

## RESOLUTION NO. 10119

### A RESOLUTION ESTABLISHING CRITERIA FOR EVALUATING TAX ABATEMENT OR BENEFIT REQUESTS

**WHEREAS**, the State of Montana has provided enabling legislation to guide the administration of a property tax abatement program for new or expanding industry under Mont. Code Ann. §15-24-1401 *et seq.*; and

**WHEREAS**, the State of Montana has further provided enabling legislation to guide the administration of a property tax abatement or benefit program for remodeling, reconstruction or expansion of buildings or structures under Mont. Code Ann. §15-24-1501 *et seq.*; and

**WHEREAS**, the State of Montana has further provided enabling legislation to guide the administration of a property tax abatement program for the restoration, rehabilitation, expansion and new construction of certified residential and commercial property located within the national register of historic districts and properties listed in the National Register of Historic Places under Mont. Code Ann. §15-24-1601 *et seq.*; and

**WHEREAS**, it is deemed to be in the public interest to encourage and promote within the City of Great Falls:

the remodeling, reconstruction of buildings or structures,

the development of new industry or expanding industry, and

the restoration, rehabilitation, expansion and new construction of certified residential and commercial property located within the national register of historic districts and properties listed in the National Register of Historic Places; and

**WHEREAS**, Montana law provides the City Commission the authority to use its discretion in determining which properties will be afforded property tax abatements; and

**WHEREAS**, the following policies will guide the City Commission in evaluating whether or not to confer upon qualifying applicants an abatement of property taxes.

#### **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA:**

1. The purpose of this Resolution is to establish a guide for the City of Great Falls for processing and reviewing applications for property tax abatement under the provisions of the aforementioned statutes. The fundamental purpose of property tax abatements is to encourage desirable development, redevelopment or improvements which clearly demonstrate a need for assistance and a public benefit. Applications for property tax abatement will be evaluated on a case-by-case basis, taking into consideration established policies, project criteria, and demand on City services in relation to the potential benefits from the project. Meeting policy criteria will not guarantee the granting of property tax abatements on applications. Approval or denial of one project is not intended to establish precedent for approval or denial of another project.

2. The City of Great Falls will, in its discretion, evaluate and then approve, modify, or deny requests for tax benefits based upon one or more of the following factors, as applicable:
  - a. Whether the City's financial condition at the time of the application or consideration of the application warrants granting the application;
  - b. Whether the application meets all pertinent statutory criteria for the particular project;
  - c. Whether the property taxes or other taxes and/or assessments on the property are current;
  - d. Whether the project may unreasonably affect the tax base of the City;
  - e. Whether the project would impact employment opportunities within the City;
  - f. Whether the project is located within a Tax Increment Financing (TIF) or Targeted Economic Development (TED) District;
  - g. Whether the project has already received additional financial assistance from the City or other authorities having jurisdiction;
  - h. As to applications filed pursuant to Mont. Code Ann. §15-24-1601 *et seq.*, whether the Montana state historic preservation office has provided design review assistance and certification for qualifying properties;
  - i. Whether the project will create affordable housing opportunities;
  - j. Whether the project will encourage additional, unsubsidized development in the area of the project, either directly or indirectly, through "spin-off" development;
  - k. Whether the project will facilitate the development process and achieve development on sites which would not be developed without assistance, or would not be developed at a level of acceptable quality;
  - l. Whether the project would encourage redevelopment of commercial and industrial areas in the City of Great Falls, resulting in a higher level and quality of re-investment;
  - m. Whether the project would encourage removal of blight, or the rehabilitation of a high profile or priority site;
  - n. Whether the application is sought in whole or in part because of increased costs of redevelopment, such as clean-up of a contaminated site, demolition expenses, and the like, over and above costs normally incurred in development;
  - o. Whether the project could be developed without the benefit of a tax abatement; i.e., but for the allowance of a tax abatement, the project would not be developed or pursued;

p. Whether conferring the tax benefit will create an adverse impact on existing state, county or municipal services;

q. Whether the project contributes to the implementation of other policies adopted by the City, including, but not limited to, the City's Growth Policy; and/or

r. Whether the project would meet other criteria as would be considered reasonable for the best interests of the City.

This Resolution shall become effective upon adoption and shall supersede Resolution Nos. 8728, 8967 and 9004.

PASSED and ADOPTED by the City Commission of the City of Great Falls, Montana, this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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Michael J. Winters, Mayor

ATTEST:

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Lisa Kunz, City Clerk

(SEAL OF CITY)

APPROVED FOR LEGAL CONTENT:

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Sara R. Sexe, City Attorney