

Journal of Proceedings

Missoula City Council

November 28, 2022, 6:00 pm

Council Chambers (in person) or TEAMS (virtually)

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

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

Administration Present: Marty Rehbein, Jordan Hess, Mayor, Jim Nugent, City Attorney

1. CALL TO ORDER AND ROLL CALL

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

2. APPROVAL OF THE MINUTES

2.1 Minutes from the October 24, 2022 Meeting

The minutes were approved as submitted.

2.2 Minutes from the November 7, 2022 Meeting

The minutes were approved as submitted.

2.3 Minutes from the November 14, 2022 Meeting

The minutes were approved as submitted.

3. PUBLIC COMMENT - NON-AGENDA ITEMS

Mayor Jordan Hess Is there any public comment on items not listed on our agenda? Seeing none in the audience and none online, we can move on to our schedule of committee meetings. Ms. Rehbein.

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

Public Safety, Health, and Operations Committee, November 30, 9:00 – 11:10 a.m.

Budget and Finance Committee, November 30, 11:25 a.m. – 12:25 p.m.

Committee of the Whole, November 30, 1:15 – 2:15 p.m.

Public Works and Mobility Committee, November 30, 2:30 – 3:45 p.m.

Land Use and Planning Committee, November 30, 4:00 – 5:30 p.m.

Mayor Jordan Hess Thank you Ms. Rehbein. Are there any changes to that committee schedule? Seeing none, the committee's schedule will stand as published.

5. CONSENT AGENDA

Mayor Jordan Hess We have several items on our consent agenda tonight. The consent agenda of course is items that were approved in City Council committees generally unanimously and we

take them up as a package to save time on Monday nights. Ms. Rehbein will read the list aloud and then we'll take a vote. There will be an opportunity for public comment before the vote. Ms. Rehbein.

Mayor Jordan Hess Thank you Ms. Rehbein. Ms. Vasecka, do you have? Do you want to divide the question on anything, or do you have a procedural matter before we go to public comment?

Aldersperson Vasecka Oh no, I just wanted to speak to one of the items, I don't want to divide anything. Is that right now or after public comments?

Mayor Jordan Hess Let me go to public comment first and come back to you.

Aldersperson Vasecka Okay.

Mayor Jordan Hess Is there any public comment on the consent agenda? Okay, seeing none, Ms. Rehbein... I mean Ms. Vasecka.

Aldersperson Vasecka Okay, thank you. I believe it was 5.6 the, the forgiveness of the loans, let me believe here. Yes, 5.6, the HOME Program Homebuyer Assistance Loan Forgiveness. I wanted to bring attention to that because on Wednesday before Thanksgiving I did vote no on it. I did do a lot of research on it because I, I didn't quite understand it and I wanted to make sure that I fully understood something before I vote for it. So, it turns out, the federal tax dollar, so your federal taxpayer dollars that you pay to the federal government went to a grant that then went to the City and the County of Missoula, which then went to Homebuyer Assistance Programs. So, if the folks that repaid these loans would go back to the grant, which would then go back to the city and county, which and then go back to more home buyer assistant programs. Apparently these loans are so old that it takes, it'll cost taxpayer dollars, it'll cost more taxpayer dollars to keep track at administrative costs and keeping track of these loans than it would be to just forgive these loans and since I am in the business of protecting your taxpayer dollars, I think that forgiven, forgiving these loans, although I personally believe if you take out a loan, you should repay it, but I believe that this this would be better for the taxpayers in the long run. So, I will be supporting it tonight.

Mayor Jordan Hess Okay. Any additional comment? Seeing none, we can have a roll call vote on the consent agenda.

AYES: (12): Aldersperson Anderson, Aldersperson Becerra, Aldersperson Carlino, Aldersperson Contos, Aldersperson Farmer, Aldersperson Jones, Aldersperson Jordan, Aldersperson Nugent, Aldersperson Savage, Aldersperson Sherrill, Aldersperson Vasecka, and Aldersperson West

Vote result: Approved (12 to 0)

5.1 Accounts Payable (claims) for checks dated November 22, 2022

Ratify accounts payable in the amount of \$1,504,107.71 for checks dated November 22, 2022.

Vote result: Approved

5.2 Accounts payable (claims) for checks dated November 29, 2022

Approve accounts payable in the amount of \$733,812.66for checks dated November 29, 2022.

Vote result: Approved

5.3 Re-appointment to the Conservation District

Appoint Paul Parson to the Conservation District for a term beginning January 1, 2023 and ending of December 31, 2025.

Vote result: Approved

5.4 Letter of Intent to lease a space for Mobile Support Team

Approve the Mayor to sign a lease agreement as defined in the attached Letter of Intent (LOI) to lease a space for the Mobile Support Team

Vote result: Approved

5.5 Intent to sell surplus equipment to Red Lodge Fire Rescue

Approve a resolution of intent to sell one surplus 2017 Mako Fill Station to the Red Lodge Fire Rescue.

Vote result: Approved

5.6 HOME Program Homebuyer Assistance Loan Forgiveness

Approve the resolution authorizing the Mayor to sign all title-related documents relative to the outstanding HOME homebuyer assistance loans for the purpose of forgiveness

Vote result: Approved

5.7 Second Substantial Amendment to the CDBG and HOME Program Year 2021 Action Plan

Set a public hearing for Monday December 5, 2022, to review the City of Missoula Program Year 2021 Annual Action Plan Substantial Amendment

Vote result: Approved

5.8 Re-appointments to the Historic Preservation Commission

Appoint Leif Fredrickson, Paul Filicetti and Cathy Bickenheuser to serve as voting members on the Historic Preservation Commission with terms beginning January 1, 2023 and ending on December 31, 2025.

Vote result: Approved

5.9 West End Homes Major Subdivision, Annexation, Zoning Upon Annexation, and Sxwtpqyen Master Site Plan Review

Set a public hearing on December 19th, 2022 and adopt a resolution of intent to annex the subject property west of Flynn Lane, legally described as Tract E-1 of Certificate of Survey No. 6889 and Tract D of Certificate of Survey No. 6850, located in the Northwest Quarter and Southwest Quarter of Section 7 and the Northeast Quarter and Southeast Quarter of Section 12, Township 13 North, Range 19 West, P.M.M., as shown on Exhibit A, and zone upon annexation to OS Open Space, T3 Neighborhood Edge, T4-O Neighborhood General - Open, and T4-R Neighborhood General - Restricted, and refer this item and the West End Homes Subdivision and Master Site Plan to the Land Use and Planning Committee for presentation and discussion on December 14th 2022.

Vote result: Approved

- 6. COMMENTS FROM CITY STAFF, CITY AGENCIES, COMMUNITY FORUM, NEIGHBORHOOD COUNCILS, BOARDS, COMMISSIONS, OR AUTHORITIES**
- 7. SPECIAL PRESENTATIONS AND PROCLAMATIONS**
- 8. FINAL CONSIDERATION**
- 9. PUBLIC HEARINGS**

9.1 Union Place Apartments Low Income Housing Tax Credits (LIHTC) Application

The public hearing will open and close on November 28, 2022. The Qualified Allocation Plan (QAP) which governs the allocation process for Montana Housing Credits requires applicants to hold a public hearing in partnership with local government to share plans and hear public comment. There is no decision for City Council.

Mayor Jordan Hess We do have approximately 700 public hearings; we'll take them in the order listed. The first one of seven, I guess, is the Union Place Apartments Low Income Housing Tax Credits Application and Emily Harris-Shears has our staff report tonight.

Emily Harris-Shears Oops, I just muted myself. Thanks for having this tonight. I'm gonna turn this over pretty quickly to our guests, but I do want to just introduce myself to those who aren't familiar. I'm Emily Harris-Shears, Senior Housing Policy Specialist, with Community Planning, Development and Innovation and tonight we're holding a public hearing on the Union Place Apartments, which provides opportunity to hear a community perspective and input on whether the proposed rehabilitation meets a community housing need. This also satisfies the state of Montana's public hearing requirement for tax credit applications and the property tax exemption requirement under Montana Code annotated Section 15-6-221 and the City's adopted housing policy, A Place to Call Home, elevates the importance of preservation and the role that the City and City Council have to play in advocating for more tax credit investment in our region. While there's no vote from City Council as a result of tonight's public hearing, hosting its supports project requirements and in turn the eligibility to receive the tax credits. And so, we are joined tonight by Kassy Buss from Bjornson Jones Mungas and Jack Jensen from the development team to provide details about the project, so I'll turn it over to Kassy and Jack to share details and thank you again for having us and hosting this public hearing. Marty, if they're, if they're not already, will you please promote Jack Jensen? Thank you.

Kassy Buss Hi, I'm Kassy Buss and I'm working with DEVCO a company that's working to rehabilitate the Union Place Apartments project here in Missoula. There's 63 units that are currently income and rent restricted and provide affordable housing options to community, to residents of our community and currently this project is seeking some additional funding and financing, in part through the issuance of tax-exempt bonds and 4% low income housing tax credits and they will be seeking the application for prop, or the exemption for property taxes under 15-6-221, as Emily said. As a part of that, we, we are holding this opportunity for public comment to solicit input on whether this proposed rehabilitation might meet a community housing need. As Emily indicated, there's no vote or action on the part of the Council required tonight.

Mayor Jordan Hess Thank you Ms. Buss. Are there, Mr. Jensen, do you have any anything to add? Or we can go to Council questions, if not.

Jack Jensen I do not have anything to add.

Mayor Jordan Hess Questions from Council members? Okay, so we can open the public hearing. So, if anyone in the public has, has comment on this, you're welcome to come

on up to the microphone or raise your hand online. Seeing none, this this item has no Council decision as, as was mentioned, but we could take comment if anyone has any comments they'd like entered into the record about this project. Ms. Jones.

Alderson Jones Thanks. I always appreciate when staff and our local nonprofits can work together on these. We've been working on housing for a long time in our community and in the last few years it's become exponentially harder and so anytime we can make these applications to get resources to help rehab any of our existing stock, it's very, very important, so, I'm very supportive of this. Thanks everyone for working on this and I just want to put on the record, this is a huge need in our community and to rehab these apartments would be great.

Mayor Jordan Hess Ms. Anderson.

Alderson Anderson Thank you so much Mr. Mayor. I would also like to Echo my Council, Councilmember Jones's comments and I think that you know these kinds of projects are really unique because we live in a valley, land is at a premium, there is not opportunities always to build more housing, and taking something that we already have in our community and rehabbing it so it continues to feel a very, very important need, I think is a really useful use of these sorts of investments and it reduces on, you know say tearing it down, sending all that to the landfill, I mean the additional costs of building new. So it is, it provides a need, and it also is being good stewards of our resources, both you know the actual physical building resources as well as the, the money that goes with it. So, I am happy to support this project.

Mayor Jordan Hess Ms. West, did you raise your hand?

Alderson West I just, I have a question to ask. So, it's a 4% low income housing tax credit and I assume that these are currently occupied since it's a rehab project and I was wondering what the, I guess the plan is to temporarily re-house folks or logistically how people are going to be moved around the space while it's being rehabbed?

[unannounced speaker] Yeah, that's a good question that I can answer. So, that is dependent on the full construction scope which we are determining right now. If we end up doing a lot of unit interior work then residents will receive a full relocation completely paid for, and we work with a consultant called OPC who puts together a full schedule, a full budget, a full plan and then we end up paying for that as the developer. So, I've reached out to OPC personally to try to understand what would be needed. With the current scope, as it stands, there isn't too much but that's subject to change and I'm happy to keep you all updated on where we end, where we land there.

Mayor Jordan Hess Thank you.

[unannounced speaker] Yep.

Mayor Jordan Hess Ms. West.

Alderson West I just want to add some comments too. I also really appreciate extending the life of affordable housing stock and I'm always supportive when we have the opportunity to bring tax credit funds to Missoula, so I hope, I hope that you're successful. Thank you.

[unannounced speaker] Thank you. It's great to have all of your support, that's for sure, appreciate it.

Mayor Jordan Hess Thank you. Well, seeing no additional comment, we'll conclude our public hearing. Thanks, thanks for being here tonight and for bringing the project forward.

9.2 Affordable Housing Trust Fund Reserve Balance Funding Recommendation for the Centralized Housing Solutions Fund

The City Council will hold this public hearing open until they take up the item for final consideration on December 5, 2022.

Mayor Jordan Hess We can move on to item 9.2, which is also Ms. Harris-Shears. This is Affordable Housing Oversight Committee Reserve Balance Funding Recommendation for the Centralized Housing Solutions Fund.

Emily Harris-Shears Thank you very much. We're determined in the policy work to make the longest titles for you to read, so we're glad that we achieved that tonight. Thanks very much again, glad to be here and excited to talk about a funding recommendation that's been advanced by the Affordable Housing Resident Oversight Committee for reserve balance funds. I'm gonna share my screen, okay and I'm guessing you can see that? Okay, great. So, just, I'm gonna start by just giving some background. The Affordable Housing Resident Oversight Committee is a 12-member committee that was adopted in the same timing as the adoption of the Affordable Housing Oversight Committee. The, the scope of the Affordable Housing Oversight Committee is broader than the Affordable Housing Oversight Committee and they do have some key, key considerations and work with the Affordable Housing Oversight Committee including approving the allocation plan each year and also adopting the policies that they review and update each year, as well. And the oversight committee is comprised, as I said, of 12 members with specialized roles that are related to the housing field, as well as the really essential perspective and role of community members, both who have accessed housing assistance within the last two years and then members who are active in the community and working on housing work as well. So, the, the annual allocation plan is an opportunity for the oversight committee and staff to work together to discuss the priorities for the allocation plan or for the, excuse me, for the budget that we receive in the fiscal year budget process. And in the allocation planning work, the trust fund administers two competitive award cycles per year, the unified application round which happens in the winter. I apologize my dog has the best timing and my seven-year-old is supposed to be in charge of getting him to stop, so if you can hear that's not going very well....And then when applicable and we have funding available, we'll do a second round in the summer that will just be Affordable Housing Trust Fund awards and that's really what the, the scope of the allocation plan is. The Affordable Housing Resident Oversight Committee sets a reserve balance, which is to be held for urgent and emergent projects that you know don't line up with the timing of the, the two competitive award cycles and really as kind of a fail-safe so that we don't lose housing opportunities in our community that would otherwise be missed if we only operated under the two competitive rounds. And the oversight committee can award up to 20% of the available balance as a reserve balance each year. And all of the work, both in the allocation planning and the competitive rounds and the reserve balance are really shepherded under the values that are outlined in A Place to Call Home and that guide our work, which are diversity that promote a healthy housing market, that has diverse housing types available for all Missoulians, collaboration, really focusing on our public and private partnership opportunities, innovation to push ourselves to try and test new approaches while also continuing to invest in things that we know work, and then also achievability and having a mindfulness about setting realistic and also stretch goals for the work that we're doing. So, in December of 2021, the Affordable Housing Resident Oversight Committee allocated \$261,550.00 to the reserve balance and that was to remain available for this year for emergent and urgent projects that would otherwise not be within the timing of a competitive application round, and we have received one application that's made it to the Affordable Housing Resident Oversight Committee and that is a request from the United Way of Missoula County for the Centralized Housing Solutions Fund. They've requested \$80,000.00, which is the request I'm bringing today and the consume the Centralized Housing Solutions Fund is a flexible financial assistance fund that provides resources,

flexible funding to prevent and end experiences of houselessness for Missoulians. So, I wanted to just direct you to the award that the United Way of Missoula County received in November of 2021 during our first award-making cycle. They received \$226,250.00 and with that money, 138 households were served in preventing or ending an experience of houselessness. The most common uses were for deposits, applications, rental arrears and traveling costs for people to relocate to communities where they had housing and the commitment of stable housing. And on average, the household receives about \$400.00 from the Centralized Housing Solutions Fund to support their, their outcome of being housed or remaining housed. So, I also just wanted to highlight that we know, we know that in Missoula we have racial disproportionality in the experiences of houselessness and that people who experience systemic racism have a higher likelihood of experiencing being unhoused or being at risk of being unhoused. As you can see here, American Indian and Alaska native people have a higher likelihood of being unhoused by a factor of 12 and black and African American households are three times more likely based on the population that they make up in our community. And so, we just aggregated the data from the first award from the Centralized Housing Solutions Fund, as well just to see who's being served by this fund, it is really kind of the, the first opportunity to respond to a person's risk of or current experience of houselessness and without other resources, sometimes feels like the only resource available and we saw that the service distribution matches the experience of houselessness in the data. So, so there's a confidence there that people who are most urgently experiencing houselessness and also experiencing systemic racism are also being served proportionately by the Centralized Housing Solutions Fund. So, the, over the Affordable Housing Resident Oversight Committee met on October 26th and they discussed the United Way of Missoula County's application for funding and this funding will allow them to continue to operate the Centralized Housing Solutions Fund. As, as of October, they were predominantly out of funding and this funding would allow them to continue to operate it. The oversight members that were in attendance were Christine Lettig, Lori Davidson, Paul Herendeen, Riley Jacobsen, Menodora LeMaster, Julie Pavlish, and Frank Reed and they did have a quorum for this meeting, and I just summarized their discussion, the application was strong, and it highlighted a need and impact of flexible funding to prevent an end the experience of being unhoused. There was, this project meets an urgent and unmet community need. That they felt the timing, there was just discussion generally about whether this application would be a better fit for the competitive round and whether it really met the intent of urgent need, urgent or emergent, and ultimately the committee decided that it did through their discussion, excuse me. And then there was also a conversation about you know the Centralized Housing Solutions Fund meets immediate need but the investment does not contribute to ongoing development of housing and so, there was a really robust discussion from the committee members about whether that was the right approach for the Affordable Housing Oversight Committee or whether they should really focus investments on development and ultimately the discussion kind of led back to a need to be doing both and to be able to meet the systemic realities of this meeting urgent need now while also investing in development and preservation when possible. And there was also a curiosity about the sustainability and future funding needs and staff provided guidance on that as well, that you know this is a project that we'll likely need ongoing investment and that's something that we expect and anticipate from projects that are funded under the Consumer Housing Services umbrella that those are ongoing programs that meet community need. And so, unlike a development project where it may need one or two rounds of funding, we expect to see programs like the Centralized Housing Solutions Fund and some of the other consumer housing needs programs that we fund come back for funding in additional years, and so that's not necessarily seen as a drawback. So, the Oversight Committee recommended the funding request of \$80,000.00 for the Centralized Housing Solutions Fund to come to City Council for ultimate approval. The motion or the, there were six excuse me there are seven members in the meeting and six available for the vote, which is exactly their quorum and there was a unanimous vote to yes recommend this and move it forward to the oversight

committee, or excuse me to City Council. And the recommended motion is on your screen. I'm happy to answer questions if I can.

Mayor Jordan Hess Thank you for the staff presentation. If you don't mind taking your slides down..... great, thanks. So, we'll go to, we'll open the public hearing first. So, if anyone wishes to make a comment on this item, you're welcome to come on up. And seeing no comments in the audience or online, we'll, we'll go back to public, to questions from Council. Any questions? Ms. Jones.

Alderperson Jones Thanks. Thanks for the, the presentation Emily, and when we heard this in committee, I was, I'm really positive about all of this I think it's, it's a great approach and expenditure, but I do have a question. I, I think with this Affordable Housing Oversight Committee, we're trying to accomplish so much with limited resources, and we want long-term housing, we want long-term affordable permanent housing, but also we have situations where people are on the verge of homelessness and this this is a more immediate acute situation. The United Way is a great provider, I, I have lots of faith in that entity to, to deliver on this, but do we have a sense of what the future holds, will this be kind of institutionalized every year, or every year is there a fresh look at it and there could be a different approach? I and I don't know that one is better than the other, I just, we're kind of feeling our way forward and what, do you have a sense of that?

Emily Harris-Shears That's a great question. I think that it's expected that projects like this that are interfacing directly with consumers will most likely come back for funding kind of year after year. I've been working closely with the United Way on this project and application, and I know that they work really diligently to find other funding to accompany this, both to meet the match requirement of the Affordable Housing Trust Fund, but also just to continue to fortify the Centralized Housing Solutions Fund. I will say also that a centralized fund like this to provide essentially prevention and diversion services is a really foundational component of a coordinated entry system. It helps us in a coordinated entry system prioritize very limited resources like permanent supportive housing, rapid rehousing and other resources for people who need it most acutely, and then connects people who need it, need housing support or need financial assistance to return to housing or to stay housed with that in real time. And so, with a robustly funded approach like this, we see in other communities as well at the, the need kind of can level out in some ways. So, not having an immediate response can be very detrimental to a coordinated entry system.

Alderperson Jones Thanks. It's such a complicated problem and there's need on so many levels, but trying to put the Band-Aid on while also creating a stronger structure for the future is also important and I, I guess I just want to say, I feel like I trust, I trust staff and the oversight committee on this. I think they've done a good job vetting it and I know we aren't voting tonight, but I'm glad that we're looking at this.

Mayor Jordan Hess Additional questions tonight? All right, seeing none, this item will be held open, the public hearing will be held open until next week and we will take this item up for final consideration on December 5, 2022. Thank you Emily.

9.3 Conditional Use Interim Ordinance

Mayor Jordan Hess Our third presentation, our third public hearing is on an interim ordinance surrounding conditional use approvals and we have Ms. Pehan here to introduce the staff report and then Ms. Gress as well. Ms. Pehan.

Eran Pehan Good evening. Eran Pehan with CPDI. As most of you know, we've been working hard in the last several years to address regulatory barriers to development, more specifically the development of homes while continuing continuously engaging in community and statewide conversations that address other large barriers to development including the current cost environment, as well as labor costs and shortages just to, to

name a few. Some of this work has already been before Council and you're familiar with it. This includes our work under the development capacity proposal that we presented to you last spring that amended our fee schedule to support the addition of five positions across Planning, Permitting, Parks and Engineering. This added capacity improved our rate of residential building permit issuance dramatically. It resulted in the permitting of 140% more homes during the last fiscal year when compared to the year prior. This also includes our work around Our Missoula, our comprehensive growth policy update and code reform project that is currently underway. Alongside these successful efforts and efforts underway, we were looking across our current process, processes to determine where changes were warranted now today based on what we have determined as good practice and also changes that had overwhelming support and where we identified a clear urgency to act. And this is what you'll hear more about tonight during our public hearing from our Senior Planner, Jen Gress, and that includes the recommendation from CPDI to pass an urgency ordinance regarding conditional use that we feel will improve our ability to address, directly address the current housing crisis by allowing us to direct more capacity, more energy from our planning team towards those specific activities. So with that, I'll turn it over to Jen Gress to provide us with those details.

Jen Gress Thanks Eran. I'm going to share my screen, just a moment, sorry. Okay, I'm going to assume that you can see that.

Mayor Jordan Hess Yes, we can.

Jen Gress thank you. So, yes, as Eran said, I'm Jen Gress of Community Planning, Development and Innovation, and tonight we're asking you to consider adopting an emergency ordinance regarding conditional uses. Discussion will cover proposed amendments to update the city zoning regarding uses allowed conditionally in specific districts. I'll provide information regarding the proposal and intent along with some background, cover the thinking behind our choices, we'll review the amendments generally, I'll go over comments that we've received, and then I'll be asking you to adopt the interim ordinance. CPDI is proposing an interim urgency ordinance in accordance with state law that will shift many existing conditional uses throughout the various zoning districts to permitted, based on specific considerations. And as we heard from Eran, this interim ordinance is consistent with the city's charge to provide for the overall public health, safety, and welfare of our growing community, and will help to provide a more effective delivery of city services by freeing up staff time to review and approve housing and support services to support a safe and healthy community. It is meant to improve on and provide increased capacity for ongoing operations as well as provide an interim solution while the city studies and contemplates broader amendments to improve review process efficiencies through the code reform project. State law provides for an interim urgency ordinance through Section 76-2-306 and allows a municipality to determine when an urgency ordinance is necessary to protect public safety, health, and welfare. The process requires a public hearing with a minimum of seven days' notice prior to the hearing, an adopted interim ordinance takes effect immediately and lasts for six months, and then if it's necessary, the interim ordinance can be extended twice, each time for 12 months and each extension requires a public hearing prior to approval. Missoula is experiencing a housing crisis that presents a threat to the community's general health, safety, and welfare. Our response to the urgency of this crisis begins by freeing up staff time to review and approve housing and support services and provide for more effective delivery of city services. The City of Missoula is facing historic levels of development review, causing backlogs and delays that are directly and indirectly impacting our ability to move key priorities like residential projects forward. So, this slide provides some background information on the number and type of development review applications received in our office for the years of 2019 to 2021, as well as the various types of land use applications our office processes, and these are applications related to development that require some level of approval beyond administrative review by staff. Subdivision application requests continue to be a cause of the most recent backlog of pending

projects because of the state mandated response times, these requests essentially jumped to the head of the line. As of the beginning of November 2022, there were 25 subdivision development requests and these subdivision requests include a variety of types of subdivision related reviews and including new subdivisions, phasing plan amendments, phased developments, final plats, and minor adjustments. Outside the subdivision applications, there are also 24 non-sub-division related board review projects, either in process or waiting for a scoping meeting. Proposed projects include annexation and re-zoning requests, public forum, subdivision exemption requests, and others including conditional uses. Beyond the increase in land use application reviews, the amount of review related to building permits has also increased drastically. Between 2019 and 2021, the number of permitted dwelling units has increased 193%. The largest increase being between 2020 and 2021, and as you can see in 2019, the total number of dwelling permits issued was 456. In 2020, there were 476 and in 2021, there were 1,338, and the largest number of those permits were for multi-dwelling apartments. This trend of growth has continued into 2022, in just two quarters, which was January to June, the City saw 2,396 building permits issued, 480 of those were for dwelling units. So, we saw the same amount of permits in the last half of a year as we saw in the entire year for both 2019 and 2020, and again, this year, the majority of residential permits were for multi-dwelling units. Each of these building permits must be reviewed by staff but with time spent on other types of reviews, especially those mandated by state law such as subdivisions, building permit review is sometimes necessarily put to the side and this slows the process even further. All this to say, our office reviews and processes a number of different types of development applications and requests, and in the last year or so, the number of many, if not all of them, has increased significantly. Since the conditional use process is a discretionary review that is not subject to state mandated timelines, CPDI staff is focusing on amendments to simplify this review process. By reducing the number of uses required to go through the conditional use process, we will be removing around three months of work for each request from the development review process and that's allowing staff to work on review of other projects. The zoning code includes three basic use designations permitted by right, unpermitted, which we generally call prohibited and conditional. Conditional uses are intended to provide a transparent public review process for land uses that because of their widely varying design and operational characteristics require case-by-case review in order to determine whether they will be compatible with surrounding uses in development patterns. Uses are reviewed by certain criteria found in Title 20 under review and approval procedures to determine if the proposed use is compatible in the specific location being proposed. Approval through the conditional use application process is ultimately received through a vote by City Council and includes a public hearing. When Title 20 was adopted in 2009, it included 49 use types that depending on which zoning district they occur in may be conditional. In 2019, two of those uses were removed from the conditional use process, assessor dwelling units and townhome exemption development projects, both became permitted in all residential, commercial, and Industrial zones allowing for more buy right housing options. In the time since Title 20 was adopted, there have been a total of 78 conditional use projects processed of which only one of those was denied. Twenty-one of those projects were accessory dwelling units and town home exemption development projects, which as I noted are no longer conditional. This shows the distribution and frequency of which specific uses have seen conditional use reviews in the last 13 years. So, as you can see, after accessory dwelling units, which are no longer conditional, the tavern nightclub use was the most requested and then followed by enterprise commercial and microbrewery, micro distillery as the next most common tier. Through the lens of community design and livability, the city's strategic plan identifies the need to create understandable and reasonable regulations that support sustainable and equitable development. Even though the conditional use process has raised awareness of projects, the outcome of the process has resulted in only one denial over 13 years, which suggests that more often than not, these uses are likely to be approved. Moreover, it's not very likely that in order to gain an approval, a conditional use project will be

conditioned to include elements or features that are not already required in some form or another through existing regulations. Of the 78 projects that have been approved only 24 or 30% got us additional requirements not covered by Title 20 or other regulatory documents. The proposed interim urgency ordinance will yield reasonable interim regulations and it'll still retain additional review for some conditional use types. In approaching this project, we first looked at the simplest fix, could we just change all conditional uses to permitted wherever those uses are currently conditional? After applying a set of considerations that I'll go through in just a minute, staff's professional opinion was that an across-the-board relaxation of conditional uses was beyond the intent of this ordinance and that in some cases it was most appropriate to maintain some uses as conditional. However, it did become clear that focusing on the uses themselves rather than some other approach was the most intuitive way to proceed. As part of the process for determining which conditional uses are good candidates for shifting to permitted, staff developed the following considerations, though not every consideration was used in a decision for every conditional use. We used level of frequency and that means how many individual projects have we seen within a specific use type. We used a degree of controversy or perceived impact, what are the uses that have generated notable levels of public comment and input? What specific projects resulted in applying conditions that would not have otherwise already or already been required? Policy alignment, which uses are clearly aligned with existing policy goals such as the growth policy, associated issue plans, or the city strategic plan. Is there additional support by other standards or codes? What uses have existing specific regulations that are also required and help to mitigate impacts? We addressed equity, is the application of the conditional use requirement applied equitably across similar use categories? Similarly, is application of this ordinance applied across similar zoning districts? Relationship to code reform, are changes associated within this interim ordinance focused on streamlining department business operations and not requiring consideration on a more comprehensive level that should wait for inclusion in the code reform initiative? Complexity was looked at, which individual uses require a level of evaluation and Analysis that a conditional use review is actually warranted? Which changes to uses would require other edits to the code, making it too complex to address at this time? And then finally, addresses transitional areas. In relation to the previous considerations, special focus was included on how this would affect specific uses applied for in a transitional area, especially between residential and non-residential zones, as well as between the various degrees of intensity between commercial districts. Along with the previous considerations, staff included some assumptions while evaluating uses. First, we only consider districts under Title 20, no special districts, PUDs, or other similar districts. Next, we're not expanding the range of where uses are already designated. So, for example, if a use is prohibited in a certain district, we're not recommending making them permitted or conditional. No use is proposed to be more prohibitive, for example, we're not moving any conditional uses to prohibited or permitted uses to conditional. We considered the M1R district to be more residential in nature than industrial. The central business district was considered a little more carefully than other districts. We looked at all three business districts more or less consistently by not differentiating between the three and similar types of uses are addressed similarly. For example, daycare centers, community residential facilities, and group living were treated similarly. Based on applying these criteria and assumptions, we landed on three categories of amendments. Changing some uses from conditional to permitted in each district that was listed, changing some uses from conditional to permitted in some districts, and not changing some uses that are conditional at all. So, as stated previously, the proposed amendments are intended to be interim as allowed by state law and because it is an interim urgency ordinance, public outreach is limited, but with the safety catch that because it is an urgency ordinance, the time span that it will apply is also limited and provides for an opportunity to check back in and reassess in a relatively short time period. Once staff identified the need initiated this process, CPDI leadership was informed. We conducted internal departmental review and provided for public

engagement by including information on the Engage Missoula webpage. We notified neighborhoods through the office of neighborhoods contact list, the clerk's office has published a legal ad, and we gave you a presentation in the Land Use and Planning Committee on November 16, 2022. In keeping with our approach, as a temporary measure, the Engage Missoula webpage will be maintained during the interim six-month period in order to keep the public informed and to receive comments as we approach our next decision point on whether to extend the interim period or not for another year. The following slides show the amendments generally and indicate which of the three categories each conditional use ended up in. So, if you have a question about this actual amendment, we can show you that as well. The first categories are those that were changed to permitted in every district they're currently listed in as conditional, and those included animal services, sales and grooming, as well as veterinaries, auto wrecking, bed and breakfast, college university community residential facility for nine or more persons, day labor employment agency, fraternal organization group living, junk, salvage yard, and library cultural exhibit. And this slide continues the list of change to permitted in every district and includes manufacturing, production, and industrial service for both artisan and limited. Microbrewery, micro distillery, office, personal improvement service, preschool center, general recycling service, religious assembly, residential support services, and schools. The bed and breakfast uses is one that will be permitted in every district where it was conditional. So this slide shows a snippet from the Title 20 use tables for the bed and breakfast use. The end result will be to change it from conditional to permitted in residential areas and you can see that in the red and continue to permit them in the commercial districts, as well as the one industrial district it's listed in, and the use is not permitted in the M1 or the M2 district. Other examples of use changes to permitted in every district it's listed in his junk, salvage yard, and auto wrecking, and these two uses are only listed in the M1 and M2 industrial districts with the two uses being permitted in both. This next category are those uses that are changed to be permitted in some of the districts that are listed while remaining conditional in others. They include animal services for shelter or boarding kennel, casinos, check cashing loan service, cidery, daycare center, emergency homeless shelter, and enterprise commercial use, and this slide continues with those uses that were permitted in some of the districts listed. Those are meal center, tavern, nightclub, vehicle sales and service for heavy equipment sales and rentals, as well as vehicle storage and towing, winery and ground mounted wireless communication facilities. So, the tavern nightclub, as I said, is an example of a use changing to permitted in some of the districts it's listed in. So, as you can see, the use is proposed to be changed from conditional to permitted into C2 commercial and the industrial districts M1 and M2, and again those are in red, while remaining conditional in other districts, and this use is prohibited in residential districts. They use of cidery and winery are another example of some districts changing. They're treated the same currently and will both remain conditional in the B2 and B3, but change to permitted in the C1 and C2 and this use is prohibited in residential and open space districts. The next two slides are the final category and are those that will remain conditional and unchanged. Those are building maintenance service, construction sales and service, detention and correctional facilities, fraternity, sororities, gas stations, hospitals and parking that's non-accessory. They also include residential storage, warehouse, truck stops, major utilities and services, car wash cleaning services, waste related uses, and lastly, water testing laboratory. And this slide, again, shows warehouse use will remain conditional in residential and commercial districts, and permitted in the industrial districts. And this last example shows fraternity, sorority uses as only being listed in the residential use districts, and they'll remain conditional in the RM 2.7 and RM2, and remain permitted in the other districts listed. Applying the proposed amendments will result in 21 uses changing to permitted in each district that are currently condition, 13 uses changing to permitted to in some of the districts they're currently conditional, and 13 uses remaining conditional and unchanged. Of the 47 existing conditional uses, more than half of them will be either permitted in every district they're listed in or will be permitted in some of the districts they're listed in. The project was posted on the city's Engage Missoula website

and received several comments. We also received comment from the Missoula Organization of Realtors, and all these comments can be found attached to this project in the escribe or found in communications sent to the City Council email, and these were all the comments that we received as of this afternoon, and I'll be describing them here generally. We received several comments asking that the tavern, nightclub used to be permitted in the C1 and the M1R zones. There was a question regarding public engagement for each project and if the interim ordinance lessened community input for them. Frustration was expressed with the perception that it seems easier for outsiders to open businesses than locals, and they asked that this process consider ways to make it easier for local entrepreneurs to get started and to start that process by looking at the beer wine use. One commented noted there are good reasons to maintain conditional use review, including that adjacent property owners are notified and can provide on-the-ground information to staff and Council. It includes staff review impacts and a collaborative environment to create sensitive solutions to a given situation. This comment recommended retaining conditional use for all residential public, civic, and commercial designations. Another comment was not in support of the changes, saying that a change in the rules now will be unfair to past participants and the results of cutting corners will not be fully realized until it's too late to correct; the ordinance doesn't meet state law. We received a comment in support of the ordinance, especially if it supports the City of Missoula staff and local businesses, and the last comment was also in support noting staff's recommendations are a strong step towards achieving the priority actions that they noted in their letter. And we are not proposing any changes based on any of the comments received right now. Staff recommends that City Council adopt an interim urgency ordinance generally amending Title 20 conditional uses and this motion is here if you need it, and that concludes my presentation and I'm available if you have any questions.

Mayor Jordan Hess Great, thank you for the staff report Ms. Gress. I appreciate the thorough report. So, we're going to open the public hearing and then I'll come back to questions from Council. Anyone from the public wish to comment tonight, come on up or raise your hand online. Come on up.

[unknown speaker] here in Missoula with A&E Design. I just wanted to speak in support of this measure. I think that dedicating city staff to residential reviews is much needed and very appropriate use of their time, and also a lot of the uses that are outlined as going from conditional to permitted are totally appropriate for the community and are going to help us get some much needed services in this community. So thank you.

Mayor Jordan Hess Thanks for the comment Mr. [inaudible]. Anyone else? Online, I've got Mr. Bashan. Jim, you should be able to unmute.

Jim Bachand Hi, this is Jim Bachand with the Missoula Organization of Realtors. As Jen said, we had submitted a letter earlier today in support of this. I think when we think back on some of the comments made earlier by Councilmember Jones around the long-term affordability of housing, I think some of the steps taken here go towards that, especially in an interim basis while we're in a crisis in housing. So, again Missoula Organization of Realtors are in support of this.

Mayor Jordan Hess Thank you. Anyone else tonight? All right, I'm seeing none. I will close the public hearing. This item will be, we will conclude this tonight for final consideration. So, with that, are there questions from Council members? Ms. Jordan.

Alderpersion Kristen Jordan Thank you Jen for that presentation. I'm just curious to hear a little bit more about why local developers think it's harder for them to start businesses than it is for folks coming from the outside?

Jen Gress I don't believe I have an answer for that. Personally, dealing with the permitting and those kinds of things, it's not something I do on a regular basis and the

comment didn't provide any examples. I don't know Mary, are you? Is Mary McRae in the audience? She may have an idea of how that works.

Ben Brewer I don't know. This is Ben Brewer, Planning Supervisor and Mary's not on the, the call currently, but yeah just wanted to reiterate what Jen said that that was a comment we received but it didn't provide specifics or details on, on why that is.

Mayor Jordan Hess Ms. Jordan.

Alderson Kristen Jordan Sorry, if this is obvious, but do you guys have any ideas why that comment might have been made?

Jen Gress Sorry, I don't.

Mayor Jordan Hess You know, I'd weigh in for a second. I think the conditional use process is, it takes a lot of time and is fairly I mean it's fairly onerous. There's an additional application fee, there's a there's a lot of additional delay in waiting and so, I think to me this comment really speaks for the need for something like this, where it simplifies our process of getting a, getting a project through the pipeline. And so, I think, I think this really goes, I think this action really kind of goes to the heart of that comment that we're, you know regardless of what the background is on why that commenter felt that way, this simplifies the process in a way that, that saves time, saves money, and creates predictable outcomes and I think that's those are some of the things that we hear most frequently are predictability, time, and money. So, that would be my take on it. I've got Ms. Vasecka next and then Mr. Nugent.

Alderson Vasecka I would like Mr. Nugent to go first because it looked like he had something to say about that comment.

Alderson Mike Nugent Yeah, I'm not, this isn't my comment yet, I was just going to take a stab at answering Ms. Jordan's question. I, I don't know who made the comment. I have, I have heard the concern that for instance a large chain that has a real estate development arm based out of New York City has more, more capability of, of waiting out a long development process than a startup entrepreneur in, in Missoula. And so, I think maybe that's what the, the basis of that comment would be for. I don't I don't know who made it, so I can't speak to it but that would be my hunch is what they're getting at.

Mayor Jordan Hess Thanks. Ms. Vasecka.

Alderson Vasecka Okay, thanks. For my comments, I, I disagree with what the public commenter said tonight. I'm a big fan of government efficiency and making things easier for the citizens of Missoula, so I will proudly be in support of this tonight.

Mayor Jordan Hess Ms. Sherrill.

Alderson Sherrill I don't have questions, I have a comment though.

Mayor Jordan Hess Okay let's hold those for now. Ms. Jones.

Alderson Jones Sure, thanks. Jen, you touched on this, but I just wanted to make sure I understood it, and was clarified. There was a comment from someone that they wanted taverns and nightclubs to, which are under the kind of partial category, they'll be permitted in some areas and then conditional use in, remain still conditional use in other areas and the commenter thought we should be moving taverns and nightclubs in areas in zoning C1 and M1R to being permitted instead of conditional, and can you just walk me through staff's rationale? This is, this is a short-term ordinance, so nothing is set in stone, and we've got code reform that will handle things in the long run, but just your thoughts on that specifically.

Jen Gress Why we're suggesting that they don't be permitted? Is that what you're asking?

Alderson Jones I think, I think it was that taverns and nightclubs in C1 and M1R will remain a conditional use instead of just being permitted by right.

Jen Gress Yeah after conversations and some looking into it, we just decided that those are one of those things that are very controversial, and we decided that that was probably one that needed to just remain conditional because of its controversy.

Mayor Jordan Hess As a followup to that, you mentioned that and I think correctly so, that you characterized M1R as primarily a residential characteristic and can you describe a little bit about where those districts are and what the character are and, and kind of how that, how that supports that decision?

Jen Gress A lot of the M1R districts are right along our railroad spurs and they, in several parts of the city, they're basically residential in nature, no longer occupied by the, the railroad. So, they have a tendency to be more residential in, in nature. There are several maybe over by Costco that you might know of, there are several on the south end that are more or less single family residential, so.

Mayor Jordan Hess Additional questions? Ms. Becerra.

Alderson Becerra Yeah Jen, I think you mentioned that the interim ordinance would be for six months and then this would be, staff is going to be tracking and assessing, so that we know how this is going to inform the code reform, is that correct?

Jen Gress Correct.

Alderson Becerra Could you expand on that, just so that we know who this is going to be tracked and see how it's performing.

Jen Gress Well one of the things we're going to do is, is watch what's happening with the Engage Missoula. We're going to continue to take comments and then of course in our office, we always know when applications come in. So, we have the ability to talk to who's like Mary McRae who is the leader of the permitting section, and we can keep track of those projects that are being requested.

Mayor Jordan Hess I don't see any additional questions, so we can take a motion and then have discussion on the item. Mr. Nugent.

Alderson Mike Nugent Thank you Mr. Mayor. The motion coming from LUP is Pursuant to State Law Section 76-2-306 Montana Code Annotated, the Missoula City Council hereby adopt an interim urgency zoning measure amending Title 20, Missoula City Zoning Ordinance Section 20.05 Residential Districts, Section 20.10 Business and Commercial Districts, Section 20.15 Industrial and Manufacturing Districts, and Section 20.20 Open Space, Public, and Aviation Districts, prohibiting the application of the conditional use process to certain use categories.

Mayor Jordan Hess Thank you. The motion is in order and on the motion Ms. Sherrill.

Alderson Sherrill Yeah thanks. I appreciate all the work on this and I, when the presentation was given last week, there was some different wording in it or I misread it, so I thought you guys had lost your minds at first, but I'm glad to know that you haven't, and this looks really good to me. So, I, I think that I've heard from a number of people in the community and developers it's just too slow, I mean it's just too slow and this is I think this is a great way to speed things up. I'm glad it's gonna going to come back to us to be renewed in six months, so we can really get some data. Anyway, I'm happy to support it. I appreciate all the work that has gone into it. I appreciate the clarification and that I miss

reread some of the information and that everyone seems to be of sound mind and moving forward in a good direction for our community, so thanks.

Mayor Jordan Hess Thanks Ms. Sherril. Additional comments? Mr. Carlino.

Aldersperson Carlino Yeah, I, I also agree with that, that I think this will be really helpful to help speed up housing development around town and help address the housing crisis in Missoula. And on that note, I do have one amendment I'd like to propose. I moved to amend that we keep the bed and breakfast use type in the conditional.

Mayor Jordan Hess Okay thanks. Do you want to make any comments about that?

Aldersperson Carlino Yeah, if I could speak to that, that'd be great. Yeah, you know I see this as a great way for us to, I see this interim zoning ordinance as a great way for us to add to our housing supply and in a timely manner and you know for the sake of making sure that we have more and more homes for Missoulians and especially in our residentially zoned areas, I believe that it's appropriate to keep bed and breakfasts as conditional to ensure that we can maximize housing supply and have a good conversation about whether or not we want to take homes off the market for a bed and breakfast instead.

Mayor Jordan Hess Okay thanks. So, so the motion is in order, the motion to amend and then comments on that, I've got Mr. Nugent first and then Ms. Sherrill. Is your hand still up or is it up again? Okay, Mr. Nugent.

Aldersperson Mike Nugent Thank you Mr. Mayor. Thank you Councilman Carlino. I, I would agree with the intent of your motion. I, I think that the idea is to pull a lot of things that are taking staff time out but find a balance for controversy and things like that and I do think that bringing a bed and breakfast into any residential area is something that neighbors should have a, the ability to at least be informed on and, and comment on. I believe that Councilwoman Jones looked into it this afternoon and there, there have not been any bed and breakfast requests since Title 20 was adopted. So, I think that that probably doesn't fall into the urgency category, so I think it's very reasonable to keep that in the conditional use and I would support your amendment. As such, well thank you.

Mayor Jordan Hess I'm going to move on to Ms. Sherrill and then Ms. Vasecka.

Aldersperson Sherrill I, I, I have no problem with that amendment, I'm happy to vote for it. I've not seen one and I don't think that we have, I don't even know how many we have, but I don't think we have very many, but I think it's a completely reasonable amendment, so I'm happy to support it.

Mayor Jordan Hess Ms. Vasecka and then Ms. Jones.

Aldersperson Vasecka Thanks. Can you clarify for me? I, are we trying to get it from? So, right now it is conditional use, and we want to remove it from conditional use? Or can you just clarify that for me?

Mayor Jordan Hess Mr. Carlino.

Aldersperson Carlino Yeah right now, it is conditional use in residential areas, and the interim ordinance, as currently written wants it to be permitted without conditional use. So, I'm moving to amend that we keep it as conditional use like it currently is.

Aldersperson Vasecka Okay, thank you for that clarification. I, I do see the intent behind it, but I've always been a firm believer of private property rights and you can do what, what you want to do with your own property and if this makes it easier for folks to have an additional income at their home then I, I want to see how it is currently, currently proposed in the original motion. So, unfortunately I will not be supporting this tonight.

Mayor Jordan Hess Ms. Jones.

Aldersperson Jones Yeah, thanks for the amendment and I understand the intent behind it and the logic. I, I asked a few questions as staff, it sounds like from what I can find, I think there are nine in Missoula, and we have not had an application since Title 20 was codified in 2009 we've never had a conditional use application. So, I think, I think the business plan has changed and now they're short-term rentals. Honestly, I think that's what's happened and that's a much bigger conversation, but for now, I'm, I'm fine with this. I have a feeling I think with our code reform they'll be looking at this holistically, so I just wanted to but yeah, I think for right now it's fine to just leave it in conditional use.

Mayor Jordan Hess Anyone else? All right, is there public comment on the amendment, motion to amend? Seeing none, we can have a roll call vote on the amendment Ms. Rehbein.

Mayor Jordan Hess And the amendment passes and we're back to the main motion, and I don't believe I have any speakers left on my list or I'm looking at the wrong list. So, if you want to speak, raise your hand. Ms. West.

Aldersperson West I just wanted to say for the record that I'm going to recuse myself from this vote. While there's no direct financial benefit to me either way, I am intimately involved in a project that would definitely benefit from some of these changes and for, to just be transparent and objective, I'm not voting on this item.

Mayor Jordan Hess Thank you. Anyone else tonight? Ms. Becerra.

Aldersperson Becerra Yeah, I just want to express my support for this ordinance and thank staff. I know that there was thoughtful consideration of the implications of each change and the potential consequences in each situation, so for that, I'm, I'm grateful and I do think that through this ordinance, we can enact changes I can help move the needle in terms of allocating staff time to reviewing housing projects, which I think is where our staff time should be going if we want to move the needle and in that regard, so I'm fully supportive of it and thankful for all the, the work that went into it.

Mayor Jordan Hess Thanks. Mr. Nugent and then Ms. Jones.

Aldersperson Mike Nugent Thank you Mr. Mayor. I would, I would echo my, my colleague's comments. The, the emergency is the housing crisis and you know some of the public comments that came in referenced that some of the things in conditional use and changing them to permitted aren't a crisis and it's like, the idea is to clear the staff time up and I just want to say that out loud again to, to make sure that people are clarified that you know if we free up staff time to more efficiently review housing opportunities and remove those barriers that are unnecessarily slowing projects, both housing in general, when over 70% of these have no additional conditions, these changes will help ease the gridlock and free up staff time to better serve the city's goals to provide housing options, efficiently and effectively. And I think this is, this is good government identifying areas where we've had rules and it's like, if over 70% of them aren't are proving necessary and all we've done to those projects is at a minimum of three months' time, eliminating some of those barriers makes sense and it's something that we should be looking at more and I know that you know just by reading some of the comments, it does make people nervous and I certainly understand that but we, we have you know a lot of people on staff who are experts in this area who have who've spent a lot of time studying this analyzing this and I've been impressed with, with how they came to the recommendations that they brought to us. I think they left the most controversial ones in conditional use, which is where they should be and that's the definitely the goal there. I also think you know circling back to the, the one comment about it being easier for out of out of state or out of town developers to develop projects, you know one thing that I think gets lost in the process is that it's probably not an out-of-state thing so much as a big guy versus a little

guy thing, but larger organizations that that have you know engineers or planners or a real estate arm you know have people on staff and they can wait out and participate in processes that, that take a long time so six to nine months which is some of the public comment we heard on, on these conditional uses in our in our hearing two weeks ago in committee. You know, they can absorb that but most of the projects that come before our Council are, are led by you know smaller businesses or, or, or operations that are paying lots of professionals in town by the hour to come hang out at these hearings and to go back and forth with our staff and you know that's include, that, that includes you know paying an engineer and an architect and a planner and that stuff really adds up and it adds the cost of projects and it adds the cost of housing and so if, if the end result is that you know over 70% of these conditional use projects are resulting in no additional uses, all we've done is had a minimum of three months and a lot of extra expense where we didn't need it. And so, I think that you know as we as we look at the more permanent solution of code reform, which we clearly are working on to try and address this this crisis and this emergency, that's definitely something to keep in mind is, is where we find that balance and, and how we do that as a community but I think it is important for people to understand that you know whenever, whenever the Council holds stuff up even if it's two more weeks, the, the, the applicant who's paying the professionals to be part of that is continuing to pay people and, and that does cost money. So, I think that it's, this is a great step to be cognizant of, of recognizing that process and, and making sure that we're, we're taking a bounce and I would just kind of make sure that the people who commented and reached out to us about making sure the public is still involved participate in our code reform project, which kicks off on December 13th and is going to be a great opportunity for all the residents and the people who love Missoula to participate in this conversation on a much broader level.

Mayor Jordan Hess Thanks. Ms. Jones.

Alderperson Jones I'll just keep it brief because people have said good things. I agree, I think this is good government. We talk a lot about how government moves slowly for all sorts of good reasons, but this is pretty quick and it's for good reasons because we do have a serious housing crisis that our community is facing. So, this, this goes to that, it's helpful but I also wanted to emphasize that this is a short-term ordinance and then we have to look at it again and re-up it so it's quite side boarded, and I don't anticipate there being unintended consequences. I think staff's been very thoughtful with it but if we're seeing something that's not working, first of all we can address it and second of all our as Mike said our full code reform project will be holistically looking at this and making recommendations. So, I feel like it's, we've got it in a nice, neat box and it's a, it's a good decision to go forward with.

Mayor Jordan Hess Yeah, my, my definition of conditional use over years on Council is primarily one of frustration that that developers are frustrated, neighbors are frustrated, Council members are frustrated, staff are frustrated, everyone is frustrated because there's this promise of a tool that doesn't deliver. It doesn't deliver what I think people think it does or think it will and really what it delivers is, is additional time and, and delay and cost, as has been referenced several times tonight. So, I'm, I'm really I'm glad to move in this direction, I think we can look to a number of capacity building items through the, throughout the code reform process, whether it's this interim approach or process review, but this, this as several others have mentioned this allows staff to dedicate time on, on reviews that matter and sort of filter out things like this that really just create process for, for process sake. You know some of the conditions that I recall being added to conditional uses over, over my time on the Council are things like requiring four bike racks instead of two. You know, w these are these are little things that that think you know requiring that an entrance faces east instead of south, or you know they're really little things that that can be handled in a more administrative way and without, without the uncertainty of, of the, the board review process. The, I also appreciate that this is a systemic approach. This this was prompted by when, when Ms. Jones was acting Mayor

there was, there was an applicant who came forward with a project who is impacted by conditional use and rather than, rather than trying to figure out a way to make a concession that wouldn't have been fair, it was gosh let's take a look at this systemically and say what do we do to address every project in this boat. And I think we can do that as we move forward to build capacity, we can say what are the common factors that that are limiting our ability to get projects out the door, how do we, how do we address that systemically? So, that's what this does and that's what I hope we'll see more of over the next couple years as, as the code reform process moves along. Anything else? All right, seeing no additional comments, we've had a good discussion, we've had a public hearing and we can have a roll call vote.

Mayor Jordan Hess And the interim ordinance passes. Does anyone need a brief recess before we move on or? Yes, okay. We're going to take a; we're going to take a 10 minute recess we'll be back in order at 7:40 pm.

[Second and final reading] Pursuant to State Law Section 76-2-306 Montana Code Annotated, the Missoula City Council hereby adopt an interim urgency zoning measure amending Title 20, Missoula City Zoning Ordinance Section 20.05 Residential Districts, Section 20.10 Business and Commercial Districts, Section 20.15 Industrial and Manufacturing Districts, and Section 20.20 Open Space, Public, and Aviation Districts, prohibiting the application of the conditional use process to certain use categories.

AYES: (11): Alderperson Anderson, Alderperson Becerra, Alderperson Carlino, Alderperson Contos, Alderperson Farmer, Alderperson Jones, Alderperson Jordan, Alderperson Nugent, Alderperson Savage, Alderperson Sherrill, and Alderperson Vasecka

ABSTAIN: (1): Alderperson West

Vote result: Approved (11 to 0)

Moved by: Alderperson Carlino

Motion to amend to require bed and breakfast to continue to be a conditional use

AYES: (11): Alderperson Anderson, Alderperson Becerra, Alderperson Carlino, Alderperson Contos, Alderperson Farmer, Alderperson Jones, Alderperson Jordan, Alderperson Nugent, Alderperson Savage, Alderperson Sherrill, and Alderperson West

NAYS: (1): Alderperson Vasecka

Vote result: Approved (11 to 1)

9.4 Request to Extend Conditions of Annexation – 3719, 3721, 3723 Grant Creek Road

The City Council will hold this public hearing open until they take up the item for final consideration on December 5, 2022.

Mayor Jordan Hess Okay, we will be back in order, and we can continue on with our next public hearing, which is item 9.4. This is the request to extend conditions of annexation at various addresses on Grant Creek Road. We have Dave DeGrandpre here for our staff report. Dave.....Mr. DeGrandpre, are you with us? Okay, without objection, let's reorder here and go to, we'll come back to Dave.

Mayor Jordan Hess And we can go back to item 9.4, the request to extend conditions annexation and Mr. DeGrandpre.

Dave DeGrandpre All right, thank you Mayor Hess. Good evening Councilors, members of the public, sorry for the delay. My name is Dave DeGrandpre with Development Services and I'm going to start a slideshow, hopefully you can all see that. And this is a request to extend two conditions of approval for a two-year period, the annexation is for 3719, 3721, and 3723 Grant Creek Road.

Mayor Jordan Hess Dave, we're not seeing.....

Dave DeGrandpre I'm sorry. Can you all see this slideshow?

Mayor Jordan Hess No, not yet.

Dave DeGrandpre Okay, let me try this again. Two years after COVID, I'm still trying to figure it out. All right, how about now?

Marty Rehbein We see it now.

Mayor Jordan Hess Thanks.

Dave DeGrandpre Thank you. So, the property is located east of North Reserve, that's shown in, in this with this red line. Here's the subject property, this is actually an aerial photo from prior to annexation. You can see the subject property, it's three parcels of land with the star here. It's located at the southeast corner of the intersection of Howard Raser Drive and Grant Creek Road. City Council, well the owner of the property, Diversified Real Estate, requested, petitioned the City of Missoula to Annex the property and on December 13, 2021, the City Council did just that. City Council annexed the property subject to six conditions of annexation approval. Those conditions were given a one-year completion period so are set to expire on December 13th of this year, so in just over two weeks. Conditions one and two, which are requested to be extended, relate to improvements to Howard Raser Drive and Grant Creek Road, specifically curb, gutter and sidewalk improvements on Howard Raser Drive and sidewalk, boulevard, curb and gutter, bike lane and drive lane improvements to Grant Creek Road. The property is home to Diversified Plastics, which is a Missoula based, custom plastics fabrication and engineering company. Diversified Plastics designs, engineers, and manufacturers components used in a variety of industries including food processing, forestry, agriculture and others. This is an aerial photo showing conditions prior to annexation. You can see that there are four main buildings on the property, each with different functions. Along Howard Raser to the north there, there is curb but no accesses to Howard Raser Drive, no vehicle accesses along Grant Creek Road, it's fairly uncontrolled. There are, I think, three different little accesses shown but there's no curb, no gutter, no sidewalks. You know, it's a fairly industrial area but it's growing and changing over time and several improvements are planned for the property. So, Diversified Plastics is expanding its workforce and its facilities, and this shown in blue would be a 4,000 square foot building addition, which is currently under construction, and this is potentially phase one of a two-phase expansion project. Let's see, along with this first phase includes connection to municipal sewer, a new fire hydrant, and a new street approach to Grant Creek Drive. You can see that there are several different street, hopefully you can see the streetscape improvements, so there are controlled access points, Howard Raser to the north. There are parking lot improvements throughout and a new commercial access onto Grant Creek Road along with, you can see the curb, gutter, sidewalk and other surface-related improvements. A possible second phase is forthcoming, Diversified Plastics is working with the, with MRA on a potential 25,000 square foot building expansion or new building, as well as a water main extension that would come up Grant Creek Road from the south and another fire hydrant. So, the, the main kind of crux of this matter before you is, if the developer, if Diversified Plastics were to install all of these improvements, for example pavement, curb, gutter, etc., when and if the second phase comes forward on this southern parcel, some of those improvements, particularly the pavement would have to be torn up to make new improvements. And so, I think, the developer and the

representatives are looking for some efficiency here. They would like to not lay down and make all these surface improvements in the event that they move forward with this second expansion phase and have to tear those up. Now, in addition to requesting an, an extension for two years, for two of the six conditions, the applicant has proposed to provide financial security to the City of Missoula to ensure that those improvements are made. So, what would happen is the applicant would enter into an improvements agreement or a contract with the city and guarantee that if the applicant failed to make the, the surface improvements that are required by the conditions that the city would have the means, the resources to make those improvements. So, briefly, just for your information, there really aren't any statutory requirements or local requirements for conditions of annexation, and under what circumstances Council might extend those. So, what we did at Development Services was look back primarily at the land use plans in effect to determine compliance and so, so this is a snippet of the future land use map from the City Growth Policy. You can see the property here outlined in blue and the, and the land use designation is community mixed use. This is an area that provides for a wide variety of residential and commercial functions including a business like Diversified Plastics and so, this, this property, the land use is in substantial compliance with the Growth Policy. There are also several Growth Policy conditions that address things like employment, infrastructure improvements, and, and this proposal, I think substantially complies with the Growth Policy in many respects. The property is also located within the North Reserve-Scott Street Master Plan Area and Urban Renewal District and so, this is a more a more focused plan on this particular area you can see the subject property outlined here with the yellow circle. And this, this plan area really emphasizes improved street connectivity, improved road network, also working on major infrastructure improvements along with private parties, so in conjunction with private parties to really redevelop and revitalize this area. And so, as you will see in the staff report it's, it's staff's belief and recommendation that this project substantially complies with the North Reserve-Scott Street Master Plan and Urban Renewal District and the developer has been working with the Missoula Redevelopment Agency, MRA, on certain improvements related to expansion of this project. So, I mentioned that there are six conditions of approval, the developer is looking to extend two of them. What, what staff is recommending for conditions, number one and number two are essentially improvements, not improvements to content. So, there's still improvements to Howard Raser Drive and Grant Creek Road, but what we are recommending are changes to timelines. So, the first is that prior to March 31, 2023, so just over three months, that the developer would enter into an improvements agreement with the city to guarantee that the improvements to both Howard Raser Drive and also Grant Creek Road, so condition number one and number two would be met. Again, we just want to make sure that there's Financial Security in place and that the timeline is appropriate and this is the timeline that's been requested by the developer. In terms of the other conditions, I mentioned that they, I believe I mentioned that they have been met, and so condition number three required the Diversified Plastics to, to provide a commercial entrance to Grant Creek Road and you can see that, and this is, the, the photo on the left is looking west from Grant Creek Road onto the, the subject property. You can see that there's there are new improvements to the parking lot and there's a new commercial entrance that's been made. The photo on the right looks north along Grant Creek Road and you can see the pavement and also the concrete improvements. Now the area that's still in dirt, that's right-of-way where future improvements would be made, as per conditions number one and number two. So, the status is that the driveway entrance has been constructed, the right-of-way improvements are pending because those would be included in the first two conditions. Condition number three requires the petitioner to execute a waiver of a street improvement district for future improvements and maintenance of Howard Raser Drive at Grant Creek Road; that condition has, has also been met. The petitioner submitted an executed waiver of a street improvement district to this office, to development services, and that petition is currently being sent to the clerk and recorder's office for recording. Condition number five requires that the petitioner

connect to city services, to abandon the existing or the previous septic system on the property, and if the developer connects to city water, that it installs a backflow prevention valve to ensure that there is a contamination of the city's water supply. This condition has also been met. Connections to City water and sewer have been made. The private septic system is abandoned, and back flow prevention has been installed. And then finally condition number six requires a new fire hydrant prior to new combustible construction, and as you can see from the photo, this was taken just a couple of weeks ago, I'm looking now kind of south, southeast from Howard Raser to the site, this the hydrant has been installed. So, staff is recommending that City Council adopt a motion to amend conditions number one and number two, to again provide for an improvements agreement and also a two-year extension. This recommendation is based primarily on compliance with the Growth Policy and the North Reserve-Scott Street Master Plan, as well as the applicants good faith efforts to comply with the annexation conditions in timely manner. And then, let's see, housekeeping wise, so Council will, so tonight is the public hearing, Council will consider, well we'll discuss it again at the Land Use and Planning Committee meeting on Wednesday, and then this is up for final consideration next Monday the 5th. And I'm happy to try to answer any questions that you have.

Mayor Jordan Hess Thank you Mr. DeGrandpre. So with that, I will open the public hearing. Anyone wish to comment? And Mr. Gass.

Tod Gass Sorry, it took me a while to get my hand up. I couldn't just click the icon; camera doesn't want to go either. There we go, I guess. Can you see me now? There we are.

Mayor Jordan Hess [inaudible] t

Tod Gass Yeah, I would just like to say a few things. You know MRA is in support of the extension request before the Council, as Dave kind of mentioned. At the September 2022 MRA board meeting, the board approved a TIF request from Diversified Real Estate for the installation of the fire hydrant and Howard Raser Drive right away this, and this work has been completed as you saw, satisfying that annexation condition requirement. And also at the September meeting, the MRA board granted a proceed without prejudice request to Diversified Real Estate for the remaining expansion of their business including the Howard Raser Drive and Grant Creek Road right of way improvements, which are the conditions one and two, and Dave ran through what those improvements are, essentially curb, gutter, boulevard, sidewalk, landscaping and the right-of-way water main extension and the additional fire hydrant in Grant Creek Road. So MRA, we've been working with the Diversified Plastics. We expect to receive a TIF application from them, essentially for the major part of their expansion project which is the construction of an additional 25,000 square foot building along with the Howard Raser Drive and Grant Creek Road right-of-way improvements is required. And you know, this is a good project for the North Reserve-Scott Street URD, as it furthers the goals outlined in the North Reserve Scott Street Master Plan, the North Reserve-Scott Street Urban Renewal Plan and also the City Strategic Plan. So, the approval of the extension request really provides a pathway for Diversified Plastics to complete their expansion project and to submit an app, TIF application to the MRA for the public improvements related to the project, allowing them to comply with the conditions of annexation. So, MRA is in support of the extension request.

Mayor Jordan Hess Great. Thank you Mr. Gass. Any additional comment tonight? Okay seeing none, the public hearing will remain open until December 5th. In the meantime, any questions from Council members? Ms. Becerra

Alderperson Becerra Yeah I just want to clarify under condition of approval number four that is tied to condition number one and number two, which state that those

improvements would have to be part of that agreement and the latest of those can be installed this December of 2024, is that is that right?

Dave DeGrandpre If I may answer?

Mayor Jordan Hess Yeah, go ahead.

Dave DeGrandpre I think condition number four and I can share my screen one more time or I am sharing my screen I guess. Can you see it?

Mayor Jordan Hess Yes.

Dave DeGrandpre Okay, great. So, I think this is separate from condition number one and number two. It's basically an ongoing condition that if an improvement district is set up that, that the, there will be a waiver of right to protest on file, so that the Diversified Plastics or whoever is manning that facility at that time can't protest the improvement, so will have to join the improvements, but it's not necessarily tied into conditions one and two.

Alderperson Becerra Followup?

Mayor Jordan Hess Yep, go ahead.

Alderperson Becerra So, when would those improvements be installed?

Dave DeGrandpre Well, so the, so for conditions number one and number two, they would be installed within the next two years, but then the waiver of right to protest Street Improvement District would be ongoing, would be for a longer period of time.

Alderperson Becerra Okay, thank you.

Mayor Jordan Hess Any additional questions. Okay. So, we will hold this public hearing open and take this up for final consideration on December 5, 2022. Thank you Mr. Gass and Mr. DeGrandpre, appreciate your time tonight.

9.5 Ordinance adopting the City-County Health Code by reference in accordance with 50-2-116, MCA and the Interlocal Agreement on the Joint Provision of Public Health Services.

The City Council will hold this public hearing open until they take up the item for final consideration on December 5, 2022.

Mayor Jordan Hess We'll do our public hearing 9.5. which is the Ordinance adopting the City-County Health Code by reference in accordance with 50-2-116, MCA. Ms. Therriault is that okay that we go to you next? All right....We have Shannon Therriault here with our staff report.

Shannon Therriault Okay. Probably one of the most common things you hear is, I'm gonna share my screen. Okay, try again. There we go, all right, okay. Hello everybody my name is Shannon Therriault, I'm the Director of Environmental Health at the Missoula City-County Health Department and I'm asking you today to adopt the existing Missoula City-County Health Code by reference. That's not something the City Council has had to do before, it was brought about by changes in the last legislative session, which requires now the Health Board to recommend rules. Let's see hmm, anyhow, to recommend rules for adoption by the local governing body where before they were able to adopt them outright. A new interlocal agreement establishing the City-County Health Board was created or was approved by the city and county in June and it identifies both the City Council and the County Commissioners as the local governing body for proposed, for the purpose of adopting a Health Board recommended rules. Let me see if I can get this to change....that was the only picture, you didn't get to see it, everything else is just words.

And so, the Health Board did meet in October and at their October meeting, they made a recommendation asking the City Council and Board of County Commissioners to adopt the existing code as and associated fees by reference. I'm saying existing because we aren't proposing any changes to the code; the last time a change was made to the language to the Missoula City-County Health Code was in 2018 and fees were updated in 2022, which brings me to the Board of County Commissioners rule. So, until a new interlocal agreement was approved by the city and county in June, the County Commissioners, it was agreed by the parties that the County Commissioners would act as the local governing body for the purpose of approving rules. So, what they did in April the, the change at the legislature went into effect immediately, so they approved an emergency ordinance in April adopting the existing code and fees by reference and then in June through the normal ordinance process, they adopted it, then in March 2022 they did amend the ordinance with, for the purpose of approving the revised fees and then after the health board made the recommendation, they re-adopted the health code and fees by reference and also in October, on October 27, 2022 to be in line with the new interlocal agreement where both of you are the local governing body. I'm talking, I keep saying the words by reference. So, what does it mean to adopt something by reference? It basically means that you don't have to duplicate all the words in the health code in the municipal code; this is commonly used for things like building, building codes, international building code or uniform building code, so it's pretty commonly used. It just is a statement that says it is all incorporated, so state law specifically does allow local governments to adopt codes by reference and does mention health and sanitation codes. You will note where the arrow is that it does not allow any penalty to be incorporated by reference. So, the code, the municipal code or the ordinance as proposed does have a, there you go, have a section, I'm sorry this is very small, but a section on penalties that are in line with Title 7 penalties, which is the local governing body or the local government rules, as opposed to Title 50 which is the health board rules. So, now, I've, I've already in in the Public Safety, Health and Infrastructure Committee talked about what was in the health code. So, I'm going to do it way more briefly now just, so that it's anybody who's listening can hear what the health code does include this is really slow compared to this. So, the health code has an administrative section and eight regulations. Hmmm, I don't know, don't know what to tell you. The first is the administrative section, which was amended in 2016. I probably lost my internet connection again, so I'll go through and tell you what, because I that happened earlier to me. I'll tell you what.....

Mayor Jordan Hess It looks like they're on different stages on different computers....

Shannon Therriault Oh okay, so it's just not there.....

Mayor Jordan Hess Yeah.

Shannon Therriault Okay, that's fine. So first, there's the administrative section that was last amended in 2016. It covers procedural rules for enforcement and variances, it covers some things for permits and the like. Then we have regulation one which is our septic permit rules, it was first adopted in 1966, the last time that was amended was in 2018 by the Health Board. This covers requirements, prohibitions, permitting, site evaluations, design, construction, special systems, rules for enlarging a structure or adding more flow to a system, and special management areas where additional design criteria or requirements are needed because there are specific environmental concerns in those areas. Then we have the large group function permits. This came from the 70's, events like Abradays were held in fields, there were no porta-potties, there were no garbage cans, and so, we have now this. And so, it covers large events, a thousand or more people who are going to be in the same place for three or more hours, and only in places that aren't prepared for a thousand or more people for three or more hours. For instance, it doesn't apply to Grizzly Stadium, but it does apply to a field and so that it just makes sure that basic sanitation and health aspects are covered. Then we have Solid

Waste Management, this was first adopted in 1973 then the board last updated it in 1996 and basically it covers the storage, transportation, and handling of garbage including litter and it does contain a list of prohibitions. You can't burn garbage. You can't bury garbage. You can't leave garbage in the woods. Then we have regulation 4, which is the Food Service Establishment Regulations, and this regulation supports and enhances the state rules for and state law for food service establishment. It defines local procedures and due process, and it covers licensing and permitting of TFSs, mobile food services, it talks about training and operating requirements, and under what conditions the health department can close a food service establishment. It sets up plan review, specific rules about selling wild mushrooms because that wasn't covered well in the state rule and then establishes re-inspection fees. Then we have water well protection, this was established in 19, I mean 2009, it was last updated in 2013 and this basically requires permits for new wells to make sure they're at least 100 feet from septic systems and in the approved location if approved location exists through the DEQ sanitation and subdivision process. Then we have drop-in day cares for regulation six; this addresses a gap in the state rules that drop-in day cares are not required to license with DPHHS, the Department of Public Health and Human Services, they are allowed to but if they don't, they're not subject to any of the basic sanitation rules about cleaning and food safety, and so, this rule basically says you have a choice. You can either license with the state or you can certify with a health department and then it covers the sanitation and health rules to make sure that those are in place at the drop-in daycares. Regulation seven is rabies control. Now, this is word for word what's already in Title 6, Part 14, of the Missoula Municipal Code. It's in the health code because our lawyer determined that the county did not have the ability, the County Commissioners did not have the ability, the authority to adopt rabies control regulations and so that the Health Board did. So, this is in the, in the health code and basically it requires a rabies vaccination for dogs, cats, and ferrets and then it lays out reporting bites and quarantine procedures, which is necessary to protect people and pets from the very deadly disease of rabies and also to avoid unnecessary post-exposure shots, which really run into the tens of thousands of dollars. Then we have trailer courts and campgrounds, this is regulation eight and this basically just allows us to charge re-inspection fees. It establishes reinspection fees for trailer courts and campgrounds and so, we can charge a reinspection fee if a violation continues to exist after two inspections, and so it is a motivator to get people to correct violations where we didn't have that before and it is basically the same as how we do that with food service, how we charge reinspection fees with food service. So, that is it in a nutshell. There's also some health code related fees that we're asking you to adopt, and that is the, the ones with the asterisks here are the ones that have fees associated with them, so that's regulation one with the wastewater treatment disposal systems. Actually, the administrative section should be there too because we have variance fees, large group function permits, food service establishments, water well protection, and trailer courts and campgrounds all have fees associated with them. Here are the fees, pretty soon, eventually and then theand these fees like I said were all exist, well they were last revised by the Health Board in late 2021 and then approved by the County Commissioners in April of 2022. And then this is the ordinance, so that is the end of my presentation.

Mayor Jordan Hess Great, thank you for that. I'm going to now open the public hearing, if there's anyone in the public who wishes to comment. Note for the record that there are no members of the public in the Council chambers, and I don't see any hands online. So, we will hold this public hearing open until December 5, 2022, when we take final action. In the meantime, are there any questions from Council members? Seeing none, thanks for....oh I'm sorry Ms. Vasecka.

Alderperson Vasecka Thanks. I guess, I'm just a little bit confused about what we're proposing to adopt, if these are already rules that are in effect, I guess what's, what's changing?

Shannon Therriault What changed was the legislative requirement in 2021 that instead of the Health Board adopting rules, they have a list of authorities in 50, Title 50. They now need to recommend those rules to the local governing body. It is quite possible that we did not need to go through the steps of having the County Commissioners adopt it right away and it only really would apply to changes going forward, but we just, there was a lot of confusion around the bill at that time and we just wanted to make sure that the health code remained in effect and so then, once we did that, we were on the path. And so, the County Commissioners adopted the rules in 2022 when they revised the fees, but they also had a statement that the ordinance would expire 90 days after a new interlocal agreement was approved, which left us to have them re-adopt it, but now you are also the local governing body, so we need you to adopt it too.

Alderson Vasecka Okay, I think I understand now. Thank you.

Mayor Jordan Hess Great, thanks. Any additional questions? Okay well, we'll have this back for final consideration next week. Thanks for, thanks for coming to see us Shannon.

9.6 Ordinance Enacting Assessments for the City of Missoula Park District Number 1; Providing that Assessments Constitute Revenue of the Undertaking

The City Council will hold this public hearing open until they take up the item for final consideration on December 12, 2022.

Mayor Jordan Hess We have two additional related public hearings. Leigh Griffing is here to present on those and those are ordinances enacting assessments for the City of Missoula Park District Number 1 and Road District Number 1, and I'll turn it over to Leigh Griffing. Leigh are you going to do these are one report or two?

Leigh Griffing I'd like to do them as one report.

Mayor Jordan Hess Okay, great.

Leigh Griffing It's a bit easier, they're very similar. Thank you Council, I'm Leigh Griffing, the Finance Director for the City of Missoula and I am going to share my screen. So, tonight is the first reading of two ordinances that we are bringing forward to City Council, one is for the road district and the other is for the park district. They are pretty much identical except for they deal with two different districts, and this is, you know we, if we it was budget time, we would call this a housekeeping item because it is sort of a very bureaucratic item that we are bringing forward to stay in line with certain legal requirements and at the request of our bond attorneys. So, as my folks know, almost everything that we do is governed by Montana Code Annotated and here's just a little snippet of it. There are many more titles than this and the two that we're addressing tonight are the special district statutes and the revenue bond statutes. So, we want to enact this ordinance to sort of tie the two of these together, the special district statutes allow us to levy annual assessments, as we do every year during the budget and also issue revenue bonds, which we have not done out of these two districts yet. The revenue bond statutes state that we have to, they require assessments be enacted by ordinance in order to constitute revenues of the undertakings to be financed, I know that it's kind of a mouthful. So, again, these are just two ordinances that we need to pass so that we can tie those two together and more efficiently finance the capital improvement projects out of each of these districts, and I'm here for any questions. Thank you.

Mayor Jordan Hess Ms. Griffing, I would open the public hearing on this. Anyone from the public wish to comment? And seeing none, the public hearing will remain open, and we will take this up for final consideration on December 12, 2022, both of these items. Are there questions from Council members? Okay, seeing none, thank you Ms. Griffing for the presentation and we will see these again on December 12, 2022.

[unknown speaker] oh my gosh is hearings palooza over?

Mayor Jordan Hess That concludes our public hearings.

9.7 Ordinance Enacting Assessments for the City of Missoula Road District Number 1; Providing that Assessments Constitute Revenue of the Undertaking

The City Council will hold this public hearing open until they take up the item for final consideration on December 12, 2022.

10. COMMITTEE REPORTS

10.1 Budget and Finance (BF) committee report

10.2 Climate, Conservation and Parks (CCP) committee report

10.2.1 Minutes from November 16, 2022

10.3 Committee of the Whole (COW) committee report

10.3.1 Minutes from November 16, 2022

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

10.4.1 Minutes from November 9, 2022

10.4.2 Minutes from November 16, 2022

10.5 Land Use and Planning (LUP) committee report

10.5.1 Minutes from November 16, 2022

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

10.6.1 Minutes from November 16, 2022

10.7 Public Works and Mobility (PWM) committee report

10.7.1 Minutes from November 16, 2022

11. NEW BUSINESS

11.1 Interlocal Agreement Between the City of Missoula and Missoula County to Establish the Governance Structure for the Opioid Abatement Region from the Distributors' Litigation Settlement

Mayor Jordan Hess We do have one item of new business that's a time-sensitive item. This is an interlocal agreement between the City of Missoula and Missoula County to establish the governance structure for the opioid abatement region from the distributors litigation settlement. Jessica Miller is here for our staff report on this.

Jessica Miller Hey everybody. I'm Jessica Miller with the City of Missoula or with the Mayor's office. You know that I'm with the city, that last one went really fast. He snuck up on me here. It helps if I can actually share the screen. Okay, so I just want to very briefly and it's not going to let me do thatOkay, sorry, give me just a second here.... it's going to let me share the actual....this guy, it, it worked when, when I was practicing it before, before the meeting. Obviously because it always works, when you're doing it before the meeting and then not when you're actually in the meeting. So, give me one second here, I apologize....

Mayor Jordan Hess No problem, thanks.

Jessica Miller Everything was going really, really slowly and then these.... stuff went really, really fast. So, I apologize here, just getting set up again. Okay, so I want to go a little bit over...This is an interlocal agreement for our opioid settlements and it's an

interlocal agreement with, nothing is presenting on the right screen I really do apologize here, really sorry.....I'm trying to present with two screens.

Mayor Jordan Hess Jessica, we're seeing your desktop now, it looks like....

Jessica Miller I, yeah, I'm.....Okay so, I guess my, I'm just gonna do it without the slideshow because there was nothing super critical on there anyway, it was just to sort of help people follow along. I apologize. Okay, so, let's see...So, this is just a very basic interlocal agreement for the opioid settlement that, that we are part of with the State of Montana with the Johnson and Johnson, the Janssen Pharmaceuticals. So, they're, Janssen Pharmaceuticals is the name of the company, it's more commonly known as Johnson and Johnson. What's been done so far in this process is we have entered into, about a year ago, we entered into a memorandum of understanding with the State of Montana to join, to join the settlement agreement that they have with that company and some of the distributors. And the state has established the structure now to be able to distribute those funds. What today's action is, is, so the state has as part of their structure is they set up the settlement, the settlement structure they have a trust settlement, a trust agreement settlement, sorry a trust structure and they've set up several abatement regions throughout the State. Missoula is one a bit of the abatement regions where a large metropolitan area and so the Missoula abatement region consists of just the City of Missoula and Missoula County. So, we have to enter into a, we have to create a governance structure in order to receive those opioid remediation funds and this interlocal today just creates that structure for us and allows us to be able to accept those funds and move forward. We have to have this governance structure in place by December 1, 2022 and, and notify the state of it so that they can continue moving on in their next steps. The letter that we received from Attorney General Knutson said that we are, that we should expect those funds reasonably soon and that is the exact phrase in the letter, so we don't really know what that means but we, our deadline to notify them of what the City and County's structure for the Missoula abatement region is going to be, our deadline is December 1, 2022. So, we have this agreement here before you tonight and Missoula County will be considering it tomorrow at one of their meetings so that we can get this finalized and to the state. So, this is a fairly basic agreement; it just has the Mayor and the Chair of the Board of County Commissioners as, as the board that will administer those funds. This does not designate how those funds are going to be used or budget those funds or allocate those funds in any way. All of the allocation of funds will occur later during a regular budget process. If we receive those funds during fiscal year 23, there will be you know a budget amendment process that will come through City Council and then for future budget years, if we have the exact numbers during our budget process, it'll be part of our regular budget process. So, all of the fund allocations will happen at a later point in time and this just gives us a structure, it's a paperwork step that just lets us cross this off and get that information to the Attorney General's Office so that they can take the next step in trying to get, in trying to get this moving forward.

Mayor Jordan Hess Great, thank you Ms. Miller. Are there any questions from Council on this is? Is that a hand? No, okay, I don't see any questions. I'd go to Ms. Jones for a motion please.

Alderpersion Jones I'd make the recommended motion which is to approve and authorize the Mayor to sign an interlocal agreement between the City of Missoula and Missoula County to establish the governance structure for the opioid abatement region from the distributors litigation settlement.

Mayor Jordan Hess Thank you. The motion is in order and any comment on the motion? Ms. Sherrill.

Alderpersion Sherrill I'm happy to support this. Obviously, we need to set up the structure so we can get the money. I just wanted to make a comment that if you have read or followed any of the opioid epidemic information and just how, how brutal it has been in

this country, this is not nearly enough money, but it is, it is a start and I'm happy that we're gonna have something and I will look forward to what comes forward and how we spend this money. I really wish it were more but it's something, so I'm happy to support it.

Mayor Jordan Hess Thanks and I didn't call for public comment. Is there any public comment? Again, I'll note no public in attendance. Any additional Council comment? Ms. Becerra.

Alderson Becerra I guess, I have a question. Is, is that okay? I just want to know if the allocation of those funds, is that something that comes through City Council through our budget process?

Mayor Jordan Hess Yes, so this will come, any, any fund allocation would go through a normal budget process. This is really a formality to be able to accept the funds. We have to have the structure in place for the settlement. Ms. Jones.

Alderson Jones And to just follow up on that Jessica, my understanding is that there are directives or categories of how this money can be spent, it's not just, it can't just be spent on anything, there will be a focus to it that. Is that right?

Jessica Miller Right, right yeah. So, there's, there is some specific language that we had in the letter that's kind of a summary of things where it has to be, mitigate opioid misuses or related disorders, mitigate other injuries or harms resulting from over prescribed opioid use, including treatment of individuals, awareness, education, addiction services, support law enforcement, addressing aspects. So, there's, there's some examples; they have a non-exhaustive list but again when we, when we get those funds we will and in that budget process we'll have definitely a more detailed list of the specific uses and, and the, the detailed description of what those have to be used for.

Mayor Jordan Hess Thanks. Ms. Jones, are you good? Okay. All right, any additional questions or comments? Seeing none, we can have a roll call vote on the motion.

Mayor Jordan Hess Okay and the motion passes. Thank you for that.

Moved by: Alderson Jones

Approve and authorize the mayor to sign an Interlocal Agreement Between the City of Missoula and Missoula County to Establish the Governance Structure for the Opioid Abatement Region from the Distributors' Litigation Settlement.

AYES: (12): Alderson Anderson, Alderson Becerra, Alderson Carlino, Alderson Contos, Alderson Farmer, Alderson Jones, Alderson Jordan, Alderson Nugent, Alderson Savage, Alderson Sherrill, Alderson Vasecka, and Alderson West

Vote result: Approved (12 to 0)

12. COMMUNICATIONS FROM THE MAYOR

Mayor Jordan Hess I will just simply say that I, I hope everyone had a really wonderful Thanksgiving. I have a lot to be grateful for and, and it's always nice to reflect on that and I'm particularly grateful this year for it's been a difficult year at the City of Missoula and I'm grateful for all of you and I'm grateful for our staff and I'm grateful for members of the public that we serve who make this job interesting and rewarding and challenging and a good a good place to, to work.

13. GENERAL COMMENTS OF CITY COUNCIL MEMBERS

Mayor Jordan Hess So, I will start Council comments tonight with Ms. Vasecka and then we'll go around, starting with Ms. Sherrill. Ms. Vasecka.

Aldersperson Vasecka Thanks Mr. Mayor. I just wanted to ditto what you said and wanted to remind everyone that it is really icy out and to slow down. A couple of friends and folks that I know have been in rollovers and big accidents; they're all okay but you know it's really important to slow down and give yourself extra time to, to get to where you're going.

Mayor Jordan Hess Ms. Sherril.

Aldersperson Sherrill I'm going to pass, thanks.

Mayor Jordan Hess Ms. Savage.

Aldersperson Savage I'm also going to pass, thank you.

Mayor Jordan Hess Ms. Jordan.

Aldersperson Kristen Jordan I'm gonna pass, thank you.

Mayor Jordan Hess Ms. Farmer.

Aldersperson Farmer I'll also pass.

Mayor Jordan Hess And Ms. Jones.

Aldersperson Jones I'll pass.

Mayor Jordan Hess Mr. Carlino.

Aldersperson Carlino Pass.

Mayor Jordan Hess Ms. Becerra.

Aldersperson Becerra Pass.

Mayor Jordan Hess Mr. Nugent.

Aldersperson Mike Nugent Pass.

Mayor Jordan Hess Mr. Contos.

Aldersperson Contos Yes, pass.

Mayor Jordan Hess Ms. West.

Aldersperson West Ditto. I'm grateful for all of you as well.

14. MISCELLANEOUS COMMUNICATIONS, REPORTS AND ANNOUNCEMENTS

14.1 Administratively approved agreement report

15. ADJOURNMENT

Mayor Jordan Hess Thank you all for your service and we'll be adjourned.

The meeting adjourned at 8:28 p.m.

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

Jordan Hess, Mayor