

Missoula Board of County Commissioners

# PUBLIC MEETING MINUTES COVER SHEET



THURSDAY, FEBRUARY 10, 2022 – 2 PM

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Virtual Meeting – Microsoft Teams

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*Time stamps (in green)* correspond to meeting recording above. Please click to the time stamps listed to view a particular item in the meeting.

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**ATTENDANCE:**

**Commissioners Present:**

Chair Vero  
Commissioner Slotnick  
Commissioner Strohmaier

**Staff Present:**

Violet Plummer, Administrative Assistant, Commissioners' Office  
Dylan Jaicks, Civil Attorney, Attorney's Office  
Bailey Minnich, Planner, Community and Planning Services  
Allison Franz, Communications Manager, Communications  
Mel Fisher, Strategic Initiatives Manager, Communications and Projects  
Diana Maneta, Sustainability Program Manager, Community and Planning Services  
Emmie Bristow, Community Engagement Coordinator, Communications  
Tyler Gernant, Missoula County Clerk & Recorder/Treasurer  
Juniper Davis, Parks, Trails & Open Lands Program Manager, Community and Planning Services  
Sarah Bell, Communications Coordinator, Communications  
Brian West, Civil Deputy County Attorney, Attorney's Office

1. **CALL TO ORDER** *[Time stamp – 00:00]*
2. **LAND ACKNOWLEDGEMENT** *[Time stamp – 00:02]*  
Missoula County acknowledges that this event takes place in the aboriginal territories of the Salish and Kalispel people.
3. **PLEDGE OF ALLEGIANCE** *[Time stamp – 00:22]*
4. **PUBLIC ANNOUNCEMENTS** *[Time stamp – 00:39]*  
[None]
5. **PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA** *[Time stamp – 00:45]*  
[None]

6. **CURRENT CLAIMS LIST** [Time stamp – 01:13]

Claims received as of January 19, 2022 to February 1, 2022 by the Commissioners' Office total \$2,924,387.29.

7. **HEARINGS**

a. **Resolution to Adopt Missoula County Housing Action Plan: Breaking Ground** [Time stamp – 01:37]

Karen Hughes, Assistant Director, Community and Planning Services

Commissioner Strohmaier made the motion that [the Missoula Board of County Commissioners] approve and adopt a resolution to adopt the Missoula County Housing Action Plan: Breaking Ground as an issue plan of the Missoula County Growth Policy.

Commissioner Slotnick seconded.

[Motion passed 3-0.]

**[Resolution 2022-009. Book: 1071 Page: 819]**

b. **Resolution to Adopt Long Range Transportation Plan** [Time stamp – 11:20]

Karen Hughes, Assistant Director, Community and Planning Services

Commissioner Slotnick made the motion that [the Missoula Board of County Commissioners] approve and adopt a resolution to adopt the Long Range Transportation Plan as an issue plan of the Missoula County Growth Policy.

Commissioner Strohmaier seconded.

[Motion passed 3-0.]

**[Resolution 2022-010. Book: 1071 Page: 820]**

c. **Resolution Creating an Rural Special Improvement District (RSID) for the O'Keefe Ranch Estates Subdivision** [Time stamp – 18:38]

Bailey Minnich, Planner, Community and Planning Services

Commissioner Strohmaier made the motion that [the Missoula Board of County Commissioners] approve and adopt the resolution to create a Rural Special Improvement District and maintenance fund for the O'Keefe Ranch Estates Subdivision Park.

Commissioner Slotnick seconded.

[Motion passed 3-0.]

**[Resolution 2022-011. Book: 1071 Page: 821]**

d. **Resolution of Intent to Establish a County-Wide Commercial Property Assessed Clean Energy (C-PACE) Program** [Time stamp – 28:10]

Diana Maneta, Sustainability Program Manager, Community and Planning Services

Commissioner Slotnick made the motion that [the Missoula Board of County Commissioners] adopt the resolution of intent to establish a countywide Commercial Property Assessed Clean Energy (C-PACE) Program.

Commissioner Strohmaier seconded.

[Motion passed 3-0.]

**[Resolution 2022-012. Book: 1071 Page: 822]**

**8. OTHER BUSINESS**

[None]

**9. ADJOURN**

Chair Vero – Called the meeting to adjourn at 2:53 p.m.

## BCC Public Meeting February 10, 2022 – Transcription

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[00:00:02] Zula County acknowledges that this event takes place on the Aboriginal territories of the Salish and Kalispell people. Um, Violet, can you? Show us the flag, and we'll. Great, thanks. Join me in the pledge. I pledge allegiance to the flag of the United States of America and to the Republic for which it stands one nation under God, indivisible with liberty and justice for all. Thanks, everyone. Um, do we have any public announcements? Public comment on items not on the agenda. And then it looks like as people are coming on, you might want to take your video off and mute yourself, it'll be easier. There you go. And again, any public comment on items not on the agenda. Ok. Our current claims list received as of January. 19th to February 1st, twenty twenty two is two million nine hundred and twenty four thousand three hundred and eighty seven dollars and twenty nine cents. We have four hearings this afternoon or rather four resolutions, and we'll start off with Karen Hughes breaking ground. We're finally here.

[00:01:44] Good afternoon, commissioners. This is a request to approve and adopt a resolution to adopt the Missoula County Housing Action Plan breaking ground as an issue plan of the Missoula County growth policy. This is the last step in the policy adoption process. As you know, this project became a started about a year ago with a whole public process to develop a plan to address the housing affordability challenges that the community has faced, especially in the last few years and where we're at an undersupply of about two thousand four hundred units. This plan is an effort to identify the best roles and opportunities for the county to help ease the shortage of housing units, especially for those affordable to people with low to moderate incomes. So the process that we've gone through, in addition to the public process to create the plan is that the the planning board held their public hearing on December 7th. They unanimously found it to be in conformance with the growth policy and recommended it for adoption as an issue plan. You held a public hearing on January 13th and considered public comment and the recommendation of the planning board. You adopted a resolution of intent to adopt the Housing Action Plan as an issue plan. And then this is the final step the resolution of resolution to adopt. We have received one public comment which was forward to the commissioners and included in your packets a letter of support and I believe there are people. Although this isn't a public hearing, I believe there are people that may be interested in providing comment on this action item. And so I don't have any other comments other than we. The staff recommends approval of the resolution to adopt, and we're happy to answer questions. Also on the line to help answer any questions you may have.

[00:03:47] I'm sorry you cut out Karen, who did you say was also on the line?

[00:03:51] I believe most Melissa Gordon is on the line to help answer questions. Sorry.

[00:03:57] Great. Should we go into public comment now, is there anyone else from staff who wants to present or add anything to this?

[00:04:06] Ok, that's it for presentation.

[00:04:09] Great. Well, let's go into public comment. There are any public comment on. This resolution to adopt our. Breaking ground, I'll see here. Looks like Blaine Doherty, if I'm pronouncing that correctly.

[00:04:32] Yeah, you nailed it. Ok. Hey, you know, it sounds like you have come here me. Yes. Hey, commissioners, I realize I'm pretty late to the party here, and I think the adoption of the resolution is awesome. The kind of piece that I wanted to throw in is in looking at the the plan right now. I wasn't seeing anything that expressly focused resources on indigenous population within Missoula County. And I think one of the things that I would want

to see in the future going forward is that express resources, monies and policies are set aside to explicitly support indigenous folks seeking housing and seeking to buy housing and buy land. And also, maybe that's just a general question to folks like I looked over it as much as I could, and maybe there's all these pieces in there, and maybe Karen could speak to that, but that's kind of the piece that I wanted to add. Just going forward in the future.

[00:05:30] Oh, yeah, thanks, that's great comments.

[00:05:33] Thank you. Thanks for your time. Thank you.

[00:05:40] I mean, yeah, Karen, did you do you have any? Thing to add,

[00:05:45] I don't at the moment, but maybe go through all the public comment and if there's anything you want me to run after,

[00:05:51] Great, great. Go ahead and use the raise hand function of Microsoft Team or if you're on the phone. I don't. Do we not have anyone on the phone? Is that when?

[00:06:04] We do see a I see a couple of phone callers one and they'll have to star six to unmute if they want to give comment.

[00:06:14] Thanks, I scrolled by those star six. I don't see anything. I guess, Karen, do you have any anything for Blaine?

[00:06:31] So I don't think we have specific elements focused on indigenous populations, I would say that all of the elements are are focused on, as you know, helping helping increase housing production and supporting programs and funding to help county residents in general, especially people who are low to moderate income households, afford housing and building implementation capacity to to kind of better coverage all of the housing needs. So it will generally address indigenous populations. But there aren't specific elements. It's a really great point and probably something we should explore further about what specific types of efforts we should be making to help indigenous populations in the community. So that we can do through implementation.

[00:07:27] Could I add a clarification? Yeah. I really appreciate that information, Karen. I think that the piece to clarify for myself, as well as like I think my desire also stems from a place of wanting to see these resources as a tool for like reconciliation. And so it feels like it exists in addition to those resources already outlined in the plan, because it's not it's not specifically like, it's what am I trying to say? It's like it's also hopefully this piece that's in addition to what everyone else is already getting kind of uniformly. And so that's also a piece of my desire is to see the county through policies and actions and resources, starting to provide basically money and land back to indigenous peoples through those policies as a process of reconciliation for colonization. And so that's also the framework that I'm coming from to add that piece as well. So sure.

[00:08:24] Yeah, clarification.

[00:08:26] But yeah, thank you.

[00:08:28] Yeah. And just just so, you know, this is like our starting point. This is the first. Yes. And the idea is that we will do our best to work on this and take in additional information as we go. So this is really great comment for us to be thinking about and bringing that lens to it. But we will be updating this with regularity so that we are keeping it fresh and bringing in new ideas and being more specific and intentional about the range of things that we do. So I really appreciate the comments and I think we can build that into the implementation and hopefully more explicitly bring that forward in updates in addition to the work that we implement it.

[00:09:11] Thanks, Juan. Could I add something on there? Yep, yep. Thank you. I just want to reiterate, Karen, you said that really well. I just want to emphasize nothing new here, but what you just said, this is a starting point and by no means the end point. This is where we are beginning to attempt to address this really comprehensive housing issue with some focused effort, and we are going to apply all the creativity and resources we can bear to begin to address the seemingly intractable problem and blame the populations you identified and the problems you identified.

Yes, need to be dealt with and really areas we should be looking at as we grow this into something more effective, something effective. It's yet to begin. It's just a starting point.

[00:10:02] Any further comments here? I'm going to close the public comments. Personnel. Ok. Commissioners.

[00:10:16] All right, well, I will if it's appropriate. Chairman, chairman, chairwoman Vero, I'll go ahead and make a motion. I would move that we approve and adopt a resolution to adopt the Missoula County Housing Action Plan. Breaking ground as an issue plan of the Missoula County growth policy, I will second that.

[00:10:36] Any further comment?

[00:10:38] And I will just I will just say Josh's is spot on, this is not an end unto itself. It's a means to an end. It's about one step. And I fully anticipate that as we roll out implementation, everything that we do should be done with an eye towards justice, equity, diversity and inclusion. So I'm happy to support this.

[00:11:04] Ok. All in favor. I. Thank you. Onto just page 16 and the action items. Ok, thanks so much, Karen. Next, we have the long range transportation plan. Is you again, Karen? Sorry, I thought.

[00:11:27] Yeah, that's me again. Sorry. So this is a this is a request to approve and adopt a resolution to adopt the long range transportation plan as an issue plan of the Missoula County growth policy. Same concept you have been through. This is the final step in the process. Actually, this process has been even longer for the long range transportation plan. The governing body that adopts the transportation plan is the Transportation Policy Coordinating Committee, and they adopted it, I think, back in twenty twenty one. The you know, this is the every, every four. For years, every five years, the the Missoula, the Missoula Planning or the Metropolitan Planning Organization in Missoula develops, it updates the long range transportation plan. It's fiscally constrained. That's priorities for transportation projects, for services, for the community. They also ask, in addition to having an adopted through transportation policy coordinating committee, they ask that it be adopted as an issue plan to help guide both city and county policy planning board held their hearing on September 7th. The commissioners held their hearing in December to adopt a resolution of intent. So this is your final action, your resolution to adopt, and I believe that Johnson is on the line should you have questions for specifically regarding the plan? That's all I have for the presentation.

[00:13:04] Ok, thanks. John, do you have anything to add?

[00:13:10] I don't. Karen gave a great overview of that. In addition to planning board and the Transportation Policy Coordinating Committee, this has been approved and reviewed by FDA. The Federal Highway Administration, Federal Transit Administration and as well as Missoula City Council, adopted this as an issue plan to their growth policy in October. So this is the final step.

[00:13:41] Thanks. Is there any public comment on? Long range transportation plan. Head, well, close public comment.

[00:13:58] Commissioners, well, given that it's the 11th hour and this is the final step, I think we should put a stick in the spokes of this turning. We all grind this burger to a halt beginning, for goodness sakes. Yeah. What are they thinking leaving us to the very end like this? No. Oh all right. I'm. Well, actually, before I offer this motion, I don't care. I know that you are. Wear many hats in this, so you may not be the person to answer this, and if not, it's totally fine, but if you are just for all the people interested. What's a highlight of this long range transportation plan? What's something that we're really excited about?

[00:14:41] Uh, John, I think you would probably be better at answering this, I mean, I think bringing in equity and matching up this plan with our climate goals like that, we've really done some additional thinking and then achieving our multimodal goals like I think these are really big things for the community.

[00:15:02] John has anything, please.

[00:15:04] Yeah. In addition to that, we we had a really great community input process to really refine our goals, which, as Karen mentioned, really do align with city and county climate goals. And then another exciting component is the programs and policies part of the plan. Typically, what the requirements for long range transportation plans typically is just like a project list, and it needs to be fiscally constrained. And this was the first LRT I've been fortunate enough to work on, but I believe it was the most robust as far as policy programs, just discussing components like emerging mobility, you know, keeping an eye out on electric vehicles and charging opportunities and of course, passenger rail, all these really new, exciting things that are horizon.

[00:15:55] What did that? What did the public good want the public input process look like part of the process?

[00:16:01] Well, we started that about two weeks before COVID, so we did have one in-person event, a first Friday. A couple of hundred people in attendance and that was the history of transportation exhibit. So kind of looking back while we look forward to 2050. So that was a really, you know, fun event. And then everything kind of went virtual and handouts. We worked with the food bank a lot, getting them materials that they could put out in their distribution boxes. A lot of online stuff, Zoom meetings. So I'm looking forward to the next one being more typical process.

[00:16:48] But I would I would get huge kudos to the to the the MPO team like I've been through too many transportation plans to count at this point. The last three, each time I'm like, they're not going to top themselves and they they have like, this is by far the best, not just process, but they're really thinking towards outcomes oriented planning. And I think it's really. And thinking about how the transportation system fits in with the rest of the context and understanding the land use transportation connection is really key to this not necessarily supported always by by the State Department Transportation. They they see that they have a more constrained view of that. But this team locally is really awesome at taking all these all these factors into account and really being thoughtful.

[00:17:38] Great, thanks. Well, one, I'm ready to make a motion if you're ready to have one.

[00:17:43] That's fantastic. I wasn't sure if Ron Ewart was was on. Well, I'm sorry, but I think he he. No, all good. All good. Go ahead, Josh..

[00:17:52] Thanks. All right. I would move. We approve and adopt a resolution to adopt the long range transportation plan as an issue plan of the Missoula County growth policy. All second, that.

[00:18:03] Any further comments? All in favor. I hi. Well done. Glad we can. Finally, where we're done here.

[00:18:14] I thought for a second, Ron was going to propose a phasing plan for the long term. Just one more. Twenty thirty six, we will move phase to move phase eight. We have an improvement agreement. It's all good. It's all good.

[00:18:36] Fantastic. Well, yeah, let's talk about yeah, O'Keeffe Ranch Estates, subdivision maintenance or rather maintenance of the of the park. Yes.

[00:18:48] Hi, commissioners. Give me one second to pull up my presentation here. You get too many screens and things open it. It's hard to do it quickly. Ok, can you guys see my presentation? Perfect, OK? And I will admit that it is a very short presentation, only a couple of slides. So leaving more room for questions and discussion if needed. So we are going to discuss the O'Keeffe Ranch Estates side or Rural Special Improvement Agreement. Oops. Okay, so this is the subject property outlined in Red. It's out there at the Y Interchange. I'll turn my laser pointer on. So here's the the Y Interchange. Waldo Road is right here. And so this is the proposed preliminary the proposed property for the O'Keeffe Ranch Estate Subdivision. This subdivision was originally approved back in October of 2005, it was subject to 20 seven conditions. It's one hundred and ninety seven lots on around 80 acres. There was some recent phasing plan amendments extension modification. I mean, there's been a number of things happening the past couple of years on this property, so I know you guys have seen a number of things. The main takeaways are as there is a total of eight phases, the first phase has a deadline to file their final plat by 20 October of twenty twenty two. So this year and then the last phase is six, seven and eight, actually don't expire until 2031. But one of the conditions of the subdivision approval condition number six requires that the subdivide or submit a petition to Missoula County for the creation of a rural special improvement district for park maintenance prior to final plat of Phase one.

[00:20:38] So that's why we're here. This is the proposed park, so you can see here's phase one here. Phase two has a small part of the park. Phase three is this blue ish color down here, and then phase four really has the majority of the park. And that's why it's part of the side. The assessments, you know, really won't happen until phase four is plotted till the park is complete so that homeowners, you know, in phase one aren't going to be having to pay assessments for a park that isn't even part of the Planet Subdivision at that at that time. So to meet their parkland dedication with subdivision, they proposed this ten point two acres of parkland dedication. Montana state law does allow the county commissioners to create a rural improvement district upon receipt of the petition that contains consent of all of the property owners in the district at this point. There's one property owner that owns the entire property that will have the subdivision, and they have submitted that petition and signed it. So it does appear that the petition complies with state law and with the and it is in accordance with state statutes. And so I have a proposed motion and I know Juniper is on the line, Ron's on the line. We can definitely go into more detail if you guys have more questions on the resolution or the petition itself as well. Don't know, Ron, if you had anything you wanted to add or Juniper either.

[00:22:11] I don't have anything at this time.

[00:22:16] Jennifer, just here to answer any questions that might be needed.

[00:22:23] And just for the record, I want, can I ask one? Yeah, just for all the people listening, who's going to build this park? To me to answer that, yes, please. Ok. Sure. So this will be built by the developer of the subdivision. The reason that the park was divided up into different parts and not all in one, is because we have to have a certain amount of parkland dedication per phase. So the plan is to move forward as quickly as possible with phase two, with phase three, with phase four. I mean, there you know, they got their momentum going and they want to, you know, not take their time building this out. So I would think that the park might, might be built. I don't. Maybe twenty twenty three is what I'm what I'm guessing, but I'm not exactly sure we have hired a landscape architect. Her name is Jessica Holdren, and we've been working with her, doing a lot of planning for the park. And I think it'll be a very good addition to the area. And it's going to be available, obviously to everyone in Missoula County or everyone, wherever they may be, can come here and and play. And but it is being financed by the developer and it'll be maintained by the owners of this subdivision. They also have to maintain the other areas and so on. So this was quite, quite an ordeal. I worked closely with Juniper and Bailey over the past. Well, we started in October with this. So at least now there's a template, so to speak, that if we do this again, we can look back on this and and see how how it was done in this case. A lot of trial and error, but I think I think we came to a good place. I personally feel that 12000 a year as is a little high. But you know, I guess that can always be adjusted if needed. So but I think it will be a very nice park and a good location where people need recreation opportunities.

[00:24:37] Thanks, Jennifer.

[00:24:39] Yeah, thanks, Ron, I really appreciate that, and we feel the same way we've really enjoyed working with you and being able to build out the plans for the park. And I just want to make one point of clarification. Ron said that the homeowners will be maintaining the park. One clarification there is that the through the side assessments, they will be paying for the maintenance of the park, but the homeowners association themselves will not be in charge of providing that maintenance. So that will be done by program either through contracted services or through existing staff or future staff that we might have to help support that.

[00:25:17] One, can I do one more? Yup, yup. Thanks. This is a question for you, Ron. As you know, we're in quite a dire housing situation here in Missoula County, and there may be people listening in on this, maybe members of the media that would see this and say two thousand five. Oh, my goodness, Missoula County sure is slow getting these things done. Could you speak to why, since this was approved in two thousand five and here we are and still talking about it without houses on the ground yet. Yes, so so this project went through a number of owners, engineering firms. It just sort of is just the way things happen to develop over time. I think, you know, if there's any, any so blame, if you want to call it that, it would be on, you know, the private sector because we took our time figuring things out and and there was a lot of a lot of different changes that that were made, at least player wise, the people that were involved with this and so on. You know, we made a lot of what could be seen as minor changes, and I think the county worked. The planning staff and commissioners worked well with us as far as figuring out the best way to make these changes because, you know, things do change over time. And. The the new the person that

purchased the property and the people that we're working with are not the same as obviously that we're in the beginning. So they had some different ideas, but nothing radically different. So all I can say is we're going to make sure that this gets developed as quickly as possible. Great. I'm really glad to hear that, and thanks for sticking with it.

[00:27:12] You that. Thank you.

[00:27:17] Well, is there any further comment? That's OK there. We'll close public comments, is there. Anything you want to add demonstrative.

[00:27:33] Nope. It seems pretty straightforward, and I'm glad that we're able to get this in place, so I move that we approve and adopt the resolution to create a rural special improvement district and maintenance fund for the O'Keefe Ranch Estates Subdivision Park.

[00:27:48] I'll second that. Any further comment? All in favor. I. Fantastic commissioners, thank you so much, Bailey.

[00:28:02] Thanks, John. Thanks, Bailey. Thank you. Thanks, Ron.

[00:28:09] Hey. Moving on to our last one, the last resolution for space, Diana.

[00:28:19] Thank you, commissioners. I am going to bring up just a few slides here to present this item. So bear with me just one second. All right. Are you saying that looks good?

[00:28:38] Yeah. Nice logo,

[00:28:40] Nice logo, right? Sure is.

[00:28:44] Well, thank you again, commissioners. And I'm excited to be here to introduce this item. Resolution of intent to create the Missoula County commercial property assessed capital enhancement or space program. So again, just a little bit of background. And what case is here to start us off? So what is space? Essentially, as it says on the screen here, it's an innovative mechanism that allows commercial property owners to finance energy conservation or renewable energy improvements and pay back the cost of those improvements through an assessment on their property taxes. It says Innovative here, though I don't mean new by that because this is a model that exists in most states in the country and has been around for over a decade. So this is a map put out by by Pace Nation, which is an organization that tracks these programs, shows all of the states that have enabled pace programs in the states in which those programs are currently active under development in Montana. I think we're just on the verge of turning dark green here as we go active with this program. So in terms of the process that has unfolded at the state level, this started with the state legislature passing the Space Act this last legislative session in 2021. I just have the the citation there. Folks want to take a look at the at the law. As part of that bill, the Legislature directed the Montana Facility Finance Authority, which is a state agency, to develop guidelines for the program, which MFA did over the last several months. And I really want to give a shout out to MFA.

[00:30:24] They did a tremendous effort in a short period of time involving a number of stakeholders and developed a really robust guidelines for this program and will be administering the program. So while as I mentioned in the second here, this has to be authorized at the local level, the the capacity and time to administer it is something that is going to happen at the state level through MFA. And I have the the URL, their last best piece, which is the MFAs website for this program. So now that CPA's has been enabled at the state level, the steps are as shown here. Local governments need to create space districts, which is what we're talking about right now here for Missoula County. Once that district has been created, then commercial building owners have the opportunity. This is totally voluntary on their part, but have the opportunity to evaluate and select energy saving projects, then to work with private lender to finance those projects, at which point the local government would add that assessment. In this case, Missoula County add that to the tax rolls, and the building owner will pay back the cost of that as an assessment on their property taxes for up to 20 years and at the same time, be realizing savings from the energy improvements and the way that the program guidelines are established. It's actually required that the savings exceed the cost, so there's a net financial benefit to participating business owners from the beginning. And so just to be a little more clear about a

few benefits of CPAs, including the one I just mentioned, but it's a way for those commercial property owners to invest in energy conservation and renewable energy upgrades without an upfront cost.

[00:32:14] Because of that requirement, that savings exceed the payment obligations. It's cash positive can increase property values for those commercial properties, reduce energy use and emissions, and therefore help advance our goals of addressing climate change and achieving 100 percent clean electricity can create job opportunities for local contractors to actually implement these energy improvements. An interesting thing about CPUs versus, say, a proper property owner. Just going to get a loan for this type of improvement is that because that assessment is tied to the property through property taxes, it isn't tied to the property owner themselves. And so a property owner who may not be sure that they're going to be owning that property for the next 10 or 20 years doesn't have to worry about not being able to take advantage of the full savings from that investment again, because it will stay with the property of the property is sold. And finally, an advantage is that the banks may be able to offer lower interest rates for these projects because of this tie to property taxes. So in the Montana space program, eligible properties include commercial, industrial, agricultural, non-profit and multifamily properties, so residential properties smaller than four units are not eligible for this. Properties owned by government are not eligible for this. Types of projects that are eligible include, basically, I believe, anything that will save energy or save water in the building for the most part.

[00:33:55] But for example, that would include high efficiency heating and cooling systems, lighting upgrades, insulation upgrades, water conservation improvements, renewable energy systems like solar and also EV charging infrastructure specifically called out. Um, so in terms of the process here for Missoula County, again, this is authorized by the state but has to be enabled at the local level. So today the commissioners are considering this resolution of intent to create a space district. There will be a subsequent meeting if that if that resolution of intent is approved. Subsequent meeting in two weeks on February twenty fourth to consider the resolution itself to create the Space District. I'm going to stop sharing there because I think that's my last slide and just let let the commissioners know. The county did receive one written comment in favor of the creation of this space district, which has been passed along to the commissioners. I believe there are folks on the line who may be hoping to offer comments as well. And I do want to also mention that we've got Tyler Grant, I believe, is here who can speak to CPAs, particularly from that perspective of how it works with the property tax system. And then we also have, I think Seth letter is on the line from the Montana Facility Finance Authority, who's really a great resource and can answer, you know, maybe we should speak to it and answer questions about it. So with that, I will I will start my presentation.

[00:35:30] Thanks so much, Diana. Well, Tyler, it's been a long time coming. Go ahead.

[00:35:36] It has, and I think, commissioners, you're aware of how long this has taken in terms of the legislative part of it. This was a program that was proposed many sessions ago and has undergone a bunch of changes to get to where we are today. I think some of those changes have been really positive. In particular, one of them is the initial programs really put a lot of the burden on local governments to develop the program and implement it. And I will say now that we're, you know, quite quite deep into the process of creating one of these. Having MFA at the helm has been really helpful. They've proven to be a very, very reliable and helpful partner in getting this off the ground. So our role as the county Diana, certainly her shop will have a role in this, our shop in terms of putting it on the tax bills. The role is pretty limited and it will utilize very few resources, I would say, of the county to accomplish some pretty substantial goals for the community. And so I think this is a fantastic program that we ought to adopt, and I'm super glad that we are finally at a place where we can adopt it.

[00:36:45] Great, Seth, do you have anything to add?

[00:36:50] You know, just good afternoon, commissioners. So I am the associate director of the Montana Facility Finance Authority. We are the MFA. We are the statewide administrators like Tyler mentioned. We will be the ones basically refereeing the entire program statewide. Missoula County is the first county that is going through this process, so we're very excited that Missoula County is doing that. But I'm available for any questions if anybody has any. But I'll just leave it up to everybody else.

[00:37:22] Ok, thanks. Looks like Kelly Littleton has a hand-raised.

[00:37:29] Hi, yes, hi, commissioners. Again, my name is Kelly Littleton and I'm the program director at Climate Smart Missoula. I just have a few quick comments and general. We're really excited to offer our support for

establishing CPUs in Missoula County. Climate Smart is working to make progress on our Buildings for the Future programme, which is focused on decarbonising the built environment through energy efficiency, renewable energy systems and building electrification. Yeah. So through this program, we frequently hear from developers, designers, builders and other community partners that financing options like CPUs are really critical to this work. In fact, we've recently heard from folks at NeighborWorks Montana who reached out to express interest in using CPUs for some of their low income housing projects. So just in general, thank you for making space happen in Missoula, and we look forward to helping you bring new projects forward. Thank you.

[00:38:28] Thank you. Paul Herndon.

[00:38:35] Hello, thank you. So I am Paul Harrington, I'm the director of Impact Market Development at Clearwater Credit Union. Just wanted to say that speaking from the financial industry side, we see a lot of potential here for CPAs to accelerate clean energy adoption in the county. And we're certainly very interested in being a financing partner for those projects and we encourage the commissioners to pass this resolution. Thank you.

[00:39:03] Thank you. There. Anyone else's? Violet, I'm sorry, I can't I can't see if there's any.

[00:39:16] Anyone else? Looks like there's a couple of phone calls, and if they want to comment, they'll just have to hit star six on their keypads and let us know.

[00:39:30] Ok. I mean, Amy Silverberg, come on. She's not taking the bait. Ok? Executive director of Climate Smart. It was, yeah. Dave, go ahead.

[00:39:51] Oh, someone else? Oh, she took the bait. Yes, she did.

[00:39:56] Oh, I just wanted to say thank you. This is wonderful. I'm happy to comment. But Kelly said it all from climate smart. So I'm just here to cheer you guys on. And I just I will say, you know, Tyler and Seth, I'm also grateful for work beyond the commissioners that you folks will both do to make this happen. So thanks you guys. Thank you. Hello. Can you hear me? I just tried to unmute from the phone.

[00:40:22] Oh yes, you did. Go ahead and say, for the record, Yeah,

[00:40:26] Yes, my name is Jill Demers. I'm with Rewild Ranch, where Regenerative Agricultural Demonstration Center and Eco Lodge were brand new and we're building out an Albertan. And I'm curious, and I don't know if this question would go to Tyler or not, but you mentioned net positive in terms for the overall use, I guess for the loans for a business. Does that would that include interest rates for the financing? So would it be net positive overall or just a net positive for you?

[00:41:04] I'm actually going to throw that to Seth, because I think Seth will have the best answer. Yeah, that's fine. Yeah. Yes. Interest rates, any fees that might be attached to it as well can all be rolled into the financing. And all of that together is as one lump sum is needed to be net positive or net neutral, at least.

[00:41:25] Ok, and would that just be for solar project there also for other projects for water conservation like gray water systems or even black water systems

[00:41:35] For all of them combined. So like, I know that there's some upgrades. For instance, let's say you're going to do like window upgrades where you don't really save a lot when you do a window upgrade, but you save a lot when you do LED lighting. All of it can be combined into an like an aggregate project, and that aggregate project has to be net neutral going forward. So all of it combined together. So Solar's in there and then water consumption as well.

[00:42:02] Okay, and my last question is, is there someone working either with the county or with this particular? Uh, offering, I guess, that can consult and direct business owners since it is relatively new. It seems like there would be a lot of questions. Is there somebody is there like a point person to contact?

[00:42:25] That would be me.

[00:42:28] Seth is raising his hand on the phone,

[00:42:30] Yeah, right, exactly. Right over here. So yeah, my name is Seth Lutter and and I don't know the best way of giving out contacts, but email wise, it's Seth De-clutter at Mt. Dot gov. And send me any questions that you have. Let's get on phone calls. It's not a problem at all.

[00:42:49] Great, thank you so much, thank you, commissioners.

[00:42:52] Thanks, Joe and Lutter is how do you spell it? Lou TTR.

[00:42:57] You got it. Yep.

[00:42:59] I don't see yeah. My screen is cut in half, and for whatever reason, I can't see it.

[00:43:05] Seth De-clutter l.u ttr at MTV.

[00:43:13] And, Jill, if you have any problems, you can call the county, we can. Well, we'll get you to the right person. Ok, any other comments? Ok, well, close this then.

[00:43:31] Yeah, one. I've got some if you're OK with it.

[00:43:37] Yes, go ahead.

[00:43:39] Ok, thanks, this is Josh. So first, I want to say huge thanks to Tyler and Diana. I think I first heard about this from Tyler almost three years ago, and he'd been after it for a couple of years back then. So this is the result of some relentless effort and can do spirit and not giving up. And we really, really appreciate that, Tyler. So thank you and huge kudos to Diana for figuring out this from a technical perspective. We are yet again the first county in the state to do this. That means Diana had an uphill road to climb as well, and we are at Missoula County, our super fortunate to get to work with people like Tyler and Diana. Now my question so Seth, for the dozens and I mean dozens of folks listening at home, what does net neutral mean? And then my second question is given that a person who would say, go to a bank, get a loan and then work through CPAs to do this, it would seem that the county and the kind of the full faith and credit of the county and our ability to collect taxes backs up that loan in a way that a person's job or income doesn't. Does that mean that folks who take advantage of space might be able to get a lower interest rate than somebody who is just going to a bank, even if it's a really wonderful bank like Clearwater to get a straight up loan so that neutral and interest rate for the questions.

[00:45:03] Perfect. I appreciate that, Commissioner. So in regards to net neutral, what that means is the amount of savings on the loan has to equal or be greater than the annual payment for the upgrades. So while they're, let's say, for instance, they have, they do upgrades on a building and just for sake, let's say it's \$100000 and it is \$5000 a year that they have to pay on it. That means that the savings of those energy upgrades have to equal or be greater than that payment. And you're welcome. And the question about the interest rate being that the collateral position is actually on the property itself, it allows the lenders a lot more security. So due to that security and it's not to, you know, let's say, for instance, there is a small business in town and maybe he's looking at retiring soon or he's been doing it for a long time. A bank might not want to lend to that person because they know that they're going to retire soon where this is attached to the property and not the business owner themselves. It can get on the property. They can get a 20 year term at a lower interest rate. Not having to worry that the business owner might be retiring soon because it follows the property itself. And so the next buyer has that property. It's not the business. So that's why the collateral and the security is a better on this than traditional mortgage traditionally.

[00:46:33] There. Yeah. Thanks, Diana, and thanks, Tyler, for all of your work. Echo Josh's comments earlier, thanks also to the Montana Legislature, though those are a couple of terms thanks and Legislature that I rarely say in the same

[00:46:48] Sentence in this

[00:46:50] Case. And it was not an easy, easy lift to even get this over the finish line, but but it did come to pass. So thank you, Montana Legislature and legislators who supported this question for you. So I have a commercial property. I want to put solar panels or whatever on my property to realize energy efficiency. I go to one of my local lenders. At what point? And just help help me understand where MFA comes in at that point?

[00:47:26] Perfect, so we have an application that a commercial property owner needs to fill out on our website last best. And that way it gets the ball rolling on the on our side, on the state side. If somebody goes to a bank, they might not know what space is yet. That's also what we're here for. We're here for the education. We're here to make sure that we have as many lenders signed up and knowledgeable about this as possible. If you do go to a lender that does know about CPAs, they know us, they're probably going to contact us. We've already had a few lenders reach out to us and say we have a project in this county. Is the county set up yet? And that's what our job is, is to make sure that counties are set up to make sure that the borrower knows what steps is to make sure that lenders know what it is and also to put that tax assessment on the property. So we are a huge point of contact and a referral system for all of these different parties together, including like if you're looking at getting solar on a on a commercial building, we can also direct you to solar installers or engineers that do energy audits on buildings to make sure that you're doing the the right and the appropriate energy audits for the type of building that you have. Great. Thank you.

[00:48:41] Tyler, did you want to add anything?

[00:48:45] No, I think Seth very well covered this as as usual, says MFA has done a tremendous amount of work on this, and Seth has more knowledge than I think I could ever dream of having on this subject. I'm so thankful for your guys its help on this. I would like to add one last thing as well is we had we had working groups, we had multiple working groups of 55 people. We probably had two dozen meetings with different groups. One specifically focused on agriculture. One specifically focused on multifamily housing, one specific for construction. So the building of the program guidelines that was referenced earlier was from all the different input of over 55 individuals, professionals and businesses to build case to what Montana businesses and citizens really want.

[00:49:42] Fantastic, and thanks for that explanation. So do we have projects not lining up here like so to get the we get to do this and then what's then what happens?

[00:49:55] So it's funny because I did a presentation on This Morning and I was counting because I think it's been active. It's been launched down for 39 days. So and I have tons of people saying, Hey, is this E-Pace district built yet? And I'm like, Oh, it's been 39 days. So hold your horses, please. But, you know, obviously talk about Missoula County jumping in. We have, I want to say, 10 different projects that have come to us in the past three weeks that are saying space available. We have interest so collected right now. We have 13 counties that are in the pipeline and we have 10 projects in different counties that have talked to us and said, we're interested in doing this and these projects came to us from either the business owner or the lender. So both parties are coming to us saying that we have we have projects coming. So it's it's happening. We're excited about it

[00:50:49] And want to have one more question, if possible. Yeah, yeah, yeah. How about scale is is. Is there a too small, is there a too big?

[00:51:00] So on the national side, we've talked to numerous other pace administrators, statewide peace administrators and too small. It seems like anything under like 50000, like 50 kind of seems like really the smallest just because of fees and interest rates. The the the ability of being net neutral, being able to actually get more savings than cost is really slim at that point. But there's projects out there, specifically, solar is around that size fifty thousand one hundred thousand two hundred thousand a ton of solar that we've seen, but also some of the projects that have come to us have been collective projects of \$24 million, where space is a \$4 million sliver. I mean, it's not small projects, either. These are new construction, so it can be brand new apartment buildings, hotels, but also retrofits. And this is really what's exciting to us is, you know, you go down any main street, you see all these old brick buildings that are heating the outside just as much as they're heating the inside of the building. And these are the kind of buildings that we can see just going gangbusters with getting energy efficiency upgrades. So we can it can be new construction, big projects. It can be mom and pop shops that just want a fifty thousand solar system on there on the roof to just lower the energy costs. Rick, thank you. Yeah, thanks.

[00:52:28] Any further comments?

[00:52:32] Ok. All right. One, I would move that we adopt the resolution of intent to establish a county wide commercial property, assessed capital enhancements space program. I'll second

[00:52:44] That. All oops. Any further comment? Ok. Tip of the Spear. All in favor. All right.

[00:52:56] I. Ok, that

[00:53:01] Concludes our public meeting. Thank you, everyone. I wish we had champagne and confetti. This is

[00:53:10] Fantastic. You can save that for the twenty fourth.

[00:53:12] Ok.

[00:53:13] Good point. Good point. Well, yeah, yeah, we'll do that. Ok. Take care, everyone. Have a great day.

[00:53:22] Thank you. Goodbye.