

Regular Public Safety Advisory Committee Meeting Civic Center, 2 Park Drive South,  
Gibson Room 212, Great Falls, MT 59401

**CALL TO ORDER:** PSAC Chair Sandra Guynn called the meeting to order at 6:01 P.M.

**ROLL CALL:** Public Safety Advisory Committee (PSAC) Members present: Sandra Guynn, Jeni Dodd, Aaron Weissman, Mike Parcel and Shannon Wilson.

PSAC Member Wendy McKamey arrived at 7:10 p.m.

Absent: PSAC Members Joe McKenney, George Nikolakakos, Thad Reiste and ~~Mike Parcel~~ Tony Rosales.

*Due to lack of a quorum, no official action was taken on agenda items 1 & 2 until after PSAC Member Wendy McKamey arrived.*

### **EDUCATIONAL PRESENTATIONS AND DISCUSSIONS**

*-- Unofficial Portion of Meeting --*

#### **3. TIF'S AND TAX ABATEMENTS FOLLOW-UP**

Finance Director Melissa Kinzler and City Manager Greg Doyon reviewed and discussed handouts titled Update on Tax Increment Districts (1 pg), General Fund Expenditures by Department (3 pgs), and City of Great Falls Tax Revenue Not Received Due to Abatement Benefits Fiscal Year 2010 to Fiscal Year 2022 (3 pgs).

The City currently has five TIF Districts. West Bank and Downtown are Urban Renewal Districts, and Central Montana Agri-Tech Park, Great Falls International Airport and the East Industrial Park are Industrial Districts.

The original lifespan of a TIF District is 15 years. TIF Districts can be expanded by issuing debt. The City's TIF Districts with debt issued are for a lifespan of up to 40 years. When the property owners pay their annual property taxes, instead of the monies going to the taxing jurisdictions, those monies go to the TIF District fund for public improvements within the district. If a TIF District is released, the percentage that would go to the City (based on the percentage of the number of mills) is about 28%. If the debt can be paid off early the TIF District could be dissolved. Depending on the type of District, there are different nuances the funds can be used for. For example, funds can be used for blight in urban renewal districts.

Developers can find a TIF application to start the process on the City's website. The Downtown Development Partnership reviews applications and suggests funding for the Great Falls Downtown Urban Renewal District. Planning and Community Development reviews applications for the other TIF Districts. All TIF funding requests come before the City Commission for consideration of approval.

Director Kinzler explained that when the City applied for TIF funds for the Civic Center façade project, they sold \$6 million in bonds over a 20-year period. The debt is issued in the City's name, but the actual credit of the debt is based on the revenue that comes in from that TIF District (the property owners paying taxes within the TIF District).

All of the Development Agreements for approved TIF applications are different because the anticipation of revenues varies depending on development going on in the District. The City tries to make sure that the City is not at risk to the fullest extent possible. The Finance Department, City Attorney, Planning and Community Development Department, City Manager and outside bond counsel review the proposals to make sure it meets the tenets of state law. If bonds are involved, a bond advisor also assists the City and bond counsel. There is a lot of legal and administrative work that goes on throughout the process to get it to the point to come before the Commission and public. All of those costs are allowed to be covered by the TIF District funds. Also, it depends on how debt is structured and how the Development Agreement reads, if the City can call the debt early (pay back the bonds).

TIF's are one of the economic tools Montana developers have to help facilitate new business and growth, compared to other states that have large economic incentive packages. West Bank is a great example of a TIF District working well. In 2005, it was a superfund site with no employers. Now, there are three hotels, restaurants, and offices.

PSAC Member Dodd noted that there are also claims that TIF's do not promote economic development, and that TIF's burden the taxpayers because the increment goes into the TIF District and not the City budget for public safety and City services.

Manager Doyon explained that releasing the East Industrial Park TIF District was discussed at a recent work session. The Commission wanted to make sure that the people in the TIF District were notified first. He reached out to Great Falls Development Authority (GFDA) to see if there was any potential development in that district that might be interested in using the increment. The information he got back was that there may be an application for a project in that district. The other option is to do a partial release. However, that gets challenging and may not yield as much money as the PSAC may think in terms of supporting an ongoing public safety resource.

Currently, there are not any new TIF applications pending.

Director Kinzler discussed the different types of tax abatements per state statute and the list of tax abatements the City has been dealing with over a period of time. She reviewed a handout of estimated tax revenue not received due to abatement benefits for fiscal year 2023 to fiscal year 2032.

She explained that a state abatement application is subject to the independent actions of the City Commission and County Commission.

The tax abatement for MT Renewables, Calumet's new and expanding industry, was estimated to be \$426,591.38 for tax year 2023, fiscal year 2024, and is different and separate from Calumet's tax

appeals. Calumet pays its taxes and then goes through the protest process, which is different than an abatement.

Manager Doyon added that, when he gave his budget presentation at last night's work session, he did not include Calumet's protested taxes in the budget.

Director Kinzler commented that Calumet's last appeal process took two and one-half years. Also, the City is required to set its mills 30-days after receiving taxable valuations from the Department of Revenue. So, if the City sets its mills and then an appeal is settled and lowers the value of the mills, the City would actually lose revenue. At a certain point, the City has to decide whether to reset its mills or lose that revenue because of the change in valuation. Calumet is one of the major taxpayers in the City, so their tax protests have a huge effect.

Manager Doyon reported that in order for a community to effectively support its core services, public works, fire and police, it needs to have a good property tax base portfolio. The property tax portfolio needs to be a mixed balance of commercial, industrial, and manufacturing to offset what is lost in residential property. People commented throughout the educational process on the prior levy effort about the City's expansion and what types of property they are seeing developed. While it looks like we are growing in terms of the number of structures and apartments, it isn't going to grow the City's tax base the way people think that it is going to, because there are different property tax classes. In the scheme of things, a community has to be diligent about making sure that it has a robust portfolio to balance it all out.

PSAC Member Dodd noted that there are a lot of non-profit properties that are not contributing to the City budget at all. She has heard people saying that Benefis should be building a fire station.

Manager Doyon responded that there was an attempt during the last legislative session to impose a tax on institutions like Benefis, but it didn't get very far.

Director Kinzler commented that the top 10 taxpayers in the City are listed in the Comprehensive Annual Financial Report.

Manager Doyon commented that when businesses come in to Great Falls, they look at Great Falls' low unemployment and they look at the workforce. They look at the demographics in the community and other competitors in terms of the job market when deciding where they locate. It is good that developers are building apartments and that they are being filled, because that buoys our workforce.

With regard to TIFs, PSAC Member Weissman commented that is why Great Falls needs to do things to attract people to stay in this town. We need to create the industry. A falling down downtown and a West Bank Park that was a superfund site is a whole lot less attractive of a community than the one that has been built the last 15 years.

PSAC Member Wilson commented that is part of the concern of letting go of the East Industrial Park TIF. If there is a potential business coming in that could help grow Great Falls, it would be sad to not have that TIF available.

Manager Doyon added that the Commissions he has worked with have struggled with this balance of providing critical essential services, but having enough quality of life attribute that you can actually continue some measure of growth in the community. People are not going to come here if we don't have a safe community. On the opposite side, if there is nothing to do here, why would they come here. Businesses look for that balance when they make a decision on where to locate.

Director Kinzler reviewed a handout of general fund expenditures by department, inclusive of the public safety departments of Court, Legal, Police and Fire. She explained the \$1.2 million under "Miscellaneous Admin" includes purchased services, internal service charges, and the Civic Center building internal service fund that covers the common spaces in the Civic Center. It also includes some mapping charges, the fire equipment revolving schedule for lease payments for all the different fire equipment, police equipment revolving schedule, and a small equipment revolving schedule for legal.

"Transfers Out" support other funds that need additional revenue to be subsidized by the general fund, including Planning and Community Development, Natural Resources, Swimming Pools, Recreation, Aim High Big Sky, and Civic Center Events.

Public Safety makes up 79% or more of the general fund, and with the equipment revolving schedule it makes up about 81% of the general fund. Those percentages haven't changed very much in the last several years.

Manager Doyon added that the pie chart was provided because the PSAC will ask or be asked if the City has additional funds in the general fund to pay for public safety. As the PSAC comes up with recommendations to give to the Commission, it would refer to that chart if it feels that the Commission needs to look at money in the three areas of Administration, Park and Recreation and Transfers Out, to supplement public safety.

The City provides the 911 dispatch services to Cascade County. The City receives the County and City quarters to operate the facility. Internal service charges from the Fire and Police funds are used to operate the 911 Center. The amount received indirectly from the County amounts to about 33% of certain personnel at the dispatch center.

The COPS grant listed on the General Fund Expenditures by Department handout is the actual cost of the COPS grant personnel. There is zero revenue for the COPS grant in FY 2025.

PSAC Member Wendy McKamey arrived at 7:10 p.m., establishing a quorum.

PSAC Member Parcel inquired how the proposed budget corresponded to the levy ask.

Manager Doyon commented that the Finance Department's webpage contains a section of City budgets that includes the "above and beyond requests." He starts off with a baseline budget that was approved by the Commission the prior year. Any requests above the baseline budget amount is compiled in a list to see where the City is making requests to increase its budget. Looking back, there are numerous requests from Fire and Police, and in some cases Legal and Court, for an additional appropriation to cover a need within their respective departments. This fiscal year he will be recommending approval to the Commission for above and beyond requests from Legal for case management software, additional funds to support the three officers that were hired under the COPS grant and for additional funds in the equipment revolving schedule to replace some police patrol vehicles, and for the second full-time judge for a full year.

It doesn't really align well with what was requested. Sometimes departments will ask for things that they know aren't necessarily going to get funded. They do that to hold the line but also trying to make a statement to the City Manager, the Commission, and the community about a pending need that hasn't been satisfied or fulfilled. What wasn't recommended for funding was a deputy fire marshal for the Fire Department to help deal with the workload in reviewing building plans for fire suppression systems and so forth, and a dispatching module to help with proximity dispatching.

The Police Chief did ask for three sworn officers for the Investigations Bureau. The total amount of that would have been about \$346,000, inclusive of starting benefits, academy training and the initial equipping. The City is still operating in a deficit. It's been recommended to the Commission to use about \$400,000 of fund balance to balance the budget for next year, and he is anticipating about \$400,000 in new growth.

A PowerPoint slide that always gets shown is how much the City raises in taxes versus how much it actually needs to support Fire and Police, and the deficiency amount without the entitlement share from the State of Montana.

Director Kinzler added that the cost of sending people to the police academy is going up and there has been quite a bit of turnover. The Police Department is projecting about nine new officers a year. The proposed budget included an additional \$50,000 of funding for that training and equipment for those new police officers.

Exit interviews have revealed that the workload is too much or they aren't being paid enough. There has been some significant vacancies at the Police Department. Because of the background process and going to the academy, it is a long process before the officers are able to patrol solo.

Director Kinzler reported that the Police and Fire Department budgets total \$29.1 million and the taxes received in the general fund are only \$26 million. She will send the PSAC the corresponding slides, and the breakdown of the general fund revenues and expenses.

Director Kinzler will also provide the PSAC with the public safety departments levy requests and what the budget impact would have been if the levy had passed.

She added that 60+% of taxes fund the general fund. The other major revenue source is HB 124, the entitlement share that amounts to about \$9.8 million dollars. The City is estimating about \$200,000 to \$220,000 of that entitlement will be from cannabis sales, which will not offset the impact of its use.

PSAC Member McKamey explained that a ballot initiative was the reason that recreational marijuana was allowed. The legislature then put forward a bill that said the counties and cities had to choose whether or not they were going to allow sales within their jurisdiction, and that only if they allowed sales would they be able to collect the taxes from those sales. Then, SB 442 was going to put those monies in the general fund and have it be disbursed throughout the state, regardless of whether the counties and cities had voted to allow the sale of marijuana in their jurisdiction. That bill was not supported by the governor as not being appropriate for the way that the money was intended to be spent.

Director Kinzler added that the Department of Revenue's website shows all of the cannabis collections.

PSAC Member McKamey commented that initially a percentage would go to environmental. That ended up not being reasonable. The point of the bill was to be able to cover the damages that would be coming to the jurisdictions, whether it be through crime or medical needs.

PSAC Member Dodd inquired if 50% was for mental health.

PSAC Member McKamey responded that there is a lot of data out there that shows that this is not marijuana as we knew marijuana, and that there is a huge amount of psychosis that is generated by the compounds that are made. We need to be calling it THC instead of calling it marijuana because it is compounded and exponentially stronger. For example, she attended a workshop and one gummy didn't contain one safe dose of THC, but 10 times what was considered the safe dose. That is a concern. Gummies look like candy. There is a lot of psychosis and consequently some real challenges with mental health afterwards. That tax money was to be spent addressing those issues, as well as crime and other damages that come with the use of recreational marijuana. She concluded that this conversation will continue in the next Legislative session.

PSAC Member Weissman suggested PSAC Member McKamey express to the legislature that \$224,000 to the City of Great Falls is a ridiculously low number for the impact this is going to have.

**2.**

**APPROVAL OF MEETING MINUTES**

PSAC Chair Guynn explained that, at the last meeting, she made an amendment to the May 15, 2024 minutes, because it looked like the number of arson cases had inadvertently been left out of the minutes. She moved to amend the minutes to include that number and the motion passed.

After review of that part of the presentation, Fire Marshal Mike McIntosh never came out and explicitly said the number of arson cases, which was the reason why that number wasn't recorded in the minutes.

What the motion tonight is going to do is undo the amendment made at the last meeting to correct the record per Roberts Rules of Order.

**PSAC Chair Guynn moved, seconded by PSAC Member Wilson, that the PSAC amend the motion passed on June 5, 2024 pertaining to acceptance of the May 15, 2024 minutes by striking as amended and inserting as presented.**

PSAC Chair Guynn asked if there were any comments from the public or discussion amongst the Committee. Hearing none, PSAC Chair Guynn called for the vote.

Motion carried – 6-0.

- 1. PSAC Member Weissman moved, seconded by PSAC Member Parcel, that the PSAC accept the minutes of the June 5, 2024 meeting as written.**

PSAC Chair Guynn asked if there were any comments from the public or discussion amongst the Committee. Hearing none, PSAC Chair Guynn called for the vote.

Motion carried – 6-0.

#### **4. PUBLIC SURVEY/POLL FOLLOW-UP**

PSAC Chair Guynn commented that Manager Doyon sent links right after the last PSAC meeting that highlighted some different national and local polls and surveys. She thinks the City has to do something to try to garner where the people are. Simply voting against the levy and bond doesn't mean people were against public safety. They just didn't support the levy/bond asks. She is not sure that the residents, by and large, even think there is a public safety problem. Speaking from experience rather than perception and rumor, one complaint that all of the nine Neighborhood Councils have is that the residents just do not engage. They do not attend meetings. Forty-five residents give up their time to do their part as volunteers to make their neighborhoods a better place. Yet, neighbors do not show up. Once in a great while when something controversial is on the agenda neighbors will show up, which proved to be an oddity last year because the levy was controversial and the City did present at all the neighborhood councils and there was almost no attendance.

She thinks the City has to find out somehow, whether through a poll, a survey, or some other tool, just what the citizens are thinking.

Manager Doyon noted that four responses were received in response to the Request for Proposals.

PSAC Chair Guynn commented that the survey Missoula did was very good. It didn't just focus on public safety, but on City services as well. It included their thoughts about the different departments pertaining to City services.

She thinks most residents go about their business not in fear that something horrible is going to be happening to them.

It is a suggestion that the PSAC can keep in mind to make to the Commission. It is not up to the PSAC to drill down into the weeds about what that would look like, but rather to say we think we have to try to do something to gauge where the people are. With the levy, it was the City telling the people this is what our problems are. She thinks the residents didn't see it that way, and we cannot begin to solve the problems if we are not really too sure what the residents are perceiving problems to be.

She encouraged the PSAC members to look at the links Manager Doyon sent out after the last meeting. Billings also did a similar poll that she thought was very good.

Manager Doyon added that the purpose of a poll is not really designed to have somebody tell us what we need to do. The purpose is to have folks that are well versed and able to ascertain statistically valid information, ask questions that would help the Commission get a sense and gauge of where the voter is at with regard to public safety.

Doing a survey monkey or something of that nature that is not statistically valid is not going to yield the same results as a professionally done poll. Somebody that does this for a living is going to shape the questions differently to make sure that the right amount of information is collected. The City will get that information and share it with the community. The Commission can then take those results and get ready for a modified ask from the last time; or, if residents think everything is okay, wait until things change and maybe reconsider.

The four proposals received will give the Commission an opportunity to have a conversation about whether or not they want to proceed with actually moving forward with a poll.

PSAC Member Weissman supports gauging the opinion of the people of Great Falls about this matter. Getting some real information on where the pulse of the people of Great Falls are is vital. Understanding what people think about Police and Fire, their taxes, and prioritization of City services, is an important thing for the City to do.

PSAC Chair Guynn commented that the PSAC members can start by making up a list of recommendations. Start jotting down ideas. The PSAC can get a general consensus if it wants to add ideas to the list and then finalize the list by the last meeting in August. The recommendations will pertain to some kind of a poll or survey to gauge the community pulse regarding public safety, and maybe even other City departments that utilize the general fund.

PSAC Member McKamey inquired how the public safety levy/bond asks were presented to the Neighborhood Councils.

City Manager Doyon commented that the presentations were broken down between Fire, Police, Court and Legal. He generally had some opening comments, talking historically about the levy attempt made in 2009 and general observations about what the City has tried to do with the general fund to redirect resources back into public safety. Ultimately, that just didn't work because it wasn't enough to keep up with the cost of doing business. Fire Chief Jones took more of an academic approach in terms of response times to flash over, taking a look at the impact of homeowners' insurance, and not having stations within a certain radius. At the end of the day, what really should matter to the taxpayer is that they are going to have somebody show up in the event that their house is on fire or experience a 911 event. He discussed how the City has grown and the position of the current stations. They don't meet industry standards.

The Police Department did a survey of how officers utilize their time. They determined that, on average, an officer has 10 to 15 minutes every hour to do proactive policing. Properly staffing a shift to respond to calls, having time for paperwork, having time to do proper investigations and engage the public, was going to be different for each department. It comes down to social tolerance. What is it that the community wants and is willing to accept in terms of the amount of crime and the amount of law enforcement that goes along with it?

Legal and Court were a lot different in terms of trying to describe what it means to have a prosecutor with a certain number of cases. If compared to other departments, staffing is on the low side for prosecution. They do not have a lot of time to spend with victims of crime or to prepare witnesses before they go to trial.

The judge discussed the overburdened court and the number of cases that they are hearing compared to other jurisdictions. Legal and Court provided statistics compared to other Montana communities. Aside from some staffing that they would still like to have to support the two full time judges, the City is on track in addressing the Court's space needs.

PSAC Chair Guynn added that the Neighborhood Councils did not vote on a recommendation to the Commission because it was about education and not advocacy.

PSAC Member Parcel commented that educational presentations were made all over town, as well as two Town Hall meetings.

PSAC Member Wilson commented that she was a member of Neighborhood Council 9 when the public safety presentations were made. There were more presenters at the meeting than neighborhood residents. She thought it would have been well attended because there had been five shootings last year, including two murders in her neighborhood.

PSAC Member Weissman doesn't think public attendance at meetings is a good gauge of support or non-support. Other things are going on that take precedence. He suggested the City needs to find a way to speak to them in a way that they can respond, and that is probably not a public meeting.

PSAC Chair Guynn responded that is probably one of the reasons the PSAC wants to make a recommendation that some sort of a poll or survey be conducted.

## **5. DISCUSSION QUESTIONS**

PSAC Chair Guynn encouraged the PSAC members to get any follow up questions about TIF's, abatements, or the poll to her to continue the discussion at the next meeting. Also, to look at the links and start formulating some ideas.

## **MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM COMMITTEE**

None.

## **PUBLIC COMMENT**

**Al Rollo**, 816 Grizzly Dr., commented that the Great Falls website contains very good information and explanations about the budget. A reason that he thinks that the levy failed had to do with the tax increase right before the election. His taxes went up \$500 overnight, not including the Library levy. His homeowner's insurance went up \$600, and utilities went up.

If looking at a survey, he suggested evaluating what will be asked because there are other issues. There is also a strong need to help people on fixed incomes. He previously suggested looking at other options of finding funds or a reduction of funds. Facebook comments were very ugly during the public safety levy election. If the City is not looking at the whole picture beyond public safety, he thinks it will be missing the boat. He also suggested that there needs to be a better breakout on the tax bill where the City's tax dollars go, similar to the County and the School that provide more information.

He is not proposing that TIF's be eliminated, but does think that there needs to be major changes. He thinks the TIF District lifespan needs to be modified and that the cost benefits and the impact to the citizens be weighed.

Mr. Rollo communicated with one of the sponsors of a bill that proposed to tax non-profits, due to the loss of revenue of taxes to the City. He would hate to see public safety issues hurt again because of loss of revenue from non-profits.

**Susan Wolff**, City Commissioner, commented that the Downtown TIF District includes life safety, such as fire sprinkler systems, which in reality can help save on fire calls and other things. The amount of funds was expanded in that particular category that people could request. If we want more housing downtown we want to make sure that those are safe places to life.

Missoula withdrew its public safety levy last year knowing that the tax situation had arisen and people were seeing huge tax bills. Businesses had signs in their windows. Great Falls had a hard

time getting the business community engaged. We have to look at how to engage the business community so that people see that the community as a whole is supportive of a public safety levy.

Kalispell also passed their safety levy earlier this year. Helena passed their fire station, but defeated their safety levy, which means they will have a station with no people or equipment.

Commissioner Wolff referred to the Safety in the Falls website: <https://safetyinthefalls.com/> for additional public safety related information. It should get people's attention when detectives have to prioritize violent crimes and sex crimes against children.

### **ADJOURNMENT**

There being no further business to come before the Public Safety Advisory Committee, PSAC Member Dodd moved, seconded by PSAC Member Weissman, to adjourn the regular meeting of June 19, 2024, at 8:11 p.m.

Motion carried 6-0.

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Chairperson Sandra Guynn

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Acting Secretary – City Clerk Lisa Kunz

Minutes Approved: July 3, 2024