

WHITEFISH CITY COUNCIL
March 7, 2022
SPECIAL SESSION AT 5:45 P.M.

1) CALL TO ORDER

The meeting was held in-person in the Council Conference Room. Deputy Mayor Sweeney called the meeting to order. Councilors present were Norton, Qunell, Feury, and Davis. Councilor Caltabiano recused and Mayor Muhlfeld was absent. Staff present were City Manager Smith and City Clerk Howke.

2) INTERVIEW

City Council interviewed Giuseppe Caltabiano to represent owner/manager of the a retail establishment, bar, restaurant, professional office, or hotel/lodging establishment on the Parking Pilot Implementation Committee.

3) APPOINTMENT

Councilor Norton made a motion, seconded by Councilor Feury to appoint Giuseppe Caltabiano to the Parking Pilot Implementation Committee representing owners and managers of the located in the Pilot Parking Permit Area. The motion carried.

Deputy Mayor Sweeney adjourned the Special Session and opened the work session at 6:00 p.m.

WHITEFISH CITY COUNCIL
March 7, 2022
7:10 P.M.

1) CALL TO ORDER

Deputy Mayor Sweeney called the meeting to order. Councilors present were Qunell, Feury, Caltabiano, Davis, and Norton. Mayor Muhlfeld was absent. City Staff present were, City Clerk Howke, City Manager Smith, City Attorney Jacobs, Planning and Building Director Taylor, Public Works Director Workman, Parks and Recreation Director Butts, Police Chief Kelch, Fire Chief Page, Long-Range Planner Osendorf and Planner I Nymark. Approximately 13 people were in the audience and 8 attended virtually.

2) PLEDGE OF ALLEGIANCE

Mayor Muhlfeld asked Greg Gunderson to lead the audience in the Pledge of Allegiance.

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

Mayre Flowers, Citizens for A Better Flathead (CBF), 135 South Main, Kalispell, spoke towards the letter from the Council supporting the Northwest Drug Task Force. She asked Council to amend the letter to include the appreciation of their work setting up the Pharmaceutical Disposal Program. Council also received a letter from CBF reiterating the points made earlier pertaining to the WB-T Business Transitional District. She encourages the Council to provide fresh leadership to show that these corridors can become important residential resources, particularly given the housing need that Whitefish is facing.

Gloria Nelson, 547 Blanchard Lake Road, Executive Director of Project Whitefish Kids (PWK), supports the lease agreement amendments that are on the agenda. PWK has partnered with the City for 20 years and they have been able to create a youth recreational facility on the south end of town. They are looking forward to the next 70 years. They are also currently working on finalizing the sublease with North Valley Music School and finalizing special events applications that are similar to the city applications.

Deidre Corson, 213 Whitetail Lane, Executive Director of Whitefish Music School, supports the lease agreement amendments between the City and PWK. They look forward to the collaboration between the City, PWK and North Valley Music School.

Kate Walker, Northwest Design Studio, 301 East 2nd Street, Suite 1B, representing the applicant for agenda item 7b). Deputy Mayor stated he would address her during discussion of that agenda item.

Greg Gunderson, Forestration, Center for Native Plants President, 840 First Street, representing the applicant for Whitefish Lakeshore Permit at 404 Dakota Avenue. Deputy Mayor Sweeney stated he will address Greg during the discussion of that agenda item.

4) COMMUNICATIONS FROM VOLUNTEER BOARDS

Councilor Caltabiano reported the Bicycle/Pedestrian Committee discussed the transportation plan and found there was so much information to be sifted through, they sent some input to staff and the consultant to grade differently all the priorities of the plan.

5) 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 February 22, 2022, Regular Session (p.29)
- b) [Consideration](#) of a request from Carol and Richard Atkinson for a Whitefish Lake and Lakeshore Protection Permit to armor eroding bank with soil, boulders, and native plants, located 400 Dakota Avenue (WLP 22-W04) (p.37)
- c) [Consideration](#) of a request for a Final Plat for a 4-lot subdivision located off State Park Road, Bear Paw Subdivision (WFP 22-03) (p.56)
- d) [Ordinance No. 22-02](#); An Ordinance amending the Conditions of Approval of the Trail View Planned Unit Development (Second Reading) (p.142)
- e) [Ordinance No. 22-03](#); An Ordinance amending Whitefish City Code Title 7, Public Ways and Property, Chapter 3, Public Parks and Grounds (Second Reading) (p.145)
- f) [Resolution No. 22-02](#); A Resolution requesting distribution of Bridge and Road Safety and Accountability Program Funds (p.151)

Councilor Norton made a correction to the February 22, 2022, minutes; page 4, line 9, under Mayre Flowers comments, 'creating a vision of something other than ~~drip-strip~~ commercial along the highway corridor'.

Councilor Norton made a motion, seconded by Councilor Qunell to approve the Consent Agenda as corrected. The motion carried.

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

- a) [Ordinance No. 22-](#) ; An Ordinance amending the Whitefish City Code to add Article Y, Chapter 2, Title 11 to establish the WB-T zoning district (Business Transitional District), as an

implementation of the Highway 93 South Corridor Plan (WZTA 22-01) (First Reading)
POSTPONED FROM FEBRUARY 22, 2022 PUBLIC HEARING CLOSED (p.157)

This matter was presented by staff at the February 22, 2022, City Council meeting. Public comment was heard, written public comment was received and is included in the packet. Council postponed the agenda item, closing the Public Hearing portion. Staff did not have anything new to add from the previous report given.

Councilor Norton made a motion, seconded by Councilor Feury, to postpone to a date in the future. Councilor Norton feels she needs more information about how the County and City are going to work together. She would rather get it done in a way that feels good to the community and take our time with it. She would like to have a work session with the County Planning Director to get clarification about what the county is planning to do to hold to their standards and how we can improve that process. Also look at opportunities for housing and the possibility of providing water and sewer to more of those housing options. It is not clear to her of the impact if we proceed at this point.

Councilor Feury appreciate the effort to get the County to the table, but he thinks we need to continue moving forward. If they are not able to attend at our next work session we need to move forward. After further discussion **Councilor Norton and Councilor Feury agreed to amend the motion to postpone to a work session on March 21, 2022, and then to the Council for a decision on April 4, 2022. The motion carried on a 5-1 vote, Councilor Caltabiano voting in opposition.**

Councilor Feury would like to see more focus on housing, and away from commercial as much as possible. Councilor Norton would like a copy of the County corridor plan and a comparison about what we are proposing. It is ideal for housing outside the highway interface.

Councilor Davis stated the value of the community is in the housing opportunities, small scale commercial along the highway and opportunities for housing behind it. Look into removing hotels, motels, bars and restaurants, car dealers, mini storage to name a few; low and middle density housing should be encouraged use and high-density housing should be a conditional use. Consider a reduction in the building size down from 10,000 square feet which is where it is currently in the WB-2 district. He would like to see smaller scale commercial with more residential.

Councilor Qunell agree with Councilors Feury and Davis regarding commercial and what our real ability is to control what is built commercially based on annexation. He would like to see item by item accounting of what those commercial uses are that are currently in the WB-T district and what the justification is for those. He would also like to know what is on the ground now and how it relates to the plan and the current zoning. Encourage medium and high-density housing.

Councilor Caltabiano stated he believes the city staff did their homework, they looked at the existing legacies, and the various zones in the county. He also understands that now we operate within a principle of annexing only on petition. Which means if we zone in ways that are not compliant or compatible with the desires of the investors that purchased those properties they would not petition to annex. He thinks this exercise is either trusting the staff, having done the right homework. That is why he voted against postponing it.

Deputy Mayor Sweeney stated staff did exactly what Council asked them to do. From his perspective the number of uses that they think are okay out there needs to be paired down dramatically.

- b) [Ordinance No. 22-04](#); An Ordinance amending Zoning Regulations Title 11, Chapter 2, Article A (WA Agricultural District), Article B (WCR Country Residential District), Article C (WSR Suburban Residential District), Article D (WER Estate Residential District), Article E (WLR One-Family Limited Residential District), Article F (WR-1 One-Family Residential District), Article G (WR-2 Two-Family Residential District), Article H (WR-3 Low-Density Multi-Family Residential District), Article I (WR-4 High-Density Multi-Family Residential District), Article J (WB-1 Limited Business District), Article K (WB-2 Secondary Business District), Article L (WB-3 General Business District); Article M (WB-4 Business Park District), Article N (WRR-1 Low Density Resort Residential District), Article O (WRR-2 Medium Density Resort Residential District), Article P (WRB-1 Limited Resort Residential District); Article Q (WRB-2 General Resort Business District), Article V (WBSD Business Service District), and Article W (WT-3 Neighborhood Mixed Use Transitional District); Chapter 3, Section 9 (Daycare Centers); and Chapter 9, Section 2 (Definitions), of the Whitefish City Code (First Reading) (WZTA 22-03) (p.210)

Long-Range Planner Tara Osendorf presented her staff report that is provided in the packet on the website.

Deputy Mayor Sweeney opened the Public Hearing. There being public comment, Deputy Mayor Sweeney closed the Public Hearing and turned the matters over to the Council for their consideration.

Councilor Feury made a motion, seconded by Councilor Caltabiano to approve WZTA 22-03 the Findings of Fact in Exhibit ‘B’ and the language in Exhibit ‘A’ as recommended by the Whitefish Planning Board on February 17, 2022, on a first reading, Ordinance No. 22-04. The motion carried.

- c) Consideration of a request from 444 Central LLC for a Conditional Use Permit to develop four single family units on one lot, located at 444 Central Avenue, zoned WR-4 (High Density Multi-Family Residential District) (WCUP 22-01) **PLANNING BOARD CONTINUED TO 4/4/2022**
- d) ~~Consideration of a request from Libertas Green Georgia, LLC for a Zoning Map Amendment to amend the approved Statement of Conditions on the current conditional zoning to add marijuana facilities as an administrative conditional use, located at 1822 Baker Avenue, zoned WI (Industrial and Warehousing)/WB-2 (Secondary Business)/SC (Statement of Conditions) (WZC 22-01)~~ **TABLED BY PLANNING BOARD 2/17/2022**

7) COMMUNICATIONS FROM PLANNING AND BUILDING DIRECTOR

- a) [Consideration](#) of request from Carol & Richard Atkinson for a Whitefish Lake and Lakeshore Protect Permit for a one-time beach gravel placement, and a minor variance for a one-time gravel placement for a sitting area in the LPZ over a predominantly vegetated surface, located at 404 Dakota Avenue (WLV 22-W03) (p.240)

Planner I Jessica Nymark presented her staff report that is provided in the packet on the website.

Deputy Mayor Sweeney addressed Greg Gunderson, Forestation and the Center for Native Plants, representative of the applicant. The spot they would like to do the seating area is the flattest spot on their property, below their home site and in the shoreline, below the high-water mark slope. It is a perfect little nook that is totally hidden from the lake. It is a great spot to accomplish their objectives.

Councilor ~~Dave-Davis~~ made a motion, seconded by Councilor Norton to approve WLV 22-W03 with the sixteen conditions of approval as known in the staff report. The motion carried.

- b) [Consideration](#) of a request from Brad & Dana Chelf Family Trust for a Whitefish Lake and Lakeshore Variance for the dock to exceed allowable construction area and length, located at 1500 West Lakeshore Drive (WLV 22-W05) (p.269)

Planner I Jessica Nymark presented her staff report that is provided in the packet on the website.

Deputy Mayor Sweeney addressed Cate Walker, Northwest Design Studio, Incl. the applicants representative. She stated this is a very shallow lakebed location. The owner has multiple watercraft that he would like to access his dock with. One of their watercraft in particular is very difficult to access their dock given the lakebed conditions in this area. They find it very challenging and having to dodge rocks and keep very close eye on underwater in that location as they approach their dock. Especially as the summer continues and the water drops. Initially they did submit the variance request at 100 feet in length and she was advised to increase that to get the full foot of further clearance. That is where they came to the 131 feet in length. When they finally got the profile back from their surveyor of the lakebed. The owner is open and amenable to the 100-foot length if that is deemed allowable by the Council.

Councilor Qunell made a motion, seconded by Councilor Feury to deny the variance request to 131 feet but amend the application to a dock of 100 feet or less. The motion carried.

8) COMMUNICATIONS FROM PARKS AND RECREATION DIRECTOR

- a) [Resolution No. 22-03](#); A Resolution to approve amendments to Glacier Twins Lease Agreement (p.291)

Parks and Recreation Director Maria Butts presented her staff report that is provided in the packet on the website.

Councilor Feury made a motion, seconded by Councilor Caltabiano to approve Resolution No. 22-03, A Resolution to approve amendments to the Glacier Twins Lease Agreement. The motion carried.

- b) [Consideration](#) to authorize to Bid Armory park Master Plan Phase III (p.318)

Director Maria Butts presented her staff report that is provided in the packet on the website.

Councilor Qunell made a motion, seconded by Councilor Caltabiano to authorize to bid Armory Park Master Plan Phase III. The motion carried.

9) COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR

- a) [Rejection](#) of Construction Bid for the Spokane Avenue Watermain Replacement Project (p.322)

Public Works Director Craig Workman presented his staff report that is provided in the packet on the website.

Councilor Caltabiano made a motion, seconded by Councilor Norton to reject the construction bid for Spokane Avenue Watermain Replacement as presented by staff. The motion carried.

10) COMMUNICATIONS FROM CITY ATTORNEY

- a) [Resolution No. 22-04](#); A Resolution to approve an amendment to the 2004 Lease Agreement with Project Whitefish Kids, Inc. (p.329)

City Attorney Angela Jacobs presented her staff report that is provided in the packet on the website.

Councilor Caltabiano made a motion, seconded by Councilor Norton to approve the amendment to the 2004 Lease Agreement with Project Whitefish Kids, Inc. as presented by staff. The motion carried.

11) COMMUNICATIONS FROM CITY MANAGER

- a) [Written report](#) enclosed with the packet. Questions from Mayor and Council? (p.361)

None

- b) Other items arising between March 2nd through March 7th

None

12) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

- a) [Consideration](#) of approving tentative FY23 Budget calendar (p.363)

Councilor Qunell made a motion, seconded by Councilor Caltabiano to approve the FY23 Budget calendar. The motion carried.

- b) [Letter](#) of support for the Northwest Montana Drug Task Force (p.364)

The Council approved the letter by consensus.

Deputy Mayor Sweeney called for a recess at 8:56 p.m. and reconvened at 9:05 p.m.

- c) [Continue](#) discussion from February 22, 2022, work session for available zoning and possible locations for workforce housing (p.365)

Councilor Qunell would like staff to look at the transportation corridors that have good access to trails and that are not too far from town; those areas should be looked at in terms of what the zoning is versus what it maybe should be. We need to look at the idea of community character and figure out how to accommodate these underlying zoning issues versus what is on the ground. We need to look at our infrastructure, human infrastructure. There is a human infrastructure piece that we are missing. We want to integrate affordable or workforce housing into our community rather than build it in concentrated areas. We need to update the growth policy. He doesn't think we can do it with the current staffing, we need to hire a consultant and get it done. He would like to see an analysis of what we have on the ground now and how that can change into that infill piece. If we do get a wealthy donor that wants to come in and help us out, we can say well instead of this one big project, let's look at these three more moderate projects.

Councilor Feury stated he agrees with Councilor Qunell and his point about smaller integrated projects throughout the community. That was one of the goals of our Legacy Homes Program. We learned from Mountain Gateway that people don't want one big giant project. We also need to be conscious of 1,000 new units as two- and three-bedroom units is 3,000 more people in our community. That is almost 25% increase in our population. There is a balancing act that we need to look at. Community character is not the same with 15,000 people living in it. We need to look at neighborhoods and see what a maximum build out would be given the existing zoning. A large report was issued in the Daily Interlake basically

reporting single-family residential zones is what has killed the housing market in Montana. One of their suggestions is that the legislature passes a law that says we eliminate single-family residential zoning, statewide. The governor is pushing that direction and their idea is that affordable housing is strictly a supply problem. Maintaining neighborhood character may not be up to us anymore. Without neighborhood buy in we are not going to get the projects we need. That is always going to be the biggest hurdle that we have to face.

Councilor Caltabiano stated the knobs we can turn are zoning regulations; the fire code in certain designated areas; exceptions to setbacks; and admin authorization for ADUs. The discussion we are trying to have here and the problem we are trying to address, is enabling and incenting property owners and developers to build more dwelling within a unit of space at a more reasonable cost.

Councilor Davis stated we have a lot of underutilized property in this town. We need affordable housing, and we need all housing right now. We need people to develop units and right now it is very difficult to do so in town. We are getting really large, concentrated projects in the wrong part of town because it is very hard to build very middle density housing in a lot of places here in town. In some ways we are paying for that now because the growth policy is so far out of date that it just simply does not reflect where this community is and what this community needs. We need to push to update the growth policy as quickly as possible. He would like to know what we can do to help make incremental changes across zoning districts or across growth planning to can help alleviate underutilization of land. We owe the community a better answer in terms of where the housing is going to go that is going to support the people that need to be here and want to be here.

Councilor Norton stated we have competition from people that want to manage property, short-term rentals, and mid-level rentals. The people that are making tremendous amounts of money on real estate are not going to give that up. That makes it a difficult situation for us that are trying to solve the communities problems for housing workforce and people that have grown up here. That level of competition and this idea that de-regulating everything is going to solve it is probably going to make it much worse. We are at the point where we are actually at subsidizing housing from now on. We need to be realistic about actually creating housing. She would like to look outside city limits. We should have more detail programs to help individual homeowners identify ways to create a basement apartment, or have a small home, or convert a garage and incentivize that by helping them design it and take away normal restrictions that will still allow to build legally. She doesn't want the charming neighborhoods taken away. The more you impose someone's profit on people that are actually here to live and have a beautiful life, you might not have the same town in the long run if we don't protect those historic neighborhoods. She knows it is very frustrating that we have turned down a lot of affordable housing. Pretty soon we will have a housing coordinator that will make a difference too.

After much discussion Deputy Mayor Sweeney provided direction to staff to discuss re-prioritizing goals at the Council retreat; how we might be able to expedite it. Director Taylor create a list staff is currently doing.

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

Discussion was continued from the work session preceding tonight's meeting pertaining to animal resistant refuse containers.

After some discussion, the consensus of Council is to go to bear proof garbage containers and renegotiate the contract with Republic Services.

Council Comments

Councilor Caltabiano stated the Bike/Ped Committee has a vacancy to fill the position for a high school student. He will be reaching out to the school to fill the position. Councilor Qunell gave a shout out to Glacier Nordic Club, the golf course closed today for skiing. The trails are still open, and he reminds folks to pick up after their dogs. Councilor Norton mentioned she has been approached by people regarding sandwich signs in the downtown and whether or not we need to revisit that; residents not clearing the sidewalks of snow; and if the cross walks could be painted in fluorescent to allow for more visibility at night.

Manager Smith asked and with consensus of the Council was given permission to add an additional Code Enforcement Officer as a full-time position before the FY23 Budget adoption. The City does have the revenue to offset the unbudgeted expenditures and would require a budget amendment at the end of the fiscal year to accept that.

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

Deputy Mayor Sweeney adjourned the meeting at 10:15 p.m.

/s/Francis Sweeney

Deputy Mayor Sweeney

Attest:

/s/ Michelle Howke

Michelle Howke, Whitefish City Clerk