

ORDINANCE 3110

AN ORDINANCE APPROVING DEVELOPMENT PROJECTS PROPOSED BY THE CITY OF GREAT FALLS AND ASSOCIATED PUBLIC IMPROVEMENTS AS A TAX INCREMENT FINANCING INDUSTRIAL PROJECT AND TO AUTHORIZE FINANCING THE PUBLIC IMPROVEMENTS WITH TAX INCREMENT REVENUES FROM THE CENTRAL MONTANA AGRICULTURE AND TECHNOLOGY PARK TAX INCREMENT FINANCING INDUSTRIAL DISTRICT

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WHEREAS, in accordance with Title 7, Chapter 15, Parts 42 and 43 (the “Act”), on May 7, 2013, the Great Falls City Commission (the “Commission”) adopted Ordinance 3106 to expand and approve the Central Montana Agriculture and Technology Park (“CMATP”) Tax Increment Financing Industrial District (the “District”) and the Comprehensive Development Plan (the “Plan”), which contains a tax increment financing provision to help fund rehabilitation and redevelopment projects within the District; and,

WHEREAS, on September 16, 2008, the Commission established a process to review and evaluate projects and activities proposed in the District for use of tax increment funds generated by the District; and,

WHEREAS, the City of Great Falls, P.O. Box 5021, Great Falls, Montana, (the “City”) proposes to support private development within the district including the new ADF International, a new steel manufacturing plant, and other future industrial developments (“CMATP Projects”) to be located generally east of U.S. Highway 87 both north and south of Great Bear Avenue in the northern portion of the City of Great Falls; and,

WHEREAS, the City has identified certain public and related improvements to be constructed and undertaken with respect to the CMATP Projects and has requested that tax increment revenues be made available to finance all or a portion of the costs of those improvements; and,

WHEREAS, on May 7, 2013, the City's Fiscal Services, Planning and Community Development, Park and Recreation and Public Works Department representatives and the Assistant City Manager (the "City Staff") jointly reviewed and evaluated the CMATP Projects and funding request and made a report and recommendation (the "City Staff Report") to the Great Falls Planning Advisory Board (the "Planning Board") to the effect that: the CMATP Projects and several specific public improvements as enumerated in herein below (the "Public Improvements") would be beneficial to the public and would result in the rehabilitation and redevelopment of the District; and that the Public Improvements are eligible for tax increment financing in accordance with the Act and the purpose and goals of the District and Plan; and,

WHEREAS, on May 28, 2013, the Planning Board received, reviewed and considered the City Staff Report, as well as information from a representative of the City and has made recommendation to the Commission to the effect that the CMATP Projects conform to the City's Growth Policy, adopted in accordance with Title 76, Chapter 1, and that the CMATP Projects and Public Improvements should be approved as an Industrial Project and that tax increment revenues be used to fund the Public Improvements; and,

WHEREAS, the Commission is considering whether to Approve Development Projects Proposed By the City of Great Falls and Associated Public Improvements as an Industrial Project and to Authorize Financing the Public Improvements with Tax Increment Revenues; Calling for a Public Hearing Thereon; and Establishing Compliance with Reimbursement Bond Regulations under the Internal Revenue Code; and,

WHEREAS, a public hearing will be noticed and held on Tuesday, the 2nd day of July, 2013, at 7:00 P.M. in the Commission Chambers of the Civic Center, Great Falls, Montana, be and the same is hereby set as the time and place at which the City Commission shall hear all persons relative to the proposed Development Projects Proposed By the City of Great Falls and Associated Public Improvements as an Industrial Project and to Authorize Financing the Public Improvements with Tax Increment Revenues from the Central Montana Agriculture and Technology Park Tax Increment Financing Industrial District.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMISSION OF THE CITY OF GREAT FALLS, MONTANA:

Section 1. Project and Public Improvements.

1.01. The CMATP Projects. The City proposes to support development in the Central Montana Agriculture and Technology Park including the new ADF International, a new steel manufacturing plant, and other future industrial developments. The City has requested three Phases of Public Improvements as follows:

a) CMATP Sanitary Sewer Main Extension, Phase 1:

The initial phase of the CMATP Project shall consist of the installation of approximately 1,550 linear feet of 18-inch diameter sewer main; 250 linear feet of 15-inch diameter sewer main; 175 linear feet of 12-inch sewer main; 7 manholes; and 60 feet of bored casing under the Malt Plant railroad spur. Surface restoration and other minor items will be included. This project includes A&E design and supervision and is estimated at a cost of \$271,200.

- b) CMATP Great Bear Avenue Paving, Phase 2:
Install approximately 1,620 linear feet of 35 foot wide asphalt street on the approximate alignment of the existing graveled driveway; install gravel shoulders; install drainage pipe crossings; and restore/revegetate disturbed areas. This project includes A&E design and supervision and is estimated at a cost of \$429,800.
- c) CMATP Preliminary Storm Drain Improvements Design, Phase 3:
Design of Storm Drain Improvements and is estimated at a cost of \$50,000.

1.02. The Public Improvements. The City Staff and Planning Board have recommended that the City finance from tax increment revenues, to the extent available, the costs of Public Improvements, consisting of as listed herein above.

Section 2. Findings.

2.01 The City Commission hereby finds, with respect to the CMATP Projects, the Public Improvements and the funding request described herein, as follows:

- a) no persons will be displaced from their housing by the CMATP Projects;
- b) the CMATP Projects and Public Improvements substantially satisfy the review criteria of the funding application process and meet the purpose and goals of the Act, the Central Montana Agricultural and Technology Tax Increment Financing Industrial District and Comprehensive Development Plan;
- c) the CMATP Projects and Public Improvements will be beneficial to the public and will result in the rehabilitation and redevelopment of the District;
- d) the CMATP Projects and Public Improvements conform to the City's Growth Policy;
- e) the CMATP Projects and Public Improvements afford maximum opportunity consistent with the sound needs of the City as a whole, for the rehabilitation or redevelopment of the industrial area by private enterprise; and
- f) there is a feasible and workable plan of financing for the CMATP Projects and Public Improvements as more particularly described in Section 3 hereof.

Section 3. Plan of Financing and Development Agreement.

Based on representations of the Fiscal Services Department, there are existing adequate resources in the District to undertake and complete the CMATP Project on a timely basis. It is the understanding that the City wishes to proceed with construction of the Public Improvements and has requested that the City use the available funds in the District for the costs of the approved Public Improvements. Based on the estimated costs of Phases 1-3 of the CMATP Projects, the City projects that the existing tax increment available in the District will be sufficient to finance \$751,000 of the costs of the Public Improvements. City Staff is authorized to bid and develop the CMATP Projects and shall specify the terms, conditions and financial arrangements, and the design, funding, oversight and construction of the Public Improvements.

Section 4. Public Hearing.

A public hearing is hereby called and shall be held on July 2, 2013 at 7:00 p.m. in the City Commission Chambers at 2 Park Drive South, Great Falls, Montana regarding the CMATP Projects and the use of tax increment revenues to finance the costs of the Public Improvements.

Section 5. Notice.

Notice of the public hearing shall be published in the *Great Falls Tribune* on June 16 and June 23, 2013.

Section 6. Approval of Project and Financing.

6.01. The Commission hereby confirms the findings with respect to the CMATP Projects set forth in Section 2 of this Ordinance.

6.02. The CMATP Projects are hereby approved as an Industrial Project.

6.03. The Commission approves financing of the Public Improvements, consisting of:

a) CMATP Sanitary Sewer Main Extension, Phase 1:

The initial phase of the CMATP Project shall consist of the installation of approximately 1,550 linear feet of 18-inch diameter sewer main; 250 linear feet of 15-inch diameter sewer main; 175 linear feet of 12-inch sewer main; 7 manholes; and 60 feet of bored casing under the Malt Plant railroad spur. Surface restoration and other minor items will be included. This project includes A&E design and supervision and is estimated at a cost of \$271,200.

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c) CMATP Preliminary Storm Drain Improvements Design, Phase 3:

Design of Storm Drain Improvements and is estimated at a cost of \$50,000.

Section 7. Effective Date.

This ordinance shall be in full force and effect thirty (30) days after its passage and adoption by the City Commission or upon filing in the office of the Cascade County Clerk and Recorder.

APPROVED by the City Commission of the City of Great Falls, Montana, on first reading June 4, 2013.

Michael J. Winters, Mayor

ATTEST:

Lisa Kunz, City Clerk

(CITY SEAL)

APPROVED FOR LEGAL CONTENT:

David L. Nielsen, Interim City Attorney

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

I, Lisa Kunz, City Clerk of the City of Great Falls, Montana, do certify that I did post as required by law and as prescribed and directed by the Commission, Ordinance 3110 in three conspicuous places within the limits of said City to-wit:

On the Bulletin Board, first floor, Civic Center Building;
On the Bulletin Board, first floor, Cascade County Court House;
On the Bulletin Board, Great Falls Public Library

Lisa Kunz, City Clerk

(CITY SEAL)