

**JOURNAL OF COMMISSION WORK SESSION**  
**May 3, 2022**

City Commission Work Session  
Civic Center, Gibson Room 212

Mayor Kelly presiding

**CALL TO ORDER:** 5:30 PM

**CITY COMISSION MEMBERS PRESENT:** Bob Kelly, Susan Wolff, Joe McKenney, Eric Hinebauch, and Rick Tryon.

**STAFF PRESENT:** City Manager Greg Doyon and Deputy City Manager Chuck Anderson; City Attorney Jeff Hindoen; Finance Director Melissa Kinzler; Planning and Community Development Director Craig Raymond; Public Works Director Paul Skubinna; Park and Recreation Director Steve Herring; Municipal Court Judge Steve Bolstad and Court Supervisor Morgan Medvec; Fire Chief Jeremy Jones; Police Chief Jeff Newton; and, Deputy City Clerk Darcy Dea.

**PUBLIC COMMENT**

**Kevin Westie**, City resident, discussed global warming, carbon intensity and that the American worker solved the climate change problem by developing new technologies.

**1. DRUG ENFORCEMENT UPDATE.**

Drug Enforcement Administration (DEA) Resident in Charge Stacy Zinn, via Zoom, reported that she oversees offices in Missoula, Great Falls and Billings and that meth use, fentanyl products, as well as the legalization of marijuana are a huge issue hitting Montana. There has been several overdoses due to an increase in synthetic fentanyl use and will more than likely double in numbers this year. There is an influx from the Tri-Cities area, including Spokane, traveling into Missoula, Flathead, Browning and Great Falls. The DEA received intelligence about individuals from the southwest boarder wanting to push fentanyl into Montana. Those individuals want to control the dosage of fentanyl and how potent it is; however, once it gets into someone's system it can cause an overdose type reaction. There is an increase of people experimenting with fentanyl because the pill prices are decreasing. Pill prices in Great Falls are \$37 to \$42 per pill and \$10 per pill in Missoula.

Ms. Zinn reported that with the legalization of marijuana, there has been an increase in black market presence. Marijuana is being mailed into Montana and more younger individuals are starting to use marijuana. She commented that her fear is that there will be an increase of foreign influence in controlling the marijuana black market and that the City needs to be prepared. The City could see more illegal activity and property being purchased for illegal grow by foreign entities. Ms. Zinn further reported that individuals with mental health issues and smoke marijuana with high THC levels over a period of time, could draw out the mental health issues sooner.

Ms. Zinn reported that another concern is that the youth in Great Falls have been experimenting with LSD and have been talking about Ecstasy or Molly.

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Commissioner Tryon inquired if the DEA has studies that indicate if allowing adult-use marijuana dispensaries to operate helps mitigate the use of marijuana products laced with fentanyl or other dangerous substances.

Ms. Zinn responded that the DEA does not have a study and would be the responsibility of the State of Montana; however, there is a report about marijuana, black market, emergency room visits and crime trends in Denver that have followed the legalization of marijuana, available on the Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) website.

Mayor Kelly expressed appreciation, on behalf of all communities, for the efforts of the DEA and its cooperation with local law enforcement. He inquired if other states have been effective in mitigating some of the threats that Ms. Zinn mentioned.

Ms. Zinn responded that there has been a lack of effort because legalized marijuana is such a political issue; however, the DEA has collaborated with the State of Colorado in order to enforce and uphold the state laws. She commented that the State of Montana needs to determine if it is going to uphold its state laws and hold its politicians accountable.

**2. PUBLIC SAFETY UPDATE.**

Police Chief Jeff Newton discussed the following Crime Task Force Recommendations that apply to the Great Falls Police Department (GFPD):

- GFPD Detective Case Load Addressed
- Support Crisis Intervention Collaborative with Alluvion Health
- Crime Safety Updates to the Commission
- Revise Annual Police Year End Report
- City Commission make public safety, as it relates to crime and the local criminal justice system, a top priority regarding Neighborhood Councils
- Meeting with Business Leaders
- Re-Align One of Two Annual Citizens Academy
- Continued Support of Various Task Forces
- Continued Partnership with Veteran's Court, Mental Health, Drug and Juvenile Drug Treatment Courts

City Manager Doyon reported on the following Crime Task Force Recommendations:

- Resolution 10449, requesting support and resources from Montana's Congressional Delegation to address recommendations and action items from the 2021 Great Falls Crime Task Force was submitted to Montana's Congressional Delegation and the governor; however, there has been no response
- The County, as the entity that is responsible for putting marijuana tax revenue on a ballot, has indicated that it has no intension of putting the marijuana tax revenue issue on a ballot with regard to revenue sharing with the City
- Commissioner McKenney is arranging for a legislative forum with the City, County and local

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Legislators with regard to the impact on the 2017 Justice Reinvestment Act.

- An initial inquiry was performed for the release of sentencing and prosecution records to the public and there is currently a mechanism that provides some information; however, there is not a specific software that will provide current data for those records
- There would need to be a change to the charter for a second Municipal Court Judge position and would have to be put on the ballot for the November 2022 general election

Commissioner Tryon suggested that a volunteer organization contact the District Court to request data on felony records to be made available for the public.

Commissioner McKenney requested that Police Chief Newton expand on the continued support of Crisis Intervention Collaborative with Alluvion Health for mental health.

Police Chief Newton responded that the City and Alluvion Health partnered together utilizing a \$248,000 grant. The mental health program started full force in April 2022, and the Mobile Response Team (MRT) has a mental health professional on call 24/7.

Municipal Court Judge Steve Bolstad added that several professionals in the Mental Health Court are members of the MRT. Mental Health Court may be changing because the Public Defender's Office may not fund for a public defender for court and are contracting a defense firm to provide defense in the Municipal Court. Judge Bolstad will attend the legislative forum with the City, County and local Legislators because the changes in the last two terms have not been productive to curbing crime. He explained that with the changes in the Prosecutors office, an increase in cases and being on duty 24/7, he is not sure how much longer he can take it. Referring to the legalization of marijuana, Judge Bolstad reported that there has been a significant increase in minors, under 18, in possession of marijuana. There were 14 minor in possession (MIP'S), including marijuana and alcohol, under the age of 18 and 15 MIP's over the age of 18 years, in May 2021 and seven MIP's this year.

Mayor Kelly received clarification that office space and having to be elected are two issues with regard to a second judge for Municipal Court.

Commissioner Tryon received clarification that a mechanism for making sentencing and prosecution records available to the public is not available and potentially would not be helpful.

**3. OVERVIEW OF THE TIF PROGRAM AND QUARTERLY DOWNTOWN TIF UPDATE.**

Planning and Community Development Director Craig Raymond reviewed and discussed the following PowerPoint:

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## Great Falls Tax Increment Financing Program



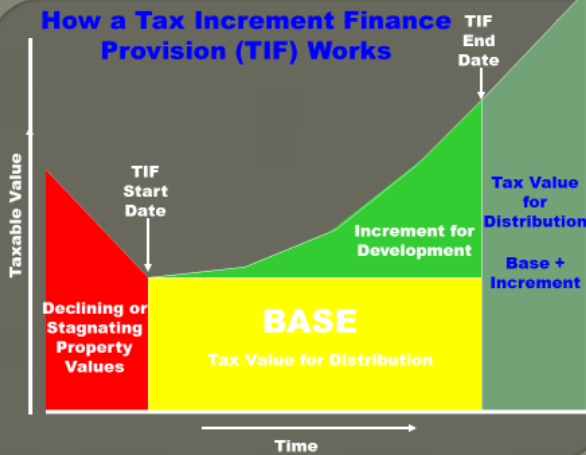
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## What is Tax Increment Financing?

- Tax increment financing (TIF) is a state authorized, locally driven funding mechanism that allows cities and counties to direct property tax dollars that accrue from new development, within a designated *district*, to community and economic development activities within that district.
- The laws governing TIF can be found in Montana's Urban Renewal Law, 7-15-4201

### How a Tax Increment Finance Provision (TIF) Works



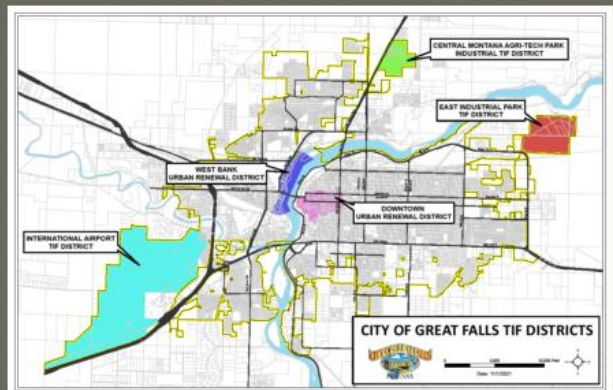
## History of TIF in Montana

- TIF districts were first authorized in Montana in 1974.
- Beginning in 1989, the use of TIF was expanded to include Industrial Districts.
- In 2013, the Legislature replaced all non-urban renewal districts types with one type – Targeted Economic Development Districts or “TEDDs”
- Today there are 5 TIF Districts in Great Falls



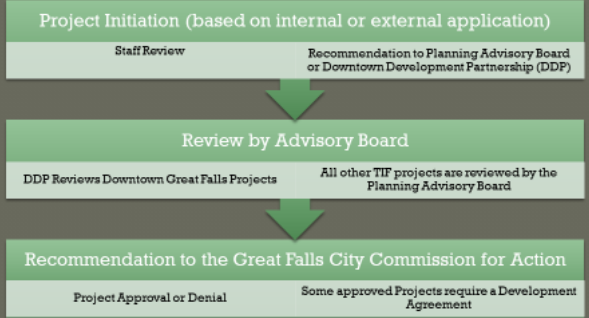
## Great Falls TIF Districts

- **Urban Renewal**
  - Downtown - 2012
  - West Bank - 2007
- **Industrial**
  - Airport - 2008
  - East Industrial Park - 2013
  - Central Montana Agriculture and Technology Park - 2005

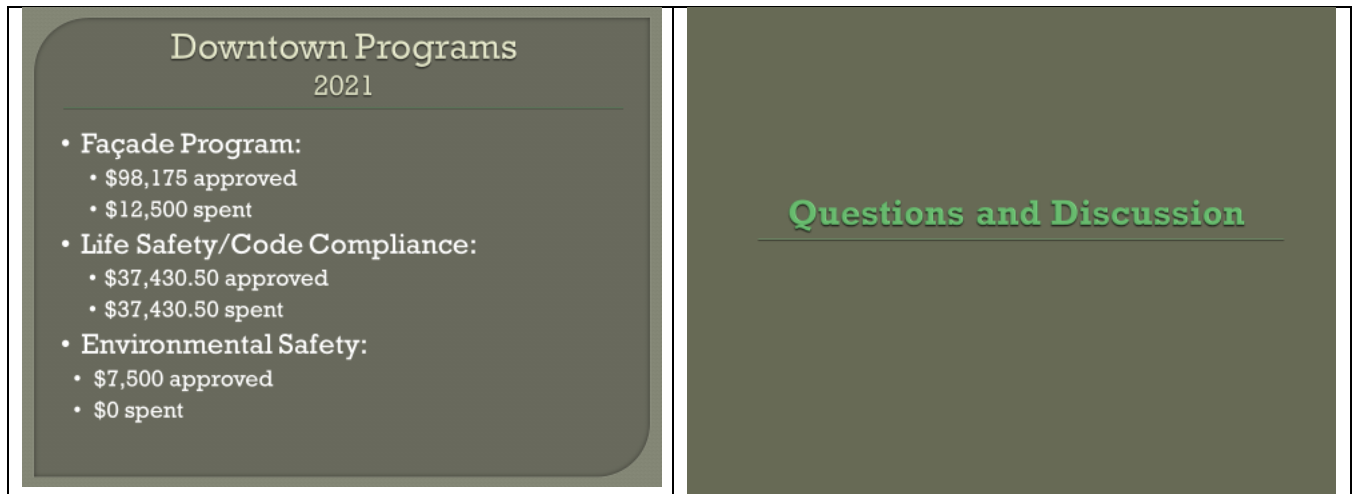
## Great Falls TIF Districts



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 <h3>Financial Impact of TIF's</h3> <p><b>Pro's:</b></p> <ul style="list-style-type: none"> <li>• Create incentive to abate slum &amp; blight and improve underdeveloped properties</li> <li>• Leverages private investment in public infrastructure</li> </ul> <p><b>Con's:</b></p> <ul style="list-style-type: none"> <li>• Delays capturing revenue due to increase taxable values</li> <li>• Increases cost of providing basic services to other taxpayers</li> </ul>	<h3>Allowable Uses of TIF Funds</h3> <ul style="list-style-type: none"> <li>• Land Acquisition</li> <li>• Rehabilitation and Renovation</li> <li>• Demolition and Removal of Structures</li> <li>• Public Safety Improvements</li> <li>• General Redevelopment Activities</li> <li>• Constructing and improving public infrastructure</li> <li>• Provision of public services</li> <li>• Program Administration</li> </ul> 
<h3>Key Issues Related to Expenditures</h3> <ul style="list-style-type: none"> <li>• TIF funds are property tax dollars and as such must be managed accordingly.             <ul style="list-style-type: none"> <li>• The public purpose of expenditures must be established.</li> <li>• The purchase of goods and services must follow regular procurement policies established by the local government.</li> <li>• Infrastructure should be designed to benefit more than a single developer or property owner.</li> </ul> </li> </ul>	<h3>Great Falls' TIF Project Review Process</h3>  <pre> graph TD     A[Project Initiation (based on internal or external application)] --&gt; B[Staff Review / Recommendation to Planning Advisory Board or Downtown Development Partnership (DDP)]     B --&gt; C[Review by Advisory Board]     C --&gt; D[Recommendation to the Great Falls City Commission for Action]     D --&gt; E[Project Approval or Denial / Some approved Projects require a Development Agreement]             </pre>
<h3>Evaluation Criteria</h3> <p>(Other than Downtown)</p> <ul style="list-style-type: none"> <li>• Public Infrastructure Improvements</li> <li>• Economic Stimulus</li> <li>• Tax Generation</li> <li>• Employment Generation</li> <li>• Elimination of Blight</li> <li>• Special or Unique Opportunities</li> <li>• Impact Assessment</li> <li>• Financial Assistance</li> <li>• Developer Feasibility and Performance</li> <li>• Timely Completion</li> <li>• Payment of Taxes</li> </ul>	<h3>Project Payment</h3> <ul style="list-style-type: none"> <li>• Applicant submits request for payment             <ul style="list-style-type: none"> <li>• Approved form</li> <li>• Invoices (evidence invoices have been paid)</li> <li>• Proof of prevailing wages paid (if applicable)</li> </ul> </li> <li>• Staff review of documents</li> <li>• Finance Dept processes for payment</li> </ul>

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Mayor Kelly commented that TIF Districts are responsible for jobs, community improvement, are used judiciously and improve the community as a whole. He inquired if there has been any improvement to the Westbank District for the Buffalo Crossing Area.

Director Raymond responded that nothing has happened, the obligation has ended and the TIF money has been de-obligated.

Commissioner Tryon received clarification that the value of private property located in the TIF District increases.

Commissioner McKenney commented that TIF Districts are a good choice for the City since options for economic development are limited. He received clarification that there are no more Tax Increment Financing Industrial District's (TIFID's), as defined prior to 2013, and are now Tax Economic Development Districts (TEDD's), which are more flexible than TIFID's. There is currently TIF money in the bank waiting for projects; however, the money in some of the districts is already obligated to bond payments.

**DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS**

City Manager Greg Doyon reported that the May 17, 2022 work session will consist of an update about the hiring and retention process from Human Resources, as well as an ARPA project update. A Budget Planning Special Work Session will be on May 9 and 10, 2022. Manager Doyon requested that the Commission provide him with its broad goals and focus areas.

**ADJOURN**

There being no further discussion, Mayor Kelly adjourned the informal work session of May 3, 2022 at 6:45 p.m.