

---

# CITY OF DEER LODGE

---

# COUNCIL AGENDA

February 22, 2022, | 6:00 PM | PC Community Center

**1. Call Meeting to Order | Pledge of Allegiance**

**2. Public Comment:** Members of the audience may comment on any non-agenda item. State Statute prohibits the City Council from discussing any introduced item. The Council limits each person to three minutes to ensure there is sufficient time for all comments. The Council respects all comments and will have staff follow up any questions.

**3. Approval of Minutes**

Regular Meeting: February 7, 2022

**4. Public Hearing:**

a. None

**5. Department Reports:**

a. CAO | b. Public Works | c. Police | d. Code Enforcement | e. Fire

**6. Mayor and Council Concerns:** (ONLY Concerns that are not on Business Items). This is a time when Council Members or Mayor can bring a concern before the Council that is not otherwise listed on the Agenda. NO action can be taken at this time. If action is necessary, the item is put on the next meeting agenda.

**7. Continued Business Items:** The Council will act on each item after accepting public comments.

a. None

**8. New Business Items:** The Council will act on each item after accepting public comments.

- a. Approve appointment to Deer Lodge Valley Conservation District: Jeff McQueary – Mayor Jess
- b. Approve appointment to Historic Preservation Committee: Kirby Matthew – Mayor Jess
- c. Approve appointment to Historic Preservation Committee: Amanda Cooley – Mayor Jess
- d. Marijuana Regulation Discussion – Jordan
- e. Montana Historical Preservation Grant Application: Introduction – Jordan
- f. Montana Historical Preservation Grant Application: Request FY2023 and FY2024 Match – Jordan
- g. Montana Historical Preservation Grant Application: Designate Environmental Certifying Officer – Jordan
- h. Montana Historical Preservation Grant Application: Environmental Review and Public Comment – Jordan
- i. Resolution 2022-R-8: Certify MHPG proposed project as Exempt – Jordan
- j. Approval of Successful Deer Lodge Community Profile – Jordan
- k. Interview and Potential Appointment to Vacant Ward 1 Council Seat: Joe Callahan – Mayor Jess

**9. Next Meeting Announcement(s)**

a. Regular Meeting – March 7, 2022, at 6PM

**10. Adjournment**

---

Deer Lodge City Council meets in the PC Community Center | 416 Cottonwood Ave | Deer Lodge, MT 59722

For Further Information, Contact | Cyndi Thompson | City Clerk | [cthompson@cityofdeerlodgemt.gov](mailto:cthompson@cityofdeerlodgemt.gov) | 406.846.2238

# **CITY COUNCIL MINUTES**

**The City Council met on February 7, 2022, at 6 PM | PC Community Center**

<b>Members Present:</b>	Dick Bauman, Robert Kersch (via zoom), John Skibsrud, John Henderson, John Molendyke (via zoom), & Curt Fjelstad
<b>Members Absent:</b>	Jackie Greenwood
<b>Mayor:</b>	James Jess
<b>CAO:</b>	Jordan Green
<b>Staff:</b>	Police Chief Smith, Suzan Callahan, Trent Freeman, Peter Elverum, Cyndi Thompson
<b>Consultants</b>	None
<b>Guests:</b>	See sign in sheet

**1. Call Meeting to Order | Pledge of Allegiance**

Mayor Jess called the meeting to order at 6 PM. All present recited the Pledge of Allegiance.

**2. Public Comment.**

- a. Desera Towle presented: As the 2022 tourist season approaches, we have been evaluating how to improve business operations of the DL Art Club. Recent research reveals that a Point of Sale (POS) credit card transaction can increase sales by as much as 12-18%. It is also known fact that just displaying the Visa and Mastercard logos increase sales. We have always been a cash only business. Deer Lodge Art Club seeking ARPA funding in the amount of \$1,000 to assist in the cost to install "Square" a financial POS software.
- b. Public Comment: Ms. Bohrer asked about doing live City Council Meeting.

**3. Public Hearing.**

- a. Master Fee Schedule – Jordan

Action Item: Vote on Acceptance of Resolution 2022-R-4

The Master Fee Schedule was presented to Council on January 24<sup>th</sup> for Councils review and/or changes. Correction to Title 10 was parking meters, regulations and the cost associate with the violations and adding verbiage for repeated offenders.

The final Master Fee Schedule currently presented reflecting changes as discussed in the January 24<sup>th</sup> council meeting.

Public Hearing opened: 6:06PM -- No public comments.

Public Hearing closed: 6:06pm

Member Henderson titled Resolution 2022-R-4

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEER LODGE ESTABLISHING NEW FEES AND CHARGES FOR PERMITS, LICENSES, SERVICES, AND FACILITIES PROVIDED BY THE CITY OF DEER LODGE AND AMENDING AND RESCINDING THE CITY'S PREVIOUS COMPREHENSIVE FEE SCHEDULE.**

Member Kersch motioned to approve the final Master Fee Schedule; Resolution 2022-R-4 as presented. Council President Bauman seconded the motion. 6 Ayes, 0 Nos, 1 Absent, 1 Vacant. Motion passed.

b. ROW Abandonment: Peggy White – Jordan

Action Item: Vote on Acceptance of Resolution 2022-R-5

The City of Deer Lodge on August 13, 2021, received a Request for Abandonment of City Owned Property from Peggy White of an approximately 25-foot by 50-foot portion of an alley directly north of a tract of land with the legal description of Section 33, Township 08 North, Range 09 West, C.O.S. 835RB, Lot 11A and with the address of 413 Park Street that is owned by the applicant, Peggy White.

The Public Works Committee at their August 24, 2021, meeting reviewed the request and presented by the Chief Administrative Officer and found no concerns as the abandonment shall not affect any public utilities and as such, agreed to forward the request for approval of the City Council.

The City Council at their September 7, 2021, meeting reviewed the request and report presented to the Public Works Committee and elected to forward the request to a public hearing.

The Chief Administrative Officer and the City's contracted Examining Land Surveyor reviewed the quitclaim deed and amended plat as provided by the applicant's contracted surveyors and found that they were appropriate and valid for filing with the Powell County Clerk and Recorder.

The City Council held a duly notice hearing on February 7, 2022, to accept public comments regarding the proposed alley abandonment.

The City Council of the City of Deer Lodge to adopt Resolution 2022-R-5 to abandon the described property and have it cease being the property of the City of Deer Lodge. FURTHER, to authorize the Mayor to execute a quitclaim deed with the applicant for said described property.

The Request for Abandonment of City Owned Property from Peggy White, the amended plat legally describing said property, and the quitclaim deed for said property are attached to Resolution 2022-R-5.

Public Hearing opened: 6:16PM – No public comment

Public Hearing closed : 6:16PM

Member Skibsrud titled Resolution 2022-R-5.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEER LODGE ABANDONING A 25-FOOT PORTION OF THE CITY RIGHT OF WAY DIRECTLY TO THE NORTH OF THE TRACT OF LAND WITH THE LEGAL DESCRIPTION OF SECTION 33, TOWNSHIP 08 NORTH, RANGE 09 WEST, C.O.S. 835RB, LOT 11A AND WITH THE ADDRESS OF 413 PARK STREET AND AUTHORIZING THE MAYOR OF THE CITY OF DEER LODGE TO EXECUTE A QUITCLAIM DEED OF SAID PROPERTY TO PEGGY WHITE AND ANY AND ALL SUCCESSORS.**

Council President motioned to approve Peggy Whites ROW Abandonment; Resolution 2022-R-5 as presented. Member Henderson seconded the motion. 6 Ayes, 0 Nos, 1 Absent, 1 Vacant. Motion passed.

- c. ROW Abandonment: Terry and Kathy White – Jordan  
Action Item: Vote on Acceptance of Resolution 2022-R-6

The City of Deer Lodge on September 17, 2021 received a Request for Abandonment of City Owned Property from Terry and Kathryn White of an approximately 25-foot by 60-foot portion of an alley directly north of two tracts of land with the legal descriptions of Section 33, Township 08 North, Range 09 West, C.O.S. 835RB, Lots 13A and 14 and with the addresses of 113 and 117 West Milwaukee Avenue that is owned by the applicants.

The Public Works Committee at their September 28, 2021, meeting reviewed the request and report presented by the Chief Administrative Officer and found no concerns as the abandonment shall not affect any public utilities and as such, agreed to forward the request for approval of the City Council.

The City Council at their October 4, 2021, meeting reviewed the request and report presented to the Public Works Committee and elected to forward the request to a public hearing.

The Chief Administrative Officer and the City's contracted Examining Land Surveyor reviewed the quitclaim deed and amended plat as provided by the applicant's contracted surveyors and found that they were appropriate and valid for filing with the Powell County Clerk and Recorder.

The City Council held a duly notice hearing on February 7, 2022, to accept public comments regarding the proposed alley abandonment.

The City Council of the City of Deer Lodge to adopt Resolution 2022-R-6 to abandon the described property and have it cease being the property of the City of Deer Lodge. FURTHER, to authorize the Mayor to execute a quitclaim deed with the applicant for said described property.

The Request for Abandonment of City Owned Property from Terry and Kathryn White, the amended plat legally describing said property, and the quitclaim deed for said property are attached to Resolution 2022-R-6.

Public Hearing opened: 6:20PM – No public comment

Public Hearing closed: 6:20PM

Council President Bauman titled Resolution 2022-R-6

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEER LODGE ABANDONING A 25-FOOT BY 60-FOOT PORTION OF THE CITY RIGHT OF WAY DIRECTLY TO THE NORTH OF THE TRACTS OF LAND WITH THE LEGAL DESCRIPTION OF SECTION 33, TOWNSHIP 08 NORTH, RANGE 09 WEST, C.O.S. 835RB, LOT 13A AND LOT 14 AND WITH THE ADDRESSES OF 113 AND 117 WEST MILWAUKEE AVENUE AND AUTHORIZING THE MAYOR OF THE CITY OF DEER LODGE TO EXECUTE A QUITCLAIM DEED OF SAID PROPERTIES TO T W BARR, LLC AND ANY AND ALL SUCCESSORS.**

Member Henderson motioned to approve Terry & Kathy Whites ROW Abandonment; Resolution 2022-R-6 as presented. Member Kersch seconded the motion. 6 Ayes, 0 Nos, 1 Absent, 1 Vacant. Motion passed.

d. ROW Abandonment: Brad's Storage-- Jordan -

Action Item: Vote on Acceptance of Resolution 2022-R-7

The City of Deer Lodge on June 18, 2021 received a Request for Abandonment of City Owned Property from Brad's Storage, LLC of an approximately 65-foot by 150-foot portion of an alley between the tracts of land with the legal descriptions of (A) Northwest Townsite Section 32, Township 08 North, Range 09 West, Block 4, Lot 1 – 5 and (B) Northwest Townsite Section 32, Township 08 North, Range 09 West, Block 9, Lot 1 – 5, and 10x150 Alley Abandonment, see Book 124, Page 266 that are both owned by the applicant and are identified on Exhibit A to the attached quitclaim deed

The Public Works Committee at their July 26, 2021, meeting reviewed the request and report presented by the Chief Administrative Officer and found no concerns as the abandonment shall not affect any public utilities and as such, agreed to forward the request for approval of the City Council. FURTHER, the Public Works Committee elected to decrease the cost of said abandonment from the amount calculated in the staff report to the amount of \$6,500.00 as indicated in the attached quitclaim deed

The City Council at their September 7, 2021, meeting reviewed the request and report presented to the Public Works Committee and elected to forward the request to a public hearing.

The Chief Administrative Officer and the Powell County Clerk and Recorder reviewed the quitclaim deed and attached Exhibit A as provided by the applicant's contracted surveyors and found that they were appropriate and valid for filing with the Powell County Clerk and Recorder.

The City Council held a duly notice hearing on February 7, 2022, to accept public comments regarding the proposed alley abandonment.

The City Council of the City of Deer Lodge to adopt Resolution 2022-R-7 to abandon the described property and have it cease being the property of the City of Deer Lodge. FURTHER, to authorize the Mayor to execute a quitclaim deed with the applicant for said described property.

The Request for Abandonment of City Owned Property from Brad's Storage, LLC, the quitclaim deed for said property, and Exhibit A to the quitclaim deed which describes said property are attached to Resolution 2022-R-7.

Member Skibsrud objects to this as we did not charge them to what we valued the ground at. Jordan stated it was recommended to the Public Works Committee at the value of \$10,000, and that was decreased by the Public Works Committee in their recommendation to Council for \$6,500.00. Member Skibsrud second objection: if we are subsidizing a business, unless we are willing to do that for all businesses, he feels this is something we shouldn't approve.

Public Hearing opened: 6:25PM

Brad Ford, owner of Brad's storage stated: the reasoning for the request is to build more storage units and make it more cost effective for his business. Brad talked about what his taxes would be and what taxes are currently per building.

Public Hearing closed: 6:26PM

Member Kersch titled Resolution 2022-R-7.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEER LODGE ABANDONING A 65-FOOT BY 150-FOOT PORTION OF THE CITY RIGHT OF WAY BETWEEN THE TRACTS OF LAND WITH THE LEGAL DESCRIPTIONS OF (A) NORTHWEST TOWNSITE SECTION 32, TOWNSHIP 08 NORTH, RANGE 09 WEST, BLOCK 4, LOT 1 - 5 AND (B) NORTHWEST TOWNSITE, SECTION 32, TOWNSHIP 08 NORTH, RANGE 09 WEST, BLOCK 9, LOT 1 - 5, AND 10X150 ALLEY ABANDONMENT, SEE BK 124, PG 266 AND AUTHORIZING THE MAYOR OF THE CITY OF DEER LODGE TO EXECUTE A QUITCLAIM DEED OF SAID PROPERTIES TO BRAD'S STORAGE, LLC AND ANY AND ALL SUCCESSORS.**

Member Fjelstad motioned to approve ROW Abandonment: Brad's Storage, Resolution 2022-R-7 as presented. Council President Bauman seconded the motion. 5 Ayes, 1 Nos, 1 Absent, 1 Vacant. Motion passed.

#### **4. Approval of Minutes.**

a. Regular Meeting: January 24, 2022

Member Kersch motioned to approve minutes as presented. Member Henderson seconded the motion. 6 Ayes, 0 Nos, 1 Absent, 1 Vacant. Motion passed.

b. Special Council Meeting: February 2, 2022

Member Henderson motioned to approve minutes as presented. Council President Bauman seconded the motion. 5 Ayes, 0 Nos, 1 abstained 1 Absent, 1 Vacant. Motion passed.

#### **5. Committee Reports, January 2022 – Accepted as presented.**

a. Council Ops – Rob Kersch (Chairperson)

Met January 10, 2022, No committee meeting had MSU Local Government Training with Ashley Kent.

b. Finance – Dick Bauman (Chairperson)

Met January 3, 2022 – No January report from Council President Bauman. Read February's report so the Council was aware of what took place in today's Finance meeting.

c. Economic Growth & Development – Vacant

Meeting cancelled – No quorum.

d. Parks & Recreation – Vacant

Meeting cancelled – No quorum.

e. Public Health & Safety – John Skibsrud (Interim Chairperson)

Met on January 13, 2022, short meeting reviewed and discussed Department Reports.

f. Public Works – John Molendyke (Chairperson)

No meeting

#### **6. Board Reports -January 2022**

a. Airport Board – John Skibsrud

Discussed land swaps purchasing property, new tires for the new loaner car, \$800thousand dollars to work with this year, no new update on the Rembrandt Hanger.

- b. Powell County Parks Board – Vacant  
No Report
- c. Chamber of Commerce – John Henderson  
Moving forward with doing Chamber After Hours quarterly. Updated Trim the Town and will be doing Leprechaun's event. Discussed the Southwestern Montana Tourism, Ghost Tours, Jordan attended the meeting and gave a City update. Will be doing a budget follow-up meeting. Next meeting will be February 8<sup>th</sup> at noon at the Golden Spike Casino.
- d. Headwaters RC&D – Dick Bauman  
No Report, no meeting
- e. Historic Preservation – Curt Fjelstad  
No Report
- f. Landfill – Rob Kersch  
No Report
- g. LEPC – Dick Bauman  
No Report, no meeting. Next meeting will be March 23<sup>rd</sup>.
- h. Library – John Molendyke  
No Report, next meeting will be February 16<sup>th</sup>.
- i. Planning Board – Dick Bauman  
No meeting. No report.
- j. Youth Board – Jackie Greenwood  
No Report

**7. Continued Business** *(old/continued Business or Items Tabled)*

- a. None

**8. Business Items - The Council will act on each item after accepting public comments.**

- a. Treasurer's Report | January Claims - Judi Whitney. Receive the informational report. Accept the recommendation from the Finance Committee and approve the claims.

Council President Bauman motioned to approve January claims as presented. Member Henderson seconded the motion. 6 Ayes, 0 Nos, 1 Absent, 1 Vacant. Motion passed.

- b. City Treasure Acceptance – Jordan  
Jordan stated: the hiring committee which consisted of Jordan, Mayor Jess, Judi Whitney (City Treasurer), and Cyndi Thompson (City Clerk).

We interviewed 5 candidates for City Treasurer, there was one candidate that exceeded the rest. His name is Stanley Glovan, and out of all the candidates we interviewed he had the most experience with just graduating with a degree with business option from Montana Tech, he served in the Army for 18 years, and had spent time working at the Mt State Prison. We brought in Stanley to sit with the current Treasurer to do a preliminary training with Judi. We decided with the recommendations from the hiring committee and the exceptional prelim training we asked him to attend the Finance meeting today, just

a quick meet and greet should the Finance Committee have any questions for Stanley. The Finance Committee unanimously recommend a hiring to the City Council for Stanley Glovan. An effect start date would be February 11, 2022. This will give Stanley a good amount of time to work with Judi and get the training he needs. We would like to start him at the pay of \$47,000 per year which is approximately \$22.59 per hour with the stipulation that after 6 months positive performance evaluation he will receive another \$500.00 a year, and after another 6 months positive performance evaluation he will receive another \$500.00 a year. That will bring his annual income to \$48,000 after the first year.

Member Skibsrud asked if he is a resident of Deer Lodge. Mayor Jess replied, yes, he is.

Member Kersch asked if those contingencies are also based on him getting certified.

Jordan stated: The CPFA Certification at minimum is a 5–6-year certification. The increases are based on a positive evaluation after that 6- & 12-month performance.

Mayor Jess stated, there were pay raises in the job description itself. Those are raises we will discuss later.

Council President Bauman motioned to approve the hiring of Stanley Glovan as City Treasurer and at the pay rates that were discussed. Member Kersch seconded the motion. 6 Ayes, 0 Nos, 1 Absent, 1 Vacant. Motion passed.

#### **9. Schedule of Committee Meetings** – Tentative until confirmed by Committee Chairs.

- Council #2 – February 22<sup>nd</sup> at 6PM
- Board of Adjustment – No Meeting
- City Council Operations – February 14<sup>th</sup> at 5PM
- Economic Growth & Dev – February 3<sup>rd</sup> at 1PM
- Finance – February 7<sup>th</sup> at 3PM
- Parks and Recreation – February 8<sup>th</sup> at 4PM
- Planning Board – February 22<sup>nd</sup> at 10AM (if needed)
- Public Health & Safety – February 10<sup>th</sup> at 5PM
- Public Works – February 23<sup>rd</sup> at 5PM – **moved to a Wednesday due to Council on Tuesday the 22<sup>nd</sup>**

#### **10. Mayor & Council Concerns:** (ONLY Concerns that are not on Business Items). This is a time when Council Members or Mayor can bring a concern before the Council that is not otherwise listed on the Agenda. NO action can be taken at this time. If action is necessary, the item is put on the next meeting agenda.

- a. Member Kersch asked about the status of the Code Enforcement new vehicle.
- b. Trent discussed the termination of the WWTP Operator. Job posting for in house will be up till February 18<sup>th</sup>, if there is no interest from in-house, then the job posting will go out for posting.
- c. Trent due to some sampling requirements that were not met 2021, we received a violation letter from the DEQ, which we will sample and report to the DEQ within the next 10 days. By law we must send a letter to all city account holders notifying them of the violation. Its not an Out of Compliance Violation, its just a Sample Violation.
- d. Mayor Jess discussed with Council about Council etiquette and following the Bylaws.
- e. Mayor Jess discussed with the committee the vacant seat in Ward 1. We need to get this filled.

#### **11. Next Meeting Announcements**

- a. Regular Meeting: **Tuesday, February 22<sup>nd</sup> at 6 PM.** – Monday February 21st City Hall closed Presidents Day.



**12. Adjournment**

Mayor Jess adjourned the meeting at 6:54PM.

Prepared By: Cyndi Thompson, City Clerk

\_\_\_\_\_  
James Jess, Mayor

\_\_\_\_\_  
Date

# CITY OF DEER LODGE

## CAO REPORT

February 2022

---

### PROJECT SUMMARIES

---

#### **Municipal Budget**

- Rural Fire District contract has been renegotiated. Contract has been accepted by Finance Committee and am awaiting Rural Fire District confirmation before it will be sent to Council.
- Have requested department head draft budgets for next fiscal year. Had first meeting with Police and Fire Departments last Friday.

#### **City Planning**

- Successful Deer Lodge: received final draft ready for Council approval.
- Working on contract and logistics with Nitro Green landscaping for pruning and replacement of Main St trees. Must apply for an MDT ROW Encroachment permit, which am currently working on. Expecting work done early April.
- County Parks Board Trails Subcommittee is refocusing on using City/County Parks and Trails for events. Anyone who is interested in joining the Park/Trail subcommittee should contact the Powell County Planning Department.
- Have sent out in-kind and material donations list for the skatepark. Getting donations will help improve the size and quality of the skatepark. Have had first meeting with developers, who are in design process for the park at this time. Reached back out last week and they are still developing.
- Finalized quitclaim deeds for ROW abandonments.

#### **Grants**

- Wrote Request for Proposals (RFP) for CDBG Planning Grant funded Growth Policy.
- FEMA Pre-Disaster Mitigation Grant buy/sell is signed but had to be amended again for closing date of March 20 per owner requirements. No change to grant period of performance. Asbestos inspection complete and quote received.
- Stahly is working on sign design ideas for the Tourism Grant kiosk project. Stahly designer is inquiring about digital signage costs. Have received initial design drafts and am setting up meeting with Stahly designer to discuss. Helped create and review survey to determine impact of project per grant requirements.
- DEQ Brownfields Department has applied for a brownfield grant on behalf of the City and County superfund sites.
- Working with Powell County School District on using American Rescue Plan (ARPA) funding for improvements to mental health capacity in the High School. Received initial numbers from Rick Duncan and will begin working on draft contract to submit to Council.

- Submitted two ARPA competitive grant applications for well and I & I projects. Expecting a high score on the I & I project.
- Have begun looking at competitive grant opportunities through federal infrastructure bill.
- Rewrote Montana Historical Preservation Grant application for 2022 cycle.
- Brainstorming ideas for AARP Community grants. Used for civic engagement, vibrant public spaces, and public access. See me if have any ideas as we can submit multiple applications.
- Trent and I are working on finding grant funding for signage improvements throughout town now that city-wide signage is digitalized in our system.

### **City Hall & Employees**

- iWorQ code enforcement and building permitting software up and running and is being used by City Staff. All historic building permit data is now in system.
- Suzan is on light duty for the time being due to spraining an ankle while chasing a dog.
- Received Code Enforcement vehicle and it is getting outfitted with light and decal. Working with public works to figure out what to do with old vehicle.
- City facility cameras installed January 31<sup>st</sup> and we will have a reinspection later this week.
- Stanley Glovan started as City Treasurer February 11 and is currently in training.
- Had Youth Room electrical inspection completed and am waiting on a quote from DeSilva.

### **Floodplain Administration**

- Received first draft of new floodplain boundaries from DNRC. So far, very minor changes to floodplain boundaries in Deer Lodge. City should expect final updated maps in 2025.

### **Economic Development**

- Applied for a Rural Reimagined grant with County Planning Director and Extension to aid in local business and tourism education. Received notice last week we were awarded grant funding and will be working with the two of them on how to administer funding for this project.
- I am a member of two Headwater's workforce committees which have been meeting monthly. We are working on economic development information handouts for both businesses and employees in SW Montana, which will soon be available.
- Coordinating with county on several potential industrial park projects in and around the city.

### **INTEREST ITEMS FOR CITY COUNCIL**

- Hazardous materials fully removed from Hotel Deer Lodge per Public Health and Safety Committee request to non-profit.
- All Titles except Title 1 submitted to American Legal for legal review. Awaiting feedback before we pass Title 1, which will be last step for codification.

# CITY OF DEER LODGE

## Public Works Report

January 2022/February 2022

---

### PROJECT SUMMARIES

---

#### **Street Maintenance**

- Sanding
- Snow Removal

#### **Sewer Utility**

- Annual Maintenance of Sewer Mains

#### **Parks and Rec**

- Received swing equipment for the JC Park swing set upgrade which will be installed this spring

#### **Water**

- SCADA system needs upgrade. Had a walk through with the same company that we use for the WWTP SCADA system

#### **Solid Waste**

- Nothing to Report

#### **Mosquito Abatement**

- Nothing to Report

### INTEREST ITEMS FOR CITY COUNCIL

---

- New well project will go out to bid in March
- Drying Beds Project will go out to bid in March
- Finalizing contract documents for the 2022 Street Maintenance Project
- Finalizing contract documents for the Cottonwood Street Drainage Project
- Submitted Annual SWPPP Report to DEQ
- Submitted Annual Biosolids Report to DEQ
- Main St. ADA project Final Walkthrough
- WASER Project kickoff meeting with Stahly

### COVID-19 RESPONSE

---

*Currently the Public Works Crew is moving forward on anticipated projects while working safely, practicing enhanced hygiene, and using personal protective equipment as directed.*



Chief George Smith

# CITY OF DEER LODGE

## Police Department

300 Main St. Deer Lodge, MT. 59722

Phone: (406) 846-9585

Fax: (406) 846-2500

---

### January 2022 Police Department Report

#### Total Calls for Service:

**173**

911 Open Line:2  
Accident Non-Injury:3  
Alarm: 4  
Animal - Complaint: 10  
Care for Sick/Injured:1  
Citation Service: 1  
Civil Standby:2  
Courtesy Ride:4  
Death Notification:1  
Disturbance: 1  
Dog Bite: 1  
Domestic: 5  
Drugs: 1  
Extra Patrol  
Requested: 1  
Gas Drive off: 1  
Gas Odor: 1  
Harassment: 2  
Hit and Run: 2  
Juvenile Problem: 1  
Littering: 1  
Minor In Possession:4  
Parking Complaint:2  
Probation Officer  
Check: 2  
Property Damage  
Total: 1  
Property Lost Total: 1  
Reckless Driving  
Total: 1  
Request Ambulance  
Total: 4  
Request Officer: 8

Sexual Assault: 1  
Theft: 1  
Traffic Accident: 4  
Traffic - Complaint: 1  
Traffic - Hazard: 1  
Traffic - Slide Off: 1  
Traffic Stop: 21  
Traffic - Wrong Way Driver: 2  
Trespass to Property: 1  
Unwanted Person(s): 2  
VIN Inspection: 2  
Welfare Check: 5  
With Prisoner(s): 2

#### Total Citations Issued: 31

##### Highlights

2 DUIs  
4 MIP related Charges  
5 Drug related charges  
1 Assault on Police Officer  
1 Vandalism



# CODE COMPLIANCE REPORT

## January 2022

### **HIGHLIGHTS**

---

- Fire at 102 Kohrs ruled not arson and I'm working with tenant and landowner to clean up fire mess. Pictures taken. Complaints by neighbors taken and copies of the city ordinances were given to them.
- Dead deer found in the middle of Texas Ave. Removed to park area adjacent to power station.
- Two calls about trash cans not the residences in other neighbor's driveway blocking parking. Removed issue resolved.
- Two adoptions for dogs completed.
- Issue with feuding neighbors, snow blowing rocks on vehicles was addressed and photo taken. Both were told to stop harassing the other. Referred them to City Hall and civil court if harassment continues. File updated, ongoing issue.
- Sidewalks have been monitored and the city is doing well with helping those that can't help themselves.

### **PROJECT SUMMARIES**

---

- Junk Vehicle Program- Chad Lanes meeting was conducted on 1/26/2022 at Anaconda Court house with Joe Ungaretti (code enforcement). Meeting to be set by CAO Green and Mr. Lanes to go JVP and iron out minor issues. Updates to follow meeting.
- Community workers still owe hours and have come got their hour sheets. They are working off their hours with Juvenile services with their uncle at a construction site. Judge Gallagher notified.
- Helped take DLPD new vehicle to Livingston with no issues and will offer help to retrieve it.
- 78 dog licenses done and complete.

### **INTEREST ITEMS FOR CITY COUNCIL**

---

- Spoke to BSN railway on 1/11/2022- They were advised and had received a letter stating their property located within city limits was unkept and a fire hazard. They were also informed that the lot behind RAC wood warehouse was having vehicle, signs, glass, and debris dumped on it. They will be working with me this Spring to start cleaning up. Email confirms correspondence.

### **STAFFING CONCERNS**

---

- I fell and injured myself chasing a dog through playground chasing kids. On Modified duty.
- A K-9 vehicle has come up for sale and waiting on approval.



# FIRE DEPARTMENT REPORT

JANUARY 2022

## HIGHLIGHTS

---

### **4 Calls for Service:**

- **1 Structure Fire** - Garage in an alley east of JC Park. Garage and 2 sheds were a total loss. The fire was trying to catch the west end of the residence, but a good fire attack kept the damage to just some melted siding. The fire started within the main garage, but cause is unknown and not suspicious.
  
- **2 Vehicle Fires:**
  - 1 was a USPS truck. The fire was contained to the engine compartment and put out quickly.
  - 1 was a semi-truck with a multi car hauler type trailer. Back right wheel bearing caught fire. The driver kept the flames knocked down with an extinguisher till our first truck arrived. The fire damage was contained to just the wheel area.
  
- **1 Powell EMS Assist Call:**
  - We were asked if some crew could help with a patient lift assist. We gladly helped.

## INTEREST ITEMS FOR CITY COUNCIL

---

- We did our annual Christmas tree pick up. We ended up only getting about 50 total trees. This seems to be on the decline every year with households preferring "fake" trees. The department might explore other options next year such as a drop off by the fire hall or maybe even not doing it at all.
  
- Still waiting to get back with Northwestern Energy about burning the old cabin by the park. Hopefully will be meeting with them soon on it.
  
- Basic Firefighter classes have started in Butte. It sounds like I will have a few members attending some of the classes. Each week is a different module. The classes run Friday nights and Saturday days through April.



**Deer Lodge Valley  
Conservation  
District**

**1002 Hollenback Lane, Suite C  
Deer Lodge, MT 59722**

**Phone: (406) 415-4043**

**Fax: (855) 510-7027**

**Email: [Susie.johnson@mt.nacdnet.net](mailto:Susie.johnson@mt.nacdnet.net)**

February 7, 2022

City of Deer Lodge  
Mayor  
300 Main Street  
Deer Lodge, MT 59722

Dear Mayor:

The Deer Lodge Valley Conservation District would like to bring to your attention that Dwight Crawford is retiring from the Conservation District Board as Urban Supervisor. This position is appointed by the Mayor. The Deer Lodge Valley Conservation District would like for you to appoint Jeff McQueary as Unban Supervisors to the Conservation District Board for a three-year term.

Thank you for your consideration to this matter.

Sincerely,

A handwritten signature in cursive script that reads "John Hollenback" followed by a flourish.

John Hollenback, Chairman



KIRBY MATTHEW  
709 College Avenue  
Deer Lodge, MT 59722  
email: kirbymatthew@outlook.com

February 5, 2022

Mayor Jess  
300 Main Street  
Deer Lodge, MT 59722

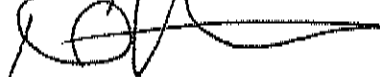
Via email

Dear Mayor:

It is my understanding that my term on the Historic Preservation Commission has expired as of December 31, 2021. I would like to request that I be reappointed for another three (3) year term.

Thank you for your consideration in this matter.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Kirby Matthew', with a long horizontal flourish extending to the right.

KIRBY MATTHEW



# Planning Department

Powell County Planning Department • 409 Missouri Ave., Suite 114 •  
Deer Lodge, Montana 59722 • 406.846.9793 • [planning@powellcountymt.gov](mailto:planning@powellcountymt.gov)

February 7, 2022

Amanda Cooley

Powell County Planning Director

Re: Request to join Historical Preservation Commission

Mayor Jess,

I am writing to express my desire to be appointed to the Historical Preservation Commission. I attended the December and January meetings and I find that the agenda and goals of the commission are in alignment with the goals I have as the planning director for Powell County. Both the county and city growth policy cite the importance of the area's history, including historic neighborhoods and deep historical roots to our unique identity and local economy. I would like to continue to support the efforts of the city and county working together. The preservation of this history is important to the future use and character of our community and I would like to be an integral part of this.

I am requesting that you write a letter to recommend my nomination to the Historical Preservation Commission. I am willing to commit to the initial three year term.

Thank you for your time and consideration,

Sincerely,

Amanda Cooley

Powell County Planning Director

**MHPG Application Section I.**

1. Applicant: City of Deer Lodge
2. Property Owner (if different from applicant):
3. Authorized Representative of Applicant: Robie Culver Title: Grant Administrator  
 Address: 3530 Centennial Drive City: Helena, MT Zip Code: 59601  
 Phone: (406) 442-8594 E-mail: rculver@seaeng.com
4. Primary Contact: Jordan Green Title: City Administrative Officer  
 Address: 300 Main Street City: Deer Lodge Zip Code: 59722  
 Phone: (406) 846-2238 E-mail: jgreen@cityofdeerlodgemt.gov
5. Project Type: Please select one type under the appropriate eligible project type

- |                     |   |   |  |
|---------------------|---|---|--|
| Historic Site:      | <input type="checkbox"/> Infrastructure | <input checked="" type="checkbox"/> Maintenance | <input type="checkbox"/> Building Code Issue |
|                     | <input type="checkbox"/> Security       | <input type="checkbox"/> Climate Control        | <input type="checkbox"/> Fire Protection     |
| Historical Society: | <input type="checkbox"/> Infrastructure | <input type="checkbox"/> Maintenance            | <input type="checkbox"/> Building Code Issue |
|                     | <input type="checkbox"/> Security       | <input type="checkbox"/> Climate Control        | <input type="checkbox"/> Fire Protection     |
| History Museum:     | <input type="checkbox"/> Infrastructure | <input type="checkbox"/> Maintenance            | <input type="checkbox"/> Building Code Issue |
|                     | <input type="checkbox"/> Security       | <input type="checkbox"/> Climate Control        | <input type="checkbox"/> Fire Protection     |

<p><b>6. Grant Funding Request Information</b></p> <p>Amount Requested: <u>\$283,500</u></p> <p>Total Amount of Leverage: <u>\$72,000</u></p> <p>Total Project Cost: <u>\$355,500</u></p>	<p><b>7. Project Address</b></p> <p>Physical Address: <u>300 Main Street</u></p> <p>City: <u>Deer Lodge</u></p>
---	---

**8. Funding Sources**

Source	Type of Funds	Amount	Status of Commitment (provide documentation)	Rates and Terms (If applicable)
Montana Historic Preservation Grant (MHPG)	Grant	\$283,500		N/A
City of Deer Lodge	City Reserves	\$72,000	Half to be obligated in FY2023 and half in FY2024	N/A

## 9. Brief Description of current project and proposed solution or activity to be completed

### a. *Background and project:*

The City of Deer Lodge City Hall, located at 300 Main Street, recently celebrated 100 years of service as a seat of local government. The building was originally constructed in 1919 under longtime Mayor Frank Conley at a cost of \$75,000. However, since that time, there has been significant deterioration to the structural elements, façade, and historic character of the building. The City would like to begin planning for restoration of the building to respect its historical significance as well as renovate the space for improved community access and enjoyment and functionality for City departmental staff.

The building is currently in need of exterior element stabilization to safeguard it from further deterioration. This immediate need is integral to the proposed Phase I of an overall plan to renovate the building. Phase I will also include the procurement of the services of professional architects/engineers to provide analysis and alternatives for renovating the interior of City Hall.

Phase I will honor City Hall's historical architecture and make it compliant with the Americans with Disabilities Act (ADA). The two-story building does not have ADA compliant access to the upper floor which leaves a large part of the building impractical for most uses. Compounding the usage issues associated with the second floor, there are no emergency exits to evacuate visitors in a safe manner. Transforming the building into an efficient space to conduct City functions as well as a gathering place for the community is a goal of Phase 2. A Preliminary Architectural Report will identify the best practices for maintaining historical character during construction and inform the City on options for maximizing the space for future use.

### b. *Description of proposed solution:*

Funding from the 2025 Biennium Montana Historic Preservation Grant Program is planned for Phase I of the project to include the exterior element stabilization and procurement of architects/engineers to perform tasks necessary to complete a Preliminary Architectural Report (PAR). This PAR will guide city staff in identifying the best practices for respecting the historical character during the future Phase 2 and inform the City on options for maximizing the space for optimal departmental and public use.

Activities that are planned to stabilize and improve the exterior of City Hall during Phase I include, but may not be limited to:

1. Reapplication of skim coating on the front columns that is peeling (flaking) away.
2. Clock tower stabilization and renovation where there are holes/gaps in the wood panels.
3. Repainting a decorated band of painted concrete.
4. Stabilization of stone or concrete mantels and lintels that are weathering and starting to erode away.
5. Mortar repair where it is pulling away from the bricks.
6. Replacement of cracked and/or non-functioning windows.

**10. Certification to Submit:**

**The undersigned authorized representative hereby certifies that** (a) the information set forth in this application is correct to the best of their knowledge; (b) they have received, read, and understood these guidelines and agrees to comply with all requirements; (c) the elected officials of the local government have formally authorized the submittal of this application, as applicable; (d) they have the authority to act on behalf of the applicant in submitting this application, and (e) agrees to comply with all applicable state or federal laws and statutes associated with carrying out the project.

_____		<u>James Jess - Mayor</u>
<b>Signature</b>	<b>Date</b>	<b>Printed Name and Title</b>

## MHPG Application Section II.

### **STATUTORY CRITERIA - A**

**up to 150 in Possible Points**

**The degree to which a project supports economic stimulus or economic activity, including job creation and work creation for Montana contractors and service workers.**

*As applicable to the proposed project, address the following in your response:*

1. Describe how your project will have an immediate economic impact in the following areas:
  - Job creation for Montana contractors, service workers, and other related jobs;

The Phase I Exterior Stabilization of the City of Deer Lodge City Hall will provide an opportunity for Montana contractors who have experience in the restoration of historic masonry structures. The creation of overall plans and construction administration of improvements will also be provided by private consulting professionals (architect/engineer).

The Phase I Preliminary Architectural Report (PAR) will require the professional services of an architect and other professional consultants who may be part of the planning project. This may include structural, site civil, mechanical, electrical, and plumbing engineers. As the project moves forward to future phases to renovate the interior of City Hall (not included in this application), a variety of Montana contractors will have the opportunity to bid on improvements.

- spillover benefits from project activities.

The proposed project will serve to increase tourism awareness of the historic significance of Deer Lodge, the second oldest city in Montana, by showcasing City Hall as an anchor to the Deer Lodge Historic District. The improvements made during Phase I will keep the structure attractive, useful, and safe for city administrative, billing, and first responder services for many years to come.

Also, interior renovations identified in the PAR that will be completed during subsequent phases of the project will improve the capacity of the building to house public events, services, and other uses. The Deer Lodge Youth Board currently cannot use the large upstairs space to its highest and best use due to the lack of ADA accessibility. Renovations informed by the PAR will make this space usable and attractive for the Youth Board's purposes as well as open the space to use by other community groups that require ADA accessibility. This project will create and improve public spaces in a community where the availability of such spaces is sorely lacking.

### **STATUTORY CRITERIA - B**

**up to 200 in Possible Points**

**The degree to which the project activity can demonstrate the purpose and need. This includes the relevancy of whether the project activity provides features that establish or enhance security, climate control, or fire protection for museums or address**

**infrastructure, maintenance, or building code issues for museums, historical societies, or historic sites.**

*As applicable to the proposed project, address the following in your response:*

1. Describe the current use and condition of the historic resource.

The Deer Lodge City Hall is used as the administrative building for City activities and houses the offices of the Mayor, City Administrative Officer, City Clerk, and City Treasurer. City utility billing and other administrative tasks that serve the residents of Deer Lodge are also conducted at City Hall. Deer Lodge City Police are stationed in City Hall with part of the building used as garage space for vehicles, both City-owned and impounded.

The Deer Lodge Youth Board, which is a volunteer organization overseen by local teachers, occupies a large area of the upper floor of the building. That large open room is available to local school age children, primarily middle school age, as a safe, drug-free meeting area where they can gather for supervised activities, play games, and receive tutoring. There is a stage in the room that has been used by DJs to conduct youth dances. In recent years, with limited access and no ADA accessibility to the room due to a lack of an elevator, use of the space has declined.

The project will address the deteriorating condition of the exterior of City Hall and allow the City to engage professional architects/engineers to plan, through preparation of a PAR utilizing the outline in the Montana Public Facilities Uniform Application, for renovations to the interior of the building in future phases.

City Hall, built in 1919, is of brick exterior with concrete façade enhancements, including Doric columns at the front of the building, designed by the original architect to “give and imposing air” as described in information provided by the Historic Preservation Commission ~~(see Attachment 1)~~. A clock tower, not originally designed for the building but donated at a later date, is also a historically significant addition to the outside of the building. During Deer Lodge's annual Territorial Days parade, City Hall concurrently celebrated the 100-year anniversary of the clock tower and opened up City Hall to tours and information regarding the history of the building and the clock mechanism itself ~~(see Attachment 2)~~. Current conditions that precipitated this project are:

1. Peeling and flaking skim coating on the front of the columns.
2. Destabilization of the clock tower stabilization due to holes and gaps in the wood panels that support it, and missing clock hands.
3. A decorated band of painted concrete that requires repainting.
4. Stone or concrete mantels and lintels that are weathering and starting to erode away.
5. Mortar pulling away from the bricks.
6. Cracked and/or non-functioning windows, as well as inefficient single-paned windows.

The PAR will help the City prioritize projects to historically renovate the interior of the building while providing a plan for the most beneficial use of space and upgrades that will modernize the use of the building. Addressing options to make the building ADA compliant will also be part of the process and will activate underutilized spaces in the building such as the Youth Board room and meeting rooms. Currently, the building is not ADA accessible to the top floor, offices and meeting spaces are inefficient and out of date, and significant systems including the boiler in the building require upgrades.

2. Describe the deficiency the proposed project will address and how this has impacted the historic resource. Please also explain the duration of time the deficiency has existed.

City Hall is a prominent historic building within the Deer Lodge Historic District and sets a standard for other buildings in the District. The building anchors one end of the Historic District and is the first structure motorists encounter as they enter the District from the north. While general maintenance has been performed on the building over time, large renovations have been delayed due to the cost of those renovations and the lack of an overall plan. The City has recently replaced the roof and replaced some non-operable windows to address leaking issues. They have also done some minor remodel of offices with upgraded flooring and paint and created archive space. They upgraded their network capability and, with a DES Homeland Security grant, installed a backup generator for City Hall and the neighboring Fire Station. No comprehensive or major capital improvements have been conducted for several decades. Over time the building materials, particularly on the exterior of the building, have deteriorated.

Furthermore, since the adoption of the Americans with Disabilities Act in 1990, the upper floors of the building have been underutilized and therefore deteriorated. The building, which has historically been used for public and community uses in addition to administration, needs significant improvements to return to its optimal and historical use. The PAR that will be completed in Phase I of this project will address these major future interior renovations.

3. Describe how the proposed project will address the identified deficiency.

Activities that are planned to stabilize and improve the exterior of City Hall include, but may not be limited to:

1. Reapplication of skim coating on the front columns that is peeling (flaking) away.
2. Clock tower stabilization and renovation where there are holes/gaps in the wood panels and missing clock hands.
3. Repainting a decorated band of painted concrete.
4. Stabilization of stone or concrete mantels and lintels that are weathering and starting to erode away.
5. Mortar repair where it is pulling away from the bricks.
6. Replacement of cracked and/or non-functioning windows.

Preliminary cost estimates for the above-described activities were determined by Mosaic Architecture.

The PAR funded by the MHPG will determine future projects to maintain the historic character of the building and the feasibility of reopening up the building as a community resource and venue. Future improvements that will be part of the PAR will provide for efficiently accommodating the administrative purposes of the building and provide for upgraded energy efficiency.

4. Describe how receiving MHPG funding will enable proper completion of the proposed project and enable the long-term financial stability of the resource.



MHPG funding will allow the City to stabilize the exterior of the building to safeguard it from further deterioration while future planning for more extensive renovations are ongoing. Developing a PAR will help identify budget needed for future repairs, upgrades, and grant opportunities. Funding will help stop the lack of reinvestment in the building by advising the Mayor and Council of the need for future commitments.

5. Describe how the proposed project was selected and prioritized in relation to plans to preserve and maintain the historic resource.

This grant opportunity allows the City to address goals of past planning efforts as indicated in the Growth Policy, Main Street Master Plan, and CCIP by taking steps to achieve the objectives defined in those plans through extensive community involvement [\(see response to Statutory Criteria A, Question 2\)](#). The goals in each of those plans include maintaining the historic legacy of Deer Lodge and maximizing a resource in a community that is lacking other venues to support community events.

The Mayor and City Council (Economic Growth and Development (EGD) Committee) of Deer Lodge have previously expressed their support of the project as a means to create and enhance public venues. Deer Lodge applied for MHGP funding in the last cycle for this project, and the Mayor and City Council had at that time approved this application as a step toward achieving that goal. Furthermore, for this grant application, the Mayor and the City Council have approved this application and the associated match funding to achieve the goals identified in the City's planning documents.

The local Historic Preservation Commission (HPC) is responsible for assisting property owners within the National Historic District with maintaining historic correctness and is a local agent for the Montana State Historic Preservation Office (SHPO). The Commission is a volunteer entity appointed by the City Council. The HPC Officer is a valuable resource with knowledge of historic significance and preservation of historic buildings. The HPC, that holds its meetings in City Hall, recognized the value of the building as a contributing property to the Historic District and has provided a letter of support [\(see Attachment B\)](#).

## **STATUTORY CRITERIA - C**

**up to 150 in Possible Points**

**The degree to which timing of the project can be completed without delay, including access to matching funds and approval of permits, if needed.**

*As applicable to the proposed project, address the following in your response:*

1. Describe the organization's capacity and ability to complete the proposed project in a timely manner.

The City of Deer Lodge employs a full-time City Administrative Officer whose duties include oversight of capital improvements projects and management of grant funds. The City's Public Works Director is also integral to managing capital improvements projects. As an extension of City staff, Deer Lodge also maintains a contractual relationship with an engineering and grant writing/administration firm that assists in planning projects, providing technical and design professional services, and writes and administers grants.

The City routinely completes infrastructure and maintenance projects in a timely manner. They have a good track record of community engagement on grant projects and has successfully completed and closed numerous grant projects. Most recently, the City has completed construction of a major wastewater treatment plant utilizing many funding sources. They also installed a back-up generator for City Hall and the neighboring Fire Station with funding from the Montana DES Homeland Security Grant program. The City has an ongoing relationship with Montana DES as they utilize FEMA grant funds for pre-disaster flood mitigation projects that purchase and remove structures from the floodplain.

As part of the yearly budgeting process, the City provides for facility maintenance on a regular basis and has agreed to provide match in the FY2023 and FY2024 budgets.

2. Describe the status and availability of all matching funds needed to complete the proposed project.

During preparation of the FY2023 and FY2024 budgets, match will be allocated to the project

~~XXXXXXXXXX~~

3. Describe how receipt of MHPG funding will enable the ability to leverage additional funding such as grants, loans, and Historic Tax Credits.

A MHPG award to assist in preparing a PAR will make that document available for submission with other grant applications for this project or future phased projects to protect and enhance the historic nature of the City Hall. Grant funding that may be leveraged with MHPG funding may include Community Development Block Grant (CDBG) public facilities, and USDA Rural Development public facilities grants/loans.

As part of Montana's Community Preservation program, also known as the Certified Local Government (CLG) program, a time-tested means of preserving communities, Deer Lodge is eligible for grants that assist with historic preservation projects through the Historic Preservation Committee.

4. Describe any potential timeline considerations that are related to permits, environmental considerations or related activities to complete the proposed project.

Structural improvements to non-residential property requires a Montana State Building permit process. City staff with assistance from consultants will coordinate with State Building Officials to obtain the necessary approvals. The project will also require review from the State Historic Preservation Officer.

Public comment on exterior improvements and future improvements as planned through the PAR process will be prioritized. Permitting and public meetings will be coordinated to keep the project on schedule for completion. No issues are anticipated that would delay either the exterior improvements or completion of the PAR

**The degree to which the project activity contributes historic or heritage value related to the state of Montana.**

*As applicable to the proposed project, address the following in your response:*

- I. Describe the historical context and significance of the historic resource associated with the proposed project including:

- Heritage value related to the state of Montana;

The Montana Historical Society (MHS) is a State Agency tasked with maintaining Montana's memories with a role and responsibility to "preserve for future generations representative selection of all historic resources (art, records, books, photographs, oral histories, artifacts, journals, sites, buildings) important to an understanding of Montana history." Deer Lodge, designated as a CLG is considered a community whose historic patterns, architectural styles, influential architects and builders, significant people and events, and historic and prehistoric archeology are important to the state. Deer Lodge City Hall, in continuous service as a public building for 100 years, is a historic resource as part of the CLG.

Deer Lodge is included in the Walking Tours of CLG's as listed on the MHS web site (<http://historicdeerlodgemt.com/deer-lodge-walking-tour/>) and historic buildings, including City Hall, are shown within the Deer Lodge Central Business Historic District. This project would help preserve a piece of Montana heritage for the state of Montana.

- the value of the resource to the local community; and

The City of Deer Lodge is the second oldest city in Montana. The area within Powell County has a long heritage of mining, farming, ranching, and timber harvest. The City was one of several in the contest for the location of a permanent capital for the state in 1892.

City Hall is within the Deer Lodge Central Business Historic District as designated by the National Park Service. With that designation, a local Historic Preservation Commission has been formed. The Preservation Commission is a certified local City of Deer Lodge 13 Montana Historic Preservation Grant Program Application 2020 government entity, created by the adoption of Resolution No. 979, adopted by the City Council of the City of Deer Lodge Montana and approved by the Mayor on February 5, 2001. It serves as an advisory body to the City of Deer Lodge, the City and County Planning Board and other pertinent bodies or organizations with the purpose to promote the preservation of historic sites and properties. They recognize the importance of City Hall as one of those properties and support efforts to maintain and preserve the building ~~See Attachment B~~.

Deer Lodge City Hall has been in continuous use as the seat of city government for 100 years. Preserving the building as a part of local heritage for the next 100 years is important to City leaders and the public.

- any relevant designations or listings.

City Hall anchors the Deer Lodge Central Business Historic District as designated by the National Park Service. The building is a Contributing Property which is defined as a building that has architectural integrity that contribute to its status.

As described above, Deer Lodge is also designated by Montana's Community Preservation program as a Certified Local Government (CLG) which is a community whose historic patterns, architectural styles, influential architects and builders, significant people and events, and historic and prehistoric archeology are important to the state.

2. Describe how the proposed project will sustain the character defining features and integrity of the historic resource.

Taking steps to stabilize and improve the historic "fabric" or exterior of Deer Lodge City Hall will preserve and protect the building from further deterioration and restore the historic elements of the building to maintain its historic character. The project will enhance the historic streetscape that visitors enjoy in Deer Lodge. Planning for future restoration and renovations through developing a PAR will identify means to make the building more usable and accessible as both City Hall and a public event venue.

Communities tend to support and take care of buildings that they regularly visit. Building community pride through restoration of City Hall will be an important tenet of the planning efforts.

3. Describe how the proposed project will help promote and interpret the heritage value of the historic resource.

Over the years natural aging of historic elements and projects intended to modernize the facility have caused it to lose some of its historic look and feel. As a product of hope and potential in the 1920's the building was a dignified civic building. The design of the building was appreciated so much that 30 years later, the same architect was procured to design the Powell County courthouse. The goal of this project is to restore the Deer Lodge City Hall to its historically – intended design.

Residents of Deer Lodge and the general public have looked to City Hall as principal administrative building for 100 years. This project will allow the City to continue to use it for that purpose for the next 100 years.

4. Describe how the proposed project will adhere to the appropriate Secretary of the Interior's Standards for the Treatment of Historic Properties.

The proposed project will adhere to the Secretary of the Interior's Standards for the Treatment of Historic Properties by focusing on the Preservation Treatment, which identifies maintenance and repair of existing historic materials and retention of a property's form as it has evolved over time. The exterior stabilization identified in Phase I will preserve the current structure of the building and will respect its historic significance and its physical condition.

The PAR proposed as part of Phase I will also include aspects of the Rehabilitation Treatment. Because of increased standards of access and usability (such as ADA requirements), as well as changes to the use of City Hall since its construction, there is a need to alter the structure while retaining the property's historic character. The PAR will be developed in a way that respects the property's historic character while also updating it and rehabilitating it to provide for the requirements for public spaces and its use as a modern administrative building.

**STATUTORY CRITERIA - E**

**up to 100 in Possible Points**

**The degree to which the applicant demonstrates successful track record or experience of the organization directing the project or similarly related projects.**

*As applicable to the proposed project, address the following in your response:*

1. Describe the organizational capacity and experience with similar projects of all project partners. Please identify the entity that will administer the grant.

The City of Deer Lodge employs a full-time City Administrative Officer whose duties include oversight of capital improvements projects and management of grant funds. The City's Public Works Director is also integral to managing capital improvements projects. As an extension of City staff, Deer Lodge also maintains a contractual relationship with an engineering and grant writing/administration firm that assists in planning projects, providing technical and design professional services, and writes and administers grants. Jordan Green, CAO, with assistance from the City's contracted grant administrator, Robie Culver, will administer the grant.

It will be important to include professional assistance in assuring the historical integrity of the building is maintained. The Historic Preservation Commission, along with architectural consultation, will be involved in planning for exterior improvements as well as the development of the PAR.

Likewise, the structural integrity and systems within the building will be major components of both the exterior stabilization and the planning for any interior improvements for the future. Professional engineers will be utilized to consult on structural, mechanical, and electrical elements of any future design.

In just the last six years the City of Deer Lodge has managed building and capital improvements projects within the City using a combination of grant monies and City funds. These projects include but are not limited to:

- Completion of the Deer Lodge Wastewater Treatment Plant (WWTP) – funding included TSEP, CDBG, SRF loan funds, and USDA Rural Development Grant/Loan.
- Decommissioning of lagoons replaced by the WWTP with USDA RD funding.
- A city-wide street maintenance plan was developed in 2017 and projects to address the plan have been completed every year since its development. Projects included major rehabilitation of City streets.
- A Montana DES Homeland Security Grant assisted the City in installing a backup generator to serve City Hall and the neighboring Fire Hall.
- Deer Lodge has successfully applied for two FEMA Pre-disaster Mitigation grant to purchase and remove properties from the floodplain. One project utilizing that funding is ongoing.

- Sewer mains have been installed in O'Neill Street and Brookside Boulevard.
- Collaboration with a private development group to build affordable housing that was funded using several different funding sources.
- The City has an ongoing water supply project to replace its Park Street Well which was deemed unsuitable for public use due to arsenic in the water source. A PER was completed as part of this project and the project itself is currently in the bidding process. RDGP and TSEP funding was used for planning efforts and is match for competitive grant and minimum allocation grant awards from the American Rescue Plan Act.
- Installation of new playground equipment and renovation of a City Park following successful application to the FWP for a Land and Water Conservation Grant.
- The City has completed an Inflow and Infiltration Study and a PER for issues related to their wastewater system. These studies are funded by RRGL and TSEP, as well as match from competitive grant awards from the American Rescue Plan Act.
- Minor renovations (flooring and paint) have been made to City Hall.
- The City is currently in the process of updating its 2015 Growth Policy using funds successfully awarded from the Community Development Block Grant Planning Grant Program.
- The City is currently working with the Montana Association of Skateparks and Evergreen Skateparks to fund and construct a skatepark within the Deer Lodge city limits.
- The installation of security system upgrades in City facilities, including City Hall, was recently completed.
- The completion of a new trail system in the City's largest park, Jaycee Park using Montana State Parks Recreational Trails Grant funding.

2. Describe your organization's most recent project, specifically identifying:

- any significant barriers or impediments and how your organization overcame them;

For the Jaycee Park Trails project, funded by a Recreational Trails Grant, the City had, at the recommendation of its on-call engineers, accepted a low bid from a reputable contractor for construction which included all proposed additional alternatives. However, it was soon determined that the lowest responsible bidder had made a calculation error. This was quickly identified by city staff and on-call engineers, who reviewed bids to determine the adequate bid. By catching this mistake quickly, the City avoided costly miscalculations that would have posed as significant barriers to the completion of the project.

- any project delays; and

The selected contractor, due to weather and a lack of materials, was set to be a few weeks behind the proposed schedule. Due to the efforts of the Public Works Director, the project was reorganized to meet deadlines and the project was completed with no significant delays.

- any changes to the budget.

There were no changes to the budget for the project, however due to the bid miscalculation no proposed additional alternatives were included in the final construction of the new trails.

3. If available, please provide a copy of your organization's most recent audit. Please discuss if there were any unresolved audit issues.

See **Attachment D** for FY2020 audit. No audit issues were unresolved.

## **STATUTORY CRITERIA - F**

**up to 250 in Possible Points**

**The degree to which the project has ongoing economic benefit to the state as a result of project completion.**

1. Describe the ongoing economic impact (for example, on the local economy or tourism) of the proposed project to the local or regional area as a result of project completion.

Restoring and maintaining historic properties holds the promise that visitors will be attracted to the City and will provide revenue for local businesses. Reestablishing the historic prominence of City Hall would attract visitors to downtown Deer Lodge, providing incentive for other downtown businesses to promote their activities and maintain a vibrant place for dining and shopping.

Planning for future renovations to City Hall with the development of a PAR would include options to utilize City Hall to accommodate meetings, workshops, and conferences for local, state, and federal entities. It may also generate interest in City Hall as a venue for private events for which the City could realize some rental income.

2. Describe the ongoing economic impact (for example, on the local economy or tourism) of the proposed project to Montana as a result of project completion.

Supporting the historic legacy of the City of Deer Lodge as the second oldest City in Montana by ensuring the continued use of City Hall as the center of local government will strengthen Deer Lodge as a historic destination for out of the region visitors. As one of the many historic treasures and tourist destinations in Deer Lodge that include the Grant Kohrs Ranch National Historic Site, the old Montana City of Deer Lodge 17 Montana Historic Preservation Grant Program Application 2020 Prison, the Auto Museum, and the recently renovated Rialto Theatre, the City Hall can also be considered a destination worth seeing. This will add to the attraction of history seeking tourists who will not just stop at either end of town but will spend time in the downtown business district.

3. Describe if this project will enable future phases and detail how such subsequent work will provide an economic benefit as a result of project completion.

Future phases of renovation of Deer Lodge City Hall are planned to implement results of the PAR. Projects to improve the overall efficiency and usability of the interior of the building will make it more attractive for current and potential employees and the general public. It may also set up the building for additional community uses such as a venue for meetings, workshops, conferences, and private events. Future phases dealing with interior renovations in addition to

historically accurate restoration activities include code improvements, ADA compliance, improved energy efficiency, installation of an elevator, fire suppression, and parking.

4. Describe how your project relates to community goals and previous or concurrent planning efforts (downtown revitalization plan, growth policy, historic preservation plan, economic development strategy, etc.).

Deer Lodge's historic legacy is integral to the City's planning efforts. A letter of support [Attachment B](#) to begin the process of restoration of the City Hall from the Historic Preservation Commission recognizes the historic value of the property. Planning documents currently utilized by the City also take into consideration the importance of maintaining historic properties as a critical success factor in maintaining and revitalizing Deer Lodge as an attractive, stable, growing community.

The 2015 Growth Policy [Attachment C](#) discusses the importance of maintaining the façade of buildings in downtown Deer Lodge and a goal to return historic buildings to their "former glory". An Objective identified in the Growth Policy is to "preserve the historic character of downtown" with action steps that include a façade improvement program. It also includes an Objective to "develop infrastructure to accommodate people and events." This includes working to "capitalize on underutilized public property."

Deer Lodge successfully completed a Main Street Master Plan in 2017 [Attachment D](#). That plan also recognizes the historic downtown as key to keeping the economic vitality of Deer Lodge alive and moving forward. The Vision Statement included in the plan reflects the desires of the residents of Deer Lodge who participated in an extensive process to determine how they wanted the downtown to look and feel in the future. That statement included a vision of historic buildings that are preserved and maintained for a healthy mix of retail businesses, services, restaurants, and entertainment venues. The Action Plan of the Master Plan includes an Objective to "preserve and maintain historic buildings in downtown."

As a result of the Action Plan in the Main Street Master Plan, the City applied for and received a MDOC Main Street grant to create a Wayfinding Plan. This has assisted the City in determining the use of informational signage to guide people through Deer Lodge and enhance their experience in the city. Guiding them to historic landmarks will include City Hall where façade and other improvements to the building will reflect well on the City and its partners who assist with this project. Since the creation of the Wayfinding Plan, the City has used a subsequent MDOC Main Street grant to fund and construct a Gateway Sign leading visitors into town and into the Historic District. The City has also received funding from the MDOC Tourism Grant program for the construction of three Wayfinding Kiosks that will be constructed at various locations around town to alert tourists to the attractions and important buildings in town, such as City Hall.

The current Deer Lodge Comprehensive Capital Improvements Plan (CCIP) [Attachment E](#) includes the City Hall as a facility in need of improvements including upgrading the building to meet current building codes and ADA standards, and improve its overall general appearance as professional office space. The CCIP suggests hiring professional architectural/engineering services as a means to plan for future improvements.



5. Please describe your long-term vision for the historic resource and explain how this project fits into organizational plans (strategic, interpretive, business, outreach, etc.).

Renovating City Hall as a historic resource contributes to implementation of local strategies for growth and economic development where the historic legacy of Deer Lodge is seen as a valuable asset. This project is the beginning of a long-term strategy to transform this old building in a way that honors its history while meeting the needs of future generations.

The project addresses the vision of the City's Growth Policy and Main Street Master Plan. Both planning documents aim to find ways to make Deer Lodge competitive for attracting new businesses and residents. The vision developed within these plans include a recognition of the City's deep historical roots and the importance of capitalizing on this history to create a unique identity and grow the local economy.

Stabilizing the exterior of City Hall will be the beginning of commitment to maintaining the historical legacy of the City of Deer Lodge. Developing a strategy through a PAR that allows future expansion of use of the building will ensure its ability to continue to function as the seat of local government and provide potential as a downtown venue for additional activities. Identified in the Main Street Master Plan and set as a goal by the City Council's Economic Development Committee, is the need for downtown venues to attract activity and encourage visitors to play and stay in Deer Lodge.

- o Will this project decrease your operating costs, and, if applicable, how will those savings be reinvested?

Planned exterior improvements include repointing the brick veneer and repairing or replacing exterior windows that are currently inoperable or broken with more energy efficient windows. Both improvements will decrease operating costs through energy efficiency. As the PAR is completed and future projects are identified, energy and staff efficiency will be important considerations. Replacing heating and electrical elements in the building and providing telecommuting upgrades to save overall staff time and travel will provide cost savings.

Reinvestment of cost savings will allow the City to invest in the numerous other capital projects that will continue to work to make the City more attractive to residents and businesses. This may include additional upgrades to City infrastructure (wastewater collection system, storm drainage, streets), beautification of other City property (parks and downtown City lots), and investment in desperately needed affordable housing projects.

**Project Budget**

<b>BUDGET for: Phase I Exterior Stabilization and Preliminary Architectural Report for Future Renovations of the City of Deer Lodge City Hall</b>				
<b>Date: February 17, 2022</b>				
	<b>SOURCE: MHPG</b>	<b>SOURCE: (Identify)</b>	<b>SOURCE: (Identify)</b>	<b>TOTAL</b>
<b>Professional Consultant Activities - PAR</b>		\$35,000		\$35,000
<b>Permitting</b>		TBD		TBD
<b>Exterior Renovation Costs</b>	\$243,750			\$243,750
<b>Design and Construction Administration</b>	\$39,750	\$2,000		\$41,750
<b>Contingency</b>		\$35,000		\$35,000
<b>TOTAL PROJECT BUDGET</b>	<b>\$283,500</b>	<b>\$72,000</b>	<b>\$</b>	<b>\$355,500</b>

\*Opinion of Probable Cost was prepared by Mosaic Architecture in 2020 for the City's MHPG Application See attached detail.

NOTE: All Opinions of Probably Cost provided by Mosaic Architecture have been increased 15% to account for inflation and increased costs of supplies and services since the estimate was completed.

**Deer Lodge City Hall Renovations**

**Project Budget Estimate**

Opinions of Probably Cost prepared by Mosaic Architecture (with a 15% additional cost added to account for inflation and increased cost of supplies and services since the estimate was completed.

	<b>2023</b>		<b>2024</b>
<b>Building Shell Improvements</b>		<b>Building Shell Improvements</b>	
Upper CMU Band	\$39,150	Precase Panels, Sills Frames	\$99,500
Column Skim Coat	\$20,300	Foundation Exterior	\$20,000
Brick Restore/Pointing	\$40,250	Trim/Siding Repaint	\$6,000
Clock Tower Wood/Stal Repair	\$11,250		
Clock Tower Repaint	\$7,300	<b>Total</b>	<b>\$125,500</b>
PAR	\$35,000		
<b>Total</b>	<b>\$153,250</b>	Professional Fees	\$18,750
		Contingency	\$15,000
Professional Fees	\$23,000	<b>Total</b>	<b>\$159,250</b>
Contingency	\$20,000		
<b>Total</b>	<b>\$196,250</b>	<b>2023 &amp; 2024 Total</b>	<b>\$355,500</b>
		<b>MATCH</b>	<b>\$72,000</b>
		<b>Total</b>	<b>\$283,500</b>

### Implementation Schedule

To accommodate the City's budgeting process and cash flow limitations, the exterior renovations are planned over two years as shown in the schedule below.

TASK	MONTH / YEAR
<b>ADVERTISEMENT FOR PROFESSIONAL SERVICES</b> Engineering services will be provided by current term-contracted engineer. Procurement documentation will be provided upon award. The need for architectural services for exterior improvements will be determined. A professional architectural firm will be procured for preparation of the PAR.	
Publish RFP for PAR	<b><u>May 2023</u></b>
Select firm	<b><u>June 2023</u></b>
Professional Services Draw	<b><u>September 2023,</u></b> <b><u>November 2024</u></b>
<b>MAJOR ACTIVITY MILESTONES</b>	
Construction bidding	<b><u>August 2023</u></b>
Select contractor	<b><u>August 2023</u></b>
Construction	<b><u>September 2023 (initial repairs)</u></b>  <b><u>July 2024 (remainder of repairs)</u></b>
Substantial completion	<b><u>November 2024</u></b>
Project Closeout	<b><u>December 2024</u></b>
<b>GRANT MILESTONES</b>	
Submit progress report and request first drawdown of funds	<b><u>August 2023</u></b>
Submit final report and request final drawdown of funds	<b><u>December 2024</u></b>

**Mayor**  
James Jess  
**Chief Administrative Officer**  
Jordan Green  
**City Attorney**  
Peter Elverum  
**City Clerk**  
Cyndi Thompson  
**Compliance Officer**  
Suzan Callahan  
**Public Works Superintendent**  
Trent Freeman  
**Treasurer**  
Judi Whitney  
**Utility Billing Clerk**  
Gena Micu



**City Council**  
Dick Bauman  
Curt Fjelstad  
Jackie Greenwood  
John Henderson  
Robert Kersch  
John J. Molendyke  
John Skibrud

February 17, 2022

Montana Department of Commerce  
Community Development Division  
301 S. Park Avenue  
PO Box 200523  
Helena, MT 59620-0501

RE: Letter of Local Match and Support for a 2022 Montana Historic Preservation Grant Application

To Whom it May Concern:

The City Council of the City of Deer Lodge met on February 22, 2022 at 6:00PM to discuss the application to the 2022 Montana Historic Preservation Grant program. At this meeting, the City Council approved the following:

- The submission of the application to the 2022 Montana Historic Preservation Grant program.
- The obligation of a match to the proposed project of \$36,000 in FY2023 and \$36,000 in FY2024 which will meet the match requirements of 20% of total project cost of \$355,500.

Sincerely,

---

James Jess, Mayor

City of Deer Lodge  
300 Main Street  
Deer Lodge, MT 59722

Attest:

---

Cyndi Thompson, City Clerk

**Mayor**  
James Jess  
**Chief Administrative Officer**  
Jordan Green  
**City Attorney**  
Peter Elverum  
**City Clerk**  
Cyndi Thompson  
**Compliance Officer**  
Suzan Callahan  
**Public Works Superintendent**  
Trent Freeman  
**Treasurer**  
Judi Whitney  
**Utility Billing Clerk**  
Gena Micu



**City Council**  
Dick Bauman  
Curt Fjelstad  
Jackie Greenwood  
John Henderson  
Robert Kersch  
John J. Molendyke  
John Skibrud

February 17, 2022

Montana Department of Commerce  
Community Development Division  
301 S. Park Avenue  
PO Box 200523  
Helena, MT 59620-0501

RE: Designation of Environmental Certifying Officer

To Whom it May Concern:

This is to notify you the **James Jess, Mayor**, is designated as the Environmental Certifying Officer responsible for all activities associated with the environmental review process to be completed in conjunction with the 2022 Montana Historic Preservation Grant application submitted by the City of Deer Lodge, Montana.

Sincerely,

---

James Jess, Mayor

City of Deer Lodge  
300 Main Street  
Deer Lodge, MT 59722

### **3. Determine if the project is considered Exempt from MEPA review:**

MEPA specifies three different levels of environmental review, based on the significance of the potential impacts. The levels are: (1) exempt or excluded from MEPA review; (2) environmental assessment (EA), and (3) environmental impact statement (EIS). Due to the nature of the project types, most MHPG projects will fall under Exempt or Excluded. Projects seldom require an EIS, and if this level is anticipated it is recommended that applicants contact Commerce staff.

#### **Statutory or Categorical Exemptions**

The following types of actions are statutorily exempt from MEPA review under ARM 8.2.304(5):

- Administrative actions (routine clerical or similar functions, including but not limited to administrative procurement, contracts for consulting services, or personnel actions);
- Minor repairs, operations, and maintenance of existing equipment or facilities;
- Investigation and enforcement; data collection activities; inspection of facilities or enforcement of environmental standards;
- Ministerial actions (in which the agency exercises no discretion and rather acts upon a given state of facts in a prescribed manner);
- Actions that are primarily social or economic in nature and that do not otherwise affect the human environment;

The following types of actions are categorically exempted from MEPA review under ARM 8.2.328(2):

- Projects that will be partially funded by, or for which the applicant must obtain a permit from, a state or federal agency which, by reason of its funding or permitting function, has primary responsibility to consider the environmental impacts of the project under MEPA or the National Environmental Policy Act;
- Activities which do not involve or lead directly to construction, such as planning studies, scientific research and analysis, surveys, or engineering;
- Projects primarily involving the acquisition of capital equipment;
- Projects that involve only minor repairs or rehabilitation to an existing facility, including functional replacement of an existing facility or facility components;
- Projects where the footprint of the proposed structures, pipelines, or other infrastructure would be substantially unchanged from existing conditions, and there is no increase in the population served by the facility; or
- Emergency repairs, reconstruction, restoration, retrofitting, or replacement of an existing facility that is in operation or under construction when damaged and the action:
  - (i) occurs within the existing facility footprint and in a manner that substantially conforms to the preexisting design, function, and location as the original (which may include upgrades to meet existing codes and standards as well as upgrades warranted to address conditions that have changed since the original construction); and
  - (ii) is commenced within six months after the date of the emergency.

Projects listed as statutorily or categorically exempt from MEPA review are not required to complete an Environmental Assessment and so do not need to complete the Environmental Checklist (Appendix B-2). If a typically exempt activity may cause significant public controversy related to its effect on the human environment or may affect sensitive cultural or environmental resources, proceeding with an EA is advised.

## Environmental Review Checklist

<b>Name of Project:</b>	City of Deer Lodge City Hall Exterior Stabilization and PAR
<b>Proposed Action:</b>	Stabilization, repair, and improvement of Deer Lodge City Hall exterior elements and preparation of a Preliminary Architectural Report to plan for future renovations that will restore the building to its historical significance while renovating the space for improved access and usability for City departmental staff and the public.
<b>Location:</b>	City of Deer Lodge, Montana

**Key Letter:** N – No Impact/Not Applicable    B – Potentially Beneficial    A – Potentially Adverse  
P – Approval/Permits Required    M – Mitigation Required

<b>PHYSICAL ENVIRONMENT</b>	
KEY _____ N	<p>1. <b>Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)</b></p> <p><i>Comments and Source of Information:</i> All proposed work will take place on or in the existing structure. No site work is anticipated, so soil suitability is of no significance.</p>
KEY _____ N	<p>2. <b>Hazardous Facilities (e.g., power lines, EPA hazardous waste sites, acceptable distance from explosive and flammable hazards including chemical/ petrochemical storage tanks, underground fuel storage tanks, and related facilities such as natural gas storage facilities &amp; propane storage tanks)</b></p> <p><i>Comments and Source of Information:</i> No power lines or other hazardous facilities are present on the existing property.</p>
KEY _____ N	<p>3. <b>Effects of Project on Surrounding Air Quality or Any Kind of Effects of Existing Air Quality on Project (e.g., dust, odors, emissions)</b></p> <p><i>Comments and Source of Information:</i> Temporary dust associated with the construction; however, there will be no long-term impacts in regard to the surrounding air quality as a result of the project.</p>
KEY _____ N	<p>4. <b>Groundwater Resources &amp; Aquifers (e.g., quantity, quality, distribution, depth to ground water, sole source aquifers)</b></p> <p><i>Comments and Source of Information:</i> The proposed project is not anticipated to impact the groundwater resources and/or aquifers.</p>
KEY _____ N	<p>5. <b>Surface Water/Water Quality, Quantity &amp; Distribution (e.g., streams, lakes, storm runoff, irrigation systems, canals)</b></p> <p><i>Comments and Source of Information:</i> The proposed project does not include any site work; therefore, no impacts to storm runoff is anticipated.</p>
KEY _____ N	<p>6. <b>Floodplains &amp; Floodplain Management (Identify any floodplains within one mile of the boundary of the project.)</b></p> <p><i>Comments and Source of Information:</i> Restoration of existing facility. No impact. City Hall is beyond any designated floodplains but is within one mile of mapped flood zones for Cottonwood Creek and the Clark Fork River.</p>



<p>KEY</p> <hr/> <p>N</p> <hr/>	<p>7. <b>Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.)</b></p> <p><i>Comments and Source of Information:</i> No wetlands are present in the project vicinity.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p>8. <b>Agricultural Lands, Production, &amp; Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.)</b></p> <p><i>Comments and Source of Information:</i> The proposed project is located within the City limits and is confined to the existing City Hall building.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p>9. <b>Vegetation &amp; Wildlife Species &amp; Habitats, Including Fish (e.g., terrestrial, avian and aquatic life and habitats)</b></p> <p><i>Comments and Source of Information:</i> The proposed project is located within the City limits and is confined to the existing City Hall building.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p>10. <b>Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species (e.g., plants, fish, sage grouse or other wildlife)</b></p> <p><i>Comments and Source of Information:</i> The proposed project is located within the City limits and is confined to the existing City Hall building.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p>11. <b>Unique Natural Features (e.g., geologic features)</b></p> <p><i>Comments and Source of Information:</i> The proposed project is located within the City limits and is confined to the existing City Hall building.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p>12. <b>Access to, and Quality of, Recreational &amp; Wilderness Activities, Public Lands and Waterways (including Federally Designated Wild &amp; Scenic Rivers), and Public Open Space</b></p> <p><i>Comments and Source of Information:</i> The proposed project is located within the City limits and is confined to the existing City Hall building.</p>
<b>HUMAN POPULATION</b>	
<p>KEY</p> <hr/> <p>B</p> <hr/>	<p>1. <b>Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics</b></p> <p><i>Comments and Source of Information:</i> The proposed project will repair the exterior façade of City Hall, restoring the historic significance and improving the aesthetics.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p>2. <b>Nuisances (e.g., glare, fumes)</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated nuisances associated with the proposed project as it is restoring the original building.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p>3. <b>Noise – suitable separation between noise sensitive activities (such as residential areas) and major noise sources (aircraft, highways &amp; railroads)</b></p> <p><i>Comments and Source of Information:</i> There may be some temporary noise during construction of the proposed project. However, construction operation hours will be limited to 7:00 AM to 7:00 PM. No other long-term impacts to noise are anticipated upon completion of the project.</p>

<p>KEY</p> <hr/> <p>B</p> <hr/>	<p><b>4. Historic Properties, Cultural, and Archaeological Resources</b></p> <p><i>Comments and Source of Information:</i> Deer Lodge City Hall was added to the National Register of Historic Places in 2008. The proposed project will restore the historic significance of the building and enhance the historic features of the building.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p><b>5. Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density)</b></p> <p><i>Comments and Source of Information:</i> The proposed project is not anticipated to impact demographic characteristics.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p><b>6. Environmental Justice – (Does the project avoid placing lower income households in areas where environmental degradation has occurred, such as adjacent to brownfield sites?)</b></p> <p><i>Comments and Source of Information:</i> This project does not contribute to the location of any lower income households into unacceptable areas.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p><b>7. General Housing Conditions – Quality, Quantity, Affordability</b></p> <p><i>Comments and Source of Information:</i> The proposed project is not anticipated to impact general housing conditions.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p><b>8. Displacement or Relocation of Businesses or Residents</b></p> <p><i>Comments and Source of Information:</i> The proposed project will not require displacement or relocation of businesses and/or residents.</p>
<p>KEY</p> <hr/> <p>B</p> <hr/>	<p><b>9. Public Health and Safety</b></p> <p><i>Comments and Source of Information:</i> Phase 1 of the project evaluated by this Environmental Checklist will not affect public health and safety. The Preliminary Engineering Report will address future plans for interior restoration of City Hall, which incorporates ADA accessibility.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p><b>10. Lead Based Paint and/or Asbestos</b></p> <p><i>Comments and Source of Information:</i> The proposed project is not anticipated to involve the handling of any lead-based paint and/or asbestos. Past repair and renovation to the building has addressed those issues. However, the contractor for the project will be made aware of the need to inspect the property for lead-based paint and asbestos prior to performing work.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p><b>11. Local Employment &amp; Income Patterns – Quantity and Distribution of Employment, Economic Impact</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated long-term impacts to local employment or income patterns directly attributed to the proposed project. Temporary beneficial impacts could be seen from construction labor employment.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p><b>12. Local &amp; State Tax Base &amp; Revenues</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated impacts to the local and state tax base and revenues directly attributed as a result of the proposed project.</p>
<p>KEY</p> <hr/> <p>N</p> <hr/>	<p><b>13. Educational Facilities - Schools, Colleges, Universities</b></p> <p><i>Comments and Source of Information:</i> There is no anticipated impact to educational facilities as a direct result of the proposed project.</p>

KEY ----- B	<p><b>14. Commercial and Industrial Facilities – Production &amp; Activity, Growth or Decline</b></p> <p><i>Comments and Source of Information:</i> The PAR will address phase 2 of the proposed project that includes interior restoration of City Hall, which incorporates usable space for the City to host meetings where local businesses will benefit from visitors.</p>
KEY ----- N	<p><b>15. Health Care – Medical Services</b></p> <p><i>Comments and Source of Information:</i> There is no anticipated impact to health care facilities as a direct result of the proposed project.</p>
KEY ----- B	<p><b>16. Social Services – Governmental Services (e.g., demand on)</b></p> <p><i>Comments and Source of Information:</i> The PAR will address ADA accessibility upgrades and interior renovation, benefits to social services are anticipated as City Hall houses the treasurer's office, utility billing offices, council chambers, and numerous other public services.</p>
KEY ----- N	<p><b>17. Social Structures &amp; Mores (Standards of Social Conduct/Social Conventions)</b></p> <p><i>Comments and Source of Information:</i> There is no anticipated impact to social structures as a direct result of the proposed project.</p>
KEY ----- N	<p><b>18. Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)</b></p> <p><i>Comments and Source of Information:</i> There is no anticipated impact to land use compatibility as a direct result of the proposed project.</p>
KEY ----- N	<p><b>19. Energy Resources – Consumption and Conservation</b></p> <p><i>Comments and Source of Information:</i> There is no anticipated change in energy resources as a direct result of the proposed project.</p>
KEY ----- N	<p><b>20. Solid Waste Management</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated impacts to solid waste management as a result of the proposed project.</p>
KEY ----- N	<p><b>21. Wastewater Treatment – Sewage System</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated impacts to wastewater treatment as a result of the proposed project.</p>
KEY ----- N	<p><b>22. Storm Water – Surface Drainage</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated impacts to storm water as a result of the proposed project.</p>
KEY ----- N	<p><b>23. Community Water Supply</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated impacts to the public water supply as a result of the proposed project.</p>
KEY ----- B	<p><b>24. Public Safety – Police</b></p> <p><i>Comments and Source of Information:</i> The PAR will address ADA accessibility upgrades and interior renovation, benefits to public safety are anticipated as the Police Department currently resides in City Hall.</p>

KEY _____ B	<p><b>25. Fire Protection – Hazards</b></p> <p><i>Comments and Source of Information:</i> Replacing non-functioning windows within the facility will improve fire safety.</p>
KEY _____ N	<p><b>26. Emergency Medical Services</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated impacts to emergency medical services as a result of the proposed project.</p>
KEY _____ N	<p><b>27. Parks, Playgrounds, &amp; Open Space</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated impacts as a result of the proposed project.</p>
KEY _____ B	<p><b>28. Cultural Facilities, Cultural Uniqueness &amp; Diversity</b></p> <p><i>Comments and Source of Information:</i> As the proposed project is to restore the historical significance of City Hall, which is currently listed on the National Register of Historic Places, there is an overall benefit as the result of the project.</p>
KEY _____ N	<p><b>29. Transportation Networks and Traffic Flow Conflicts (e.g., rail; auto including local traffic; airport runway clear zones - avoidance of incompatible land use in airport runway clear zones)</b></p> <p><i>Comments and Source of Information:</i> There are no anticipated impacts as a result of the proposed project. There may be short-term annoyances to pedestrian and vehicular traffic adjacent to City hall during the delivery and staging of project materials.</p>
KEY _____ B	<p><b>30. Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local comprehensive plans, zoning, or capital improvement plans)</b></p> <p><i>Comments and Source of Information:</i> The proposed project is consistent with all local ordinances, resolutions, and plans, including the City's Growth Policy and Main Street Master Plan. The underlying zoning district permits civic uses by right in the B-1 District.</p>
KEY _____ N	<p><b>31. Is There a Regulatory Action on Private Property Rights as a Result of this Project? (Consider options that reduce, minimize, or eliminate the regulation of private property rights.)</b></p> <p><i>Comments and Source of Information:</i> There will be no regulatory action on private property as a result of the proposed project.</p>

**ENVIRONMENTAL QUESTIONS**

**On a separate piece of paper, please answer the following as they apply to your proposed project:**

1. **Alternatives:** Describe reasonable alternatives to the project.
2. **Mitigation:** Identify any enforceable measures necessary to reduce any impacts to an insignificant level.
3. **Is an EA or Environmental Impact Statement (EIS) required?** Describe whether or not an EA or EIS is required and explain in detail why or why not.
4. **Public Involvement:** Describe the process followed to involve the public in the proposed project and its potential environmental impacts. Identify the public meetings -- where and when -- the project was considered and discussed, and when the district approved the final environmental assessment.
5. **Person(s) Responsible for Preparing:** Identify the person(s) responsible for preparation of this checklist.
6. **Other Agencies:** List any state, local, or federal agencies that have over-lapping or additional jurisdiction or environmental review responsibility for the proposed action and the permits, licenses, and other authorizations required; and list any agencies or groups that were contacted or contributed information to this Environmental Assessment (EA).

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Date

City of Deer Lodge

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Date

1. Alternatives

The City of Deer Lodge Growth Policy, Downtown Master Plan and Comprehensive Capital Improvements Plan (CCIP) all address the desire for downtown revitalization, and the CCIP specifically lists building improvements to City Hall as a Capital Need.

The only alternative to the proposed building renovation is taking no action, which will result in continued deterioration and disrepair of this historic structure. Postponing planning efforts to upgrade City Hall will limit the ability to serve individuals with disabilities. In addition, deferred maintenance of safety issues, such as freezing rain gutters, may be costly in the event of an accident.

Therefore, the "no action" alternative is not a viable option for this historic property.

2. Mitigation

Anticipated impacts as a result of the proposed project are both minimal and temporary. Noise impacts will be contained by allowing construction activities only during specified hours of the day. Contractors will take all precautions to provide a safe work environment for the general public. If lead-based paint and/or asbestos is observed, mitigation measures will be taken for removal per EPA guidelines.

3. Is an EA or Environmental Impact Statement (EIS) required?

The Montana Environmental Policy Act requires that an environmental review be performed whenever a state agency takes an action; whenever that action is not exempt or excluded from MEPA; and whenever the action may impact the human environment. As the proposed project is to rehabilitate an existing building, this project qualifies for a categorical exemption, and no Environmental Assessment or EIS is required.

4. Public Involvement

A draft Environmental Assessment was made available via the City of Deer Lodge web site and at the City Clerk's office in City Hall for public review on February 17, 2022. Comments were encouraged via email or regular mail as well as during the public comment period at the February 22, 2022 City Council regularly scheduled meeting.

5. Person(s) Responsible for Preparing

Jordan Green, Chief Administrative Officer, City of Deer Lodge

6. Other Agencies

As the proposed project may involve state funding for renovation of a property listed on the National Register of Historic Places, the Montana State Historic Preservation Office (SHPO) must be consulted as part of the Montana State Antiquities Act. Montana SHPO was contacted to comment on the proposed action, and supplied the following comments: "The Montana State Historic Preservation Office would review and comment on proposed plans for the Deer Lodge City Hall under Section 106 of the National Historic Preservation Act if any federal funds would help pay for the project. Outside of federal funding scenarios, Section 106 does not apply. We are available to comment on plans at the City's request."

**RESOLUTION 2022-R-8**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEER LODGE ACCEPTING THE DETERMINATION THAT *EXEMPT* IS APPROPRIATE FOR THE CITY OF DEER LODGE APPLICATION FOR THE 2022 MONTANA HISTORIC PRESERVATION GRANT PROGRAM ENVIRONMENTAL REVIEW PROCESS**

WHEREAS, The City of Deer Lodge has completed a review to identify potential environmental impacts arising from the completion of exterior stabilization and renovations to the Deer Lodge City Hall as well as the completion of a Preliminary Architectural Report for future improvements to the interior of the City Hall; and

WHEREAS, The City of Deer Lodge has held a public meeting to solicit public comments regarding the following: potential for causing a significant effect on the quality of the human environment; potential public controversy over the project's possible effect on the quality of the human environment; and potential to affect sensitive environmental or cultural resource areas or endangered or threatened species and their critical habitats; and

WHEREAS, No substantive public comment was received; and

WHEREAS, The City of Deer Lodge has determined that the completion of exterior stabilization and renovations to the Deer Lodge City Hall as well as the completion of a Preliminary Architectural Report for future improvements to the interior of the City Hall will not significantly affect the quality of the human environment; a significant public controversy does not exist over the project's potential effect on the quality of the human environment; and the project will not affect sensitive environmental or cultural resource areas or endangered or threatened species and their critical habitats; and

WHEREAS, The City of Deer Lodge has determined an Environmental Assessment and Environmental Impact Statement are not necessary; and

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Deer Lodge as follows:

That the City of Deer Lodge, Montana adopts the determination that *Exempt* for the completion of exterior stabilization and renovations to the Deer Lodge City Hall as well as the completion of a Preliminary Architectural Report for future improvements to the interior of the City Hall is appropriate.

Passed and approved by the City Council of the City of Deer Lodge, Montana on first and final reading at a regular Council meeting this 22<sup>nd</sup> day of February 2022.

The effective date of Resolution 2022-R-8 is February 22, 2022.

<b>Council Member</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain/Present</b>	<b>Absent</b>
Dick Bauman   Council President				
Curt Fjelstad				
Jackie Greenwood				
John Henderson				
Robert Kersch				
John Molendyke				
John Skibsrud				
Vacant				
James Jess   Mayor				

---

James Jess, Mayor

Attest:

---

Cyndi Thompson, City Clerk



SUCCESSFUL DEER LODGE  
FORGING THE FUTURE TOGETHER

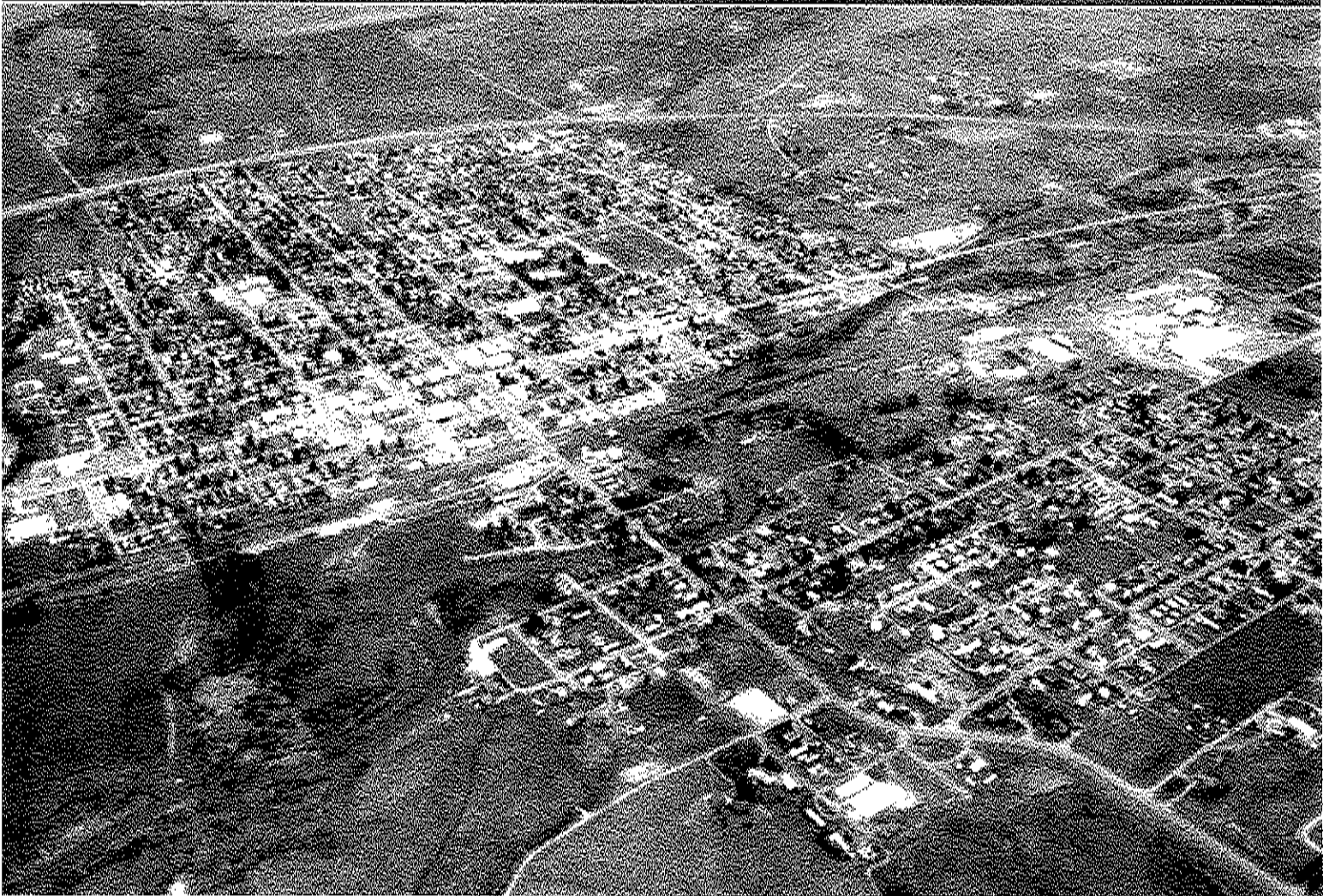


# COMMUNITY PROFILE

Housing Challenges & Opportunities

---

Downtown Revitalization



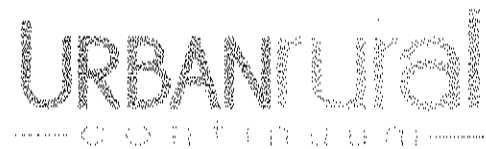
This Deer Lodge Community Profile is a compilation of the findings of the Successful Deer Lodge project. The intent of the Community Profile is to help Deer Lodge citizens gain a common understanding of the key issues in the community.

The Community Profile consists of two sections that address the following topics:

## **Housing Challenges and Opportunities**

### **Downtown Deer Lodge Revitalization**

Like much of the rest of the country, Deer Lodge faces a period of tremendous change and opportunity. Decisions the community makes about how to address these issues – or not address them – will determine the local quality of life of its citizens, the ability of residents to obtain housing, the future of its downtown, and the very character of the community for years to come. We hope this report provides a sound basis for a conversation about those decisions.



Future West helps communities identify and achieve their desired future.

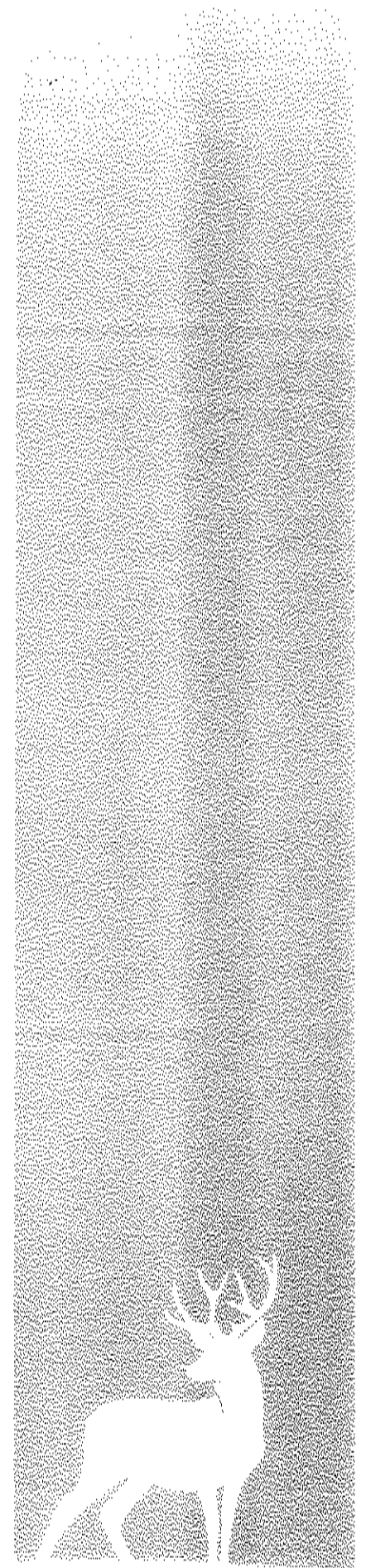


WSW CONSULTING



# Community Profile

Page 1	Introduction
Page 2	Housing Challenges and Opportunities
Page 2	Employers and Housing
Page 3	Summary of Findings and Recommendations
Page 10	Study Location
Page 11	Definition: Housing Affordability
Page 12	Demographics: Population and Households
Page 17	Housing Inventory: Number, Age and Home Types
Page 18	The Economy: Jobs, Wages, and Commuting
Page 20	Housing Market
Page 22	Services and Amenities - 2017 Community Survey
Page 22	Development Environment
Page 23	Acknowledgments
Page 24	Downtown Deer Lodge Revitalization
Page 25	Deer Lodge Master Plan
Page 27	Business Improvement Districts in Montana
Page 31	Conclusion



This project was funded through generous grants from the Big Sky Trust Fund and the U.S. Economic Development Administration.

Special thanks to the Headwaters RC&D, a non-profit focused on improving the economic and social well-being of the Southwest Montana region through conservation, development, and proper use of natural and human resources.





# Introduction

Deer Lodge, Montana, is at a crucial point in its development. With its storied history as a ranching and retail center, and the site of the first Territorial Prison, Deer Lodge is widely recognized as a community with character, and characters. However, regional economic and transportation transitions have driven economic decline in the community since 1960, which has lost 37% of its population since then (from 4,681 in 1960 to 2,938 in 2020).

This report, commissioned by the City of Deer Lodge, is intended to help spur community actions that would begin to reverse this decline. The report is focused on the two most immediate, and actionable, challenges facing Deer Lodge - the creation of more housing to meet the demand of its work force and revitalization of Downtown Deer Lodge.

We believe that if more homes are built in Deer Lodge, more employees that work in Deer Lodge will choose to live in town. Hundreds of employees at the community's largest businesses (and the Montana State Prison) currently leave Deer Lodge at the end of their work shift, depriving other businesses of customers and their ability to expand and create more economic activity. Likewise, if Downtown Deer Lodge were to be made more attractive to local shoppers and visitors, it would attract more investment. Both of these things happening could create a self-supporting cycle, leading to an economic resurgence in the community.

The opportunities for Deer Lodge are there. Major drivers of change - such as shifts in migration, a growing outdoor recreation economy, and the significance of non-labor income, combined with the current Covid pandemic, have transformed the regional economy. The following sections will explore the dynamics of the two challenges of housing and downtown revitalization, and offer concrete solutions for economic resurgence.

The following sections will explore the dynamics of the two challenges of housing and downtown revitalization, and offer concrete solutions for economic resurgence.



# HOUSING CHALLENGES & OPPORTUNITIES

The purpose of this research is to understand the need and demand for housing from local residents and employees in Deer Lodge and provide recommendations for improving housing opportunities to support the community, businesses, and economy.

When assessing need and demand for housing in Deer Lodge by local residents and employees, multiple factors are considered:

- Household characteristics – families, seniors, etc.;
- Household incomes and wages;
- Home prices – ownership and rental;
- Available housing inventory – amount, age, condition, and variety;
- City services and amenities – quality, type, variety; and
- Job opportunities for primary earners, spouses, etc.

Information from public/secondary data sources (Census, American Community Survey (ACS), etc.), local data (multiple listing services (MLS), city development activity, etc.), interviews (employers, real estate and property management professionals, developers, etc.), and recent research (2017 City of Deer Lodge Downtown Master Plan, 2015 Growth Policy Update) was utilized to get a picture of the housing market in the city.

This report summarizes the information from this research.

## Employers and Housing

### Housing is an Economic Development Issue

Employers interviewed reported that they face numerous challenges recruiting and retaining a viable workforce. Not all of these challenges are directly related to housing, but cumulatively they are reflective of a challenging economic environment. Economic development and housing must go hand in hand. The following summarizes the challenges local employers face:

- Potential employees are not taking positions because they cannot find a suitable place to live. This is not just a problem for employees at lower wage/salary ranges, but across the income spectrum.
- Many employees who work in Deer Lodge are forced to commute from other places like Butte and Anaconda because there is a lack of suitable housing they can afford. Employers indicated that up to 30% of commuters (about 400 employees) would consider moving to Deer Lodge to be closer to work if suitable housing options were available.
- Recruitment and retention of employees has gotten harder, despite some local companies increasing their wage rates or providing better benefits than they were 18 months ago. Once employees gain experience locally they often move to other communities where they can earn more money.

- Employee turnover is expensive for employers in terms of time and cost to recruit and train new hires. Turnover is an especially acute issue for entry level positions. Many variables contribute to turnover, including long commutes related to a lack of housing. Seasonal shifts in workers is also a challenge. For example, construction jobs in other areas, which pay more than many local jobs, pull workers away from Deer Lodge in the summer.
- Retiring employees add to the problem. The hospital anticipates up to 20 employees may retire within the next five years.
- Employers identified other issues local employers face. These include:
  - A lack of applicants/qualified applicants, especially those who already live in the area
  - Lack of skills
  - Work ethic/dedication problems

# Summary of Findings and Recommendations

## SUMMARY: Local Challenges

### Housing affordability and availability:

- Low local wages and household incomes are paired with fast rising home prices. Sale prices are up near 50% in recent years and appraisals cannot keep up, hampering the ability to get mortgages.
- Little to no ownership or rental inventory available to residents. The inventory of homes for sale is down 66% since last year. Rentals are effectively at 0% vacancy and many owners are now selling homes that they have rented for years.
- Little variety in homes available in any condition, size, and type. Owners struggle to downsize or upsize so they are stuck in their homes. New buyers struggle to find homes in decent condition that they can afford – and they must often compete with cash buyers, which exacerbates affordability.
- There has been little new development activity – construction and renovation labor is scarce, and the price to produce new product exceeds what most local employees can afford.

### City services, amenities, and jobs:

- In a 2017 community survey, residents rated the variety of stores, restaurants, events, social opportunities, and child activities in downtown as fair or poor or needing improvement.
- Job opportunities are limited and have shown almost no growth since 2010. Few opportunities exist for spouses or others in the household that seek careers.

Discussions with local real estate agents and employers verified the above limitations in attracting some households.

Local wages and household incomes are paired with fast rising home prices. Sale prices are up near 50% in recent years and appraisals cannot keep up, hampering the ability to get mortgages.

## SUMMARY: Local Opportunities

### Community characteristics and housing demand:

- In the 2017 community survey, residents rated community safety, friendliness, and historic character as strong attractions of the city.
- Enrollment at the elementary school has been relatively stable since 2007 and is rated favorably for the region.
- Existing residents, some commuting employees, and new employees desire opportunities to rent or purchase homes, renovate homes, or downsize into lower maintenance homes in the city.

### Production opportunities:

- Infill lots in downtown, property renovation, and city-owned parcels provide opportunities to expand housing options.
- Zoning changes could allow multi-family development, in order to expand product types available and increase more affordable options.
- Numerous tools exist for rehabilitation opportunities in many neighborhoods.
- The City of Deer Lodge could prioritize City-owned parcels for housing development opportunities, and evaluate other land opportunities for housing - public, private, or institutional.

## SUMMARY: Housing Needs and Demand

The availability of homes affordable for employees to own and rent is a primary need and essential to further economic development goals. The primary market for local residents and employees in Deer Lodge includes singles, couples without children, and seniors. The ability to attract families with children, particularly older children, is currently limited, but will improve as economic opportunities, downtown retail and services, schools, and community events and amenities increase.

**Ownership.** A variety of homes priced between \$120,000 and \$250,000 will help employees purchase homes while allowing seniors to downsize, thereby freeing up larger homes for locals needing more space. This includes:

- Patio homes for seniors. Lower care, lower maintenance options. Attached or detached product.
- Multi-plex homes and townhomes for smaller households (singles, couples without children, and those just starting families). This includes primarily two- and three-bedroom homes.

**Owner renovation programs.** Help current owners improve existing homes - weatherization upgrades, bedroom additions, etc. The City of Deer Lodge could help connect owners with contractors. Federal and State subsidy programs are available.

**Rental.** More affordable rental opportunities are needed to help fill jobs and provide opportunities for new residents to gain a foothold in the city. This includes two-bedrooms priced below \$1,100 monthly for households earning 80% AMI or less (under \$45,000) annual income.



## SUMMARY: Housing Needs and Demand – Considerations

### Important considerations when improving housing options for local residents and employees include:

- To produce price points needed by residents (\$250,000 or less), subsidies (e.g. land, financing) are needed. Attached product can also help reduce cost.
- For new ownership product that is built with public subsidy (e.g., land, financing, etc.) ensure homes are occupied by local residents through deed or covenant restrictions. Local resident and employee restrictions protect this public investment. Deed restrictions may also include limits on the income level of purchasers and future appreciation. Deed restrictions need to be monitored by the City or other organizations, such as a Community Land Trust.

**A Community Land Trust (CLT)** is a nonprofit organization that owns land, develops housing and provides long-term stewardship for permanent affordability through long-term ground leases. Typically, CLTs work with local developers to create single family homes or townhomes for moderate and middle-income households. Trust Montana, a statewide CLT, is an example..

- Consider infill opportunities for patio homes and smaller duplexes near city services.
- Start small. Begin with no more than 10 to 20 homes for ownership and 20 to 30 rentals to test the market before building larger projects. Housing development can and should grow with economic development.
- Field interest in homes through local employers and real estate professionals to reach employees that desire to move into the city. This can better target who will move, for what price point, and the type of product needed. This can provide additional certainty to local developers to undertake new product for the market.

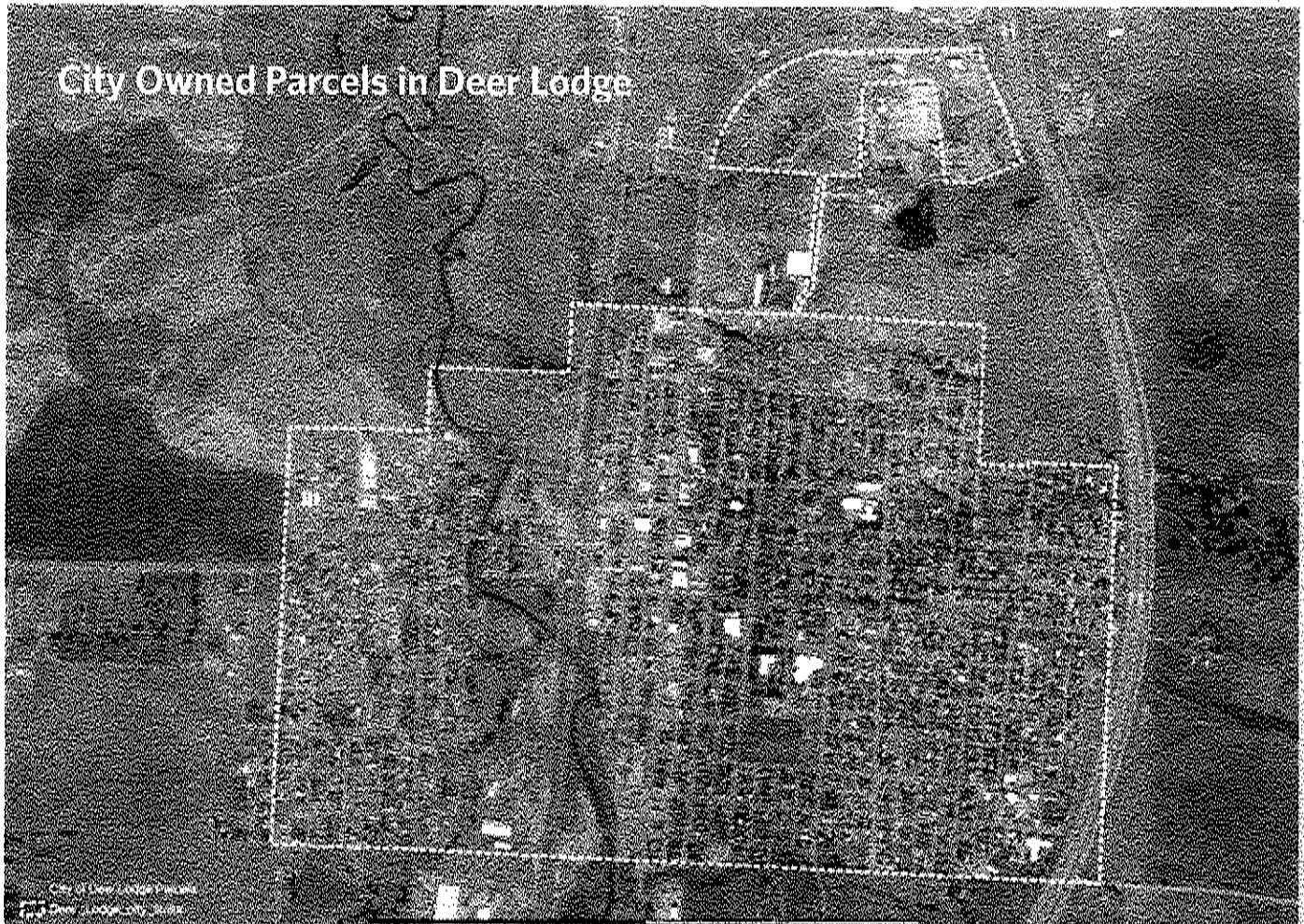
## SUMMARY: Recommended Actions

- The cost to build new housing exceeds many households' financial limits, hence public/private partnerships should be explored to ensure developers get a reasonable return on investment.

Numerous interview respondents noted that vacant land available for housing in Deer Lodge is hard to find. However, analysis of vacant lots in Deer Lodge showed that there are about 45 acres of residentially-zoned, undeveloped land in the city. At a moderate level of housing density, these lots could accommodate over 200 homes. In addition, the City of Deer Lodge owns about 32 acres of land in the city. While most of these City-owned lots already have structures on them or are otherwise undevelopable, several larger pieces of land do have some potential for development. Finally, there are significant lands surrounding the city to the west and the east that could be annexed if the owner was willing.

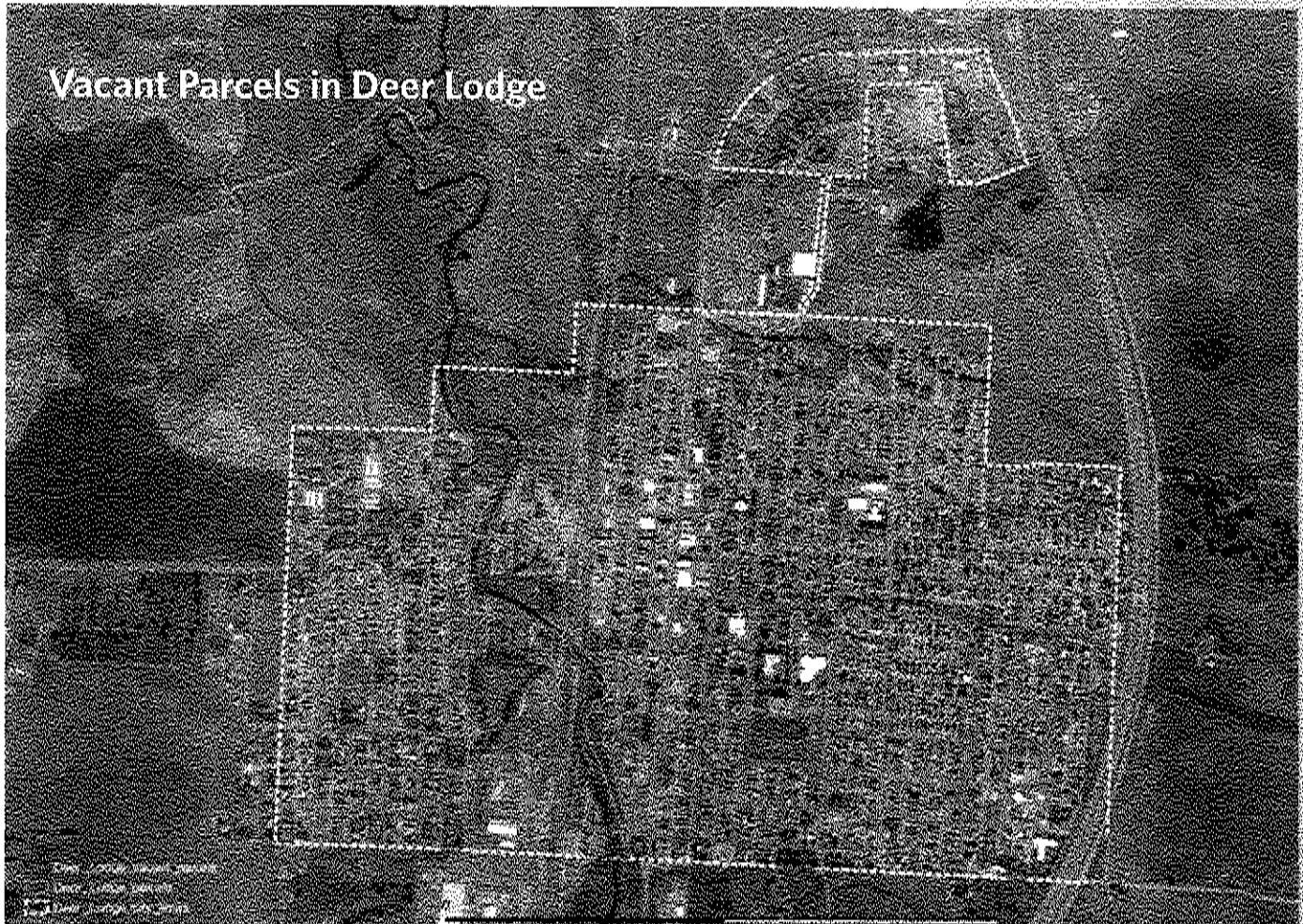
Community CLTs  
work with local  
developers to  
create single family  
homes or townhomes  
for moderate and  
middle-income  
households.

- Review and update zoning code to allow housing types other than single family homes by right in most residential zones, especially buildings with two to four units and accessory dwelling units (ADUs).
- Provide zoning code incentives, fee reductions, land dedication reductions, etc., especially for infill development near existing infrastructure. Developers need a reason and the ability to build more in town.
- Finally, this housing analysis showed a pressing need for rental homes. Because rental units are typically built as multi-family, and there is very little land zoned for multi-family (beyond duplexes and four-plexes), Deer Lodge's current zoning is not conducive to the production of rental homes.
- Continue to evaluate infrastructure condition and needed upgrades and partner with developers to upgrade infrastructure with new development. Federal ARPA funding for infrastructure can be used to facilitate housing development.
- Deed-restrict homes to retain the benefit of any public subsidy or incentives given to produce homes at below-market prices.
- The City of Deer Lodge could partner with local school and state community college programs to develop high school construction apprenticeship programs.
















- The City of Deer Lodge should consider regulation of short-term rentals. A simple way to do this is to restrict short-term rentals to owner-occupied units.
- Economic development and housing go hand in hand. Start small.

**The City of Deer Lodge's zoning ordinance** is biased heavily toward more expensive large-lot, single-family development. About 70% of the city is zoned for residential uses. Of that, about 60% is zoned very low-density (with a 10,000 square-foot minimum lot size) and 35% low density (7,500 square-foot minimum lot size). These two zoning districts (which combined account for about 95% of the city's residential zoning), require a special process called a Conditional Use Permit to build duplexes or four-plexes. Only about 5% of the City's residential zoning allows other attached development such as larger townhome and condo projects and apartments. Attached housing is by far cheaper to build compared to single-family homes, especially large-lot single-family development.



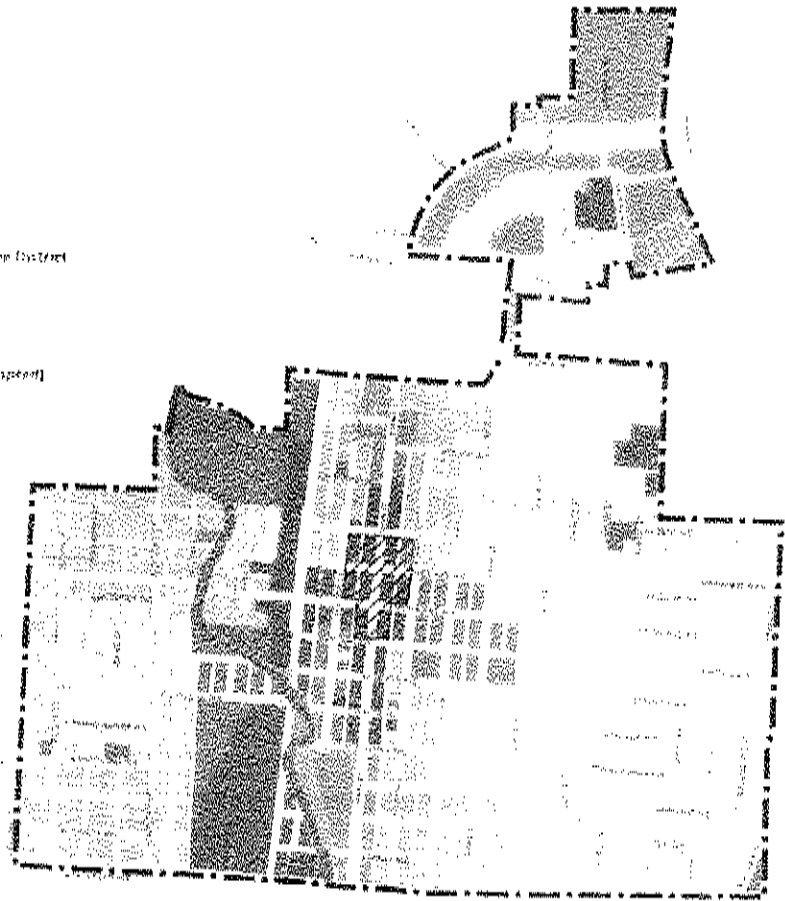


-  B-1 Central Business District
-  B-2 Highway Business District
-  B-3 Neighborhood Commercial District
-  I-1 Industrial and Manufacturing District
-  R-1 Residential, Single Family, Low Density District
-  R-2 Residential, Single Family and Manufactured Home District
-  R-3 Residential, High Density District
-  R-4 Manufactured Home Park District
-  R-5 Northside Residential Districts (Proposed - Not Adopted)
-  AS Agricultural Suburban District
-  Parks & Open Space District
-  Historic Downtown Preservation District
-  Clark Fork River Superfund Overlay District

0 100 200 Feet



REVISIONS TO 2021



## City of Deer Lodge Zoning

### SUMMARY: Recommended Actions - Funding

- Pursue low-income housing tax credits (LIHTC) for a rental project. The City of Deer Lodge should consider contributing land or other subsidies to make Deer Lodge more competitive for these funds, along with an RFQ/RFP to attract a knowledgeable developer.

**Low Income Housing Tax Credits (LIHTC)** provide project equity for public, non-profit and private developers. They are widely used in nationwide and in Montana. The Low-Income Housing Tax Credit subsidizes the acquisition, construction, and rehabilitation of affordable rental housing for low- and moderate-income tenants. The federal government issues tax credits to the State of Montana; the Montana Board of Housing then award the credits to private developers of affordable rental housing projects through a competitive process. Developers generally sell the credits to private investors to obtain funding.

- Tax Increment Financing (TIF) requires the formation of an urban renewal district. As improvements are made within the district, and as property values increase, the incremental increases in property tax revenue are earmarked for a fund. Expenditures of TIF-generated revenues are subject to certain restrictions and must be spent within the district. TIF have not been widely used for housing in Montana, but can likely support housing within the district pursuant to meeting state requirements (see §7-15-4288 MRA).

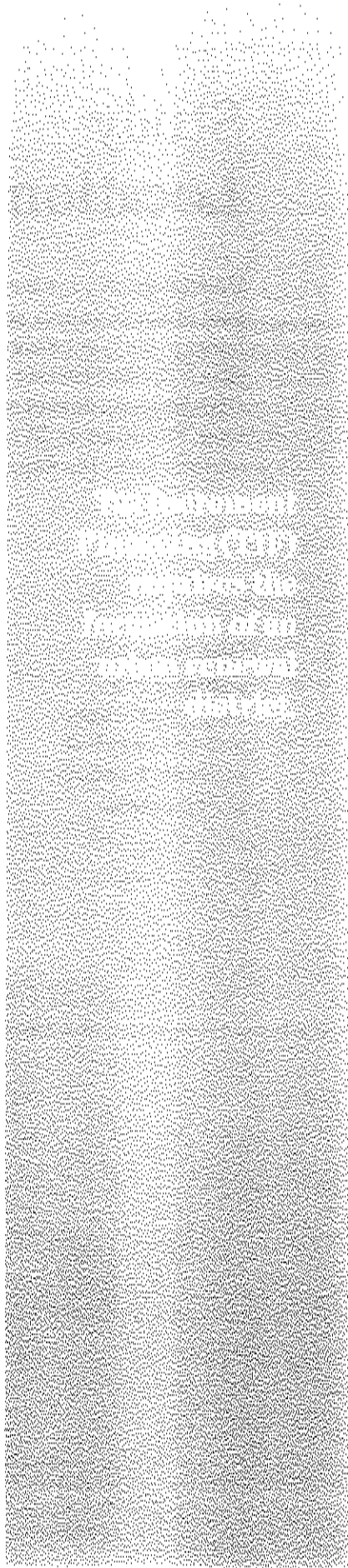
**Tax Increment Financing (TIF)** allows a local government or redevelopment authority to generate revenues for properties targeted for improvement. As improvements are made within the district, and as property values increase, the incremental increases in property tax revenue are earmarked for a fund. Expenditures of TIF-generated revenues are subject to certain restrictions and must be spent within the district. Those funds could be used for housing development. As an example, the Missoula Redevelopment Agency has earmarked \$1 million annually for affordable housing projects.

There are several neighborhoods within Deer Lodge that would likely qualify for TIF-financed redevelopment via public-private partnerships.

- American Rescue Plan Funds (ARPA) and Infrastructure and Jobs Act funding can be leveraged to help produce needed housing. ARPA funds can be used to build infrastructure to support developers who commit to a portion of their development restricted for local resident/employee occupancy.

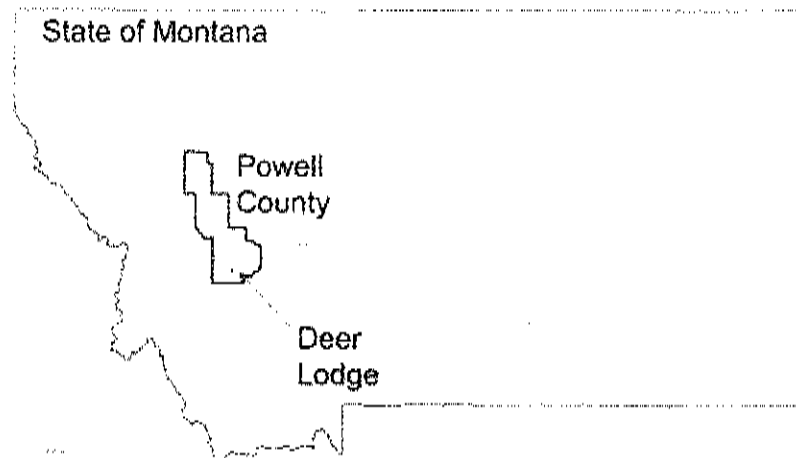
In a **public-private partnership**, local governments partner with developers to build homes on a publicly-owned site. The local government typically issues a Request for Proposals to select development partners. Public ownership of land can be retained with long term leases.

- Pursue CDBG and HOME grants through the State of Montana Department of Commerce which can be used for building or redeveloping housing or housing programs like down payment assistance or home renovation assistance. These programs can only be used for households earning less than 80% AMI.

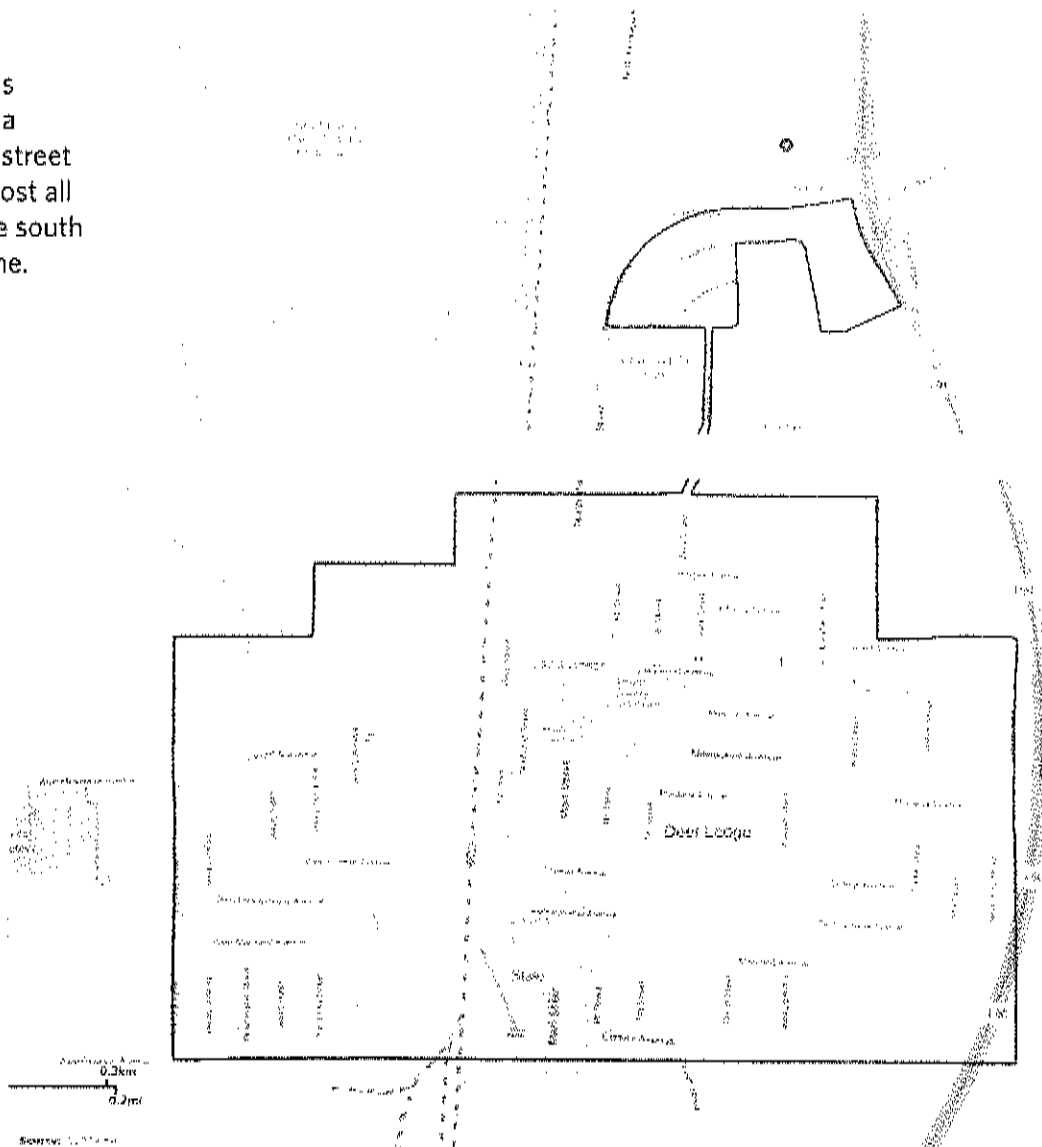


# Study Location

Deer Lodge, MT, is the county seat of Powell County and home of the Grant-Kohrs Ranch National Historic Site, Deer Lodge is situated on Interstate 90 about 35 minutes north of Butte, Montana.



Deer Lodge is primarily on a north-south street grid and almost all residents live south of Aspen Lane.

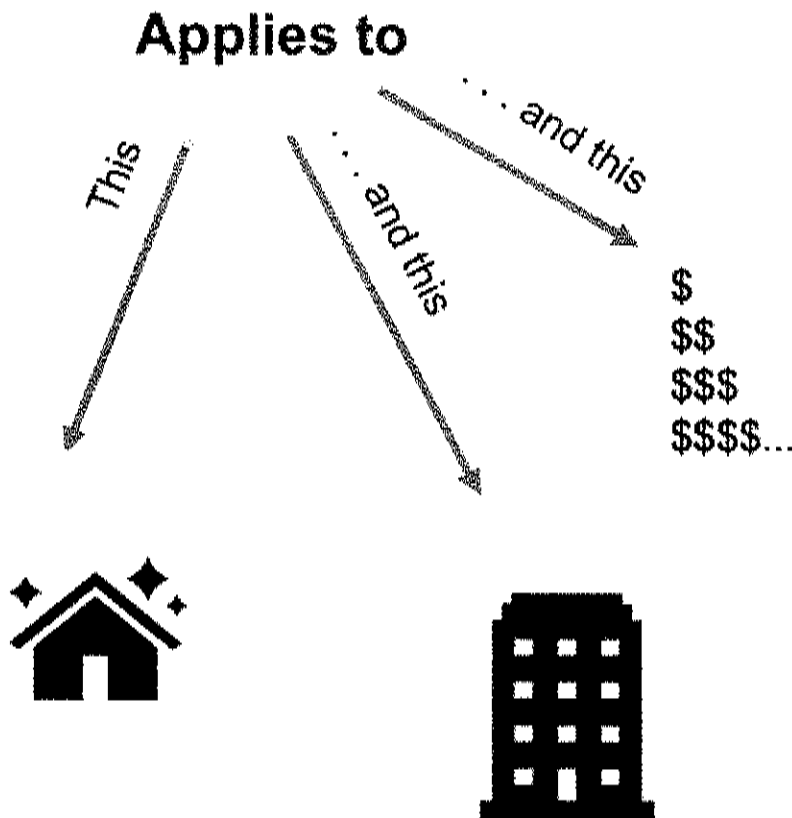


# DEFINITION: Housing Affordability

## WHAT IS AFFORDABLE?

The standard definition is that housing is affordable if monthly housing costs (rent or mortgage plus utilities) is equal to or less than 30% of gross household income (before taxes).

Many people think the term "affordable housing" refers only to rental housing that is subsidized by the government. In reality, it includes housing provided by private, public, and non-profit organizations and includes housing for ownership and rent. It also applies if you make minimum wage or high-income households. Regardless of the income you make, as long as you pay under 30% of gross income for your housing, it is "affordable."



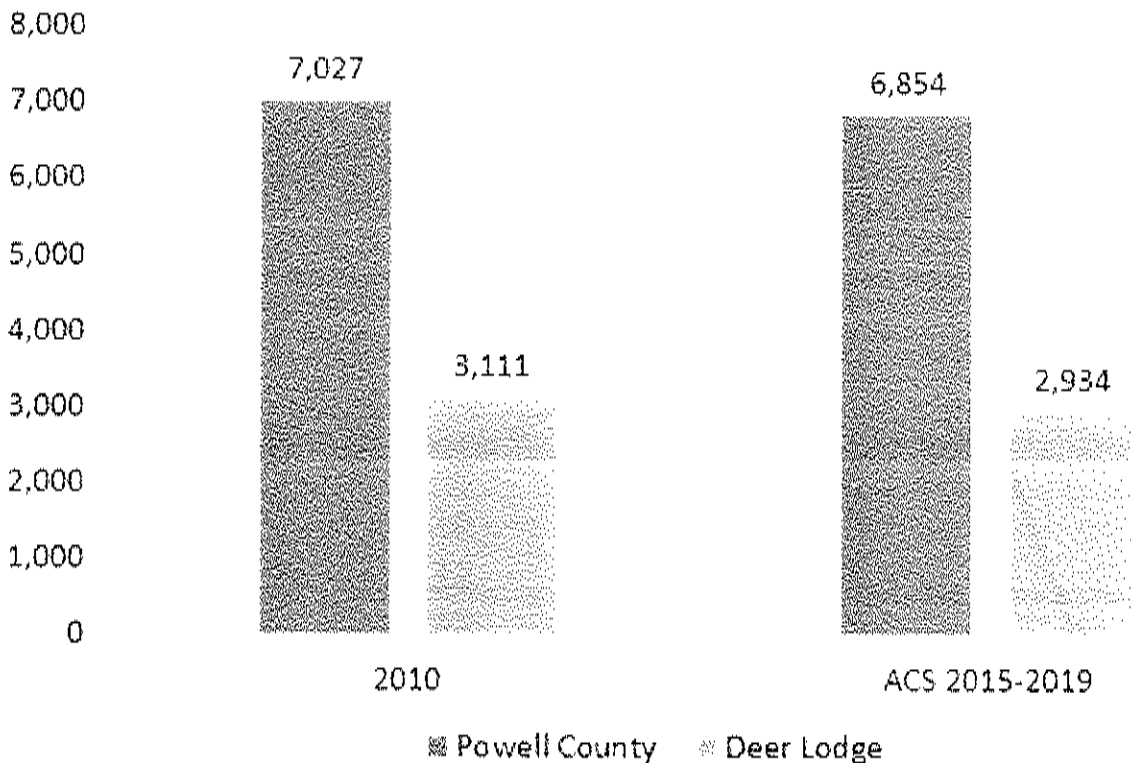
# DEMOGRAPHICS: Population and Households

## Population

There are just under 3,000 residents in Deer Lodge, which represents about 43% of all residents in Powell County.

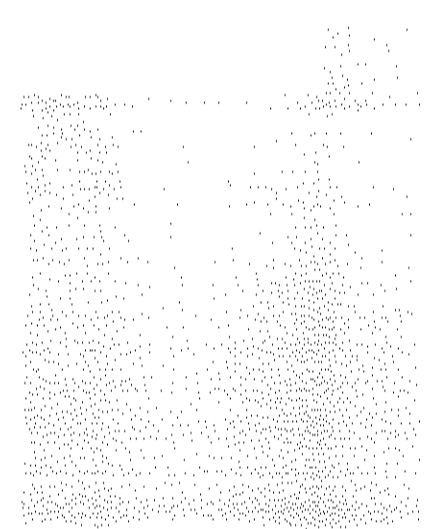
There is very little racial or ethnic diversity among residents (98% white; 0.2% Hispanic).

The population has declined in Powell County (-3%) and Deer Lodge (-6%) since 2010, continuing the downward trend of the previous decade.



### WHY IS THIS IMPORTANT?

**As the population grows, so does the need and demand for housing. Conversely, while a declining resident population may result in decreased housing demand, it may indicate that there is a lack of housing that residents can afford and occupy, or both. In other words, a lack of housing likely contributes to population loss.**



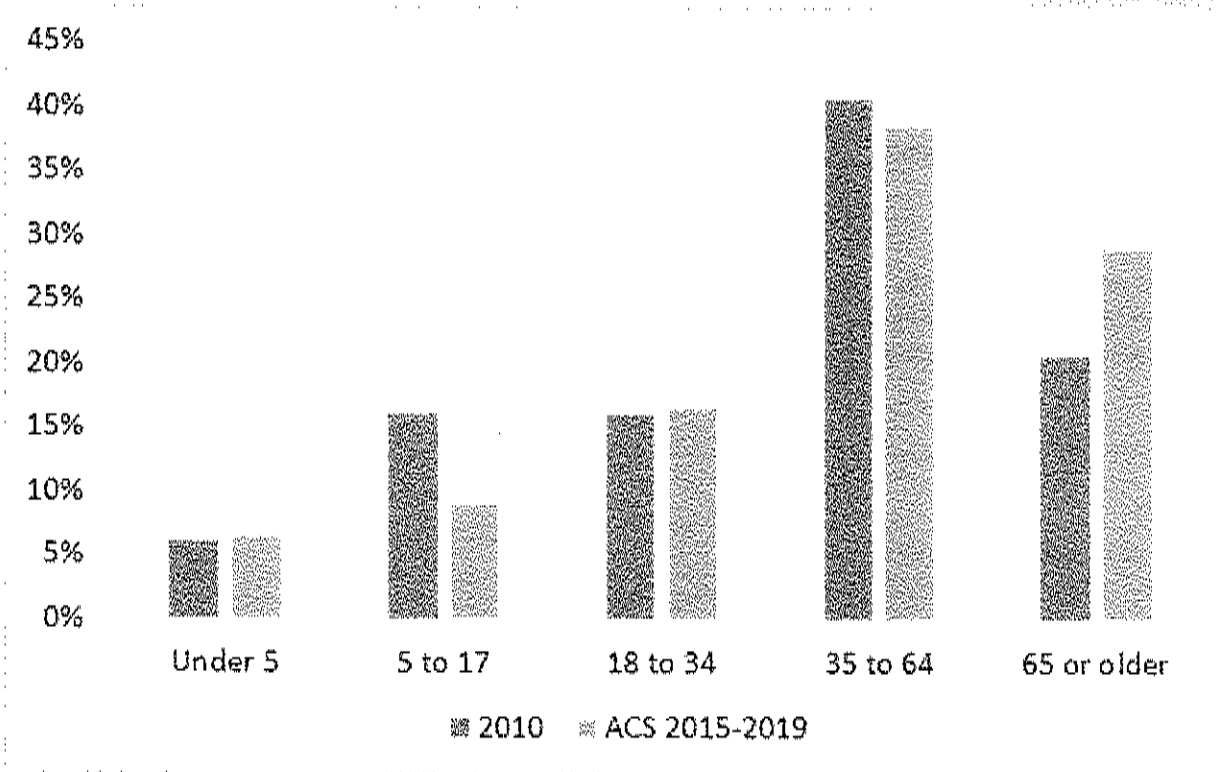


## Age

The median age of Deer Lodge is very high (54) and significantly higher than that of Powell County (46) and Montana (40).

The City's youth population has declined and senior population has increased since 2010.

35% of residents are age 60 or older.



### WHY IS THIS IMPORTANT?

The age profile of residents helps define what types of housing may be needed and, for households needing assistance, the most beneficial programs. Seniors and aging households need different types and prices of homes than young and growing families, for example.

## Households

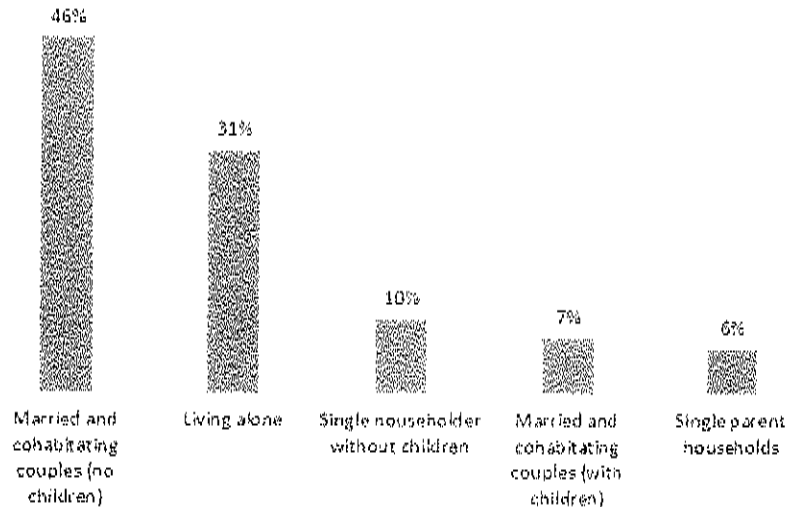
There are about 1,450 households in Deer Lodge, a figure that has changed little in the past 20 years. About 60% of all households in Powell County are in Deer Lodge. The city has a low average household size compared to the county overall, which has declined since 2010 to just under 2 people per household.

The percentage of households with children has declined over the past 20 years while the percentage of married couples without children has increased significantly, especially since 2010.

- ▶ Over three fourths (77%) of households are couples without children or people living alone. About half of those living alone are 65 or older.

More housing  
and transit  
communities  
everybody that  
learning how to  
travel  
community

- The percentage of households with children of the householder under 18 has declined by about 12 percentage points since 2010, now only representing 13% of all households.
- 31% of households have at least one person with a disability.



Source: ACS 2015-2019

### WHAT IS A HOUSEHOLD?

One or several persons who live in the same dwelling and share meals. It may consist of a family or another group of people.

### WHY IS THIS IMPORTANT?

The household profile of residents helps define what types of housing may be needed and, for households needing assistance, the most beneficial programs.

Source: www.publicschoolreview.com, www.schooldigger.com

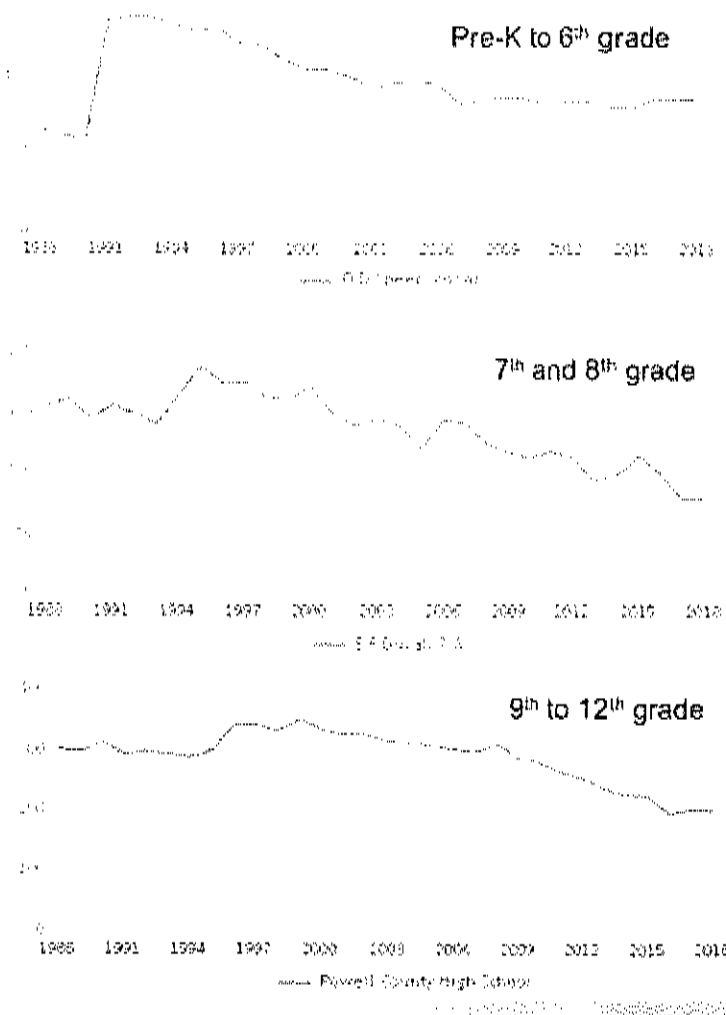
## School Enrollment and Rankings

There are two public school districts in Deer Lodge, the Deer Lodge Elementary School District and the Powell County High School District.

Enrollment at the middle and high school in Deer Lodge schools have been declining for decades, as shown in the school figures at right. Elementary school enrollment also declined, but has been relatively stable since 2007.

This is reflected in the demographics of the city, which shows a 9-percentage point decline in families with children over the past 20 years and more so in families with older children.

School district quality can affect housing demand from families with children. Despite many positive attributes of the local school districts, neither the elementary district schools nor the high school are ranked high enough within Montana or nationally to be a major draw for young families. In Deer Lodge, elementary levels (pre-K to 6th grade) ranks favorably compared to Anaconda; high school quality, however, is ranked lower than nearby high schools in Butte and Anaconda.

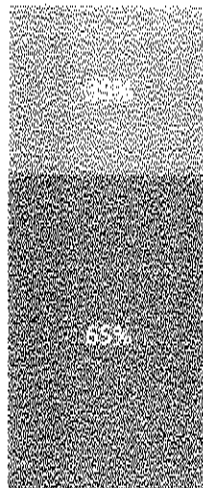


## Tenure (own or rent)

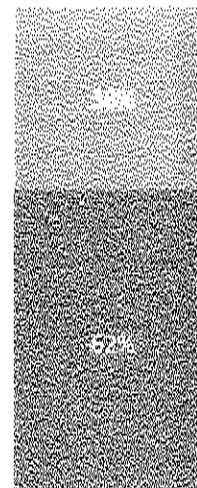
The percentage of owners and renters in Deer Lodge has essentially remained unchanged in the past decade. About 60% of households in Deer Lodge own their home and 40% rent.

Less than 4% of owned homes have a householder under age 35, whereas about 18% of rentals are occupied by a householder under 35.

Rentals that are subsidized or income restricted represent about 13% of rentals in Deer Lodge.



2010



2015-2019 ACS

■ Own ■ Rent

## Income

Median household income in Deer Lodge has increased since the Great Recession to about \$47,000, which represents about 86% that of Powell County.

Almost 40% of households (38%) do not have a worker in them, including 66% of one person households. This is driven by the large retired senior population living alone.

Almost one in five (18%) households live below the poverty line, which is defined as the estimated minimum level of income needed to secure the necessities of life. Almost one in four (23%) households receive cash assistance or food stamps/SNAP.

## Median Household Income

Deer Lodge: \$46,799



Powell County: \$54,667

Median household income in Deer Lodge has increased since the Great Recession

Source: ACS 2015-2019

## Income Distribution

The income distribution of city households within the US Department of Housing and Urban Development (HUD) Area Median Income (AMI) categories is shown to the right. This is important because federal and state programs that help create or subsidize affordable housing utilize AMI to qualify households based on the percentage that their income represents of the AMI. Cottonwood Villa Apartments in the city is one example.

In Deer Lodge, about two-thirds of households earn below \$70,000 per year, including 73% of renters and 64% of owners. Wages average just under \$43,500 per year. The average 2-person household earning their living in the area could afford:

- Homes for purchase priced between \$120,000 and \$250,000;
- Rentals priced below \$1,150 per month.

### WHY IS THIS IMPORTANT?

**The money that households earn through wages or other income sources is important to determining the availability and need for housing at various price points.**

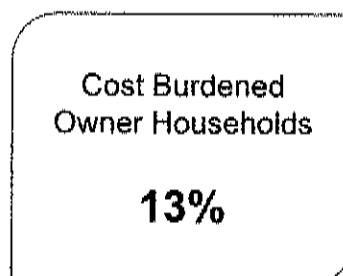
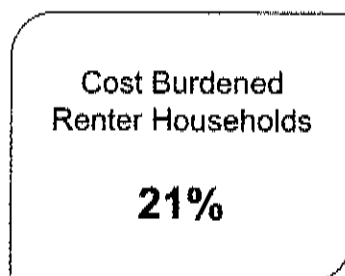
## Housing Cost Burden

When housing costs exceed 30% of a household's gross (pretax) income, that household is considered to be cost burdened.

Housing costs include rent or mortgage and may or may not include utilities, homeowner association fees, transportation or other necessary costs depending upon its application.

When a household is cost burdened, their housing is unaffordable relative to their income, and they have less money for other life necessities including food, clothing, transportation and health care.

About one in five renter households and one in ten households that own their home are cost burdened.



## Distribution of City Households by AMI

AMI	Renters	Owners	TOTAL
<50%	36%	15%	22%
50.1-80%	25%	15%	18%
80.1-120%	12%	34%	26%
120.1-200%	11%	27%	22%
>200%	15%	10%	12%
TOTAL	100%	100%	100%

## Income and Affordable Home Prices by AMI

AMI	Max Income	Rent	Home Price
<50%	\$28,400	\$710	\$116,440
50.1-80%	\$45,450	\$1,136	\$186,345
80.1-120%	\$68,160	\$1,704	\$279,456
120.1-200%	\$113,600	\$2,840	\$465,760
>200%	\$113,600	\$2,840	\$465,760

Source: ACS 2015-2019

Source: ACS 2015-2019

# HOUSING INVENTORY: Number, Age and Home Types

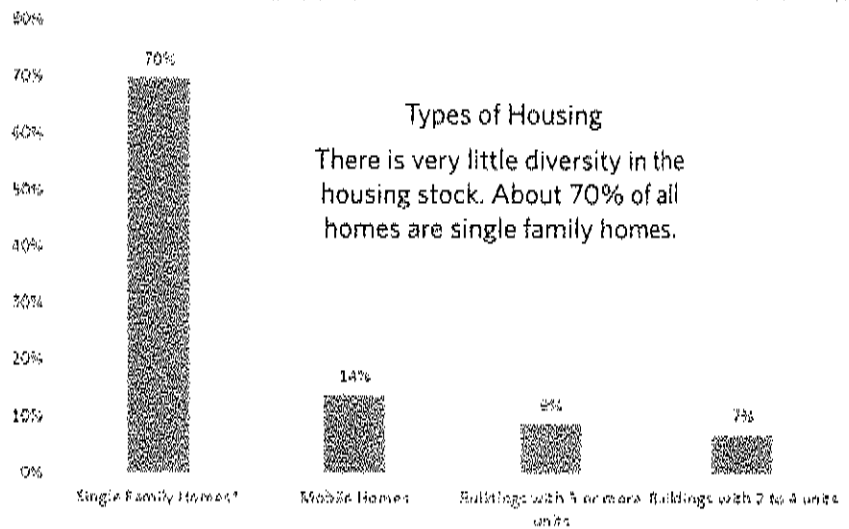
## Number & Occupancy

There are about 1,660 homes in Deer Lodge, which represent about 52% of all homes in Powell County.

The percentage of homes that are occupied by a full-time resident has decreased slightly since 2010 in the city and county.

- About 13% of homes in Deer Lodge and 24% in the county are not occupied by a full time resident.

**WHAT ARE UNOCCUPIED HOMES?**  
Homes are considered unoccupied if they are for sale or rent, built but not yet occupied, used as vacation homes, or abandoned.



**Types of Housing**  
There is very little diversity in the housing stock. About 70% of all homes are single family homes.

Source: Powell County Assessor, consultant team

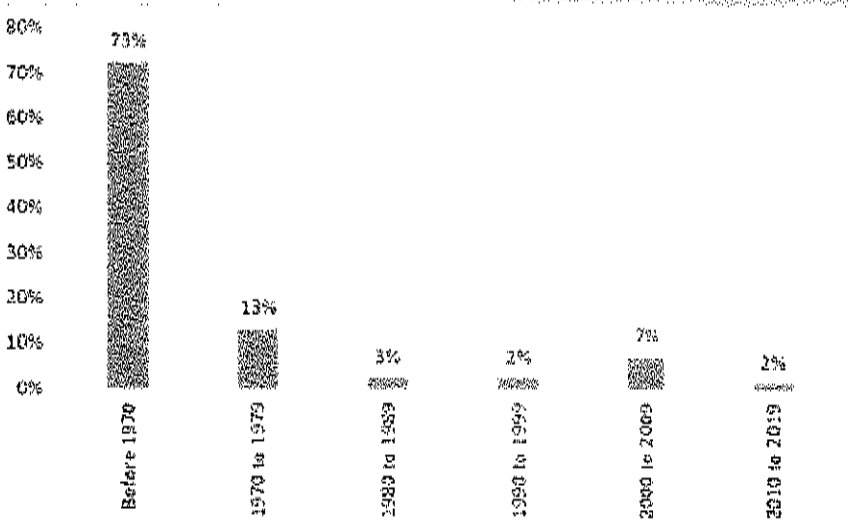
## Age of Housing

The housing stock in Deer Lodge is very old.

Almost 3 out of every 4 homes (73%) is at least 50 years old.

Very little housing has been built since 2010. In the last decade, 5 new single family homes and the 21-unit Cottonwood Creek Villas Apartments have been constructed.

The age of the housing and commercial stock creates a dilemma in the city with some structures. There is significant value in historic character, but there is a high cost to renovate dilapidated homes.



Source: ACS 2015-2019

Current residential development includes the Elk Tips building, which is undergoing renovations to add six apartments.

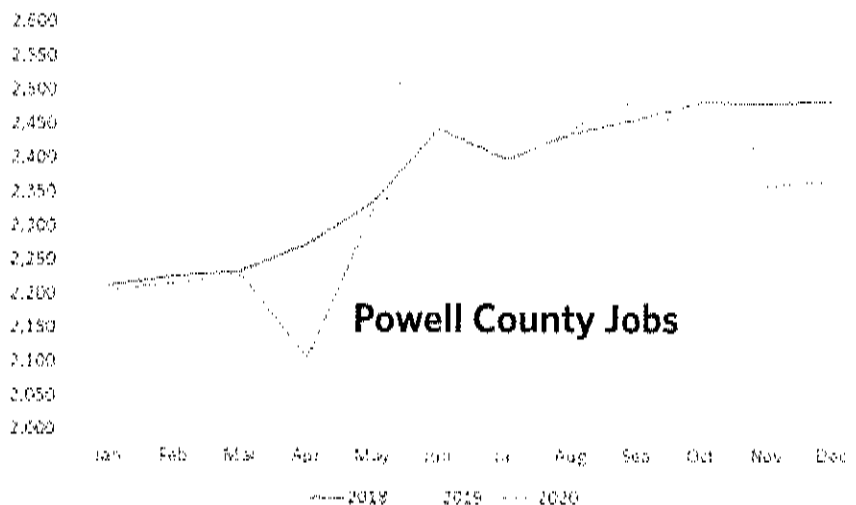


# THE ECONOMY: Jobs, Wages, and Commuting

## Economy and Jobs

The number of jobs in Powell County has been relatively flat since 2010. As occurred in most areas, jobs dropped during COVID shut downs in March 2020; however, jobs bounced back by the summer of 2020.

Jobs in the county peak in the summer when tourism is high and again in the fall.

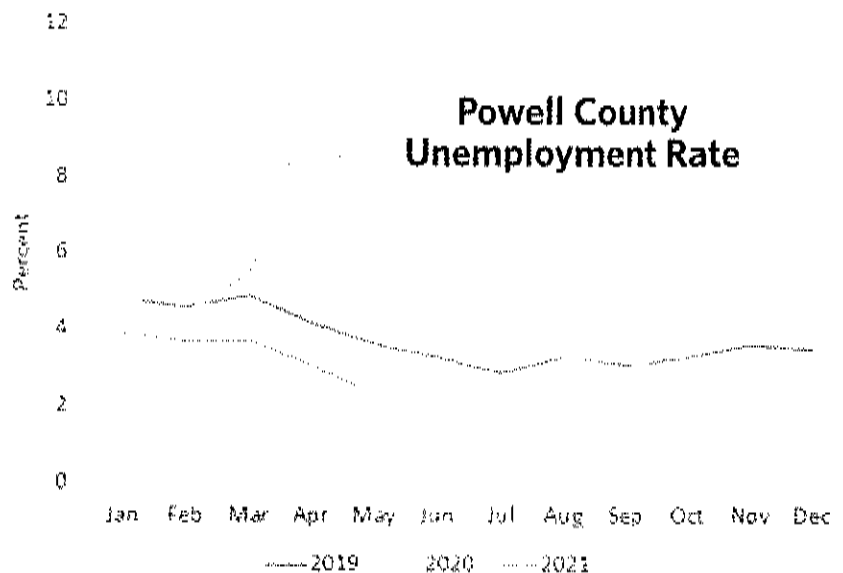


Source: BLS QCEW (includes preliminary data)

## Unemployment

The annual unemployment rate for those living in Powell County steadily declined from 2016 (5.2%) through 2019 (3.7%), but increased in 2020 (4.6%) due to the economic impacts stemming from the COVID pandemic.

As of May 2021, the unemployment rate in Powell County was less than 3% - lower than it was before the COVID pandemic. When unemployment is this low, competition for skilled workers is high, making it difficult to fill jobs. The availability of housing for employees can be a competitive advantage in this type of environment.



Source: BLS LAUS (includes preliminary data)

## Powell County's Top Employment Sectors (% of employees)

Public Administration	33%
Health Care and Social Assistance	12%
Manufacturing	9%
Accommodation and Food Services	9%
Educational Services	8%
Retail Trade	7%
Agriculture, Forestry, Fishing and Hunting	5%

## Wages and Industry of Employment

The average wage in Powell County in 2020 was \$43,471. To protect the confidentiality of firms in the county, the BLS suppresses the annual average pay for many sectors of the economy. The table to the right shows how pay varies by private industry.

Retail, education, and accommodation are among the lower paying sectors and comprise three of the top six industries of employment in the area.

Among the largest private employers in Deer Lodge and the vicinity include Deer Lodge Medical Center and Sun Mountain Lumber.

The largest public employers include Deer Lodge Schools and the Montana State Prison (close to 700 employees).

## Commuting

In Montana, long commutes are not uncommon and workers travel to and from Powell County and Deer Lodge every day for work. Commutes impact household expenses (cost of gas and vehicle maintenance), commuter time and stress (especially in inclement weather), job satisfaction and turnover (for those that prefer not to commute), and child care needs.

- It is estimated that 66% of people who work in Deer Lodge and 44% of those who work in Powell County commute in from elsewhere, primarily Anaconda and Butte.
- Interviews with large area employers align with these estimates, with 40-60% of their employees commuting in from elsewhere.
- Households often don't consider commute costs when considering housing affordability.
- Given such high costs to commute, even from Anaconda and Butte, the addition of quality homes at prices the area's workforce can afford has potential to attract new residents to Deer Lodge.

## Powell County, 2020 Annual Average Pay of Private Companies

Finance and insurance	\$48,811
Health care and social assistance	\$48,123
Transportation and warehousing	\$43,867
Professional and technical services	\$42,171
Arts, entertainment, and recreation	\$34,152
Educational services	\$32,280
Real estate and rental and leasing	\$31,908
Retail trade	\$30,143
Other services, except public administration	\$27,367
Accommodation and food services	\$15,282

Sources: Montana LMI, KTVH.com

## Powell County's, Top Employment Sectors (% of employees)

Public Administration	33%
Health Care and Social Assistance	12%
Manufacturing	9%
Accommodation and Food Services	9%
Educational Services	8%
Retail Trade	7%
Agriculture, Forestry, Fishing and Hunting	5%

Source: LEHD

Sources: IRS, Google Maps, U.S. Census LEHD consultant team

## Estimated Commute Cost to Deer Lodge

Community	Miles	Cost/Mile	Cost of commute (per month)
Anaconda	25	\$0.56	\$560
Butte	37	\$0.56	\$829

## Employer provided housing

Some local employers provide their employees with housing assistance. For example, the hospital and prison own or rent properties for short term stays - from one or two nights to a few months.

The examples cited above are just a few ways that employers are able to assist their employees in finding or obtaining housing. Other types of assistance include:

- Assistance with housing search
- Paying a hiring bonus, salary stipend, or higher wage than nearby communities for the same or a similar job
- Down payment or mortgage assistance

Employer	Employee Housing Assistance
Deer Lodge Medical Center	Rent housing for employees for overnight stays
Montana State Prison	Own home that can house up to six residents at a time; employees can stay for up to first 90 days of employment while looking for another place to live.

Source: consultant team

# Housing Market

## Rental Market

The rental market in Deer Lodge primarily operates via word of mouth. The consultant team was only able to find three publicly available listings over two months of searching.

- 2 bed/1 bath for \$600
- 1 Bed / 1 Bath for \$950 (furnished)
- 3 Bed / 2 Bath for \$1,200

Secondary data from the American Community Survey lags real time market rates, but suggests that rental rates increased by about 45% from 2010 through about 2019.

The influx of buyers and investors from out of state in the past 18 months or so have driven rental rates up even further.

Short term rentals are also showing a presence in Deer Lodge. One real estate company that manages 40 rentals had 20% shift to short term rentals (e.g., units that are rented for less than one month) in the past couple of years. Investment buyers for this purpose have also increased.



## Subsidized and Income Restricted Housing

There are three properties in Deer Lodge that either receive ongoing rental subsidies or were built using state or federal resources that serve households below designated incomes levels. All units are priced affordable for households earning below 60% AMI (about \$34,000 for a 2-person household), for whom rents do not exceed \$900 per month.

Name	Number of Housing Units
Cottonwood Creek Villas Apartments	21
Pebblestone Square Apartments	24
Deer Lodge Apartments	24
<b>Total</b>	<b>69</b>

Source: Dept. of Housing and Urban Development LIHTC database; City of Deer Lodge, consultant team

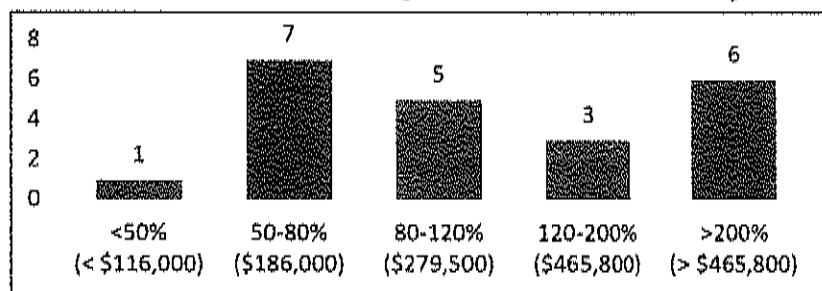
- Occupants primarily include singles, young families, and seniors.
- Vacancy at these properties is typically either zero or extremely low.
- Turnover is very low. Perhaps six units among the three properties turn over each year. Units are filled almost immediately.
- Two of the three properties have waitlists amounting to about a two-year waitlist.

## Ownership Market (Current For Sale Listings)

In September 2021, there were 23 homes listed for sale on the MLS in the city of Deer Lodge.

- Home sale prices have increased significantly (near 50%) in the past few years. Homes priced under \$250,000 sell fast. Homes below \$150,000 are old and typically in need of significant repairs.
- For-sale inventory is about one third of what it was one year ago.
- Most purchasers are from outside the area and are not moving to the area to take local jobs. Most are retirees. Some are investors purchasing to either resell homes at higher prices or short-term rent.
- Few residents are purchasing. Current owners are not able to upsize or downsize because if they sell, homes are either not available or are too expensive. First time homebuyers cannot afford homes and cannot compete with cash buyers.
- Appraisals cannot keep up with the fast rise in prices, meaning residents have a hard time acquiring mortgage approval.
- Residents that sell are moving to a new job elsewhere, or cashing in on homes they have been renting for years.

### Homes for Sale by AMI Affordability



# of Bedrooms	Average Asking Price
2	\$195,825
3	\$321,000
4	\$703,500
5	\$1,022,500

Source: consultant team  
\*excludes \$9M farm/ranch listing

# Services and Amenities – 2017 Community Survey

A community survey was fielded in mid-April of 2017 as part of a downtown master plan process in the City. Results are telling and shed light on other factors that affect the desirability of Deer Lodge for residents, some of which were also noted by employers and real estate professionals.

## **When asked to rate downtown:**

- ✦ Over 60% of respondents rated downtown as excellent or good in the categories of friendliness of business owners (75%) and safety (68%).
- ✦ Over 70% of respondents rated downtown as fair or poor in the categories of variety of businesses (90%), variety of restaurants (87%), places to sit and socialize (85%), appearance (78%), and events bringing people downtown (78%).
- ✦ Respondents indicated they would like to see more selection in goods and services, such as clothing stores and restaurants in particular.

## **When asked what improvements were most needed downtown:**

- ✦ Over 75% of respondents rated the following activities as very important or important – attract freeway traffic downtown (79%), more retail businesses (77%), more events (76%), and restore older buildings (76%).
- ✦ Other action items noted by respondents indicated filling up vacant buildings, cleaning up the historic appearance, and a place for children to hang out.

# Development Environment

## **Recent Development Activity**

- ✦ There have only been 26 units added to the housing stock since 2017 - 5 single family homes and the 21-unit Cottonwood Villa Apartments (completed fall 2019).
- ✦ Other than a retrofit of a downtown commercial building (the Elk Tips building) which will add six rental units upon completion, no other residential units are in the planning pipeline

## **Cost to develop (developer interview)**

- ✦ A 1,200 square foot home on an 8,700 square foot lot can be built for between about \$250,000 to \$300,000. This includes hard costs of about \$150 to \$175/square foot and land costing about \$4 to \$5 per square foot. Multi-family product could be produced for less; however, estimates were not available. Pre-fab product was similar when the cost of transport and site work is considered.
- ✦ Material costs and labor are up about 25% each of the past couple of years, but have been holding steady recently. Labor costs between \$12 to \$35 per hour, but labor can be hard to find in Deer Lodge.

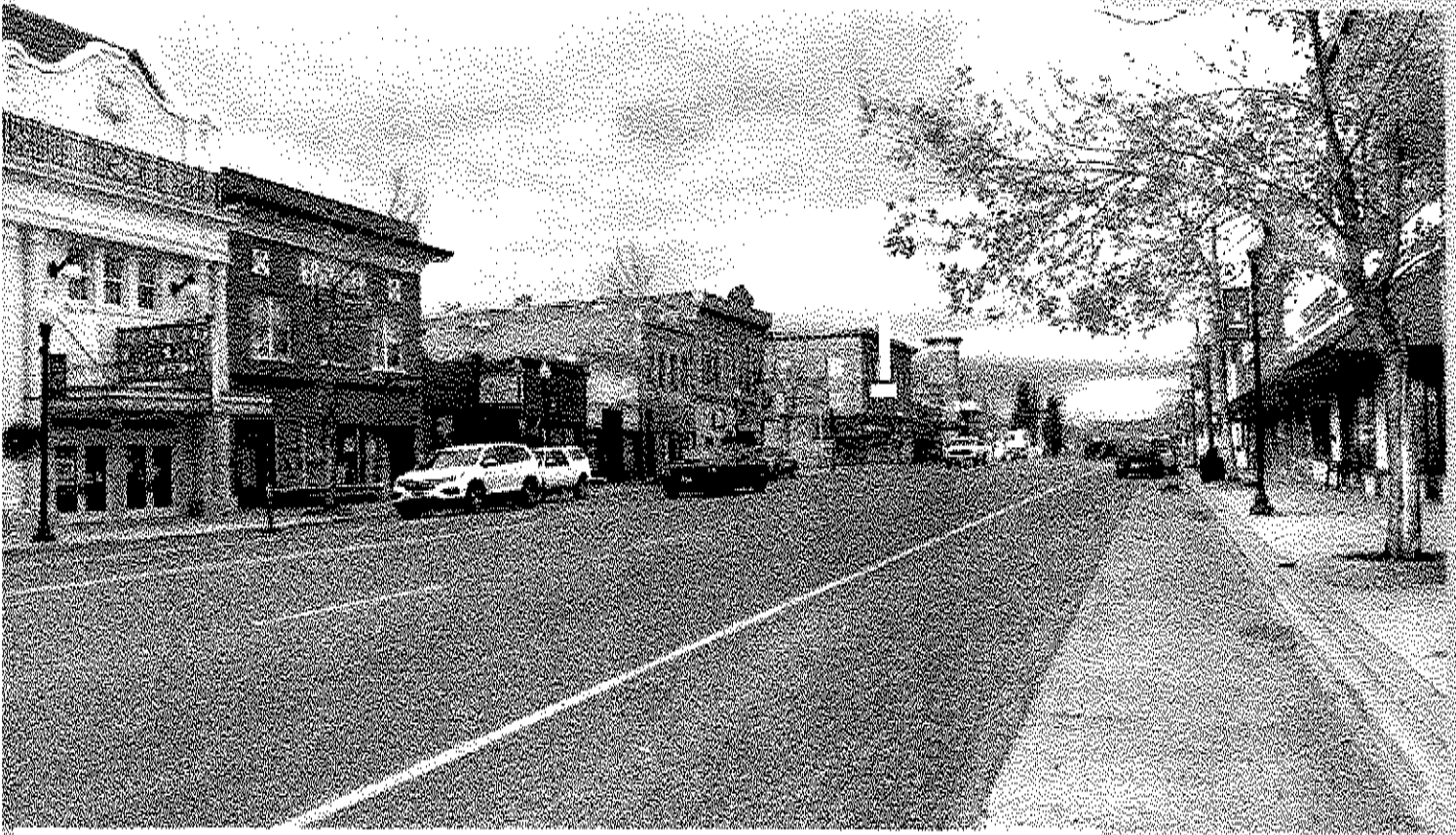
- To produce price points needed by residents (\$250,000 or less), subsidies (e.g. land, financing) are needed. Attached product can also help reduce cost.

#### **Infrastructure and process**

- The cost of permits and fees were felt to be reasonable and in line with other cities.
- Aging infrastructure (e.g., water/wastewater pipes) may be a concern. Upgrades in strategic locations can assist housing development.

## Acknowledgments

A special thank you to the employers who spent valuable time discussing housing issues from their perspective, the City of Deer Lodge, as well as the subject matter experts who participated in interviews and provided valuable data and insights.

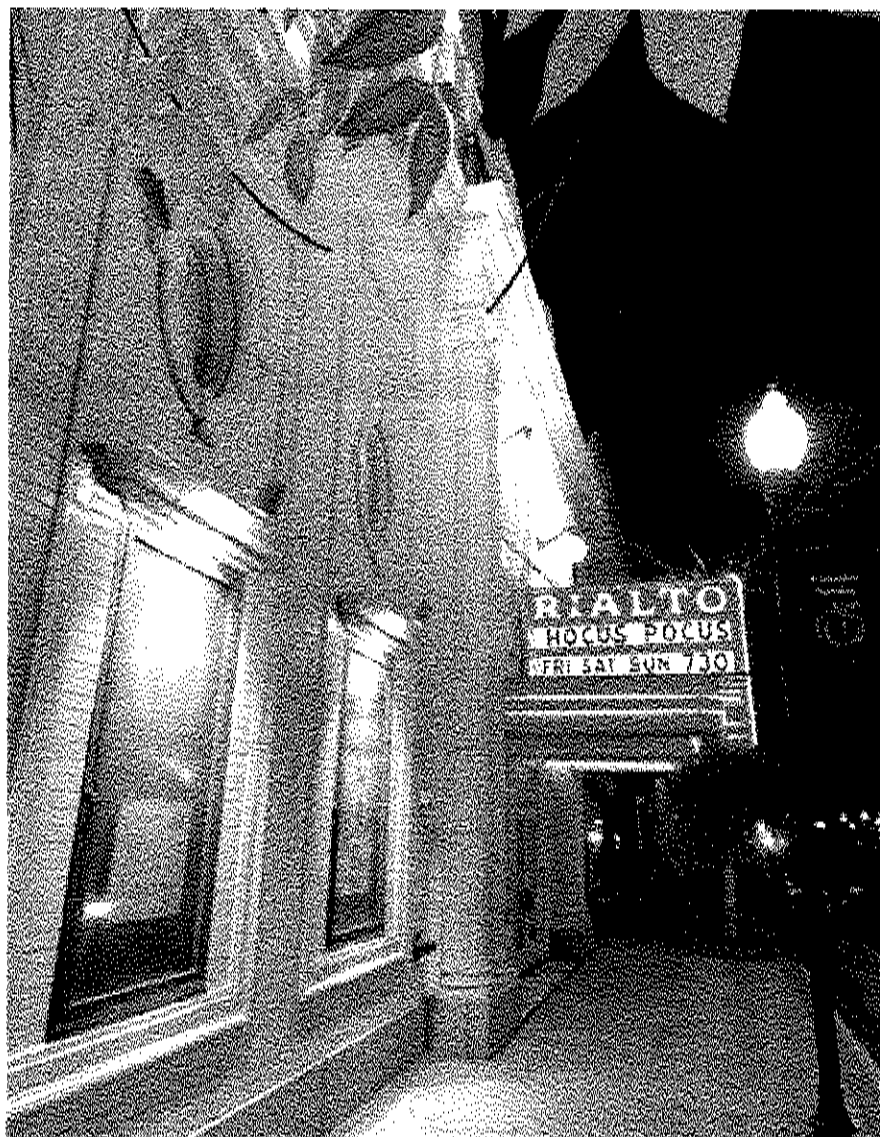


# Downtown Deer Lodge Revitalization

Deer Lodge's downtown, while full of charming old buildings, is more than a physical space - it is a key part of the community's identity. Like many cities, the downtown contributes to its sense of place, which is the unique collection of qualities and characteristics - visual, cultural, natural, and social - that provide meaning to a community. Sense of place is what makes one city different from another city, and it makes the physical environment valuable and worth caring about.

In addition to providing a unique sense of place, Deer Lodge's downtown is also key to the economic development. Visitors flock to attractive downtowns, motivating some to invest there.

Another key element for downtowns is what is known as the "multiplier effect" - the idea that every dollar spent at a local, independently owned business can stay in the community and help generate a far greater economic value. Multiplier effects include the spending done by a business in the local economy to operate the business, including inventory, utilities, equipment and pay to employees; the recipients of the first firm's spending take the money they received and spend it on something else; and the additional consumer spending that happens as employees, business owners and others spend their income in the local economy. Employees and others purchase goods and services for themselves and their families - purchases that they would not be able to make without their income from the first business.



# Deer Lodge Downtown Master Plan

In order to build upon the economic value inherent in Downtown Deer Lodge, it requires continual development. The 2017 Deer Lodge Downtown Master Plan sets forth an ambitious list of things that could be done to promote and improve the city's central business district. Those objectives include:

1. **Redesign Main Street to be more in context with the small downtown atmosphere of Deer Lodge.**
2. **Develop a Complete and Connected Non-Motorized Transportation Network**
3. **Ensure Adequate Parking Capacity is Available Downtown**
4. **Provide Convenient Access to Downtown**
5. **Enliven and Promote Vacant Downtown Properties**
6. **Develop and maintain quality public spaces in and adjacent to downtown**
7. **Preserve and maintain historic buildings in downtown**
8. **Promote Public Art**
9. **Work on improving the outside appearance of downtown and adjacent areas**
10. **Support Local Business**
11. **Identify stable funding sources for downtown improvements**
12. **Work with local partners on creating a stable framework for implementing Deer Lodge's Downtown Master Plan**
13. **Market and promote Deer Lodge through a variety of platforms and the number of events in downtown Deer Lodge**
14. **Expand the number of events in downtown Deer Lodge**

Downtown Deer Lodge has made progress on several of these objectives. The City received a Transportation Alternatives Program award from the Montana Department of Transportation that improved ADA-compliant access and enhanced nonmotorized access for Main Street businesses. As stated by MDT, the project "serves as an investment in an historic corridor that perpetuates the goal of the community to maintain its core infrastructure and attract new businesses and visitors to the area".

In addition, the City secured a Montana Main Street Program grant for a wayfinding project. The project helps market Main Street businesses and enhances the experiences by visitors of Downtown Deer Lodge. Together, these two projects represent a significant investment by the community in the downtown.



As noted above, the eleventh Downtown Master Plan objective is to identify stable funding sources for downtown improvements. The master plan goes on to identify creation of a business improvement district, which would provide annual funding for downtown projects, as a top, short-term priority. That objective has yet to be attained. Specifically, the action item under this objective states:

**Create a Business Improvement District.** A business improvement district (BID) is a special district where an additional assessment is placed on properties in the district. The funds generated by the assessment are used to fund projects and programs that benefit the property owners within that district and funds can only be used within the district. The use of funds is governed by a board of property owners or their representatives from the district. Funds can be used for promotion and marketing, events, beautification projects, maintenance of existing facilities, security, and infrastructure improvements. A BID in Deer Lodge would provide a reliable funding source for completing and maintaining projects aimed at beautifying downtown and attracting more customers to downtown businesses. It will give the community the tools to develop marketing campaigns to increase awareness of Deer Lodge throughout the region.

Under Montana state law, Deer Lodge cannot simply create a BID but must have the support of the owners of at least 60% of the area in the district, at which point the City must pass a resolution to create a BID. The master plan goes on (Objective 11 is reproduced in Appendix A) to identify creation of a BID, which would provide annual funding for downtown projects, as a top, short-term priority. You are reading this document because that objective has yet to be attained. The downtown plan also, in Objective 12, calls for establishment of a stable framework - a partnership of agencies, organizations, and businesses - to take responsibility for implementation. A BID Board of Trustees could take the lead in organizing and sustaining that partnership.

Commercial property owners who want to work together to promote and improve downtown Deer Lodge may petition the City to create a BID. The City may levy an assessment on properties within the BID if it is approved. The BID may use the funds raised for promotions and improvements that are set forth in the City's Downtown Master Plan and annual work plans approved by the City Council. BIDs must be renewed every 10 years.

The purpose of this document is to help the people of Deer Lodge understand how to create a BID, should they wish to do so. It begins by reprising the recommendation to establish a BID found in the City's Downtown Master Plan, then provides examples of what BIDs are doing in other Montana communities, explains the steps in the creation of a BID, and discusses the potential costs of a BID to property owners.

The downtown plan also, in Objective 12, calls for establishment of a stable framework - a partnership of agencies, organizations, and businesses - to take responsibility for implementation. A BID Board of Trustees could take the lead in organizing and sustaining that partnership.

# Business Improvement Districts in Montana

Montana cities and counties have been authorized to create BIDs since 1985. They are used successfully throughout the state.

The Great Falls BID published a 10-year report in 2019 that offers examples of many of the things a BID is authorized to do. A copy of that report is appended, or you may find it at: <http://exploredowntowngf.com/business-improvement-district/>.

Smaller Montana communities that have successful BIDs include Livingston and Hamilton. Links to those BIDs appear below.

<https://www.downtownlivingston.org/>

[http://www.cityofhamilton.net/city\\_government/boards\\_and\\_commissions/dhbid.html](http://www.cityofhamilton.net/city_government/boards_and_commissions/dhbid.html)

State law lays out the steps to follow if Deer Lodge businesspeople see potential in these examples from other Montana communities.

## Creating a Business Improvement District

The entire statute is appended for convenient reference. This summary adds a critical first step that is not part of the law (but is just as surely required) and suggests strategic considerations for those interested in creating a BID in Deer Lodge.

1. **Conversation** – This step is not in the enabling law, but without it, nothing else will happen. Creation of a BID for downtown Deer Lodge must start with a sustained conversation about the possibilities. How would having a BID help downtown prosper? This conversation should be initiated by downtown property owners – they will support and manage a BID if one is established – but include tenants, city and county officials, the Powell County Chamber of Commerce, and others who have an interest in the community's success.

**STRATEGY!** The conversation about a BID may begin as an informal one among the affected property owners. But success, both in creating a BID and in its operation, will require broader understanding and participation. The idea of a BID should be aired at chamber of commerce meetings (and possibly with other organizations) and brought informally before the City Council before a petition is circulated.

2. **Petition** – If there is a sense that a BID could play a helpful role in Deer Lodge, the first formal step is to submit a petition asking the City Council to create one. This petition must include a description of the boundaries of the proposed BID and be signed by the owners-of-record of at least 60% of the commercially-appraised property within those boundaries.

Montana Cities and Counties have been authorized to create BIDs since 1985. They are used successfully throughout the state. The Great Falls BID published a 10-year report in 2019 that offers examples of many of the things a BID is authorized to do. A copy of that report is appended, or you may find it at: <http://exploredowntowngf.com/business-improvement-district/>. Smaller Montana communities that have successful BIDs include Livingston and Hamilton. Links to those BIDs appear below. <https://www.downtownlivingston.org/> [http://www.cityofhamilton.net/city\\_government/boards\\_and\\_commissions/dhbid.html](http://www.cityofhamilton.net/city_government/boards_and_commissions/dhbid.html) State law lays out the steps to follow if Deer Lodge businesspeople see potential in these examples from other Montana communities.

**STRATEGY!** While they are separate steps in the process, it only makes sense for the petition to be accompanied by a draft of the resolution the Council would adopt to move forward.

3. **Resolution** – The City Council must adopt, publish, and provide notice of a resolution of intent to create a BID. This resolution must include a description of the proposed boundaries. The notice of the resolution must set the time, date, and place of a hearing at which the Council will review protests to the creation of the BID. There must be at least 15 days between the date of the notice and the date of the hearing.

**Strategy!** While the law does not require more detail in the resolution of intent, questions will immediately arise. Property owners will want to know who will serve on the BID Board of Trustees and, especially, how properties will be assessed. It will not be possible to provide final answers to those questions, but they should be anticipated. It will be prudent to have a proposed slate of trustees and a draft work plan, budget, and schedule of assessments available for review and discussion BEFORE the petition to create the BID is filed.

4. **Protest Period** – Any potentially affected property owner may file a written protest against creation of the BID within 15 days after notice has been published.

5. **Protest Hearing** – The City Council will consider any protests received at its hearing and determine whether they bar further action. The BID proposal stops here if protests are received from the owners of property totaling more than 50% of the taxable value within the proposed district or more than 50% of the property owners within the proposed district or owners who would pay more than 50% of the assessments levied.

**Strategy!** Property owners tend to protest what they don't understand. Clear and complete communication will be essential.

6. **Adoption** – If no protests are filed or those received are insufficient, the City Council may adopt a resolution establishing the BID and appointing its first slate of Trustees.
7. **Work Plan and Budget** – The newly appointed Trustees will present a proposed work plan and budget for the first year of the BID's operation to the City Council.

**Strategy!** The adopted downtown master plan offers reasonably detailed guidance for the annual work plans of the BID. It should be followed (or formally modified, as necessary) because without a guiding document there are bound to be questions about how the broad powers of the BID are being used.



8. **Work Plan Hearing** - The City Council must conduct a public hearing on the work plan and budget submitted by the Trustees and may modify that plan before adopting it.



9. **Levy** – After adopting the work plan and budget, the City Council may, by resolution, add a levy on the commercially-appraised properties within the BID to the tax roll. Levies may be based on any of several measures of anticipated benefit. Note that a BID's expenditures are subject to the same accounting requirements and protections as any other municipal function.
10. **Implementation** – Now for the fun! When the Executive Director of Livingston's BID was interviewed for this report, she was about to buy 80 pounds of candy for the downtown trick-or-treat. Virtually every action called for in the downtown plan – installing bike racks, planting or replacing street trees, making grants for facade improvements, or publishing a map, among them – is eligible for BID funding.

## Funding a Business Improvement District

A pivotal question about a BID is, of course, How much will it cost me as a property owner?

It is important to answer that question in a way that emphasizes the benefits the BID could bring, the value it will add. But it is also necessary to be clear about the bottom line.

Montana law provides several ways to assess a property within a BID. Those methods are used in combinations that reflect local circumstances. No two communities use the same approach. Assessments are typically a few hundred dollars per property. Those who are interested in forming a BID in downtown Deer Lodge will have to work with the City Council to determine what is fair. This report provides a starting point for that process.

**Basic Assumptions** It is assumed that the Deer Lodge BID will have the boundaries shown on the map presented in this report. That boundary is open to discussion and could change in ways that affect the calculations given here. Note also that this report uses the most recent data available on the Montana Cadastral website ([http://svc.mt.gov/msl\\_mtcadastral](http://svc.mt.gov/msl_mtcadastral)). Those tax data may shift in response to market trends, reappraisals, or changes in state law. New construction and improvements (or demolition) will also change the basis for funding a BID.

**Minimum Funding Needed?** It is assumed here that a Deer Lodge BID would need a minimum budget of \$20,000. That assumption is subject to discussion, but this seems like a potentially useful amount, which can then be leveraged – as all successful BIDs do – with other resources, including small grants.

How Could That \$20,000 be raised? BID assessments can be based on almost any measurable criteria. This report offers some thoughts about the choice among assessment methods.

**Taxable Value.** Basing the BID assessment on taxable value would be simple. A five percent (5%) levy on the taxable value of the properties included in the BID as it is mapped for this report would raise about \$20,600. Given that collections are seldom perfect, a six percent (6%) levy would be more certain to generate

the necessary funds. This method may have the drawback that the assessments would vary greatly, ranging from as little as \$20 to over \$1,000. Property owners who pay larger assessments might wonder how much stake those who pay the smallest assessments will have in the success of the BID.

**Tax Exemptions.** It should be noted that a few properties in downtown Deer Lodge, including the churches and real estate owned by local governments or nonprofits, are exempt from taxation. These properties reduce the potential basis of assessment for a BID by roughly 10%. Persuading their owners to support a BID with contributions in lieu of assessments would be helpful.

**Uniform Flat Fee.** Assessing a modest per parcel fee would promote a perception that every property owner has a stake in the work of the BID. A \$50 flat fee would raise well over \$8,000, making it possible to raise more than \$20,000 by combining those fees with a four percent (4%) levy on taxable value.

**Lot Area Assessment.** Lot area is another straightforward measure that could be used as a basis for assessment to support a BID in Deer Lodge. An assessment of just over one cent per square foot of lot area would be needed to raise the minimum budget of \$20,000. This choice would result in very different assessments than using taxable value, with some property owners paying less and others paying more. Again, the use of a flat fee for all property owners might soften the differences.

**Split the Difference?** It would be possible to combine a modest flat fee with assessments based half on taxable value and half on the size of the property.

The experience of other Montana BIDs - all of which combine multiple assessment methods - shows that no one method of assessment will be seen as advantageous or fair by all property owners. Deer Lodge will have to find the compromise that best meets the perceptions and needs of its downtown property owners.

## Conclusion

Successful implementation of Deer Lodge's Downtown Master Plan and the ability of local property owners to better promote and improve their businesses will be, at the least, much easier if a BID is created. This report has laid out the steps required to get that done, as well as providing links to BIDs in other Montana communities and tangible examples of what the costs of establishing a BID in Deer Lodge might be. Future West wishes the community the best in its endeavors to create a more pleasant and vibrant downtown!

DEER LODGE  
DOWNTOWN  
BID  
2014-2015  
ANNUAL REPORT  
AND VISION  
FOR DOWNTOWN

RECEIVED BY

FEB 10 2022

Mayor Jim Jess  
300 Main Street  
Deer Lodge MT. 59722

CITY OF DEER LODGE

RE: Letter of intent to join City Counsel in the City of Deer Lodge.

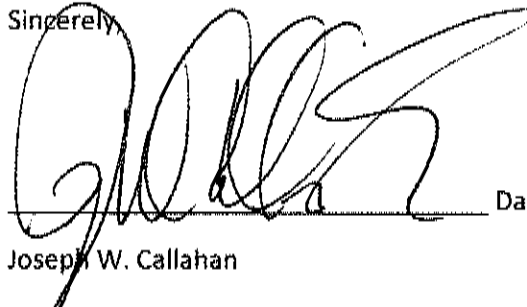
Dear Mayor and City Council Members,

I would like to Apply for the Ward 1 City Counsel position currently vacant for the City of Deer Lodge. I am Currently a Correctional Sargent at the Montana State Prison and work in Command Post. My duties range from staffing conflict to potential life-threatening issues. I manage Staff, inmates, MCE employees while on grounds, contractors, census and counts, emergency services, transportation, and mass schedules to name a few. My true passion is to help this community become a more desirable place to live and raise a family. My wife and I own a home business we hope to grow to allow for new jobs here.

I have held office in Medford, Oregon to help develop the centennial trail and hiking trails. I worked as the regional manager for The American Red Cross and saw to the implementation of an effective system to bring them out of the red into the black. I saw through my struggles and help how it all benefited the community, especially those in dire need. I believe that there is a need for that type of community support and involvement to make a change for the better for and available to the city. I have no conflict of interest in prior offices or positions that would interfere with my responsibilities as a member of City Counsel. I feel as a civil servant my experience and a fair sense of judgement would be an asset to the city.

I believe working for the citizens of the City of Deer Lodge is an important job and that work, and life experiences are key to successful decision making. When citizens show up for council meetings with something to say that they not only want to be heard but know that their concern don't fall on deaf ears. I look forward to discussing my qualifications or any questions. Thank you for the consideration for Ward 1.

Sincerely,



Date 2/10/2022

Joseph W. Callahan  
318 Center Street  
Deer Lodge, Mt. 59722  
406-491-7508