

Journal of Proceedings

Missoula City Council

July 25, 2022, 6:00 pm

Council Chambers (in person) or ZOOM Webinar (virtually)

Attend in person: City Council Chambers, 140 W. Pine, Missoula, MT

Members Present: Stacie Anderson, Mirtha Becerra, Daniel Carlino, John P. Contos, Jordan Hess, Gwen Jones, Mike Nugent, Amber Sherrill, Sandra Vasecka, Heidi West

Members Absent: Kristen Jordan, Jennifer Savage

Administration Absent: Mayor John Engen, Marty Rehbein, Jim Nugent, City Attorney

1. CALL TO ORDER AND ROLL CALL

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

2. APPROVAL OF THE MINUTES

3. PUBLIC COMMENT - NON-AGENDA ITEMS

President Jones We have public comment on non-agenda items. Is there anyone in the audience that wants to provide public comment?

Marty Rehbein I'm sorry can we do roll call?

President Jones Oh, I'm sorry. Hang on a second, stay right there. We're gonna do roll call. Thanks Marty.

Marty Rehbein All right, we want to establish that we have a quorum.

President Jones We will take public comment on non-agenda items. So, if you want to provide public comment, please step up to the mic and say your name, and we ask for no more than 3 minutes please. Good evening.

Bob Moore I'm sorry.

President Jones I said good evening.

Bob Moore Good evening. My name is Bob Moore. I got this article, MRA okay's funding to convert one way streets. The conversion of Front and Main streets to two-way [inaudible] has been a top priority in both the Downtown Master Plans. The cost is 233 it will be planted and the project to complete says, the paper says eight to nine million dollars. I suggest to you that that is a total not a total waste but primarily waste to the taxpayers. I don't see any reference on here on interest. I suggest to you that somebody will pay a lot of interest but probably tomorrow it goes up higher when the Fed starts talking about it. I would like to see, oh one more paragraph, Buchanan said the community has wanted to convert the streets for decaying decades. Who is a community? A community doesn't include me. For example, I tried to get some signs put up where Flynn merges into Broadway, an extremely, extremely dangerous intersection. I don't even go through the intersection, and I drive a couple of miles to the border. In the last six months roughly, I don't know exactly there's been two wrecks that I personally know of and saw at the, at that intersection because this new intersection, they just haven't I saw two. I'm sorry I

didn't see the actual wreck; I drove up and saw two cars where they had crashed in two different times. In addition to that, somebody was killed. So, that's three serious matters right there on that one intersection and I was told by one of the members of the MRA that we didn't have the authority to do anything because it was supposedly, was not in our district. Let me repeat that, three serious accident matters and this City, County, whoever it is, can't even put decent signs up there. I defy you to go to Flynn and Broadway and feel safe going either way, north south into, this is just a disgrace. I've asked a number of policemen what they think about it, they don't like it either, but we got nine million dollars plus interest for several years to make to change from this little project that I just went over. I think it's an absolute disgrace. When I stopped and asked a lady who was involved in one of the wrecks, she was angry as she could be at the City as to why they haven't fixed that. If you think it's safe, go turn their way turn into Flynn or out of Flynn or any place, dangerous but on top of that, you go out there now. I haven't been there since I said but they put the stripes down England, nice stripes, not even needed there, that's a safe road, it's a safe road. Why are you spending money on that situation on the road that really doesn't need it? In another article, affordable housing, he rewrites the paragraph, the west, best way or is this the best way Missoula gets affordable housing, he's arguing about the Sleepy Inn Motel, which y'all may have heard me mention.....

President Jones Mr. Moore, we're pushing 5 minutes, so if you could wrap it up.

Bob Moore That's too long, I should stop sooner, but they, he ends one of his progresses.... oh, telling like the city short and sighted stupidity that was on trying to, he was writing in about the city selling the Sleepy Inn. I'm curious as to how much they're going to sell it for because when they listed it, I mean when they bought it, it was listed in relative silence for around five or hundred thousand dollars. You don't believe it, go check it real estate listing had that, five or six thousand dollars. They paid a million one, why didn't you pay a million one? I know y'all don't like to be. I'll be quiet five minutes is too long.

President Jones Thank you Mr. Moore. Anyone else for public comment on items not on the agenda? I'll see if anyone is attending virtually who wants to comment, please raise your hand if you want to comment on items not on the agenda. All right, I'm not seeing anything.

4. ANNOUNCE COMMITTEE MEETINGS, COMMITTEE MEMBERSHIP APPOINTMENTS AND CHANGES TO COMMITTEE AGENDAS

Budget and Finance Committee, July 27, 9:00 – 10:45 a.m.

Committee of the Whole, July 27, 11:00 – 11:30 a.m.

Public Works and Mobility Committee, July 27, 1:00 – 2:00 p.m.

Land Use and Planning Committee, July 27, 2:15 – 2:30 p.m.

Budget and Finance Committee, August 3, 11:00 a.m. – 12:10 p.m.

Climate, Conservation and Parks Committee, August 3, 12:25 – 12:55 p.m.

Housing Redevelopment, and Community Programs Committee, August 3, 1:10 – 2:45 p.m.

President Jones Thank you Marty. Next on our agenda is the consent agenda.

5. CONSENT AGENDA

President Jones Items on the consent agenda were approved in City Council committees to be placed on the consent agenda to save time at council meetings by voting on them as a package. The City Clerk will read the list aloud so citizens watching will know what is on the consent agenda. We'll invite community comment on these items before we vote. Marty.

President Jones Thank you. Is there any public comment on the consent agenda? Seeing no public comment, any Councilors who want to divide the question or abstain? Ms. Becerra.

Aldersperson Becerra Yes, I would like to abstain from voting on item 5.2. I wasn't present during the meeting, and I'm also related to one of the appointees.

President Jones Okay. Thank you. Marty, if you can do a roll call vote.

President Jones Thank you.

AYES: (10): Aldersperson Anderson, Aldersperson Becerra, Aldersperson Carlino, Aldersperson Contos, Aldersperson Hess, Aldersperson Jones, Aldersperson Nugent, Aldersperson Sherrill, Aldersperson Vasecka, and Aldersperson West

ABSENT: (2): Aldersperson Jordan, and Aldersperson Savage

Vote result: Approved (10 to 0)

5.1 Accounts Payable (claims) for checks dated July 26, 2022

Approve accounts payable in the amount of \$946,155.11 for checks dated July 26, 2022.

Vote result: Approved

5.2 Youth Appointments to the Energy and Climate Team

Appoint Jesse McCormick and Emilia Johnson to serve on the Energy and Climate Team as a Youth Team Member with a term beginning immediately and ending on May 31, 2023.

AYES: (9): Aldersperson Anderson, Aldersperson Carlino, Aldersperson Contos, Aldersperson Hess, Aldersperson Jones, Aldersperson Nugent, Aldersperson Sherrill, Aldersperson Vasecka, and Aldersperson West

ABSTAIN: (1): Aldersperson Becerra

ABSENT: (2): Aldersperson Jordan, and Aldersperson Savage

Vote result: Approved (9 to 0)

6. COMMENTS FROM CITY STAFF, CITY AGENCIES, COMMUNITY FORUM, NEIGHBORHOOD COUNCILS, BOARDS, COMMISSIONS, OR AUTHORITIES

7. SPECIAL PRESENTATIONS AND PROCLAMATIONS

7.1 Proclamation - A Day to Commemorate the 32nd Anniversary of the American's with Disabilities Act

President Jones We do have a special presentation and it's a proclamation tonight, a proclamation entitled A Day to Commemorate the 32nd Anniversary of the Americans with Disabilities Act, so I'll read the proclamation.

WHEREAS, disability is a natural part of the human experience and over 12% of the Missoula population lives with one or more disabilities; and WHEREAS, 32 years ago the Americans with Disabilities Act, ADA, the first comprehensive declaration of civil rights for people with disabilities prohibiting discrimination based solely on one's disability status became law on July 22, 1990; and, WHEREAS, the ADA has expanded opportunities for American's living with disabilities to participate in the mainstream of American life, enjoy employment opportunities, purchase goods and services, and be treated as equal and

valued members of society; and, WHEREAS, we recognize that community participation by individuals with disabilities is vital to the success of our community and while many barriers towards that and have been removed much more work is needed to realize the full potential of the ADA and to reduce attitudinal barriers, labels, and stigmas towards people with disabilities that are still all too prevalent. Now, therefore, I, John Engen, Mayor of the City of Missoula in the State of Montana hereby recognize the 26th day of July 2022 as A Day to Commemorate the 32nd Anniversary of the Americans with Disabilities Act, the ADA, in Missoula, Montana and recognize the hard work and sacrifice of disability advocates and policy makers who have worked tirelessly to ensure that people living with disabilities have access to the same rights and opportunities as everyone else and to reaffirm our commitment to fully implement the ADA and dedicate ourselves to continue to work towards a more just, accessible, and inclusive community.

President Jones And it is signed by Mayor, John Engen. Is there anyone in the attendees who came to comment on this tonight? I'm not seeing any raised hands, but I did just want to comment that we discussed the ADA periodically and we incorporate it in our policies, and I have always appreciated Councilors, especially Julie Merritt, over the years, who remember to raise that issue and help us view anything that comes before us when necessary through that lens. So, and thanks to all those in our community who advocate for it.

8. FINAL CONSIDERATION

8.1 Resolution vacating South-Sussex Bypass Right-of-Way and a related public utility easement vacation

President Jones We have one item under final consideration tonight. Items under final consideration have had a public hearing, the hearing was held open to allow time for additional public comment before final consideration, and action by the City Council. The chairperson of the standing City Council committee will make a motion and we invite community comment on each item. Tonight, item 8.1 the resolution vacating South-Sussex Bypass Right-of-Way and a related public utility easement vacation is in front of us. Brandt Dahlen is here. Brandt, did you have anything additional to add substantively? Otherwise, we'll go to questions from Council.

Brandt Dahlen Nope, I have nothing else. Thanks.

President Jones Nothing else to add, okay. Were there any questions from Council regarding this item? Ms. Rehbein.

Marty Rehbein Well, I'm not a City Council person but I did notice an error on the recommended motion for the agenda and it is this, you've already adopted the resolution of intention to vacate the street. So, tonight you will be considering the resolution that actually vacates the street. So, it will be adopt a resolution to vacate rather than a resolution.

President Jones Marty, I'm barely able to hear you.... Can you just?

Marty Rehbein Okay.

President Jones I think this is for Mirtha because you're going to be reading the motion....Did you catch that Mirtha? Okay Mirtha says she caught it. So, I think we're good. Okay. All right back to any questions from Council? Seeing no questions, we will go to Ms. Becerra for a motion as chair of Public Works and Mobility.

Alderpersion Becerra Okay. I move that we adopt a Resolution calling for removal of Sussex Ave between South Avenue and Brooks Street from the Missoula Urban Area Highway System; and, Adopt a resolution to vacate the South-Sussex Bypass right-of-way that cuts diagonally through Block 32 of the Homevale Addition, and the Public Utility

Easement that was created when the alley was vacated, as shown in Exhibit A, and subject to the conditions of approval. Marty, did I get that right?

Marty Rehbein Yes.

Aldersonperson Becerra Okay.

President Jones Thank you Ms. Becerra. Let me call for public comment on this item. Anyone would like to give public comment that is attending, please raise your hand? And anyone that is in the audience? I'm not seeing anyone. All right, any comments from Council on this item? Ms. Becerra.

Aldersonperson Becerra I just want to note my support for this project. I think that this is a really good example of how different agencies, the City can collaborate to promote and, and actually develop permanently affordable housing in Missoula, which is much needed. So, I am happy to support this.

President Jones Thank you. Ms. Sherrill.

Aldersonperson Sherrill Yeah, thanks. I, I agree with Ms. Becerra. I also just wanted to add that this being part of Ward 4 and some place that I at an area I frequently drive by in town. It has sat empty for 20 some years if not, I. I mean it's not been developed. We thought maybe this would be a developable, developable piece of land, as we cut the street in, in between and that that would work for the intersection that it fed into, but what we found is that it, it was never developed and having those triangles just did not work and so I think this is a great resolution to a prime piece of property in late in the middle of Missoula. So, I'm happy to support it and the affordable housing piece is of course a big component.

President Jones Great thank you. Mr. Carlino.

Aldersonperson Carlino Yeah, I'm happy to support this tonight. I obviously tried to amend it to make it 75 years, which is the industry standard for permanently affordable housing and I but overall, I think this is a positive project it'll have create a lot of units and subsidize affordable units for 35 years, but I do believe this is a project that the 2050 City Council is going to have to take on again after that period of affordability comes up. So, I just hope to push for 75 years or permanently affordable housing projects in the future, but I think overall this is a really good project for the community.

President Jones Ms. Anderson.

Aldersonperson Anderson Thanks so much madam chair. I want to also add my words of support for this project and it's really great to see the partnership, as Ms. Becerra said amongst the various agencies and the developer who I mean this overall project is netting 107 units that are critical to our community at various different levels of targeted affordability, which I think is important. I do think that there has been some debate and we've had many robust meetings about you know the units that are being deed restricted and heard from experts on the reasoning behind 35 years and I think we'll be hearing something here in a little bit and later on in the committee agenda that kind of talks about you know what does ultimately happen after a period of time and how you have to maintain these buildings, but I mean this is you know a public-private partnership that I think really leverages the tools that we have in our tool belt to provide some really critical housing for many people in our community and I'm, I'm really happy to support this and I'm excited to see this project going and look forward to other opportunities to support projects similar. Thank you.

President Jones Mr. Nugent.

Aldersonperson Mike Nugent Thank you. I would echo my, my colleagues' comments and I would just say that I, I do want to say thank you to BlueLine Development for, for the

creativity in in coming forward with a project like this that, that greatly enhances the number of units that we can get in that block. I think that that if, if people really dug into and understood what could be built there as it is split into two versus what we're going to be able to see developed it makes a big difference and I, I just think that we should acknowledge that that BlueLine Development kind of put together a group that had this idea and kind of you know put, put some of the chips out on the table and that's the sort of creativity we're going to need.

President Jones Great thanks. If you guys could take your hands down after you talk, unless you're raising it because you want to comment again, it just gets a little confusing. Ms. West.

Alderpersion West Thank you. So, I also am going to support this project. I think it fixes a couple of different things in this location, the first being of course making those two triangles of land something functional and make it possible to support a decent level of density. I think it also will really help the traffic flow in that area. If you ever try to access the MCPS Admin buildings back there, it is a really confusing intersection and people, especially folks that are coming in from out of town during the fair get it wrong and I've really, I've witnessed lots of accidents or almost accidents at that intersection and I think this project will redesign some really troublesome intersections if it comes to fruition. And I also just briefly wanted to speak to the 35 years of affordability on those units. There isn't really a I would say an industry standard when it comes to, I suppose periods of affordability because so many of them are dependent on their funding sources. So, for example, if something is funded with home or community development block grant funds, the period of affordability is dependent on the amount of money that's invested in each individual unit, and those actually top out at 20 years. So, they actually, they staircase from 5, 10, 15 to a max of 20 years. Low income housing tax credits are a little different of course and I think they vary slightly from state to state. I think Montana has an additional affordability requirement where I believe it's 42 years, although I think in some states the affordability tops out at 30 years and I think that today's agenda is actually really interesting because we see this agenda item and further on down in our agenda we have a public hearing to invest in what still is and was developed as a LIHTC project and the City helped purchase those units to continue their affordability because LIHTC projects do sunset. I think in Missoula we are so fortunate to have developers who use these funding tools that I guess also use additional mechanisms to attain permanent affordability. So, Homewood, for example, because of their, their mission all of their projects will be permanently affordable and projects that are funded with home and CDBG that our community land trusts do in this community also have perpetual affordability, but that is a I guess an added layer that is a part of those models. I'm not sure where 75 years comes from. My guess it is because those models use a 75 year ground lease, but of course that is renewed every time a home is sold, so you end up with perpetual affordability. So, I think that 35 years in this scenario makes sense because it is rental housing that is going to deteriorate over time and there needs to be the ability for the owner to pursue some sort of funding to reinvest in this project, and at this point, it is unknown if that is private financing or if in 35 years, the City of Missoula can play a role in continuing to preserve affordable housing at this location.

President Jones Thank you Ms. West. Mr. Hess.

Alderpersion Hess Thanks. I appreciate all the comments up until now and I'll try not to repeat them. I appreciate the developer here, this is a developer with a track record for developing affordable units around the country and, and it's good to see them doing development in their own backyard in a good public-private partnership. And it's really a public-private partnership because of the, the right-of-way that is being that is being abandoned or vacated rather on this project and I think when we when, when the City and the County and the MPO and the state put together the malfunction junction project back in the in the 90s, it was expected that these two little triangles would redevelop and

that that hasn't happened and our understanding of transportation best practices have changed over the past couple of decades and now it's really much more functional for South Avenue and for Sussex to remove this diagonal cut through that block and to reroute traffic as, as proposed. So, I think from a traffic functionality standpoint, it's going to work really well, and I also want to highlight that this is an area with, with some of the highest quality public transit in in our community, Mountain Lines Route 1 is a high frequency route that operates on 15-minute headways throughout the day on weekdays and now operates seven days a week and runs till 10:45 pm on weekdays and Saturdays. So, it's living here and also Mountain Line Route 7 is lesser frequency, but still direct service to a lot of areas of our community and is obviously the centerpiece of the, the raise grant along Brook Street that that looks at installing bus rapid transit in the future. So, this will be an area where the price of the housing is suppressed by the affordability measures and a household's ability to get around the community with, without a car or with maybe with one less car can, can further kind of add to the affordability. So, it's really, it's really win-win in that in that regard so I'm happy to support it and I'm grateful for everyone who helped put it together.

President Jones Thank you. Ms. Vasecka.

Aldersperson Vasecka Thank you. I went to Sentinel, and I always thought that this bypass was very, very odd, so, I'm happy to support this tonight. There was there are some concerns that I had with some of the things that my colleagues were saying before. It's just a matter of disagreement but the property owner was on, on board with having the permanently affordable housing on this development, so I didn't want to interrupt that at all but my, my thoughts are the more affordable how affordable housing you have in one, one side of the unit that raises all the rents and the other ones. So, what would be in the budget of, of a middle-income family would kind of put it the would put it out on the upper end and they could no longer afford it having the more affordable housing and the other side. So, it just kind of you kind of got to pick one, you got to lower it here, but you got to raise it there because you know everything has to balance out in economics and so that's just my thoughts on this but I'm happy to support the resolution as is and, and like my colleagues have said before me it turns two triangles into usable buildable land, so very happy to support it.

President Jones Thank you. Mr. Carlino.

Aldersperson Carlino Yeah, I move to amend the conditions of approval under number eight, the first sentence to say the developers shall set aside a minimum of 20% of residential rental, units which should not be less than 22 units for households earning up to 80% of area median income for a minimum period of 65 years. And can I speak to that motion?

President Jones Let's take public comment on it first. Any public comment on the motion to amend? Anyone in the attendee virtual room who wants to raise their hand to comment on this motion to amend? Seeing none, go ahead Mr. Carlino.

Aldersperson Carlino Yeah, I guess I just will note that this right away vacation allows for an additional 80 units, but along with that, we are also using over 2 million dollars of Missoula Redevelopment Agency tax increment, tax funds towards this project as well and I just believe that the people of Missoula could be getting a better deal than the 35 years and I just encourage more debate on these things in the future, as it with the Council as a whole along with the developer and in front of the public.

President Jones Mr. Nugent.

Aldersperson Mike Nugent Thank you madam president. Councilman Carlino, I appreciate your, your comments and I would refer everybody back to the committee meeting where we discussed this because I think we had a very robust conversation that I, I hope we

don't play out the whole two hours of it again right here, but I think it's important to note that that the MRA may be spending two million dollars but a big chunk of that two million dollars is going to a roundabout that as a Ward 4 resident and a business operator on that street, I don't actually think is necessary for the, the impact of this project alone. I think the roundabout has a greater community benefit that is just being put into this project because there's an opportunity to make sense. So, I, I think that we should be careful saying that they're getting two million dollars for the housing project because I don't believe that that's accurate. I also, as, as we've discussed and will discuss more, you know when a private developer is bringing, bringing a project forward you know obviously everything's a trade-off and it's like a balance sheet and it all has to pencil for them or we risk losing the private investment, and taking that affordability from 35 years to 60 years, 65 years greatly changes that equation and that's something that I don't believe that we can just do in, in a setting like this and assume that they're going to be able to continue the project. I think that you're right you know having more conversation about it could be a good thing, but I don't think that it's appropriate to, to do it at this point the project.

President Jones Ms. Vasecka.

Aldersperson Vasecka Thanks and Daniel, I really want to thank you for really having a passion about this, but as I said before I'm gonna have to respectfully disagree with this and for what I just stated a couple of minutes ago but also I'm also not a big fan of the MRA, but I all I am a fan of taxpayer dollars going towards streets and infrastructure and sidewalks and it sounds like the MRA is funding this, the street roundabout on this and that is not very cheap and so I, I dislike agreeing with the MRA but I think I have to agree with this part of it this time. So, I, I will respectfully not support your motion.

President Jones Ms. Anderson.

Aldersperson Anderson Thanks so much madam chair. I mean, I agree with Mr. Nugent in the respects that we debated and discussed at length with all parties included in our committee meeting and someone's gonna have to pinch hit for me on the date exact date of that committee meeting, but I you know I think that we're losing sight of the fact that this is 107 total units, yes 22 of them are going to be deemed permanently affordable, but as the was stated in committee meeting there is various bands of affordability within the project so there are different units, number of units set aside for various AMI targets. And so, it really, in this one whole project, you would get 107 units that are targeted at a variety of very specific affordable bands, I guess for lack of better word, and I think that that's really important to take into account. So, it's not just focusing on the 22 units, it's a focusing on the entire project and I think that in a moment like this the very end of a committee to kind of change you know a make an amendment that would so radically change it after we've had quite a bit of debate about it just doesn't seem to make a lot of sense not knowing the long-term effects and how we could jeopardize all 107 affordable units, just focusing on 22. So, I will not be supporting this amendment.

President Jones Ms. West.

Aldersperson West Can I ask some questions, is that okay?

President Jones Go ahead.

Aldersperson West So, my first question was if it, if it's accurate to say that any of the MRA funding is going directly into the housing portion of this project? And then my second question is, like can anybody speak to how a change like this would impact the, the viability of the project overall?

President Jones We've got Ellen Buchanan from the MRA here and also....

Ellen Buchanan Yeah, I'm.....

President Jones Go ahead Ellen.

Ellen Buchanan Yeah, I'm happy to speak to that. The, the MRA funding, the TIF funding that's going into this project is basically to remove buildings and to build the public infrastructure. There is no money going directly into the housing.

President Jones Thanks. And did we get all of your questions answered Heidi?

Alderson West My second question was, if anyone could speak to the like the viability of the project if, if a change like that would were made right now?

President Jones Do we have someone who can speak to that? Emily Harris-Shears. Thanks Emily.

Emily Harris-Shears Hi. I obviously haven't spoken to the developer about this amendment, but as we discussed in the committee meeting on the 22nd about the proposed amendment of increasing the period of affordability to 75 years, the risk there is that the loan is typically for 40 years and that it may make the refinancing challenging, and so it will be harder most likely to get a loan in the beginning and that could impact the viability of this project, as well as the overall impact to the cost of the, costs of the developer of the income restricted units. You're essentially extending it or doubling it and then that will potentially impact the viability of the project as well.

President Jones Thank you Emily. Any other questions? Follow up?

Alderson West I have to say that I won't support the motion.

President Jones Thank you. Ms. Becerra.

Alderson Becerra Thank you. Several comments, I guess a question for my colleague is it just seems like you know after hearing that 75 years is the ideal, it seems like 65 is an arbitrary number of years? I, I also think that we have heard from the MRA several times as to how investment is made with TIF funding and it's not directly put into the development or the building itself, but rather it creates the right scenario the canvas where development can take place and produce affordable housing. So, you know, changing the parameters of the developer will I'm sure will certainly affect the viability of this of this project. I also feel like we have heard from several experts on the field of affordable housing and 35 years is a common and reasonable number of years and I also worry that making changes like these last minute really can, can cause issues in terms of the trust that we have with developers, especially this developer who specializes in in developing affordable housing. So, I, for all those reasons, I am not in a position to jeopardize this this, this project. Thanks.

President Jones Mr. Carlino.

Alderson Carlino Yeah, I think 75-year, 65 years was a compromise after 75 years didn't get passed, but I guess to speak to the MRA money points. I think the roundabout is a really positive thing for the community and I suppose that doesn't go directly towards the project, but deconstruction does go directly towards creating this new housing project and there is a natural financial incentive to deconstruct and resell those materials or reuse, reuse those materials for another project. So, I have a hard time coming along to thinking that giving millions to big developers or corporations to, to deconstruct is really the best way forward to protect our environment and work to stop the climate crisis. I think those things should, should be mandatory or at least we should just use that money towards something else positive, rather than deconstruction but I guess my main point I want to make is that we wouldn't have last minute amendments if we had the public and all Council members in on the conversation in the first place when we're talking about negotiating affordable housing units with developers.

President Jones Ms. West.

Alderson West So, I think deconstruction is a community value that we have decided to support, especially since we have a goal is of getting to zero waste. There is no incentive to deconstruct otherwise; it is much cheaper, much quicker to bulldoze a building and take it to the landfill. Construction waste is our number one component of things going to the landfill and yeah if that is something we want to see happen in Missoula, I think it's completely appropriate for MRA funding to incentivize it and yeah I just wanted to respond to that because there is, developers are not the construction experts and they are definitely not going to stockpile the materials and sell them in parallel to actually to developing a property, it takes a long time.

President Jones Ms. Sherrill.

Alderson Sherrill I don't have anything to add to what Heidi just said. I was going to refute those points. I think that achieving our zero waste goals is really, really important and it's absolutely cheaper just to knock something down and throw it in the landfill and, and I I'm happy for MRA funds to go toward achieving the zero waste goals are really important for our community's environmental health.

President Jones Ms. Vasecka.

Alderson Vasecka I have a question, if that's okay? Okay, so the deconstruction, there's not that much on that land. Is the deconstruction talking about that building on there or and also the deconstruction of the, the roadway that goes through it or is it just the building on the land? If somebody could speak to that.

President Jones Do we have someone from staff who can answer that specific question? Ellen?

Allen Buchanan Yeah, I can, I can pull the application and try to unravel those numbers but I, I suspect that I mean the vast majority of the cost here is obviously the street reconstruction and the roundabout, and I you know I would have to go back into the application and look and see exactly how those numbers split out.

Alderson Vasecka I'm satisfied with that answer. Thank you.

President Jones Okay thanks. Seeing no other hands raised, I'll just make some brief comments on the motion to amend, and I think it's really bad practice and bad policy to try and set unrealistic affordable housing thresholds that developers must meet. It's a good way to kill a project and then not only do not get the affordable housing, we aren't going to get the extra housing stock either and there are, there's a huge amount of work that goes into creating these formulas for the developer and they work with staff and there's a lot of expertise. So, I'm not going to, at the midnight hour, come in and make any kind of unrealistic requirement via an amendment that would basically kill a project and with that, I'll call the question. So, there is no, any public comment on calling the question? Seeing no public comment and no one in the attendee room to provide public comment on calling the question, Marty can you please take a roll call vote on calling the question?

Marty Rehbein Oh here we go. All right, on motion for the previous question, calling the question for the folks watching at home calling the question is a motion to end debate.

President Jones Thank you, that passes. So, now we need to vote on the motion to amend and Marty did you want to restate the motion to a amend just so that everyone's clear what the gist of it is?

Marty Rehbein I did not catch the motion to amend so I sent an email to, to Council person Carlino to send me the text to the amendment, so maybe he would be our best

President Jones Carlino, could you just restate the motion to amend?

Alderson Carlino Yes. I moved to amend the conditions of approval under number eight, the first sentence to state the developer shall set aside a minimum of 20% of the residential rental units, which should not be less than 22 units for households earning up to 80% of area immediate income for a minimum period of 65 years.

President Jones Thank you. If we could have a roll call vote on the motion to amend.

President Jones Thank you. So, now we're back to the regular motion, which is in front of us. We've taken public comment on that motion. We've had Council questions and discussion. Were there any further questions or comments from Council on the main motion? Seeing none, we will have a roll call vote on the main motion.

President Jones Thank you all.

Moved by: Alderson Becerra

Adopt a resolution calling for removal of Sussex Ave between South Avenue and Brooks Street from the Missoula Urban Area Highway System; and, Adopt a resolution to vacate the South-Sussex Bypass right-of-way that cuts diagonally through Block 32 of Homevale Addition, and the Public Utility Easement that was created when the alley was vacated, as shown in Exhibit A, and subject to the conditions of approval.

AYES: (10): Alderson Anderson, Alderson Becerra, Alderson Carlino, Alderson Contos, Alderson Hess, Alderson Jones, Alderson Nugent, Alderson Sherrill, Alderson Vasecka, and Alderson West

ABSENT: (2): Alderson Jordan, and Alderson Savage

Vote result: Approved (10 to 0)

Amendment:

Moved by: Alderson Carlino

Add a condition about affordability.

AYES: (1): Alderson Carlino

NAYS: (9): Alderson Anderson, Alderson Becerra, Alderson Contos, Alderson Hess, Alderson Jones, Alderson Nugent, Alderson Sherrill, Alderson Vasecka, and Alderson West

ABSENT: (2): Alderson Jordan, and Alderson Savage

Vote result: Failed (1 to 9)

MOTION

Moved by: Alderson Jones

Alderson Jones moved to end debate.

AYES: (6): Alderson Anderson, Alderson Becerra, Alderson Contos, Alderson Jones, Alderson Sherrill, and Alderson West

NAYS: (4): Alderson Carlino, Alderson Hess, Alderson Nugent, and Alderson Vasecka

ABSENT: (2): Alderson Jordan, and Alderson Savage

Vote result: Failed (6 to 4)

9. PUBLIC HEARINGS

9.1 Homeword Creekside Tax Credit Application

President Jones All right moving on to our two public hearings tonight. State law and City Council rules set guidelines for inviting community comment in a formal way on certain issues. Following a staff report on each item, the City Council and the Mayor invite community comment. During COVID-19, City Council is holding the public hearing open for a week and then voting the following week, unless there is a requirement for a final action on the night of the public hearing. And let me see, the first one is 9.1 Homeword Creekside Tax Credit Application, and we will be voting on this item tonight. So, we have Ms. Emily Harris-Shears here to present on this.

Emily Harris-Shears Thanks. I'll share my screen. I'm hoping you can see a PDF.

President Jones Yep, we can see it. It looks great.

Emily Harris-Shears Thanks. Well, hello, I'm Emily Harris-Shears. I'm a Housing Policy Specialist with Community Planning, Development and Innovation. Thank you for hosting the public hearing for Homeword's Creekside low-income housing tax credit application to the Montana Board of Housing. Homeword is applying for Montana housing tax credits to provide necessary rehabilitation to the Creekside Apartment Complex and preserve the dedicated use as income restricted housing for an additional period of affordability for 46 years. Tonight's public hearing is an opportunity to hear community perspectives and input on whether Creekside and the proposed rehabilitation meets a community need. This also satisfies the state of Montana's public hearing requirement for tax credit applications and there are three, just some background before I turn it over. There are three primary mechanisms for income restricted housing. New construction starts with an initial public investment and a period of affordability. Acquisition is exactly what it sounds like. It brings an existing housing into a dedicated use through new public investment. And preservation, which protects existing dedicated income restricted housing with an additional investment and an extended period of affordability. And the project that's before you today is not requesting funding from the City of Missoula at this time, but participating in the public hearing is a requirement of the of the process. And so, so I just want to also highlight that the City's adopted housing policy, A Place to Call Home, elevates the importance of preservation and the role that the City and Council can play in advocating for more tax credit investment in our region. Tax credits are an important funding resource and can be quite competitive given our state's population, which limits the total share of tax credits that we have access to. Ways to support projects include strategies we're utilizing for this project, like partnering with applicants to host public hearings, sharing letters of support and working collaboratively with the applicant to attend key Montana Board of Housing meetings to express our support. The item before you includes a motion to authorize Council President Jones to sign a letter of support on behalf of Council and with that I will turn the presentation over to Heather McMilin, Homeword's Project Development Director.

President Jones Great.

Emily Harris-Shears And I'm not sure if heather has been elevated yet, if we could please elevate her.

President Jones Hang on a second. Okay, Heather you should be able to talk now. You can unmute yourself.

Heather McMilin Yes.

President Jones Prefect.

Heather McMilin Can you guys hear me?

President Jones Yes. And Emily, we're still on the same slide. Is that where you want us to be with the 3 bubbles? Ah, perfect. Okay. Great. Good evening Heather. Thanks for joining us.

Heather McMilin Great, thank you. I did have a small moment of panic when I got thrown out of ZOOM, but I'm here back in here now. Great. Again, my name is Heather McMilin. I'm the Project Development Director for Homeword. You can go ahead and advance to the next slide. I'm here tonight to talk to you guys about Creekside. Creekside is located between here and east Missoula right along the Clark Fork corridor. There are 161 homes located right between east Missoula and Missoula. Go ahead and advance to the next slide. We spent some quality time talking about this at the housing redevelopment community program committee and so I'm going to go a little bit higher level tonight but I'm also here to answer any questions as we go. So please, by all means ask. Creekside Apartments were built by a private developer in 1996; it's 161 homes in actually 15, 14 different buildings with one community building located at this property. It's a mix of studio, ones, twos, and threes and we were lucky enough in 2017, working with the city, the city issued a 501(c)(3), conduit bond in which First Security Bank purchased that bond and we were able to compete with market rate developers to hold and preserve Creekside and maintain its original affordability. You guys had a pretty healthy discussion just previously about the periods of affordability and you're all right at different various levels and we can get into that and unpack that later but as far as Creekside is concerned, this is a low-income housing tax credit project and it was built in 1996 and at that point the Montana Housing, previously Montana Board of Housing only required 30 years of affordability. They have since changed those rules and anytime we apply for tax credits now and in the past probably 15 years, we commit to 46 years of affordability. And Commissioner West was correct, every state's a little bit different but we all can we all commit to 40 years, 46 years of affordability. So, let's go ahead and advance to the next slide. Creekside is really in a unique position right now. We knew when we purchased the project in 2017 that we were going to, (1) Compete against market rate developers who wanted to hold the project, let the period of affordability burn off, and in 2026 they could take Creekside to market rate. We also knew that if we didn't preserve it, it would go to market but also at that time we knew there was significant rehab necessary. At that point, it was pretty clear with the capital needs assessment and visual inspections of the building that a lot of the materials used to construct Creekside at the time in 1996 would be coming to the end of their useful life and so this is a really again we had a robust conversation, but it should be continued where you're talking about periods of affordability. Right now, we're looking to do a pretty extensive rehab on Creekside and why we're here in front of you today talking about accessing housing credits from the state. Please go ahead and advance. Yeah, we currently own the property and been working with Tamarack Property Management and they're doing their best, they're patching the roofs when the shingles fly off with the Hellgate winds, repairing decks, and dealing with failing materials. Buildings just simply don't last forever. The vinyl siding that the developer used at the time of building it, the fasteners are failing, some of those panels are coming off. There's just simply buildings don't last forever, so it's a topic a conversation that we should spend a while a lot of quality time digging into, but for today's purposes just know what we would like to do is do metal roofs and cementitious siding and replace the really efficient materials that were used in 1996 to build it and really upgrade the energy performance of the windows and do a few things where we know those buildings components will last longer. You can go ahead and advance to the next slide. And again, we've deferred maintenance and we've only done what we can actually do with the money from operations and so we've done a pretty decent job but there's definitely some deferred maintenance. Please advance to the next slide. Thank you. So, what we are proposing and what is in front of you today with the

letter of support we're requesting is that we are applying to Montana Housing for a 9% low income housing tax credit application. We were asked to apply. The applications are due on August 1st, and we won't know about that 9% tax credit application until October. What we're doing is proposing, because this is a very large project and the 9% is limited on how much we can ask for, we are also pairing it with a 4% tax credit. The short version of that is the 4% tax credit gives you about 40% of the equity that you need to do the rehabilitation, the rest is debt, the 9% is more 70-80% of the money you need for the project, but this is a commonly used, in recent years commonly used, structure and we are looking to apply it to Creekside. Please advance the slide. Right, so the proposed improvements I talked a bit about, it's mostly building envelope, mechanical units, electrical fixtures things that are just at the end of their useful life. We are also doing a unit by unit inspection. We're going to comb through and make sure that cabinets and you know flooring and all the finished materials are, are prioritized in order of need, and trying to stretch the dollars as, as far as we can. Please advance. Yeah, so again, the portfolio, preserving our portfolio is just as important as building the 202 homes at Trinity, building the projects you guys just talked about, Bellagio is another 200 homes, Homewood has hundreds of units around Missoula. This project is also vitally important to Missoula's existing portfolio, buildings age, it's very important to take them and rehabilitate them as necessary and so the conversation the program of the low end housing tax credit is you know just old enough we're seeing these projects come to fruition. We, years ago, built a Fireweed Court using hardy panel and hardy siding and we still haven't had to paint the building and the vinyl siding on this building is starting to fail. So, we're really trying to invest back into this project and extend the life past just the initial baseline efficient building materials and give Creekside additional life because preserving these units is just as important as building new. Please go ahead and advance. Great so, we'll just end on the fact that we're really grateful for you guys having the conversation we had at committee. We're also very excited to request tonight for a letter of support showing that Creekside and the rehabilitation and preservation of this project meets a strong community need here in Missoula. We are very excited about the project and bringing new life and we want to be very clear that the entire reason we're doing this is so that this project doesn't, didn't go to market in 2017. We don't intend on selling the project. We really are excited to be able to reinvest in this project to extend its useful life and its period of affordability, so that all the residents currently living at Creekside can stay and have a really healthy safe living condition. So, if there are any questions I'm actually very happy to answer them, love to get into a discussion about some other topics around periods of affordability and things that would come up tonight at any point. I would love to weigh in on some of those things but for any purposes on Creekside, please let me know if you have any questions.

President Jones Thank you. All right any questions for? Why don't you take that slide...there, thanks. Ms. West, questions.

Alderperson West So I did have a question on the 4% versus the 9% tax credit, and I know that the 4% tax credit is not competitive, not quite the same process and so I was wondering if you had any indication from the state if they would be willing to award the 4% tax credit funding even if this 9% tax credit application doesn't make it through the competitive process?

Heather McMilin That's a very reasonable question Heidi, I appreciate. The 4% percent, we are lucky in Montana, and this won't last forever but our 4% are not over asked so at any one point we can apply to the state for the 4% credits, and they know this project is coming via the 9% but also that we'll be submitting a 4% application. Really, the, the necessary rehabilitation on this building because it was built in 1996 for the most effective cost point possible at that point in time, we just need that infusion of the 9% but at any point if we could figure out how if, if we weren't awarded the 9%, we would come back restructure it as a 4% and do all the rehab we could do with the resources available and that would be something that we simply on a rolling clock can apply for and work through.

So, it is not as competitive yet in Montana's market but not long from now just with our housing demands around the state and outside developers coming in, it may become competitive, but it would be something that the Board of Housing is very committed to solving for. So, did I answer that question?

Alderperson West You did. Thank you.

President Jones Ms. Sherrill.

Alderperson Sherrill Yeah thanks and Heidi, I appreciate that the question about those credits. I'm curious you know if, if on this project we had done something like what was, I don't know if you were in the meeting the whole time but being suggested of doing a 75-year if we had if we weren't at the end of our you know guaranteed affordability, what would that do as the building was kind of falling apart and we were looking to get tax credits on this project? I'm kind of going back to our earlier conversation because I don't understand how tax credits work in that....can you just talk about that a little more?

Heather McMilin Sure, yeah, no, no problem. I will say, I did, I did listen to the discussion, and it really depends on how a project is underwritten, how it's put together, what the targets are. There is nothing simple..... our jobs used to be fun, it was all problem solving and it's just not that fun anymore because it's all complicated, but in the world of tax credits this particular project is at risk because and I, I kind of glossed over it in presentation mode but the fact that the Board of Housing put a deed restriction on the property in 1996. In 2026, that goes away and if we hadn't competed, if you all hadn't supported us with the conduit bond and we hadn't purchased it in 2017, it would have gone to market and somebody would have purchased it, held it, taken losses, and then let it go this these restrictions would be gone. They are across from the university; they could have before COVID had you know market rate rents. Today's market, that's a whole another ball game and we're seeing we've competed head to head with private developers. There are a lot of great non-profit developers, like BlueLine, we work with that wouldn't be doing this but there's outside developers that would come in and make offers and this has happened where they're buying tax credit properties close to the end of a period of affordability when there's no deed restriction anymore and they will pay three to five million dollars more than they're worth to take those losses and then take it to market because just, we are, we are just in that kind of market condition now for being able to charge pretty significant rents. And so, from the tax credit world, I'm really glad that a lot of our properties are, have that longer affordability. It was a choice by the state to extend it from 30 years to 46 years, and the talk for a long time with us the limited partners only around for the first 15, but we were committing to 30 in the beginning and now we're committing to 46 and so by us getting credits now, we're awarded credits in 2023 that clock starts over again. We will, because we've been asked for the investment, receive the credits, we'll comply with the limited partner for 15 years, they'll go away but we'll still have another was that 31 years after that to keep this affordable, but I think the healthy conversation we're having as a community because we had this at the committee, and we work with staff is that you have to reinvest. You have to, you know we have properties that yes we built well, and we were very adamant that you build energy efficient durable materials, all the things sustainability means is tied directly to affordability, but those buildings also won't last forever. we may have Lenox Flats need you know control replacements or capital needs, as we go over these coming years and we're really looking deep into our portfolio to be able to maintain their affordability because there's really large capital expenditures coming up when things wear out. And so, we are going to have to look, as a, you know, community to reinvest in that because we can't just simply borrow the money to cover it and we want to if you want the projects to remain affordable, have a longer restriction, let's say you want to have a 75 year restriction, you have to be willing to invest in them ongoing as the buildings age and hopefully we're designing and building the right way. I didn't mean to go down you know all these depths of conversation but none of the stuff you guys are grappling with now are

simple. So, I, I could talk for hours, so I should probably be respectful of your time, but I mean I hope I answered the question, if I was clear on how the tax credit piece works.

Alderperson Sherrill Yeah thanks. Madam chair, may I have a follow-up?

President Jones Go ahead.

Alderperson Sherrill Yeah that was I think that was clear and I appreciate that and I, I think that one of the pieces that's also important here not understanding all of it. I, I want to be honest it's very complicated as you know, and you could talk for hours on it but. it is that we're, we're creating with, with this we're creating a long, longer time of affordability and we're making livable housing. I mean we want to make sure that, that we, we don't want to create slums. We want to we want to create livable housing for our community. Thanks Heather, I really appreciate the work that you guys do and your expertise in this area, so just have a lot of a lot of respect for what you do. Thanks.

Heather McMilin Thanks.

President Jones Thanks and I don't see any other raised hands. I did have a quick question for you Heather, if you could just shortly explain the, you were talking about how the 4% tax credits are not over asked, so that's much easier to get 9% are very competitive and I know Missoula goes to bat as often as they can to take them home to our community, but this just clarify a little bit this goes in front of the State Montana Housing Board? Is that the name of it?

Heather McMilin It's, it's Montana Board of Housing. The staff component is Montana Housing, but the board is governor appointed, Montana Board of Housing.

President Jones Thanks and I just kind of wanted to comment. I know projects in Missoula that have been built with the 9% and I know we try and get those as often as possible, but if otherwise we take the 4%. This is a tool from the state that really, really impacts what we can build on the ground, and it appears that the state legislature is focusing now on affordable housing and there is a gigantic surplus with the State of Montana, and I hope there are some conversations happen about this because I've over the years I've gone to Helena in front of this, the Housing Board to advocate for certain projects and it's really competitive. So, and we're competing against other Montana communities and frankly we're all in the same boat. So, this, this to me is low-hanging fruit that could be addressed, just saying. Okay, so moving on, any other questions from Council? Seeing no other questions, we will need a motion from Ms. West, and then we'll call for public comment.

Alderperson West All right, so the motion is to authorize Council President Jones to sign the letter of support for the Creekside Low Income Housing Tax Credit application. And I'll hold my comments until after the public has a chance to comment.

President Jones Is there any public comment on the motion that is in front of us? Please come up to the podium and state your name and try and keep it to 3 minutes.

Akhilesh Boehmler Sure, my name is Akhilesh Boehmler, and I am familiar with the Creekside Apartments. I remember when they were built and I've seen them recently, and yeah they're definitely sloppy at this point. I do wonder if there's been any assessments of possible 100,000 year flood assessments given its geographic location and the climate instability regionally if there's been any such studies? That's kind of a main concern of mine on this project. Just curious if you have any information in that direction?

President Jones Thank you. Could I ask you to spell your name? Just so that when they do a transcript it's not as challenging. Go ahead.

Akhilesh Boehmler Yes, it's difficult. So, it's Akhilesh, spelled A-K-H-I-L-E-S-H, last name is Boehmler, spelled B-O-E-H-M-L-E-R.

President Jones Thank you so much.

Akhilesh Boehmler You're welcome.

President Jones Okay. Any other public comment on this item? And I'll check our attendees, raise your hand if you'd like to comment virtually. Seeing none, Ms. West.

Alderson West So, I, first of all, I want to thank Heather and her team for being willing to go back to Helena year after year and apply for these funds. I, if, if you've never gone to Helena to watch the Montana Board of Housing evaluate these projects kind of the last end leg of the application process I suppose it is incredibly nerve-wracking and they are all good projects. There is so much need, there's usually millions of dollars more in asks than the funding that is available and the one time I went, I sat next to Heather and my stomach hurt. So, I can't imagine what everybody else in that room who actually had projects on the agenda felt like. This particular project, I think, is just an amazing opportunity because it you know dramatically extends the affordability of these units in particular and obviously they are in need of upgrade, upgrades and repair, and it'll increase really the affordability of the units themselves to the folks that live there with the upgrades and efficiency and windows and really you know that that's the best possible outcome. And then I also just, just want to point out just how much affordable housing we have in our Clark Fork River corridor, which I think is just so wonderful that folks with limited incomes get to live in some really beautiful, desirable places. This is just one of many affordable units that are located in this corridor. I mean it's the creek side and then as you go down, there's the bridge, Clark Fork Commons, and then of course the Solstice and Equinox, and I think I am missing some that are on the opposite side of the river. And I don't think many communities can say that and I think that's something that we should be really proud of because you know it's affordable housing that's in desirable locations and mixed in with, with other incomes and that is what I think is really special about Missoula. So, thank you.

President Jones Ms. Vasecka.

Alderson Vasecka Thanks. I would like to relay Akhilesh's question to staff, if that's possible?

President Jones Sure. Could you rephrase it? Actually, I think Heather's got her hand raise. Heather.

Heather McMillin Yeah, I, I'd be happy to address and, and staff should definitely look into it. Equinox and Solstice, we were definitely required to do when we developed it from scratch, we had to actually do a LOMA, which is a, we had to move the boundary of the flood plain because it was an infill site. So, we have to work closely with the 100 year, 1,000 year floodplain when we develop on the River and I'm sure Clark Fork Commons had to do the same thing. I'm assuming that the developer originally at Creekside had to do similar research because our tax credit investors make us do all the testing and all the risks, and I know for sure because when we went to purchase it and had to do all of our research on it that it wasn't in any of the extended floodplain, the longer you know 100 year and 500, longer floodplains. Now that doesn't mean that we understand climate control, you know what's happening with our climate changes and the impacts and it's why we're working on the building envelope as a primary response because we don't, we have heat loads that we haven't ever seen before and they're routine now they're not just every once in a while and so the windows and all those being replaced are really important to us. So, and I, I just wanted to be able to dress up because it was a very good question from a public standpoint of that location and we have to be very careful and dot our I's and cross our T's, and make sure that we're dealing with it, especially in

buildings that have elevators and pits, and you know all the things. So, yes we have looked into that and it's not a concern, but the city staff can actually look that up as well.

President Jones And we have Cassie Tripard who is city staff. Cassie, I assume you've got more information on this question?

Cassie Tripard Yeah, I'm Cassie Tripard, a Planning Supervisor and the city's floodplain administrator. We are currently undergoing a project to remap the floodplain for the Clark Fork River and the Bitterroot River. So, while the data is currently in draft stage, we do have new models and data for that stretch of river. I did take a peek at the draft maps during this and as of now in the current draft map, as they're shown, none of the structures appear to be in the flood plain.

President Jones Thank you. Okay. No follow-up Ms. Vasecka?

Aldersperson Vasecka I think we're satisfied, thank you.

President Jones Okay. Thank you. Mr. Nugent.

Aldersperson Mike Nugent Thank you. I think this is great and definitely will, will support the Council signing on to a letter but I do just want to say thank you and I'm probably going to say this every time Homeward is ever in front of Council, but the work you do in in Missoula and all of Montana is so important and, and we're lucky, lucky to have organizations such as Homeward advocating for, for people in Missoula. And I would just encourage those who are unaware to kind of learn more about all that Homeward does because it goes so far beyond just housing and education, and it's just a great group. And on that note after, I've duly complimented you, I hope that Homeward would be willing to come to a committee meeting someday in an informational capacity to educate all of us on, on what we've been talking about tonight, and how these credits work and how financing a project works because I think that that would be very beneficial. So, hopefully that's something you'd consider.

Heather McMillin If you don't mind, I'll, I'll answer. I would love to, and I know we only get snippets of time when we're in committee and at Council meetings, but I applaud the level of conversation you're already having and the understanding and the want to have long-term affordability. And so, we'd be happy to come and talk it's, it's really refreshing to have you guys be as educated as you are in the decision making and the leadership you're showing, especially you know with the world we're living in so currently. We'd be happy to come and talk through and get you guys better armed for conversations and just talk through it because there's no exactly right answer, but it is, it warrants and would be a good discussion. We'd be happy to participate at any point you guys would like.

Aldersperson Mike Nugent Great. Since we are talking about low-income housing tax credits, the, the state legislature last session managed to get a bill through in bipartisan fashion to expand this program and for reasons I don't quite understand, it got vetoed by the governor. So, my hope is that that work will happen again because it was truly a bill supported by republicans and democrats and a large coalition of private developers, cities, communities, non-profit developers. So, you know, the time may come where we need to do a, a public, public push to let people know that this is important.

Heather McMillin Great thank you and it may, I may be out of turn, but I would have said something before I hung up about that because it is a very powerful tool. All of Montana is suffering right now and we could double our production with the credit bill that had been passed and vetoed, and it will be coming back for this session. So, thank you for your support.

President Jones Ms. Anderson.

Alderson Anderson So, it looks like we will be going on a field trip to Helena to support it, but yes I want to echo what my Council member or fellow Councilmember Mr. Nugent said in response, response to how thankful we are and lucky that you and your colleagues do such amazing work. I'm happy to add my voice of support to this project it is and I also want to thank the members on Council who were there in 2017 who used some creative thinking and tools to allow for you folks to buy it because you are good stewards and, and keeping it from you know letting you be competitive within the market to be the ones who have now ownership of this so that you can continue to work to preserve this really important housing asset in our community for folks at the very bottom scale of the affordability. And I think it's you know I'm really hoping that you are successful because it you know we in Missoula are not unlike other communities in terms of the pinch that we are seeing post COVID and some of it leading up to that and we are trying to utilize the tools that we have and create new ones and be creative in what we have the ability to do with developers and an Affordable Housing Trust Fund and our CBD, our community block, oh I, I would get that acronym wrong every time but we need the state to help and this is where they can and this is you know a really important way for them to award these dollars to trusted partners like you to really be able to rehab this facility and think about it from a more long term you know utilize upgrading those materials and then you know going through each unit and thinking about things like windows because that also helps the individual homeowner who lives there and, and you know as we all are looking at our family's budgets and you know trying to figure out how to pinch pennies and, and absorb some of the effects of inflation you know and rising electric bills is not helpful and so the fact that that is not only that's a significant component of this is an overall really important and will have an impact on these families. So, you know we're doing what we can, and we need our partners at the state to do what they can and I'm happy to support this and once again just thank you guys so much and you're really such an important component of what makes Missoula a really amazing place and, and all the work that you do. So, thank you.

President Jones Ms. Becerra.

Alderson Becerra Thanks, I'll be brief. I am happy to support this motion tonight and also sing Homewood's praises for everything that it does in our community. It is not easy to provide affordable housing and have it be well maintained. It is also not easy to provide housing that the, the tenants feel proud to live in, that gives them a sense of the longing and Homewood has always done so has always done that as a priority and I do think that that's a really important part of affordability, to give people and residents a sense of pride in where they live. So, I am happy to support it and happy to always support going to get some of those tax credits whenever they're available. Thanks.

President Jones Great. Thank you everyone. We've had questions, we've had comments, and we've had public comment. Thanks for all of the, the great comments and Heather yes we appreciate you and Homewood very, very much. I think we will go to a roll call vote Marty.

Marty Rehbein Okay, this this is on the motion to authorize President Jones to sign a letter in support of this application and I think we start this round with Hess.

President Jones Thank you; that passes. Thank you for your time Heather and Emily, appreciate it.

Moved by: Alderson West

Authorize Council President Jones to sign the letter of support for the Creekside Low Income Housing Tax Credit application.

AYES: (10): Alderperson Anderson, Alderperson Becerra, Alderperson Carlino, Alderperson Contos, Alderperson Hess, Alderperson Jones, Alderperson Nugent, Alderperson Sherrill, Alderperson Vasecka, and Alderperson West

ABSENT: (2): Alderperson Jordan, and Alderperson Savage

Vote result: Approved (10 to 0)

9.2 Ordinance generally amending Title 5, City Business Licenses and Regulations to incorporate regulations concerning legislative changes in the cannabis industry, reorganize definitions, and update outdated process language.

The City Council will hold this public hearing open until they take up the item for final consideration on August 8, 2022.

President Jones All righty, the last item under our public hearings tonight is an ordinance generally amending Title 5, City Business Licenses and Regulations to incorporate regulations concerning legislative changes in the cannabis industry, reorganize definitions, and update outdated process language. And we have Mr. Stark here to present tonight and Cassie Tripard, and is Madson also here?

Cassie Tripard She is absent tonight.

President Jones All right.

Cassie Tripard But I'll get us started. So, you can all see my slides, correct?

President Jones Yes, we can.

Cassie Tripard Great. So, I'm Cassie Tripard, as she mentioned a Planning Supervisor and I'm here with Spencer Starke an Associate Planner. Madson Matthias, another lead on this project, was unable to attend tonight, so I will be presenting in her place. Community Planning, Development, & Innovation staff have drafted amendments to Title 5 city business licenses and regulation ordinance in response to necessary maintenance items and the legalization of recreational or adult use cannabis in 2021. In order to accommodate the increase in the number of cannabis businesses and their unique nature, staff are proposing a new business license category for cannabis. Additionally, staff are proposing air quality mitigation requirements in order to protect the public health, safety, and welfare of the community, as well as a reorganization of all Title 5 definitions for improved legibility and an update of outdated process language. Though not included in the proposed ordinance before you today, we will also discuss our findings related to energy conservation regulations in regard to cannabis cultivation and what options the City of Missoula has moving forward. At this hearing, we would like guidance from City Council on interest in pursuing energy conservation regulations and the timing of this project, if there is interest. Final consideration for adopting an ordinance amending Title 5 will be on August 8, 2022. So, before discussing the proposed ordinance changes, I want to take a step back and review how we got here today. In 2020, ballot Initiative 190 passed and was followed by the approval of House Bill 701, which legalized the cultivation, transport, retail, and possession of recreational cannabis and cannabis products within Montana. This permitted recreational cannabis businesses to operate in counties where the majority of voters supported Initiative 190 including Missoula County. In response to the state's legalization of recreational cannabis use, CPDI staff proposed amendments to Title 20 zoning code to accommodate new definitions and impacts of recreational cannabis use within the city. On November 2, 2021, planning board recommended to City Council that the zoning amendments include energy conservation regulates, regulations for cannabis cultivation, and on November 29, 2021, City Council voted to approve staff's recommended changes to Title 20 zoning code, omitting the amendment proposed by planning board, and directed CPDI staff to amend Title 5, the

city business licenses and regulation ordinance to incorporate revisions regarding energy consumption for cannabis cultivation facilities. Then on January 1, 2022, the Montana State Department of Revenue permitted medical cannabis businesses licensed on or prior to November 3, 2020 to begin operating as recreational cannabis businesses. In early 2022, staff researched the energy impacts of cannabis cultivation and how other communities have regulated energy consumption. This research was compiled in an issued white paper and presented to Land Use and Planning Committee on February 9, 2022. During the process for drafting the white paper, staff were made aware that Montana state law may prohibit mandatory energy efficiency requirements that exceed those mandated by the state. Staff then drafted an ordinance aligned with the white paper energy conservation recommendations and sent this to the Montana State Building and Commercial Measurements Bureau for review. This was followed by a meeting with a representative of the Bureau, Eric Copeland, on April 12, 2022. The state's review of the draft ordinance confirmed the energy requirements for cannabis cultivation are not compliant with state law. The Montana code annotated section 50-60-102-6 requires local energy conservation standards that exceed the energy conservation standards contained in the state building code to be voluntary and incentive based only, and I will cover this again in just a few slides. This state requirement has prevented city staff from moving forward with an energy conservation regulations at this time because the initial proposal would have required energy provisions rather than incentivize them. A memo detailing options for voluntary incentive-based energy regulations has been included with the staff report. Despite not moving forward with the energy requirements at this time, revisions to Title 5 are still necessary in order to create a new business license category and include new cannabis related definitions. The State Department of Revenue has already started accepting recreational licenses from existing medical businesses and will begin accepting recreational licenses from new businesses in July of 2023. The current proposed ordinance generally amends Title 5 in order to allow for this new license category. So, I will now go over the proposed amendments to Title 5 in detail. First in chapter 504, definitions, staff proposes the inclusion of new definitions pertaining to the cannabis industry and related business licensing. These definitions align with those in Title 20 zoning code and state law. The ordinance proposes consolidating all definitions under one section number, which reformats the current system where all definitions are given their own section. This allows for increased legibility and flexibility for future amendments. Second in chapter 508, relating to fees and authority, staff proposes replacing the term City Treasurer with The City, as the City Treasurer is no longer responsible for collecting fees, issuing, or filing business licenses. The choice to use the language of The City instead of Development Services or another more specific title is to allow for processes to change over time without code updates. Staff also introduce a new cannabis business license category within this section to enable the City Council to authorize and set fees for the license type. Third, in chapter 508 relating to cannabis business licenses, staff propose the creation of a new cannabis business license category. This is because the existing licensing types in Title 5 are general business licenses and office space, retail, wholesale, or warehouse space license. Currently, cannabis business licenses fall within the general business license category. With the new zoning requirements around cannabis businesses, planning staff require additional information to be provided by each business to ensure compliance with the regulations. Though the code currently allows us to collect this information, the specific submittal requirements are not listed in the code making it more difficult for applicants and staff to get through the process quickly. An entirely new set of requirements, application form, and licensing type is proposed to provide upfront guidance to businesses seeking a license. The information requested includes many similar criteria as the general business license with the addition of cultivation canopy area, approved tier size, previous use, and proposed use aligning with the new zoning use classifications. Furthermore, zoning use classifications differ from building code structure occupancy types. Prior to the legalization of recreational cannabis, dispensaries were reviewed and approved by CPDI building staff as (B) business occupancy under a patient care model. This was due to the

medical nature of cannabis at the time and following legalization of recreational cannabis, all dispensaries are now considered retail by zoning code and (M) mercantile occupancy by the building code. The (M) mercantile occupancy aligns with the zoning retail use classification and due to this change in use and occupancy type, dispensaries that were previously allowed as a (B) occupancy will now need to complete a change of use building permit to an (M) occupancy as a requirement of the building department. Asking for building and zoning code related information on the front end and in a streamlined consistent process will also aid staff with data collection and speed up permit review times. If adopted by City Council the amendments to Title 5 would require existing cannabis businesses to apply for a cannabis business license rather than renewing the existing general business license at their next renewal date. Completion of the new cannabis business license would document existing cannabis uses, legal non-conforming status in terms of cultivation canopy area and zoning district, and building code compliance. Businesses required to submit a change of use permit by the building department can be easily identified during the business license renewal process. So, in summary, the proposed updates to Title 5 aid in the implementation of required zoning and building department processes and are intended to provide clear guidance to the applicant regarding information required for license approval. While reviewing the application requirements for cannabis businesses, staff recognize the opportunity to incorporate additional general business license application requirements. These include building address, previous use of space to be occupied, and amount of square footage in the building or suite to be used for the business. Specifically, staff use this information to determine building occupancy type, adequate parking, and substitution of legal non-conforming uses. Staff currently request this information during review, so the requirements are not really new, but the ordinance proposes to list the requirements explicitly in Title 5 to provide better guidance to applicants. Fourth and finally, staff proposed the creation of a new chapter 5.120 entitled cannabis, which includes requirements applicable to any cannabis cultivation or manufacturing facility seeking a business license, unless explicitly exempted. Staff have found both cultivation and manufacturing of cannabis products emits odors, mold, chemicals and volatile organic compounds known as VOCs, all of which negatively impact air quality. Carbon filters are currently the most effective technology for mitigating these negative impacts. The proposal to require carbon filters was included in the original white paper and was found to comply with state law in our meeting with Eric Copeland. City staff intend to continue to move forward with regulations addressing these impacts in the current proposed ordinance. Staff's proposal would require cannabis cultivation and manufacturing businesses to install and maintain carbon filters that are properly sized for the cultivation or cannabis product manufacturing area. This requirement is intended to reduce odor for the benefit of neighboring properties, as well as to protect worker safety. This concludes staff's recommended amendments to Title 5 and next I would like to circle back to energy conservation regulations, including the constraints in state law and options for moving forward. So, to reiterate. Montana code annotated section 50-60-102-6 requires local energy conservation standards in excess of those set by the state to meet the two following requirements and those are that they must be voluntary, and they must be encouraged by incentives, but never required. And I will now give the floor to Spencer Starke to detail options for voluntary incentive-based energy regulations within the City of Missoula. Thank you.

Spencer Starke So, as Cassie said, based on the limitations set by the state for Missoula to set energy regulations, staff has developed three possible incentive methods to comply with the state while meeting the direction given to staff by City Council. The first incentive would be a relief from current canopy area requirements. So, currently zoning code applies cannabis cultivation use classifications based upon the canopy area. Title 20 does not limit canopy area within limited and heavy industrial districts and restricts canopy area and business commercial and limited industrial residential zone districts which permit less intensive uses. To incentivize compliance with the proposed energy

consumption treatments, City Council could allow cannabis cultivators to increase the amount of canopy area beyond what is currently committed in zoning. This will allow cultivators to increase production while decreasing the net energy consumption of the operation. This strategy for implementing an incentive program that is compliant with state requirements would require amendments to Title 20 zoning code and would not require the additional establishment of fees. However, currently the limits of canopy area and different Title 20 zoning districts were structured to be comparable to the existing permitted uses within each zone district. The potential increased, increased impacts besides energy consumption in these areas is expanded by permitting the expansion of canopy area. The second option would be to amend zoning to further restrict canopy area and then to incentivize energy consumption by relieving the current canopy areas established in Title 20. And finally, the third option would be to set a cannabis cultivation fee. The fee would likely have to be somewhat significant in order to adequately incentivize people and motivate individuals to participate within the energy conservation program, as the difference between implementing LED lights versus traditional high HID lighting which is the traditional horticultural lighting that the difference in cost there is somewhat significant. Next slide. In addition, and after receiving feedback at the initial LUP meeting, committee meeting, I believe 2 weeks ago, staff is now reflecting on the timeline for implementation. July 2023 is the date that has been set to allow for cannabis licenses to be available previously non-qualified groups. These are the groups that did not hold a medical marijuana license within the State of Montana prior to November 3rd of oh gosh was that 2020, perhaps 2021. This date has been the projected end date for implementing any of the proposed energy policy related to cannabis cultivation. Now that we're aware of the structural limitations that [inaudible] state authorities, staff is considering how to approach energy as it relates to cannabis and to other industries as well. As Council is aware, CPDI as well as other city departments will be embarking on [inaudible] method in the coming months. City staff will be looking at the city's policies, plans, and regulations and making recommendations on how to update and make those policies. Part of this process will consider energy usage and would result in recommendations at a more broad level, and incentives to address high energy consumption across sectors including cannabis. Staff is now favoring implementing cannabis energy policies as part of a broader energy code. This will allow for staff to develop a more holistic approach to energy consumption in Missoula, it may reduce the doubling of those efforts. City staff has continued to review and approve on more projects, but we are seeing an increase in permits and are focusing our time getting development out. This includes permits and subdivision, and we are also beginning to shift our effort moving forward. We're considering if it would be best to move forward with these and other energy policies as part of the broader effort of moving forward with energy policies specific to cannabis, this is more favorable given the July date. Staff is looking for direction on which route City Council would prefer and in addition, any further thoughts and feedback regarding the incentives for the proposed [inaudible]. Next slide. Circling back to the Title 5 calendar, tonight we're holding the public hearing for the Title 5 amendments being considered by City Council this evening with a final consideration for the Title 5 amendments proposed this evening on August 8, 2022. For further information for those members of the public who may be interested, more information can be found on Engage Missoula which is our public notice website at the link shown on the screen below or by navigating to our website and clicking on city initiated projects. Next slide. So, staff is recommending the motion confirming the proposed Title 5 amendments as follows. City Council adopts an ordinance generally amending Title 5 Missoula Municipal Code, the city business license and regulation ordinance, to incorporate additional provisions within chapter 5.04 definitions, 5.08 licensing provisions generally, and creation of the new chapter 5.120 entitled cannabis to incorporate regulations concerning legislative changes in the cannabis industry, reorganize definitions, and update outdated process language. This concludes staff's presentation and we're available for questions and discussion. Thank you.

President Jones Great, thank you. First of all, pursuant to our rules, I'm going to go to public comment on this item. If there's anyone that wants to provide public comment? I'm not seeing anyone attending virtually, but if you'd like to come up, those in the room, come on up and you don't have to spell your name this time, that we got it.

Akhilesh Boehmler Appreciate that. Akhilesh Boehmler and I am a little surprised that there is nobody else to speak on this given the number of dispensaries here in this town, especially. I was wondering if anyone had done any studies at all on how many of these businesses are coming from out of state. From my knowledge, it's many and there are many local businesses that are having to directly compete, it seems that there's enough people attending to allow for this many dispensaries, but I don't know if you've looked at studies, but we have more dispensaries here than per capita, just about anywhere else. Perhaps, you might consider limiting numbers, perhaps looking at the businesses closer for who owns them and where, just a thought. It's, in my opinion, a little bit overboard, perhaps here locally given the numbers of dispensaries everywhere, everywhere. And what happens that I've seen is that because of the numbers of businesses holding these locations, other businesses are then impacted via their rents and the press of number of businesses wanting these retail locations. So, consider the impact as a whole perhaps. Thank you.

President Jones Thank you for the comment. Okay. Comment or questions from Council regarding this topic? Ms. Vasecka.

Alderson Vasecka Thanks. If I'm, correct me if I'm mistaken, but didn't we right before this be marijuana became legal in Montana last year I believe like I think it was called white paper, didn't we have a discussion about how many marijuana dispensaries were allowed in a given proximity of businesses?

Cassie Tripart Correct. With the Title 20 zoning code updates that were passed last year, rather than capping the current zoning regulations require that businesses coming in as of that date, when the zoning amendment was made be 500 feet apart, trying to free up some retail space in between those businesses.

Alderson Vasecka Okay. Thank you.

President Jones Okay. Any other questions from Council? Mr. Hess.

Alderson Hess May I make a comment?

President Jones Go ahead.

Alderson Hess Okay. I appreciate your comment. I think you know we did we did look at those bands those thresholds of having been being a certain distance apart. One of the things that you'd see is that if the business existed before the zoning, they'd be illegal non-conforming. So, so, you might see some that are closer than 500 feet and that'd be why but it's I mean there's a there's a ton of them and I think it's an appropriate question to be continuing to ask. Another thing, that is in the state law is that a lot of this is state but the other thing that's in the state law is that the initial providers were the ones who are able to operate now. And I think that was designed to give preference to local businesses, but July 2023 is when the flood gates open if you will for out of state or, or other new providers. So, I think just one thing for everyone to consider here is trying to get our regulations dialed how we want them before, before July of 2023 is going to be really important.

President Jones Thanks. Mr. Carlino.

Alderson Carlino Yeah, I'll just try and ask her other question but also just point out that the state you know blocked marijuana from being grown outdoors with natural sunlight, which would have been you know given the freedom to grow it wherever you I

mean to grow it outdoors would have been great and would have saved a lot more energy and we wouldn't have to go through such, such a process here but the state also should really expunge everybody, everybody's criminal records too for marijuana use in the past and but I guess might to ask your question. I'm just curious if staff knows how many are out of state or are they all from Montana? I know that all the marijuana has to be grown here but just to try and ask the public commenters question.

Cassie Tripard Spencer, correct me if I'm wrong but at this point we do not know whether those state license businesses are from in state or out of state. I guess if any are from out of state they would have had to have been licensed as a medical grower provider in Montana prior to November 2020.

Spencer Starke Yeah, we, our business licenses even if we were to collect data on the where their address out of that wouldn't necessarily tell us whether or not they're operating from out of state. We, we collect where they're their offices locally would be, would be operating out of. So, that's data we didn't go through the process yet.

President Jones Thank you. Ms. Becerra.

Alderson Becerra Thank you. I have a couple of questions but one of them is pretty basic. Do you know how much a business license fee is right now? That we're getting from businesses....

Cassie Tripard I can certainly look into that right now.... and it does vary depending on the type of business license, I know that much.

Alderson Becerra I can ask my other question while you're looking into that.

Cassie Tripard That would be great.

Alderson Becerra And then in your recommendations, you have three recommendations relief from canopy area, amending zoning, and cannabis cultivation fee. Are you proposing one of those or all three of them to have some sort of? You know, I can see where one might be more effective for, for some business or some operation than the other one. Are you thinking one of the three or a combination? Yeah....

Cassie Tripard Just for clarification, you mean one of the three original or maybe there's more proposed I guess methods for reducing energy consumption or are you talking about the different incentives?

Alderson Becerra I guess it was the different incentives, it, you had a slide with recommendations and three, three of them. One would be relief from canopy area, number two was amending zoning to allow for current canopy, as an incentive, and the other one was cultivation fee.

Spencer Starke So, I think we had originally considered these, implementing one, but I believe the fee and either of these zoning release could be implemented. We had considered them as a as selecting one of those options and hadn't considered the combination at this time. The only thing that comes up off the top of my head when considering them is that if somebody opted into let's say zoning relief as an incentive, that would still be responsible for the full cannabis license fee and, and the anybody who would opt out of the would opt in to incent the program to waive the fee would still be required to comply with the zoning. So, at that at least that's kind of how we had considered it if there are other ways in which you would like to see these incentive structured, staff can do some follow-up just structure them for that they're compatible.

Alderson Becerra Oh go ahead.

Cassie Tripard I was going to say I did get a number for the current business license. As of now, it's considered, they fall under general business license type as commercial, and those fees are \$160.00 as a base fee for 4 or fewer full-time employees and then each additional owner or employee beyond four adds an additional \$40.00 charge per person.

Alderson Becerra Okay. That's good to know. I guess as a comment, I, I would really like us to find a way to have the carrot and the stick. You know, maybe a fee and also some zoning based approach to, to this and I, I, I have concerns about, it seems like we're waiting for so many things to be addressed by our code reform and that is gonna take a while and I know there's not necessarily a sense of urgency on this, but I do think that we might have to wait a few years to see any action come out of the code reform. So, I would like us to think about how to address this before, before then, if possible. And I appreciate all the research and, and everything that you have given us so that we can make some decisions at some point. Thank you.

President Jones Ms. West.

Alderson West So, first of all, I want to thank staff for just spending an incredible amount of time on this over the last I don't even know it's been a while now, almost a year probably who have been doing some really incredible research. I think, I, I don't have a question just comment. I, I think my preference would be towards the fee as an incentive and I think in part for the reasons that Mirtha stated, I, I don't know that a zoning incentive would be appropriate and, and would also take a long time to figure out and I think a business license or a cultivation fee would be something that we could implement more quickly, and not potentially you know derail some part of our, our zoning overhaul process. And then I also just had a brief comment, it's been really interesting to watch in parallel how Montana has rolled out the cultivation of marijuana compared to Oklahoma, which is my I guess where I went to college and where I came from and there they did allow just the you know like cultivation of marijuana in you know fields and it has had a really dramatic and kind of horrible effect on land prices throughout the entire state of Montana, not Montana, Oklahoma and there were some definite unforeseen consequences that have really eroded the affordability of, of ag land or developable land in general, and that is not an added layer of affordability pressures that we need in Montana. I think we have our land values, especially in our communities or you know are already incredibly high and we don't need to compete with marijuana growers for that land. And then just generally, I'm not sure that we actually have the appropriate day length for to induce flowering in marijuana plants in Montana. So, thanks.

President Jones Okay. Mr. Hess.

Alderson Hess Thanks. On the question of how to address energy consumption, I guess. So, this hearing is not really about that and, but we do need to address that and so I what I propose is that maybe we either bring this back after the conclusion of this public hearing, bring it back to LUP and have, have a discussion and direct staff in that way. We could also if there's if, if there's a need, we could maybe do a small working group that could involve interested members just to kind of talk through it informally, but I think, I think we should circle back to it after the after the public hearing and just of course remember that we're, we're prioritizing the scarcest resource, we have which is staff time. So, do we want to do it now and spend staff time on this thing that's really important? Or does but, that's at the exclusion of other things that are really important, and I think it's really important that we have an understanding of, of what the trade-offs are there. So, maybe if we just bring this back to a committee meeting sometime in the near future, that might be the best approach on, on gathering feedback.

President Jones Okay thank you. I'm not seeing any other raised hands for questions at this point. This is a public hearing that will be kept open until August 8, 2022, since we have August 1, 2022 off, and then we can finalize what is in the motion which is basically reorganizing and clarifying our business licenses regulations, that type of thing, and then

on the energy usage component that we keep discussing, but kind of chasing our tail on, I think maybe we need to have some discussions as Mr. Hess said, create a small working group and if there are counselors interested in that let Mr. Hess know as chair of LUP and that can be in coordination with our planning office because they have a work plan of course and how, how to how to make all of that synchronize and work this fall. All right, are there any other questions from Councilors on this item? Then, thank you staff for all the great information. We will keep this item open until August 8, 2022, when we will have our final vote on it.

10. COMMITTEE REPORTS

10.1 Budget and Finance (BF) committee report

10.1.1 Minutes from the July 20, 2022 Meeting

10.2 Climate, Conservation and Parks (CCP) committee report

10.2.1 Minutes from the July 20, 2022 Meeting

10.3 Committee of the Whole (COW) committee report

10.4 Housing, Redevelopment, and Community Programs (HRCP) committee report

10.4.1 Minutes from the July 20, 2022 Meeting

10.5 Land Use and Planning (LUP) committee report

10.6 Public Safety, Health and Operations (PSO) committee report

10.7 Public Works and Mobility (PWM) committee report

11. NEW BUSINESS

None.

12. COMMUNICATIONS FROM THE MAYOR

President Jones I will pass on that.

13. GENERAL COMMENTS OF CITY COUNCIL MEMBERS

President Jones General comments from City Council members, I will start with Ms. Vasecka.

Alderpersion Vasecka Thank you. There are a couple of things that I wanted to discuss tonight, I guess a few things because there are three things I want to discuss. In the past and earlier this evening, to the voting no to calling the question, which to our constituents means to end the debate. The reason why I voted no on that is because I don't like the way that it's stated because I prefer to discuss, I prefer not to debate because when debating, it means that I am right you are wrong, and this is why and that's how I feel like debates are and I like to have more of a discussion. And if my colleague is not pleased with the discussion being ended, then I'd be happy to continue on until everybody is pleased, so that that is why I usually vote no when I'm calling the questions I just want to give my explanation on that. Last week, there was an, a informational item in committee for regarding the Sleepy Inn and there were a couple of newspaper articles about that, and I don't think that we're going to bring that up to discuss any a little bit further in the future until things actually start happening with that. So, I just want to give my, my brief thoughts about the outcome on that. I am happy to hear that we are not going to make this permanently affordable housing, which has been talked about in the past. This is real prime real estate and being so close to the river and with the recent reconstruction of Russell Street Bridge, it is, a lot of developers should, should be looking at it. I was concerned to hear in the meeting that we are not going to be trying to maximize profits and we will instead be trying to maximize implementation of the Broadway Master Plan. While I understand that planning is

important, our taxpayers are holding on by a thread and I would like to give them any relief that we can give them. There are folks on fixed incomes that are being taxed out of their homes and this year with an expected property tax increase, it will only be worse. This property, or the Sleepy Inn property, is going back on the property tax rolls, is going to be a little bit of a help to relieve Missoula citizens because while the city does own this land and property, it is taken off the tax rolls and no property tax dollars are acquired from it and that does affect all the citizens, property owners and renters alike. I would prefer the funds from any potential sale to go to reimburse the fund that the sale originally came from and give any remaining profits to the Affordable Housing Trust Fund, if not the general fund. In this case, it was the MRA that originally provided the funds and if we don't reimburse the MRA the original funds then it's kind of a roundabout way of the MRA donating the 1.1 million dollars directly to the Affordable Housing Trust Fund, since the Affordable Housing Trust Fund had not existed at that time. Those are my thoughts on that. Finally, on a happier note, I wanted to let the public know that on August 2, 2022 from 5:30 p.m. to 7:30 p.m. on the west side of Shield's parking lot at the mall, there is the National Night Out. It's the Missoula Police Department participates in this nationwide event. It is a national community building campaign that promotes police community partnerships. I went last year, although for a brief amount of time, but it was really cool. There was a lot of demonstrations and free big dipper ice cream to kids and that's going to happen again this year. A couple of the highlights, the Missoula Fire Department is going to be creating a water splash pad area for kids to play in. There's going to be a car seat check and that is going to be by appointments, and they will be able to accommodate some car seat checks that same day. So, please call 406-552-6290 to schedule a car seat check. The Missoula Police Department special teams, SWAT, K-9, bomb squad, motor unit crime, prevent crime prevention, evidence and patrol will be there and Life Flight may be doing a landing and a takeoff. Again, that's August 2, 2022 from 5:30 to 7:30 p.m. on the west side of Shield's parking lot at the mall. I hope to see you all there. I do play volleyball on Tuesday nights but we're not that good, so I might be ending early and be able to come. So, those are my thoughts for tonight. Thank you.

President Jones Thanks. Mr. Contos.

Alderson Contos I'll pass, thanks.

President Jones Ms. Anderson.

Alderson Anderson Ditto on the National Night Out. I was gonna announce that, but a couple things. I want to take a moment to thank the quick response to the fire that broke out over the weekend at the Y. I was driving down the hill after being gone this weekend and came down Evano Hill and saw a very black hillside and coming scary close to a lot of homes and I'm sure all of those folks are breathing a sigh of relief and thanking all the first responders to that and unfortunately our wet, cold spring has now left a lot of once was lush brush now nice and tinder-like material, so everyone needs to be extra careful as we are enjoying in a beautiful Montana summer and we would like it to stay that way and not be filled with wildfire smoke, but the one thing I wanted to point out, I think that we think a lot about the generations that come behind us and whether or not they're going to be up to the task sometime. And I was blown away with our two applicants for the youth climate position who interviewed last week in committee, and if you want to have a moment of being reassured in humanity and know that the next generation is going to take good care of us, I encourage you to go watch that committee meeting and, and see the two young folks who applied for that and the way that they answered the questions and the poise and the, the, the knowledge they bring and the enthusiasm. You know, I think about what I was doing at that age, and it was not applying for these committees and reading the city's climate action plan and I just you know was so impressed and I just felt it was a good moment and you know somewhat troubling times these days. And so, if everyone anyone needs a feel good about that the next generation is going to take good care of us and we it's our job to make it as easy on them as possible go and watch committee meeting from last Wednesday. Thanks.

President Jones Mr. Nugent.

Aldersperson Mike Nugent Thank you. I'll be brief. Today, Senator Daines issued a statement stating that he feels in the year 2022 that marriage is between a man and a woman, that he came out against the marriage equality bill that passed the house last week. I just want to say that you know he actually said that he thinks this is a distraction, which I find disgraceful, for lack of a better word and I just want to say that you know if there are any children out there who have heard one of their senators say that their, their family is a distraction because they have two dads or two moms, that we stand with you and we support you and we do not think you're a distraction. And you know, there's right and there's wrong, and I think that two consenting adults should be able to marry each other and it's nobody else's business, and the fact that we still have to have these conversations in 2022 astounds me and people need to pay attention to what's actually going on.

President Jones Thank you. Mr. Carlino.

Aldersperson Carlino Pass.

President Jones Ms. Becerra.

Aldersperson Becerra Pass, thanks.

President Jones Mr. Hess.

Aldersperson Hess Council was invited to an inclusive interdisciplinary walk audit last Friday, and I attended that with Sandra and had a great time and learned a ton. A walk audit it is an activity I'm going to read a little bit here from a Minnesota Department of Health document, a walk audit is an activity in which community members and decision makers observe and identify opportunities to improve the comfort and the safety of the surrounding environment. Walk audits are common, a common public engagement activity used in pedestrian planning. People with disabilities are more often, more likely to rely on walking for daily trips and may be more aware, aware of and impacted by the problems in the transportation network. When a street is accessible for people with disabilities, it is accessible for all people. So, this audit had a couple dozen people and included several individuals with, with disabilities, using mobility devices or individuals with vision impairments using, using dogs, guide dogs or canes for assistance and it was incredibly illuminating and informative and showed the good and bad of our transportation network. We started here in City Council chambers, walked down Higgins, went across the Higgins Bridge, and looked at some of the new pop-up traffic calming by Bernice's Bakery, and it was just incredible to, to learn what, what might present a barrier for someone just getting around our downtown area. And I would encourage anyone to go on one of those if, if when, when there's another one in the future. I want to thank Travis Hoffman from Summit Independent Living and Samantha Chase from the National Federation for the Blind, Missoula Chapter, for putting this on along with Meg Tracy from UM's Rural Institute for Inclusive Communities, as well as John Sand and, and Ben Weiss, our, our City Planning staff. It was a really good experience. Thanks.

President Jones Thank you. Ms. West.

Aldersperson West So, I just want to remind everybody that the fair is coming up. I think folks don't realize just how much work goes into putting the fair together every year. A bunch of kids across all of Missoula County, 4-H clubs showed up on Saturday, and spent their entire Saturday morning setting up all the corrals and they will be back next week filling all of those with wood chips, and making sure that the barns are ready for the public when the fair opens on August 10, 2022. And I also want to remind folks that if people are wanting to enter their arts and crafts and cooking items and repurposed creations into the fair that deadline is this Friday. There are a few later deadlines but most of those are garden related, so if you're growing squash and zucchini and flowers, those can be entered up to I think the first week of August. And then I also just want to say that Montana has the honor of hosting the 4-H, the National 4-H Western Heritage Conference this week, so there are quite a few folks from Missoula County that are headed to participate in the conference. It's part shooting competition and part history conference, and we

get to explore all sorts of historical events that took place in that area between 1860 and 1900, so I'm excited to see what this event is all about and to meet folks all across the country that get to visit Great Falls. So, enjoy the rest of the week.

President Jones Thank you very much everyone.

[prematurely moved on]

President Jones Oh, oh I'm sorry Amber Sherrill, I'm sorry. Okay, Amber Sherrill, last one.

Alderperson Sherrill Thank you. I'm sorry, I'm sorry, I'm not there in person, I would love to see all of your faces in person but that wasn't possible for me. I actually don't have any of my own comments, but I really appreciate a couple of my fellow Council people's comments. So, I just want to add a couple quick things. My Ward mate, Mr. Nugent, I really appreciate those comments and I could not agree more. I, I find it shocking that that we are still talking about this to be honest. And Mr. Hess, I just want to say if you had spent as much time as I have with my elderly mother, you would really appreciate the walking tour that you and Sandra did because sidewalks, ramps, door widths, little, little tiny things that we don't notice in the door that you cannot get a wheelchair over, it, it's, it's endless, so I really appreciate those comments and I have nothing more. Thanks so much you guys.

President Jones Thanks Amber, sorry to have overlooked you there.

14. MISCELLANEOUS COMMUNICATIONS, REPORTS AND ANNOUNCEMENTS

14.1 Administratively approved agreement report

15. ADJOURNMENT

President Jones Thank you for your service and we will stand adjourned.

The meeting adjourned at 8:22 p.m.

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

John Engen, Mayor