

City Council Work Session

5:30 PM
Council Chambers
March 6, 2017

ATTENDANCE:

Mayor/Council (please check) Hanel, Cromley, Yakawich, Cimmino, Brewster, McFadden, Friedel, Swanson, Sullivan, Clark, Brown.
CM excused: Sullivan

ADJOURN TIME: 11:00 p.m. Recording not available, Notes by Tina Volek

Agenda

TOPIC #1	Legislative Update
PRESENTER	Ed Bartlett, City Lobbyist
NOTES/OUTCOME	N/A

- Report for weeks 8 and 9, Legislature about to reconvene after transmittal. Session may not go 90 days; Senate at least may save time to consider U.S. Congressional action.
- SB 331 Local Govt. Optional Authority
- HB 463 Public incapacitation, tabled and missed transmittal. No further action this session.
- HB 473 heard, CM Clark there to support, went well, only 3-4 opponents. Billings area delegation has supported additional \$5 million for MSUB, unusual for all to support, but not yet included in any pending infrastructure bills, will be added in second half session.
- HB573 introduced, would reduce TIFD mills by 95 mills for schools, would cut about 15% of revenue.
- Sen. Kary bill opposed by City, failed.
- 9-1-1 Bill, HB 61, has passed House. City supports.
- HB 408 increasing rental car taxes 4-5%, was tabled.
- Fewer bills introduced this session, 990, about 2-300 less than usual, 1/3 Senate and 2/3 House.
- SB 189, Mayor asks for explanation. Mr. Bartlett: Bill passed Senate and heard tomorrow in House Local Government, says if no positive action by property owner when special district is created (does not affect those already created), not counted as a yes vote. No action is not considered support, as opposed to current practice. Mayor: Just notification bill? Mr. Bartlett: Citizen has to do support by sending in ballot to create district.

- Yakawich: Where at with other TIFD bills, affect our three districts, including EBURD? Mr. Bartlett: 134 would have deleted 95 mills from district calculation, moved money to schools, amended before transmittal, not approved. HB 573 was introduced in its place. Did not include 10 bills in 9th week, been tabled, would have put 5% cap on value, allowed school district vetoes. Remaining bills City did not take a position on because did not affect City. Listed in 8th week, will recap later in second half of session. Only significant bill we would oppose would be HB573.
- Clark: Heard when gas tax 473 will be voted upon.? Mr. Bartlett: Executive action not yet scheduled, likely within 10 days or less in House Transportation.
- Mayor: Other presentations? Volek: None
- **Public Comment:**
- Kevin Nelson, 4235 Bruce Avenue, Billings, Montana: says may have go to Helena on Mr. Radar's bill, thinks City should support. Clark: Just for TIFDs? Any district like Park district.

TOPIC #2	TBID
PRESENTER	Steve Warlich, Kelly McCandless, Alex Tyson and Ron Spence
NOTES/OUTCOME	Schedule TBID for City Council renewal

- Mr. Warlich: 10 years ago before legislature arguing to allow cities to market and promote communities. Did pass. Came back to stakeholders and created first TIBD in MT.
- Differs from regular districts in that not all properties need to be contiguous; other differences allow management to be run by CDB; created zones with different rate zones. Billings could have up to 6 zones.
- Mission for 2027 coming back March 27th to renew TBID.
- Helpful to other communities, rather than keeping to itself. 17 TBIDS throughout state, Shelby, Glasgow, etc. Shelby marketing gone from \$5K to \$65K annually, 13 of 17 TBIDS developed with help of Billings TBID.
- Average daily hotel rate in that time went from \$71.58 to \$95.53/day. Marketing budget \$238K to \$2.2 million. Shows bar charts with 4-5% growth. 259 major conventions, for total 211,400 room nights and economic impact of \$47.6 million. Major impact on oil and gas, retail, convenience stores, then hotels.
- Kelly McCandless: In answer to CM Cromley's question, major convention is defined as using more than 200 rooms.
- Launched new identity as Montana's Trailhead; new website; researched community & better ways to id assets, including scenic routes. Looked to existing and new events to help market. Purchased first ads with longer life.

Shifted marketing from distributing few new dollars to focusing on specific markets and leisure ads, sports marketing. Worked with other partner to take over Chicago transit with scenery from Montana, as well as interior bus ads.

- Looked at all distilleries and breweries within 1.5 miles. Evoked national editorial coverage and visitor visits. Realized Beartooth Highway, to which Billings is gateway, setting us apart as destination. NCAA Cross Country Championships brought more sports interest. How continue to raise bars? Took over Minn-St. Pau; terminal Thanksgiving to Christmas, in winter 2014, promoting Billings as gateway to Yellowstone.
- Renamed selves to Visit Billings. Purchased ad space in Times Square three times.
- Increased Fly Billings campaign that people have choices to fly out of Billings with parking/hotel support. Ongoing airline attraction.
- Wrapped five semis in Visit Billings travelling across U.S.
- State would not be as successful today without marketing efforts and City support.
- Gold Wing Road Runners Association last summer, made more than \$7 million economic impact on City.
- Took over ugly part of Airport to orient visitors and redesigned Visitors Center.
- Won Best Town Ever in 2016 from Outside Magazine. Used to lead efforts and still paying results.
- Next week NAIA women's championships begin for 2017-18. More to come in next 10years.
- Mayor: Outstanding. Yakawich: Impressed by display at Airport last night. Mentioned trucks and buses—tracked result? Which more successful? Ms. McCandless: Chicago and Minneapolis origins for Montana travelers. Yakawich: Hop monitor? Ms. McCandless: Non-resident annual visitor survey.
- Ron Spence, vice chair TBID, other TBID accomplishments: Air service one example. On Aviation and Transit Board, see evolvement of service. See great things with Airport staff. Looking forward to things with American Airlines. FY 16 budget included \$700K investment to help support additional flights. Hope people chose Billings instead Cody with fly/drive programs. About \$450K invested since 2015 at Airport. Need things people to do: YAM exhibit, Blues Fest advertising and transit support, which gives info on future events. Many other events hosted and \$50K to Yellowstone Kelly Interpretative Center, which will be a showcase for visitors. Paid for full rental of Metra for Wing Ding. TBID funded capital improvement s fees at least twice year at Metra to get tournaments. \$2 night from guests make huge difference to City & County. Would like have another 10 renewal years down road.

- Alex Tyson, Executive Director Visit Billings. Done 180 as destination; brand strengthened, new hotels open, need market creatively more than ever. Work to be done, need to work toward 2027. Lot of choices in region, need market to visitors and residents. Need to make people stop. TBID \$ make people visit Billings. States and cities that continue to invest in marketing dollars, get additional revenue. Next week, NAIA takes over, along with State B tournaments. 32 teams playing 31 days at Metra is major event. Building sports market important. Have submitted officials request with 60% owners more than 4.1 million sf
- McFadden: What would it take to get more?
- Ms. Tyson: Want to learn more about sports feasible to recruit for ice, swimming.
- Brown: Support softball assns.? Ms. Tyson: Spent \$15-17K last two years for coed and softball tournaments.
- Swanson: Thanks outstanding job. Ms. Tyson: honor to work with organization.
- Mayor: What assistance for state games? Ms. Tyson: Bring in new events or to expand event, IE: Big Sky volley fest, rent sport courts. Big Sky State Games, typically invest in curling, brings in new people and other ice events.
- Yakawich: What number one effort to fill 66 hotels in next 10 years? Ms. Tyson: Invest in facilities, like Airport, gateway beautification, enhance I-90 and Exhibition corridors. Making sure facilities invested in, such as Alberta Bair, good hotels.
- **Public Comment:**
 - Mike Nelson, Northern Hotel, ex-official Chamber member of TBID Board and consumer of services, ask Council to continue TBID. Dedicated team of professional people doing great job, competing against every other city in world. Numbers something to boast about, impact on city.
 - Lisa Harmon, Downtown Billings Alliance: On behalf of alliance support renewal TBID. Amazing what done with private dollars to help City package self. Do same downtown, could not without TBID.

TOPIC #3	Art Space
PRESENTER	Jack Nickels , Dayton Rush & Katherine Jou
NOTES/OUTCOME	No Council action planned

- Jack Nickels: Task Force to update on protect in which the City already invested. 10-20 years ago, downtown different than today. Has one of more exciting arts scenes in area. Existing and added ventures. Bring people downtown provide

employment, expand opportunities for youth, growing number of events. Thank City being partner as \$45K 2008-9 showed need affordable work/live residence. Partnered with Art Space to determine need of 45 live/work space for artists. Also need affordable downtown housing. Numbers working downtown will increase. 3,500 families looking for affordable housing downtown @ this time. Can be part solution and create vibrant space. Art Space worked in many cities where City has provided up front and acting as fiduciary. Art Space brings 85% of funding and helps find space with property taxes paid.

- Dayton Rush: Lives and works downtown, Art Space catalyst for redevelopment, enhances property values. Seattle art space has two floors retail, three floors live/work. Loveland Co had grain elevator, hosted cultural events, 30 units developed next to feed and grain being developed cultural event center next to city. Minot, ND Art Space built 34-unit building after flood and fire. Art Space would build to 1/3 of artists estimated in community. Community has to jump-start funding.
- Cost of \$150K for predevelopment. \$350K for low income housing tax credits. Evolve 85% in community through land donations, Contract brings Art Space experts. Art Space only builds when financed, fully self-supporting. \$3 million benefits over 20 years.
- Anna Paige: Works downtown, but not all artists as fortunate. Art lives here, positively affects community. One of top 4 states in nation for fine artists. Ranges from photography to performing arts, to architects. Art Space looks at downtown spaces to turn into cultural; spaces for artists. Art Space would be about 40K sf building, bottom floor retail or nonprofit or museum space with affordable housing above. Looking at downtown or EBURD. Artists generate \$233 million, providing more than 4,200 FT jobs statewide. Asks join invest as Art Space requires local government participation. Provide \$500K investment and be fiduciary. First two phases be paid back in three years. Once started, do not fail.
- Swanson: Is end-user a renter or owner? Ms. Paige: Renter. Cromley: Council presented with contract, anyone to speak about it? Mr. Nickels: Provided contract as example what Art Space requires. Each contract varies depending on scope. Asked Brent review for red flags while back – got none back. Cromley: Contract between Art Space and City: Mr. Nickels: yes. Cromley talks about studies—Complete? Mr. Nickels: Yes. \$250K based on NYC where completed project last year. Adjustable. Cromley: Are there identified priority sites? ID sites in DBA and EBURD, to publicly announce, would force increases, keeping private. Cromley: Difference between ART Space II and other low income?
- Yakawich: Rocky Mt. Tribal Leaders looking cultural center. Mr. Nickels: Met w/ Leonard Smith working with Tribal Leaders to come to table. Yakawich: Partner? Mr. Nickels: Don't exclude anyone. Minot included Turtle Mt. space funded by Ford Foundation. Have it on radar.

- Cimmino: Respect discrete approach on lands, sounds like up-front donation \$500K. Mr. Nickels asking investment get back when up and running. As to which district, each has advantages. Downtown has been so successful not lot properties left to work for Art Space project, except for Minnesota Ave 1st Ave South. EBURD developed by City and BSEDA and includes Rail Spur Village id'd as development area.
- McFadden: If TIFD financing support, but concerns about property taxes. Aren't buildings already paying taxes? Nickels: Improved taxes. Vacant lot would increase value \$5-6K to \$150K. McFadden: No hard values? Mr. Nickels: Can show, depending on project size. McFadden: Surprised not TIFD district project. Turned down or asked yet. Nickels: Asked both, \$\$ paid at end. When construction begun, apply TIFD, repaid when project coming to closure, asking City invest up front to get to \$500K to apply for low income housing tax credits. Then talk to TIFD about financing part of project. McFadden: Know good artists. Fair or unfair to subsidize some? Mr. Nickels: Whether competition, difference is providing housing for work force class who caused artists work 2-3 jobs to do art. Can't afford to have studio and home. About 85% of emerging artists end up dropping out because can't afford both.
- Brown: \$500K could be significantly more in City support. Could be more than \$500K when done. What kind of timeline with \$500K, when break ground,etc.
- Mr. Nickels: If City give entire \$2 million, wonderful, but not that greedy. Each art space project different speed depending on what City invests, raise in corp world and community donation. IF City invests \$500k, and signed contract end of April 90-120 days for predevelopment by Art Space. Complete 1.5 to 2 years. Art Space ill not break down on project until all \$\$ in place. Art Space never failed once reach tax credit approval. This is way guaranteeing community not fail. Best case scenario, 3-5 years. About 1/3 approved low-income credit on first round, another major number in second round. Brown: How much approved, and how much have go out for. Mr. Nickels: Covers 85% Art Space costs, not any of community costs. Brown: Might be 4-5 years to recoup? Mr. Nickels: Yes. Worst case scenario 15 years when building was abandoned school, school board kept changing.
- Cimmino: Low income housing tax credit from federal govt? Mr. Nickels: Comes through state as block grant, communities apply to state board which reviews and approves. Low income tax credit projects already exist in billings, not sure if all pay taxes, but this project will. Cimmino: Lucy Brown of Housing Authority would help in effort. Mr. Nickels: on task force. Cimmino: how get ahead 4-500 families on list Mr. Nickels: Artist have families, 1-3 bedroom homes. Court challenge—special class. Art Space provides housing for general public. If apt not rented to artist, could be rented to public. IRS said legal.
- Swanson: Rent control? Mr. Nickels: Yes, where affordable tax credits come in. To qualify to rent must come in 60% or below median income Yellowstone

County. Once qualify for that and are artist, qualify Art Space project. On of goals to continue to give artists affordable housing because gentrification. Rents rise and artists have to leave. When Art Space created mission, continues to hold 51% ownership so rent always affordable, any profit from rent plowed into capital investment, helps to maintain property.

- Swanson: At some point have to have rent control at start but ends. Mr. Nickels: Always when Art Space holds property. Rent control goes on forever. Even if property values go up, Art Space sees to it artists continue to live there.
- Yakawich: Appreciate need affordable housing. Wife retired artist. We helped Riverstone Health with \$50k got a lot of heartache. Thinking of one big sky asking lot. Why not ask \$50K, \$500K huge chunk. What partners apply? Paid \$45k, taxpayers generous all ready. Why not bring additional \$\$. Mr. Nickels: One of requirements is local govt agency be fiduciary. Because projects all over US, building requirements different. Saves time and \$\$ by involving community and shows involvement. Why \$500K. Asking investment return not only that investment but more. Spurs private sector development around that property. For \$500K, City will get back and benefit from more taxable value in whatever area located in.
- Yakawich: Consider \$50K? Mr. Nickels: would consider but won't get to contract signing at \$150k. Talked about for a while and consensus is everybody waiting to see who first to invest? City has been one to move forward. Minot signed contract, donated empty space. Environmental issue, Minot paid.
- Clark: If go into contract and it never gets built, out \$150-500K. When sure thing? Mr. Nickels: Historically, never failed in 46 projects when got to \$350k in development. When reach and apply for tax credit. Risk is between \$150 and 350K if something goes wrong in that time period. Only been 2 projects in 30-year Art Space projects; one in Chicago where site picked was not financially accessible and another with chemical debris. Clark: Why not done privately? Nickels: Private builders have resources, each Art Space project stands alone, self-supporting and held in account for that project. Art Space doesn't have pool money to do projects. Also wants community partnership, which decides where goes and makes part of community. Asking community pay 20% repaid in form taxes. Mr. Nickels: For profit private entity would not have \$\$ to create mortgage. Dayton: Ask why private developer do in lieu of Art Space? Private developer doing for profit. Clark: Making private? Mr. Rush: Difference between private housing, and doing for non-profit.
- Brown: \$500K big ask, if Council says could do \$200, not turn down. Mr. Nickels: yes.
- **Public Comment:**
- Tana Hergenraeder, 2220 Lyndale Lane, Billings, Montana: on DBA Board & Downtown Development Committee: Supports 1 Big Sky Center but also need affordable housing. Private developers want \$2000 month. Developed \$2300

month unit. Open to rough around edge area with catalytic space. North 23rd and 2nd Ave, North, 7 houses on 4 lots, ideal for Art Space, already contingent. Listed \$600K, CBD, no density requirements, property like this if Art Space had City backing, would replace dilapidated houses with new land use and increase residents is what is behind Art Space. Learn more, ask experts in audience, hope support.

- Catherine Jordan, No address given: Huntley resident with exposure to similar projects. Artist who spends time downtown. Support friends, teachers and artists helped her work. Need stop romanticize artists, this would help many friends who face major burden of rent. Not necessarily for her. How help? Frees up artists' \$\$ from rent to local economy, and create work that brings sales to community. Art Walk brings restaurant, other businesses in area. If look at growth, cultural hub and time take step forward to provide arts integral to community.
- Patrick Scott Wilson, 1117 Howard Avenue, Billings, Montana: proprietor Sacrifice Cliffs Theater Company who does many part-time jobs to support work. See potential for building up things with potential. Give places, events, arts, excited about. Can continue to live here with husband, but many friends cannot and leave for larger markets.
- Shawn Ostermiller, No address given: recruiter, and cultural amenities important to recruiting staff. This helps attract talent to choose billings. Billings on precipice of being community like Austin could attract people.
- Anya Fiechtl, 512 Ave C, Billings, Montana: excited about capacity of Art Space to revitalize run-down area as shown in other communities. Influx creative activities brings people downtown, then business wants to locate near that. Pay taxes, subsidizing diverse groups downtown, also attract working class to market rate housing. While giving preference to Art Space, provides space to others, gives people of diverse levels ability to live downtown, equates to more diversity, appeals to millennials. Ask to support, encourage to earn more about it.

Yakawich: Thanks for coming. When think about skin in game, with all partners, why no fund raising before come to Council? Ms. Fiechtl: People willing support but don't want be first one. Want two things, City be partner, but also include lesser amount where evaluate site, find architect. That gives opportunity to go out when city jump starts. Snow ball effect. Tough because struggled getting community support, when city supports so do they. Cromley: If don't get \$500K, where rest come from? Ms. Fiechtl: Need \$150,000 eval, even get through that, get lot of leverage at least come back to city, or go back to community to raise hard costs. Cromley: Have there been funds raise? Ms. Fiechtl: Yes, wine event raised \$3K working with Billings Community Foundation to find donors. Friedel: Big concern struggling artists sponsor this. What about struggling entrepreneurs. How about person on 6th Ave with 3-5 kids. Asking them \$500K when struggling meet ends work. Ms. Fiechtl: Stereotype—many struggling artists are entrepreneurs Give preference to artists, but not exclusive. Sets an

example, if this works. Maybe private developer, another nonprofit is next. Asks help jumpstart for leader could be example. Friedel: Not understand because preferring one group over another. See conundrum. Ms. Fiechtl: Unique thing about this is investment. Friedel: Issue is being asked to be investment bank when people can't afford taxes and no recourse if falls through.

Arts critical but ton of money—to get back \$500k taxes. Ms. Fiechtl: More than taxes, encourage City to look at other cities live up to, see what benefits them.

- Connie Wardell, P.O. Box 21432, Billings, Montana: \$10 million with 40 units, \$250K unit. Not first encounter Art Space, 20 years downtown partnership, said no to up-front money. Comment not desperate enough—Minot with flood and fire desperate. Buildings considered either developed, no longer available, go on to other projects. City's job is to have zoning when private developers come in. Federal and Battin building being developed at own cost. If got \$500k should buy police officers. Gambling on tax credits is not healthy. Brown: Agree with what saying, but don't see low-income, all \$2k and up. At some part, how jump start. Connie: Don't see being built downtown. EBURD had project for 21 units going on.
- Phillip Griffin, No address given: Working artist, musician & writer, on-line magazine, wants support. Art thought impractical, waste. Hard find young workers stick around, proposes mostly because not many projects that gives them something to do Saturday nights. Tourism encouraged. Urges Council to provide investment for young people, art community. Follow through and invest.
- Ty Herman, No address given: Provider house band, art community growing and relies on young people. Wages don't make practice space available. Art space great place for community to see people. Works with middle and high school students, students skilled in arts labelled as not fitting in until a mentor tells them they can fit in. Art Space will help provide room and support need.
- Kevin Nelson, 4235 Bruce Avenue, Billings, Montana: Never take General Fund dollars for TIFD because take too long pay back, Oppose tax fairness to allow TIFD to invest. Rent subsidized and don't move out. Don't all get to be doctors or engineers. People without god given talent, can't go on with hobby, supported by government.
- Greg Krueger, DBA: Heartily agree with Nelson should be TIFD, not GF project. Came before TIFD about 9 years ago, funded \$45K Board said not willing risk more up front. Like to see come back. Cimmino: Echo what said, asking City be partner for \$500K unless get TIFD. All support arts. Group of people should go back drawing board find site in DBP or EBURD. General Fund has police, fire, other amenities. McFadden: Taxes will go back into TIF faster than GF. Mr. Krueger: Correct. McFadden: Came before Council 7 years, why should tax payers be forced to support this. Brown: Visited with these folks lately on options? Mr. Krueger: Time since formal talk, huge step with Task Force, does not have deep pockets. If gave \$500K and got \$9 million, huge return. Risk

putting in \$150K without back end coming in. TIF willing to do \$500K with \$150K at risk. Could be one of list of projects for revolving loan fund.

TOPIC #4	FY18-FY22 CIP, ERP and TRP Discussion
PRESENTER	Vern Heisler, Paul Dextras & Dave Watterson
NOTES/OUTCOME	

- Introduced all committee members who work on three committees.
- Heisler: CIP for items worth over \$25k. Rolling 5-year plan. Dynamic. May change years and dollar amounts. Drafted by departments. Shane Ketterling should be added to list of participants. On City's web site at first page on bottom. Worksheets for 2018-22. Recommended changes on bottom. Each department has totals. Increased pedestrian overpass on Maint. Street now \$5 million from EBURD. Public Works has \$215M. For 18 have 72 projects at \$88 million. Sources of funding vary according to project, may be more than one, many specific to project. Project began in November. Met with Adjacent Neighborhood Committee (Task Forces), BPAC, Healthy Places, Public Input Meeting Feb. 8 at Library during lunch hour. Comments provided to Council. Maintenance existing infrastructure important. South Park curbs fall under another program. Other questions: How project get into CIP, bike lane project, Monad, annual programs and replacement timeframes, another route from Rims to Rimrock, water main looping, consolidation of documents in one location. Five emails forwarded to Council. Public Hearing and Council Action on March 27. Draft until Council approves it, amends, or chooses not to approve.
- Cimmino: Page 11, remembers no funding source, why already increasing amount? Heisler: Most accurate estimate, told should be \$5 not \$4 million. EBURD has offered to pay for it. Cimmino: On Page 30, references Growth Policy, should mention it is guiding document not mandatory. Mayor: Discussion at time. Cimmino: Important to remember not required. Friedel: Change from Policy to Document. Wyeth Friday: Public asking about 50-year planning documents, how this was brought up. Volek: Growth Policy is state mandated. Yakawich: Good job at Library. When people come and bring up question, like curbs at South Park, group sees questions and then what? Heisler: Want to bring all comments forward to Council. Also compare to plan, sometimes replace or find other projects higher. Example lead pipes which were moved forward. When see projects like South Park curbs, know where funded and needs are higher than funding. South Park curbs high but in good shape. Yakawich: Could put in other places, not dropping ball, like Molt Highway should start with studies. Would something like this be kept on screen. Heisler: When don't fit into CIP, make notes for future funding. Yakawich: Encouraging to know carrying ball.

- Clark: Making frontage road 4-lane. Not ours? Heisler: Controlled by MDT.
- ERP: Chief Dextras: Missed a meeting and unanimously selected do presentation. Introduced Larry Duschene, who has been driving force because of history with department. Presents Larry with “Best of the Best” Award from Committee. Strong opinions on committee that determines whether tools, vehicles are funded and replaced. When things come do, City already has money. Huge benefit to Council and community because not having look for \$\$. Usually looks at useful life of 3 years or more, \$5K value or more, but actually have 20-year replacement schedule. Look not only at mileage but hours, comprehensive look at how ages and when needs be replaced. Salvage values and future costs also calculated. If no use City, will be salvaged, but also pass on to other departments. Supplemental budget requests used for additional and upgraded equipment. Airport had to move 20 inches’ snow, still use plows, but looking at multi-dimensional equipment such as one that plows, rolls and blows. Look at 20-year list. Had 172 vehicles due for replacement at \$14,375,371, deferred 99 replacements at \$7.7 million. Recommended replacement 73 vehicles at \$6.6 million. Friedel: How do subsequent years line up? Dextras: Have chart later, but ebbs and flows. More important not to purchase until need replacing. If good life left, frugal use of vehicles. Clark Have full \$14 million? Dextras: Lost fire engine at \$450K range could cover. Showed list of transfer one department to another.
- Cimmino: On transfers, does the receiving department pay anything? Dextras: Courtesy, other department gets new. McFadden: Replaced horses? Duschene: Still have horse-drawn grader out at cemetery. Show source of funding \$5.9 million City saved funding & \$800K grant for MET. Shows bar chart projecting future costs, which may be reduced, so that number be changed. Next chart shows what is donated annually (purple) and blue shows actual expenditure in General Fund, plus red line for enterprise funds. Volek asks Chief to discuss acquisition of ladder truck—estimated at \$1.2 million, got truck at \$917k, saving City more than \$300,000 because paid in cash, part up front to avoid carrying costs.
- Mayor: How QRVs holding up? Chief—based out two stations, run primarily medical alarms, part of 10 year study.
- Yakawich: Salvage for 2019, used fire equipment at 1/10th cost? How many reserve? Dextras: Keep reserve vehicles, do pump test to make sure meet requirements, can sell, use for trade-ins, look for best option with Fleet. Curious end knows how much? Volek: For non-specific usually traded in. Yakawich: 5%? Duschene: Likely that amount.
- Watterson: TRP similar to ERP. 12-member committee, each representing several departments. Look at useful life 3 years or more, usually \$5K or more. TRP authorizes departments to keep items current, but budgeted annually. May defer a year or two due to cost. Includes 128 PCS, 10 tablets, 8 servers, 45

laptops throughout organization, also copiers, printers, audio system, radios, power supplies, and specialized equipment.

- Mayor: Network printers maintained by whom? Watterson: Can go through Office 360 or contract for maintenance with another firm. Staff supports connected appropriately, configuration issues. Mechanical failures handled locally, PCs maintained by departments. Mayor: Viruses, especially on thumb drives?. Watterson: Aware of threat, will be discussed in budget. Also license renewals, network, servers. Look to get all productivity can—may be used for kiosks, low-use, highly toxic environments, etc. Parks and Rec brought color printer, used several years, went to Legal for several years and then Administration for several years. Overall plan \$829K, capital \$410K And O&M\$419K. Admin. Services high, cyclical. Shows annual comparisons. In FY 14 upgraded Public Safety software, went over \$1.1 M, last year over \$1M. Shows FY 19 higher, pushed a year or two.
- Mayor: Where are cameras are they in or outside ERP? Watterson: Several systems, ie Water Treatment Plant, outside plan, controlled by Water Department. City Hall camera systems and garages low cost, reactionary not monitoring, give video history. Major: Street traffic? Watterson: Could be included, not in past. Mayor: Monitoring devices part of sound? Watterson: Audio in plan, video not included. Volek: Cameras for cable paid for by cable company. Watterson: Cameras outside courtroom are monitored by departments. Mayor: Way of tracking injuries. Watterson: Did use once determine City not at fault.
- Cromley: Where are copiers, scanners? Watterson: Many copiers scan. In court have scanners at desk.
- Friedel: Where look at new technology, looked at alternative methods for people to participate? Watterson: Microphone current focus. Other improvements not yet looked at. Friedel: Way to bring forward? Watterson: No one AV specialist. Would need ID scope, features want, develop RFP for experts to provide solutions. Volek: Need to look at future, issues of dealing with public comment.
- **Public Comment:**
- Connie Wardell, P.O. Box 21432, Billings, Montana: Every time see process, how handle. Listening trading, set up by Bob Keefe, then Assistant City Manager. Savings in departments, and changes in relationships between departments. Easier decisions than 20 years ago. Friedel: Kudos to Councils that made decisions, hope we make one's people will benefit from 20 years from now.

TOPIC #5	Marijuana Zoning
PRESENTER	Brent Brooks, City Attorney

NOTES/OUTCOME	Proceed with Option 1
	<ul style="list-style-type: none"> ▪ Will ask for Council guidance on where to go. Discussing because the Council passed initiative to review all City ordinances within next four years. With CI 182 approved recently and becoming effective July 1, opportunity to move forward. Reviews committee. ▪ Briefly reviews history of significant milestones of marijuana in Montana. Late 2009 Federal memo (Ogden memo) told U.S. attorneys about resource allocation, with large distributors likely be examined. Other states went further. Council in 2010 appointed an ad-hoc committee that created moratorium that last two years. In 2011, State limited act to allow only three card holders per provider, no advertising, no profit, cut down on marijuana across state. 2011 Federal memos still targeted large-scale commercial operations (Cole memo). City Council passed storefront and business license prohibitions. CI 182 approved 2016, caused us to look at City needed adjustments. ▪ In Billings, now not giving out licenses or storefronts, County doesn't license, does allow limited storefronts. Missoula allows land use –professional office. Bozeman heavily regulates. Butte only in commercial zones. Great Falls, Helena or Kalispell prohibit by land use or by zoning. ▪ Option 1 requires amending zoning code, no MM in any zone, like Great Falls or Kalispell. ▪ Option 2: Allow business licenses, amend storefront ord., define dispensary as in State law, and clarify that home occupation ord, allows MM ▪ New administration with DOJ in transition. New bill introduced in congress, allows state to decide appropriate medicinal use. No state case law definitive. ▪ Staff recommends Option 1, similar to Great Falls, Helena and Kalispell, seeks Council guidance. Offers to e-mail Federal opinions. Questions? ▪ Brown: With all options, shouldn't bury head and sand and let's see. What happens Feds approve change, up to state. Brooks: Option 1 talks about commercial establishment, not individual card holders licensed by state. Fine tunes what already have. If national change, could amend ordinance. Volek: Federal law change newly introduced. Brown: So many states tax. Brooks: Without state approval could not tax or regulate. Brown; If can't tax, don't want support ▪ Cromley: By state law, to use MM, must have state license? Brent: Yes, need cardholder approval by State according to County. Only talking about commercial enterprises. Not telling individual can't obtain and use MM in City. What saying now no commercial business licenses? Cromley: Can't obtain in City? Brent: Privilege not right, not regulating personal use by individual. Cardholder can cultivate themselves with prescriptions. ▪ McFadden: Bozeman says how many dispensaries within City limits? Brooks: Because have land use laws, believe can set limit—about 20—on number of

licenses. McFadden: Challenges to our old ordinances, so will there be a challenge that would allow in same place as liquor stores? Brooks If decided to control by certain zones, your local authority would allow you to determine.

- Friedel: Prohibit hospitals? Brooks: Ord only talks about retail establishment, not practice of medicine. Friedel: No laws on books saying can't prohibit store fronts? Brooks: No.
- Clark: No growing or storefronts for sale? Brooks: yes, but does not affect personnel use by cardholder.
- Brewster: Strongly supports Option 1.
- Cromley: Hospital couldn't sell. Brooks: Physician could prescribe for use.
- Cimmino: If MD prescribes, would RX have? Brooks: Would need to check.
- Volek: County has businesses. Mayor: MD prescribed pills.
- Clark: Most doctors won't prescribe because under Federal law can still be prosecuted. Brooks: MJ remains Federal Schedule 1 controlled substance. Can discuss law, but CM Clark pointing out major issues.
- Public Comment: Connie Wardell. Served on MM Committee, Option 1 best idea right now. Can limit casinos in one place. Planning Director showed maps with options – commercial 1K feet school, park or church, not many places left. If prescribed, another possibility allows only in medical situation. Medical offices and hospitals did not want to manage.
- Friedel: Option 1 until something changes with Feds or state, have to deal with it then.
- Mayor: Strong opposition? Cromley would oppose.
- Mayor: Get done soon.

TOPIC #6	TIFD
PRESENTER	
NOTES/OUTCOME	Postponed to future meeting

- **Public Comment:**
- None

TOPIC #7	Council Discussion
PRESENTER	
NOTES/OUTCOME	None

TOPIC #8	Public Comment on Items not on the Agenda
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PRESENTER	
NOTES/OUTCOME	

None