

**ADMINISTRATION AND FINANCE COMMITTEE
CITY COUNCIL CHAMBERS
140 WEST PINE STREET
MISSOULA MONTANA
June 3, 2009 1:05pm**

Members present: Pam Walzer, acting as Chair; Ed Childers; Marilyn Marler; Renee Mitchell; Dick Haines; John Hendrickson; Jon Wilkins; Bob Jaffe.

Members absent: Stacy Rye, Dave Strohmaier, Lyn Hellegaard, Jason Wiener.

Others present: Mike Barton, Nancy Harte, Bruce Bender, Dee Krevey.

I. Administrative Business

A. Approve committee minutes dated: [May 27, 2009](#)-approved as submitted

B. **Public Comment on items not listed on the agenda**-None

II. Consent Agenda

A. Approve claims (accounts payable). -Consent Agenda (Brentt Ramharter)

MOTION: The committee recommends the City Council approve [claims](#) totaling \$399,073.69 ([Detailed claims](#))

B. Approve the Community Development Block Grant (CDBG) Contracts and HOME agreement as authorized in [Resolution Number 7400 \(memo\)](#).—Regular Agenda (Mike Barton) **REMOVE FROM AGENDA**

MOTION: The committee recommends the City Council adopt a resolution amending resolution number 7400 to award Community Development Block Grant (CDBG) Funds to the Young Women's Christian Association (YWCA) of Missoula for Provision of emergency shelter to homeless families.

MOTION: The committee recommends the City Council approve and authorize the Mayor to sign Community Development Block Grant (CDBG) (Contract Number 09-01) with the YWCA of Missoula in the amount of \$20,000 to fund emergency shelter for the homeless families through the Gateway Center Family Shelter as authorized in City Council Resolution 7400.

MOTION: The committee recommends the City Council approve and authorize the Mayor to sign Community Development Block Grant (CDBG) (Contract Number 09-05) with Garden City Harvest in the amount of \$9,000 to support gardening and food production for low income residents of Orchard Gardens and community food-distribution as authorized in City Council Resolution 7400.

MOTION: The committee recommends the City Council approve and authorize the Mayor to sign Community Development Block Grant (CDBG) (Loan Agreement 09-10) with Partnership Health Center in the amount of \$275,000 to purchase the Creamery Building at 401 Railroad Street to expand their medical and dental clinics to meet the growing demand for affordable healthcare services for Missoula's low- and moderate-income populations as authorized in City Council Resolution 7400.

MOTION: The committee recommends the City Council approve and authorize the Mayor to sign Community Development Block Grant (CDBG) (Contract Number 09-11) with Watson's Children's Shelter in the amount of \$215,000 to construct a second children's shelter to serve children in need of emergency shelter due to abuse, neglect, abandonment, or family crisis, as authorized in City Council Resolution 7400.

Mike Barton, Office of Planning and Grants, explained the need to amend Resolution 7400 to replace the Salvation Army with the YWCA on Contract Number 09-01 and requested the committee approve the remainder of the CDBG Contracts Numbers 09-01, 09-05, 09-10 and 09-11.

Ed Childers moved to amend the resolution and approve Contract Number 09-01.

Marilyn Marler question why the YWCA was chosen and not the Poverello Center

Mr. Barton stated that the YWCA had a better understanding of the program and was better equipped to pick it up right now.

Mr. Wilkins expressed support of the YWCA taking over the program.

Upon a voice vote the motion to amend resolution 7400 passed unanimously.

Mr. Childers moved to approve the remaining Contract Numbers 09-05, 09-10 and 09-11.

Upon a voice vote the motion to approve the remaining passed unanimously.

Dick Haines and Renee Mitchell left the meeting at 1:15pm.

- C. Contract for removal of garbage in Street Maintenance District #1 ([memo](#)).—Regular Agenda (Marty Rehbein)**REMOVE FROM AGENDA-NO QUORUM PRESENT**

MOTION: The committee recommends the City Council approve and authorize the Mayor to sign a contract with the Downtown Business Improvement District of Missoula in the amount of \$17,373.60, to remove garbage from trash cans located downtown and assume ownership of the City's 24 trash receptacles in the area.

Bruce Bender, Chief Administrative Officer explained that currently the city is using Allied Waste to empty the trash bins, The Downtown Business Improvement District (BID) presented the City with an offer to perform the work at the same cost that the City is paying Allied. The BID will also assume ownership of the receptacles. Historically the money to pay for the service is levied annually by the City Council as part of the Street Maintenance District #1 assessments. The contract also includes a 3% increase each year, and will renew each year for eight years.

Rod Austin, Director of Operations BID, expressed the need for garbage removal on Saturday Market days throughout the summer. In other communities whose BID's do this, generate enough revenue to hire someone who can remove garbage; graffiti, power wash sidewalks, and perform snow removal in the winter. In addition to working for the BID, the services can be sold to business owners at a discounted rate. Billings generates \$50,000 for graffiti removal annually. Another benefit of the contract for the property owners, is that the BID can be more flexible in terms of altering the trash collection schedule to coincide with large events downtown and is not tacking on the fuel surcharges that Allied Waste does.

Mr. Hendrickson commented that it is encouraging that Allied Waste is in support of turning over the service to the BID.

Ms. Marler supports the contract.

Mr. Austin also pointed out the BID will complete a recycling program for downtown and has created a 10 year budget to spread out costs over time.

Mr. Childers asked if Street Maintenance District pays for it and commented that it will be very helpful for Saturday market.

Mr. Bender said yes.

Although no Quorum was present the committee recommends approval of the contract unanimously.

III. Regular Agenda

A. Information on Neighborhood Stabilization Program (NSP) ([memo](#)).—Regular Agenda (Nancy Harte) **REMOVE FROM AGENDA**

Nancy Harte, Office of Planning and Grants provided a [handout](#) and presented information on the *Neighborhood Stabilization Program (NSP)*. NSP provides emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight. The program was mainly designed for communities in California and Florida where entire neighborhoods have been abandoned due to foreclosure. Missoula has a foreclosure rate of 1 or 2%. The State of Montana will receive \$19.6 million. The program is similar to CDBG as it is income based. There are five different uses for NSP as follows:

- Establish financing mechanisms.
- Purchase abandoned or foreclosed homes.
- Establish land banks
- Demolish blighted structures,
- Redevelop demolished or vacant properties.

All applications must come through a unit of local government; and the funds must be used by September 2010. The biggest catch is the first 25% of the funds that the State can spend have to go assist to the first two categories.

John Hendrickson asked if the City would buy these units or do non-profit organizations in the City come to us to apply for these funds.

Ms. Harte replied that the City could buy them; a non-profit or for-profit could buy them with the City's approval. She pointed out that it is a first come first serve program. Missoula could take half of the total or none of the total it is dependent on the applications that comes in.

Jon Wilkins inquired if individuals could purchase and renovate the properties under this program.

Ms. Harte responded that the individuals would have to meet the income requirements and the properties would have to have been foreclosed, abandoned or blighted.

Ed Childers asked if the first 25% of funding applies state wide or within a specific area.

Ms. Harte said it is state wide, and the 25% has to apply to the first two categories only, then there would be \$3 million released for

Mr. Childers expressed concerns that Missoula may not qualify for a lot of that revenue and asked if there were other areas in the state that would.

Ms. Harte said there is a trailer court in Gallatin County, there has been some discussion that one project would use the whole 25% which would free up funds for other projects.

Mr. Jaffe asked if there were any prohibitions against buying the property and selling it back to the prior owner.

Ms. Harte said no, you can do that.

Ms. Marler asked if an individual who was income qualified and had an abandoned structure could receive funds from this program to demolish and rebuild something else.

Ms Harte said from her understanding that was possible.

Mr. Childers asked if there were any prohibitions to getting applications ready so when the first 25% is allocated, other projects could begin to move forward.

Ms. Harte said that is what her office is seeing.

IV. Held in committee

- A. Update from the Missoula Performing Arts Center ([memo](#)).—Regular Agenda (Dave Strohmaier) (Referred to committee: 04/07/08)
- B. [Resolution](#) revising the City's sewer use fee structure and increasing sanitary sewer rates by 5% per year for four years to support infrastructure improvements required to operate the city's sanitary sewer system. ([A&F](#)) ([Slideshow presentation as a webpage](#)) (Returned from Council floor: 11/03/08)
- C. An ordinance amending the municipal code as it relates to bike licensing. ([A&F](#)) (Returned from council floor: 12/15/08)
- D. Amend City Council Rule 21(a) to clarify quorum requirements ([memo](#)).—Regular Agenda (Jason Wiener) (Referred to committee: 04/28/08) (*Tabled in Committee on 02/11/09*)
- E. Implications of establishing maintenance districts. ([memo](#)) – Regular Agenda (Bob Jaffe) (Referred to committee: 05/11/09)
- F. Review the FY 2010-14 CIP projects in committee ([memo](#)).—Regular Agenda (Brentt Ramharter) (Referred to committee: 03/23/09)
- G. Consider the establishment of Parks and Street Maintenance Districts ([memo](#)).—Regular Agenda (Bob Jaffe) (Referred to committee: 05/04/09)

V. Adjournment

The meeting was adjourned at 1:45pm

Respectfully Submitted,

Dee Krevey

Administrative Secretary
Finance Department