

WHITEFISH CITY COUNCIL
January 18, 2022
SPECIAL SESSION AT 5:30 PM

1) Call to Order

The meeting was held in-person in the Council Conference Room. Mayor Muhlfeld called the meeting to order. Councilors present were Sweeney, Feury, Qunell, Davis, Caltabiano and Norton (5:39 pm). Staff present were City Manager Smith, City Clerk Howke.

2) Interviews

City Council interviewed Alan Meyers-Davis for the Sustainable Tourism Management Plan Steering Committee; John Peschel and Pam Sbar for the Board of Adjustments.

3) Public Comment

None

4) Appointments

Mayor Muhlfeld appointed with ratification from the Council to appoint Alan Meyers-Davis to the Sustainable Tourism Management Plan Steering Committee.

Councilor Qunell made a motion, seconded by Councilor Caltabiano to appoint John Peschel to the Board of Adjustments. The motion carried.

5) Adjourn

Mayor Muhlfeld adjourned the Special Session at 6:09 and opened the work session.

/s/John Muhlfeld

Mayor Muhlfeld

Attest:

/s/Michelle Howke

Michelle Howke, City Clerk

WHITEFISH CITY COUNCIL

January 18, 2022

7:10 P.M.

1) CALL TO ORDER

Mayor Muhlfeld called the meeting to order. Councilors present were Qunell, Feury, Caltabiano, Davis, Sweeney, and Norton. 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, Interim Police Chief Kelch and Fire Chief Page. Approximately 70 people were in the audience and 92 attended virtually.

2) PLEDGE OF ALLEGIANCE

Mayor Muhlfeld asked Ed Doctor to lead the audience in the Pledge of Allegiance.

3) OATH OF OFFICE AND SEATING OF COUNCIL

a) Administration of ceremonial oath of office to Ben Davis – Mayor Muhlfeld

Mayor Muhlfeld administered the oath of office to Councilor Ben Davis.

4) 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)

Kent Taylor, 1735 East Lakeshore Drive, Hidden Moose Lodge, is frustrated that some of the lodging facilities continued to provide lodging during the pandemic, when businesses were shut down. He lost revenue during that time.

5) COMMUNICATIONS FROM VOLUNTEER BOARDS

None

6) CONSENT AGENDA (The consent agenda is a means of expediting routine matters that require the Council's action. Debate does not typically occur on consent agenda items. Any member of the Council may remove any item for debate. Such items will typically be debated and acted upon prior to proceeding to the rest of the agenda. Ordinances require 4 votes for passage – Section 1-6-2 (E)(3) WCC)

- a) [Minutes](#) from January 3, 2022, Special Session (p.35)
- b) [Minutes](#) from January 3, 2022, Regular Session (p.36)
- c) [Ordinance No. 22-01](#); An Ordinance amending the Climate Action Plan Committee (First Reading) (p.46)

Councilor Caltabiano made a motion, seconded by Councilor Sweeney to approve the Consent Agenda as presented. The motion carried.

7) 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) [Ordinance No. 22-02](#); An Ordinance approving the Mountain Gateway Residential Planned Unit Development to overlay Tracts 1HA, 1H, 1CD, 1C, 1CB, 1, 5C, and 5 in Section 23, Township 31N, Range 22W, to develop a residential and commercial development on 32.7 acres at the intersection of East Lakeshore Drive and Big Mountain Road, Whitefish (WPUD 21-02) (First Reading) (p.50)

The City Council held one Public Hearing for both Ordinance No. 22-02 and Ordinance No. 22-03. Council will vote separately on each ordinance. Senior Planner Wendy Compton-Ring presented her staff report for both Ordinance No. 22-02 and Ordinance No. 22-03 that are provided in the packet on

the website. Since the November Planning Board meeting, the applicant reviewed the public comments and made the following updates to their project:

- Land Gift of Residential Land on the East side of the Big Mountain Road for the Purpose of Affordable Housing. The applicant will donate the land to a non-profit that develops affordable housing for permanently affordable housing.
- Application Typos. The application indicated they were requesting a ‘Community Residential Facility’. This was incorrect. They are only requesting multi-family through the PUD application.
- Site Plan Updates. The site plan was updated to align intersections, show pedestrian accesses throughout the development and through the intersections, and reconfiguring the east side of the project to shift twelve (12) residential product type from condominiums to townhouses and reroute the primary road on the east side. Those changes were at the suggestion of city staff and MDT.

Adjacent landowners within 150 feet of the parcel were noticed, along with a legal notice in the Whitefish Pilot and the full application was placed on the city’s web page in September. When the applicant agreed to continue this application until January, staff sent out an email to 400 folks that had submitted public comments updating them on the council public hearing. A legal ad was also placed in the paper on December 29th and January 12th.

After the second Planning Board hearing the Planning Director certified a zoning protest that was submitted. Pursuant to M.C.A and city code and because the city received signatures from more than 25 percent of adjacent landowners within 150 feet of the subject property, the amendment will not become effective except on favorable vote of two-thirds of the present and voting members of the City Council.

Councilor Sweeney asked and Planner Compton-Ring stated 48 units is what is there currently. That approval does not change the number of units; it just changes the ownership. Instead of being privately developed by a private owner, and developed for market rate units, it would be developed for affordable housing. The unit count does not change. Councilor Sweeney asked and Planner Compton-Ring stated the condition states deed restricted apartments. Staff will not issue a building permit until the deed restrictions are recorded.

Councilor Caltabiano asked and Director Workman stated traditionally we have not required an independent traffic impact study. That is something Council could direct staff to do. Councilor Caltabiano asked and Planner Compton-Ring stated it is in the zoning regulations that direct when to take it back to the Planning Board. This instance they were not substantive modifications.

Councilor Davis asked and Planner Compton-Ring stated the PUD chapter permits one to do multi-family, which is one of the permitted uses. A residential PUD permits multi-family. The PUD chapter outlines the different types that are permitted and multifamily is one of those. The entire area is encumbered by the PUD, including the donated parcel. Councilor Davis asked and Fire Chief Page stated the need now for a new fire station ISO reasons. This station would serve both the city residence, the rural fire service area, and the flathead fire service area.

Councilor Norton asked and Chief Page stated city water would service this location. Chief Page also stated taller buildings are required to have a secure stairwell, and a fully sprinkled building. Chief Page stated this location being at the bottom of the hill, not far from the lake is not going to be the target area for a catastrophic event. Fire would move uphill towards the Big Mountain Fire District. From this location, you could probably go around the lake and come out at Olney.

Councilor Qunell asked and Planner Compton-Ring stated currently there are 11 deed restricted apartments. Councilor Qunell stated they are not asking for a density bonus, and they do not have to provide affordable housing. Planner Compton-Ring stated the 40 feet they get regardless because they are providing affordable housing through the Legacy Home Program. The only thing they are asking for is to build four stories within a portion of the multi-family building. Councilor Qunell asked and Attorney Jacobs stated the affordable housing would be enforced prior to building permits being issued. It will be required to be deeded to the city or another entity to develop. We have the ability to enforce our conditions. We can pull the PUD approval if the conditions are not complied with. Councilor Qunell asked and Interim Police Chief Kelch stated the office emergency services for the county would work with the sheriff's office, the police department, and other agencies to coordinate evacuation efforts. Fire Chief Page stated the evacuation would be dependent on the emergency event.

Councilor Feury asked and Director Workman stated the analysis has been completed, and the Viking Lift Station can handle this PUD. Big Mountain was different because it was an actual sewer agreement, in this scenario we require the developer to show that the capacity currently exists. If council wanted to add a condition that they pay some portion that would be at council's discretion.

Mayor Muhlfeld asked, and Director Workman stated the building permits would be conditioned upon the construction of the roundabout and building the roundabout would be conditioned upon MDT approval.

Mayor Muhlfeld opened the Public Hearing for both agenda item 7a and 7b.

Mike Brodie, 431 First Avenue West, Kalispell, WGM Group, representing the applicant. During this process they have made some minor modifications; they reduced the number of intersections that were on Big Mountain Road from the t-intersections to the four-way intersections; townhome units are more affordable to construct and were intended to be high-end units, built into the hill side. The zone map amendment is being requested as a part of this just so that they can incorporate that neighborhood commercial piece that is identified in the Wisconsin Avenue Corridor Plan. Storm detention or retention would be subject to DEQ and city requirements for treatment. The majority of open space they are providing is natural which doesn't require watering or fertilizer. The Wisconsin Corridor Plan was used as a guide. They understand not everyone is happy, but it does still generally comply with that. There are two opposing features here; affordable housing which requires more people and adds more traffic. You want affordable housing, but you don't want traffic and they tried their best to balance that out. The traffic impact study was conducted between Christmas and New Year's, which tends to be the busiest time of year up here. The roundabout does bring it back to a generally good condition. The majority of the seasonal traffic is going to be going up the hill versus going into town to go to work. The level of service is essentially the time it takes to make a turn movement at an intersection. The Legacy Home Program being proposed is optional thing and would be subject to preliminary plat to do any of those town homes.

James Barnett, owner of the property and developer and stated he has attempted to lead the project in a direction that benefits the community by providing long-term rentals instead of another subdivision with multi-million-dollar homes. It will be developed in some way, and he feels his proposal does the best job of helping with the housing crisis. They designed this project to address the issues based on the Wisconsin Avenue Corridor Plan. He is worried about the type of growth we are seeing here and the changes it will bring, like businesses closing because they can't find employees. Or just the character of the town changing. The need for housing is at crisis level. Rental units are needed for those that cannot afford to own but want to live and work in Whitefish. The alternative is more homes. Early on he spoke with Lori Collins, Executive Director for the Whitefish Housing Authority, to figure out what they were looking for. She directed him to the 60-80% AMI (Area Median Income). She also pointed out that they don't want three-bedroom units because they get too expensive. These are deed restricted in perpetuity

to 60-80%. The community shouldn't want all deed restricted. The vast majority of full-time employees in Whitefish cannot qualify for low-income deed restricted housing at the same time cannot afford to purchase a million-dollar home. The 32 deed restricted units are mixed throughout the building. The tenants will be allowed to stay in the unit if they have to go to market rate. The next one that comes up becomes the affordable unit. Mr. Barnett stated the fire station benefits everyone, not just the development. The proposed buildings will have interior sprinklers built to the newest codes. It is needed with or without this development. He has a lot of faith in the first responders and the emergency services personnel in this county. You are never going to have a plan to cover every single possible scenario in this county.

He listed the community benefits; 1.5 acres of land for a new fire station; roundabout at the intersection of East Lakeshore Drive and Big Mountain Road; 32 deed restricted units for rent as affordable and workforce housing; transit stop; tree retention; neighborhood commercial; donate 8.8 acres of land to the city or non-profit for future affordable housing, 36-town homes and 12 condos. In conclusion he is trying to be a part of the solution. This project is unique because of the location and how it mixes affordable market rate attainable in workforce housing rental and ownership in one place. Approval sends a message that you don't have to be wealthy or fortunate to own a home and live in this town in a great location. This will not solve the housing crisis in Whitefish, but it makes a major step towards helping.

Pat La Tourelle, 418 Lupfer Avenue, opposes this project due to the traffic impact. Wisconsin Avenue to Baker Avenue is the only access from the north side of the railroad tracks to the south. She suggests solving the problem with collaboration of the city, county and railroad and not add to it. More than one access is needed north to south.

Kim Wilson, representing Flathead Families for Responsible Growth (FFRG). His client is opposed to this project. His co-counsel Michelle Weinberg and Lindsay Hromadka have submitted detailed comments to the Planning Board and supplemental comments and proposed findings that are provided in the packet on the website. This development is not appropriate here and does not comport to the laws and regulations intended to manage growth in the Whitefish community. His clients urge the Council to deny the application.

David Trousdale, 2763 Rest Haven Drive, opposes this development. It is not the right time. The infrastructure needs to be improved to accommodate the traffic along with many other reasons.

Connie Johnson opposes this project. A fire station is needed in this area but not through development this property should not be developed in a high-density way with the traffic issues. She asks the Council to decline this development.

Nathan Dugan, 937 Kalispell Avenue, supports both of the items before the Council. Rental units are needed in Whitefish. The project is possibly proposing the largest number of affordable units ever provided by a single project. He asks the Council to support this housing.

Mallory Phillips, 937 Kalispell Avenue, supports this project. If the Whitefish City Council and the community members continue to oppose denser and infill housing within walking distance and biking distance, the core people who keep Whitefish running will be forced to live in sprawled housing on former agricultural land. We cannot keep pushing the problem down the road and be surprised when middle class and lower-class folks can no longer inhabit the very places where they work and have built their lives. She hopes the Whitefish City Council votes in favor of the Mountain Gateway including both the housing and commercial aspects. Vote in favor of Mountain Gateway so that we can contribute towards working to build a more equitable and economically diverse Whitefish.

Ellie McMahon, 405 Bills Lane, Columbia Falls, grew up in affordable housing in Whitefish. She asks the council to support this proposal. Housing is needed, and this project would almost triple what we currently have.

Carolyn Pittman, 1 Tides Way, addressed the comments that were made towards affordable housing, Whitefish Housing Authority, and non-profits. A non-profit should be responsible for the 8 acres donated by the developer. The Whitefish Housing Authority has created a non-profit entity called Housing Whitefish. It is to undertake the challenge of the securing of both funding and more affordable housing. One million dollars has been committed by Mark and Robin Jones to the planning phase of the affordable housing project on Monegan Road. A steering committee through the Whitefish Community Foundation is working on a concept of quality affordable workforce community. The plan is to have 100 rental units of various types owned by the non-profit Whitefish Housing in perpetuity. They are 100% affordable units built as a public private partnership. We are a can-do community, and we can do this. She does not think it has to be for profit.

John Collins, 38 East Lakeshore Drive, a member of the FFRG. He has submitted comments and spoke at the Planning Board meeting in opposition of this development. Mountain Gateway represents over development at an inappropriate location, and it will add to traffic congestion. The traffic congestion will compound public safety issues in the event of a catastrophic wildfire. The only reason why Mountain Gateway has any support is the affordable housing component. This underscores the fallacy of tying affordable housing issue to the development approval process. It leads to the approval of unsound ill-conceived projects such as Mountain Gateway in order to achieve affordable housing goals. He would urge the City to move in the direction of public-private partnerships that will directly address affordable and workforce housing issues. He urges the Council to deny Mountain Gateway.

Roxanne Gallagher, a public finance, and commercial attorney stated there is a lot of fallacies. This particular parcel is spelled out in the growth plan specifically. It is not recommended for high density projects. This is not what a community supported project. Very few people support this project.

Carole Atkinson, Dakota Avenue, a member of Flathead Families for Responsible Growth, opposes this project. It is time to rethink the growth policy and rethink the Wisconsin Avenue Corridor Plan and the infrastructure.

Will Hagen, Delray Road, on behalf of his family, the Foley family, and the Glacier Restaurant Group. All are in opposition of this application. This project does not preserve and protect the character of that neighborhood.

Nick Polumbus, 303 Stumptown Loop, speaking on behalf of Whitefish Mountain Resort, Winter Sports Incorporated. Primarily the mountain remains opposed to this project, based on the transportation issues.

Mike Talbot, 2125 Houston Drive, oppose the project due to the traffic issues. He doesn't think the infrastructure is at the point it can sustain another 300 homes.

Dale Cockrell, 2317 Houston Point Drive, on behalf of the Houston Point Homeowners Association. They oppose this project. A project like this does not comport with the character of the neighborhood.

Kent Taylor, 1735 East Lakeshore Drive, opposes this project due to the traffic issues and infrastructure.

Brit Cooper, Wisconsin Avenue, is concerned of fire and traffic issues. He opposes this project.

George Losleben, 2798 Rest Haven Drive, opposes the project. This is the wrong place for this development.

Barb Janni, Big Mountain Road, opposes this project. She is concerned with how emergency services will be able to respond and get to the hospital with the increased traffic issues.

Ed Doctor supports the project. He supports anything that resembles an apartment building, he knows this is not a perfect place, but where is. He stated the ski hill has a lot of employees, why wouldn't you put housing in between a major employer and town? If employees are forced to live in Kalispell, they won't come back to work in Whitefish. If we keep denying projects, it isn't going to get any better.

Jessica Bubar, 250 Highland Drive, Kalispell, owns Integrity Property Management and manages about 600 doors in Kalispell. There is a huge need for an apartment. She understands Wisconsin is terrible and it is a nightmare. There needs to be housing whether this project is approved or something else in the city of Whitefish. It is needed. The 48 units is going to help single mothers and low-income residents. She stated she moved here to get away from people, and she doesn't like it, but it is coming, and you will need to deal with it.

Marcia Sheffels, 450 Parkway Drive, she has worked hard to maintain a life here in Whitefish. She is not against growth; she agrees what has been said by the opposition. She hopes the Council has truly listened to the number of people who have opposed this.

Jim Stroud, via Webex, 108 Ridge Top Drive, opposes this project. He stated there are all sorts of arguments for and against, but the main is until Wisconsin can be made into four lanes, this thing won't fly.

Rick Nys, via Webex, principal traffic engineer with Greenlight Engineering, Oswego Oregon. He has been hired by Flathead Families for Responsible Growth to review the traffic impacts of this development. He provided a letter on November 4th, that is provided in the packet, that addresses the issues. There are four issues; 1) Trip generation -the results of the applicant's traffic study cannot be relied upon because it grossly underestimates the amount of traffic that would be generated by this development; 2) Access to Lakeshore Drive – city standards call for no access to arterial roads unless there is no other option, MDT standards require an applicant to limit access to arterials; 3) Limited study area – he suggests requesting the applicant to expand the traffic study area; 4) Lack of concern for pedestrian safety issues – city standards require sidewalks along the east side of Big Mountain Road, yet no sidewalk has been provided on the developments frontage, the traffic study does nothing to evaluate the safety of crossings of the Big Mountain Road for the pedestrians.

Councilor Norton asked Rick Nys to comment on the roundabout versus a light. Rick Nys stated a roundabout is a good solution for that intersection. He does have concerns about what he has seen thus far with the access points on the southern side of that roundabout as well as the pedestrian crossing. He believes roundabouts are a safe option and would be a good option at that intersection.

Mike Jensen, via Webex, 919 Dakota Avenue, representing Flathead Families for Responsible Growth, and himself. The community of Whitefish is overwhelmingly opposed to this project. The problem of a wildfire and evacuation of the entire region are very serious. This is not an area with the current road system that works for high density housing. He asks Council to turn down this proposal.

Councilor Sweeney made a motion, seconded by Councilor Caltabiano to postpone Ordinance No. 22-02 to February 7, 2022, keeping the Public Hearing open. The motion carried.

- b) **Ordinance No. 22-03; An Ordinance rezoning approximately 3.966 acres of land located at 2015 East Lakeshore Drive, Whitefish, Montana, from WR-2 (Two-Family Residential District) to WR-2/WB-1-SC (Two-Family Residential District/Limited Business District with a Statement of Conditions)(WZC 21-03) (First Reading) (p.1103)**

[WRITTEN PUBLIC COMMENT FOR 7a\) and 7b\) \(p.153-929\)](#)
[ADDENDUM – TRAFFIC UPDATE MEMO – RCVD 1/13/2022 \(p.1195\)](#)

Councilor Sweeney made a motion, seconded by Councilor Caltabiano to postpone Ordinance No. 22-03 to the February 7, 2022, keeping the Public Hearing open. The motion carried.

Mayor Muhlfeld called for a recess at 10:34 p.m., reconvening at 10:42 p.m.

8) COMMUNICATIONS FROM CITY MANAGER

- a) [Written report](#) enclosed with the packet. Questions from Mayor and Council? (p.1193)

None

- b) **Other items arising between January 12th through January 18th**

City Manager Smith reported it is a struggle to hire people. This is something she will be looking into. The best thing to do right now is to retain people. We have a great team here. She also reported BNSF Foundation awarded the Fire Department a \$25,000 grant for a new airboat.

9) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

- a) **Consideration of appointments to volunteer boards and committees not made during the Special Session preceding tonight's meeting**

Council Comments

Councilor Caltabiano thanked the community for civil comments tonight. Councilor Sweeney stated it was very heartening to him to see everyone who wanted to participate did and wore a mask. Councilor Norton mentioned Council did not deliberate on the letter provided from Hurraw! at the last council meeting. She would also like to look into using ARPA funds for the Food Bank, the majority of the Council agreed to place this on the February 22nd agenda. She also mentioned she left the January 3rd meeting early and didn't agree with the decision that was made about the medium-term rentals. She feels it was a significant deviation from what the public had known to happen, and the public wasn't involved in that decision and left out the people on the Council that are on the Strategic Housing Committee in that decision making. She feels if Council goes back into deliberation about that in the future, it should go to a first and second reading and let the public come back on the decision making.

Councilor Feury reported he and his wife did the winter shoe delivery to Browning in December. The city donated \$3,000 to purchase shoes for their students. About 25% of their student population is functionally homeless. Shoes are difficult for them because it is not something they take as a used donation. He would like to consider in the budget to provide a donation next year also.

10) 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 10:52 p.m.

/s/John Muhlfeld
Mayor Muhlfeld

Attest:

/s/Michelle Howke
Michelle Howke, Whitefish City Clerk