

COMMITTEE OF THE WHOLE

AUGUST 18, 2025

6:00 PM

1. Review budget 2025-2026 preliminary budget

NOTICE FOR, AND AGENDA FOR, A REGULAR MEETING OF THE CITY COMMISSION, CITY OF LEWISTOWN, AUGUST 18, 2025 AT 7:00 P.M. AT THE CENTRAL MONTANA COMMUNITY CENTER LOCATED AT 307 W WATSON

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

APPROVAL OF MINUTES – August 4, 2025

COURTESIES

PROCLAMATIONS

BOARD AND COMMISSION REPORTS

CITY MANAGER REPORT

PUBLIC COMMENT – non agenda items

CONSENT AGENDA

Acknowledgement of the claims that have been paid from August 1, 2025 to August 15, 2025 for a total of \$547,220.56

***REGULAR AGENDA – Resolutions, Ordinances & Other Action Items:**

1. Discussion and action on sponsoring a CDBG application for Homeward (**Action: approve, disapprove or amend**) City Manager Holly Phelps
2. Discussion and action on approving the 2025-2026 annual plan for the Tax Increment Finance District (**Action: approve, disapprove or amend the 2025-2026 annual plan for the TIF District**) City Manager Holly Phelps
3. Discussion and action on approving the 2025-2026 annual plan for the Targeted Economic Development District (**Action: approve, disapprove or amend 2025-2026 annual plan**) City Manager Holly Phelps
4. Public hearing to hear comments on Resolution No. 4197, a resolution approving the fiscal year 2026 work plan and budget for Tourism Business Improvement District #1
5. Discussion and action on approving Resolution No. 4197, a resolution approving the fiscal year 2026 work plan and budget for Tourism Business Improvement District #1 (**Action: approve, disapprove or amend Resolution No. 4197**) City Manager Holly Phelps
6. Discussion and action on approving Resolution No. 4198, a resolution approving an assessment to defray the cost of the work plan and budget for Tourism Business Improvement District #1 for fiscal year 2025 (**Action: approve, disapprove or amend Resolution No. 4198**) City Manager Holly Phelps
7. Public hearing to hear comments on Resolution No. 4199, a resolution amending the 2024-2025 budget of the City of Lewistown

Holly Phelps

From: Erin Ojala <Erin@homeword.org>
Sent: Thursday, August 14, 2025 9:14 AM
To: Holly Phelps
Cc: Julie Stiteler; Heather McMillin
Subject: RE: Request for Sponsorship & Public Hearings – Ouellette Place CDBG Application
Attachments: Ouellette Place Apartments.pdf; 2024 Homeword Organizational Resume.pdf; Annual Report spreads.pdf

Good morning Holly,

Thank you for returning my call yesterday. As promised, I'm sharing more about Ouellette Place and why we are seeking the City of Lewistown's sponsorship for a Montana Community Development Block Grant (CDBG) application.

Ouellette Place is a 24-home affordable housing community in Lewistown that serves households earning 40–60% of the Area Median Income. Developed in partnership with the Lewistown Community Development Corporation, it was Homeword's first collaboration with GMD Development and our first co-development project. The property combines the rehabilitated historic St. Joseph's Hospital with new construction, financed through 9% LIHTC, Historic Tax Credits, State HOME funds, and private sources.

Today, Ouellette Place provides safe, stable homes to 57 residents, including seniors, people with disabilities, and families with children.

Over the past two years, the property has faced persistent moisture issues. In 2023–2024, we replaced the roofs, which significantly improved conditions. However, the next urgent challenge is the failing building envelope and siding, which are visibly warping and no longer providing adequate protection. Left unaddressed, this will lead to worsening moisture intrusion, energy loss, and potential health and safety concerns for residents. In addition, we hope to address aging domestic water heaters, AC units, and kitchen appliances that are nearing the end of their service life.

State CDBG funding would allow us to address these deficiencies, improve energy efficiency, and ensure the long-term preservation of this essential housing resource. As the local government sponsor, the City's support is critical, to meet CDBG program requirements and to demonstrate community commitment to the project.

We would greatly appreciate the opportunity to partner with the City to schedule the required public hearings and move the application forward before the September 17 deadline. Homeword will prepare and publish draft notices, provide detailed project information, attend hearings to present, answer questions, and complete and submit the CDBG application on behalf of the city, with the city as the Applicant and Ouellette Place LLC as the recipient of the grant if awarded.

Thank you for your consideration and for supporting the preservation of affordable housing in Lewistown.
Sincerely,

Erin Ojala (she, her)

Asset Manager

Homeword

Phone: (406) 532-4663 x90



[Schedule time with Erin Ojala](#)

RESOLUTION NO. 4197

**A RESOLUTION APPROVING THE FISCAL YEAR
2026 WORK PLAN AND BUDGET FOR TOURISM
BUSINESS IMPROVEMENT DISTRICT #1**

WHEREAS, Resolution 3806 adopted by the Lewistown City Commission created Tourism Business District #1 (TBID #1) effective February 1, 2013, in order to increase tourist trips and promote and benefit the tourism and lodging industry in Lewistown; and

WHEREAS, TBID #1 provides funding that will promote the health, safety, prosperity, security, and general welfare and will convey a special benefit to the properties within the boundaries of the Tourism Business Improvement District;

WHEREAS, Section 7 of Resolution 3806 requires a work plan and budget be submitted and approved by the City Commission each year:

Powers and Duties of Trustees. The appointed Trustees shall have the powers and duties set out in Sections 7-12-1121 through 7-12-1133, M.C.A. and any other applicable laws, ordinances or regulations. At a time determined by the City Commission, the Board of Trustees shall submit to the City Commission for approval a work plan and budget for the ensuing fiscal year. The City Commission may modify the work plan and budget as it considers necessary and appropriate.

WHEREAS, the duly appointed Trustees for TBID #1 have submitted a proposed work plan and budget for FY2026 which has been reviewed by the City Commission and the Commission finds the same to be appropriate and within the purposes as set forth by law for tourism business district uses;

WHEREAS, the work plan and budget submitted by the Board provides for liability insurance coverage insuring the District, the Board, and the City of Lewistown against legal liability

In accordance with City of Lewistown Ordinance No. 3806 and Resolution No. 4112 this is the Work Plan and Budget for FY 25-26 using a July 1, 2025 through June 30, 2026 fiscal year.

Revenue	BUDGET
Projected Collections in 1 st FY Quarter (Jan., Feb., March 2025)	\$12,000.00
Projected Collections in 2 nd FY Quarter (April, May, June 2025)	\$20,000.00
Projected Collections in 3 rd FY Quarter (July, August, Sept. 2025)	\$30,000.00
Projected Collections in 4 th FY Quarter (Oct., Nov, Dec. 2025)	<u>\$18,000.00</u>
Total Revenues	\$80,000.00
Carryover from FY25 (estimated)	\$15,000.00
Total Funds	<u>\$95,000.00</u>

Expenditures Budgeted

Based on the previous year, this work plan has been developed to be broad enough to address upcoming opportunities and yet focused enough to comply with the intent of the TBID's mission of generating room nights for lodging facilities in the City of Lewistown, Montana and Fergus County by effectively marketing our region as a preferred travel destination.

Funding is being allocated to five areas including a reserve fund, as follows:

Sponsorship/Event	\$20,000.00
Marketing	\$55,000.00
Other Opportunities	\$4,000.00
Admin Operation Costs including insurance	<u>\$1,000.00</u>
Total Expenditures Budgeted	\$80,000.00
Reserves:	<u>\$15,000.00</u>
Total	<u>\$95,000.00</u>

RESOLUTION NO. 4198

A RESOLUTION APPROVING AN ASSESSMENT TO DEFRAY THE COST OF THE WORK PLAN AND BUDGET FOR TOURISM BUSINESS IMPROVEMENT DISTRICT #1 FOR FISCAL YEAR 2026

WHEREAS, Resolution 3806 adopted by the Lewistown City Commission created Tourism Business District #1 (TBID #1) effective February 1, 2013, in order to increase tourist trips and promote and benefit the tourism and lodging industry in Lewistown; and

WHEREAS, TBID #1 provides funding that will promote the health, safety, prosperity, security, and general welfare and will convey a special benefit to the properties within the boundaries of the Tourism Business Improvement District;

WHEREAS, MCA Section 7-12-1132(3) requires the governing body to levy an assessment upon all of the property in the district using as a basis one of the methods prescribed in MCA Section 7-12-1133 and the City has previously selected the method to be used in Resolution 3806:

Assessments. All lodging facilities, as defined in Section 8, that are within the District will be assessed for their proportionate share of the costs of maintaining the activities of the Tourism Business Improvement District as prescribed in Section 7-12-1133(2)(c) M.C.A. The assessments to fund the work plan for the first fiscal year are to be collected from all lodging facilities with 6 or more rooms within the boundaries of the district and all such lodging facilities shall be subject to an assessment of one dollar (\$1.00) per occupied room night. Stays by persons who are otherwise exempt from paying a transient occupancy tax (a.k.a. lodging facility use tax), as provided in Sections 15-65-101 through 15-65-136 MCA, shall be exempt from the assessment. The assessments may

RESOLUTION NO. 4200

A RESOLUTION RELATING TO ADOPTING A PRELIMINARY BUDGET AND PROVIDING A DATE FOR PUBLIC HEARING AND ADOPTION THEREOF FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026

WHEREAS:

1. MCA Section 7-6-4020 provides that "A preliminary annual operating budget must be prepared for the local government."
2. MCA Section 7-6-4024 provides that the "governing body shall hold a hearing [on the preliminary budget] in accordance with the notice given pursuant to 7-6-4021."
3. The City Commission has prepared a preliminary annual operating budget for fiscal year 2026 and desires to provide notice to the public of its preparation and set a date for public hearings and adoption of the same;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LEWISTOWN, MONTANA:

That the preliminary budget for the City of Lewistown for fiscal year 2026 has been prepared.

BE IT FURTHER RESOLVED that the City Clerk shall provide notice to the public in the form and manner provided by law as follows:

1. That the City Commission has completed its preliminary annual budget for the fiscal year 2026
2. That the preliminary budget has been placed on file at the Lewistown City Office, 305 W. Watson, Lewistown, Montana and is open to inspection Monday through Friday from 8:00 a.m. until 5:00 p.m.
3. That the Lewistown City Commission will meet on **September 2, 2025 at the hour of 7:00 p.m.** at the Central Montana Community Center, 307 W. Watson, Lewistown, Montana, for the purpose of approving a final budget and making appropriations; and
4. That any taxpayer or resident may appear at the meeting and be heard for or against any part of the proposed budget.

PASSED by the Commission of the City of Lewistown, Montana, on this 18th day of August 2025.

Loraine Day, Chairman of the Commission

ATTEST:

Nikki Brummond, City Clerk