able to participate and have a good time and be safe while we're doing that. So, I hope to see you folks out at the park Saturday.

Mayor John Engen Ms. Jones.

Alderson Jones I'll pass, thank you.

Mayor John Engen Ms. Harp.

Alderson Harp I'm going to pass.

Mayor John Engen Mr. Ramos.

Alderson Ramos I'll will pass tonight as well. Thank you Mr. Mayor.

Mayor John Engen Mr. Contos.

Alderson Contos I'll pass as well. Thank you.

Mayor John Engen Ms. Becerra, did you already pass once?

Alderson Becerra And I'll pass again. Thanks.

Mayor John Engen Fair enough. Ms. Vasecka.

Alderson Vasecka Thanks. In regard to the meal train that Ms. Anderson spoke about, that was wonderful thank you guys for putting that together. I would have really liked an invitation to participate in that next time, that sounds like something I would love to be involved in. So, if that does continue on please, please include me on that I know I have an infant so I don't get out to do as many things as I used to but that is something I would love to be invited to in the future. And Ms. Harp, that, that was really, really bold and brave of you to talk about your, your personal life

like that and I really, really hope that you're feeling a lot better. If there's anything I can do to help, please let me know. Other than that, stay safe and healthy out there everyone.

Mayor John Engen All right, did I miss anyone in our? I did not, great.

## **12. COMMITTEE REPORTS**

Mayor John Engen We have a couple of those this evening. First is a buy sell agreement to purchase 1205 West Broadway and Ms. Jones, I would be grateful for a motion.

### **12.1 Administration and Finance committee (AF) report**

#### **12.1.1 Minutes from the September 22, 2021, Meeting**

#### **12.1.2 Approve Buy-Sell Agreement to purchase 1205 West Broadway (Bridge Apartments)**

Moved by: Alderperson Jones

Approve the 1205 West Broadway Bridge Apartments Buy-Sell Agreement between the City and Western Montana Mental Health and authorize the Mayor to complete the property acquisition by executing ancillary and consequent documents necessary to close the acquisition.

AYES: (8): Alderperson Anderson, Alderperson Becerra, Alderperson Harp, Alderperson Hess, Alderperson Jones, Alderperson Merritt, Alderperson von Lossberg, and Alderperson West

NAYS: (3): Alderperson Contos, Alderperson Ramos, and Alderperson Vasecka

ABSENT: (1): Alderperson Sherrill

Vote result: Approved (8 to 3)

### **MOTION**

#### **Amendment:**

#### **Move to end debate.**

**AYES:** (11): Alderperson Anderson, Alderperson Becerra, Alderperson Contos, Alderperson Harp, Alderperson Hess, Alderperson Jones, Alderperson Merritt, Alderperson Ramos, Alderperson Vasecka, Alderperson von Lossberg, and Alderperson West

ABSENT: (1): Alderperson Sherrill

Vote result: Approved (11 to 0)

Alderperson Jones Yes let me, I've got two computers one of which is frozen but this one will work. Okay so the first motion on The Bridge Apartments is. I will make the motion to approve the 1205 West Broadway, Bridge Apartments buy sell agreement between the City and Western Montana Mental Health and authorize the Mayor to complete the property acquisition by executing ancillary and consequent documents necessary to close the acquisition. I'd like to speak to that, but I'm not sure the sequencing so you let me know when I can speak to that.

Mayor John Engen You may speak to the motion.

Alderperson Jones Excellent, thank you. We discussed this quite a bit in committee and it's on committee reports so that we can complete our discussion. I'm totally in support of this. I know that the City has been looking at saving The Bridge Apartments for the last few years and the circumstances weren't right; it just wouldn't work out until finally the last few months when the discussion finally evolved to a point where the City is now able to purchase The Bridge Apartments. The plan is to resell this asset then to an entity that will maintain The Bridge Apartments for, as affordable housing, for perpetuity. So that, that's, that's the goal and it will be ultimately sold to some, an entity that can fulfill that mission, probably at a discounted price in order to make the finances work. So first of all, I'm, I'm so happy to be supporting this. We do a lot of stuff on Council and every once in a while the stars align, and we get to do something that is within our decision space, that we have the resources to do, and that is a really, really good thing for our community. And this is one of those times so I'm, I'm so happy to do this. The people that live at The Bridge Apartments are, many of them have mental illnesses and they're and many are disabled, well they're all in in some capacity in that scenario and they're living solely off of disability income, which for people who are not familiar with disability income that can be as low as \$800.00 or \$900.00 a month, not a lot to live on, especially in Missoula where we have housing prices that are challenging at best. So, if you're making if you basically have an income of \$900.00 a month, you are disabled and unable to work, we as a community should be taking care of these people and making sure that they are welcome and safe, and housed in our community and that is the opportunity that we have in front of us today. We have a funding mechanism that's the next motion that we will go into based on how soon we will be selling this to a follow-up buyer and we can discuss that in the next motion but for now I just wanted to, to lay out that scenario that not only do we have the authority and the power to do this but it's, it's a pleasure to be on Council

when we get to do something of this magnitude that has such an impact on people's lives and I'm really happy to do it. So, I'm in support of it.

Mayor John Engen Motion is in order. Is there further discussion on the motion this evening? Ms. Harp.

Alderperson Harp Thank you Mayor. Wednesday of last week, I missed most of committees due to my own mental health concerns and it makes me very well aware of what it must be like to be one of those 20 whose futures are very much on the precipice of this decision-making tonight. I feel that I am incredibly lucky to have a roof of over my own head, that I own, and that I am not a renter with mental health concerns. I can only imagine what that must feel like to not be able to have control over one's destiny in that regard. I think the last four years that I've sat here on Council, we've heard a lot of concerns from our communities and many times because of how wonderful our community is, it seems to be attracting some really incredible growth, but we've also seen that growth bring its own kind of problems. Case in point, median home prices and as a, as the CEO of a business that is in the development business, I'm very proud to be one of those that can deliver the lowest cost housing to this community at \$186,000.00 which now is \$344,000.00 for a home. So, when I look at this particular project as an opportunity to save a lot, 20 people, from ending up on the streets for a cost of \$110,000.00 per home. I find that to be incredibly unique. Is it perfect? Absolutely not. I think about how these 20 people have probably spent, oh years in this facility paying rent that is upwards of 50% of their income and they have nothing to show for it. And I think we are at a, at a, at a point in our community that we have to follow our moral compass and that compass is telling me that we got to protect those who are the most vulnerable in this community. Do I resent the fact that Western Montana Mental Health Center abdicated their responsibility? You betcha, but that doesn't mean that we as local government should do the same. And I find that this is an opportunity that we can stand up and protect those who need some help so that they don't end up on the street. We've seen many other communities across this country face homeless populations that seem to have skyrocketed and if we don't take care of them, these folks very likely end up on the streets. And from what I understand, they cost upwards of \$220,000.00 a year/per person if they end up having to be become frequent users. So, this is just, just a really innovative solution to a problem that we've been dealing with for a long period of time and I'm fully in support of this resolution.

Mayor John Engen And any further discussion? Ms. Merritt.

Aldersperson Merritt I'd also like to speak to my support of this resolution. People with disabilities and their families really have very few options to keep people living independently. The, the cuts that have happened at the state level through the Department of Health and Human Services have, have left gaping holes in our ability to serve the members of our community who have disabilities. If you live on disability income, you simply cannot have savings in order to be able to do something like move into a new apartment and have first and last month's rent to put down immediately because if you have assets and significant savings as a person who lives on disability income, your income will be reduced. So, this isn't a matter of looking at someone and saying well you should have saved up for a rainy day. These people live in a very slim margin and the fact that they are all housed right now in a decent living condition is something that we must protect. I think it is the height of privilege to decide that you want to vote against this because you don't like the method of the funding. And it's just that, that you don't like it. The attorneys have stated clearly, as Ms. Jones just said, that this is a perfectly legitimate use of TIF funds, and you can tell everyone you want to that that's not your interpretation of the law but that's just fine. It's just you standing on your privilege that you don't like this method of funding it, but the people who are living in this slim margin don't have that privilege. I believe that strongly that we have a moral obligation to act because we have the means to do it. We have the means to protect these people's lives and so I fully support this, and I know that Jesse's going to come behind me and give all his reasons why TIF is bad, but you know what these people need to be protected and we need to do it. So, thanks.

Mayor John Engen Further discussion, Mr. Ramos.

Aldersperson Ramos Thank you Mr. Mayor and I appreciate Julie's comments. I certainly understand where she's coming from. A few reasons why I'm voting against this, not just what I believe is the improper use of TIF funds and certainly I think they look forward to a legislative session to address that, but mostly what, what I'm concerned about is the fact that I don't think we're doing our duty as government officials and stewards of taxpayer dollars to hold back doors accountable. So, it's been widely documented, though we don't have a specific details, that Wester Montana Mental Health received funding, taxpayer funding, for this building. I'm not sure if the full amount or if that was the, the down payment alone, still not sure what that is but we can assume that the the building is paid off at this point and they're getting about \$108,000.00 a year in revenues which talk to any apartment owner that's, that's more than enough to sustain. So, this is something that in my opinion the government made a mistake on when we funded Western



Montana Mental Health, whether that was the state, federal, or the local government in the 90's to have this and we only put a 20-year permanency on it. So now unfortunately the people left holding the bag are the taxpayers and I understand Ms. Merritt's comments of privilege and various things, but there's people in this city right now that don't qualify for those homes that could really use that, those TIF distributions and, and other methods of tax reduction to stay in their own homes. And we can't continually make the taxpayers pay for our own government's mistakes. I recognize fully that nobody was in elected office, that's on this Council, back in the 90's, but still, it's government cleaning up after government and I think it leaves, it's very hard to swallow as Mr. Slotnick said, the idea of double taxpayer funding. There's, there's a variety of other things that I'm not comfortable with this. The fact that we don't actually have a solid plan in place. If we're further along in discussions, that is one thing, but my job on Council is to be a good steward of taxpayer funds and to uphold my oath of office in the way that I believe is, is most appropriate and I believe that unfortunately we are not supposed to be using TIF dollars in this way and I also believe that the long-term consequences and financial ramifications of this could affect multiple generations. And those, those impacts Ms. Merritt would affect the most disparate income folks in our community, people that don't have a lot of money. They get hit with, with government irresponsibility the hardest unfortunately when they see tax hikes and various other fees, buying surcharges that are all made up to cover any sort of misuse of government funding. Unfortunately, like we've seen many times in the past and in addition to that, I really don't like the idea that we're going to be paying Western Montana Mental Health some sort of fee. I'd like to know what that fee was; it won't change my decision but the fact that we're going to be paying them as some sort of manager on this just doesn't make a whole heck of a lot of sense to me. It's very unfortunate that we're in that position. I understand that they probably have a good idea of those, those different folks but for us to say that Western Montana Mental Health is acting any sort of ethical manner which I don't know if anybody is saying but the fact that this was listed on the market for higher than the City was offering to pay, and they were going to take that offer. I think just speaks to the fact that not only are they a bad actor, but the government needs to do a heck of a lot better job vetting people, that they give these these monies to it. So that, that is why I'm voting against. It's not an easy vote for me to make. I, I certainly understand some of the consequences, but I also understand that there are non-profits and other groups that give a lot of money from various parts of the community that could step up potentially if, if we were not in

place. So unfortunately, I'm not gonna be able to support this, just like I wasn't able to support the, the showers for the the police locker rooms because even though it's police, I unfortunately did not think that was an appropriate use of TIF and I know a lot of legislators and actually former Directors of redevelopment agencies that agree with me on these points. So, to say that this is settled, and this debate is settled, I think is dishonest and I think that it's possible for people to be on both sides of this issue with neither one of those people want anything bad to happen to those folks in the community. So, I appreciate everybody's votes. I, I understand where they're coming from but unfortunately I'm not going to be able to support this today. Thank you.

Mayor John Engen Just for the record, I will note that Western Montana will continue to provide client services to residents of The Bridge, that will come at no cost to the City of Missoula, that's part of their organization's mission. We will, we will, however, have property management on board and we'll be using our contract property management to do that until such time as we are able to sell the property to a new owner who will maintain the services and rents that exist on site today. Mr. von Lossberg.

Alderpersion von Lossberg Thank you. A quick process question sometimes this is noted in our agenda on matters related to the acquisition of real property, but I believe this requires a two-thirds vote. Is that correct?

Mayor John Engen Correct.

Alderpersion von Lossberg Thanks. Just briefly, I concur with a lot of my colleagues' comments. Our role as Council members, per the charter, is to look out for our constituent's health, welfare, and security. It's absolutely clear to me and it's been made, I think, very clear that we have a tool available to us to do this transaction. There's great need to do this and there's no ambiguity or question or tortured principle around appropriateness that would cause me to fail to act to support our constituent's health, welfare, and security by supporting this and I will do so. Thank you.

Mayor John Engen And Ms. West.

Alderpersion West Thank you. I'm in support of this. I just wanted to briefly speak to some of the I guess the, the limits that are set on affordability by a federal granting sources. The maximum of those usually is 20 years, which means that we have affordable housing projects in Missoula that are sunseting or expiring, this is specific to home or CDBG funds and which is why that is something that's called out specifically in our housing policy that we are going to make sure that

we preserve affordable housing options that our community has already invested in. And that means that occasionally we will have to reinvest in those units, and this isn't the first time that the City of Missoula has stepped forward to preserve affordable housing. I just briefly want to remind everyone that in 2017 the City of Missoula facilitated the financing for the Creekside Apartments, which allowed that those units to remain affordable and Homewood purchased those, and has protected those into perpetuity. So, I think this is just another example of the City doing exactly what is called out in their housing policy and being creative about the funding mechanisms we do have access to and MRA funding is something that allows us flexibility and strategicness, and really allows us to maximize those community goals, and I'm in full support of what we are doing here. Thank you.

Mayor John Engen Thank you Ms. West. Mr. Nugent, I'm just double checking, this isn't a sale or a lease it's a purchase. Do we need a super majority? We do not, scratch that....a simple majority will. Thank you counselor. Ms. Anderson.

Alderperson Anderson Thank you so much Mr. Mayor. I feel like we've had a lot of discussion on this, both in committee and tonight and following Ms. West's comments, I would like to call a question.

Mayor John Engen Ms. Anderson has asked that we end the debate on the question before the body; that is non-debatable. Those in favor of ending debate, unfortunately, we'll have to have a roll call to do that. So, a yes is to end the debate.

Claire Trimble One second while we set up the secondary motion.

Mayor John Engen Okay and the debate is over. Anyone in the attendees care to comment on the purchase this evening? I see no hands there. With that, we will proceed to a roll call vote on the purchase. And the sale is approved.

Mayor John Engen And Ms. Jones, another motion please.

#### **12.1.3 Reimbursement Resolution – Bridge Apartments**

Moved by: Alderperson Jones

Adopt a resolution declaring the official intent of the City of Missoula, Montana, to reimburse certain original expenditures related to the purchase of The Bridge Apartments from the proceeds of tax-exempt bonds to be issued by the City after the payment of such original expenditures.

AYES: (8): Alderperson Anderson, Alderperson Becerra, Alderperson Harp, Alderperson Hess, Alderperson Jones, Alderperson Merritt, Alderperson von Lossberg, and Alderperson West

NAYS: (3): Alderperson Contos, Alderperson Ramos, and Alderperson Vasecka

ABSENT: (1): Alderperson Sherrill

Vote result: Approved (8 to 3)

Alderperson Jones Okay, second motion. I move that we adopt a resolution declaring the official intent of the City of Missoula, Montana to reimburse certain original expenditures related to the purchase of The Bridge Apartments from the proceeds of tax-exempt bonds to be issued by the City after the payment of such original expenditures. And may I speak to this?

Mayor John Engen Ms. Jones.

Alderperson Jones Thank you. So, in a nutshell, we are able to float the initial monies to purchase The Bridge Apartments just from cash flow from the City. However, depending on how long it goes until an ultimate transaction occurs where we then resell it to another entity, this authorizes bonding on that. Since we don't yet know the amount of a future sale, resale to an entity that will run it as affordable housing, we are just authorizing this now and that will be determined down the road once we have all of those final numbers. So, I'm in support of this. There has been extensive discussion amongst Council as to whether or not this is authorized under tax increment financing and law authorized by the State of Montana. It definitely is authorized; that was presented to Council, and we've had a follow-up legal opinion and frankly I have little patience for when people make issues out of something that is not an issue. This absolutely is authorized, and I am happy and proud to be supporting this. Thank you.

Mayor John Engen Further discussion on the motion? Ms. Anderson.

Alderperson Anderson Thank you so much Mr. Mayor. I also will be supporting this motion. This just gives us the tools to make sure that we have everything in place to fund this project. And then as both the Mayor and all those who have presented on this project, our ideal plan is to obviously have a seller come in who is well-versed at operating this type of facility but in the face of this being sold for market rate and people being homeless, we decided that it's our duty at the City to step in and I appreciate the legal guidance from Mr. Nugent who turns out has been the City attorney for longer than five members on Council have been alive. So, I am going to take his professional legal opinion and appreciate his guidance on that and will be supporting this.

Mayor John Engen Further discussion? All right, before we vote, I just want to say that while it is one thing to suggest that we do the right thing here and purchase this facility and, and keep these residents of our community comfortably housed. It's quite another to get it done and I want to repeat my gratitude to our staff who really did a heavy and fast lift while being thorough and remarkable stewards of public resources to get this done. So, your vote this evening is testament to their efforts in providing you a reasonable course forward to do exactly what we ought to be doing. So, thanks very much to staff. And assuming this all goes well, thanks, thanks for supporting this effort. With that, we'll have a roll call vote on the reimbursement resolution. And the resolution is approved we don't have any additional committee reports.

**12.2 Committee of the Whole (COW) committee report**

**12.2.1 Minutes from the September 22, 2021, Meeting**

**12.3 Land Use and Planning (LUP) committee report**

**12.4 Parks and Conservation (PC) committee report**

**12.5 Public Safety and Health (PSH) committee report**

**12.6 Public Works (PW) committee report**

**12.6.1 Minutes from the September 22, 2021, Meeting**

**13. NEW BUSINESS - None.**

**14. ITEMS TO BE REFERRED - None.**

**14.1 Administration and Finance committee referrals**

**14.1.1 First Contract Amendment Selectron for Atlas Insights and Inspector Modules**

**14.1.2 Software Quote - Microsoft 3 Year Agreement**

**14.1.3 Hardware Quote – New Data Server Core**

**14.1.4 Hardware Quote – Five Replacement Switches**

**14.1.5 Hardware Quote for Two Data Center Switches**

**14.2 Committee of the Whole referrals**

**14.3 Land Use and Planning committee referrals**

**14.4 Parks and Conservation committee referrals**

**14.4.1 Presentation: “Implementation of the 2018 Conservation and Stewardship Mill Levy”**

**14.4.2 Waterworks Hill Trailhead Construction Contract**

**14.5 Public Safety and Health committee referrals**

**14.6 Public Works committee referrals**

**14.6.1 Flynn-Lowney Ditch Acquisition from the Hellgate Valley Irrigation Company**

**14.6.2 Right-of-Way Agreement Amendment with HEH, LLC**

**14.6.3 Right-of-Way Dedication Agreement Amendment with Rocky Mountain  
Beverage of Montana, LLC**

**15. MISCELLANEOUS COMMUNICATIONS, PETITIONS, REPORTS AND ANNOUNCEMENTS - None.**

**15.1 Administratively approved agreement report**

**16. ADJOURNMENT**

Mayor John Engen As always, I thank you for your service and we will be adjourned.

The meeting adjourned at 8:02 p.m.

---

Martha L. Rehbein, CMC  
Legislative Service Director/City Clerk

---

John Engen  
Mayor