

JOURNAL OF COMMISSION WORK SESSION
February 21, 2023

City Commission Work Session
Commission Chambers Room 206

Mayor Kelly presiding

CALL TO ORDER: 5:30 PM

CITY COMMISSION 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 David Dennis and Deputy City Attorney Rachel Taylor; Finance Director Melissa Kinzler; Planning and Community Development Director Craig Raymond and Deputy Director Tom Micuda; Municipal Court Judge Steve Bolstad and Court Supervisor Morgan Medvec; Assistant Fire Chief Bob Shupe; Police Captain Doug Otto; and, Deputy City Clerk Darcy Dea.

PUBLIC COMMENT

Kevin Westie, 602 35th Street North, opined that the use of the Tax Increment Financing Tax Industrial District (TIFTID) increases regulations and crime.

Written correspondence, via February 21, 2023 email, was received from **Terry Bjork**, commented that approving a new TIF district to benefit one private development, while simultaneously asking local taxpayers to approve a public safety levy, would be a callous slap in the face to local taxpayers.

1. EDUCATIONAL PROPOSAL FOR SAFETY LEVY

Wendt Agency CEO Brenda Peterson introduced Creative Director Kara Smith; President Jennifer Fritz; Senior Vice President Carol Kruger; Client Services Director Kattie Meyer; Content Creator Caitlin Crumley; and, Digital Strategist Jennifer McKee.

Wendt Agency President Fritz explained that Wendt Agency has worked with many local government entities to do similar outreach educating and informing the public. Wendt Agency staff are experts in communication and outreach, and aware that they cannot sway any decision.

Wendt Agency CEO Peterson, President Fritz, Creative Director Smith and Senior Vice President Kruger reviewed and discussed the following PowerPoint:

JOURNAL OF COMMISSION WORK SESSION
February 21, 2023

GREAT FALLS PUBLIC SAFETY LEVY
COMMUNITY EDUCATION PROGRAM
COMMISSION PRESENTATION // FEBRUARY 21, 2023

WE ARE THE WENDT AGENCY

94 YEARS YOUNG
FOUNDED IN 1929

14 AMAZING EMPLOYEES

9 LOYAL EMPLOYEE OWNERS

BASED IN GREAT FALLS, MONTANA

LEADERS IN BUILDING BRANDS AND DEVELOPING CUTTING-EDGE STRATEGY

- ACCOUNT MANAGEMENT
- BRAND STRATEGY & DEVELOPMENT
- CREATIVE DEVELOPMENT
- CONTENT CREATION
- VIDEO & PHOTOGRAPHY
- WEBSITE & DIGITAL DEVELOPMENT
- INTEGRATED MEDIA
- EARNED MEDIA
- SOCIAL MEDIA
- PERFORMANCE ANALYTICS

WHAT DOES THIS MEAN FOR THE COMMUNITY EDUCATION PROGRAM?

WE ARE EXPERTS AT LEARNING

Understanding of Project

WHAT DOES THIS MEAN FOR THE COMMUNITY EDUCATION PROGRAM?

FULL-SERVICE TEAM OF SPECIALISTS

Thoughtful · Strategic · Effective

WHAT DOES THIS MEAN FOR THE COMMUNITY EDUCATION PROGRAM?

COMPELLING CREATIVE MESSAGING

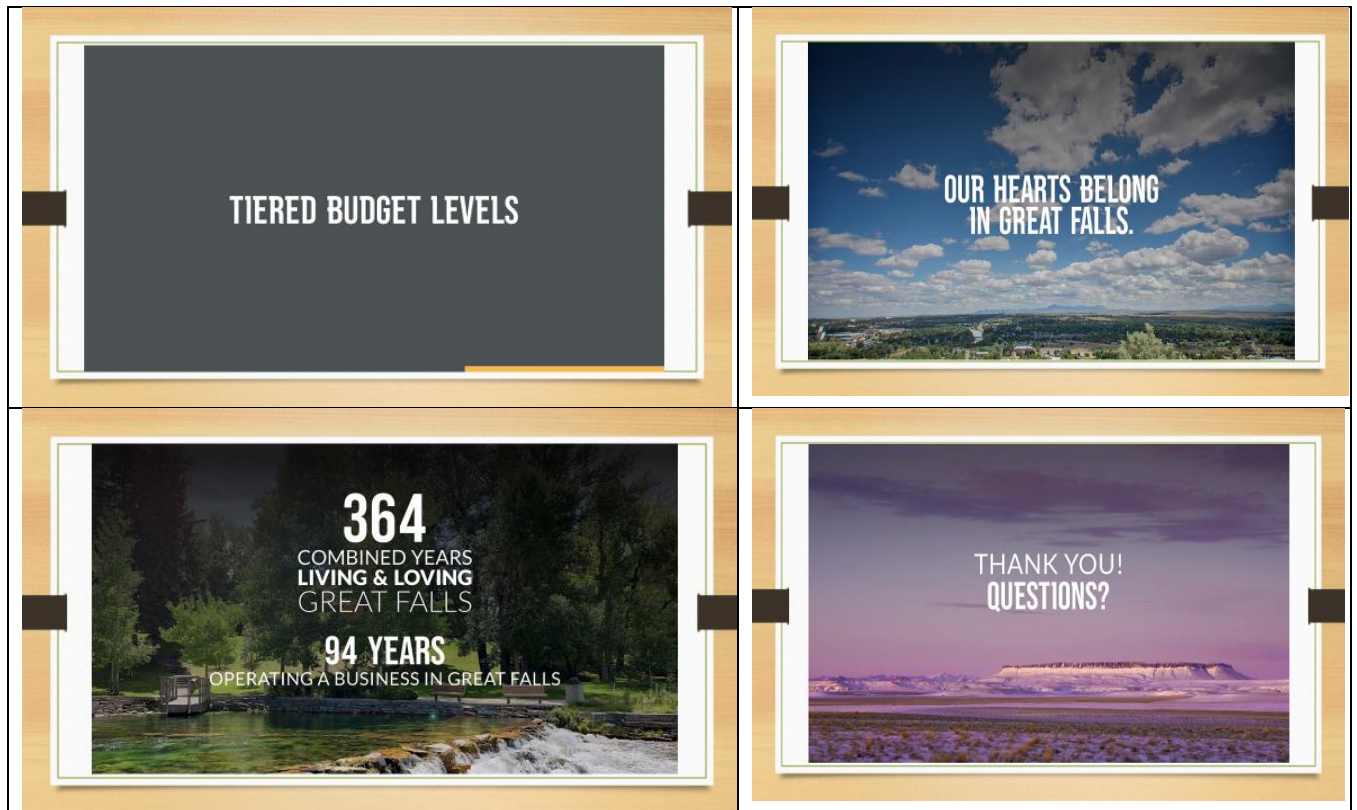
Creating Clarity and Trust

WHAT DOES THIS MEAN FOR THE COMMUNITY EDUCATION PROGRAM?

OUTREACH THAT IS STRATEGIC

Results-Driven Outreach Strategy

JOURNAL OF COMMISSION WORK SESSION
February 21, 2023



Wendt Agency Senior Vice President Kruger provided and discussed a Tiered Budget Levels handout.

Mayor Kelly received clarification that the City's fund balance would be utilized for any of the three tiered budget levels.

Commissioner McKinney inquired if the tier one budget proposal would be enough for the City to reach its goal educating the community and if interested community organizations could donate.

Wendt Agency CEO Peterson responded that the tier one budget proposal is pretty bare bones. The tier two and three proposals provides more opportunity, outreach and communication to reach a diverse community. Because of the short time frame, Wendt Agency staff does not have the luxury of building messaging into the tier one budget proposal and need to be more aggressive in the outreach. Partners in the community that have an interest in public safety, health and education could be stakeholders.

Commissioner Tryon expressed concern about the message turning into the City advocating for a Public Safety Levy, rather than educating and presenting facts to the community. He inquired how Wendt Agency staff would counter any misinformation; create a two-way conversation between the City and community; and about its performance analytics.

Wendt Agency CEO Peterson responded that her staff is fully aware that this is an educational effort to present facts and not an advocacy outreach. Wendt Agency staff would utilize social media, a website portal and an education campaign to provide facts to the community. Wendt Agency staff would work with City staff to create a two-way conversation between the City and community; however, the strategic

JOURNAL OF COMMISSION WORK SESSION
February 21, 2023

plan for now is listed in the tiered budget proposals handout. Wendt Agency staff would have a communication plan to report what the facts are to counter any misinformation. Wendt Agency's performance analytics to measure an educational campaign would include daily monitoring, tracking engagement and usability on a website or social media platform.

Wendt Agency President Fritz added that Wendt Agency staff would measure the success of an educational campaign by how many citizens download the toolkit and monitoring website traffic.

Commissioner Hinebauch inquired about public relations (PR) tactics, guest editorials, direct mail campaign and speaking engagements with regard to the tiered budget proposals.

Wendt Agency Senior Vice President Kruger responded that a guest editorial is an outreach to the media that involves digital space, web portals, news sites and broadcast media. Wendt Agency staff would work with the City with regard to choosing authors for the guest editorials. Speaking engagements would take time and effort from the City; however, it would allow the City to take its message and present the facts to the public.

Wendt Agency President Fritz added that the direct mail campaign in the tier three budget proposal allows for one direct mail campaign.

Commissioner Wolff suggested that the Wendt Agency staff consider the following with regard to a strategic informational process and education campaign: choose correct facts to present to the public; talk to City Department Heads, as well as City staff; and, invite other entities, such as schools and social service partners.

Mayor Kelly reiterated that public safety includes Fire, Police, Municipal Court and the City Attorney's Office being one large system that operates in a complimentary capacity.

City Manager Greg Doyon recommended that the Commission approve one of the tiered budget proposals at the March 7, 2023 City Commission Meeting.

Commissioner McKenney inquired if approving a tiered budget proposal at the March 7, 2023 City Commission Meeting is the proper procedure since the Commission has not approved putting a Public Safety Levy on a ballot yet.

City Manager Doyon responded that at a previous Work Session Meeting, it was the consensus of the Commission to modify a draft Public Safety Levy request. He reiterate that timing is an issue; however, the Commission could decide to either wait or proceed at the March 7, 2023 City Commission Meeting.

It was the consensus of the Commission to proceed with approving one of the tiered budget proposals at the March 7, 2023 City Commission Meeting.

2. DISCUSSION OF REQUEST FOR A TAX INCREMENT FINANCE DISTRICT

Planning and Community Development Director Craig Raymond explained that there was a request from Craig Development to create a new Tax Increment Finance (TIF) District. He encouraged that the

JOURNAL OF COMMISSION WORK SESSION

February 21, 2023

Commission consider the following:

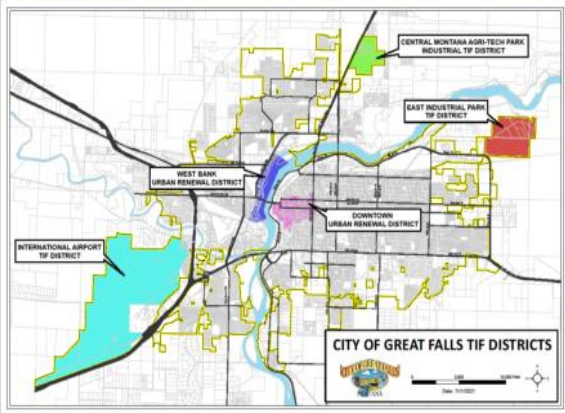
- The specific language through the Montana legislature for urban renewal areas. Urban renewal areas are different from targeted economic development districts or industrial districts and are about resolving or eliminating blight, as opposed to capitalizing on opportunity.
- The actual definition of blight through the Montana legislature.
- The difference between blight and redevelopment of property from a particular use to a higher or better use.
- The precedent that this type of TIF district creation may set. This is a very unique request and different from the City's existing urban renewal areas because there have been similar projects that have successfully completed without a creation of new TIF districts.

Planning and Community Development Deputy Director Tom Micuda reviewed and discussed the following PowerPoint:

Discussion of Request for a Tax Increment Finance District

City Commission Work Session
February 21, 2023

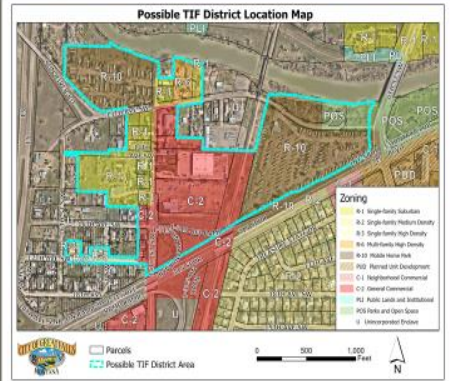
Great Falls TIF Districts



Impact of TIFs on Budget

| Name of Tax Increment District | Beginning Taxable Value (Base Year) | Current Taxable Value Tax Year 2022 | Incremental Taxable Value as of FY 2022 | Total Tax Increment Revenue raised as of 6/30/2022** | FY 2022 Actual Revenue as of 6/30/2022** |
|--|-------------------------------------|-------------------------------------|---|--|--|
| East Industrial Park | \$2,322 | \$508,647 | \$506,325 | \$1,948,569 | \$379,000 |
| GF Downtown Urban Renewal | \$5,643,690 | \$4,853,187 | \$1,209,489 | \$5,175,688 | \$1,486,404 |
| GF International Airport | \$107,149 | \$243,756 | \$136,607 | \$428,952 | \$98,000 |
| West Bank Urban Renewal | \$292,536 | \$1,467,269 | \$1,174,733 | \$6,279,429 | \$861,000 |
| Int'l Malting Plant/Central MT Agri-Tech Park | \$347,618 | \$835,820 | \$488,202 | \$3,892,217 | \$300,000 |
| Total of Redirected General Fund Revenue (27% of Tax Increment Revenue) | | | | \$4,677,711 | \$838,189 |

Possible TIF Area – Based on study done on behalf of GFDA



JOURNAL OF COMMISSION WORK SESSION
February 21, 2023

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|--|--|
| <h3 style="text-align: center;">Property Inventory</h3> <ul style="list-style-type: none">◦ RV Park – 16+ Acres◦ Riverview Apartments – 1.6 Acres◦ Rivers Edge Estates (MHP) – 9.7 Acres◦ Terracon Consultants – 1.1 Acres◦ Dr. Lawn – 4.7 Acres◦ Herman’s Flowers – 5.3 Acres◦ Montana Metalworks and Signs – 0.3 Ac.◦ Crane Chiropractic – 0.21 Acres◦ Remaining – single family, government, railroad <p style="text-align: right;">5</p> | <h3 style="text-align: center;">Process to create an Urban Renewal TIF</h3> <ul style="list-style-type: none">• Step 1 – Determine if area has “Blight”• Step 2 – City Commission adoption of “Resolution of Necessity” includes Blight Study, declaration TIF is needed, Potential TIF Boundary• Step 3 – Development of an Urban Renewal Plan – Roadmap for addressing blight/redevelopment• Step 4 – Adoption of Urban Renewal Plan, Creation of the TIF• Step 5 – Notification of County, School District, Transit District, Conservation District• Step 6 - Review by State of Montana <p style="text-align: right;">6</p> |
| <h3 style="text-align: center;">Blight – Definition</h3> <p>“An area that is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, that substantially impairs or arrests the sound growth of the city or its environs, that retards the provision of housing accommodations, or that constitutes an economic or social liability or is detrimental or constitutes a menace to the public health, safety, welfare, and morals in its present condition and use, by reason of:</p> <p style="text-align: right;">7</p> | <h3 style="text-align: center;">Blight (cont.)</h3> <ul style="list-style-type: none">◦ The substantial physical dilapidation, deterioration, age obsolescence, or defective construction, material, and arrangement of buildings or improvements, whether residential or nonresidential;◦ 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;◦ Inappropriate or mixed uses of land or buildings;◦ High density of population and overcrowding;◦ Defective or inadequate street layout;◦ Faulty lot layout in relation to size, adequacy, accessibility, or usefulness; <p style="text-align: right;">8</p> |
| <h3 style="text-align: center;">Blight (cont.)</h3> <ul style="list-style-type: none">◦ Excessive land coverage;◦ Unsanitary or unsafe conditions;◦ Deterioration of site;◦ Diversity of ownership;◦ Tax or special assessment delinquency exceeding the fair value of the land;◦ Defective or unusual conditions of title;◦ Improper subdivision or obsolete platting;◦ The existence of conditions that endanger life or property by fire or other causes; or◦ Any combination of the factors listed in this subsection (2). <p style="text-align: right;">9</p> | <h3 style="text-align: center;">How a Blight Study is created</h3> <ul style="list-style-type: none">◦ Downtown<ul style="list-style-type: none">• Based off Master Plan adopted in October 2011• Blight Study created and adopted – March, 2012 (5 months)• Blight Study done by staff◦ West Bank<ul style="list-style-type: none">• Study directed by City Commission – Nov. 8, 2006• Blight Study created and adopted – December 5, 2006 (1 month)• Blight Study done by staff <p style="text-align: right;">10</p> |

Due to a lack of time, the discussion will continue at the March 7, 2023 Work Session.

JOURNAL OF COMMISSION WORK SESSION
February 21, 2023

Mayor Kelly referred to an article in the *Great Falls Tribune* that City staff was holding back on the proposed TIF district project even though the City Commission wanted it to go forward. Mayor Kelly clarified that nothing could be further from the truth and the Commission has made no decision or indicated that in any way. The Commission very strongly supports the way City staff has gone about exploring this process, cares deeply about these decisions, pays attention to details, and will not be swayed by any comments made to the media.

DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS

City Manager Greg Doyon reported that Municipal Court updates, CourseCo Annual update, and continuation of a request for a TIF district will be topics for the March 7, 2023 work session. Fiber and telecommunication updates and sanitation rate review will be topics for the March 21, 2023 work session.

ADJOURN

There being no further discussion, Mayor Kelly adjourned the informal work session of February 21, 2023 at 6:53 p.m.