MINUTES
CITY OF LAUREL
CITY COUNCIL WORKSHOP
TUESDAY, JULY 30, 2019

A Council Workshop was held in the Council Chambers and called to order by Mayor Tom Nelson at 6:30 p.m. on July 30, 2019.

COUNCIL MEMBERS PRESENT:

_x_ Emelie Eaton	_x_ Heidi Sparks
_x_ Bruce McGee	_x_ Richard Herr
___ Scot Stokes	_x_ Irv Wilke
_x_ Richard Klose	_x_ Bill Mountsier

OTHERS PRESENT:

Nick Altonaga, City Planner

Bethany Langve, Clerk/Treasurer

Kurt Markegard, Public Works Director

Ryan Walsh, KLJ

Public Input:

There were none.

Executive Review

1. Appointments of Justin Romero, Jayson Nicholson, Brandi Seibel, Sara Romero, Andrea Beechie, and Joe Stratton to the Laurel Volunteer Ambulance Service.

2. Resolution - A Resolution Declaring Certain Assets Of The City Of Laurel As Surplus And Authorizing Its Disposal.

   This resolution is to obtain Council permission to dispose of the asset.

3. Resolution - Resolution Awarding Firstmark Construction The Contract For The City Of Laurel's 2019 Pavement Repairs Project And To Authorize The Mayor To Sign All Required Contract And Related Documents On The City's Behalf.

   Kurt Markegard, Public Works Director, and Ryan Walsh, KLJ, spoke on this topic. This resolution is to repair the damage from this past winter. Patching is also included in this bid.

   It was questioned why there was a $165,000 difference in the bids. It was clarified that each contractor approaches the project differently.

   It was questioned if the Council should be concerned that this bid came in lower than the engineers estimate and will there be change orders later. It was clarified that this contractor had been awarded another project in town that reduces their mobilization costs. When KLJ does their estimates, they include the cost for mobilization. This project is set up to be modified and based on the City's budget.

It was questioned if the area by the Baptist church will be chip sealed. It was clarified that this bid does not include chip sealing. Approximately three years after paving, the City does want to go in, and chip seal these areas. This helps extend the life of the pavement by approximately 15 to 20 years.

Looking at approximately 30 days from the time of award for the work to begin. For this project, the work should begin at the end of August beginning of September. The work should be complete before winter hits.

4. Resolution - Resolution Of The City Council Adopting The Yellowstone County Multi-Hazard Mitigation Plan 2019 Update On Behalf Of The City Of Laurel, Montana.

   Kurt Markegard, Public Works Director, explained the Multi-Hazard Mitigation Plan is reviewed and updated every few years. They make sure all contacts are updated and understand potential issues out there. They have been working on this plan for approximately the last year. Approval of the plan is the final step. The County Commissioners, City of Billings, and the City of Laurel have to approve this plan. It is similar to the County's DES Plan. The plan is approximately 120 pages in length.

5. Resolution - A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With Millennium Construction & Consulting, Inc. For Concrete And Asphalt Recycling For The City Of Laurel.

   Kurt Markegard, Public Works Director, stated for approximately the last 20 years, the City of Laurel has removed asphalt and sidewalk and stockpiled it. That pile is currently located on Railroad property and is leased. That lease is approximately $6000 to $7000 per year. Recently the Mayor asked the Public Works Director to look into extending the handicap parking lot near the stadium. The millings in this pile can be used for the parking lot. It is expected to be around 4500 tons. The parking lot will require approximately 18 inches of soil to be removed in that area and filled with the millings material. There will be millings left over for other projects.

   It was questioned where the City would store the remaining millings. It was clarified that the pile would be moved closer to the building, and the City would not need the continue the lease.

6. Resolution - A Resolution Of The City Council Authorizing The Award Of Grants From The Tax Increment Financing District Funds Pursuant To The Lura Large Grant Request Program For Eligible Applicants And Improvements.

   Nick Altonaga, Planning Director, briefly reviewed the attached letter and spreadsheet. The LURA Board spent a lot of time going back and forth to get the correct numbers. A lot of great applicants this year. They were very well put together and very organized application. There was $388,697.27 in requested funds. They cut those projects back to the new limit of $225,000.00. The LURA Large Grant Committee spent a good hour or two discussing each project's value and impact on the district. The Large Grant Committee brought their recommendation back to the full LURA Board.

Council stated they loved the spreadsheet. They could see the name of the applicant but did not see an address. They would like to drive past a property that was receiving grant funds and knows it was part of the grant program.

One applicant, Sara Schreiner, with Sunshine Academy, was present. She stated that they asked for grant funds to purchase the old Grace Bible Church to expand their after school program.

The Planning Director briefly reviewed the projects listed on the attached spreadsheet. The Planning Director did not remember the address of Nardella Investments and would email the address out to Council tomorrow.

7. Ordinance No. O19-02: An Ordinance Amending Title 2, Chapter 2.10.030 Of The Laurel Municipal Code For The Purpose Of Changing The Regular Meeting Day Of The City Council. (Public Hearing 8.6.2019)

   Mayor Nelson stated this ordinance would be changing Council meetings from the 1st and 3rd Tuesdays to the 2nd and 4th Tuesdays of every month. Council Workshops will move to the 1st and 3rd Tuesday's of each month. There will be no meeting on the fifth Tuesday of the month. Next week will be the public hearing and second reading of this ordinance. This change will take effect after the September 3rd meeting.

Council Issues

8. Handicap Parking Update

   Mayor Nelson stated that the Public Works Director covered this item with the previous agenda item regarding crushing asphalt. The project is expected to take place this fall/winter before the weather gets bad. It will be done before spring. This spring will stripe for angled parking on both sides.

   Council questioned if the City will get better enforcement for illegal parking such as better ordinances or better signage. It seems like it is less of a priority for those that do it than those that sit at these tables. It was clarified that the Police get many calls, and it is challenging to handle those calls. They are actively looking for infractions and impaired drivers. The City can look into alternative methods to make sure people are correctly parking and obeying the law. Council noted that they need to enforce ordinances we have or change those ordinances if they are not good enough. It was further clarified that the Planner and his Staff are looking at making some ordinance changes. Council can let the Mayor know of areas that they feel need to be addressed.

9. Rescinding Resolution 08-123 LURA Statutory Powers Discussion

Council President Eaton read the attached statement into the record. She requested the Clerk/Treasurer speak to the TIF District's history. She would also like to hear from the Planner if this would be a burdensome addition to his duties.

The City of Laurel created the TIF District. Its oversight is by the Council. Council had the option to let the TIF sunset after its 15-year term or vote on a bondable project and extend the TIF an additional 25 years. Laurel Urban Renewal Agency (LURA) was a board created long after the TIF District to help facilitate some of those funds.

Bethany Langve, Clerk/Treasurer, stated LURA has bylaws that very clearly list their authority. LURA Board was created by O08-09; they were created by law. Their authority was given via R08-123. MCA 7-15-4232 states that the Council may give some of their authorities to a Board/Department/Staff. Council gave very specific powers to LURA in resolutions R08-123. However, the Council kept most of its authority for itself. Ordinance O09-04 updated language, and O12-01 changed residency language so that people who owned property or a business within the agency could sit on the Board. However, MCA states you must reside in the municipality. The Clerk/Treasurer brought this point forward to the City Attorney, and he is looking into this.

The LURA Grant programs started in 2010. Before 2010 LURA had no financial authority. They assisted with plans such as the Urban plan. Their main focus was blight clearance. The first grant program established was the Large Grant Program. Then the Technical Assistance Program.

When it comes to the East Downtown Infrastructure Improvement (EDII) project, the Council kept the authority to enter a contract. Council is the arbiter of taxpayer funds. No public spoke for or against the project. At the following meeting, Council voted in favor of that project. The Mayor did exactly, per MCA, what he was supposed to do. The EDII project fits within MCA (7-15-4251; 7-15-4233D) and the Urban Renewal Plan.

The Mayor brought the EDII project forward, and Council supported this project. This project follows the Urban Renewal Plan. The Gateway Plan is NOT the Urban Renewal Plan. The Urban Renewal Plan is an ordinance and is the law. The Gateway Plan is a resolution and guidance. The only way to change the Urban Renewal Plan is to update the ordinance, which requires a public hearing and public input.

A Council Member noted that while attending LURA meetings that two grants were used to pay for the Gateway Plan in addition to LURA funds. It was clarified that LURA paid $96k but not sure what Beartooth RC&D paid.

Mayor Nelson clarified that the EDII project stemmed from citizen complaints of stormwater backing up on their property. Then multiple business owners approached both the Mayor and Staff regarding the issues with stormwater. Last winter, there was a water main break at Ohio and East Main Street. The infrastructure in that area needed repair. At that time, there was a discussion about this project being used to extend the TIF District. While driving through various parts of the TIF District, this area was in the worst condition. The Mayor directed the Public Works Director to work with KLJ to survey the area and determine a cost estimate. Infrastructure is part of the TIF District. When Council signed off on the project, it went to Bond Counsel and found that the project is within the TIF District's scope and intent.

Nick Altonaga, City Planner, read the attached memo.

It was questioned if the Planner felt he had a good working relationship with the LURA Board and if he would like to steer them back to a cooperative stance with the City Council. Alternatively, if it is better to use his time to do the heavy financial lifting himself and have LURA focus on other things. The Planner clarified that he would like to try and steer things back. There are merits to granting the Planning Department the authority to approve grants. It would be a faster process, but the LURA Board offers valuable input and discussion. There are pros and cons to keeping it as is. The Planner would like to go over the founding documents and the roles and responsibilities with the Board.

It was noted that the TIF Districts' value would grow over time and that those funds will be used for other projects in the future. The LURA Board has an important role. Not all TIF Districts are created the same; the next one will be different. A TIF District has so many options depending on how they are set up.

The LURA Board can continue with good guidance from Staff. Can have Staff bring back a proposal on overseeing the Board and making sure the Board is aware of the bylaws and creation documents.

Council stated they would defer to the Planner as he is the one who is taking the brunt of the responsibility on how LURA conducts themselves; if LURA is an entity that can be reigned in, then ok, but not able to control 24/7. The Board needs to have an understanding that running around town will only drag themselves down. If it takes rewording the structure of LURA that the Planner is the Director and is the one who is the decision-maker for the grant program.

It was questioned if the Council would see a resolution to rescind the resolution in the foreseeable future. It was clarified that the resolution is R08-123. There will need to be more discussions before bringing forward that resolution.

Council requested this item come back to the last Workshop of August.

The Clerk/Treasurer stated during her research; she has found many occasions that LURA has gone outside their bylaws as far as a conflict of interest in as recent as June 17^{th} of this year. Does LURA have a small grant program – No. Can LURA approve over $5k – No. Who holds that Authority – Council. The Clerk/Treasurer stated she would not pay that.

Council noted an excellent job with the EDII project to continue the TIF District. Multiple Council Members stated they support this project and did not make this decision lightly.

Other Items

There were none.

Review of Draft Council Agendas

10. Review of Draft Council Agenda for August 6, 2019.
There were no changes suggested to next week's Draft Council Agenda.

Attendance at Upcoming Council Meeting

Council Member McGee will not be in attendance at next week's meeting.

Announcements

Council noted that recently there was an issue with an abandoned boat. Code Enforcement stated that it was a Police matter, and the Police stated it was a Code Enforcement matter. It seems there is a miscommunication. It was questioned if this is an issue the Mayor can address with Staff or if it should come back as a discussion item to Council. Mayor Nelson stated Code Enforcement will be at the next Workshop for a separate issue and can discuss then. Recently added code enforcement to the white vehicle, so it does not look like a police vehicle. It will have yellow hazard lights as well.

A Council Member noted that parking near the stadium needs to be addressed and enforced before something happens.

Council noted the City's website is live and looks nice. They thanked those who had worked on the website. Mayor Nelson stated that if Council sees an area that needs to be addressed on the website or items that should be on the website and are not to pass that information along. The Council Secretary put a lot of time and effort into the website.

The council workshop adjourned at 7:52 p.m.

Respectfully submitted,

Brittney Moorman

Brittney Moorman
Administrative Assistant

NOTE: This meeting is open to the public. This meeting is for information and discussion of the Council for the listed workshop agenda items.

2611 Gabel Road
Billings, MT 59102-7329
406 245 5499
KLJENG.COM

KLJ

July 24, 2019

Kurt Markegard
City of Laurel
115 W. 1st Street
Laurel, MT 59044

Re: 2019 Pavement Repairs Project – Recommendation of Award

Dear Kurt:

Bids for the 2019 Pavement Repairs project were received July 18, 2019. Two bids were opened and read aloud, totaling $259,750.00 and $425,493.50, respectively. The bids were checked for mathematical accuracy and no discrepancies were found.

The low bidder is FirstMark Construction. The total bid amount is $259,750.00 for the overall project. We recommend the contract be awarded to FirstMark Construction, accordingly. Enclosed is the Notice of Award (NOA) for the City's approval and a Certified Bid Tabulation. Please sign, date and return four (4) original NOA forms; upon receipt, we will work with FirstMark Construction to route final Contracts for the City's approval.

If you have any questions or concerns, please contact me at (406) 245-5499.

Sincerely,

KLJ

Ryan E. Welsh, PE
Project Engineer

Enclosure(s): Notice of Award
Tabulation of Bids
Project #: 1904-00962
cc: file

TABULATION OF BIDS

2019 Pavement Repairs - KLJ#1904-00962

CITY OF LAUREL, MONTANA

July 18, 2019

KLJ

				Engineers Opinion of Cost		FirstMark Construction		Knife River	
Item	Description	Qty	Unit	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
101	Mobilization	1	LS	\$26,000.00	\$26,000.00	\$ 16,954.00	\$ 16,954.00	\$ 36,360.00	\$ 36,360.00
102	Taxes, Bonds & Insurance	1	LS	\$8,000.00	\$8,000.00	\$ 3,650.00	\$ 3,650.00	\$ 5,500.00	\$ 5,500.00
103	Construction Traffic Control	1	LS	\$13,000.00	\$13,000.00	\$ 10,000.00	\$ 10,000.00	\$ 46,650.00	\$ 46,650.00
104	4" Asphalt Concrete Pavement Patching – Type B – Surface Course (Full Depth with Base and Fabric)	24,200	SF	\$9.00	\$217,800.00	\$ 6.85	\$ 165,770.00	\$ 10.50	\$ 254,100.00
105	4" Asphalt Concrete Pavement – Type B – Surface Course	622	SY	\$24.00	\$14,928.00	\$ 58.00	\$ 36,076.00	\$ 76.75	\$ 47,738.50
106	2" asphalt Concrete Pavement Overlay – Type C – Surface Course	125	TN	\$169.78	\$21,222.00	\$ 180.00	\$ 22,500.00	\$ 237.00	\$ 29,625.00
107	6' Valley Gutter	480	SF	\$17.00	\$8,160.00	\$ 10.00	\$ 4,800.00	\$ 11.50	\$ 5,520.00
		Total of Base Bid			\$309,110.00		\$ 259,750.00		\$ 425,493.50

This represents a true tabulation of bids opened and read on July 18, 2019.

7/23/2019

Ryan Welsh
Project Engineer
Date: July 23, 2019

MONTANA
RYAN E. WELSH
14003 PE
LICENSED
PROFESSIONAL ENGINEER

* Indicates a mathematical correction made following the bid opening.

Notice of Award

Date: July 24, 2019

Project: 2019 Pavement Repairs Project	
Owner: City of Laurel	Owner's Contract No.:
Contract: As described in the Bid Documents	Engineer's Project No.: 1904-00962
Bidder: FirstMark Construction	
Bidder's Address: 6611 Trade Center Avenue	
Billings, MT 59102	

You are notified that your Bid dated July 18, 2019 for the above Contract has been considered. You are the Successful Bidder and are awarded a Contract for 2019 Pavement Repairs.

The Contract Price of your Contract is Two-Hundred Fifty-Nine Thousand, Seven-Hundred Fifty Dollars and No Cents ($259,750.00).

4 copies of the proposed Contract Documents accompany this Notice of Award.

You must comply with the following conditions precedent within fifteen [15] days of the date you receive this Notice of Award.

1. Deliver to the Owner four (4) fully executed counterparts of the Contract Documents.
2. Deliver with the executed Contract Documents the Contract Security [Bonds] as specified in the Instructions to Bidders (Article 20) and General Conditions (Paragraph 5.01).
3. Other conditions precedent: (none)

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within ten days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Contract Documents.

City of Laurel
Owner

By: ______________________
Authorized Signature

____
Title

Copy to Engineer

CITY HALL
115 W. 1ST ST.
PLANNING: 628-4796
WATER OFC.: 628-7431
COURT: 628-1964
FAX 628-2241

City Of Laurel

P.O. Box 10
Laurel, Montana 59044

Office of the City Planner

July 23, 2019

Regarding the Laurel Urban Renewal Large Grant Recommendations for 2019-2020

Mr. Mayor and City Councilors,

The Office of the City Planner and the Laurel Urban Renewal Agency Board respectfully requests that the City Council reviews and approves the requests made for the 2019 Large Grant Program. This letter supports the Large Grant spreadsheet submitted on July 22, 2019. Members of the Laurel Urban Renewal Agency met on June 26, 2019 as the Large Grant Committee to review, discuss, and analyze applications for the Large Grant Program. Six applications were submitted with a total request of $388,697.27. It was decided that the six applicants would receive a total of $224,737 in funding through the Large Grant Program. The applicants are as follows:

1.	Mountain Land Rehabilitation	$19,957
2.	The Fjelstad Family	$12,589
3.	Nardella Investments	$15,594
4.	Pelican Café	$64,295
5.	Sunshine Academy	$62,265
6.	Darrell Dyer	$50,037

These grants were discussed further at the Laurel Urban Renewal Agency meeting on July 22, 2019 and were approved to be recommended to the City Council for consideration and final approval. These applications were found to be eligible under MCA and to be beneficial to the TIF District by assisting applicants with the upgrading and improvement of their properties and businesses. The Planning Department can supply more information on the applications if needed to help inform your decision.

Thank you for your consideration of this matter,

Nicholas Altonaga

City Planner

LURA Applicants
Large Grants

Printed: 7/26/2019

											FY:	19-20
										Total:	$ 225,000.00	$ -
Applicant	**Project**	**Application Date**	**Start Date**	**Completion Date**	**Initial Requested Amount**	**LURA Approved Amount**		**LURA Arrproval Date1**	**City Council Arrproval Date2**	**Eligibility Date**	**Disbursed Date**	**Awarded Amount**
Mountain Land Rehab	Structural repair and energy efficiency upgrades to newly purchased building downtown for business expansion.	5/10/2019	6/7/2019	9/1/2019	$ 47,800.00	$	**19,957.00**	7/22/2019		12/30/1901		
Fjelstad Family	Demolition, upgrades to sidewalk, curbs, and gutter, and energy efficiency improvements supporting duplex rehab.	4/5/2019	12/1/2018	7/10/2019	$ 30,154.27	$	**12,589.00**	7/22/2019		12/30/1901		
Nardella Investments	Property purchase, grading, installation of drainage, notified in 2018 to reapply in 2019	5/23/2019	5/15/2018	7/15/2018	$ 18,675.00	$	**15,594.00**	7/22/2019		12/30/1901		
Pelican Café	Demolition, Utility upgrades, Strctural repair and expansion for Restaurant expansion	5/8/2019	9/1/2019	1/30/2019	$ 129,068.00	$	**64,295.00**	7/22/2019		12/30/1901		
Sunshine Academy	Property Acquisition for new childcare facility in CBD for business expansion	5/30/2019	7/1/2019	9/1/2019	$ 75,000.00	$	**62,265.00**	7/22/2019		12/30/1901		
Darrell Dyer	Demolition, sewer, concrete and excavation work to support constuction of mixed use commecial and fourplex in CBD.	3/22/2019	8/1/2019	6/30/2020	$ 88,000.00	$	**50,037.00**	7/22/2019		12/30/1901		
					$ 388,697.27	$	**224,737.00**			12/30/1901		

Thank you Mayor Nelson for bringing this item to tonight's workshop.
Thank you as well for correctly listing this item as a discussion to rescind Resolution 08-123. That resolution gave the power to dispense funds to LURA and tonight I want to discuss giving those powers to the Planning Department, and more specifically to the City Planner.
I especially appreciate it since it has been pointed out to me that the *Outlook*, in an editorial, has made several mis-statements regarding this request. I would like to clarify that, while the last meeting this body held was on July 16, 2019, it was a voting meeting, not a workshop. Secondly, I requested discussion about the duties of the Laurel Urban Renewal Agency, not some "Revitalization" group as the editorial printed. Lastly, I said nothing about dissolving the board. I want to discuss giving powers to the City Planner.
However, that editorial along with the e-mail from the *Outlook* editor which we all were copied with on July 22 which accused the Mayor of "bypassing and now dissolving the LURA Board", only enhance my argument for relieving LURA of the duties of handing out grants. If the Mayor or Council wanted to dissolve LURA all we would have had to do is NOT select a bondable project. That would have let the life of the TIF District run out at the end of next year. Instead we, the Mayor and Council, have found a project within the TIF District that will improve the infrastructure for residents, businesses and the general public. We have consistently been bombarded with incorrect quotes, accusations and libelous articles in the local paper.
The lack of and stubborn refusal by LURA Board members to understand what the City is doing, understand the Board's place, its finances or cooperate with the City was evident in the resignation letter the Council received July 16, 2019. It was stated in that letter that the Mayor hijacked TIFD funds. No one hijacked anything. Many people, going back as recently as CAO Jensen's efforts in 2015 have tried to publicly involved LURA Board members and help them understand LURA's part in what the City was hoping to accomplish. In 2015 <u>The Laurel Gateway Plan</u> was prepared after involvement of the LURA Board. ALL LURA Board members are listed in that document. That Gateway Plan states that there will be buy-in from LURA for a long term infrastructure project. For the resignation letter we received to have stated that "this infrastructure project was not the best use of good judgment" is a slap in the face of the Gateway Project, which cost LURA over $90,000 to have prepared. It's a slap in the face of the efforts to extend the life of the TIF District and the Mayor and each Councilmember now seated.
Since its inception LURA has been offered help from no less than 3 mayors; 2 CAO's 3 City Planners and 3 City Treasurers. As time has gone on the group has increasingly rejected any efforts to open communication or explain long term goals. They now resort to slanderous statements made to entities like the *Outlook* editor, who seems to think she is free from recourse to print unfounded, libelous statements.
It is clear the LURA does not have an understanding of Montana Code Annotated or the Laurel Ordinances and is frustrated by those laws and their perception that they should be able to do what they want. This is why I feel it would be far less confrontational and easier for all concerned, to have the City Planner dispense LURA funds. MCA and Laurel Ordinances are dry reading and I know some council

members have tried to create a flow chart as an easier reference to understand the "back and forth" of LURA statements and City statements. I know that the City Clerk/Treasurer is going to give us a quick review of both as they reference TIF Districts and to clarify some of the mis-statements that have occurred.

I would like to sum up by referencing a statement made on July 1, 2013 by then mayor Olson. As background, then mayor Olson was a strong supporter of LURA and still is today. However, back then frustration with an uncooperative LURA Board prompted this to go into the minutes of the LURA Board meeting. "Mayor Ken Olson addressed the group with regard to the need of a person hired to direct the LURA group. He felt that the board, while well intentioned, does not have the time or the training to bring the needs of the business community before the board". Things have only gotten worse in the six years since. What I am asking for is that a knowledgeable professional handle the TIFD funds. The board can still exist and then can still bring any citizen input forward. These efforts to slander the City Council every time it questions in the slightest, LURA's activities has got to end. By the way, I have printed everything I referenced and stated tonight. It will be provided to the Council's Administrative Assistant to be made a part of the minutes. That's in case anyone wants to correctly quote me in the future.

LURA under attack

From the editor's desk

By Kathleen Gilluly
Laurel Outlook editor and general manager

I hope more Laurel residents will watch the Laurel City Council meetings made available through Facebook Live on the Laurel Outlook's Facebook page. Although most of the meetings are uneventful, there are movements afoot to limit citizen input that everyone should be aware of. The meetings are Tuesday evenings at 6:30 p.m.

At the last workshop meeting, July 16, Council President Emelie Eaton requested a discussion item for the July 30th meeting. She said that in light of Steve Solberg's resignation from the Laurel Urban Revitalization Agency board, she thinks the council should consider dissolving the board.

Most of the folks on the LURA board have dedicated themselves to the betterment of Laurel for many years and their investment in our community should not be tossed away. Maybe the council should try working with

Subject **LURA**

From News <News@laureloutlook.com>

To Tom Nelson <citymayor@laurel.mt.gov>, Bruce McGee <Ward2B@laurel.mt.gov>, Doug Poehls <Ward1A@laurel.mt.gov>, Emelie Eaton <Ward1B@laurel.mt.gov>, Scot Stokes <Ward3B@laurel.mt.gov>, <ward2A@laurel.mt.gov>, <Ward3A@laurel.mt.gov>, Richard Klose Sr. <kloserichard@yahoo.com>, <ward4a@laurel.mt.gov>

Date 07.22.2019 1:51 PM

roundcube
open source webmail software

Mayor Nelson,

It's really difficult to tell if you are acting in the city's best interests or just trying to get your way by bypassing (and now dissolving) the LURA board.

I'd appreciate it if you could address a rumor going around. I've been told that you do a great deal of business with Thomae and that if the east Laurel street project goes through, Thomae plans to build a new shipping dock in conjunction with the project. If true, it seems to me you have a conflict of interest that needs to be addressed before you continue pushing for this project. Please let me know if this is true or not.

Best,

Kathleen Gilluly
Editor/general manager
publisher@laureloutlook.com

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Laurel, MT 59044
628-4412

ACKNOWLEDGEMENTS

CITY OF LAUREL STAFF

Heidi Jensen
Chief Administrative Officer

Monica Plecker
Planning Director

LAUREL URBAN RENEWAL BOARD

Judy Goldsby
Chair

Dean Rankin
Vice-Chair

Shirley McDermott
Secretary

Linda Frickel

Dan Klein

Non-Voting Members

Janice Lehman
Dierk Frickel
Mardi Spaulinger

COMMUNITY ORGANIZATIONS

Beartooth RC&D

Big Sky Economic Development

Laurel Chamber of Commerce

CONSULTANT TEAM

EPS

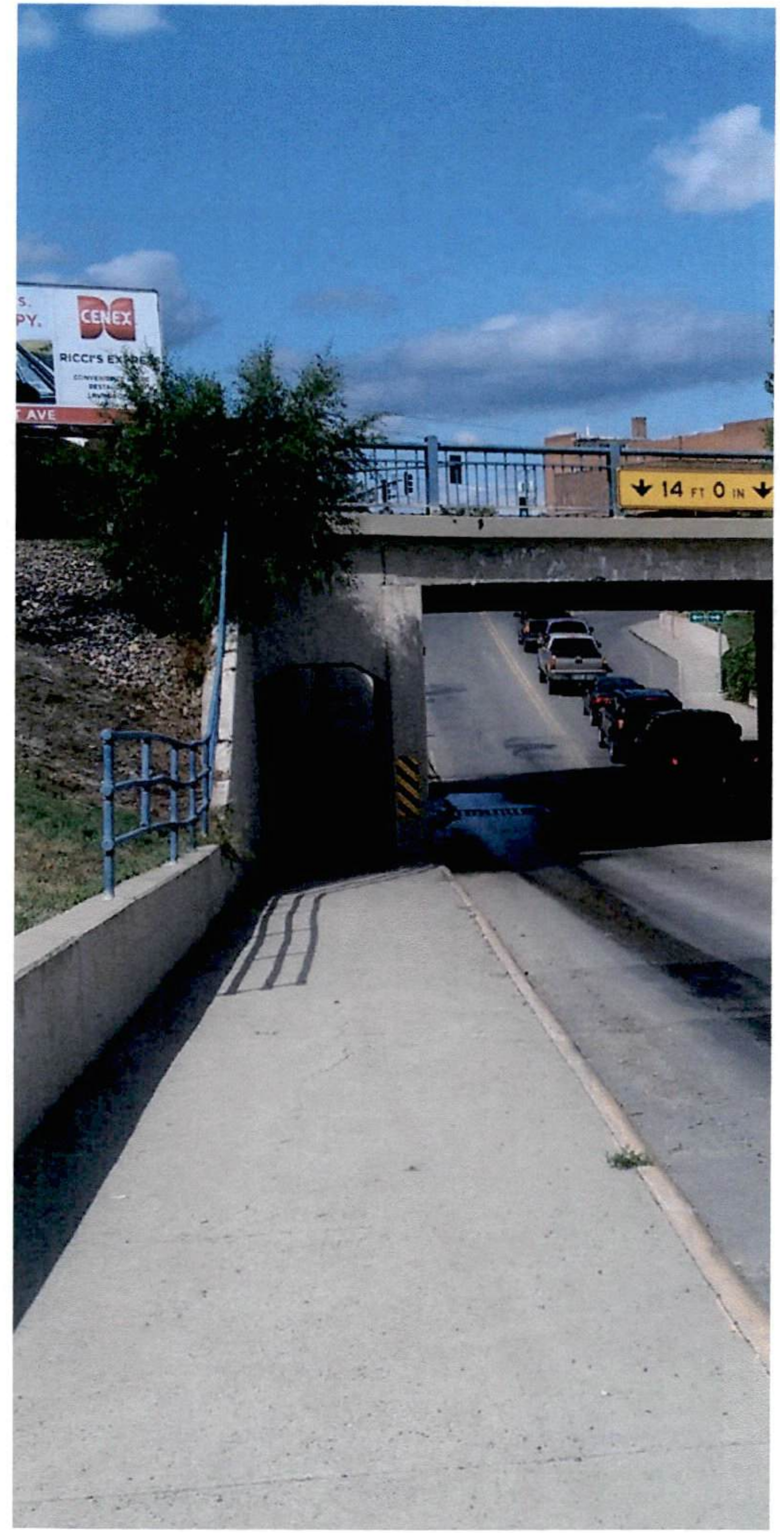
Sanderson Stewart

PREVIOUS STUDIES

The Long Range Transportation Plan (LRTP) was completed in 2014 and addresses the broad and long range goals of the transportation system within Laurel. Elements of the LRTP include street network, non-motorized transportation, system improvements and prioritized projects. Several projects identified within the LRTP are located within the District boundaries and those recommendations were considered as part of the overall findings.

City of Laurel Urban Renewal Plan was completed in 2008 as part of the creation of the tax increment financing district. The goals that were established as part of that plan were evaluated and referenced as part of the overall findings. Those goals are:

1. **Encourage an economically and culturally vibrant downtown.**
2. **Create a vibrant and cohesive extension of the core downtown Laurel area.**
3. **Improve traffic patterns to further enhance the business experience for the owner and consumer.**
4. **Create a destination place where people will want to repeatedly visit.**
5. **Have state of the art, updated utilities and infrastructure.**
6. **Encourage more housing and business choices within the district.**
7. **Have rational consideration of all neighborhoods and sites for public fund expenditures**



FINANCING

Table A
LURA Investment Program Scenario 2: Bond/Loan in Year 6

	2015-16 Year 1	2016-17 Year 2	2017-18 Year 3	2018-19 Year 4	2019-20 Year 5	2020-21 Year 6	2021-22 Year 7
Revenue							
Starting Balance	$585,000						
Net Cash Flow [1]	350,000	358,750	367,719	376,912	386,335	395,993	405,893
Prior Year Surplus	0	281,000	4,750	4,469	1,380	1,715	9,708
Bond or Loan [2]	0	0	0	0	0	4,000,000	0
LURA Funding Available	**$935,000**	**$639,750**	**$372,469**	**$381,380**	**$387,715**	**$4,397,708**	**$415,601**
Project and Program Expenditures							
Grants and Loans							
Revolving Loan Fund Deposit	$100,000	$100,000	$100,000	$0	$0	$20,000	$20,000
Improvement Grants [3]	100,000	100,000	100,000	0	0	15,000	40,000
Subtotal	$200,000	$200,000	$200,000	$0	$0	$35,000	$60,000
Capital Projects							
Intersection Improvements	$0	$435,000	$0	$0	$0	$0	$0
Washington Street Stormwater	450,000	0	0	0	0	0	0
Debt Service	0	0	0	0	0	350,000	350,000
Other Major Capitol Projects [4]	0	0	160,000	380,000	385,000	4,000,000	0
Subtotal	$450,000	$435,000	$160,000	$380,000	$385,000	$4,350,000	$350,000
Small community projects							
Better Block Project	3,000	0	3,000	0	0	3,000	0
Park(ing) Day	1,000	0	0	0	1,000	0	0
Public Arts Program	0	0	5,000	0	0	0	3,000
Subtotal	$4,000	$0	$8,000	$0	$1,000	$3,000	$3,000
Total Projects and Programs	**$654,000**	**$635,000**	**$368,000**	**$380,000**	**$386,000**	**$4,388,000**	**$413,000**
Surplus or Gap	**$281,000**	**$4,750**	**$4,469**	**$1,380**	**$1,715**	**$9,708**	**$2,601**

[1] Estimated at $350,000 based on FY 2014/15 budget revenues of approximately $476,000 less approximately $100,000 in debt service to the Water department (ends in 2019). Assumes 2.0% annual revenue growth.

[2] Could be done in Year 6 or sooner depending on available revenue or anticipated State legislation changes.

[3] Utility Upgrades, Façade Improvements, Building Demolition, Landscape Improvements, Sidewalk Improvements

[4] Lighting, streetscape, additional intersection or street projects, or utility improvements.

Table A
LURA Investment Program Scenario 2: Bond/Loan in Year 6

	2015-16 Year 1	2016-17 Year 2	2017-18 Year 3	2018-19 Year 4	2019-20 Year 5	2020-21 Year 6	2021-22 Year 7
Revenue							
Starting Balance	$585,000						
Net Cash Flow [1]	350,000	358,750	367,719	376,912	386,335	395,993	405,893
Prior Year Surplus	0	281,000	4,750	4,469	1,380	1,715	9,708
Bond or Loan [2]	0	0	0	0	0	4,000,000	0
LURA Funding Available	**$935,000**	**$639,750**	**$372,469**	**$381,380**	**$387,715**	**$4,397,708**	**$415,601**
Project and Program Expenditures							
Grants and Loans							
Revolving Loan Fund Deposit	$100,000	$100,000	$100,000	$0	$0	$20,000	$20,000
Improvement Grants [3]	100,000	100,000	100,000	0	0	15,000	40,000
Subtotal	$200,000	$200,000	$200,000	$0	$0	$35,000	$60,000
Capital Projects							
Intersection Improvements	$0	$435,000	$0	$0	$0	$0	$0
Washington Street Stormwater	450,000	0	0	0	0	0	0
Debt Service	0	0	0	0	0	350,000	350,000
Other Major Capitol Projects [4]	0	0	160,000	380,000	385,000	4,000,000	0
Subtotal	$450,000	$435,000	$160,000	$380,000	$385,000	$4,350,000	$350,000
Small community projects							
Better Block Project	3,000	0	3,000	0	0	3,000	0
Park(ing) Day	1,000	0	0	0	1,000	0	0
Public Arts Program	0	0	5,000	0	0	0	3,000
Subtotal	$4,000	$0	$8,000	$0	$1,000	$3,000	$3,000
Total Projects and Programs	**$654,000**	**$635,000**	**$368,000**	**$380,000**	**$386,000**	**$4,388,000**	**$413,000**
Surplus or Gap	**$281,000**	**$4,750**	**$4,469**	**$1,380**	**$1,715**	**$9,708**	**$2,601**

[1] Estimated at $350,000 based on FY 2014/15 budget revenues of approximately $476,000 less approximately $100,000 in debt service to the Water department (ends in 2019). Assumes 2.0% annual revenue growth.

[2] Could be done in Year 6 or sooner depending on available revenue or anticipated State legislation changes.

[3] Utility Upgrades, Façade Improvements, Building Demolition, Landscape Improvements, Sidewalk Improvements

[4] Lighting, streetscape, additional intersection or street projects, or utility improvements.

June 26, 2019

Mayor Tom Nelson

City of Laurel

PO Box 10

Laurel, MT 59044

Dear Mayor Nelson and City Council Members,

Please accept this letter as my resignation from the Laurel Urban Renewal Agency (LURA) Advisory Board. As a significant property owner and tax payer in the Laurel Tax Increment Financing District (TIFD), I felt I could help provide some input for the City regarding business improvements and growth. I think the entire Laurel TIFD Advisory Board has done an amazing job of helping Businesses in the District improve their appearance and enhance their business and property values. This funding has been a re-inspiration and source of pride of owning a Business in Laurel.

When you hijacked the TIFD Funds for your East Main Street Project without consulting, advising, nor informing the LURA Advisory Board, you made it obvious to me that the LURA Advisory Board has <u>no value</u>. I am sure that you and all the City Council members have only the best of intentions for the betterment of this Community and I commend you all for being willing to serve. However, this infra structure project was not the best use of Good Judgement.

Good luck to you all in the future.

Sincerely,

Steve Solberg

Steve Solberg

500 SE 4th St

Laurel, MT 59044

406-860-4004

Laurel Urban Renewal Agency

July 1, 2013
Owl Café Meeting Room

At 11:00 AM, in attendance were Linda Frickel and Judy Goldsby from the board, and Mayor Ken Olson, Heidi Jensen, and Monica Plecker from the City. As this did not constitute a forum, there was no meeting called. At 11:30, Daniel Klein arrived and at that time a meeting was called to order.

Minutes:
Minutes were approved as submitted with no changes or corrections.

Reports:
No reports were submitted.

Board discussion and action:
Mayor Ken Olson addressed the group with regard to the need of a person hired to direct the LURA group. He felt that the board, while well intentioned, does not have the time or the training to bring the needs of the business community before the board. The mayor, Heidi, and Monica have attended the EBURT (East Billings Urban Renewal District) and felt that there was a wealth of information there that we could benefit from. It was agreed by the board that we should request a representative from EBURT to attend our next meeting and give input and advice to our board.

There was further discussion on the poor attendance of our Monday meetings. Some have voiced opinions on conflicts and timing of our meetings. It was agreed that a morning meeting might be better attended. It was further agreed that perhaps a breakfast meeting would be better. Daniel made a motion, seconded by Linda that we make our July 15th meeting a breakfast meeting at 7:30 AM, and further the board will pay for the breakfast of those in attendance. Motion passed. We will include a breakfast menu with our agenda, and ask that those who plan on attending submit their order in advance of the meeting date.

There were no façade or technical assistance grant applications submitted.

There being no further action, meeting was adjourned.

Next meeting July 15, 2013, 7:30 A.M., Owl Café Meeting Room

Judy Goldsby, Chair
Dean Rankin, Vice Chair

CITY HALL
115 W. 1ST ST.
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City Of Laurel

P.O. Box 10
Laurel, Montana 59044

Office of the City Planner

7/30/2019

City Council Talking Points regarding Rescinding Resolution R-08-123 LURA Statutory Powers

Urban Renewal Plan states that:

- "The Use of Tax Increment Financing is one of a few tools available to municipalities in the State of Montana that allows that municipality to **improve the community infrastructure** without raising property taxes or mill amounts to do it."

Three Directives:

1. **Adopt currently existing design and economic guidelines** that are critical in how the design of projects aided by tax increment financing should look
2. **Establish tax increment financing as a tool** to encourage urban renewal
3. **Define and establish how the Laurel Urban Renewal District is the be managed**

Guidelines established to have development exist within a framework to create cohesion within the district.

Goal: **An economically and culturally vibrant Downtown Laurel**

- Preserve and promote economic development of downtown laurel
- Create a strong central 'core' for our community
- Establish downtown as a recognizable landmark

Goal: **To Create a vibrant and cohesive extension of the core Downtown Laurel area.**

- Adopt where it makes sense the positive aspects of the downtown core
- The Laurel Urban Renewal District becomes known as a part of downtown rather than a separate area

Goal: **Improve Traffic patterns to further enhance the business experience for the owner and the consumer**

- Slow down traffic to facilitate more shopping opportunities and business exposure
- Reconfigure traffic patterns where it makes sense to encourage two way traffic and theoretically double business exposure
- Improve the pedestrian environment by adding well designed streetscape and sidewalks

Goal**: Create a Destination Place where people will want to repeatedly visit**

- Through streetscape and street front improvements to manufacturing and industrial uses, create a friendly and aesthetically pleasing environment
- Be conducive to out of town customers to obtain goods and services that cater to trucks and trailers
- Create a sense of pride through home ownership

- Improve quality of life
- Encourage more live-work environments
- Reduce crime in the area

Goal: **Have state of the art, updated utilities and infrastructure**

- Bring up to code water, sanitary sewer, storm sewer, and electrical services

Goals in Regards to Growth Management Plan

Goal: **The Attractiveness of our community needs improvement**

- Preserve and promote economic development of downtown Laurel
- Create a strong central 'core' for our community
- Establish downtown as a recognizable landmark

Goal: **More Housing and Business choices within the district**

- Improve the quality of life
- Encourage more live-work environments
- Reduce commuting and subsequent drain on natural resources
- Develop more self-contained neighborhoods

Focus on Mixed use developments and greater variety of choices
Reduction of vehicle commuting

Goal: **Rational Consideration of all public funds expenditures**

- Identify and prioritize district needs
- Empower public to provide direction on infrastructure improvements expenditures
- Leverage public funds with other resources

Five potential growth factors

1. Improvements to existing businesses and land uses
2. Downtown housing that serves the needs of local residents
3. Expand opportunity for medical offices and clinics that complement and expand the current medical services and facilities in Laurel
4. Retail influx that is combined with a conference center, offices, or entertainment establishments
5. Professional offices to expand opportunities for new or relocated businesses

The LURA Board meets monthly to discuss any new grant applications for the large grant, façade, and technical assistance programs. These meetings also contain general conversation about ongoing projects and new developments within the District. Members of the LURA Board are active, engaged, thoughtful, and experienced in their many different fields. They bring many viewpoints to the discussions on the grant applications and provide important input. LURA Members are dependable in attending meetings and voicing their opinions regarding local issues/topics.

There are stated review criteria for grants that include:

LURA Application Review Criteria	
Relevance to the Laurel Gateway Plan	Impact Assessment
Economic Stimulus	Financial Assistance
Tax Generation	Project Feasibility
Employment Generation	Developer Ability to Perform
Elimination of Blight	Timely Completion
Special or Unique Opportunities	Payment of Taxes

I value the thoughtful and insightful viewpoints of the LURA Members while at the same time see that there has been a major breakdown in the understanding of the role and purpose of LURA. LURA functions under the city council, and within the larger TIF District as an advisory board. Resolution R08-123 outlined specific responsibilities for LURA and its membership.

Resolution R08-123

The City hereby authorizes and assigns the following urban renewal project powers to LURA:

1. To formulate and coordinate a workable program as specified in MCA 7-15-4209
2. To prepare urban renewal plans
3. To prepare recommended modifications to an urban renewal project plan
4. To disseminate blight clearance and urban renewal information
5. To enter any building or property in any urban renewal area in order to make surveys and appraisals in the manner specified in MCA 7-15-4257
6. To prepare plans for the relocation of families displaced from an urban renewal area and to coordinate public and private agencies in such relocation
7. To prepare plans for carrying out a program of voluntary or compulsory repair and rehabilitation of buildings and improvements
8. To conduct appraisals, title searches, surveys, studies, and other preliminary plans and work necessary to prepare for the undertaking of urban renewal projects
9. To negotiate for the acquisition of land
10. To study the closing, vacating, planning, or re-planning of streets, roads, sidewalks, ways, or other places and to make recommendations with respect thereto, and
11. To perform such duties as the local governing body may direct so as to make the necessary arrangements for the exercise of the powers and performance of the duties and responsibilities entrusted to the local governing body

Much time is spent within the approved Urban Renewal Plan discussing housing, transportation, and mixed-use development. These items are discussed in conjunction with place-making, transportation improvements, housing improvements, and building a downtown destination.

The business community is not the primary beneficiary of the TIF District. The wider Laurel community itself is the beneficiary. These funds are able to be used for creating a more robust and diverse Downtown area through community infrastructure projects, streetscape improvements, traffic safety changes, housing planning, facility upgrades, and other vital projects.

The tone of the ongoing conversations surrounding the East Downtown Infrastructure Improvements Project (EDII) has revealed that while the board members care deeply about the TIF District and Laurel, they have been misinterpreting the role of the Board and the stated/official purpose of the TIF District itself. This has showed that there is a great need to regularly review to the bylaws and founding documents, to communicate with city council, and to ensure that their grant awards are approved properly and are in line with the aims of the TIF District itself.

It is my opinion that a great deal of opportunity has been wasted by not utilizing the original stated powers of the board, and the established goals, objectives, and responsibilities to focus on larger scale projects and focusing on more traditional development patterns within the District. There has been an overall lack of cohesion when it comes to considering projects within the District, especially the SE 4th area.

The TIF District and the LURA Board present great opportunities to assist in the funding of projects and to gain feedback and insight from interested community members. It would be useful to think on the founding documents, discuss the effectiveness of the Board and the projects thus far, and to decide if any changes are necessary to help move the board, the district, and the downtown vision forward.