



**CITY COUNCIL WORK SESSION
CITY COUNCIL CONFERENCE ROOM
418 EAST SECOND STREET
MONDAY, AUGUST 03, 2020
6:00 TO 7:00 PM**

1. Call to Order
2. Sustainable Tourism Management Plan
3. Public Comment
4. Direction to City Manager
5. Adjourn

July 28, 2020

Whitefish City Council
P.O. Box 158
Whitefish, Montana 59937

Dear Mayor Muhlfeld and City Council,

I am pleased to present the Whitefish Sustainable Tourism Management Plan (STMP) for your review at the City Council Work Session on August 3rd. This plan is the culmination of over two years of hard work by the volunteer committee, consultants, and advisors to the committee. On behalf of the STMP Committee, we want to extend a huge thanks to consultants Kate McMahon, Lorraine Roach, and Michelle Archie, as well as committee advisors Dylan Boyle, Rhonda Fitzgerald, and former City Councilor Jen Frandsen for their dedication.

Our biggest takeaway from this experience has been that a strong and sustainable tourism economy touches all facets of our community and various economic sectors. There is not one single answer to addressing sustainable tourism. As such, this is a complex plan that provides a lot of data and implementation action items. Please take some time to review the plan - the executive summary provides a succinct overview of the identified action items. Kate McMahon and Lorraine Roach have done an excellent job and went above and beyond to collect the data while also facilitating public meetings and conversations with various stakeholder groups.

As you may recall, the Sustainable Tourism Management Plan was scheduled for a work session on March 16th which was cancelled due to the COVID-19 pandemic. Since that initially scheduled work session, our world has fundamentally changed. After reviewing the plan in mid-July with the STMP Committee, we believe that the plan as presented, with minor modifications, provides a solid framework in which to tackle the identified action items in the plan while adjusting to and reacting to the short term and long term impacts of COVID-19.

As our community is currently experiencing unprecedented impacts as a result of COVID-19, Dylan Boyle, Executive Director of the Whitefish Convention and Visitors Bureau, has created a briefing paper attached on the next page to highly recent short term impacts.

In closing, the STMP Committee is recommending that a standing committee be formed to work on the identified action items in the plan, as well as work to address the long term impacts of COVID-19 on our tourism economy in conjunction with the City and the Whitefish Convention and Visitors Bureau.

Thank you for your consideration of this important plan. If you have questions in advance of the meeting, please contact Lauren Oscilowski, at 406-407-5909 or lauren@spottedbearsprits.com.

Sincerely,

Lauren Oscilowski

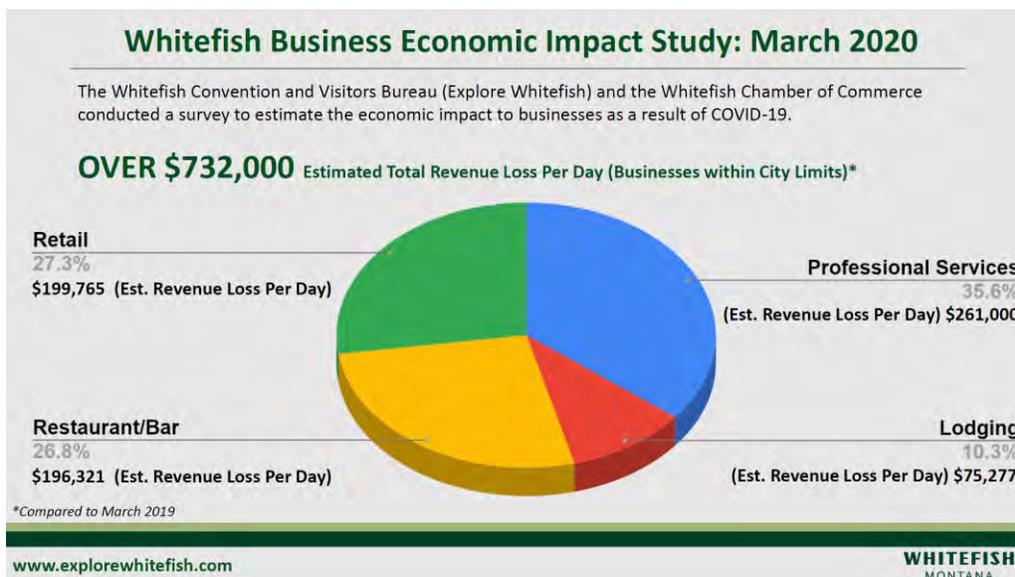
Chair, Whitefish Sustainable Tourism Management Committee

Briefing Paper For STMP City Council Work Session: COVID-19 July 28, 2020

The Whitefish Convention and Visitors Bureau (Explore Whitefish) has been monitoring the impacts of COVID-19 since mid-March. This briefing paper provides a brief snapshot of the short term known impacts of COVID-19 on the economy of Whitefish.

Whitefish Business Economic Impact Study

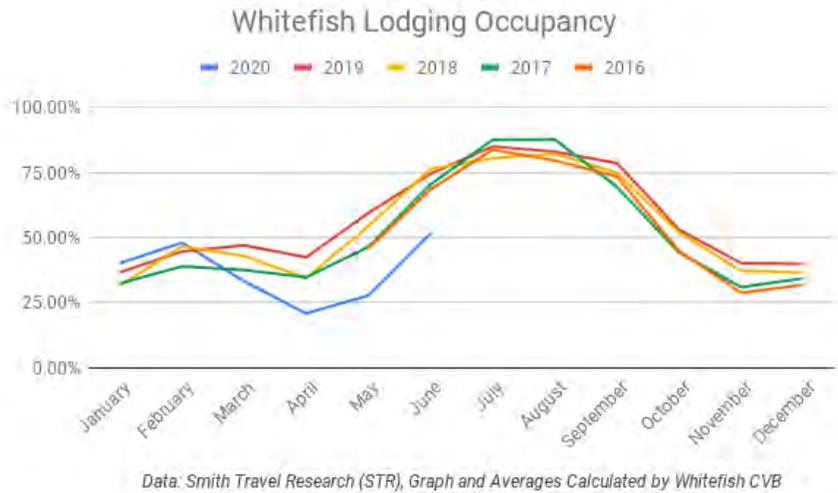
The results of this study estimated the economic impact on businesses in the last two weeks of March, as a result of the COVID-19 emergency, which forced the early closing of Whitefish Mountain Resort during ski season. Initial estimates revealed that the business community operating within the City of Whitefish experienced total revenue losses of over \$732,000 per day compared to the same time period last year.



Whitefish Lodging Occupancy

The true impacts on lodging properties began in mid-March. Below you will find a graph with lodging occupancy percentages which shows drastic changes compared to historical data.

- March occupancy was approximately 30% down compared to last year.
- April – May occupancy was restricted to essential travel and thus was down 50% or more compared to last year with occupancy rates hovering around 20-25%.
- June occupancy was approximately 50%, which is down over 30% compared to last year.
- As Montana reopened to out of state visitors on June 1st, advanced lodging numbers for summer (June – Sept) were well below last year, with most lodging properties reporting advanced reservations of 75% or more down.
- Last minute reservations have picked up for the summer, but overall lodging numbers are still significantly down from last year.



Whitefish Trail Recreational Use

The combination of limited services and capacity with the desire to social distance outside has resulted in increased use of the Whitefish Trail. Using infrared trail counters, Whitefish Legacy Partners determined that trail use at Lion Mountain increased 27% during April, May and June of this year compared to the same months’ average over the last three years (2017-2019). This sharp increase in trail use this year has directly increased needs for maintenance and community outreach on the Whitefish Trail.

Summer 2020 and beyond

There is so much variability in the kind of travel happening this summer, with an outsized regional and long-haul drive market and fewer fly-in visitors, as well as more people traveling in RVs or staying in short-term rentals, second homes, or camping instead of staying in hotels. This trend has also been noted in national travel trend data from the U.S. Travel Association and Destination Analysts.

With that said, the window for advanced hotel reservations has narrowed dramatically this summer compared to a typical year. Usually, summer reservations are made months in advance while many reservations this summer are being made in a matter of days.

As there are so many variables occurring constantly during these unprecedented times, it is still very difficult to quantify the long term impacts of COVID-19. As such, the work put forth by the Whitefish Sustainable Tourism Management Plan Committee (STMP) is as important and valid as ever and Explore Whitefish looks forward to working on the actionable items identified in the STMP in conjunction with the City in the face of real uncertainty.

Sincerely,

Dylan Boyle
Executive Director, Whitefish Convention and Visitors Bureau



Sustainable Tourism Management Plan 2020

City of Whitefish

Whitefish Convention and
Visitor Bureau

ACKNOWLEDGMENTS

City Council

Mayor John Mulfield
Melissa Hartman
Andy Feury
Ryan Hennen
Rebecca Norton
Frank Sweeney
Steve Qunell

Sustainable Tourism Management Plan Committee

Lauren Oscilowski (Chair)
Councilor Andy Feury
Michell Howke
Mariah Joos
Alan Myers-Davis
Nick Polumbus
Meagan Powell
Brian Schott
Craig Workman
Steve Thompson (Past Member)

Consultants/Advisors

Dylan Boyle, Whitefish Convention and Visitors Bureau (Director)
Rhonda Fitzgerald, Montana Tourism Advisory Council
Jen Frandsen, Former City Council Member
Kathleen McMahon, Applied Communications (Consultant)
Lorraine Roach, Hingston Roach Group (Consultant)
Michelle Archie, Harbinger Consulting Group

Adopted
(To be determined)

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Executive Summary

Over the past decade, there has been a noticeable increase in the number of people spending time in Whitefish, especially during the peak summer season. There is concern that too much visitation will diminish the quality of life that the community values and that visitors find so attractive. The purpose of this Plan is to promote sustainable community-based tourism development that is beneficial to community members, employees, and visitors.

“Sustainable Tourism: A sustainable approach to tourism means that neither the natural environment nor the socio-cultural fabric of the host communities will be impaired by the arrival of tourists. On the contrary, the natural environment and the local communities should benefit from tourism, both economically and culturally. Sustainability implies that tourism resources and attractions should be utilized in such a way that their subsequent use by future generations is not compromised.” (*Source: World Tourism Organization*)

A resident survey showed concerns related to housing prices, traffic, infrastructure, and community character. While residents identified challenges related to growth in visitation, they also recognized the benefits that accompany the tourism industry. These include positive economic impact from nonresident visitors that contributed \$614 million to the regional economy in Flathead County in 2018. Each year skiers at Whitefish Mountain Resort contribute \$12.1 million to the economy and Whitefish Trail visitors contribute \$6.4 million in consumer spending. The resort tax provides funding for roads, parks, other infrastructure, and a portion allocated for a property tax rebate.

This Plan relies on community input to identify fundamental values that underlie plan recommendations. These values are expressed as the three key pillars.

Key Pillars



Data regarding population growth, new construction, and visitation reveal that nonresident tourists only account for a portion of the increase in summer crowds. Whitefish experienced a 3% annual average population growth rate since 2010 while Flathead County experienced an annual average growth rate of 2% per year. In addition to this population increase, there has been corresponding growth in seasonal/vacation homes that are primarily used during the peak summer months. New hotel construction has contributed to visitor growth but the increase in short-term rentals, through companies such as AirBnB and VRBO, has far outpaced the number of new hotel rooms. All these factors contribute to increased traffic, higher housing costs, workforce shortages, longer wait times at restaurants, and user conflicts on trails.

Trends also indicate that tourism growth will continue over the next decade or longer. As visitors discover Whitefish, many choose to relocate to the area, generating more population growth. The airport is expanding, and more flights will bring more visitors to the area. National Park visitation has increased nationwide, with Glacier National Park recording record visitation in recent years. Visitors and locals use social media to share their vacation experiences, generating even more interest in visiting the area. While the Convention and Visitor Bureau focuses on marketing off-season activities, businesses and state agencies continue to market Glacier Country during summer months.

While the pillars represent the overarching principles, five specific focus areas were identified to provide an organizational framework for addressing priority issues. Within each focus area, are recommended goals and actions to address concerns that emerged from public input and the data analysis. The table below indicates the page number to find the list of actions for each focus area.

Focus Area	Action Item
Tourism	pg. 46
Economic Diversification	pg. 67
Housing & Development	pg. 86
Environment	pg. 99
Transportation	pg. 110

Although Whitefish has little control over the trends that underlie this growth, it can take action to respond and manage the growth that is occurring. Several initiatives are underway to address concerns. The City is implementing recommendations from the “Workforce Housing Strategic Plan” and recently adopted a “Parking Management Plan.” The City enacted a water conservation ordinance in 2019, and upgrades to the wastewater treatment plan will commence in 2020. Other plans include “Downtown Business District Master Plan,” “Connect Whitefish Bicycle and Pedestrian Plan,” “Climate Action Plan,” and “Wisconsin Avenue Corridor Plan.” Given the work already completed, the “Sustainable Tourism Management Plan” builds on these processes, establishes next steps, and identifies actions to maintain the quality of life. Such a framework includes the following steps for completing this plan.

1. Inventory and define the problem
2. Include the public to develop solutions
3. Identify initial actions to build capacity
4. Identify strategies to address key issues
5. Measure, monitor and adjust

A community workshop solicited suggestions on policy and action items that are reflected in these recommendations. The implementation chapter compiles the recommended actions from each of the focus areas and identifies the following high priorities actions. Implementation depends on partnerships between community organizations, state/federal agencies, funders, and businesses.

High Priority Organizational Actions

- Benchmarking & Data Collection: Indicators to monitor progress and process to refine data
- Appoint Standing Committee: Responsible for implementing plan
- Business Survey: Identify support for buy local, green business, workforce development
- Education & Outreach: Promote responsible tourism and recreation

High Priority Issue Oriented Actions

- Short-Term Rentals: Enforce, educate, zoning for parking, incentives for long-term rentals
- Recycling: Research and expand opportunities for recycling, support local recycling businesses, and reduce overall waste
- Funding: Legislature outreach to secure funding for various programs in 2021 Legislative session
- Wildfire: Emergency Preparedness - Education, outreach, coordination, firesafe best practices
- Transportation - Transit, park-n-ride, employee parking permits, bicycle, and pedestrian facilities

Work Program

	2020		2021				2022
	3 rd Qtr	4 th Qtr	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	1 st Qtr
Education -Outreach Campaign Dev.							
Education - Outreach Implementation							
Appoint Tourism Standing Committee							
Business Survey							
Recycling Research							
Fire Preparedness Workshop - Audits							
Legislative Outreach							
Update Trail User Policies							
Summer/Special Event Shuttle - Policies							
Benchmarking - Data Collection Project							
Refine Whitefish Brand Guides							
Update STR Zoning-Parking regulations.							
Incentivize STR conversion to workforce housing							
Downtown Employee Parking permit							
Pilot Park-N-Ride - Carpool program							
Coordination Activities							
US 93 Urban Core Transportation Plan							
Whitefish Transportation Plan							
County Transit Plan							
Pre-Disaster Mitigation Plan							
City Growth Policy Update							
To Be Scheduled: <ul style="list-style-type: none"> Landlord - Realtor Education Day Care Initiative Car share Feasibility Study (If employer interest) Worker Apprenticeship Programs thru FVCC Business Incubator Commercial Space Inventory Impaired Driving Prevention Grant Commercial space inventory Local Investment Cooperative 		<ul style="list-style-type: none"> Urban Wildlife Management Plan Historic Preservation Survey Gateway Treatments Update Architectural Design Guidelines Dig Once/Open Trench Policies Update BNSF response plan Sustainable/smart parking designs County zoning - proposed amendments Homeless prevention Broadband Task Force Coordinate with public health on air quality 					

I. PLANNING OVERVIEW

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“Maintain a happy local strong diverse community that retains its roots, culture, and diverse nature. Water quality and preservation.”

Survey Comment

A. Purpose

Peak summer season tourism growth in Whitefish has resulted in challenges related to housing, transportation, infrastructure, and quality of life. Shared commitments and continuous attention are necessary to protect community character and maintain the lifestyle that residents enjoy. The purpose of this Plan is to promote community-based tourism development that is beneficial to community members, employees, and visitors. Businesses, public officials, and civic organizations can rely on this document to guide them toward responsible product and service development. This Plan provides a strategic, long-term vision and framework for the sustainable future of the Whitefish tourism economy.

B. Process

In 2018, the Whitefish City Council adopted Resolution #18-05 to create a Sustainable Tourism Management Plan Steering Committee. The Committee was tasked with developing a “joint tourism master plan between the City and the WCVB, integrating extensive public input and providing a strategic long-term vision and framework for the sustainable future of the Whitefish tourism economy.” Figure 1.1 shows the process the Committee followed to draft this planning document.

Figure 1.1: Planning Process



C. Key Pillars

An analysis of public feedback indicated that there were certain themes or statements that community members routinely used to describe their concerns and desires for Whitefish. To summarize the fundamental values expressed through this input, the Plan identifies key pillars, that apply to each focus area in this Plan. Each of the Plan's five focus areas incorporates elements of the three principles as described below. Additionally, the key pillars provide the basis for evaluating goals and strategies. Figure 1.2 illustrates the concept of overlapping values and the "sweet spot" that occurs at the intersection of all three key pillars. Recommendations that fall in these overlapping areas are given higher priority.

Figure 1.2: Key Pillars



Community Engagement

Engage and empower residents to plan for and manage the tourism economy. Solicit resident opinions throughout the planning process. Coordinate and partner with multiple stakeholders regarding tourism planning issues. Conduct outreach to residents and visitors regarding the benefits of tourism.

Livability

Strive toward a community for all income levels through affordable housing and affordable cost of living. Encourage businesses to incorporate sustainable tourism practices. Strengthen the quality of life through improved local services and adequate and sustainable infrastructure. Identify opportunities and services from tourism that will benefit lower income households.

Community Character

Respect, preserve and celebrate the heritage, authentic culture, arts, traditions, and distinctiveness of the community. Promote a vibrant, creative, diverse, and friendly community with emphasis on unique local businesses. Discourage sprawl and development that is not in character with the community.

Community Character – Defined

*“The most popular reason to visit Whitefish is that it is a ‘real’ community and not a cookie cutter resort town--and that attraction comes from local people and families that can thrive here to provide Whitefish its popular character.”
(Survey Comment)*

*Whitefish is a vibrant mountain town neighboring Glacier National Park. It is a welcoming community with boundless opportunities for adventure all day, every day - bookended with world-class dining, cultural attractions, and distinctive accommodations.
(Whitefish Convention and Visitor Bureau)*

*The City of Whitefish is a unique and wonderful place. Beginning as a blue-collar railroad and logging town, it has achieved an additional identity as a resort destination with world-class skiing, fishing, golf, and proximity to Glacier National Park. It is a town with a rich character and heritage in its historic buildings, neighborhoods, its people and stories.
(Whitefish Architectural Standards Vision Statement)*

D. Focus Areas

The Plan identifies five focus areas that are part of an interrelated system. Each individual focus area must be healthy for the system to thrive. Strategies in each focus area should integrate concepts from the three “key pillars” to create a foundation for success. Understanding the connections of these various system components will result in more effective decision making. (See figure 1.3)

Figure 1.3: Focus Areas



E. Community Profile

1. Geography

Whitefish is in northwest Montana, in Flathead County, 60 miles south of the Canadian border. The county seat of Kalispell is approximately 12 miles south of Whitefish on U.S. Highway 93. Glacier National Park is 25 miles to the east of town. The Flathead National Forest and Stillwater State Forest comprise much of the land surrounding Whitefish. Recently, private timber lands protecting the watershed around Whitefish have been placed under conservation easements.

Approximately 76% percent of Flathead County is mountainous public land, providing abundant outdoor recreation opportunities, scenic vistas, pristine wildlife habitat, and rugged terrain. The incorporated communities of Whitefish, Kalispell, and Columbia Falls are located on the valley floor, surrounded by agricultural lands, open space, and scattered development. The natural beauty, national park, forests, and mountains are main attractions for visitors. (Figure 1.4)

Figure 1.4: Aerial View of Whitefish and Surrounding Area



Key Facts

- City of Whitefish Elevation - 3,308 ft.
Whitefish Mountain Resort Elevation - Base (4,464 ft.) Summit (6,817 ft.)
- Water Features - Whitefish Lake & Whitefish River
- Average High/Low Temperatures
January - 31/15 Degrees Fahrenheit
July - 81/48 Degrees Fahrenheit
- Average Snowfall - In-town (73 inches)
Whitefish Mountain Resort (333 inches)
- Major Employers - Hospital, schools, government, resort, Burlington Northern Santa Fe (BNSF) railroad

2. History

Whitefish has a four-season climate consisting of winter from December through March and mild summers with occasional hot spells. The town was founded when the railroad routed the rail line 12 miles north of Kalispell and established a rail yard and station. The town of Whitefish was platted soon thereafter with railroad, logging, and agriculture becoming main economic drivers.

After World War II, veterans of the Army's 10th Mountain Division developed Big Mountain ski area on leased United States Forest Service land, with base lodge facilities owned by community shareholders. In the early 2000s, the ski resort transitioned to private ownership and changed its name to Whitefish Mountain Resort. The resort offers alpine and cross-country skiing in winter, and mountain biking and adventure sports in summer.

3. Population Growth

The City of Whitefish has experienced a faster rate of growth than the rest of the state and Flathead County. While historic growth is 3% a year, the City's facility plans for water and wastewater use a 2% growth rate. Recent state population projections for the county use a 1.3% growth rate through 2030. At this slower rate of growth, the county population in 2030 is projected to be 118,263 people. Depending on the actual rate of growth ranging from 1.3% annually and 2% annually, Whitefish population in 2030 would range from 9,106 to 9,981. With an average household size of 2.15, this equates to an average of 100 new households per year. Although the annual average for new residential building permits in Whitefish from 2015 to 2019 was 150 units, census data indicate the City has a vacancy rate of 30%. This includes seasonal/vacation homes. Accounting for this vacancy rate, there was an increase of 104 new occupied units, which is comparable to the expected number of new households.

Table 1.1: Population Trends

Population	2000	2010	2018	2000-2018 # increase	2000-2018 % Increase	Average Annual Growth
Whitefish	5,032	6,357	7,870	2,838	56.4%	3.1%
59937	11,526	12,588	13,356*	1,830*	15.9%	0.9%
Flathead County	74,471	90,928	102,106	27,635	37.1%	2.1%
Montana	902,195	989,415	1,062,305	160,110	17.7%	1.0%

Source: U.S. Census *Note: 59937 population estimate is for 2017

4. Amenities and Attractions

Whitefish Mountain Resort, the town, Glacier National Park, and surrounding areas offer a variety of amenities that provide year-round outdoor recreation and entertainment options.

Table 1.2: Amenities - Attractions

<p>Whitefish Mountain Resort</p> <ul style="list-style-type: none"> • Lodging, dining, retail, entertainment • Alpine Skiing • Nordic Trails • Mountain Biking • Alpine Slide • Zip Line - Aerial Adventure Park
<p>Downtown</p> <ul style="list-style-type: none"> • Specialty retail shops • Bars & restaurants • Art galleries • Walkability
<p>Performing Arts</p> <ul style="list-style-type: none"> • O'Schaughnessy Center • Whitefish Performing Arts Center • Mountain Cinema (4 screens)
<p>Trails</p> <ul style="list-style-type: none"> • City of Whitefish - Bike & Pedestrian trails • Whitefish Legacy Partners - Trail system on state forest/private land/USFS • Glacier Nordic Club Cross Country Ski Trails (Golf Course & Haskill Basin)



City Parks (Not listed in other categories)

- Memorial Park (Baseball stadium, pickleball, playground)
- Armory Park (Skate park, WAG dog park, softball, Community Center)
- Kiddie Park/Riverside Park (Baker Tennis courts, playground, river access)
- Depot Park (Pavilion)
- Soroptimist Park (Playground, picnic)
- Kay Beller Park (River Access)
- Mountain Trails Park (Volleyball, playground, adjacent to ice rink)
- Crestwood Park (Picnic, open space)

Whitefish Lake & Whitefish River

- City Beach - Boat ramp, dock, swimming, picnic, concessions
- Les Mason State Park
- Whitefish State Park
- The Lodge at Whitefish Lake - Marina
- River trail with various access points for non-motorized watercraft

Sports Complexes & Athletics

- Whitefish Lakes Golf Course (36-holes)
- Indoor Ice Rink (Year-round operation)
- Smith Fields (Soccer, baseball & softball fields)
- Grouse Mountain Park (Tennis Courts & Soccer)
- Wave (Indoor gyms, swimming pool, workout rooms)
- Bowling alley
- High School athletic facilities

Conference Space

- Grouse Mountain Lodge
- The Lodge at Whitefish Lake
- Firebrand Hotel
- Hampton Inn

Adventure - Nearby activities

- Horseback Riding
- River Trips
- Sky Diving

Museums & Historic Places

- Depot Museum
- Ski Heritage Museum
- National Historic Register (First Presbyterian Church, Train Depot, 900 S. Baker Ave.)

Public Lands and Conservation Areas

- Flathead National Forest
- Stillwater Forest
- Haskill Basin Conservation Easement (3,020 acres)
- Battin Nature Conservancy - Conservation Easement (215 acres)
- Viking Creek Wetland Preserve (29 acres)
- Baake Nature Reserve (12 acres)

Other

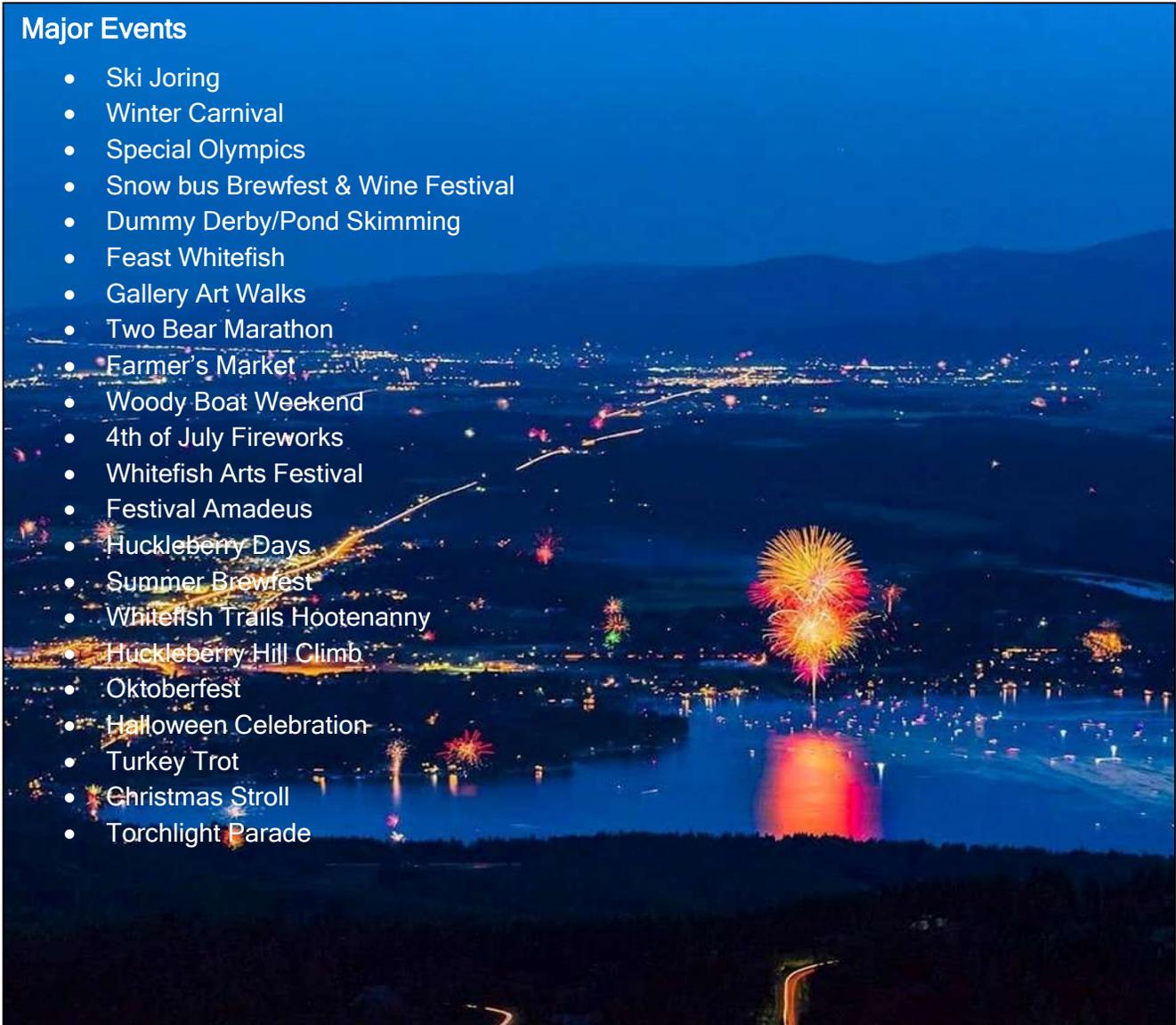
- Whitefish Municipal Airport (Grass runway next to Armory Park)

5. Community Events

Whitefish is a destination for events that celebrate local culture, attract visitors in off-peak seasons, and add to a vibrant community. The events represent partnerships between various nonprofit organizations, public agencies, and private businesses, and enhance the quality of life year-round.

Major Events

- Ski Joring
- Winter Carnival
- Special Olympics
- Snow bus Brewfest & Wine Festival
- Dummy Derby/Pond Skimming
- Feast Whitefish
- Gallery Art Walks
- Two Bear Marathon
- Farmer's Market
- Woody Boat Weekend
- 4th of July Fireworks
- Whitefish Arts Festival
- Festival Amadeus
- Huckleberry Days
- Summer Brewfest
- Whitefish Trails Hootenanny
- Huckleberry Hill Climb
- Oktoberfest
- Halloween Celebration
- Turkey Trot
- Christmas Stroll
- Torchlight Parade



II. COMMUNITY ENGAGEMENT

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“Let’s make smart decisions to inhibit overcrowding, so that Whitefish can be the hometown community we want it to be.”

“We need to stay connected to our roots, know the stories of our community and help us connect with our community and our identity. Maintain our sense of place and sense of community.”

Survey Comments

A. Stakeholders

It is important to identify stakeholder groups, describe their roles, and assess the contribution that each group can make toward sustainable tourism. Achieving the goals of the Plan will require communication, coordination, and partnerships among the stakeholders shown in Table 2.1.

Table 2.1: Stakeholders

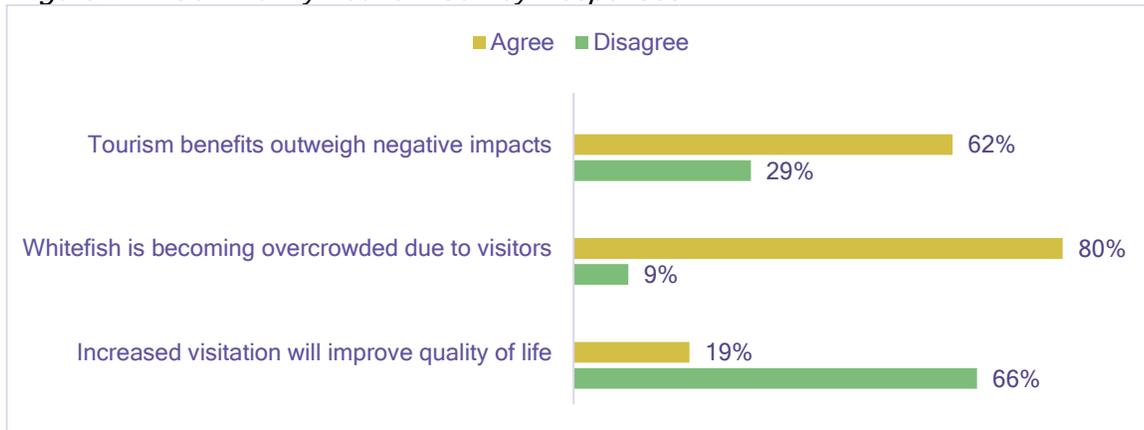
TOURISM -HOSPITALITY INDUSTRY			
Whitefish Convention and Visitor Bureau	Montana Office of Tourism	Glacier Country Regional Tourism Commission	Whitefish Chamber of Commerce
<ul style="list-style-type: none"> Partnerships, visitor center Tourism strategy, policy development and coordination on implementation strategies Branding, marketing, promotion, research, and communications 			
PUBLIC SECTOR			
City of Whitefish (Departments, Whitefish Housing Authority)	Flathead County (Planning, DES, FCEDA, Roads, Parks & Rec.)	State of Montana (DNRC, MDT, DOC, FWP, DEQ,)	Federal (USFS, NPS, EDA)
<ul style="list-style-type: none"> Planning, growth policy, development regulations, economic development, budgeting, grant administration, housing initiatives, public safety, sustainability Infrastructure, transportation, parks, trails, law enforcement Community engagement, communications, partnerships, coordination 			
PRIVATE SECTOR			
Large Employers	Small Business	Employees	Developers
<ul style="list-style-type: none"> Tourism and recreation services, hospitality, marketing, sustainable business practices, taxpayers Job creation, worker recruitment, financing, business investment, coordinate with public sector Housing development, downtown and commercial development, coordination with public sector 			
CIVIC			
Education	Nonprofit	Health	Community
<ul style="list-style-type: none"> Capacity building, training, fundraising, community outreach, promote sustainability and equity Provide community and social services, coordination with public and private sector 			
RESIDENTS			
Year-Round	Second Home	Future	
<ul style="list-style-type: none"> Consumers, responsible citizenship, taxpayers Public participation, volunteer, charitable contributions, community ambassadors 			
VISITORS			
In-State	Out-of-State	Leisure	Business
<ul style="list-style-type: none"> Consumers, sustainable travel practices Communications through travel reviews, consumer surveys, feedback to hosts 			

DES = Dept. of Emergency Services, FCEDA = Flathead County Economic Development, DNRC= Dept. of Natural Resources and Conservation, MDT = Montana Dept. of Transportation, FWP = Fish, Wildlife and Parks, DEQ = Dept. of Environmental Quality, USFS = United States Forest Service, NPS = National Park Service, EDA = Economic Development Administration

B. Survey

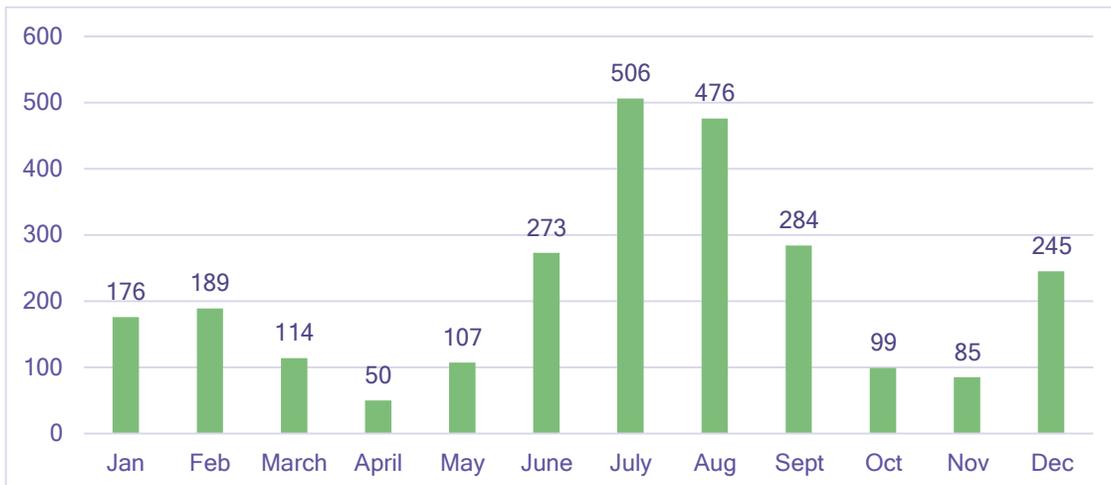
From May through June in 2018, the Sustainable Tourism Management Plan Committee conducted an online survey that garnered over 600 responses. Of the people who took the survey, 90% were year-round residents and 71% had lived in Whitefish over 5 years. An analysis of the survey responses indicated that almost two-thirds of respondents acknowledged that tourism benefits do outweigh the negative impacts. A wide majority of respondents, however, believe Whitefish is becoming overcrowded due to visitors and only 19% felt that an increase in tourism would result in an improved quality of life. (Figure 2.1).

Figure 2.1: Community Tourism Survey Responses



Survey respondents also indicated that when friends and family members visit, they typically come during the peak visitation months of July and August (Figure 2.2). About 75% of respondents indicated family members stayed with them, while 20% indicated they stayed in homes or a vacation rental.

Figure 2.2: Visitation by month for friends and family members of survey respondents.



Answers to survey questions about benefits, issues, and recommended strategies were coded and the top categories are represented in the following pages. Tourism as an economic driver was by far the most common response to the questions about benefits. Infrastructure upgrades funded by the resort tax, as well as amenities such as good restaurants and entertainment, were perceived as a benefit.

Traffic congestion and parking were among the top concerns identified in the survey. Affordable housing, overcrowding, and community character also were frequently cited. Recommendations for transportation strategies were most often mentioned to address these concerns. Housing and conservation issues were the next most frequent recommendations for strategies.

Table 2.2 STMP Survey Responses

BENEFITS OF TOURISM	#
Jobs, economic driver	411
Infrastructure funded by resort taxes and increased tax base	99
Good restaurants, bars, music, entertainment, lodging choices	94
Amenities related to tourism - outdoor recreation, thriving downtown	54
Vibrant community, creative, diversity, cultural scene, "Uber Cool"	32

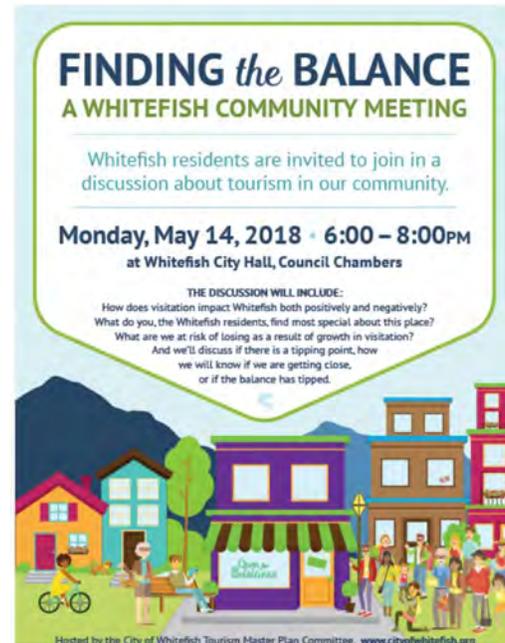
CONCERNS RELATED TO TOURISM	#
Traffic - Congestion and traffic safety in the downtown during peak seasons	191
Affordable Housing. Workforce housing is primary need	116
Downtown Parking. Parking garage helps but need more parking	91
Overcrowding at stores, restaurants, golf course, city beach, boat launch, Farmer's Market	79
Losing small town character. Turning into a tourist trap	65
Cost of Living - Housing, retail, entertainment, hotels	51
Too much growth & development contributes to overcrowding, sprawl on US 93 is an issue.	45
Environmental impacts - Natural resources are stressed, water quality, climate change, green space, habitat loss, pollution, wildfire, waste	41
Too many condos & short-term rentals	38
Low wages and lack of good paying jobs	36
Infrastructure and city services at capacity	30

STRATEGIES FOR SUSTAINABLE TOURISM	#
Traffic management to improve traffic flow. Stop lights, truck routes, pedestrian safety, improve grid north of tracks, turn lanes, bypass,	82
Build affordable housing units (rentals & for sale) - Workforce Housing	57
Conservation-Protect open space/lake & public land access, water quality and environment	33
Public transit, trolleys, park-n-ride, ride share	30
Use bed tax dollars to offset tourist impacts, less marketing	29
Improve infrastructure (water, sewer, emergency services) to handle crowds	27
Limit short-term rentals, better enforcement	26
Diversify economic base	25
Plan for sustainability, managing tourist impacts, recycling	24

C. Open House

In May 2018, the Sustainable Tourism Management Plan Committee conducted an open house to solicit community input. Approximately 50 people attended the workshop. Following presentations, participants were asked to break into small groups and discuss the following questions:

- Do we agree that we need to balance the needs of residents with appealing to and serving visitors?
- How is Whitefish doing with achieving or maintaining that balance?
- What are the rubs that Whitefish feels most from tourism?
- What are the most essential questions or difficulties to resolve related to tourism? Why?
- What are some possible solutions to these issues?



Based on input from the meeting, the Committee identified the following “buckets” as a starting point for discussion.

Composition of Whitefish at different times of the Year. Who comprises the bump? What are the traffic patterns? How to manage residents’ expectations and perceptions?

Relationship of Short-Term Rentals vs. Affordable Housing. Understanding different kinds of rentals and gaps in current City policies. Evaluating the effect of long-term rentals on home purchase price. Are we losing community cohesiveness? What are the implications, policy recommendations and opportunities around this topic?

Jobs and a Resilient Economy. What does the economic pie look like? From a resident perspective, is a diversified economy part of the answer to the sustainability of tourism? Are affordable housing and a diversified economy/workforce symbiotic and need to be in balance? Are tourism jobs a good ladder to other jobs? Is Whitefish using tourism jobs to feed other jobs? Are we thinking about this as an opportunity?

Access and Connectivity (Transportation) - Alternatives for bike and pedestrian. Parking. Seasonal traffic impacts. Airline expansion - the need to at least maintain access. Public transit.

Foreseeable Future Rubs - Climate change (wildfire impacts, snow). Resource management (i.e. use of public lands and increased use/degradation). Demographic and socioeconomic trends. Components of the economy.

D. Focus Groups - Key Informant Interviews

While survey respondents were primarily Whitefish residents, key informant interviews and focus groups provided an added perspective from businesses, public officials, and civic organizations. The following is a list of the groups that were included in this process.

- Whitefish Convention and Visitor Bureau Board
- Whitefish City Departments
- Whitefish Pilot
- Whitefish Chamber of Commerce
- Outdoor Recreation Focus Group
- Small Business Focus Group
- Whitefish School District
- Whitefish Climate Action Committee
- Flathead County Economic Development Authority/Montana West Economic Development
- Whitefish Housing Authority
- Flathead County Planning Department
- Northwest Montana Realtor’s Association
- Eagle Transit
- Glacier Country Regional Tourism Commission
- Montana Department of Commerce
- University of Montana Institute of Tourism and Recreation Research

Many top issues in the survey, such as housing, parking, and community character, overlap with concerns expressed in the focus groups. Businesses noted that while there was a perception of overcrowding, relative to other areas with high visitation, the Whitefish crowds are manageable. The crowds are only an issue for a short period during the year and businesses rely on this visitation to be profitable. Focus groups noted that it is important to remain welcoming to visitors and still address community concerns. Figure 2.3 summarizes the key topics discussed in the focus groups/interviews.

Figure 2.3 Focus Group Input



E. World Café

On October 22, 2019, the Sustainable Tourism Management Plan Committee conducted a “World Café” workshop. Over 100 community members attended the event and responded to a series of questions regarding challenges and action items to incorporate into the Plan. Overall comments about the workshop and planning process included:

- Would be helpful to hear solutions from other cities facing similar growth and tourism.
- All information very relevant. Making decisions without being informed is a bad idea
- Distribute the data often, far, and wide, so residents clearly understand the Whitefish economy.
- Need a summary or conclusion to explain how all the findings fit together.
- Would like to see forecasted numbers based on available models--view potential outcomes.
- People need to see how tourism makes our way of life possible
- Let residents answer whether we should continue to spend time/money to draw more tourists.
- Consensus-building workshops should not influence policy that much.

Table 2.3 includes the top ten major themes that were identified. The top themes in both the survey and World Café were issues related to transportation and affordable housing. While overcrowding ranked high as an issue in the survey, it ranked lower in the World Café comments. Economic, environmental concerns and bike/pedestrian trails ranked higher in the café. The issue of cutting back on promotion was mentioned but was not a top concern in either the survey or café.

World Café

The “World Café” is a technique to foster a collaborative dialogue around a series of questions related to the project at hand. Participants break into small groups and move from one conversation to another to discuss different topics. The process encourages people to join new groups and share ideas. The result is:

- Build community by networking with new people
- Engage in mutual learning
- Discover insights about topics
- Find common goals
- Realize the “collective genius” of the crowd
- Provide ideas / guidance for STMP Committee



Table 2.3: Summary of World Café Comments

Transportation
<ul style="list-style-type: none"> • Challenges: - Parking, travel through downtown, lack of east-west corridor, bottleneck at viaduct, summer traffic, school pick-up/drop-off, trucks downtown, regional transit, airport shuttle • Ideas: Bypass, improve east-west grid, regional transit, transit app, green vehicles, park & ride, funding
Economy - Business
<ul style="list-style-type: none"> • Challenges: Profits only during peak season, need more business diversity, oversupply of hotels, need more trade jobs, need façade improvements, lack of small affordable workspaces, coordination between agencies, lack of childcare, employee shortage, lack of skilled employees, workforce housing • Ideas: Hold annual economic summit, emphasis on staycations, shoulder season specials, more entrepreneurs, business-nonprofit partnerships, work-study options
Affordable Housing
<ul style="list-style-type: none"> • Challenges: Protect single family housing, need more affordable rentals, housing costs exacerbate worker shortage, neighborhood opposition to new developments, illegal short-term rentals, disallowing pets • Ideas: Education, boarding houses, inclusionary zoning, incent long-term rentals, accessory dwellings, short term rental enforcement, disincentivize large homes, small homes/trailers, pet-friendly
Green Living, Climate, Open Space
<ul style="list-style-type: none"> • Challenges: Wildlife, emergency evacuation, invasive species, oil spill, public access, open space • Ideas: Green corridors, education, reduce waste, energy conservation/renewable, implement Climate Plan.
Garbage - Pollution
<ul style="list-style-type: none"> • Challenges: Visitor impacts, landfill nearing capacity, bears, limited recycling, dumping, BNSF/vehicle emissions, water pollution from boats, dog poop, wildfire smoke, light pollution, tourist travel footprint • Ideas: Composting, recycle plastic, more recycling options, waste diversion, education
Bike, Pedestrian, Trails
<ul style="list-style-type: none"> • Challenges: Connectivity, safe routes to schools, incentives to bike/walk, pedestrian crossings, county • Ideas: More bike paths & trails, bike/scooter share program, enhance safety, Whitefish Trail permits
Infrastructure, Water, Maintenance
<ul style="list-style-type: none"> • Challenges: Tourism impacts on infrastructure, park maintenance, trail management, old septic systems, unsightly viaduct, water quality, leaf vacuum, road infrastructure congested due to tourist, high water costs • Ideas: Impact fees, tourism grants for maintenance, require sewer hook-ups, map groundwater
Community Amenities
<ul style="list-style-type: none"> • Challenges: Preserve historic character, community character • Ideas: Need downtown historic district, promote local museums
Promotion-Funding
<ul style="list-style-type: none"> • Challenges: Overpromotion, refine targets, financial support for the Whitefish Trail, impacts from tourists • Ideas: More funding, mountain bike marketing, promotions vs. climate impacts, target locals in off-season
Crowding, Overuse, Behavior
<ul style="list-style-type: none"> • Challenges: Farmers Market overcrowded, Glacier National Park congestion, crowding in restaurants, tourism impacts on quality of life, crowding at trailheads, overuse of public recreation resources, environmental impacts • Ideas: Education, responsible tourist behaviors, policy regarding capacity

III. Tourism

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“How much tourism is enough?” “Crowding is awful, need to reduce the # of visitors.”

“People need to be shown more that tourism makes our way of life in Whitefish possible.”

“Whitefish has been marketed too effectively by state and local entities.”

“Ask locals to stop posting pics of their precious places on social media, if they truly do not want to wreck these sacred places.”

“The more people share their opinions, the more it becomes apparent that they don’t know a lot of things the city is already doing, what resort tax funds, what kind of businesses/infrastructure tourism provides, etc.”

“There are a lot of people that discovered a beautiful place and moved here, but are now mad that other people discovered a beautiful place and moved here after them. Hypocrisy at its finest.”

--Survey and Workshop Participant Comments

A. Goals

Livability - Manage nonresident visitation and local resident use patterns effectively to preserve quality of life in Whitefish. Identify, measure, and monitor Whitefish’s tourism capacity.

Community Engagement - Build awareness among residents about the origins and impacts of visitors versus impacts of population growth in Flathead County. Continue to engage locals in planning processes and actions to reduce impacts while enjoying the economic benefits of tourism.

Community Character - Work with tourism-related businesses, developers, and realtors to preserve and enhance the character of Whitefish, and to support sustainability values.

B. Overview

Overcrowding during peak summer tourist season is an issue for many Whitefish residents, concerned about their quality of life and effects on infrastructure and the environment. This chapter seeks to provide insights about existing tourism, recent trends, the impact of Flathead County population growth, and strategies to address tourism management.

The impact from tourism is highest in July and August, and to a lesser degree June and September. During these months, lodging is at its peak occupancy, seasonal employees live in or commute to Whitefish, vacation homeowners are enjoying the summer in Whitefish, friends and family come to visit and contractors work overtime on new construction. The daily population of Whitefish doubles in July through August. All these factors create traffic delays, parking problems, and crowding at favorite recreation spots and hangouts.

Key questions are, *“What is the capacity for tourism in Whitefish, and how do we measure it?”* In response, the Whitefish Sustainable Tourism Management Committee has attempted to document trends, economic factors, and social indicators as they relate to tourism. Along with an evaluation of existing efforts by the City, such examination will indicate where further action is needed.

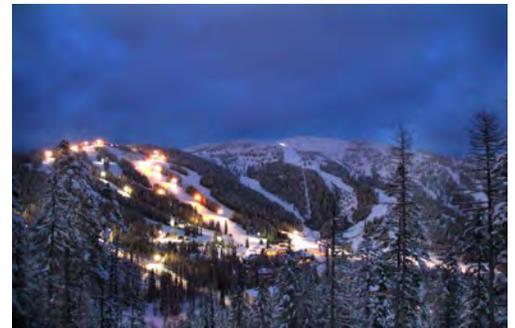
C. Tourism Assets

Whitefish boasts so many attractions and amenities that residents rightfully claim to have “big city culture and cuisine in a charming small town” – and within 15 minutes of a major airport. Its significant appeal is also its challenge. Increasingly, Whitefish attracts outdoor recreationists who relocate to Flathead County, investors in vacation homes and rental properties, and visitors from across Montana and around the globe. Highlights that attract both residents and visitors include the following:

- Outdoor Attractions: Glacier National Park, Whitefish Mountain Resort, Whitefish Lake (and other nearby lakes), Whitefish River, Whitefish Lake State Park, Whitefish Trail system, City Beach and parks, Kootenai, and Flathead National Forests
- Recreation Activities: Hiking, biking, fishing, hunting, skiing, boating, rafting, golf, guided adventures, zip-lining, alpine slides, team sports, skating, climbing, dog sledding, etc.
- Sense of Place and Community Character: Mountain setting, historic charm, walkable downtown with high quality retail, dining, libations, entertainment, and no big box or chain stores
- Culture: Performing arts, events, music, museums, historic sites, farmers market, cinema



Source: Whitefish Chamber of Commerce



Whitefish Mountain Resort at Night



Downtown Whitefish



Fun on
Whitefish Lake

D. Resort Town Defined

Many Whitefish residents bristle when people describe Whitefish as a “resort town.” It is true that Whitefish has many characteristics of a “resort town” such as a ski resort, mountains, lakes, rivers, a national park, state parks, national forests, excellent dining, expensive vacation housing, and tourist-oriented retail shops. However, a “resort town” is defined as follows¹:

“A ‘resort town’ is an urban area where tourism or vacationing is the primary component of the local culture and economy. A typical resort town has one or more actual resorts in the surrounding area. Sometimes the term ‘resort town’ is used simply for a locale popular among tourists. The term can also refer to either an incorporated or unincorporated contiguous area where the ratio of transient rooms, measured in bed units, is greater than 60% of the permanent population. Generally, tourism is the main export in a resort town economy, with most residents of the area working in the tourism or resort industry.”

Using this definition, Whitefish is not a “resort town,” for two key reasons:

- a. The estimated population within the Whitefish zip code in 2018 was 14,000 (U.S. Census), and the number of bed units available in July was approximately 4,224, which is 30% of the population, only half the 60% threshold for a resort town.
- b. Less than half of area residents work in the tourism or resort industry (see Chapter IV).

Also, as noted in Figures 3.19 and 3.20 in this chapter, restaurant, bar, and retail sales indicate a substantial year-round economy in Whitefish, as do the mix of businesses and employment data (Chapter IV). In Montana, Big Sky and West Yellowstone qualify as “resort towns,” with tourism as the majority of their economies. A key objective of this Sustainable Tourism Management Plan is to provide strategies that help maintain the integrity and character of Whitefish as a year-round economy, with resort town amenities.

E. Tourism Infrastructure

1. Key Findings:

- Whitefish has capacity to host 6,400+ guests per night in commercial lodging (1,700 beds in hotels and inns, 2,500+ beds in short-term rentals, and 242 RV/campground sites). In July and August, overall lodging occupancy is 77%-82% full, so the actual number of commercial lodging guests is about 5,200 per night.
- The above numbers do not include 500 family members and friends staying in the homes of Whitefish residents, 3,000 second homeowners, or day trip and pass-through visitors.
- For 8 months (October-May), the occupancy of commercial lodging drops to less than 60% (as low as 40% in January) – hotels are less than half full. In January, the number of people staying in commercial lodging drops to less than 2,300 per night, and in April, less than 1,900 per night.
- Whitefish offers meeting space for more than 3,800 people, plus event/performance venues.
- Whitefish is accessible by plane, train, and automobile, with excellent air service, daily Amtrak service, and major north-south and east-west highways.

¹ Wikipedia, https://www.for.gov.bc.ca/ftp/Mountain_Resorts/external!/publish/Web/transition_report.pdf

2. Lodging and Visitor Capacity: Recent Growth in Hotels and Short-Term Rentals

In 2019, Whitefish offered about 4,224 guest beds for visitors in hotels, B&Bs, short-term rentals (STRs) like Airbnb/VRBO, a hostel, and a bike retreat, plus 240+ RV/campground spaces (see Table 3.1). About 94% of the hotel rooms are in the City limits and 6% in the unincorporated area of the

Table 3.1: 2019 Whitefish Lodging Facilities (59937)

Property Type	# Properties	# Rooms	# Beds
Hotels and Inns	26	1,035	1,700
Short-Term Rentals	1,148	2,524	2,524+
RV / Campgrounds	5	242 sites	n/a
Totals	1,179	3,559	4,224

59937 zip code. Only 22% of the short-term rental properties are in the City and 78% are in the unincorporated area of the zip code. The city is the location of 28% of the RV/campsites.

At maximum occupancy, the number of visitors staying overnight in commercial lodging (hotels, STRs, and RV -campgrounds) could range from 6,400 to 7,000. The average travel party size is 2.22-3.02 people. (ITRR, July-September Nonresident Travelers, 2018, see section F.7.). That figure does not include another 500 visiting family and friends staying in the homes of Whitefish residents, or 3,000 seasonal/second homeowners.

However, according to Smith Travel Research, Whitefish hotels operated at about 82% occupancy in July and August 2019, which drops the estimated number of nightly visitors in lodging facilities to about 5,200 in the two peak months (2017 was slightly higher due to record Glacier National Park visitation).

Hotel occupancy rates have dropped slightly in recent years because of development of new hotels and short-term rentals such as Airbnb and VRBO, both in Whitefish and elsewhere in the county (Kalispell, Columbia Falls). Both Whitefish and Flathead County require licensing of STRs, and the City of Whitefish restricts STRs to certain zones within the City limits (see Chapter V). As of September 2019, there were 174 permitted STR units in the City of Whitefish, and another 24 licensed by the county (within 59937 zip code), for a total of 198 permitted units. However, according to AirDNA, there were actually 1,148 listed STR properties in Whitefish in July 2019, approximately 258 in the City, and 890 in the County (59937).

3. Meeting and Event Venues

Nine Whitefish lodging facilities offer a total of nearly 46,000 square feet of meeting space. The three largest are Grouse Mountain Lodge (11,000 s.f.), The Lodge at Whitefish Lake (13,735 s.f.), and Whitefish Mountain Resort (12,341 s.f.). Additionally, meeting rooms are available at City Hall. Based on an average of 12 square feet per person, these facilities can accommodate 3,800+ attendees.

Other event venues are the 453-seat Whitefish Performing Arts Center and the 328-seat O'Shaughnessy Cultural Arts Center, both located downtown. Several food and beverage establishments also have live music venues, and a private ranch near Whitefish sponsors an outdoor summer music festival.

City parks, including City Beach, have facilities for rent. Sports venues include Stumptown Ice Den, Smith Fields Sports Complex, soccer fields, tennis and pickleball courts, the Armory, and two golf courses. Depot Park hosts the Farmers Market from May to September, and other events. Additional event venues located at Flathead Valley Community College and in Kalispell attract visitors to Whitefish.



4. Visitor Services

The Whitefish CVB and Chamber of Commerce cooperatively operate a year-round visitor center on Second Street. The CVB provides Visitor Information kiosks and wayfinding signs at strategic locations to aid visitors. Both the CVB and Chamber provide informative web sites and printed guides.

5. Adventure Expertise

Adventure opportunities surround Whitefish, from hiking to wildlife viewing, fishing to whitewater rafting, ziplining to horseback riding, mountain climbing, and backcountry skiing. Licensed guides are available to help visitors experience these activities safely and with informative interpretation. The Whitefish Mountain Resort Ski School is highly rated for its quality instructors and programs.

6. Transportation

Five airlines serve Glacier Park International Airport, connecting to five major hubs year-round, and another nine hubs seasonally. Amtrak's Empire Builder line provides daily service from Chicago, Seattle, and points in-between. U.S. 93 (north-south) and U.S. 2 (east-west) provide highway access. Local transportation is provided by three car rental companies, Eagle Transit, SNOW Bus, local taxi and limo services, and Uber. Bike/pedestrian paths provide multi-modal transportation opportunities to get around town, and an extensive network of recreation trails in and around Whitefish provides opportunities for hiking, biking, cross-country skiing, snowshoeing, etc., with more trails in development.

7. Resources Related to Tourism Infrastructure

- Tourism Carrying Capacity - https://www.biodiversity.ru/coastlearn/tourism-eng/tools_acc.html, https://link.springer.com/referenceworkentry/10.1007%2F978-3-319-01669-6_24-1, https://en.wikipedia.org/wiki/Tourism_carrying_capacity, <https://ivypanada.com/essays/carrying-capacity-in-relation-to-a-tourist-destination/>
- City of Whitefish Resort Tax - Provides funds for infrastructure, including street, sidewalk, park, trail and other improvements, <http://www.cityofwhitefish.org/city-hall/resort-tax.php>
- Whitefish Convention & Visitor Bureau - Provides a web site and visitor guide with information about things to see and do, lodging, dining, activities, events, etc. The CVB also tracks lodging occupancy, average daily rate, group bookings, events, etc., and provides grants for programs/projects/events for economic benefit, especially in off-peak seasons. <https://explorewhitefish.com/>
- Whitefish Chamber of Commerce - Also provides a web site and community guide with information about things to see and do, lodging, activities, events, etc., along with a member directory, business development, and relocation information <https://www.whitefishchamber.org/>
- State of Montana Grant Programs - State lodging tax provides funds for arts, culture, and/or heritage projects; visitor facilities; and niche products, <https://marketmt.com/Grants>; Montana State Parks provides funds for projects to support recreation trails, OHV/snowmobile trails, accessible playgrounds, and land and water conservation for open spaces and healthy recreation places.

F. Visitor Profile

1. Definition of a “Visitor”

The University of Montana Institute for Tourism and Recreation Research (ITRR) defines nonresident travelers as “all nonresident travelers in Montana, including all international travelers, as well as domestic, out-of-state travelers.” Resident travelers are “Montanans who travel 50 miles or more away from home.” Seasonal (2nd) homeowners can be in either group, depending on their primary residence.

2. Key Findings:

- A significant portion of Whitefish visitors are Montanans, from Flathead and nearby counties, or overnight visitors from elsewhere in Montana (61,000+ annual overnight stays).
- Flathead County population increased by nearly 11,000 people from 2010 to 2018. The #1 reason people move to or stay in Whitefish is outdoor recreation (Headwaters Economics).
- 70% of users on the Whitefish Trail are Flathead County residents.
- More than three-quarters of Farmers Market visitors are Whitefish residents (76%), and another 13% are Montanans from outside Whitefish (nearly all from Flathead County). Fifteen percent of local Whitefish participants bring guests from out of state with them to the Market.
- In 2018, more than 661,000 nonresident visitors spent at least one night in Whitefish.² (See Figure 3.1) Another 589,000 nonresident visitors drove through Whitefish without spending the night in 2018. (See Figure 3.2)
- About half of all nonresident visitors came in the three months of July, August, and September (49%).
- In July 2019, approximately 5,200 visitors per night stayed in Whitefish lodging properties (including short-term rentals and RV/campgrounds). They represented about 2,200 motor vehicles
- In town (Whitefish summer traffic counts are 15,000-20,000 vehicles per day).
- Seasonal (second) homeowners represent an estimated 3,600 residents, and they also host guests in peak summer months.
- 3,300+ employees commute into Whitefish daily to work.
- In July-September, local Whitefish residents host an estimated 500 nonresident guests each night (family and friends).
- 92% of peak season nonresident overnight travelers visit Glacier National Park; more than one-third also visit Yellowstone (37%)
- The average nonresident travel party is 2.38 people, age 55+, and only 1-in-5 include children under 18.
- Top origins of visitors are California and Alberta, followed by Florida and Washington state.
- In 2018, nonresident visitors to Flathead County spent more than \$614 million; their top summer activities were scenic driving, hiking, photography, wildlife viewing, and shopping.

Figure 3.1: 2018 Nonresident Overnight Visitors in Whitefish

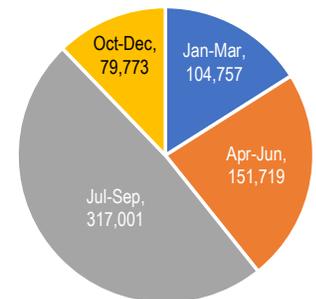
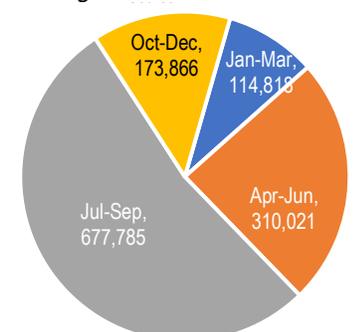


Figure 3.2; Nonresident Drive-Through Visitors in Whitefish



Source: ITRR

² University of Montana Institute for Tourism and Recreation Research (ITRR)

3. Travel by Montanans

In 2017, Montana residents took 13.6 million day trips and 4 million overnight trips, spending \$2.9 billion on travel in Montana. The Glacier Country travel region—which includes Whitefish—was the #1 destination among Montana residents, receiving 3.8 million day trips and 1.2 million overnight trips—more than one quarter of all resident overnights (27%).

Flathead County received 30% of the overnight trips to the Glacier Country region, and more than 10% of all recreational overnight trips taken by Montana residents, with expenditures of more than \$250 million. Therefore, Flathead County received 470,000 day trips and 322,400 overnight stays from Montanans visiting from other parts of the state. **Of the overnight stays, 61,256 (19%) were in Whitefish.**

Since 2010, Flathead County's population has grown 15% (by nearly 14,000, from 90,853 in 2010 to a projected 104,674 in 2020, according to the Montana Census and Information Center), and is projected to grow another 13% (+13,500) by 2030. People moving to Flathead County are outdoor enthusiasts, and many of them enjoy the recreation amenities, dining, libations, and entertainment in Whitefish.

4. Whitefish Farmers Market Visitors

In Summer 2019, a survey of Whitefish Farmers Market participants found that three quarters of them were Montanans: 63% live in Whitefish (15% are 2nd homeowners), and 13% are from elsewhere in Montana—nearly all from Flathead County. Of the Whitefish residents, 15% brought guests from outside the area. In combination with the Farmers Market, participants also engaged in dining (22%), entertainment (12%), and shopping (9%). More than two thirds drove to the Market (68%), most parked within 3 blocks, 20% walked, and 10% bicycled. Less than one quarter of Farmers Market participants (24%) were from out of state, with California and Alberta the top points of origin. Nearly one-third of those (31%) were first time visitors in Whitefish. The nonresident participants spent an average of 3.44 nights in Whitefish, and spent more than \$1,443 per group on lodging, dining, groceries, car rental, fuel, retail, entertainment, and recreation.

5. Seasonal Homeowners

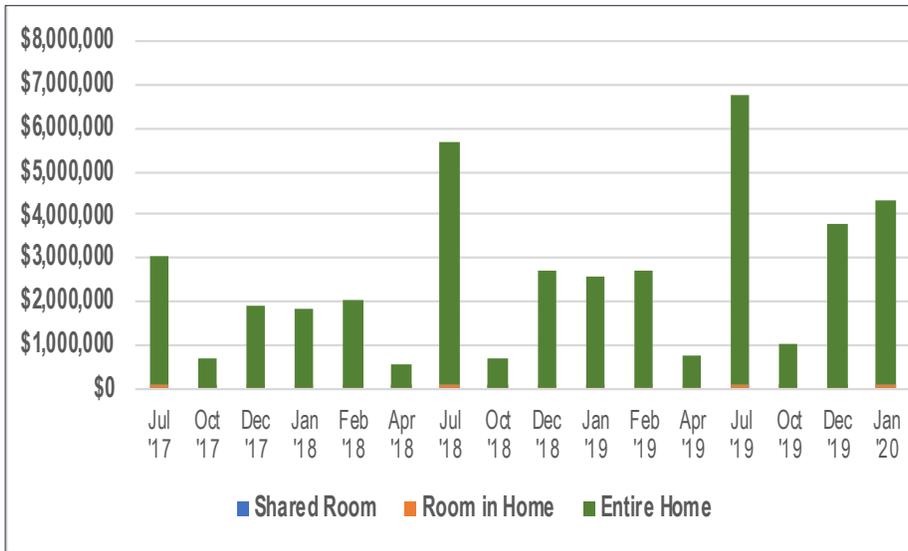
In the 2010 Census, nearly 1,687 homes in the Whitefish zip code (59937) were designated as Seasonal homes. Based on housing construction since then, the estimated number in 2019 was about 1,879. If all seasonal homes were occupied at the same time (which they are not), with an average of 2 people each, they represent an additional 4,000 residents.

ITRR data indicates that second homeowners stay in Montana an average of 12 nights per trip, with nearly half of those in their seasonal home, and the other half visiting family/friends or traveling in other parts of the state. About one-third of seasonal homeowners are from Alberta (36%), and another 20% from Washington and Colorado. The median age of second homeowners is 62, the average group size is about 2.10 (half are couples, one-quarter are singles, one quarter are families), and nearly two-thirds have household incomes of \$100,000+. Their favorite activities are hiking, skiing/snowboarding, scenic driving, visiting breweries, and shopping (including the Farmers Market).

6. Short-Term Rental (STR) Guests

The increased lodging capacity in Whitefish is due more to growth in short-term rentals (STRs) than from new hotels. The number of STR properties in Whitefish grew from 624 to 1,148 in just two years (June 2017-July 2019) - *an 84% increase*. The 1,148 properties represent 2,524 guest rooms, which can accommodate more than 3,500 guests. Properties range from studios to 6+ bedroom houses.

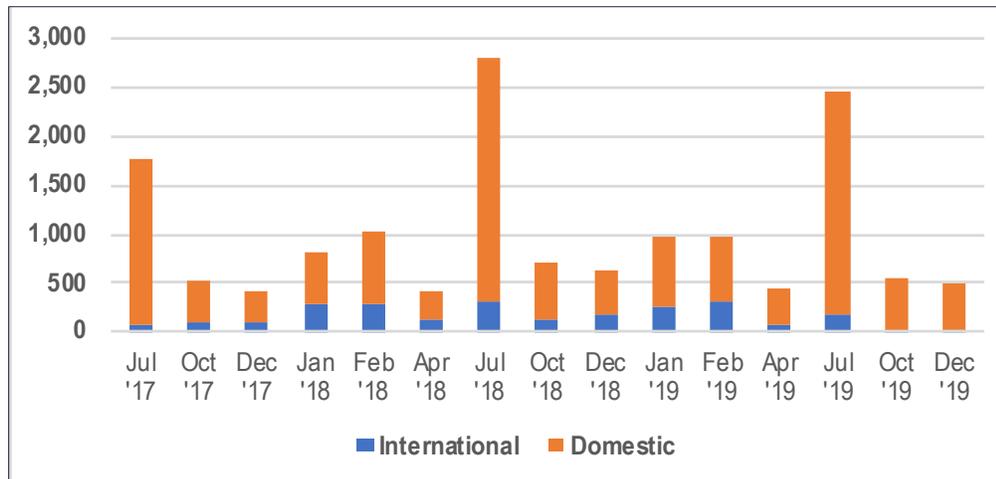
Figure 3.3: Whitefish STR Revenue Trends



Source: AirDNA

Most short-term rentals are booked through Airbnb and VRBO. In July 2019, STRs in Whitefish booked 2,454 guests for 18,886 room nights (609 bookings per day) and brought in nearly \$6.8 million in revenue for the month (see Figure 3.3). The average daily rate (ADR) paid by guests was \$310 (the ADR drops to \$213 in May). Some of the larger properties generate \$175,000 to \$200,000+ annually.

Figure 3.4: Whitefish STR Guests by Month



Source: AirDNA

Vacation rental booking trends in Whitefish are similar to overall tourism trends, except for winter season when STR bookings show a bump in January and February for ski season.

The year-round trend shows the peak season spike in July, with low dips in October-December and April-May (see Figure 3.4 for guests booked in selected months). The greatest number of STR guests in 2019 were from Alberta, Washington, and Montana (see Table 3.2).

Table 3.2: Top Origins of STR Guests 2019

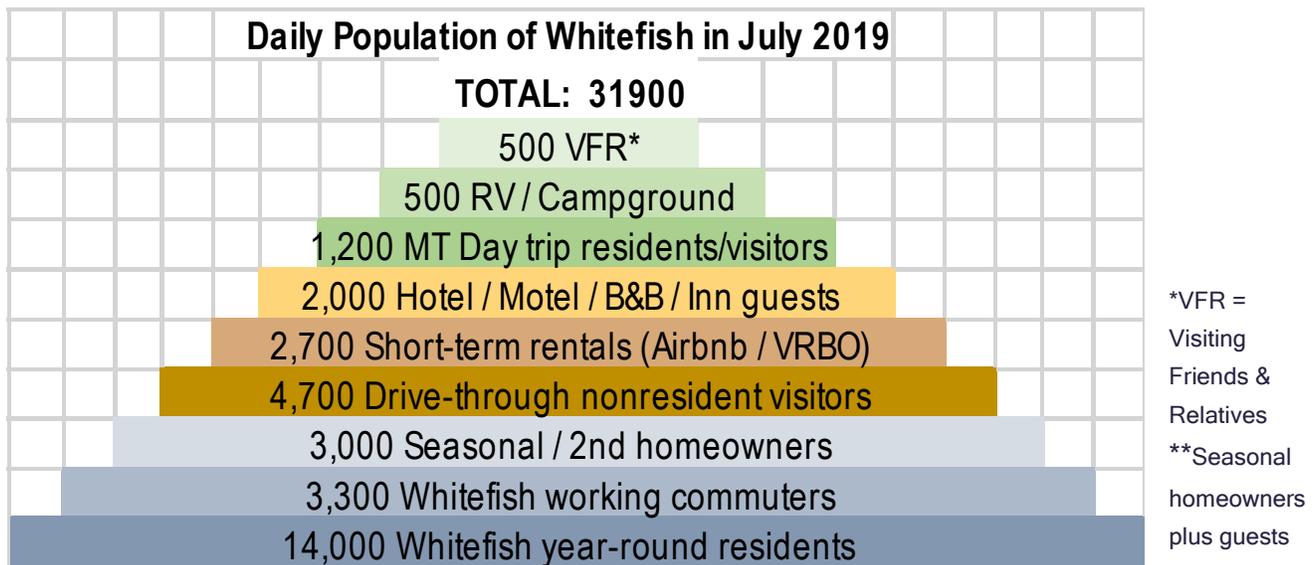
<u>Origin</u>	<u>Total</u>
Alberta	1075
Calgary	785
Edmonton	181
Lethbridge	83
Medicine Hat	26
Washington	711
Seattle	469
Spokane	242
Montana	580
Missoula	368
Bozeman	212
New York, NY	288
Chicago, IL	246
Portland, OR	238
Minneapolis, MN	231
San Francisco, CA	217
Denver, CO	173

Source: <https://www.airdna.co/>

7. Composition of Summer Population in Whitefish

As noted in the following graph, the daily population of Whitefish in July and August is nearly 32,000 people—more than double its base population of year-round residents (14,000). However, visitors (“tourists”) are *less than half* of the peak season population: day trip and overnight visitors, including seasonal homeowners, are 46% of the daily population, while 54% of the daily population is Whitefish residents and workers commuting to jobs from other parts of the county. The percent of the non-base population in town during peak season includes commercial lodging/short-term rental occupants (16%), day trippers/drive through visitors (19%), seasonal/2nd homeowners (9%), and people visiting friends and relatives (2%).

Figure 3.5 : Daily Population of Whitefish - July



Notes:

- VFR = Visiting friends and relatives (people staying with Whitefish residents), based on 2019 ITRR & Farmer's Market Survey data.
- RV / Campground: 242 sites, 2.36 people per group average (ITRR) @ 82% occupancy = 500/day.
- Montana Day trip visitors: Residents of Flathead County and Montana that are spending time in Whitefish on any given day during July. Numbers were derived from credit card spending, ITRR Montana Resident Travel Study, Whitefish Trail Economic Impact Study, Whitefish Mountain Resort day use data. Day Trippers = 1,200.
- Hotel / Motel / B&B / Inn guests: 1,035 rooms x 2.32 per group @ 82% occupancy = ~2,000.
- Short-term rentals: 1,148 units in July, 3.02 per group @ 77% occupancy = 2,700, based on AirDNA, ITRR data.
- Drive through nonresident visitors: People who visited Whitefish but did not spend the night in Whitefish. This number only accounts for out-of-state visitors, based on ITRR, VisaVue data. Total = 4,700.
- Seasonal Homeowners in 59937 Zip Code: 2010 Census = 1,687 seasonal homes (4% of all housing). New housing starts in Flathead county housing stock from 2010 to 2019 = 4,800. New seasonal homes = 4% of new starts or 192 for a total of 1,879. @ 77% occupancy and average HH size of 2.1 = 3,000.
- Commuters: Estimate from Whitefish Housing Needs Assessment (year-round average, peak season is higher). Total = 3,300.
- 2010 Population for 59937 zip code: 12,588 (13.8% of Flathead County). Using proportional allocation, 2018 population for zip code = 14,000 (U.S. Census of Population & ACS Data).

NOTE: Several estimates rely on 2010 Census data for baseline data. These numbers should be updated once 2020 Census information is available.

8. Characteristics of Peak Season Nonresident Visitors to Whitefish

In 2018, more than 661,000 nonresident visitors spent at least one night in Whitefish.³ The previous year (2017), the number was higher—nearly 678,000 visitors. Another 589,000 nonresident visitors drove through Whitefish without spending the night in 2018 (an increase over 2017). The consulting team for this Sustainable Tourism Management Plan undertook an analysis of ITRR Nonresident Visitor Study data from the 2014-2018 peak seasons (3rd Quarter, July-September):

- Nearly all nonresident visitors (92%) visit Glacier National Park, 37% also visit Yellowstone
- Primary Trip Purpose: 76% Vacation, 14% Visit Friends/Family, 6% Business, 2% Just Passing Through, 2% Other (including Medical)
- Top visitor activities include Scenic Driving, Day Hiking, Nature Photography, Wildlife Watching, and Recreational Shopping
- Travel Group Type: more than half are couples, 1-in-5 are families, and 11% are single travelers (Figure 3.6)
- Group Size: the average group size is 2.2 people, nearly two-thirds are 2 people, only 11% are 4 people (Figure 3.7)
- Nearly three-quarters of nonresident visitor households earn \$75,000+ annually (Table 3.3)
- The top sources of nonresident visitors are California and Alberta, followed by Florida and Washington state, (Table 3.4)
- Nearly two-thirds are repeat visitors, while one-in-five travel parties are all first-time visitors (Figure 3.8)
- One-third of visitors arrive by air, 7% own a second home in Montana
- 80% of travel parties include people age 55+, but less than one quarter include children under 18
- Nearly 90% of travelers reported using commercial lodging at some point during their trip in Montana. 43% of peak season nonresident visitors reported stay in a hotel/motel, 9% in a vacation rental, 7% in a resort or condo, 3% in a bed and breakfast, 21% in private or public campgrounds, and 13% stay with friends/family. (See Figure 3.10)
- In 2018, nonresident visitors to Flathead County spent \$614 million, though more than half of spending happens in July-Sept.) They spend the most money on dining and shopping. (Table 3.5)

Figure 3.6: Travel Group Type

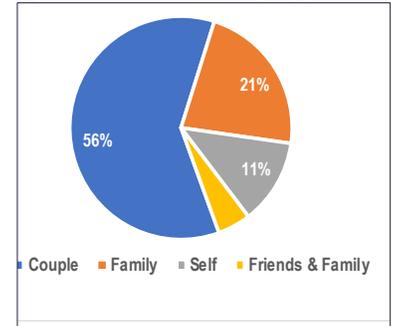
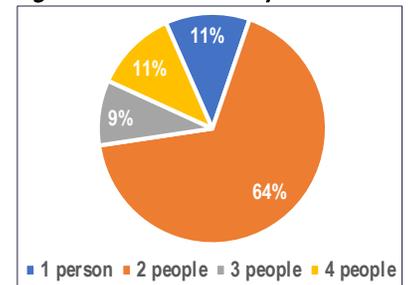


Figure 3.7: Travel Group Size



Source: ITRR

Table 3.3: Household Income of Nonresident Visitors

Household Income	Percentage
<\$75,000	26%
\$75k-\$150,000	47%
\$150,000+	27%

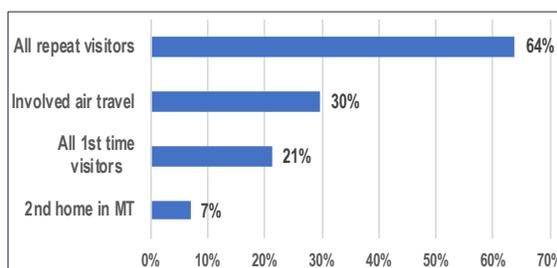
Source: ITRR

Table 3.4: Home Residency

Home Residency	Percentage
CA	9%
ALB	8%
FL, WA (ea)	7%
CO, MN (ea)	5%
WI	4%
OR, TX, MO, ND, ID (ea)	3%
WY, MA, MD, NV, AL, IL (ea)	2%
TN, Italy, NZ (ea)	1%

Source: ITRR

Figure 3.8: Group Characteristics (Source: ITRR)



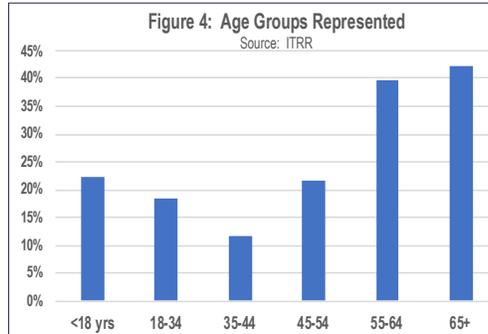
³ University of Montana Institute for Tourism and Recreation Research (ITRR)

9. Resident vs. Nonresident Spending: Restaurants and Sporting Goods

A look at actual credit card transaction trends in Whitefish shows that monthly restaurant spending by Montanans from outside the Whitefish zip code is consistent year-round, with higher amounts in July-August, and dips in October-November, indicating that much of it comes from day visitors who regularly enjoy dining and libations in Whitefish. Visiting Montanans spend more in Whitefish restaurants than nonresident visitors six months of the year (Oct-Jan and Apr-May). In July and August, nonresidents spend nearly three times that of Montanans. On a year-round basis, spending on sporting goods in Whitefish is nearly the same between Montanans outside the 59937 zip code and nonresident visitors.



Figure 3.9: Age Groups Represented



Source: ITTR

Figure 3.10: Types of Lodging Used During Trip to Montana

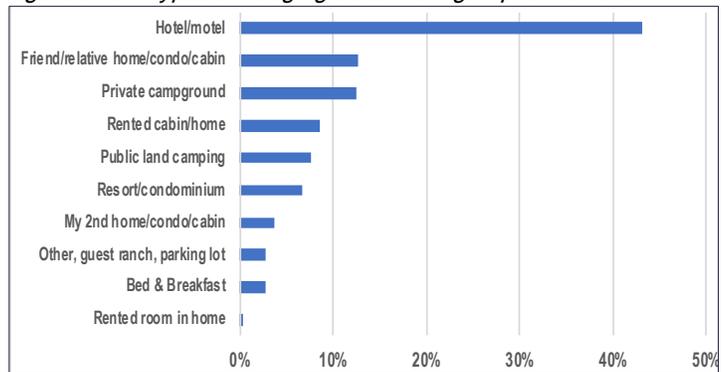
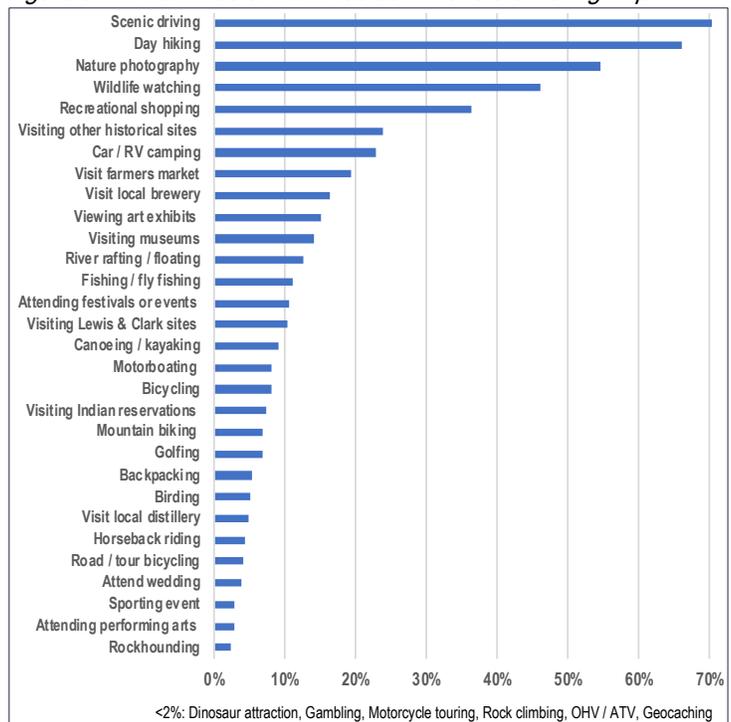


Table 3.5: 2018 Nonresident Expenditures in Flathead County

Category	Expenditures	% of County
Restaurant, Bar	\$134,455,000	
Retail	80,343,000	21.9%
Outfitter, Guide	75,525,000	13.1%
Hotel, Motel, B&B	67,502,000	12.3%
Grocery, Snacks	52,958,000	11.0%
License, Fees	52,248,000	8.6%
Gas, Diesel	49,741,000	8.5%
Rental Cabin	33,284,000	8.1%
Made in Montana	24,010,000	5.4%
Auto Rental, Repair	23,088,000	3.9%
Campground	9,572,000	3.8%
Service	8,110,000	1.6%
Gambling	1,870,000	1.3%
Farmers Market	1,304,000	0.3%
Transportation Fares	150,000	0.2%
Total	\$614,160,000	100.0%

Source: ITTR, categories are rounded numbers, may differ slightly from other reports.

Figure 3.11: Activities of Non-Resident Travelers During Trip



Source: ITTR

G. Recreation Visitor Trends

1. Key Findings

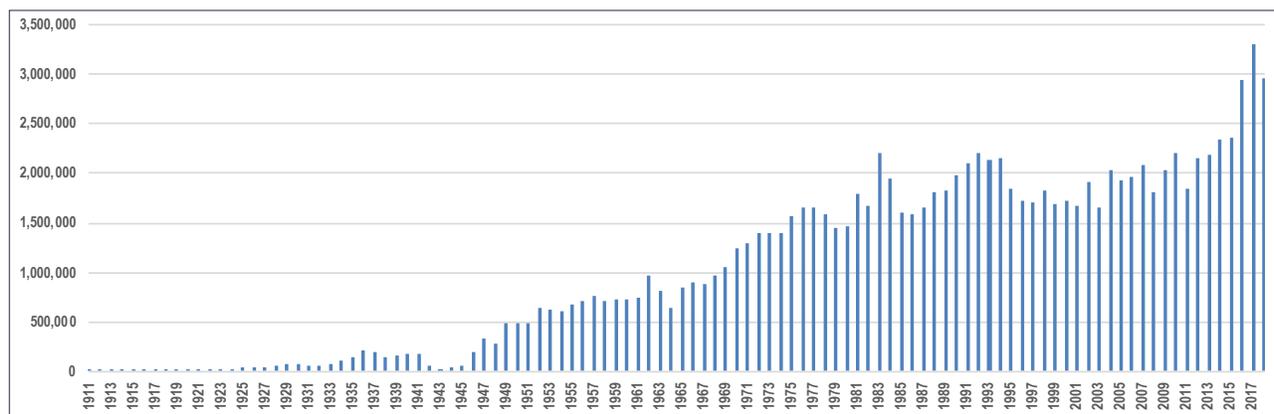
- The number of Glacier Park recreation visitors increased 27% (+626,000) from 2014 to 2018
- Whitefish Mountain Resort has grown, attracting more destination skiers and summer visitors, selling 11,500 season passes for the 2019-2020 season—mainly to residents within 35 miles
- In 2017, the Whitefish Trail received 73,000 annual trail uses at just four trailheads, of which 70% were locals and 30% (22,000) were visitors (live outside Flathead County); by 2019, trail use across all 12 trailheads was estimated to be 140,000+
- Outdoor recreation is the primary reason that people visit, move to, and stay in Whitefish

Most outdoor recreation visitors come to Whitefish in peak summer season (June-September); however, Whitefish also attracts many winter recreationists who enjoy Whitefish Mountain Resort, cross-country skiing, snowshoeing, dog sledding, and other activities. Others come to take advantage of quieter times of year. The following sections summarize key indicators of recreation visitor use in Whitefish.

2. Summer and Winter Recreation Visitors

Glacier National Park - Figures 3.18-3.23 (page 39) demonstrate the close linkage between Glacier National Park visits and visitation/traffic in Whitefish. Figure 3.12 below demonstrates how GNP recreation visitation has grown from 4,000 visitors in 1911 to a peak (so far) of 3,305,512 visitors in 2017. Publicity surrounding the National Park Service Centennial in 2016 likely drove the 2017 record. The number of visitors dropped by about 340,000 in 2018 but was still up 27% (+626,000) from 2014.

Figure 3.12: GNP Recreation Visitors 1911-2018



Source: National Park Service

At the Glacier Park West Entrance, more than 80% of the traffic is in the peak summer months (June-September), with June counts often determined by the opening date of Going to the Sun Highway. July and August alone account for more than half of the West Entrance traffic annually (53%).

Winter can be a magical time in the Park, with many opportunities for cross-country skiing, snowshoeing, and wildlife viewing, including Ranger-guided trips. West Entrance traffic in winter months (December-March) is about 4% of the annual total, and spring months (April-May) account for 9%-10% of annual traffic. December and January are the lowest traffic months, followed by February and November.

Whitefish Mountain Resort (WMR) - The Resort has grown their summer business with the addition of guided zipline tours, alpine slides, an aerial adventure park, kids' activities, a Summit Nature Center, and an extensive network of hiking/mountain biking trails, in addition to scenic chairlift rides and dining.

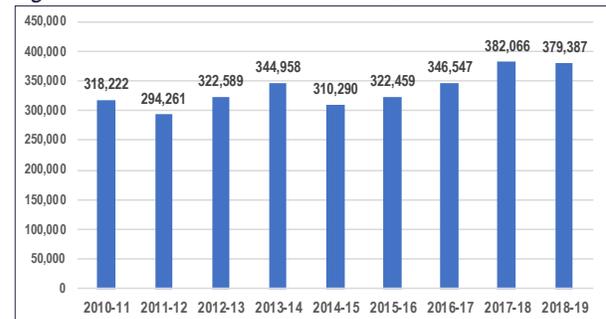
The 2018-2019 ski season was the best on record in the Rocky Mountains, with 24 million visits. Montana ski areas had an overall increase of 8.3% compared to 2017-2018.

Whitefish Mountain sold 11,500 season passes for the 2019-2020 season:

- 80% of season passholders live within 35 miles of Whitefish, 2% live 36-135 miles
- 4% are from Canada, and 11% from other U.S. states (vacation homeowners)
- Season passholders comprise nearly half of the total skier days (45%), while day pass and multi-day passholders comprise 55%

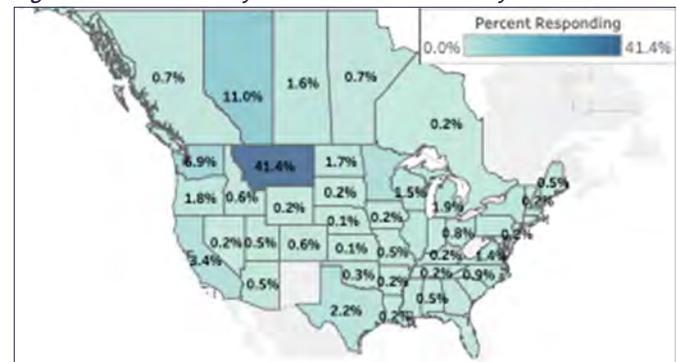
In the 2009-2010 ski season, residents were 54% of the skiers at WMR. By the 2018-2019 season, residents were 62% of the skiers. According to a 2019 ITRR study, the average age of skiers is 41, 75-77% are skiers, 13-16% are boarders, 7-12% are both. WMR research shows more visitors used day passes in 2018-19, a sign of some new visitors. There also were more destination skiers arriving by air, train, and bus, particularly from Washington, California, and Alberta (Figure 3.14).

Figure 3.13: Whitefish Mountain Resort Skier Visits



Source: U.S. Forest Service & Whitefish Mountain Resort

Figure 3.14: 2018/19 year-to-Date Visitation by State/Province



Source: RRC Associates, Whitefish Mountain Resort

According to ITRR, half of nonresident skiers arrived by air, 6% by train. They stayed an average of 6.5 nights and skied 4.3 days. Nearly two-thirds used commercial lodging (64%), while 20% stayed in their own condo or 2nd home, and 19% stayed with a friend or relative.

Montana skiers who stayed overnight in Whitefish spent 2 or fewer nights, and skied one day; 68% used commercial lodging, 21% stayed with a friend/relative, 16% stayed in their own condo. Figure 3.18 (page 39) shows only a slight increase in lodging sales and occupancy in the City of Whitefish over Christmas, confirming that many destination skiers stay on the mountain.

WMR was ranked 2020 No. 3 Best Resort in the West by SKI Magazine. Readers chose WMR because of affordability, previous experience at WMR, lack of crowding, and the town of Whitefish. WMR gets high ratings for its facilities, customer service, food, and overall quality of skiing experience. WMR has experienced significant growth in its programs for kids, juniors, and teens, which include lessons for ages 3-18, a Kids Center with on-snow play, a terrain park, freestyle teams, and a racing team.

The Whitefish Trail - The Whitefish Trail is planned to be a 55+ mile trail encircling Whitefish Lake and linking to state, federal, and private lands that have been conserved for public recreation access and sustainable forest management. From 2006 to 2016, project partners led by the Whitefish Legacy Partners protected 6,100 acres of local land, built, and maintained 42 miles of Trail accessed by 12 trailheads, and developed an outdoor education program. Further development is ongoing.

Figure 3.15: 2017 Monthly Trail Use at Four Primary Trailheads

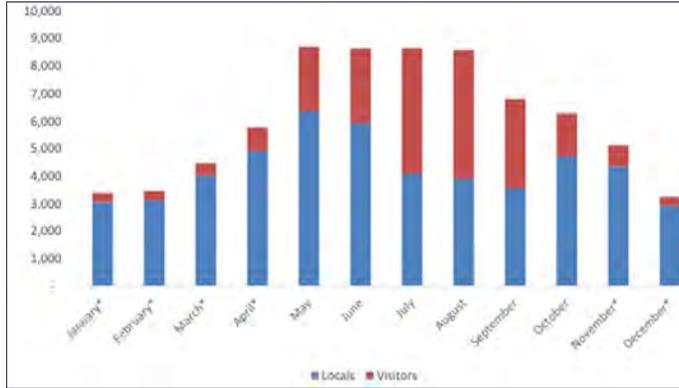
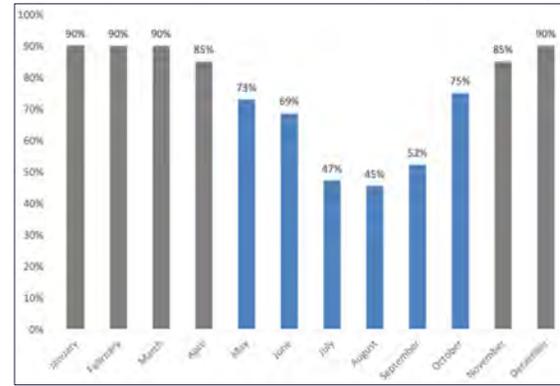


Figure 3.16: Trail Users = Locals (2017)



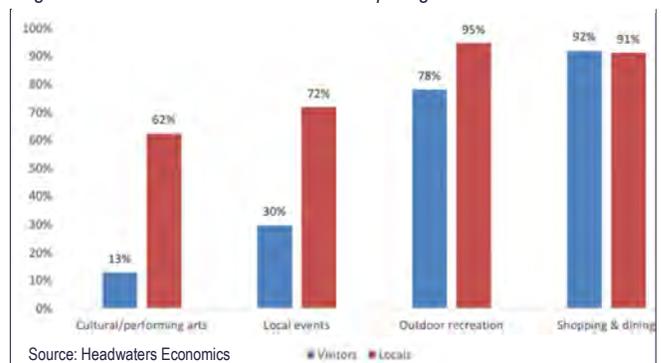
Source: Headwaters Economics

A 2017 study estimated 72,966 total annual Trail uses, of which 30% (22,188) were visitors (defined as people living outside Flathead County). Counts and interviews conducted at the four most popular trailheads revealed that 41,000 uses (56%) were in the summer season, but even in winter, the Trail averaged 100 uses daily. July and August are the only months when visitor use exceeds local use (Figures 3.15 and 3.16). Overall use in July-August doesn't increase compared to May-June, but many locals move to other summer activities or high country trails that are inaccessible in off-peak times.

Residents use the Trail an average of 1.8 times per week, due to its proximity to town and well-maintained trails. Of the local Trail users, 77% live in Whitefish, 11% in Kalispell, 9% in Columbia Falls, and 3% in Bigfork and other Flathead communities. Many residents report exercising more—and buying more gear, especially for mountain biking. Locals also report that outdoor recreation was a primary reason they moved to or stay in Whitefish. This finding is consistent with the Tapestry data about Whitefish and Flathead County residents.

The 2017 Whitefish Trail study included interviews of visitors at trailheads and four locations in town. Their findings about recreation visitors were the following:

Fig. 3.17: Share of Visitors/Locals Participating in Whitefish Activities



Source: Headwaters Economics

- Visitors whose primary trip purpose is outdoor recreation spend significantly more than non-recreationists (\$278 pe day vs. \$227 per day).
- Visiting recreationists also tend to stay longer than non-recreationists (5.8 days/trip vs. 4.2 days), resulting in roughly \$670 more spent per trip by recreationists.
- Most visitors to Whitefish participate in outdoor recreation, shopping, and dining; not as many attend cultural activities and events. (Figure 3.17)

H. Peak Season vs. Off-Peak Season

1. Peak Season for Overnight Visitors is July-August

Seasonality is a significant challenge for both residents and businesses in Whitefish. The “peak tourist season” is **June-JULY-AUGUST-September**, with July and August significantly higher in overnight visitation than June and September. Those four months (Jun-Sept) generate 69% of all annual lodging sales, and the other eight months of the year combined generate only 31% of annual lodging sales. As Figures 3.18 through 3.23 illustrate, eight months of the year is “off-peak” season, and of the four “peak” months, only July and August are high peaks, paralleling Glacier National Park visitation (Figure 3.21). These figures also show the impact of local resident and Montana day visitor spending on dining, beverage, and retail sales, especially in November-December (holidays) and ski season. Unlike lodging, peak season generates less than half (only 44%) of annual food and beverage sales, and 43% of annual retail sales, while the other eight months generate 56% and 57% respectively. (Note: Resort tax increased from 2% to 3% on July 1, 2015).

Figure 3.18: Whitefish Lodging Sales Trends

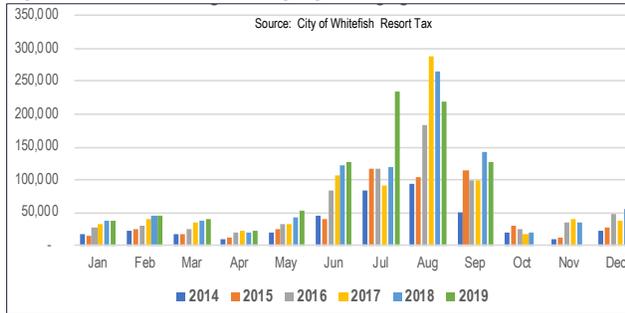


Figure 3.21: GNP Traffic Counts at West Entrance

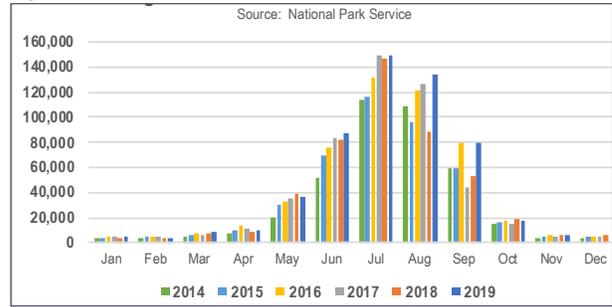


Figure 3.19: Whitefish Food and Beverage Sales Trends

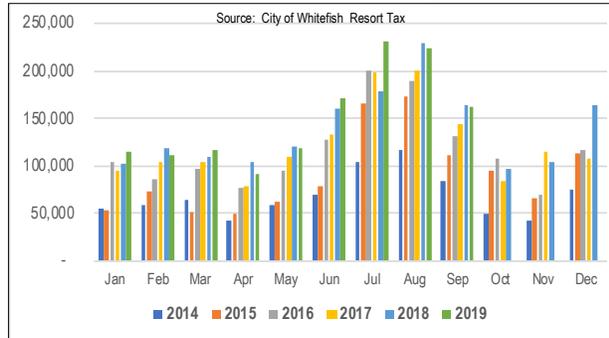


Figure 3.22: Glacier Park International Airport Deboardings

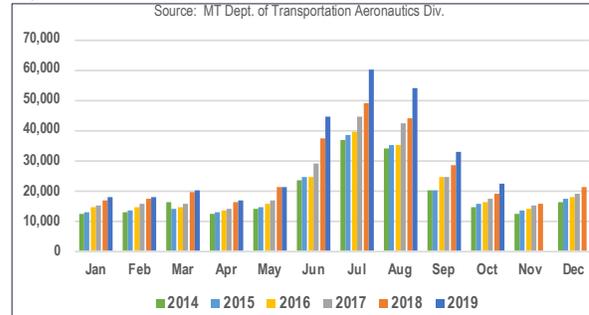


Figure 3.20: Whitefish Retail Sales Trends

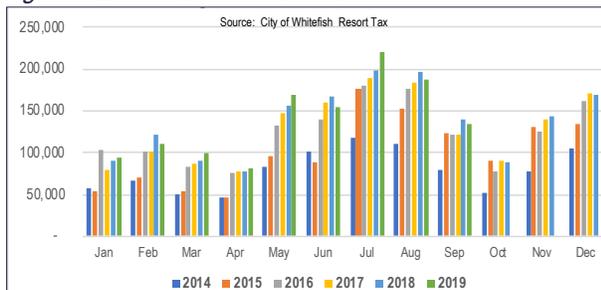
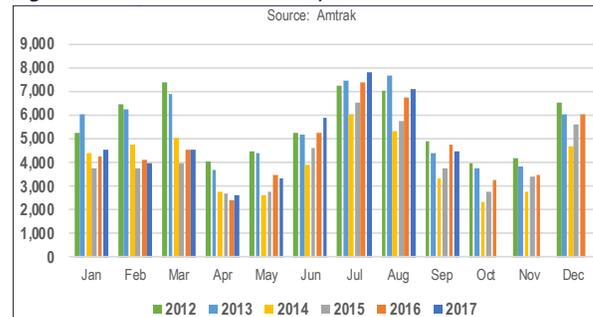


Figure 3.23: Amtrak Ridership at Whitefish Station



2. Peak Season vs. Off-Peak Season

The previous page stated that seasonality is a challenge for both residents and businesses: in peak season—especially July and August—the number of people in town impacts the quality of life for residents in the areas of traffic, parking, restaurant and bar crowds, recreation, noise, and housing.

The data supports the concern that nonresident visitors contribute to these challenges; however, other factors are at play, including population growth, locals who invite their friends and family to visit in peak months, Montanans visiting Whitefish (including day visitors), and seasonal residents and workers (see box). Other chapters in this document discuss actions the City and others are taking to address challenges in peak season.

Contributors to Peak Season Crowding
Montanans from Flathead/Other counties (day, overnight)
Nonresident (out-of-state) visitors--vacation, business
Friends and family visiting Whitefish residents
Population growth in Whitefish and Flathead County
Second/seasonal homeowners staying in Whitefish
Seasonal workers commuting into Whitefish to work
Summer construction traffic (residential, commercial)
Pass-through traffic on US93

On the flip side, is the off-peak season (October through May). During the off-peak months, hotels are

half empty (as low as 40% occupied in November through January, Figure 3.24). Short-term rentals average 48% occupancy in January. This lack of visitors also affects other businesses (restaurants, bars, retailers, entertainment, etc., and their vendors/suppliers). Without peak season sales, many Whitefish businesses would not survive year-round, or would not be in Whitefish in the first place. Their sponsorships and product/service donations would not be available to support local nonprofits, youth organizations, and events.

In the hotel industry, 60%-70% occupancy is considered break-even. Therefore, for eight months of the year, many hotels and inns are losing money, and are able to survive only because of the June-September peak season. This is reflected in average room rates, which are high in peak season, then drop by half—in some cases as much as 75%--in off-peak season, due to supply and demand (Figure 3.25). **These data confirm that Whitefish is overbuilt in commercial lodging and STRs**, and also that there are opportunities for low impact off-peak activities to support tourism-oriented businesses.

Figure 3.24: Whitefish Lodging Occupancy

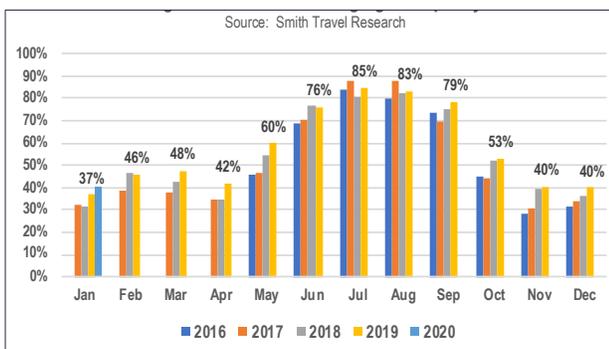
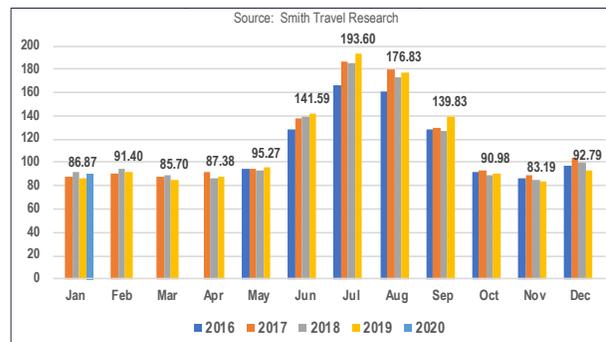


Figure 3.25: Whitefish Average Daily Rate



3. Off-Peak Season - Potential Opportunities

One way to reduce the pressure to maximize peak season occupancy is to generate more off-peak season indoor low impact business, such as conferences, retreats, education- and arts-based events, preferably in mid-week. An example is the new annual *Winterland Film + Tech Festival* planned to begin in 2021. Other examples are culinary events and competitions, music and other performance events, and educational events like TED Talks and institutes on recreation development/management, climate response, farm-to-table product development, green design/construction, green living, home remodeling, health/fitness, outdoor/nature/sportsmen's writing, western literature/art, etc. A key is to match educational events with the interests and passions of residents (see Chapter IV).

I. Economic Benefits of Tourism

Tourism is a main economic driver for the Whitefish economy and contributor to local amenities. Those positive outcomes, however, should balance sustainability with peak season tourism. The needs of residents, protection of the environment, and compatibility with the cultural setting are key factors in managing tourism to benefit the local population and to provide a memorable visitor experience. Identifying measures of tourism capacity, and documenting the benefits of tourism, will provide a foundation to evaluate programs, measure change, and increase awareness about how residents and visitors can contribute to a thriving community. Below are some measures of economic benefits from tourism.

- Direct Benefits of Visitor Spending
 - Montana Residents took 470,000 day trips to Flathead County in 2017, and 322,400 overnight trips. The day trip visitors spent \$112.4 million, and the overnight visitors spent \$98.4 million. (*Resident Travel in Montana in 2017*, University of Montana Institute for Tourism and Travel Research), https://scholarworks.umt.edu/itrr_pubs/369/
 - Nonresident visitors contributed \$824.5 million to the regional economy in Flathead County in 2018. (*2018 Economic Contribution of Nonresident Travel Spending in Montana Regions and Counties*, ITRR), https://scholarworks.umt.edu/itrr_pubs/391/
 - Visitors to Glacier National Park spent \$344 million in local economies in 2018, including Whitefish. Of that total, 94.2% was spent by non-local visitors. The result was 5,225 jobs in the communities surrounding the Park, \$163 million in wages, another \$188 million in value-added economic impact, for a total economic benefit to communities of \$484 million. (*2018 National Park Visitor Spending Effects: Economic Contributions to Local Communities, States, and the Nation*, National Park Service), <https://www.nps.gov/subjects/socialscience/vse.htm>
 - Nonresidents skiing at Whitefish Mountain Resort during the 2018-2019 ski season contributed \$12.1 million to the Montana economy. Of the overnight skiers who stayed at Whitefish Mountain Resort, one-third spent 7+ nights. On average, overnight skiers spent 3.9 days skiing at the Resort. 20% of WMR nonresident visitors purchased a travel/ski package at an average value of \$4,228. Nonresidents spent more on accommodations than any other expenditure (\$440 per

group per trip), followed by restaurant and bar (\$323) and lift tickets (\$277). Average group expenditures for nonresidents while in Montana was \$1,456.

Montana Residents skiing at Whitefish during the 2018-2019 ski season spent \$13 million in aggregate. Across all resident groups, the most money was spent on restaurants and bars (\$95 per group per trip), followed by lift tickets (\$73 per group per trip) and accommodations (\$51). (*Whitefish Mountain Resort 2018/19 End of Season Report*, RRC Associates; and *Economics and Characteristics of Alpine Skiing in Montana—2018-2019 Ski Season*, ITRR), https://scholarworks.umt.edu/itrr_pubs/394/

- The Whitefish Trail contributes annually to \$6.4 million in consumer spending in the area: \$2.7 million from residents spending on outdoor gear, and \$3.6 million by visitors. Spending from visitors alone translates to 68 additional jobs and \$1.9 million in labor income in the community. Spending by people visiting Whitefish mainly for outdoor recreation amounts to approximately \$101 million in spending, 1,460 jobs, and \$41.1 million in labor income annually. (*Economic Impact of the Whitefish Trail*, Whitefish Legacy Partners and Headwaters Economics), www.whitefishlegacy.org/news/economic-impact-of-the-whitefish-trail/
- Outfitted clients spend much more than non-outfitted visitors: groups who took a guided trip spent \$3,501 per trip, while the average visiting group spends \$606. Statewide, guides hosted 283,600 clients for water-based activities (rafting/floating/canoeing/kayaking), and 160,400 clients on fishing trips, representing the largest guided trip sectors when ranked by volume of clients. (*Montana's Outfitting Industry - 2017 Economic Contribution and Industry-Client Analysis*), https://scholarworks.umt.edu/itrr_pubs/376/
- Montana's outdoor recreation economy generates \$7.1 billion in consumer spending and more than 71,000 jobs. Montana residents account for 51% of outdoor recreation spending. Recent Bureau of Economic Analysis data indicates 5.1% of Montana's Gross Domestic Product comes from outdoor recreation, which has created more than 28,000 jobs. Deer, elk, and antelope hunters spent an estimated \$324 million in Montana (Montana FWP, 2016). Anglers spent \$919.3 million in more than 3.3 million angling days in 2017. A survey of Montana's high-tech industries, which pays twice the median wage, shows that Montana's quality of life - its lifestyle, the work/life balance available, the recreation opportunities, and the beauty of the landscape provide a significant advantage in business. (*Outdoor Recreation & Montana's Economy*, Montana Office of Outdoor Recreation, <http://business.mt.gov/Office-of-Outdoor-Recreation>, BEA Outdoor Recreation Report) <https://www.bea.gov/data/special-topics/outdoor-recreation>
- "For entrepreneurs who value outdoor lifestyles, Montana's wide open public lands provide opportunities that can transform aspirations and goals into reality. Diverse communities with distinct personalities, a highly skilled workforce and convenient amenities and services allow businesses to develop their own brand identify while determining their workplace culture." <http://business.mt.gov/Office-of-Outdoor-Recreation>

J. Marketing and Sustainability

1. Existing Marketing Efforts

Communication and awareness-building among both residents and visitors is key to enhancing everyone's experiences. Residents consistently claim that Whitefish is "over-marketed" by tourism entities, when in fact neither the Whitefish CVB nor Glacier Country Regional Tourism Commission promote summer travel to Whitefish—though other entities do. The Whitefish CVB and Glacier Country Regional Tourism Commission focus on off-peak season marketing. Before visitors' arrival, and during their stay, communication can help minimize impacts and encourage sustainable behaviors (see next section). The responsibility for this communication is shared among all local organizations, businesses, and residents.

There are many entities promoting Whitefish, Flathead County, Glacier Country, the State of Montana, and the Rocky Mountain region for tourism, economic development, relocation, and investment. In addition, most of the entities have social media accounts, and many residents of Whitefish post pictures of their life experiences on social media. For this reason, even without the City of Whitefish, Chamber, and CVB efforts, there still are millions of eyeballs viewing messaging about Whitefish, Glacier National Park, etc. Organizations that promote and provide information about Whitefish and the Glacier Country travel region include:

- Whitefish: Whitefish CVB (ExploreWhitefish.com), Whitefish Chamber of Commerce (WhitefishChamber.org), City of Whitefish (CityofWhitefish.org), Whitefish Mountain Resort (SkiWhitefish.com), Whitefish Arts Festival (WhitefishArtsFestival.org), Whitefish Pilot (WhitefishPilot.com), Whitefish Farmers Market (WhitefishFarmersMarket.org), realtors (Realtor.com), hotels, outfitters, other businesses, and events.
- Flathead County: Kalispell Chamber/CVB (KalispellChamber.com), Flathead County (Flathead.mt.gov), Montana West Economic Development (DoBusinessinMontana.com), City of Kalispell (Kalispell.com), Columbia Falls Chamber (ColumbiaFallsChamber.com), City of Columbia Falls (CityofColumbiaFalls.org), Flathead CVB (FCVB.org), Bigfork Chamber of Commerce (Bigfork.org), Lakeside Somers Chamber of Commerce (LakesideSomers.org), Flathead Valley Community College (FVCC.edu), Flathead Living (FlatheadLiving.com), Daily Interlake, Flathead Beacon, hotels, outfitters, realtors, other businesses, and events.
- Glacier Country, Glacier National Park: Glacier Country Regional Tourism Commission (GlacierMT.com), Glacier National Park (NPS.gov/Glac/index.htm), Go Northwest (GoNorthwest.com), Pursuit Collection (GlacierParkCollection.com), and others.
- State of Montana, Rocky Mountain Region: State of Montana (VisitMT.com), Visit the USA (VisittheUSA.com/state/Montana), Rocky Mountain International (RMIMarketing.com).
- Other: Trip Advisor (TripAdvisor.com), Airbnb (Airbnb.com), Vacation Rental by Owner (VRBO.com), Bed and Breakfast (BedandBreakfast.com, BBOonline.com, BnBFinder.com), Skiing (Ski.com, Snow.com, OntheSnow.com, SkiCentral.com, SnowPak.com), Trips to Discover (TriptoDiscover.com), AAA (AAA.com), Lonely Planet (LonelyPlanet.com), etc.

One of the most powerful marketing tools is social media, used by both residents and visitors who post their experiences. A challenge for Whitefish is consistent branding and messaging—particularly sustainability messaging—with so many disparate entities marketing images over the air and in cyberspace.

2. Marketing Resources

Lodging Tax Funds - The State of Montana has a 4% lodging tax paid by guests of hotels, motels, B&Bs, short-term rentals, guest ranches, resorts, and campgrounds. In 2018, the total collected was about \$33.4 million. Figure 3.26 shows how the funds are spent. Of the 61.7% to the Montana Office of Tourism and Business Development, about \$750,000 is used annually for a tourism grant program, which funds projects for arts/culture/heritage preservation, visitor facility upgrades or construction, and niche product development, including promotion.

Both Glacier Country Regional Tourism Commission and the Whitefish CVB receive a share of state lodging tax funds, and the CVB

collects a 1% fee from participating lodging properties and restaurants. Both entities have cooperative marketing and grant programs that can be accessed by local businesses and nonprofits for tourism-related services and events.

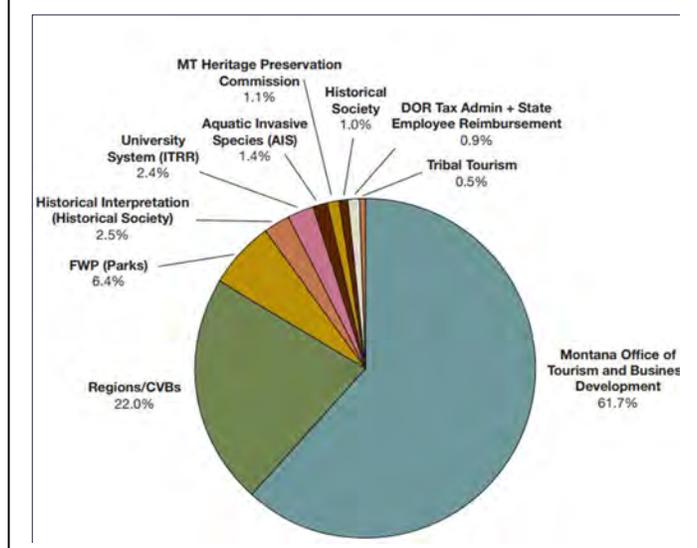
- Whitefish CVB - Branding Guidelines and Marketing, Guide/Map/Web Listings, Public Relations, Trade Shows, e-News, Airport Display, Smith Travel Research (STAR) reports on hotel occupancy, rates, etc., VisaVue reports, etc., <https://explorewhitefish.com/members>
- Marketing and Events in Shoulder Season - CVB, Chamber
- Glacier Country Regional Tourism Commission and Montana Tourism office - listings, cooperative advertising, leads for small market meetings, group, and international travel, etc., <https://partners.glaciermt.com/benefits-for-partners>, <https://marketmt.com/>

3. Sustainable Travel

Sustainability is the goal of this Sustainable Tourism Management Plan, in the level of tourism in Whitefish, and behaviors by visitors, businesses, and residents. To achieve it, Whitefish visitors, businesses, and residents must determine the “tourism capacity” of Whitefish, support and participate in strategies to reduce the impact of travel and recreation, and travel marketers must incorporate sustainability principals and messaging in their efforts. The following resources support sustainability actions.

- “Leave No Trace”, <https://LNT.org>
- Travalyst is a global initiative founded by the Duke of Sussex, Booking.com, Skyscanner, Trip.com, TripAdvisor, and Visa, to change the impact of travel. www.travalyst.org
- Skyscanner - Travel booking site for sustainable travel. www.skyscanner.net/about-us/sustainability

Figure 3.26: Distribution of 4% Lodging Facility Use Tax



Sustainable Travel: The time is now

- By 2030, 1.8 billion people will travel internationally
- In 2018, \$8.8 trillion to the global economy
- Today, 1-in-10 jobs globally are travel related
- 71% of global travelers think travel companies should offer more sustainable travel choices
- 10 million travelers using Skyscanner selected the lowest CO₂ emission flight option in last 12 months
- 68% said it was important the money they spent on travel went back into the local community

Source: Travalyst.com

K. Strategies – Action Item

<p>1. Develop a 5-year strategy for ongoing research and monitoring of visitor capacity, numbers and behavior, resident attitudes and behavior, business actions toward sustainability goals.</p>
<ul style="list-style-type: none"> • Identify methods to determine visitor capacity at key sites, then track, monitor, and report visitor numbers, economic impact, demographics, behaviors, and impacts by season. • Track changes in STR inventory, report to policy makers as context to regulatory discussions • Evaluate ways to reduce duplicative efforts and visitor confusion between the Whitefish CVB and Chamber of Commerce to use resources more efficiently and effectively. • Implement methods to track, monitor, and report resident behaviors and impressions. • Identify and implement methods to track and report actions taken by businesses to reduce waste, lower energy, and water use, increase local sourcing, increase employee compensation and give-back programs, etc., on a quarterly basis. • Implement a “Sustainable Whitefish Future” Awards program for businesses, organizations, youth, and individuals who have outstanding measurable impact on sustainable progress. • Whitefish CVB Tourism Data/Resources: https://explorewhitefish.com/entries/whitefish-tourism-data-resources/a29cb475-e880-4386-a66f-e0b41b401d1c • Glacier Country Regional Tourism Commission Annual Report: https://partners.glaciermt.com/annual-report
<p>2. Build awareness among residents about actual impacts from visitors vs. local county residents and manage expectations in view of population growth and peak season visitation.</p>
<ul style="list-style-type: none"> • Create online and printed materials to educate residents about the Sustainable Tourism Management Plan document, and information highlights from it. • Coordinate with local media on awareness-building series re. tourism, population growth. • Create information to explain how residents can help reduce impacts of tourism. • Work with local employers and FVCC to develop employee training for hospitality workers regarding communications with local customers and visitors about tourism impacts • Resources: https://www.fvcc.edu/what-we-offer/academic-programs/, https://www.gadventures.com/about-us/responsible-travel/travel-better/
<p>3. Host off-peak season educational events with topics of interest to residents and visitors.</p>
<ul style="list-style-type: none"> • Focus on educational events that match passions of residents and visitors and support sustainability goals, recruit locals to assist in planning and implementation. • Strategically recruit groups that are consistent with values of Whitefish residents. • Resources: TEDx Events - https://www.ted.com/tedx/events?autocomplete_filter=michigan&month=Month&when=upcoming&year=Year, Volontourism - www.visit.org, Experiential Travel www.airbnb.com/s/experiences, Bleisure https://www.travelweekly.com/Strategic-Content/Growing-Bleisure
<p>4. Include sustainable travel and recreation practices as part of the “Whitefish Brand.”</p>
<ul style="list-style-type: none"> • Build awareness about traveling sustainably as part of marketing, advance trip planning, and on-site messaging to customers. • Update “Whitefish Brand Guidelines” to emphasize sustainability message. • Resource: Global Sustainable Tourism Council (GSTC) www.gstcouncil.org
<p>5. Coordinate with Glacier Country Regional Tourism Commission and Montana Office of Tourism on sustainable tourism messaging and resources for travelers.</p>
<ul style="list-style-type: none"> • Encourage GCRTC to adopt sustainable tourism practices and messaging, both for members and travelers, e.g., request sustainable messaging in GCRTC online and printed materials. • Encourage MOTBD to include sustainable travel information in all messaging and materials. • Resource: https://partners.glaciermt.com/benefits-for-partners, https://marketmt.com/
<p>6. Advocate for investment in tourism infrastructure.</p>
<ul style="list-style-type: none"> • Support continued funding from state and federal agencies for tourism infrastructure • Promote the US Travel Association guiding principles for tourism infrastructure investment • Resource: https://www.ustravel.org/sites/default/files/media_root/document/InfrastructureRecommendations_2018.pdf

IV. ECONOMIC DIVERSIFICATION

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“There are really not many jobs outside of the service and retail sectors, and we need more clean industry; right now it feels like low paying tourism oriented workers, retail owners and workers, and retirees dominate our population.”

Survey Comments

A. Goals

Livability - Achieve economic diversity through an increase in year-round employment in non-tourism sectors, to complement existing businesses.

Community Engagement - Partner with business and community leaders, Whitefish Chamber of Commerce, Montana West Economic Development, financial institutions, and others to target and encourage high priority clean and green businesses.

Community Character - Inspire new entrepreneurship and business development that is consistent with Whitefish community character and will support Whitefish values of sustainability and livability.

B. The Current Whitefish Economy

In Whitefish, a more sustainable economy means more businesses and/or jobs in higher paying, year-round sectors to balance the high number of tourism-oriented businesses.

1. Employment Base

Key Findings:

- The community of Whitefish (the area within the 59937 zip code) contains nearly 1,000 businesses and 7,500 employees (Table 4.1).
- Tourism-related businesses (lodging, dining, beverage, retail, recreation, arts, entertainment) make up nearly one-quarter of businesses (24%), and more than one-third of jobs (38%).
- Additionally, another 196 service businesses (883 jobs) may be tourism-related: Transportation, Other Services, Unclassified. Not all of them are tourism-related, but if they were, the total number of tourism-related jobs would be just under half of all Whitefish jobs (49.5%).

Table 4.1: Whitefish (59937) Economic Base

	Businesses	Whitefish % of Ttl	National % of Ttl	Employees	Empl Rank
Retail	109	11%	11%	628	3
ProfI, Science, Tech	97	10%	13%	431	6
Lodging & Food	95	10%	5%	1,833	1
Other Services	93	10%	11%	494	5
Unclassified Estab.	90	9%		29	
Construction	80	8%	9%	273	
Real Estate, Leasing	73	8%	5%	540	4
Health Care, Social Svc	72	8%	10%	946	2
Finance & Insurance	56	6%	5%	326	10
Admin, Support, Clean Svc	35	4%	11%	124	
Manufacturing	29	3%	4%	208	
Arts, Enter, Recreation	29	3%	2%	348	9
Education	22	2%	2%	381	7
Information	18	2%	2%	90	
Public Administration	15	2%	1%	252	
Wholesale Trade	14	1%	4%	63	
Transp, Warehouse	13	1%	3%	360	8
Aq, Forestry, Fish/Hunt	10	1%	2%	28	
Utilities	4	0%	0%	105	
Mgmt of Companies	1	0%	0%	3	
Mining	0	0%	0%	0	
Total	955	100%	100%	7,462	

Source: Esri Data for 59937 Zip Code, 9/5/19

- Sectors with opportunity to create higher-paying year-round jobs include professional, scientific, and technical services, manufacturing, and technology.
- Broadband availability and reliability are a significant challenge in Flathead County, limiting the growth of higher-paying sectors.

For a city its size compared to the national average, Whitefish has a *higher* percentage of businesses in the following sectors (green figures in the Table 4.1 “Whitefish” column): Lodging and Food; Real Estate, Leasing/Property Management; Finance and Insurance; Arts, Entertainment, Recreation; and Public Administration. None of these are surprising given the number of second/vacation homeowners, retirees, and public lands.

Whitefish has *fewer* businesses than the national average in nine sectors (red figures in the Table 4.1 “Whitefish” column): Professional, Scientific, Technical; Other Services; Construction; Health Care and Social Assistance; Administrative, Support, and Cleaning Services; Manufacturing; Wholesale Trade; Transportation and Warehousing; and Agriculture, Forestry, and Fishing/Hunting. The Construction sector may sound surprising, but many contractors who work in Whitefish are based in Kalispell and Columbia Falls.

Some of these sectors, and clusters of similar businesses, may represent opportunities for business development in sectors with higher-paying year-round jobs. For example, of the 97 Professional, Scientific, and Technical businesses, 22 are Legal services (75 jobs), and the remaining 75 businesses (356 jobs) represent other types of businesses (this category includes Legal, Accounting/Tax/Payroll, Architecture, Management/Scientific/Technical Consulting, Engineering, Design, Computer Systems/Programming, Scientific Research and Development, Advertising and PR, Market Research, Photography, Translation and Interpretation, and Veterinary Services).

Further investigation could reveal opportunities for collaboration, expansion, complementary businesses, and supporting businesses. Other key business sectors are Health Care and Social Assistance (72 businesses); Administrative/Support, Waste Management and Remediation (35 businesses); Manufacturing (29 businesses); Educational Services (22 businesses); Information (18 businesses); and “Other Services” (93 businesses, of which 14 are Auto Repair/ Maintenance, 149 jobs).

Whitefish is above the national average in Information Services, while Flathead County is below the national average (Table 4.2, where 1.0 = National Average). County-wide, the Construction, Education/ Health, Natural Resources/Mining, and Other Services sectors show figures above the national average.

However, like Whitefish, Flathead County is *below* the national average in Manufacturing and Professional/Business Services. As stated earlier, about one-in-four businesses, and more than 1-in-3 jobs in Whitefish, are tourism-dependent. Most of these jobs tend to be lower paying jobs, many of them seasonal.

Table 4. 2: Flathead Co. Location Quotient (LQ)

Industry	Location Quotient*
Leisure and Hospitality	1.56
Construction	1.44
Education/Health Services	1.17
Other Services	1.15
Financial Activities	1.06
Natural Resources / Mining	1.05
Services-Providing	1.04
Trade, Transportation, Utilities	1.00
Manufacturing	.75
Professional / Business Services	.63
Information	.41

Source: Flathead County CEDS, 2017

*1 = Nat'l Avg

Table 4.3 takes a deeper dive into the Hospitality, Retail, and Financial sectors in Whitefish. There are twice as many restaurants and bars as there are lodging businesses, but the lodging sector has more employees (many of them part-time). Note: these figures do not include 1,100+ short-term rental properties (STRs) in Whitefish. STRs are categorized as residential properties, even though they provide commercial lodging. Businesses that employ workers related to STRs are property management companies (Real Estate/Leasing category), cleaning, maintenance, and landscaping services.

Table 4.3: Key Subsector Businesses and Employment

	Businesses	Employees
Lodging & Food Services		
Food Service and Drinking Places	62	887
Accommodation	33	946
Total	95	1,833
Retail Trade		
Miscellaneous Store Retailers	26	112
Clothing & Clothing Accessories	16	56
Food and Beverage Stores (Grocery, Liquor)	11	119
Sport Goods, Hobby, Book, Music	11	39
Bldg Materials, Garden Equip/Supply	10	86
Motor Vehicle & Parts Dealers	10	79
Furniture & Home Furnishings	8	29
Health & Personal Care Stores	6	38
Gasoline Stations	5	30
General Merchandise	4	38
Electronics & Appliances	1	2
Nonstore Retailers	1	0
Total	109	628
Finance & Insurance		
Securities, Commodities, Investments & Related	21	77
Insurance; Funds, Trusts & Other Financial Vehicles	19	59
Central Bank/Credit Intermediation/Related Activities	16	190
Total	56	326

Source: Esri Data, 59937 Zip Code, 9/5/19

The largest retail subsector is “Miscellaneous Stores,” with 26 businesses (112 employees), followed by Clothing and Accessories, Grocery/Liquor (119 employees), Hobby, Building Materials and Garden Supply (86 employees), Auto related (79 employees), and Furnishings. There is one Nonstore (Internet) Retailer.

The Financial sector has 21 Securities/Investment businesses (77 employees), closely followed by 19 Insurance/Funds/Trusts (59 employees), and 16 Banks and Credit-related businesses with the most employees (190). This is driven in part by the number of retirees in Whitefish.

2. Wages by Occupation

Key Findings:

- Business sectors with the most jobs in Whitefish have the lowest wages (Tables 4.1, 4.3, 4.4).
- The low wage jobs create a need for affordable workforce housing, and without it, workers must commute from other parts of the county, adding to traffic challenges in peak season.

Table 4.4 Wages by Occupation

Occupation Title	Annual Mean Wage		Occupation Title	Annual Mean Wage	
	W. MT Nonmetro	Missoula		W. MT Nonmetro	Missoula
Management Occupations	85,400	92,290	Property/Real Estate Mgrs	37,830	42,370
Health Care/Technical	81,290	74,590	Production Occupations	36,010	36,330
Computer/Math Occupations	72,300	62,070	Transportation/Moving	34,970	35,570
Architecture/Engineering	63,840	63,310	Arts/Design/Entertainment	34,520	40,150
Advertising Sales Agents	61,640	48,470	Sales & Related Occupations	34,090	34,890
Business/Financial/Operations	59,420	59,630	Office/Admin Support	33,990	34,550
Lodging Managers	n/a	57,590	Meeting/Convention/Event Planners	33,190	43,290
Legal Occupations	53,300	74,560	Health Care Support	30,720	31,470
Life/Physical/Social Sciences	51,120	52,190	Building/Grounds Maint	29,130	26,250
Protective Services (Police, Fire, etc.)	45,480	51,830	Retail Salespersons	27,710	25,670
Real Estate Agents	45,390	48,950	Hotel/Resort Desk Clerks	27,180	21,580
Installation/Maint/Repair	45,200	42,220	Personal Care/Services	26,420	25,550
Construction & Related	43,200	46,340	Amusement/Recreation Workers	24,700	20,190
Community/Social Svcs	42,990	38,580	Food Prep/Service	23,740	22,930
Education/Library	39,200	42,790	Child Care Workers	21,870	21,920
Farming/Fishing/Forestry	38,080	36,090			

Source: US Bureau of Labor Statistics, May 2018

Table 4.4 above shows the Annual Mean Wage for various occupations in Nonmetropolitan areas of western Montana (including Flathead County) and in the Missoula Metro area. Note that while Lodging Managers may have an annual mean salary in the mid-\$50,000s, Meeting/Event Planners are in the low \$30,000-\$40,000s, and Desk Clerks low-to-mid \$20,000s. Similarly, Retail Salespersons are mid-\$20,000s, while Food Service, Personal Care, Cleaning Services, and Recreation Workers are low \$20,000s. The lowest wages are for Child Care Workers (a key reason for a shortage of childcare services). These essential service providers cannot afford housing in Whitefish.

Meanwhile, Health Care, Technical, and Computer/Math-related salaries are \$70,000 to \$80,000+, and other Professional and Business Services range from \$50,000 to \$60,000+. Education and Community/Social Services professionals have a mean wage of less than \$40,000, so many of these workers also live outside the community in which they serve.

C. Employment Opportunities and Challenges

1. Whitefish Competitive Advantage and Niche

Whitefish has a competitive advantage for certain types of businesses and workers because of its aesthetic appeal and high quality of life, coupled with easy access to key urban hubs from Glacier Park International Airport. The outstanding outdoor recreation opportunities, combined with the appeal of quality dining and cultural offerings, is very attractive to outdoor-oriented Lone Eagles (entrepreneurs, freelancers, professionals, and knowledge workers who can theoretically work and live anywhere), health care professionals, remote/tech workers, and other professionals, as well as for upscale retirees who enjoy the casual, active lifestyle that Whitefish offers.

2. Target Business Sectors

Whitefish provides a ready “outdoor lab” for companies involved in sports/recreation and health/wellness products and services, environment-related services (water quality, forest and wildlife management, climate change, waste remediation, etc.), and applied technology. Whitefish is an attractive “home base” for professionals in engineering, architecture, environmental sciences, and technology. Existing businesses present potential opportunities for collaboration, expansion, complementary or supporting businesses, particularly in the professional, scientific, technical, and health care-related sectors.

3. Products Made from Recyclables

Downturns in domestic and international demand for recyclables have been a challenge for the Whitefish recycling program. One way to create demand is to encourage local development of products made from recyclables that can be sold both locally and elsewhere. Examples are artistic lighting and other decorative interior products, landscaping material, countertops, golf course bunker sand, insulation products, etc. (see VivaTerra.com and GetNaturalUSA.com for end product examples, BuildingGreen.com, BudgetDumpster.com/blog and NorCalCompactors.net/blog for recycling business ideas, processes, and equipment, along with examples of ways for businesses to save money by recycling).

4. The Broadband Challenge

High-speed fixed Internet options for Whitefish include CenturyTel DSL and Spectrum Cable. There are limited fiber optic service options. Internet speeds vary depending on the location of the home or business. In town, download speeds of 200 mbps or more are common. Issues with broadband service include the following:

- Upload speeds with cable and DSL are low. Only fiber optic service offers symmetrical speeds that technology-dependent businesses require. There is limited fiber-to-the-premises service.
- Internet service outside the City limits can be an issue. Cable service is unavailable outside the City of Whitefish. CenturyTel has DSL lines outside the City, but due to capacity issues, there

are long wait times for new service hook-ups (including new customers when a home or business sells).

- Reliability is an issue. Service outages are disruptive to businesses, and there is lack of redundancy in the county-wide network.
- Cost for services are typically higher than urban markets.

According to local realtors, buyers who purchase a home outside the City limits often find themselves on waiting lists for months to receive Internet service.

5. Availability and Cost of Commercial Space and Land

In late 2019, listings of commercial space and land in Whitefish ranged from 500 to 4,000 square feet and were priced from \$170 to \$360 per square foot to purchase, or \$1.50 to \$2.50 per square foot to lease. Properties listed in Columbia Falls ranged from \$62 to \$180 per square foot to purchase. Only one property was listed for lease.

Professional and technology businesses with high paying jobs are typically looking for Class A office space. Such space is described as follows:

"These buildings represent the newest and highest quality buildings in their market. They are generally the best-looking buildings with the best construction and possess high-quality building infrastructure. Class A buildings also are well located, have good access, and are professionally managed." www.areadevelopment.com

There is little available space that meets this definition in Whitefish. Most new buildings have been constructed for specific users, or for short-term vacations rentals with no office space. From 2010 to 2018, the number of permits for new commercial buildings fluctuated between two and five per year. In 2016, a record 11 commercial building permits were issued, but 2017-2019 have been more typical of past building trends.

6. Financing

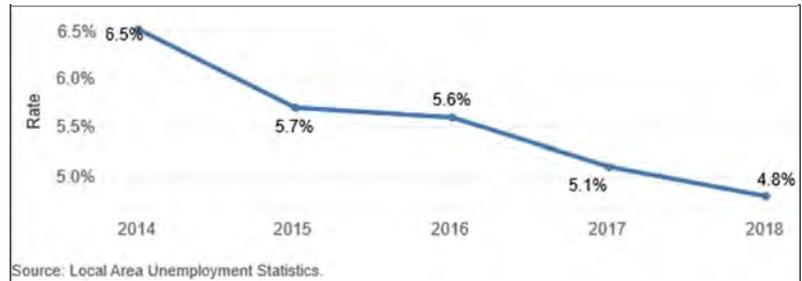
New start-up businesses often have challenges with financing. Commercial lenders may not risk capital on new ventures, so alternative forms of financing are necessary. SBA loans, micro-loans, and local investment co-ops are possible alternatives for business financing.

7. Labor Shortage

In 2019, Unemployment rates were at historic lows, creating a workforce shortage in Whitefish and the County. Figure 4.1 shows the annual average unemployment trend in Flathead County (seasonally adjusted). During peak seasons, the rates of unemployment are even lower.

The workforce shortage for jobs in the hospitality sector in Whitefish is exacerbated by a shortage of affordable housing. In fall 2019, the Whitefish Chamber of Commerce conducted a Workforce Summit that identified the following additional concerns and trends:

Figure 4.1: Flathead County Annual Unemployment Rate



Source: Montana Dept. of Labor and Industry, <http://lmi.mt.gov/Local-Area-Profiles>

- Businesses are relying on more international hires to fill positions during summer months
- Hospitality businesses must compete for employees with higher paying jobs in the construction industry
- Lack of affordable childcare is an issue, keeping some parents from entering the labor pool
- Lack of transportation for workers that do not own vehicles is an issue
- Businesses are becoming more creative with use of bonuses and non-monetary benefits for employees
- Workforce training may be needed for some types of jobs—there are opportunities to partner with Flathead Valley Community College on internships/ apprenticeships.

D. Whitefish Retail Sector and Trends

1. Whitefish Retail Sales, Surplus, and Leakage

Key Findings:

- Without tourism, many Whitefish retail businesses would not survive.
- Whitefish retailers selling food and beverage services, off-road vehicles, health and personal care products, shoes, and used merchandise are a draw for shoppers.
- Whitefish has significant retail leakage in the areas of electronics, general merchandise, books and music, specialty foods, and furniture.
- Big box and chain stores are closing across Montana and nationwide—Whitefish has a niche in specialty and experiential retail, which can help its businesses thrive.

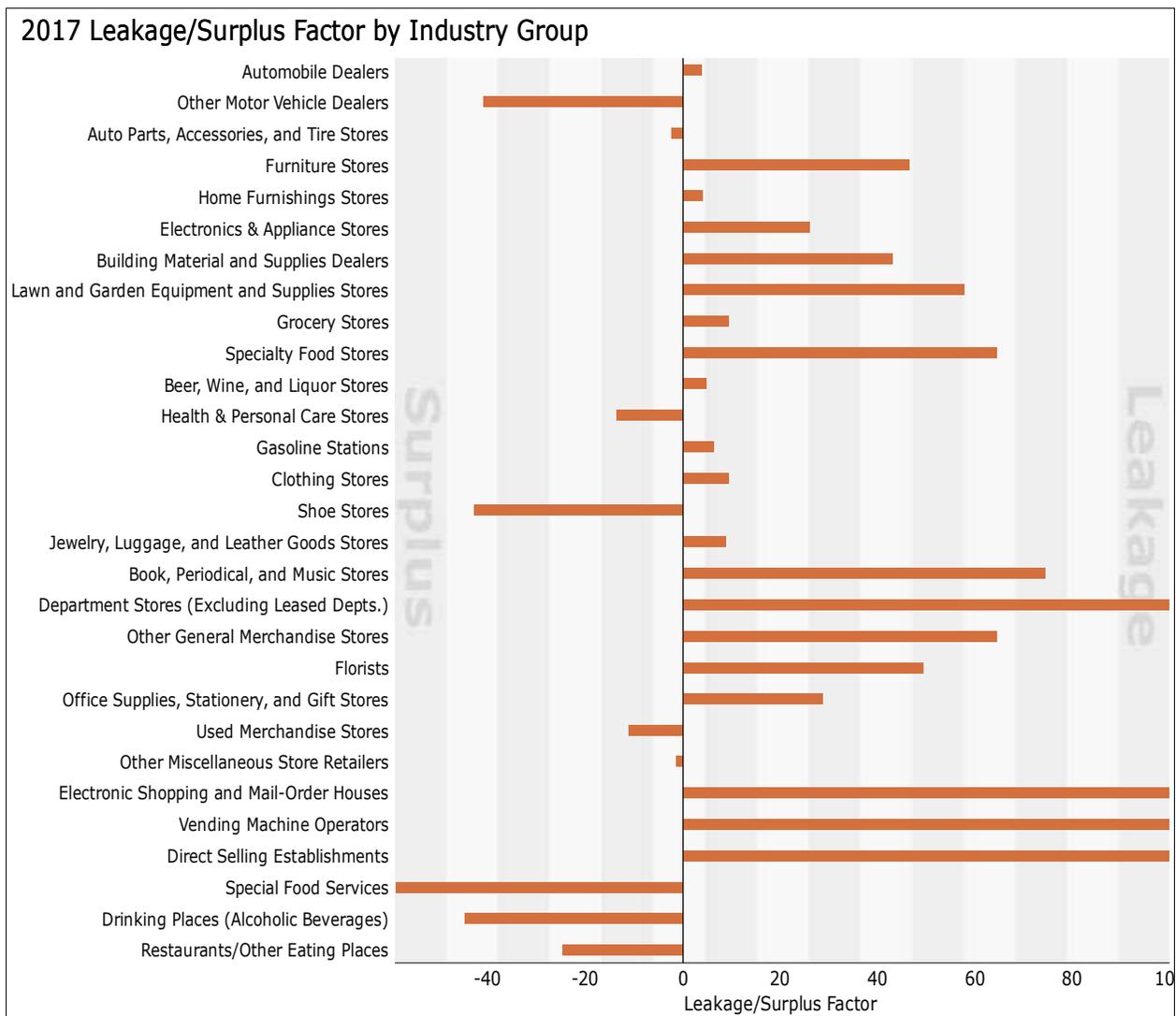
The City of Whitefish collects a 3% Resort Tax on sales at restaurants, bars, lodging, and selected retail products. Figures 3.19 and 3.20 show Restaurant and Bar and Retail Sales trends respectively, from 2014 to 2019. Note that the Resort Tax increased from 2% to 3% on 7/1/2015, explaining the jump in 2015-2016 figures.

In 2017, Esri data revealed the largest retail sectors by sales volume in Whitefish were auto dealers and restaurants, followed by gas and groceries, then health/personal care, hobby, and other motor vehicles

(ORVs, boats, etc.). The next tier was electronics/appliances and building materials. Note that the top retail categories primarily target residents (with visitors contributing a significant share to restaurants and gas stations).

Figure 4.4 below shows retail Leakage and Surplus Factors by industry subsector. Leakage (right side) indicates the gap between actual spending in each category by Whitefish consumers, and the local retail sales in each category. Surplus (left side) are areas of net draw (spending by both local and nonlocal consumers in Whitefish). Whitefish is a significant draw for Restaurants, Bars, and other food services—not surprising given the number of visitors and residents from nearby communities who enjoy Whitefish’s restaurants and bars. The categories of Other Motor Vehicle Dealers (ORVs, boats, etc.), Health and Personal Care Stores, Shoe Stores, Used Merchandise (2nd hand, consignment), and Other Miscellaneous also show net draws.

Figure 4.4: Retail Leakage/Surplus in Key Sectors, 2017 (Source: Esri)



The sectors showing leakage (right side of graph) are largely explained by the competition 11 miles away in Kalispell: 6 furniture/furnishings stores, 6 auto dealers, 11 electronics/appliances stores, 8+ building materials/garden centers, 6 gas stations, 3 general merchandise stores (Walmart, Target, Costco), and 15+ clothing retailers. With those stores nearby, Whitefish is unlikely to recapture significant leakage in big box and chain store product lines similar to those offered in Kalispell but could expand in niche lines.

The landscape of retailing has been changing for decades, becoming increasingly challenging for locally owned stores. Downtown retailers first were impacted by shopping malls (which simulated downtowns, but with a roof and lots of parking), then factory outlet stores, then big box stores, and now Amazon and other online retailers (see next section). To remain competitive, locally owned stores must continue to focus on personalized experiences for their customers, special events, niche markets, and effective multi-channel targeted marketing, social media, online purchasing, delivery, and email.

2. National Retail Trends

- U.S. retail sales continued to increase in 2019 due to rising wages, low unemployment, and high consumer confidence.
- However, the U.S. retail sector is overbuilt by 50%, with 23.5 square feet per capita, compared to 16.8 sq. ft. in Canada, and 11.2 sq. ft. in Australia (Figure 4.5).
- Big box and chain stores are closing: 5,800 stores closed in 2018, 9,300+ closed in 2019, and at least another 2,500 closures were projected in 2020.
- Meanwhile, e-commerce and online/in-store combinations are growing, offering convenience and quick delivery.
- Consumer analytics are crucial to retailers as they respond to changing trends and consumer tastes.
- Retail trends like experiential retail and “recommerce” are attracting new customers (see sidebars).

The Fall of the Mall and How to Make Them Rise Again

Back in the day, and it wasn't really that long ago, when you needed or wanted something, you had to go to the store to find it. Yes, there were other alternatives, like catalogs, but basically retail stores had a lock on shoppers.

Not anymore. Now the decision to go to the store is a decision to go shopping, because buying something - anything - is faster, easier, and infinitely more convenient done online.

Online shopping's greater convenience is the tailwind that will enable it to capture more and more dollars, which Cowen estimates to reach 30-40% of retail spending in the foreseeable future. The result is retailers will face “persistently negative mall traffic.”

As Ken Nisch, chairman of the retail design firm JGA says, “**Retailers have to give people something to do, then they will shop. But shopping can't be the thing to do.**”

That has turned the decision to go shopping into a conscious one where you actually want the experience of shopping. Thus all the talk about experiential retail, which many pay lip service to, but too few have really thought through how stores must change in light of it.

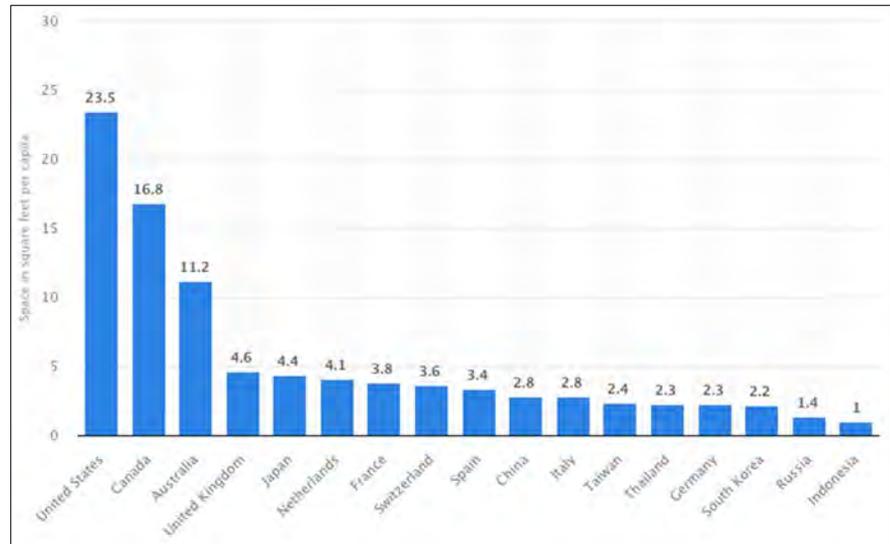
Forbes, October 14, 2018

The fourth quarter of each year (Oct-Dec) represents two-thirds of annual sales for most retailers, due to holiday shopping. In 2019, holiday retail sales in November-December grew 4.1% over 2018; however, non-store sales (including e-commerce) grew by 14.6% in the same period. U.S. retailers closed a record 102 million square feet of store space in 2017, then closed another 155 million square feet in 2018, according to CoStar Group, which predicted more of the same in 2019.

A report by Credit Suisse in 2017 estimated that 20% to 25% of malls would shutter between 2017 and 2022. National retailers filing for bankruptcy or downsizing, with closures of 40 to 2,500 stores each (including stores in Montana), include Payless, Gymboree, Shopko, Kmart, Sears, JCPenney, Dress Barn, Family Dollar, Chico's, The Gap, Walgreen's, GameStop, Forever 21, Performance Bicycle, CVS Health, Bed Bath & Beyond, Pier 1 Imports, Party City, Victoria's Secret, Office Depot/Office Max, Christopher & Banks, GNC, and more.

In 2020, e-commerce sales were projected to grow 14%-18%, driven by consumer preferences to shop from home, or use a combination of online and in-store experiences. Consumer expectations for fast delivery and personalized, fun, and easy online experiences continue to drive artificial intelligence, advanced analytics, augmented reality, and social

Figure 4.5: Retail Space Per Capita in Selected Countries Worldwide in 2018 (in square feet) Source: Statista 2020



2020 Consumer Trends

Success in 2020 is grounded in offering an incredible retail experience: How retailers tell a story, how shoppers experience it, and the emotional connection that's left behind will allow vigilant businesses to raise the bar.

The retail industry has been talking about experiences for decades. Today it's imperative—regardless of whether a company is selling apparel, personal care products or tires. Customers can buy just about anything online; snag their attention with storytelling and hands-on interaction and your "audience" will remember the experience.

The concept of experiential retailing is speeding headlong toward a mainstream business practice. The newest crop of retail businesses were early adopters. Now, shopping malls are embracing the idea, infusing entertainment options into the mix and beckoning mallgoers with the promise of environments that will transform periodically—not just at the holidays.

But therein lie a few challenges: It's imperative that the experiences are regularly refreshed. And, while experience matters most these days, **the retailers who remain the most vulnerable will be those who refuse to change.** Rushing headlong into creating an experience when your business strategy is tired is not a panacea. The key to success when it comes to creating a store experience that shoppers want to return to again and again is grounded in engaged associates; investing in human capital is vital.

STORES, National Retail Federation, 12/2/19

interaction in cyber shopping, which bred the term “entertainmerce” – the union of eCommerce and entertainment.

The primary function of brick and mortar stores will be customer *experience*, including special events, classes, activities, and “retailtainment” – a term intended to emphasize experiential marketing (see sidebar).

An online shopping site for browsing and buy/pick-up is vital. Customer data management and analytics tools are critical for insights into customer buying behavior and changing trends. Social media sites and direct email marketing enhance customer relationships, exposure, and sales. The resale, or re-commerce, segment also will continue to grow, with consumers who are brand, cost, and environmentally conscious (see sidebar).

Consumers' Appetite for Resale and Recommerce will be Voracious in 2020

Described by Galloway as “retail’s new disruptor” and “the new gangster that’s going to create hundreds of billions of shareholder value,” **the resale market is expected to nearly double in size in less than five years.**

Figures from online store ThredUp and retail analytics firm Global Data show the U.S. secondhand apparel market was worth \$24 billion in 2018 and is likely to reach \$41 billion by 2022. By 2028 the used-fashion market could climb in value to \$64 billion in the United States.

Fueling the success of this once-fringe business are frugal, value-conscious millennials (and, increasingly, the generations outside those boundaries). **Consumer attitudes toward ownership have evolved from stockpiling fashion to a more circular notion, with the desire for greater sustainability at the forefront.**

Look for more retailers to dabble in rentals, targeting a piece of Rent the Runway’s sweet success to win favor with shoppers who will forever be seduced by what’s new and now, but are refusing to compromise their environmental ethos.

*STORES 2020 Consumer Trends,
National Retail Federation, 12/2/19*

E. Whitefish Consumers and Lifestyle Segments

1. Income Distribution and Net Worth

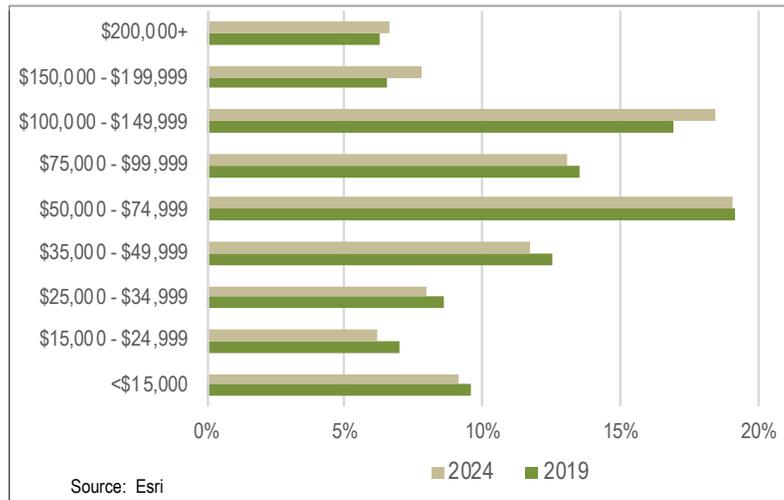
Key Findings:

- From 2019 to 2024, the proportion of households in Whitefish with incomes of \$100,000+ will grow, while the proportion of those earning less than \$100,000 will decline.
- More than 1,700 households in Whitefish earn less than \$35,000 annually.
- The average net worth of Whitefish residents is nearly \$900,000 (including their home), but the median net worth is \$164,113, due to the large number of households with a net worth of less than \$15,000 (most under the age of 25).

In 2018, the estimated population of Whitefish zip code was approximately 14,000, representing around 6,500 households. The average *per capita* income was \$38,196, and average *household* income was \$86,710, but the median household income (mid-point between high and low) was \$63,787. The median household *disposable* income was \$52,338. Of the 6,871 households, more than one-third earned less than \$50,000 (38%), one-third earned \$50,000-\$99,000, and nearly one-third earned \$100,000+ (30%).

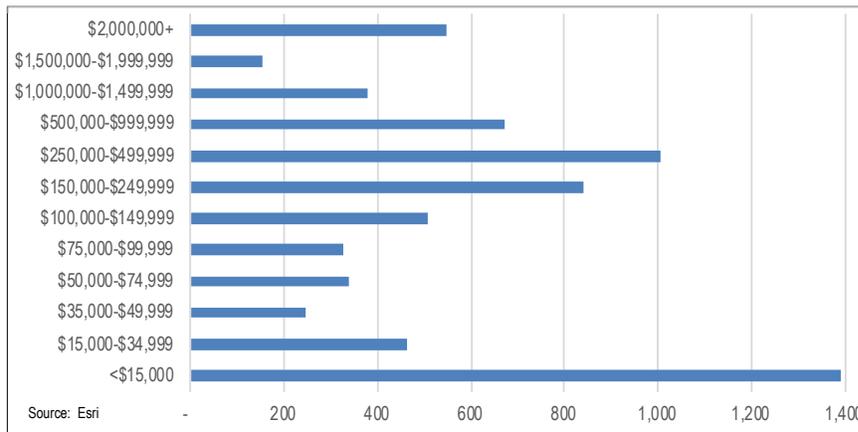
Translated to real numbers, 1,731 households earn less than \$35,000, 857 earn \$35-\$50,000, 1,316 earn \$50-\$75,000, 925 earn \$75-\$100,000, and 2,042 households earn \$100,000+. By 2024, Whitefish is projected to have 7,424 households, with most of the growth in the \$100,000+ income category (Figure 4.6). This is likely due to lack of affordable housing, which creates a gentrification of the community. Many of the lower income households are retirees who own their homes and are able to stay in them if property taxes do not rise significantly.

Figure 4.6: Whitefish Households by Income 2019-2024



In 2019, the median net worth (mid-point between high and low of all households) was \$164,113, but the average net worth was \$887,332 (total net worth divided by number of households), indicating a considerable number of households on the upper end of the scale (Figure 4.7). Not surprisingly, households with the lowest net worth were under age 25. Median net worth doubled by age 25-34, then tripled by age 35-44, nearly doubled again by age 45-54, and grew another 65% by age 55-64. The highest net worth was in households age 65+.

Figure 4.7: 2019 Whitefish Households by Net Worth (59937)



2. Tapestry Lifestyle Segments

Key Findings:

- Residents of the 59937 zip code have widely varying lifestyle segments and buying behaviors.
- Local businesses can effectively serve different customers by understanding the psychographics behind their choices.

Esri is a global company that developed ArcGIS, a mapping and spatial analytics software using

demographic data from 137 countries. Esri also developed Tapestry Segmentation, which classifies neighborhoods into 67 unique segments based on demographics and socio-economic characteristics. It describes U.S. neighborhoods in easy-to-visualize terms, ranging from Soccer Moms to Heartland Communities (Esri.com).

Figure 4.8 above shows the seven Tapestry segments that describe Whitefish residents, and the percentage of households in each, compared to the U.S. population in those same segments. Tapestry segments also are categorized into 14 “LifeMode” and 6 “Urbanization” groups.

Table 4.5 shows the number of Whitefish households and adults age 18+ in each of the Lifestyle segments, along with the LifeMode and Urbanization group each belongs. The

Table 4.5: Whitefish Tapestry Segment Numbers and Group Categories

Lifestyle Segment	Households	Adults	Index*	LifeMode Group	Urbanization Group
Total Whitefish	6,871	12,780			
The Great Outdoors (6C)	2,889	5,561	2,685	Cozy Country Living	Rural
In Style (5B)	1,614	2,952	1,046	GenXurban	Metro Cities
Set to Impress (11D)	824	1,285	868	Midtown Singles	Metro Cities
Rural Resort Dwellers (6E)	656	1,247	946	Cozy Country Living	Rural
Southern Satellites (10A)	534	1,044	247	Rustic Outposts	Rural
Parks and Rec (5C)	288	549	213	GenXurban	Suburban Periphery
Green Acres (6A)	66	142	30	Cozy Country Living	Rural

Source: Esri Tapestry Segmentation Area Profile * 100 = National Average

largest share of residents is in “The Great Outdoors” segment (42%), followed by “In Style” (24%). These are two very different lifestyle groups, with implications in terms of their habits and buying behaviors.

Figure 4.8: Tapestry Lifestyle Segments in Whitefish vs. U.S.

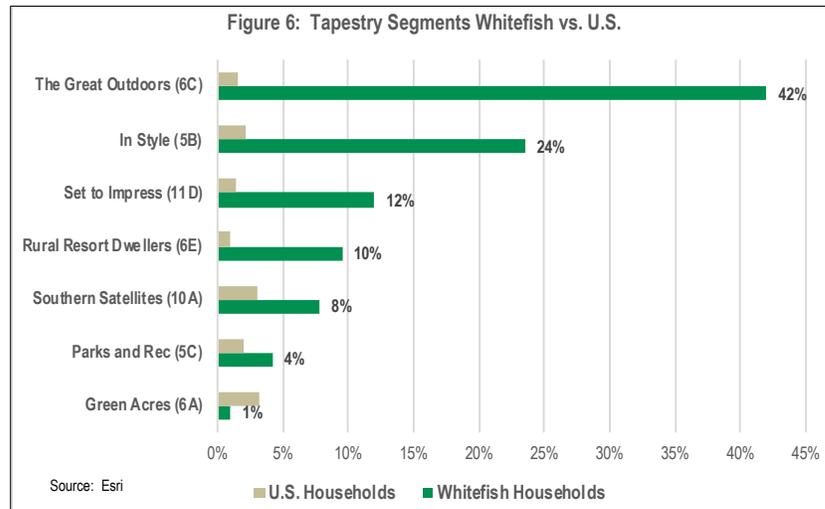


Table 4.6 shows the Household Budget Index for each segment compared to the national average. An Index score of 100 is national average, so 100+ means

Table 4.6: Whitefish Household Budget Index by Lifestyle Segment*

Lifestyle Segment	% WF HHs	Housing	Food	Apparel & Svcs	Transp	Health Care	Enter't & Rec'h	Eductn	Pensn & SocSec	Other	
The Great Outdoors	42%	90	93	83	91	93	115	91	143	96	
In Style	24%	117	115	111	118	125	121	118	114	123	
Set to Impress	12%	62	61	80	59	53	43	55	36	47	
Rural Resort Dwellers	10%	74	90	60	83	63	118	80	216	68	
Southern Satellites	8%	70	80	63	77	69	86	76	94	68	
Parks and Rec	4%	95	87	82	100	95	89	92	78	95	
Green Acres	1%	111	112	96	121	124	132	117	133	122	
Scale:	* 100 = National Average, 80 = 80% of National Avg, 120 = 120% of National Avg, etc.										
	<50	50+	60+	70+	80+	90-110	111+	120+	130+	140+	150+

individuals spend more than the national average on certain items, and an Index score of <100 means they spend less.

An overview of key characteristics for each of the seven Tapestry segments represented in Whitefish is provided in Table 4.7 below. These descriptions are based on national data analytics, and the demographics of Whitefish residents. While they provide useful insights, they are based on a small sample size in Whitefish, and the data reflects general trends.

Table 4.7: Whitefish Lifestyle Segments (59937)

<p>The Great Outdoors (6C)</p> 	<ul style="list-style-type: none"> • 42% of households in 59937 • Educated empty nesters living an active but modest lifestyle (focus is land) • Median Age: 47.4; Median Household Income (HHI): \$56,400 • Majority are married couples • Invest in land, vacation homes, support civic causes • Active gardeners, prefer cooking at home • DIY oriented, cost conscious, maintain own autos, yards, home remodels • Own 1-2 vehicles, 4WD trucks popular • Many work from home; light use of technology • Most have dogs or cats • Prefer domestic travel; watch CMT, History, Fox News • Enjoy hiking, hunting, fishing, boating
<p>In Style (5B)</p> 	<ul style="list-style-type: none"> • 23.5% of households in 59937 • Embrace urbane lifestyle, support of the arts, travel, and extensive reading • Median Age: 42; Median HHI: \$73,000 • Connected, take advantage of mobile devices • Professional couples or single households, no kids • Already planning for retirement; attentive to price--use coupons (esp. mobile coupons) • Partial to late model SUVs, increasingly compact SUVs • Invest in home remodel/maintenance, DIY, or contractors, hire housekeeping • Financially active: own investments, use financial planners • Meticulous planners: well insured, retirement funds • Prefer organic foods, including grown in own garden • Generous support of charities, the arts, theater, concerts, museums

<p>Set to Impress (11D)</p>		<ul style="list-style-type: none"> • 12% of households in 59937 • Live in medium to large multi-unit apartments with lower than average rents • Better educated and mobile, quick meals on the run (many work and attend college) • Median Age: 33.9 (one-third are 20-34 years old); Median HHI: \$32,800 • Single or nonfamily homes, close connections with family • Low income levels—many work in food service while attending college • Very conscious of image, seek to bolster status with latest fashion—prefer brands, but generic OK; always looking for a deal, shop sales, impulse buys • Like Walmart, Kmart, Big Lots, local dollar store • Download popular music, into local music scene, concerts, night clubs, the zoo • Heavy Internet users: social media, video games, TV; majority use only cell phones • Own used import vehicles
<p>Rural Resort Dwellers (6E)</p>		<ul style="list-style-type: none"> • 9.5% of households in 59937 • Blue collar, older householders postponing retirement or returning to skilled work to maintain current lifestyles; characterized by simple tastes and modesty • Median Age: 54.1; Median HHI: \$50,400 • 42% are married couples, no kids; 28% are single • Passionate about hobbies: fishing, hunting, motorcycling, gardening; gear, hardware • Prefer timeless, comfortable clothing; little attention to advertising, like known brands • Own two vehicles, prefer older domestic models • Accumulated wealth, shifted portfolios to low-risk assets • Satellite dishes, infrequent Internet use except shopping • Watch National Geographic, Discovery, Weather Channel • Spend time with spouses, maintain a social calendar
<p>Southern Satellites (10A)</p>		<ul style="list-style-type: none"> • 7.8% of households in 59937 • Slightly older, settled empty nest married couples, homeowners (1/3 mobile homes) • 45% have college education, 40% high school only • Employed in health care, retail, construction, agriculture, mining, manufacturing • Median Age: 40.3; Median HHI: \$47,800 • Enjoy country living, outdoor activities, DIY home projects, pets (usually a dog) • Partial to low-cost family restaurants and drive-ins • Late technology adapters; obtain higher than average amount of information from satellite TV, watch CMT; listen to country music • Own 2+ vehicles (3+ is common), incl. a truck; frequent convenience stores (buy gas) • Enjoy fishing, hunting, reading sportsmen's and home service magazines • Use Walmart for shopping needs (groceries, clothing, pharmacy); more concerned with cost than brand or quality
<p>Parks and Rec (5C)</p>		<ul style="list-style-type: none"> • 4.2% of households in 59937 • Practical, 2-income married couples nearing retirement, comfortable in jobs/homes, budget wisely, don't plan to retire or move from kid-friendly neighborhood • 50%+ are college educated, financially shrewd; older households draw SS/retirement incomes, 70% own their homes/townhomes, kids are grown • Diverse work force: management, health care professionals, retail sales, education, skilled trades in manufacturing and construction • Median age: 40.9; Median HHI: \$60,000 • Enjoy local parks, recreation, home-based/gym exercise, jogging, swimming • Research big-ticket purchases carefully (prefer SUVs/trucks over compact cars), find airfare/hotel discounts for trips, vacation in U.S.; use cell phones for calls/texts only • Stock up on staples at warehouse clubs (Costco); value kitchen convenience (frozen/packaged main course meals, pre-ground coffee vs. beans) • Watch documentaries on Animal Planet, Discovery, History channels • Dine at family-style restaurants, enjoy movies, casinos, lottery tickets, online poker

<p>Green Acres (6A)</p>		<ul style="list-style-type: none"> • 1% of households in 59937 • Married couples without kids, enjoy country living, self-reliance. 60%+ college, income from wages, salaries, self-employment (13%), investments (27%), retirement • 86% are homeowners, comfortable with debt for home/auto loans, investments • Avid do-it-yourselfers, maintaining/remodeling home with necessary power tools • Enjoy gardening (esp. vegetables), have tillers, tractors, riding mowers • Variety of outdoor sports: fishing, hunting, motorcycling, hiking, golf, camping • Occupations incl. management, office/admin support, sales, health care, production • Median age: 43.9; Median HHI: \$76,800 • Cautious consumers: focus on quality, durability; satellite TV/radio (country, home) • Comfortable with technology—as tool vs. trend (e.g., banking, not entertainment) • Self-described conservatives, pessimistic about near future, but heavily invested in it • Prefer late model SUVs, trucks, ATVs, motorcycles • Vigorous pursuers of physical fitness: home gyms, variety of sports • Active in community and social organizations, from charitable to veterans' clubs
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Further insights about Whitefish residents can be gleaned from descriptions of the LifeMode categories in the Appendix. contains summaries of the four LifeMode groups, and the Urbanization Groups, under which the seven Whitefish Lifestyle Segments are listed. The Urbanization Groups are another way of looking at the segments, based on data analytics.

F. Best Practices in Business Development

Best Practices in Economic Diversification begins with two key questions:

- What are the best ways to support new business start-ups and expansions?
- What means can be used to finance business development?

1. Entrepreneurship Development

“Collaboration is key: Entrepreneurs face many common challenges as they seek to transform their ideas into high-growth companies. Business incubators, accelerators, coworking spaces, and other entrepreneurship support organizations are critical to their success because they provide connections to the right mentors, education, partners, community influencers, and investors that are essential to their growth.” - International Business Incubation Association

Entrepreneurship centers include incubators, accelerators, small business development centers (SBDCs), and other organizations. These centers support startup companies in rural, urban, and developing countries around the world.

Business incubators are facilities that provide shared resources for young businesses, such as office space, consultants, and personnel. They may also provide access to financing and technical support. For new businesses, these services provide a more protected environment in which to grow before they become self-sustaining. The goal of any business incubator is to produce viable businesses, called "graduates" of the incubator.

The International Business Innovation Association (INBIA), www.inbia.org, is a global nonprofit organization supporting entrepreneurship centers, program managers, directors, and policymakers for 30+ years, with 2,200 members in 62 countries. They guide, mentor, and develop sustainable entrepreneur support programs in every industry and demographic around the globe, with a goal to enrich the entire ecosystem by providing industry resources, education, events, and global programming to help members better serve the needs of their unique communities and regions. INBIA's mission is to help communities enable their entrepreneurs to transform their dreams into innovative businesses that make global prosperity a reality. INBIA offers a variety of free resources for development and management of entrepreneurship centers, available here: <https://inbia.org/building-blocks/>

The explosion of coworking and makerspaces has created a renaissance era in shared workspaces. Shared spaces enable diverse groups of entrepreneurs, remote workers, and other independent professionals to share resources, knowledge, and networks. One such facility is Basecamp Coworking in downtown Whitefish, www.basecampcoworking.com. Basecamp offers “a shared place where freelancers, teams, and remote workers come together to plan, strategize, and execute their current and upcoming ventures.” It is open 7 days a week, offering desks, private offices, a conference room, kitchen, storage space, mailbox/address, private phone booths, and printing.

Small Business Development Center (SBDC), www.sbdc.mt.gov: The mission of the SBDC is to provide tools and guidance to help small businesses succeed. An SBDC office is in Kalispell, 406-756-3836. For an individual looking to start a new business or expand their existing business, the SBDC network is a good place to start. The SBDC network supports ten regional centers across the state, focusing on free one-on-one counseling and low-cost training in areas such as financial analysis, business planning, strategic planning, loan packaging, financial projections and market research to help small businesses achieve their goals of growth, innovation and success.

2. Local Investment Financing

The Next Egg, www.thenextegg.org

“The Next Egg creates resources, builds communities, and shares tools necessary so that millions of us can move our retirement savings out of Wall Street and into our local communities. These tools include self-directed IRAs, solo 401ks, and employer retirement plans.”

The Next Egg offers resources, mentoring, webinars, and discussion groups to assist members in developing local investment funds.

“America's retirement investment system is broken. Locally-owned businesses represent 60%-80% of the U.S. economy and are highly profitable and competitive, yet they are disconnected from the trillions of dollars invested in Wall Street mutual funds, pension funds, and insurance funds that control your long-term retirement savings... We want to tap into the incredible potential of retirement savings to help you invest in locally-owned and socially-just enterprises!”

The core team includes LIFT Economy, www.lifteconomy.com, the Sustainable Economies Law Center, www.theselc.org, and author Michael H. Shuman, www.michaelshuman.com & <https://comcapcoalition.org/wp-content/uploads/2020/03/Community-Investment-Funds-Final.pdf>

A similar model in Montana is the Musselshell Rural Investment Cooperative, <https://mcdc.coop/2019/05/31/musselshell-rural-investment-cooperative/>.

“The Musselshell Rural Investment Cooperative (RIC) provides financial support from local community members for projects that will enhance the economic stability, historic heritage, and rural lifestyle of the region along the Musselshell River in Montana. Their first investment will be in re-purposing the historic Central School in Roundup for commercial and residential uses.”

G. Programs & Resources for Business Development

Several technical assistance and funding programs are available to support business development in Montana:

1. Public Sector: City, County, State, National

City of Whitefish, www.cityofwhitefish.org

Flathead County Economic Development Authority, www.flatheadcountyeda.com

Flathead Valley Community College, www.fvcc.edu and www.fvcc.edu/workforcetraining

Montana Small Business Development Center (SBDC), www.sbdc.mt.gov

Montana Manufacturing Extension Center (MMEC), MSU, www.montana.edu/mmec

Big Sky Economic Development Trust Fund, <https://marketmt.com/bstf>

Montana Office of Trade & International Relations, <https://marketmt.com/TRADE>

Export Montana, <https://marketmt.com/Export>

Montana State Trade Expansion Program, <https://marketmt.com/STEP>

Montana Finance Information Center, <https://mtfinanceonline.com/>

Montana MicroBusiness Finance Program, <https://marketmt.com/MBFP>

Made in Montana, <https://madeinmontanausa.com/>

Montana Board of Research & Commercialization Technology, <https://marketmt.com/MBRCT>

Montana SBIR/STTR Matching Funds Program, <https://marketmt.com/MSMFP>

Montana Workforce Training Grant, <https://marketmt.com/WTG>

Montana Registered Apprenticeship Program, <https://apprenticeship.mt.gov/>

Montana Wood Products Revolving Loan Fund, <https://marketmt.com/WPRLF>

Montana Historic Preservation Grant Program, <https://comdev.mt.gov/Programs-and-Boards/Montana-Historic-Preservation-Grant>

Montana Film Office, <https://www.montanafilm.com/>

Montana Joint Venture Marketing Program, <https://marketmt.com/JointVenture>

Montana Press Room, <https://www.visitmt.com/montana-stories/montana-pressroom/montana-pressroom.html>

Montana Main Street Grant Program,

<https://comdev.mt.gov/Programs/MainStreet/RoadMap/GuidelinesForms>

USDA Rural Business Programs, <https://www.rd.usda.gov/programs-services/all-programs/business-programs>

2. Private Sector

Basecamp Coworking, Whitefish, www.basecampcoworking.com

Northwest Montana Association of Realtors, www.nmar.com

3. Nonprofit Sector

Whitefish Chamber of Commerce, www.whitefishchamber.org

Montana High Tech Business Alliance (MHTBA), www.mthightech.org

Montana Manufacturing Association (MMA), www.montanachamber.com/manufacturing

Montana Economic Developers Association (MEDA), www.medamembers.org

International Business Innovation Association (INBIA), www.inbia.org

Main Street America, www.mainstreet.org

National Retail Federation, www.nrf.com

G. Strategies – Action Items

<p>1. Implement Business Retention and Development programs</p> <ul style="list-style-type: none"> • Survey existing business owners in target sectors, and reach out to STMP Focus Groups, expansion, complementary businesses, and supporting businesses. • Recruit target business sectors for business expansion or new business development. • Coordinate with Montana West Economic Development and SBDC on entrepreneurship development, workforce training and business development issues. • Evaluate the feasibility of a business incubator in Whitefish. • Encourage development of recycling business ideas and businesses
<p>2. Address workforce shortage and training programs</p> <ul style="list-style-type: none"> • Work with Flathead Valley Community College on internship/apprentice programs. • Promote expanded day care opportunities through cooperatives and technical support. http://www.missoulachamber.com/childcare • Encourage businesses to use Montana workforce training/apprenticeship programs.
<p>3. Broaden the availability of financing options for business development</p> <ul style="list-style-type: none"> • Investigate options and evaluate interest in a Local Investment Co-op. • Coordinate with MWED on Revolving Loan Funds and/or Rural Business Opportunity Grants as appropriate. • Encourage businesses to apply for Big Sky Trust Funds for expansion/facilities • Advocate with legislature for continued funding of business development programs
<p>4. Support and enhance retail sector strength and targeting to local/county consumers</p> <ul style="list-style-type: none"> • Share Whitefish market data and Tapestry segment information with local retailers. • Plan and implement retail inspiration sessions to discuss leakage re-capture opportunities, marketing intelligence, • Enhance consumer experience through “experiential retail”, and promoting local foods, breweries, distilleries https://www.distillerytrail.com/directory-distillery/locations/montana/ • Survey businesses to inventory existing marketing strategies to encourage “Buy Local” behavior and determine actions to supplement these activities
<p>5. Increase availability of commercial space in Whitefish</p> <ul style="list-style-type: none"> • Identify existing zoned land for development or redevelopment of an office park. • Conduct an inventory of commercial space for businesses and office. • Support development of additional co-working spaces in Whitefish.
<p>6. Improve broadband infrastructure in Whitefish</p> <ul style="list-style-type: none"> • Adopt “dig-once” and “open-trench” policies for broadband deployment. • Work with local, county, and state elected officials to encourage upgrades by broadband providers. • Create task force to promote fiber deployment in city and wireless broadband in unincorporated areas around Whitefish. • Best Practice: https://www.columbiafallschamber.org/event/community-broadband-initiative/

V. HOUSING & DEVELOPMENT

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The impact from having a vibrant and growing economy produces both good and bad. The challenge is to promote the positive benefits and to plan for negative impacts by improving infrastructure, i.e. roads, water and sewer capacity, judicial, police and fire services, healthcare opportunities, transportation services, etc.

Survey Comment

A. Goals

Livability - Expand the supply of affordable housing units to meet workforce housing needs.

Community Engagement - Partner with various stakeholders and partners to offer a variety of approaches to meet local housing needs.

Community Character - Encourage development and businesses that are compatible with community character and do not stress city infrastructure.

B. Housing Profile

When newcomers invest in a home, and interact with their neighbors, they become vested in the community. Rising property values, however, make it difficult for families to purchase or rent homes in what were once affordable neighborhoods where residents worked together to solve problems and looked out after one another. While such cohesive neighborhoods contribute to a sense of well-being, a proliferation of second homes and short-term rentals can disrupt this social pattern and create conflict.

1. Housing Inventory

Rental units are typically more affordable as workforce housing. From 2010 to 2017, however, construction of the multi-family units lagged construction for single family homes. Mobile homes, another affordable housing stock, decreased significantly during this period. The inventory of single family units increased at more than double the rate of other types of housing. (See Table 5.1)

Table 5.1: City of Whitefish Housing by Tenure & Type

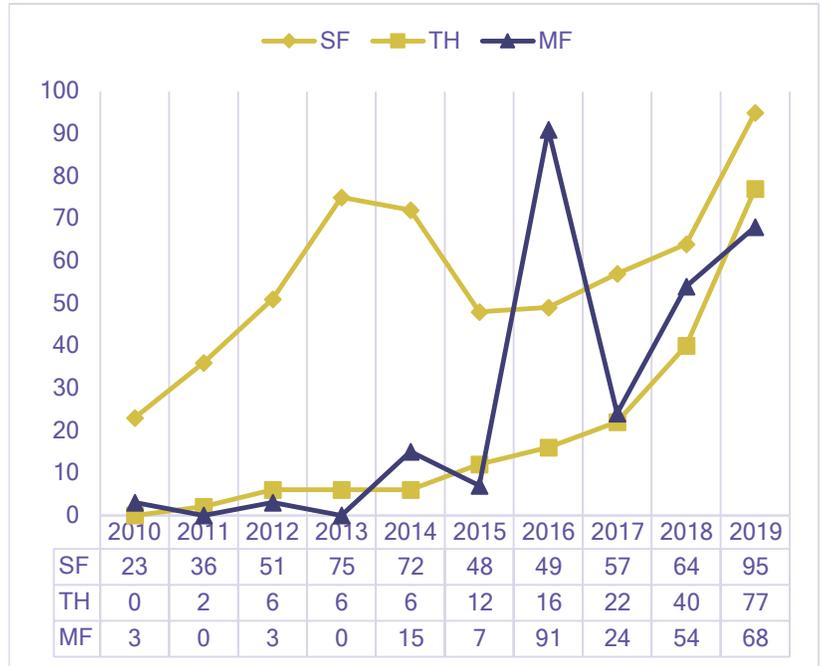
	2010	2017	# Change	% Change
% Renter Occupied	48%	42%		
Single Family	2233	3013	780	34.9%
Townhouse/Duplex	549	623	74	13.5%
Multi-Family (3+ units)	905	1010	105	11.6%
Mobile Home	170	72	-98	-57.6%

Source: U.S. Census Bureau

3. Housing Starts

The *Whitefish Area Workforce Housing Needs Assessment*, completed in 2016, estimated that 980 housing units would be required by 2020 to meet the workforce housing needs in Whitefish. Of these units, 60%, or 580 units, should be rental units. This amounts to an average of 245 total new housing units per year with 147 units being rental units. As noted in the Figure 5.1, there has been an increase in building activity and in the number of multi-family building permits. The increase in multi-family units in 2019, however, was still less than the projected demand for workforce housing.

Figure 5.1: Whitefish Building Permit Data



Source: *Whitefish Planning & Building Dept. Annual Report*
 SF = Single Family TH = Townhome MF = Multi-Family

2. Affordability

Housing affordability was a top issue in the community survey. Rents and home values are among the highest in the state. (See Figures 5.2 and 5.3) New construction is expensive due to rising land values, labor costs, and cost for construction materials. Infrastructure for new development also adds to the cost of housing. Service industry workers typically have lower wages and can't afford rents in Whitefish. Many workers commute from Kalispell or Columbia Falls, while most first-time home buyers require at least two incomes to qualify for a loan with the necessary down payment. Employers indicate that lack of affordable housing is a major impediment to recruiting staff. According to the *Whitefish Housing Needs Assessment*, 56% of employees commute to Whitefish and 34% (1,095) of those employees would prefer to live in Whitefish if affordable housing were available.

Figure 5.2: Home Values - 2017

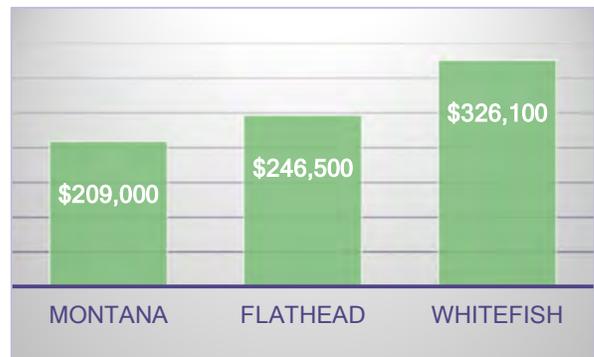


Figure 5.3: Average Rent - 2017



Source: *U.S. Census Bureau, ACS*

4. Seasonal Homes

The percentage of vacant homes in the City of Whitefish and surrounding area is higher than in Flathead County and Montana. Census data from 2010 indicated the majority of vacant homes in and around Whitefish are classified as second homes. There was a slight increase in the overall vacancy rate from 2010 to 2017 which may be due in part to an increase in short-term rentals. (See Table 5.2)

Table 5.2: Whitefish Vacancy Rate

	2017 Vacancy Rate	2010 Vacancy Rate	2010 Seasonal Vacant #	2010 % Vacant = Seasonal
Whitefish	30.1%	27.0%	773	70%
59937	28.8%	28.8%	1,687	74.4%
Flathead Co.	20.1%	20.1%	6,542	69.2%
Montana	15.2%	15.2%	--	52.6%

Source: U.S. Census Bureau 2010 Census of Population & ACS

5. Short-Term Rentals

Privately-owned housing units for stays of less than 30 days are considered short-term rentals (STR). Such units reduce the affordable housing inventory, compete with lodging facilities, and impact neighborhoods. In 2019, a City database listed 218 STRs located within the City limits with 163 of these being licensed by the City. The Planning Department is using new software to enforce regulations for non-licensed units.

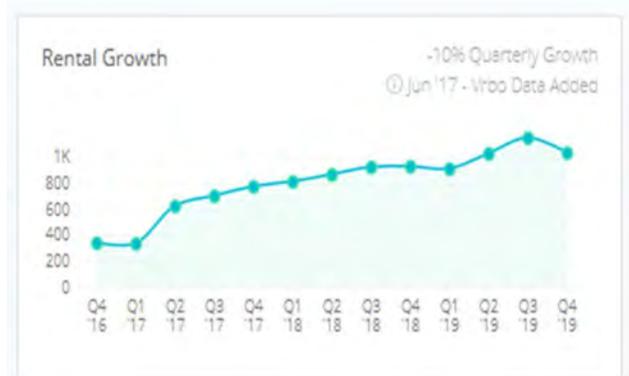
In the City limits, short-term rental housing units are allowed in the following zoning districts with the issuance of a business license:

- WB-3 (General Business District)
- WRR-1 (Low-Density Resort Residential District)
- WRR-2 (Medium-Density Resort Residential District)
- WRB-1 (Limited Resort Business District)
- WRB-2 (General Resort Business District)

Short-term rentals must pay the resort tax and state bed tax. Units must be licensed by the county health department and be inspected by the fire marshal. Short-term rentals are illegal in any zoning district not listed above.

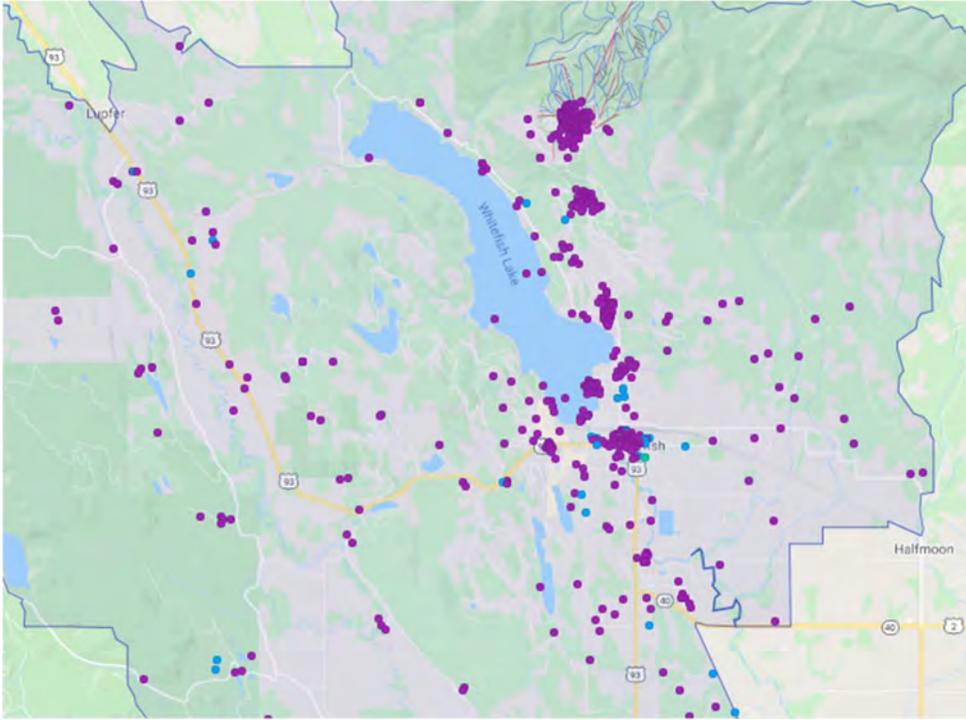
The County Planning Department conducts an administrative review for short term rentals located in the Agricultural, Suburban and Residential districts outside the City limits. In 2019, the County listed 24 STRs in the zip code unincorporated area. Many short-term rental operators, however, do not register with the County and the number of actual short-term rentals is much higher. According to data from, www.airdna.co, there were 1,148 units in the Whitefish zip code with large clusters of short term rentals on Big Mountain Road outside the City limits. As shown on Figure 5.4, the number of overall units in the Whitefish zip code has increased since 2017. Average occupancy of short-term rentals is higher than lodging rooms which often creates parking issues.

Figure 5.4: Short-Term Rental Trends



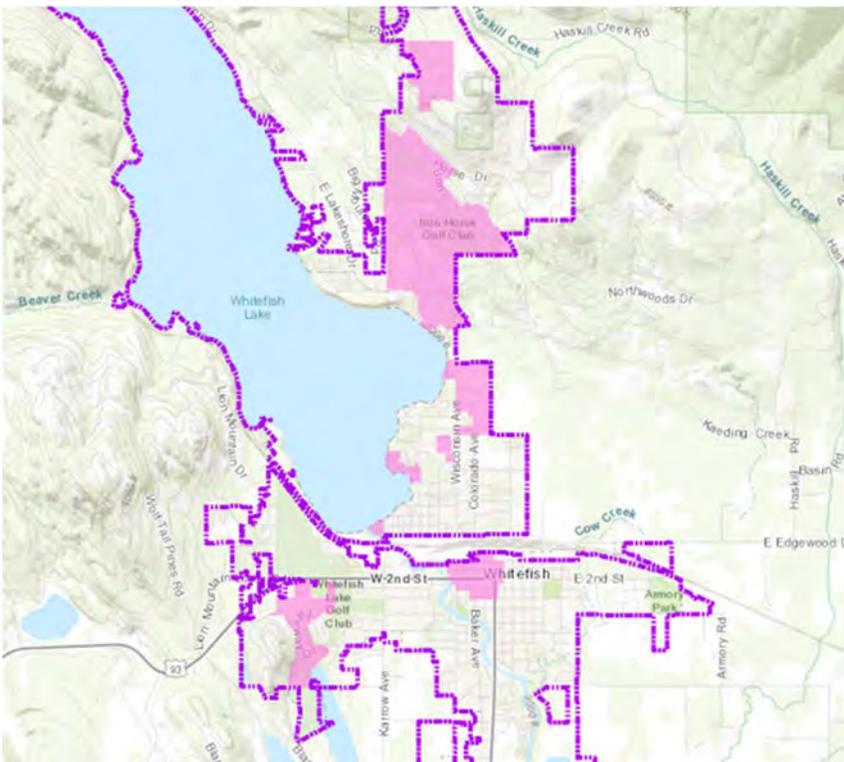
Source: <https://www.airdna.co/vacation-rental-data/app/us/montana/whitefish/overview>
 (Note: VRBO Data added in 2017 -2nd quarter)

Figure 5.5: Short-Term rental in Whitefish Zip Code



<https://www.airdna.co/vacation-rental-data/app/us/montana/whitefish/overview>

Figure 5.6 : Short-Term Rentals zoning



<http://www.cityofwhitefish.org/planning-and-building/planning-and-zoning.php>

6. Strategic Housing Plan

The City completed a housing needs assessment in 2016 and subsequently adopted a “[Strategic Housing Plan](#)” in 2017. The purpose of the Plan was to address workforce housing needs. The Plan identified the following strategies to be implemented by the City.

Table 5.3: Whitefish Strategic Housing Plan - Strategies

TIER 1 (Complete by 2020)	TIER 2 (Complete by 2025)
<ul style="list-style-type: none"> • Snow Lot Partnership* • Inclusionary Zoning* • Annexation Policy* • Zoning for Affordability* • Homebuyer Assist. & Rehab • Voluntary Assessment • Resort Tax (Increase/Reallocate) • Develop LIHT Apartments* 	<ul style="list-style-type: none"> • Accessory Dwelling Units • Land Bank • Short Term Rental - Convert • Employer Assist. Housing • Community Land Trust • PUD Open Space Reduction (In exchange for affordable units) • Commercial Linkage - Link new business to affordable housing • Residential Linkage - Link new homes in existing subdivisions to affordable housing

Notes: * = Underway or completed LIHTC = Low-Income Housing Tax Credit

The Strategic Housing Plan Steering Committee was established to review, revise, and update the Plan as housing strategies are developed and to establish responsibilities and procedures for enacting the recommendations. The Plan identifies 19 potential “Tier 3” strategies that should be evaluated for implementation. Based on public input, there was interest in consideration of the following strategies:

- Short term rentals (Better enforcement, licensing, limit number, education)
- Housing Education (Landlord/Tenant, maintenance, pet friendly policies, good neighbor guides, complaints, homebuyer education, renter education)
- Promote non-traditional housing (Tiny home, boarding houses, cooperatives, hostels)

7. Homelessness

Several focus groups discussed homelessness, housing instability and its link to the tourism economy. Due to housing shortages, seasonal workers may live in campers and cars. Public land agencies noted a trend of employees camping at trailheads, parks, and public campgrounds during the summer season. Families that can’t afford local housing may live in hotels or campgrounds. The Montana Office of Public Instruction reports that 12.2% of high school students in Flathead County qualify as homeless. The Whitefish Police noted that transients riding the rails is a lifestyle for some people, and Whitefish is a popular destination. This can be a problem for downtown businesses. The local police work with BNSF railroad on the issue and monitor social media sites to track potential problems. The police will refer homeless individuals to shelter/social service agencies located in Kalispell. The Whitefish Community Foundation has several funds to assist the schools with this issue. The United Way and Community Action Partnership host an annual event to connect homeless individuals with local services.

C. Infrastructure – City Services

Underlying factors for water and wastewater system designs include current condition of infrastructure components, regulatory requirements, projected growth, and geographic/natural features. Although public sentiment often attributes the high cost of infrastructure improvements to an influx of tourists in the summer season, other factors contribute to the expensive upgrades of the water and wastewater systems. As noted in the City's impact fee analysis, only 24% of capital improvements for wastewater cost and 35% of capital improvements for water costs can be attributed to growth. Much of this growth is related to residential uses. (See Figure 5.7)

Figure 5.7: % Cost of Water & Sewer Capital Improvements Attributed to Growth



Source: City of Whitefish Impact Fee Update Final Report, June 28, 2018, FCS Group

1. Drinking Water

The water system provides drinking water for domestic, institutional, industrial, and commercial uses, and provides adequate pressure and flow to meet irrigation and firefighting needs. Following are factors that contribute to the cost of the water system:

- **Physical Factors** - The water treatment plant and one of the storage tanks are located on the north side of the City on Reservoir Road. The primary source water for the City is from creeks in Haskill Basin with water being pumped from Whitefish Lake during peak use in the summer. The City has a storage tank at Grouse Mountain and is planning to install a new storage tank south of town. The railroad, Whitefish Lake, and topography at Grouse Mountain are physical features that require expensive design components such as booster pumping stations and auxiliary storage tanks.
- **System Components** - The distribution system consists of 72 miles of water mains and booster pumps. Parts of the distribution system are aging, resulting in a significant source of waste due to leakage. Planned repair and replacement of system components accounts for 64% of the cost of water system improvements.
- **Water Use** - The primary reason for the need to increase water system capacity is to accommodate population growth. As new residential development occurs, there are more domestic water users on the system. Currently in Whitefish, a single family home uses an average of 200 gallons per day. The largest use of water in the peak months is for lawn irrigation. A new fee schedule has been instituted to account for high volume irrigation users. Seasonal/second homes are another contributor to higher water use in the summer. Finally, there is an increase in water use due to visitation trends. This is accounted for through water rates and impact fees for commercial uses that are based on the size of the service mains and the number of fixtures.

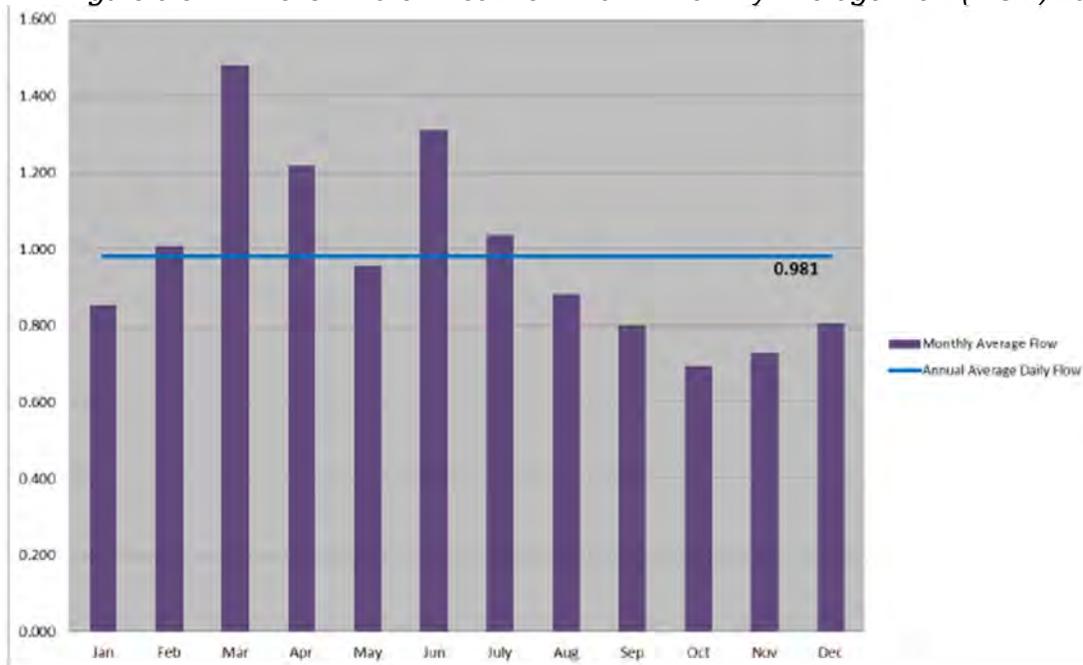
- Regulatory - Drinking water must meet the standards established by the Federal Safe Water Drinking Act. Since water supplies from surface water are highly sensitive to contamination, treatment is typically more costly than from ground water sources. In 2019, the Montana Department of Environmental Quality (DEQ) required the City to provide a Water System Capacity Evaluation. Expanding treatment capacity, smart meters, water conservation, and controlling water loss are addressing DEQ's concerns.

2. Wastewater Treatment Plant

The City currently operates an aerated lagoon wastewater treatment plant located on Monegan Road. Treated effluent is discharged into the Whitefish River. To accommodate future growth and to comply with new Montana Pollutant Discharge Elimination System (MPDES) permit standards, the City is proposing to replace the existing lagoon system with a mechanical treatment process at an estimated cost of \$18.5 million. Most construction costs will be covered by state loans and grants. Impact fees and rate increases will retire the loan. Cost factors for the new system include:

- Physical Factors - In Whitefish, high groundwater and storm runoff inflow have a significant negative impact on the City's collection and treatment systems. The months with the highest flow rates are March, April, and June, reflecting infiltration from snow melt and rainy weather. Topography is another factor in design. Where grades are insufficient to provide gravity flow, expensive pressurized sewer collection systems become necessary. (See Figure 5.8)
- System Components - The system includes 79 miles of sewer mains and 17 lift stations. Portions of sewer main have been lined and repaired to reduce the transport of groundwater and storm water to the treatment plant during wet weather events. The City also has instituted best management practices to reduce inflow due to storm runoff. However, aging sewer lines and basement sump pumps that remain illegally connected to City sewer are on-going issues.

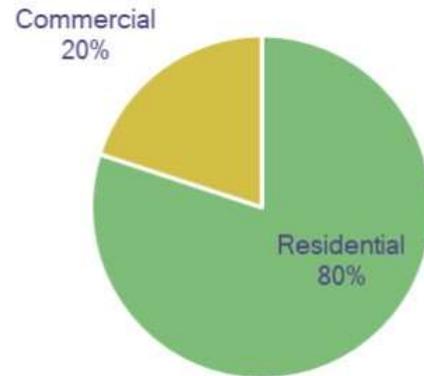
Figure 5.8: Whitefish Water Treatment Plant - Monthly Average Flow (MGD) 2020-2015



Source: Whitefish Wastewater System Improvement Project Preliminary Engineering Report - 2016

- **Use** - The City's wastewater treatment plant currently serves 3,855 customers. Based on historical growth trends, the treatment plant design assumes a population growth rate in the service area of 1.9% a year. The wastewater facility plan calculated that 80% of the plant capacity services residential uses and 20% services commercial/institutional uses. Due to the tourism trade, the commercial users include a relatively higher number of hotels and restaurants than would otherwise be typical for a town of similar size. The regional hospital and schools are also significant contributors to the nonresidential loads. (See Figure 5.9)

Figure 5.9: Wastewater Users



Source: Whitefish Wastewater System Improvement Project Preliminary Engineering Report - 2016

- **Regulatory** - The existing facilities cannot consistently meet standards for ammonia and nitrogen. Additionally, DEQ has adopted new nutrient standards that require different treatment technologies. The composition of the wastewater is an important consideration in designing a system to meet these standards. The organic loading in the wastewater has increased in recent years due partly to the reduction in infiltration and partly to higher concentrations of waste from the mix of commercial and institutional users as described above. The new plant will be capable of meeting anticipated more restrictive nutrient standards for nutrients.

3. Public Safety

At certain times of the year, the number of people in Whitefish is much larger than 7,700 year-round residents. An additional 6,000 people live in the nearby unincorporated area and many of these residents commute to town for school, work, shopping, and entertainment. During the summer months, visitors inflate the population. Events that attract big crowds are an additional concern for public safety personnel and emergency services. As the City population and visitation grows, it will be necessary to increase public safety staff to provide the same level of service.

- **Police** - The City currently has 16 sworn police officers. The FY 2020 Budget provides funding for another officer. The City has a mutual aid agreement with Flathead County that covers the 5-mile area around the City. According to the Montana Board of Crime Patrol, the number of full-time sworn officers per 1,000 for the City of Whitefish is 1.84. This is comparable to the average number of 1.88 for cities of comparable size (5,000 - 9,999). Since the actual number of crime incidents fluctuates from year-to-year, a 10-year average is more descriptive of the incidents that are common in Whitefish. The following table indicates that the most frequent type of reported crime in Whitefish is driving under the influence (DUI). Whitefish is ranked 8th in the state for this category. The higher rate of DUIs is likely due to higher numbers of visitors attracted to eating and drinking establishments. While the actual number of DUIs fluctuate from year to year, the month of February typically has the lowest rate of DUIs for the year, and the month of July typically has the highest rate of DUIs for the year. The City ranks significantly lower compared to state averages in the categories of burglary and aggravated assault. (See Table 5.4)

Table 5.4 Average Annual Crime Rate by Type of Offenses

Offenses	Crime Rate Average Annual from 2007-2017		
	Whitefish	Montana	Kalispell
Driving Under the Influence	16.202	5.486	11.981
Murder and Nonnegligent Manslaughter	0.462	0.025	0.047
Burglary/Breaking & Entering	2.757	3.352	4.783
Motor Vehicle Theft	1.477	1.846	2.340
Simple Assault	7.792	7.408	11.126
Rape	0.486	0.384	0.552
Weapon Law Violations	0.474	0.258	0.483
Robbery	0.129	0.210	0.338
Aggravated Assault	1.500	2.231	2.301

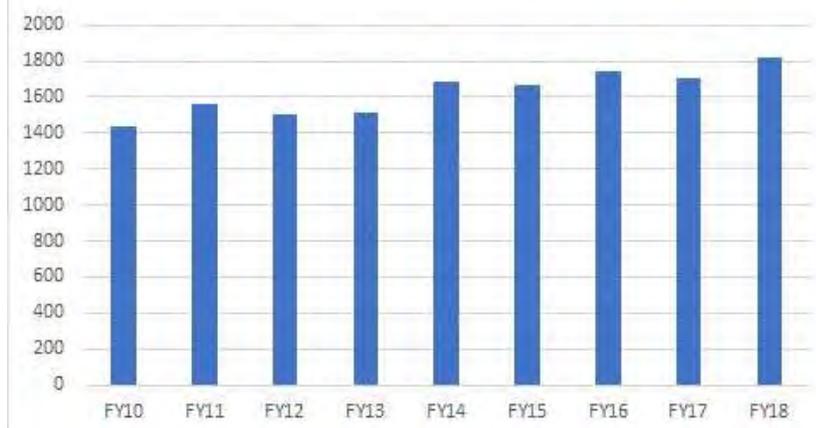
Source: Montana Board of Crime Controls, <http://mbcc.mt.gov/Data/Crime-Data>

Note: Crime Rate = # of incidents per 1000 population

In addition to crimes reported to the Montana Incident Based Reporting Service, the Police Department responds to numerous service calls that do not result in a crime report. As the City's population and visitation has increased, so has the number of service calls. The Police Department reported that in 2011 it received about 9,200 requests for service calls and those calls spiked at a high of 14,000 calls in 2016. Calls for the last two years have leveled at about 13,000 calls per year.

- Fire** - The Whitefish Fire Department (WFD) is responsible for structural firefighting, hazardous materials response, wildland firefighting, and rescue services. It has a service area larger than 100 square miles that includes the City of Whitefish and, through an interlocal agreement, the surrounding Whitefish Fire Service Area (WFSA). Whitefish provides ambulance service (advanced life support) to a larger area that goes north and west to the county line. As indicated in Figure 5.10, the number of service calls have shown a slow, steady increased since 2010. Of these calls for service, 59% of fire service calls and 75% of emergency service calls are in the City limits with the remainder of calls being in the rural fire service area. Medicare/Medicaid only pays half the cost of ambulance service. The budget is allocated to 30% fire protection and 70% emergency services.

Figure 5.10: Whitefish Fire Department Calls for Service



Source: <http://www.cityofwhitefish.org/fire-and-ambulance/fire-and-ambulance.php>

The WFD has two fire stations and a training facility. Station 21 is in the Emergency Services Center and houses 15 career firefighters and paramedics and administrative offices. Station 22 is located outside of city limits at 1400 Hodgson Road and has training facilities. Big Mountain Fire Department serves the resort area and has two full-time fire fighters. Along with the career firefighters, there are 10 volunteer firefighters/medics. In recent years, Whitefish and communities around the state have experienced a decline in volunteer firefighters. This can create problems with adequate staffing and reasonable response times.

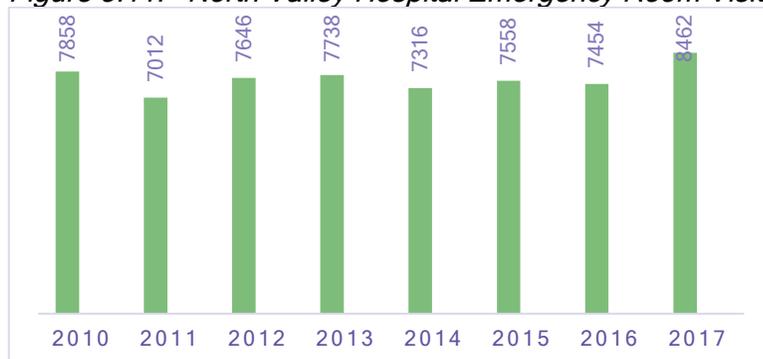
While most, of the area within the City is within 5 road miles from a fire station, most of the 100+ square mile area WFD protects is not. Insurance Services Organization (ISO) is a company that conducts risk analysis and rates each department based on several factors, with 1 being the best rating and 10 indicating no fire protection. Insurance rates are often based on these ratings. Property located more than 5 road miles from a fire station have a PPC rating of 10. The WFD is considering construction of additional satellite fire stations which would improve emergency services, decrease the ISO rating, and save thousands of dollars for homeowners within a 5-mile radius of the station.

4. Health Services

North Valley Hospital, an affiliate of Kalispell Regional Healthcare, is a state-designated Community Trauma Hospital and is staffed 24 hours a day, 7 days a week. With 464 employees, the hospital and outreach clinics are one of the largest full-time employers in the Whitefish area. The hospital has 25 patient rooms, four operating rooms, and eight emergency bays. It is located on a 45-acre medical campus near Highway 93 & Highway 40. It also operates a seasonal clinic on Big Mountain and West Glacier.

From 2004 until 2008, the number of emergency department visits increased from 7,663 to 9,156, reflecting rapid population growth in the area. With the adoption of the Affordable Care Act, which resulted in an increased number of insured individuals as well as changes in reimbursements, the number of emergency visits dropped significantly. Since 2010, the number of emergency department visits fluctuated between 7,738 and 7,012. In fiscal year 2017/2018, however, there was a notable increase in visits. (See Figure 5.11)

Figure 5.11: North Valley Hospital Emergency Room Visits



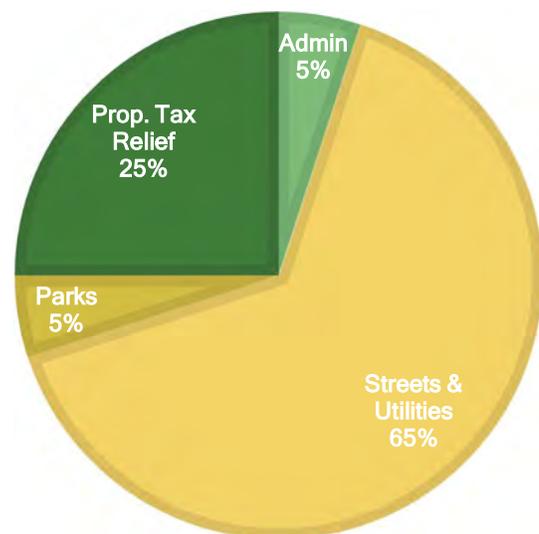
Source: North Valley Medical Hospital - Annual Reports, <https://www.krh.org/nvh/>

5. Infrastructure Funding

Financing infrastructure improvements was one of the top issues that emerged from the public input. There was general agreement that new development and increased visitation should pay an equitable share of the cost for capital improvements. The city relies on several financing mechanisms to fund major infrastructure upgrades. The City must comply with state law to structure the various fees and taxes.

- **Impact Fees** - Impact fees are assessed in accordance with the Montana Code Annotated. Current impact fee rates are based on formulas and data that are explained in the "Impact Fee Update" dated August 2018. Currently, a developer pays \$9,944 total fees compared \$9,466 in Kalispell. Neither the County nor Columbia Falls have impact fees. If the City reduces the impact fee, all rate payers would then bear the cost of capital improvements that is partially driven by new development. The City already charges the maximum allowable fees on new development for water, wastewater, storm water, city hall, emergency services center, and the parks maintenance building. The City could charge about \$1,900 for paved trails but has elected to keep the rate as is in order to keep the fees competitive.
- **Resort Tax** - The resort tax is authorized by Section 7-6-1501 of the MCA and allows a maximum rate of 3%. Whitefish voters originally approved a 2% resort tax on lodging, retail, bars, and restaurants in 1995. The tax was extended in 2004 until the year 2025. In 2015, the voters approved an additional 1% for purposes of purchasing the conservation easement in Haskill Basin to protect the City's water supply. Figure 5.12 indicates how the original resort tax was allocated.

Figure 5.12: Resort Tax Allocation



From 1996 to 2019, the Whitefish Resort Tax resulted in \$10,141,971 in property tax relief, \$20,334,518 in street improvements, and \$1,609,543 in park improvements. In 2021 Whitefish voters will have an opportunity to reauthorize the resort tax for the next 20 years. At that time, it will be possible to review the allocations and determine if modifications are necessary to better meet infrastructure needs.

- **Tax Increment Finance** - The City created an urban renewal district for the core area of Whitefish in 1987. The tax increment captured from the district has funded projects such as street reconstruction, paved trails, purchase of land for redevelopment (old gravel pit and land for O'Shaughnessy Center and library), emergency services center, new city hall/parking garage, as well as provide economic development assistance. The district expires in 2020. The City is evaluating the creation of a new district to redevelop the Idaho Timber site and US 93 South.
- **Utility Rates** - Utility rates primarily cover operation and maintenance. Residents have seen a recent increase in rates to fund a small portion of the water and wastewater facility upgrades.
- **Grants** - The City has been successful in receiving state and federal grants that provided funding for planning efforts, most of the new wastewater treatment plant, the purchase of conservation easements, trails, and other projects.

6. Existing Programs & Best Practices

- Water Conservation & Education

In 2019, the City of Whitefish enacted a [water conservation ordinance](#) to reduce the peak summer demand, reduce the costs of supplying water, and extend the life of the City's water infrastructure. The ordinance limits the hours for watering lawns, requires lodging establishments to offer options of foregoing daily linen changes, and discourages excess run-off from watering on pavement areas. During periods of drought, the ordinance includes additional restrictions on watering depending on the severity of the drought.

While the water conservation ordinance focuses on reducing waste during peak summer months, being water and energy efficient year-round means moving and treating less water, which helps reduce the strain on water supplies, drinking water, and wastewater infrastructure. High population growth and high-water usage can cause water shortages not related to drought. According to the EPA, Montana is in the top quartile of states in regards to [per capita water use](#). Fortunately, there are many ways to decrease water use through simple daily tasks or the installation of water- and energy-efficient products.

Education is another component of water management. Community members and businesses are more likely to engage in conservation practices if they understand the operations and cost associated with expensive facility upgrades. (See also Environment chapter for more conservation practices.)

- Emergency Preparedness and Crisis Communications

Summer crowds, and an influx of people attending special events such as the winter carnival, create a need for crowd management to ensure the safety of visitors and residents alike. The Flathead County Office of Emergency Services is an umbrella organization that coordinates efforts between local police, fire, and other first responders. The County has an adopted Pre-Disaster Mitigation Plan that was adopted in 2014 and is in the process of being updated. The City of Whitefish adopted an "Emergency Operations Plan" in 2019 to provide a framework for coordination among agencies, pre-planning, training, and communication. Public outreach is an important component. More communities are relying on web-enabled data and "apps" as part of a robust hazard notification systems and to link into the wide array communication devices used by citizens and visitors.

Best Practices

- EPA Water Sense - Information on actions that homeowners, commercial establishments and communities can take to conserve water. Includes information on "Water Sense" certified products such as showerheads, toilets, and other products. <https://www.epa.gov/watersense>
 - Livingston, MT began operation at the new "Wastewater Reclamation Facility" that is similar in design and cost to the new facility that is under construction in Whitefish. Throughout the design and construction process, the City engaged the community through a website updates, tours, open houses, and communication tools. <http://livingstonwrf.com/>
 - The National Institute of Health has an online clearinghouse with links to various types of Emergency Management Apps. <https://disasterinfo.nlm.nih.gov/apps>
-

D. Community Character

Residents and visitors alike value the Whitefish community. Development that ignores the local culture or the distinctive natural and built environments can alter the “sense of place” that defines a community. Increased visitation that results in more traffic, noise, litter, and crowds can diminish the enjoyment of local amenities. Recognizing specific features that contribute to the “local flavor” is necessary to develop strategies that protect and enhance the attributes that comprise community character.

In 2019, a SKI Magazine voter poll ranked Whitefish Mountain Resort as #1 in “local flavor” for North American resorts. The area ranked #4 in the categories of Scenery and charm. It also ranked in the top 10 for family friendly, down day activities, nightlife, and dining.

1. Neighborhoods & Heritage

Whitefish has several distinctive neighborhoods that help define community character. Conversion of existing housing units to short-term rentals creates issues regarding traffic, parking, and noise. Vacation homes that are empty most of the year can result in the disruption of a cohesive network of individuals that are caring and watching out for their neighbors. All of this contributes to a sentiment that there is a decline in sense of community, volunteerism, and small-town friendly atmosphere. Higher density developments, if they are out of scale or do not reflect the existing character/heritage of the neighborhood, can also disrupt the sense of community. Urban design that emphasizes compatible developments can address these concerns. Buildings may include historic or modern elements while density and scale establish an urban, suburban, estate or rural atmosphere. Walkability, open spaces, and activity nodes are also important elements. Zoning, historic preservation and architectural design standards are tools that communities use to regulate for compatible urban development. Design charettes, such as the recent housing project for the City’s snow lot, is another way to engage neighbors in the design process. (See Figure 5.13) Landlord and tenant education may alleviate concerns of neighbors about maintenance issues and other impacts.

Figure 5.13: Design Charette Illustration for Snow Lot to Promote Compatible In-Fill



2. Downtown

Downtowns are the activity hub for most communities. They are typically the center of government and have a critical mass of retail, restaurants, and nightlife to attract customers. Historic buildings are often located downtown. The experience visitors and residents have in a locality's downtown can form positive perceptions on the vitality of businesses, local charm, and friendliness. Communities such as Whitefish that make a conscience effort to plan and invest in downtown are most successful in creating a thriving central business district. The Heart of Whitefish is a downtown organization of businesses that works closely with the City to implement the downtown plan.



3. Gateways

Gateways are focal points that demark the main entryways into the community or business district. Good gateway designs represent community heritage and values, preserve views, and counteract visual blight that results from sprawl. Gateway elements typically include landscaping, distinctive signage, and public art. Development surrounding gateways should also include design elements to enhance the community's entryways. In Whitefish, the gateways at US 93 south and north are undefined. The downtown and Wisconsin Avenue business corridor also lack defining features.



4. Landscapes - Scenic Vistas

Development that integrates natural features and scenic vistas contribute to community character. Successful designs include building materials and form that reflect local landscapes, protect views, include native plants, and preserve natural features. In Whitefish, mountain views, Whitefish Lake, and surrounding forest and agricultural lands are indicative of the outdoor and rural lifestyles.



Table 5.5: Components of Community Character - Analysis

Neighborhoods	<p>Architectural Design Review Standards recognize two old town residential districts immediately adjacent to downtown (Railroad District & Old Town South district).</p> <p>The Growth Policy does recommend consideration of neighborhood conservation districts. The area east and south of downtown with concentrations of craftsman style homes is a potential candidate for special design considerations. The Downtown Business District Master Plan also recommends addressing historic single family neighborhoods</p>
Heritage	<p>The Railway Depot, the First Presbyterian Church, and the Ray E. Taylor house at 900 South Baker are on the National Historic Register. The Historical Society has identified landmarks and placed plaques on buildings for a walking tour. There is no comprehensive survey of historic buildings for the City.</p>
Downtown	<p>Downtown Business District Master Plan recommends gateway landscaping, signage, and lighting at Wisconsin/Baker Ave., US 93 Bridge, and 14th Street. The Plan includes specific design schemes for streetscapes and connecting designs to natural environments. It also recommends updating the architectural review standards. Zoning prohibits franchise businesses in downtown and requires first floor retail/restaurant on Central Avenue.</p>
Landscapes - Scenic Vistas	<p>Architectural Review Standards have provisions that development should not obstruct views of mountains, river, and lake.</p> <p>Flathead County has a Scenic Overlay Zoning District. The District, however, only regulates off-premise signs. (Billboards)</p>
Community Gateways	<p>US 93 South Corridor Plan - Planning is in progress and projected to be completed in spring 2020. Draft documents include a gateway segment. Study area includes unincorporated area south to Blanchard Lake Road.</p> <p>The area directly south of US 93 is zoned with a Highway Overlay District in the County to limit billboards.</p> <p>US 93 West Corridor Plan identifies a gateway area from Karrow Avenue to the Whitefish River Bridge. It recommends a neighborhood transitional mixed-use district for this area but no specific gateway treatments.</p> <p>Wisconsin Ave. Corridor Plan - Includes action item for developing gateway treatments at Edgewood Drive and Big Mountain Road. Recommends updating architectural review standards.</p> <p>Highway 40 - There is no gateway signage or recommendations for this corridor.</p>

Ennis, MT



Flagstaff AZ



Cedar City Utah



5. Architectural Review Standards & Zoning

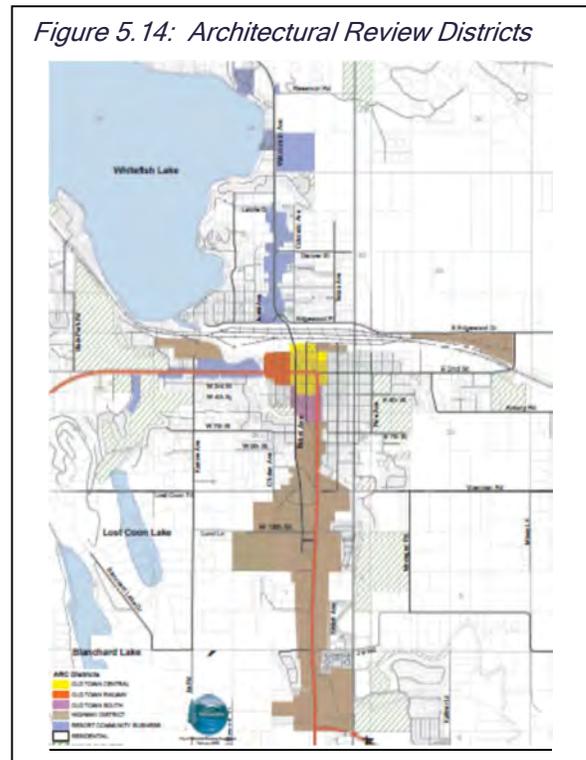
The Architectural Review Standards and Zoning Regulations are the primary tools for ensuring compatible development that reflects local community character. The Whitefish zoning ordinance controls for density, bulk, and scale of development. It includes landscaping requirements and requires that any commercial use over 10,000 square feet, a gas station, or hotel will require a conditional use to address design, transportation, stormwater, and other issues. Additionally, zoning does not allow formula businesses in downtown or in B-2 District.

The County has a Highway Overlay District. Perimeter landscaping requirements are similar, but the county only requires dust free surfaces while the city requires paving of parking lots. The county does not have a design review board or adopted guidelines. Enforcement of screening standards in the county has been an issue. The County also has a Scenic Overlay District that controls for billboards.

The Architectural Review Standards were adopted in 2009 and recognize five districts (Old Town Central, Old Town Railroad, Old Town South, Resort Commercial Business, Highway District). All multifamily projects in other parts of the City must also go through design review. The design standards include guidelines for site design, parking, landscaping, and lighting. Building standards address materials, shape, and form. Projects are reviewed by the Architectural Review Committee.

The standards do not include any graphics or photos to illustrate the various design concepts. Such visual aids are typical of most design standards to assist in the review process and to provide some consistency from project to project. Both the Downtown Business District Master Plan and Wisconsin Avenue Corridor Plan recommend an update of the standards. Focus group attendees also commented on expense of the design review process.

Figure 5.14: Architectural Review Districts



BEST PRACTICES

- American Planning Association, “PAS Report 591 - Design Review: Guiding Better Development”, 2018 <https://www.planning.org/publications/report/9154841/>
- City of Boise, Design Review Documents <https://www.cityofboise.org/departments/planning-and-development-services/planning-and-zoning/design-review/design-review-documents/>
- Coeur D’Alene Design Review Documents <https://www.cdaid.org/1109/departments/planning/design-guidelines-standards-regulations>

E. Existing Programs & Best Practices

As noted previously, the City has undertaken various planning initiatives to address land use and development issues. STMP recommendations should be coordinated with the following plans.:

Growth Policy

- Whitefish Growth Policy - City Planning Department will be updating its Growth Policy within the next few years. The Growth Policy is a policy document that provides a framework for managing growth and development through land use, capital improvement investments, economic development, transportation systems, and protection of the natural resources. The recommendations of the STMP should be incorporated into the update.
- Flathead County Growth Policy - Flathead County is scheduled to update its Growth Policy following the 2020 Census. The update will provide an opportunity for the City to suggest policies regarding adjacent land use, transportation, and environmental concerns.

Special Area Plans

- Whitefish Downtown Business District Master Plan - Adopted in 2006 & updated in 2015. Includes recommendations for business development, transportation public facilities, environment, and growth management. There are also recommendations for housing, bike/ped facilities, gateways, zoning overlay district and architectural review standards. Recent planning initiatives regarding transit, parking, and the US 93 - Urban Core transportation plan have implications for downtown planning.
- US 93 West - Adopted in 2015. Includes recommendations for land use, zoning, and public-private partnership to redevelop the Idaho Timber site. Incorporates MDT transportation improvements for US-93 West.
- Wisconsin Ave.- Adopted in 2018. Includes recommendations for environmental quality, neighborhoods, transportation, urban design, and economic performance.
- US 93 South - Anticipated completion in 2020. Draft goals and objectives address land use, transportation, aesthetics, and business development in different segments of corridor.

Other planning initiatives

- Historic preservation - The Whitefish Growth Policy contains an action item to conduct a historic survey of the older residential neighborhoods. Montana's Community Preservation program, also known as the Certified Local Government (CLG) works with communities to document historic patterns, architectural styles, influential architects and builders, significant people and events, and historic and prehistoric archeology. In partnership with the National Park Service, certified local governments with historic preservation programs may receive technical preservation assistance grants from \$1,000 to \$5,000 to spend in ways that best assist their community's local preservation needs. Montana State Historic Preservation Office - <https://mhs.mt.gov/Shpo>

F. Strategies & Action Items

<p>1. Implement housing strategic plan and advocate for more funding for housing programs.</p> <ul style="list-style-type: none"> • Phase 3 implementation should prioritize strategies for non-traditional housing (tiny homes, co-housing) • Conduct workshops on topics such as short-term rentals, landlord/renter responsibilities, home ownership • Lead - Whitefish Housing Strategic Plan Committee • Partners - Chamber of Commerce, Northwest Association of Realtors, Flathead Landlord Association, Whitefish Housing Authority, Homeword, NeighborWorks MT, Montana Housing Coalition • Montana Department of Commerce, Housing Division - https://housing.mt.gov/
<p>2. Coordinate Downtown Business District Master Plan with other planning initiatives.</p> <ul style="list-style-type: none"> • Update plan to reflect recent planning initiatives regarding transit, parking, trails, housing, and the US 93 initiatives - urban core transportation plan • Leads - City of Whitefish, Heart of Whitefish • Montana Main Street Program - https://comdev.mt.gov/Programs/MainStreet
<p>3. Coordinate with non-profits as well as state and county agencies on homelessness issues.</p> <ul style="list-style-type: none"> • Partners - Community Action Partnership, United Way, Whitefish Community Foundation, emergency shelters, Food Bank. • Participate in events. Help raise funds for programs such as emergency grants to prevent homelessness • Montana Continuum of Care Coalition - https://montanacoc.org/
<p>4. Promote year-round water conservation practices to reduce cost of future water/wastewater upgrades.</p> <ul style="list-style-type: none"> • Create and implement education programs, demonstration projects, incentives • Lead - Climate Action Plan Committee • Resources - EPA, DEQ, Water Conservation District, grants
<p>5. Conduct community outreach efforts regarding resort tax, tourism benefits, infrastructure improvements.</p> <ul style="list-style-type: none"> • Lead - City departments & CVB. Reach out to Chamber of Commerce & civic groups • Outreach - Webpage, promotional materials, social media, open houses, city newsletter
<p>6. Ongoing communication and pre-planning for crisis situations, emergency preparedness and crowd management during peak tourist season and special events.</p> <ul style="list-style-type: none"> • Lead - City administration, Fire Dept., Police Dept., Public works • Partners - City officials, CVB, Chamber, Schools, Civic groups, neighborhood associations, County Dept. of Emergency Services • Emergency Operations Plan - http://www.cityofwhitefish.org/Whitefish-EOP-062519.pdf
<p>7. Incorporate STMP goals into the City and County Growth Policy updates, zoning regulations and annexation policies.</p> <ul style="list-style-type: none"> • City Planning Dept. - Design standards as part of annexation, limit new areas for short-term rentals, parking for STR's, design standards for US 93 South Corridor study, zoning for affordable housing • County Planning Dept.- Propose zoning changes for highway overlay and scenic overlay zoning, limits on STRs
<p>8. Update Architectural Review Standards and conduct historic preservation survey to preserve community character.</p> <ul style="list-style-type: none"> • Lead - Planning Dept. and Design Review Committee with assistance from consultant • See recommendations in Downtown Business District Plan, Growth Policy and Wisconsin Ave. Corridor Plans. Include graphics in architectural standards to clarify standards. • Montana Rural Historic Preservation Grants - https://mhs.mt.gov/Shpo/RMRH
<p>9. Identify locations for gateway treatments and work with community groups on designs and fundraising.</p> <ul style="list-style-type: none"> • Partners - CVB, Chamber, Heart of Whitefish, civic groups • Funding - Resort Tax, grants, donations • Montana Arts Council - Grants for public arts, http://art.mt.gov/ca

VI. ENVIRONMENT & LAND MANAGMENT

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“Most importantly is making sure residents are receiving the resources they need. The next important is taking care of our outdoor opportunities. That means doing more to protect the landscape, not just the park but all public lands. The more people who come here to visit because of our outdoor amenities, the more impact that will have on them. Conservation needs to be a focus for the city, the CVB and for those businesses who rely on the outdoors for their tourism draw.”

Survey Comment

A. Goals

Livability - Protect environmental resources such as clean air, clean water, forest, and wildlife habitat to allow visitors and future generations to enjoy the exceptional natural attributes of the area.

Community Engagement -Educate and engage businesses, residents and visitors on sustainability initiatives and encourage visitors to be sensitive guests while in our community.

Community Character - Protect open space and public lands access and promote sustainable outdoor recreation opportunities.

B. Water Quality

A watershed describes an area of land that drains to streams, rivers, or other bodies of water. Whitefish Lake watershed encompasses an area that goes north to the Swift Creek headwaters and south to the outfall of the Whitefish River. The Upper Whitefish River Watershed includes the areas below Whitefish Mountain Resort and lands surrounding the City south to Highway 40.

A healthy watershed improves the quality of life and protects the environment. Many defining features of the watershed, such as lakes, rivers, streams, and forested areas, have significant ecological, recreational, and scenic value. Natural systems within the watershed filter pollutants, replenish groundwater resources, provide wildlife habitat, contribute to healthy fisheries, minimize flooding, provide carbon storage, and prevent erosion.

Other benefits from healthy watersheds include more efficient stormwater control and reduced costs to treat drinking water. Businesses benefit from increased tourism and logging companies benefit from more a sustainable timber resource. The Montana Institute of Tourism and Recreation Research report indicates a top reason for vacationers is access to Montana’s lakes and rivers.

Figure 6.1: Whitefish Lake Watershed Overview



A variety of threats can compromise water quality within the watershed. These include the following:

- **Non-Point Pollution** - Urban development increases the potential for stormwater impacts to water quality. As stormwater flows over roadways, sidewalks, driveways, parking lots, and other impervious surfaces, it can pick up soil, debris, chemicals, and other pollutants or pathogens and convey them to receiving waterbodies. Education, reducing impervious areas and improvements to the stormwater infrastructure can mitigate these issues.
- **Septic Leachate** - Threats from septic systems include leaks in septic tanks, leaks in collection lines, or system failure that causes untreated effluent to infiltrate shallow ground water or surface water. Unincorporated areas with older septic systems pose the highest risk. In summer, when friends and family are often visiting, septic systems that were not designed for heavy use can be overtaxed. Several areas on Whitefish Lake have been identified as having a potential for septic contamination.
- **Loss of riparian area** - Lack of established riparian vegetation can increase streambank erosion and sedimentation. In urban areas, residential development usually leads to riparian degradation, which reduces the ability of riparian areas to effectively filter nutrients from upland runoff. Shoreline areas with the highest level of development and are subject to activities that contribute to phosphorous loading such as fertilizer runoff. Loss of riparian areas also causes lack of shade and higher temperatures that impair aquatic life. The City has lakeshore protection regulations to address development within 25 feet of the lakeshore while the Flathead County Conservation District has adopted a watershed restoration plan which includes strategies for revegetation along water waterways. www.flatheadcd.org.

- Railroad -Spills, leaks, and oily discharge to wastewater lagoons at the rail yard facility have caused soil and shallow groundwater contamination from petroleum products. This sometimes create an oily sheen on the Whitefish River. BNSF has been required to undertake clean-up operations and continues to monitor the situation. In July 1989, there was a train derailment which resulted in an oil spill in the lake. The lake was closed to the public during clean-up operations resulting in a significant drop in visitation. In 2012, additional contaminated sediment was removed. BNSF has a spill response plan in place in the eventuality of another derailment.
- Boating - Water recreation is popular with visitors. Public boat launches are located at Whitefish State Park and City Beach. The Lodge at Whitefish Lake operates a commercial marina. Marinas and docks can be a threat to water quality due to chemicals, fuel spills and run-off. Motorized watercraft can cause erosion. The City restricts motorized watercraft on the Whitefish River to protect the shoreline. Education and posting of rules are other strategies to promote responsible boating practices.
- Aquatic Invasive Species (AIS) - According to the Whitefish Lake Institute (WLI), “A zebra mussel colonization of Whitefish Lake has many plausible economic and environmental consequences to both individuals and the public at large. These include damage to the City of Whitefish Public Water Supply or to the Water Treatment Plant, individual water intake systems, boats and boat motors, and docks. It also includes reduced recreational opportunities for visitors and locals which would impact local businesses.” To address the issue, the City, Montana Fish, Wildlife and Parks (FWP) and WLI have undertaken activities such as watercraft inspections, early detection monitoring for AIS.



Existing Programs and Best Practices

- Whitefish Lake Institute, “Whitefish Area Water Resources Report: A Status of the Whitefish Lake Watershed and Surrounding Area”, www.whitefishlake.org/publications.php
- Whitefish Lake Institute, Montana Lake Book - Best practices for property owners with waterfront areas to reduce erosion, protect riparian areas, manage stormwater run-off, and limit septic leaks. www.whitefishlake.org/publications.php
- City of Whitefish, Engineering Standards for Stormwater Control, www.cityofwhitefish.org/public-works/city-development-plans.php & Whitefish City Code, Title 13: Lake and Lakeshore Protection regulations
- Montana Department of Environmental Quality - Guidelines for communities to minimize non-point pollution. <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Guidance-Documents-and-Resources>
- Montana Fish, Wildlife & Parks - “Protect Our Waters”, AIS Bureau, <https://cleandraindry.mt.gov/Aquatic-Invasive-Species>
- DNRC - Private Water Grant Program (Replacement of small septic systems) - <http://dnrc.mt.gov/divisions/cardd/resource-development/renewable-resource-grant-program/renewable-resource-grants-to-private-entities>

C. Climate

The Whitefish travel and recreation industry has recognized that the area's greatest assets are the exceptional outdoors amenities and pristine environment. Glacier National Park, 25 miles from Whitefish, attracts visitors from all around the globe. Yet, the glaciers, forests, wildlife, lakes, and streams, are threatened by climate change.

Sources have estimated that tourism is responsible for roughly 8% of the world's carbon emissions. Consequently, more people are making travel decisions based on sustainable options for lodging, traveling, and recreating. (sustainabletravel.org/)

In 2018, the City of Whitefish, in partnership with the Whitefish School District, adopted a [Climate Action Plan](#) to address the challenges related to climate change and to protect the qualities that residents and visitors value about the community. The Plan noted the following climate trends from 1950 - 2015:

- Average annual temperature increased by 2.5 degrees.
- 12 more frost-free days per year
- 3.77 inches decrease in annual precipitation. (Nearly all in winter season)
- Longer fire seasons
- Earlier snow melt - roughly 2-weeks earlier
- Lower summer stream flows

In response to these trends, the Climate Action Plan includes goals and strategies to reduce emissions and to prepare for climate change. The Plan identified priority actions in the following areas.

"In places where tourism and recreation are economically important, climate influences Montana's snowpack, pristine streams, native forests, and iconic wildlife, which are important for sustained prosperity."

Montana Climate Assessment
<http://montanaclimate.org>

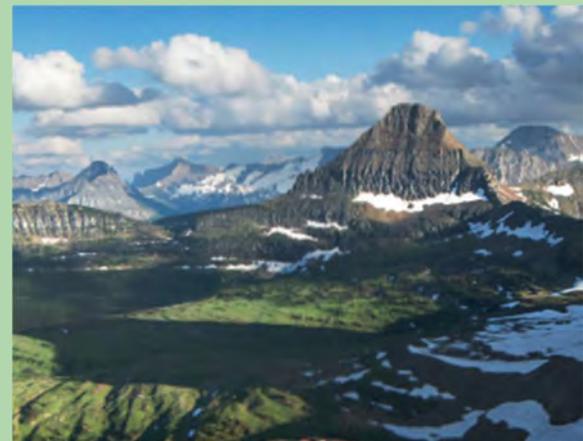
"Our national parks are a testament to the reality of climate change. Disappearing glaciers, shifting migration patterns for alpine birds, ... these are many ways that we see the effects of climate change. National parks teach us how climate change worked in the past and how it affects us today and can give us insight into ways to protect these special places in the future."

National Park Service

www.nps.gov/subjects/climatechange/effectsinparks.htm

"Guard, protect and cherish your land, for there is no after life for a place that started out as Heaven"

Charles M. Russell



1. Building and Energy

Two main strategies for reducing emissions for buildings are energy efficiency and renewable energy sources. Working with lodging facilities and local businesses to reduce energy use can result in cost savings and be beneficial for the environment. Local businesses can participate in energy audits and retrofit older buildings to become more energy efficient. The City has sponsored workshops in green building techniques and solar energy. Educational materials with tips for reducing energy use are available through the state and from Flathead Electric Cooperative.

2. Transportation and Land use

Traveling is a major contributor to greenhouse gas emissions. While most visitors travel by car or plane, once they have arrived at the destination, they can reduce their carbon footprint by choosing more sustainable travel options. Whitefish has a walkable downtown and has invested in bike trails around the City. Transit options include the Snow Bus and Eagle Transit. Promoting these options can make it easier for visitors to use of these alternative transportation modes.

3. Water and Wastewater

The water and wastewater treatment plant consume more energy than any other City operation. While the City passed a water conservation ordinance that required lodging establishments to undertake certain measures during periods of drought, expanding these practices year-round can conserve energy. During summer months, water for lawn irrigation represents the highest use of water. While the water conservation ordinance restricts watering to evening/early morning hours, use of native plants and xeriscaping can also reduce water demand.

4. Forests & Wildfire

Whitefish is surrounded by federal, state, and private forest land. The entire City is located within the wildland-urban interface (WUI) and is at heighten risk of wildfire. With hotter, drier summers, wildfires are more frequent and wildfire seasons are longer. The U.S. Dept. of Agriculture (USDA) states that the fire season is 60 days longer than it was 30 years ago. A recent Forest Service study predicts that the number of acres susceptible to fires could double by 2050. Becoming a fire adaptive community is a priority for the City. Health impacts of wildfire smoke is a concern for visitors recreating outdoors.

“Tourism business owners in Glacier Country were in agreement that the 2018 wildfire season caused cancellations to their business, and slightly over half said they lost customer volume as well.”

5. Consumption, Food, and Waste

Encouraging greater production and use of local foods will reduce emissions and will also improve food quality. Recycling helps reduce greenhouse gas emissions by reducing energy consumption. Using recycled materials reduces demand for natural resources. Additionally, recycling saves landfill space and reduces methane gas from decomposing trash. During the public input phase, community members repeatedly mentioned the need for more robust recycling programs. Businesses noted that out-of-state customers routinely inquire about recycling options. While the City has a recycling drop-off site, due to shipping costs and recent changes in the market for recyclables, waste diversion lags other areas of the country.



6. Existing Programs & Best Practices

- Fire Adapted Montana - “A fire adapted community consists of informed and prepared residents collaboratively planning and taking action to safely co-exist with wildland fire.” <https://www.fireadaptedmontana.org/>
- Whitefish Center for Sustainability and Entrepreneurship (CSE) - CSE is a net-zero educational center at Whitefish Schools, <https://www.wsd44.org/>
- Flathead Electric Cooperatives - Programs to assist with energy efficiency upgrades <https://www.flatheadelectric.com/commercial/business-energy-savings/>
- Recycling - Non-profit providing technical assistance for local governments and businesses. <https://recyclemontana.org/>
- EPA Toolbox to reduce health impacts from wildfire smoke. <https://www.epa.gov/smoke-ready-toolbox-wildfires>
- Sustainable Travel International - Education, travel industry standards, carbon off-sets, <https://sustainabletravel.org/>

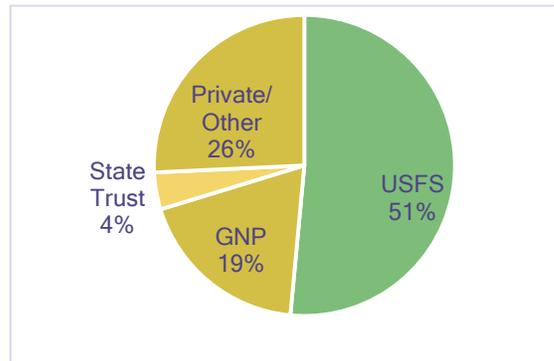
D. Public Lands – Conservation Easements

1. Public Lands

The Whitefish community, and visitors, enjoy convenient access to public lands throughout the county. These lands attract outdoor enthusiasts and provide valuable connectivity between ecosystems. Nearby public lands have benefits such as supporting timber harvests, increasing tourism, and offering a lifestyle that attracts entrepreneurs and retirees. In Flathead County, a 74% of the land area is classified as public land. (See Figure 6.2)

Rural counties in the west with the highest share of public lands perform better on key economic measures. A recent analysis by Headwaters Economics compared indicators on economic performance of rural counties from 1970 to 2015. As Figure 6.3 indicates, rural counties in the top 25th percentile of the proportion of Federal lands performed markedly better on key economic indicators than rural counties in the bottom 25th percentile of land area in federal ownership. Public lands in Flathead County include the following.

Figure 6.2: % Land Area in Flathead County



Source: Montana Natural Heritage Program

Figure 6.3: Indicators of Economic Performance for Counties with High % of Public Land



Source: <http://headwaterseconomics.org>

- **Flathead National Forest**

The National Forest Management Act directs the development of land management plans to provide for multiple uses including outdoor recreation, rangeland, logging, watershed, wildlife and fish, and wilderness. The Flathead National Forest Land Management Plan addresses the following issues:

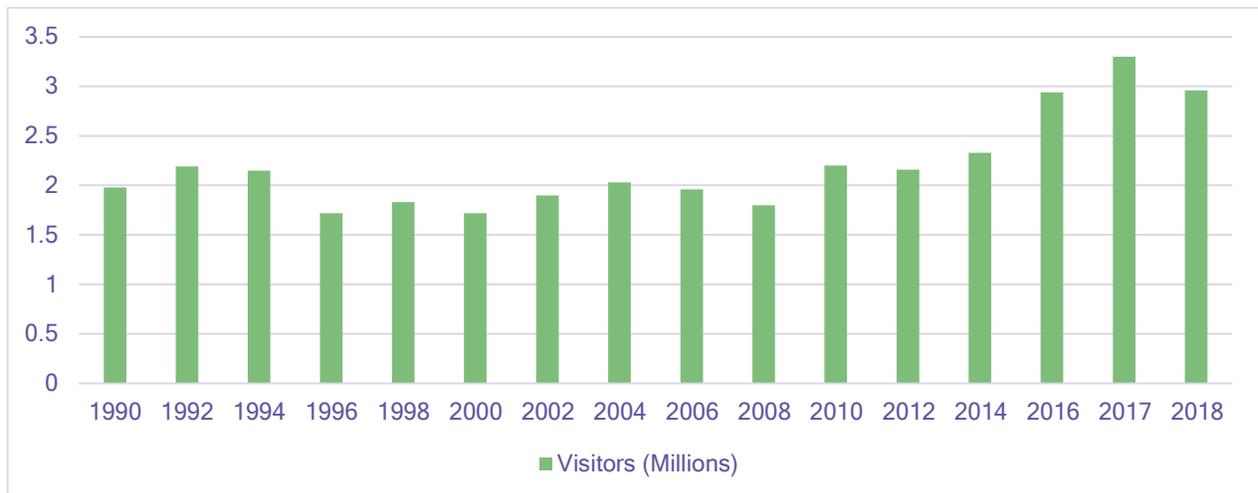
- growing demand for recreation and the importance in supporting local economies
- fire and fuels management including active vegetation management near communities.
- new analyses needed for timber production opportunities
- conservation of wildlife and aquatic habitat, including updating grizzly bear habitat management direction and Inland Native Fish direction; and
- new policy and public interest in identifying areas for recommended wilderness and wild and scenic rivers

Source: <https://www.fs.usda.gov/detailfull/flathead/home/?cid=stelprdb5422786&width=full>

- **Glacier National Park**

Glacier National Park (GNP) is located 25 miles east of Whitefish. It is bordered by Waterton Lakes National Park in Canada and two forks of the Flathead Wild and Scenic River. Glacier National Park is part of one of the largest, most intact ecosystems in North America and is a world heritage site, and a biosphere reserve. According to the GNP foundational document, “The purpose of Glacier National Park, part of the world’s first international peace park, is to preserve the scenic glacially carved landscape, wildlife, natural processes, and cultural heritage at the heart of the Crown of the Continent for the benefit, enjoyment, and understanding of the public.” While visitation fluctuates depending on fires, road construction and economic conditions, since 2016, there has been a significant increase in visitors, even during years with fire activity in the park. (See Figure 6.4)

Figure 6.4: Visitation in Glacier National Park

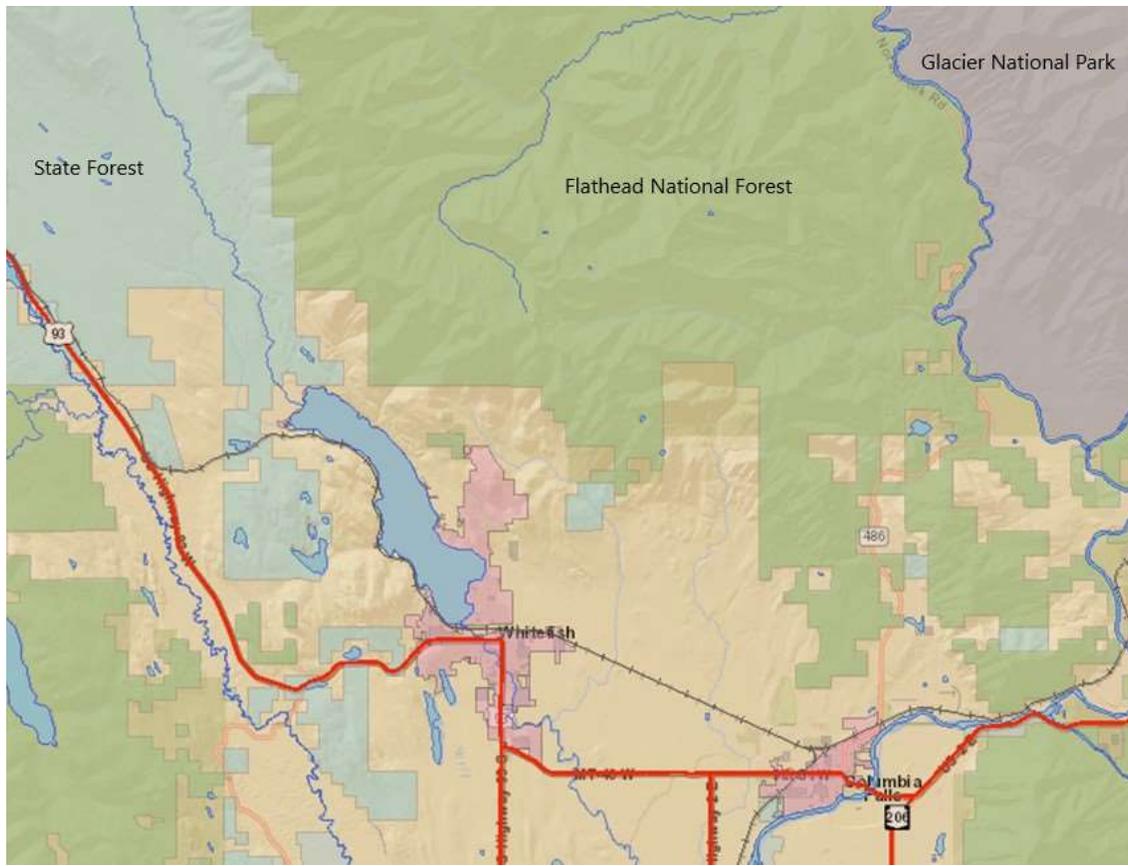


Source: <https://www.nps.gov/glac/index.htm>

- **State Trust Land**

State School Trust Lands are managed by the Montana Department of Natural Resources and Conservation (DNRC) to produce income to support public schools and institutions. Long-term forest health is a key management principle to address issues regarding biodiversity, water quality, silviculture, wildlife/fisheries, road management, weeds, and invasive species. Recreational revenues are generated through a \$2 fee assessed on hunting, fishing, and trapping licenses while other recreational activities such as hiking and bird watching require the purchase of a \$10 license. Cutting or gathering wood, and commercial/guided recreation activities also require a permit or license. The easement for the Whitefish Trail allows individual recreationists to use the trail without paying a fee. <http://dnrc.mt.gov/divisions/trust/forest-management/forest-management-plan>

Figure 6.5 : Public Lands Near Whitefish



Source: Flathead County GIS

2. Conservation Easements

Conservation easements are a tool to preserve the ecological, recreational, cultural, or agricultural resource of a property. It is a voluntary legal agreement whereby the landowner maintains ownership and is compensated for limiting the use of the land as negotiated in the agreement. A local government or non-profit agency may hold the easement. There are 38,500 acres of conservation easements in Flathead County. Easements near Whitefish include:

- Haskill Basin - Haskill Basin provides nearly 75 percent of the water supply for Whitefish. To protect this water supply, the City purchased development rights on 3,022 acres in Haskill Basin. The City easement also guarantees recreation access and allows the landowner, Stolze Land and Timber Co. to continued sustainable management of the timber lands.
- Stillwater Forest Conservation Easement - Previously called the Whitefish Lake Watershed Project, was completed in 2018. A combination of public and private funding was used to preserve the 13,400 of forestland that will be managed by DNRC.
- Beaver Lakes Public Recreation Use Easement - The City of Whitefish, in partnership with Whitefish Legacy partners purchased development rights from 1,520 acres of Montana School Trust Land in Beaver Lakes. The \$7.3 millions easement generated revenue for Montana Schools and Universities, secured permanent public access on the Whitefish Trail system, and allowed for long-term sustainable forest management.

3. Existing Resources & Best Practices

- Whitefish Legacy Partners - Community non-profit working to secure permanent conservation, education, and recreation opportunities on the lands surrounding Whitefish for future generations. Works to development and maintain the Whitefish Trail system www.whitefishlegacy.org
- DNRC - Grant programs for projects on public lands - <http://dnrc.mt.gov/divisions/trust/mt-plan>
- Montana Fish, Wildlife and Parks - Guidelines for reducing wildlife/human conflicts. <http://fwp.mt.gov/fishAndWildlife/livingWithWildlife/buildingWithWildlife/subdivisionRecommendations/documents.html>
- Non-profit Partners - There are several organizations that work with GNP on fundraising and educational programs. <https://www.glacierinstitute.org/> & <https://glacier.org/>
- Trust for Public Lands - Helped established conservation easements in Haskill Basin & Stillwater Forest <https://www.tpl.org/>
- Flathead Land Trust - Works with partners and private landowners to preserve important landscapes in Flathead County. <http://www.flatheadlandtrust.org/>

E. Outdoor Recreation

1. Montana Office of Outdoor Recreation

The Montana Office of Outdoor Recreation serves as a centralized point of contact and coordination for the broad outdoor recreation constituency. (<http://business.mt.gov/Office-of-Outdoor-Recreation>) The office reports that 80% of Montana residents participate in outdoor recreation. The outdoor recreation economy generates more jobs than the manufacturing and construction sectors combined. A survey of high-tech industry indicates that the recreation opportunities and beauty of the landscape provides a significant advantage in business, especially in job recruitment. Commercial outfitters, guided tours and other recreation oriented businesses are a growing segment of the economy. World class recreation opportunities in Flathead County include activities shown in Figure 6.6.

Figure 6.6: Outdoor Recreation in Flathead County

Camping 	Bicycling 	Fishing 
Snow Sports 	Water Sports 	Off-Roading 
Hunting 	Trails (Hiking/Equestrian...) 	Wildlife Viewing 

2. Land Management Agencies

With the abundant outdoor recreation opportunities in and around Whitefish come challenges related to funding, crowds, maintenance, safety, and resource degradation. (Table 6.1)

Table 6.1: Land Management Assets & Challenges

Agency/Organization	Assets Near Whitefish	Challenges
City of Whitefish	City Parks & Trails. Parks include City Beach, playing fields, tennis/pickle ball courts, playgrounds, dog park, skate park	Crowding & parking at city beach. Graffiti. Overnight camping in parks. Funding for trail maintenance.
Flathead County	County Park System. Whitefish Lake boat access Trails	A 2019 update to the countywide trail plan was not approved by County Commissioners. Community groups are still working on issue.
Whitefish Legacy Partners (WLP)	Whitefish Trail - Connected network on State Forest, USFS, Private land, & Haskill Conservation Easement	150,000 annual trail users. There is more demand for events on the trails & commercial permits on the trail. Increased use has led to increased maintenance costs. 50% of use in summer is from tourists but most do not donate for trail maintenance.
Montana Fish, Wildlife & Parks (FWP)	Whitefish State Park (Camping, beach, boat access) Les Mason State Park - Beach, picnic Lone Pine State Park - Kalispell Fishing Access Sites	Whitefish Lake State Park campground is 95%-100% full most of the time. State Park gets 65,000 - 70,000 visits annually. Les Mason 30,000 visits in summer. With a 40% increase in last 10-years, Les Mason is at capacity. User fees do not cover cost of management from increase use. More use of fishing access sites for recreation use in addition to fishing. While fishing license provides funds for maintenance, recreationist do not pay fees.
Montana Dept. of Natural Resources (DNRC)	Stillwater State Forest Recreation permits for mountain biking, horseback riding, guided activities. Boating & fishing.	User fees from permits, licenses & easements go to School Trust funds. Although recreational special use permits have increased substantially, there has been no new funding for managing this use. New funding for rec management would require legislative approval. Manage user groups to reduce conflicts
U.S. Forest Service (USFS)	Flathead National Forest - Camping, hiking, mountain biking, snowmobiling, horseback riding	Forest Fire mitigation & Fire fighting Human-wildlife conflict Multiple User Groups - Recreation management Resource Management (Timber, mining, grazing)
U.S. Park Service	Glacier National Park	Visitation = 3 million a year. Parking issues at trailheads. Road congestion. Funding for maintenance needs. Forest Fire, human-wildlife conflict
Whitefish Mountain Resort	Alpine & Cross-Country Skiing, Mountain biking, ziplining, & other summer activities	Coordination with USFS for parts of ski area on forest land.

Source: Compiled from focus group notes, public input, web sites & planning documents

3. State Comprehensive Outdoor Recreation Plan (SCORP)

The Montana Department of Fish, Wildlife and Parks (FWP) is responsible for developing the State Comprehensive Outdoor Recreation Plan (SCORP) and implementing recommendations. The SCORP is required of every state to be eligible for the Federal Land and Water Conservation Funds (LWCF) Program. The Plan provides guidance for management of state recreation resources, while acknowledging the full range of recreation opportunities including federal public lands and local parks. Of concern is improving access to outdoor recreation opportunities, especially for those persons with disabilities. Partnerships with all recreation agencies, including non-profits, are critical to achieve the following goals in the SCORP:

Goal 1: Promote Outdoor Recreation Opportunities for All Montanans

Goal 2: Enhance Public Access to Outdoor Recreation Resources and Facilities

Goal 3: Support Economic Vitality of Communities and State

Goal 4: Improve Quality of Life through Outdoor Recreation Experiences

Goal 5: Adapt Outdoor Recreation for a Changing Environment

Goal 6: Honor Montana's Outdoor Legacy

Source: http://stateparks.mt.gov/news/publicNotices/board/pn_0021.html

4. Existing Programs & Best Practices

- City of Whitefish Parks & Recreation Dept. - Master Plans for Parks and Recreation and plans development plans for specific parks. <http://www.cityofwhitefish.org/parks-and-recreation/park-planning-documents.php>
- Land and Water Conservation Fund - Montana State Parks administers federal funds for land acquisition and park improvements. <http://stateparks.mt.gov/recreation/lwcf.html>
- Montana Recreational Trails Program - Funding for recreational trails. <http://stateparks.mt.gov/recreation/rtpGrants.html>
- Montana State Parks Foundation - Non-profit that raises money for state parks. <https://www.montanastateparksfoundation.org/>
- Adventure Cycling Association - Non-profit in Missoula that provides resources for bicycling travel. Advocates for policies and funds to promote safety, amenities, and infrastructure. <https://www.adventurecycling.org/>
- USFS -Design guidelines for outdoor recreation amenities to comply with the America with Disabilities Act <http://fwp.mt.gov/recreation/ctb/links.html>

F. Strategies & Action Items

1. Create outreach materials to promote responsible tourism and reduce impact on environment.
<ul style="list-style-type: none"> • Topics - Leave no trace, recycling, AIS, responsible boating, wildfire mitigation, wildfire smoke, water quality best practices, reduce wildlife conflicts • Partners - CVB, Chamber, hospitality businesses • Best Practice - Visitor Sustainability Guide https://www.seemonterey.com/sustainable/
2. Expand programs and options for recycling and sponsor efforts to reduce overall waste/plastic use.
<ul style="list-style-type: none"> • Partners - Flathead County Solid Waste Board, waste haulers, non-profits • Resources - Montana State University Extension - Waste reduction guidelines for hotels http://www.montana.edu/pollution-prevention/hospfcthousekeeping.html Montana Dept. of Environmental Quality - Recycling resources (webinars) http://deq.mt.gov/Land/recycle
3. Survey businesses to identify and promote “green businesses” sustainable practices.
<ul style="list-style-type: none"> • Partners - Chamber, Climate Smart Glacier Country • Best Practice - Green Business Bureau, http://www.gbb.org/montana-green-business-certification/ Adventure Green Alaska - https://www.adventuregreenalaska.org/ Trip Advisor Green Leaders - https://www.tripadvisor.ca/GreenLeaders
4. Coordinate with land management agencies on issues related to crowding and conservation efforts.
<ul style="list-style-type: none"> • Partners - USFS, Glacier National Park, DNRC, Montana FWP, Whitefish Legacy Partners (WLP) • Resources - Land management plans • Best Practice - Whitefish Legacy Partners, City of Whitefish & DNRC partnership on Whitefish Trail
5. Protect open space through existing and new conservation easements.
<ul style="list-style-type: none"> • Partners - Flathead Land Trust, Trust for Public Land, DNRC, Montana FWP, Private Landowners, WLP • Resources - Grants (i.e. US Fish & Wildlife habitat preservation, https://www.fws.gov/) • Best Practice - Montana Association of Land Trusts https://montanalandtrusts.org/conservationeasements/
6. Assess options for carbon offset donations for conservation and to manage recreation assets.
<ul style="list-style-type: none"> • Partners - City of Whitefish Parks & Recreation Dept., Whitefish Community Foundation • Best Practice - Juneau, AK Carbon Offset fund, https://juneaucarbonoffset.org/
7. Adopt a wildlife management plan or policies to reduce potential for human-wildlife conflicts.
<ul style="list-style-type: none"> • Partners - Montana Fish, Wildlife, & Parks, USFS, WLP • Best Practice - Libby, MT - Wildlife Management Plan, Longmont, CO - Wildlife Management Plan
8. Create guidelines and work with landowners to adopt best management practices for water quality
<ul style="list-style-type: none"> • Partners - Whitefish Lake Institute, Flathead Conservation District, MT DEQ & DNRC, BNSF • Resources - USDA Natural Resource Conservation Service - Technical/Financial assistance for landowners near rivers & streams and low-impact development in urban areas https://www.nrcs.usda.gov/wps/portal/nrcs/mt/water/resources/
9. Encourage mitigation to reduce wildfire risk and promote emergency preparedness during wildfire season.
<ul style="list-style-type: none"> • Partners - Whitefish Fire Department, DNRC, Flathead County Dept. of Emergency Services • Resources - DNRC fire prevention site assessments, http://dnrc.mt.gov/divisions/forestry/fire-and-aviation/fire-prevention-and-preparedness/home-fire-risk • Best Practice - Firewise USA - https://www.nfpa.org/Public-Education/Fire-causes-and-risks/Wildfire/Firewise-USA • Air Quality, https://www.usda.gov/topics/climate-solutions & http://svc.mt.gov/deq/todaysair/
10. Advocate for appropriate funding levels for public agencies responsible for land management and outdoor recreation.
<ul style="list-style-type: none"> • Partners - State Legislators, non-profit advocacy organizations. • Best Practice - Montana Trails Coalition, https://www.montanatrailscoalition.org/

VII. TRANSPORTATION

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“Tourists do bring in a lot of money for local businesses, but with all the traffic: foot, vehicle and bike, it creates an increase in traffic and as a local resident you have to give yourself extra minutes to get to your job during the peak season. Also, tourists don’t know where things are and drive below the speed limit, cross the streets when they feel like it or bike in the middle of the road like they are a car or walk in the streets when there are sidewalks.”

Survey Comment

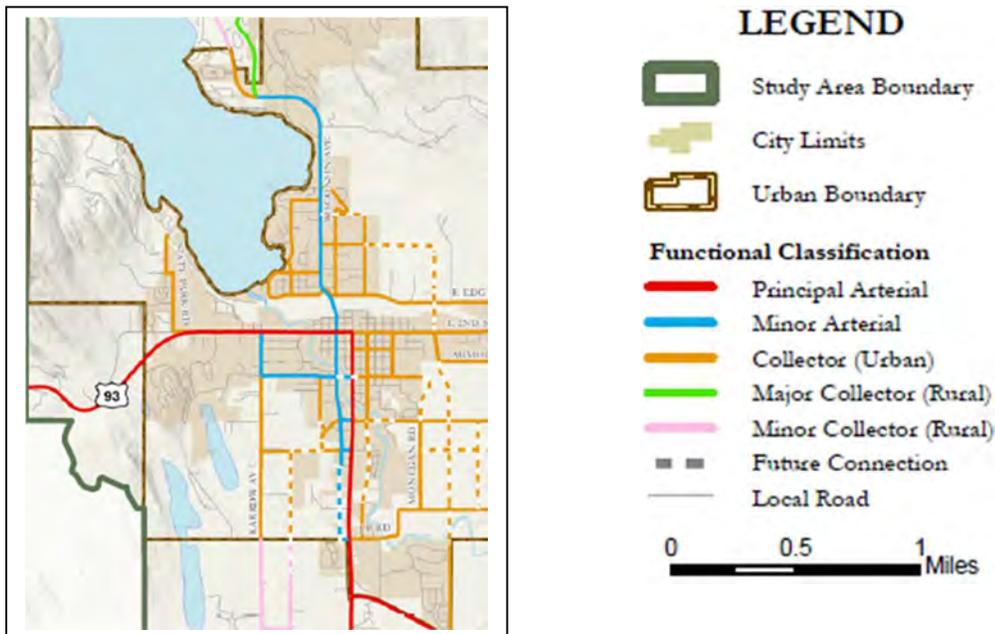
A. Goals

- Livability - Manage traffic to reduce congestion, promote safety, enhance connectivity, and accommodate all modes of travel.
- Community Engagement - Engage with partner agencies to address transportation issues and involve residents in the process to develop solutions.
- Community Character - Prioritize walkability and design transportation for people of all abilities and ages.

B. Road Network & Traffic Trends

US Hwy 93 is the primary route through Whitefish and carries the heaviest volume of traffic. The road is classified as a “Principal Arterial” and is under the jurisdiction of the Montana Department of Transportation (MDT). Baker Avenue and Wisconsin Avenue also have significant traffic volumes and are also under the jurisdiction of MDT. (See Figure 7.1)

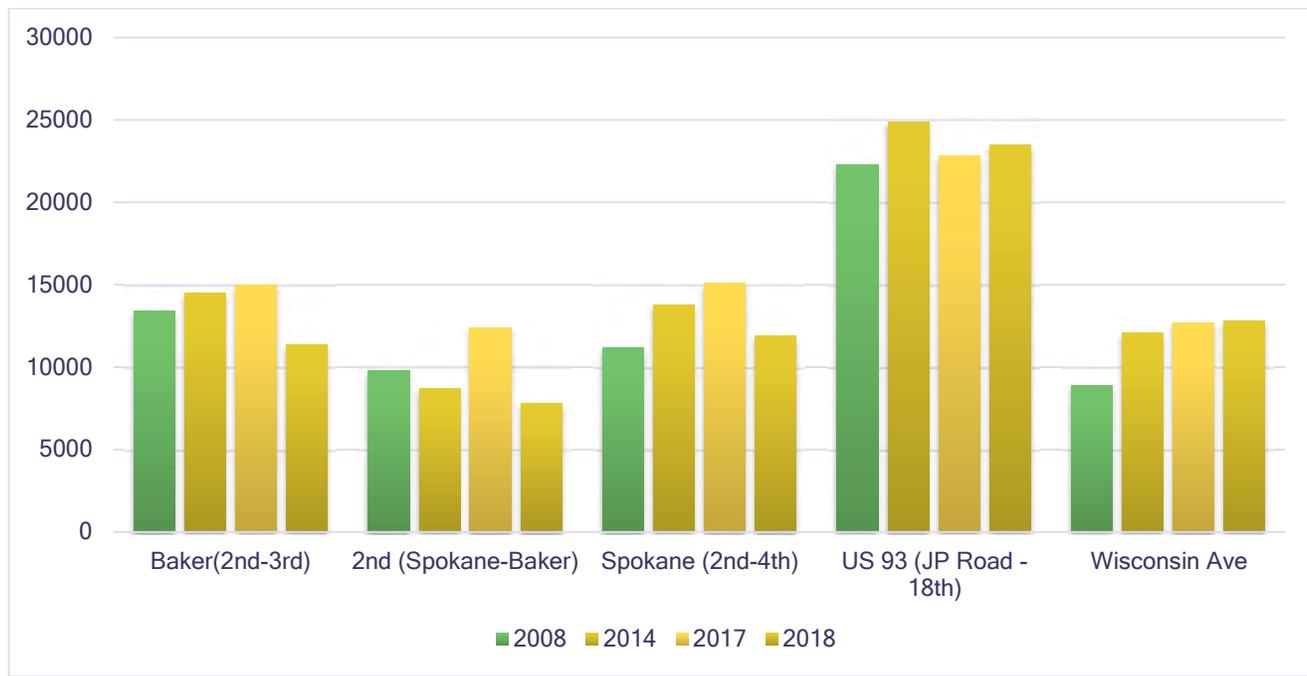
Figure 7.1: Functional Street Classification Whitefish



Source: Whitefish Transportation Plan - 2009

Figure 7.2 illustrates traffic volumes for the heaviest traveled road segments in Whitefish. As noted below, US 93 carries the highest volume of traffic in the City. It is a four-lane road from US Hwy 40 to 13th Street and traffic volumes on this segment exceed 20,000 Average Annual Daily Traffic (AADT). North of 13th Street, the road transitions to a two-lane street and traffic volumes decrease to about 15,000 AADT from 13th Street to 2nd Street. Traffic counts fluctuate from year-to-year depending on factors such as road construction, visitor traffic, and building activity.

Figure 7.2: Annual Average Daily Traffic - Selected Road Segments in Whitefish, MT



Source: https://www.mdt.mt.gov/publications/datastats/traffic_maps.shtml

Notes: Traffic counts taken June thru August

1. Traffic trends in Whitefish

- Level of service (LOS) - LOS is a measure to indicate how signalized intersections are performing, on a scale of A (Best) to F (Failing). It is a function of traffic volume, intersection capacity, and the delay a vehicle may experience when it arrives at the stop light. Intersections with a rating of LOS “E” or LOS “F” are indicators of severe congestion. According to the 2009 Transportation Plan, the following intersections were experiencing unacceptable delay times:
 - Baker/2nd Street - (*Has improved since improvements to intersection*)
 - Spokane Ave./2nd St. (*Has improved since improvements to intersection*)
 - Spokane Ave./13th Street
 - US 93/Highway 40
- Glacier National Park (GNP) - Traffic volumes in the downtown area are influenced by visitation to Glacier National Park. In 2017, there was record visitation in Glacier National Park and traffic on downtown streets also peaked in the same year.
- Wisconsin Avenue - Traffic volumes on Wisconsin Avenue in increased by 40% from 2008-2018. This corresponds to increased residential construction, and summer activities at Whitefish Mountain Resort. Traffic volumes in winter are influenced by peaks in skier visits. The lack of alternative north-south streets north of the railroad tracks presents challenges in traffic circulation.

- Population Growth - The City is projected to have an annual population growth rate of 1.5 - 2.5%. This will contribute to increasing traffic volumes.
- Truck Traffic - Since US 93 is the only principal arterial in Whitefish, this corridor also carries significant truck traffic. This includes through-traffic and trucks that are making deliveries to downtown businesses. This type of traffic contributes to congestion. There has been discussion of re-routing truck traffic onto Baker Avenue or a by-pass to avoid busy downtown streets.
- Safety - The most common type of crash is rear-end collisions, followed by collisions related to turning movements. Another traffic safety concern in Whitefish, related to the high number of drinking establishments, is impaired driving. Pedestrian-bike-vehicle conflicts are an additional safety issue that becomes more pronounced with congested roadways.
- Grid - The 2009 Whitefish Transportation Plan notes, “. it is believed the community of Whitefish is better served by strengthening the transportation grid system, providing additional east/west connectivity, and requiring corridor development in vacant land if and when land develops.” Projects to improve the grid include extending 18th St. between Baker and Karrow, extending 13th St. between Columbia Ave. and Voerman Road and extending Denver Street east and south as vacant land developments.

2. Current Plans & Best Practices

- Downtown - The 2015 update to the Downtown Business District Master Plan details design standards for roadways with an emphasis on pedestrian access and recommendations for bicycle lanes and multi-use paths. A pedestrian underpass at the viaduct on Baker Street, a priority project in city planning documents for more than a decade, will be constructed in 2020. The Plan also recognizes the need to improve traffic flow along the US 93 corridor. It designates streets for “Auto Mobility,” “Shopping Loop,” and “Pedestrian Friendly.” The Plan recommends widening Baker Street to improve traffic circulation (See Figure 7.3).
- Whitefish Transportation Plan - The City is updating the Whitefish Transportation Plan to identify improvements to the transportation system. The Plan addresses road network improvements, capacity issues, and alternative modes of transportation.
- US 93 Whitefish Urban Corridor Study - Montana Department of Transportation is updating the US 93 Whitefish Urban Corridor Study. MDT is working with a local committee to develop the Plan. . The purpose of this study is to determine the feasibility, scope and budget associated with improvement options on US-93 and other associated streets such as Baker Ave. and 13th St. Public communication and outreach are essential components of the feasibility study and if a solution is determined to be feasible, the project will advance to the design phase with MDT.
- Wisconsin Avenue Corridor Plan - The Wisconsin Avenue Corridor Plan was adopted in 2017. Transportation recommendations included reserving right-of-way for future improvements such as turn lanes and intersection improvements. Per the 2009 Whitefish Transportation Plan, the Plan recommends that as new development occurs, the street will include a new north-south collector street east of Denver Street.

Figure 7.3: Proposed Baker Street Cross Section



C. Pedestrians and Bicycles

A “walkable” community offers multiple benefits such as promoting wellness, reducing parking needs, reducing vehicle emissions, and contributing to overall livability. Visitors to the community value the ease of walking or biking around a community. Figure 7.4 shows the network of sidewalks, paved trails and striped bike paths for pedestrian and bicycle access in Whitefish. The Whitefish Trail network on States Trust lands is a system of natural trails that are readily accessible from the City. The *Connect Whitefish: Bicycle Pedestrian Master Plan* has a focus on safety, connectivity, and wayfinding:

- Safety - Reducing pedestrian-bike-auto conflicts and maintaining trails to prevent falls are key safety issues. The Plan recommends improvements to crosswalks, road markings, signage, and education to establish a safe and comfortable system of trails and pedestrian facilities. Designs should accommodate people of all abilities.
- Connectivity - Some neighborhoods lack sidewalks, and there are gaps in the existing trail network. The Plan recommends linking key destinations such as city and parks. A long-term goal is to connect to a county-wide trail network on state and county roads.

Figure 7.4: Bike Trails in Whitefish - Core Area



- Wayfinding - Per the recommendations in the Master Plan, the City installed directional signage along shared use paths in town.

Figure 7.5: Wayfinding Sign



1. Other Trends

- Bike tourists often spend time in destination towns and seek bike infrastructure and services. Bicycle tourism is a growing sector. Whitefish State Park bicycle campsites, and the Whitefish Bike Retreat located in the Beaver Lake area, are examples of facilities for this constituency.
- E-Bikes - Starting in the year 2020, e-bikes will be permitted in Glacier National Park. An outfitter has requested a permit, and it is likely that e-bikes will be expanded to other parts of the county. Private bike share companies are exploring establishing operations in Missoula.
- Funding - Sources for construction of new trails include resort tax, impact fees, and state and federal grants. Tax Increment Finance Funds can be used for trail construction. Maintenance funds typically come from city and county general funds. Ongoing operation and maintenance are a challenge as new trails are built. Bozeman is considering a parks and trails special district to establish an ongoing revenue source for maintenance.

Figure 7.6: E-Bike Docking Station



2. Existing Resources and Best Practices

- Whitefish Pedestrian and Bicycle Path Advisory Committee <http://www.cityofwhitefish.org/boards-and-committees/pedestrian-and-bicycle-path-advisory-committee.php>
- Montana Department of Transportation, *Montana Pedestrian and Bicycle Plan* <https://www.mdt.mt.gov/pubinvolve/pedbike/>
- Montana FWP - Recreational Trails Program, <http://stateparks.mt.gov/recreation/rtpGrants.html>
- Institute of Transportation and Development Policy - *Bikeshare Planning Guide*, <https://www.transformative-mobility.org/assets/publications/The-Bikeshare-Planning-Guide-ITDP-Datei.pdf>
- JeffCo Trails Plan, Jefferson County, CO <https://www.jeffcotrailsplan.org/>
- Bonner County Trails Plan, ID https://www.tpl.org/sites/default/files/files_upload/Bonner%20County%20Trails%20Plan.pdf

D. Parking

The Whitefish Sustainable Tourism Management Plan community survey indicated that downtown parking was a primary concern of residents. Respondents commented that there is a severe shortage of parking, and some residents indicated that they avoid downtown during summer months due to the lack of parking. Lack of parking causes drivers to circle the blocks to find available spaces and this contributes to traffic congestion. Traffic movements are further impeded by visitors who are not familiar with the City and drive around looking for parking. In 2019, the City commissioned the *Whitefish Parking Management Plan*. The Plan notes that employees/business owners are using on-street parking and this reduces the number of available customer parking spots. The multiple strategies in the Plan are most effective when they reinforce and complement each other. (See Figure 7.7) In addition to downtown, other considerations for parking include sustainable parking lot design, parking facilities for new mobility options (electric vehicles, car share, and bike share), and overflow parking at City Beach.

Figure 7.7: Parking Strategies from 2019 Whitefish Parking Management Plan

Enforcement & Management	<ul style="list-style-type: none"> • Parking Ambassador and Citation Management Software • Permit parking zones (employees, residential zones) • Signage, curb painting, striping
Technology	<ul style="list-style-type: none"> • Software (i.e. license plate recognition) • Mobile Apps (i.e. parking guidance system) • Smart parking lot - smart lights, smart trash cans,
Code Review	<ul style="list-style-type: none"> • Administrative authority to enact certain parking restrictions • Regulate transportation companies/ride share drop off areas • Regulate for alley parking/re-parking/bike share docking areas
Alternative Modes	<ul style="list-style-type: none"> • Expand Shuttles - Public Transit • Car pool incentives - Park-N-Ride Lots • Bike-Pedestrian-Transit Integration
Special Event	<ul style="list-style-type: none"> • Peak Period Shuttles • Designate areas for drop off/pick-up • Shared parking agreements with private lots
Future	<ul style="list-style-type: none"> • Dynamic Pricing - Paid Parking • Evaluate new parking structure • Plan for e-bikes, car sharing, autonomous vehicles

Existing Resources and Best Practices

- Park City, UT - Mobile parking app <https://www.parkcity.org/departments/parking/mobile-app>
- Sustainable Parking Design - Charging stations, rainwater collectors, efficient lighting, reducing impervious areas, shading, and other features are examples of sustainable designs. https://www.montcopa.org/DocumentCenter/View/9735/Green-Sustainable-Parking-Guide-2_10_2016-Web
- Car Sharing Laws - <http://www.ncsl.org/research/transportation/car-sharing-state-laws-and-legislation.aspx>

E. Transit – Mobility

Transit options reduce congestion, decrease emissions, and increase transportation options. Additionally, studies indicate that fewer Millennials have driver's licenses and that international visitors often have expectations for transit services when they travel. Ridership on Eagle Transit is primarily residents. While the Snow Bus provides services for both visitors and local employees.

1. Existing Services

Name	Description
Eagle Transit	<p>Fixed route service is operated by Flathead County and receives funding from the Federal Transit Administration. Service is provided on weekdays 7:00 am-6:00 pm in Kalispell, Whitefish, and Columbia Falls and on Intercity routes. Also operates dial-a-ride paratransit services by appointment for persons with disabilities.</p> <p>In the summer, Eagle Transit has partnered with Glacier National Park to offer shuttle service to the park and within the park boundaries. Flathead County ended this arrangement in 2019 and GNP is evaluating options for services.</p> <p>Eagle Transit is evaluating a new model for providing transit services that would create an integrated public transportation system to manage visitors and benefit the Park and the gateway communities. The system would rely on collaboration from a variety of partners. http://flathead.mt.gov/eagle/</p>
Snow Bus	<p>The S.N.O.W. (Shuttle Network Of Whitefish) Bus is a private bus operated by Whitefish businesses. The routes run from Mountain Mall to the Whitefish Mountain Resort. The S.N.O.W. Bus operates in the summer, as well as during the main winter/ski season. The S.N.O.W bus has a "Snowbus" tracker app to update riders on bus location. https://skiwhitefish.com/snowbus/</p>
Flathead Transit	<p>A service of the Confederated Salish and Kootenai Tribes (CSKT) that links Whitefish to Missoula, whereby people can transfer to the Jefferson Lines service, which is part of the larger Greyhound network. http://www.csktdhrd.org/transportation/flathead-transit</p>
Shuttles	<p>Several hotels in Whitefish offer shuttle services for their guests to the airport, ski area, downtown, and other points of interest in Whitefish. Major events such as skijoring and music festival have offered shuttle services.</p>
Private Taxi - Ride Share	<p>Taxi and rideshare (Uber) services are available in Whitefish.</p>
Multi-Modal Center	<p>To coordinate bus services and to integrate with pedestrian and bike traffic, the City has constructed a multi-modal transfer stop north of the library. The project includes a bus shelter, bike racks, and re-striping of the parking lot.</p> 

2. Transit Report

The Western Transportation Institute completed a transit study for the City in 2019. The recommendations in the report included:

- Coordinate scheduling and routes between Eagle Transit and the S.N.O.W Bus. Two places that the buses could meet to transfer passengers include the Mountain Mall or the Multi-Modal Center near Depot Park.
- Promote van pool and carpool programs. This requires coordination or partnerships with employers and was recommended as a mid-term priority. Employee bicycle fleets are another option discussed in the report.
- Identify park-n-ride lots for special events and evaluate future potential as commuter lots. The report identifies potential sites for a park-n-ride lot. All sites are located south of the railroad tracks. The Wisconsin Avenue Corridor Plan recommends a park-n-ride north of the tracks.
- Improve marketing and outreach to promote transit services, including signage, print materials, and electronic media.
- Integrate biking and bike share facilities with transit such as bike racks located near shelters, crosswalk striping, and appropriate signage. Post bike route maps at shelters and provide buses that can carry bicycles.
- Funding - FTA Section 5311 funding through the Montana Department of Transportation (MDT) may help offset some costs associated with transit and park-n-ride lots. MDT safety grants can be used to design bus stops for better pedestrian safety. Resort tax for trail connections to buses.

3. New Mobility

New mobility is a term that refers to ride share, bike share, car share, and transit services. Technology platforms are a critical component of new mobility transportation modes to provide on-demand flexible services, enhance trip planning, and provide incentives for more sustainable and affordable options. Such services are becoming more common and offer innovative solutions to address local transportation issues. Urban areas are integrating these new mobility services into transportation planning for cars, pedestrians, and bikes.

Employers cited the expense, and/or lack of transportation, as an obstacle to hiring employees who live in Kalispell, Columbia Falls, or other towns. The average annual cost of owning and operating a car in Flathead County is \$5623 (Source: ESRI Business Analysis. Includes car payments, gas, insurance and maintenance.)

4. Resources and Best Practices

Enterprise Car Share - Van Pool Program: <https://www.enterprise.com/en/carshare.html>

Federal Highway Administration, Transit Stop Safety Audit https://safety.fhwa.dot.gov/ped_bike/ped_transit/ped_transguide/

Pedestrian and Bicycle Information Center has resources, examples, and webinars on bike share systems. <http://www.pedbikeinfo.org/topics/bikeshare.cfm>

Missoula-Ravalli Transportation Management Association - Vanpool/carpool <http://www.mrtma.org/>

Sandpoint Pend Oreille Transit (SPOT) - Example of marketing through web site - <https://spotbus.org/>

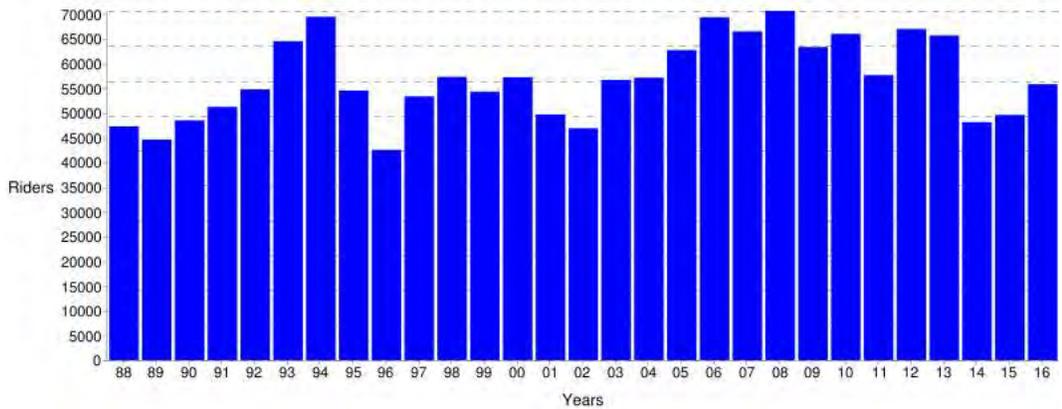
Jackson Hole START Bus, <https://www.jacksonwy.gov/363/START-Bus>

F. Air and Rail Service

1. Amtrak

The Empire Builder provides passenger service between Seattle and Chicago. The Whitefish Station has the highest ridership in Montana. Figure 7.8 shows a drop in ridership in 2014/15 due to major maintenance on the rail line. Ridership is also influenced by activity in the oil fields in North Dakota. Amtrak operates under the National Passenger Railroad Corporation. The Empire Builder is part of the “National Network” long distance route and receives an annual appropriation from Congress. It is important to communicate the importance of passenger service in Whitefish to the Congressional delegation to assure continued funding for this service. (Empire Builder Advocates <https://www.ebtrain.net/>)

Figure 7.8: Amtrak Ridership in Whitefish, MT, 1988-2016

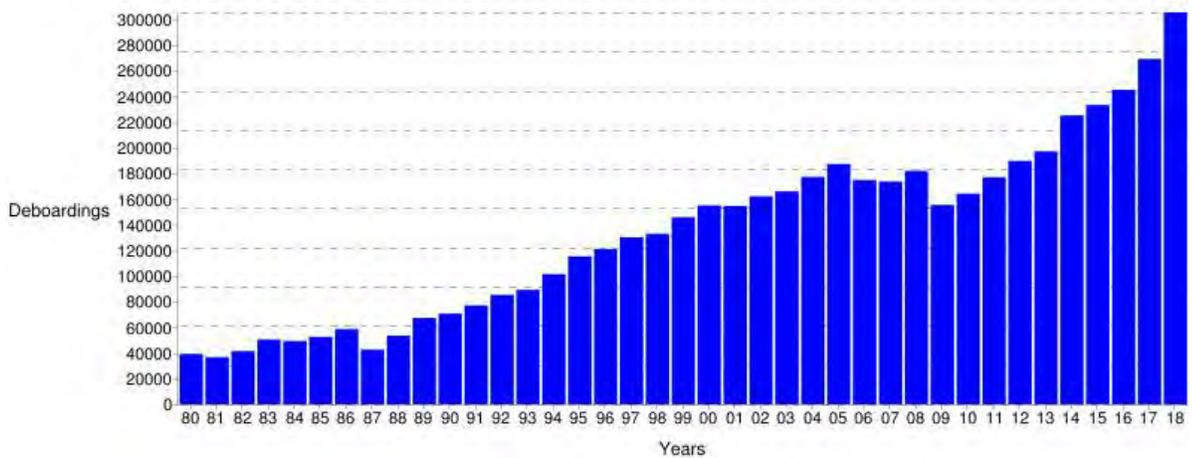


Source: <http://itr.uvm.edu/interactive-data/default.php> & <https://www.amtrak.com>

2. Air Travel

Figure 7.9 illustrates a steady increase in airport deboardings at Glacier Park International Airport. This has corresponded with increase in visitation, population growth, and business development and incentives. The Glacier Airline Enhancement and Retention Outreach (AERO) is a partnership of local organizations and business that partner with Glacier International to attract expanded services through minimum revenue guarantees for direct flights from targeted cities. <http://glacier-aero.com/>

Figure 7.9: Airport Deboardings at Glacier Park International Airport, 1980 - 2018



Source: <http://itr.uvm.edu/interactive-data/default.php>

G. Strategies & Action Items

1. Develop outreach materials and on-line apps to promote safety, transit, carpooling, and parking alternatives.
<ul style="list-style-type: none"> • Montana Dept. of Transportation, Vision Zero resources - https://mdt.mt.gov/visionzero/ • See Parking Management Plan for messaging strategies for parking • See Whitefish Transit study for messaging strategies for transit. Partner with transit providers. • https://rideamigos.com/
2. Incorporate recommendations from the Sustainable Tourism Management Plan into updates of transportation planning documents.
<ul style="list-style-type: none"> • Public Works Department; Montana Department of Transportation • Coordinate transportation plans with US 93 South Corridor Plan, Wisconsin Avenue Corridor Plan, US 93 West Corridor Plan, Downtown Plan, Eagle Transit Plan, and Parking Management Plan
3. Strengthen the east-west grid system with extension of 18 th Street, 13 th Street and Denver Avenue and other roadways identified in the upcoming transportation plan update.
<ul style="list-style-type: none"> • Evaluate priority projects and potential financing alternatives • Require appropriate building setback so new development doesn't encroach on future rights-of-way
4. Establish special event shuttles and promote best practices in planning for traffic management, reducing impaired driving and parking for special events.
<ul style="list-style-type: none"> • Whitefish CVB, Whitefish Police, Flathead County Sheriff, Chamber, private businesses • Federal Highway Administration - Transportation Planning for Planned Special Events https://ops.fhwa.dot.gov/publications/fhwahop11012/fhwahop11012.pdf • https://www.mdt.mt.gov/publications/docs/grants/impaired-driving-non-law-enforcement-mini-grant.pdf
5. Adopt guidelines for parking lot design to include sustainability and smart parking technologies.
<ul style="list-style-type: none"> • Public Works Department, Design Review Standards • EPA - Green Parking Lot Resource Guide http://www.streamteamok.net/Doc_link/Green%20Parking%20Lot%20Guide%20(final).PDF
6. Examine the feasibility of establishing a pilot program for car share with major employers.
<ul style="list-style-type: none"> • Partners - Montana West Economic Development, Eagle Transit, car rentals businesses, local employers https://scta.ca.gov/wp-content/uploads/2016/12/SCTA_CarShareFeasibilityStudy.pdf • Funding - Foundation Grants - Business Contributions
7. Coordinate with partners on planning for a valley wide transit system and integrate bike - transit - pedestrian modes into design of transit stops.
<ul style="list-style-type: none"> • Eagle Transit, S.N.O.W Bus, Cities of Whitefish, Kalispell, Columbia Falls, Glacier National Park • Federal Transit Administration - https://www.transit.dot.gov/ • Montana Department of Transportation - Transportation Alternatives Program Grants - Safety Grants https://www.mdt.mt.gov/mdt/ta_application.shtml
8. Establish park-n-ride lots, downtown employee parking permit system and parking demand management.
<ul style="list-style-type: none"> • City of Whitefish Transit Report, Parking Management Report • Funding for feasibility studies - https://mainstreetmontanaproject.com/resources/
9. Support efforts to fund, construct and maintain a trail system that provides connectivity between city trails, county trails and recreational trails.
<ul style="list-style-type: none"> • Whitefish Trail Committee, Whitefish Legacy Partners, Montana Department of Transportation, Flathead County, Non-profit biking organizations • Bozeman Parks and Trails Special District https://www.bozeman.net/city-projects/parks-and-trails-district
10. Adopt resolution to support passenger rail in the Flathead.
<ul style="list-style-type: none"> • National Rail Passengers Organization, https://www.railpassengers.org/
11. Continue to work with partners to improve year-round air service in the Flathead Valley
<ul style="list-style-type: none"> • Glacier AERO - http://glacier-aero.com/

VIII. IMPLEMENTATION

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“We can say with confidence that the problem will only get worse unless we as a community choose to take action.”

“With the understanding that visitation is bound to increase, we need to proceed with a plan”.

Survey Comments

A. Systems Approach

A systems approach recognizes the interrelatedness of different elements and pursues partnerships to accomplish mutual goals. Targeting actions to achieve multiple objectives benefits a variety of stakeholders and builds support for new initiatives. Ongoing communication among stakeholders is essential to respond to new challenges and opportunities. The approach recognizes that community systems are complex and dynamic. These systems continually change to reflect shifting trends and require periodic evaluation to assess the effectiveness of strategic actions.

For instance, changes in one of the STMP focus area can ripple through other parts of the system. A systems approach allows the City, CVB and partner organizations to respond to changing demands caused by tourism growth as well as evolving consumer preferences. Successful implementation plans account for each of the following interdependent factors that contribute to lasting change.

Figure 8.1: Managing Complex change



B. Roles and Responsibilities

This chapter compiles the implementation recommendations from the five focus areas and groups them by type of activity. High priority action items represent issues that ranked high with community members and stakeholders or are necessary to build capacity for effective change. The remaining action items should be reviewed annually to assign priorities for future timeframes. Several entities will have key roles and responsibility for implementing the Plan. They include:

City of Whitefish - The City of Whitefish initiated the planning process with a resolution in 2018 and formally adopted the Plan in 2020. The Plan will provide the strategic vision that will be incorporated with other planning initiatives. (Growth Policy, Transportation Plan, Downtown Business District Master Plan, Parking Master Plan, Housing Strategic Plan and others) Decisions on utilizing Resort Tax revenues, applying for grants, coordinating with other agencies, and making capital investments will be guided by the Plan recommendations.

The City Council will direct staff on implementation of the Plan and other partner organizations will be able to advocate for policies and programs. The City also has several Boards and Committees that are critical to implementation activities. Outreach to these Committee is an important aspect of engaging them in the strategic vision of the STMP.

Whitefish Convention and Visitor Bureau (CVB) - The Whitefish CVB is the designated non-profit receiving lodging tax revenues for visitor promotion. (MCA 15-16-212). The STMP provides guidance on messaging for branding, marketing and promotional materials and provides guidance on coordination with partner organizations. The CVB works with the Whitefish Convention and Visitor Bureau Advisory Board and submits an annual marketing plan to the City Council for approval.

Stakeholder Organizations: Implementation of the Plan relies on working with multiple groups. Collaborations may include such activities as engaging the community, conducting outreach, adopting marketing strategies, establishing policy and initiating new projects. Key stakeholders include:

- Tourism Agencies (MT Office of Tourism, Glacier Country Tourism Regional Commission)
- County (Solid Waste Board, Eagle Transit, Planning, Parks & Rec,)
- State Agencies (Dept. of Transportation, Fish, Wildlife & Parks, DNRC, DEQ, Dept. of Commerce, Office of Outdoor Recreation)
- Economic development agencies (Chamber of Commerce, Montana West Economic Development)
- Education (Whitefish Schools, Flathead Valley Community College, University of Montana)
- Civic groups (Whitefish Housing Authority, Whitefish Community Foundation, various non-profit organizations)
- Elected Officials (City council, county commission, state legislators, congressional staff)

C. High Priority” Capacity Building” Actions

Initiatives that fail to incorporate all the factors of complex change are often ineffective and result in frustration for project partners. To avoid failed efforts, the following actions build capacity and become a foundation for successful outcomes. These actions should be undertaken in the first year following adoption of the Plan.

1. Education - Outreach: Communication and outreach is critical for the Plan to be effective and to establish priorities. Outreach to tourists can encourage low impact travel practices while outreach to community members can engage them in local solutions. Outreach and educational materials include web pages, social media, displays, tours, events, educational signs, news media campaigns, and promotional materials. The Whitefish Convention and Visitor Bureau will be the lead on this task and have already allocated funds for this effort. Outreach topics should include the following:

- Local education for habit changing initiatives surrounding encouraging more walking and biking, carpooling, school drop off and pickup habits, any habits that contribute to gridlock or overcrowding, social media habits, and other local solutions
- Resort tax benefits and information on reauthorization of the resort tax
- Sustainable travel practices: Recycling, reducing carbon footprint, supporting local businesses & programs, conservation
- Tourism benefits and City efforts to reduce impacts of increased visitation
- Promote transportation alternatives: Transit, car/van pooling, park and ride
- Pedestrian and bike safety, road safety
- Location of parking spaces, parking rules, employee parking guidelines
- Responsible recreation: Leave no trace principles, responsible boating, reducing wildlife/human conflicts, social media practices
- Guidelines for year-round water conservation practices & updates on water/wastewater infrastructure improvements
- Best practices to protect water quality - Lakeshore-riparian area protection, reduce non-point pollution, protect against aquatic invasive species
- Landlord education: Short term rentals, landlord/renter relationships, property maintenance
- Wildfire topics: Emergency preparedness for wildfire, dealing with wildfire smoke, wildfire mitigation/prevention
- Green business practices: Reduce waste, energy/water conservation, green building

2. Tourism Standing Committee: The City Council will appoint a standing committee to oversee the recommendations of the Plan with a long-term goal of hiring a “sustainability coordinator” that will function to implement the “Climate Action Plan” as well as the STMP.

3. **Business Survey:** A survey of business owners will determine the level of support for initiatives and recommendations from the STMP. Results from the survey will be used to inventory existing efforts, identify new opportunities, and facilitate potential partnerships. CVB will take the lead with assistance from the Chamber of Commerce, Montana West Economic Development and Flathead Valley Community College on survey design and administration. Survey topics include:
- “Buy local” campaigns - What types of activities would best support local businesses (directories, advertising, promotions, Whitefish bucks,)
 - Green certification for businesses - What types of programs are businesses already using
 - Work force development. (Day care, car sharing, apprenticeships....)
4. **Benchmarking & Data Collection:** Benchmarking tools, or “community indicators” are used to evaluate planning policies and programs over time. Decision makers can use the tools to measure progress, adjust program priorities and respond to new opportunities. Public participation is essential to ensure that benchmarks reflect community vision and values. The benchmarking effort is also a means to keep stakeholders engaged in the implementation process. Data in the STMP, CVB resources and ITRR can provide baseline data. This effort will include an ongoing plan for data collection. Whitefish Convention and Visitor Bureau will lead the project by a convening a stakeholder task force to undertake this task. Benchmarking resources include:
- Global Sustainable Tourism Council - <https://www.gstcouncil.org/>
 - <http://www.sustainablemeasures.com/indicators>
 - <https://communityindicators.net/>

D. High Priority Issue Oriented Actions

The table below highlights “High Priority” policy/planning actions. These “high priority” actions either respond to rapidly changing trends that are having a significant impact on the community or require a timely involvement in a policy/legislative actions that will be considered within the upcoming year.

1. **Short-Term Rentals:** The number of short-term rentals has grown dramatically since 2017 when the Whitefish Housing Strategic Plan was adopted. While the City has an active enforcement program, many of the new vacation rentals are legal and are being constructed in areas that are zoned for such units within the City or in the unincorporated areas in the Whitefish zip code.

Task:	Timeframe
Enforcement -Continue using STR software, monitoring trends and coordinate with the county on short-term rental enforcement in the zip-code. (Planning Dept.)	Ongoing
Education - Realtor/Landlord workshop on short-term rental compliance. (Whitefish Strategic Housing Committee)	Fall, 2020
Zoning - Address in Growth Policy to limit new zoning for short term rentals , parking minimums & restrict short term rentals in accessory dwelling units (Planning Dept.)	See Strategic Housing Plan for more detail
Incentives to convert STR to long-term rentals. (Whitefish Strategic Housing Committee)	Top-tier priority in workforce housing strategic plan

- 2. Recycling:** Changes in recycling market have resulted in a limited market for recyclables. Some waste haulers are no longer accepting plastics and there are limited options for glass recycling. There are issues at drop-off sites with contamination of materials. Businesses report that consumers and visitors frequently comment about the lack of recycling options.

Tasks:	Timeframe
Educate businesses, visitors and residents on proper recycling practices and encourage practices to reduce overall waste. (Whitefish Climate Action Plan Committee)	Coordinate with Outreach efforts
Work with partners to research best practices for recycling and host local workshops. (Climate Action Committee, Flathead County Solid Waste Board, DEQ, Kalispell, Columbia Falls, solid waste haulers and recyclers.)	2020
Seek grants to incentivize local use of recycled materials. (Find non-profit partner to take lead.)	Follow-up on research from previous task
Expand opportunities for local use of recycled glass in projects such as landscaping and road construction. (Public Works, Climate Action Committee, recycling businesses, and private sector.)	Ongoing

- 3. Funding:** The Montana Legislature will be in session in 2021 and will be passing a budget that may impact funding for many of the programs discussed in the STMP. Communicating priorities to elected officials is important to secure ongoing funding and support for the following programs:
- Transportation - Transit, passenger rail, trails, roads, safety, bike-pedestrian facilities, and other alternative transportation.
 - Lodging Tax
 - Infrastructure - Water, sewer, public facilities, broadband, and other infrastructure.
 - Community Development & Main Street grants
 - Public land access, trails, state parks, fishing access,
 - Recreation management on State Trust Land
 - Housing Programs

Tasks:	Timeframe
Contact affiliate organizations to determine if matters of interest are being monitored and to coordinate on a response to proposed bills. (City, CVB, and other stakeholders)	Fall 2020
Submit testimony in writing or in person on specific legislation of interest. Encourage partners to submit testimony. (City, CVB, and other stakeholders)	Jan-March 2021
Engage in ongoing communication and advocacy to increase awareness and build support following the legislative session. (City, CVB, and other stakeholders)	Ongoing
Send out periodic updates to stakeholders and include legislative matters as part outreach.	Coordinate with Tourism Summit

- 4. Wildfire Preparedness:** The entire City of Whitefish and surrounding area is located within the Wildland - Urban Interface (WUI). There are critical life safety concerns that are exacerbated when peak summer crowds are in town during the height of wildfire season. The County is updating the Community Wildfire Protection Plan and the City is participating in the Firesafe Communities program. This offers an opportunity for the City to be engaged in wildfire preparedness efforts.

Tasks:	Timeframe
Partner with DNRC and Climate Action Plan Committee on Wildfire Prepared workshop.	Spring 2020
Include information on wildfire preparedness in education and outreach materials.	2020
Participate in update of the Flathead County Community Wildfire Protection Plan (CWPP)	TBD
Work with DNRC to promote residential fire audits	Ongoing

- 5. Transportation - Transit - Bike-Pedestrian:** Public participation indicated that transportation issues were a priority with members of the public. Recommendations to address these issues included expanding transit options, promoting alternative transportation, and expanding the bike/pedestrian trail network. Eagle Transit is undertaking a planning effort for providing transit services.

Tasks:	Timeframe
Promote alternative modes of transportation such as walking routes, biking, carpool and transit through outreach, on-line apps and designing integrated pedestrian-bike-transit designs.	2020
Reduce downtown congestion through employee parking permit program and special event shuttle policies per the recommendations in the Master Parking Plan.	2020
Establish a pilot park-n-ride lots for employees per the Whitefish Transit plan recommendations.	2021
Participate in the countywide transit planning process to promote routes that will address needs of employees in Whitefish and provide a direct route to Glacier National Park.	2020-2021
Conduct a survey of employers to determine support for a feasibility study for a car-sharing program in Whitefish.	2021

E. Marketing – Strategies

Marketing strategies include refinement of the Whitefish brand materials (marketing, trip planning....) efforts to incorporate messaging about sustainable travel in marketing, trip planning and on-site materials. A key to sustainability is to avoid promotion that will increase visitor numbers in the peak summer months. There was strong support to continue successful marketing strategies to attract low-impact visitors in the off-peak season and to pursue new markets that would target sustainability-oriented travelers to visit Whitefish in non-peak shoulder seasons.

High Priority Marketing Strategies
<ul style="list-style-type: none"> • Review messaging and branding efforts to make sure they are consistent with sustainable travel and recreation practices. • Work with employers, FVCC and partners on training workshops/materials for hospitality/seasonal workers regarding communications about sustainability and tourism impacts. • Strategically target segments of travelers interested in sustainability. Share data and information from Tapestry profiles with local businesses to assist with targeted marketing efforts. • Work with CVB and other organizations to promote winter and off-season and coordinate with local organizations to continue organizing events in the shoulder seasons • Promote "Farm-to-Table", local food and microbrewing/distillery/wine products and businesses. • Provide grants for activities that will strengthen tourism in the shoulder season. • Use off-peak seasons to host educational events with topics of interest to residents and visitors who share sustainability values. • Emphasize "Experiential" retail to promote local businesses. (Painting, cooking, and other classes hosted by local retailers.) • Strategically market off-season "Bleisure" opportunities (combining business trips with leisure opportunities). • Market "Voluntourism" opportunities to support local non-profits and increase off-season visitation.

Lead Agency & Partners: The CVB is the lead in marketing efforts. The City of Whitefish Convention and Visitor Tourism Board should share strategies with the Montana Office of Tourism and Glacier Country Regional Tourism Commission that market Montana and Whitefish to promote complementary messaging. Coordinate evaluation of branding and messaging with results of business survey.

Figure 8.2: Example of process for developing marketing strategies



F. Coordination & Planning Actions

Implementation often relies on supporting, or expanding, existing plans and programs by the City, county, state, and other agencies. Such support may include increasing awareness, communicating priorities, providing funding, and establishing new programs. The City and CVB should actively engage in planning processes to advance the SMTP goals. Such engagement may involve participating on task forces or committees, attending meetings, reviewing documents, drafting letters of support, or providing public comments. Community engagement is a key pillar of the STMP that underlies all public processes and is a critical component of implementation strategies.

Tasks:	Comments
Coordinate with Whitefish Strategic housing Task Force on implementing “Workforce Housing Strategic Plan”	STMP recommends that the Task Force continue with Tier 1 implementation and give priority to converting short term rentals to workforce housing, landlord education and homeownership programs.
Coordinate with partners (Eagle Transit, S.N.O.W. Bus, Glacier National Park, and others) to develop solutions on transit and to address following priority needs: Direct route from Whitefish to Glacier National Park Address needs of commuters who work in Whitefish Mobility alternatives (car sharing, park & ride, and van pooling)	A planning process for Eagle Transit is underway. CVB and City representatives should engage in the process and communicate STMP goals and priorities.
Coordinate with Whitefish Parks & Trail Committee, Whitefish Legacy Partners & Flathead County Parks and Recreation on trail connectivity and safety. Update trail user policies to reflect increase use on trails. (i.e. dogs, trailhead parking, and general trail etiquette.)	City adopted trail plan in 2017. County adopted an update to the Trails Master Plan 2020. Continue to engage with the trail groups through participation on committees, letters of support, partnerships, and public comments on the trail projects.
Support Climate Action Committee implementation of sustainability strategies in the Whitefish Climate Action Plan.	Work with CAP Committee to prioritize recycling and wildfire preparedness efforts. Highlight sustainability strategies at tourism summit. Include questions on green business practices in survey. Include sustainability strategies in outreach efforts. Write letters of support for grants and other programs.
Update as needed and implement Downtown Business District Master Plan to coordinate with other planning processes and the US 93 Urban Core Transportation Plan	Plan was adopted in 2015. An update as needed to account for the following: <ul style="list-style-type: none"> • Growing short-term rental properties being developed in downtown. • Adoption of Parking Management Plan • Adoption of the “Connect Whitefish Bicycle & Pedestrian Plan” in 2017 • Adoption of “Climate Action Plan” • US 93 Urban Core Planning process underway • Whitefish Transit Plan with recommendations for ride share lots

Task	Comments
<p>Coordinate with Montana West Economic Development Chamber of Commerce, FVCC and businesses on following issues in the STMP.</p> <ul style="list-style-type: none"> • Entrepreneurship/small business development • Workforce issues - day care, car share apprenticeships, and other strategies • AERO - Year-Round flights • Business incubator - Commercial space inventory • Investment cooperative 	<p>Solicit assistance with promoting STMP survey.</p> <p>City Council representative on MWED/FCEDA Board can communicate high priority issues.</p> <p>Include economic development partners in tourism summit and business survey efforts.</p> <p>Participate in next update of Comprehensive Economic Development Strategy (CEDS) to include STMP goals</p>
<p>Coordinate with public safety agencies and public health officials on crisis communication, special event planning, hazard mitigation and wildfire preparedness.</p>	<p>Participate in Fire Safe program & mitigate health effects from wildfire smoke</p> <p>Participate in county update of the Pre-Disaster Mitigation Plan.</p> <p>Coordination between agencies on Pre-planning for special events and on crisis communication.</p> <p>Response plan with BNSF for potential spills.</p>
<p>Coordinate with housing providers and social service agencies on homeless issues.</p>	<p>Support efforts by Whitefish Community Foundation, Community Action Partnership, and other non-profits to address issue by letters of support, contributions to programs, and participating in events or forums,</p>
<p>Coordinate with FWP, Office of Outdoor Recreation and conservation organizations on issues such as public land access, aquatic invasive species (AIS), wildlife-human conflicts (i.e. avoid practices that condition wildlife to humans, protect wildlife corridors, reduce vehicle collisions, and avoid wildlife conflicts while recreating)</p>	<p>Support conservation easements and increasing public land access.</p> <p>Coordinate with Whitefish Lake Institute and FWP to continue AIS in inspections and education</p> <p>Adopt urban wildlife plan. Require bear-proof containers. Education and outreach.</p>
<p>Update development codes and design standards to implement STMP goals including:</p> <ul style="list-style-type: none"> • Architectural design standards • Historic preservation • Smart Parking - Sustainable Parking Designs • Dig Once - Open Trench policies for broadband • Sustainable infrastructure • Gateway signage and landscaping 	<p>Coordinate with updates of city growth policy, land development codes, engineering standards and design guidelines.</p> <p>Conduct historic preservation survey as basis for developing design guides and regulations.</p> <p>Adopt design standard from US 93 South Corridor Plan, Wisconsin Av. Corridor Plan & Downtown Business District Plan</p>
<p>Coordinate with Montana Department of Transportation, Public Works Department, and County Road Department regarding transportation, parking, and mobility recommendations. Reflect STMP goals and recommendations in the update of the Whitefish Transportation Plan</p>	<p>Undertake projects for employee parking and enforcement based on the Parking Management Plan.</p> <p>The Whitefish Transportation Plan is being updated in 2020 and will evaluate improvements to the transportation network</p> <p>Establish park-n-ride lots based on the Whitefish Transit Plan.</p>

G. Work Program

	2020		2021				2022
	3 rd Qtr	4 th Qtr	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	1 st Qtr
Education -Outreach Campaign Dev.							
Education - Outreach Implementation							
Appoint Tourism Standing Committee							
Business Survey							
Recycling Research							
Fire Preparedness Workshop - Audits							
Legislative Outreach							
Update Trail User Policies							
Summer/Special Event Shuttle - Policies							
Benchmarking - Data Collection Project							
Refine Whitefish Brand Guides							
Update STR Zoning-Parking regulations.							
Incentivize STR conversion to workforce housing							
Downtown Employee Parking permit							
Pilot Park-N-Ride - Carpool program							
Coordination Activities							
US 93 Urban Core Transportation Plan							
Whitefish Transportation Plan							
County Transit Plan							
Pre-Disaster Mitigation Plan							
City Growth Policy Update							
To Be Scheduled: <ul style="list-style-type: none"> Landlord - Realtor Education Day Care Initiative Car share Feasibility Study (If employer interest) Worker Apprenticeship Programs thru FVCC Business Incubator Commercial Space Inventory Impaired Driving Prevention Grant Commercial space inventory Local Investment Cooperative 			<ul style="list-style-type: none"> Urban Wildlife Management Plan Historic Preservation Survey Gateway Treatments Update Architectural Design Guidelines Dig Once/Open Trench Policies Update BNSF response plan Sustainable/smart parking designs County zoning - proposed amendments Homeless prevention Broadband Task Force Coordinate with public health on air quality 				

Appendix A: Life Mode Categories

LifeMode 6—Cozy Country Living: 52.5% in Whitefish (The Great Outdoors, Rural Resort Dwellers, Green Acres segments)

- Empty nesters in bucolic settings
- Largest Tapestry group, almost half of households located in the Midwest
- Homeowners with pets, residing in single-family dwellings in rural areas; almost 30% have 3 or more vehicles and, therefore, auto loans
- Politically conservative and believe in the importance of buying American
- Own domestic trucks, motorcycles, and ATVs/UTVs
- Prefer to eat at home, shop at discount retail stores (especially Walmart), bank in person, and spend little time online
- Own every tool and piece of equipment imaginable to maintain their homes, vehicles, vegetable gardens, and lawns
- Listen to country music, watch auto racing on TV, and play the lottery; enjoy outdoor activities, such as fishing, hunting, camping, boating, and even bird watching

LifeMode 5—GenXurban: 27.5% in Whitefish (In Style, Parks and Rec)

- Gen X in middle age; families with fewer kids and a mortgage
- Second largest Tapestry group, comprised of Gen X married couples, and a growing population of retirees
- About a fifth of residents are 65 or older; about a fourth of households have retirement income
- Own older single-family homes in urban areas, with 1 or 2 vehicles
- Live and work in the same county, creating shorter commute times
- Invest wisely, well-insured, comfortable banking online or in person
- News junkies (read a daily newspaper, watch news on TV, and go online for news)
- Enjoy reading, renting movies, playing board games and cards, doing crossword puzzles, going to museums and rock concerts, dining out, and walking for exercise

LifeMode 11—Midtown Singles: 12% in Whitefish (Set to Impress)

- Millennials on the move—single, diverse, urban
- Millennials seeking affordable rents in apartment buildings
- Work in service and unskilled positions, usually close to home or public transportation
- Single parents depend on their paycheck to buy supplies for their very young children
- Midtown Singles embrace the Internet, for social networking and downloading content
- From music and movies to soaps and sports, radio and television fill their lives
- Brand savvy shoppers select budget friendly stores

LifeMode 10—Rustic Outposts: 7.8% in Whitefish (Southern Satellites)

- Country life with older families in older homes
- Rustic Outposts depend on manufacturing, retail, and healthcare, with pockets of mining and agricultural jobs
- Low labor force participation in skilled and service occupations
- Own affordable, older single-family or mobile homes; vehicle ownership a must
- Residents live within their means, shop at discount stores, and maintain their own vehicles (purchased used) and homes
- Outdoor enthusiasts, who grow their own vegetables, love their pets, and enjoy hunting and fishing
- Technology is cost prohibitive and complicated. Pay bills in person, use the yellow pages, read newspapers, magazines, and mail-order books

Finally, the following are descriptions of the Urbanization Groups under which the Lifestyle Segments are categorized (another way of looking at the segments, based on data analytics):

Rural: 60% in Whitefish (Great Outdoors, Rural Resort Dwellers, Southern Satellites, Green Acres)

- Country living featuring single-family homes with acreage, farms, and rural resort areas
- Very low population density distinguishes this group—typically less than 50 people per square mile
- Over half of all households are occupied by persons 55 years and older; many are married couples without children at home
- The least diverse group, with over 80% non-Hispanic White
- Mostly homeowners (80%), but rentals are affordable in single-family or mobile homes
- Long trips to the store and to work—often drive alone in trucks or SUVs, listening to country radio
- Blue collar jobs dominate the landscape including manufacturing, agriculture, mining, and construction
- Many are self-employed, retired, or receive income from Social Security
- Satellite TV and landline phones are necessary means to connect
- More conservative in their spending practices and beliefs
- Comfortable, established and not likely to move

Metro Cities: 35.5% in Whitefish (In Style, Set to Impress)

- Affordable city life including smaller metropolitan cities or satellite cities that feature a mix of single-family and multiunit housing
- Single householders seeking affordable living in the city: usually multi-unit buildings that range from mid- to high-rise apartments; average monthly rents and home value below the U.S. average
- Consumers include college students, affluent Gen X couples, and retirement communities
- Student loans more common than mortgages; debit cards more popular than credit cards
- Residents share an interest in city life and its amenities, from dancing and clubbing to museums and concerts
- Convenience and mobility favor cell phones over landlines
- Many residents rely upon the Internet for entertainment (download music, play online games) and as a useful resource (job searches)

Suburban Periphery: 4% in Whitefish (Parks and Rec)

- Urban expansion: affluence in the suburbs or city-by-commute
- The most populous and fast-growing among Urbanization groups, Suburban Periphery includes one-third of the nation's population
- Commuters value low density living, but demand proximity to jobs, entertainment, and the amenities of an urban center
- Well-educated, two-income households, accept long commute times to raise their children in these family-friendly neighborhoods; many are heavily mortgaged in newly built, single-family homes
- Older householders have either retired in place, downsized, or purchased a seasonal home
- Suburbanites are the most affluent group, working hard to lead bright, fulfilled lives
- Residents invest for their future, insure themselves against unforeseen circumstances, but also enjoy the fruits of their labor

Appendix B: Examples of Visitor Education Materials

Figure : Example of Sustainable Tourism Web site - Moab, UT - Do It Like a Local



<https://www.doitlikeamoablocal.com/>

Take the Bend Pledge

Want to take your love of Bend to the next level? Cross your heart, pinky swear, and make a heartfelt promise you'll leave Bend a little better than you found it. Not only is it the Bend way, we'll sweeten the pot by gifting random oath-takers **a free Bend vacation**.

The Bend Pledge is our way of creating a code of conduct for everyone who spends time in Central Oregon. We follow "Leave No Trace" practices whether we're picking up trail litter or packing reusable water bottles. We smile at strangers and we practice common courtesy on the road. Sounds pretty sweet, right? It gets better.

Take "The Bend Pledge" today and you could win one of two Bend vacations including lodging, meals, and activities. We draw one random pledge participant every January 1 and again June 1, so you've always got another chance to be a winner.

But even if you don't score the big prize, you're a winner in our book for vowing to do your part to keep Bend special by taking The Bend Pledge below.

1. I VOW TO BE A RESPECTFUL GUEST IN BEND'S INDOOR AND OUTDOOR SPACES.
2. I'LL MAKE MY OWN MEMORIES, BUT NOT MY OWN TRAILS.
3. I WILL BE RESPONSIBLE WITH FIRE DURING DRY SUMMER MONTHS AND WITH ICE ON SLICK WINTER ROADS.
4. I WON'T RISK LIFE OR LIMB (HUMAN OR SAPLING) FOR MORE LIKES.
5. I'LL BE FRIENDLY AND COURTEOUS, BECAUSE THAT'S THE BEND WAY.
6. IF I CAN'T FIND A PARKING SPOT, I WILL NOT INVENT MY OWN.
7. WHEN PLAYING OUTSIDE, I'LL PREPARE FOR SHIFTS IN WEATHER AND RANDOM EPISODES OF MAGIC.
8. I'LL PACK IN REUSABLE CONTAINERS AND PACK OUT ALL MY TRASH.
9. I WILL USE MY TURN SIGNAL OFTEN AND MY CAR HORN SELDOM.
10. I PROMISE TO LEAVE BEND BETTER THAN I FOUND IT.

<https://www.visitbend.com/the-bend-pledge/>

Figure : Sustainable Travelers Infographics



Appendix C: Tips for Coalition Building – Advocacy

1. Contact affiliate organizations to determine if matters of interest are being monitored and to coordinate on a response to proposed legislation. Organizations may include:
 - Montana League of Cities
 - Montana Economic Developers Association
 - Montana Association of Planners
 - Montana Housing Coalition
 - Montana Trails Coalition
2. Invite congressional staff and legislators to attend events, workshops, and meetings to learn more about matters of interest.
3. Submit testimony in writing or in person on specific legislation of interest. Encourage partners to submit testimony.
4. Raise awareness of important issues by passing resolutions to support efforts or programs that have been identified in the STMP and send resolutions to legislators and other public officials. (i.e. Resolution declaring “Empire Builder Days” to show support for rail passenger services.)
5. Show appreciation to legislators and public officials for actions they take in support of STMP strategies by a written letter or public award.
6. Attend local events where there is an opportunity to meet with state and federal officials to learn and discuss first hand about issues in the STMP.
7. Issue press releases and write letter to the editors to generate broad community support for strategies in the STMP.





CITY COUNCIL REGULAR MEETING AGENDA

The following is a summary of the items to come before the City Council at its regular session to be held on Monday, August 3, 2020, at **7:10 p.m.** at City Hall, 418 E. 2nd Street, 2nd Floor.

Ordinance numbers start with 20-12. Resolution numbers start with 20-21.

- 1) CALL TO ORDER
- 2) PLEDGE OF ALLEGIANCE
- 3) COMMUNICATIONS FROM THE PUBLIC — (This time is set aside for the public to comment on items that are either on the agenda, but not a public hearing or on items not on the agenda. City officials do not respond during these comments but may respond or follow-up later on the agenda or at another time. The Mayor has the option of limiting such communications to three minutes depending on the number of citizens who want to comment and the length of the meeting agenda)
- 4) COMMUNICATIONS FROM VOLUNTEER BOARDS
- 5) CONSENT AGENDA
 - a) [Minutes](#) from July 14, 2020 Emergency Special Session (p.142)
 - b) [Minutes](#) from July 20, 2020 Regular Session (p.146)
 - c) [Consideration](#) of a request for a Whitefish Lake and Lakeshore Permit located at 20 and 22 (A,B,C) Woodland Place to add sections to an existing 587 square-foot I-shaped EZ dock (WLP 20-W14) (p.149)
- 6) PUBLIC HEARINGS (Items will be considered for action after public hearings) (Resolution No. 07-33 establishes a 30-minute time limit for applicant's land use presentations. Ordinances require 4 votes for passage – Section 1-6-2 (E)(3) WCC)

None
- 7) COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR
 - a) [Consideration](#) of appointing a Selection Panel and Interview Panel for the Edgewood and Texas reconstruction project (p.177)
- 8) COMMUNICATIONS FROM FINANCE DIRECTOR
 - a) [Resolution No. 20-](#) ; A Resolution relating to \$11,000,000 Water System Revenue Bonds (DNRC Drinking Water State Revolving Loan Program), Consisting of \$6,000,000 Series 2020A Bond and \$5,000,000 Series 2020B; Authorizing the Issuance and Fixing the Terms and Conditions (p.183)
- 9) COMMUNICATIONS FROM CITY MANAGER
 - a) [Written report](#) enclosed with the packet. Questions from Mayor or Council? (p.236)
 - b) Other items arising between July 28th through August 3rd
- 10) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS
 - a) [Letter](#) from Lynn Hartshorne pertaining to Lot 3 on River Lakes Parkway (p.242)
 - b) [Consideration](#) of a request from Alta Views, LLC to extend the remaining \$249,000 cash-in-lieu of affordable housing in two payments (p.244)
- 11) ADJOURNMENT (Resolution 08-10 establishes 11:00 p.m. as end of meeting unless extended to 11:30 by majority)



The following Principles for Civil Dialogue are adopted on 2/20/2007 for use by the City Council and by all boards, committees and personnel of the City of Whitefish:

- We provide a safe environment where individual perspectives are respected, heard, and acknowledged.
- We are responsible for respectful and courteous dialogue and participation.
- We respect diverse opinions as a means to find solutions based on common ground.
- We encourage and value broad community participation.
- We encourage creative approaches to engage public participation.
- We value informed decision-making and take personal responsibility to educate and be educated.
- We believe that respectful public dialogue fosters healthy community relationships, understanding, and problem-solving.
- We acknowledge, consider and respect the natural tensions created by collaboration, change and transition.
- We follow the rules and guidelines established for each meeting.

Adopted by Resolution 07-09
February 20, 2007

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July 29, 2020

The Honorable Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana



Mayor Muhlfeld and City Councilors:

Monday, August 3, 2020 City Council Agenda Report

There will be a work session at 6:00 pm to review the Sustainable Tourism Management Plan. Food will be provided.

The regular Council meeting will begin at 7:10 p.m.

CONSENT AGENDA

- a) [Minutes](#) from July 14, 2020 Emergency Special Session (p.142)
- b) [Minutes](#) from July 20, 2020 Regular Session (p.146)
- c) [Consideration](#) of a request for a Whitefish Lake and Lakeshore Permit located at 20 and 22 (A,B,C) Woodland Place to add sections to an existing 587 square-foot I-shaped EZ dock (WLP 20-W14) (p.149)

RECOMMENDATION: Staff respectfully recommends the City Council approve the Consent Agenda.

Items ‘a and b’ are administrative matters; Item ‘c’ is a quasi-judicial matter.

PUBLIC HEARINGS (Items will be considered for action after public hearings) (Resolution No. 07-33 establishes a 30-minute time limit for applicant’s land use presentations. Ordinances require 4 votes for passage – Section 1-6-2 (E)(3) WCC))

None

COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR

- a) [Consideration](#) of appointing a Selection Panel and Interview Panel for the Edgewood and Texas reconstruction project (p.177)

From Director Craig Workman’s staff report.

Introduction/History

In 1990, the City Council adopted a policy for Selection of Consultants for services in excess of \$10,000. This policy was amended in 2016 to increase the threshold for such contracts to follow the §18-8-212(1) MCA, which increased the amount to \$50,000 in 2017 (attached).

Current Report

Edgewood Place & Texas Ave are the next roadways on the Resort Tax Priority List. Construction is anticipated to include road, water, sanitary sewer, storm sewer, and pedestrian improvements. The engineering consultant will be responsible for the design approximately 2,530 ft of Edgewood Place, from Wisconsin Ave to the County line as well as approximately 3,500 ft of Texas Ave, from Edgewood to the north end of Texas Ave. A copy of the RFP is enclosed with this report for your review.

The eventual scope of work for the successful consulting firm will include surveying, engineering design, public relations, and construction management services. However, due to the current uncertainty of Resort Tax revenues, it is anticipated that the initial task order will only include surveying. Additional engineering services and construction scheduling will be based on the availability of Resort Tax funds.

In accordance with the above-mentioned policy for consultant selection, the Public Works Department is in the process of advertising for proposals from qualified engineering firms for the project. Proposals are due on Friday 8/7/2020.

Financial Requirement

The current budget for the Edgewood Place & Texas Ave Reconstruction Project, as proposed in the FY21-FY25 Capital Improvement Program, is \$2,000,000. The terms of the engineering contract, including cost, will be negotiated after a consultant is selected. There is \$400,000 currently proposed in the Resort Tax Budget for FY21 to begin the design effort.

RECOMMENATION: Staff respectfully recommends the City Council appoint Craig Workman and Karin Hilding to serve on the Rating Panel for the Edgewood Place & Texas Avenue Reconstruction Project RFP.

Staff respectfully recommends the City Council appoint Craig Workman, Karin Hilding and one council member to serve on the Selection Panel for the Edgewood Place and Texas Avenue Reconstruction Project RFP.

This item is a legislative matter

COMMUNICATIONS FROM FINANCE DIRECTOR

- a) [Resolution No. 20-](#); A Resolution relating to \$11,000,000 Water System Revenue Bonds (DNRC Drinking Water State Revolving Loan Program), Consisting of \$6,000,000 Series 2020A Bond and \$5,000,000 Series 2020B Bond; Authorizing the Issuance and Fixing the Terms and Conditions (p.183)

From Finance Director Ben Dahlman's staff report.

Introduction/History

Increasing demands are being placed on the City's water treatment plant (WTP). The WTP treats surface water from Haskill Creek and Whitefish Lake using conventional filtration and disinfection. The existing WTP's firm capacity is 3.0 million gallons per day (MGD). The State of Montana's Department of Environmental Quality (DEQ) has determined that future connections to the City water system necessitate treatment capacity expansion. The City has chosen a WTP expansion that will increase capacity to 5.0 MGD with the ability to increase to 7.0 MGD in the future.

The WTP project will initially be expanded with site work, a building addition, new filter equipment, piping, valves, instrumentation, transfer pump, plumbing, HVAC, electrical, and controls to the 5.0 MGD capacity. Other improvements include a raw water intake pump and backup power, 3,000 feet of 8" sanitary sewer, and 2,900 feet of 24" water main.

The City hired Morrison-Mairele, Inc. and they provided preliminary design and engineering work for the WTP. They will oversee project construction. City Council awarded the

construction of the WTP to Swank Enterprises, Inc. on July 20, 2020 for \$9.327 million. A Bond Reimbursement Resolution was approved on May 4, 2020 to allow expenditures incurred prior to the bond issuance to be funded.

A State Revolving Fund (SRF) Water Revenue Bond application was submitted, and we received notice on July 16, 2020 that the \$11.0 million request was approved. This funding will be a significant financing mechanism for the project. Water system revenues will be the source of repaying the financing for this project. Additionally, a portion of the project will be cash funded.

Current Report

Using the SRF loan as a financing tool, the transaction is proposed to total \$11.0 million in the issuance of a \$6.0 million bond and \$5.0 million bond. The term will be for 20 years at a rate of 2.5% per annum. The City's Bond Counsel, Dorsey & Whitney, LLP, has prepared the accompanying Bond Resolution that has been written substantially to form of previous bond resolutions approved by the City. The proposed Bond Resolution gives staff and the Mayor the authority to sign the bond documents at closing. We anticipate the initial draw and Bond closing to occur on September 23, 2020. The WTP project is expected to be substantially complete by August 30, 2021.

Estimated project costs total \$12,351,131 of which, \$11,000,000 will be from the SRF and \$1,351,131 from the City's Water fund.

Financial Requirement

Project funding includes City funds totaling \$1,351,131 and repaying the \$11,000,000 SRF loan plus interest at 2.5% over the next 20 years. The first payment date is anticipated to be due on January 1, 2021.

Net Revenues (annual operating revenues minus annual operating costs) currently meet the 110% coverage requirement. Therefore, no rate increase is anticipated to be needed pay for this bond or project. Also, please be aware that Section 5.5 of the Resolution states, "(t)he taxing powers of the Borrower are not pledged to pay principal of or interest on the 2020 Project Bonds, and no funds or property of the Borrower other than the Net Revenues are pledged to pay principal of or interest on the 2020 Project Bonds."

Please see the accompanying loan approval letter from the State, the amortization schedule, for the 2020 Bonds and the combined water loan schedule for your review.

RECOMMENDATION: Staff respectfully recommends the City Council approve Resolution No. 20-__; A Resolution relating to \$11,000,000 Water System Revenue Bonds (DNRC Drinking Water State Revolving Loan Program), Consisting of \$6,000,000 Series 2020A Bond \$5,000 000 Series 2020B Bond; Authorizing the Issuance and Fixing the Terms and Conditions

This item is a legislative matter

COMMUNICATIONS FROM CITY MANAGER

- a) [Written report](#) enclosed with the packet. Questions from Mayor or Council? (p.236)
- b) Other items arising between July 28th through August 3rd

COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

- a) [Letter](#) from Lynn Hartshorne pertaining to Lot 3 on River Lakes Parkway (p.242)

- b) [Consideration](#) of a request from Alta Views, LLC to extend the remaining \$249,000 cash-in-lieu of affordable housing in two payments (p.244)

ADJOURNMENT

Sincerely,



Dana Smith
City Manager, CPA

Table 1: Common Motions Used in a Meeting.¹

	Wording	Interrupt another speaker	Requires a second	Debatable	Amendable	Vote Required	Reconsider
Privileged Motions							
Fix time for next meeting (12)	"I move that we meet next at..."	No	Yes	No	Yes	Majority	Yes
Adjourn	"I move that we adjourn"	No	Yes	No	No	Majority	No
Take a recess (12)	"I move that we recess. . ."	No	Yes	No	Yes	Majority	No
Raise a question of privilege	"I rise to a question of privilege affecting the assembly"	Yes	No	No	No	(1)	No
Call for the orders of the day	"I call for the orders of the day"	Yes	No	No	No	(1) (15)*	No
Subsidiary Motions							
Lay on the table	"I move to lay the question on the table" or "I move that the motion be laid on the table"	No	Yes	No	No	Majority	(3)*
Previous question (to close debate)	"I move the previous question" or "I move we vote immediately on the motion"	No	Yes	No	No	2/3 of assembly	Yes
Limit-extend debate (12)	"I move the debate be limited to. . ." or "I move that the speaker's time be extended by. . ."	No	Yes	No	Yes	2/3 of assembly	Yes
Postpone to a definite time (12)	"I move that the question be postponed until. . ."	No	Yes	Yes	Yes	Majority	Yes
Refer to a committee (12)	"I move to refer the matter to the . . . committee"	No	Yes	Yes	Yes	Majority	Yes
Amendment to the main motion (12)	"I move to amend by adding/striking the words. . ."	No	Yes	(5)	Yes	Majority	Yes
Postpone indefinitely (12)	"I move that the motion be postponed"	No	Yes	Yes (16)	No	Majority	(4)
Main Motions							
Main Motion	"I move that we..."	No	Yes	Yes	Yes	Majority	Yes
Incidental Motions (11)							
Suspension of rules	"I move to suspend the rules so that. . ."	No	Yes	No	No	(9)*	No
Request to withdraw a motion (13)	"I move that I be allowed to withdraw the motion"	*	*	No	No	Majority*	(3)
Objection to the consideration of a question (10)	"I object to the consideration of the question"	Yes	No	No	No	2/3 of assembly (17)	(3)
Point of order	"I rise to a point of order" or "Point of order!"	Yes	No	No	No	(1)*	No
Parliamentary inquiry	"I rise to a parliamentary inquiry" or "A parliamentary inquiry, please"	Yes	No	No	No	(1)	No
Appeal to the chairperson	"I appeal from the decision of the chair"	Yes	Yes	Yes*	No	(7)	Yes

	Wording	Interrupt another speaker	Requires a second	Debatable	Amendable	Vote Required	Reconsider
Point of information	"I rise to a point of information" or "A point of information, please"	Yes	No	No	No	(1)	No
Division of assembly	"Division!" or "I call for a division"	Yes	No	No	No	(14)	No
Division of a question	"I move to divide the motion so that the question of purchasing ... can be considered separately."	No	Yes	No	Yes	Majority	No
Renewal Motions (8)							
Reconsider* (2)	"I move to reconsider the vote on the motion relating to. . ."	No*	Yes	(5) (16)	No	Majority	No
Take from table	"I move to take from the table the motion relating to. . ."	No	Yes	No	No	Majority	No
Rescind	"I move to rescind the motion passed at the last meeting relating to. . ."	No	Yes	Yes (16)	Yes	(6)	(3)
Discharge a committee	"I move that the committee considering . . . be discharged."	No	Yes	Yes (16)*	Yes	(6)	(3)

¹ Source: Robert, H. 2000. *Robert's Rules of Order* (Newly Revised, 10th Edition) New York: Perseus Books Group; Sturgis, A. 2000. *The Standard Code of Parliamentary Procedure* (4th Edition). New York: McGraw-Hill.

*** Refer to Robert's Rules of Order Newly Revised**

- (1) The chair decides. Normally no vote is taken.
- (2) Only made by a member who voted on the prevailing side and is subject to times limits.
- (3) Only the negative vote may be reconsidered.
- (4) Only the affirmative vote may be reconsidered.
- (5) Debatable when applied to a debatable motion.
- (6) Majority with notice, or 2/3 without notice or majority of entire membership.
- (7) Majority or tie vote sustains the chair.
- (8) None of these motions (except Reconsider) are in order when business is pending.
- (9) Rules of order, 2/3 vote—Standing rules, majority vote.
- (10) Must be proposed before debate has begun or a subsidiary motion is stated by the chair (applied to original main motions).
- (11) The Incidental Motions have no precedence (rank). They are in order when the need arises.
- (12) A Main Motion if made when no business is pending.
- (13) The maker of a motion may withdraw it without permission of the assembly before the motion is stated by the chair.
- (14) The chair can complete a Division of the Assembly (standing vote) without permission of the assembly and any member can demand it.
- (15) Upon a call by a single member, the Orders of the Day must be enforced.
- (16) Has full debate. May go into the merits of the question which is the subject of the proposed action.
- (17) A 2/3 vote in negative needed to prevent consideration of main motion.

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WHITEFISH CITY COUNCIL
July 14, 2020 @ 10:00 AM
EMERGENCY SPECIAL SESSION

1) CALL TO ORDER

Mayor Muhlfeld called the meeting to order. Councilors present were Qunell, Feury, Hennen, Davis, Sweeney, and Norton. City Staff present were, City Clerk Howke, City Manager Smith, City Attorney Jacobs, Police Chief Dial. Approximately 40 people were in the audience.

2) PUBLIC HEARINGS (Items will be considered for action after public hearings) (Resolution No. 07-33 establishes a 30-minute time limit for applicant's land use presentations. Ordinances require 4 votes for passage – Section 1-6-2 (E)(3) WCC))

a) Emergency Ordinance No. 20-11: An Emergency Ordinance requiring the use of face coverings in public spaces to help prevent the spread of COVID-19 (Only Reading)

Mayor Muhlfeld read Ordinance No. 20-11 aloud.

Ian Trottier, Miami, Florida, spoke against the ordinance.

Bonnie Closson, 1105 O'Brien Avenue, invited God into the meeting by saying a prayer.

Carolanne Wright, 810 Patton Lane, spoke against the ordinance.

David VonKleist, 436 W. 3rd Street, spoke against the ordinance.

Jill Goodrich, 6203 Monterra Ave, spoke against the mask mandate.

Robert Schaefer spoke against the ordinance.

Desirai Van Ekelengurg, 2010 Lion Mountain Loop, spoke against the ordinance.

Nicolette Covey, 135 Brimstone Drive, spoke against the ordinance.

Ted Valentiner, 305 Buckhorn Road, spoke against the ordinance.

Kathy Owens, 329 Shady River Lane, spoke against the ordinance.

Veronica Hutcheson, 257 Fairway Drive, spoke against the ordinance.

Megan Chaisson, 704 Cedar St., spoke in favor of the ordinance.

Kevin Gartland, Executive Director for the Whitefish Chamber of Commerce, stated the Chamber Board is evenly divided as the rest of the community. The businesses on the board are requiring employees to wear a mask and supplying them with masks. He asked a few questions on behalf of his board 1) How is the ordinance going to be enforced indoor and outdoor 2) How is the ordinance going to be communicated effectively to our visitors 3) Who is going to support the local business owner or their employees when confronted by a patron who refuses to wear a mask 4) If business owners must supply masks to customers, what can the City do to help defray some of that cost to the business owners.

Michael Covey, 135 Brimstone Drive, spoke against the ordinance.

Maggie Eisenber, 337 Shady River Lane, spoke against the ordinance.

Violet Lucas (youth) has asthma and if she were to wear a mask, she would not be able to breath. The mask is opposite than oxygen because you are breathing your own air, and it is a bit unhealthy.

Jenna Anderson spoke against the ordinance.

Nicole Hale, 422 Icehouse Terrace, spoke against the ordinance.

Charley Lyman, 230 Forest Ridge Drive, spoke in favor of the ordinance.

Robert Niles, 909 Kalispell Avenue, spoke against the ordinance.

Randy Larsen, business owner, spoke against the ordinance.

Linda Shannon, 305 Buckhorn Drive, spoke against the ordinance.

Lindsay Schott, 708 Lupfer Avenue, spoke in favor of the ordinance.

Jack Hucheson, Whitefish, spoke against the ordinance.

Scott Wurster, 222 Montana Avenue, spoke for the ordinance.

Chris Schustrom, 504 Spokane Avenue, spoke in favor of the ordinance.

Jill Goodrich, asked the audience who has already had COVID-19.

There being no further comments, Mayor Muhlfeld closed the Public Hearing and turned the matters over to the Council for their consideration.

Mayor Muhlfeld called a recess at 11:36 am and reconvened at 11:43 am.

Mayor Muhlfeld stated 356 written comments were received, 69% were in favor, 27% opposed and 4% undecided.

Councilor Hennen asked and City Manager Smith stated the enforcement of this ordinance is complaint drive. A form will be provided on the website, the business will be contacted by staff to see if they have a policy in place and educate the owner/manager of the ordinance. If the business continues to not comply the city will start the civil citation process and eventually the potential of revoking or suspending the business license. If an individual or customer will not wear a mask on private property or business premises and refuse to leave, then the Police Department would be involved at that point. That would be the only time Police enforcement will be involved under disorderly conduct. City Attorney Jacobs stated this ordinance does not involve criminal penalty. The fine depends on what the court sets the fine as. It can be up to \$300 for the first offense, and up to \$500 for the second offense.

Councilor Davis asked and Manager Smith stated the way the ordinance is written is that it is for gatherings of 20 or more outdoors. The Farmer's Market is a special event through the City of Whitefish. They are required to follow the Health Department's guidelines and have approval from the Health Department. This ordinance would require they have mandatory masks for customers and the vendors. City Beach has precautionary measure in place to ensure social distancing.

Councilor Norton asked and Manager Smith stated staff recommendation is the business owner, manager, employee has the authority to turn somebody away from their property. Businesses are private property, if there is aggressiveness or disorderly conduct that is the time for employees to contact the local law enforcement. While walking downtown, social distancing, masks are not required. Manager Smith would prefer the City Hall business line be called rather than the Police Department if there are questions about the ordinance.

Mayor Muhlfeld asked Manager Smith stated a professional office that social distancing can be maintained face coverings are exempt, other than when moving into a common area where social distancing cannot occur. An auto repair shop where employees are working individually on a vehicle, masks are not required. The sales department when interacting with the public masks are required. There is a plexiglass or protective barrier exemption only when that barrier would be completely enclosing individuals.

Councilor Norton asked and Manager Smith stated one of the challenges with hair salons is the ability to maneuver when cutting hair around the ears. The city would encourage the customer to have a face covering, but the employee would be required to have a face covering.

Councilor Davis asked and Manager Smith stated signage will be available and required for the businesses to post. The signage is available on the www.whitefishcovidcares.com.

Manager Smith addressed Director Gartland's questions regarding the signage, staff has contacted and waiting to hear from MDT for signage on the highway entrances, there is the banner across the highway, a PSA will go out along with working with the CVB to make sure this is widely known by visitors. Our IT staff is working on the google use to identify City Hall with the COVID restrictions. Businesses can also update that as well. The CVB and the Chamber received combined 3,000 masks for visitors. We will be working with the Chamber and the CVB on how to utilize those masks up front. The City is looking into providing reusable masks through the Cares Act funds.

Councilor Norton made a motion, seconded by Councilor Sweeney to adopt Emergency Ordinance No. 20-11. Councilor Norton appreciates the diverse opinions of people. Everybody is studying this problem. Local governments make laws to protect citizens. This is unusual and unprecedented times where we have a public health emergency. Along with wearing face coverings, we also need to maintain social distancing and hand washing or sanitizing. Adults model for the children what is normal. It does not have to be a contentious issue. It is worth an attempt if our children can go back to school.

Mayor Muhlfeld stated we are doing this for the businesses and the friends that work in downtown that sling beers, wait tables, and work in a risky environment. Businesses came to the City to help protect them. He hopes we can look back in two to three months and say we missed the mark and we overreacted, but if not, he certainly will not regret the action Council is taking. He thanked everyone for participating.

Councilor Hennen agree with the Mayor, the idea of employees being forced to wear a mask but the visitors coming from other areas are not required feels like a failure. He understands the inconsistency that people have. There has been a failure on the national level of our government's ability to address this public health crisis. As a public official having the ability to side on public health or doing nothing, he is going to side on public health.

Councilor Qunell reiterated it is worse than just a lack of being ready for this pandemic on the national level, it is a failure of leadership. Places that have managed it have had leadership at the highest level. As an elected official in a town that routinely sees triple the population in the summertime, it is irresponsible if the Council does not act. It is not to prevent deaths or prevent yourself to get it. It is to prevent the spread to someone unwittingly. See this as a community helping each other out in a time of crisis. It is time for the elected officials, the leaders to act.

Councilor Feury stated the Council is looked at in an incorrect light by people that do not agree with the things Council does. The Council makes decisions that are pragmatic that serves our community the best that they can. He has second guessed himself many times. Unfortunately, we did not have a clear federal response, a semi-clear state response, but now we are seeing things ramp up all around the country. We are not getting the full-on state response nor the county response. So, it falls on the laps of the local government. He is apprehensive of passing the buck to the businesses and requiring them to deal with the problem. Enforcement is difficult but can be manageable. He finds it offensive throwing out the number of deaths due to COVID. The percentage is small, but people are dying and that is sad.

Councilor Davis stated the situation in town has changed rapidly. Weeks ago, he was blissfully ignorant of the coronavirus, and now that does not seem to be the case. We have tremendous visitation coming into town, a lot of those people are coming from high risk areas. It is time to do something. The health and safety of our community demands nothing less than Council taking action.

The motion to adopt Ordinance 20-11 carried.

3) ADJOURNMENT (Resolution 08-10 establishes 11:00 p.m. as end of meeting unless extended to 11:30 by majority)

Mayor Muhlfeld adjourned the meeting at 12:34 p.m.

Mayor Muhlfeld

Attest:

Michelle Howke, Whitefish City Clerk

WHITEFISH CITY COUNCIL

July 20, 2020

7:10 P.M.

1) CALL TO ORDER

Mayor Muhlfeld called the meeting to order. Councilors present were Qunell, Feury, Davis, Sweeney, and Norton. Councilor Hennen was absent. City Staff present were, City Clerk Howke, City Manager Smith, City Attorney Jacobs, Planning and Building Director Taylor, Public Works Director Workman, Parks and Recreation Director Butts, Police Chief Dial, and Long-Range Planner Lindh. Approximately 4 people were in the audience.

2) PLEDGE OF ALLEGIANCE

Mayor Muhlfeld asked City Manager Dana Smith to lead the audience in the Pledge of Allegiance.

3) COMMUNICATIONS FROM THE PUBLIC – (This time is set aside for the public to comment on items that are either on the agenda, but not a public hearing or on items not on the agenda. City officials do not respond during these comments but may respond or follow-up later on the agenda or at another time. The Mayor has the option of limiting such communications to three minutes depending on the number of citizens who want to comment and the length of the meeting agenda)

None

4) COMMUNICATIONS FROM VOLUNTEER BOARDS

None

5) CONSENT AGENDA

- a) [Minutes](#) from July 6, 2020 Regular Session (p.22)
- b) [Ordinance No. 20-10](#); An Ordinance adding a new Chapter to Title 7 prohibiting the storage placement, and maintenance of personal property in a manner that interferes with the use of public property (Second Reading) (p.39)
- c) [Consideration](#) of a revised Subdivision Improvement Agreement (SIA) with JLC 1 & JLC 2 in order to construct the sidewalk along Aspen Grove Street that is not completed due to the scheduling challenges associated with the weather (WFP 19-12 & WPP 19-13) (p.42)

Councilor Sweeney made a motion, seconded by Councilor Qunell to approve the Consent Agenda. Councilor Norton had corrections to the minutes, page 2, Gerlinda Waters comment ‘data does not support masks’, page 3 Councilor Hennen’s motion ‘help’, and page 3 Bruce ~~Booty~~Boody. The motion carried to approve the Consent Agenda as corrected.

6) PUBLIC HEARINGS (Items will be considered for action after public hearings) (Resolution No. 07-33 establishes a 30-minute time limit for applicant’s land use presentations. Ordinances require 4 votes for passage – Section 1-6-2 (E)(3) WCC)

- a) [Consideration](#) of a request from Pamela Secrease for a Conditional Use Permit to construct an accessory apartment located at 909 Kalispell Avenue, zoned WR-2 (Two-Family Residential) (WCUP 20-10) (p.55)

Long-Range Planner Lindh gave her staff report that is provided in the packet on the website.

Mayor Muhlfeld opened the Public Hearing.

Pam Secrease, 909 Kalispell Avenue, applicant stated this is her property. Her kids and grandkids live in the house while she is staying in her RV. She travels during the winter. The accessory apartment is for herself when staying here in Whitefish.

There being no further public comment, Mayor Muhlfeld closed the Public Hearing and turned the matters over to the Council for consideration.

Councilor Feury made a motion, seconded by Councilor Sweeney to approve WCUP 20-10, the Findings of Fact in the staff report and the eight conditions of approval. The motion carried.

~~**b) Consideration of a request from Sweet Peaks Ice Cream Inc. for a Conditional Use Permit to operate a light manufacturing facility in an existing commercial building located at 6588 Highway 93 S, zoned WB-2 (Secondary Business District) (WCUP 20-09) (p.89) APPLICANT WITHDREW REQUEST 7/20/2020**~~

7) COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR

- a) **Consideration to award the Water Treatment Plant Construction Contract to Swank Enterprises in the amount of \$9,327,000 (p.130)**

Director Workman gave his staff report that is provided in the packet on the website.

Councilor Qunell made a motion, seconded by Councilor Sweeney to award the Water Treatment Plant Construction contract to Swank Enterprises in the amount of \$9,327,000. The motion carried.

8) COMMUNICATIONS FROM CITY MANAGER

- a) **Written report enclosed with the packet. Questions from Mayor or Council? (p.137)**

Councilor Qunell asked and Manager Smith reported the free testing has been suspended due to a backlog of getting test results.

- b) Other items arising between July 15th through July 20th**

Manager Smith read aloud the letter that is appended to the packet she will email to her notification list. The letter provides clarification about the face covering requirements and complaint process.

9) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

- a) **Resolution No. 20-20; A Resolution establishing annual goals for the City (p.140)**

Councilor Norton made a motion, seconded by Councilor Sweeney to approve Resolution No. 20-20. The motion carried.

- b) **Consideration of a request from Alta Views, LLC to a one-year extension of time for the second payment (\$249,000) of the cash-in-lieu for affordable housing (p.143)**

After some discussion, Councilor Norton made a motion to extend the deadline for the second payment for two months. The motion failed for a lack of a second.

Councilor Norton made a motion, seconded by Councilor Sweeney to deny the request from Alta Views, LLC. The motion carried.

- c) **Letter from Jef and Suzy Elliot regarding Alpine Theatre Project Production of Moana located in the neighborhood of 10th Street and Park Avenue (p.145)**

No action was taken.

10) ADJOURNMENT (Resolution 08-10 establishes 11:00 p.m. as end of meeting unless extended to 11:30 by majority)

Mayor Muhlfield adjourned the meeting at 7:55 p.m.

Mayor Muhlfield

Attest:

Michelle Howke, Whitefish City Clerk

**PERO/MCCOLLOCH/CONSTANT/KIRSHNER
WHITEFISH LAKE LAKESHORE PERMIT
STAFF REPORT #WLP-20-W14
AUGUST 3, 2020**

Property Owners: Pero, McColloch, Constant, Kirshner
Mailing Address: 1290 Birch Point Drive (Pero)
Whitefish, MT 59337
Telephone Number: 406.253.6247
Contractor: Whitefish Lake Services
Mailing Address: 14 Scullers Wy
Whitefish, MT 59937
Telephone Number: 406.471.5723
Property Legal Description: WLG Lots 1 and 2, Gov't Lot 6, Section 26,
Township 31 North, Range 22 West
Property Address: 20 and 22 (A, B, C) Woodland Place
Lake: Whitefish Lake
Lake Frontage: 100'
Project Description: Add dock sections to existing 98' long EZ dock

Discussion:

Proposal: The applicants are requesting to add sections to an existing 587 square foot I-shaped EZ dock, bringing the total to 798 square feet and making it a '4' shape. The dock would be 99' in overall length. The two new sections are 80" wide and 60" wide and will be used to accommodate additional boats. The main dock stem is comprised of a 78' by 80" wide main section and a 3' x 20' gangway. The dock is in the middle of the property, meeting the required 20' riparian setbacks. The length of the dock exceeds 60' because of shallow water, which was previously approved with WLP 13-W12 with a depth profile.

Additional Information: This is a common dock between the vacant lot owned by Rob Pero and the adjacent lot with three condos. It does not meet our shared dock standards as that requires 200' of frontage, but the Lakeshore Regulations do encourage common docks.

Frontage and allowable constructed area: The property is eligible for 800 square feet of constructed area based on the combined lake frontage.

Existing Constructed Area: The property has an existing dock that is 587 square feet.

Conclusion: The proposed work complies with all requirements, most specifically section 13-3-1, General Construction Standards of the Whitefish Lake and Lakeshore Regulations.

Recommendation: On a 5-1 vote (Cavin opposed), the Whitefish Lakeshore Protection Committee recommended approval of the requested lakeshore construction permit to the Whitefish City Council subject to the following conditions:

Recommended Conditions of Approval:

1. The Lakeshore Protection Zone shall be defined as the lake, lakeshore and all land within 20 horizontal feet of the average high water line at elevation 3,000.79'.
2. The proposed dock dimensions specified on the application project drawing shall not be exceeded. Changes or modifications to increase any dimension or change configuration must be approved through a permit amendment.

Dock Conditions:

3. Any wood used in construction of the new dock shall be untreated and left in its natural state. Use of a wood polymer composite (i.e. TREX) is strongly encouraged. Use of painted material, plywood, particle board or other glued composite board is not allowed.
4. If foam logs or similar easily damaged flotation systems are incorporated into the dock design, said material shall be completely encased in solid wood or a suitable impervious, non-corrosive material such as a synthetic, aluminum or galvanized sheet metal to avoid the breakup or scattering of materials. Boards may be spaced up to one-half inch (1/2") apart on the bottom or drain holes may be incorporated into other materials to aid in drainage. All foam encased floating docks shall be maintained according to these standards or else be immediately and completely removed from the Lakeshore Protection Zone. All foam shall be extruded closed-cell polystyrene (blue or pink logs) unless encased in synthetic "rotomolded" floats.
5. Flotation-encased docks (i.e., Superdeck, EZ-Dock, Glacier Dock) or docks with rotomolded floats are strongly recommended for durability and longer-life
6. No additional dock access gangway is allowed unless included in the permit application and in the approved total dock length.

7. The dock shall be constructed outside of the Lakeshore Protection Zone. Upon completion the components may be brought to the lakeshore area and launched.
8. The floating dock shall be suitably anchored to the lake bottom to avoid drift. Anchoring methods for the dock are limited to cable; galvanized chain or nylon or polypropylene rope attached to a suitable clean weight such as solid clean concrete, rock or steel blocks.
9. Due to the proximity to City Beach, the dock shall be placed in the middle of the property ownership. If the dock is moved from the middle of the property it must be located no closer than twenty (20) feet from the riparian property line and may only be moved towards the western property line.
10. The dock shall be considered a shared dock between the two proposed properties.
11. Only one lakeshore dock is permitted per property ownership.
12. This permit is valid for a period of one year from the date of issuance. Upon completion of the work, please contact the Whitefish Planning and Building Department for inspection.

Report by: DT

Date: Wednesday, July 15, 2020

Place: City Council Chambers Conference Room

Recorded By: Dabney Langellier

Members Present:

Nancy Schuber
Ben Cavin

Donna Emerson
Peggy Brammer

Toby Scott
Roger Rowles

Members Absent:

One vacant position

Staff Present: Dave Taylor & Angela Jacobs

1. CALL TO ORDER

Summary: Emerson called the meeting to order at 6:04 pm. Members and staff introduced themselves.

2. AGENDA CHANGES

Summary: None.

3. LAKESHORE COMMITTEE APPOINTMENTS

A. CHAIR

ACTION: Scott nominated himself as Committee Chair. Emmerson seconded and all were in favor. The motion passed unanimously.

B. VICE-CHAIR

Summary: Emerson agreed to remain the Committee's Vice-Chair.

4. APPROVAL OF FEBRUARY 12, 2020 MINUTES

Summary: Members reviewed the minutes of February 12, 2020. Cavin noted the date is incorrect at the top of the document.

ACTION: Scott made a motion to approve the minutes of February 12, 2020 with the date correction on page one. Cavin seconded and all were in favor. The motion passed unanimously.

5. GENERAL PUBLIC COMMENT

Summary: None.

6. OLD BUSINESS

Summary: None.

7. NEW BUSINESS

A. WLP 20-W14 – PERO, MCCOLLOCH, CONSTANT, & KIRSHNER

Summary: The applicants are proposing to add sections to an existing 587 square foot I-shaped EZ dock, bringing the total to 798 square feet and making it a '4' shape. The dock would still be 99 feet in overall length and is located at 20 & 22 Woodland Place.

Dave summarized his staff report noting a couple of key points:

- This is a common dock between the vacant lot owned by Rob Pero and the adjacent lot with three condos. It does not meet our shared dock standards as that requires 200 feet of frontage, but the regulations do encourage common docks, like this one.
- The length of the dock exceeds 60 feet because of shallow water, which was previously approved with WLP 13-W12 with a depth profile. Since the length exceeds 60 feet, the proposed changes require review by the committee.

Recommendation: Staff is recommending the approval of the requested lakeshore construction permit with the 12 conditions listed in the report.

Members discussed the following items with staff and Dave with Whitefish Lake Services, who represented the applicants:

- The existing dock is 587 square feet. The applicants are allowed up to 800 square feet and the proposed addition would bring their total to 798 square feet.
- The existing shore station does not have a canopy, so it does not add to the constructed area of the dock.
- Due to the low water depth, this dock gets adjust roughly three times per summer.
- Boat traffic is not a criteria for the dock approval and this committee does not have the authority to limit the number of boats tied to the dock.

ACTION: Emerson made a motion to approve WLP 20-W14 with the 12 conditions. Schuber seconded and the motion approved 5-1 (Cavin opposed).

This will go to City Council along with the comments as a consent agenda item on August 3rd.

8. STAFF COMMENTS

Summary: Angela Jacobs will provide a Board training session immediately following today's meeting.

9. BOARD COMMENTS

Summary: Should there be the need to meet next month, the meeting will be held on August 12th. Cavin may be unable to attend.

10. ADJOURNMENT

ACTION: Cavin made a motion to adjourn the meeting. Emerson seconded and all were in favor. The meeting is adjourned at 6:26 pm.

**PERO/MCCOLLOCH/CONSTANT/KIRSHNER
WHITEFISH LAKE LAKESHORE PERMIT
STAFF REPORT #WLP-20-W14
JULY 15, 2020**

Property Owners: Pero, McColloch, Constant, Kirshner
Mailing Address: 1290 Birch Point Drive (Pero)
Whitefish, MT 59337
Telephone Number: 406.253.6247
Contractor: Whitefish Lake Services
Mailing Address: 14 Scullers Wy
Whitefish, MT 59937
Telephone Number: 406.471.5723
Property Legal Description: WLG Lots 1 and 2, Gov't Lot 6, Section 26,
Township 31 North, Range 22 West
Property Address: 20 and 22 (A, B, C) Woodland Place
Lake: Whitefish Lake
Lake Frontage: 100'
Project Description: Add dock sections to existing 98' long EZ dock

Discussion:

Proposal: The applicants are requesting to add sections to an existing 587 square foot I-shaped EZ dock, bringing the total to 798 square feet and making it a '4' shape. The dock would be 99' in overall length. The two new sections are 80" wide and 60" wide and will be used to accommodate additional boats. The main dock stem is comprised of a 78' by 80" wide main section and a 3' x 20' gangway. The dock is in the middle of the property, meeting the required 20' riparian setbacks. The length of the dock exceeds 60' because of shallow water, which was previously approved with WLP 13-W12 with a depth profile.

Additional Information: This is a common dock between the vacant lot owned by Rob Pero and the adjacent lot with three condos. It does not meet our shared dock standards as that requires 200' of frontage, but the Lakeshore Regulations do encourage common docks.

Frontage and allowable constructed area: The property is eligible for 800 square feet of constructed area based on the combined lake frontage.

Existing Constructed Area: The property has an existing dock that is 587 square feet.

Conclusion: The proposed work complies with all requirements, most specifically section 13-3-1, General Construction Standards of the Whitefish Lake and Lakeshore Regulations.

Recommendation: Staff recommends that the Whitefish Lakeshore Protection Committee recommend approval of the requested lakeshore construction permit to the Whitefish City Council subject to the following conditions:

Recommended Conditions of Approval:

1. The Lakeshore Protection Zone shall be defined as the lake, lakeshore and all land within 20 horizontal feet of the average high water line at elevation 3,000.79'.
2. The proposed dock dimensions specified on the application project drawing shall not be exceeded. Changes or modifications to increase any dimension or change configuration must be approved through a permit amendment.

Dock Conditions:

3. Any wood used in construction of the new dock shall be untreated and left in its natural state. Use of a wood polymer composite (i.e. TREX) is strongly encouraged. Use of painted material, plywood, particle board or other glued composite board is not allowed.
4. If foam logs or similar easily damaged flotation systems are incorporated into the dock design, said material shall be completely encased in solid wood or a suitable impervious, non-corrosive material such as a synthetic, aluminum or galvanized sheet metal to avoid the breakup or scattering of materials. Boards may be spaced up to one-half inch (1/2") apart on the bottom or drain holes may be incorporated into other materials to aid in drainage. All foam encased floating docks shall be maintained according to these standards or else be immediately and completely removed from the Lakeshore Protection Zone. All foam shall be extruded closed-cell polystyrene (blue or pink logs) unless encased in synthetic "rotomolded" floats.
5. Flotation-encased docks (i.e., Superdeck, EZ-Dock, Glacier Dock) or docks with rotomolded floats are strongly recommended for durability and longer-life
6. No additional dock access gangway is allowed unless included in the permit application and in the approved total dock length.

7. The dock shall be constructed outside of the Lakeshore Protection Zone. Upon completion the components may be brought to the lakeshore area and launched.
8. The floating dock shall be suitably anchored to the lake bottom to avoid drift. Anchoring methods for the dock are limited to cable; galvanized chain or nylon or polypropylene rope attached to a suitable clean weight such as solid clean concrete, rock or steel blocks.
9. Due to the proximity to City Beach, the dock shall be placed in the middle of the property ownership. If the dock is moved from the middle of the property it must be located no closer than twenty (20) feet from the riparian property line and may only be moved towards the western property line.
10. The dock shall be considered a shared dock between the two proposed properties.
11. Only one lakeshore dock is permitted per property ownership.
12. This permit is valid for a period of one year from the date of issuance. Upon completion of the work, please contact the Whitefish Planning and Building Department for inspection.

Report by: DT



City of Whitefish
 Planning & Building Department
 PO Box 158
 418 E 2nd Street
 Whitefish, MT 59937
 Phone: 406-863-2410 Fax: 406-863-2409

File #: WLP 20-WK
 Date: JUN 10 2020
 Intake Staff: _____
 Check # 1009
 Amount 255.00
 Date Complete: _____

LAKESHORE CONSTRUCTION PERMIT
APPLICATION

WHITEFISH or LOST COON LAKE

FEE ATTACHED \$ 255.00

A permit is required for any work, construction, demolition, dock/shorestation/buoy installation, and landscaping or shoreline modification in the lake and lakeshore protection zone – an area extending 20 horizontal feet landward from mean high water of:

- 3,000.79' msl (NAVD 1988) for Whitefish Lake
- 3,104' msl (NAVD 1988) for Lost Coon Lake

INSTRUCTIONS:

- Submit the application fee, completed application and appropriate attachments to the Whitefish Planning & Building Department a minimum of **three (3) weeks prior** to the Lakeshore Protection Committee meeting at which this application will be heard.
- The regularly scheduled meeting of the Lakeshore Protection Committee is the second Wednesday of each month at 6:00 PM at City Hall at 418 E 2nd Street.
- After the Lakeshore Protection Committee meeting, the application will be forwarded along with the Committee's recommendation to the next available City Council meeting for final action, unless it is a committee approved permit.
- All work will be inspected for conformity with permit. Permits are valid for one year from date of approval and can be renewed by the governing body upon request.

A. LEGAL DESCRIPTION OF PROPERTY:

Street Address 20 WOODLAND PL + 22, 24, 26 WOODLAND PL WHITEFISH, MT 59937
 How many feet of the lake frontage do you own? 62 + ? (NO INFO)
 Assessor's Tract No.(s) 1 Lot No(s) 6
 Block # _____ Subdivision Name _____
 1/4 Sec _____ Section 26 Township 31N Range 22W

I hereby certify that the information contained or accompanied in this application is true and correct to the best of my knowledge. The signing of this application signifies approval for the Whitefish Staff to be present on the property for routine monitoring and inspection during the approval and development process.

[Signature]
 Owner's Signature¹

6-9-2020
 Date

SHANNON SUTONAUCA
 Print Name

¹ May be signed by the applicant or representative, authorization letter from owner must be attached. If there are multiple owners, a letter authorizing one owner to be the authorized representative for all must be included

Applicant's Signature _____

Date _____

Print Name _____

Representative's Signature _____

Date _____

Print Name _____

APPLICATION CONTENTS:

Attached ALL ITEMS MUST BE INCLUDED - INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

_____ Lakeshore Construction Permit Application

_____ Written description how the project meets the criteria in Sections C-F

_____ Site Plan drawn to scale

_____ Project Drawing that is drawn to scale

_____ Vicinity Map

_____ Minimum of three (3) photos: 1 photo of property from lake; 2 photos showing lakeshore protection zoning from property boundary toward the other property boundary (e.g., from the north property line across property to the south) and photos of each existing structure or constructed area within the lakeshore protection zone (dock, boathouse, stairs, etc.)

B. OWNER(S) OF RECORD:

Name: MULTIPLE: PERO, McCULLOCH, KIRSHNER, CONSMAT Phone: _____

Mailing Address: _____

City, State, Zip: _____

Email: rjpero@aboutmontana.net, stonedev@live.ca, dkirshner@gmail.com, lbjlc@telus.net

APPLICANT (if different than above):

Name: WHITEFISH LAKE SERVICES Phone: 471-5723 DAVE

Mailing Address: PO BOX 5521

City, State, Zip: WHITEFISH MT 59937

Email: lakelife.ezdock@gmail.com

CONTRACTOR:

Name: _____ Phone: _____

Mailing Address: _____

City, State, Zip: _____

Email: _____

C. NATURE OF THE PROPOSED WORK: (describe what you propose to build, demolish or install. Give dimensions, material and list heavy equipment, if any to be used.)

ADD ADDITIONAL DOCK SECTIONS TO EXISTING DOCK TO CREATE A BOAT SLIP & ADDITIONAL BOAT PARKING SPACE. NEIGHBORING LOTS HAVE AGREED TO SHARE LAKE FRONTAGE ALLOWANCE TO ACCOMMODATE THIS (ATTACHED)

D. Describe any Environmental Impacts (e.g. impacts on water quality or fish and wildlife habitat, increased sedimentation, etc.). Explain what measures will be taken to alleviate these impacts.

N/A

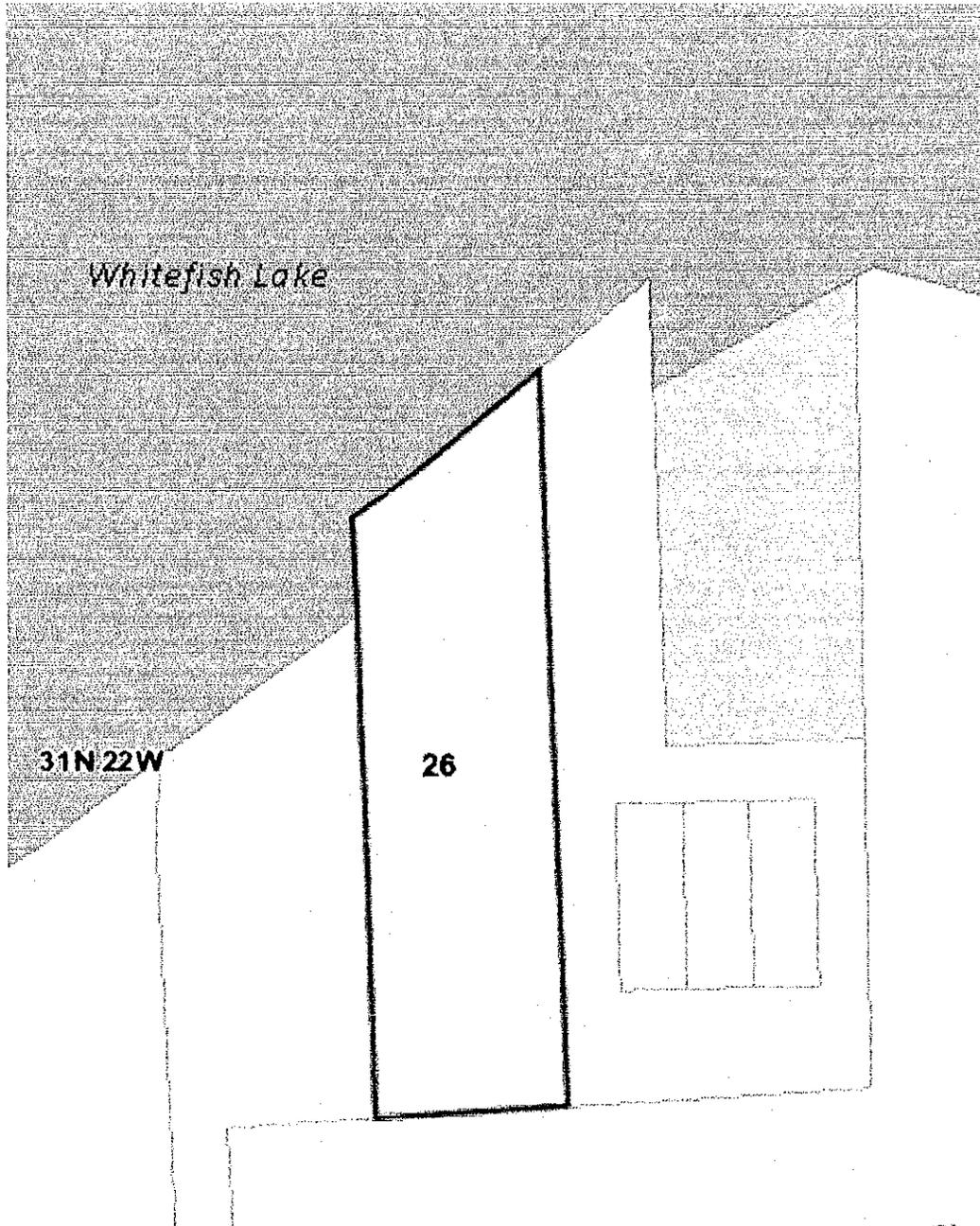
E. Describe existing improvements on the property within the lakeshore protection zone along with the square footage of each such as an existing dock, stairs, deck or patio and when they were constructed, if known, or the permit number.

~~EXISTING~~ 4 NEW DOCK SECTIONS + CORNER GUSSETS = 234 SF
TO ADD ON TO EXISTING DOCK = 564 SF
NEW TOTAL DOCK = 798 SF

F. If a variance is requested in addition to this permit, specify the reasons or conditions which require or warrant the variance on a separate variance form. An additional fee is required for a variance request. What is the variance proposal?

N/A

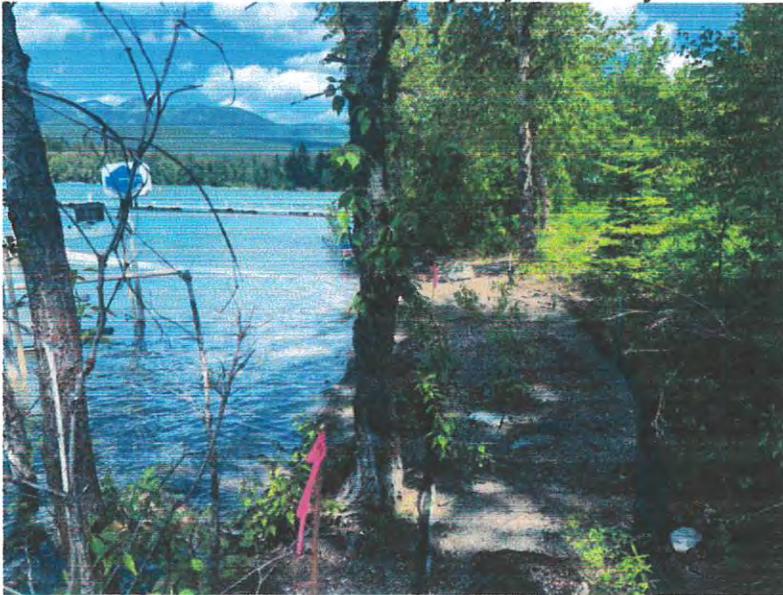
Here is the vicinity map showing 20 Woodland Place (#26) and 22, 24, and 26 Woodland Place. The Shorefront footage for 22, 24, 26 Woodland Place is not noted on Montana Cadastral.



View from the right side of the property boundary:



View from the left side of the property boundary:



View from the lake:



After Recordation Return To:
Michael A. Ferrington
Attorney At Law
100 Second St. East
Whitefish, MT 59937

DECLARATION OF AGREEMENT FOR USE OF DOCK

WHEREAS, Grantor/Declarant are the owners of the real property set forth below and desire to have a formal agreement to run with the land concerning the non-exclusive use and maintenance of the dock being constructed for the benefit of Lots 1 and 2 (consisting of the 3 units of Whitefish Lakefront Estates Condominiums) of the Whitefish Lakefront Estates subdivision, all as shown within Exhibit "A"; and

Grantor/Declarant further covenant and agree that this agreement and covenants shall run with the land and be binding upon and inure to the benefit of the heirs successors and assigns of the parties hereto.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

Article 1-Dock Use

As described within Exhibit 'B', the modified dock to be constructed to be approved by the City of Whitefish and any necessary permits obtained. The owners of Units A, B and C of the Whitefish Lakefront Estates Condominiums as situated on Lot 2 shown on Exhibit "A" and Lot 1 owned by Robert Pero and the Robert W. Pero Revocable Trust and, their heirs, successors and assigns shall have the right to utilize the dock in common with the designated slip location as shown within Exhibit 'B'. The parties shall equally (pro-rated as 25% between the four owners) share all other costs of the dock including maintenance (repairs and replacement), storage and annual installation costs, provided, however, that the legal fees and costs in connection with the drafting and implementing of this agreement shall be the responsibility of the dock owners (units A, B and C) other than Rob Pero and all dock modification costs from 2018 for the Exhibit 'B' configuration revision shall also be borne by the parties of this agreement, other than Rob Pero. The costs allocable to the owners of Units A, B and C of the Whitefish Lakefront Estates Condominiums as situated on Lot 2, may be paid through the Whitefish Lakefront Estates Condominiums Owners Association.

The cost of all common repairs and maintenance shall be accounted for by the party providing or contracting for the labor and materials who shall forward the accounting to all other parties and who shall forward their share within thirty days of the mailing (by first class mail) or hand delivery of the accounting and request for reimbursement; should any party fail or refuse to pay their share within said thirty day period interest of 10% per annum shall accrue on the unpaid share. A total not to exceed of \$500.00. per year of expenses may be accumulated and subject to reimbursement as provided for herein without the written consent of both Lots 1 and 2. When the total annual cost is to exceed \$500.00, the written consent of both Lots shall be required for the excess above the limitation other than the modifications to be made solely by Units A, B and C described above. The initial construction cost prior to 2018, shall be pro-rated and paid as follows:

25% per property/Units A, B and C and Lot 1

In the event that either party desires to have separate dock structures and the same is permitted by the Lakeshore Protection Committee, Tract 1 agrees to cooperate in applying for any such separate dock structure as the fee owner of the lakeshore, by way of a dock configuration and size to be mutually agreed upon, whereby this dock agreement shall be modified to provide that each party shall use and maintain their respective separate dock structure.

Article 2- Quiet Enjoyment and Hold Harmless

The parties shall indemnify and hold the other harmless for the use of the dock by the Owners or their guests for claims caused by the negligence of an Owner. All users of the dock shall use the same in a reasonable manner and shall not cause unnecessary noise or the interference the reasonable enjoyment of all owners; the parties shall establish any necessary rules for the use of the dock as necessary for the health, safety and quiet enjoyment of the parties, and the owners shall maintain property damage and liability insurance on all boats and vessels using the dock and shall be responsible for any damage caused by their boat or vessel or otherwise in connection with their use of the dock. The dock use rules attached hereto shall also apply.

Article 3 - Termination

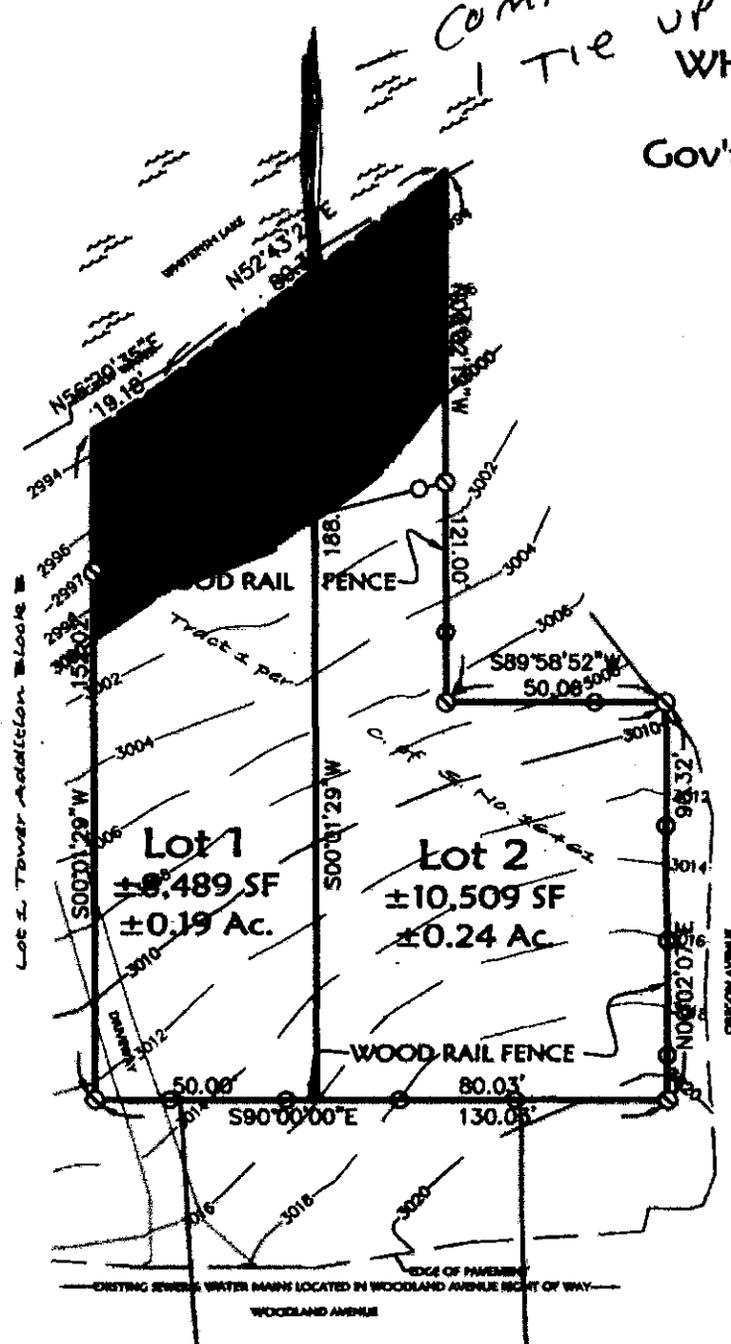
This agreement can only be terminated by the mutual written consent of the owners of Lots 1 and 2 (the Whitefish Lakefront Estates Condominiums) or their heirs, assigns and/or successors; should any lender hold a beneficial interest (i.e. as a beneficiary or mortgagee), its consent shall likewise be required for the termination of this agreement. In the event that this provision shall be construed to be subject to having a definite term, the parties agree that it shall continue for 30 years and shall be then automatically renewed for successive ten year periods, subject to the re-negotiation of the division of maintenance costs and fees based upon the age and condition of the dock.

DOCK RULES

1. The dock area is a high traffic area which requires extreme caution. For the safety of all, please slow down in this area.
2. Unauthorized water craft parked at the dock will be removed at Owners expense.
3. Stay in your assigned slip (max. 30 lineal feet per boat).
4. No wake speed from the shoreline to 200 feet from the shoreline (state law). Exception: Personal watercraft which must maintain a minimum operating speed to remain upright and maneuver in the water may travel at the minimum operating speed following the most direct route through the no-wake zone to and from shore.
5. Water skiing and swimming from the boat dock area is prohibited.
6. Main corridor must be kept free of all obstacles.
7. Please be courteous to other boaters and individuals using the dock.
8. No use of fireworks or smoking on the docks.
9. The Whitefish Lakefront Estates Condominium Owners Association is not responsible for any damage or injury caused from using the swim area, beach or boat dock.
10. Use of the swim area, beach and docks are all at your own risk.
11. There is a nightly 10:00 p.m. curfew in effect for use of the boat dock.
12. No overnight tie-ups or moorage for boats or personal water craft except in/at authorized slips and cleats.
13. Overnight mooring is prohibited at the end of the dock (lake-end). Watercraft will be removed at Owners expense.
14. Temporary daytime mooring at the lake-end of the dock is allowed on a first come first served basis.
15. All persons using dock facilities including Owners, tenants and guests, are responsible for any damage or injuries. Use is at your own risk. Property Owner and User agrees to indemnify and hold harmless the Whitefish Lakefront Estates Condominium Owners Association and its successors, agents and assigns at all times from and against any and all liabilities, costs including attorney fees and relative defense costs, claims, expenses, actions, losses and damages whatsoever, including personal injury or death of any person arising from such use.
16. Proof of boat ownership & insurance is required prior to mooring boats.

**PROPOSED SUBDIVISION
WHITEFISH LAKEFRONT ESTATES**
Tract 1 per C. of S. No. 16461
Gov't Lot 6, Section 26, T31N R22W
Flathead County, Montana

*Common Deck
Tie up per unit*



LEGEND & NOTES:

⊙ FOUND 5/8" REBAR WITH PLASTIC CAP MARKED "SULLIVAN 90955"

PROJECT ELEVATIONS PER RIVER DESIGN GROUP ALUMINUM CAP BENCHMARK SET AT THE WHITEFISH CITY BEACH (BENCHMARK ELEVATION 2998.34')

CONTOUR INTERVAL IS 2' 100 YEAR FLOOD ELEVATION: 3000.3'

FIELD SURVEY COMPLETED AUGUST 18, 2008

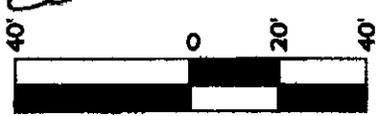
THERE ARE NO WETLANDS ON THE SUBJECT PROPERTY

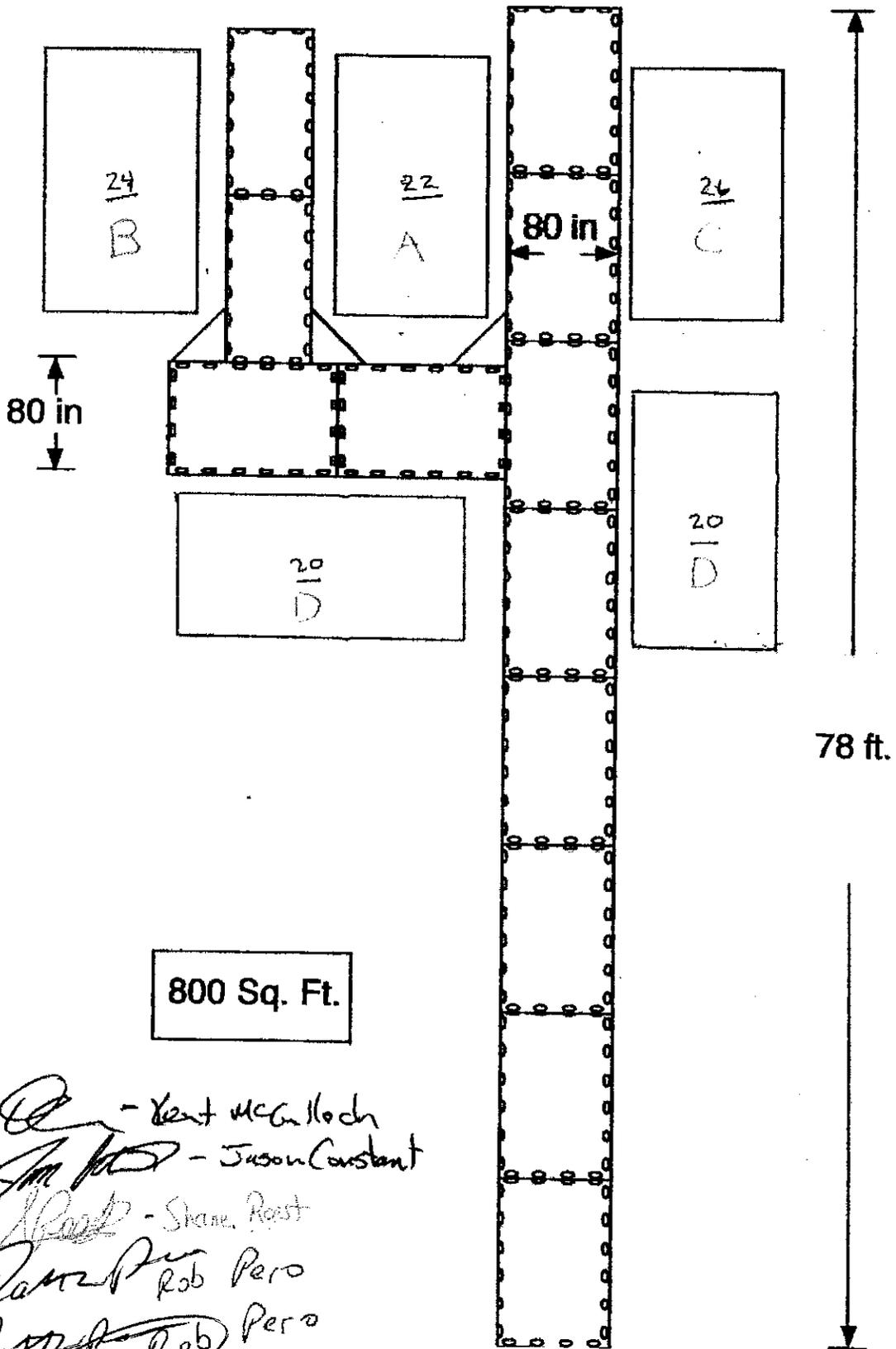
THERE ARE NO BUILDINGS ON THE SUBJECT PROPERTY

Single Family LOT

*3 CONDOS
22, 24, 26
WOODLAND PLACE
"A"*

SCALE: 1" = 40'





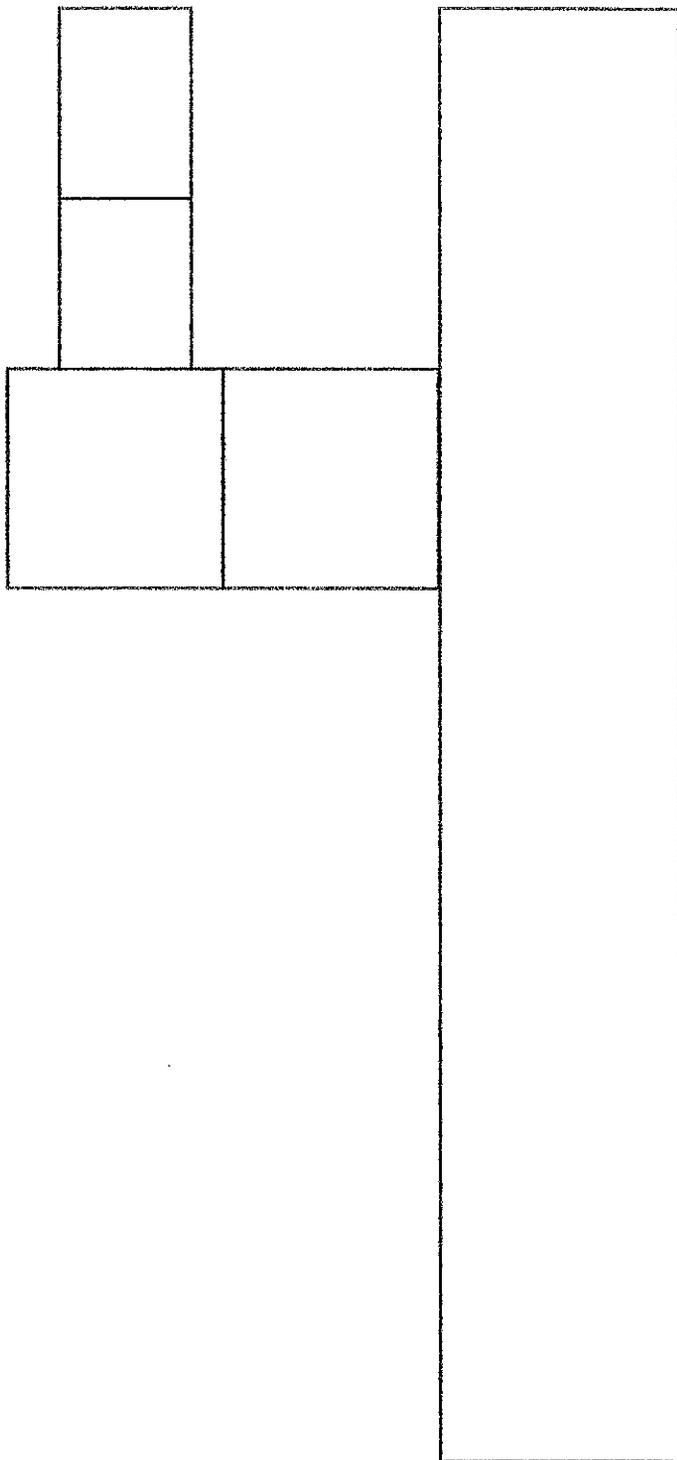
- 24 - ~~Q~~ - Kent McCallloch
- 22 - ~~M~~ - Jason Constant
- 26 - ~~Road~~ - Shane Roast
- 20 - ~~Grant~~ Rob Pero
- 20 - ~~Grant~~ Rob Pero
- 26 - ~~H~~ Kirshner
- 26 - ~~X~~ Kirshner

100 FT

26.6 FEET

5 FEET

6.6 FEET



SITE PLAN FOR MCCULLOCH
DOCK SQ. FT - 798

Dated: X 13 May 2020

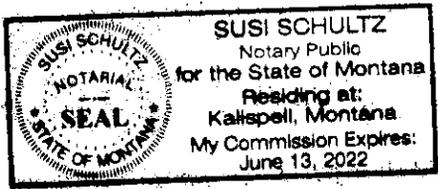
Unit 26 Woodland Place: [Signature]
Drew Kirshner

[Signature]
Nikki Kirshner

STATE OF MONTANA)
: ss.
County of FLATHEAD)

On this 13th of May, in the year 2020, before me, [Signature],
, Notary Public for the State of Montana, personally appeared Drew Kirshner and Nikki Kirshner, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year herein above first written.

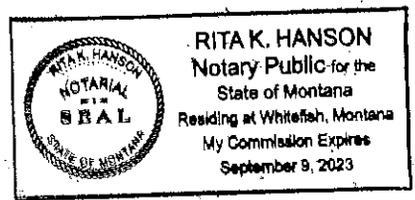


[Signature]
Notary Public for the State of Montana
Residing at Kalispell, Montana
My Commission expires: 6/13/2022

STATE OF MONTANA)
: ss.
County of FLATHEAD)

On this May 1, in the year 2020, before me, RITA K. HANSON,
, Notary Public for the State of Montana, personally appeared Robert Pero, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year herein above first written.



[Signature]
Notary Public for the State of Montana
Residing at Whitefish, Montana
My Commission expires: 9/9/2023

DATED Jul 17/18

Grantor/Declarant Unit A (Unit 22)

DATED July 17/18

Grantor/Declarant Unit B (Unit 24)

DATED July 17/18

Grantor/Declarant Unit C (Unit 26)

STATE OF MONTANA)

: ss.

County of Flathead)

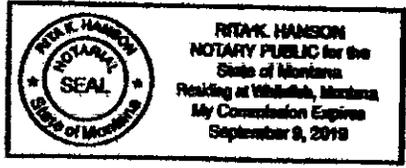
On this 17th Day of July, in the year 2018, before me,
Notary Public for the State of Montana personally appeared Shane Roest,
Robin McCulloch, Jason Constant known to me to be the persons whose names are
subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal
the day and year herein above first written.

Rita K. Hanson
Notary Public for the State of Montana
Residing at Whitefish, Montana

(NOTARIAL SEAL)

My Commission expires: 9/9/2019





Lake Life Shannon <shan.lakelife@gmail.com>

Re: Dock Permit

1 message

Robert Wayne Pero <rjpero@aboutmontana.net>

Mon, Jun 8, 2020 at 11:41 AM

To: Lake Life Shannon <shan.lakelife@gmail.com>

Cc: Kent McCulloch <stonedev@live.ca>, drew kirshner <dkirshner@gmail.com>, lbljc@telus.net

Ok with me

Sent from my iPad

On Jun 8, 2020, at 10:22 AM, Lake Life Shannon <shan.lakelife@gmail.com> wrote:

Hi All,

To submit this for you , we need permission to do so on your behalf. Please each reply to this email authorizing us to do so on your behalf.

Have a great day!

Shannon

406-260-1241

Check out our website and follow us on Facebook for pics and promos!

www.lakelife-ezdock.com

<https://www.facebook.com/Lake-Life-EZ-Dock-109347143945321>



Lake Life Shannon <shan.lakelife@gmail.com>

Re: Dock Permit

1 message

Jason Constant <ljc@telus.net>

Mon, Jun 8, 2020 at 7:22 PM

To: Lake Life Shannon <shan.lakelife@gmail.com>

Hey Shannon, I authorize you to submit this for us.

Jason Constant

Sent from my iPhone

On Jun 8, 2020, at 10:22 AM, Lake Life Shannon <shan.lakelife@gmail.com> wrote:

Hi All,

To submit this for you , we need permission to do so on your behalf. Please each reply to this email authorizing us to do so on your behalf.

Have a great day!
Shannon
406-260-1241

Check out our website and follow us on Facebook for pics and promos!
www.lakelife-ezdock.com
<https://www.facebook.com/Lake-Life-EZ-Dock-109347143945321>



Lake Life Shannon <shan.lakelife@gmail.com>

Re: Woodland place dock

1 message

drew kirshner <dlkirshner@gmail.com>

Tue, Jun 9, 2020 at 9:09 AM

To: Lake Life Shannon <shan.lakelife@gmail.com>

We are ok with the go ahead.
Thanks
Drew and Nikki Kirshner

On Sun, Jun 7, 2020 at 4:49 PM Lake Life Shannon <shan.lakelife@gmail.com> wrote:
Hi Drew,

We have the info needed for the permit but we have to have approval from you all to submit it on your behalf. Can you provide everyone's emails so I can send that out for replies?

Have a great day!
Shannon
406-260-1241

Check out our website and follow us on Facebook for pics and promos!
www.lakelife-ezdock.com
<https://www.facebook.com/Lake-Life-EZ-Dock-109347143945321>

On Wed, Jun 3, 2020 at 11:31 AM drew kirshner <dlkirshner@gmail.com> wrote:

Hi Shannon
The paperwork for the dock modification at 22-26 woodland place should be all set. What is the next step.
Thanks
Drew Kirshner
4064712675

On Thu, May 21, 2020 at 5:19 PM drew kirshner <dlkirshner@gmail.com> wrote:

Hi Shannon.
I dropped the paperwork for the dock today. If you have any questions or need more info please let me know.
Thanks
Drew kirshner
4064712675



Lake Life Shannon <shan.lakelife@gmail.com>

Re: Dock Permit

1 message

stonedev@live.ca <stonedev@live.ca>
To: Lake Life Shannon <shan.lakelife@gmail.com>

Tue, Jun 9, 2020 at 12:41 PM

Yes go ahead with permit request

Kent McCulloch

Sent from my iPhone

On Jun 9, 2020, at 11:57 AM, Lake Life Shannon <shan.lakelife@gmail.com> wrote:

Hi Kent,

Do you authorize us to submit this permit request? Yours is the last authorization we are waiting on.

Have a great day!
Shannon
406-260-1241

Check out our website and follow us on Facebook for pics and promos!
www.lakelife-ezdock.com
<https://www.facebook.com/Lake-Life-EZ-Dock-109347143945321>

----- Forwarded message -----

From: Lake Life Shannon <shan.lakelife@gmail.com>
Date: Mon, Jun 8, 2020 at 10:21 AM
Subject: Dock Permit
To: Kent McCulloch <stonedev@live.ca>, drew kirshner <dlkirshner@gmail.com>, <lbjic@telus.net>, <rjpero@aboutmontana.net>

Hi All,

To submit this for you , we need permission to do so on your behalf. Please each reply to this email authorizing us to do so on your behalf.

Have a great day!
Shannon
406-260-1241

Check out our website and follow us on Facebook for pics and promos!
www.lakelife-ezdock.com
<https://www.facebook.com/Lake-Life-EZ-Dock-109347143945321>

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City of Whitefish
Department of Public Works
418 E. 2nd Street
Whitefish, MT 59937
(406) 863-2460 Fax (406) 863-2419

July 28, 2020

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

**Approval of the Rating Panel & Selection Panel for the
Edgewood Place & Texas Avenue Reconstruction Project**

Introduction/History

In 1990, the City Council adopted a policy for Selection of Consultants for services in excess of \$10,000. This policy was amended in 2016 to increase the threshold for such contracts to follow the §18-8-212(1) MCA, which increased the amount to \$50,000 in 2017 (attached).

Current Report

Edgewood Place & Texas Ave are the next roadways on the Resort Tax Priority List. Construction is anticipated to include road, water, sanitary sewer, storm sewer, and pedestrian improvements. The engineering consultant will be responsible for the design approximately 2,530 ft of Edgewood Place, from Wisconsin Ave to the County line as well as approximately 3,500 ft of Texas Ave, from Edgewood to the north end of Texas Ave. A copy of the RFP is enclosed with this report for your review.

The eventual scope of work for the successful consulting firm will include surveying, engineering design, public relations, and construction management services. However, due to the current uncertainty of Resort Tax revenues, it is anticipated that the initial task order will only include surveying. Additional engineering services and construction scheduling will be based on the availability of Resort Tax funds.

In accordance with the above-mentioned policy for consultant selection, the Public Works Department is in the process of advertising for proposals from qualified engineering firms for the project. Proposals are due on Friday 8/7/2020.



July 28, 2020

Approval of Rating & Selection Panel
Edgewood Place & Texas Ave Reconstruction Project

Page | 2 of 2

Financial Requirement

The current budget for the Edgewood Place & Texas Ave Reconstruction Project, as proposed in the FY21-FY25 Capital Improvement Program, is \$2,000,000. The terms of the engineering contract, including cost, will be negotiated after a consultant is selected. There is \$400,000 currently proposed in the Resort Tax Budget for FY21 to begin the design effort.

Recommendation

In accordance with the above-mentioned policy for consultant selection, a consultant *Rating Panel* made up of City staff, and other individuals approved by the City Council, will review the consultant proposals. It is recommended that Council appoint Craig Workman and Karin Hilding to serve on the *Rating Panel* for the Edgewood Place & Texas Ave Reconstruction Project RFP.

In addition, the policy requires that a *Selection Panel* be established to make the final selection in accord with the City's selection criteria. The *Selection Committee* must be comprised of the Department Director, one other staff person, and one elected official. It is recommended that Council appoint Craig Workman, Karin Hilding, and one council member to serve on the *Selection Panel* for the Edgewood Place & Texas Ave Reconstruction Project RFP.

Sincerely,

A handwritten signature in black ink that reads "Craig Workman".

Craig Workman, P.E.
Director of Public Works

Bid Title:	Request for Engineering Proposals: Edgewood Place/Texas Ave
Category:	Public Works Request for Proposals (RFPs)
Status:	Open

Description:

ANNOUNCEMENT

In accordance with Title 18, Chapter 8 (MCA) and adopted City policy for consultant selection, The City of Whitefish, Montana (City) is seeking proposals from qualified consulting engineering firms to provide engineering services for the Edgewood Place/Texas Ave Reconstruction Project.

PROJECT OVERVIEW

The Edgewood Place/Texas Ave Reconstruction Project will involve design and construction of approximately 2,530 ft of Edgewood Place, from Wisconsin Ave to the County line. It will also include approximately 3,500 ft of Texas Ave, from Edgewood to the north end of Texas Ave. The scope of work will include surveying, engineering design, public relations and construction management services; water distribution, wastewater collection and storm water collection system improvements; coordination with and possible relocation of private utilities; a new bicycle/pedestrian trail along Texas Ave; and new street lights. The project may also include Right-of-Way acquisitions.

The funding will be provided by local Resort Tax funds.

The City's goal is to award a consultant contract in August 2020 in order to complete survey work before the end of 2020. Project design and construction will proceed based on the availability of Resort Tax funds and may require phasing over several construction seasons.

REQUIRED SERVICES

The work to be performed by consultant shall include, but not be limited to, the following services:

- Work closely with city staff as requested to confirm criteria for the project. Discussion and presentation of the project to the City Council may be required.
- Produce a detailed topographical survey for the project depicting important features, lot corners, utilities, etc.
- Conduct (or subcontract) soil investigations as necessary to determine soil type, condition and suitability.
- Prepare preliminary design drawings for discussion including a site plan and cross sections sufficient to depict the project.
- Prepare preliminary estimates of construction costs for the project.
- Upon approval of the final design, the selected firm shall produce a complete set of construction documents including, but not necessarily limited to, construction grade drawings, written specifications, and final cost estimates.
- Administration of the public bidding process.
- Provide construction administration services necessary to confirm that the project complies with the plans and specification of the bid.
- Provide the City with electronic copies of documents generated during the design and construction of the project along with an as built survey of the completed project.

FORMAT AND CONTENT OF SUBMITTAL

Five (5) copies of the firm's proposal shall be submitted to the Whitefish Public Works Department, 418 E 2nd Street, PO Box 158, Whitefish, MT 59937, no later than **4:00 P.M. Friday August 7, 2020**. Faxed or emailed proposals will not be considered.

In order to be responsive, all proposals must follow the format and contain information listed in this section. Unnecessarily elaborate brochures and other presentations beyond those sufficient to present a complete and effective response to the solution are not desired.

1. Cover Letter – Provide a letter of transmittal introducing your firm.
2. Overview – Provide an abstract of your firm’s submittal summarizing the nature of the proposal and demonstrating your understanding of the project.
3. Key Personnel – Include brief resumes of the staff who will be assigned to the project. Discuss experience and how experience will be applied to this project.
4. Experience – Provide details of up to three (3) prior projects your firm has completed which relate to this assignment.
5. References – Provide names and telephone number of three (3) references who will attest to your firm’s ability to undertake and complete projects similar to this on time and on budget.

EVALUATION, SELECTION PROCESS AND CONTRACT NEGOTIATIONS

Proposals will be ranked by a Selection Committee and the three highest ranked engineering firms will be invited to present their proposal to the committee. Contract negotiations will begin with the highest ranked firm as soon as possible following the interviews. If the City determines acceptable terms cannot be reached, the City will terminate negotiations and continue with the next highest ranked firm. The City may choose to expand an engineering contract resulting from this selection process to include similar or related work.

Each proposal will be ranked according to the following criteria:

30% - Overall quality of the proposal including clarity of the submittal and responsiveness to the Request for Proposal

30% - Qualification of the personnel who would be assigned to the project and the project team’s experience, as a group, with design and construction oversight of municipal Public Works Projects.

20% - Prior experience with similar projects

10% - The firm’s past work for the City of Whitefish

10% - Office location for personnel who would be assigned to the project

Questions may be referred to Karin Hilding – Senior Project Manager, by telephone at (406) 863-2450, or by email at khilding@cityofwhitefish.org.

ADDITIONAL CONSIDERATIONS

- The City reserves the right to reject any or all proposals.
- City reserves the right to request for clarification of information submitted and to request additional information from the firm(s).
- If a contract and fee cannot be successfully negotiated with the selected firm, the City may choose to enter into negotiations with another prospective firm, or it may re-advertise for new proposals.
- The successful consultant shall provide and maintain professional liability, workers compensations, property damage, error and omissions, and any additional lines of coverage required by the City.

Advertisement

July 19, 2020 First

July 26, 2020 Second

Publication Date/Time:

7/19/2020 12:00 AM

Closing Date/Time:

8/7/2020 4:00 PM

Montana Code Annotated 2017

TITLE 18. PUBLIC CONTRACTS

CHAPTER 8. PROCUREMENT OF SERVICES

Part 2. Architectural, Engineering, and Land Surveying Services

Exception

18-8-212. Exception. (1) All agencies securing architectural, engineering, and land surveying services for projects for which the fees are estimated not to exceed \$50,000 may contract for those professional services by direct negotiation.

(2) Except as provided in **18-8-204(3)**, an agency may not separate service contracts or split or break projects for the purpose of circumventing the provisions of this part.

History: En. Sec. 7, Ch. 51, L. 1987; amd. Sec. 3, Ch. 22, L. 1993; amd. Sec. 7, Ch. 518, L. 1993; amd. Sec. 1, Ch. 162, L. 2003; amd. Sec. 2, Ch. 308, L. 2017.

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CERTIFICATE AS TO RESOLUTION

I, the undersigned, being the duly qualified and acting recording officer of the City of Whitefish, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. _____ entitled: "RESOLUTION RELATING TO \$11,000,000 WATER SYSTEM REVENUE BONDS (DNRC DRINKING WATER STATE REVOLVING LOAN PROGRAM), 2020 PROJECT; AUTHORIZING THE ISSUANCE AND FIXING THE TERMS AND CONDITIONS THEREOF" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a meeting on August 3, 2020, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council members voted in favor thereof: _____
_____ ;
voted against the same: _____ ;
abstained from voting thereon: _____ ;
or were absent: _____.

WITNESS my hand officially this 3rd day of August, 2020.

City Clerk

(SEAL OF CITY)

SUPPLEMENTAL BOND RESOLUTION

Relating to

\$11,000,000
WATER SYSTEM REVENUE BONDS
(DNRC DRINKING WATER STATE REVOLVING LOAN PROGRAM)
2020 PROJECT

CITY OF WHITEFISH, MONTANA

Adopted: August 3, 2020

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RESOLUTION NO. _____

RESOLUTION RELATING TO \$11,000,000 WATER SYSTEM
REVENUE BONDS (DNRC DRINKING WATER STATE
REVOLVING LOAN PROGRAM), 2020 PROJECT;
AUTHORIZING THE ISSUANCE AND FIXING THE TERMS
AND CONDITIONS THEREOF

WHEREAS, pursuant to the Drinking Water State Revolving Fund Act, Montana Code Annotated, Title 75, Chapter 6, Part 2, as amended (the “State Act”), the State of Montana (the “State”) has established a revolving loan program (the “Program”) to be administered by the Department of Natural Resources and Conservation of the State of Montana, an agency of the State (the “DNRC”), and by the Department of Environmental Quality of the State of Montana, an agency of the State (the “DEQ”), and has provided that a drinking water state revolving fund (the “Revolving Fund”) be created within the state treasury and all federal, state and other funds for use in the Program be deposited into the Revolving Fund, including, but not limited to, all federal grants for capitalization of a state drinking water revolving fund under the federal Safe Drinking Water Act (the “Safe Drinking Water Act”), all repayments of assistance awarded from the Revolving Fund, interest on investments made on money in the Revolving Fund and payments of principal of and interest on loans made from the Revolving Fund; and

WHEREAS, the State Act provides that funds from the Program shall be disbursed and administered for the purposes set forth in the Safe Drinking Water Act and according to rules adopted by the DEQ and the DNRC; and

WHEREAS, the City of Whitefish, Flathead County, Montana (the “Borrower”) has applied to the DNRC for a loan (the “2020 Loan”) from the Revolving Fund to enable the Borrower to finance, refinance or reimburse itself for a portion of the costs of the 2020 Project (as hereinafter defined), which will carry out the purposes of the Safe Drinking Water Act; and

WHEREAS, the Borrower is authorized under applicable laws, ordinances and regulations to adopt this Resolution and to issue the 2020 Project Bonds (as hereinafter defined), in one or more series, to evidence the 2020 Loan for the purposes set forth herein; and

WHEREAS, the DNRC expects to fund the 2020 Loan in part, directly or indirectly, with proceeds of the State’s General Obligation Bonds (Drinking Water State Revolving Fund Program) (the “State Bonds”), in part, directly or indirectly, with funds provided by the United States Environmental Protection Agency, and in part, directly or indirectly, from Recycled Money (as hereinafter defined).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, AS FOLLOWS:

ARTICLE I

DEFINITIONS, RULES OF CONSTRUCTION AND APPENDICES

Section 1.1. Definitions. Unless a different meaning clearly appears from the context, terms used with initial capital letters but undefined in this Supplemental Resolution shall have the meanings given them in the Original Resolution or as follows:

“Accountant” or “Accountants” means an independent certified public accountant or a firm of independent certified public accountants satisfactory to the DNRC.

“Act” means Montana Code Annotated, Title 7, Chapter 7, Parts 44 and 45, as heretofore and hereafter amended or supplemented.

“Additional Bonds” means any Bonds issued pursuant to Section 6.01 of the Original Resolution, as amended.

“Administrative Expense Surcharge” means a surcharge on the 2020 Loan, or any portion thereof, charged by the DNRC to the Borrower equal to twenty-five hundredths of one percent (0.25%) per annum on the outstanding principal amount of the applicable portion of the 2020 Loan, payable by the Borrower on the same dates that payments of interest on the applicable portion of the 2020 Loan are due.

“Authorized DNRC Officer” means the Director of the DNRC or his or her designee.

“Bond Counsel” means any Counsel nationally recognized as experienced in matters relating to the issuance by states or political subdivisions of tax-exempt obligations selected by the Borrower and acceptable to the DNRC.

“Bonds” means the Series 2006 Bond, Series 2007 Bond, Series 2009B Bond, Series 2015 Bond, Series 2016 Bond, 2020 Project Bonds and any Additional Bonds.

“Borrower” means the City and its permitted successors or assigns hereunder.

“Business Day” means any day which is not a Saturday or Sunday, a legal holiday in the State or a day on which banks in Montana are authorized or required by law to close.

“City” means the City of Whitefish, Montana.

“Closing” means the date or dates of delivery of the 2020 Project Bonds to the DNRC.

“Code” means the Internal Revenue Code of 1986, as amended.

“Collateral Documents” means any security agreement, guaranty or other document or agreement delivered to the DNRC securing the obligations of the Borrower under this Supplemental Resolution and the 2020 Project Bonds. If no Collateral Documents secure such

obligations, any reference to Collateral Documents in this Supplemental Resolution shall be without effect.

“Committed Amount” means the amount of the 2020 Loan committed to be lent by the DNRC to the Borrower pursuant to Section 4.1 of this Supplemental Resolution, as such amount may be reduced pursuant to Sections 3.2 and 3.4 of this Supplemental Resolution.

“Construction Account” means the account created in the Water System Fund pursuant to Section 7.02 of the Original Resolution.

“Consultant” means a nationally recognized consultant or firm of consultants, or an independent engineer or firm of independent engineers, or an Accountant, which in any case is qualified and has skill and experience in the preparation of financial feasibility studies or projections for facilities similar to the System or the 2020 Project, selected by the Borrower and satisfactory to the DNRC.

“Council” means the City Council of the City of Whitefish, Montana.

“Counsel” means an attorney duly admitted to practice law before the highest court of any state and satisfactory to the DNRC.

“Debt” means, without duplication, (1) indebtedness of the Borrower for borrowed money or for the deferred purchase price of property or services; (2) the obligation of the Borrower as lessee under leases which should be recorded as capital leases under generally accepted accounting principles; and (3) obligations of the Borrower under direct or indirect guarantees in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clause (1) or (2) above.

“DEQ” means the Department of Environmental Quality of the State of Montana, an agency of the State, or any successor to its powers, duties and obligations under the State Act or the EPA Agreements.

“DNRC” means the Department of Natural Resources and Conservation of the State of Montana, an agency of the State, and any successor to its powers, duties and obligations under the State Act.

“EPA” means the Environmental Protection Agency, an agency of the United States of America, and any successor to its functions under the Safe Drinking Water Act.

“EPA Agreements” means all capitalization grant agreements and other written agreements between the DEQ, DNRC and the EPA concerning the Program.

“EPA Capitalization Grant” means a grant of funds to the State by the EPA under Section 1452 of the Safe Drinking Water Act.

“General Revenue Bond Subaccount” means the subaccount so named in the Revenue Bond Account created under Section 7.04 of the Original Resolution, as amended.

“Governmental Unit” means governmental unit as such term is used in Section 145(a) of the Code.

“Haskill Basin Bond” means the Series 2016 Bond and any Bonds issued to refund the Series 2016 Bond.

“Haskill Basin Net Revenues” are equal to the sum of Pledged Resort Tax Revenues plus Net Revenues.

“Haskill Basin Revenue Bond Subaccount” means the subaccount so named in the Revenue Bond Account created under Section 7.04 of the Resolution.

“Indenture” means the Indenture of Trust, dated as of May 1, 1998, between the Board of Examiners of the State and the Trustee, as such may be supplemented or amended from time to time in accordance with the provisions thereof, pursuant to which, among other things, the State Bonds are to be or have been issued.

“Loan Loss Reserve Surcharge” means a fee on the 2020 Loan, or any portion thereof, charged by the DNRC to the Borrower equal to twenty-five hundredths of one percent (0.25%) per annum on the outstanding principal amount of the applicable portion of the 2020 Loan, payable by the Borrower on the same dates that payments of interest on the applicable portion of the 2020 Loan are due.

“Net Revenues” means the Revenues for a specified period less the Operating Expenses for the same period.

“Operating Account” means the account created in the Water System Fund pursuant to Section 7.03 of the Original Resolution.

“Operating Expenses” means the current expenses, paid or accrued, of operation, maintenance and minor repair of the System, excluding interest on the Bonds and depreciation, as calculated in accordance with generally accepted accounting principles, and shall include, without limitation, administrative expenses of the Borrower relating solely to the System, premiums for insurance on the properties thereof, labor and the cost of materials and supplies used for current operation and for maintenance, and charges for the accumulation of appropriate reserves for current expenses which are not recurrent regularly but may reasonably be expected to be incurred.

“Original Resolution” means Resolution No. 93-11 of the Borrower adopted on August 16, 1993.

“Payment Date” means, with respect to 2020 Project Bonds, each January 1 and July 1 during the term of the applicable 2020 Project Bond on which a payment of interest or principal

is due, as determined under the Resolution. The term “Payment Date” as used in this Supplemental Resolution has the same meaning as “Stated Maturity” in the Original Resolution.

“Person” means any individual, corporation, partnership, joint venture, limited liability company, limited liability partnership, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Pledged Resort Tax Revenues” means 70% of the Resort Tax Revenues resulting from the 1% increase in the Borrower’s resort tax that went into effect July 1, 2015.

“Pledged Resort Tax Surplus Account” means the account so named created under Section 7.09 of the Original Resolution, as amended.

“Program” means the Drinking Water State Revolving Fund Program established by the State Act.

“Project” means an improvement, betterment, reconstruction or extension of the System, including the 2020 Project.

“Public Entity” means a State agency, city, town, municipality, irrigation district, county water and sewer district, a soil conservation district or other public body established by State law or an Indian tribe that has a federally recognized governing body carrying out substantial governmental duties and powers over any area.

“Rebate Account” means the account created in the Water System Fund pursuant to Section 7.10 of the Original Resolution.

“Recycled Money” means payments and prepayments of principal of loans made under the Program, and any other amounts transferred to the Principal Subaccount in the Revenue Subaccount in the State Allocation Account (as such terms are defined in the Indenture).

“Regulations” means the Treasury Department, Income Tax Regulations, as amended or any successor regulation thereto, promulgated under the Code or otherwise applicable to the 2020 Project Bonds.

“Replacement and Depreciation Account” means the Account created in the Water System Fund pursuant to Section 7.07 of the Original Resolution.

“Reserve Account” means the account created in the Water System Fund pursuant to Section 7.05 of the Original Resolution.

“Reserve Requirement” means, as of the date of calculation, an amount equal to one-half of the sum of the highest amount of principal of and interest payable on outstanding Bonds (including Haskill Basin Bonds) in the current or any future fiscal year (giving effect to mandatory sinking fund redemption, if any).

“Resolution” means the Original Resolution, as amended and supplemented by Resolution Nos. 98-34, 99-21, 06-31, 07-30, 09-38, 12-36, 15-50 and 16-07 adopted by the City Council of the City on July 6, 1998, August 2, 1999, May 15, 2006, August 7, 2007, September 21, 2009, November 5, 2012, December 7, 2015 and February 1, 2016, respectively, and as further amended and supplemented by this Supplemental Resolution and other supplemental resolutions.

“Resort Tax Act” means Montana Code Annotated, Title 7, Chapter 6, Part 15, as amended.

“Resort Tax Revenues” means the revenues derived from the resort tax levied by the City pursuant to the Resort Tax Act.

“Revenues” means all revenues and receipts from rates, fees, charges and rentals imposed for the availability, benefit and use of the System, and from penalties and interest thereon, and from any sales of property which is a part of the System and all income received from the investment of such revenues and receipts, including interest earnings on the Reserve Account, the Operating Account, the Replacement and Depreciation Account and Surplus Account, but excluding interest earnings on the Construction Account, and excluding any special assessments or taxes levied for construction of any part of the System and the proceeds of any grant or loan from the State or the United States, and any investment income thereon, to the extent such exclusion is a condition to such grant or loan.

“Revenue Bond Account” means the account created in the Water System Fund pursuant to Section 7.04 of the Original Resolution.

“Safe Drinking Water Act” means Title XIV of the Public Health Service Act, commonly known as the Safe Drinking Water Act, 42 U.S.C. §§300f et seq., as amended, and all regulations, rules and interpretations issued by the EPA thereunder.

“Series 2006 Bond” means the First Amended and Restated Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program), Series 2006, issued by the Borrower in the original principal amount of \$693,000 pursuant to the Resolution as then in effect.

“Series 2007 Bond” means the First Amended and Restated Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program), Series 2007, issued by the Borrower in the original principal amount of \$668,000 pursuant to the Resolution as then in effect.

“Series 2009B Bond” means the Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program), Series 2009B, issued by the Borrower in the original principal amount of \$120,100 pursuant to the Resolution as then in effect.

“Series 2015 Bond” means the Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program), Series 2015, issued by the Borrower in the original principal amount of \$120,000 pursuant to the Resolution as then in effect.

“Series 2016 Bond” means the Water System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Taxable Series 2016, issued by the Borrower in the original principal amount of \$8,219,500 pursuant to the Resolution as then in effect.

“State” means the State of Montana.

“State Act” means Montana Code Annotated, Title 75, Part 6, Chapter 2, as amended from time to time.

“State Bonds” means the State’s General Obligation Bonds (Drinking Water State Revolving Fund Program), issued or to be issued pursuant to the Indenture.

“Supplemental Resolution” means this Resolution No. [_____] of the Borrower adopted on August 3, 2020.

“Surplus Account” means the account created in the Water System Fund pursuant to Section 7.08 of the Original Resolution.

“System” means the water system of the Borrower and all extensions, improvements and betterments thereof heretofore or hereafter constructed and acquired.

“Trustee” means U.S. Bank National Association, in Seattle, Washington, or any successor trustee under the Indenture.

“2020 Loan” means the loan made to the Borrower by the DNRC pursuant to the Program in the maximum amount of the Committed Amount to provide funds to pay a portion of the costs of the 2020 Project.

“2020 Project” means the facilities, improvements and activities financed, refinanced or the cost of which is being reimbursed to the Borrower with proceeds of the 2020 Loan, as described in Appendix A to this Supplemental Resolution.

“2020 Project Bonds” means the \$11,000,000 Water System Revenue Bonds (DNRC Drinking Water State Revolving Loan Program), to be issued to the DNRC in two series to evidence the 2020 Loan pursuant to this Supplemental Resolution.

“Water System Fund” means the fund created by Section 7.01 of the Original Resolution.

Section 1.2. Other Rules of Construction. For all purposes of this Supplemental Resolution, except where the context clearly indicates otherwise:

(a) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted government accounting standards.

(b) Terms in the singular include the plural and vice versa.

(c) All references to time shall refer to Helena, Montana time, unless otherwise provided herein.

(d) All references to mail shall refer to first-class mail postage prepaid.

(e) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(f) “Or” is not exclusive, but is intended to permit or encompass one, more or all of the alternatives conjoined.

Section 1.3. Appendices. Attached to this Resolution and hereby made a part hereof are the following Appendices:

Appendix A: a description of and an estimated budget for the 2020 Project;

Appendix B: the form of the 2020 Project Bonds; and

Appendix C: additional agreements and representations of the Borrower.

ARTICLE II

AUTHORIZATION, FINDINGS, REPRESENTATIONS AND COVENANTS

Section 2.1. Authorization and Findings.

(a) Authorization. Under the provisions of the Act, the Borrower is authorized to issue and sell its revenue bonds payable during a term not exceeding forty years from their date of issue, to provide funds for the reconstruction, improvement, betterment and extension of the System or to refund its revenue bonds issued for such purpose; provided that the bonds and the interest thereon are to be payable solely out of the net income and revenues to be derived from rates, fees and charges for the services, facilities and commodities furnished by the undertaking, and are not to create any obligation for the payment of which taxes may be levied except to pay for services provided by the undertaking to the Borrower.

(b) The System. The Borrower, pursuant to the Act and other laws of the State, has established and presently owns and operates the System.

(c) The 2020 Project. After investigation of the facts and as authorized by the Act, this Council has determined it to be necessary and desirable and in the best interests of the Borrower to undertake the 2020 Project.

(d) Outstanding Bonds. Pursuant to the Act and the Original Resolution, the Borrower has issued and there are outstanding its Series 2006 Bond, Series 2007 Bond, Series 2009B Bond, Series 2015 Bond and Series 2016 Bond. The Series 2006 Bond, Series 2007 Bond, Series 2009B Bond and Series 2015 Bond are payable from Net Revenues of the System, the

Series 2016 Bond is payable from Haskill Basin Net Revenues of the System, and no other bonds or indebtedness are outstanding that are payable from or secured by Revenues of the System.

(e) Additional Bonds. The Borrower reserved the right under Section 6.01 of the Original Resolution, as amended, to issue Additional Bonds payable from the Revenue Bond Account of the Water System Fund on a parity as to both principal and interest with the outstanding Bonds, provided that if the Additional Bonds are issued to complete a Project, a certificate is to be signed by the Mayor, City Manager and City Finance Director or any of them stating that on the date of issuance of such Additional Bonds, Haskill Basin Net Revenues, if applicable, and Net Revenues of the System meet the requirements set forth in Section 6.01 of the Original Resolution, as amended. Based on a certificate executed or to be executed by the Mayor, City Manager and City Finance Director, or any of them, it is hereby determined that the Borrower is authorized to issue the 2020 Project Bonds in the maximum principal amount of \$11,000,000 pursuant to Section 6.01 of the Original Resolution, as amended, payable from and secured by the Net Revenues on a parity with the outstanding Series 2006 Bond, Series 2007 Bond, Series 2009B Bond, Series 2015 Bond and Series 2016 Bond.

(f) Multiple Series. The 2020 Project Bonds are expected to be issued in two series, one in the maximum principal amount of \$6,000,000 and the second in the maximum principal amount of \$5,000,000. The Council hereby approves the issuance of the 2020 Project Bonds in such series and at the times and in the amounts as the City Manager and City Finance Director shall determine; provided that the aggregate principal amount of the 2020 Project Bonds shall not exceed \$11,000,000. With respect to the 2020 Project Bonds of any particular series, the City will incorporate in or add to the general title of such series 2020 Project Bonds any words, letters or fixtures designed to distinguish that series from other series.

Section 2.2. Representations. The Borrower represents as follows:

(a) Organization and Authority. The Borrower:

(i) is duly organized and validly existing as a municipal corporation of the State;

(ii) has all requisite power and authority and all necessary licenses and permits required as of the date hereof to own and operate the System and to carry on its current activities with respect to the System, to adopt this Supplemental Resolution and to enter into the Collateral Documents and to issue the 2020 Project Bonds and to carry out and consummate all transactions contemplated by the Resolution, the 2020 Project Bonds and the Collateral Documents;

(iii) is a Governmental Unit and a Public Entity; and

(iv) has taken all proper action to authorize the execution, delivery and performance of its obligations under this Supplemental Resolution, the 2020 Project Bonds and the Collateral Documents and the incurrence of the Debt evidenced by the 2020 Project Bonds in the maximum amount of the Committed Amount.

(b) Litigation. There is no litigation or proceeding pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower in any court or before or by any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the existence, corporate or otherwise, of the Borrower, or the ability of the Borrower to make all payments and otherwise perform its obligations under the Resolution, the 2020 Project Bonds and the Collateral Documents, or the financial condition of the Borrower, or the transactions contemplated by the Resolution, the 2020 Project Bonds and the Collateral Documents or the validity and enforceability of the Resolution, the 2020 Project Bonds and the Collateral Documents. No referendum petition has been filed with respect to any resolution or other action of the Borrower relating to the 2020 Project, the 2020 Project Bonds or any Collateral Documents and the period for filing any such petition will have expired before issuance of the 2020 Project Bonds.

(c) Borrowing Legal and Authorized. The adoption of this Supplemental Resolution, the execution and delivery of the 2020 Project Bonds and the Collateral Documents and the consummation of the transactions provided for in this Supplemental Resolution, the 2020 Project Bonds and the Collateral Documents and compliance by the Borrower with the provisions of the Resolution, the 2020 Project Bonds and the Collateral Documents:

(i) are within the powers of the Borrower and have been duly authorized by all necessary action on the part of the Borrower; and

(ii) do not and will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Borrower pursuant to any resolution, indenture, loan agreement or other agreement or instrument (other than the Resolution and any Collateral Documents) to which the Borrower is a party or by which the Borrower or its property may be bound, nor will such action result in any violation of the provisions of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Borrower, its properties or operations are subject.

(d) No Defaults. No event has occurred and no condition exists that, upon execution and delivery of the 2020 Project Bonds and the Collateral Documents, would constitute a default under the Resolution or the Collateral Documents. The Borrower is not in violation of any term of any agreement, bond resolution, trust indenture, charter or other instrument to which it is a party or by which it or its property may be bound which violation would materially and adversely affect the transactions contemplated hereby or the compliance by the Borrower with the terms hereof or of the 2020 Project Bonds and the Collateral Documents.

(e) Governmental Consent. The Borrower has obtained or made all permits, findings and approvals required to the date of adoption of this Supplemental Resolution by any governmental body or officer for the making and performance by the Borrower of its obligations under this Supplemental Resolution, the 2020 Project Bonds and the Collateral Documents (including any necessary water rate increase) or for the 2020 Project, the financing or refinancing thereof or the reimbursement of the Borrower for the costs thereof. No consent, approval or authorization of, or filing, registration or qualification with, any governmental authority (other than those, if any,

already obtained) is required on the part of the Borrower as a condition to adopting this Supplemental Resolution, issuing the 2020 Project Bonds or entering into the Collateral Documents and the performance of the Borrower's obligations hereunder and thereunder.

(f) Binding Obligation. The Resolution, the 2020 Project Bonds and any Collateral Document to which the Borrower is a party are the valid and binding special, limited obligations and agreements of the Borrower, enforceable against the Borrower in accordance with their terms, except to the extent that the enforceability thereof may be limited by laws relating to bankruptcy, moratorium, reorganization, insolvency or similar laws affecting creditors' rights and general principles of equity.

(g) The 2020 Project. The 2020 Project consists and will consist of the facilities, improvements and activities described in Appendix A, as such Appendix A may be amended from time to time in accordance with the provision of Article III of this Supplemental Resolution. The 2020 Project comprises facilities of a type that, as determined by the EPA, will facilitate compliance with the national primary drinking water regulations applicable to the System or will otherwise significantly further the health protection objectives of the Safe Drinking Water Act.

(h) The System. The System is a "community water system" within the meaning of the State Act and the Safe Drinking Water Act in that it is a public water system, comprising collection, treatment, storage and distribution facilities for the provision to the public of water for human consumption, that serves not less than 15 service connections used by year-round residents of the area served by the System or regularly serves not less than 25 year-round residents.

(i) Full Disclosure. There is no fact that the Borrower has not specifically disclosed in writing to the DNRC that materially and adversely affects or (so far as the Borrower can now foresee), except for pending or proposed legislation or regulations that are a matter of general public information, that will materially and adversely affect the properties, operations and finances of the System, the Borrower's status as a Public Entity and Governmental Unit, its ability to own and operate the System in the manner it is currently operated or the Borrower's ability to perform its obligations under the Resolution, the 2020 Project Bonds and the Collateral Documents and to pledge any revenues or other property pledged to the payment of the 2020 Project Bonds.

(j) Compliance With Law. The Borrower:

(1) is in compliance with all laws, ordinances, governmental rules and regulations and court or other governmental orders, judgments and decrees to which it is subject and which are material to the properties, operations and finances of the System or its status as a Public Entity and Governmental Unit; and

(2) has obtained all licenses, permits, franchises or other governmental authorizations necessary to the ownership of the System and the operation thereof and agrees to obtain all such licenses, permits, franchises or other governmental

authorizations as may be required in the future for the System and the operation thereof, which failure to obtain might materially and adversely affect the ability of the Borrower to conduct the operation of the System as presently conducted or the condition (financial or otherwise) of the System or the Borrower's ability to perform its obligations under the Resolution, the 2020 Project Bonds and the Collateral Documents.

Section 2.3. Covenants.

(a) Insurance. In addition to the requirements of Sections 8.03 and 8.04 of the Original Resolution, the Borrower at all times shall keep and maintain with respect to the System property and casualty insurance and liability insurance with financially sound and reputable insurers, or self-insurance as authorized by State law, against such risks and in such amounts, and with such deductible provisions, as are customary in the State in the case of entities of the same size and type as the Borrower and similarly situated and shall carry and maintain, or cause to be carried and maintained, and pay or cause to be paid timely the premiums for all such insurance. Nothing herein shall be construed to prohibit or preclude the Borrower from self-insuring or participating in a self-insurance program in compliance with the provisions of State law. All such insurance policies shall name the DNRC as an additional insured to the extent permitted under the policy or program of insurance of the Borrower. Each policy must provide that it cannot be cancelled by the insurer without giving the Borrower and the DNRC 30 days' prior written notice. The Borrower shall give the DNRC prompt notice of each insurance policy it obtains or maintains to comply with this Section 2.3(a) and of each renewal, replacement, change in coverage or deductible under or amount of or cancellation of each such insurance policy and the amount and coverage and deductibles and carrier of each new or replacement policy. Such notice shall specifically note any adverse change as being an adverse change. The Borrower shall deliver to the DNRC at each Closing a certificate providing the information required by this Section 2.3(a).

(b) Right of Inspection and Notice of Change of Location. The DNRC, the DEQ and the EPA and their designated agents shall have the right at all reasonable times during normal business hours and upon reasonable notice to enter into and upon the property of the Borrower for the purpose of inspecting the System or any or all books and records of the Borrower relating to the System.

(c) Further Assurance. The Borrower shall execute and deliver to the DNRC all such documents and instruments and do all such other acts and things as may be necessary or required by the DNRC to enable the DNRC to exercise and enforce its rights under the Resolution, the 2020 Project Bonds and the Collateral Documents and to realize thereon, and record and file and re-record and refile all such documents and instruments, at such time or times, in such manner and at such place or places, all as may be necessary or required by the DNRC to validate, preserve and protect the position of the DNRC under the Resolution, the 2020 Project Bonds and the Collateral Documents.

(d) Maintenance of Security, if Any; Recordation of Interest.

(i) The Borrower shall, at its expense, take all necessary action to maintain and preserve the lien and security interest of the Resolution and the Collateral Documents so long as any amount is owing under the Resolution or the 2020 Project Bonds;

(ii) The Borrower shall forthwith, after the execution and delivery of the 2020 Project Bonds and thereafter from time to time, cause the Resolution and any Collateral Documents granting a security interest in revenues or real or personal property and any financing statements or other notices or documents relating thereto to be filed, registered and recorded in such manner and in such places as may be required by law in order to perfect and protect fully the lien and security interest hereof and thereof and the security interest in them granted by the Resolution and, from time to time, shall perform or cause to be performed any other act required by law, including executing or causing to be executed any and all required continuation statements and shall execute or cause to be executed any further instruments that may be requested by the DNRC for such perfection and protection; and

(iii) Except to the extent it is exempt therefrom, the Borrower shall pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of the documents described in subparagraph (ii), and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the 2020 Project Bonds and the Collateral Documents and the documents described in subparagraph (ii).

(e) Additional Agreements. The Borrower covenants to comply with all representations, covenants, conditions and agreements, if any, set forth in Appendix C hereto.

(f) Financial Information. This Section 2.3(f) supplements, and is not intended to limit, the requirements in Section 8.06 of the Original Resolution, as amended. The Borrower agrees that for each fiscal year it shall furnish to the DNRC and the DEQ, promptly when available:

(1) the preliminary annual budget for the System, with items for the 2020 Project shown separately; and

(2) when adopted, the final annual budget for the System, with items for the 2020 Project shown separately.

(g) Project Accounts. The Borrower shall maintain Project accounts in accordance with generally accepted government accounting standards.

(h) Records. After reasonable notice from the EPA or the DNRC, the Borrower shall make available to the EPA or the DNRC such records as the EPA or the DNRC reasonably requires to review and determine compliance with the Safe Drinking Water Act, as provided in Section 75-6-224(1)(h) of the State Act.

(i) Compliance with Safe Drinking Water Act. The Borrower has complied and shall comply with all conditions and requirements of the Safe Drinking Water Act pertaining to the 2020 Loan and the 2020 Project, and shall maintain sufficient financial, managerial and technical capability to continue to effect such compliance.

(j) Compliance with DEQ Requirements. The Borrower shall comply with plan, specification and other requirements for public water systems established by the DEQ, as required by Section 75-6-224(1)(h) of the State Act.

Section 2.4. Covenants Relating to the Tax-Exempt Status of the State Bonds.

(a) The Borrower covenants and agrees that it will not use or permit to be used any of the proceeds of the 2020 Project Bonds or any other funds of the Borrower in respect of the 2020 Project or the 2020 Project Bonds, directly or indirectly, in a manner that would cause, or take any other action that would cause, any State Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code or would otherwise cause the interest on the State Bonds to be included in gross income for purposes of federal income taxation.

(b) The Borrower agrees that it will not enter into, or allow any “related person” (as defined in Section 147(a)(2) of the Code) to enter into, any arrangement, formal or informal, for the purchase of the State Bonds or any other obligations of the DNRC in an amount related to the amount of the 2020 Loan or the portion of the 2020 Loan derived directly or indirectly from proceeds of the State Bonds or that would otherwise cause any State Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code.

(c) The Borrower shall not use or permit the use of the 2020 Project directly or indirectly in any trade or business carried on by any Person who is not a Governmental Unit. For the purpose of this subparagraph, use as a member of the general public (within the meaning of the Regulations) shall not be taken into account and any activity carried on by a Person other than a natural person shall be treated as a trade or business.

(d) Any portion of the 2020 Project being refinanced or the cost of which is being reimbursed was acquired by and is now and shall, during the term of the 2020 Loan, be owned by the Borrower and not by any other Person. Any portion of the 2020 Project being financed shall be acquired by and shall, during the term of the 2020 Loan, be owned by the Borrower and not by any other Person. Notwithstanding the previous two sentences, the Borrower may transfer the 2020 Project or a portion thereof to another Governmental Unit which is also a Public Entity if such transfer is otherwise permitted under the Resolution and if such organization agrees with the DNRC to comply with Sections 2.3(h), 2.3(i) and 2.4 of this Supplemental Resolution and if the DNRC receives an Opinion of Bond Counsel that such transfer will not violate the State Act or the Safe Drinking Water Act or adversely affect the exclusion of interest on the State Bonds from gross income or purposes of federal income taxation. In addition, except as otherwise provided in the Resolution or in any Collateral Documents, the Borrower may sell or otherwise dispose of any portion of the 2020 Project which has become obsolete or outmoded or is being replaced or for other reasons is not needed by the Borrower or beneficial to the general public or necessary to carry out the purposes of the Safe Drinking Water Act.

(e) At each Closing, the DNRC will, if necessary to obtain the Opinion of Bond Counsel described in Section 7.05(a) of the Indenture, deliver to the Borrower instructions concerning compliance by the Borrower with the arbitrage rebate requirements of Section 148 of the Code (the “Arbitrage Rebate Instructions”). The Borrower shall comply with the Arbitrage Rebate Instructions, if any, delivered to it by the DNRC at each Closing, as such Instructions may be amended or replaced by the DNRC from time to time. The Arbitrage Rebate Instructions may be amended or replaced by new Arbitrage Rebate Instructions delivered by the DNRC and accompanied by an Opinion of Bond Counsel to the effect that the use of said amended or new Arbitrage Rebate Instructions will not adversely affect the excludability of interest on the State Bonds or any Additional State Bonds (except State Bonds the interest on which the State did not intend to be excluded from gross income for federal income tax purposes) from gross income of the recipients thereof for federal income tax purposes.

(f) The Borrower agrees that during the term of the 2020 Loan it will not contract with or permit any Private Person to manage the 2020 Project or any portion thereof except according to a written management contract and upon delivery to the DNRC of an opinion of Bond Counsel to the effect that the execution and delivery of such management contract will not violate the State Act or the Safe Drinking Water Act or adversely affect the exclusion of interest on State Bonds from gross income or purposes of federal income taxation.

(g) The Borrower may not lease the 2020 Project or any portion thereof to any Person other than a Nonexempt Person which agrees in writing with the Borrower and the State not to cause any default to occur under the Resolution; provided the Borrower may lease all or any portion of the 2020 Project to a Nonexempt Person pursuant to a lease which in the Opinion of Bond Counsel delivered to the DNRC will not cause the interest on the State Bonds to be included in gross income for purposes of federal income taxation.

(h) The Borrower shall not change the use or nature of the 2020 Project if (i) such change will violate the Safe Drinking Water Act, or (ii) so long as the State Bonds are outstanding unless, in the Opinion of Bond Counsel delivered to the DNRC, such change will not result in the inclusion in gross income of interest on the State Bonds for federal income tax purposes.

Section 2.5. Maintenance of System; Liens. The Borrower shall maintain the System, including the 2020 Project, in good condition and make all necessary renewals, replacements, additions, betterments and improvements thereto. The Borrower shall not grant or permit to exist any lien on the 2020 Project or any other property making up part of the System, other than liens securing Debt where a parity or senior lien secures the 2020 Project Bonds; provided that this Section 2.5 shall not be deemed to be violated if a mechanic’s or contractor’s lien is filed against any such property so long as the Borrower uses its best efforts to obtain the discharge of such lien and promptly reports to the DNRC the filing of such lien and the steps it plans to take and does take to discharge of such lien.

Section 2.6. Maintenance of Existence; Merger, Consolidation, Etc.; Disposition of Assets. The Borrower shall maintain its corporate existence, except that it may consolidate with or merge into another Governmental Unit or permit one or more Governmental Units to

consolidate with or merge into it or may transfer all or substantially all of its assets to another Governmental Unit and then dissolve if the surviving, resulting or transferee entity (if other than the Borrower) (i) is a Public Entity and (ii) assumes in writing all of the obligations of the Borrower under the Resolution, the 2020 Project Bonds and the Collateral Documents, and (a) such action does not result in any default in the performance or observance of any of the terms, covenants or agreements of the Borrower under the Resolution, the 2020 Project Bonds and the Collateral Documents, (b) such action does not violate the State Act or the Safe Drinking Water Act and does not adversely affect the exclusion of interest on the 2020 Project Bonds or the State Bonds from gross income for federal income tax purposes and (c) the Borrower delivers to the DNRC on the date of such action an Opinion of Bond Counsel that such action complies with this Section 2.6.

Other than pursuant to the preceding paragraph, the Borrower shall not transfer the System or any portion thereof to any other Person, except for property which is obsolete, outmoded, worn out, is being replaced or otherwise is not needed for the operation of the System, unless the provisions of (a) and (b) of the preceding paragraph are satisfied and the Borrower delivers to the DNRC an Opinion of Bond Counsel to that effect and, in addition, the DNRC consents to such transfer.

ARTICLE III

USE OF PROCEEDS; THE 2020 PROJECT

Section 3.1. Use of Proceeds. The Borrower shall apply the proceeds of the 2020 Loan from the DNRC solely as follows:

(a) The Borrower shall apply the proceeds of the 2020 Loan solely to the financing, refinancing or reimbursement of a portion of the costs of the 2020 Project as set forth in Appendix A hereto and this Section 3.1. The 2020 Loan will be disbursed in accordance with Article IV hereof and Article VII of the Indenture. The Borrower shall, as quickly as reasonably possible, complete the 2020 Project and expend proceeds of the 2020 Project Bonds to pay the costs of completing the 2020 Project.

(b) No portion of the proceeds of the 2020 Loan shall be used to reimburse the Borrower for costs paid prior to the date of adoption of this Supplemental Resolution of a Project the construction or acquisition of which occurred or began earlier than June 1, 1993. In addition, if any proceeds of the 2020 Loan are to be used to reimburse the Borrower for 2020 Project costs paid prior to the date of adoption of this Supplemental Resolution, the Borrower shall have complied with Section 1.150-2 of the Regulations in respect of such costs.

(c) Any Debt to be refinanced with proceeds of the 2020 Loan was incurred after June 1, 1993 for a Project the construction or acquisition of which began after June 1, 1993. No proceeds of the 2020 Loan shall be used for the purpose of refinancing an obligation the interest on which is exempt from federal income tax or excludable from gross income for purposes of federal income taxation unless the DNRC has received an

Opinion of Bond Counsel, satisfactory to it, to the effect that such refinancing will not adversely affect the exclusion of interest on the State Bonds from gross income for purposes of federal income taxation.

Section 3.2. The 2020 Project. Set forth in Appendix A to this Supplemental Resolution is a description of the 2020 Project, which describes the property which has been or is to be acquired, installed, constructed or improved and the other activities, if any to be funded from the 2020 Loan (the 2020 Project may consist of more than one facility or activity) and an estimated budget relating to the 2020 Project. The 2020 Project may be changed and the description thereof in Appendix A may be amended from time to time by the Borrower but only after delivery to the DNRC of the following:

(a) A certificate of the Borrower setting forth the amendment to Appendix A and stating the reason therefor, including statements whether the amendment would cause an increase or decrease in the cost of the 2020 Project, an increase or decrease in the amount of 2020 Loan proceeds which will be required to complete the 2020 Project and whether the change will materially accelerate or delay the construction schedule for the 2020 Project;

(b) A written consent to such change in the 2020 Project by an Authorized DNRC Officer;

(c) An Opinion or Opinions of Bond Counsel stating that the 2020 Project, as constituted after such amendment, is, and was at the time the State Bonds were issued, eligible for financing under the State Act and is, and was at the time each series of the 2020 Project Bonds was issued, eligible for financing under the Act, such amendment will not violate the State Act or the Act and such amendment will not adversely affect the exclusion of interest on the State Bonds or the 2020 Project Bonds from gross income for purposes of federal income taxation. Such an Opinion of Bond Counsel shall not be required for amendments which do not affect the type of facility to be constructed or activity to be financed.

The Borrower acknowledges and agrees that an increase in the principal amount of the 2020 Loan may be made only upon an application to the DEQ, the DNRC and the Trustee, in such form as the DEQ shall specify, which is approved by the DEQ and the DNRC, in their sole and absolute discretion, and adoption by the governing body of the Borrower of a resolution amendatory of or supplementary to the Resolution authorizing the additional loan and delivery of written certifications by officers of the Borrower to the DEQ, the DNRC and the Trustee to the effect that all representations and covenants contained in the resolution as it may be so amended or supplemented are true as of the date of closing of the additional loan and compliance with applicable tests for the incurrence of such Debt. No assurance can be given that any additional loan funds will be available under the Program at the time of any such application or thereafter. The Borrower acknowledges and agrees that neither the DEQ, the DNRC, the Trustee nor any of their agents, employees or representatives shall have any liability to the Borrower and have made no representations to the Borrower as to the sufficiency of the 2020 Loan to pay costs of the

2020 Project or as to the availability of additional funds under the Program to increase the principal amount of the 2020 Loan.

Section 3.3. 2020 Project Representations and Covenants. The Borrower hereby represents to and covenants with the DNRC that:

(a) all construction of the 2020 Project has complied and will comply with all federal and state standards, including, without limitation, EPA regulations and standards;

(b) all future construction of the 2020 Project will be done only pursuant to fixed price construction contracts. The Borrower shall obtain a performance and payment bond from the contractor for each construction contract in the amount of 100% of the construction price and ensure that such bond is maintained until construction is completed to the Borrower's, the DNRC's and the DEQ's satisfaction;

(c) all future construction of the 2020 Project will be done in accordance with plans and specifications on file with the DNRC and the DEQ, provided that changes may be made in such plans and specifications with the written consent of an Authorized DNRC Officer and the DEQ;

(d) all laborers and mechanics employed by contractors and subcontractors on the 2020 Project have been and will be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the United States Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code;

(e) the iron and steel products used in the 2020 Project comply with the "American Iron and Steel" requirements of Section 436 of the Consolidated Appropriations Act of 2014 (P.L. 113-76), as those requirements are further interpreted by applicable EPA guidance; and

(f) the 2020 Project is a project of the type permitted to be financed under the Act, the Act and the Program and Section 1452 of the Safe Drinking Water Act; and

(g) the Borrower will undertake the 2020 Project promptly after Closing on the initial series of 2020 Project Bonds and will cause the 2020 Project to be completed as promptly as practicable with all reasonable dispatch, except only as completion may be delayed by a cause or event not reasonably within the control of the Borrower; it is estimated by the Borrower that the 2020 Project will be substantially completed by August 30, 2021.

Section 3.4. Completion or Cancellation or Reduction of Costs of the 2020 Project.

(a) Upon completion of the 2020 Project, the Borrower shall deliver to the DNRC a certificate stating that the 2020 Project is complete, stating the amount, if any, of the undisbursed Committed Amount. If Appendix A describes two or more separate projects

as making up the 2020 Project, a separate completion certificate shall be delivered for each.

(b) If all or any portion of the 2020 Project is cancelled or cut back or its costs are reduced or for any other reason the Borrower will not require the full Committed Amount, the Borrower shall promptly notify the DNRC in writing of such fact and the amount of the undisbursed Committed Amount.

ARTICLE IV

THE 2020 Loan

Section 4.1. The 2020 Loan; Disbursement of 2020 Loan. The DNRC has agreed to lend to the Borrower, from time to time as the requirements of this Section 4.1 are met, an amount up to \$11,000,000 (the “Committed Amount”) for the purpose of financing, refinancing or reimbursing the Borrower for a portion of the costs of the 2020 Project; provided the DNRC shall not be required to loan any proceeds of the State Bonds to the Borrower after June 30, 2022. The Committed Amount may be reduced as provided in Sections 3.2(a) and 3.4 of this Supplemental Resolution. The 2020 Loan shall be disbursed as provided in this Section 4.1. The DNRC intends to disburse the 2020 Loan through the Trustee.

(a) In consideration of the issuance of the 2020 Project Bonds by the Borrower, the DNRC shall make, or cause the Trustee to make, a disbursement of all or a portion of the 2020 Loan evidenced by each series of the 2020 Project Bonds upon receipt of the following documents:

(1) an Opinion of Bond Counsel as to the validity and enforceability of the applicable 2020 Project Bond and the security therefor and stating in effect that interest on the applicable 2020 Project Bond is not excludable from gross income of the owner thereof for purposes of federal income taxation, in form and substance satisfactory to the DNRC;

(2) the applicable 2020 Project Bond, fully executed and authenticated;

(3) a certified copy of the Original Resolution and this Supplemental Resolution;

(4) any other security instruments or documents required by the DNRC or DEQ as a condition to their approval of the 2020 Loan;

(5) if all or part of the 2020 Loan is being made to refinance a Project or reimburse the Borrower for the costs of a Project paid prior to Closing of the applicable series of the 2020 Project Bonds, evidence, satisfactory to the DNRC and the Bond Counsel referred to in (1) above, (A) that the acquisition or construction of the Project was begun no earlier than June 1, 1993 or the debt was incurred no earlier than June 1, 1993, (B) of the Borrower’s title to the Project, (C) of the costs of such Project and that such costs have been paid by the Borrower and (D) if such costs were paid before

adoption of this Supplemental Resolution that the Borrower has complied with Section 1.150-2 of the Regulations;

(6) the items required by the Indenture for the portion of the 2020 Loan to be disbursed at Closing; and

(7) such other certificates, documents and other information as the DNRC, the DEQ or the Bond Counsel giving the opinion referred to in subparagraph (1) may require (including any necessary arbitrage rebate instructions).

(b) In order to obtain a disbursement of a portion of the 2020 Loan to pay costs of the 2020 Project, the Borrower shall submit to the DNRC and the Trustee a signed request for disbursement on the form prescribed by the DNRC, with all attachments required by such form. The Borrower may obtain disbursements only for costs which have been legally incurred and are due and payable. All 2020 Loan disbursements will be made to the Borrower only upon proof that cost was incurred.

(c) For refinancings, a disbursement schedule complying with the requirements of the Safe Drinking Water Act shall be established by the DNRC and the Borrower at Closing. If the Borrower should repay all or a portion of the debt to be refinanced from other sources or should otherwise not need any portion of the 2020 Loan which was to have been used to refinance such debt, it shall inform the DNRC and the Trustee of such fact pursuant to Section 3.4(b) and a new disbursement schedule shall be drawn up by the DNRC. The DNRC shall obtain a receipt from the holder of the debt being refinanced for each disbursement made to pay or prepay a portion of such debt.

(d) If all or a portion of the 2020 Loan is made to reimburse the Borrower for 2020 Project costs paid by it prior to Closing of the applicable series of the 2020 Project Bonds, the Borrower shall present at Closing for such series the items required by Section 4.1(b) relating to such costs. The Trustee shall disburse such amounts to the Borrower pursuant to a disbursement schedule complying with the requirements of the Safe Drinking Water Act established by the DNRC and the Borrower at such Closing.

(e) Notwithstanding anything else provided herein, the Trustee shall not be obligated to disburse the 2020 Loan any faster or to any greater extent than it has available EPA Capitalization Grants, Bond proceeds and other amounts available therefor in the Revolving Fund. The DNRC shall not be required to do "overmatching" pursuant to Section 5.04(b) of the Indenture, but may do so in its discretion. The Borrower acknowledges that if 2020 Project costs are incurred faster than the Borrower projected at Closing, there may be delays in making disbursements of the 2020 Loan for such costs because of the schedule under which EPA makes EPA Capitalization Grant money available to the DNRC. The DNRC will use its best efforts to obtain an acceleration of such schedule if necessary.

(f) Upon making each 2020 Loan disbursement, the Trustee is to note such disbursement on Schedule A to the applicable 2020 Project Bond.

(g) The Borrower acknowledges and agrees that any portions of the 2020 Loan representing capitalized interest shall be advanced only on Payment Dates and shall be transferred by the Trustee on the Payment Date directly to the General Revenue Bond Subaccount. The amount of any such transfer shall be a credit against the interest payments due on the applicable 2020 Project Bond and interest thereon shall accrue only from the date of transfer.

(h) Compliance by the Borrower with its representations, covenants and agreements contained in the Resolution, this Supplemental Resolution and the Collateral Documents shall be a further condition precedent to the disbursement of the 2020 Loan in whole or in part. The DNRC and the Trustee, in their sole and absolute discretion, may make one or more disbursements, in whole or in part, notwithstanding such noncompliance, and without liability to make any subsequent disbursement of the 2020 Loan.

Section 4.2. Commencement of 2020 Loan Term. The Borrower's obligations under this Supplemental Resolution and the Collateral Documents shall commence on the date hereof unless otherwise provided in this Supplemental Resolution. However, the obligation to make payments under Article V hereof shall commence only upon the first disbursement by the Trustee of 2020 Loan proceeds.

Section 4.3. Termination of 2020 Loan Term. The Borrower's obligations under the Resolution and the Collateral Documents in respect of the 2020 Project Bonds shall terminate upon payment in full of all amounts due under the 2020 Project Bonds and the Resolution in respect thereof; provided, however, that the covenants and obligations provided in Article VI and Section 10.4 of this Supplemental Resolution shall survive the termination of the Resolution.

Section 4.4. 2020 Loan Closing Submissions. On or prior to each Closing, the Borrower will have delivered to the DNRC and the Trustee the closing submissions required by Section 7.05 of the Indenture.

ARTICLE V

REPAYMENT OF 2020 Loan

Section 5.1. Repayment of 2020 Loan. The Borrower shall repay the amounts lent to it pursuant to Section 4.1 hereof, plus interest and, if applicable, Administrative Expense Surcharge and Loan Loss Reserve Surcharge on the unpaid amounts lent, in semiannual Loan Repayments. Prior to the issuance of a series of 2020 Project Bonds, the DNRC shall determine, in its sole discretion, whether to waive the Administrative Expense Surcharge and Loan Loss Reserve Surcharge on such series of 2020 Project Bonds. If the DNRC does not waive the Administrative Expense Surcharge and Loan Loss Reserve Surcharge, interest, exclusive of surcharges, shall be charged at a rate of two percent (2.00%) per annum. If the DNRC does waive the Administrative Expense Surcharge and Loan Loss Reserve Surcharge, interest shall be charged at a rate of two and one-half percent (2.50%) per annum. The applicable series of 2020 Project Bonds will set forth the proper provisions regarding the interest rate, Administrative Expense Surcharge and Loan Loss Reserve Surcharge. For purposes of this Supplemental

Resolution and the Program, the term “Interest on the Loan” or “Interest on the 2020 Loan” shall include any applicable Administrative Expense Surcharge and the Loan Loss Reserve Surcharge. The Borrower shall pay all Loan Repayments and, if applicable, Administrative Expense Surcharge and Loan Loss Reserve Surcharge in lawful money of the United States of America to the DNRC. Interest and, if applicable, Administrative Expense Surcharge and Loan Loss Reserve Surcharge shall be calculated on the basis of a year of 360 days comprising 12 months of 30 days each.

The payments of principal of and interest and, if applicable, Administrative Expense Surcharge and Loan Loss Reserve Surcharge on the 2020 Loan shall be due on the dates and in the amounts shown in Schedule B to each of the 2020 Project Bonds, as each such Schedule B shall be modified from time to time as provided below. The portion of each such Loan Repayment consisting of principal and the portion consisting of interest and, if applicable, the amount of each Administrative Expense Surcharge and the amount of each Loan Loss Reserve Surcharge shall be set forth in Schedule B to each of the 2020 Project Bonds. Upon each disbursement of 2020 Loan amounts to the Borrower pursuant to Section 4.1 hereof, the Trustee shall enter or cause to be entered the amount advanced on Schedule A to the applicable 2020 Project Bond under “Advances” and the total amount advanced under Section 4.1, including such disbursement, under “Total Amount Advanced.”

If the advance was made to pay costs of the 2020 Project pursuant to Section 4.1(b), interest and, if applicable, Administrative Expense Surcharge and Loan Loss Reserve Surcharge on such advance shall accrue from the date the advance is made and shall be payable on each Payment Date thereafter. Once the entire principal amount of a 2020 Project Bond has been drawn, or the completion certificate for the 2020 Project has been delivered to the DNRC, the Trustee shall revise Schedule B to the applicable 2020 Project Bond or 2020 Project Bonds in accordance with this Section 5.1 and the Trustee shall send a copy of each such Schedule B to the Borrower within one month after delivery of the completion certificate.

Past-due payments of principal and interest and, if applicable, Administrative Expense Surcharge and Loan Loss Reserve Surcharge shall bear interest at the rate of ten percent (10.00%) per annum, until paid.

Any payment of principal, interest or, if applicable, Administrative Expense Surcharge and Loan Loss Reserve Surcharge under this Section 5.1 shall also be credited against the same payment obligation under the 2020 Project Bonds.

Section 5.2. Additional Payments. The Borrower shall also pay, within 30 days after receipt of a bill therefor, from any legally available funds therefor, including proceeds of the 2020 Loan, if the Borrower so chooses, all reasonable expenses of the DNRC and the Trustee in connection with the 2020 Loan, the Collateral Documents and the 2020 Project Bonds, including, but not limited to:

- (1) the cost of reproducing this Supplemental Resolution, the Collateral Documents and the 2020 Project Bonds;

(2) the fees and disbursements of Bond Counsel and other Counsel utilized by the DNRC and the Trustee in connection with the 2020 Loan, the Resolution, the Collateral Documents and the 2020 Project Bonds and the enforcement thereof; and

(3) all taxes and other governmental charges in connection with the execution and delivery of the Collateral Documents or the 2020 Project Bonds, whether or not the 2020 Project Bonds is then outstanding, including all recording and filing fees relating to the Collateral Documents and the pledge of the State's right, title and interest in and to the 2020 Project Bonds, the Collateral Documents and the Resolution (and with the exceptions noted therein) and all expenses, including attorneys' fees, relating to any amendments, waivers, consents or collection or enforcement proceedings pursuant to the provisions hereof or thereof.

Section 5.3. Prepayments. The Borrower may not prepay all or any part of the outstanding principal amount of the 2020 Project Bonds unless (i) it obtains the prior written consent of the DNRC thereto, and (ii) no Loan Repayment or, if applicable, Administrative Expense Surcharge or Loan Loss Reserve Surcharge is then delinquent. Any prepayment permitted by the DNRC must be accompanied by payment of accrued interest and, if applicable, Administrative Expense Surcharge and Loan Loss Reserve Surcharge to the date of prepayment on the amount of principal prepaid. If any of the 2020 Project Bonds are prepaid in part pursuant to this Section 5.3, such prepayments shall be applied to principal payments in inverse order of maturity.

Section 5.4. Obligations of Borrower Unconditional. The obligations of the Borrower to make the payments required by the Resolution and the 2020 Project Bonds and to perform its other agreements contained in the Resolution, the 2020 Project Bonds and Collateral Documents shall be absolute and unconditional, except as otherwise provided herein or in such documents. The Borrower (a) shall not suspend or discontinue any payments provided for in the Resolution and the 2020 Project Bonds, (b) shall perform all its other agreements in the Resolution, the 2020 Project Bonds and the Collateral Documents and (c) shall not terminate the Resolution, the 2020 Project Bonds or the Collateral Documents for any cause, including any acts or circumstances that may constitute failure of consideration, destruction of or damage to the 2020 Project or the System, commercial frustration of purpose, any dispute with the DNRC or the EPA, any change in the laws of the United States or of the State or any political subdivision of either or any failure of the DNRC to perform any of its agreements, whether express or implied, or any duty, liability or obligation arising from or connected with the Resolution.

Section 5.5. Limited Liability. All payments of principal of and interest on the 2020 Loan and other payment obligations of the Borrower hereunder and under the 2020 Project Bonds shall be special, limited obligations of the Borrower payable solely out of the Net Revenues and shall not, except at the option of the Borrower and as permitted by law, be payable out of any other funds or revenues of the Borrower. The obligations of the Borrower under the Resolution and the 2020 Project Bonds shall never constitute an indebtedness of the Borrower within the meaning of any state constitutional provision or statutory or charter limitation and shall never constitute or give rise to a pecuniary liability of the Borrower or a charge against its general credit or taxing power. The taxing powers of the Borrower are not pledged to pay

principal of or interest on the 2020 Project Bonds, and no funds or property of the Borrower other than the Net Revenues are pledged to pay principal of or interest on the 2020 Project Bonds.

ARTICLE VI

INDEMNIFICATION OF DNRC AND DEQ

The Borrower shall, to the extent permitted by law, indemnify and save harmless the DNRC and the DEQ and their officers, employees and agents (each an “Indemnified Party” or, collectively, the “Indemnified Parties”) against and from any and all claims, damages, demands, expenses, liabilities and losses of every kind asserted by or on behalf of any Person arising out of the acts or omissions of the Borrower or its employees, officers, agents, contractors, subcontractors, or consultants in connection with or with regard or in any way relating to the condition, use, possession, conduct, management, planning, design, acquisition, construction, installation or financing of the 2020 Project. The Borrower shall also, to the extent permitted by law, indemnify and save harmless the Indemnified Parties against and from all costs, reasonable attorneys’ fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim or demand. If any proceeding is brought against an Indemnified Party by reason of such claim or demand, the Borrower shall, upon notice from an Indemnified Party, defend such proceeding on behalf of the Indemnified Party.

ARTICLE VII

ASSIGNMENT

Section 7.1. Assignment by Borrower. The Borrower may not assign its rights and obligations under the Resolution or the 2020 Project Bonds.

Section 7.2. Assignment by DNRC. The DNRC will pledge its rights under and interest in the Resolution, the 2020 Project Bonds and the Collateral Documents (except to the extent otherwise provided in the Indenture) as security for the payment of the State Bonds and may further assign such interests to the extent permitted by the Indenture, without the consent of the Borrower.

Section 7.3. State Refunding Bonds. In the event the State Bonds and Additional State Bonds are refunded by bonds which are not Additional State Bonds, all references in the Resolution to State Bonds and Additional State Bonds shall be deemed to refer to the refunding bonds and any bonds of the State on a parity with such refunding bonds (together, the “Refunding Bonds”) or, in the case of a crossover refunding, to the State Bonds and Additional State Bonds and the Refunding Bonds. In the event the State Bonds are refunded by an issue of Additional State Bonds, all references in the Resolution to the State Bonds shall be deemed to refer to such Additional State Bonds or, in the case of a crossover refunding, both the State Bonds and such Additional State Bonds.

ARTICLE VIII

THE 2020 PROJECT BONDS

Section 8.1. Net Revenues Available. The Borrower is authorized to charge just and equitable rates, charges and rentals for all services directly or indirectly furnished by the System, and to pledge and appropriate to the Series 2006 Bond, Series 2007 Bond, Series 2009B Bond, Series 2015 Bond, Series 2016 Bond and the 2020 Project Bonds, the Net Revenues to be derived from the operation of the System, including improvements, betterments or extensions thereof hereafter constructed or acquired. The Net Revenues to be produced by such rates, charges and rentals during the term of the 2020 Project Bonds are expected to be more than sufficient to pay the principal and interest when due on the Series 2006 Bond, Series 2007 Bond, Series 2009B Bond, Series 2015 Bond, Series 2016 Bond and the 2020 Project Bonds, and to create and maintain reasonable reserves therefor and to provide an adequate allowance for replacement and depreciation, as herein prescribed.

Section 8.2. Issuance and Sale of the 2020 Project Bonds. The Council has investigated the facts necessary and hereby finds, determines and declares it to be necessary and desirable for the Borrower to issue the 2020 Project Bonds, in one or more series, to evidence the 2020 Loan. All series of the 2020 Project Bonds are issued to the DNRC without public sale pursuant to Montana Code Annotated, Section 7-7-4433(1).

Section 8.3. Terms. The 2020 Project Bonds shall be in the maximum aggregate principal amount equal to the original Committed Amount of the 2020 Loan, with the maximum principal amount of each series of the 2020 Project Bonds to be designated at the time of Closing thereon; each shall be issued as a single, fully registered bond numbered R-1; each shall be dated as of the date of its delivery to the DNRC; each shall be designated as a “Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program) (2020 Project)” (with such words, letters or fixtures to distinguish one series from another series); and each shall bear interest at the rate charged by the DNRC on the 2020 Loan. The principal of and interest on the 2020 Project Bonds shall be payable on the same dates and in the same amounts as principal and interest of the Loan Repayments are payable. Advances of principal of each of the 2020 Project Bonds shall be deemed made when advances of the 2020 Loan are made under Section 4.1, and such advances shall be payable in accordance with Schedule B to each of the 2020 Project Bonds, as each such Schedule B may be revised by the DNRC from time to time in accordance with Section 5.1.

The Borrower may prepay any of the 2020 Project Bonds, in whole or in part, only upon the terms and conditions under which it can prepay the 2020 Loan under Section 5.3.

Section 8.4. Negotiability, Transfer and Registration. Each of the 2020 Project Bonds shall be fully registered as to both principal and interest, and shall be initially registered in the name of and payable to the DNRC. While so registered, principal of and interest on the 2020 Project Bonds shall be payable to the DNRC at the Office of the Department of Natural Resources and Conservation, 1539 Eleventh Avenue, Helena, Montana 59620-1601 or such other place as may be designated by the DNRC in writing and delivered to the Borrower. The 2020

Project Bonds shall be negotiable, subject to the provisions for registration and transfer contained in this Section. No transfer of a 2020 Project Bond shall be valid unless and until (1) the holder, or his duly authorized attorney or legal representative, has executed the form of assignment appearing on the applicable 2020 Project Bond, and (2) the City Finance Director of the Borrower (or successors, the “Registrar”), as Bond Registrar, has duly noted the transfer on the applicable 2020 Project Bond and recorded the transfer on the registration books of the Registrar. The Registrar may, prior to noting and recording the transfer, require appropriate proof of the transferor’s authority and the genuineness of the transferor’s signature. The Borrower shall be entitled to deem and treat the Person in whose name each 2020 Project Bonds is registered as the absolute owner of such 2020 Project Bond for all purposes, notwithstanding any notice to the contrary, and all payments to the registered holder shall be valid and effectual to satisfy and discharge the Borrower’s liability upon such Bond to the extent of the sum or sums so paid.

Section 8.5. Execution and Delivery. The City Manager and the City Finance Director are hereby authorized, on behalf of the Borrower, to provide for the issuance of the 2020 Project Bonds in one or more series, at the times and in the amounts as such officers determine; provided that the aggregate principal amount of the 2020 Project Bonds shall not exceed \$11,000,000. Each series of the 2020 Project Bonds shall be executed on behalf of the Borrower by the manual or facsimile signatures of the Mayor and City Clerk. Any or all of such signatures may be affixed at or prior to the date of delivery of the applicable 2020 Project Bond. Each of the 2020 Project Bonds shall be sealed with the corporate seal of the Borrower. In the event that any of the officers who shall have signed a 2020 Project Bond shall cease to be officers of the Borrower before such 2020 Project Bond is issued or delivered, their signatures shall remain binding upon the Borrower. Conversely, the 2020 Project Bonds may be signed by an authorized official who did not hold such office on the date of adoption of this Supplemental Resolution. At each Closing, the applicable 2020 Project Bond shall be delivered to the DNRC, or its attorney or legal representative.

Section 8.6. Form. The 2020 Project Bonds shall each be prepared in substantially the form attached as Appendix B.

ARTICLE IX

SECURITY FOR THE 2020 Project BONDS

The 2020 Project Bonds are issued as Additional Bonds under Section 6.01 of the Original Resolution, as amended, and shall, with the Series 2006 Bond, Series 2007 Bond, Series 2009B Bond, Series 2015 Bond, Series 2016 Bond and any other Additional Bonds issued under the provisions of Section 6.01 of the Original Resolution, as amended, be equally and ratably secured by the provisions of the Resolution and payable out of the Net Revenues appropriated to the Revenue Bond Account of the Water System Fund, without preference or priority, all as provided in the Resolution, and secured by the Reserve Account, as further provided in Sections 6.01 and 7.05 of the Original Resolution, as amended. Upon the issuance of any of the 2020 Project Bonds, the City Finance Director shall transfer from funds the City has on hand and available therefor such amount or amounts to the Reserve Account to cause the balance therein to equal the Reserve Requirement in respect of the Series 2006 Bond, Series 2007 Bond, Series

2009B Bond, Series 2015 Bond, Series 2016 Bond, any 2020 Project Bonds outstanding as of the date of such transfer and the 2020 Project Bond being issued, treating the full principal amount of such 2020 Project Bond as advanced at Closing. In the event the amount in the Reserve Account exceeds the Reserve Requirement as of the date of the final disbursement of proceeds of the 2020 Project Bonds (or any of them), the Borrower shall reduce the amount then in the Reserve Account to equal the Reserve Requirement, recognizing that none of the amounts in the Reserve Account shall be from proceeds of the 2020 Project Bonds. Thereafter, upon each monthly apportionment, from the Net Revenues remaining after the apportionment to the Revenue Bond Account, the Borrower shall credit to the Reserve Account such additional Net Revenues as may be required to establish and thereafter maintain the balance in an amount equal, as of the date of calculation, to the Reserve Requirement. The Borrower shall keep, perform and observe each and every one of its covenants and undertakings set forth in the Resolution for the benefit of the registered owners from time to time of the 2020 Project Bonds.

ARTICLE X

TAX MATTERS

Section 10.1. Use of 2020 Project. The 2020 Project will be owned and operated by the Borrower and available for use by members of the general public on a substantially equal basis. The Borrower shall not enter into any lease, use or other agreement with any non-governmental person relating to the use of the 2020 Project or the System or security for the payment of the 2020 Project Bonds which might cause the 2020 Project Bonds to be considered “private activity bonds” or “private loan bonds” within the meaning of Section 141 of the Code.

Section 10.2. General Covenant. The Borrower covenants and agrees with the owners from time to time of the 2020 Project Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the 2020 Project Bonds to become includable in gross income for federal income tax purposes under the Code and the Regulations, and covenants to take any and all actions within its powers to ensure that the interest on the 2020 Project Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

Section 10.3. Arbitrage Certification. The Mayor, the City Clerk and the City Finance Director, being the officers of the Borrower charged with the responsibility for issuing the 2020 Project Bonds pursuant to the Resolution, are authorized and directed to execute and deliver to the DNRC a certificate or certificates in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of each of the 2020 Project Bonds, it is reasonably expected that the proceeds of the applicable 2020 Project Bond will be used in a manner that would not cause the applicable 2020 Project Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code and the Regulations.

Section 10.4. Arbitrage Rebate. The Borrower acknowledges that the 2020 Project Bonds are likely to be subject to the rebate requirements of Section 148(f) of the Code. The Borrower covenants and agrees to retain such records, make such determinations, file such

reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Treasury Regulations to preserve the exclusion of interest on the 2020 Project Bonds from gross income for federal income tax purposes, unless the 2020 Project Bonds qualify for the exception from the rebate requirement under Section 148(f)(4)(B) of the Code and no “gross proceeds” of the 2020 Project Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof. In furtherance of the foregoing, the City Finance Director is hereby authorized and directed to execute a Rebate Certificate with respect to each series of 2020 Project Bonds, substantially in the form to be prepared by Bond Counsel, and the Borrower hereby covenants and agrees to observe and perform the covenants and agreements contained therein, unless amended or terminated in accordance with the provisions thereof.

Section 10.5. Information Reporting. The Borrower shall file with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which a 2020 Project Bond was issued, containing the information required by Section 149(e) of the Code.

ARTICLE XI

CONTINUING DISCLOSURE

The Borrower understands and acknowledges that the DNRC is acquiring the 2020 Project Bonds under the Program pursuant to which the State issues from time to time State Bonds to provide funds therefor. The Borrower covenants and agrees that, upon written request of the DNRC from time to time, the Borrower will promptly provide to the DNRC all information that the DNRC reasonably determines to be necessary or appropriate to offer and sell State Bonds or to provide continuing disclosure in respect of State Bonds, whether under Rule 15c2-12 (17 C.F.R. § 240.15c2-12) promulgated by the Securities and Exchange Council under the Securities Exchange Act of 1934, as amended, or otherwise. Such information shall include, among other things and if so requested, financial statements of the Borrower prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Montana law, as in effect from time to time (such financial statements to relate to a fiscal year or any period therein for which they are customarily prepared by the Borrower, and, if for a fiscal year and so requested by the DNRC, subject to an audit report and opinion of an accountant or government auditor, as permitted or required by the laws of the State). The Borrower will also provide, with any information so furnished to the DNRC, a certificate of the City Finance Director of the Borrower to the effect that, to the best of his or her knowledge, such information does not include any untrue statement of a material fact or omit to state any material fact required to be stated therein to make the statements made, in light of the circumstances under which they are made, not misleading.

ARTICLE XII

MISCELLANEOUS

Section 12.1. Notices. All notices or other communications hereunder shall be sufficiently sent or given and shall be deemed sent or given when delivered or mailed by certified mail, postage prepaid, to the parties at the following addresses:

DNRC: Department of Natural Resources and Conservation
1539 Eleventh Avenue
P. O. Box 201601
Helena, Montana 59620-1601
Attn: Conservation and Resource
Development Division

Trustee: U.S. Bank National Association
c/o Corporate Trust Services
1420 Fifth Avenue, 7th Floor
Seattle, Washington 98101

City: City of Whitefish
P.O. Box 158
Whitefish, Montana 59937
Attn: City Finance Director

Any of the above parties may, by notice in writing given to the others, designate any further or different addresses to which subsequent notices or other communications shall be sent.

Section 12.2. Binding Effect. This Supplemental Resolution shall inure to the benefit of and shall be binding upon the DNRC, the Borrower and their respective successors and assigns.

Section 12.3. Severability. If any provision of this Supplemental Resolution shall be determined to be unenforceable at any time, it shall not affect any other provision of the Resolution or the enforceability of that provision at any other time.

Section 12.4. Amendments. This Supplemental Resolution may not be effectively amended except in accordance with Article IX of the Original Resolution.

Section 12.5. Applicable Law. This Supplemental Resolution shall be governed by and construed in accordance with the internal laws of the State.

Section 12.6. Captions; References to Sections. The captions in this Supplemental Resolution are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this Supplemental Resolution.

Section 12.7. No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Supplemental Resolution shall be had against any director, officer or employee, as such, past, present or future, of the DNRC, the DEQ or the Trustee, either directly or through the DNRC, the DEQ or the Trustee, or against any officer, or member of the governing body or employee of the Borrower, past, present

or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer or member of the governing body or employee of the DNRC, the Trustee or the Borrower is hereby expressly waived and released by the Borrower and by the DNRC as a condition of and in consideration for the adoption of this Supplemental Resolution and the making of the 2020 Loan.

Section 12.8. Payments Due on Holidays. If the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Supplemental Resolution or the 2020 Project Bonds, shall not be Business Day, such payments may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Supplemental Resolution or the 2020 Project Bonds.

Section 12.9. Right of Others To Perform Borrower's Covenants. In the event the Borrower shall fail to make any payment or perform any act required to be performed hereunder, then and in each such case the DNRC or the provider of any Collateral Document may (but shall not be obligated to) remedy such default for the account of the Borrower and make advances for that purpose. No such performance or advance shall operate to release the Borrower from any such default and any sums so advanced by the DNRC or the provider of any Collateral Document shall be paid immediately to the party making such advance and shall bear interest at the rate of ten percent (10.00%) per annum from the date of the advance until repaid. The DNRC and the provider of any Collateral Document shall have the right to enter the 2020 Project or the facility or facilities of which the 2020 Project is a part or any other facility which is a part of the System in order to effectuate the purposes of this Section.

Section 12.10. Authentication of Transcript. The officers of the Borrower are hereby authorized and directed to furnish to the DNRC and to Bond Counsel certified copies of all proceedings relating to each issuance of the 2020 Project Bonds and such other certificates and affidavits as may be required to show the right, power and authority of the Borrower to issue each series of the 2020 Project Bonds, and all statements contained in and shown by such instruments, including any heretofore furnished, shall constitute representations of the Borrower as to the truth of the statements of fact purported to be shown thereby.

Section 12.11. Effective Date. This Supplemental Resolution shall take effect immediately.

Adopted by the City Council of the City of Whitefish, Montana, on this 3rd day of August, 2020.

Mayor

Attest: _____
City Clerk

APPENDIX A

Description of the 2020 Project

The 2020 Project consists of various improvements to the System, including expansion of the water treatment plant with site work and a building addition; new filter equipment, piping, valves, instrumentation, transfer pump, plumbing, HVAC, electrical and controls; a raw water intake pump; backup power; installation of 3,000 feet of 8” sanitary sewer and 2,900 feet of 24” water main; and related improvements.

Budget for the 2020 Project

Costs of the 2020 Project	2020 Project Bonds	City Contribution	Total
Grant and Loan Admin Services		\$ 50,000	\$ 50,000
Loan Reserves		351,131	351,131
Bond Counsel & Related costs	\$ 35,000		35,000
Engineering		\$868,000	868,000
Engineering—Resident Project Rep Services	892,000		892,000
Construction	9,327,000		9,327,000
Contingency	781,000	47,000	828,000
TOTAL COSTS	\$ 11,000,000	\$ 1,351,131	\$ 12,351,131

APPENDIX B

[Form of the 2020 Project Bonds]

UNITED STATES OF AMERICA
STATE OF MONTANA
COUNTY OF FLATHEAD

CITY OF WHITEFISH

WATER SYSTEM REVENUE BOND
(DNRC DRINKING WATER STATE REVOLVING LOAN PROGRAM)
(2020 PROJECT), SERIES 20__

R-1

\$ _____

FOR VALUE RECEIVED, THE CITY OF WHITEFISH, MONTANA (the “Borrower”), a duly organized municipal corporation and political subdivision of the State of Montana, acknowledges itself to be specially indebted and, for value received, hereby promises to pay to the Department of Natural Resources and Conservation of the State of Montana (the “DNRC”), or its registered assigns, solely from the General Revenue Bond Subaccount of its Water System Fund, the principal amount of _____ DOLLARS (\$ _____), with interest thereon from the date hereof at the rate of [two and one-half percent (2.50%)]*[two percent (2.00%)]** per annum on the unpaid balance until paid. [In addition, the Borrower shall pay an Administrative Expense Surcharge and a Loan Loss Reserve Surcharge on the outstanding principal amount of this Bond, each at the rate of twenty-five hundredths of one percent (0.25%) per annum.]** Principal and interest[, and Administrative Expense Surcharge and Loan Loss Reserve Surcharge]** shall be payable in semiannual installments payable on each January 1 and July 1, commencing _____, 20___. Each installment shall reflect interest [and surcharges]** at an aggregate rate of two and one-half percent (2.50%) per annum and shall be in the amount set forth opposite its due date in Schedule A hereto under “Total Loan Payment.” The portion of each such payment consisting of principal and the portion consisting of interest[, and the portions consisting of Administrative Expense Surcharge and Loan Loss Reserve Surcharge]** shall be as set forth in Schedule A hereto. Past-due payments of principal and interest [and Administrative Expense Surcharge and Loan Loss Reserve Surcharge]** shall bear interest at the rate of ten percent (10.00%) per annum, until paid. Interest [and Administrative Expense Surcharge and Loan Loss Reserve Surcharge]** shall be calculated on the basis of a 360-day year comprising 12 months of 30 days each. [The DNRC has waived

* Select if DNRC waives Administrative Expense Surcharge and Loan Loss Reserve Surcharge with respect to a series of 2020 Project Bonds.

** Select if DNRC does not waive Administrative Expense Surcharge and Loan Loss Reserve Surcharge with respect to a series of 2020 Project Bonds.

the Administrative Expense Surcharge and the Loan Loss Reserve Surcharge with respect to this Bond.]* All payments under this Bond shall be made to the registered holder of this Bond, at its address as it appears on the Bond register, in lawful money of the United States of America.

This Bond is one of an issue of Water System Revenue Bonds of the Borrower authorized to be issued in one or more series from time to time in the maximum aggregate authorized principal amount of \$11,000,000 (the “2020 Project Bonds”). Each of the 2020 Project Bonds are issued to finance a portion of the costs of certain improvements to the water system of the Borrower (the “System”). This Bond is issued pursuant to and in full conformity with the Constitution and laws of the State of Montana thereunto enabling, including Montana Code Annotated, Title 7, Chapter 7, Parts 44 and 45, as amended, and ordinances and resolutions duly adopted by the governing body of the Borrower, including Resolution 93-11, adopted by the City Council on August 16, 1993, as amended and supplemented by Resolution Nos. 98-34, 99-21, 06-31, 07-30, 09-38, 12-36, 15-50, 16-07 and [____], adopted by the City Council of the City on July 6, 1998, August 2, 1999, May 15, 2006, August 7, 2007, September 21, 2009, November 5, 2012, December 7, 2015, February 1, 2016 and August 3, 2020, respectively (as so amended and supplemented, the “Resolution”). Terms used with initial capital letters but not defined herein have the meanings given them in the Resolution.

This Bond is issuable only as a single, fully registered bond. This Bond is issued on a parity and is equally and ratably secured by Net Revenues of the System with the Borrower’s outstanding First Amended and Restated Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program), Series 2006 (the “Series 2006 Bond”), First Amended and Restated Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program), Series 2007 (the “Series 2007 Bond”), Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program), Series 2009B (the “Series 2009B Bond”), Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program), Series 2015 (the “Series 2015 Bond”) and Water System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Taxable Series 2016 (the “Series 2016 Bond”)[, and any 2020 Project Bonds previously issued] (all such Bonds, collectively, the “Outstanding Bonds”).

Reference is made to the Resolution for a more complete statement of the terms and conditions upon which this Bond has been issued, the Net Revenues of the System pledged and appropriated for the payment and security thereof, the conditions upon which Additional Bonds may be issued under the Resolution and made payable from such Net Revenues on a parity with the Outstanding Bonds (collectively, the “Bonds”) or otherwise, the conditions upon which the Resolution may be amended, the rights, duties and obligations of the Borrower, and the rights of the owners of this Bond.

The Borrower may prepay the principal of this Bond only if (i) it obtains the prior written consent of the DNRC thereto, and (ii) no Loan Repayment [or Administrative Expense

* Select if DNRC waives Administrative Expense Surcharge and Loan Loss Reserve Surcharge with respect to a series of 2020 Project Bonds.

Surcharge or Loan Loss Reserve Surcharge]** is then delinquent. Any prepayment permitted by the DNRC must be accompanied by payment of accrued interest [and Administrative Expense Surcharge and Loan Loss Reserve Surcharge]** to the date of prepayment on the amount of principal prepaid. If this Bond is prepaid in part, such prepayments shall be applied to principal payments in inverse order of maturity.

This Bond, including interest and any premium for the redemption thereof, is payable solely from the Net Revenues pledged for the payment thereof and does not constitute a debt of the Borrower within the meaning of any constitutional or statutory limitation or provision.

The Borrower may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and the Borrower shall not be affected by any notice to the contrary. This Bond may be transferred as hereinafter provided.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that the Borrower will prescribe and collect reasonable rates and charges for all services and facilities afforded by the System, including all additions thereto and replacements and improvements thereof, and has created a special Water System Fund into which the gross revenues of the System will be paid, and a separate and special General Revenue Bond Subaccount in the Water System Fund, into which will be paid each month, from and as a first and prior lien on the Net Revenues of the System then on hand, an amount equal to not less than the sum of one-sixth of the interest to become due within the next six months and one-twelfth of the principal to become due within the next twelve months with respect to all Bonds that are not Haskill Basin Bonds payable semiannually from the General Revenue Bond Subaccount; that the Borrower has created a Reserve Account in the Water System Fund into which shall be paid additional Net Revenues, after required credits to the Revenue Bond Account sufficient to maintain a reserve therein equal to the Reserve Requirement; that the Revenue Bond Account will be used only to pay the principal of, premium, if any, and interest on the Bonds and any other Additional Bonds issued pursuant to the Resolution on a parity therewith; that the rates and charges for the System will from time to time be made and kept sufficient, to provide gross income and revenues adequate to pay promptly the reasonable and current expenses of operating and maintaining the System and to produce during each fiscal year Net Revenues not less than 110% of the maximum annual principal and interest payable on the Outstanding Bonds in the current or any future fiscal year; that Additional Bonds may be issued and made payable from the applicable subaccount in the Revenue Bond Account on a parity with the Outstanding Bonds upon certain conditions set forth in the Resolution, but no obligation will be otherwise incurred and made payable from the Net Revenues of the System, unless the lien thereof shall be expressly made subordinate to the lien of the Outstanding Bonds on such Net Revenues; that all provisions for the security of the holder of this Bond set

** Select if DNRC does not waive Administrative Expense Surcharge and Loan Loss Reserve Surcharge with respect to a series of 2020 Project Bonds.

** Select if DNRC does not waive Administrative Expense Surcharge and Loan Loss Reserve Surcharge with respect to a series of 2020 Project Bonds.

forth in the Resolution will be punctually and faithfully performed as therein stipulated; that all acts, conditions and things required by the Constitution and laws of the State of Montana and the ordinances and resolutions of the Borrower to be done, to exist, to happen and to be performed in order to make this Bond a valid and binding special obligation of the Borrower according to its terms have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required; and that this Bond and the interest hereon are payable solely from the Net Revenues of the System pledged and appropriated to the General Revenue Bond Subaccount in the Revenue Bond Account and do not constitute a debt of the Borrower within the meaning of any constitutional or statutory limitation or provision and the issuance of this Bond does not cause either the general or the special indebtedness of the Borrower to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Whitefish, Montana, by its governing body, has caused this Bond to be executed by the signatures of its Mayor and City Clerk, and has caused the official seal of the Borrower to be affixed hereto, and has caused this Bond to be dated as of the ____ day of _____, 20__.

Mayor

(SEAL)

City Clerk

REGISTRATION AND TRANSFER

This Bond shall be fully registered as to both principal and interest. No transfer of this Bond shall be valid unless and until (1) the registered holder of the Bond, or his duly authorized attorney or legal representative, executes the form of assignment appearing on this Bond, and (2) the City Finance Director as bond registrar (the "Registrar"), has duly noted the transfer on the Bond and recorded the transfer on the Registrar's registration books. The Borrower shall be entitled to deem and treat the person in whose name this Bond is registered as absolute owner thereof for all purposes, notwithstanding any notice to the contrary. Payments on account of the Bond shall be made only to the order of the registered holder thereof, and all such payments shall be valid and effectual to satisfy and discharge the Borrower's liability upon the Bond to the extent of the sum or sums so paid.

REGISTER

The ownership of the unpaid Principal Balance of this Bond and the interest accruing thereon is registered on the books of the City of Whitefish, Montana in the name of the registered holder appearing on the first page hereof or as last noted below:

<u>Date of Registration</u>	<u>Name and Address of Registered Holder</u>	<u>Signature of City Finance Director</u>
_____	<u>Department of Natural Resources and Conservation</u> <u>1539 Eleventh Avenue</u> <u>Helena, MT 59620</u>	_____

THE FOLLOWING ENTRIES ARE TO BE MADE ONLY BY THE BOND
REGISTRAR UPON REGISTRATION OF EACH TRANSFER

The City Finance Director of the City of Whitefish, Montana, acting as Bond Registrar, has transferred, on the books of the Borrower, on the date last noted below, ownership of the principal amount of and the accrued interest on this Bond to the new registered holder noted next to such date, except for amounts of principal and interest theretofore paid.

<u>Date of Transfer</u>	<u>Name of New Registered Holder</u>	<u>Signature of Bond Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

FORM OF ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____
_____ the within Bond and does hereby irrevocably
constitute and appoint _____ attorney to transfer the Bond on
the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

SCHEDULE B

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>[Administrative Expense Surcharge]</u>	<u>[Loan Loss Reserve Surcharge]</u>	<u>Total Loan Payment</u>
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APPENDIX C

ADDITIONAL REPRESENTATIONS AND COVENANTS

None

C-1

Staff Report



To: Mayor Muhlfeld and City Councilors
From: Benjamin Dahlman, Finance Director
Date: July 27, 2020
Re: Resolution 20-21 Relating to \$11,000,000 Water System Revenue Bonds (DNRC Drinking Water State Revolving Loan Program), Consisting of \$6,000,000 Series 2020A Bond and \$5,000,000 Series 2020B Bond; Authorizing the Issuance and Fixing the Terms and Conditions Thereof.

Introduction/History

Increasing demands are being placed on the City's water treatment plant (WTP). The WTP treats surface water from Haskill Creek and Whitefish Lake using conventional filtration and disinfection. The existing WTP's firm capacity is 3.0 million gallons per day (MGD). The State of Montana's Department of Environmental Quality (DEQ) has determined that future connections to the City water system necessitate treatment capacity expansion. The City has chosen a WTP expansion that will increase capacity to 5.0 MGD with the ability to increase to 7.0 MGD in the future.

The WTP project will initially be expanded with site work, a building addition, new filter equipment, piping, valves, instrumentation, transfer pump, plumbing, HVAC, electrical, and controls to the 5.0 MGD capacity. Other improvements include a raw water intake pump and backup power, 3,000 feet of 8" sanitary sewer, and 2,900 feet of 24" water main.

The City hired Morrison-Mairele, Inc. and they provided preliminary design and engineering work for the WTP. They will oversee project construction. City Council awarded the construction of the WTP to Swank Enterprises, Inc. on July 20, 2020 for \$9.327 million. A Bond Reimbursement Resolution was approved on May 4, 2020 to allow expenditures incurred prior to the bond issuance to be funded.

A State Revolving Fund (SRF) Water Revenue Bond application was submitted and we received notice on July 16, 2020 that the \$11.0 million request was approved. This funding will be a significant financing mechanism for the project. Water system revenues will be the source of repaying the financing for this project. Additionally, a portion of the project will be cash funded.

Current Report

Using the SRF loan as a financing tool, the transaction is proposed to total \$11.0 million in the issuance of a \$6.0 million bond and \$5.0 million bond. The term will be for 20 years at a rate of 2.5% per annum. The City's Bond Counsel, Dorsey & Whitney, LLP, has prepared the accompanying Bond Resolution that has been written substantially to form of previous bond

resolutions approved by the City. The proposed Bond Resolution gives staff and the Mayor the authority to sign the bond documents at closing. We anticipate the initial draw and Bond closing to occur on September 23, 2020. The WTP project is expected to be substantially complete by August 30, 2021.

Estimated project costs total \$12,351,131 of which, \$11,000,000 will be from the SRF and \$1,351,131 from the City's Water fund.

Financial Requirement

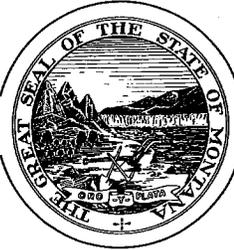
Project funding includes City funds totaling \$1,351,131 and repaying the \$11,000,000 SRF loan plus interest at 2.5% over the next 20 years. The first payment date is anticipated to be due on January 1, 2021.

Net Revenues (annual operating revenues minus annual operating costs) currently meet the 110% coverage requirement. Therefore, no rate increase is anticipated to be needed pay for this bond or project. Also, please be aware that Section 5.5 of the Resolution states, "(t)he taxing powers of the Borrower are not pledged to pay principal of or interest on the 2020 Project Bonds, and no funds or property of the Borrower other than the Net Revenues are pledged to pay principal of or interest on the 2020 Project Bonds."

Please see the accompanying loan approval letter from the State, the amortization schedule, for the 2020 Bonds and the combined water loan schedule for your review.

Staff respectfully recommends that the City Council approve Resolution No. 20-21, a Resolution Relating to \$11,000,000 Water System Revenue Bonds (DNRC Drinking Water State Revolving Loan Program), Consisting of \$6,000,000 Series 2020A Bond and \$5,000,000 Series 2020B Bond; Authorizing the Issuance and Fixing the Terms and Conditions Thereof.

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION



STEVE BULLOCK, GOVERNOR

1539 ELEVENTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE: (406) 444-2074
FAX: (406) 444-2684

PO BOX 201601
HELENA, MONTANA 59620-1601

**LETTER OF APPROVAL FOR DRINKING WATER REVOLVING FUND LOAN PROGRAM IN LIEU OF
COMMITMENT AGREEMENT**

July 16, 2020

City of Whitefish

Dear Dana Smith:

The State of Montana, through its Drinking Water State Revolving Fund Program, has been approved by the Environmental Protection Agency (the EPA) to make loans for drinking water projects.

The purpose of this letter is to formally apprise you that the State has approved a loan to the City of Whitefish in the amount of \$11,000,000, which loan will be represented and secured by Bonds, one in the amount of \$6,000,000 and one in the amount of \$5,000,000, both for a term of 20 years at an interest rate of 2.5% per annum. This is approved upon the condition the additional documentation requested and security is provided by the City.

The Bond shall be issued pursuant to a Bond Resolution adopted by the City in substantially the form of the Bond Resolution used by the City's Bond Counsel in previous revolving fund loans, subject to appropriate references and changes for any currently outstanding Bonds.

The City has notified DNRC of its desired closing date, Summer 2020, on the loan and DNRC will work with the City and its Bond Counsel to have the loan properly closed.

Please do not hesitate to call if there are any questions or comments.

Very Truly Yours,

Anna M. Miller
Financial Advisor

Conservation and Resource Development Bureau

cc: Mark Smith – DEQ w/
Greg Skutnik – US Bank w/
Courtney Ellis – Dorsey-Whitney w/
Cid Sivils – DNRC w/
Whitefish B WRF \$5,000,000 file w/

Benjamin Dahlman- Whitefish w/
Ryan Jones – Morrison & Maierle Eng w/
Denver Fraser – DEQ w/
Whitefish A WRF \$6,000,000

DIRECTOR'S
OFFICE
(406) 444-2074

CONSERVATION & RESOURCE
DEVELOPMENT DIVISION
(406) 444-6667

BOARD OF OIL & GAS
CONSERVATION DIVISION
(406) 444-6675

TRUST LAND MANAGEMENT
DIVISION
(406) 444-2074

Completed by: Morrison-Maierle/Updated by
DNRC

Whitefish WTP Expansion

7/15/2020

ADMINISTRATIVE and FINANCIAL COSTS:	SOURCE: WRF-21xxx \$6,000,000 2.5% 20 yrs	SOURCE: WRF-21xxx \$5,000,000 2.5% 20 yrs	SOURCE: City	TOTAL
Personnel Costs				\$ -
Office Costs				\$ -
Gran & Loan Administration Services			\$ 50,000	\$ 50,000
Legal Costs				\$ -
Audit Fees				\$ -
Travel & Training				\$ -
Loan Reserves	\$ -		\$ 351,131	\$ 351,131
Bond Counsel and Related Costs	\$ -		\$ 75,000	\$ 75,000
TOTAL ADMINISTRATIVE/FINANCIAL COSTS	\$ -		\$ 476,131	\$ 476,131
ACTIVITY COSTS:				
Land Acquisition & Costs				\$ -
Engineering			\$ 790,000	\$ 790,000
Engineering - Resident Project Rep Services	\$ 400,000	\$ 400,000	\$ -	\$ 800,000
Construction	\$ 5,600,000	\$ 4,100,000	\$ -	\$ 9,700,000
Contingency	\$ -	\$ 500,000	\$ 85,000	\$ 585,000
TOTAL ACTIVITY COSTS	\$ 6,000,000	\$ 5,000,000	\$ 875,000	\$ 11,875,000
TOTAL PROJECT COSTS	\$ 6,000,000	\$ 5,000,000	\$ 1,351,131	\$ 12,351,131

Whitefish Water System Loans

	WRF-06098 \$895,835	WRF-08110 \$900,000	WRF-10168 \$120,100	WRF-16352 \$120,000	Haskill Basin Loan SRF-16391 \$8,219,500	WRF-21xxx \$11,000,000	Total WITH Haskill Basin Loan	Total WITHOUT Haskill Basin Loan
2021	57,571	53,594	6,416	8,538	886,000	288,861	1,300,980	414,980
2022	58,435	54,547	6,372	8,387	961,000	701,950	1,790,691	829,691
2023	57,265	54,468	6,326	8,238	1,036,000	703,000	1,865,297	829,297
2024	58,084	54,354	6,281	8,087	1,132,000	701,763	1,960,569	828,569
2025	57,869	54,229	6,236	7,937	1,277,000	702,263	2,105,534	828,534
2026	58,620	54,070	6,191	7,787		702,463	829,131	829,131
2027	29,326	53,900	6,147	7,638		702,363	799,374	799,374
2028	-		6,102	7,488		701,963	715,553	715,553
2029			6,056	7,337		702,263	715,656	715,656
2030			3,011	7,188		702,225	712,424	712,424
2031				7,037		702,863	709,900	709,900
2032				6,888		702,163	709,051	709,051
2033				7,737		702,125	709,862	709,862
2034				8,550		701,738	710,288	710,288
2035				8,350		702,988	711,338	711,338
2036				8,150		701,850	710,000	710,000
2037						702,350	702,350	702,350
2038						702,450	702,450	702,450
2039						702,150	702,150	702,150
2040						702,450	702,450	702,450
2041						350,325	350,325	350,325
2042							-	-
Total	377,170	379,162	59,138	125,337	5,292,000	13,982,561	20,215,368	14,923,368

Reserve needed is half a years debt service: \$702,263 divided by two = \$ 351,131

With Haskill Basin Loan

Coverage is 110% x \$2,105,534 = 2,105,534

Without Haskill Basin Loan

Coverage is 110% x \$829,691 = 912,660
City Council Packet, August 3, 2020 Page 233 of 245

STATE OF MONTANA
GENERAL OBLIGATION BONDS
DRINKING WATER
(REVOLVING FUND PROGRAM)

BORROWER: Whitefish

PROJECT NAME:

FINAL LOAN PAYMENT: 7/1/2040

LOAN COMMITMENT: \$11,000,000

OF LOAN PAYMENTS: 40

LOAN AMOUNT: 11,000,000

PROJECT NUMBER:

INTEREST RATE: 2.50%

DATE OF FUNDING: 9/23/2020

PAYMENT DUE	LOAN LOSS RESERVE	ADM EXPENSE SURCHARGE	INTEREST PAYMENT	PRINCIPAL PAYMENT	O/S LOAN BALANCE	TOTAL AMOUNT OF PAYMENT	
1	1/1/2021	7,486.11	7,486.11	59,888.89	214,000.00	10,786,000.00	\$288,861.11
2	7/1/2021	13,482.50	13,482.50	107,860.00	216,000.00	10,570,000.00	\$350,825.00
3	1/1/2022	13,212.50	13,212.50	105,700.00	219,000.00	10,351,000.00	\$351,125.00
4	7/1/2022	12,938.75	12,938.75	103,510.00	222,000.00	10,129,000.00	\$351,387.50
5	1/1/2023	12,661.25	12,661.25	101,290.00	225,000.00	9,904,000.00	\$351,612.50
6	7/1/2023	12,380.00	12,380.00	99,040.00	227,000.00	9,677,000.00	\$350,800.00
7	1/1/2024	12,096.25	12,096.25	96,770.00	230,000.00	9,447,000.00	\$350,962.50
8	7/1/2024	11,808.75	11,808.75	94,470.00	233,000.00	9,214,000.00	\$351,087.50
9	1/1/2025	11,517.50	11,517.50	92,140.00	236,000.00	8,978,000.00	\$351,175.00
10	7/1/2025	11,222.50	11,222.50	89,780.00	239,000.00	8,739,000.00	\$351,225.00
11	1/1/2026	10,923.75	10,923.75	87,390.00	242,000.00	8,497,000.00	\$351,237.50
12	7/1/2026	10,621.25	10,621.25	84,970.00	245,000.00	8,252,000.00	\$351,212.50
13	1/1/2027	10,315.00	10,315.00	82,520.00	248,000.00	8,004,000.00	\$351,150.00
14	7/1/2027	10,005.00	10,005.00	80,040.00	251,000.00	7,753,000.00	\$351,050.00
15	1/1/2028	9,691.25	9,691.25	77,530.00	254,000.00	7,499,000.00	\$350,912.50
16	7/1/2028	9,373.75	9,373.75	74,990.00	257,000.00	7,242,000.00	\$350,737.50
17	1/1/2029	9,052.50	9,052.50	72,420.00	261,000.00	6,981,000.00	\$351,525.00
18	7/1/2029	8,726.25	8,726.25	69,810.00	264,000.00	6,717,000.00	\$351,262.50
19	1/1/2030	8,396.25	8,396.25	67,170.00	267,000.00	6,450,000.00	\$350,962.50
20	7/1/2030	8,062.50	8,062.50	64,500.00	271,000.00	6,179,000.00	\$351,625.00
21	1/1/2031	7,723.75	7,723.75	61,790.00	274,000.00	5,905,000.00	\$351,237.50
22	7/1/2031	7,381.25	7,381.25	59,050.00	277,000.00	5,628,000.00	\$350,812.50
23	1/1/2032	7,035.00	7,035.00	56,280.00	281,000.00	5,347,000.00	\$351,350.00
24	7/1/2032	6,683.75	6,683.75	53,470.00	284,000.00	5,063,000.00	\$350,837.50
25	1/1/2033	6,328.75	6,328.75	50,630.00	288,000.00	4,775,000.00	\$351,287.50
26	7/1/2033	5,968.75	5,968.75	47,750.00	291,000.00	4,484,000.00	\$350,687.50
27	1/1/2034	5,605.00	5,605.00	44,840.00	295,000.00	4,189,000.00	\$351,050.00
28	7/1/2034	5,236.25	5,236.25	41,890.00	299,000.00	3,890,000.00	\$351,362.50
29	1/1/2035	4,862.50	4,862.50	38,900.00	303,000.00	3,587,000.00	\$351,625.00
30	7/1/2035	4,483.75	4,483.75	35,870.00	306,000.00	3,281,000.00	\$350,837.50
31	1/1/2036	4,101.25	4,101.25	32,810.00	310,000.00	2,971,000.00	\$351,012.50
32	7/1/2036	3,713.75	3,713.75	29,710.00	314,000.00	2,657,000.00	\$351,137.50
33	1/1/2037	3,321.25	3,321.25	26,570.00	318,000.00	2,339,000.00	\$351,212.50
34	7/1/2037	2,923.75	2,923.75	23,390.00	322,000.00	2,017,000.00	\$351,237.50
35	1/1/2038	2,521.25	2,521.25	20,170.00	326,000.00	1,691,000.00	\$351,212.50
36	7/1/2038	2,113.75	2,113.75	16,910.00	330,000.00	1,361,000.00	\$351,137.50
37	1/1/2039	1,701.25	1,701.25	13,610.00	334,000.00	1,027,000.00	\$351,012.50
38	7/1/2039	1,283.75	1,283.75	10,270.00	338,000.00	689,000.00	\$350,837.50
39	1/1/2040	861.25	861.25	6,890.00	343,000.00	346,000.00	\$351,612.50
40	7/1/2040	432.50	432.50	3,460.00	346,000.00	0.00	\$350,325.00
		298,256.11	298,256.11	2,386,048.89	11,000,000.00		13,982,561.11

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CITY MANAGER'S REPORT

July 28, 2020



COVID-19 PANDEMIC UPDATE

The City continues to respond to complaints regarding violations of the new face covering regulations. The City is working closely with the Flathead City-County Health Department regarding complaints about businesses within City limits. Anyone can submit a complaint at www.cityofwhitefish.org/covidcomplaint or with the County at <https://flatheadhealth.org/masking-violation-report/>. As of today, we have not issued any civil citations or revoked any business licenses.

Starting July 17th, all COVID-19 asymptomatic testing sites in Flathead County were suspended. Unfortunately, the time for results to be returned from the lab far exceeded two weeks. If availability for processing improves, then asymptomatic testing may resume. We will work hard to make sure Whitefish is one of the first sites to be operational again.

The Montana Business Adaptability Grant Program was recently expanded to provide for reimbursement of eligible costs up to \$10,000 with up to two applications for Montana based businesses. This grant covers costs related to communication, remote work equipment, cleaning supplies, tools to enhance social distancing and sanitation, and more.

As announced by the Governor in early June, the local governments are eligible for reimbursement of certain COVID-19 expenses through the CARES Act funds received by the State of Montana. Last week the City submitted its first request for reimbursement of eligible expenses related to COVID-19 in the amount of \$688,671. The amount requested covers the costs of remote work equipment, sanitation and cleaning supplies, cloth face coverings, public information through our crisis communications team, and roughly three months of wages for police officers and firefighters. We hope to have confirmation of the total approved amount to be reimbursed before the final budget adoption in mid-August. Once these funds are received, there are options on how we utilize the freed-up funds on hand. I anticipate recommending a mixture of the following: a reduction in property taxes, eliminating the loan proposed to partially fund a new ambulance, and completion of the LED lighting project at the Emergency Services Center to save on operating costs of electricity and maintenance while meeting a goal of the Climate Action Plan. Furthermore, with the potential for high overtime costs should our police department or fire department have confirmed cases of COVID-19, some of the funds should remain in reserves.

CITY COUNCIL GOALS UPDATE

On April 15, 2019, the City Council adopted 29 goals for Fiscal Year 2020, which ended June 30, 2020. Included at the end of this report is a chart that shows the adopted goals by Department with a brief quarterly update and the estimated date of completion. While the chart identifies goals completed and in progress, it is important to remember that there are other significant projects ongoing, such as the Baker Avenue Underpass, analysis of future tax increment districts, and the Highway 93 South Corridor Plan. The City Council adopted new goals for Fiscal Year 2021, some of which were rolled over from Fiscal Year 2020.

NEXT COUNCIL MEETING

The next City Council meeting will be held on Monday, August 17th in the City Council Chambers. A work session is tentatively scheduled to review a draft ordinance regarding shared mobility devices, golf carts, etc.

Respectfully submitted,

A handwritten signature in cursive script that reads "Dana".

Dana M. Smith, CPA
City Manager

FY20 WHITEFISH CITY COUNCIL GOALS

4th QUARTER UPDATE

Department/Goal	Update	Estimated Completion Date
Administration		
1. Create a Finance Plan for Economic Downturn	Complete. Staff will continue to update the financial figures annually.	June 2020
2. Create a Resort Tax Education and Reallocation Plan	Met with City Council in a work session to discuss extension and re-allocation of resort tax. Staff is working to update proposed language based on City Council direction. City will continue to focus on education through public outreach.	June 2021*
3. Create a Cemetery Plan	Search for an appropriate site continues.	Long-term/Ongoing*
Fire Department		
1. Implement Long-Range Master Plan for Fire Department	The FY21 Proposed Budget includes \$40,000 for this project. The Request for Qualifications has been drafted and is ready to publish once the budget is approved in mid-August.	June 2021*
2. Provide City Council Emergency Management Training	Training delayed due to COVID-19 pandemic as in-person meetings were cancelled. Training is anticipated to occur in early FY21.	December 2020*
Parks & Recreation		
1. Depot Park Redevelopment Phase II and Phase III	Project Complete. The owner of the railroad statue has decided to relocate the statue to the Stumptown Historical Society property. The Park Board approved moving the Whitefish Rising statue to the Central Ave location.	June 2020
2. Bike/Ped Master Plan Wayfinding Sign Implementation	Project Complete. There will continue to be new signs and adjustments to existing signs as the path system develops as ongoing maintenance.	October 2019
3. Explore Possible Funding Sources for Maintenance of Parks/Public Spaces	Staff continues to enter data into Cityworks and work on dashboards for managing data.	Long-term/Ongoing
4. Armory Park Redevelopment Phase III	We had a site visit with representatives from FWP. We will be revising the grant budget to reflect all changes. We have entered into a small works contract with RPA for surveying and drainage for the playground that will be installed later this summer. An RFP will be issued for engineering services for the remainder of the project in the fall, with construction anticipated to begin next spring or summer.	November 2021*
5. Urban Forestry Management	Staff continues to manage the City's urban forest by zones. Zones 1 and 2 are nearing completion.	Long-term/Ongoing

6. Long-range Operations and Maintenance Trail Strategy with WLP	Pending initial meeting to determine goal and process. Extended completion date from June 2020 to December 2020.	December 2020
Planning Department		
1. Affordable Housing Implementation	Contract with Whitefish Housing Authority for development of the City's snow lot was executed. Committee resumed meeting in July 2021.	Long-term/Ongoing*
2. Parking Plan for Downtown Area	New parking ord. in effect 7/1 that prohibits re-parking on the block face and requires construction permits for on-street spaces. Staff developed informational brochure and hand delivered to downtown businesses. Staff developed info card to use with warnings and citations.	Long-term/Ongoing*
3. Update Architectural Review Standards	Reviewed language, photos and drawings, clarified problem areas, incorporated multi-family and mixed-use standards where appropriate, and worked on layout.	October 2020*
4. Update Landscaping and Tree Retention Standards	Project pending available staff time. Department is down one planning position.	March 2021*
5. Update Zoning Ordinances for Downtown Area	Project pending available staff time. Department is down one planning position.	December 2021*
Police Department		
1. Increase Capabilities of Police Department	New officer hire has been delayed to FY21 due to COVID-19, minimal interest, and lack of qualified applicants. Testing is currently in progress.	Long-term/Ongoing*
2. Analyze Policing Needs if Big Mountain is Annexed (in 2023)	Continue strategic planning and preparing a needs assessment to determine policing needs.	January 2023*
Public Works Department		
1. Design and Construct Wastewater Treatment Plan Upgrades	WWTP is under construction. Reactor walls have been poured and pre-cast building panels set.	Fall 2021*
2. Water Capacity Improvements and Reduce Unaccounted for Water Loss	Bidding completed and project awarded to Swank Enterprises for \$9.327M, which was about \$300K below the final construction estimate. Work is expected to begin in August.	Ongoing*
3. Create Sidewalk Assistance Program	Completed bidding for FY21 sidewalk assistance program. Contract was awarded to Knife River.	Long-term/Ongoing*
4. Reduce Number of Illegal Sump Pump Connections	Continuing outreach and education. Additional letters mailed to property owners and inspections scheduled.	Long-term/Ongoing*
5. Complete State Park Road Improvements	LHC is currently in their summer shutdown in order to allow gas, power, and other utilities to relocate. Road work will resume in September with final completed expected in November 2020.	November 2020

6. Construct Viaduct Improvements	Baker Ave. Underpass is under contract with construction to being in August 2020. Evaluated improvements across the viaduct and determined they cannot be achieved during this phase of work due to complexity in obtaining urban funds. Viaduct improvement will be reconsidered at a later date.	November 2020
7. Construct Birch Point Quiet Zone Improvements	Set meeting for early August with MDT and BNSF to discuss quiet zone. Birch Point neighborhood is also organizing and plans to work with BNSF on an alternative to the at-grade crossing at Birch Point.	June 2020*
8. Construct Multi-modal Transportation Hub	Project Complete.	June 2020
9. Update Transportation Plan	Held scoping meeting with KLJ and organized a kick-off meeting with MDT. First public meeting will be late summer/early fall.	April 2021*
10. Continue Looking into Improving Recycling Efforts with CAP Steering Committee	Continued discussions with Republic Services regarding contract changes surrounding recycling site. Staff is preparing a request for proposals for recycling services of the City's central site (new location TBD). Ordered new magnetic signs for recycling site.	Long-term/Ongoing*
11. Continue Working on Whitefish Lake Septic Leachate Concerns with WLI	Discussed septic study with Representative Fern. Continue to work with WLI.	Long-term/Ongoing*

*Included as City Council Goal in Fiscal Year 2021.

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July 20, 2020

received
7/21/2020

City of Whitefish Council

RE: Lot 3 River Lakes Pkwy

Dear City of Whitefish Council:

I am writing this letter about a chronic issue: Lot3 on River Lakes Parkway and River Lakes Drive. I have since learned that the City does not have a code addressing grass mowing.

The Lakes, Smith Field, The Springs, NVH and the City of Whitefish all maintain their lots around this area.

Lot 3 non-mowing reflects poorly on the surrounding areas. While the above mentioned areas are maintained, lot 3 looks ~~trashy~~ unkept

After 4 code violations for weeds, lot 3 is supposedly getting sprayed for weeds but most weeds have already gone to seed.

During the winter months, the sidewalk along River Lakes Pkwy. is plowed by the City but lot3 does not plow.

I hope that you can appreciate my concern and see that something is done to remedy this situation.

As property owners, whether empty lots or occupied lots, we are responsible to keep both our yards and sidewalks maintained. Lot 3 owner seems to be an exception.

A concerned citizen, Lynn Hartshorne

[REDACTED]

Michelle Howke

From: Major Robinson
Sent: Tuesday, July 21, 2020 2:53 PM
To: Michelle Howke; Tad Lisowski
Cc: Angela Jacobs
Subject: RE: Letter-Hartshorne Lot 3 River Lakes Pkwy

So this property has been a constant violation for the two years I have been with the City. It is just an unmaintained piece of property in a very maintained neighborhood. They also have a few weeds on the property each year. This summer I went by and walked the perimeter of the property a couple of times before I actually saw any noxious weeds. I think she is most upset that it is overgrown. But there is nothing in our code about grass length and if they either pull or spray the weeds that satisfies our requirements. As far as snow removal they don't take care of that either but I believe that between the stretch of sidewalk the city plows and what the Lakes HOA does the sidewalk is fairly well maintained.

From: Michelle Howke <mhowke@cityofwhitefish.org>
Sent: Tuesday, July 21, 2020 1:49 PM
To: Tad Lisowski <tlisowski@cityofwhitefish.org>; Major Robinson <mrobinson@cityofwhitefish.org>
Cc: Angela Jacobs <ajacobs@cityofwhitefish.org>
Subject: Letter-Hartshorne Lot 3 River Lakes Pkwy

Mayor,

Attached you will see a letter from Lynn Hartshorne addressed to the City Council. Before I put this on the agenda I would like to hear from you if this property has been addressed, is in violation, or if you have history regarding this complaint.

Thank you,

Michelle Howke

Administrative Services Director/City Clerk
PO Box 158/418 E. 2nd Street
Whitefish, MT 59937
mhowke@cityofwhitefish.org
406-863-2402

STAY CLEAN, CAREFUL AND CONNECTED

MOORE, COCKRELL, GOICOECHEA & JOHNSON, P.C.

Mikel L. Moore
[Also Admitted in Arizona]
Dale R. Cockrell
[Also Admitted in South
Dakota and Colorado]
Sean P. Goicoechea
Jay T. Johnson
Christopher C. Di Lorenzo
[Also Admitted in Colorado and
Nebraska]
Eric Brooks
[Also Admitted in Maryland]
Katrina L. Feller

145 Commons Loop, Ste. 200
Kalispell, MT 59901

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P.O. Box 7370
Kalispell, MT 59904-0370

•
Office: (406) 751-6000
Fax: (406) 756-6522

July 28, 2020

Whitefish City Council
418 E. 2nd St.
Whitefish, MT 59937
Via email to: mhowke@cityofwhitefish.org

Re: Alta Views, LLC Affordable Housing Cash-In-Lieu Payment

Members of the Council:

As you are aware, the City Council denied Alta Views, LLC's prior request for a one-year extension to pay the remaining \$249,000 cash-in-lieu affordable housing payment. Unfortunately, that denial does not change the fact that Ala Views, LLC does not currently have the funds to make the \$249,000 payment. Thus, in order to avoid potential time consuming and costly litigation and to address the situation in a reasonable manner, Alta Views, LLC respectfully requests that the City Council consider a modified extension request to allow Alta Views, LLC to pay \$124,500 by December 31, 2020, and the remaining \$124,500 by July 31, 2021. Some background regarding the current status of the Alta Views development and sales within the development may be helpful in considering this request and is provided below.

The COVID-19 pandemic brought sales to a near stop from January through May and that sales slowdown resulted in delays in additional construction. If units are not selling, there is no money to build additional units. Specifically, Alta Views went under contract on only 2 townhomes between January and May of this year. The completed townhomes that are currently available in Alta Views are the smaller/entry level units that are targeted to the Whitefish workforce. However, those buyers have often been unable to qualify for loans due to high debt to income ratios. Currently, the primary buyers of the Alta Views townhomes are investors and people looking to purchase second homes. Those parties are not interested in the smaller/entry level units and are instead placing officers on the larger units, which are still under construction. A number of these units are scheduled to be completed and to close in September and October. Those sales, together with additional sales that Alta Views anticipates prior to year-end, would provide funds for Alta Views to pay \$124,500 by December 31, 2020. Alta Views also believes that additional interest generated this summer, will result in additional contracts for units that can

be completed and closed next spring and early summer, providing the funds to make the second \$124,500 payment by July 31, 2021.

Thank you for your consideration of this request.

Sincerely,

MOORE, COCKRELL, GOICOCHEA
& JOHNSON, P.C.

A handwritten signature in blue ink, appearing to read "JTJ" followed by a long horizontal stroke.

Jay T. Johnson
Direct Line No. (406) 751-6012
jjohnson@mcgalaw.com

cc (via email): Angel Jacobs (ajacobs@cityofwhitefish.org)
Dana Smith (dsmith@cityofwhitefish.org)
Mark Panissidi
BJ Lepinski