



Item: Resolution 9770 to Assess Business Improvement District
From: Judy Burg, Account Technician
Initiated By: Annual Assessment Process
Presented By: Coleen Balzarini, Fiscal Services Director
Action Requested: City Commission Adopt Resolution 9770

Suggested Motion:

1. Commissioner moves:

“I move the City Commission (adopt/postpone/deny) Resolution 9770.”

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

Staff Recommendation: Staff recommends the City Commission adopt Resolution 9770 to assess the Business Improvement District.

Background: The Business Improvement District was created in 1989 for ten years by petition of the property owners within the District. Its overall purpose is to utilize assessments through the Business Improvement District tax assessment and direct those monies back into the district to improve and revitalize the downtown area. The current district boundaries and the assessment formula have not changed since its origination date. In 1999, by petition of the property owners within the District, the Business Improvement District was recreated for another ten years. By the end of July 2009, the District is expected to be recreated.

As required by State statute MCA 7-12-1132, the Business Improvement District is to present a proposed work plan, budget, and recommend a method of levying an assessment on the properties within the district that best ensures the assessment on each lot or parcel is equitable in proportion to the benefits to be received for fiscal year 2008/2009. During the public hearing on August 5, 2008, Tonya Jorgensen, Business Improvement District Office Manager presented the 2009 Work Plan, proposed budget and assessment method for the Business Improvement District. Following the public hearing, the City Commission moved to adopt the 2009 Work Plan and budget for the Business Improvement District.

Concurrences: The Business Improvement District partners with several organizations, such as the Downtown Great Falls Association, Storefront University, First Night Great Falls and the

Urban Art Project to provide results and follow the overall purpose of improving and revitalizing the downtown area. Fiscal Services staff is responsible for assessing and collecting the revenues necessary to carry out the work plan as presented by the Business Improvement District.

Fiscal Impact: The assessment formula as presented to the property owners and recommended to the City Commission is as follows:

- a flat fee of \$200.00 for each lot or parcel,
- an assessment of \$.00165 times the phase-in market valuation as provided for by the 1997 and 1999 Montana State Legislatures and
- an assessment of \$.015 times the square footage of the land area.

The assessment requested for 2008/2009 is based on the above assessment formula and will generate approximately ONE HUNDRED SIXTY-EIGHT THOUSAND TWO HUNDRED EIGHTY-FOUR DOLLARS and 60/100 (\$168,284.60) in assessment revenue. The 2008/2009 assessment per lot or parcel is indicated on the assessment projection summary as Exhibit "A" incorporated and made a part of Resolution 9770.

Alternatives: The City Commission could choose to postpone the adoption of Resolution 9770 to assess the property owners within the Business Improvement District. However, the postponement would create a delay in the annual process of conveying City assessment information to the County Treasurer's Office, which information is necessary to be included on the tax bills scheduled for mailing by November 1st.

The City Commission could choose to deny the adoption of Resolution 9770 to assess the property owners within the Business Improvement District. However, on August 5, 2008, the City Commission approved the Business Improvement District budget which identifies the Business Improvement District assessment as 72% of the operating revenues. Denial of Resolution 9770 will prevent the Business Improvement District from carrying out the City Commission previously approved budget.

Attachments/Exhibits: Resolution 9770
Map of the Great Falls Business Improvement District Boundaries
Exhibit "A" – BID Assessment for FY 2008/2009

Cc: Tonya Jorgenson, Office Manager