



Item: Ordinance 3028; Approve the Federal Courthouse/4th Avenue NW project as an urban renewal project and authorize the tax increment financing of certain public projects; (O.F. 1499.0)

From: Martha Capps, Operations Supervisor

Initiated By: Fiscal Services and Bond Counsel

Presented By: Coleen Balzarini, Fiscal Services Director

Action Requested: City Commission adopt Ordinance 3028 on second reading

Suggested Motion:

1. Commissioner moves:

“I move the City Commission (adopt/deny) Ordinance 3028, to approve the Federal Courthouse/4th Avenue NW project as an urban renewal project and authorize the tax increment financing of certain projects”.

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

Staff Recommendation: To proceed with the development of the West Bank area, it is recommended the City Commission adopt Ordinance 3028, on second reading, approving the improvements and the financing of the Courthouse/4th Avenue NW project.

Background: On March 20, 2007 the City Commission approved Ordinance 2967 which established the Great Falls West Bank Urban Renewal Plan. These plans includes improvements eligible for tax increment financing proceeds as stated in M.C.A 7-15-4288 and are necessary to the area for future development and revitalization. The most significant improvement is the reconstruction and upgrade of 4th Avenue NW. This includes 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. The 64,133 square foot Federal Courthouse is currently under construction. Certain public improvements were necessary for the development of this project, in particular the roadway and utility extensions. Resolution 9801 passed November 18 set a public hearing for December 2, 2008. After hearing comments from the public, the City Commission approved the project as eligible under the urban renewal project requirements, and the financing of such projects with tax increment revenues generated by the increased property values within the District. At the direction of bond counsel, and upon a more

conservative interpretation of M.C.A 7-15-4217, City Commission also approved Ordinance 3028 on first reading on December 2, and set the 2nd reading for December 16. Minor typographical changes have been applied to the 2nd reading of Ordinance 3028 and are reflected in the document.

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 Ordinance 3028. The projects would then be reviewed in regards to necessity, priority and alternative financing options.

Attachments/Exhibits: Ordinance 3028, as revised
Resolution 9801 available @
www.greatfallsmt.net/records/resolutions/res9801.pdf
Email correspondence with Aaron Rudio regarding
Negotiated bond sale with D.A. Davidson