

COUNCIL ACTION SUMMARY

****UPDATED AS OF 11/10/2016****

**START TIME WAS CHANGED TO 5:30 P.M.
AND PROCLAMATION ADDED**

CITY OF BILLINGS

CITY OF BILLINGS VISION STATEMENT:

“THE MAGIC CITY: A DIVERSE, WELCOMING COMMUNITY WHERE PEOPLE PROSPER AND BUSINESS SUCCEEDS.”

AGENDA

COUNCIL CHAMBERS

November 14, 2016

5:30 P.M.

CALL TO ORDER: Mayor Hanel

PLEDGE OF ALLEGIANCE: Mayor Hanel

INVOCATION: Councilmember Brewster

ROLL CALL: Councilmembers present on roll call were: Cromley, Yakawich, Brewster, McFadden, Friedel, Sullivan, Clark and Brown. Councilmembers Cimmino and Swanson were excused.

RECESS TO CLOSED EXECUTIVE SESSION* (meeting will be called back to order at 6:30 pm)

***Note:** The closed Executive Session is solely for the purpose of discussing litigation strategy in which the only parties are NOT public bodies or associations, as described in Section 2-3-203(1) and (2). The meeting is closed, as allowed by Section 2-3-303, MCA, "to discuss a strategy to be followed with respect to litigation when an open meeting would have a detrimental effect on the litigating position" of the City of Billings.

MINUTES: October 24, 2016 **APPROVED**

COURTESIES:

- Mayor Hanel offered wedding congratulations to Councilmember Cimmino's family.
- Mayor Hanel offered congratulations to all successful candidates during the recent elections.

PROCLAMATIONS: Small Business Saturday, November 26, 2016

ADMINISTRATOR REPORTS - TINA VOLEK

- Ms. Volek reminded Council that there would be no Work Session meeting on November 21st and the next Regular Business meeting would be November 28th.
- Ms. Volek stated that an email was received from Don Olsen of O2 Architects regarding Regular Agenda Items 4 and 5, One Big Sky Center project. A copy was included in the ex parte notebook and copies were placed at each Council desk.

PUBLIC COMMENT on “NON-PUBLIC HEARING” Agenda Items: #1, 3, 4, 5, 6 & 7 ONLY. Speaker sign-in required. (Comments offered here are limited to one (1) minute for one item, or three (3) minutes for multiple items. Please sign in at the cart located at the back of the council chambers or at the podium. Comment on items listed as public hearing items will be heard ONLY during the designated public hearing time for each respective item. For Items not on this agenda, public comment will be taken at the end of the agenda.)

- **Terry Odegaard, 2101 Lake Hills Drive, Billings, Montana**, in reference to Items 1B, 4 and 5, stated he was uncomfortable with spending \$75,000 concerning BIRD and wondered who was tracking the money. He encouraged Council to do their due diligence when dealing with One Big Sky Center.
- **Rich Friedel, 3302 2nd Avenue North, Billings, Montana**, in reference to Items 4 and 5, stated he was officially representing the Republican party. He was opposed to any public financing toward the project.
- **Janine Mix, 217 Avenue D, Billings, Montana**, in reference to Items 4 and 5, stated she supported the One Big Sky Center and saw it as an amazing opportunity for younger generations.
- **Connie Wardell, P. O. Box 214, Billings, Montana**, in reference to Items 4 and 5, stated she was concerned about EB-5 funding and if the developers of One Big Sky Center did not have their EB-5 monies in hand, then the City should not enter into a partnership with them. She stated the City was not good at speculative development and she was against it.
- **Bill Cole, 3733 Tommy Armour Circle, Billings, Montana**, in reference to Items 1E, 4 and 5, stated he was in favor of the repurchase of Cottonwood Park. He encouraged Council to find a way to pay for regional parks so the lands are not left undeveloped. He stated he was the Chair of the Billings Chamber of Commerce and stated the Chamber had taken a general position in favor of investigating the process of Local Option Authority. He shared his personal thoughts that the developers had to sell themselves to the City and the City had to sell itself to the developers. He stated the developers had spent over 2 years of uncompensated time into the project and acquired 7 land purchases. He supported the One Big Sky Center.
- **Tana Hergenraeder, 2220 Lyndale, Billings, Montana**, in reference to Items 4 and 5, stated she fully supported One Big Sky Center. She was concerned the project was predetermined to fail and encouraged the City to enter into an MOU to further investigate the project's feasibility.

- **Joel Anderson, 2127 Fairview Place, Billings, Montana**, in reference to Item 4, stated he was a Chamber of Commerce NexGen and he supported the City entering into an MOU with the developers of One Big Sky Center. He stated that Yellowstone County's people were its greatest asset and he wanted to see opportunities for its people.
- **Kevin Nelson, 4235 Bruce Avenue, Billings, Montana**, in reference to Items 3, 4, 5 and 6, stated he did not believe there had been a 3.8% increase in the cost of living, but that it was far lower than that and the 3.8% was unjustified. He suggested giving the firefighters a raise and then a cost of living increase, but not to disguise the increase as cost of living. He commented that the One Big Sky Center proposal was similar to the Cabella's project, which remained an undeveloped weed patch. He stated the MOU in that project was very poorly written and he hoped the MOU for One Big Sky Center would be better. He asked Council to build a trusting relationship with the legislature.
- **Tom Zurbuchen, 1747 Wicks Lane, Billings, Montana**, in reference to Items 3, 7, 1B, 4 and 5, stated no other government agency received the amount of increases in wages and benefits as the City did. He questioned the percentage increase for the City Administrator's salary. He stated the One Big Sky Center was a beautiful project, but cautioned the Council about getting too caught up in it before the developers had more in place.
- **John Brewer, President of Billings Chamber of Commerce, 815 South 27th Street, Billings, Montana**, in reference to items 4 and 6, spoke in favor of the Local Option Authority and One Big Sky Center. He outlined the differences between the proposed bill for a sales tax and others in the past. He asked for the Council's endorsement.
- **Lee Humphrey, 213 North 28th Street, Billings, Montana**, in reference to Items 4, 5 and 6, stated he was supportive of the Local Option Authority and One Big Sky Center. He stated the City should not manage the conference center because government's historically did not do that well. He stated he would be the first major investor in the project if the Council agreed to move forward.
- **Darrell Consilia, Billings, Montana**, in reference to Items 4 and 5, stated he supported the One Big Sky Center project and stated he had been a young business professional for a number of years who avoided the downtown area. He stated it was dated, lacked jobs and aside from a night bar scene offered little attraction to his age group. He stated the City needed to support the project because without its support the project would die.
- **Randy Hafer, 702 North 23rd Street, Billings, Montana**, in reference to Items 4, 5 and 6, stated he was the Chair of the Downtown BID Board and that he was representing the Board, as well as himself, when he announced that he strongly supported the One Big Sky Center. He stated the downtown area was ready for a big project. He stated the project needed the City's support or it would not be able to move forward. He stated TIF funding was the only tool available and therefore he supported the Local Option Authority to provide more tools.
- **Nicole King, 745 Henesta Place, Billings, Montana**, in reference to Items 4 and 5, stated she was supportive of the One Big Sky Center. She stated that through her husband's business, they had hosted many foreign visitors. She stated it was difficult

to impress visitors with things to do in Billings that were not natural attractions. She stated Billings was missing a lot of amenities and it was time to attract people to live in Billings, but housing was needed downtown, too.

- **Greg Krueger, 3408 St. John's Avenue, Billings, Montana**, in reference to Items 4, 5 and 6, stated he supported the Local Option Authority and One Big Sky Center. He compared Great Falls to Billings and mentioned Great Falls had a larger population than Billings in 1975, but because they have not improved and invested in their City, Billings had taken the lead because of its development. He stated it had been a long time since the downtown area had anything developed. He stated that Missoula was on the same trajectory as Billings, however Great Falls was the same as it was in 1975. He compared the First Interstate Bank building and the Empire Garage projects and their use of TIF monies and bonding.
- **Kris Carpenter, 4642 Arapaho Lookout, Billings, Montana**, in reference to Items 4, 5 and 6, stated she was the owner of 3 businesses and had opened her newest business in downtown 4 days prior. She favored ACT because it would allow decisions on the local level for placement of local tax monies toward local projects. She believed Billings was missing the opportunity to collect from visiting tourists that utilized services. She stated she was excited about the opportunity to have a major development like One Big Sky Center downtown as her neighbor.
- **Patricia Elliott, 2323 Crimson Lane, Billings, Montana**, in reference to Item 6, voiced support for the Local Option Authority.
- **Lisa Harmon, Executive Director of Downtown Business Alliance, Billings, Montana**, in reference to Items 4, 5 and 6, stated she was supportive of these items. She stated Billings was a commerce center and that Billings was unique in how it drew visitors to the area, but it was not capturing as much as it could. She stated that since 2004, 284 TIF projects, mid-sized and small, had been funded. She encouraged Council to continue the dialogue with the developers of One Big Sky Center.
- **Brian Brown, 401 North 31st Street, Billings, Montana**, in reference to Item 6, stated he supported the Council's endorsement of ACT. He liked that it allowed Billings to decide what tax monies could be used for. He stated ACT was very different than the Montana Infrastructure Coalition, which focused on infrastructure only.
- **Skip Ahern, Denver, Colorado**, in reference to Items 4 and 5, voiced his support for One Big Sky Center. He stated it was not his purpose to take every TIF dollar available, but asked that there be monies to cover the items that would be publicly owned – the convention center, parking garage and street improvements to remove North 29th Street for a pedestrian walkway. He explained that public-private partnerships were nothing new and he believed the One Big Sky Center would create a larger tax base and more TIF funds to be reinvested in other future projects.
- **Angie Cormier, 220 North Broadway, Billings, Montana**, in reference to Items 4 and 5, stated she lived downtown and had businesses in the downtown area. She said she was on the fence, concerning One Big Sky Center. She stated she loved the idea of the development in downtown Billings, but there were a lot of "what ifs". She stated she was concerned about the amount of TIF monies from the district for the One Big Sky Center. She stated TIF District monies were already being

withheld for distribution pending the project. She stated that her taxes had already increased 30%-35% from the land purchases made by the developers. She suggested the developers consider selling condos in the project, rather than leasing apartments to help with the tax base.

Recess at 9:33 pm.

Meeting called back to order at 9:51 pm. Public comment period continued.

- **Dennis Ulvestad, 3040 Central Avenue, Billings, Montana**, in reference to Item 6, stated he was an Uber driver who took passengers throughout downtown and stated it had changed considerably over the years for the better. He encouraged Council and the Chamber to have a sponsor in Helena on the Local Option Authority or it may fail.
- **Sherry Daly, 108 Wyoming, Billings, Montana**, in reference to Items 4 and 5, stated she saw One Big Sky Center as a part of the big picture. She stated downtown was the heartbeat of Billings and it needed to grow and needed more living spaces. She voiced her support of the project.
- **Grant Owen, 2214 North Place, Billings, Montana**, in reference to Items 4 and 5, voiced his support for One Big Sky Center as he would like to live in the downtown area and see more business lure into the area.
- **Julie Seedhouse, 104 North Broadway, Billings, Montana**, in reference to Items 4, 5 and 6, stated she lived downtown and welcomed the One Big Sky Center to the area. She stated growth bred growth and that Billings needed to invest in itself and could do that with ACT. She was excited for the opportunities the center would attract.

1. **CONSENT AGENDA** -- Separations: 1A3, L3, L4

A. **Bid Awards:**

1. **2017 Sewer Jet/Vacuum Cleaner.** (Opened 11/1/16) Recommend Titan Machinery, \$320,290. **APPROVED**
2. **Car Rental Parking Lot Lighting Upgrades.** (Opened 10/25/16) Recommend Yellowstone Electric Company, \$28,220. **APPROVED**
3. **South Park Splash Pad.** (Opened 10/25/16) Recommend delay of award until November 28, 2016. **APPROVED**

B. **Approval of Conditional Mediation Agreement with Billings Industrial Revitalization District (BIRD); \$75,000. **APPROVED****

C. **Amendment #3, W.O. 16-05: Central Avenue, Shiloh Road to 32nd Street West, Professional Services Contract, DOWL, \$47,460. **APPROVED****

- D. **Approval** of a new 10-year Commercial Aviation Ground Lease with United Parcel Service (UPS), revenue first year \$28,110.24, revenue subsequent years adjusted by CPI-U. **APPROVED**
- E. **Approval** to repurchase Cottonwood Park and authorize the Mayor to execute documents necessary to complete the repurchase. **APPROVED**
- F. **Acknowledging Receipt of Petition to Annex #16-05:** approximately 17 acres, Tract 3, and a portion of Tract 4 and Tract 5 of Amendment of Tracts 1, 2 and 3 of C/S 1648, located west of Shiloh Road, south of Central Avenue and north of Bell Avenue on the west side of Legends West Subdivision, Janet Bergman, owner and petitioner, and setting a public hearing date for 11/28/16.
APPROVED
- G. **Acceptance** of 2016 Domestic Violence Grant for the Billings Police Department for training and supplies; \$19,022. **APPROVED**
- H. **Acceptance of Donation** to the Billings Fire Department from Town Pump Charitable Foundation to purchase an inflatable fire house for public safety training; \$1,000. **APPROVED**
- I. **Acceptance of Donation** to the Billings Fire Department from the Breakfast Exchange Club to purchase smoke detectors; \$1,000. **APPROVED**
- J. **Acceptance of Donation** to the Billings Public Library from Montana Girls STEM Collaborative and Montana State University for Science Action Club Program; \$500. **APPROVED**
- K. **Second/Final Reading Ordinance for Zone Change #949:** a zone change from Residential 6,000-Restricted (R-60-R) and Residential 9,600 (R-96) to Residential 5,000 (R-50) on Lots 1, 2, 3 and 4, Block 18, Lots 3 and 4, Block 19, except for Lot 11, Block 16, Lake Hills Subdivision 15th Filing; and Lots 4 and 5, Block 5 of Lake Hills Subdivision, 33rd Filing, a total area of 3.52 acres of land. Trent Parks, applicant. Approval of the zone change and adoption of the findings of the 10 criteria. **APPROVED**
- L. **Bills and Payroll:**
 - 1. April 1, 2016 through June 30, 2016 (Municipal Court) **APPROVED**
 - 2. October 11, 2016 **APPROVED**
 - 3. October 17 and 18, 2016 **APPROVED 8-0; BROWN ABSTAINED**
 - 4. October 24, 2016 **APPROVED 8-0; BROWN ABSTAINED**

REGULAR AGENDA:

2. **PUBLIC HEARING AND RESOLUTION** granting a tax abatement to Linde Properties, LLC, for a building remodel and expansion to Heights Eyecare at 430 Lake Elmo Road. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) **APPROVED RES. 16-10591**
3. **INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS (IAFF) LOCAL 521 UNION CONTRACT (7/1/16-6/30/18)**. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) **APPROVED 6-3; BREWSTER, FRIEDEL, AND CLARK VOTED IN OPPOSITION.**
4. **APPROVAL** of Pre-development Memorandum of Understanding (MOU) between the City of Billings and Montdevco II for the proposed One Big Sky Center downtown redevelopment project. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) **APPROVED 6-2; YAKAWICH AND FRIEDEL VOTED IN OPPOSITION; CROMLEY ABSTAINED.**
5. **APPROVAL** of Bond Reimbursement Resolution for the One Big Sky Center project. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) **APPROVED**
6. **APPROVAL** to Endorse the Authorize Community Transformation (ACT) Initiative. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) **FRIEDEL MOVED TO TABLE UNTIL DRAFT BILL PRESENTED; APPROVED 7-2; CROMLEY AND MAYOR HANEL VOTED IN OPPOSITION.**
7. **APPROVAL** of Addendum #1 to the Employment Agreement for City Administrator, Tina Volek. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) **APPROVED**

PUBLIC COMMENT on Non-Agenda Items -- Speaker Sign-in required. (*Restricted to ONLY items not on this printed agenda. Comments here are limited to 3 minutes. Please sign in at the cart located at the back of the council chambers or at the podium.*)

- **Adam Green, 6247 Grayhawk, Billings, Montana**, stated he was a property owner in SID 1401, Falcon Ridge Subdivision, and signed a petition was presented on November 7th, that requested the City delay assessing the SID for 365 days to allow other property owners to participate in the SID. He asked Council to direct staff to review the district boundaries for SID 1401 and include properties in Copper Ridge Subdivision in the SID.
- **Connie Wardell, P. O. Box 214, Billings, Montana**, thanked Council for giving Ms. Volek a raise and spoke favorably toward Ms. Volek's administration. She agreed with Mr. Green that more needed to be done to disclose SIAs and waivers of protest at the time of closing.

COUNCIL INITIATIVES:

- Councilmember Sullivan moved to direct staff to re-examine the process used to determine the boundaries for SID 1401 before the December 12th Regular Council meeting and report back to the Council, seconded by Councilmember Friedel. On a voice vote, the motion was approved 6-3, with Councilmembers Brewster, Clark and Brown voting in opposition.
- Councilmember Friedel moved to direct staff to research placing on the next ballot changing the Charter to allow City Council to separate the legal department from administration to make the department independent of administration, seconded by Councilmember Brewster. On a voice vote, the motion was approved 7-2, with Councilmember Cromley and Mayor Hanel voting in opposition.
- Councilmember Friedel moved to direct staff to research placing on the next ballot changing the Charter to allow City Council the ability to hire and fire department heads. The motion died for lack of a second.

ADJOURN: 12:17 am