

## **RESOLUTION 9626**

### **A RESOLUTION DECLARING A BLIGHTED AREA EXISTS WITHIN THE CITY OF GREAT FALLS, MONTANA AND THAT THE REDEVELOPMENT OF THAT AREA IS NECESSARY IN THE INTEREST OF PUBLIC HEALTH, SAFETY, AND WELFARE OF THE RESIDENTS OF GREAT FALLS AND TO DETERMINE THE BOUNDARIES OF THAT AREA**

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WHEREAS, the State of Montana has provided for the redevelopment of those portions of its cities which constitute a menace to public health and safety, constitute an economic and social liability and substantially impair the sound growth of a municipality; and,

WHEREAS, the procedure provided in Title 7, Chapter 15, Parts 42 and 43 of the Montana Codes Annotated authorizes municipalities to exercise statutory urban renewal powers for redevelopment and rehabilitation through urban renewal plans and projects, after the municipality has made a finding that a blighted area exists that substantially impairs or arrests the sound growth of the city or its environs; retards the provision of housing accommodations; constitutes an economic or social liability and/or is detrimental or constitutes a menace to the public health, safety, welfare, and morals in its present condition and use; and,

WHEREAS, on November 8, 2006, the City Commission directed the study to determine the existence of blight within the urban area; and,

WHEREAS, the City of Great Falls has conducted the study (attached as Exhibit "A" to this Resolution) to determine the existence of blight in an area known as the West Bank and generally described as bounded on the West by 3rd Street NW/SW, on the East by the center line of the Missouri River, on the North by a point just north of 14th Avenue NW and on the South by a point just south of 5th Avenue SW and excludes any unincorporated property, as of October 2006, and in particular found:

1. Physical deterioration of buildings and properties
  - o Many of the structures in the defined area are in poor repair and properties are poorly maintained. Building permit information indicates that the majority of existing structures have not been substantially improved for at least twenty years.
2. Inappropriate or mixed uses of land or buildings
  - o The presence of existing heavy industrial uses within the defined area is incompatible with retail, commercial, residential and parkland development.

This land use conflict has proven to be a disincentive to the improvement of properties within the area by private enterprise.

3. Defective street layout
  - o Much of the area is without streets, sidewalks, curbs, or gutters resulting in poor traffic circulation and storm drainage problems.
4. Unsanitary and unsafe conditions
  - o Portions of the defined area are included in the list of priority sites maintained by the Montana Department of Environmental Quality under the Comprehensive Environmental Cleanup and Responsibility Act (CECRA) and are designated a Brownfield site as defined by the U.S. Environmental Protection Agency. Contamination on the site is associated with historic industrial activity and has affected both the soil and groundwater and threatens to contaminate the Missouri River.

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

That the City Commission finds that blight exists within the City of Great Falls in the area described in Exhibit "A" of this Resolution under the definition contained in Section 7-15-4206 (2), M.C.A. and that rehabilitation and redevelopment of such 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 rehabilitation and redevelopment be made with a commitment to quality improvement and a commitment to property owner and community involvement in decision making.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, on this 5<sup>th</sup> day of December, 2006.

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Dona R. Stebbins, Mayor

ATTEST:

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Peggy J. Bourne, City Clerk

(SEAL OF CITY)

APPROVED FOR LEGAL CONTENT:

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David V. Gliko, City Attorney

State of Montana        )  
County of Cascade       :ss  
City of Great Falls     )

I, Peggy J. Bourne, City Clerk of the City of Great Falls, Montana, do hereby certify that the foregoing Resolution 9626 was placed on its final passage by the Commission of the City of Great Falls, Montana, at a meeting thereof held on the 5<sup>th</sup> Day of December, 2006, wherein it was approved by said Commission.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said City this 5<sup>th</sup> day of December, 2006.

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Peggy J. Bourne, City Clerk

(SEAL OF CITY)

**EXHIBIT A**  
**Great Falls West Bank Urban Renewal Area – Finding of Blight**

**Introduction**

The City of Great Falls is embarking on the revitalization of the area known as the West Bank, bounded on the West by 3rd Street NW/SW, on the East by the center line of the Missouri River, on the North by a point just north of 14th Avenue NW and on the South by a point just south of 5th Avenue SW. (See Figure 1.) The revitalization of the West Bank is being undertaken in cooperation with efforts to address contamination of an area within the proposed redevelopment area, formerly occupied by a brewery and an oil refinery and currently occupied by the county shop complex and a specialty seed mill. The first step in revitalizing the West Bank is to prepare an urban renewal plan for the area which will help direct the necessary resources to the effort. Prior to the adoption of the plan, the Great Falls City Commission must establish that the West Bank area is “blighted” per Montana Statute, identifying it as a proposed urban renewal district.

**Figure 1. Proposed Great Falls West Bank Urban Renewal District**



## Background

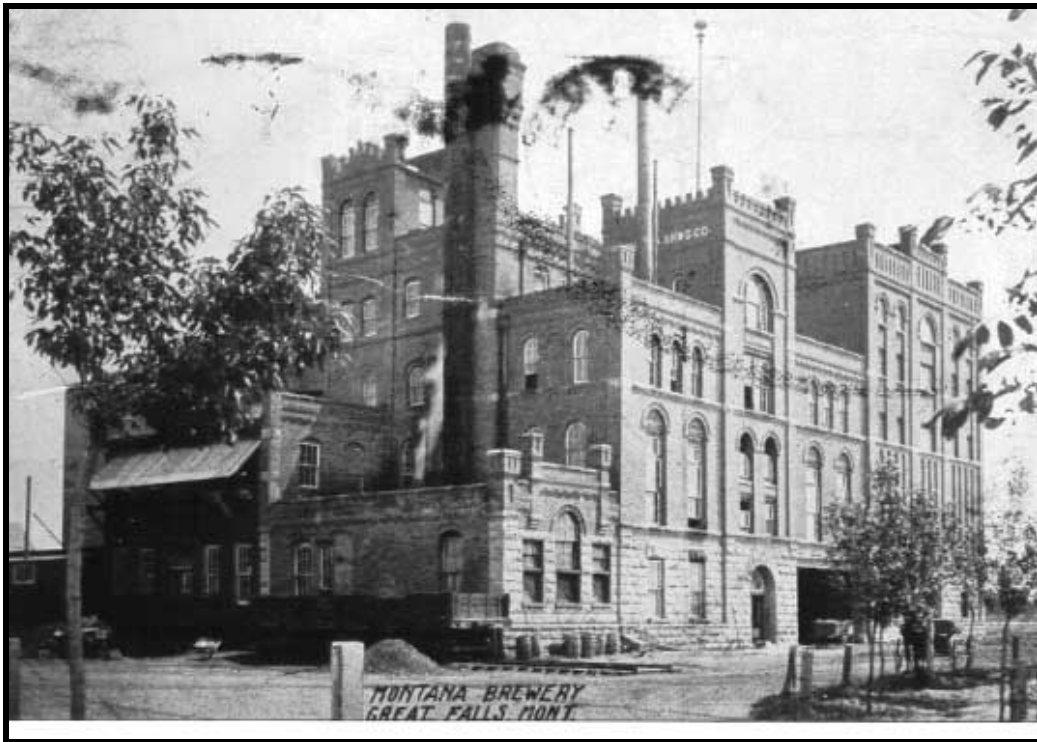
Historically, the west side of the Missouri River in Great Falls was the home of Montana's largest gasoline refinery, built by the Great Falls Sunburst Oil and Refinery Company. The refinery began operations in early 1923 along the 300 and 400 block of 3<sup>rd</sup> Street Northwest and was subsequently purchased by the California Eastern Oil Company in 1927. Cascade County took possession of the property in 1936 after California Eastern failed to pay gasoline license taxes and associated delinquent fees. By 1938 Cascade County had constructed its shops (Figure 2) at the site (Great Falls Tribune, December 16<sup>th</sup>, 2001).



**Figure 2 Cascade County Shops**

Today, the area includes a small number of residences and a variety of retail and service oriented businesses, including a veterinary clinic and the Cowboys Bar and J Bar T Tavern. Altogether, there are 51 parcels in the area. A list of the properties is included in Appendix A.

Overall, the West Bank area is undergoing a transition from heavy industrial uses to commercial and retail uses reflective of development that is occurring on adjacent properties, particularly along 3<sup>rd</sup> Avenue NW/SW. For example, the West Bank includes the site of the former Montana Brewing Company complex, built in 1893-94, just north of Central Avenue, along the Missouri River. In 1933, it became the malt plant for the Great Falls Select Brewery, finally closing in 1968. (Figure3.) The last remnants of the site were finally removed in July of 2006 to make way for a new 54,000 square foot Federal Courthouse (July 11, 2006, Sun River News).



**Figure 3. Montana Brewery**

**Source:** <http://www.beerhistory.com/gallery/holdings/armstrong15.shtml>

This transition, in conjunction with the proposed removal of contamination associated with historic industrial uses, provides an opportunity for area redevelopment through public-private partnerships. The City has chosen to participate in this redevelopment effort through creation of an urban renewal program, including a tax increment financing (TIF) provision to help fund the public investment in the area. More particularly, the City's contribution will be in the form of assisting with the development of public infrastructure (streets, curb and gutters, sidewalks, water systems, sewer systems, storm drainage systems, parkland development, parking and related improvements) to encourage, facilitate and enhance private investment in the area.

### **Establishing Blight**

Prior to preparing an urban renewal plan for the West Bank Area, the Great Falls City Commission must adopt a resolution designating the proposed renewal district as blighted. This action establishes the need for the urban renewal program and the rationale for investing public funds in redevelopment activities. The resolution includes a legal description of the proposed district and the blighted conditions that are present.

### **Defining Blight**

Montana law sets forth the specific conditions that constitute blight. In particular, state statute defines a blighted area as one that substantially impairs or arrests the sound development of communities, constitutes an economic or social liability, and/or constitutes a menace to the public health and safety in its present condition.

Per 7-15-4206, MCA, a “blighted area” may be identified as such by reason of:

- (a) the substantial physical dilapidation; deterioration; defective construction, material, and arrangement; or age obsolescence of buildings or improvements, whether residential or nonresidential;
- (b) 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;
- (c) inappropriate or mixed uses of land or buildings;
- (d) high density of population and overcrowding;
- (e) defective or inadequate street layout;
- (f) faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (g) excessive land coverage;
- (h) unsanitary or unsafe conditions;
- (i) deterioration of site;
- (j) diversity of ownership;
- (k) tax or special assessment delinquency exceeding the fair value of the land;
- (l) defective or unusual conditions of title;
- (m) improper subdivision or obsolete platting;
- (n) the existence of conditions that endanger life or property by fire or other causes; or
- (o) any combination of the factors listed in this subsection (2).” (Montana Laws)

#### **Legal Description of the Proposed West Bank Urban Renewal Area**

The proposed West Bank Renewal District includes all that real property in the City of Great Falls, County of Cascade, State of Montana, which lies within the following described boundary, excluding any unincorporated property, as of October 2006:

The POINT OF BEGINNING is at the intersection of the north right of way line of 4<sup>th</sup> Avenue SW and the east right of way line of 4<sup>th</sup> Street SW; thence northeasterly along the west right of way line of 3<sup>rd</sup> Street SW and 3<sup>rd</sup> Street NW to its intersection with the northwest/southeast projection of the north property line of the parcel of land legally described as Mark No.13, Section 2, Township 20 North, Range 3 East (Geo-code #3015-02-1-10-06); thence southeasterly along the northwest/southeast projection of the north property line of the parcel of land legally described as Mark No.13, Section 2, Township 20 North, Range 3 East (Geo-code #3015-02-1-10-06) to the centerline of the Missouri River; thence southwesterly/southeasterly along the centerline of the Missouri River to the north edge of the BNSF Railway/Missouri River Bridge; thence southwesterly along the north edge of the BNSF Railway/Missouri River Bridge and the north right of way line of the BNSF Railway main line (coincidental with the south property line of Lots 1-4, Block 9, BN Car Shop Addition to Great Falls) to its extended connection with the south end of the east right of way line of 5<sup>th</sup> Street SW (coincidental with the southwest corner of Lot 10, Block 546, 6<sup>th</sup> Addition to Great Falls); thence northeasterly along the west right of way line of the BNSF Railway spur line (coincidental with the south/southeast boundary of Block 546, 6<sup>th</sup> Addition to Great Falls) to the intersection of the south right of way line of 5<sup>th</sup> Avenue SW and the west right of way line of 4<sup>th</sup> Street SW; thence north along the west right of way line of 4<sup>th</sup> Street SW to its intersection with the north right of way line of 4<sup>th</sup> Avenue SW; thence east to the POINT OF BEGINNING.

## **Blighted Conditions in the Proposed West Bank Urban Renewal District**

The West Bank Renewal area exhibits a number of these blighted conditions including:

5. Physical deterioration of buildings
6. Inappropriate or mixed uses of land or buildings
7. Defective or inadequate street layout
8. Unsanitary or unsafe conditions

### **Physical deterioration of buildings**

Although most of the buildings within the proposed West Bank Urban Renewal District are in use, the area generally has a deteriorating appearance. Many structures are in poor repair and properties are often poorly maintained, cluttered with refuse and waste storage areas. (Figures 4 and 5)



**Figure 4. Vacant building south of Central Avenue West**





**Figure 5. Outdoor storage/debris**

According to building permit information prepared by the Great Falls Community Development Department, the majority of structures in the proposed district were constructed prior to the 1980s and many were constructed in the 1950s. While age alone does not indicate deterioration, permit information indicates that few major improvements have been made in recent decades.

**Inappropriate or mixed uses of land or buildings**

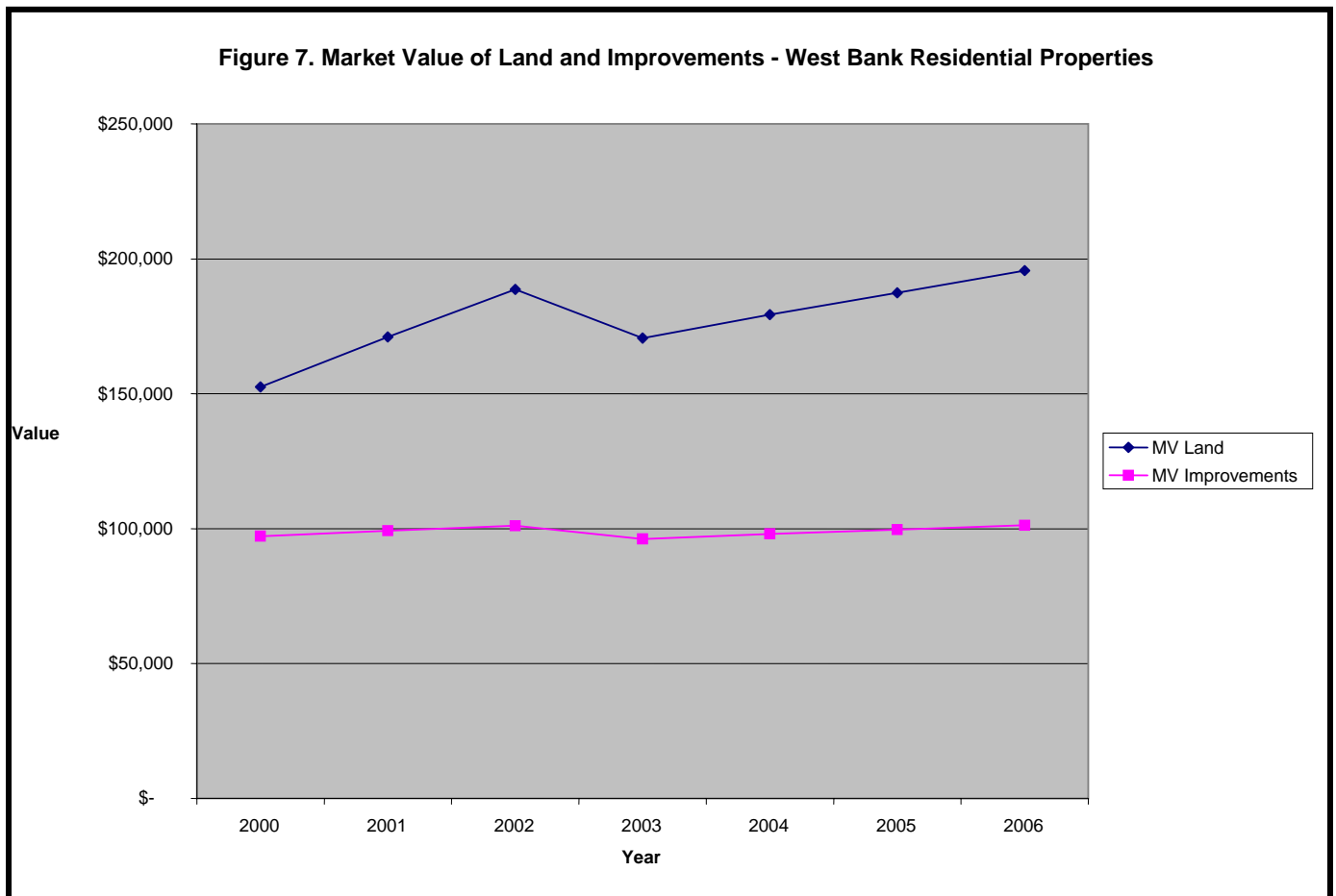
The eastern edge of the proposed West Bank Renewal District includes portions of the West Bank Park, an important recreation and scenic resource for the City of Great Falls. The park is located adjacent to areas that have been blighted by industrial pollution and refuse storage sites. These detract from and diminish the quality of the park. (Figure 6)

As stated above, the area includes a number of retail and service establishments, reflective of the land uses on those properties adjacent to the proposed urban renewal district. The presence of heavy industrial activities in close proximity to these less intensive uses creates incompatibilities associated with industrial noise, odor and dust.

Finally, the renewal district includes a small number of homes. The presence of heavy industrial sites in close proximity to residences can result in the devaluation of property over time (Great Falls Riverfront Redevelopment Project...Final Grant Proposal). A review of residential property values within the district indicates that while the land values have increased slightly, the value of improvements has stagnated between 2000 and 2006 as noted in Figure 7, below.



Figure 6. West Bank Park, Looking West



**Public Infrastructure/Defective or Inadequate Street Layout**

The sewer and water lines within the district were installed primarily in the 1960's and 1970's to serve the commercial and large industrial users in the area. There are also some large sewer trunk lines which traverse the area from south to north. They are generally in good condition and would be able to accommodate new commercial, office and residential development. (See Appendix B.) The streets that are in the area serve the perimeter of the planning area well, but are virtually non-existent in the interior, especially on the north end of the district. Access is very poor to the area between the river and the RR tracks. Of the roads that do exist, some require paving, while others should be realigned. The district is characterized by large industrial and heavy commercial uses. In some cases, there is no public access to individual sites via road. For example, better access is needed to the West Bank Park and the new Federal Building that is slated for construction to the north of Central Avenue West. Overall the interior of the area lacks sidewalks, curbs and gutters; landscaping and adequate lighting. (See Figures 8 and 9)

**Figure 8. 4th Avenue NW,  
Looking East**



**Figure 9. Drainage Problems  
South of 1st Avenue Southwest,  
Looking North**

## Unsanitary or unsafe conditions

### Pollutants/Contamination

The proposed West Bank Urban Renewal Area includes the Third Street Northwest Groundwater Site, which is listed on the Montana CECRA (Comprehensive Environmental Cleanup and Responsibility Act) listing of “Mini-Superfund” priority sites. CECRA provides the Montana Department of Environmental Quality with similar authorities as provided under the federal Superfund Act. CECRA ranks these sites as maximum, high, medium, low and operation and maintenance priority based on the severity of contamination at the facility and the actual and potential impacts of contamination to public health, safety, and welfare and the environment. The Third Street Northwest Groundwater Site has been listed with a ranking of medium. (<http://www.deq.state.mt.us/StateSuperfund/index.asp>). According to the Montana Department of Environmental Quality, contaminants at the site include benzene, toluene, ethylbenzene, xylene, chlorinated solvents and phenols. (Great Falls Tribune, December 16<sup>th</sup>, 2001)

In 2002, the Great Falls Development Authority applied for and obtained a U.S. Environmental Protection Agency (EPA) Brownfields Assessment Grant as a first step in facilitating the redevelopment of the West Bank area. Brownfields are defined as those properties for which the expansion, redevelopment, or reuse may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. (<http://www.epa.gov/brownfields/>)

The proposal to EPA noted that the potential for in-fill development and reuse of lands in the West Bank Area had been “marginalized” by the environmental pollution, creating a “lost opportunity” for reinvestment in the area. (Great Falls Riverfront Redevelopment Project...Final Grant Proposal).

In 2004, the Great Falls Development Authority contracted with Maxim Technologies to provide Brownfields assessment and cleanup planning services for two sub-areas within the proposed West Bank renewal district. Sub Area 1 includes the property and structures between Central Avenue West and 4<sup>th</sup> Avenue NW. Sub Area 2 includes property and structures extending north from 4<sup>th</sup> Avenue NW to the Northwest Bypass. Properties included in each of these two sub-areas are presented in Tables 1 and 2.

Parcel Name	Parcel Address
Heritage Inn, Inc.	Near the Intersection of Central Avenue West and Third Street NW (future site of the Federal Courthouse)
Montana Cowboys Association	305 and 311 3 <sup>rd</sup> Street NW and 216 4 <sup>th</sup> Avenue NW
Campbell Property	299 and 303 3 <sup>rd</sup> Street NW
Talcott North and Talcott Northwest	201 and 205 1 <sup>st</sup> Avenue NW and 111 and 113 3 <sup>rd</sup> Street NW
Myhre Advertising	Corner of Central Avenue West and 3 <sup>rd</sup> Street NW
High Plains Pizza	17 3 <sup>rd</sup> Street NW

<b>Parcel Name</b>	<b>Parcel Address</b>
West Bank Park	(Portion of West Bank Park on the Missouri River)
Montana Specialty Mills	201 and 205 4 <sup>th</sup> Avenue NW
Cascade County Shops	319 and 415 3 <sup>rd</sup> Street NW and 219 4 <sup>th</sup> Ave. NW
J Bar T	619 3 <sup>rd</sup> Street NW
West Side Animal Clinic	803 3 <sup>rd</sup> Street NW
Seaman Property	805 and 807 3 <sup>rd</sup> Street NW

Within Sub Area 1, Maxim collected soil surface, soil subsurface and groundwater samples from the six properties. Analysis of the surface soil revealed that Montana Department of Environmental Quality (MDEQ) risk-based screening levels were exceeded in certain cases, as presented in Table 3.

Benzo(a)anthracene	Proposed Federal building (five sites)
Benzo(a)pyrene	Talcott North (two sites); Proposed Federal building (two sites)
Benzo(a)fluoranthene	Proposed Federal building (two sites)
Indeno(1,2,3-cd)pyrene	Proposed Federal building (one site)
Arsenic	Proposed Federal building (two sites), Right of Way south of Talcott North, Talcott North; Myhre Advertising, Talcott Northwest
Cadmium	Proposed Federal building
Chromium	Proposed Federal building and Myhre Advertising

Assessments completed on properties in Sub Area 2 indicate that several potential sources of soil and water contamination exist on these properties which include the Cascade County Shops and the Montana Specialty Mills, which are associated with the CECRA site noted above. Ground water samples have contained petroleum hydrocarbons and chlorinated solvents which may be impacting groundwater beneath properties to the south including the Montana Cowboys Association, and the northern portions of the Talcott and north Heritage Inn properties. Samples collected along storm drains southeast of the CECRA site have also contained petroleum hydrocarbons. (Maxim Technologies, Inc., Phase I and Phase II Assessments, Great Falls Brownfields Project, Great Falls, Montana, 2004-2005)

## **Conclusion**

Based on these findings, the proposed West Bank Urban Renewal District can be described as blighted per Montana Statute, with respect to the deteriorating condition of property in the area; incompatibility of land uses; inadequate infrastructure, particularly related to transportation; and unsafe conditions associated with contaminants as identified by the Montana Department of Environmental Quality.

**APPENDIX A – PROPERTIES INCLUDED IN THE PROPOSED WEST BANK  
URBAN RENEWAL DISTRICT (Great Falls Planning Department)**

<b>APPENDIX A. PROPERTIES INCLUDED IN THE PROPOSED WEST BANK URBAN RENEWAL DISTRICT</b>		
<b>OWNER OF RECORD</b>	<b>BUSINESS NAME/OCCUPANCY</b>	<b>STREET ADDRESS</b>
GRH GLENWOOD LLC ETAL	WALGREENS (under construction)	3RD ST NW
CITY OF GREAT FALLS	SACAJAWIA ISLAND	
GRH GLENWOOD LLC ETAL	WALGREENS (under construction)	
GRH GLENWOOD LLC ETAL	WALGREENS (under construction)	3RD ST NW
ROGERS JEWELERS INC ETAL	ROGERS JEWELERS	3RD ST NW
BYPASS PROPERTY LLC (Outside City Limits)	BREEN OIL COMPANY	3RD ST NW
HENDERSON MICHAEL S & WILLIAM L	JOHNSON DISTRIBUTING	3RD ST NW
HENDERSON MICHAEL S & WILLIAM L		3RD ST NW
HENDERSON MICHAEL S ETAL		3RD ST NW
HENDERSON MICHAEL S ETAL		3RD ST NW
HILL RUSSELL & CATHERINE B		3RD ST NW
STOCKMAN BANK OF MONTANA	STOCKMAN BANK OF MONTANA	3RD ST NW
KRALICH JOANNE		
MONTANA SPECIALTY MILLS LLC	MONTANA SPECIALTY MILLS LLC	3RD ST NW
JOHNSON MOLLIE L ETAL	J BAR T INC	3RD ST NW
CASCADE COUNTY	CASCADE COUNTY SHOP COMPLEX	3RD ST NW
MONTANA COWBOYS ASSOCIATION INC	COWBOY'S BAR	3RD ST NW
MONTANA COWBOYS ASSN INC	COWBOY'S BAR	3RD ST NW
MONTANA COWBOYS ASSOCIATION	COWBOY'S BAR	4TH AVE NW
TALCOTT JAMES CONSTRUCTION INC		1ST AVE NW
FALLCAMP LLC		3RD ST NW
MITCHELL DEVELOPMENT & INVESTMENTS LLC		CENTRAL AVE W
FALLCAMP LLC		
FALLCAMP LLC		3RD ST NW
TALCOTT PROPERTIES LLC		3RD ST NW
TALCOTT JAMES CONSTRUCTION CO		
BURLINGTON NORTHERN SANTA FE RAILROAD CO	RIGHT OF WAY	BAY DR
CITY OF GREAT FALLS (West Bank Park - South End)	WEST BANK PARK	PARK-WEST BANK
SCHUMAN HENRY & ALICE		3RD ST NW
HIGH PLAINS PIZZA INC		3RD ST NW
MYHRE ADVERTISING		CENTRAL AVE W
MONTANA DEPT OF TRANSPORTATION	RIGHT OF WAY	
BUMBARGER FRED & PATRICIA S	PAYLESS FURNITURE	CENTRAL AVE W
HOLMAN GRAIN (Brick Building)		BAY DR
JORGENSEN ROBERT F JR		2ND AVE SW
HOLMAN GRAIN COMPANY		
HOLMAN GRAIN COMPANY		BAY DR
OKSNESS BERT		2ND AVE SW
BN LEASING CORPORATION		
ROBERTSON ENTERPRISES LLC		BAY DR
MARTIN JOHN L		2ND AVE SW
CITY OF GREAT FALLS (BN Park)	BN PARK	PARK-GARDEN HOME

<b>APPENDIX A. PROPERTIES INCLUDED IN THE PROPOSED WEST BANK URBAN RENEWAL DISTRICT</b>		
<b>OWNER OF RECORD</b>	<b>BUSINESS NAME/OCCUPANCY</b>	<b>STREET ADDRESS</b>
BN LEASING CORPORATION		BAY DR
BURLINGTON NORTHERN SANTA FE RAILROAD CO		
MONTANA ELECTRIC COOPERATIVES ASSO ETAL	MONTANA ELECTRIC COOPERATIVES ASSOCIATION	BAY DR
BURLINGTON NORTHERN SANTA FE RAILROAD CO		BAY DR
BN LEASING CORPORATION		
BN LEASING CORPORATION		MILES CT
BN LEASING CORPORATION		
BN LEASING CORPORATION		
BN LEASING CORPORATION		
CITY OF GREAT FALLS (West Bank Park - North End)	WEST BANK PARK	



APPENDIX B. AREA INFRASTRUCTURE MAP  
(Great Falls Public Works Department)

# APPENDIX B. PUBLIC UTILITIES IN THE PROPOSES WEST BANK RENEWAL DISTRICT

