

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

RESOLUTION NO. 20444

A RESOLUTION FINDING THAT A BLIGHTED AREA EXISTS WITHIN THE CITY OF HELENA, MONTANA, AND THAT REHABILITATION AND REDEVELOPMENT, OR A COMBINATION THEREOF, OF SUCH AREA IS NECESSARY IN THE INTERESTS OF PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE OF THE RESIDENTS OF HELENA

WHEREAS, the State of Montana has provided for the rehabilitation and redevelopment of those portions of its municipalities that are blighted and constitute a menace to public health and safety, an economic and social liability, impair the sound growth of municipalities, and aggravate traffic problems;

WHEREAS, Montana Code Annotated (MCA), in Title 7, Chapter 15, Parts 42 and 43, authorizes municipalities to exercise statutory urban renewal powers for redevelopment and rehabilitation after the municipality has made a finding that a blighted area exists;

WHEREAS, on November 16, 2017, the City of Helena directed WGM Group, Inc., to identify and document blight factors within the "Downtown Urban Renewal Area," encompassing an area generally described as the area bounded on the north by Lyndale Avenue on the south by Cruse Avenue on the west by Benton Avenue and on the east by Jackson Street as shown on the attached Exhibit "A"; and

WHEREAS, WGM Group conducted a study and prepared a Statement of Blight as shown on attached Exhibit "B" hereto which documents the existence of blight in the "Railroad Urban Renewal Area" and,

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20444

in its opinion, has found blight (as defined by § 7-15-4206(2), MCA) exists in the area, and in particular found:

- substantial physical dilapidation, deterioration, age obsolescence, or defective construction, material, and arrangement of buildings or improvements, both residential and nonresidential;
- inadequate provision of ventilation, light proper sanitary facilities or open spaces as determined by competent appraisers on the base of an examination of the building standards of the municipality;
- defective or inadequate street layout;
- faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- unsanitary or unsafe conditions;
- deterioration of site;
- diversity of ownership;
- improper subdivisions or obsolete platting; and
- the existence of conditions that endanger life or property.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20444

OF HELENA, MONTANA, AS FOLLOWS:

Section 1. The Downtown Urban Renewal Area within the City of Helena is a blighted area, and its rehabilitation and/or redevelopment is necessary in the interests of the public health, safety, morals, or welfare of the residents of the City of Helena, Montana.

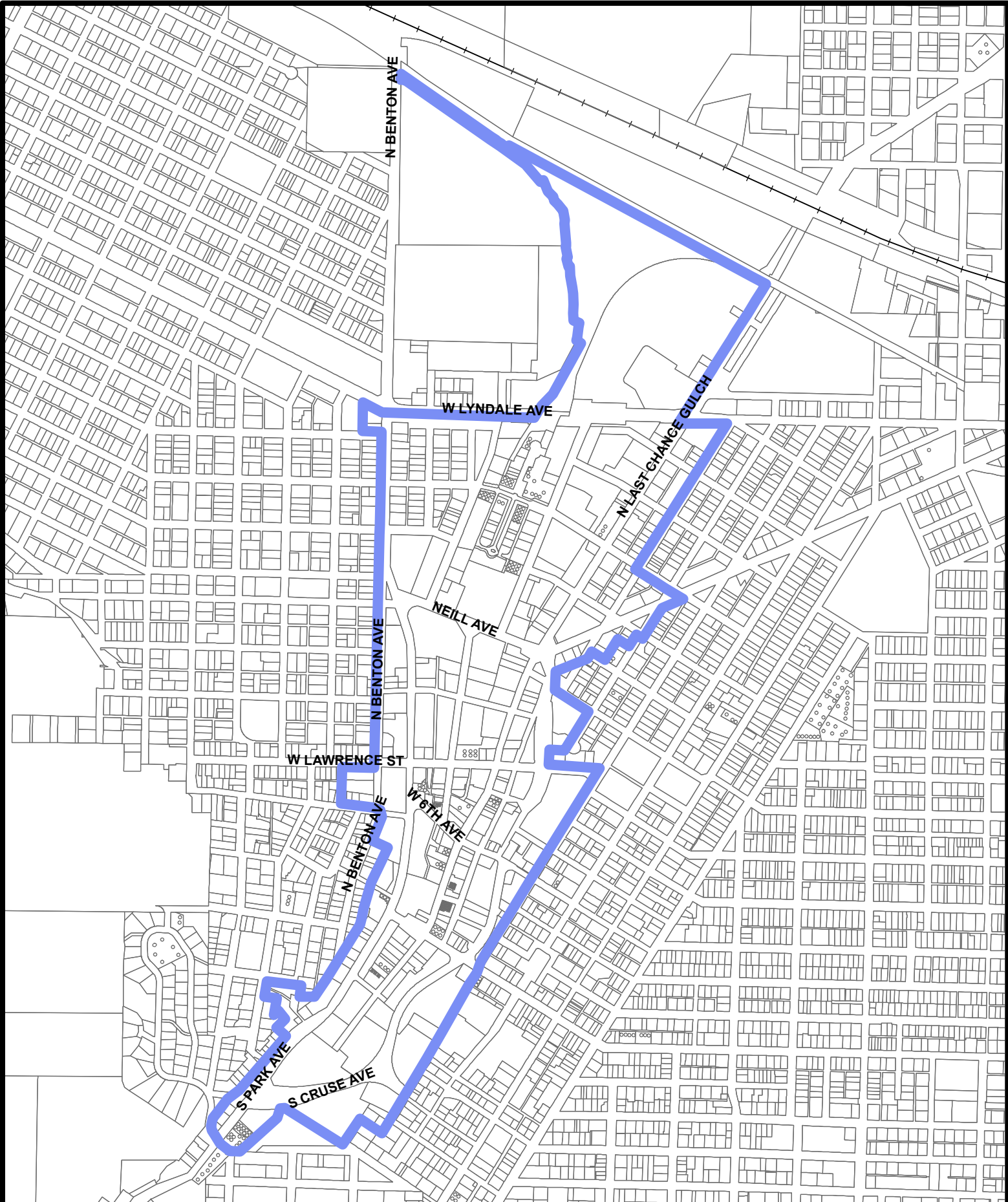
Section 2. An Urban Renewal Plan will be created for the Railroad Urban Renewal Area.



PASSED AND EFFECTIVE BY THE COMMISSION OF THE CITY OF HELENA, MONTANA, THIS 21st day of MAY, 2018

/S/ WILMOT COLLINS
MAYOR

ATTEST:

/S/ DEBBIE HAVENS
CLERK OF THE COMMISSION



-  DowntownURD
-  Parcel Boundary (MTParcel)

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**Downtown Urban
 Renewal District - Helena, MT
 Study Area
 DRAFT**



Exhibit "B"

Downtown Study Area Draft Statement of Blight

City of Helena



March 15, 2018

PREPARED FOR:



City of Helena

PREPARED BY:



WGMGROUPTM

EXECUTIVE SUMMARY

This “Statement of Blight” is being developed in response to interest in an Urban Renewal District (URD) with tax increment financing (TIF) for Helena’s downtown area. The first step in the URD process is documenting blight to demonstrate the area’s suitability as an Urban Renewal District.

Montana law requires that, before a municipality creates an Urban Renewal District and develops a plan for its revitalization, its local governing body must adopt a Resolution of Necessity (MCA 7-15-4210) finding that:

- (1) within the municipality a blighted area exists in which at least three blight factors apply to the area or a part of the area; and
- (2) the rehabilitation, redevelopment, or both are necessary in the interest of the public health, safety, morals, or welfare of the residents of the municipality.

This “Statement of Blight” details the blight factors that exist in the downtown study area. State statute (7-15-4210, MCA) requires that the Urban Renewal District include at least three of the blight factors listed in 7-15-4206(2), MCA. The analysis in this report documents existence of 9 of the 15 blight factors in 7-15-4206(2), MCA:

- a) The substantial physical dilapidation, deterioration, age obsolescence, or defective construction, material, and arrangement of buildings or improvements, whether residential or nonresidential;
- b) Inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the base of an examination of the building standards of the municipality;
- e) Defective or inadequate street layout;
- f) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- h) Unsanitary or unsafe conditions;
- i) Deterioration of site;
- j) Diversity of ownership;
- m) Improper subdivision or obsolete platting;
- n) The existence of conditions that endanger life or property by fire or other causes.

Downtown cores, just like any property, need continuous attention to retain them in good condition. It has been nearly 50 years since the last round of urban renewal projects was initiated in downtown and 15-20 years since most of the projects were completed. Some of those improvements are showing signs of wear and tear. A URD will provide the resources needed to rectify serious deferred maintenance, deterioration, and the blight identified in this report.

The proposed study area meets Montana statutory criteria for a blighted area. Rehabilitation and/or redevelopment of the area is necessary in the interest of the public health, safety, and welfare of the residents of the municipality. Indeed, without such rehabilitation, blighted conditions in the area are likely to worsen. This Statement of Blight establishes the need to undertake revitalization.



CONTENTS

1.0 INTRODUCTION 1

2.0 BLIGHT AND URBAN RENEWAL 2

3.0 STUDY AREA BOUNDARY 3

4.0 STUDY AREA DESCRIPTION 5

5.0 STUDY AREA HISTORY 7

6.0 BLIGHT CONDITIONS 10

7.0 CONCLUSION..... 26

8.0 REFERENCES..... 27



1.0 INTRODUCTION

This “Statement of Blight” is being developed in response to interest in an Urban Renewal District (URD) with tax increment financing (TIF) for Helena’s downtown area. Downtown has previously benefited from URD designation. The City Commission created an urban renewal plan for the south part of downtown, followed by a tax increment provision in 1978. The north part of downtown was included in an urban renewal plan with tax increment provision in 1981. The two areas were consolidated into a single URD in 1990. The consolidated URD sunsetted in 2006. In January 2016, the City Commission adopted a URD for the Railroad District, an area centered around the old depot to the north and east of the study area discussed in this report.

Helena’s downtown has made a resurgence in the areas addressed by the consolidated URD, but it is far from complete. In a survey conducted in 2015-16, less than half of respondents found downtown to be a vibrant place. This proposed effort is intended to address factors that continue to limit downtown growth and liveliness. The recently adopted downtown master plan specifically recommends developing a URD with TIF provisions.



Downtown Helena Looking North



2.0 *BLIGHT AND URBAN RENEWAL*

The first step in the URD process is documenting blight to demonstrate the area's suitability as a URD. This would then enable the City of Helena to adopt a Resolution of Necessity and facilitate area revitalization. As required by Montana Urban Renewal law, this "Statement of Blight" documents blighted conditions that exist in the district.

In Montana Code Annotated (MCA), Title 7, Chapter 15, Parts 42 and 43, Montana law provides for the creation of urban renewal districts in municipal areas deemed "blighted." According to MCA 7-15-4209, municipalities may create an Urban Renewal Plan for such "blighted" areas, i.e. "may formulate a workable program for utilizing appropriate private and public resources:

- (a) to eliminate and prevent the development or spread of blighted areas;
- (b) to encourage needed urban rehabilitation;
- (c) to provide for the redevelopment of such areas; or
- (d) to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program."

Montana law further stipulates that, before a municipality creates an Urban Renewal District and develops a plan for its revitalization, its local governing body must adopt a Resolution of Necessity (MCA 7-15-4210) finding that:

- (1) within the municipality a blighted area exists in which at least three blight factors apply to the area or a part of the area; and
- (2) the rehabilitation, redevelopment, or both are necessary in the interest of the public health, safety, morals, or welfare of the residents of the municipality.

This "Statement of Blight" details the blight factors that exist in the downtown study area, and demonstrates that the area is "blighted" as defined by Montana law, and is therefore eligible for designation as an Urban Renewal District.

Once the City Commission adopts a Resolution of Necessity, the next step is to develop the urban renewal plan. In accordance with MCA 7-15-4213, the planning board will review the plan and make a recommendation to the City Commission on its conformity to the Helena Growth Policy and Downtown Master Plan. Upon receipt of the planning board's recommendation, the City Commission is required by MCA 7-15-4214 to send notice of a public hearing to all property owners in the proposed district. After holding the hearing, the City Commission will make its decision on adoption. In accordance with MCA 7-15-4216, adoption is made by ordinance.



3.0 *STUDY AREA BOUNDARY*

The area to be studied for blight is shown in the following map. The boundaries were established by considering the geographic extent of the Downtown Master Plan, proposed downtown zoning district boundary, and discussion with City staff and stakeholders in the Helena Business Improvement District and Montana Business Assistance Connection.

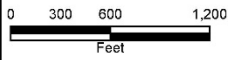
Criteria for land in the study area included:

- Must be within city limits
- No overlap with the Railroad Urban Renewal District
- Likelihood to contain areas of blight, including under-utilized property and high vacancy rates
- Boundary does not cut across existing lots
- Avoids using alleys as boundary line
- Good potential for new investment
- Advances the objectives of the Downtown Master Plan
- Area is not so big that TIF funding for projects is diffused or spread too thin to be effective





U.S. Department of Agriculture Farm Service Agency Aerial Photography Field Office



- DowntownURD
- Parcel Boundary (MTParcel)

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Downtown Urban Renewal District - Helena, MT

DRAFT



4.0 STUDY AREA DESCRIPTION

Last Chance Gulch streambed is the physical feature that drove the layout of downtown. Starting in the hills south of downtown, Grizzly Gulch, and Oro Fino Gulch converge to form Last Chance Gulch about a quarter mile southwest of the study area. The water that once flowed in an open creek bed through the study area has since been piped underground. It daylights north of the study area, on the north side of the railroad tracks. Although now buried, the form of the streambed is still evident in the winding curves of the street known as Last Chance Gulch, the heart of the study area.

At its southern end at the intersection of Park and Cruse, the study area is a narrow gap with steep hillsides. Mount Helena and Mount Ascension flank the downtown area and are approximately 1,000 feet higher than downtown. The study area widens to a valley floor that is approximately two to three blocks in width, gradually becoming wider toward the north. At the very north end, the study area widens to the flat expanse of Centennial Park, with vistas that extend miles to the surrounding mountain ranges.

The study area contains a mix of office, retail, entertainment, and to a lesser extent residential uses. Although the state capitol is approximately one mile to the east, the study area includes numerous state office including Montana Department of Commerce, Montana State Fund, State Public Defender, Board of Public Education, Department of Corrections, and others. Federal offices include the Federal Reserve and a federal office complex that houses the US District Court. The City and County are jointly housed in the historic former federal building and post office in the study area. There are several City parks within the study area. Trails take off on both sides of the Gulch and access to approximately 900 acres of mountain terrain open to biking, hiking, climbing and wildlife viewing.

The Downtown Historic Core on the south end and the Great Northern Town Center on the north end are the anchors of the study area. These areas are quite different from each other. The Downtown Historic Core is the part of downtown that was developed soon after the discovery of gold in 1864. This part of the study area has the highest concentration of buildings exemplifying the grand architecture of the late 19th and early 20th centuries. The Downtown Historic Core includes the walking mall, and southern portions of Park, Fuller, and Last Chance. Development in the Great Northern is new within the last couple of decades, although it is laid out in a pattern and density comparable to traditional downtowns. Also in the north part of the study area, North Last Chance Gulch and Helena Avenue are less densely developed, with an array of building sizes and styles.





Helena Avenue near five-point intersection



North Last Chance



Historic Downtown Core



Great Northern Town Center



5.0 STUDY AREA HISTORY

The presence of non-natives in what is now downtown Helena began in earnest with the discovery of gold in Last Chance Gulch in 1864. Within a year the population swelled from the first four prospectors to 3,000 people.

At first, all construction was timber from surrounding hillsides. Numerous fires swept through



Securities Building 2018



Original Securities Building, built with local stone and red sandstone from Bayfield, WI (Source: helenahistory.org)

town, motivating citizens to switch to more fireproof structures, such as brick and stone. Reeder's Alley, built in 1883-84 by Louis Reeder, was constructed using bricks and remains the oldest intact neighborhood in Helena. Glass building materials arrived via Northern Pacific Railroad in 1883, making it possible for businesses to install large display windows. Examples of the fine architecture from the 19th century include the City-County, Iron Front, Securities, Atlas, and Goodkind buildings. Significant 20th

century architecture includes the 1905 Montana Club and Civic Center, built in 1921 in Moorish revival style as the Algeria Shrine Temple. In a few decades from the 19th to 20th centuries, state of the art construction went from logs to imported stone, gas-lighting to electric, and to indoor plumbing and central heating systems. To convey and store the

TIMELINE

May 23, 1864	●	Congress creates the Territory of Montana
July 14, 1864	●	Gold is discovered in Last Chance Gulch
Late 1864	●	Miners have built approximately 200 tiny log dwellings. The Gulch has become a muddy, busy thoroughfare.
Summer 1865	●	3000 residents in community, described by one resident: "There was a good deal of shooting and hanging."
1868	●	Fire tower constructed at its current location overlooking the town.
Late 1860s	●	Last Chance Creek diverted underground using a wooden flume.
	●	Placer mining becomes less effective and is replaced by hydraulic mining in nearby hills. The old placer claims are developed as businesses.
1874	●	Fire results in loss of Montana Historical Society Archives, the entire public library, a hotel, and the fire tower.
January 2, 1875	●	Helena becomes capital of the Territory of Montana
1915	●	Central School built.
1876	●	Federal Assay Office opens. By 1990, it had produced \$833 million (in current currency amounts) in gold bars.



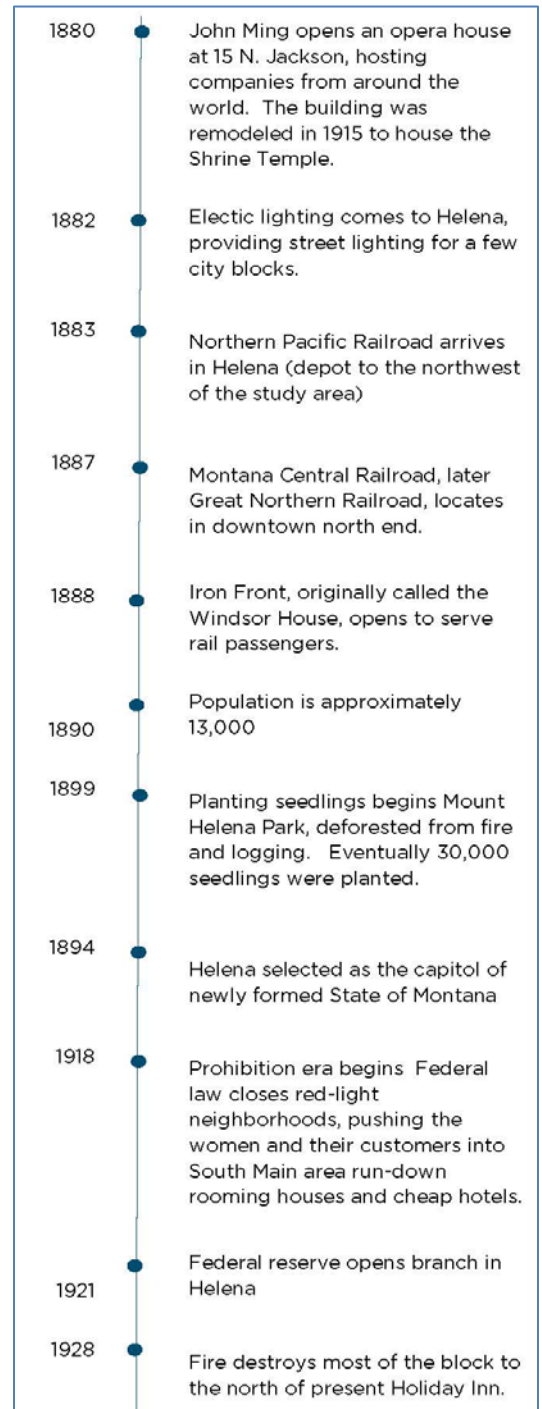
large amounts of coal needed to fire the boilers, large vaults were excavated at basement level just outside the structure under what would eventually become the sidewalk or street.

By the mid-20th century downtown had, like many areas throughout the nation, begun to decline. The downtown had already suffered losses from the 1935 earthquake. By the 1950s, growth across America was moving to city fringes and suburbs. The completion of the interstate resulted in development further from the city center. The newest type of retail development were strip malls. Like the rest of the nation, Helena developed its malls, all outside of the downtown area, including Capitol Hill Mall, Hustad Center, and Lundy Center. The decline of passenger rail took the public life from two previously bustling depots. The Great Northern depot was eventually demolished and the entire area became an eye-sore and less-than-inviting entry into downtown from the highway. Despite intentions to attract visitors, renaming Main Street to Last Chance Gulch in the 1950s did little to attract the tourists. South Main had become a run-down area, known for seedy hotels and prostitutes, and crumbling empty buildings. Reeder’s Alley was home to pensioners in tiny unheated apartments with no plumbing.

20th Century style “urban renewal” began in 1968 with Helena’s participation in the national Model Cities Program along with its federal funding. This “renewal” effort was, and remains highly controversial. As Ellen Baumler, noted Montana historian, writes in *Helena, the Town that Gold Built*:

“Local opinions are still vehemently divided on the architectural merits of this program, but it did transform Helena’s downtown from a crowded, depressing, abandoned, and run-down area to the present walking mall that so many enjoy today. The loss of more than 230 historic buildings was a tall price to pay, yet many historic landmarks like the First National Bank, the Atlas Block, the Masonic Temple, and the Diamond and Power blocks escaped the wrecking ball and eventually received much needed rehabilitation.”

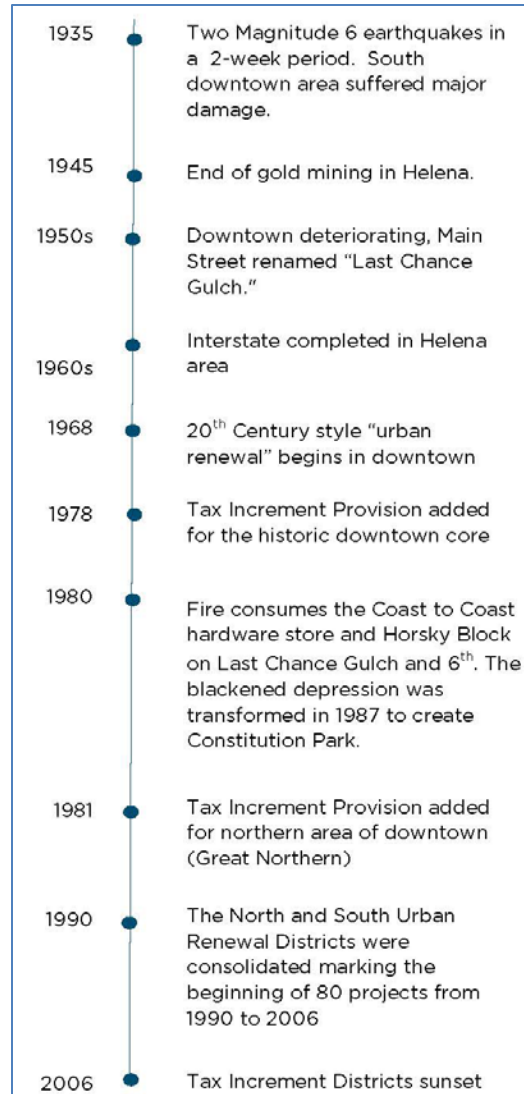
There have been certain benefits from the Urban Renewal that took place in the last two decades of the 20th century. More than 80 projects were completed from 1990 through 2006. In the central and southern areas of downtown, those projects included the walking mall, library, improvements to Civic Center and Grandstreet Theater, women’s mural repair, three façade improvement



programs, and assistance with fire and building code compliance. Urban renewal in the northern end of downtown in the late 1990s and first decade of the 21st century transformed the abandoned, blighted area on the site of the former Great Northern Railroad depot. As a direct result of urban renewal designation, the site now includes a hand-built carousel, Exploration Works Museum, bank, movie theatre, conference hotel, offices, retail stores, condominiums, and connecting tunnel to Centennial Park. The “Lewis and Clark Montana Experience” story is displayed in the sidewalks, building art, and sculptures providing an interpretive pathway of the Lewis and Clark trek across Montana.



Great Northern Town Center and Lewis and Clark Experience



In the last decade there has been increasing interest and activity throughout the study area, but it has not yet transformed into the vibrant downtown envisioned in the Downtown Master Plan. Empty store fronts remain, vacant areas create gaps and some buildings suffer from deferred maintenance. A survey conducted for the 2016 Downtown Master Plan revealed that only 41% of respondents agreed downtown is vibrant with many people and activities. Nearly all (95%) said downtown has potential to be more than it is currently.

Wear and tear is beginning to show on projects that were part of urban renewal. The earliest renovations and new construction from the urban renewal efforts begun in 1968 are nearly 50 years old.



6.0 BLIGHT CONDITIONS

The first step in forming a URD is for the municipality to document the district is blighted. To do so means that at least three causes of blight (as listed in MCA 7-15-4206(2)) “apply to the area or part of the area.” According to the statute, causes of blight can include:

- a) The substantial physical dilapidation, deterioration, age obsolescence, or defective construction, material, and arrangement of buildings or improvements, whether residential or nonresidential;
- b) Inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the base of an examination of the building standards of the municipality;
- c) Inappropriate of mixed uses of land or buildings;
- d) High density of population and overcrowding;
- e) Defective or inadequate street layout;
- f) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- g) Excessive land coverage;
- h) Unsanitary or unsafe conditions;
- i) Deterioration of site;
- j) Diversity of ownership;
- k) Tax or special assessment delinquency exceeding the fair value of the land;
- l) Defective or unusual conditions of title;
- m) Improper subdivision or obsolete platting;
- n) The existence of conditions that endanger life or property by fire or other causes;
- o) Any combination of the above factors.

Each of the blight factors identified in the study area is discussed in detail in the following section.

(a) the substantial physical dilapidation, deterioration, age obsolescence, or defective construction, material, and arrangement of buildings or improvements, whether residential or nonresidential

Examples of deteriorating buildings occur throughout the study area. Although age of the building does not directly correlate to building deterioration, it is a factor. A total of 178 buildings were constructed prior to 1968 and meet the 50-year minimum age criteria for potential historic designation. Building condition data from the Montana cadastral indicates 50 properties are in less than average condition

Visual evidence of deterioration can be seen throughout the study area and includes outdated structures and buildings that show wear and tear. One example is the YMCA building which houses the city’s only year-round public swimming pool. The pool and other facilities within the building need upgrades. According to David Smith, the organization’s CEO, examples of needs include a roof replacement, major improvements to accommodate accessibility including the installation of an elevator, and installation of an air exchange system that would remove humidity



and chemicals associated with the pool. Smith estimates that there are about \$3 million needed in repair for the building.

In the 1970s, it was popular to “update” older historic buildings by adding a layer of cladding to cover outmoded architectural details and/or to reinforce failing exteriors. Currently many owners across the nation are working to rid the cladding and restore or recreate original features.



Building on Fuller Street with cladding removed on upper floors



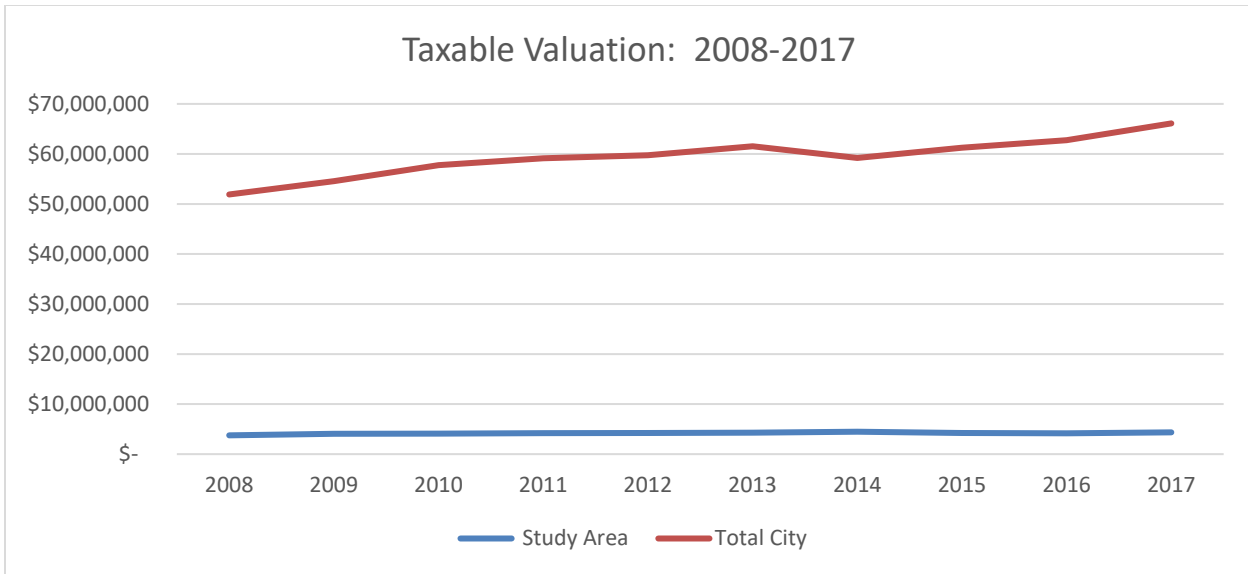
Building on Last Chance with various types of cladding



Example of architectural detail exposed when cladding removed (Fuller Street)

Tax valuation trends also indicate that property values are not increasing as rapidly as the city overall. The following chart, “Taxable Valuation 2008-2017,” shows the annual taxable values for the study area compared to all values in the City of Helena. In the ten years from 2008-2017, total taxable valuation in the City of Helena increased by 27%, compared to 16% for downtown.



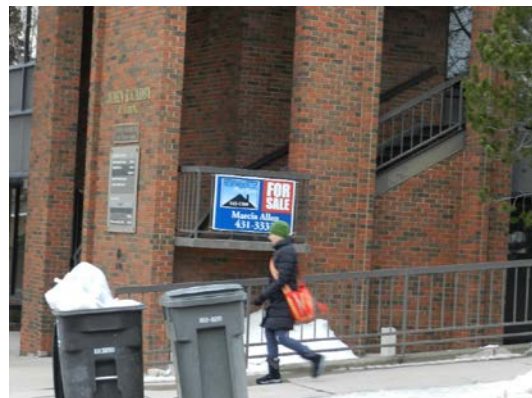


Buildings that remain vacant or predominantly unused become more likely targets of vandalism and destruction. Once it became vacant in 2013, Central School slowly but increasingly became a target for vandalism and a crash pad for vagrants. Initially, the exterior showed no change, but over time school administrators had to board up first floor windows and ultimately board up doors and windows on all floors. The school has since been razed and the site readied for new school construction. In January 2018, two people broke into the old Central School gym and started a fire. Also known as the 7th Street Gym, it is a unique historic structure built prior to 1900 and has not been used in several years. The iconic fire tower on the hill above Last Chance Gulch suffered structural damage from an arson fire in 2017. Although the damage cannot be seen from a distance, the tower is unstable and a safety hazard. Consequently, the City has discontinued the annual holiday tower lighting ceremony that culminates the Christmas parade.

As of January 2018, the list of vacant (or predominantly vacant) buildings includes the 7th Street Gym, the Consistory Shrine Temple (originally constructed as the Ming Opera House in 1880), Helena Light and Traction building, Blue Cross/Blue Shield, Armory, and the Independent Record building.



Blue Cross/Blue Shield Building



Broadway and Walking Mall





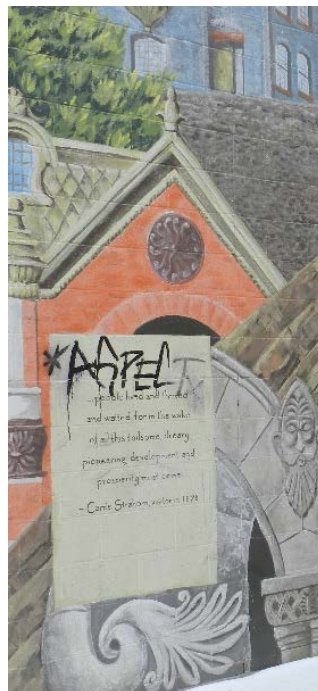
Building on Park Avenue

There is no single source to identify vacant commercial property in Helena. An internet search at LoopNet.com on Jan 22, 2018 revealed 13 properties with 47,204 square feet available for rent in the study area. Collectively, the 13 properties had a 17% vacancy rate.

Boarded windows and graffiti on buildings, even those that are active and not vacant, gives an appearance of dilapidation. Helena has worked diligently to keep graffiti at bay, quickly removing it as it appears in city parks and public places. Within a single 12-hour period in 2017, dozens of properties in downtown were vandalized with graffiti. Much of the graffiti from this single incident remains in downtown, likely because removing it is very difficult and costly. Graffiti seems to foster new graffiti. Cost of clean-up can be in the thousands of dollars and detracts resources from other planned long-term deferred maintenance items.



Armory Building at Lyndale and Last Chance



Graffiti on wall mural



Graffiti of various types within Performance Square



Located within historic downtown core



Located within historic downtown core





Brickwork that has lost mortar near the roofline of a downtown building

Nearly all commercial buildings in the study area have flat roofs. Snow and rain can create structural issues for these buildings over time. Parapets, the short walls around the flat roof, may deteriorate. Cornices, or overhanging eaves, are intended to throw rainwater free of a building’s walls. They may need replacement over the long-term. The exact extent of the issue is unknown, but several buildings exhibit some stress from water, snow, and age. Over several weeks in 2017, significant work was done on the roof of the Placer Hotel, including replacement of cornices.

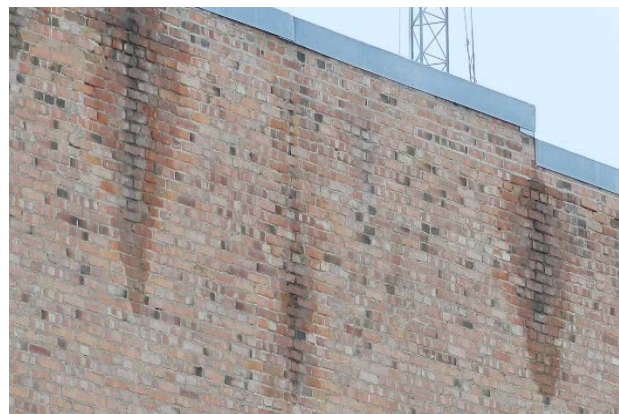


Example of a cornice at the top of the building (Placer Hotel)

Downtown Helena is in a seismic zone equivalent to some in California. The 1935 Helena earthquake resulted in considerable damage, but many buildings survived although resulting in worse wear and tear. Bi-lateral cracking in walls could be a result of earth movement and may indicate potential issues for long-term structural viability.



Bi-lateral cracking in building historic downtown core



Water infiltrating building wall in historic downtown core

Underutilized properties, defined as properties with improvements that are worth less than the land value, comprise 100 acres and 38% of the total study area. Underutilized properties include vacant lots, city parks and public and private parking areas throughout the study area.

Vacant lots and large open spaces create gaps in the street landscape, particularly noticeable for major gateways and retail areas. In the past decade many new buildings have been constructed in the northern part of the study area but many openings remain. In the historic downtown core, gaps in the built environment consist of parks and parking lots.





Vacant lot in Great Northern Center



Building gaps located at North Last Chance Gulch



Parking lot structure on Last Chance in retail core of historic Downtown

Downtown artwork completed or renovated during the 20th century urban renewal is also beginning to show signs of deterioration. The women’s mural, significant for its art and as a location for activities such as the mountain bike shuttle, is seriously deteriorating and in need of repair.



Women's Mural at Broadway and the Walking Mall





Cracking on Women's Mural



Close-up of peeling on Women's Mural

In summary, many of the buildings and improvements in downtown exhibit some obsolescence or deterioration. Many properties have insufficient ADA facilities, lack modern infrastructure from electrical to high speed internet, and do not meet fire safety and building code requirements. These issues are discussed in more detail in some of the following sections on sanitary facilities and safety. It can be exceedingly expensive to upgrade facilities, even on some of the newer buildings. For example, improvements to the Guardian Apartments, constructed in the 1970s, needed remediation to remove lead-based paint and asbestos, as well as updates to mechanical, electrical and plumbing. The overall cost to improve the interior was in the range of \$9 million, and an additional \$11 million is estimated for the exterior.

(b) inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality

Building codes are much more detailed now than when many of the buildings in the study area were constructed. The most significant changes in building code occurred in the 1970s. When a building owner wishes to update or make changes to a building, they may find themselves with an unexpected list of other items required by the building code. This can become overwhelmingly expensive for such things as building-wide replacement of knob-and-tube electrical, installation of fire sprinklers, ADA access, asbestos remediation, and reconfiguration of interior space. Understandably, some owners may delay improvements that might trigger far more expensive building code requirements. This creates a cycle that also delays the kinds of improvements that make the building more competitive in the market. It can also result in serious deferred long-term maintenance that leads to building obsolescence.

There is no comprehensive inventory of buildings that identifies issues with ventilation, light, and proper sanitary facilities. The Montana Department of Revenue classifies certain commercial buildings for plumbing facilities on a floor-by-floor basis. The study area contains 234 commercial buildings that have been rated for plumbing. Of these, 45 (19%) have a “below normal” rating for the first floor of the structure.



In many older buildings, windows are the only source of ventilation and natural light. Because many of the buildings in the historic downtown core are side-by-side, natural light is typically limited to front and back windows, possibly augmented with roof skylights. Many older buildings originally had windows that were downsized in later years. Boarding windows further eliminates natural lighting.



Original Steamboat Block with floor-to-ceiling windows (Source: helenahistory.org)



Steamboat Block (2018) with smaller windows

(e) defective or inadequate street layout

The study area has an unusual street layout reflecting the historic mining claims along the streambed, steep topography, walking mall and re-alignment of Cruse Avenue during the 1970s. The winding streets in the historic downtown core are part of its charm. Other aspects are more troublesome and far less charming, including the five-point intersection where Neill, Helena, North Last Chance and Cruse converge. The intersection configuration results in long delays and necessitates one-way traffic on Last Chance Gulch south of Neill. The intersection creates access and circulation issues for downtown businesses.





Five-Point Intersection at Neill Ave, Last Chance, Cruse, and Helena Ave

Neill Avenue from Park Avenue to North Last Chance has been recommended for changes in both the Greater Helena Area Long Range Transportation Plan – 2014 Update and a 2013 EPA-funded study, “Greening Last Chance Gulch.” Neill Avenue has three offset intersections -- Getchell, Fuller, and Front – with separations of less than a block. Fuller Street runs between Hill Park and Women’s Park. The two parks and the street alignment with planter at the intersection with Neill framed the view of the Great Northern Depot. The setting made a dramatic green entrance to the depot, a strong example of the City Beautiful movement set off at the Chicago World’s Fair in 1893. The depot has been replaced by other buildings in different locations on the street. The Great Northern town center sits behind these buildings, accessible by Fuller and Front Streets, but not well connected to the historic downtown core. Envisioned improvements for Neill Avenue include reducing crossing distances, narrowing the roadway for better defined travel lanes, parking lanes and buffered bicycle lanes and better pedestrian and non-motorized access.

The Great Northern Town Center can be approached via Fuller, Getchell, 14th and Hauser. Pedestrian and bike access via these routes needs upgrading. Hauser and 14th form the east/west gateways.





*Hauser Blvd looking east to Great Northern Towncenter
Note: Lack of pedestrian facilities*



Getchell Avenue looking North to Carroll College

The major gateway into downtown at Last Chance and Highway 12 is also problematic for pedestrians. The crossing distance is very long without any refuge islands.



Intersection of Highway 12/Lyndale and N. Last Chance looking west (from First Interstate Bank corner)

Cruse Avenue has a street layout with very long blocks. It was originally designed as an eventual by-pass around downtown congestion. The growth that would have necessitated full build-out as a by-pass has never been realized, nor is it anticipated. The on/off ramps where it intersects with Last Chance Gulch no longer make sense from a traffic perspective. The configuration of the Cutler-Cruse intersection is a similar issue. The Cruse-Broadway intersection is offset by a few yards from Warren Street to the east and a parking lot entrance to west (between Cruse and the walking mall). Long crossing distances and lack of pedestrian striping across Broadway make this is a difficult intersection for pedestrians.



Cruse Ave widening to form on/off ramps



*Cruse Avenue to form on/off ramps
Note: Use of empty space for recycling containers*





Cruse-Broadway Intersection

Non-motorized connections within the study area are poor. Designated bike lanes stop short of the study area. Although most of the study area contains sidewalks, there are gaps particularly at the north end and along Cruse Ave. Many existing sidewalks are too narrow to allow two people to walk comfortably side-by-side. Non-motorized connections between the north and south ends of the study area do not flow well and are missing links. Connections to/from Carroll College and Centennial Park are needed.

(f) faulty lot layout in relation to size, adequacy, accessibility, or usefulness



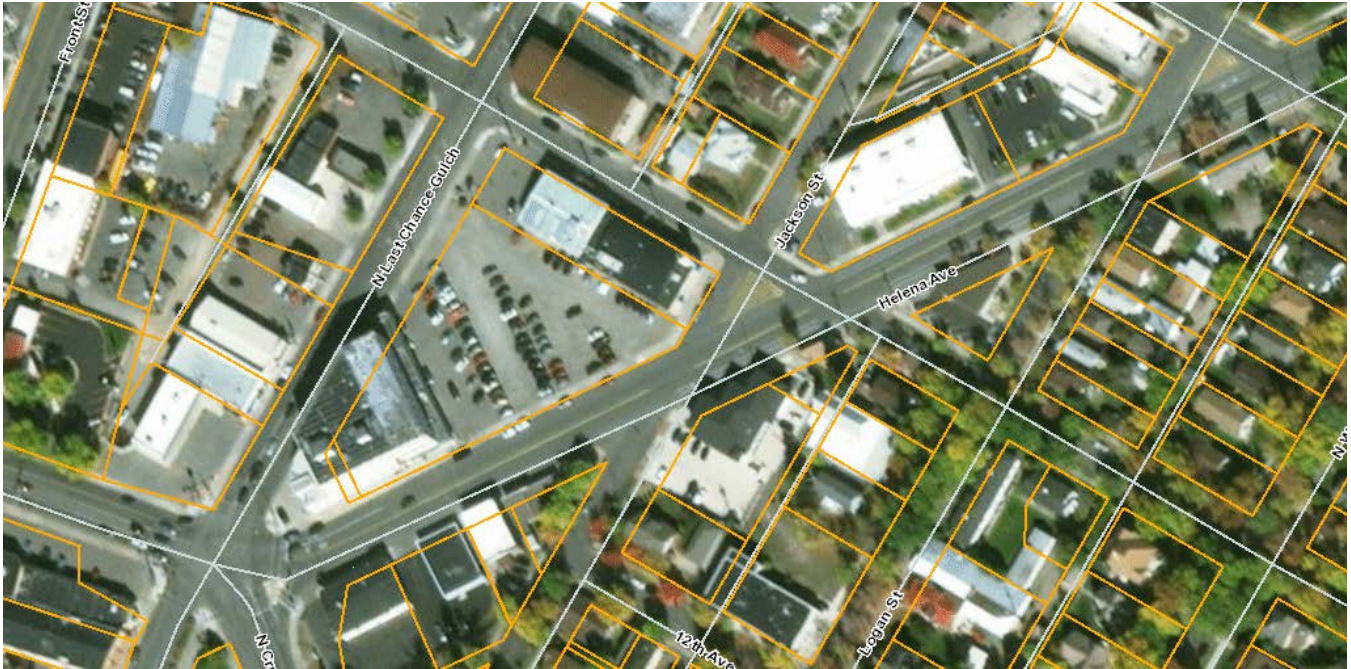
View from Fuller Avenue of a double-frontage lot with store front on North Last Chance

The unique street layout results in double-frontage lots and odd shaped lots at intersections that can affect usefulness. Double frontage lots usually occur when blocks are very narrow. These lots have direct access to streets at the front and back of the lot. Examples include three lots between Fuller and Last Chance near 6th Avenue. When buildings do not have storefronts on both streets, the back of the building can appear to be more like an alley approach than a main street.

Helena has numerous triangular lots, some of which have been built on successfully, for example the Steamboat Block. Some of the smaller triangular lots have been developed as city parks, such as the park between Cruse, 11th, and North Last Chance just

south of the five-point intersection. Other areas too small even for parks have been assumed into the road right of way. Examples include the intersection of Jackson, 13th, and Helena Avenue and Logan, 14th, and Helena Ave. These intersections are confusing and have some visibility issues.





Example of triangular lots: Steamboat Block (large triangular parcel with parking lot in photo center), triangular road intersections on Helena Avenue, triangular private parcels south of Helena Avenue.

Road right-of-way for Cruse Avenue is wider than needed for the road, particularly at the intersection with Park Avenue. This area is large enough to accommodate the road as well as development. There is also large right-of-way on Highway 12/Lyndale just east of Benton on the south side of the road that might also serve other uses than open space.



Road right of way at Cruse and Park includes park-like area separating Cruse traffic lanes





Large right of way area between Benton and Getchell on US 12/W Lyndale

(h) unsanitary or unsafe conditions

The study area contains some unsanitary and unsafe conditions, some more evident than others.

Defective, deteriorating, and unsafe pedestrian access is evident throughout the study area. Repairing can be difficult and expensive. The stairway next to the parking garage by the movie theater in the Great Northern Town Center has been closed for safety reasons due to soil subsidence. Many of Helena’s sidewalks are narrow, comfortably allowing for only single file, and forcing people to skirt into the street. Outside of the main retail areas and the mall, sloped driveway surfaces are numerous and interrupt the flat walking surface. Stamped concrete surfaces installed over the past decades are showing wear and tear. The unique brick and stone elements of the walking mall can be difficult to maintain to avoid significant tripping hazards. ADA facilities are lacking or substandard in the study area.



Unsafe stairway at Getchell Garage



Examples of sloped driveway access on sidewalk (Neill ave)





Missing Brickwork (Reeder's Alley)



Sloped and cracking pavement in Walking mall



Sidewalk deterioration in study area

The old coal vaults under streets and sidewalks in the historic downtown core are an unseen safety issue. In some areas the sidewalk is resting on beams over a vault with ground level 10 feet below the sidewalk. The number and location of Helena's underground vaults has not been inventoried.

Cruse Avenue has some of the highest accident rates in downtown, according to the city engineer. Last Chance Gulch and Lawrence was reported to have the fourth highest crash rate in the Greater Helena Area Long Range Transportation Plan -2014 Update. The intersection at Last Chance Gulch and 14th Street received the lowest "level of service" rating in the downtown study area, with a D/F rating. The Long Range Transportation Plan also recommends reconfiguring the intersection of Cruse and Cutler to reduce vehicle-pedestrian conflicts and improve sight distances. The intersection of Cruse and Broadway has crossing distances that are over 100 feet and issues with high speed vehicle turns.

Parks in the study area also have some sanitation and safety issues. Centennial Park and Women's Park are in the top three for number of police calls in the city. Vagrants are known to camp out in the parks, creating sanitary issues. Vehicle access to Fire Tower Park is via steep and/or unpaved narrow lanes ending in an unpaved parking lot.

(i) deterioration of site

Centennial Park was constructed on the site of a garbage dump and despite best practices to prepare the site, there is shifting and ground level sinking occurring on the property. This also limits what can be done as far as expansion of the site and any structures and some uses on the site.



(j) diversity of ownership

Ownership in the study area is a mix of public and private. City/State/Federal ownership is disproportionate in the study area compared to many other downtowns. Many of the governmental properties are underutilized. The lack of store-front windows in many government offices noticeably deter downtown vibrancy and create gaps in retail corridors. Many of these offices appear closed even during office hours, as entrances are not always easily seen by passers-by.



Example of parcel in Cruse Avenue

(m) improper subdivision or obsolete platting

Some parcels in the study area have less than clear legal standing. It is known that during the 1970s urban renewal that roadways were drawn onto a map but the right of way may never have been surveyed. The map below is from the Montana cadastral and it is not uncommon for aerial photos to be “off” by some distance compared to the lot lines. It is not unusual to see some overlap of roads into parcels with buildings, or vice versa. What is unusual are parcels in the middle of the road as shown on the map below. These are parcels would typically have been acquired for the road right of way. Cruse Ave is a particular issue. The City of Helena is currently working to clarify the legal parcels that constitute its right-of-way.

(n) the existence of conditions that endanger life or property by fire or other causes

The most potentially damaging conditions are potential for fire, flood, and earthquake. Fault lines run through downtown and a devastating earthquake occurred in 1935. Building codes address construction in earthquake zones, but for older buildings not built to those standards, life and property could be endangered.

As reported by the Fire Marshall, several existing conditions can exacerbate fire spread and damage. Many of the older buildings do not have good separation (walls, doors that shut tight, etc.) that can stop fire spread. Not all buildings have fire sprinklers or fire alarms. All buildings have emergency egress, but these can be jeopardized when corridors, hallways, and fire escapes become jammed with belongings or furniture. Basements can be a problem because utilities, including heating source, are typically located there. In addition, basements are often the collector sites for unused items over time. Further compounding the problem is that many basements are connected from building to building, lacking separation. Fire flow water supply is good downtown but it can be difficult to get the engines to an optimal site for fighting fire.

An underground storm drain system with street inlets serves the entire downtown. Stormwater in downtown collects from a large area upstream. The City is working to expand pipe capacity upstream of downtown as part of improvements to W. Main from Reeder’s Village to Grizzly Gulch. Smaller piping in downtown could be an issue during a major storm event. Replacement of old pipe



and installing larger capacity pipe in the historic downtown core poses complex problems because the pipe runs under building structures in several locations.



1935 Earthquake damage (Source: helenahistory.org)

Summary of Blight Conditions

State statute (7-15-4210, MCA) requires that the Urban Renewal District include at least three of the blight factors listed in 7-15-4206(2), MCA. The analysis in this report documents existence of 9 of the 15 blight factors in 7-15-4206(2), MCA:

- a) The substantial physical dilapidation, deterioration, age obsolescence, or defective construction, material, and arrangement of buildings or improvements, whether residential or nonresidential;
- b) Inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the base of an examination of the building standards of the municipality;
- e) Defective or inadequate street layout;
- f) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- h) Unsanitary or unsafe conditions;
- i) Deterioration of site;
- j) Diversity of ownership;
- m) Improper subdivision or obsolete platting;
- n) The existence of conditions that endanger life or property by fire or other causes;



7.0 CONCLUSION

The study area is in transition. Projects from the “old style” 20th century urban renewal, however controversial, did revitalize business/commercial in the historic downtown core and Great Northern area. Despite those gains, a significant surplus of vacant commercial space exists currently. When Blue Cross/Blue Shield moved operations and several hundred employees to a new building on the city’s fringe it was a blow to downtown. It was perhaps a wake-up call as well—businesses desire offices that meet 21st century needs for open interiors, amenities, and state-of-the art technology. Helena’s downtown contains many historic buildings which do not meet these market demands and will require modifications to do so. The challenge is to retain what makes downtown historic and unique in the process.

A city core with a strong economy, sense of place, and vibrancy requires a mix of business and residents. Although there is single family and high density residential development in the study area, it does not compare to the residential density in the historic core in the late 19th and early 20th century. Today, most of the high-density units in downtown are those in the Guardian and Helena Housing Authority apartment buildings.

The study area struggles with connections for vehicles, pedestrians, and bicyclists. Issues include confusing intersections, high accident ratings, lack of bikeways and sidewalks, sidewalks in poor condition or too narrow to accommodate more than one person, lack of consistent ADA facilities. Walkability is key to new development across the nation. Walking from one end of the study area to another is difficult because of inadequate facilities and lack of continuous, clearly defined connections.

The entrances to downtown from Highway 12/Lyndale are less-than-welcoming. Despite new construction along North Last Chance Gulch, many gaps remain. For downtown cores to be successful, the entrances need to be inviting and aesthetically pleasing.

Downtown cores, just like any property, need continuous attention to retain them in good condition. It has been nearly 50 years since the last round of urban renewal projects was initiated and 15-20 years since most of the projects were completed. Some of those improvements are showing signs of wear and tear. A URD will provide the resources needed to rectify serious deferred maintenance, deterioration, and the blight identified in this report.

The proposed study area meets the Montana statutory criteria for a blighted area. Rehabilitation and/or redevelopment of the area is necessary in the interest of the public health, safety, and welfare of the residents of the municipality. Indeed, without such rehabilitation, blighted conditions in the district are likely to worsen. This Statement of Blight establishes the need to undertake revitalization.



8.0 REFERENCES

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