



Item: Resolution 10013, a resolution declaring an infrastructure deficient area exists within the City of Great Falls, Montana in an area known as the Central Montana Agricultural and Technology Park

From: Mike Haynes, AICP, Director of Planning and Community Development

Initiated By: Planning and Community Development Department

Presented By: Mike Haynes, AICP, Director of Planning and Community Development

Action Requested: Adopt Resolution 10013

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (adopt/deny) Resolution 10013.”

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

Staff Recommendation: Staff recommends the City Commission adopt Resolution 10013, a resolution declaring an infrastructure deficient area exists within the City of Great Falls, Montana in an area known as the Central Montana Agricultural and Technology Park (CMATP) and that the investment in infrastructure in that area is necessary in the interest of public health, safety, or welfare of the residents of Great Falls.

Background:

The State of Montana has recognized that portions of its cities and counties are deficient in infrastructure necessary for industrial development and therefore constitute an impediment to the growth of infrastructure intensive value-adding economic development. The creation of infrastructure in support of value-adding economic development is a matter of State policy and concern because the State and its local governments will continue to suffer economic dislocation due to the lack of value-adding industries.

Municipalities lack sufficient capital to rectify the infrastructure shortage in infrastructure-deficient areas, thus impeding their ability to achieve economic growth through the development of value-adding industries. The procedure provided in Title 7, Chapter 15, Part 42 and 43 of the Montana Codes Annotated authorizes municipalities to exercise statutory development powers through comprehensive industrial development plans and projects, after the municipality has made a finding that an infrastructure deficient area exists that substantially impairs or arrests the

sound growth of the city or its environs; retards the development of new and expanded value adding industry; constitutes an economic or social liability and/or is detrimental to the financial wellbeing of the community and its citizens. Based on these these findings, the State permits the creation of Tax Increment Financing Industrial Districts (TIFID) which allows taxes generated by new development within a TIFID to be used to address deficient public infrastructure in that district.

The CMATP TIFID was established by Ordinance 2911 by the Great Falls City Commission on May 17, 2005. It was then expanded to its current configuration by Resolution 9717 on November 20, 2007.

On September 18, 2012, the City Commission directed a study to determine the infrastructure deficiencies in the CMATP, which is generally located at the northern edge of the City of Great Falls, bounded by US Highway 87 on the west and generally surrounded by agricultural land and in particular found:

1. Roads – As development occurs and traffic increases, access roadways should be paved to reduce dust and frequency of roadway maintenance. Egress routes for the heavy, wide loads should be constructed, based on carefully crafted designs that prevent roadway degradation or damage to any drainage facilities, ensure adequate turning radii, and alleviate any potential safety concerns.
2. Water and Sewer – There is an existing water transmission main located adjacent to the east side of Bootlegger Trail and the north side of the access roadway to International Malting Company (IMC). There is an existing sanitary sewer trunk main and sewage lift station located on the east side of the IMC property adjacent to Black Eagle Road. An extension of the sewer main from this existing lift station along the north side of the IMC property to the northwest corner of the site is needed.
3. Utilities – Telephone, cable, natural gas, fiber optic and electricity are available to the property. However, with the exception of electricity, these services will need to undergo significant upgrade to accommodate industrial uses. Although, these utilities are present, most of the property is not served. Therefore, in addition to upsizing current utility infrastructure, extensions of these facilities may be required to serve individual needs.
4. Stormwater – The Public Works Department is in the process of reviewing site requirements for stormwater discharge, storage, and conveyances and on-and off-site improvements. The review will consider upstream and downstream properties and future storm drain extensions will be part of the review. As properties are developed, stormwater infrastructure requirements will be more accurately determined.
5. General Improvements – Additional infrastructure and public services deficiencies will be identified over time. For example, emergency services buildings and equipment, site security, transloading and cargo facilities, and other improvements and services may be required. 7-15-4288 MCA provides an extensive list of eligible items that may be paid for with tax increment dollars.

While current statutes do not specifically require a Resolution of Necessity for an Industrial Tax Increment Financing District, Senate Bill 239 would require that one be in place prior to the creation of any type of Tax Increment Financing District. If the bill becomes law, the Resolution of Necessity would be required. Staff therefore recommends approval of the resolution at this time, because it might become a requirement prior to the completion of our TIFID adoption process, and because it reflects sound public policy, given that tax dollars will be spent in an area that is deficient in public improvements.

Concurrences: Representatives from the City's Public Works and Fiscal Services have been involved throughout the review and approval process for the Resolution of Necessity.

Fiscal Impact: There is no fiscal impact to adopting this Resolution. The fiscal impact of establishing and expanding a TIFID will be outlined in the respective agenda reports.

Alternatives: The City Commission could deny Resolution 10013 which could affect future expansion of the CMATP TIFID and expenditure of existing TIFID increment.

Attachments/Exhibits:

Resolution 10013 with Exhibit A

Cc: Jim Rearden, Public Works Director
Dave Dobbs, City Engineer
Janet Cornish, janet@cdsofmontana.com

RESOLUTION 10013

A RESOLUTION DECLARING AN INFRASTRUCTURE DEFICIENT AREA EXISTS WITHIN THE CITY OF GREAT FALLS, MONTANA IN AN AREA KNOWN AS THE CENTRAL MONTANA AGRICULTURAL AND TECHNOLOGY PARK AND THAT THE INVESTMENT IN INFRASTRUCTURE IN THAT AREA IS NECESSARY IN THE INTEREST OF PUBLIC HEALTH, SAFETY, OR WELFARE OF THE RESIDENTS OF GREAT FALLS AND TO DETERMINE THE BOUNDARIES OF THAT AREA

WHEREAS, the State of Montana has recognized that portions of its cities and counties are deficient in infrastructure improvements for industrial development and therefore constitute an impediment to the growth of infrastructure intensive value-adding economic development; and

WHEREAS, the creation of infrastructure in support of value-adding economic development is a matter of State policy and State concern because the State and its local governments will continue to suffer economic dislocation due to the lack of value-adding industries; and

WHEREAS, municipalities lack sufficient capital to rectify the infrastructure shortage in infrastructure-deficient areas, thus impeding their ability to achieve economic growth through the development of value-adding industries; and

WHEREAS, the procedure provided in Title 7, Chapter 15, Part 42 and 43 of the Montana Codes Annotated authorizes municipalities to exercise statutory development powers through comprehensive industrial development plans and projects, after the municipality has made a finding that an infrastructure deficient area exists that substantially impairs or arrests the sound growth of the city or its environs; retards the development of new and expanded value adding industry; constitutes an economic or social liability and/or is detrimental to the financial wellbeing of the community and its citizens; and

WHEREAS, on September 18, 2012, the City Commission directed the study to determine the infrastructure deficiencies of the proposed expansion to the Central Montana Agriculture and Technology Park; and

WHEREAS, the City of Great Falls has conducted the study to determine the existence of infrastructure deficiencies in an area known as the Central Montana Agriculture and Technology Park, which is generally located at the northern edge of the City of Great Falls, bounded by US Highway 87 on the west and generally surrounded by agricultural land and in particular found:

1. Roads – As development occurs and traffic increases, access roadways should be paved to reduce dust and frequency of roadway maintenance. Egress routes for the heavy, wide loads should be constructed, based on carefully crafted designs that prevent roadway degradation or damage to any drainage facilities, ensure adequate turning radii, and alleviate any potential safety concerns.
2. Water and Sewer – There is an existing water transmission main located adjacent to the east side of Bootlegger Trail and the north side of the access roadway to International Malting Company (IMC). There is an existing sanitary sewer trunk main and sewage lift station located on the east side of the IMC property adjacent to Black Eagle Road. An extension of the sewer main from this existing lift station along the north side of the IMC property to the northwest corner of the site is needed.
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5. General Improvements – Additional infrastructure and public services deficiencies will be identified over time. For example, emergency services buildings and equipment, site security, transloading and cargo facilities, and other improvements and services may be required. 7-15-4288 MCA provides an extensive list of eligible items that may be paid for with tax increment dollars.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA;

That the City Commission finds that infrastructure deficiencies exist within the City of Great Falls in the area described in Exhibit "A" to this Resolution and that infrastructure investment of this area (pursuant to the Montana Urban Renewal Law) is necessary and desirable in the interest of the public health, safety, and welfare of the residents of the City of Great Falls and that this investment in infrastructure be made with a commitment to quality improvement and a commitment to property owner and community involvement in decision making.

PASSED by the Commission of the City of Great Falls, Montana, this 5th day of March, 2013.

Michael J. Winters, Mayor

ATTEST:

Lisa Kuntz, City Clerk

(SEAL OF CITY)

APPROVED FOR LEGAL CONTENT:

David L. Nielsen, Interim City Attorney

PROPOSED Central Montana Agricultural and Technology Park Tax Increment Financing District

Lots 2, 4, 5, Block 1, of the International Malting Company LLC Addition and

Lot 1A, Block 1, of the Correctional Plat of the First Amendment to the International Malting Company, LLC Addition

Totaling 200.22 Acres all located in Section 30, Township 21 North, Range 4 East

