



Item: Central Place Revitalization Urban Renewal Tax Increment District

From: City Staff

Initiated By: Fiscal Services, City Manager's Office, Park & Recreation, Great Falls Development Authority and Business Improvement District

Presented By: Coleen Balzarini, Fiscal Services Director

Action Requested: Remove from the table and Approve Project List

Suggested Motion:

1. Commissioner moves:

"I move that the City Commission remove this item from the table and approve the prioritized list of projects, attached as Exhibit A, using the balance of tax increment funds remaining after final debt service payments are made from the Central Place Urban Renewal Revitalization Program.

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

Staff Recommendation: Staff recommends that the City Commission remove this item from the table and approve the project list attached as Exhibit A and authorize expenditure of remaining cash from the Central Place Urban Renewal Revitalization Tax Increment District. This district sunsets following final bond payments in August of 2009.

Background: The City of Great Falls created the Urban Renewal Central Place Revitalization District in December of 1977 with a provision to use Tax Increment Financing to reach the goals of the district. The district will sunset with the final payoff of tax increment bond debt. The taxing jurisdictions will begin to receive the full benefit of the property taxes levied within the district and the tax increment portion will no longer be segregated. Certain cash will remain following debt payoff which can be used to finish projects eligible within the tax increment urban renewal law and benefitting the district.

Significant Impacts

The cash remaining that will still come to the district from bond reserves as well as from delinquent taxes over the next two years is expected to exceed \$700,000.

Citizen Participation

Citizens may comment during City Commission consideration of the agenda item at the meeting.

Workload Impact

Planning staff, Park & Recreation staff, the B.I.D. and the GFDA would all be involved in staff responsibilities to complete the project list.

Purpose

The objectives of the Central Place Revitalization Program were:

- A. To provide for additional employment opportunities for residents through expansion of the local economy and economic development.
- B. To maintain and expand the vitality of the Central City and support its role as the focal point of urban life in Great Falls by breaking the present cycle of economic, cultural, physical and environmental decay.
- C. To upgrade property values in the area and provide opportunities for new, private investment, thereby increasing the tax base.
- D. To provide a land use plan that will encourage: the highest and best use of land, the development of Central City Hotel-Motel/Convention Center, the expansion or addition of at least one more department store, the development of additional office space, retail stores and professional centers, and the construction of new housing for people of all ages and income groups.
- E. To eliminate slums and blighting influences as well as inappropriate land uses.
- F. To provide a method and incentive for the adaptive reuse of sound, but functionally obsolete, buildings for commercial and residential use.
- G. To ensure a pleasant atmosphere for residents and visitors alike.
- H. To relieve conflicts between vehicles and pedestrians, improving access to and from the area, circulation within the area, and, most important, providing adequate convenient parking for shoppers and employees.
- I. To provide a method to take aesthetic advantage of that wide, historic, scenic and famous resource, the Missouri River, and ensure that it is again a focal point of the older Central City.

Project Work Scope

Projects recommended are included in Exhibit A and would continue to address the objectives listed above.

Evaluation and Selection Process

Staff reviewed projects that were suggested by the Great Falls Development Authority, the Business Improvement District and the Park & Recreation Department. The projects that are recommended would complete or add to improvements that were undertaken with tax increment revenue during the district's life.

Concurrences: Staff's recommendations have not been submitted to other agencies or bodies for concurrence but have been shared with the B.I.D. and GFDA.

Fiscal Impact: Beginning in November of 2009, the tax increment district will return incremental tax revenues exceeding two million dollars annually to the taxing jurisdictions.

Alternatives: The City Commission can approve any substitutions to the list recommended by staff that fit the statute for tax increment expenditures or could choose to deny all projects.

Attachments: Exhibit A Project list
Letter from BID
Letter from GFDA (Letters not available online; on file in City Clerk's Office.)

Central Place Urban Renewal District Final Tax Increment Project List

1. **\$300,000** to reimburse the Economic Revolving Loan Fund for loans made from TI funding which were written off. Staff recommends that \$300,000 be returned to the Economic Revolving Fund and then transferred to the Great Falls Development Authority to establish a Downtown Revolving Loan Fund.
2. **\$50,000** to the Business Improvement District to undertake a downtown street tree trimming, and removal/replacement effort.
3. **\$52,000** to landscape the portion of River Drive and Broadwater Bay Park adjacent to the undeveloped boat dock parking lot including relocating the entrance to the boat dock parking area away from the current Third Ave. S. intersection to minimize traffic conflicts.
4. **\$120,000** for a multi-year contract for tree trimming in the TIF district outside the B.I.D. boundaries. The Second Street Corridor as well as the one-way corridors are entry ways into our downtown and visible to many visitors. Staff recommends contracting with a private firm after formal bidding.
5. **\$38,500** to remove and repair “bad spots” in the Gibson Park Walking Path.
6. **\$50,000** to finance a new Downtown Master Plan with oversight responsibility assigned to the City Planning Department.
7. **\$167,000** for FY 2011 Water Attraction Debt Service Payment