

**A SPECIAL MEETING OF THE CITY COMMISSION, CITY OF LEWISTOWN,
APRIL 8, 2024 AT 4:00 P.M. AT THE CENTRAL MONTANA COMMUNITY CENTER
LOCATED AT 307 W WATSON**

CALL TO ORDER

Chairman Terry called the meeting to order.

PLEDGE OF ALLEGIANCE

Chairman Terry asked everyone to stand and say the Pledge to the Flag.

ROLL CALL

Present were Commissioners: Buehler, Day, Hewitt, Hrubes, Scotten, Spika and Terry.

SPECIAL AGENDA – Resolutions, Ordinances & Other Action Items:

1. Discussion and action on approving a proposal on the Berg Lumber development and allowing the City Manager to enter into an agreement and sign on behalf of the City

Commissioner Terry verified that the reference to an agreement is a development agreement. City Manager Phelps answered that is correct. Commissioner Terry asked if everyone was able to review the additional information that was provided prior to the meeting. The commissioners agreed. City Manager Phelps introduced the new City Attorney Tyler West and reported that he has read all the information that was provided to the Commission. City Manager Phelps brought to the Commission's attention the proposal from 406 Rock LLC and that there is a buy sell however, their proposal has changed and they no longer want the property for housing. 406 Rock LLC would like the property for a commercial or industrial site. City Manager Phelps stated that the statutes that allow the City to sell the property for less than fair market value outline certain uses for the property. City Attorney West explained that the City can dispose of property by sale or transfer, however, if it is less than fair market value then the purpose has to be for low-income housing. City Attorney West further explained that since 406 Rock LLC changed their proposal it automatically disqualified because it is no longer for housing. If the Commission would like to change their stance of the property they could entertain an offer for fair market value of the property. City Attorney West reviewed the concerns with the buy sell from Rentovator. City Attorney West stated that he would like to see in the buy sell that the buyer will enter into a development agreement. The buy sell should also include the purpose of the plan, layout of who is responsible for what and acknowledgement that there will be a revisionary clause.

Commissioner Terry asked for comments from the commission on the buy sell from 406 Rock LLC. Commissioner Terry stated that it is the general consensus of the Commission that the proposal doesn't meet the requirements of the City. Commissioner Terry asked if there is anything the Commission needs to pursue on the Homestead Ventures buy sell. City Attorney West answered no, he didn't think so. There was discussion regarding the fair market value of

the property. City Manager Phelps stated that in around 2016 the appraisal of the property was approximately \$287,000. Commissioner Terry asked when the cleanup was completed. It was 2012 to 2015. Commissioner Terry stated she was a little frustrated that she didn't know that if the City sold the property for lower than fair market value it would have to be for low-income housing. This is a fact that had not been brought to the Commission until today and it would have such an impact. Commissioner Terry apologized that she was trying to push this forward. Commissioner Scotten stated that the City should not rush this issue. Commissioner Hewitt stated that we are still learning a lot about the process. Commissioner Spika made the motion to table the item to gather more information about the fair market value of the property and Commissioner Day seconded the motion. Commissioner Terry asked for comments from the audience and Commission. There being none, the City Manager took a roll call vote with the following Commissioners voting in favor: Buehler, Day, Hewitt, Scotten, Spike and Terry. Commissioner Hrubes voted against.

CITIZENS' REQUESTS

Mr. Jeremy Farr stated it would be in the best interest of the community to sell the property in small parcels.

COMMISSIONER'S MINUTE

Commissioner Hrubes stated that fair market value can vary depending on the use of the property. Commissioner Hrubes further stated that he thought the Commission was going to look at the proposals and determine the number of each and single or multi family dwellings. Commissioner Buehler stated that would be determined once the fair market value is determined. Commissioner Buehler commented that the Commission needs to do the due diligence to make sure the housing that is proposed is what the citizens want.

ADJOURNMENT

Chairman Terry adjourned the meeting.

Dated this 8th day of April, 2024.

KellyAnne Terry, Commission Chairman

ATTEST:

Nikki Brummond, City Clerk