

# City Council Work Session

5:30 PM  
Council Chambers  
February 6, 2017

**ATTENDANCE:**

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

CM excused:

**ADJOURN TIME:** 8:17 pm

## Agenda

<b>TOPIC #1</b>	<b>Legislative Update</b>
<b>PRESENTER</b>	Ed Bartlett, Lobbyist
<b>NOTES/OUTCOME</b>	

- Ed Bartlett: not a lot of decisions being made yet. public incapacitation will be introduced soon. 2 TIF bill hearings this week, both opposed by City and many others. Bill 134 – education bill and Bill 359 – limitation on TIF revenue to only local MILS. Bill 106 – would require reductions in de-icer use. Bill 151 – create new legislative committee for local topics would leave education and local government as stand-alone committees. Bill 44 - add 5 new district judges, recommending 2 of 5 (1 would be Yellowstone County). Bill 261 – expands appropriations for library's.
- Yakawich: not clear whether we favor or oppose some bills; please indicate. SB 358, questions from constituents.
- Cimmino: can we get copy of local option bill(s)? No copies available yet, Senator Mike Phillips will sponsor.
- **Public Comment:**
- Greg Krueger, Downtown Billings Alliance Development Director: pie chart shows state revenue from CBD TID and what would have received without 95 school mills. State share would double with Bill 134.
- Bill Cole, 3733 Tommy Armour, Billings, MT: no draft local option bill but legislative staff is working on one and will provide copy.

<b>TOPIC #2</b>	<b>TIF Districts</b>
<b>PRESENTER</b>	Bruce McCandless, Assistant City Administrator
<b>NOTES/OUTCOME</b>	

- CM Brewster moved to direct staff to provide information regarding TIF Districts.
- Bruce McCandless: Presentation on how tax increment works and City policies.

- Swanson: why is State against TIF's? some communities stretch things as far as possible, which is normal. Money is at stake.
- Brewster: other communities trying to aggregate land, drew a lot of attention. Very complex process.
- Yakawich: how does the checks and balances process work? TIF funds have to be completed, receipts for reimbursement.
- Cimmino: General Electric building through TIF? Tax abatements but not TIF.
- Cromley: differences in criteria for TIF and tax abatement? Tax abatement both City and County. TIF must be within the tax increment district boundaries. Try to not allow the 2 to overlap.
- Friedel: would like to see definition and policy on "blight" and "public benefit". State code has definition of blight. City could get more specific if Council wishes.
- Mayor Hanel: misalignment of State funding and shortages are causing successful programs to be cut. Need to defend TIF, it is successful.
- Sullivan: TIF districts have their own plans and each area has their own definition of blight.
- **Public Comment:**
- Tom Zurbuchen, 1747 Wicks Lane, Billings, MT: definition of blight, state code defines it but what have we done about preventing it? Getting rid of public housing? Relocation. Sprinkler systems, didn't benefit the public.
- Greg Krueger, Downtown Billings Alliance Development Director: excellent presentation that shows why it's necessary to remain flexible. \$50,000 limit applied to property, agreement is due for further discussion.
- Marty Connel, Billings Industrial Urban Renewal District (BIRD): City Council has done things right.
- Connie Wardell, P.O. Box 21432, Billings, MT: blight, doesn't get better without intervention, such as TIF.
- Steve Ziere, South Billings Urban Renewal Association (SBURA): provided sewer service to 200 properties that did not have the ability.

TOPIC #3	Quarterly Updates
PRESENTER	Various
NOTES/OUTCOME	

- Tim Goodridge, BIRD: Service candy building will be redeveloped for Fisher Flooring. Car wash to open in spring. Pedestrian crossing expedition is important; design details soon. Working on Legislature concerns. Lighting is a priority for safety concerns.
- Greg Krueger, DBP: support housing study. Updated strategic plan. Plan is over 20 years old and needs to be updated.
- Yakawich: questioned blighted building on 28<sup>th</sup> St.

- Steve Zier, SBURA: written update. Optimist Park-summer 17. Midland Road improvements-street lights, survey coming. Miller Crossing development-new owner selling individual lots.
- Yakawich: date for Hallowell Lane improvements? Zier: would need to start conversation with PW to include in CIP.
- Ms. Volek: stated that staff did not have a presentation regarding the budget, but was available for questions. None.
- Karla Stanton, HR Director: concerns about reserve level in 2015. Reserve level suggested around \$3.3 million. Committee decided to spend back \$1 million in reserves which resulted in lower premiums for 2016. Ended up with \$1.4 million reserve level expenditure. \$1 million planned contributions by City and employees and \$400,000 in large cases (employees seriously ill) 2015-2016. Health insurance fund reserved decreased from \$6.9 to \$5.5 million. Decided to spend back \$500,000 in reserves, but wasn't enough to cover expected expenditures, so increase in premiums for employees and City's contribution. Increases slightly higher in 2017 than 2015.
- Mayor Hanel: Health Assessment success? 675 participants in health assessments.
- Clark: payouts fluctuate? Yes, 2015 \$8.5 million and 2016 \$10 million. Committee has researched self-funding and decided against, but will discuss further.
- Ms. Volek: Health Insurance Committee has benefited City by engaging employees. Mr. McCandless non-voting member. Committee has done an excellent job.
- Sullivan: has committee done study to project needs? No, but have insurance consultant that gives recommendations based on local/national trends. Incentive plans that raise or lower premiums? Did in the past, not helpful and state statute prohibited. Now give out gift cards.
- Tina Volek, City Administrator: will change title "strategic plan" to "strategic and work plan." FY16 plan ready in a few weeks.
- Wyeth Friday, Planning Director: explains how bldg. at 28<sup>th</sup> and MT Ave is being policed by Code Enforcement. Working with property owner to replace plywood with plexi-glass material.
- Mike Whitaker, Parks Director: Veteran's Park irrigation system almost complete. South Park Splash Pad should be completed end of summer. Rose Pool Operations building recommendation soon. YKIS suspended due to weather, complete by end of summer. Partnering with Landon's Legacy Foundation to develop master plan for Poly Vista Park.
- Cell phone stats: added 2<sup>nd</sup> STEP unit. Fines - \$110 plus surcharge for 1<sup>st</sup> offense. Friedel: does ordinance make sense when the stats show that bans don't reduce accidents? Volek: was Council initiative originally.
- **Public Comment:**
- Tom Zurbuchen, 1747 Wicks Lane, Billings, MT: told reports would happen about One Big Sky Center (OBSC), not reporting. Taxes collected at only 25%

vs 50% but no one cares. Voted levies not being collected for their voted purpose but captured by TIF districts.

- Connie Wardell, P.O. Box 21432, Billings, MT: 28<sup>th</sup> and MT Ave buildings one of the best building. Building owner wanted to part out the improvements. Clouded title due to past residential occupancy.

TOPIC #4	Council Discussion
PRESENTER	
NOTES/OUTCOME	

- Friedel: toured Yellowstone County jail. Asked what city can do. Initiative next week about using the Sheriff work detail for solid waste and parks. And change a MET bus route to help serve jail. McCandless: Mr. Mumford stated that PW uses work detail and would like to use more. Jail does not have enough people available for detail.
- Yakawich: elaborate about CIP meeting at Library. Volek: 11:30 – 1:00 Wednesday at Library, public presentation that day.
- Sullivan: 4<sup>th</sup> quarter 2015 cell phone enforcement was way less than 2016. Cimmino: didn't have staff to enforce.
- Cimmino: documents available to public about CIP meeting. Volek: yes, available on website.
- Brown: send to CM Brewster and copy McCandless on emails about TIF? Yes.

TOPIC #5	Public Comment on Items Not on the Agenda
PRESENTER	
NOTES/OUTCOME	

NONE