

## ORDINANCE NO. 752

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COLUMBIA FALLS, MONTANA, ESTABLISHING THE COLUMBIA FALLS URBAN RENEWAL AREA, CREATING THE COLUMBIA FALLS URBAN RENEWAL DISTRICT AND ADOPTING THE COLUMBIA FALLS URBAN RENEWAL DISTRICT PLAN WITH A TAX INCREMENT FINANCING PROGRAM PURSUANT TO TITLE 7, CHAPTER 15, PART 42 AND 43 OF THE MONTANA CODES ANNOTATED

WHEREAS, on September 15th, 2014, the Columbia Falls City Council directed the study to determine the existence of blight within the urban area; and

WHEREAS, pursuant to 7-15-4202, MCA, the City of Columbia Falls has prepared a "Statement of Blight" to document the existence of blight and resulting problems in downtown Columbia Falls - generally north / south along Nucleus Avenue from Railroad Avenue (MT 486) on the north end to the city limits on the south side of US Highway 2; and US Highway 2 - from Meadow Lake Boulevard on the west end to the city limits on the east end which provides entry into the community from both the east and west; and

WHEREAS, in accordance with 7-15-4210, MCA, on December 15<sup>th</sup>, 2014, the Columbia Falls City Council adopted Resolution No.1690, which was a "Finding of Blight" that established the general boundaries of the Columbia Falls Urban Renewal District, identified the area as an urban renewal district, established that the area is "blighted" per Montana Statute, and declared that rehabilitation and redevelopment of the area (pursuant to the Montana Urban Renewal Law, 7-15-4203, MCA) is necessary and desirable in the interest of the public health, safety, and welfare of the residents of the City of Columbia Falls and that the rehabilitation and redevelopment be made with a commitment to quality improvement and a commitment to property owner and community involvement in decision making; and

WHEREAS, the City of Columbia Falls is interested in using Tax Increment Financing as a tool to foster rehabilitation and redevelopment, therefore, pursuant to 7-15-4212, MCA, the City of Columbia Falls caused an urban renewal plan to be prepared.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLUMBIA FALLS, MONTANA AS FOLLOWS:**

**Section One. Definitions.** For purposes of 7-15-4277 through 7-15-4280 MCA and 7-15-4282 through 7-15-4294 MCA, the definitions found in 7-15-4283 apply unless otherwise provided or indicated by the context. The following terms wherever used or referred to in this Ordinance shall have the following meanings:

(a) "Act" means Title 7, Chapter 15, Parts 42 and 43, Montana Code Annotated.

- (b) "Urban renewal area" means a blighted area that the Columbia Falls City Council has designated as appropriate for an urban renewal project or projects.
- (c) "Urban renewal district" means an area that the Columbia Falls City Council has established as an urban renewal area.
- (d) "Urban renewal plan" means a plan for an urban renewal area/district adopted by the City Council in accordance with the provisions of this Ordinance in conformance with the *Columbia Falls 2013 Growth Policy* which describes potential projects or programs.
- (e) "Urban renewal project or program" means undertakings or activities of the City of Columbia Falls in an urban renewal area for the elimination and for the prevention of the development or spread of blight and may involve redevelopment in an urban renewal area, rehabilitation or conservation in an urban renewal area, or any combination or part of redevelopment, rehabilitation, or conservation in accordance with an urban renewal plan; an urban renewal project may not include using property that was condemned pursuant to Title 70, chapter 30 of the Montana Code Annotated, for anything other than a public use.
- (f) "Columbia Falls Urban Renewal District" means the urban renewal area/district established by this Ordinance, consisting of a continuous area within an accurately described boundary, zoned in accordance and planned in conformance with the *Columbia Falls 2013 Growth Policy*, and is found to be a blighted area.

**Section Two. Findings.** Based on representations made to the City Council to date and taking into consideration all comments received, including those made at a public hearing duly held on August 17, 2015, after proper legal notice was given, the City Council does hereby make the following findings, determinations and declarations regarding the Columbia Falls Urban Renewal District, which is hereinafter referred to as the District:

- (a) Following an analysis of conditions within the District, the City Council directed that a statement of blight be prepared to document information about conditions within the District.
- (b) A resolution of necessity, Resolution No.1690, adopted by the City Council on December 15th, 2014, found that the District was blighted in accordance with the Montana Urban Renewal Law, noting that at least three conditions of blight were present in the District per the Statement of Blight. Resolution No.1690 had an effective date nine months prior to the effective date on this ordinance creating the Columbia Falls Urban Renewal District.
- (c) The Columbia Falls Urban Renewal District includes all the real property in the City of Columbia Falls, County of Flathead, State of Montana within an area that is

generally north / south along Nucleus Avenue from Railroad Avenue (MT 486) on the north end to the city limits on the south side of US Highway 2; and US Highway 2 - from Meadow Lake Boulevard on the west end to the city limits on the east end which provides entry into the community from both the east and west. A map and legal description of the District are attached hereto as Exhibit "A".

- a. The property to be included in the District consists of a continuous area with an accurately described boundary.
  - b. The district includes approximately 500 separate parcels, more than large enough to afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation or redevelopment of the urban renewal area by the private sector.
  - c. The property to be included in the District does not contain property included within an existing urban renewal area district or targeted economic development district.
- (d) The *Columbia Falls 2013 Growth Policy* was officially adopted by the City Council on January 22<sup>nd</sup>, 2013, and supersedes the Growth Policies dated 2005 and 2008.
- (e) A plan for the District prepared in accordance with the Montana Urban Renewal Law, the Columbia Falls Urban Renewal Plan, is attached as Exhibit "B" which:
- a. Fosters economic vitality in Columbia Falls through the redevelopment and revitalization of downtown and the US Highway 2 corridor.
  - b. Enhances opportunities for private investment in order to generate jobs and new taxable value for the City of Columbia Falls.
  - c. Addresses blight through investment in public infrastructure and programs that enhances the quality of life for the citizens of Columbia Falls.
  - d. Engages the citizens who work, reside and own property in the area directly in the revitalization effort.
- (f) The Columbia Falls Urban Renewal Plan was submitted to the Columbia Falls Planning Board for review, and on 19th day of March, 2015, said Board executed a resolution that found the Urban Renewal Plan to be in conformity with the *Columbia Falls 2013 Growth Policy* and found the Urban Renewal Area to be zoned for uses in accordance with the *Columbia Falls 2013 Growth Policy*
- (g) A notice of a public hearing in substantially the form presented in, and attached hereto as, Exhibit "C" was on published July 29 and August 5, 2015.

A notice of a public hearing was mailed by certified mail to all property owners in the district based on a list of the geocodes for all real property, the assessor codes for all personal property, and a description of all centrally assessed property located within the TIFD at the time of its creation.

- (h) This ordinance approving the urban renewal plan containing the tax increment provision under 7-15-4216, MCA has been executed and certified.

- (i) This ordinance creating the urban renewal district including the tax increment provision has been executed and certified.
- (j) The name of the URD is Columbia Falls Urban Renewal District.
- (k) A list of the geocodes for all real property, the assessor codes for all personal property, and a description of all centrally assessed property located within the URD at the time of its creation has been compiled and is found in the Columbia Falls Urban Renewal Plan.

**Section 3. Establishment of the District.** The Columbia Falls Urban Renewal District is hereby established.

**Section 4. District Plan.** The Columbia Falls Urban Renewal Plan, attached as Exhibit "B", is hereby adopted.

**Section 5. Base Year.** For the purpose of calculating the incremental taxable value for each year of the life of the District, the base taxable value shall be calculated as the taxable value of all real and personal property within the District, as of January 1, 2015.

**Section 6. Tax Increment Provision.** Flathead County is hereby authorized to segregate, as received, the tax increment derived in the District, and use and deposit such increment into the District Fund for use as authorized by the Act and as authorized herein or by the City Council from time to time.

**Section 7. Costs That May be Paid From Tax Increments.** The tax increments received from the District may be used to directly pay costs of approved urban renewal projects, or to pay debt service on bonds issued to finance urban renewal projects as defined under the Montana Urban Renewal Law as may from time to time be approved by the City Council. The City Council hereby authorizes the use of tax increment in the District to be used to pay debt service on internal and bank financed loans issued to finance all or a portion of the costs of eligible improvements in compliance with the Montana Urban Renewal Law and subject to any limitations imposed by the Montana Constitution.

**Section 8. Term of the Tax Increment Financing Provision.** The tax increment financing provision of the District will terminate in accordance with state law. After termination of the tax increment financing provision, all taxes shall continue to be levied upon the actual taxable value of the taxable property in the District, but shall be paid into funds of the taxing bodies levying taxes within the District.

**Section 9. Effect of Urban Renewal Project or Program.** The creation of an Urban Renewal project or program or the approval of an Urban Renewal project or program does not affect, abrogate or supersede any rules, ordinances, or regulations of the City relating to zoning, building permits, or any other matters.

**Section 10. Conflict with Other Ordinances and Resolutions.** All parts of ordinances and resolutions in conflict herewith are hereby repealed.

**Section 11. Effective Date.** The effective date of this Ordinance is thirty (30) days after final adoption on second reading. This Ordinance shall be in full force and effect on October 8, 2015.

**INTRODUCED, PASSED AND PROVISIONALLY ADOPTED BY THE CITY COUNCIL OF COLUMBIA FALLS, MONTANA, ON FIRST READING, AT A REGULARLY CONVENED MEETING THEREOF HELD ON THE 17TH DAY OF AUGUST 2015, THE COUNCIL VOTING AS FOLLOWS:**

AYES: Karper, Lovering, Plevel, Shepard, Fisher and Barnhart

NOES: None

ABSENT: Petersen

  
Barb Staaland  
City Clerk

APPROVED BY THE MAYOR OF COLUMBIA FALLS, MONTANA THIS  
17th DAY OF AUGUST, 2015.

Donald W. Barnhart  
Mayor

ATTEST:

Barb Staaland  
City Clerk



PASSED, APPROVED AND ADOPTED BY THE CITY COUNCIL OF COLUMBIA FALLS, MONTANA, ON SECOND READING, AT A REGULARLY CONVENED MEETING THEREOF HELD ON THE 8TH DAY OF SEPTEMBER, 2015, THE COUNCIL VOTING AS FOLLOWS:

AYES:

NOES:

ABSENT:

Bob Staaland  
City Clerk

APPROVED BY THE MAYOR OF COLUMBIA FALLS, MONTANA THIS 8th  
DAY OF SEPTEMBER, 2015.

Julie Bevel  
~~Mayor~~ Vice Chairman

ATTEST:

Bob Staaland  
City Clerk

