

Finance Committee Meeting September 4, 2014

The **Finance Committee** met Thursday, September 4, 2014, at 5:00 p.m. in the City Hall Conference Room. Present were Committee Members Sue Galbraith, Sheena Martin, John Hollowell and Dwayne Andrews. Also present were Samantha Malenovsky Floodplain Administrative/Auto Cad/Assistant PWPV, Connie Muggli Historic Preservation Officer, Dawn Colton Grant Writer/Planner in Training, C.A. Grenz Mayor, and Recorder/City Clerk Lorrie Pearce.

Request of Citizens

None

Review Land Lease at Water Treatment Plant/Jim Dighans

There was concern from Committee Member Andrews and Chairperson Galbraith that the combination of cattle with the water plant, art center and park would not be a great idea. They thought the smell would be inappropriate.

*** Committee Member Hollowell moved to recommend to Council approval of the land lease to Jim Dighans, there was no second.*

REVIEW REVOLVING LOAN FUND GRANT FROM CDBG-ED

Historic Preservation Officer Muggli explained how the CDBG-ED grant works.

- City would be responsible for the initial set up, including a public meeting.
- The business that is applying for the grant money would be responsible to put the loan application packet together.
- Business proposal would be presented to Council in a form of a Resolution.
- Once the Resolution is approved by Council, the application would be sent to the Department of Commerce, and they would be responsible to review, and approve the grant.
- The revolving loan fund grant from CDBG-ED is separate from, and in addition to any CDBG grants available.
- \$400,000 available to each Montana City each year.
- Would need a letter of support from Southeastern Montana Development Corporation.
- Grants awarded would be based on jobs created up to \$25,000 per job, \$5000 for employee training, and a minimum of 51% jobs to benefit low and moderate income persons, and a 1:1 match, which would be the loaners' responsibility.
- City of Miles City would apply on behalf of multiple businesses up to the \$400,000 with an interest rate of 2%.

- Eligible activities would include loans to businesses for acquisition, construction, installation, or rehabilitation of commercial and industrial buildings, facilities, equipment, or working capital. Also, considered eligible activities are, customized employee training, TIP districts, and building infrastructure such as water, sewer, streets or sidewalks in support of businesses.
- Up to 8% of the total CDBG-ED funding is allowed for local government to pay for administrative services.
- Repayment from CDBG-ED loan could be retained by the City of Miles City, which in turn could be put back into the community.

City Clerk Pearce asked who would be responsible to lead the grant process. Officer Muggli said she would. City Clerk Pearce said that she would be a little hesitant to have the money from the repayment and interest come back to the City, and was concerned that the City would become a bank. Officer Muggli replied that she will talk with City Attorney Rice and see if the City of Miles City is structured correctly to adopt this process.

Committee Member Hollowell asked who would be responsible for the repayment of the loan. Officer Muggli replied that the City of Miles City would make that decision during the application process.

- ** Committee Member Hollowell moved to recommend to Council approval of accepting the CDBG-ED revolving loan fund grant. The motion was seconded by Chairperson Galbraith and, on roll call vote, passed unanimously 4-0.*

Review Resolution No. 3741: A Resolution Authorizing The City Of Miles City To Enter Into A State-Local Disaster Assistance Agreement With The State Of Montana For The Purpose Of Accepting A Hazard Mitigation Grant To Assist In Funding The City's Flood Control Assessment

Grant Writer/Planner in Training Colton explained that the grant would be an addendum to the flood study grant. This grant would help update Custer County Multi-hazard Pre-disaster Mitigation Plan, which does not specifically address the entire area for the City of Miles City. Custer County's plan only addresses Custer County. By accepting this grant, the study being completed by KLJ will cover all areas needed in Custer County. The grant has a 25% match, which has already been covered by invoices paid to contractors.

- ** Committee Member Hollowell moved to recommend to Council approval of Resolution No. 3741. The motion was seconded by Committee Member Andrews and, on roll call vote, passed unanimously 4-0.*

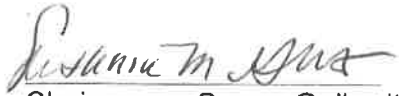
Review Ordinance No. 1277:

Pulled from agenda

Adjournment

There being no further business, Committee Member Hollowell moved to adjourn the meeting, seconded by Committee Member Andrews. The meeting was adjourned at 5:40 p.m.

Respectfully Submitted:


Chairperson Susan Galbraith


City Clerk Lorrie Pearce