

**COMMITTEE OF THE WHOLE
CITY COUNCIL CHAMBERS
140 WEST PINE STREET
MISSOULA MONTANA
FEBRUARY 2, 2011, 2:35 – 3:35 PM**

Members present: Ed Childers, President; Stacy Rye, Vice President; Dick Haines; Lyn Hellegaard; Bob Jaffe; Marilyn Marler; Dave Strohmaier; Pam Walzer; Jason Wiener; Jon Wilkins and Cynthia Wolken

Members absent: Renee Mitchell,

Others present: Bruce Bender, Linda McCarthy, Matt Ellis, Laval Means

I. Administrative Business

Minutes dated [January 26, 2011 Joint with BCC](#) and [January 26, 2011 PM meeting](#) will be approved at a later date.

II. Public Comment on items not listed on the agenda--None

III. Regular Agenda

A. Discuss the quarterly budget report. ([memo](#))—Regular Agenda (Lyn Hellegaard) (Referred to committee: 11/08/10) **(REMOVE FROM AGENDA)**

Ed Childers stated the committee has finished discussing the budget report and can be removed from the agenda.

B. Administration and Council discuss legislative matters. ([memo](#))—Regular Agenda (Ed Childers) (Referred to committee: 01/24/11) **(HELD IN COMMITTEE)**

Bruce Bender spoke to the committee on [HB 304 Amendment to Special District](#) to code. It was originally created in 2009 legislature. House Bill 304 basically states the governing body will not be able to initiate the district without a referendum or receive a petition. A referendum would mean the body would need to take it to a vote and a petition would mean it would need 51 percent of the owners to initiate it instead of currently 40 percent. If it is a petition initiated district it can be protested out instead of 50 percent the amount of protests would only need 15 percent. A significant change would be the restriction on what the funds could be used for. One significant change states the funds “may not be used for lease payments or maintenance of land, facilities, and buildings existing prior to creation of the special district.” This would mean someone would need to determine what facilities exist prior and what facilities after the district was created. By these changes it would impede on how Missoula would be able to use the Road and Park Districts in the future. Currently the money can be used for new sidewalks. Money cannot be used to maintain existing trees but Parks can plant new trees.

Mr. Childers asked if this bill goes through is it retroactive. Mr. Bender stated that would be a good argument because the special districts have already been created

Ms. Hellegaard stated HB304 is about amending the current statute to meet legislative intent. The original bill author testified that what Missoula did with the special districts did not meet the legislative intent. It was not intended to balance the city budget. She expressed she hopes this bill passes so the city will have to find other ways to balance the budget.

Bob Jaffe asked for some clarification that a maintenance district cannot be used for maintenance. Ms. Hellegaard stated they repealed the language of the bills that allowed the maintenance district. The intent was so if they wanted to use the district funds to maintain the park administrative buildings the city cannot use it for that but can use funds to maintain parks. The way Missoula used these districts was not the way the statute was meant.

Mr. Jaffe asked, what is the difference between a maintenance district in other cities and the way Missoula is doing it? Ms. Hellegaard stated the intent is to be project specific. If the council wants to set up a road district to re-do Russell Street then fine or if a park district is set up to do the 17 million dollar regional park then fine but it is project specific. It is not a way not a way for cities to move money from one place to another.

Ed Childers stated let's say for instance the city been supporting the Street Dept to the tune 3 million dollars a year from general revenues. Billings has been spending 3 million from a special district. Missoula couldn't raise the 3 million from a special district like Billings does. Ms. Hellegaard stated what everyone needs to keep in mind that SID's, Maintenance Districts, and Special Districts are three different things. Billings has maintenance districts and has had them for a long time. They are not interchangeable.

Bob Jaffe stated he is not seeing the difference Billings using a maintenance district as oppose to Missoula doing the same exact thing as it is only. Ms. Hellegaard stated special districts were never meant to be the same as the maintenance districts according to the original bill author. The other thing pointed out by the bill author was they were voter approved and not pushed through by the governing body.

Ed Childers stated we could have a Street Maintenance District to fund the Street department under but since we used the special districts then there are special provisions that are problematic.

Bruce Bender stated the legislation still exists and was a simulation of many county districts. Mr. Childers was correct the city can go and create a street maintenance district and use special districts for improvements. Our special districts were always supposed to be intended for maintenance and improvements.

Dick Haines stated many of the people, MAACO and League of Cities and Towns, didn't understand the various types of districts. Maintenance districts have been around for 70 years but special districts have only been around since the last session.

Pam Walzer stated the park districts were removed. The old legislation that went away was the parks. Bruce Bender stated the parks was correct but counties have a road districts also went away with the special districts.

Ms. Walzer stated the special districts are for maintenance and/or improvements. If Missoula chose to be like Billings then they can move all of the roads to a Street Maintenance District but Missoula chose not to do that.

Jon Wilkins stated he would like to see Hillview Way get done someday and maybe Rattlesnake Drive get done someday. The projects that really need to get done by these districts but not to balance our budget. Generally what happens is we get special monies to work on projects and the money from the general fund goes to some other project. So without reducing the general fund like Billings did 7 years ago by using the maintenance districts, he thinks this is different than that. He would like to see the district monies used on the maintenance above what we are already doing for maintenance. He also stated he is disappointed and thinks the general public is disappointed the money was used to balance the budget.

Stacy Rye stated action was taken by a couple of council members to repeal special districts or to change it regarding HB 304 to parse out. What is it supposed to achieve? Ms. Hellegaard stated the intent of the bill is to clarify the legislation and to be project specific.

Mr. Childers asked if special districts were supposed to be project specific then it appears they are worthless because that is what Special Improvement Districts do. Ms. Hellegaard stated this is why the legislation intent needs to be clarified.

Ms. Rye stated in the bill, it says "at least 15% of the property owners in the proposed district protest further proceedings may not be taken by the governing body for at least 12 months." It doesn't sound like it is clarifying legislative intent but giving a minority of folks the right to kill something fairly easy. Ms. Hellegaard stated the counties who testified stated getting 51 percent of the taxpayers to protest was unrealistic and unreasonable and could never meet that measure. Why should the taxpayers have a higher burden than the governmental body?

Jason Wiener stated it can not be that easy to get to 15 percent protest since the city only got to 10 percent on the Special Districts. In clarifying legislative intent someone is asking someone from Billings how Missoula is balancing their budget. He thinks they should ask how the people of Missoula would want to be governed because he thinks they are doing it that way.

Ms. Walzer stated she would like to see Hillview Way, Rattlesnake drive and all these roads improved. The council showed some restraint because they know the people do not have a lot of money. Ms. Hellegaard stated she would have supported the individual projects but she does not support balancing the budget with the special district money.

Mr. Childers made a note there was a special improvement district for Hillview Way but it did not have the majority of City Council support.

Mr. Strohmaier stated legislative intent is tricky. He would have to get more legislative history on the original bill to get more clarification.

Mr. Haines stated he heard testimony from counties who thought you could protest the tax after it is put in place. Another concern was there was no cap on the tax. Many were horrified when they learned this was put in place by a council and not the will of the public.

C. Missoula Greater Downtown Master Plan Achievements 2009-2010. ([memo](#))— Regular Agenda (Dave Strohmaier) (Referred to committee: 01/24/11) **(REMOVE FROM AGENDA)**

Matt Ellis co-chair for the Downtown Master Plan Implementation committee thanked the committee of the whole for their active participation in the Downtown Master Plan. The purpose of the Implementation committee is to get the plan implemented in the next 25 years to meet their goals, issues and strategies. The committee has 12 people and meets on a monthly basis. He explained some of the achievements and the upcoming [goals](#) for the 2011 year.

Linda McCarthy, showed a [PowerPoint](#) (6 MB file size) of the Downtown Master Plan Achievements. Some of those accomplishments are:

- Some new signs on I-90 dedicating Missoula Downtown Historic District.
- North Higgins Street Improvements
- Signal boxes by the Public art committee

- Urban Fringe Development Plan
- Transportation Impact Fees reduction 33 percent
- TIGER II MRA and MRP not approved
- Higgins Avenue Bridge 2013
- Governments staying downtown
- County purchased Creamery and the old Garlington, Lohn and Robinson Building
- Caras Park Improvements
- Silver Park Improvements—Boat ramp and parking lots.
- East Front Street Parking Structure
- Central Park Garage Free parking
- Two 6 story buildings—First Interstate and Garlington, Lohn, and Robinson Building
- Comprehensive inventory analysis
- University trying to invest in downtown.
- 47 New Businesses have opened
- 31 Businesses have closed
- 6 Businesses changed owners
- Missoula Public Library
- Understanding Homelessness
- Tourism Business Improvement District
- Negative Impacts—3 Major Construction sites
- Master Plan Implementation Team

Mr. Ellis spoke about the [Downtown Master Plan 2011 Goals](#).

Mr. Wiener stated he would like to thank Mr. Ellis for the energy he has put to making the sure the plan was put in place.

Mr. Strohmaier stated he would like to thank Mr. Ellis and Ms. McCarthy for the presentation and making sure the plan gets implemented instead of collecting dust on the shelf somewhere.

Mr. Wilkins wanted to thank them because without the plan in place they wouldn't be where they are today.

IV. Held in committee

1. Mayor's Update – Ongoing in Committee. (Mayor Engen)
2. Updates from Council representatives on the Health Board, Community Forum, Transportation Policy Coordinating Committee, other boards and commissions as necessary. – (Ongoing in Committee)
3. Joint meeting between the Missoula City Council and the Missoula County Public Schools' Board of Trustees ([memo](#)).—Regular Agenda (Dave Strohmaier) (Referred to committee: 09/17/07)
4. Examination of Office Planning and Grants ([memo](#))—Regular Agenda (Lyn Hellegaard) (Referred to committee: 09/08/08)

V. Adjournment

The meeting was adjourned at 3:30 PM

Respectfully submitted,

Nikki Rogers
Deputy City Clerk