

Agenda #____8

Commission Meeting Date: September 4, 2012

CITY OF GREAT FALLS COMMISSION AGENDA REPORT

Item: Authorization to Initiate Tax Increment Finance Industrial District (TIFID) for

Phase 1 Agri-Tech Park.

From: Gregory T. Doyon – City Manager

Initiated By: Requested by Great Falls Development Authority

Presented By: Gregory T. Doyon – City Manager

Action Requested: Authorize City Manager to proceed with initiating TIFID Process

Suggested Motion:

1. Commissioner moves:

"I move that the City Commission authorize the City Manager to commence the process of establishing a Tax Increment Finance Industrial District for the Great Falls Agri-Tech Park Phase 1 and the Montana Advanced Bio Fuels property. I further move that the City Manager retain the services of a consultant to assist with the process."

2. Mayor calls for a second, discussion, inquiries from the public, and calls the vote.

Background: The Great Falls Development Authority has requested the City create a Tax Increment Finance Industrial District (TIFID) including the proposed Montana Advanced Bio Fuels site and Phase 1 of the Agri-Tech Park (currently before the Commission). The approval to proceed is simply allowing the city manager to initiate the process; **the motion does not approve, accept, or adopt a new TIF district**.

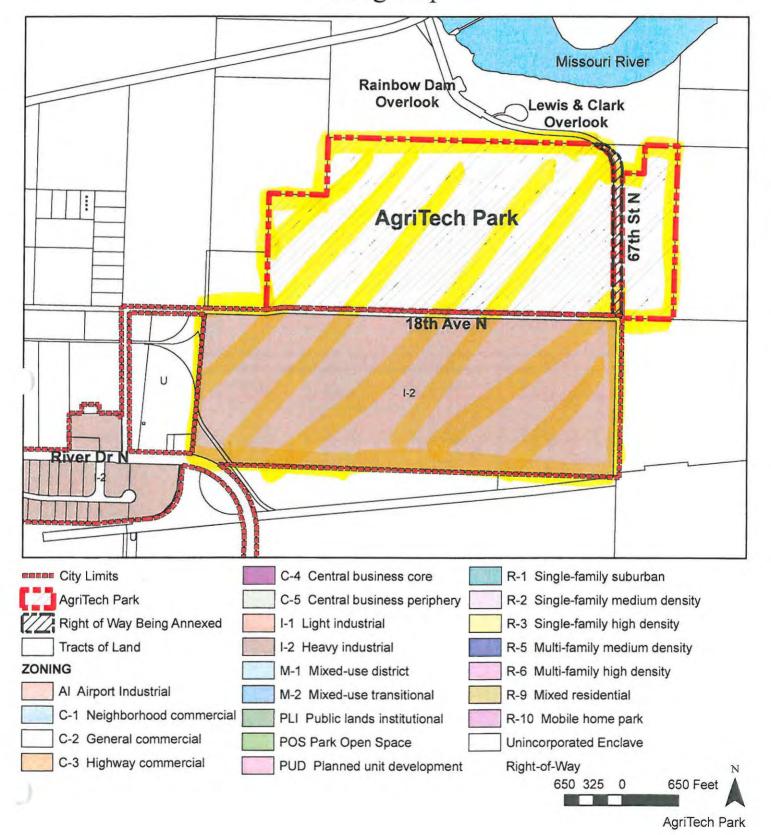
It is strongly recommended that the City retain the services of a consultant to assist with the TIF program. The City Commision has already approved a service contract with Community Development Services of Montana (CDSM, Janet Cornish) for the Great Bear TIF. It is recommended that the City amend her contract to provide services for this project. It is expected that development of a new Industrial TIF will be 3 - 6 months. A draft of the amended agreement with CDSM is attached and will be brought to the Commission at the September 18, 2012, Commission meeting.

Fiscal Impact: GFDA is unable to pay for the consultant. Cost for amending CDSM's existing contract is approximately \$5,000 It is recommended that the Commission utilize Econcomic Development Funds for this purpose.

Attachments/Exhibits:

- 1) Proposed amendment to Consultants Contract
- 2) Phase 1 Agri-Tech Park proposed TIFID Boundary

Exhibit A Zoning Map



Attachment A (Amended) –Scope of Work City of Great Falls – TIFID Program

CDS of Montana will undertake the following in assisting the City of Great Falls in completing the steps necessary to expand the Central Montana Agricultural & Technology IMC TIFID, including the annexation of properties currently outside the incorporated limits of the City of Great Falls, and to create the Great Falls AgriTech Park TIFID as follows:

For Both Proposed TIFID Projects:

- Provide an initial training and orientation to the City Commission and Staff regarding Tax Increment Financing in Montana in general and in Great Falls specifically, addressing the creation and expansion of Districts.
- > Assist the City in working with the affected taxing jurisdictions and the public
- Prepare all documents, resolutions, ordinances, hearing notices and associated correspondence required.*

Central Montana Agricultural & Technology IMC TIFID Expansion

- Assist the City of Great Falls in completing the necessary steps to annex the subject property to the City of Great Falls*
- > Assist the City of Great Falls in undertaking the steps necessary to amend the existing TIFID Ordinance/Boundary, including the following:
 - Assure that the property within the expanded TIFID consists of a continuous area with an accurately described boundary (including a legal description and a map)*
 - Assure that a list of geo-codes for the properties and property owners included in the TIFID including the expanded portion is prepared*
 - Determine that the area to be added to the existing TIFID is zoned for light or heavy industrial use and if not, assist the City of Great Falls in amending the zoning ordinance/zoning map accordingly.*
 - Prepare documentation that the zoning within the expanded TIFID is in accordance with the local government's growth policy as determined by the Planning Board
 - Prepare the local government's finding that the property within the TIFID is not included within an existing urban renewal district
 - Prepare a plan for the expanded District that shows that the area within the TIFID is deficient in infrastructure improvement for industrial development, including any documentation upon which the finding of deficiency is based, as well as a description of proposed development and a management plan for the TIFID's operations
 - Prepare the ordinance approving the amended industrial district and the tax increment financing provision pursuant to <u>7-15-4284</u>, MCA
 - Assist the City in holding a public hearing and notifying property owners pursuant to <u>7-15-4299</u>, MCA**

 Assist the City of Great Falls in preparing all the necessary documentation to the Montana Department of Revenue per Montana Statute and the new rules as promulgated by the Montana Department of Revenue with respect to Tax Increment Financing Districts

Great Falls AgriTech Park TIFID

- Assist the City of Great Falls in undertaking the steps necessary to create the Great Falls AgriTech Park TIFID
 - o Identify a TIFID boundary
 - Assure that the property proposed for inclusion within the TIFID consists of a continuous area with an accurately described boundary (including a legal description and a map) and is entirely within the City of Great Falls* (Any annexation required should be completed prior to the creation of the TIFID. If not, CDS of Montana will assist the City of Great Falls as needed in completing the annexation.)
 - Assure that a list of geo-codes for the properties and property owners included in the proposed TIFID is prepared*
 - Review the Great Falls Growth Policy to determine if it includes the necessary documentation in support of the proposed TIFID, and if necessary assist the City in making the necessary amendments
 - Determine that the proposed TIFID is zoned for light or heavy industrial use in conformance with the Growth Policy and if not, assist the City of Great Falls in amending the zoning ordinance/zoning map accordingly.*
 - Prepare documentation that the zoning within the proposed TIFID is in accordance with the local government's growth policy as determined by the Planning Board
 - Prepare the local government's finding that the property within the proposed TIFID is not included within an existing urban renewal district
 - o Prepare a plan for the District that shows that the area within the proposed TIFID is deficient in infrastructure improvement for industrial development, including any documentation upon which the finding of deficiency is based, as well as a description of proposed development and a management plan for the TIFID's operations
 - Prepare the ordinance approving the District Plan and the tax increment financing provision pursuant to 7-15-4284, MCA
 - Assist the City in holding a public hearing and notifying property owners pursuant to 7-15-4299, MCA**
 - Assist the City of Great Falls in preparing all the necessary documentation to the Montana Department of Revenue per Montana Statute and the new rules as promulgated by the Montana Department of Revenue with respect to Tax Increment Financing Districts

*The City of Great Falls will be responsible for producing required maps, legal descriptions, geocodes and property owners names and addresses.

**The City of Great Falls will be responsible for the publication and mailing of hearing notices and notices of public meetings associated with the TIFID projects.

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