

**MINUTES OF THE MEETING
OF THE
GREAT FALLS PLANNING ADVISORY BOARD/ZONING COMMISSION
May 28, 2013**

CALL TO ORDER

The regular meeting of the Great Falls Planning Advisory Board/Zoning Commission was called to order by Chair Pro Tem Nate Weisenburger at 3:00 p.m. in the Commission Chambers of the Civic Center.

ROLL CALL & ATTENDANCE

Planning Board Members present:

Mr. Nate Weisenburger (Vice Chair)
Mr. Marty Byrnes
Mr. Scot Davis
Dr. Heidi Pasek
Ms. Sophia Sparklin
Mr. Mark Striepe
Mr. Wyman Taylor

Planning Board Members absent:

Ms. Cheryl Patton

Planning Staff Members present:

Mr. Craig Raymond, Interim Director Planning & Community Development
Ms. Jana Cooper, Planner II
Ms. Galen Amy, Planner I
Ms. Lisa Kunz, City Clerk

Others present:

Mr. Jim Rearden, Director Public Works
Mr. Dave Dobbs, City Engineer

Mr. Raymond affirmed a quorum of the Board was present.

MINUTES

Chair Pro Tem Weisenburger noted corrections to the minutes of the public hearing and regular meeting held on May 14, 2013. Mr. Davis motioned to approve the minutes as corrected, seconded by Ms. Sparklin. All being in favor, the minutes were approved as corrected.

Action Minutes of the Planning Advisory Board/Zoning Commission. Please refer to the audio/video recording of this meeting for additional detail.

Appointment of Chair

Chair Pro Tem Weisenburger called for nominations to appoint a new chairman of the Board, since Chair Swensson's resignation from the Board was received at the last meeting. Mr. Taylor nominated Mr. Weisenburger to be Chair for the remainder of 2013. Chair Pro Tem Weisenburger accepted the nomination and called for any other nominations. Seeing none, he called the vote. All being in favor, Mr. Weisenburger was elected Chair for the remainder of 2013. Chair Weisenburger called for nominations to fill the position of Vice Chair, since he is now Chair and the position of Vice Chair is vacated. Mr. Byrnes nominated Mr. Davis for Vice Chair of the Board. Mr. Davis accepted the nomination. Chair Weisenburger called for any other nominations. Seeing none, he called the vote. All being in favor, Mr. Davis was elected Vice Chair for the remainder of 2013.

BOARD ACTIONS REQUIRING PUBLIC HEARING

Central Montana Agriculture & Technology Park TIF Funding Request

Jana Cooper, Planner II, reviewed the staff report for the application by the City of Great Falls, Public Works Department, for the use of Tax Increment Financing Industrial District (TIFID) funds for the Central Montana Agriculture and Technology Park (CMATP) for eligible public improvements. Ms. Cooper entered the staff report into the record. The CMATP is located east of U.S. Highway 87 in the northern portion of the City of Great Falls, and was established in May 2005, with expansion in December 2007 and May 2013. Ms. Cooper said the property is zoned I-2 Heavy Industrial and includes Malteurop, Dali, LLC, and ADF International.

Ms. Cooper explained that when a TIFID is approved, the State Department of Revenue sets a base year/base valuation for the property. New development increases the value of taxable property with the tax increment generated above that base directed back into the district (established and controlled by the City). The Planning and Community Development Department has received three applications from Public Works for use of existing Tax Increment Financing (TIF) monies for infrastructure improvements in the CMATP TIFID:

1. CMATP Sanitary Sewer Main Extension, Phase 1, for \$271,200
2. CMATP Great Bear Avenue Paving, Phase 2, for \$429,800
3. CMATP Preliminary Storm Drain Improvements Design, Phase 3, for \$50,000

These public improvements are deemed eligible for reimbursement based on Criteria for Review listed in the application and their conformance with the CMATP Comprehensive Development Plan.

Ms. Cooper explained details of the three requests based on information provided in the staff report. The first request, for a sanitary sewer main extension, is for 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 for a total cost of \$271,200. The main will serve industrial business within the existing TIFID, which will generate between 200 and 900 jobs in the immediate future. Malteurop may be required to reimburse the TIF their proportionate share of the sewer main extension, estimated at \$150,000, but this has not yet been determined.

The second request, for Great Bear Avenue paving, is for approximately 1,620 linear feet of 35-foot-wide asphalt street on the approximate alignment of the existing graveled driveway to install gravel shoulders, to install drainage pipe crossings, and to restore/revegetate disturbed areas for a cost of \$429,800. Great Bear Avenue currently exists as an access and utility easement owned by Dali,

LLC. The request for funding for the paving of Great Bear Avenue is contingent upon Dali, LLC dedicating the roadway to the public as right-of-way.

The third request, for preliminary storm drain improvements design, is estimated to cost \$50,000.

Ms. Cooper stated that staff received an application for use of TIF funds from a private developer in the district and recognizes there will be a competitive process for use of these funds in the CMATP. Staff has determined that the most fair way to process TIF funding applications is to set a deadline for all CMATP TIF funding requests, and then analyze the projects and determine the best use of future funds based on the Capital Improvements Plan, Criteria for Review and the Comprehensive Development Plan. Staff estimates that deadline will be July 31 of this year.

Ms. Cooper concluded her review of the staff report and offered to answer any questions from the Board. Mr. Taylor asked about whether the taxpayers in that district have input into where the money is spent. Ms. Cooper said expenditures are at the discretion of the City. She said that when the base is defined for the district, that base is the amount of regular taxes paid on the property, but any improvements from that point on go to the TIF to be used for public improvement projects. Mr. Taylor clarified that he is asking about the process for public input on spending the funds. Ms. Cooper said Public Works Department develops the Capital Improvement Plan to formulate recommendations for future improvements, and citizens may come to Planning Advisory Board meetings to give their input. Mr. Raymond added that the City Commission is the final decision making body, and citizens may provide testimony at the City Commission meetings. Citizens may also apply for funds for their own projects, and City staff outside of the Public Works Department also reviews applications. Ms. Cooper said the TIF funds for CMATP must be spent on public improvements. Mr. Byrnes asked where the City sanitary sewer comes onto the property. Mr. Dobbs explained where the current lift station is for the malt plant and how the sanitary sewer system would be developed with this request. Mr. Dobbs confirmed that the idea is to develop the utilities before paving the road.

Ms. Sparklin asked if there were other applicants, and Ms. Cooper said Dali, LLC, also made an application for water and sewer extensions, storm drain improvements and road paving for a cost of about \$515,000. City staff analyzed which requests have the greater impact for the entire district. She said there is about \$700,000 in existing TIF funds, and there will be other applications, so staff decided the best course of action was to set a deadline for applications and then review them before deciding on a course of action. Ms. Sparklin said that a deadline has not yet been set, but if approved, today's requests consisted of a big chunk of the money. Ms. Cooper said staff viewed these first applications as priority since ADF cannot open their proposed facility without sewer and they are planning to open in October. Dali, LLC would also benefit. Mr. Byrnes asked about what happens to TIF funds if the money is not used. Ms. Cooper explained that the funds stay in the TIF until an application is approved or a bond is established. Chair Weisenburger asked if TIF funds can be used to pay off a loan on an annual basis, and Ms. Cooper confirmed they can. He inquired how much money is added to the TIF each year. Ms. Cooper said it is approximately \$100,000 per year from Malteurop, and another \$100,000 annually is estimated coming from ADF in the future. The life of the TIF is 15 years, but the TIF can be expanded with bonds. She noted these are taxpayer dollars being used for public improvements. Mr. Dobbs said the first two projects need to be completed by October 1, and they hope to have the roadway complete by then also, although it is not as critical. He said if the roadway completion is pushed past that date, it is basically pushed out to next year. From a strategy standpoint, the storm drain request is to get that project started, but it will have to be debt financed in some form, and that will take time to work out.

Mr. Dobbs gave some background on the development of CMATP, the malt plant and the TIFID. He said ADF Group is installing utilities and foundations now, and the time is right for the next step of improvements. He said Public Works will come back with applications in the future, but the requests

today are time sensitive. Mr. Striepe asked about Malteurop's reimbursement of a portion of the TIF. Mr. Dobbs said that when the malt plant was annexed, one of the obligations was to extend utilities around the periphery of the site. He said that typically, the City requires the far extension of utilities in annexations. Malteurop made the case that it was unknown when and where those utilities would be needed, because at that time there were no other projects planned. Per the annexation agreement, Malteurop is obligated to reimburse for the cost of extending 8-inch sanitary sewer to the periphery of their project. Mr. Dobbs said that in order to serve this entire basin, the lower end needs to be 18-inch sanitary sewer, and another funding source needs to be found for the upsizing. He said that Malteurop can also apply for TIF funds for their required extension.

PUBLIC COMMENT

Bret Doney, with the Great Falls Development Authority at 300 Central Avenue, said GFDA hosts the North Industrial Area Task Force, which includes participation from City and County staff, the Montana Department of Transportation, interested property owners, developers and brokers. The task force has been looking at how to open up the subject malt plant area to industrial development. He said they were successful in securing three federal earmark funds when earmarks were acceptable. Those paid for widening the road and installing turn lanes, plus improvements to Black Eagle Road. The County secured some Community Block Grant Funds from the State, which helped bring water to the location. He said this application is a good step. The road improvement will benefit all the property owners and is also a safety issue, as there was a fatality there before the turn lanes were put in. He said the sewer is necessary and storm water is certainly an issue, so it will be good to get a start on this. He talked about the difficulties in bonding projects and the need to have more tax payers in the district. He said this is a good area for industrial development.

PLANNING ADVISORY BOARD DISCUSSION & ACTION

Chair Pro Tem Weisenburger asked for any discussion from the Board. Mr. Byrnes said this was a great opportunity for the City and there is great value in utilities at that location.

MOTION: Recommendation I: The Planning Advisory Board recommends that the City Commission approve the use of existing funds from the Central Montana and Agriculture Park Tax Increment Financing Industrial District for the three requests as listed 1-3 in the agenda report.

1. \$271,200 for the Design and Construction of the Sanitary Sewer Main Extension (Lift Station to Malteurop Gate) in the CMATP to the Public Works Department of the City of Great Falls.
2. \$429,800 for the Design and Construction of Great Bear Avenue in the CMATP to the Public Works Department of the City of Great Falls.
3. \$50,000 for the Preliminary Storm Drain Improvements Design for the CMATP to the Public Works Department of the City of Great Falls.

MOTION: Mr. Davis
Second: Ms. Sparklin

VOTE: All being in favor, the motion passed.

Ms. Cooper advised the Board on the next procedural steps.

PUBLIC COMMENT

There was no public comment.

COMMUNICATIONS

Next Meeting Agenda – June 11, 2013

- Minor Subdivision – Lot 3A, Block 18, Sun River Park Addition
- West Ridge Addition, Phase VI – Final Plat
- Growth Policy Update

Upcoming Planning Board Projects

- Farran Group Apartments

Project Status:

- 6th Street NE Closure – on hold by applicant
- Great Bear Addition No. 2 – Preliminary Plat to City Commission June 4

Petitions & Applications Received

- Minor Subdivision – Lot 3A, Block 18, Sun River Park Addition

PUBLIC COMMENT

There was no public comment.

ADJOURNMENT

Mr. Taylor motioned to adjourn the meeting, seconded by Mr. Byrnes. The meeting was adjourned by Chair Weisenburger at 3:38 p.m.

CHAIRMAN

SECRETARY