



**Item:** Public Hearing - Approve the Federal Courthouse/4<sup>th</sup> Avenue NW Project as an urban renewal project and to authorize financing the public improvements with tax increment revenues; and to accept Ordinance 3028 on first reading and set final reading for December 16, 2008 (OF 1499)

**From:** Martha Capps, Operations Supervisor

**Initiated By:** Fiscal Services and Bond Counsel

**Presented By:** Coleen Balzarini, Fiscal Services Director

**Action Requested:** City Commission approve the Federal Courthouse/4<sup>th</sup> Avenue NW Project as an urban renewal project and to authorize financing the public improvements with tax increment revenues; and accept Ordinance 3028 on first reading and set final reading for December 16, 2008

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**Public Hearing:**

1. Mayor conducts public hearing, calling three times each for opponents and proponents.
2. Mayor closes public hearing and asks the will of the Commission.

**Suggested Motion:** (Each motion to be separately considered)

1. Commissioner moves:

“I move the City Commission (adopt/deny) the Federal Courthouse/4<sup>th</sup> Avenue NW Project as an urban renewal project and (authorize/not authorize) financing public improvements with tax increment revenues.”

And;

“I move the City Commission (accept/deny) Ordinance 3028 on first reading and set final reading for December 16, 2008.”

2. Mayor calls for a second, discussion, and calls for the vote.
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**Staff Recommendation:** Staff recommends the City Commission approve the Federal Courthouse/4<sup>th</sup> Avenue NW Project as an urban renewal project and authorize financing public improvements

with tax increment revenues; and approve Ordinance 3028 on first reading and set final reading for December 16, 2008.

**Background:** On March 20, 2007 the City Commission approved Ordinance 2967 which established the Great Falls West Bank Urban Renewal Plan. This plan included a Tax Increment Financing provision to give the City an additional funding tool in the redevelopment effort. The most significant improvement needing to be completed is the reconstruction and upgrade of 4<sup>th</sup> Avenue NW. These include roadway improvements, intersection upgrades, and rail signal and track crossing improvements. Also included is the design and engineering of public infrastructure to benefit West Bank Park, and extending the water main into the district. All issuance fees and costs will also be paid out of any financing, and will be repaid from tax increment generated from increased property values within the district. The Resolution of Intention 9801 adopted November 18, 2008 lists the various projects in detail which are needed to facilitate the development of the District in general.

**Concurrences:** Representatives from Fiscal Services, Planning, Engineering, and Public Works have been working with Bond Counsel throughout the entire process.

**Fiscal Impact:** The costs associated with the improvements and debt issuance will be reimbursed to the City as Tax Increment revenues come available from increased property values within the district.

**Alternatives:** The City Commission could choose to not approve the Urban Renewal Project, and thereby deny the financing of the public improvements with tax increment revenues, and not accept Ordinance 3028 on first reading. The projects would then have to be reviewed in regards to priority and alternative financing options.

**Attachments/Exhibits:** Ordinance 3028