

**JOURNAL OF COMMISSION WORK SESSION**  
**May 17, 2011**

City Commission Work Session

Mayor Winters presiding

**CALL TO ORDER:** 6:00 p.m.

**ROLL CALL:** City Commissioners present: Michael J. Winters, Bill Bronson, Fred Burow, and Robert Jones. Also present were the City Manager, Deputy City Manager; Directors of Fiscal Services, Park and Recreation, Planning and Community Development, and Public Works; Police Chief; and the Administrative Secretary.

**1. MOUNTAIN VIEW SPORTS COMPLEX**

Mountain View Sports Complex (MVSC) representative Matt Molen provided a PowerPoint presentation on Mountain View Sports Complex, Inc., a nonprofit organization that has been developed over the past year to provide training facilities for indoor use throughout the year. The property is located south of the University of Great Falls and MSU Great Falls College of Technology and west of Central Catholic High School. The contract breaks the 20-acre property into three lots. The west and central lots are eight acres each. The east lot is approximately 2.79 acres.

Mr. Molen explained Phase 1 would be located on the west lot and would include an 86,000 square foot indoor training facility that can double as a minor events facility. Also included is an approximate 47,000 square foot turf field that could be used for soccer fields and a collegiate-size softball field that can be used competitively for softball tournaments. He added the soccer fields are regulation-size and can be used for indoor soccer tournaments. A collegiate-size basketball court that could also be used as a volleyball court is located in the west corner. An additional basketball/volleyball court is located on the east side. Wrestling mats can be placed on the court so it would be used for wrestling, mixed martial arts, etc.

Mr. Molen reported that consideration has been given to anchoring the facility with leasable space on the first floor including a possible immediate care. He stated they would like to work with Get Fit Montana to have kids complete a battery of tests with doctors that could be measured over time. Offices and a concession area that would be used daily are also included. Locker rooms would also be available. A classroom space for after-school programs for tutors to work with kids, with the availability of after-school sports, could also be used for yoga, zumba, etc. The second floor includes space that would go out for bid for leasable space to anchor revenue for the facility. A board room space would also double as a tutor room with computers.

He explained that the purpose of the nonprofit MVSC is to work with the community and the youth. He believes there aren't adequate facilities available to youth for training and practicing activities. The goal was to develop a facility that would have the potential for optimal training.

Mr. Molen noted he has visited with many potential users who would like to be involved with the

facility. He believes the many potential events that could be brought into the city would draw people from across the state. The back portion is large enough to rent out for a minor events facility that would have retractable bleachers for basketball tournaments, possibly rodeos, concerts, etc.

Mr. Molen reported that an MOU with the City of Great Falls has been drafted for the first lot. DOWL HKN Engineer Shawn Arthur explained the MOU for Phase 1 includes a request for the City to cover the cost of adding an 80-foot piece of ground separating the City from the referenced property. A future street on that property would be dedicated to the City, along with their portion of 24<sup>th</sup> Avenue South. The City is also asked to cover the construction costs of the street and utilities extensions through that 80-foot piece of ground. MVSC would cover the costs of acquiring the property, platting, and engineering. Mr. Arthur added the City is also asked to cover half the costs of the two adjacent streets, paving, sanitary sewer, and water that are also essential to Phase 1. The City would recoup those costs when the adjacent landowners annex to the City. The City is also asked to provide inspection services on the utilities construction at no cost to MVSC.

Mr. Molen reported the total cost to MVSC for Phase 1 would be \$177,000, and the total cost to the City would be \$166,000. The City is being asked to provide concessions because of the kind of project, and MVSC plans to work and invest in the community. He added that approximately 80 part-time and 5-7 full-time jobs would be created with the nonprofit portion of the complex. Vendors would bring in their own employees for the leasable space. He believes that the traffic that would be brought into the community would have a good impact on the economy.

Mr. Molen also added the organization has a master plan that could grow a more successful use of the property including an indoor soccer/football stadium. A hotel was initially proposed that would not be connected to the nonprofit.

Commissioner Jones commented that the request seemed to be more extensive than what is normally provided to developers. Planning and Community Development Director Mike Haynes responded that a developer typically pays for the infrastructure, and adjacent property owners reimburse the developer when they are annexed into the City. He stated the City responded to an MOU from MVSC with the improvements that Public Works could commit to providing.

Public Works Director Jim Rearden stated this was the first time he saw the dollar amounts. He agreed that the developer is usually responsible to obtain reimbursement from adjacent property owners. If the City front ends a project, the funds would take away from other capital projects.

Commissioner Jones questioned the acquisition of the 80-foot right-of-way extension. Mr. Molen responded that the City has worked with other projects involving a right-of-way. Since the purpose of the project is to support the community, MVSC hoped the City would help with getting the initial phase off the ground.

Mayor Winters questioned what guarantee would be provided to the City for their investment should the project fall on hard times. Mr. Molen responded there would be value on the land. He stated MVSC would assure the City of protection against loss.

Commissioner Burow asked the identity of P & E LLC on the MOU. Mr. Molen responded they are the owners of the land. They will be put on a charitable trust to Mountain View Sports Complex, Inc. If the project doesn't work out, they would retain the value of the land, or MVSC would pay them back on the charitable trust over a period of time. The value of the land is about \$1.9 million.

Commissioner Bronson asked the status of the negotiations with the landowners. Mr. Molen responded the final contract is currently being done. Commissioner Bronson also inquired about the status of the nonprofit application. Mr. Molen responded he just heard from the IRS agent. All requirements have been submitted and he will forward it to the final manager who will issue the exempt status.

Commissioner Bronson questioned if any component of the project will be profit generating. Mr. Molen responded that leagues, concessions, concerts, etc. would bring in revenue, and that has been disclosed to the IRS. Commissioner Bronson agreed that nonprofits can have profit centers as long as there are clear trails for auditors. Mr. Molen stated that leasable space anchors the facility and revenue is generated each month, not only off the training and sports portion of the facility.

Commissioner Bronson inquired about a timeline and estimated cost of Phase 1. Mr. Molen responded that Phase 1 is hoped to be completed by the end of the summer in 2012. The estimated cost is \$10.5 million including infrastructure.

Mayor Winters asked if the project is realistic. Mr. Molen responded he has done research on hundreds of facilities around the country in communities similar to Great Falls and they are thriving.

Commissioner Bronson questioned if a marketing study had been done. Mr. Molen responded he talked with development groups from other facilities. He noted that he is working full time on the facility.

City Manager Greg Doyon commented the City has recently committed fund to Montana Eggs and the Industrial Park, though different models. He believes the Commission recognized additional development potential and added taxable value with the two projects. He noted that community support for the MVSC projects doesn't necessarily equate to dollars.

Mr. Doyon questioned if the Commission is interested in proceeding toward an MOU. He believes there will be some areas that will be tough for the community with the upcoming budget and noted that it may be challenging to determine what the City can provide toward this project.

Mayor Winters asked the will of the Commission. Commissioners Bronson and Jones agreed to further discussions but noted the different models that were referenced. Commissioner Jones added the annexation of the 80-foot piece of property would probably be the responsibility of MVSC.

Mayor Winters commented that the location of the property with the hospital and the educational facilities nearby is the most beneficial part of the project. He also believes that a hotel close to the medical and educational facilities would be a great draw. He agreed that he would like to pursue further possibilities to making the project a reality.

Commissioner Burow stated he was not opposed to further discussion. He noted that the nonprofit would not provide tax dollars. Mr. Molen responded the project would stimulate the economy. Recent wrestling and basketball tournaments filled all the hotels and brought approximately 5,000-6,000 people to town. He believes MVSC could bring in similar events a few times a year. They hope to do about 26 special 3-day events each year.

Commissioner Burow questioned the community response if the City helps a nonprofit and cuts current services in the upcoming budget.

Mr. Molen noted they hope to collaborate with the City, as well as the Great Falls Development Authority.

Mr. Haynes stated he would determine a dollar amount for the six or seven items requested by MVSC and provide that information to the Commission.

Mr. Rearden questioned if general rate payers should subsidize private development. Mayor Winters requested the Planning and Community Development Department provide further information to the Commission to help determine if the project is possible. He noted that the City should try to help new industries come to town.

### ADJOURN

There being no further discussion, Mayor Winters adjourned the work session of May 17, 2011, at 6:40 p.m.