

Town of West Yellowstone

Tuesday, October 17, 2017

West Yellowstone Town Hall, 440 Yellowstone Avenue

TOWN COUNCIL WORK SESSION

6:00 PM

Draft Growth Policy

Discussion ∞

TOWN COUNCIL MEETING

7:30 PM

Purchase Orders

Treasurer's Report & Securities Report ∞

Claims ∞

Consent Agenda: **Minutes of October 3, 2017 Town Council Meeting** ∞

Business License Applications ∞

Advisory Board Report(s)

Town Manager & Department Head Reports

Comment Period

- **Public Comment**
- **Council Comments**

NEW BUSINESS

Resolution #706, Growth Policy Resolution of Intention

Discussion/Action ∞

Ride Solutions Inc., 2017 Lease for tire testing on Town Property (80 Acres)

Discussion/Action ∞

Sigel Learning Center (Little Rangers) Development Agreement

Discussion/Action ∞

Correspondence/FYI/Meeting Reminders



Policy No. 16 (Abbreviated)
Policy on Public Hearings and Conduct at Public Meetings

Public Hearing/Public Meeting

A public hearing is a formal opportunity for citizens to give their views to the Town Council for consideration in its decision making process on a specific issue. At a minimum, a public hearing shall provide for submission of both oral and written testimony for and against the action or matter at issue.

Oral Communication

It is the Council's goal that citizens resolve their complaints for service or regarding employees' performance at the staff level. However, it is recognized that citizens may from time to time believe it is necessary to speak to Town Council on matters of concern. Accordingly, Town Council expects any citizen to speak in a civil manner, with due respect for the decorum of the meeting, and with due respect for all persons attending.

- No member of the public shall be heard until recognized by the presiding officer.
- Public comments related to non-agenda items will only be heard during the Public Comment portion of the meeting unless the issue is a Public Hearing. Public comments specifically related to an agenda item will be heard immediately prior to the Council taking up the item for deliberation.
- Speakers must state their name for the record.
- Any citizen requesting to speak shall limit him or herself to matters of fact regarding the issue of concern.
- Comments should be limited to three (3) minutes unless prior approval by the presiding officer.
- If a representative is elected to speak for a group, the presiding officer may approve an increased time allotment.
- If a response from the Council or Board is requested by the speaker and cannot be made verbally at the Council or Board meeting, the speaker's concerns should be addressed in writing within two weeks.
- Personal attacks made publicly toward any citizen, council member, or town employees are not allowed. Citizens are encouraged to bring their complaints regarding employee performance through the supervisory chain of command.

Any member of the public interrupting Town Council proceedings, approaching the dais without permission, otherwise creating a disturbance, or failing to abide by these rules of procedure in addressing Town Council, shall be deemed to have disrupted a public meeting and, at the direction of the presiding officer, shall be removed from the meeting room by Police Department personnel or other agent designated by Town Council or Operations Manager.

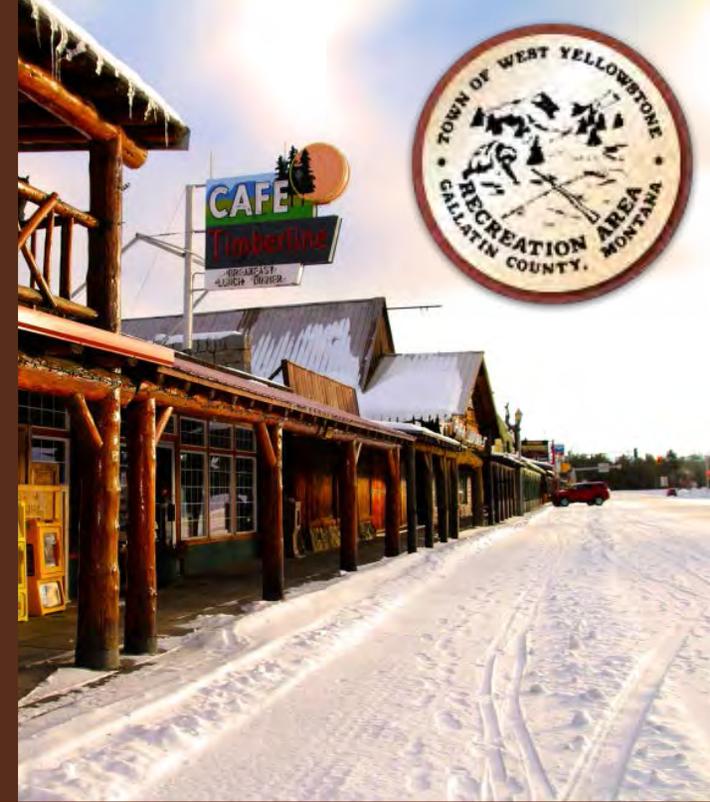
General Town Council Meeting Information

- Regular Town Council meetings are held at 7:00 PM on the first and third Tuesdays of each month at the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana.
- Presently, informal Town Council work sessions are held at 12 Noon on Tuesdays and occasionally on other mornings and evenings. Work sessions also take place at the Town Hall located at 440 Yellowstone Avenue.
- The schedule for Town Council meetings and work sessions is detailed on an agenda. The agenda is a list of business items to be considered at a meeting. Copies of agendas are available at the entrance to the meeting room.
- Agendas are published at least 48 hours prior to Town Council meetings and work sessions. Agendas are posted at the Town Offices and at the Post Office. In addition, agendas and packets are available online at the Town's website: www.townofwestyellowstone.com. Questions about the agenda may be directed to the Town Clerk at 646-7795.
- Official minutes of Town Council meetings are prepared and kept by the Town Clerk and are reviewed and approved by the Town Council. Copies of approved minutes are available at the Town Clerk's office or on the Town's website: www.townofwestyellowstone.com.

West Yellowstone, MT Growth Policy Update

September/October 2017

Town Council Draft



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Reserved for Planning Advisory Board Resolution

Acknowledgments

West Yellowstone Town Council

Jerry Johnson, Mayor

Cole Parker

Pierre Martineau

Brad Schmier

Greg Forsythe

West Yellowstone Planning Advisory Board

James Patterson

SJ Sheppard

Tim Daly

Bill Howell

Cole Parker

Teri Gibson

Chipper Smith

West Yellowstone Staff

Dan Sabolsky

James Patterson

Elizabeth Roos

Kathy Arnado

Consulting Planners

Land Solutions, LLC



Northern Rocky Mountain

Economic Development District



Thank You Citizens of West Yellowstone!

A special thanks to all of the dedicated residents of the West Yellowstone community who contributed to this plan on their free time by participating in public meetings and submitting your thoughts and ideas. Your time, efforts and ideas are very much appreciated and reflected in this plan.

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Introduction

What is a Growth Policy?

A growth policy is a long-range comprehensive plan for a community that addresses land use, natural resources, the economy, public infrastructure, housing, and other topics identified by the community and required by state law – MCA 76-1-601. At its roots, a growth policy attempts to answer the following three questions: 1. Where are we today? 2. Where do we want to be tomorrow? and 3. How do we get there? The second two questions are the heart of the growth policy document and are intended to reflect the goals and aspirations of the West Yellowstone community.

At its core, a growth policy includes big-picture goals, strategic objectives, and detailed implementation actions that assist the Town Council in their decision-making process. This growth policy is intended to be goal-oriented, with a detailed implementation section describing actions, timelines, and partners who will assist in realizing West Yellowstone’s community goals.

How Are Growth Policies Used?

West Yellowstone’s Growth Policy lays out a path for achieving the Town’s vision for the future. While not a regulatory document, the growth policy is intended to be used to identify community priorities and provide guidance for Town officials on managing and allocating scarce resources. In short, a growth policy lays out the steps for how a community can get where it wants to be in the future.

The implementation section of the growth policy includes a series of goals with accompanying objectives and actions.

Goals: Broad statements describing a desired future condition

Objectives: General descriptions of the steps West Yellowstone needs to take to meet its goals. Objectives should be attainable and measurable.

Actions: Specific steps needed to achieve objectives.

The implementation sections are what drives the growth policy, and are intended to guide how funding is allocated and workplans are created.

Guiding Future Development Patterns

Growth policies serve to guide the development and updating of local regulations including West Yellowstone’s Subdivision Regulations and Zoning Code. For subdivisions, Montana state law requires growth policies to establish how the subdivision primary review criteria will be defined and evaluated in making decisions on proposed subdivisions, as well as how the governing bodies will conduct public hearings. For zoning, the growth policy serves to guide the anticipated update of the zoning regulations, considering how the development environment in West Yellowstone has changed over the years, and how it will change in the future. Lastly, this growth policy provides guidance for how the newly acquired 80-acres west of Town will be developed to ensure that future development is compatible with existing development and to achieve the goals set forth in this plan.

Why Now?

State law requires growth policies to be reviewed every five years

and updated at the discretion of the local governing body (the Town Council). West Yellowstone’s current growth policy was updated in 2006. Since that time, West Yellowstone has gone through the national recession, witnessed record annual visitations to Yellowstone National Park, and acquired 80 acres from the United States Forest Service. At the same time, many of the issues facing West Yellowstone in 2006 continue today, including housing affordability and the seasonality of the local economy. Additionally, new issues have come to light including short-term commercial rentals and how best to develop the 80 acres. Because of these changing circumstances, West Yellowstone began updating the current growth policy in 2016 to ensure that current conditions are considered and the Town strategically addresses the issues facing West Yellowstone now and in the future.

Growth Policy Framework

This growth policy provides comprehensive analysis of growth and development in West Yellowstone and covers all the requirements of state law in the following eight chapters:

- Introduction – Chapter 1
- Key Issues – Chapter 2
- Implementation – Chapter 3
- Coordination – Chapter 4
- Wildland-Urban Interface – Chapter 5
- Subdivision Review – Chapter 6
- Conditions, Trends, & Projections – Chapter 7

To provide added direction for moving forward, Chapter 2 – Key Issues – serves to focus the growth policy on the most pressing issues facing West Yellowstone now and in the near future. The seven issues, shown below, were identified early in the growth policy update process and represent priorities for the Town. All of the key issues are important. They are not listed in order of priority.

- Housing Affordability and Availability
- Short-term Commercial Rentals
- Developing the 80-acres
- Town Appearance
- Zoning in Old Town
- Economy
- Water and Sewer

While several of these issues are not new to West Yellowstone, the fact that they continue to persist reinforces the need to take a fresh look at how best to address them.

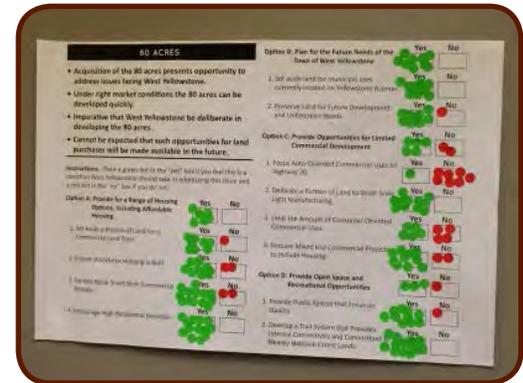
Public Process

The public process for West Yellowstone’s Growth Policy update was designed to provide ample opportunities for input from a diverse array of community stakeholders. At the outset of the update process, a project website was created (www.planwestyellowstone.com) which served as a clearing house for information on the growth policy and provided an open opportunity for community members to provide input.

The public process kicked off in December of 2016 with key issue identification. First, interviews were conducted with key stakeholders from West Yellowstone to identify the most pressing issues facing the town. Second, an economic focus group was conducted to drill down into the issues facing West Yellowstone’s economy. Finally, a public meeting was held on December 7, 2016 where members of the general public were led through an exercise to identify key issues and begin to discuss opportunities for addressing those issues.



With the seven key issues identified, the process then moved to developing a series of options for addressing each key issue. To review the options with the community, a second public meeting was held on March 1, 2017. Following that meeting, public feedback was used to develop goals, objectives, and actions to provide specific direction for addressing each key issue. The goals, objectives, actions were incorporated into a draft growth policy which was then vetted by the West Yellowstone Planning Advisory Board and Town Council.



Vision

This document serves as a statement of the West Yellowstone community’s values and aspirations. The vision statement below reflects how West Yellowstone residents want the Town to appear and function for the next 20 years.

In the year 2037, West Yellowstone continues to be the primary gateway to Yellowstone National Park. In addition, West Yellowstone has developed a strong identity characterized by a thriving and quaint downtown, strong year-round local businesses, and caring citizens. As a result, West Yellowstone has become a destination in and of itself serving to attract new residents seeking a livable community close to abundant natural beauty.

Though housing vacancies remain low, West Yellowstone residents can find high quality housing within their means and the Town’s seasonal workforce is provided suitable living arrangements. While tourism remains the primary economic driver, West Yellowstone has been successful at attracting small niche businesses which have enabled a stronger year-round economy that is supported by residents and visitors alike.



Key Issues

Key Issue – Housing Affordability and Availability

West Yellowstone has a lack of available rental and affordable owner-occupied housing for both year-round residents and summer employees. Private developers are constrained in their ability to build additional housing because the Town is surrounded by the Custer-Gallatin National Forest and Yellowstone National Park. Seasonal residents have also purchased homes that are only occupied for a short portion of the year. While there are numerous vacant lots in the Madison Addition, these lots are either unaffordable for many West Yellowstone residents or unavailable for purchase. Because of the limited supply of affordable buildable parcels, land and housing costs in West Yellowstone are high, especially when considering household incomes. As of 2015, median household income in West Yellowstone was 20% lower than in Montana and 39% lower than in Gallatin County. The lack of housing impacts most income levels, from those needing housing assistance to middle income residents.

The lack of available affordable housing impacts economic development efforts and is a significant issue for West Yellowstone's seasonal summer workforce. Employees coming to work during the summer tourist season are challenged to find affordable rental housing. In some instances, employees are forced to live in campgrounds or squat on nearby Custer-Gallatin National Forest land. Several employers have stated they will not hire someone if they do not already have housing.

One problem lies with large seasonal employers, such as hotels, who do not provide housing for their employees. The lack of available

workforce housing has made it difficult for employers to attract employees during the summer tourist season. Several employers, particularly the Delaware North Corporation, have been buying existing housing units for their seasonal employees. While this helps to house West Yellowstone's seasonal work force, it also takes housing units for year-round residents off the market. Also, there is little incentive for companies to keep employee housing well maintained and attractive.

Addressing Housing Affordability and Availability

Goal 1: Increase Supply of Affordable and Workforce Housing

Objective 1.1: Support Non-Profit Efforts to Build Affordable Housing

Action 1.1.1: Support the Human Resource Development Council's (HRDC), and other non-profits, efforts to build affordable housing units. HRDC owns a lot in the Madison Addition and has plans to build four to six affordable housing units, with the intention that they would be affordable in perpetuity through deed restrictions or by other means. However, this plan is currently on hold because of a building moratorium due to low water supply, although two duplexes could be built currently if the lot were subdivided. There are a variety of ways West Yellowstone could continue to support this project including waiving sewer and water connection fees.

Action 1.1.2: Continue to work with Habitat for Humanity on constructing affordable housing. In the past year, West Yellowstone has been working with Habitat for Humanity to build affordable owner-occupied housing units on Town-owned land. In 2016 West Yellowstone, in conjunction with Habitat, applied for a \$450,000 grant to construct affordable housing, however, the grant was not awarded. Once the building moratorium is lifted, West Yellowstone could again apply for funding for Habitat (or another organization/agency) to build affordable housing on Town-owned property.

Objective 1.2: Increase Use of Assistance & Education Programs

Action 1.2.1: Work with HRDC on transitioning low-income households to home ownership using down payment assistance. HRDC's down payment assistance program provides up to \$30,000 towards a down payment for income eligible, first time home buyers. This program can help remove one the biggest hurdles to home ownership for low-income households – saving up enough money for a down payment. As a result, this program can be utilized by West Yellowstone residents to secure long-term housing and remain within the community.

Action 1.2.2: Work with HRDC, lenders, and realtors on providing home buyer education classes. Buying a home can be a daunting process for first time home buyers. Home buyer education classes are a helpful resource for people who may be unfamiliar with the process or who may not realize they are able to buy a home with the right preparation. Transitioning rental households to owner-occupied households is a good way to provide year-round residents with a long-term housing solution, thereby enabling them to remain

in West Yellowstone.

Objective 1.3: Provide Incentives for Private Construction of Affordable Housing

Action 1.3.1: Provide density bonuses for developers who agree to construct affordable housing units. Density bonuses allow a developer to go above the maximum density allowed by zoning, if the additional density provides affordable housing units. For example, if the maximum density allowed by zoning were a four-plex, a density bonus could allow for the developer to construct a six-plex, provided that the two additional units were dedicated affordable with deed restrictions.



Action 1.3.2: Waive sewer and water connection fees for developers who agree to construct affordable housing units. Waiving water and sewer connection fees for affordable housing projects can lower the per-unit construction cost of developments, providing a financial incentive for developers to construct affordable housing as part of residential development projects. Projects requesting fee waivers must be reviewed under set criteria to ensure the waivers are consistently applied.

Objective 1.4 Develop a Regulatory Approach to Constructing Affordable Housing

Action 1.4.1: Require a minimum percentage of residential development to be affordable – inclusionary zoning. This approach, known as inclusionary zoning, requires residential development to contribute to providing affordable housing in West Yellowstone. This approach would require defining affordability based on income and number of persons that will be living in the unit. Under this requirement, developers would be required to either provide affordable units on-site or off-site if locating units on-site is not practical. To ensure rental and for sale units remain affordable in perpetuity, the required affordable units would be subject to permanent deed restrictions that address price and occupancy, or the units could be placed in a land trust. To offset impacts to small scale development, there are various exemptions to the affordable housing requirement that could be put in place, including redevelopment of an existing residence, accessory dwelling units,



and/or development of infill housing units. The exact percentage to be required can be developed during the zoning update or through a separate ordinance at a later date.

Action 1.4.2: Require new large-scale commercial developments to provide workforce housing for employees. This approach, known as commercial linkage, requires commercial developments to construct housing for their employees either on-site or off-site. Commercial linkage is intended to offset increased demand for employee housing by requiring commercial developments to provide housing in proportion to their number of employees. Because commercial linkage requires workforce housing based on proportional impact, it is essentially an impact fee. This requires developing a report documenting, among other things, the relationship between commercial development and demand for new housing, as well as how the required number of housing units, or fee, will be calculated. This approach can be effective in creating dedicated workforce housing, though can also be complex to establish and administer.

Key Issue – Short-Term Commercial Rentals

Being a gateway to Yellowstone National Park, West Yellowstone has long been home to short-term commercial rentals – a.k.a. nightly vacation rentals. With the rise of Internet based vacation rental services such as Air BnB and Vacation Rental by Owner (VRBO), it is easy for landlords and homeowners to convert monthly rentals (or for sale housing) to short-term commercial rentals, with increased profits. A quick search on Air BnB yields 140 short-term commercial

rentals in West Yellowstone with an average nightly rate of \$183. The result is that existing housing stock is effectively being taken off the market for seasonal employees and year-round residents. This situation further exacerbates issues surrounding housing availability and affordability as short-term commercial rental conversions decrease supply and, as a result, may drive up monthly rents. In addition, it is unknown how many short-term commercial rentals in West Yellowstone are paying the Town’s resort tax, Tourism Business Improvement District (TBID) tax, and Montana’s lodging facility sales and use tax.

Short-term commercial rentals are beneficial to West Yellowstone at the same time as they negatively impact housing availability and affordability. Short-term commercial rentals provide alternative lodging options for visitors, satisfying a niche unfilled by hotels. Furthermore, hotel vacancies can be hard to come by in West Yellowstone during busy summer months and short-term commercial rentals provide additional accommodation space for West Yellowstone’s tourist economy. Lastly, short-term commercial rentals provide a supplemental income stream for residents renting out a room or their entire home. In some cases, this supplemental income can allow residents to remain in West Yellowstone without having to leave in order to find additional work in the off-season.

Addressing Short-Term Commercial Rentals

There are both positive and negative outcomes resulting from the high number of short-term commercial rentals. The approaches for addressing short-term commercial rentals outlined below are aimed at addressing negative outcomes while preserving the positive aspects of short-term commercial rentals.

Goal 2: Mitigate the Adverse Impacts of Short-Term Commercial Rentals

Objective 2.1: Expand on Processes for Registering Short-Term Commercial Rentals

This approach includes baseline safety inspections, allows the Town to track the number and location of short-term commercial rentals, and provides an avenue for collecting resort and TBID taxes.

Action 2.1.1: Require a short-term commercial rental application and fee. This would allow the Town to keep track of how many short-term commercial rentals are in West Yellowstone and where they are located. The fee should cover the cost of reviewing applications and administering the program.

Action 2.1.2: Require inspection by the fire department. Inspections by the Fire Department ensures that short-term commercial rentals are safe for public use. This could be done as part of the short-term commercial rental application process. As with the above option, the application fee should cover the cost of inspection.

Objective 2.2: Regulate Short-Term Commercial Rentals Through Zoning

Action 2.2.1: Do not allow short-term commercial rentals in residential districts. This action is aimed at preserving rental and for-sale options in residential districts and protecting the character of existing residential neighborhoods.

Action 2.2.2: Allow short-term commercial rentals in certain commercial and mixed use zoning districts. This action is aimed at ensuring short-term commercial rentals still have a place in West

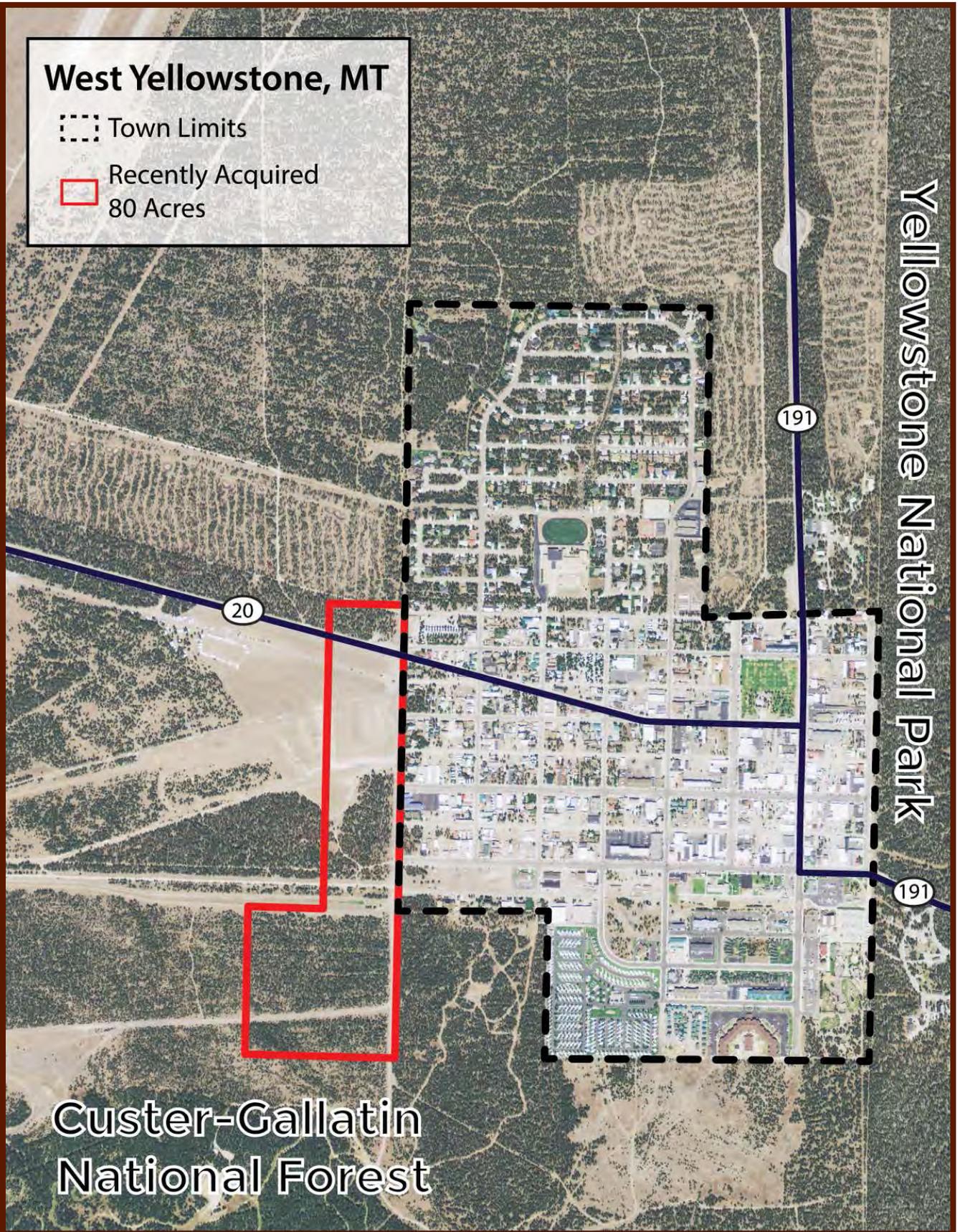
Yellowstone, while also preserving areas for residential and other commercial uses. Currently, the only area zoned residential, the Madison Addition, does not allow short-term commercial rentals through covenants. However, this action will add a second level of regulation for short-term commercial rentals and provide direction for potential future residential districts in West Yellowstone.

Action 2.2.3: Require short-term commercial rentals to provide off-street parking through zoning. This ensures that neighboring property owners do not become frustrated with a lack of available on-street parking. In areas where off-street parking may not be available the Town could lease on-street parking to short-term commercial rental owners. While West Yellowstone requires a parking plan through the business licensing process, this would provide an added level of parking regulation for short-term commercial rental operators who do not obtain a business license.

Key Issue – Developing the 80 Acres

In 2016, West Yellowstone purchased 80 acres of vacant land from Custer-Gallatin National Forest (see Map 1). The acquired 80 acres presents a unique opportunity to address several of the issues facing West Yellowstone. While 80 acres may seem like an ample amount of land, it can quickly be developed under the right market conditions. As a result, it is imperative that West Yellowstone be very deliberate in developing the 80 acres, as it cannot be expected that such opportunities for land purchases will be made available in the future.

Map 1 - 80 Acres Map



Addressing Developing the 80 Acres

The intent with the growth policy is not to explicitly lay out the minute details of how the 80 acres will be developed. This will come later during a process devoted to developing a specific site plan and through implementation of development agreements. Rather, the growth policy, and the actions laid out below, are intended to establish a framework for developing the site plan by providing broad policy guidance for the 80 acres. Later in 2017, the site planning process will seek to realize the policies through specific recommendations for the location, scale, and character of development.

Goal 3: Ensure Development of the 80 Acres Supports a High Quality of Life for Residents

Objective 3.1: Provide Open Space and Recreational Opportunities

Action 3.1.1: Provide public spaces that focus on quality.

Public spaces add to the quality of life of a community and are an important infrastructure



component of any town or neighborhood. However, as land is at a premium in West Yellowstone, it may not be the most efficient use of land to dedicate large swaths of the 80 acres to public spaces, unless the public spaces are viewed as temporary until greater needs

emerge. With this approach, the focus would be on creating small quality open spaces that provide opportunities for physical activity, mingling, and enjoying the natural



beauty. Examples of amenities include playgrounds, splash parks, basketball courts, horseshoe pits, picnic areas, people watching venues, and/or a small bandstand. An iconic entrance to the western edge of Town along Highway 20 could also be developed. This would encourage visitors to get out of their vehicles and see what attractions West Yellowstone has to offer.

Action 3.1.2: Develop a trail system that provides internal connectivity and connections to nearby National Forest and National Park lands. An internal trail system should be established to provide for both recreation opportunities and access for residents and tourists to Yellowstone National Park and Custer-Gallatin National Forest. This internal trail network would connect residential and commercial areas in the 80 acres to the rest of the Town and the outlying areas. The trail system would connect to the surrounding Custer-Gallatin National Forest, which provides access to world-class recreational opportunities including the Rendezvous Trail system.

Goal 4: Prioritize Residential Uses on the 80 Acres

Objective 4.1: Provide for a Range of Housing Options, Including Affordable and Market Rate Housing

Action 4.1.1: Set aside a portion of land for a community land trust. Community land trusts are nonprofit organizations that own land on which housing is located, with the structures being owned by individuals. Community land trusts provide affordable home ownership opportunities by removing land prices from the home buying equation, thus also reducing speculative land purchases. Under this action, West Yellowstone could sell a portion of the 80 acres to a community land trust to ensure that land will be preserved in perpetuity for affordable housing. West Yellowstone could work with HRDC, Habitat for Humanity, or a similar organization on being the land trust or the Town could work with local residents and organizations to develop a local nonprofit community land trust.



Action 4.1.2: Ensure workforce housing is built. The lack of workforce housing in West Yellowstone is a primary concern for employers seeking to house the Town's sizable seasonal workforce. The newly acquired 80 acres provides an opportunity to at least partially alleviate this issue. Workforce housing could be in the form of dormitories or could be integrated with other housing types. In either case, West Yellowstone would likely need to partner with a housing organization on construction and management as the Town does not want to get into the business of managing workforce housing.

Action 4.1.3: Do not allow short-term commercial rentals. Short-term commercial rentals can serve to decrease housing availability and affordability by effectively taking rental and for-sale housing off the market. To ensure the preservation of affordable housing, West Yellowstone will seek to not allow short-term commercial rentals on the 80 acres.

Action 4.1.4: Encourage high residential densities through zoning and subdivision regulations. High residential densities will allow West Yellowstone to make efficient use of the 80 acres and increase housing supply to the fullest extent possible, thereby serving to increase housing affordability. Higher residential densities can be achieved through zoning using a variety of tools including establishing smaller lot sizes, allowing greater building heights, allowing multiple units by ownership on single lots (condo-minimizing), limiting the amount of land dedicated to single family housing, and/or reduced setbacks. Additionally, West Yellowstone could also look to encourage townhouses and multi-family buildings (through zoning or planned unit developments) to increase residential density on the 80 acres.

Goal 5: Plan for the Future Needs of the Town of West Yellowstone

Objectives 5.1: Provide Space for Current and Future Town Needs on the 80 Acres

Action 5.1.1: Set aside land for municipal uses currently located on Yellowstone Avenue. By moving some municipal uses to the 80 acres, West Yellowstone could open up Yellowstone Avenue for future development opportunities on Town owned properties, which in turn could help finance utility extensions, affordable housing, and a new municipal service complex on the 80 acres.

Action 5.1.2: Set aside land for future development and unforeseen needs. As the future is uncertain, it may be prudent for West Yellowstone to set aside land for unforeseen future needs, which could include a school complex. This will prevent the Town from finding itself in a situation where additional land is needed, but opportunities for acquisition are not available.



Action 5.1.3: Create a Development Plan for the 80 acres. A development plan for the 80 acres would include, a highest and best use analysis, alternative site development strategies, identification and valuing portions of the 80 acres that might be sold off to finance housing and diversification needs, recommendations for areas that are most suitable for housing, and suggestions for high level housing funding strategies, which may include the use of impact fees. The Planning Advisory Board, Town Council and the public will all play a vital role in review of the site plan.

Goal 6: Provide Opportunities for Strengthening the Local Economy on the 80 Acres

Objective 6.1: Allow Limited Commercial Development

Action 6.1.1: Consider a portion of the land for small-scale light manufacturing. By zoning, and dedicating, land for small-scale light manufacturing and small businesses, West Yellowstone can diversify its economy by recruiting businesses that produce niche products or provide specialized services. To be successful, this approach for economic diversification will need to be coupled with a targeted businesses recruitment strategy, and appropriate pricing, with focus on partnerships with regional and state economic development agencies.

Key Issue – Town Appearance

West Yellowstone residents have expressed interest in making the Town a destination rather than only a gateway to Yellowstone National Park. The gateway perception is partly a result of West Yellowstone's appearance. An improved appearance would encourage more visitors

to extend their stay in Town. Ideas to improve the community have centered around improving the streetscape along Canyon Street and Yellowstone Avenue. An appealing environment would make these more inviting places for people to walk, shop, and congregate. An attractive town encourages new businesses and residents to relocate within the community. It demonstrates a community's commitment to sustaining local businesses and maintaining a high quality of life for residents.

Addressing Town Appearance

Goal 7: Improve the Appearance of West Yellowstone

Objective 7.1: Create Programs and Regulations for Improving the Appearance of West Yellowstone

Action 7.1.1: Develop design guidelines. Design guidelines are often applied in commercial districts and provide recommendations for building designs and aesthetics. Examples can include guidance on building style, building materials and colors, minimum levels of transparency on building frontages (windows), maximum setbacks and/or certain types of awnings. Areas in West Yellowstone that could benefit from design guidelines include Canyon Street, Yellowstone Avenue, Madison Avenue, Highway 20, and the 80 acres.

Action 7.1.2: Develop a façade improvement program. Façade improvement programs use financial incentives to encourage property owners and businesses to improve the exterior appearance of their buildings and storefronts. Financial incentives can take the form of matching grants, loans, tax incentives, and/or design

assistance. Typically, façade improvement programs are tied to a set of specific design guidelines.



Action 7.1.3: Develop landscaping requirements. One way to improve the appearance of West Yellowstone is to increase the amount of landscaping, using landscape requirements which could be embedded in the zoning code. Typically, landscape requirements require new developments to provide green spaces, trees, and/or

shrubs based on the size of the development and its relation to the street. Several parking lots in West Yellowstone do not have landscape buffers between the sidewalk and the parking lot or street. The result is stark and urban, which is uncharacteristic of an old western town



located in the forest. Landscape requirements can help improve the appearance of the Town, provide shade from the summer sun, and provide a buffer for pedestrians walking on sidewalks. The types of vegetation and materials would need to be climate appropriate and withstand the harsh treatment by snowplowing.

Action 7.1.4: Develop a dark skies ordinance. Dark skies ordinances (also known as outdoor lighting ordinances) are intended to reduce light pollution. Dark sky ordinances serve to improve night time aesthetics by increasing the number of visible stars and can save the Town money on energy expenses. This is not to be construed as a prohibition on outdoor lighting as some lighting is necessary, but it should be designed to prevent unnecessary glare.

Objective 7.2: Create Quality Public Spaces

Action 7.2.1: Develop the interior parks off Canyon Street into seasonal public parks and more formal parking areas. Currently, the interior parks off Canyon Street are primarily used for parking and snow storage. This approach could include providing clearly visible signage that identifies parking areas, paving and striping certain alleys

and interior parking areas, and creating public spaces (separate from parking). The public spaces would offer public art and nice areas to sit and enjoy a meal while listening to music on a summer evening. The areas could also be used for art shows, street vendors and other temporary uses.



However, the interior parks would still be used for snow storage during winter months.



Action 7.2.2: Create streetscape improvements along main streets and at key intersections. Many communities have developed signature paving, lighting, street furniture, landscaping, and sidewalk improvements to create a unique identity in commercial areas. This would require developing an illustrated plan and budget, and would require close coordination with the Montana Department of Transportation and local business owners.



Objective 7.3 Preserve the Historic Character of West Yellowstone

Action 7.3.1: Restore and utilize the historic structures in Heritage Park. The railroad structures in the Oregon Shortline Historic District are a gateway to the past and provide a template for design of future municipal and larger scale private buildings. Restoring the structures is costly, so adaptive reuse will be a necessary to generate income and ensure proper upkeep. The Town should also seek grants and donations to invest in the restoration of these historic structures. Zoning or design guidelines may be appropriate to perpetuate the character and preservation of the historic district.



Action 7.3.2: Maintain railroad right-of-way sight lines through Heritage Park and the entire Historic District. Looking west the railroad corridor provides a clear view into the Custer-Gallatin National Forest, and provides the potential for the development of a walking and biking trail adjacent to the historic rail line. Preserving site lines through this area will maintain West Yellowstone’s visual connection to the nearby natural environment which is a valued aesthetic asset.

Key Issue – Zoning in Old Town

With the exception of the Madison Addition, most of West Yellowstone is zoned commercially. The Old Town area (zoned B-3 Central Business District) allows for a variety of commercial and residential uses. What has transpired in this area is a mix of retail, general commercial, hotels, and scattered residential dwellings. The result is a mix of land uses that, in certain areas, detracts from the appearance of West

Yellowstone. One concern is that because the B-3 district allows such a wide variety of uses, there will be pressure on existing residential land uses to be converted into commercial uses where investment returns tend to be higher. These conversions tend to decrease housing supply and raise the cost of the remaining residential units. If a developer were to buy up existing residential properties for the purpose of constructing a hotel, this would remove multiple residential properties from the market, thereby decreasing housing supply and further exacerbating the housing affordability problem. However, residents have expressed the desire for Old Town to continue providing for a mixture of uses.



Goal 8: Ensure Land Uses in Old Town Support the Needs of West Yellowstone Residents

Objective 8.1: Provide for a Mixture of Residential and Commercial Land Uses

Action 8.1.1: Maintain a mixture of residential and commercial land uses in Old Town. This action would permit Old Town to continue its mixed-use B-3 development pattern. Both commercial and supporting residential would be allowed on the same parcel when possible to encourage home based businesses.

Key Issue – The Economy

The Town of West Yellowstone was founded on the tourism industry and has never strayed from its roots. Unfortunately, the side effect of this historic trend is the business community lacks diversification. Local businesses only have seven months in which to earn sufficient revenues to cover their overhead and turn a profit. Despite these handicaps, West Yellowstone has done very well with the limited resources generated by a tourist dependent economy.

A significant amount of visitor traffic passes through West Yellowstone every year. Annually, between mid-April and early November, almost 1.9 million tourists access Yellowstone National Park via West Yellowstone. West Yellowstone provides the gateway for 42% of the visitors to America’s most popular national park. This large influx of tourists elevates the population of the Town from 1,400 people to upwards of 10,000 per night. The hotels and restaurants are overwhelmed with patrons with spillover filling hotels and restaurants up to 100 miles away. Fifteen years ago, there were

Addressing Zoning

An update to West Yellowstone’s zoning ordinance and regulations will take place following the adoption of this growth policy update. The growth policy provides the basis for the amendments needed for the update. The regulatory details will be developed during the update process.

numerous changes in winter usage in Yellowstone National Park that produced catastrophic impacts on the Town's winter economy. These changes limited the number and type of snowmobiles, number of snow-coaches, and limited private individuals from entering the park. After many years of trying to rebuild the winter economy, the Town continues to struggle to attract visitors in the spring and fall shoulder seasons.

Addressing the Economy

Goal 9: Diversify West Yellowstone's Economy

Objective 9.1 Attract Entrepreneurs and Work-From-Home Professionals.

Action 9.1.1: Work with regional and state partners on expanding high speed Internet in West Yellowstone. Increasing digital capacity is a central element of diversifying the economy, enabling entrepreneurs and telecommuters to locate in West Yellowstone.

Action 9.1.2: Assist new businesses opening in, and moving to, West Yellowstone. The Northern Rocky Mountain Economic Development District has existing programs and is developing new ones to help recruit businesses, which should be supported and utilized by the Town.

Objective 9.2: Develop a Coordinated Strategy for Retaining Existing Businesses and Recruiting New Business to West Yellowstone

Action 9.2.1: Organize a business owner's round table. A business owner's round-table provides a forum where local business

owners and community leaders can discuss challenges, needs, and opportunities for retaining existing businesses and attracting new ones.

Action 9.2.2: Employ the community business matching process to attract new businesses that are compatible with West Yellowstone. Community business matching is a strategic process where communities identify desired industries to sustain healthy economic development. The focus is on businesses and industries which are desirable to and compatible with West Yellowstone. This process would be useful in identifying potential small-scale light manufacturing and outdoor-oriented businesses that may be suitable on the newly acquired 80 acres and elsewhere.

Goal 10: Strengthen West Yellowstone's Off-Season Economy

Objective 10.1: Capitalize on Visitors to the Greater Yellowstone Region

Action 10.1.1: Develop regional partnerships with Big Sky, Ennis, and other nearby communities. West Yellowstone has established partnerships with Yellowstone National Park, Big Sky, Ennis, and southeast Idaho. When West Yellowstone's tourist economy is booming, Big Sky is in its down season; when Big Sky is filled, West Yellowstone is quiet. When one community is hiring seasonal workers, the other is laying them off. Bozeman, Ennis and Idaho are gateways to West Yellowstone. The Town needs to encourage and expand the scope of planning and strategy sessions with its regional partners. The action would serve to maximize resources, share visitors, share workers and strengthen the greater regional economy.

Objective 10.2: Retain Year-Round Consumer Oriented Businesses

Action 10.2.1: Work with local business owners on how the Town can support them in staying open during winter months.

Objective 10.3: Increase Efforts to Promote West Yellowstone as a Winter Destination

Action 10.3.1: Increase the number of winter and off-season events in West Yellowstone.

Adding several off-season events can be an effective way to bring people into local businesses, build community, and encourage visitors to Town during a time of year when visitation is low. Potential ideas include, first Friday events during the holiday season; additional cross-country skiing, dog sledding, and snowmobiling themed events with a focus on in-town activities; and snow biking races. Another project that will help increase visitation and encourage tourists to stay in West Yellowstone year-round is the proposed riparian/river otter exhibit at the Grizzly & Wolf Discovery Center, which the Town strongly supports.

Key Issue – Water and Sewer

The ability of West Yellowstone to develop the newly acquired 80 acres and accommodate future development hinges on the Town's ability to provide sufficient water and sewer capacity. A decrease in flow of water at West Yellowstone's primary water source, Whiskey Springs, has forced the Town to issue a moratorium on new commercial and multifamily water connections. West Yellowstone

has plans to drill a new well in the near future, though it is not expected to be fully operational until late 2017 or early 2018. In terms of sewer infrastructure, while West Yellowstone's system of sewer mains has sufficient capacity, the sewer lagoon is near full capacity and is unable to accommodate any new discharge from the development of the 80 acres or anticipated hotel development in the Old Town area. West Yellowstone is currently in the process of developing a new sewer lagoon and is working through the process with the Montana Department of Environmental Quality.

Addressing Water and Sewer

Goal 11: Provide for Long-Term Municipal Water Supply and Sewer Capacity

Objective 11.1: Encourage water conservation

Action 11.1.1: Analyze water flows throughout the Town to determine where leaks are occurring and fix leaks or replace water mains as needed.

Action 11.1.2: Provide incentives for water conservation during high-usage months.

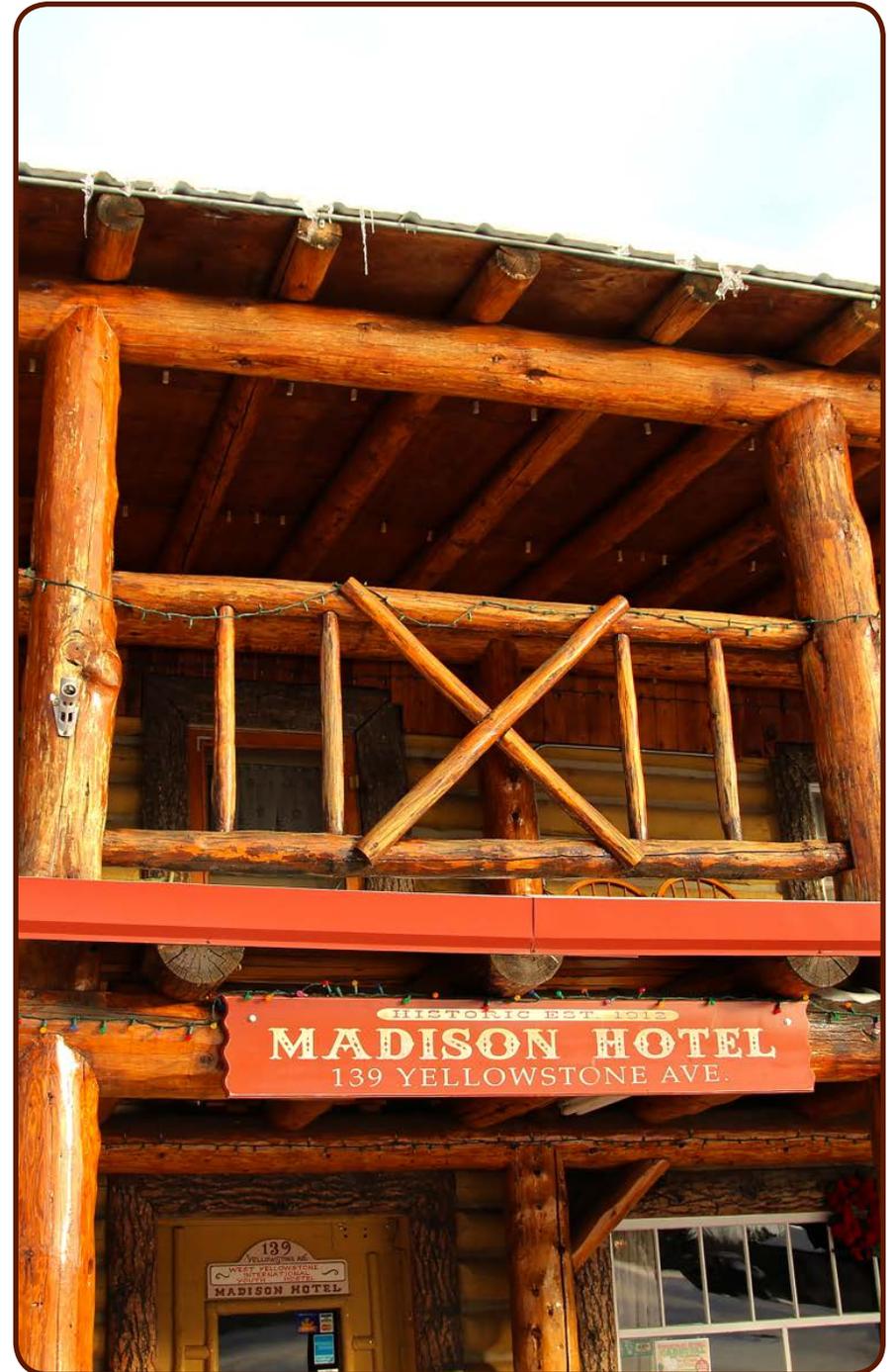
Action 11.1.3: Consider requiring low-flow fixtures in new residential and commercial developments.

Objective 11.2: Increase Water Supply

Action 11.2.1: Develop a new Town well to supplement the well at Whiskey Springs.

Objective 11.3: Ensure sufficient wastewater capacity

Action 11.3.1: Increase capacity of West Yellowstone's sewer lagoon.



Implementation

The West Yellowstone Growth Policy is intended to be a working document that is implemented to achieve the Town's vision for the future. This section provides a guide for putting the plan into action. The implementation table below lists a series of goals and objectives aimed at achieving the Town's vision and addressing the seven key issues facing West Yellowstone. For each objective, individual actions are included to provide a specific direction forward. Following the implementation table is a description of potential funding options for consideration in implementing the actions described.

It is important to note that the complexity of implementing each action will vary. The implementation table is organized to layout a timeline for implementing actions and to identify partnering agencies and organizations. However, as conditions change, West Yellowstone's priorities may change as well. As such, the timelines in the implementation table are intended to be used as a guide, with adjustments based on changing circumstances.

Timeline

The timeline column outlines, generally, the expected amount of time to implement each action. Timelines are organized in the following manner:

- *Short-term*: initiated or completed within 1 to 3 years of adoption of the growth policy
- *Mid-term*: initiated or completed within 4 to 6 years of adoption of the growth policy
- *Long-term*: initiated or completed within 6 years or longer after adoption of the growth policy
- *On-Going*: occurring continually

Partners

Recognizing that implementation will require working with other agencies and organizations, the partner(s) column identifies the parties likely to play key roles in implementation of each action. Partners are identified using the following acronyms.

- CC – West Yellowstone Chamber of Commerce
- FWP – Fish, Wildlife, and Parks
- GC – Gallatin County
- HBFD – Hebgen Basin Fire District
- HH – Habitat for Humanity
- HRDC – Human Resource Development Council
- MAP – West Yellowstone Marketing and Promotions Advisory Board
- MDT – Montana Department of Transportation
- NRMEDD – Northern Rocky Mountain Economic Development District
- TBID – Tourism Business Improvement District
- USFS – United States Forest Service
- WY – Town of West Yellowstone
- WYED – West Yellowstone Economic Development Council
- WYF – West Yellowstone Foundation
- WYSEF - West Yellowstone Ski Education Foundation
- YHC – Yellowstone Historic Center
- YNP – Yellowstone National Park



Goal 1: Increase Supply of Affordable and Workforce Housing

Objectives		Actions	Partner(s)	Timeline
1.1	Support Non-Profit Efforts to Build Affordable Housing	1.1.1 Support the Human Resource Development Council's (HRDC), and other non-profits, efforts to build affordable housing units.	WY, HRDC	Ongoing
		1.1.2 Continue to work with Habitat for Humanity on constructing affordable housing.	WY, HH	Ongoing
1.2	Increase Use of Assistance & Education Programs	1.2.1 Work with HRDC on transitioning low-income households to home ownership using down payment assistance.	WY, HRDC	Ongoing
		1.2.2 Work with HRDC, lenders, and realtors on providing home buyer education classes.	WY, HRDC, local realtors and lenders	Ongoing
1.3	Provide Incentives for Private Construction of Affordable Housing	1.3.1 Provide density bonuses for developers who agree to construct affordable housing units.	WY, local developers	Short-Term
		1.3.2 Waive sewer and water connection fees for developers who agree to construct affordable housing units.	WY	Short-Term
1.4	Develop a Regulatory Approach to Constructing Affordable Housing	1.4.1 Require a minimum percentage of residential development to be affordable – inclusionary zoning.	WY	Short-Term
		1.4.2 Require new large-scale commercial developments to provide workforce housing for employees.	WY	Mid-Term

Goal 2: Mitigate the Adverse Impacts of Short-Term Commercial Rentals

Objectives		Actions	Partner(s)	Timeline	
2.1	Expand on Processes for Registering Short-Term Commercial Rentals	2.1.1	Require a short-term commercial rental application and fee.	WY	Short-Term
		2.1.2	Require inspection by the fire department.	WY, Hbfd	Short-Term
2.2	Regulate Short-Term Commercial Rentals Through Zoning	2.2.1	Do not allow short-term commercial rentals in residential districts.	WY	Short-Term
		2.2.2	Allow short-term commercial rentals in certain commercial and mixed use zoning districts.	WY	Short-Term
		2.2.3	Require short-term commercial rentals to provide off-street parking through zoning.	WY	Short-Term

Goal 3: Ensure Development of the 80 Acres Supports a High Quality of Life for Residents

Objectives		Actions	Partner(s)	Timeline	
3.1	Provide Open Space and Recreational Opportunities	3.1.1	Provide public spaces that focus on quality.	WY	Mid-Term
		3.1.2	Develop a trail system that provides internal connectivity and connections to nearby National Forest and National Park lands.	WY	Mid-Term

Goal 4: Prioritize Residential Uses on the 80 Acres

Objectives		Actions	Partner(s)	Timeline
4.1	Provide for a Range of Housing Options Including Affordable and Market Rate Housing	4.1.1 Set aside a portion of land for a community land trust.	WY, HRDC	Mid-Term
		4.1.2 Ensure workforce housing is built.	WY	Mid-Term
		4.1.3 Do not allow short-term commercial rentals.	WY, HRDC, local developers, local employers	Mid-Term
		4.1.4 Encourage high residential densities through zoning and subdivision regulations.	WY	Mid-Term

Goal 5: Plan for the Future Needs of the Town of West Yellowstone

Objectives		Actions	Partner(s)	Timeline
5.1	Provide Space for Current and Future Town Needs on the 80 Acres	5.1.1 Set aside land for municipal uses currently located on Yellowstone Avenue.	WY	Mid-Term
		5.1.2 Set aside land for future development and unforeseen needs.	WY	Short-Term
		5.1.3 Create a Development Plan for the 80 acres.	WY	Short-Term

Goal 6: Provide Opportunities for Strengthening the Local Economy on the 80 Acres

	Objectives	Actions	Partner(s)	Timeline
6.1	Allow limited commercial development	6.1.1 Dedicate a portion of land to small-scale light manufacturing and non-tourist businesses.	WY	Mid-Term

Goal 7: Improve the Appearance of West Yellowstone

	Objectives	Actions	Partner(s)	Timeline
7.1	Create Programs and Regulations for Improving the Appearance of West Yellowstone	7.1.1 Develop design guidelines.	WY	Short-Term
		7.1.2 Develop a façade improvement program.	WY	Mid-Term
		7.1.3 Develop landscaping requirements.	WY	Short-Term
		7.1.4 Develop a dark skies Ordinance.	WY	Short-Term
7.2	Create Quality Public Spaces	7.2.1 Develop the interior parks off Canyon Street into seasonal public parks and more formal parking areas.	WY	Long-Term
		7.2.2 Create streetscape improvements along main streets and at key intersections.	WY	Long-Term
7.3	Preserve the Historic Character of West Yellowstone	7.3.1 Restore and utilize the historic structures in Heritage Park.	WY, YHC	Long-Term
		7.3.2 Maintain railroad right-of-way sight lines through Heritage Park and the entire Historic District.	WY, YHC	Ongoing

Goal 8: Ensure Land Uses in Old Town Support the Needs of West Yellowstone Residents

Objectives		Actions	Partner(s)	Timeline
8.1	Provide for a Mixture of Residential and Limited Scale Commercial Land Uses	8.1.1 Maintain a mixture of residential and commercial land uses in Old Town.	WY	Short-Term

Goal 9: Diversify West Yellowstone's Economy

Objectives		Actions	Partner(s)	Timeline
9.1	Attract Entrepreneurs and Work-From-Home Professionals.	9.1.1 Work with regional and state partners on expanding high speed Internet in West Yellowstone.	WY, Internet Service Providers, NRMEDD	Mid-Term
		9.1.2 Assist new businesses opening in, and moving to, West Yellowstone.	WY, NRMEDD, WYED, CC	Ongoing
9.2	Develop a Coordinated Strategy for Retaining Existing Businesses and Recruiting New Business to West Yellowstone	9.2.1 Organize a business owners round table.	WY, local business owners, NRMEDD, WYED, CC	Ongoing
		9.2.2 Employ the community business matching process to attract new businesses that are compatible with West Yellowstone.	WY, NRMEDD, CC, WYED	Mid-Term

Goal 10: Strengthen West Yellowstone's Off-Season Economy

	Objectives	Actions	Partner(s)	Timeline
10.1	Capitalize on Visitors to the Greater Yellowstone Region	10.1.1 Develop regional partnerships with Big Sky, Ennis, and other nearby communities.	WY, NRMEDD, Big Sky, Ennis	Short-Term
10.2	Retain Year-Round Consumer Oriented Businesses	10.2.1 Work with local business owners on how the Town can support them in staying open during winter months.	WY, local business owners, NRMEDD, CC, WYED	Ongoing
10.3	Increase Efforts to Promote West Yellowstone as a Winter Destination	10.3.1 Increase the number of winter and off-season events in West Yellowstone	WY, TBID, MAP, WYED	Short-Term

Goal 11: Provide for Long-Term Municipal Water Supply and Sewer Capacity

	Objectives	Actions	Partner(s)	Timeline
11.1	Encourage water conservation	11.1.1 Analyze water flows throughout the Town to determine where leaks are occurring and fix leaks or replace water mains as needed.	WY	Ongoing
		11.1.2 Provide incentives for water conservation during high-usage months.	WY	Mid-Term
		11.1.3 Consider requiring low-flow fixtures in new residential and commercial developments.	WY	Mid-Term
11.2	Increase Water Supply	11.2.1 Develop a new Town well to supplement the well at Whiskey Springs.	WY	Short-Term
11.3	Ensure sufficient wastewater capacity	11.3.1 Increase capacity of West Yellowstone's sewer lagoon.	WY	Short-Term

Goal 12: Enhance Recreation Opportunities in and Around West Yellowstone

Objectives		Actions	Partner(s)	Timeline
12.1	Develop Safe and Connected Non-Motorized Transportation Options and Recreation Opportunities	12.1.1 Complete gaps and make safety improvements on the Frontier Trail.	WY, WYF, FWP, MDT, CC	Mid-Term
		12.1.2 Explore a rails-to-trails conversion on the old Oregon Short Line railroad bed from West Yellowstone to Reas Pass	USFS, WY, GC, FWP	Long-Term

Goal 13: Maintain Public Infrastructure

Objectives		Actions	Partner(s)	Timeline
13.1	Ensure Streets and Alleys are Maintained as Needed	13.1.1 Repave streets	WY	Long-Term
		13.1.2 Pave alleys leading to parks off Canyon Street	WY	Long-Term

Goal 14: Protect Lives and Property from Wildfire

Objectives		Actions	Partner(s)	Timeline
14.1	Reduce wildfire risk	14.1.1 Carry out wildland fuels treatments on the southern and western borders of Town	USFS, HBFD, YNP	Mid-Term
		14.1.2 Adopt and implement fire protection and defensible space guidelines and/or regulations	HBFD	Mid-Term

Funding Options

Local Options

General Obligation Bonds

The sale of general obligation bonds can be used to finance public improvements in West Yellowstone. State statutes limit the level of bonded indebtedness.

West Yellowstone Resort Tax

West Yellowstone assesses a 3% tax on certain luxury goods and services. Revenues from the resort tax can be used for any activity that the Town is authorized to perform, with the tax having been used to finance infrastructure improvements, staffing, and town amenities. A portion of the total resort tax collected (2.5%) is dedicated to marketing and promoting West Yellowstone.

Impact Fees

Impact fees are assessed to new development and are intended to finance the added cost of infrastructure in proportion to the impact of new development. They cannot be used to maintain existing infrastructure or fix existing deficiencies.

Tax Increment Financing

Tax increment financing (TIF) is a special district that allows a community to borrow against the area's future tax revenues. The money raised through a TIF district is invested in infrastructure projects that will encourage development within the district. Revenues created by the increased tax base in the district are used to pay off the debt.

West Yellowstone Tourism Business Improvement District

West Yellowstone's Tourism Business Improvement District (TBID) collects a \$1.00 per night fee on all lodging facilities with ten or more rooms and typically collects \$250,000-\$300,000 annually. The TBID revenues fund marketing efforts, events, and local brick and mortar projects. The TBID Board has the option to raise the per night fee if approved by the local lodging facilities and the Town.

Business Improvement District

A business improvement district (BID) is a special district where an additional assessment is placed on commercial properties. The funds generated by the special assessment must be used to fund projects and programs that benefit the property owners within that district. In Montana, they are commonly used in downtowns and are referred to as downtown business improvement districts. The use of funds is governed by a board of property owners or their representatives from the district. A BID is different than TBID, in that the assessment is on all commercial properties in the district.

Grants

Community Development Block Grants (CDBG)

This grant program, administered through the Montana Department of Commerce, assists communities with housing, public facilities and neighborhood renewal projects. Communities must have matching funds for CDBG projects and the governing body must be the applicant.

Treasure State Endowment Program

The Treasure State Endowment Program is administered by the Montana Department of Commerce and helps local governments with infrastructure planning as well as constructing or upgrading drinking water systems, wastewater treatment facilities, sanitary or storm sewer systems, solid waste disposal systems and bridges.

Big Sky Trust Fund

The Big Sky Trust Fund provides funding to promote sustainable economic growth, with financial assistance for job creation and planning projects. Local governments are eligible for job creation project grants while planning project grants are only available to Certified Regional Development Corporations, Tribal Governments, and Local Development Corporations.

Gallatin County Resource Advisory Committee

The Gallatin County Resource Advisory Committee is an official advisory committee to the USFS that makes recommendations for funding projects that benefit federal lands.

Transportation Alternatives

The Transportation Alternatives program is a federal program administered by the Montana Department of Transportation which provides funding for non-motorized transportation projects.

Montana Office of Tourism Grant Program

This program awards funds to projects that strengthen Montana's economy through the development and enhancement of the state's tourism industry. The grant program offers funding in four categories.

Main Street Grants

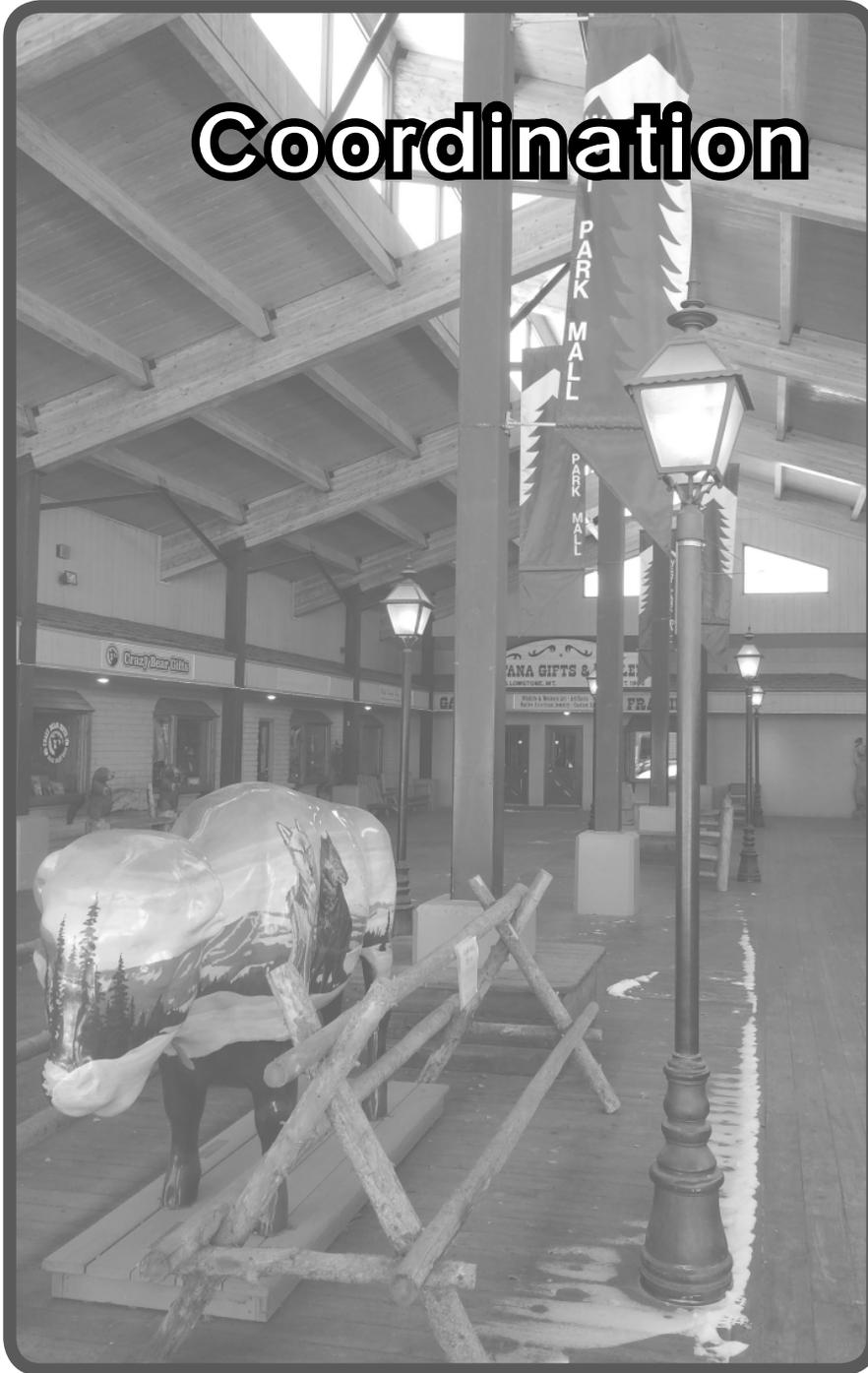
The Montana Main Street Program helps communities strengthen and preserve their historic downtown commercial districts by focusing on economic development, urban revitalization, and historic preservation through long-range planning, organization, design, and promotion.

Recreational Trails Program

The Recreation Trails Program (RTP) is a federal program administered by Montana Fish, Wildlife, and Parks. RTP grants can be used for a variety of purposes including constructing and maintaining trails, and building infrastructure associated with recreational trails. West Yellowstone has successfully used RTP grants in the past to fund cross-country ski and snowmobile trail maintenance and grooming.



Coordination



Under Montana law a growth policy must provide direction on how the governing body plans to coordinate with other levels of government. In the case of West Yellowstone this pertains to federal agencies including the USFS and the National Park Service (NPS), as well as local government entities including Gallatin County. With the exception of the police department, West Yellowstone does not have formalized agreements set up for intergovernmental coordination, yet enjoys strong relationships with nearby local governments and federal agencies. Lines of communication between West Yellowstone and other levels of government are open, with the entities having a history of shared problem solving. For example, West Yellowstone is currently coordinating with Big Sky and Ennis on regional economic development issues and is exploring how the communities can increase cooperation. In addition, the Town maintains open communication with the Custer-Gallatin National Forest on issues impacting the Town and the national forest. Lastly, West Yellowstone and Yellowstone National Park also maintain open dialogue on issues affecting the Town. It is intended that intergovernmental coordination will stay strong by maintaining open communication lines and meeting to solve problems as needed.

Wildland-Urban Interface

Overview

West Yellowstone residents know that wildfires are a fact of life each summer. From the fires of 1988, which burned over one million acres, to the most recent Maple Fire of 2016 that burnt over 45,000 acres and came within three miles of West Yellowstone, residents are aware that each summer brings the potential for large wildfires.

In 2006 Gallatin County developed the Community Wildfire Protection Plan (CWPP) to better prepare for the impacts of wildfire on public safety and property. The Gallatin County CWPP defines the Wildland-Urban Interface (WUI) as the “zone where structures or other human development meet and intermingle with undeveloped wildland or vegetative fuels,” noting that it is in this area there is a risk to life, property, and infrastructure in the event of wildfires. Being surrounded by lodgepole pine forests in the Custer-Gallatin National Forest and Yellowstone National Park, West Yellowstone fits the description of a community located in the WUI. The Gallatin County CWPP identifies areas potentially at risk of wildfire, noting that West Yellowstone is completely within the WUI.

The Custer-Gallatin National Forest has been active over the years in implementing thinning projects around Town to reduce the potential impacts of wildfire, including north and east of the Madison Addition. However, areas that have yet to receive treatment are south and west of Town, which will become increasingly important as the 80 acres becomes developed. The Custer-Gallatin National Forest is aware of the need for treatment in this area, with hopes for treatment in the coming years.

Within West Yellowstone the Madison Addition is an area of particular concern. In the Madison Addition homes are surrounded by dense pockets of lodgepole pine and landscape vegetation with little to no defensible space throughout the neighborhood. In the recent past, the Hebgen Basin Fire District received a three-year fuels mitigation grant which, including matching money, totaled \$100,000. Under the grant the fire district focused on education and fuels reduction projects in and around West Yellowstone. Part of the fuels reduction work focused on removing vegetation and creating defensible space around private residences. In the end, however, the district was not able to spend all the money available, citing challenges with getting individual homeowners to take advantage of the fuels reduction work offered under the grant.

State Law Requirements

State law requires that growth policies provide an evaluation of the potential for fire and wildland fire, and to determine if there is a need to delineate the wildland urban interface and adopt regulations requiring defensible space around structures, provide adequate ingress and egress, and to require adequate water supplies. As pointed out in the Gallatin County CWPP, West Yellowstone is identified as being in the WUI as in-town development is completely surrounded by lodgepole pine forests. With the current situation in the Madison Addition, and anticipated development of the 80 acres, there is a need to develop regulatory guidance for addressing potential impacts from wildfire. Additional regulations could take the form of a defensible space ordinance, building regulations on allowed roofing and siding materials, and subdivision standards for water supply and ingress and egress.



Subdivision Review

Montana state law requires growth policies to include statements on how governing bodies will conduct subdivision review. Specifically, state law requires growth policies to state how the subdivision primary review criteria will be defined and used in making decisions regarding proposed subdivisions, as well as how governing bodies will conduct public hearings on proposed subdivisions.

Primary Review Criteria

The Montana Subdivision and Platting Act requires that subdivision proposals be evaluated for their impact on the following seven primary review criteria:

- Agriculture
- Agricultural water user facilities
- Local services
- The natural environment
- Wildlife
- Wildlife habitat
- Public health and safety

Unless exempted under state law, when preparing a subdivision application, a subdivider must identify the anticipated impacts on the primary criteria. In the event adverse impacts are anticipated, the subdivider is required to present realistic measures to mitigate impacts. Each subdivision proposal is unique and as such there are no established guidelines for determining adverse impacts and appropriate mitigation measures. To determine if adverse impacts exist, and whether mitigation is needed, West Yellowstone will evaluate each subdivision proposal to determine whether adverse impacts are likely, and will work with developers to identify

appropriate mitigation measures. In addition, West Yellowstone will seek comment from public agencies, service providers, and other experts to determine whether adverse impacts are likely and whether mitigation should be required. In all cases, mitigation measures should be related and roughly proportional to the expected impact.

This section serves to define the seven primary review criteria and provide guidance as to evaluating whether adverse impacts exist.

Agriculture

Definition

Agriculture means the use of land for growing, raising, or marketing of plants or animals to produce food, feed, and fiber commodities. Examples of agricultural activities include, but are not limited to, cultivation and tillage of the soil; dairying; growing and harvesting of agricultural or horticultural commodities; and the raising of livestock, bees, fur-bearing animals, or poultry. Agriculture does not include gardening for personal use, keeping of house pets, kenneling, or landscaping for aesthetic purposes. The definition of agricultural land also includes land considered by the Natural Resources Conservation Service to have a soil of agricultural importance and lands devoted to a soil conservation or rangeland management program.

Evaluating Impacts on Agriculture

When evaluating a proposed subdivision's impact on agriculture, West Yellowstone will consider the following factors.

- The amount of agricultural land removed from production.
- The amount of agricultural land with soil considered prime or having statewide or local importance by the Natural

Resources and Conservation Service.

- Potential conflicts between the proposed subdivision and adjacent agricultural operations including interference with the movement of livestock or farm machinery, maintenance of fences, proliferation of weeds, harassment of livestock by pets, odors, visual quality.

Agricultural Water User Facilities

Definition

Agricultural water user facilities shall mean those facilities which provide water for agricultural land or provide water for the production of agricultural products. These facilities include, but are not limited to, ditches, canals, pipes, head gates, tanks, drains, reservoirs, ponds and developed springs used for agricultural purposes.

Evaluating Impacts on Agricultural Water User Facilities

When evaluating a proposed subdivision's impact on agricultural water user facilities, West Yellowstone will consider the following factors.

- The location and proximity of an agricultural water user facility.
- Potential conflicts between facility users and subdivision residents.
- The rights of all water right owners and users of the facility.

Local Services

Definition

Local services mean any and all services provided to the public by

local government entities or public utilities such as transportation systems, including non-motorized facilities, parking, law enforcement, fire protection, drainage structures water supply, sanitary sewage disposal, solid waste disposal, recreation, parks, libraries or schools.

Evaluating Impacts on Local Services

When evaluating a proposed subdivision's impact on local services, West Yellowstone will consider the following factors.

- The goals and objectives of existing plans.
- Increased demand on services and need to expand services as a result of the proposed subdivision. Lack of adequate service capacity and capability of a local service may be grounds for denial if the impact cannot be mitigated by the applicant.
- The cost of providing services by determining the per capita or per lot cost of services and current and anticipated tax and fee revenue.

Natural Environment

Definition

The natural environment means that physical, chemical, and biological factors that exist within or influence a geographic area or community. These factors include, but are not limited to, geology, soils, topography, climate, surface water, groundwater, floodplain, vegetation, and objects or places of cultural, historic, or aesthetic significance.

Evaluating Impacts on the Natural Environment

When evaluating a proposed subdivision's impact on the natural

environment, West Yellowstone will consider the following factors.

- Riparian or wetland areas
- Vegetation cover or type
- Noxious weeds
- Important or sensitive natural habitats
- Surface and groundwater quality
- Stream bank stability
- Erodible soils
- Cultural and historic landmarks
- The amount of open space preserved for natural resource conservation
- Results of water and sanitary facility inspection for all proposed lots
- The number of cuts and fill on slopes as a result of road or building construction

Wildlife

Definition

Wildlife means birds and animals that are not domesticated or tamed.

Evaluating Impacts on Wildlife

When evaluating a proposed subdivision's impact on wildlife, West Yellowstone will consider the following factors.

- Potential for human-wildlife conflicts.
- The number of wildlife-friendly amenities, such as preserved open space, enhanced habitat or wildlife protection devices.

Wildlife Habitat

Definition

Wildlife habitat means an area containing the complex of environmental conditions essential to wildlife for feeding and forage, cover, migration, breeding, rearing, nesting, or buffers for those areas. It also includes areas essential to the conservation of species protected by the Endangered Species Act or of special interest or concern to the State of Montana.

Evaluating Impacts on Wildlife Habitat

When evaluating a proposed subdivision's impact on wildlife habitat, West Yellowstone will consider the following factors.

- The presence and potential destruction of wildlife habitat.
- Proposed subdivisions proximity to migration routes.
- Water quality of aquatic species.

Public Health and Safety

Definition

A condition of well-being, reasonably free from danger, risk or injury, for a community at large, or for all people, not merely for the welfare of a specific individual or a small class of persons. Conditions that relate to public health and safety include, but are not limited to, flood hazards, geologic hazards, dam failures, avalanches, air quality, water quality, toxic or hazardous substance exposure, fire or wildfire hazards, proximity to high voltage power lines or high pressure gas lines, noise, air or vehicular traffic hazards, parks and recreation facilities, and threats to life, health, safety and wellness.

Evaluation Impacts on Public Health and Safety

When evaluating a proposed subdivision's impact on public health and safety, West Yellowstone will consider the following factors.

- Potential hazards to residents of the proposed subdivision from high voltage lines, high-pressure gas lines, highways, railroads, or railroad crossing and nearby industrial or mining activity.
- Any public health or safety hazards created as a result of the proposed subdivision, such as traffic or fire conditions, contamination or depletion of groundwater supplies, accelerated stormwater runoff, widening of existing floodplain or flood hazard areas.

Public Hearings

Public hearings provide the opportunity for individuals who have an interest in or may be impacted by a proposed subdivision to express their concerns to Planning Advisory Board and Town Council. Montana's Subdivision and Platting Act requires public hearings for major and subsequent minor subdivisions. This section serves to outline how public hearings will be conducted by the Planning Advisory Board and Town Council for proposed subdivisions in West Yellowstone.

1. Notice of the public hearing will be published in a newspaper at least 15 days prior to the hearing date.
2. At least 15 days prior to the hearing, notifications will be sent, by certified mail, to the subdivider, each property owner of land adjoining the proposed subdivision, and each

purchaser under contract for property adjoining the proposed subdivision.

3. A quorum, consisting of a majority of Planning Advisory Board members and Town Councilpersons, is required for official action. When a quorum is not present, no action on the item will be taken and the hearing will be rescheduled to the next available meeting date for which public notice requirements can be met.
4. At the hearing a staff member, or contract reviewer, will give a summary of the staff report pointing out key issues, findings and recommendations, followed by board or council members being given the opportunity to ask questions of staff.
5. The subdivider and/or their representative will be given the opportunity to provide a summary of the subdivision proposal and address the key issues, findings and recommendations. In the case of a hearing before the Town Council, the subdivider may also discuss their preference for mitigation. Councilpersons will then be given the opportunity to ask questions of the subdivider.
6. The presiding officer will ask for public comments from proponents, opponents and others, followed by the subdivider being given the opportunity for rebuttal. In the interest of time, the presiding officer may limit the amount of time members of the public are given to speak so long as everyone desiring to speak has a reasonable opportunity.
7. The presiding officer will close the public hearing for board

or council deliberation. During this time board or council members may ask questions of the subdivider, staff and any members of the public. Due to late hour or other extraordinary circumstances, a public hearing may be closed and continued at a later date.

8. The board will deliberate and make a recommendation (Planning Advisory Board) or decision (Town Council) on the application.
9. Prior to voting on the subdivision application, board or council members will review the subject matter contained in the public comments and discuss whether and how the comments impacted their decisions.
10. Planning Advisory Board recommendations and Town Council decisions will be supported by written findings of fact and conclusions of law.

Conditions, Trends & Projections

WEST YELLOWSTONE · MONTANA
Population 1,232 • Elevation 6,660 • Established 1908

Destination Adventure



Visit our Historic U.P. Railroad Depot & Museum
YELLOWSTONE & CANYON STREET .. MAY - MID OCT

Population

As of 2014 the population of West Yellowstone was estimated at 1,434, a 22% increase since 2000 when the population stood at 1,177. Since 1970, West Yellowstone's population has grown steadily, with the 1990s being a period of high population growth, followed by a period of more moderate growth between 2000 and 2010 – see Figure 1. More recently however, West Yellowstone is once again showing signs of high growth, with the population increasing by 13% between 2010 and 2014 from 1,271 to 1,434 – an average annual growth rate of 3.21%.

Figure 1 - Population Change 1970 - 2014

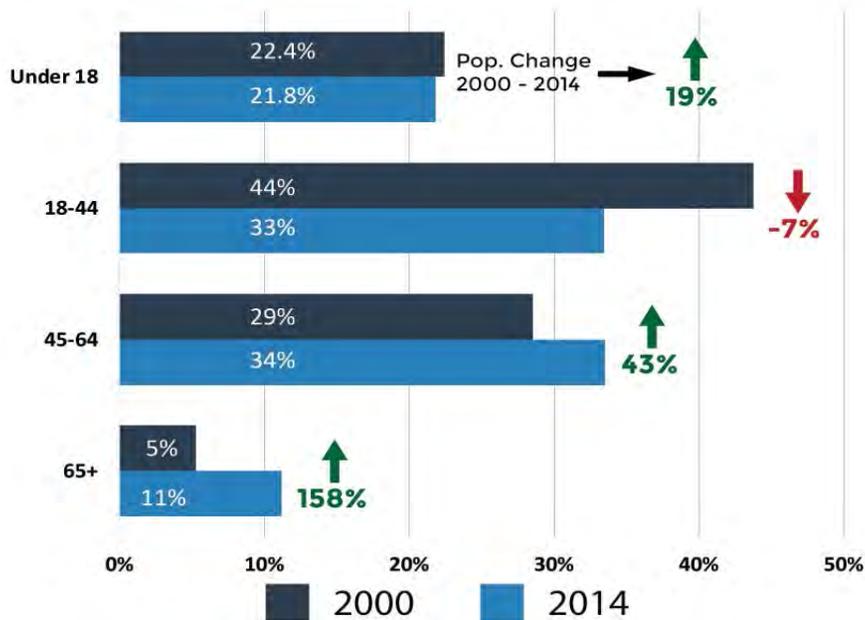


Source: American Community Survey and U.S. Census

Age Distribution

As of 2014, the 45-64 age group made up the largest share of West Yellowstone’s population at 34%, followed by 18-44 (33%), under 18 (22%), and 65+ (11%). As shown in Figure 2, these percentages indicate change since 2000, with decreases in the percentage of the 18-44 and under 18 age groups, and increases in the 45-64 and 65+ age groups. Most notable is the fact that the number of individuals over the age of 65 more than doubled between 2000 and 2014, increasing by 158%. By comparison, Gallatin County and Montana, while also aging relative to the United States as a whole, saw 67% and 31% respective increases in their 65+ populations during this time. Also notable is the increase in individuals aged 45-64, because in 20 years these individuals will be at or near retirement age and will likely have different needs in terms of housing, mobility, and

Figure 2 - Age Distribution 2000 & 2014



Source: American Community Survey and U.S. Census

healthcare. Taken together, these trends point to a population that is growing older with a decreasing share of school-aged children.

Racial Composition

As of 2014, estimates show white as the most common race of West Yellowstone residents, which is also the case in Gallatin County and Montana. As Table 1 shows, West Yellowstone’s Hispanic and black

Table 1 - Racial Composition 2014

	West	Gallatin	MT
White	89.3%	93%	87%
Hispanic	6.5%	3%	3%
Black	3.3%	0%	0%
Native American	0.6%	1%	6%
Other	0.4%	2%	2%
Asian	0.0%	1%	1%
Hawaiian	0.0%	0%	0%

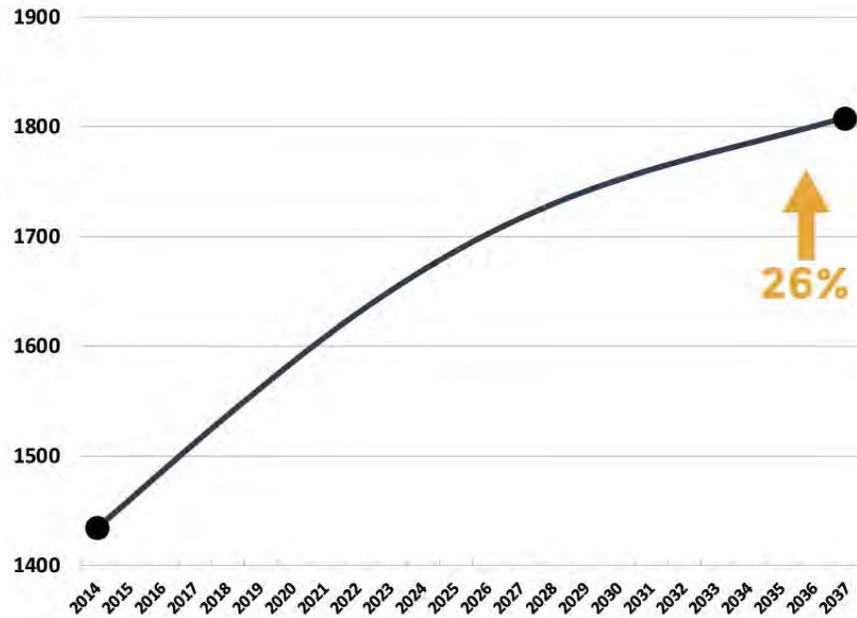
Source: Decennial Census and American Community Survey

populations are substantially larger than that of both Gallatin County and Montana on a percentage basis.

Projections

The State of Montana’s Census and Economic Information Center (CEIC) provides county level population projections produced by Regional Economic Models, Inc. In the absence of municipal level projections provided by CEIC, Gallatin County’s projected growth rates were used as a proxy to develop a population projection for West Yellowstone. As seen in Figure 3, the Gallatin County growth rate projects West Yellowstone’s total population increasing by 26% by 2037.

Figure 3 - Population Projection



Source: Montana Census and Economic Information Center

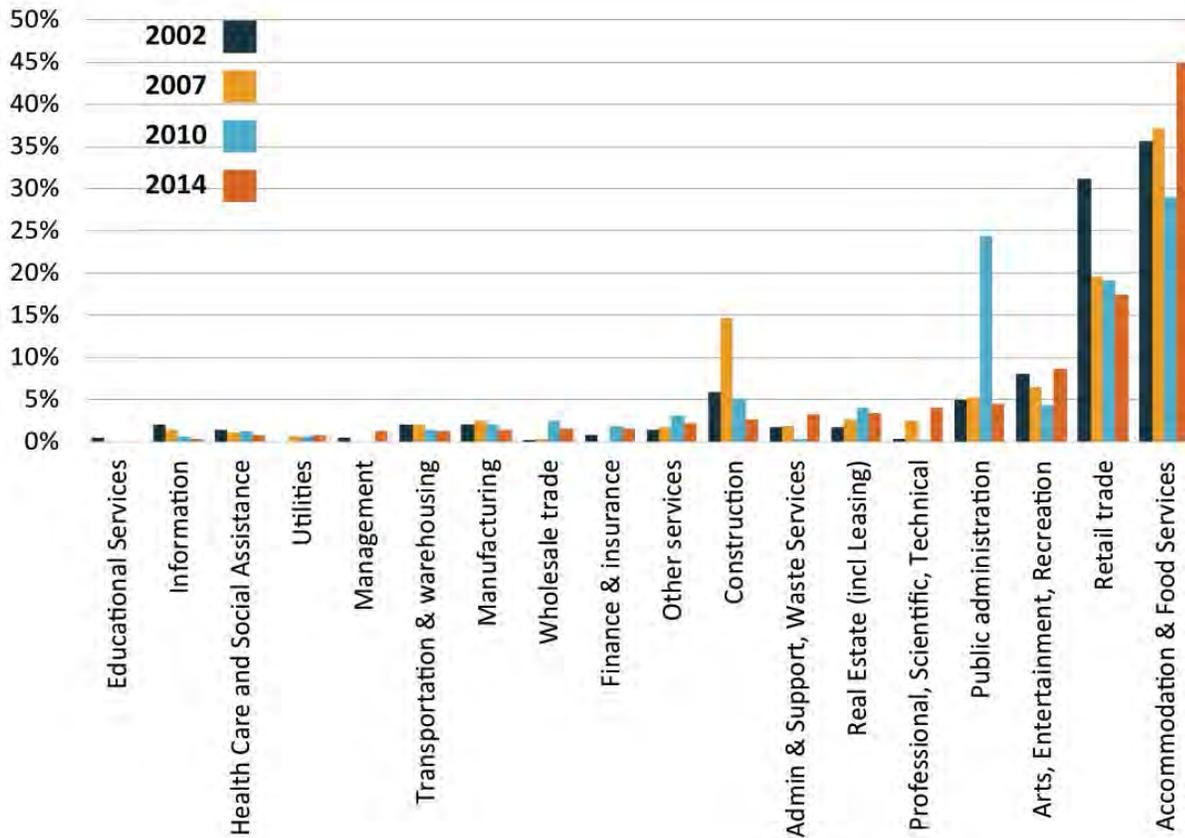
Economy

Employment

Between 2002 and 2014 the number of total primary jobs¹ in West Yellowstone increased by 16%. The industry sectors employing the most people as of 2014 were all service oriented industries, and included accommodation and food services; retail trade; and arts, entertainment, and recreation, accounting for 45%, 17%, and 9% of primary jobs, respectively – see Figure 4. During this time, out of the 18 industry sectors analyzed, 11 saw increases in employment. The industries experiencing the highest nominal employment growth were accommodation and food services; professional, scientific, and technical; and real estate – see Figure 5. The industry sectors experience the largest employment decreases were retail trade, construction, and information.

¹ A primary job is the highest paying job for an individual worker.

Figure 4 - Employment Share By Industry



Source: U.S. Census - OnTheMap

Figure 5 - Employment Change By Industry 2002 - 2014



Source: U.S. Census Bureau - OnTheMap

Housing

In 2014, there were an estimated 955 housing units in West Yellowstone. The housing stock in West Yellowstone is made up of 47% multi-family housing, 42% single-family housing, and 11% mobile homes. Since 2000 there has been a noticeable increase in multi-family housing units – see Table 2.

Table 2 - Types of Housing Units

	2000	2014	Change '00 – '14
Housing Units	798	955	20%
Single Family	343	404	18%
Multi-Family	313	446	42%
Mobile	142	105	-26%

Source: American Community Survey and U.S. Census

As of 2014, 70% (665) of housing units in West Yellowstone were estimated to be occupied and 30% were vacant, representing a small decrease in the percent share of vacant housing units since 2000 – see Table 3. The high percentage of vacant housing units is likely due to seasonal homes and/or homes used for vacation rentals. According

Table 3 - Housing Occupancy Indicators

	2000	2014	Change '00 – '14
Housing Units	798	955	20%
Vacant	288	290	1%
For Seasonal Use	162	126	-22%
Occupied	518	665	28%
Owner Occupied	195	258	32%
Renter Occupied	323	407	26%

Source: American Community Survey and U.S. Census

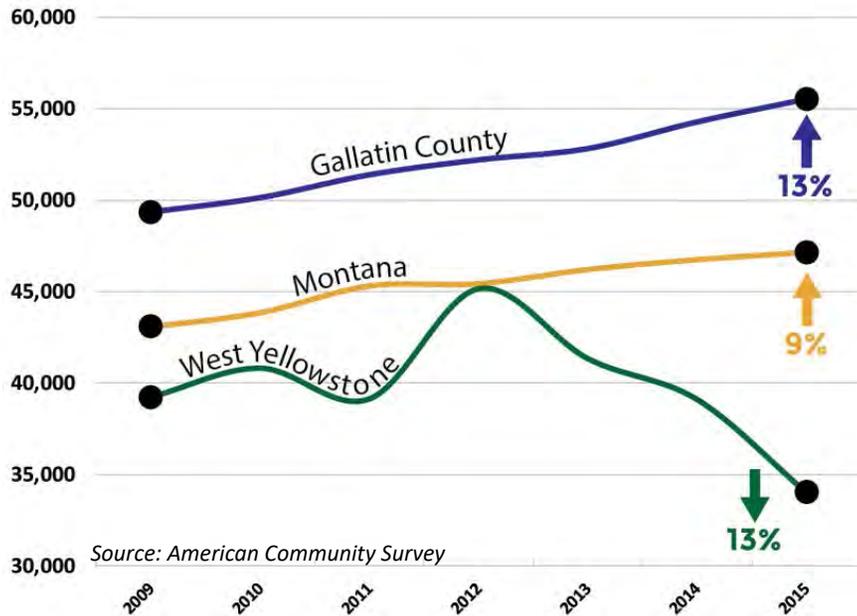
to American Community Survey data, an estimated 43% of vacant housing units were for seasonal, recreational, or occasional use and, as discussed below, many homes in West Yellowstone are offered as nightly vacation rentals. Of the 665 occupied housing units, 39% were owner occupied and 61% were renter-occupied.

The median housing value as of 2014 in West Yellowstone was \$274,200 (60% increase since 2000), which is higher than both Gallatin County (\$263,200) and Montana (\$187,600). When looking at rents however, West Yellowstone's median rent is below that of Gallatin County and Montana. In 2014, the median rent in West Yellowstone was \$600 (17% increase since 2000), slightly less than Montana at \$696 and substantially less than Gallatin County at \$850, which is likely driven up by rental demand in Bozeman. While rents may be comparatively lower in West Yellowstone, incomes are also lower than in Gallatin County and Montana. As Figure 6 shows, median household income in West Yellowstone has decreased since 2009, while in Gallatin County and Montana it has increased. As of 2015, median household income in West Yellowstone was 20% lower than in Montana and 39% lower than in Gallatin County.

Housing Affordability

Looking at housing cost burden (paying more than 30% of household income on housing) is helpful in providing a snapshot of housing affordability in West Yellowstone. In 2014, an estimated 24% of homeowners in West Yellowstone had a housing cost burden – see Figure 7. The financial challenges are even greater for renters, with 42% of renters in West Yellowstone having experienced a housing cost burden in 2014.

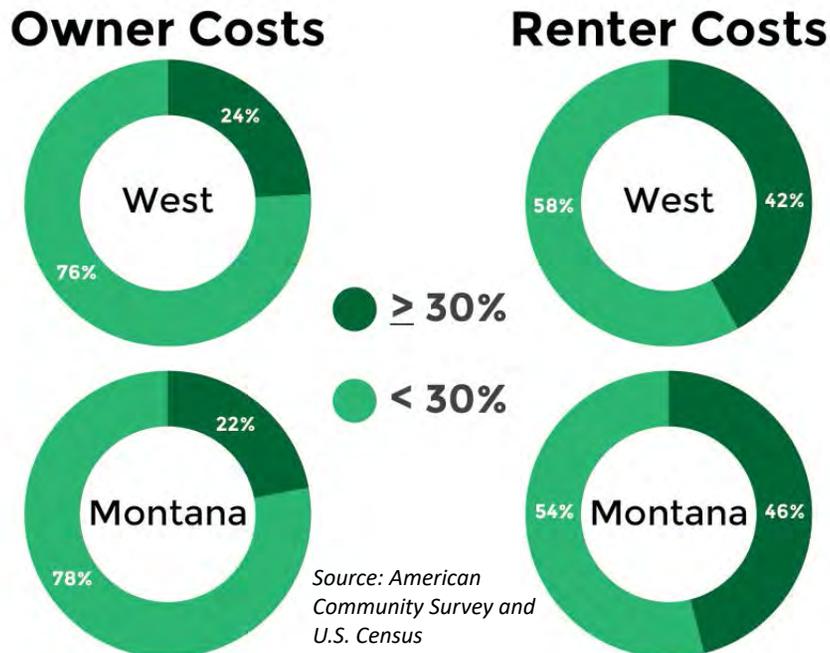
Figure 6 - Median Household Income 2009 - 2015



Housing Needs Assessment

In response to the challenges associated with providing affordable housing for year-round residents and seasonal workers, in 2015 West Yellowstone conducted a housing needs assessment. The housing needs assessment identified several issues pertaining to the availability of affordable housing in West Yellowstone and residents' ability to pay for housing. The assessment found that West Yellowstone has a large low-income population that drives demand for affordable housing. Analysis from the assessment confirmed that there is insufficient supply of affordable for-sale housing for low income households. In the rental market, the assessment found that rental housing appears to be affordable for low income households (those at 30%-50% of Area Median Income), but the number of available units is insufficient to meet demand. At the same time, the assessment also noted that both rental affordability and availability is an acute problem for the lowest income (minimum wage) households. However, analysis of supply and demand in the West Yellowstone rental market is complicated by the seasonal fluctuations in population and employment as well as by employer provided housing. Additionally, the rental market is impacted by the large number of vacation homes and short term rentals.

Figure 7 - Homeowner Costs and Rent as a Percent of Income - 2014



Barriers to Housing Development

West Yellowstone is surrounded by federal land, resulting in a limited amount of land for development. This lack of available land for development results in high property values relative to other similarly sized communities. Additionally, land use in West Yellowstone is disproportionately zoned for commercial uses. The housing assessment found that there are numerous vacant lots in

the Madison Addition, however, these lots remain unaffordable for the majority of West Yellowstone residents. It is anticipated that development of the 80 acres west of Town will help in alleviating some of the issues facing West Yellowstone with regard to housing affordability and availability. Other barriers include high construction costs, short building season and the lack of skilled tradespeople.



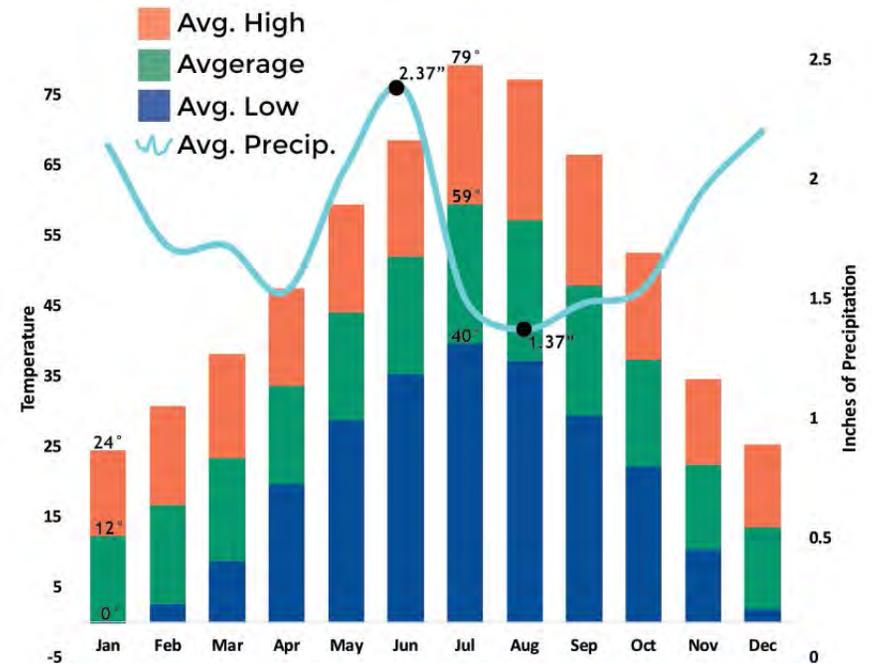
Natural Resources

West Yellowstone is located just below 7,000 feet in elevation and experiences a subarctic climate characterized by cold winters and short warmer summers – see Figure 8. West Yellowstone is surrounded largely by Lodgepole pine forests with pockets of Douglas Fir and shrubby vegetation near south fork and main fork of the Madison River – see Map 2. The dominant water feature around West Yellowstone is the Madison River to the east, which flows out of Yellowstone National Park into Hebgen Lake, north of Town.

Sand and Gravel Resources

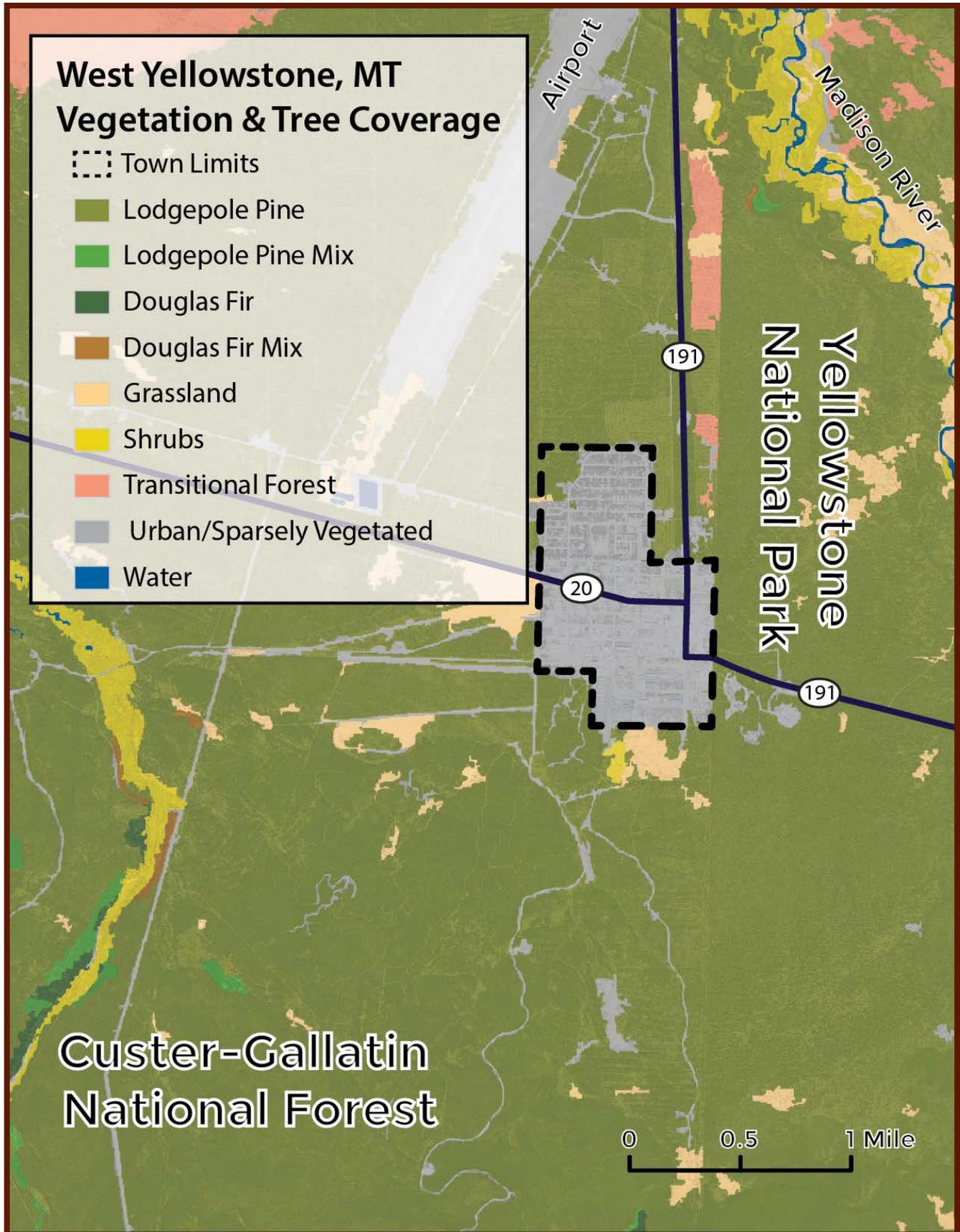
Sand and gravel are key components of many infrastructure projects from the building and maintenance of roads to home construction. Because of the transportation costs associated with sand and gravel, it is most effective for the extraction of these resources to be near

Figure 8 - Climate

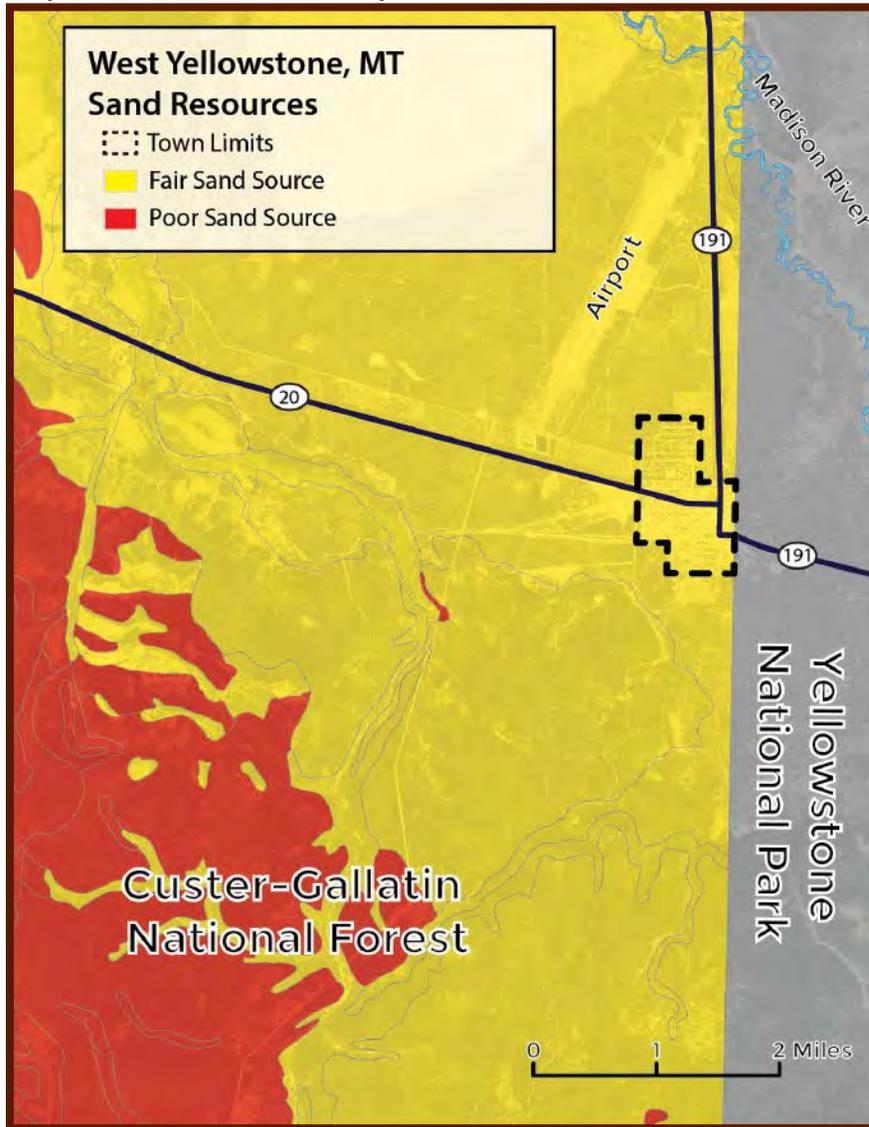


the end user. However, sand and gravel extraction operations generate noise, dust, and truck traffic, which are not desirable near residential and some commercial land uses. There are currently no sand and gravel extraction operations within West Yellowstone or in the immediate vicinity of town. However, there are several permitted open cut mining operations in Gallatin County north of West Yellowstone and one permitted open cut mine in Madison County, west of town. As shown in Maps 3 and 4, the area around West Yellowstone is thought to be an adequate location for sand resources with pockets of gravel resources to the southwest. However, as West Yellowstone is surrounded by national forest and park it is unlikely that sand and gravel extraction operations will be developed in the future.

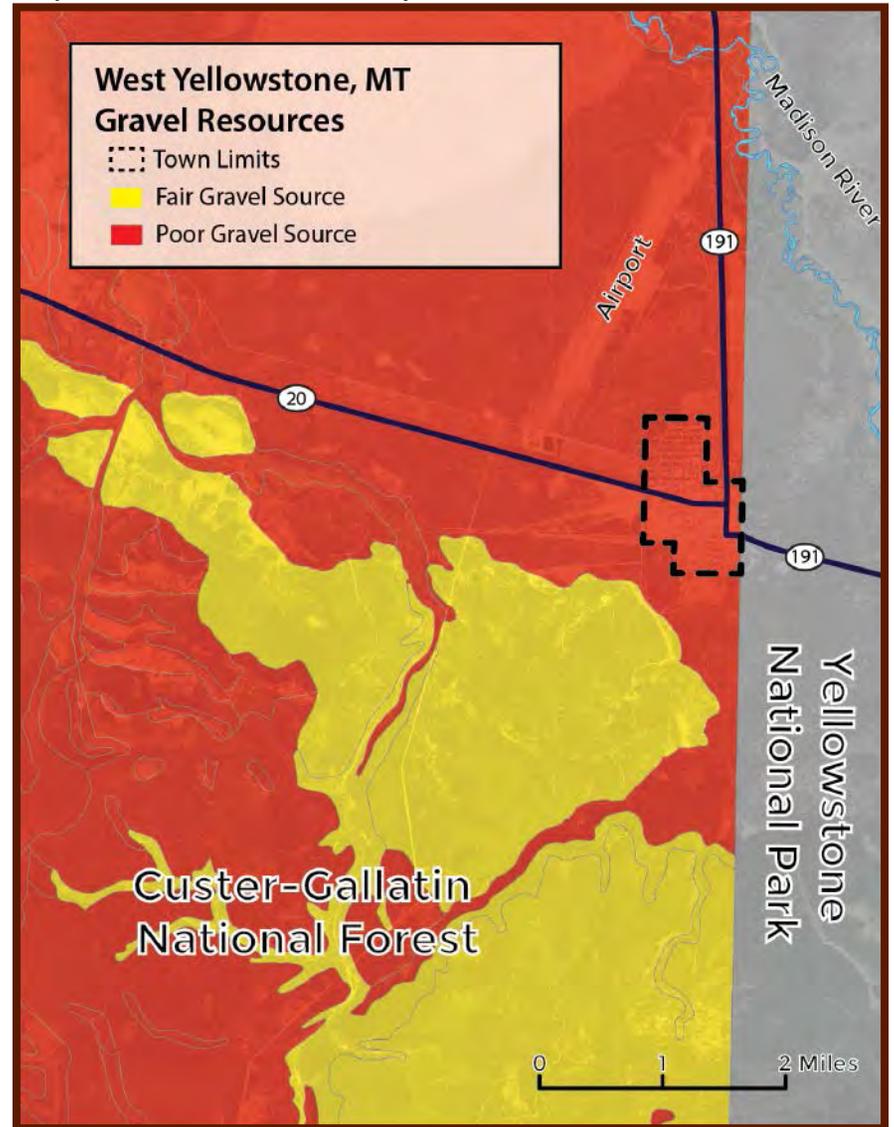
Map 2 - Vegetation



Map 3 - Sand Resource Availability



Map 4 - Gravel Resource Availability



Land Use

West Yellowstone is completely surrounded by public land, making the Town in effect an island with little room for growth outside its current boundaries – see Map 5. The Town did recently purchase 80-acres from the Custer-Gallatin National Forest immediately west of Town. However, it cannot be expected that such opportunities for land purchases will be made available in the future.

There are three main distinctive areas of West Yellowstone – the Madison Addition on the north end, Old Town in the middle, and the Grizzly Addition on the south end – see Map 6. The Madison addition is exclusively residential and is where West Yellowstone’s school is located. Old Town contains a mix of residential and various forms of commercial businesses. On the east end of Old Town consumer oriented commercial businesses and hotels dominate, primarily along Canyon Street, Yellowstone Avenue, and Madison Avenue. On the west end of Old Town there is a mix of single family and multifamily residential housing with various commercial businesses interspersed throughout the area. Old Town also encompasses the Oregon Short Line Historic District, which is a four-block area along the south side of Yellowstone Avenue between Boundary Street and Faithful Street. The property and buildings in the district were donated to the West Yellowstone in 1966 by the Union Pacific Railroad. The Union Pacific Railroad built the main structures within the district between 1909 and 1929, which were listed on the National Register of Historic Places in 1983. Lastly, the Grizzly Addition on the south end of Town is comprised primarily of uses serving the needs of visitors to West Yellowstone including accommodations, restaurants, and the Grizzly & Wolf Discovery Center.

Land Use Classifications

The Montana Department of Revenue’s tax classifications provide a high-level view of the different classifications of land in West Yellowstone. The classifications identify lands by use for tax purposes, including residential, commercial, vacant, exempt (non-taxed), centrally assessed (utilities) and non-valued (parks) properties. Map 7 shows the land use mix in West Yellowstone based on these land

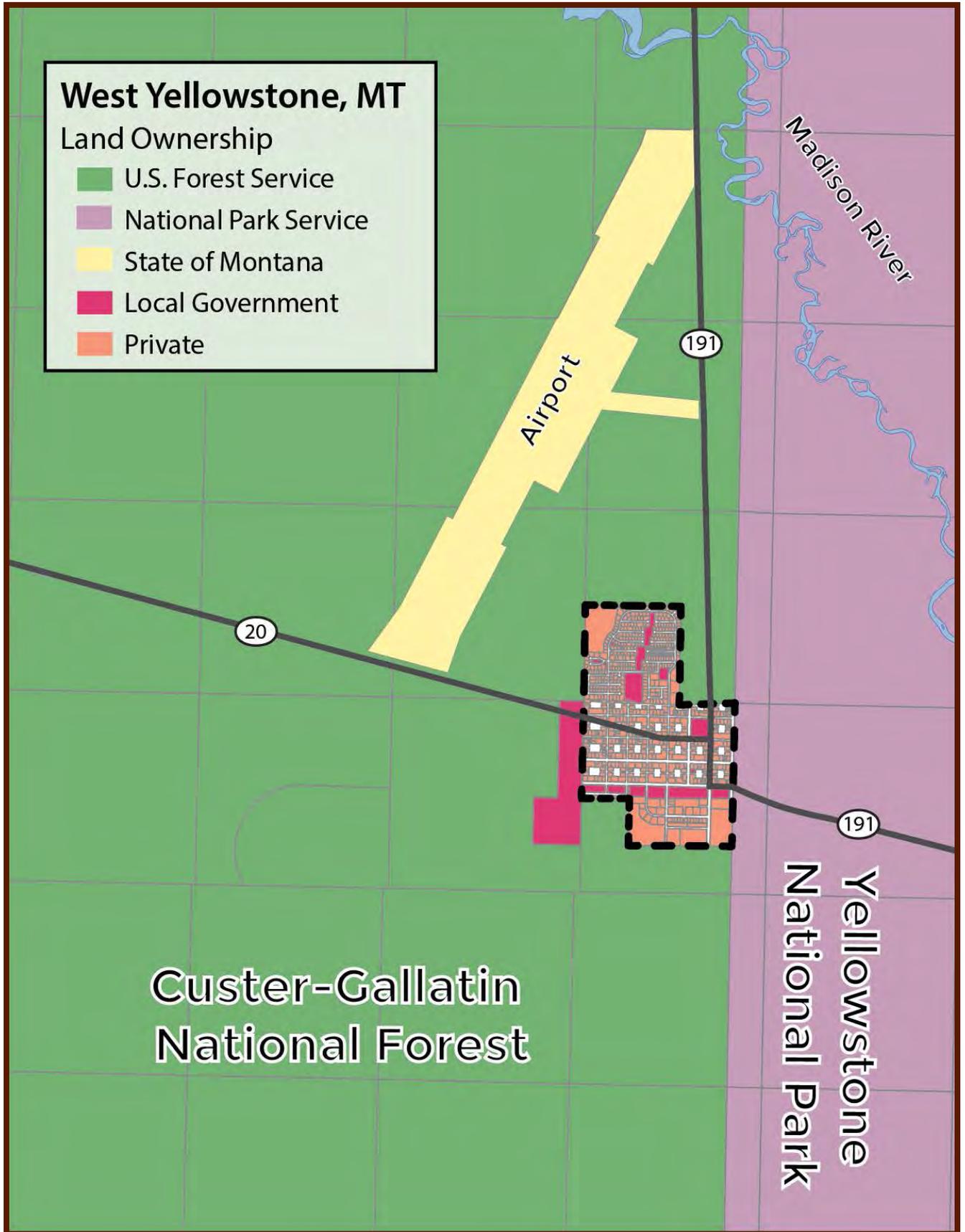
classifications, while Table 4 shows the total acreage and percent share for each land classification. These calculations do not include public right-of-way such as streets and alleys. As can be seen, commercial is the dominant land use in West Yellowstone followed by residential, exempt, and vacant.

Table 4 - Land Use Classifications

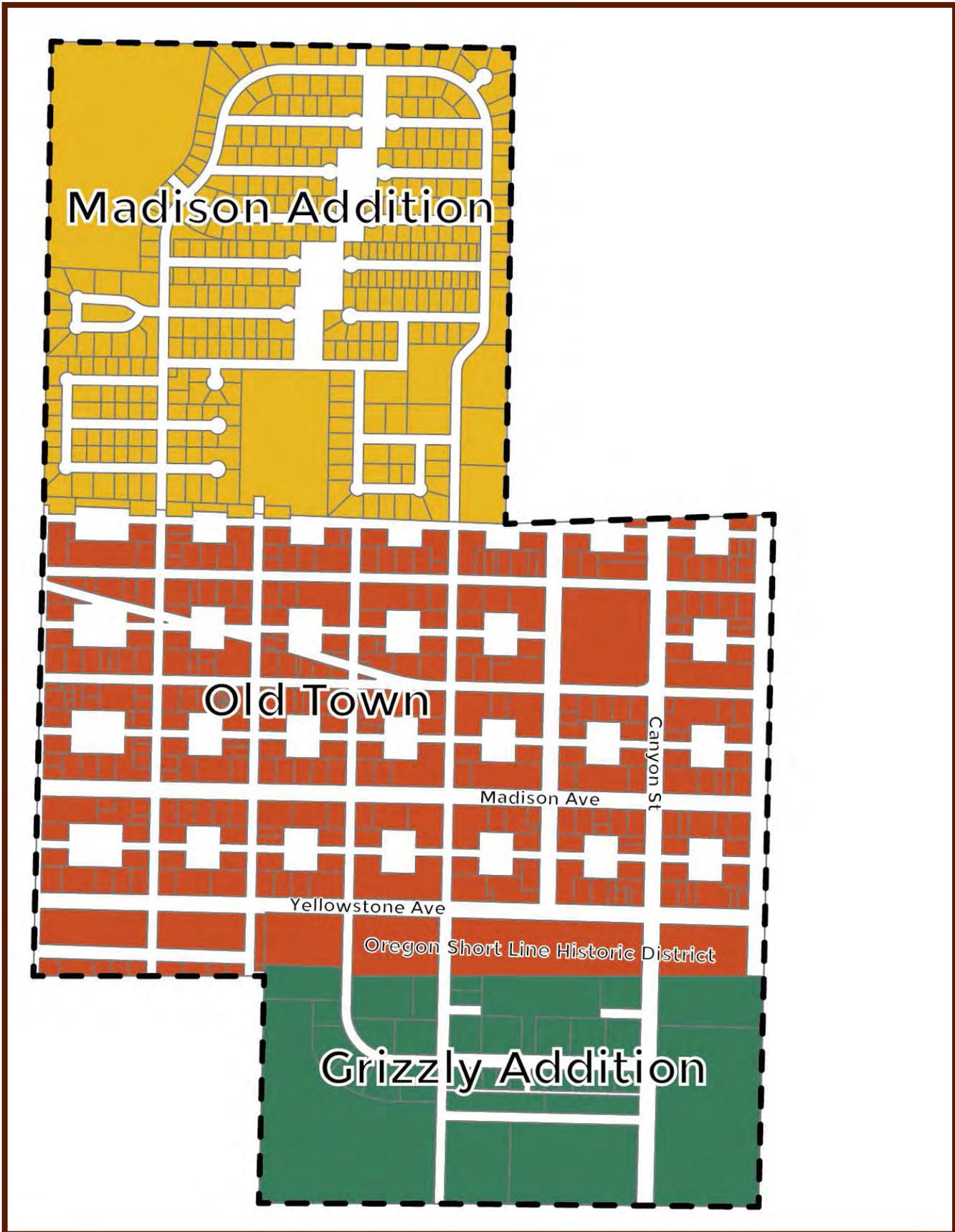
	Acres	% of Total
Commercial	122	34.2%
Residential	97	27.2%
Exempt	54	15.2%
Vacant	50	13.9%
Non-Valued	18	4.9%
Mixed Use	12	4.3%
Centrally Assessed	1	0.3%
Total	356	100.0%

Source: Dept. of Revenue

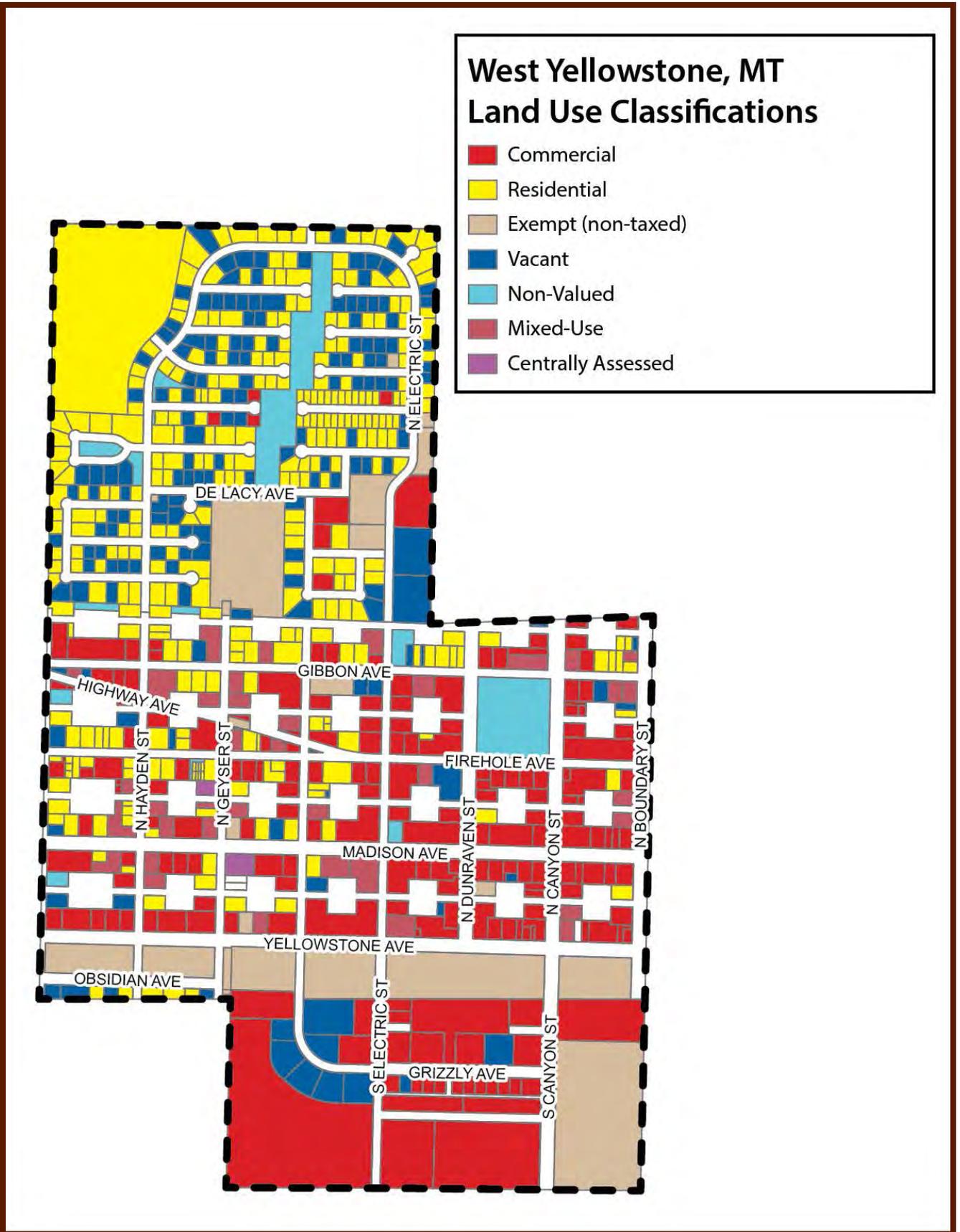
Map 5 - Land Ownership



Map 6 - Areas of West Yellowstone



Map 7 - Land Use Classifications



Zoning

West Yellowstone’s zoning defines and regulates land uses within the Town. Map 8 shows the zoning districts in Town with descriptions provided below.

Residential – Single Family

West Yellowstone has two single family residential zoning districts – residential single family low density (R1) and residential single family medium density (R2). The intent of the R-1 and R-2 districts is to provide for and preserve neighborhoods composed of single family dwellings and to protect these areas from incompatible uses.

Residential – Multi-Family

West Yellowstone has two residential zoning districts permitting multi-family dwellings – Residential Medium Density (R-3) and Residential Medium Density Apartments (R-4). The intent of the R-3 and R-4 districts is to promote a diverse array of housing options including both single family and multi-family dwellings. The R-3 and R-4 districts are also intended to address West Yellowstone’s need for affordable housing.

The areas of the Madison Addition that are zoned R-3 have been developed in a manner more consistent with R-2 zoning for single family, medium density. These areas are surrounded by R-2 zones and developers have chosen to build medium density housing units instead. Since R-3 and R-4 zones allow for both lower and higher densities, the lower densities apparently proved to be more desirable. The result of this lower density development is fewer housing units available, thus exacerbating the affordable housing problem.

Central Business District

The Central Business District occupies all of Old Town and is intended to encourage commercial uses and building styles that are traditional and rustic in nature. This matches the older commercial sections of West Yellowstone and preserves existing historic structures.

Expanded Business District

The expanded business district is intended to provide land for commercial uses that generally require a greater degree of direct access by vehicles, on-site parking, and depend less on pedestrian access for sale of goods and services.

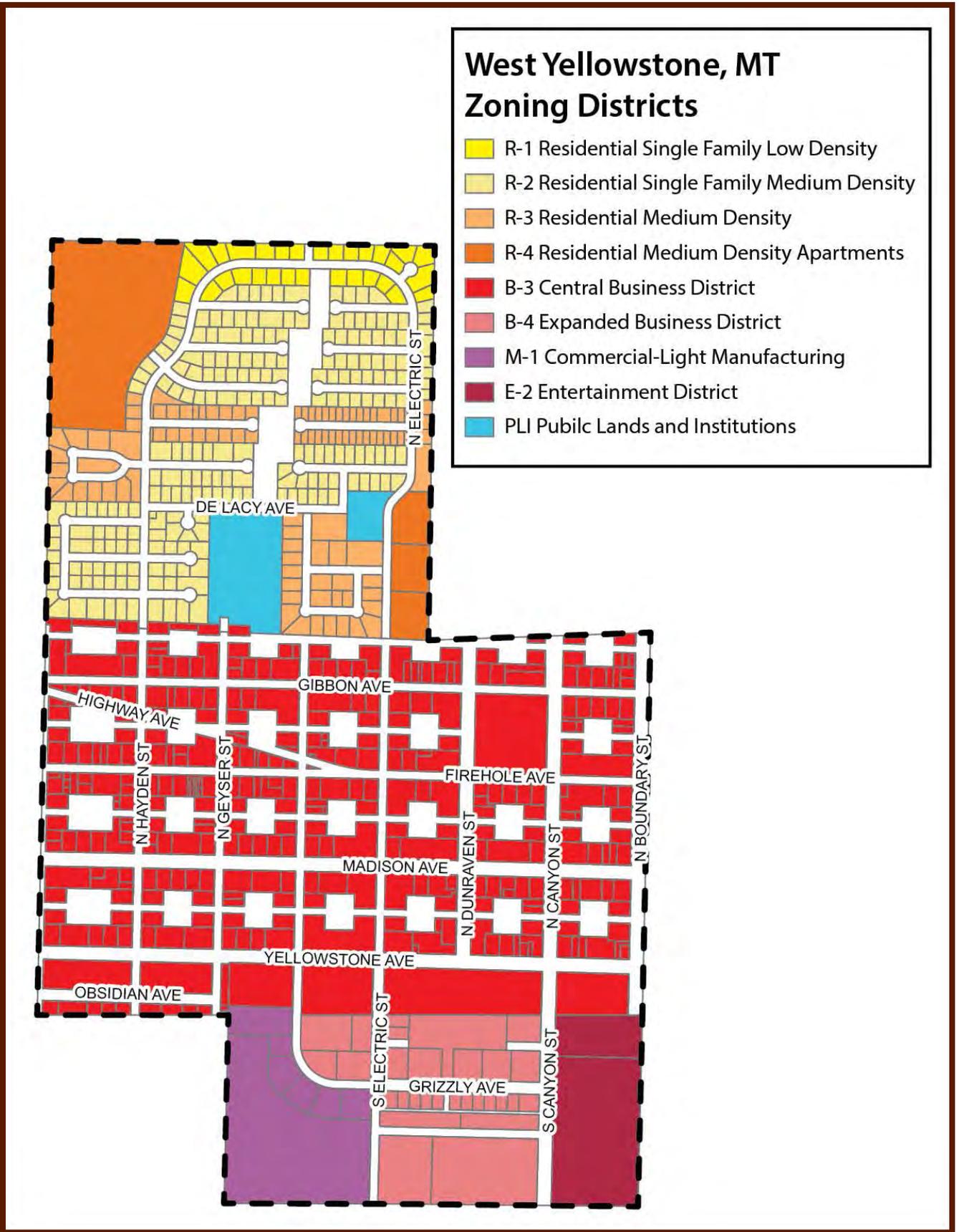
Entertainment District

The intent of the entertainment district is to provide for uses which are geared towards public entertainment and educational purposes for people visiting the area. Small commercial retail uses are only allowed in order to complement existing primary uses.

Commercial-Light Manufacturing

The commercial-light manufacturing district is intended to provide a space for wholesale trade, storage, warehousing, trucking and transportation terminals, light manufacturing and similar activities. At present time, the majority of the area zoned commercial-light manufacturing is occupied by an RV park.

Map 8 - Zoning Map



Local Services

Law Enforcement

Law enforcement in West Yellowstone consists of the West Yellowstone Police Department (6 officers), the Gallatin County Sheriff's Department (2 resident officers), and the Montana Highway Patrol (1 officer). In emergency situations rangers from Yellowstone Park (3 officers at West Gate) and the Custer-Gallatin National Forest (1 resident officer) can assist the local law enforcement officers.

Fire Protection

Fire Protection in West Yellowstone is provided by the Hebgen Basin Fire District. The Department is capable of fighting structural and wild-land fires. The district has four stations and 10 paid employees (chief, assistant chief, seven firefighters, and administrative assistant) as well as 16 volunteers. All paid firefighters staff the fire station in West Yellowstone which is home to two ambulances, a ladder truck, a structure fire engine, a brush truck, and a water tender. Based on current call volumes the district would ideally be able to hire an additional paid firefighter.

Medical Services

Medical services in West Yellowstone are provided by a health clinic operated by Community Health Partners, which is partially funded by the Town of West Yellowstone. The health clinic was renovated in 2011, giving residents and visitors in the Hebgen Basin a state-of-the-art facility where medical staff treat both acute and chronic medical concerns. The main provider at the clinic is a nurse practitioner who is supported by physicians from Bozeman Deaconess Hospital Big Sky

facility. CHP is connected to specialists through local hospitals and the Gallatin Mental Health Center.

Education

West Yellowstone School District is a K-12 public education school system serving the Town of West Yellowstone with an enrollment of approximately 252 students in 2016, a 40% increase since 2006. Recently the district passed a \$6.9 million bond that will provide the district with four new classrooms, a music room, stage, and multipurpose room. This new addition will ensure appropriate space and instructional environments exist for student achievement. The challenges facing the school include hiring and retaining qualified teachers due to the high cost of living in West Yellowstone and the lack of affordable housing for families and employees. The Town has also faced the lack of a consistently open daycare, which has hampered parents' ability to work and businesses ability to attract employees with children.

Solid Waste

Solid waste disposal in the area requires special considerations due to the presence of bears and the remoteness of West Yellowstone. Currently, solid waste is disposed of at a solid waste transfer station approximately four miles north of Town. From here, solid waste is transferred 118 miles to the county landfill at Logan, Montana.

Power

Fall River Rural Electric Cooperative supplies electric power to West Yellowstone. The system was recently upgraded in response to frequent power outages in the area. Natural gas is supplied by Energy

West and is only available to residents within Town, the airport, USFS compound, and the Yellowstone National Park compound.

Telecommunications

Telephone service to the Hebgen Lake Basin is supplied by CenturyLink. Internet services are available locally in either a dial-up or satellite format. Recently, Safelink Internet purchased the Internet company, Grizzly Internet. This includes its subsidiary, Fremont Communications, that is in the process of installing a fiber optic network around Town.

Public Facilities

Roads

West Yellowstone streets are set up in a grid pattern within Old Town and the Grizzly Addition. The Madison Addition is laid out in a series of cul-de-sacs surrounded by an outer loop connecting to Old Town. All streets and avenues are paved and maintained through sweeping, crack sealing, and slurry sealing. Pedestrian circulation remains a problem in the winter months when many sidewalks are covered with snow. Currently, the interior park areas inside Old Town blocks are used for snow storage.

Streets in West Yellowstone are nearly 30 years old and nearing the end of their useful life. The Town recently completed a crack seal project to prolong their life however, due to intense freezing and thawing, deterioration continues. The Town's capital improvements plan (CIP) calls for a \$3.3 million project to repave streets, which is expected to occur at some point in the future. West Yellowstone also has identified paving the alleys leading to interior parks in the

CIP with alleys off Canyon Street being the highest priority. On an annual basis, the Town will continue to repair and replace sidewalks as need arises and budget allows.

Airport

During the summer months, commercial air service is provided by a Delta Airlines affiliate, at Yellowstone Airport, which is owned by the State of Montana. In addition, the airport also houses a USFS Smokejumper Base and Aerial Tanker Firefighting Base. Typically, during the summer months, there are over 30 employees protecting the region from forest fires. These employees live and contribute to the Town of West Yellowstone and the surrounding community. Although there have been some discussions by USFS of moving their facilities to another location.

Aside from the USFS base, the airport provides roughly 32 local part time/full time jobs between the State of Montana, TSA, the airline, fixed base operator, rental cars, and a restaurant. The community-visioning plan has identified a desire to have the airport remain open year-round. However, residents recognize that doing so would involve a considerable amount of investment.

Sewer

West Yellowstone's sewer distribution system is made up of a combination of clay and PVC pipe. Clay pipes, installed in the 1960s, serve the Old Town area south of the Madison Addition and north of Yellowstone Avenue, while PVC pipes serve all other areas in Town. There are two lift stations in Town which pump wastewater to a sewage lagoon system to the west on the airport property. The sewer distribution system in Old Town is in need of repair due

mainly to the age of and nature of clay pipe, which is prone to break down over time. While West Yellowstone's system of sewer mains has sufficient capacity, the sewer lagoon is nearing full capacity and is unable to accommodate development of the 80-acres and anticipated hotel development in Old Town. West Yellowstone is currently in the process of developing a new sewer lagoon and is working through the process of obtaining a sewer discharge permit from the Montana Department of Environmental Quality. West Yellowstone will continue to identify needs and plan sewer projects through the Town's CIP.

Water

West Yellowstone's primary water source is Whiskey Springs, a natural spring southwest of Town. A well at Whiskey Springs pumps water to a storage tank, where water is then gravity fed into Town. Because West Yellowstone's water comes directly from a spring it is not treated, though the Town does have water treatment abilities if necessary. During times of peak water usage, or low flows, an additional well (Railroad well) kicks on automatically when the Whiskey Springs tank runs low. West Yellowstone's water distribution system runs on a loop, which was installed in the late 1980's. The Town's water mains are constructed of ductile iron pipe, which is known for its durability and having a long-life span.

A recent decrease in water production at the Whiskey Springs Well, has forced West Yellowstone to issue a moratorium on new commercial and multifamily water connections. Until a new water source is identified, West Yellowstone's water system cannot accommodate development of the newly acquired 80-acres or anticipated hotel development. West Yellowstone is currently working on identifying a

new water source and hopes to drill a new well sometime in 2017 with the hopes that it will be fully operational in late 2017 or early 2018. The proposed site of the new well site is located in the southwest corner of the 80 acres. As with its sewer system, West Yellowstone will continue to identify needs and program water projects through the Town's CIP.

Parks and Trails

West Yellowstone has eight in Town parks, as well as two trail systems in and immediately adjacent to town (see Map 9). In addition, there are numerous recreational opportunities in the Custer-Gallatin National Forest and Yellowstone National Park immediately adjacent to Town.

Parks

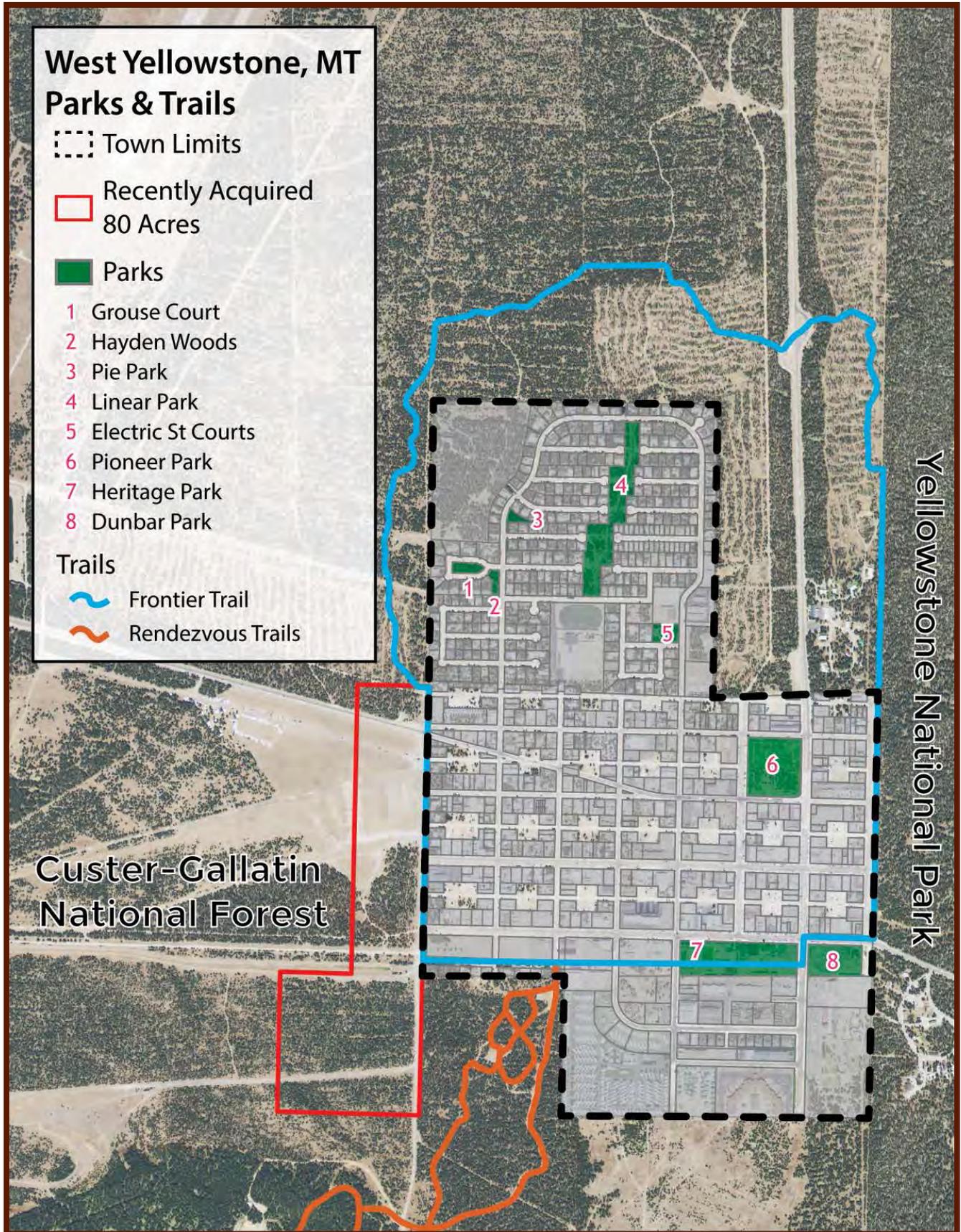
Heritage Park Historic District

This four-block area in the Oregon Short Line Historic District encompasses the original structures built by the Union Pacific Railroad between 1909 and 1929, as well as the railroad right-of-way. The property was donated by the Union Pacific Railroad to West Yellowstone in 1966. Since that time various buildings have been converted into, the Union Pacific Dining Lodge Convention Center, the Yellowstone Museum, the West Yellowstone Clinic and the West Yellowstone Court House.

Pioneer Park

Pioneer Park is a six-acre park in the center of town. This park area was established in the 1960s and was improved with grant funds from the Land and Water Conservation Fund. Facilities include,

Map 9 - Parks and Trails



baseball diamonds, soccer nets, playground equipment, basketball court, picnic shelters, BBQ grills, bathrooms and water. During summer months Pioneer Park hosts music in the park, car shows and other city wide events. In winter, the northwest corner of the park is flooded for use as a Town skating rink.

Electric Street Basketball and Tennis Courts

This area was the result of the Rural Electric Authority (REA) now known as Fall River Electric, abandoning a pole yard. Near churches, schools, and residential units the park is an ideal location for basketball and tennis courts. Additionally, it is removed from the main tourist access so locals can enjoy recreational pursuits. Lighting was added in 1999 expanding the time it can be utilized. As use continues additional enhancements may be needed including, bathrooms, small playground, shelter, and landscaping.

Linear Park

Linear Park is located in the Madison Addition and is open to all West Yellowstone residents. The park consists of a paved walkway running north-south through a forested area. Linear Park is valued for its natural setting, which will continue to be maintained through planting additional native landscaping on an as needed basis.

Dunbar Park

Dunbar park is located east of the Chamber of Commerce Visitor Center. The park consists of a grass area, trees, a footpath and a picnic area. With its location at the eastern edge of the Oregon Short Line Historic District, there is a monument that recognizes the area as the eastern terminus of the Oregon Short Line Railroad. The park is used extensively in the summer as a picnic area and a resting place

for travelers.

Trails

Rendezvous Trails

On the south end of Town, the Rendezvous Ski Trails provide some of the best cross-country skiing in Montana. The trail system includes over 21 miles of groomed trails and a world-class biathlon range with electronic targets and handicap-accessible targets. Maintenance and development of the Rendezvous Trails is a cooperative effort between the West Yellowstone Chamber of Commerce Ski Committee, the West Yellowstone Ski Education Foundation, and the Hebgen Lake Ranger District of the Custer-Gallatin National Forest.

Frontier Trail

The Frontier Trail is 3.8 mile loop trail around West Yellowstone, that is popular with walkers, runners, and cyclists. The trail sits on land owned by the Custer-Gallatin National Forest and the Town of West Yellowstone. While the trail is used heavily by visitors and residents alike, there are several gaps and safety improvements which need to be addressed. These improvements include

- Constructing new short sections of sidewalk between Yellowstone and Obsidian Avenues and on a portion immediately east of Electric Street.
- Laying asphalt on the section between Obsidian Avenue and Electric Street.
- Installing safe pedestrian crossings in Town.
- Installing lighting on the southern portion of the trail.

At the time of writing, West Yellowstone was in the process of applying for a Transportation Alternatives grant from the Montana Department of Transportation to make these improvements.

additional attraction for West Yellowstone.

Recreation Outside of West Yellowstone

Recreation opportunities outside of West Yellowstone abound. In addition to Yellowstone National Park, recreation options include hiking, biking, camping, snowmobiling, four-wheeling, cross-country skiing, hunting, and fishing. There are many opportunities for increasing recreation opportunities on nearby national forest lands, which will require coordination between West Yellowstone and the Custer-Gallatin National Forest. One such opportunity is developing a snowmobile parking area immediately outside of Town on the Custer-Gallatin National Forest, which could also be used for parking during summer months. This would provide a space for snowmobilers to park large trailers and off-load their machines to use on National Forest trails and roads, while also being close enough to Town that they would be able to easily access services. Preliminary ideas have identified the area along the north side of Highway 20, adjacent to the 80 acres, as a potential site. Another opportunity is converting the old Oregon Short Line railroad bed, at the southwest end of Town, to a non-motorized trail from West Yellowstone to Reas Pass. This would require replacing a bridge over the South Fork of the Madison River which was removed, as well as several other bridges between West Yellowstone and Ashton, Idaho. From Reas Pass the dirt railroad bed is bikeable, though sections are in need of improvement. Farther south near Driggs, ID it becomes a paved path. A fully developed non-motorized trail between West Yellowstone and Driggs could be an iconic destination for touring cyclists and could help add an

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43687	2575 WY Tourism Business Improvement 10/01/17 September 2017 collections	52,562.36 52,562.36		TBID	2102 411800	540	101000
43688	2551 Thyssenkrupp Elevator Corp 3003489876 10/01/17 elevator maint-Povah	415.50 415.50		POVAH	1000 411255	350	101000
43690	1273 Montana Security and 53147 10/17/17 monitoring UPDL	61.50 61.50		UPDL	1000 411252	357	101000
43691	266 Utilities Underground Location 7095316 10/31/17 excavation notifications 10/31/17 excavation notifications	69.08 69.08 0.00		WATER SEWER	5210 430500 5310 430600	357 357	101000 101000
43693	1089 Gallatin County Treasurer Sept 2017 10/29/17 Tech surcharge Sept 2017 10/29/17 MLEA Sept 2017 10/29/17 Public Defender Sept 2017 10/29/17 Victims Assistance	1,341.00 420.00 495.00 132.00 294.00		COURT COURT COURT COURT	7458 212200 7467 212200 7468 212200 7699 212200		101000 101000 101000 101000
43694	2088 Town West Yellowstone 10/01/17 utility chrgs, Chamber, 895 10/01/17 utility chrgs, UPDL, 892 10/01/17 utility chrgs, PS Shops, 884 10/01/17 utility chrgs. Povah Ctr, 887 10/01/17 utility chrgs, Police Dept, 886 10/01/17 utility chrgs, City Park, 885 10/01/17 utility chrgs, Library, 891 10/01/17 utility chrgs, Lift #1, 903 10/01/17 utility chrgs, TwN Hall, 921	806.83 80.20 64.34 29.25 90.72 37.38 313.43 37.94 12.64 140.93		BLDGS BLDGS BLDGS BLDGS BLDGS BLDGS LIBBLD SEWER TWNHAL	1000 411257 1000 411252 1000 411253 1000 411255 1000 411258 1000 411253 1000 411259 5310 430600 1000 411250	340 340 340 340 340 340 340 340 340	101000 101000 101000 101000 101000 101000 101000 101000 101000
43695	2853 Two Seasons Recycling 2017-434 10/28/17 monthly recycling	500.00 500.00		PARKS	1000 460430	398	101000
43698	1514 Verizon Wireless 18 Smartphones 1 regular phones 3 laptops 10/20/17 640-0108, Police 10/20/17 640-0121 Laptop 10/20/17 640-0141 Street SP 10/20/17 640-1103, Operator SP 10/20/17 640-1438, SS Director 10/20/17 640-1460, Library Dir, SP 10/20/17 640-1461, Facilities Tech, SP	1,229.75 59.74 40.09 59.74 59.74 28.16 59.74 59.74		SOCSE STREET STREET STREET SOCSE LIBRAR WATER	1000 420100 1000 430200 1000 420100 1000 430200 1000 450135 2220 460100 5210 430500	345 345 345 345 345 345 345	101000 101000 101000 101000 101000 101000 101000

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	10/20/17	640-1462, Operator, SP		59.74		WATER	5210 430500	345	101000
	10/20/17	640-1463, Deputy PSS, SP		59.74		SEWER	5310 430600	345	101000
	10/20/17	640-1472, Ops Mgr, SP		59.74		ADMIN	1000 410210	345	101000
	10/20/17	640-1676, Rec Coord, SP		59.74		REC	1000 460440	345	101000
	10/20/17	640-1754, COP, SP		59.74		POLICE	1000 420100	345	101000
	10/20/17	640-1755, Police		59.74		POLICE	1000 420100	345	101000
	10/20/17	640-1756, Police		59.74		POLICE	1000 420100	345	101000
	10/20/17	640-1757, Police		59.73		POLICE	1000 420100	345	101000
	10/20/17	640-1758, Police, SP		59.73		POLICE	1000 420100	345	101000
	10/20/17	640-1759, Police		59.73		POLICE	1000 420100	345	101000
	10/20/17	640-7547, Facilities Tech SP		59.73		PARKS	1000 460430	345	101000
	10/20/17	640-9074, PSS, SP		59.74		SEWER	5310 430600	345	101000
	10/20/17	COP laptop		40.01		POLICE	1000 420100	345	101000
	10/20/17	683 laptop		46.21		POLICE	1000 420100	345	101000
	10/20/17	Equipment returns		0.00		STREET	1000 430200	220	101000
	10/20/17	new phone		0.00		LIB	2220 460100	220	101000
	10/20/17	640-0159 STREET SP		59.74		STREET	1000 430200	345	101000
43699		2813 Century Link		1,528.80					
	10/19/17	DSL Pub Serv Office 646-7949		0.00		BLDINS	1000 430200	345	101000
	10/19/17	Police 646-7600		334.43		POLICE	1000 420100	345	101000
	10/19/17	E911 Viper 646-5170		98.12		E911	2850 420750	345	101000
	10/19/17	E911 255-9710		998.70		E911	2850 420750	345	101000
	10/19/17	E911 255-9712		24.51		E911	2850 420750	345	101000
	10/19/17	Alarm Lines, 646-5185		73.04		TWNHAL	1000 411250	345	101000
43700		2546 Century Link QCC		28.17					
	10/23/17	long dist chg 406-646-7600		28.17		DISPAT	1000 420100	345	101000
43701		42 Fall River Electric		8,224.04					
	10/20/17	UPDH 4212041 elec service		325.17		UPDH	1000 411252	341	101000
	10/20/17	POLICE 4212008 elec service		126.40		POLICE	1000 411258	341	101000
	10/20/17	shop 4212018 elec service		94.35		STREET	1000 430200	341	101000
	10/20/17	ANIMAL 4212029 elec serv		48.31		ANIMAL	1000 440600	341	101000
	10/20/17	PARK 4212032 Elec ser		83.01		PARK	1000 411253	341	101000
	10/20/17	PARK 2901001 elec serv		55.24		PARK	1000 411253	341	101000
	10/20/17	CLORINATOR 4212030 elec serv		43.71		WATER	5210 430500	341	101000
	10/20/17	MAD ADD WATER 4212017		49.94		WATER	5210 430500	341	101000
	10/20/17	PUMP 4212005 elec serv		206.24		WATER	5210 430500	341	101000
	10/20/17	SEWER LIFT STATION 4212006		293.53		SEWER	5310 430600	341	101000
	10/20/17	SEWER PLANT 4212007 elec ser		1,484.93		SEWER	5310 430600	341	101000
	10/20/17	MAD SEWER LIFT 4212014 elec		95.07		SEWER	5310 430600	341	101000
	10/20/17	SEWER TREAT SERV 4212046 ele		2,755.47		SEWER	5310 430600	341	101000
	10/20/17	library 23 dunraven 4212054		210.41		LIBRY	1000 411259	341	101000
	10/20/17	povah comm ctr 4212001		237.39		POVAH	1000 411255	341	101000

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	10/20/17	unmetered lights	4212004	1,451.25		STLITE	1000 430263	341	101000
	10/20/17	Town Hall	4212009	547.05		TWNHAL	1000 411250	341	101000
	10/20/17	Ice Rink	421010	38.47		PARKS	1000 411253	341	101000
	10/20/17	Hayden/Grouse Well	4212015	38.99		WATER	5210 430500	341	101000
	10/20/17	Electric Well	4212031	39.11		WATER	5210 430500	341	101000
43702		2789 WEX Bank		2,835.79					
	10/01/17	07 Ford Expedition	6-54563A	29.09		SS	1000 450135	231	101000
	10/01/17	06 Dodge Durango	6-1374	365.97		PUBSER	1000 430200	231	101000
	10/01/17	17 Dodge Ram #1		197.54		POLICE	1000 420100	231	101000
	10/01/17	17 Dodge Ram #2		248.22		POLICE	1000 420100	231	101000
	10/01/17	10 Ford Expedition	6-000046	295.22		POLICE	1000 420100	231	101000
	10/01/17	11 Ford Expedition	6-21425A	167.43		POLICE	1000 420100	231	101000
	10/01/17	10 JD Backhoe		0.00		STREET	1000 430200	231	101000
	10/01/17	77 Int'l Dumptruck		0.00		STREET	1000 430200	231	101000
	10/01/17	Snow Blower		0.00		STREET	1000 430200	231	101000
	10/01/17	85 Ford Dumptruck		0.00		STREET	1000 430200	231	101000
	10/01/17	140 G Grader		0.00		STREET	1000 430200	231	101000
	10/01/17	CAT 936 Loader		0.00		STREET	1000 430200	231	101000
	10/01/17	91 Ford 6-582		50.54		STREET	1000 430200	231	101000
	10/01/17	15 Sweeper		119.34		STREET	1000 430200	231	101000
	10/01/17	97 Athey Sweeper		0.00		STREET	1000 430200	231	101000
	10/01/17	14 Water Truck		0.00		STREET	1000 430200	231	101000
	10/01/17	00 Freightliner Dump	6-60700A	42.38		STREET	1000 430200	231	101000
	10/01/17	2010 JD 772 Grader		0.00		POLICE	1000 420100	231	101000
	10/01/17	02 Freightliner Dump	6-54564A	185.53		STREET	1000 430200	231	101000
	10/01/17	08 Ford Pickup	6-1450	214.09		STREET	1000 430200	231	101000
	10/01/17	08 GMC Pickup	6-1484	229.07		STREET	1000 430200	231	101000
	10/01/17	08 CAT 938H Loader		218.30		STREET	1000 430200	231	101000
	10/01/17	08 904B MiniLoader		0.00		STREET	1000 430200	231	101000
	10/01/17	93 Dodge 6-2010		0.00		STREET	1000 430200	231	101000
	10/01/17	YNP Truck #2		0.00		STREET	1000 430200	231	101000
	10/01/17	08 Ford Escape (multi-use)		121.99		DISPAT	1000 420160	370	101000
	10/01/17	14 Police Interceptor		179.67		POLICE	1000 420100	231	101000
	10/01/17	15 Ford F-250		171.41		STREET	1000 430200	231	101000
43703		2558 Hebgen Basin Fire District		52,834.91					
	10/20/17	October 2017		45,501.58		FIRE	1000 420400	357	101000
	10/20/17	October 2017		7,333.33		FIRE	1000 420471	140	101000

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43704		95 Energy West-Montana		1,041.49					
	10/28/17	nat gas 210361788 updl		255.13		UPDH	1000 411252	344	101000
	10/28/17	nat gas 210360293 Police		22.78		POLBLD	1000 411258	344	101000
	10/28/17	nat gas 210361746 Pub Services		138.46		STREET	1000 430200	344	101000
	10/28/17	nat gas 210361811 old firehall		34.69		PARK	1000 460430	344	101000
	10/28/17	nat gas 210363966 old bld ins		23.95		STREET	1000 430200	344	101000
	10/28/17	nat gas 210360540 library		45.44		LIBBLD	1000 411259	344	101000
	10/28/17	nat gas 210364599 Povah		212.10		POVAH	1000 411255	344	101000
	10/28/17	nat gas 210361697 Iris Lift St		34.69		PUBSVC	1000 430200	344	101000
	10/28/17	nat gas 210365425 Twm Hall		243.13		TWNHAL	1000 411250	344	101000
	10/28/17	nat gas 210361655 Mad Add Sewe		31.12		SEWER	5310 430600	344	101000
43749		2866 Blue Heron Design-Build, Inc.		18,609.88					
	09/22/17	westmart material		4,009.28*		PAVIL	4000 460430	920	101000
	09/30/17	labor		7,511.50*		PAVIL	4000 460430	920	101000
	09/20/17	subcontractor - infinity const		1,560.00*		PAVIL	4000 460430	920	101000
	596753 09/28/17	subcontract - holly rock mason		4,602.00*		PAVIL	4000 460430	920	101000
	09/30/17	margin		1,768.00*		PAVIL	4000 460430	920	101000
	09/30/17	1% MT tax, bathroom project		-354.04*		PARKS	4000 460430	920	101000
	09/30/17	1% MT tax, pavilion project		-486.86*		PAVIL	4000 460430	920	101000
43753		277 DEPARTMENT OF REVENUE		840.90					
	09/30/17	1% MT tax, bathrooms project		354.04*		PARKS	4000 460430	920	101000
	09/30/17	1% MT tax, pavilion project		486.86*		PAVIL	4000 460430	920	101000
43754		2992 Lisa Johnson		65.58					
	10/11/17	Groceries for employee meeting		65.58		ADMIN	1000 410210	327	101000
43755		2268 Myslik, Inc.		4,582.84					
	101217B 10/12/17	Air restriction switch		133.49		STREET	1000 430200	369	101000
	101117A 10/11/17	heated windshields, equipment		4,449.35		STREET	1000 430200	369	101000
43756		3004 Partsmaster		312.86					
	23200730 09/28/17	tools and supplies		367.16		STREET	1000 430200	220	101000
	23161354 08/03/17	Socket Sets		-54.30		STREET	1000 430200	220	101000
43757		2616 David Arnado		138.00					
	10/12/17	water school, meals		138.00		WATER	5210 430500	370	101000

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43758	951 Barnes & Noble	681.35					
	3543991 09/29/17 library books	309.88		LIBRAR	2220 460100	215	101000
	3544011 09/29/17 library books	199.91		LIBRAR	2220 460100	215	101000
	3536111 10/17/17 library books	171.56		LIBRAR	2220 460100	215	101000
43759	2099 Quick Print of West Yellowstone	75.55					
	9252 09/26/17 laminations	7.00		STREET	1000 430200	220	101000
	9275 09/30/17 H2O instruction folders	35.10		WATER	5210 430500	870	101000
	9116 08/03/17 ream of paper	20.00		LIBRAR	2220 460100	220	101000
	2060 09/26/17 Shipping, water samples	13.45		WATER	5210 430500	357	101000
43760	379 Energy Laboratories, Inc	420.00					
	111949 10/10/17 influent testing	123.25		SEWER	5310 430600	354	101000
	111949 10/10/17 effluent testing	284.75		SEWER	5310 430600	354	101000
	111949 10/10/17 shipping	12.00		SEWER	5310 430600	354	101000
43761	151 Gallatin County WY TS/Compost	770.45					
	99770 09/30/17 Waste removal	770.45		PARKS	1000 460430	534	101000
43762	2978 Economart	34.79					
	111539B 09/29/17 tractor fuel	34.79		STREET	1000 430200	231	101000
43763	2673 First Bankcard	1,040.41					
	8078449 09/07/17 2M Well caps and seals	265.69		WATER	5210 430550	369	101000
	0623412 09/07/17 Amazon flags	39.54		POVAH	1000 411255	220	101000
	3297000 09/01/17 Amazon vehicle testing equipm	37.99		STREET	1000 430200	220	101000
	5403462 09/08/17 Amazon flags	103.80		TWNHAL	1000 411250	366	101000
	6159402 09/18/17 Amazon Chlorine	17.74		WATER	5210 430500	220	101000
	9691431 09/22/17 Amazon Plumbing Code	72.55		BLDG	1000 420531	215	101000
	1338662 09/22/17 Amazon Plumbing Codes	111.09		BLDG	1000 420531	215	101000
	5591914 09/15/17 Home Depot supplies	9.35		STREET	1000 430200	366	101000
	1574854 08/30/17 Home Depot safety treads	29.90		TWNHAL	1000 411250	366	101000
	14421336 10/06/17 MT Motor Vehicle Division li	52.76		STREET	1000 430200	380	101000
	041201M17 09/18/17 Business Radio Licensing	300.00		STREET	1000 430200	362	101000
43764	765 APCO Inc	331.00					
	466630 10/02/17 2018 APCO membership	331.00		DISPAT	1000 420160	335	101000
43765	29 Terrell's Office Machines Inc	14.00					
	343269 09/15/17 Waste toner box	14.00		DISPAT	1000 420160	220	101000

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43766		2952 DIS Technolgies		595.00					
	32289	10/05/17 Monthly dispatch services		595.00		DISPAT	1000 420160	380	101000
43767		489 MSE ANALYTICAL LABORATORY		405.00					
	1709012	10/04/17 water testing		405.00		WATER	5210 430500	357	101000
43768		40 Jerry's Enterprises		68.20					
	08/30/17	help fund voucher		25.00		SOCSRV	7010 450135	231	101000
	08/29/17	diesel fuel		43.20		STREET	1000 430200	231	101000
43769		3085 Buffalo Services, LLC		409.00					
	10/08/17	Sampling		409.00		WATER	5210 430500	357	101000
43770		65 Machinery Power & Equipment Co		7,413.09					
	42CS049742	09/14/17 Bearing		88.09		STREET	1000 430200	369	101000
	D2313901	09/29/17 Trench Box		3,662.50		WATER	5210 430500	940	101000
	D2313901	09/29/17 Trench Box		3,662.50		SEWER	5310 430600	940	101000
43771		2813 Century Link		62.00					
	09/28/17	406-646-7949		62.00		STREET	1000 430200	345	101000
43772		2926 Close Up		147.80					
	10/13/17	wreaths-Town Hall		147.80		TWNHAL	1000 411250	220	101000
43773		2964 CITI CARDS		2,974.77					
	09/18/17	Amazon-toner refund		-236.00		FINADM	1000 410510	220	101000
	09/06/17	USPS-envelopes + postage		439.50		FINADM	1000 410510	220	101000
	09/06/17	USPS-envelopes + postage		145.38		FINADM	1000 410510	311	101000
	09/06/17	USPS-envelopes + postage		219.75		WATER	5210 430500	220	101000
	09/06/17	USPS-envelopes + postage		73.69		WATER	5210 430500	311	101000
	09/06/17	USPS-envelopes + postage		219.75		SEWER	5310 430600	220	101000
	09/06/17	USPS-envelopes + postage		73.93		SEWER	5310 430600	311	101000
	09/06/17	USPS S & H		22.50			1000 410510	311	101000
	09/28/17	Holiday Inn-Missoula, Parker		207.30		COURT	1000 410360	370	101000
	09/28/17	Holiday Inn-Missoula, Brandis		310.95		COURT	1000 410360	370	101000
	09/30/17	Hampton GF, Johnson, Schmier		393.48		LEGIS	1000 410100	370	101000
	09/29/17	Hampton GF, Johnson, Roos		590.22		FINADM	1000 410510	370	101000
	09/29/17	Hampton GF, Sabolsky		196.74		ADMIN	1000 410210	370	101000
	09/29/17	Hampton GF, Patterson		196.74		STREET	1000 430200	370	101000
	10/03/17	Wild West, WS supplies		74.16		LEGIS	1000 410100	220	101000
	09/27/17	ACCO brands, calendar		46.68		ADMIN	1000 410210	220	101000

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Report ID: AP100

* ... Over spent expenditure

Claim	Vendor #/Name/ Check Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
43774	2264 MORNING GLORY COFFEE & TEA 291798 10/03/17 coffee for dispatch	37.50 37.50		DISPAT	1000 420160	220	101000
43776	42 Fall River Electric 033188 10/11/17 Mad Ad Pump Station	614.16 614.16		SEWER	5310 430630	941	101000
43777	2107 Department of Labor & Industry 09/01/17 Bldg Code Education Fund	36.48 36.48		BLDG	1000 420531	870	101000
43778	2673 First Bankcard 09/12/17 Taser Int'l, refill 09/14/17 Hilltop Inn, Billings, Dispatc 09/21/17 Radisson Helena, Martin 09/21/17 Radisson Helena, Rightenour 09/21/17 Radisson Helena, DesRochers	987.61 177.25 194.46 205.30 205.30 205.30		POLICE DISPAT DISPAT DISPAT DISPAT	1000 420100 1000 420160 1000 420160 1000 420160 1000 420160	220 370 370 370 370	101000 101000 101000 101000 101000
43779	764 General Distributing Co. 576846 09/30/17 cylinder rent	47.40 47.40		STREET	1000 430200	220	101000
43780	626 Yellowstone Arctic Yamaha 31853 09/23/17 equipment repair	579.51 579.51		STREET	1000 430200	361	101000
43781	135 Food Roundup 01-384093 09/27/17 Groceries/supplies for pris	27.05 27.05		JAIL	1000 420230	220	101000
43782	471 Northwest Pipe Fittings, Inc. 1872720 09/26/17 6" water meter	11,569.88 11,569.88		WATER	5210 430550	937	101000
43783	2898 TransUnion Risk and Alternative 10/01/17 Background checks	39.80 39.80		POLICE	1000 420100	220	101000
43784	2733 James Patterson 09/29/17 meals, MLCT Conference	76.00 76.00		ROAD	1000 430200	370	101000
43785	2421 NAPA Auto Parts 220087 09/30/17 Auto parts and supplies	492.36 492.36		STREET	1000 430200	220	101000
43786	533 Market Place 446600 09/21/17 scrubber 536881 09/15/17 prisoner meals 436609 09/12/17 supplies for library 452180 09/27/17 baggies 447295 09/22/17 bags for dispatch	60.96 2.36 23.34 16.44 8.53 10.29		STREET JAIL LIBRAR WATER DISPAT	1000 430200 1000 420230 2220 460100 5210 430500 1000 420160	220 220 220 220 220	101000 101000 101000 101000 101000

10/13/17
16:10:32

TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 10/17
For Pay Date: 10/13/17

Page: 8 of 9
Report ID: AP100

* ... Over spent expenditure

Claim	Vendor #/Name/ Check Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
43787	2673 First Bankcard	362.70					
	848045 09/06/17 RT Audit mailing	73.20		R TAX	2100 410540	220	101000
	50210850 09/23/17 help fund travel ticket	79.50		SOCSRV	7010 450135	370	101000
	09/22/17 help fund travel ticket	90.00		SOCSRV	7010 450135	370	101000
	2017arbit 09/18/17 attend fees, bargining trai	100.00		ADMIN	1000 410210	380	101000
	09/08/17 Constant Comment	20.00		POVAH	1000 411255	350	101000
43788	73 Westmart Building Center	1,907.76					
	09/27/17 Street Building	73.98		STREET	1000 430200	366	101000
	09/27/17 Street Supplies	91.08		STREET	1000 430200	220	101000
	09/27/17 Sewer Supplies	6.17		SEWER	5310 430600	220	101000
	09/27/17 Water	408.98		WATER	5210 430500	220	101000
	09/27/17 Police Building	266.60		POLICE	1000 411258	366	101000
	09/27/17 Police Supplies	5.60		POLICE	1000 420100	220	101000
	09/27/17 UPDL	766.65*		UPDL	1000 411252	220	101000
	09/27/17 Town Hall	29.98		TWNHAL	1000 411250	366	101000
	09/27/17 Povah Center	38.45		POVAH	1000 411255	220	101000
	09/27/17 Parks Grounds	33.20		PARKS	1000 460430	365	101000
	09/27/17 Parks Supplies	72.99		PARKS	1000 460430	220	101000
	09/27/17 Parks Buildings	25.63		PARKS	1000 460430	366	101000
	09/27/17 Chamber Building	62.53		CHAMB	1000 411257	220	101000
	09/27/17 Sidewalks	25.92*		SDWLK	1000 430262	365	101000
	# of Claims	50	Total:				180,310.86

WEST YELLOWSTONE TOWN COUNCIL
Town Council Work Session & Meeting
October 3, 2017

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, Pierre Martineau, Cole Parker, Greg Forsythe

OTHERS PRESENT: Town Manager Daniel Sabolsky, Finance Director Lanie Gospodarek, Public Services Superintendent James Patterson, Chief of Police Scott Newell, Social Services Director Kathi Arnado, Assistant Public Services Superintendent David Arnado

Richard & Teri Gibson, Pat Barnes, Randy Wakefield, Cam & Kristy Coffin, Helene Rightenour, Monika Rogers, Shelley Johnson, Tom Cherhoniak, Tim Heideman, Drew Barney, Vickie Barta, Bruce McPherson, Melissa Alder, Bob Patzke, Denice Sabolsky, Toni Brey, Jo Stevens

The meeting is called to order by Mayor Jerry Johnson at 6:00 PM in the Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana.

Portions of the meeting are being recorded.

The Treasurer's Report with corresponding banking transactions is on file at the Town Offices for public review during regular business hours.

WORK SESSION

Mayor Johnson calls the meeting to order and explains the purpose of the work session is to discuss the bid results for the Little Rangers Learning Center/Siegel Learning. Town Manager Dan Sabolsky explains that they formed a committee of five individuals to review the proposals. They received one response to the Construction Manager At Risk (CMAR) approach from Jackson Contractor Group and two developer proposals from Westmart Building Center, Inc. and Us Modular, Inc. Sabolsky says that the committee recommends accepting the developer proposal from Westmart. He says that before they discuss it any further, he says he would like to call the Town Attorney, Jane Mersen, to explain how they could proceed using Westmart as the developer. Westmart is owned by Town Council member Greg Forsythe and may be considered a conflict of interest. Attorney Jane Mersen is reached by phone and present at the meeting by speakerphone. Mersen explains that MCA 7-5-4109, Control of Conflict of Interest, provides a mechanism for the Town Council to publicly waive the conflict after having a public hearing. She explains that Council Member Forsythe may not participate in any of the decision making discussions or vote on the matter. Johnson asks if there are any examples of similar situations in Montana. Mersen cites an attorney general opinion on a matter in the City of Bozeman, but notes that it was issued prior to the update of this section of code. She also apologizes for not noting earlier that the waiver of the findings does require a public hearing. A public hearing requires two publications in the newspaper at least six days apart. The council concludes the call with Mersen and asks Sabolsky to describe the findings of the committee and recommendation. Sabolsky says that the committee determined that the proposal from Westmart was to build a significantly larger building than the competitors for \$955,000. Westmart's proposal also was to start construction immediately and have it ready by next summer whereas the competitors did not plan to start construction until next spring. Westmart also proposed using local contractors. The group discusses the approvals that are required to finalize the plans including the Child Care Licensing Division of the MT Department of Health and Human Services as well as the Fire Department. Johnson asks if the Town Engineer, Dick Dyer, has reviewed the plans. Sabolsky says that he has not yet but they will have him review the plans for water, sewer, and site plan development as the next part of the process. Schmier clarifies that the proposal to use the CMAR process would use the plans developed by ThinkOne but the proposals for the developer option could determine their own plans. Council Member Cole Parker says that he took a call this evening from a local business owner who asked some questions about the project. He says the business owner wanted to know if the project was over budget, which he said he couldn't answer at this time. He also asks who will own the building, Sabolsky responds that it will be the Town. He asks who will hire the employees, Sabolsky responds that the business will be operated by Little Rangers Learning Center, a 501(c)(3) entity. Parker asks about items such as insurance and maintenance. Sabolsky responds that those are items that can be determined through the operation agreement. Tim Heideman asks questions about whether the law precludes

the Council from making a decision or just the council member from voting on it. Johnson says that as he understood it, they must hold the public hearing to waive the finding prior to voting on the issue. Bruce McPherson asks if the Council can make a decision this evening but not vote on the issue until the next meeting. Johnson and the Council indicate they are not comfortable with that. Steffie Siegel asks if they could approve it contingent upon the results of the public hearing. Johnson says that they must consider the information that comes forward during the publication period and at the public hearing. The Council calls Attorney Jane Mersen again to clarify some of the questions that have come up. Mersen says that the Council could vote on the project tonight contingent upon the findings of the public hearing, but it would not save any time because they would have to consider the findings of the public hearing. Tim Heideman asks if the Town could dig a hole and pour concrete at their own risk. Mersen says that they could but the Council acknowledges that may not be a good approach. The council and meeting participants consider multiple scheduling and timing issues for planning the public hearing and awarding the project. Johnson summarizes that the Council is unable to vote tonight and that they must hold a public hearing to consider waiving the conflict of interest that would be created by awarding the project bid to Westmart.

ACTION TAKEN

- 1) Motion carried to approve the claims totaling \$32,931.96. (Martineau, Schmier)
- 2) Motion carried to approve the Consent Agenda, which includes the minutes of the September 19, 2017 Town Council meeting. (Schmier, Parker) Forsythe abstains.
- 3) Motion carried to approve the Business License Application for Blue Ribbon Bungalow and purchase of five parking spaces for Block 1 Lot 4 for the purchase price of \$1200 per space to be paid over the next two years. (Forsythe, Martineau)
- 4) Motion carried to table the Siegel Learning Center project award until the next regular Town Council Meeting. (Parker, Martineau) Schmier and Martineau are opposed, motion fails. Forsythe abstains.
- 5) Motion carried to table the Siegel Learning Center project award until the special meeting that will be held after the public hearing that will be scheduled for 7 PM on Friday, October 13, 2017. (Martineau, Schmier) Johnson is opposed.
- 6) Motion carried to approve the grant to add a room to the north side of the Library. (Forsythe, Martineau)
- 7) Motion carried to exempt the resort tax on registration fees for the 2017 Greater Yellowstone Cycle Tour. (Forsythe, Parker) Martineau is opposed.

Public Comment Period

Tom Cherhoniak says that they have a very nice waterfall at Hibernation Station which requires very little maintenance, information that he just wanted to share with the Council.

Council Comments

Council Member Martineau says that last Thursday, they have four channels working from the TV District tower on Horse Butte. Mayor Johnson says that there was a lovely service and reception in memory of Roxanne McLaughlin White yesterday and she will be missed. He also reports that Lieutenant Governor Cooney for coffee tomorrow morning at 9:30 AM.

DISCUSSION

- 1) Parker asks about the claim to Blue Heron design. Johnson explains that claim is for the new pavilion in Pioneer Park, Dan Davenport's business. Schmier abstains from ?? to Jerry's Enterprises.

- 3) Assistant Superintendent of Public Services David Arnado reports that he has reviewed the parking plan for Cam and Kristy Coffin at 305 Canyon Street. He explains that there are multiple businesses on the property creating different types of use. They have eight parking spaces on the property. The recommendation from the staff is to require the owners to purchase five spaces over two years to come into compliance with the current parking code. Sabolsky explains that they have plans to make some changes to the property going forward and purchasing the five spaces will allow them to update their property. He explains that by allowing them to use the Mixed and Shared use option in the ordinance, they
- 4) Mayor Johnson explains that the Project Award for the Siegel Learning Center is on the agenda for approval. However, since the agenda was released they have learned that since the preferred bid was submitted by a member of the Town Council, they must first hold a public hearing to consider waiving the conflict of interest as required by MCA 7-5-4109. Schmier says that he would like to move forward as quickly as they possibly can. The Council extensively discusses the timeline they must follow to hold the public hearing and vote on the project award. Martineau motions to table the award until October 16, 2017. The motion fails for lack of a second. Johnson points out that according to the development agreement and resolution that was passed by the Town Council, there is \$900,000 available for the project, \$250,000 from the West Yellowstone Foundation and \$650,000 from the Town, but the bid from Westmart came in at \$955,000. Sabolsky explains that the bid from Westmart included landscaping, lighting, and pavement. The bidder requested that they consider reducing or waiving connection fees. The Council and staff discuss where the other \$55,000 should come from. Johnson says that he thinks Little Rangers Learning Center should have some “skin in the game” and that money should come from somewhere else besides the Town coffers. He says that the Town is committing to \$650,000 plus providing the land. Bruce McPherson says that he has been working on fundraising for the project for several months. They have been awarded \$10,000 from United Way but they have already submitted multiple other grant applications. He says that he has been working hard at fundraising but it is difficult to raise money for a building and he cannot promise anything yet. Teri Gibson suggests that the Town front the money but recoup it from the daycare
- 6) McPherson briefly explains that he has raised over \$120,000 in grant funds in the time he has been at the library. Most of the money has gone to programs such as language classes and a Pre-K program.
- 7) Sabolsky explains that in response to questions raised by the Council about the Greater Yellowstone Cycle Tour, they contacted the organization about remitting resort tax on entrance fees for the event. They have had extensive dialogue with the organizers of the event and admit that the staff could have handled communication better. Forsythe says that although it is unfortunate that it turned out this way, he doesn't think they can go back after the event and collect the tax. The council agrees and discusses multiple ideas of how they can move forward and avoid such problems in the future.
- A) **Town Manager/Department Head Reports:** Town Manager Dan Sabolsky reports that he and the union stewards attended a session last week on Interest Based Bargaining, an approach they have agreed to use through the negotiations process. He reports that Land Solutions will be here for the work session on October 17, 2017 to discuss and describe the new Growth Policy. He reports that he and Dick Dyer met with Mitch Siemen and his engineer about the housing project on Electric Street to work out details and possible deviations from the Town Code. They are working on the development agreement. He says that they are also working on the building permit and zoning permit process and hope to have that ready by spring. He says that Clint Humphries of Ride Solutions contacted him about the lease to use the 80 acres property again this year. He says that he is working on his lease with the US Forest Service but they need to remove some trees and would like to use the Town Property again this winter. He also reports that they

conducted nine interviews for dispatcher and did make a selection so they are working through the pre-employment screening process.

Public Services Superintendent James Patterson says they are still planning to drill the new water well this year, as soon as the permit is obtained, regardless of the weather. He says the water samples came back last Friday and all was good, they do not have to treat with chlorine any longer. He says he is getting a lot of questions about lifting the building moratorium but he just says that best case scenario is next August. He says Saurey poured some concrete intersections last week and they look great. He apologizes for the unexpected cost of the pavilion, but points out that the existing concrete was just not going to work and needed to be replaced. Finance Director Lanie Gospodarek reports that they are conducting Resort Tax Audits this week. She says that they all attended the Montana League of Cities & Towns conference last week and the annual budget report has been submitted. Social Services Director Kathi Arnado reports that they are starting on energy assistance applications for winter. They are also starting up the kid pack program to provide meals for kids on the weekends in under privileged families. She says that the State is cutting budgets 10% and they are anticipating trickle down to their office. Chief of Police Scott Newell reports that they had an exciting September that included using a taser on two suspects, a reported abduction, a car chase, and stolen vehicles.

CORRESPONDENCE

Mayor Johnson mentions letters/emails in support of the Little Rangers Learning Center/Siegel Learning Center from Buck Taylor-Community Health Partners, West Yellowstone School Superintendent Kevin Flanagan, West Yellowstone School Science Teacher Mary Wilson, WYED and Yellowstone Study Center, Kati Holtzman, Ethan Siegel, and Jeanine Shearing.

The meeting is adjourned. (9:15 PM)

Mayor

ATTEST:

Town Clerk

RESOLUTION NO. 706

**A RESOLUTION OF INTENTION
OF THE TOWN COUNCIL OF THE TOWN OF WEST YELLOWSTONE, MONTANA
TO ADOPT THE TOWN OF WEST YELLOWSTONE GROWTH POLICY UPDATE**

WHEREAS, in 2006, the West Yellowstone Town Council adopted the Town of West Yellowstone Growth Policy as guidance for the general policy and pattern of development of the Town of West Yellowstone pursuant to Montana Code Annotated Title 76, Chapter 1, Part 601 *et seq*; and

WHEREAS, the Town of West Yellowstone Planning Advisory Board, staff and consultants have worked to update the Town’s Growth Policy to address current and projected challenges for the betterment of the Town’s future; and

WHEREAS, on May 24, 2017 the Town of West Yellowstone Planning Advisory Board held a properly noticed public hearing on the proposed Town of West Yellowstone Growth Policy Update; and

WHEREAS, after considering the recommendations and suggestions elicited at the public hearing and subsequent open meetings, the Town of West Yellowstone Planning Advisory Board recommended the Town Council of West Yellowstone, Montana to adopt the West Yellowstone Growth Policy Update and to pursue the goals, objectives, and actions therein; and

NOW THEREFORE, BE IT RESOLVED by the Town of West Yellowstone Town Council, after considering the recommendations of the Town of West Yellowstone Planning Advisory Board and public testimony, to adopt a Resolution of Intention to adopt the West Yellowstone Growth Policy Update, and to pursue the goals, objectives, and actions therein.

PASSED AND ADOPTED by the Town Council of the Town of West Yellowstone
this ____ day of _____, 2017.

Mayor

Council Member

Council Member

Council Member

Council Member

ATTEST:

Town Clerk

**Town of West Yellowstone-
Lease of Public Property**

THIS LEASE made this 13th day of October 2017, by and between the **TOWN OF WEST YELLOWSTONE**, a Municipal Corporation duly chartered under the laws of the State of Montana, hereinafter referred to a “Lessor”, and **RIDE SOLUTIONS, INC.**, a Texas Corporation of P. O. Box 464 Sudan, TX 79371, hereinafter referred to as “Lessee”;

RECITALS:

Lessor desires to lease to the Lessee and Lessee desires to lease from the Lessor that certain real property described under the terms and conditions hereinafter set forth as follows, to wit:

1. **REAL ESTATE DESCRIPTION:**

The property to be leased by the Lessee from the Lessor is more specifically described as within the following boundaries and as shown on the attached **Exhibit A** and commonly referred to as the Old Airport, the (“Demised Premises”):

2. **TERMS OF LEASE:**

The term of this Lease shall be one year from the date of signature. At that time, this Lease may not be renewed until and unless the Lessor and Lessee negotiate acceptable terms and conditions of a new lease, including but not limited rent, use and maintenance of the Demised Premises.

3. **RENT:**

The Lessee shall pay **FOUR HUNDRED FIFTY-FIVE AND 40/100 DOLLARS**, (\$455.40) as rent, plus reasonable legal fees incurred by the Town for drafting of said lease, payable in full on or before November 1, 2017.

4. **USE:**

The Lessee shall use the Demised Premises subject to this Lease for an area on which to test automobile tires on packed snow surfaces. Testing is authorized between November 15, 2017 and April 15, 2018. Any changes to the use of the Demised Premises must be approved by the Lessor in writing prior to the change. Lessee shall make its request for a change of use to the Lessor in writing at least 60 days prior to any proposed change.

5. **COMPLIANCE WITH PUBLIC AUTHORITIES:**

Lessee, at the Lessee’s cost, shall promptly comply with all requirements of all municipal, state and federal laws now in force or which may hereafter be enforced pertaining to the Lessee’s use of the Demised Premises.

6. **INDEMNITY:**

Lessee assumes all risk of injury or damages to persons or property in and about the Demised Premises and shall hold Lessor harmless therefrom, and indemnify Lessor against any claim for damage or injury to persons or property resulting from the use of the Demised Premises by the Lessee or the operation of the Lessee's testing operations on the Demised Premises. This indemnification shall not be construed to protect the Lessor against the consequences of negligent or intentional acts by the Lessor or any agent of the Lessor.

7. **INSURANCE:**

(1) **Liability Insurance**

Lessee shall hold Lessor free and harmless for all claims, damages, suits, demands or causes of action resulting from injuries to persons or property and arising therefrom or out of the use, occupancy, or condition of the Demised Premises and leasehold improvements, and shall carry, maintain and deposit proof with the Lessor of public liability insurance in such form and with such companies as shall be reasonably satisfactory to Lessor, naming or insuring the Lessor, as Lessor's interest may appear, against liability for personal or property damages caused or occurring on the Demised Premises or by Lessee, its agents, servants, employees or business invitees. Lessee shall furnish Lessor with certificates evidencing all of the foregoing insurance. The Lessee shall continue to maintain such public liability insurance while tenant remains in possession of the leased property in limits no less than \$2,000,000 per accident and \$1,000,000 per person.

(2) **Fire and Extended Coverage Insurance**

Lessee shall maintain fire and extended coverage insurance upon the Demised Premises and leasehold improvements and Lessee shall maintain insurance upon any contents, property or leasehold improvements owned or claimed by it.

8. **LESSEE'S CONSTRUCTION:**

Lessee may engage in any construction, alteration, or additions to the Demised Premises and make any agreement or contract therefore, but only after obtaining Lessor's written approval. Consent for Lessee's construction shall not be unreasonably withheld by the Lessor. Any improvements to the Demised Premises shall become the property of the Lessor at the end of this Lease.

9. **REPAIR AND MAINTENANCE:**

Lessee shall during the term of this Lease, at the Lessee's expense, keep the Demised Premises in good repair, including any structures, exteriors, plumbing, wiring, fixtures, landscaping and ground maintenance.

10. **RIGHT OF WAY ACCESS AND COVERAGE REQUIREMENT:**

Any leasehold improvements located on the Demised Premises by the Lessee must leave access on right of way sufficient to allow maintenance of utilities located on and adjacent to the

Demised Premises. Access to and through the Demised Premises shall be maintained and allowed for representatives of the Town and the National Forest Service.

11. **UTILITIES:**

Lessee shall during the term of this Lease, at the Lessee's expense, cover the cost of all utility services to the Demised Premises and leasehold improvements, if any are located on the Demised Premises.

12. **SIGNS ON PREMISES:**

Lessee shall have the right to erect, affix or display on the exterior of the leasehold improvement a single sign designating the name of the Lessee.

Nothing in the foregoing paragraph shall exclude reasonable direction and information signs, including trail maps and trail user information. Such direction and information signs may not include sponsorship or other information that could be construed as advertising for or advocacy of a particular business or product.

All signs, notices, plaques, and similar items are subject to the approval of Lessor and Lessee agrees that any unapproved signs shall be immediately removed.

13. **ASSESSMENTS AND TAXES:**

Lessee shall pay all taxes and assessments levied against the personal property belonging to it located on the Demised Premises.

14. **RIGHTS ON DEFAULT:**

Lessee shall be in default under this Lease if any one or more of the following events shall occur:

- (1) If Lessee shall default in the payment of rent or the payment of any other money required to be paid by the Lessee, when the same shall become due, and such default shall continue for a period of thirty (30) days following written notice, given by Lessor to Lessee after the due date of such payment and specifying such default; or
- (2) If Lessee shall default in the performance of any other duty of Lessee under this Lease or if the Lessee shall commit waste or allow a nuisance to exist on the Demised Premises, and default shall continue for a period of fifteen (15) days following written notice given after such default, unless within said fifteen (15) days Lessee shall cure such default, and shall thereafter continue to use reasonable diligence in curing the same; or
- (3) Under the following circumstances:
 - a. if the Lessee vacates or abandons the Demised Premises for more than thirty (30) days; or
 - b. if the Lessee shall be adjudicated a bankrupt; or
 - c. if a petition by or against Lessee for reorganization or adjustment or arrangement under any bankruptcy statute shall be approved, or
 - d. if a receiver or keeper of the Demised Premises or any leasehold improvements thereon or income therefrom be appointed in any

- proceeding by or against Lessee, and not be discharged within thirty (30) days, or
- e. if the Lessee makes a general assignment of Demised Premises for the benefits of its creditors;

A default on the part of the Lessee shall be deemed to exist under this Lease and this Lease may be terminated at the option of the Lessor in which event the Lessee shall immediately vacate the Demised Premises and Lessor shall also have all remedies to which Lessor is entitled under applicable Montana Law.

15. **WAIVER:**

No waiver of any breach of any term, covenant or condition of this Lease shall be construed to be a waiver of any preceding or succeeding breach of the same or any other term, covenant or condition. All covenants on the part of the Lessor and Lessee are hereby made conditions.

16. **SERVICE OF NOTICE:**

Any notice required to be given by one party to the other shall be in writing and may be served in person or served by certified mail, postage prepaid, through the United States Postal Service and addressed to the respective parties at the following addresses on mailing:

LESSEE:	LESSOR:
Ride Solutions, Inc. P.O. Box 464 Sudan, Texas 79371	Town of West Yellowstone Attn: Town Manager Box 1570 West Yellowstone MT 59758

17. **LESSOR-LESSEE RELATIONSHIP:**

The relationship between the parties hereto is that of Lessor and Lessee and nothing herein contained shall be construed or interpreted so as to make their relationship otherwise, or give the Lessee any ownership rights to the Demised Premises.

18. **CONDITION OF PROPERTY:**

The Lessee agrees to accept the Demised Premises in an “AS IS” condition.

19. **DESTRUCTION OF LEASEHOLD IMPROVEMENTS:**

If the leasehold improvements shall be damaged by fire, explosion, windstorm or any other casualty, then the Lessee may use the insurance proceeds to repair such damage and put the leasehold improvements in good and tenantable condition as rapidly as reasonably possible. Notwithstanding any other provisions of this paragraph to the contrary, if more than fifty percent (50%) of the insured value of Demised Premises and leasehold improvements is destroyed, the Lessee may elect to terminate the lease. Termination of the Lease requires written notice to the Lessor within ninety (90) days after such damage occurs. If the Lease is terminated, it shall be the responsibility of the Lessee to complete any necessary repairs, reconstruction, clean up or

removal of debris or any associated expenses in the event of the destruction of the improvements to the Demised Premises. If Lessee fails to complete such repairs, the Lessor shall complete the necessary repairs, reconstruction, etc., and shall be entitled to recover from the Lessee all costs.

20. **TERMINATION AND CANCELLATION OF LEASE:**

The Lessor may cancel the lease in the event that:

- A. The Town Council determines that public necessity or public interest requires the termination of the lease; or
- B. A court of law determines that the lease is null and void.

21. **OWNERSHIP OF LEASEHOLD IMPROVEMENTS IN EVENT OF DEFAULT, CANCELLATION OR LEASE TERMINATION:**

In the event of default, cancellation, termination or expiration of lease, ownership of all leasehold improvements shall revert to the Lessor.

22. **SUCCESSORS AND ASSIGNS:**

This Lease shall be binding upon and inure to the benefit of the respective parties, their successors and assigns. No assignment or sublet or transfer of this lease may be made without the prior written consent of Lessor, such consent shall not be unreasonably withheld. Consent by Lessor to one or more assignments or subletting shall not operate as a waiver of Lessor's rights as to any subsequent assignments and subletting. In the event Lessee shall sublet any portion of the Demised Premises, the Lessee shall at all times remain fully responsible and liable for the payment of the rent and for compliance with all of its other obligations under this Lease.

In the event of the transfer and assignment by Lessor of its interest in this Lease and in the Demised Premises to a person expressly assuming Lessor's obligations under this Lease, Lessor shall thereby be released from any future obligations or duties hereunder, and Lessee agrees to look solely to such successor in interest of the Lessor for performance of such future obligations and duties.

Lessee shall not mortgage, pledge or otherwise encumber its interest in this Lease or in the Demised Premises.

23. **ALL AGREEMENTS CONTAINED HEREIN:**

This Lease contains all of the agreements of the parties relating to the subject matter and it supersedes and cancels all prior written and oral agreements between them with reference to the Demised Premises referenced in paragraph 1 above.

24. **ATTORNEY'S FEES:**

In the event any suit is brought by either party against the other under this Lease, the successful party shall be entitled to reasonable attorney's fee and all costs, including but not limited to expert witness fees, regardless if the same were used at trial.

25. **SEVERABILITY:**

The laws of the State of Montana shall govern the interpretation, validity, performance, and enforcement of this Lease. If any provision of this Lease should be held invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the day and year first written.

LESSOR:

TOWN OF WEST YELLOWSTONE

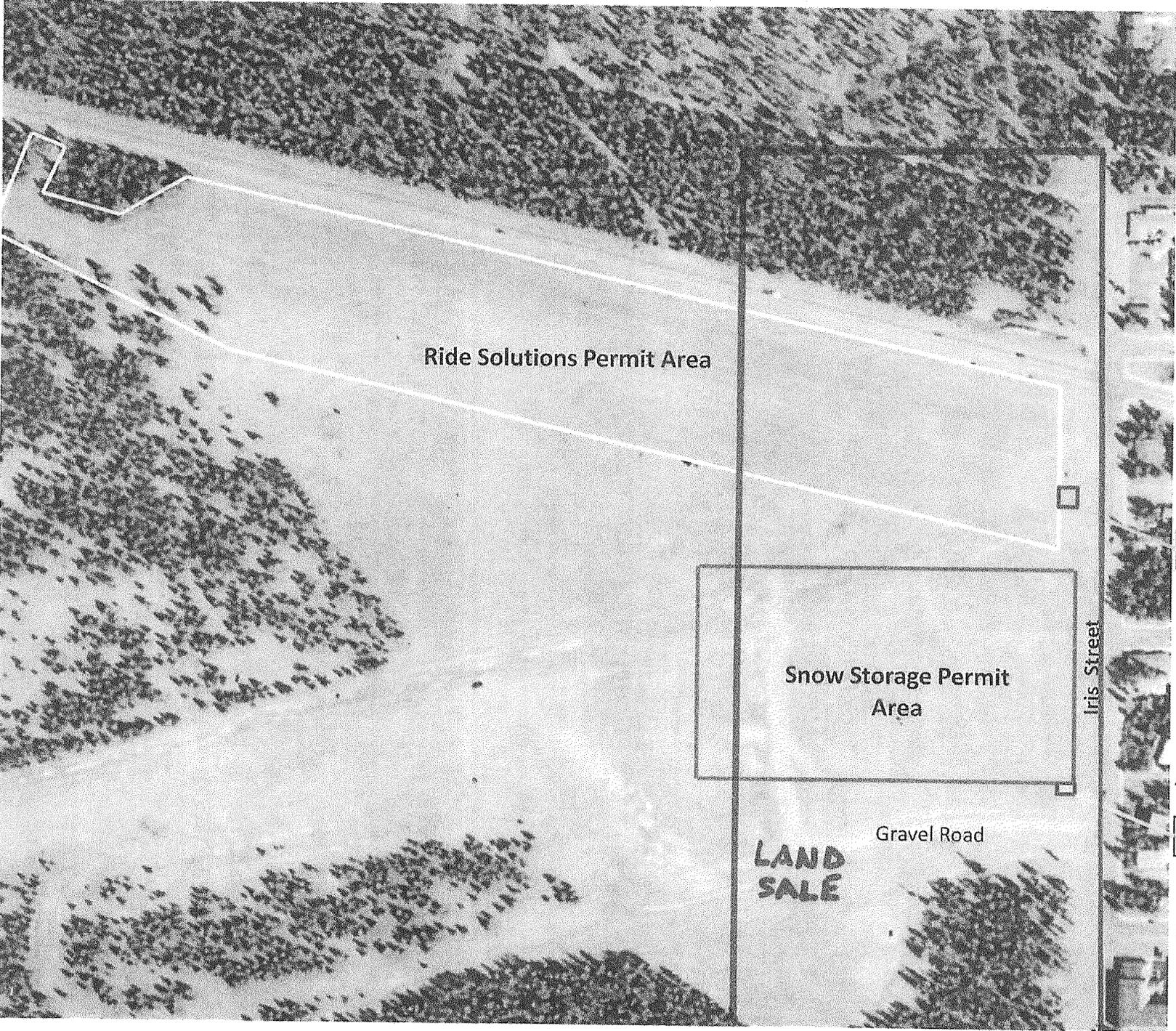
By: _____
Daniel Sabolsky
Its Town Manager

LESSEE:

RIDE SOLUTIONS, INC.,

By: _____
Clint Humphreys
Its: _____

APPENDIX A – LOCATION MAP - Ride Solutions



Map for permit reference
not to scale

Reference

HWY 20

Alley

Lift Station

Firehole Ave.

Alley

Electric Box

Madison Ave.

AGREEMENT FOR IMPROVEMENTS ON REAL PROPERTY

THIS AGREEMENT is made and entered into as of the ____ day of _____, 2017, by and between the Town of West Yellowstone, a Montana municipal corporation, hereinafter referred to as "**Owner**," and _____, of _____, Montana, _____, hereinafter referred to as "**Developer**."

RECITALS:

WHEREAS, Owner is the owner in fee of certain real property commonly known as _____, Yellowstone Avenue, West Yellowstone, Montana, and more particularly described as;

[INSERT LEGAL DESCRIPTION OF PROPERTY]

hereinafter referred to as the "**Property**";

WHEREAS, Developer has agreed to build improvements on the Property pursuant to the terms of its Bid dated September 21, 2017, hereinafter referred to as the "**Bid**"; and

WHEREAS, the Owner desires to have Developer build a "Learning Center" (the "Project") on the Property at the sole responsibility and expense of Developer, according to all governmental requirements for daycare centers and to sell the Project to the Town upon completion of construction; and

WHEREAS, Developer desires to build, at its own expense, the Project on the Property and to sell the Project to the Town upon substantial completion for an agreed upon price as set out in the Bid and pursuant to the terms and conditions set out below; and

NOW, THEREFORE, for good and valuable consideration, the respective covenants and commitments of Owner and Developer set forth herein, the receipt and adequacy of which are hereby acknowledged, Owner and Developer agree as follows:

I. PURCHASE AND SALE OF IMPROVEMENTS

- A. The Developer hereby agrees to sell to Owner and Owner hereby agrees to purchase from Developer, pursuant to the terms of this Agreement, the Improvements described above as the Project, and all other personal property located on the Property as of the Completion Date.
- B. The Completion date shall be not more than nine (9) months from the first

OWNER

DEVELOPER

day of work on the Project.

- C. Owner agrees to cooperate with Developer in supplying any necessary drawings, elevations, or other documentation in its possession related to the Project.

II. DATE OF PURCHASE

- A. The Parties agree that the purchase, pursuant to Section I of this Agreement, shall take place within five (5) days of the Completion Date (the “**Closing Date**”).

- B. Owner has sole discretion to determine whether Developer has performed all obligations pursuant to the Bid. Should Developer fail to perform all of Developer’s obligations pursuant to the Bid by the Closing Date, the purchase, pursuant to Section I, shall not take place until Developer has completed Developer’s obligations pursuant to the Bid, and Owner shall be entitled to liquidated damages. **THE PARTIES AGREE THAT IT WOULD BE IMPRACTICAL AND DIFFICULT TO PROVE THE ACTUAL DAMAGES OWNER WILL SUFFER IN THE EVENT DEVELOPER FAILS TO PERFORM ANY OF DEVELOPER’S OBLIGATIONS PURSUANT THE BID BY THE CLOSING DATE. AS A RESULT, THE PARTIES FURTHER AGREE THAT AN AMOUNT OF \$500.00 FOR EACH DAY AFTER THE CLOSING DATE SHALL BE THE “LIQUIDATED DAMAGES” DUE AND OWING TO OWNER IN THE EVENT DEVELOPER IS UNABLE TO PERFORM ANY OF DEVELOPER’S OBLIGATIONS PURSUANT THE BID BY THE CLOSING DATE. THE PARTIES HAVE, WITH THE OPPORTUNITY TO CONSULT COUNSEL, NEGOTIATED THIS AMOUNT AND BOTH HEREBY REPRESENT, ON TO THE OTHER, THAT SUCH LIQUIDATED DAMAGES AND THE MANNER OF CALCULATING THE SAME IS REASONABLE AND NOT UNCONSCIONABLE.**

III. PURCHASE PRICE

- A. Amount. The total purchase price ("Purchase Price") for the Project shall be the sum of \$_____.

- B. Manner of Payment. The Purchase Price shall be paid by Owner to

Developer as follows:

1. On the Closing Date, or if Developer fails to complete performance pursuant to the Bid by the Closing Date, on the date Developer completes performance pursuant to the Bid, Owner shall pay the sum of \$_____ certified check, cash, or wire transfer to Developer.

IV. REPRESENTATIONS AND WARRANTIES OF DEVELOPER

As a material inducement to Owner to enter into this Agreement and with the understanding that Owner will be relying thereon in consummating the transactions contemplated hereunder, Developer represents and warrants to Owner that at the time of entering this Agreement and at the Closing Date that:

- A. No Liens or Encumbrances. Developer will transfer and convey to Owner the Project free and clear of all mortgages, liens, claims, charges, encumbrances, leases, security interests, pledges, and title retention agreements of any kind or nature, except those that have been approved by Owner pursuant to this Agreement.
- B. No Defaults. Developer is not in default or breach under any leases, contracts, and/or agreements affecting the Project or the Property, including the Bid, nor has Developer received any notices of alleged defaults or allegations of defaults which remain uncured, and no other party to such instruments is in default or breach thereunder. True and correct copies of all documents, including but not limited to the original documents, as-builts, and any and all amendments or modifications thereto have been delivered or made available to Owner.
- C. No Breaches, Violations. Developer is not in violation of, in the execution, delivery and performance of this Agreement or the other agreements contemplated by this Agreement, including but not limited to the Bid, and the consummation of the transactions contemplated hereby do not and will not result in any breach or acceleration of any other terms or conditions of any mortgage, bond, indenture, contract, agreement, license, or other instrument or obligation to which Developer is a party or by which the Project or Property is bound. The execution, delivery and performance of this Agreement or other agreements contemplated by this Agreement, including but not limited to the Bid, will not result in the violation of any statute, regulation, judgment, writ, injunction, or decree of

any court, threatened or entered in a proceeding or action to which Developer is, was or may be bound or to which the Project or Property is subject.

- D. Lawsuits and Proceedings. Developer is not engaged in any legal action or other proceedings before any court or administrative agency which would or might prohibit the transactions contemplated hereby or which would or might adversely affect the Project or the Property. Developer has not received notice that it is a party to any action or proceeding nor has it been threatened with any such action or proceeding nor does there exist any basis therefore which will or could have an adverse effect on the condition, financial or otherwise, of the Project or the Property. No order, writ, injunction, or decree has been issued by or requested of any court or governmental agency which does or may result in an adverse change in the Project or the Property.
- E. Compliance with the Law. Developer is not, with respect to the Project or the Property, currently being charged with any violation of any applicable foreign, federal, state or municipal laws, regulations or ordinances, including, without limitation, the Federal Occupational Safety and Health Act of 1970, the Americans with Disabilities Act, or the regulations promulgated thereunder, or any other applicable foreign, federal, state or municipal statute law, regulation or ordinance relating to occupational health and safety, nor is Developer relying on any exemption from or deferral of any such applicable statute law, regulation, or ordinance that would not be available to Owner or its assignee after it acquires the Project from Developer.
- F. Land Use and Environmental Matters.
1. Developer has not received notice from any governmental authority, a violation of any ordinance, statute, rule, order, regulation, or requirement with respect to the Project or the Property.
 2. The location, placement, and construction of the Project on the Property will be completed in accordance and in full compliance with all applicable federal, state, and municipal rules, laws, regulations, and ordinances in effect at the time of the construction of those improvements, and in accordance with the terms of the Bid.

- G. Representations and Warranties. Except as modified by any changes which occur and/or are discovered by Developer and are disclosed to Owner prior to closing, the representations and warranties contained in this Section IV shall be true, on and as of the closing date, with the same force and effect as though such representations and warranties have been made on and as of the closing date. Such representations and warranties have been made by Developer with the knowledge and expectation that Owner or its assignees is relying thereon and such representations and warranties shall survive the closing and shall remain fully operative in full force and effect following the closing date, regardless of any investigation at any time made by or on behalf of Owner and will not be deemed merged into any document or instruction executed or delivered by Developer on the closing date.
- H. Contingencies. Developer acknowledges that this Agreement is contingent upon Owners inspection and acceptance of the representations and warranties made by Developer in this Section IV.

V. REPRESENTATIONS AND WARRANTIES OF OWNER

As a material inducement to Developer to enter into this Agreement and with the understanding that Developer will be relying thereon in consummating the transactions contemplated hereunder, Owner represents and warrants to Developer that:

- A. Enforceability. This Agreement constitutes and such other agreements or instruments will constitute the legal, valid, and binding obligations of Owner which are or will be enforceable against Owner in accordance with their respective terms.

VI. COVENANTS OF DEVELOPER

- A. Negative Covenants. From the date hereof through the closing date, Developer will not change or alter the physical character of the Property, with the exception of performing the requirements pursuant to the Bid, so as to materially and adversely change and affect the value of any portion of the Property.

- B. Inspection of Project. Developer agrees to permit Owner, for a period of twenty (20) days preceding the Closing Date, or if Developer fails to perform any and all of Developer's obligations pursuant to the Bid by the Closing Date, for the period between the Closing Date and Developer's completion of performance pursuant to the Bid, to schedule any inspections of the Project and the Property that are desired. If the Project or the Property fails to pass any such inspection or such inspection uncovers a condition of the Project or the Property that is unacceptable to Owner, Owner shall give Developer written notice of the unacceptable condition(s) on or before _____. In the event Owner fails to give Developer written notice of any unacceptable condition(s) on or before _____ said contingency is released. Developer shall have ten (10) days after notification from Owner to cure the same.
- C. Risk of Loss. Risk of loss to remain with Developer until closing.

VII. CLOSING

- A. General Procedure. At the closing, each party shall deliver to the other party such documents, instruments and materials as may be reasonably required in order to effectuate the intent and provisions of this Agreement, and all such documents, instruments and materials shall be satisfactory in form and substance to counsel for the other party.
- B. Time and Place. The closing shall take place at 10:00 o'clock, a.m. on or before the [INSERT CLOSING DATE], [INSERT LOCATION], or at such time and place as may be mutually agreeable to Owner and Developer.
- C. Closing Fees and Prorations.
1. Any taxes and assessments shall be prorated as of the Closing Date.
 2. Owner shall be responsible for the legal fees regarding the legal documents prepared in connection with this transaction.
 3. Any additional closing fees shall be split equally between Owner and Developer.

D. Conditions to Obligations of Owner. The obligation of Owner to complete the purchase of the Property on the Closing Date is subject to the satisfaction, approval, or waiver by Owner of the following conditions:

1. Accuracy of Representations and Warranties. Except as modified prior to the Closing Date, as permitted by this Agreement, all representations and warranties made by Developer in this Agreement shall be correct in all material respects on and as of the Closing Date with the same force and effect as though such representations and warranties had been made as of the Closing Date.
2. Compliance with Covenants. All covenants which Developer is required to perform or comply with on or before the Closing Date shall have been fully complied with or performed in all material respects.
3. No Action or Proceeding. No action, suit, proceeding or investigation before any court or governmental body or authority, which presents a risk of restraining or prohibiting the transactions contemplated by this Agreement or of having an adverse impact on the Property or the Project, shall have been instituted or threatened against Developer or Owner on or before the Closing Date.
4. Loss or Damage. No loss, casualty or other occurrence shall have taken place, whether or not covered by insurance, which has or could have an adverse impact on the Property or the Improvements, unless such loss or damage is fully repaired or restored or, if not fully repaired or restored, is covered by insurance in an amount satisfactory to Owner and the proceeds of such insurance are assigned or delivered to Owner at closing.
5. Owner's review and approval of the environmental quality and any other inspections of the Property and the Project.
6. Owner's review and approval of closing documents. In the event that the closing documents are commensurate with the terms of the Agreement, Owner agrees to proceed with the closing of this transaction.
7. Owner's review and approval of the structural, mechanical,

electrical and other physical characteristics of the Property and the Project.

E. Conditions to Obligations of Developer.

1. Compliance with Covenants. All covenants which Owner is required to perform or comply with on or before the Closing Date shall have been fully complied with or performed in all material respects unless waived and/or modified by Developer.

F. Additional Documentation. Both Owner and Developer shall, from time to time, subsequent to the Closing Date, at either party's request and without further consideration, execute and deliver to either party such other instrument of conveyance, assignment or transfer and take such other action as either party may reasonably require in order to effectively convey transfer and vest and put Owner in possession of the Project.

VII. TERMINATION

- A. Termination Because of Failure to Satisfy Closing Conditions. If Owner is not obligated to proceed with the closing of the transactions contemplated by this Agreement because of the failure of Owner's closing conditions to be satisfied pursuant to the terms of this Agreement, Owner may terminate this Agreement by delivery of written notice of termination to the other party and, if the failure of the closing condition is due to the default of the other party under this Agreement, in addition to such right to terminate, Owner may seek any other remedy against the Developer that it may have at law or in equity.
- B. Owner's Remedies. If the Developer accepts the offer contained in this Agreement, but refuses or neglects to consummate the transaction within the period provided in this Agreement, the Owner may, at its discretion:
 1. Demand monetary damages from Developer for Developer's failure to perform the terms of this Agreement; OR
 2. Demand that Developer specifically perform its obligations under this Agreement.
- C. Developer's Remedies. If the Developer accepts the offer contained in

this Agreement and Owner refuses or neglects to consummate the transaction within the time period provided in this Agreement, the Developer shall have no remedies against Owner.

VIII. MISCELLANEOUS

- A. Binding Effect. This Agreement shall be binding upon and inure to the benefit of and be enforceable against the parties hereto and their respective successors.
- B. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Montana.
- C. Notices. Any notice to be given under this Agreement shall be in writing and sent by:
 - 1. certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail;
 - 2. a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier; or
 - 3. facsimile or similar means if a copy of the notice is also sent by United States Certified Mail, in which case notice shall be deemed delivered on transmittal by facsimile or other similar means, provided that a transmission report is generated reflecting the accurate transmission of the notices, as follows:

If to Owner: Town of West Yellowstone
 P.O. Box 1570
 West Yellowstone, Montana 59758
 Attn: Dan Sabolsky

With copy to: Jane Mersen
 KASTING, KAUFFMAN & MERSEN P.C.
 716 South 20th Avenue, Suite 101
 Bozeman, Montana 59718
 (406) 586-4383
 jmersen@kkmlaw.net

If to Developer: [INSERT CONTACT]

With copy to: [INSERT CONTACT]

or to such other address as the parties may respectively designate by written notice to the other.

- D. Attorney Fees, Litigation Costs. Should either party incur any costs or expenses, including reasonable attorney fees, in enforcing any of the provisions of this Agreement, then the other or unsuccessful party shall reimburse the prevailing party on demand.
- E. Time of the Essence. Time is of the essence in this Agreement and every provision contained in this Agreement.
- F. Construction. The title and headings of the articles, sections and paragraphs in this Agreement are intended solely for reference and do not modify, explain, or construe any provision of this Agreement. All references to articles, sections, paragraphs, recitals and the preamble shall, unless otherwise stated, refer to the articles, sections paragraphs, recitals, and preamble of this Agreement. In construing this Agreement, the singular form shall include the plural and vice versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared the Agreement with the advice of their separate legal counsel.
- G. Integration. All attached exhibits are incorporated in this Agreement by reference. This Agreement, all attached exhibits, and all related documents referred to in this Agreement, including the Bid, constitute the entire agreement between the parties and neither party shall be liable or bound to the other party hereto in any manner by any warranties and representations except as specifically set forth herein. There are no oral or parol agreements which are not expressly set forth in this Agreement and the related documents being executed in connection with this Agreement. This Agreement may not be modified, amended, or otherwise changed except by a writing executed by Owner and Developer.
- H. Third-Party Rights. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties and their respective successors and assigns, any rights or remedies.

- I. Severability. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall not be affected.
- J. Waiver. No waiver or breach of any provision shall be deemed a waiver of any other provision, and no waiver shall be valid unless it is in writing and executed by the waiving party. No extension of time for performance of any obligation or act shall be deemed an extension of time for any other obligation or act.
- K. Survival. Developer's representations and warranties in Section IV and Developer's covenants in Section VI shall survive the transfer of the Improvements under this Agreement.
- L. Signatures. Owner and Developer agree that fax signatures by any party will be treated as an original signature for the purposes of this transaction. All evidences of execution by facsimile shall be followed by submission of hard copy evidence of execution by next available overnight delivery mailing.

IN WITNESS WHEREOF, Developer and Owner have executed this Agreement by their Respective duly authorized representatives as of the date set forth in the first paragraph.

DEVELOPER:

[INSERT NAME]

OWNER:

Town of West Yellowstone
By: Daniel Sabolsky
Its: Manager

From: [Kevin Davis](#)
To: eroos@townofwestyellowstone.com
Subject: Vacation Rentals in Madison Addition. plz acknowledge receipt
Date: Friday, October 13, 2017 11:57:19 AM

Dear Mayor Johnson and Council and Mr. Sabloski:

I am writing to express my concern regarding the on-going issue of vacation rentals in the Madison Addition.

As you are no doubt aware there have been recent incidents of owners in the Madison Addition renting their homes out as vacation rentals.

This is disturbing to me because it was never the intent of the Madison Addition to be used for commercial purposes.

When the subdivision was created and annexed in 1984 it was with the intent that the subdivision be for residential use only, with the exception of the school and later churches. When the subdivision's covenants were approved by the developer and the town it was clear that the subdivision would be for residential purposes. When the subdivision was zoned it was for residential use.

Everyone who has purchased property in the Madison Addition does so knowing that they are buying and building on land zoned for residential. If a home is resold, at some point, the new owner is informed that the property they are buying can only be put to residential purposes. So basically there is no reason people who own a home in the Madison Addition should not be aware of these restrictions.

Now we find that people are renting their homes as vacation rentals a clear violation of the West Yellowstone Code.

It would seem that the current penalty for doing so is not a deterrent because the home owner can rent the home and even if they pay the fine it is not enough to cut into their earnings. Therefore I believe that it would be prudent for the council to consider upping the penalty for this infraction significantly. You may ask, what would be significant? Enough to be a deterrent. If asked I would say that the penalty should be equal to a weeks rent as a vacation rental. Because, if it is anything less, owners will continue to break the law because the fine, if caught, is not enough to deter them from reoffending.

If people who purchased homes in the Madison Addition do not wish to live in them more than a few weeks a year, or they can't afford them, they should put them back on the market so people who want to purchase a home can do so.

This is such a flagrant violation of town ordinances it must not be allowed to continue.

Sincerely,

Ken Davis
Madison Addition Resident.

Sent from my iPad=