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CERTIFICATE AS TO RESOLUTION ADOPTING ORDINANCE

I, the undersigned, being the duly qualified and acting recording officer of Missoula County, Montana (the "County"), hereby certify that the attached Ordinance is a true copy of **Resolution No. 2012-202**, entitled: "ORDINANCE ESTABLISHING THE BONNER MILL TAX INCREMENT FINANCING INDUSTRIAL DISTRICT IN THE COUNTY OF MISSOULA" (the "Ordinance"), on file in the original records of the County in my legal custody; that the **Ordinance was First Read and Provisionally Adopted** by the Board of County Commissioners of the County at a meeting on November 14, 2012, and that the meeting was duly held by the Board of County Commissioners and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the **Ordinance had Second Reading and Final Adoption** by the Board of County Commissioners at a meeting on November 28, 2012, and that the meeting was duly held by the Board of County Commissioners and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the **Resolution Provisionally Adopting Ordinance** at said meeting, the following Commissioners voted in favor thereof: **Bill Carey, Jean Curtiss and Michele Landquist**; voted against the same: **None**; abstained from voting thereon: **None**; or were absent: **None**.

WITNESS MY HAND OFFICIALLY THIS 28th DAY OF NOVEMBER, 2012

Vickie M Zeier
County Clerk and Recorder

I further certify that, upon vote being taken on the **Resolution Provisionally Adopting Ordinance** at said meeting, the following Commissioners voted in favor thereof: **Bill Carey, Jean Curtiss and Michele Landquist**; voted against the same: **None**; abstained from voting thereon: **None**; or were absent: **None**.

WITNESS MY HAND OFFICIALLY THIS 28th DAY OF NOVEMBER, 2012

Vickie M Zeier
County Clerk and Recorder

201302957 B: 908 P: 523 Pages: 65
02/13/2013 09:50:28 AM Resolution
Vickie M Zeier, Missoula County Clerk & Recorder



**RESOLUTION NO. 2012-202
ADOPTING A MISSOULA COUNTY ORDINANCE**

**ORDINANCE ESTABLISHING THE BONNER MILL TAX INCREMENT FINANCING
INDUSTRIAL DISTRICT IN THE COUNTY OF MISSOULA**

ESTABLISHING A TAX INCREMENT FINANCING INDUSTRIAL DISTRICT PROGRAM TO ASSIST IN FINANCING NECESSARY INDUSTRIAL INFRASTRUCTURE TO ENCOURAGE THE ATTRACTION, GROWTH AND RETENTION OF SECONDARY, VALUE-ADDING INDUSTRIES; PROVIDING FOR DEFINITION OF TERMS; ESTABLISHING THE COSTS WHICH MAY BE PAID BY TAX INCREMENT FINANCING INDUSTRIAL DISTRICTS; ESTABLISHING THE BOUNDARIES THEREOF AND APPROVING THE PLAN; ESTABLISHING JANUARY 1, 2012 AS THE BASE TAXABLE YEAR; PROVIDING FOR THE REPEAL OF ALL PARTS OF ORDINANCES AND RESOLUTIONS IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

WHEREAS, the Board of County Commissioners of Missoula County, Montana, is interested in fostering the development, growth and retention of secondary, value-adding industries in the Bonner area, to promote, stimulate, develop and advance the general welfare, commerce, economic development and prosperity of our local citizens, Missoula County, and the State of Montana; and

WHEREAS, the creation of a Tax Increment Financing Industrial District, as authorized in Title 7, Chapter 15, Parts 42 and 43, Montana Code Annotated, will help fund the supportive public infrastructure needed for the development of secondary, value-adding industries in the Bonner area; and

WHEREAS, Missoula County, Montana is interested in using Tax Increment Financing as a tool to foster economic and community development.

NOW THEREFORE BE IT ORDAINED by the Board of County Commissioners (the "Board") of Missoula County, Montana (the "County"), as follows:

Section 1. Recitals.

1.01. Title 7, Chapter 15, Parts 42 and 43, Montana Code Annotated, as amended, (the "Act") provides that a local governing body, including the board of county commissioners of a county, may create by ordinance, after a public hearing, an industrial district for industrial infrastructure development projects, to encourage growth and retention of secondary value-adding industries and to use tax increment financing within such districts for industrial infrastructure projects if the following conditions exist:

- (a) the proposed district must consist of a continuous area with an accurately described boundary that is large enough to host a diversified tenant base of multiple independent tenants.

(b) the proposed district is zoned for light or heavy industrial use in use in accordance with the area growth policy, as defined in 76-1-103, M.C.A.

(c) the proposed district does not comprise any property included within an existing urban renewal area district, technology infrastructure development district or aerospace transportation and technology district created pursuant to this part.

(d) the proposed district must, prior to its creation, be found to be deficient in infrastructure improvements necessary for industrial development.

(e) the proposed district has as its purpose the development of infrastructure to encourage the growth and retention of secondary, value-adding industries.

(f) the draft plan for the proposed district is in conformance with the area growth policy.

1.02. The Act provides that tax increment financing pursuant to Section 7-15- Parts 42 and 43, as amended, may be used if authorized by the industrial district ordinance.

1.03. The proposal to establish a tax increment financing industrial district for the purposes of stimulating industrial growth by providing a financial mechanism to provide the necessary infrastructure support has been presented to this Board.

1.04. The Missoula County Planning Board, based on its review, recommended to this Board that the proposed Bonner Mill Tax Increment Financing District is zoned industrial in accordance with the Missoula County Growth Policy per 7-15-4299 of the Montana Code Annotated (MCA).

1.05. The Missoula County Planning Board, based on its review, recommended to this Board that the proposed Bonner Mill Tax Increment Financing District Plan is in conformance with the Missoula County Growth Policy per 7-15-4213 of the Montana Code Annotated (MCA).

1.06. Pursuant to the Missoula County Planning Board recommendation, adopted on October 24, 2012, and documented in the minutes of said meeting, this Board made certain preliminary findings, and set forth its intention to create a tax increment financing industrial district designated "Bonner Mill Tax Increment Financing Industrial District", and called the public hearing on the proposal to create the District per 7-15-4214 of the Montana Code Annotated (MCA).

1.07. At a public hearing duly called and noticed, held on November 14, 2012, and November 28, 2012, the Board gave all persons wishing to comment on the creation of the District an opportunity to do so; Findings of Fact supporting creation of the District were presented. Copies of the Findings are attached and incorporated herein.

1.08. The Board, after taking into consideration comments at the public hearing and all information available to it, has determined it necessary and desirable that the County create the Bonner Mill Tax Increment Financing Industrial District for the purpose of encouraging the location and retention of secondary value adding development projects in the county.

Section 2. Purpose. The purpose of this Ordinance is to create a tax increment financing industrial district known as the Bonner Mill Tax Increment Financing Industrial District (the "District") to stimulate growth by providing a financial mechanism to provide the necessary infrastructure support.

Section 3. Definitions. The following terms wherever used or referred to in this Ordinance shall have the following meanings:

3.01. "Tax increment financing industrial district" means a district designated as such by the Board in accordance with the provisions of this Ordinance, consisting of a continuous area within an accurately described boundary, zoned for light or heavy industrial use in accordance with the Missoula County *Growth Policy*, and is found to be deficient in infrastructure improvements for industrial development.

3.02. "Actual taxable value" means the taxable value of taxable property at any time, as calculated from the assessment roll last equalized.

3.03. "Base taxable value" means the actual taxable value of all taxable property within a tax increment financing industrial district prior to the effective date of a tax increment financing provision. This value may be adjusted as provided in Sections 7-15-4287 or 7-15-4293, MCA.

3.04. "Bonner Mill Tax Increment Financing Industrial District" (the "District") means the tax increment industrial infrastructure district created by this Ordinance.

3.05. "Incremental taxable value" means the amount, if any, by which the actual taxable value at any time exceeds the base taxable value of all property within a tax increment financing industrial district.

3.06. "Tax increment" means the collections realized from extending the tax levies, expressed in mills, of all taxing bodies which the tax increment financing industrial district or a part thereof is located, against the incremental taxable value.

3.07. "Taxes" means all taxes levied by a taxing body against property on an ad valorem basis.

3.08. "Industrial district" means a tax increment financing industrial district.

3.09. "Industrial infrastructure development project" means a project undertaken within or for an industrial district that consists of any or all of the activities authorized by Section 7-15-4288, MCA.

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

Section 4. Findings. Based on representations made to the Board to date and taking into consideration all comments received at the duly noticed public hearings as provided for in Sections 1 and 5 hereof, the Board hereby makes findings, determinations and declarations, as follows:

4.01. The district consists of a continuous area with an accurately described boundary, and the district consists of approximately 148 acres more than large enough to host a diversified tenant base of multiple independent tenants.

4.02. The district encompasses an area that is located northeast of Highway 200. The Blackfoot River forms the northern boundary of the site. It is located in Sections 21 and 22, Township 13 North, Range 18 West, Missoula County Montana.

4.03. The goal of the district is the development of secondary, value adding industries, particularly manufacturing businesses, in order to sustain and grow its economy over time.

4.04. The district is zoned for heavy industrial use in accordance with the area growth policy, as defined in 76-1-103, M.C.A.

4.05. The district does not comprise any property included within an existing urban renewal area district, technology infrastructure development district or aerospace transportation and technology district created pursuant to this part.

4.06. The district is found to be deficient in infrastructure improvements necessary for industrial development.

4.07. The district has as its purpose the development of infrastructure to encourage the growth and retention of secondary, value-adding industries.

4.08. In the district, infrastructure development may require the upgrade of water and sewer services, transportation and utility upgrades, stormwater collection and treatment, extension of rail service, improvements to fire safety systems, property clean up, and other facility and services improvements.

4.09. The plan for the district is in conformance with the area growth policy.

4.10. The plan for the district authorizes the use of tax increment financing in support of making infrastructure improvements. As revenues permit, Missoula County may issue tax increment financing bonds in support of these activities.

Section 5. Notice. The Act requires that prior to final adoption of this Ordinance, the Board of County Commissioners shall hold a public hearing on the creation of the proposed District. Pursuant to such authority, notice of the public hearing in substantially the form presented in, and attached hereto as, Exhibit "A" was on published November 1 and 8, 2012, and mailed by certified mail to all property owners in the proposed district, to be held on Wednesday, November 14, 2012, and November 28, 2012, at 1:30 p.m., in the Missoula County Administration Building, 199 West Pine Street, Room B14, in Missoula, Montana.

Section 6. Boundaries. A legal description and map of the District are attached hereto as Exhibit "B".

Section 7. District Plan. A plan describing existing infrastructure, existing infrastructure deficiencies, and industrial development activities to be undertaken within the District is attached as Exhibit "C".

Section 8. 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, 2012.

Section 9. Tax Increment Provision. The 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 Board of County Commissioners from time to time.

Section 10. Costs That May be Paid From Tax Increments. The tax increments received from the District may be used to directly pay costs of approved infrastructure projects, or to pay debt service on bonds issued to finance infrastructure improvements as defined under the Act as may from time to time be approved by the Board of County Commissioners. The Board of County Commissioners 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 Act, and subject to any limitations imposed by the Montana Constitution.

Section 11. Term of the Tax Increment Financing Provision. The tax increment financing provision of the District will terminate upon the later of:

- (a) the fifteenth year following the creation of the District; or
- (b) the payment or provision for payment in full or discharge of all loans, and the payment of interest thereon, for which the tax increment has been pledged. Bonds issued for which a tax increment is pledged must be designed to mature not later than 25 years from their date of issue.

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 12. Effect of Industrial Infrastructure Development Project. The creation of an industrial infrastructure development project or the approval of an industrial infrastructure development project does not affect, abrogate or supersede any rules, ordinances, or regulations of the County relating to zoning, building permits, or any other matters.

Section 13. Filing of the Ordinance. Missoula County shall file a copy of the Ordinance upon adoption with Missoula County High School District No. 1, Bonner Elementary School District No. 14, and any other affected taxing jurisdiction levying a property tax against the property located in the district.

Section 14. Calculation of Base, Actual and Incremental Taxable Values. Missoula County shall cause to be filed a certified copy of the TIFID Plan, executed Ordinance and a complete TIFID certification packet with the Montana Department of Revenue (the "Department") prior to February 1, 2013; and request that the Department certify the TIFID, calculate and report to the County and any other affected taxing jurisdiction the base, actual and incremental taxable values of property.

Section 15. Conflict with Other Ordinances and Resolutions. All parts of ordinances and resolutions in conflict herewith are hereby repealed.

Section 16. Legislative and Administrative Amendments. All statutory references herein and applicable administrative rules include future amendments to the applicable statutes and administrative rules and the TIFID plan shall be construed in a manner to be in compliance with such statutes and administrative rules if required by law.

Section 17. Effective Date. The effective date of this Ordinance is thirty days after final adoption on second reading. This Ordinance shall be in full force and effect on December 28, 2012.

INTRODUCED AND PROVISIONALLY ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS, MISSOULA COUNTY, MONTANA, ON FIRST READING, ON THIS 14TH DAY OF NOVEMBER 2012.

Jean Curtis
Acting Chair, Board of County Commissioners

Approved as to form:

Dorothy Brownlow
Deputy County Attorney

Attest:

Wickie M. Zuer
County Clerk & Recorder

PASSED, FINALLY ADOPTED AND APPROVED BY THE BOARD OF COUNTY COMMISSIONERS, MISSOULA COUNTY, MONTANA, ON SECOND READING, ON THIS 28TH DAY OF NOVEMBER 2012.

Jean Curtis
Acting Chair, Board of County Commissioners

Approved as to form:

Dorothy Brownlow
Deputy County Attorney

Attest:

Wickie M. Zuer
County Clerk & Recorder



CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Missoula County, Montana (the "County"), hereby certify that the attached resolution is a true copy of **Resolution No. 2012-088**, entitled: "RESOLUTION OF INTENTION TO CREATE AND CALLING FOR A PUBLIC HEARING ON A PROPOSED ORDINANCE ESTABLISHING A TAX INCREMENT FINANCING INDUSTRIAL DISTRICT IN THE COUNTY OF MISSOULA" (the "Resolution"), on file in the original records of the County in my legal custody; that the Resolution was duly adopted by the Board of County Commissioners of the County at a meeting on October 24, 2012, and that the meeting was duly held by the Board of County Commissioners and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Commissioners voted in favor thereof: **Chair Bill Carey and Jean Curtiss**; voted against the same: **None**; abstained from voting thereon: **None**; or were absent: **Michele Landquist**.

WITNESS MY HAND OFFICIALLY THIS 24TH DAY OF OCTOBER, 2012.



Vickie M. Zuer

County Clerk & Recorder/Treasurer

RESOLUTION NO. 2012 - 088

RESOLUTION OF INTENTION TO CREATE, AND CALLING FOR A PUBLIC HEARING ON, A PROPOSED ORDINANCE ESTABLISHING A TAX INCREMENT FINANCING INDUSTRIAL DISTRICT IN THE COUNTY OF MISSOULA

BE IT RESOLVED by the Board of County Commissioners (the "Board") of Missoula County, Montana (the "County"), as follows:

Section 1 Recitals.

1.01. Title 7, Chapter 15, Parts 42 and 43, Montana Code Annotated, as amended, (the "Act") provides that a local governing body, including the board of county commissioners of a county, may create by ordinance, after a public hearing, an industrial district for industrial infrastructure development projects, to encourage growth and retention of secondary value-adding industries and to use tax increment financing within such districts for industrial infrastructure projects if the following conditions exist:

- (a) the proposed district must consist of a continuous area with an accurately described boundary that is large enough to host a diversified tenant base of multiple independent tenants;
- (b) the proposed district is zoned for light or heavy industrial use in use in accordance with the area growth policy, as defined in 76-1-103, M.C.A.;
- (c) the proposed district does not comprise any property included within an existing urban renewal area district, technology infrastructure development district or aerospace transportation and technology district created pursuant to this part;
- (d) the proposed district must, prior to its creation, be found to be deficient in infrastructure improvements necessary for industrial development;
- (e) the proposed district has as its purpose the development of infrastructure to encourage the growth and retention of secondary, value-adding industries;
- (f) the draft plan for the proposed district is in conformance with the area growth policy.

1.02. The Act provides that tax increment financing pursuant to Section 7-15- Parts 42 and 43, as amended, may be used if authorized by the industrial district ordinance; and

1.03. A proposal has been presented to this Board to establish a Tax Increment Industrial Infrastructure District consisting of approximately 148.52 acres of land described on Exhibit A hereto which is incorporated by reference known as the "Bonner Mill Tax Increment Financing Industrial District" (the "District") for the purposes of stimulating industrial growth by providing a financial mechanism to provide the necessary infrastructure support.

Section 2. Preliminary Findings. Based on representations made to the Board to date, the Board hereby makes preliminary findings, determinations and declarations, subject to final findings, determinations and declarations following a public hearing provided for in Sections 4 and 5 hereof, as follows:

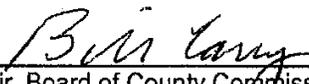
- (a) the proposed district consists of a continuous area with an accurately described boundary, and the proposed district consists of approximately 148 acres more than large enough to host a diversified tenant base of multiple independent tenants;
- (b) the proposed district encompasses an area that is located northeast of Highway 200. The Blackfoot River forms the northern boundary of the site. It is located in Sections 21 and 22, Township 13 North, Range 18 West, Missoula County, Montana;
- (c) the goal of the proposed district is the development of secondary, value adding industries, particularly light and medium-intensity manufacturing businesses in order to sustain and grow its economy over time;
- (d) the proposed district is zoned for light or heavy industrial use in accordance with the area growth policy, as defined in 76-1-103, M.C.A.;
- (e) the proposed district does not comprise any property included within an existing urban renewal area district, technology infrastructure development district or aerospace transportation and technology district created pursuant to this part;
- (f) the proposed district is found to be deficient in infrastructure improvements necessary for industrial development;
- (g) the proposed district has as its purpose the development of infrastructure to encourage the growth and retention of secondary, value-adding industries;
- (h) in the proposed district infrastructure development will require the upgrade of water and sewer services, transportation and utility upgrades, stormwater collection and treatment, extension of rail service, improvements to fire safety systems, property clean up, and other facility and services improvements;
- (i) the draft plan for the proposed district is in conformance with the area growth policy;
- (j) the draft plan for the proposed district intends to use tax increment financing in support of making infrastructure improvements. As revenues permit, Missoula County intends to issue tax increment financing bonds in support of these activities.

Section 3 Intent to Create District and Approve Ordinances. This Board hereby sets forth its intention to create the Tax Increment Financing Industrial District described herein and to approve the adoption of Ordinance subject to final approval following a public hearing provided for herein.

Section 4. Public Hearing. The Board hereby calls for a public hearing to be held on November 14, 2012, and November 28, 2012, at 1:30 p.m., in the Missoula County Administration Building, 199 West Pine Street, Room B14, in Missoula, Montana.

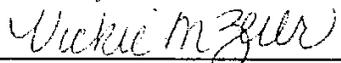
Section 5. Notice. The County Clerk and Recorder is hereby authorized and directed to publish or cause to be published a copy of a notice of passage of this resolution (see Exhibit B hereto, which is hereby incorporated herein and made a part hereof) in the Missoula Independent, a newspaper of general circulation in the County on November 1, 2012, and November 8, 2012, in the form and manner prescribed by law, and to mail or cause to be mailed, by certified mail, a copy of said notice to every person, firm, corporation, or the agent of such person, firm, or corporation having real property within the District listed in his or her name upon the last completed assessment roll for state, county, and school district taxes, at his last-known address, on or before the same day such notice is first published.

PASSED AND ADOPTED THIS 24TH DAY OF OCTOBER, 2012.



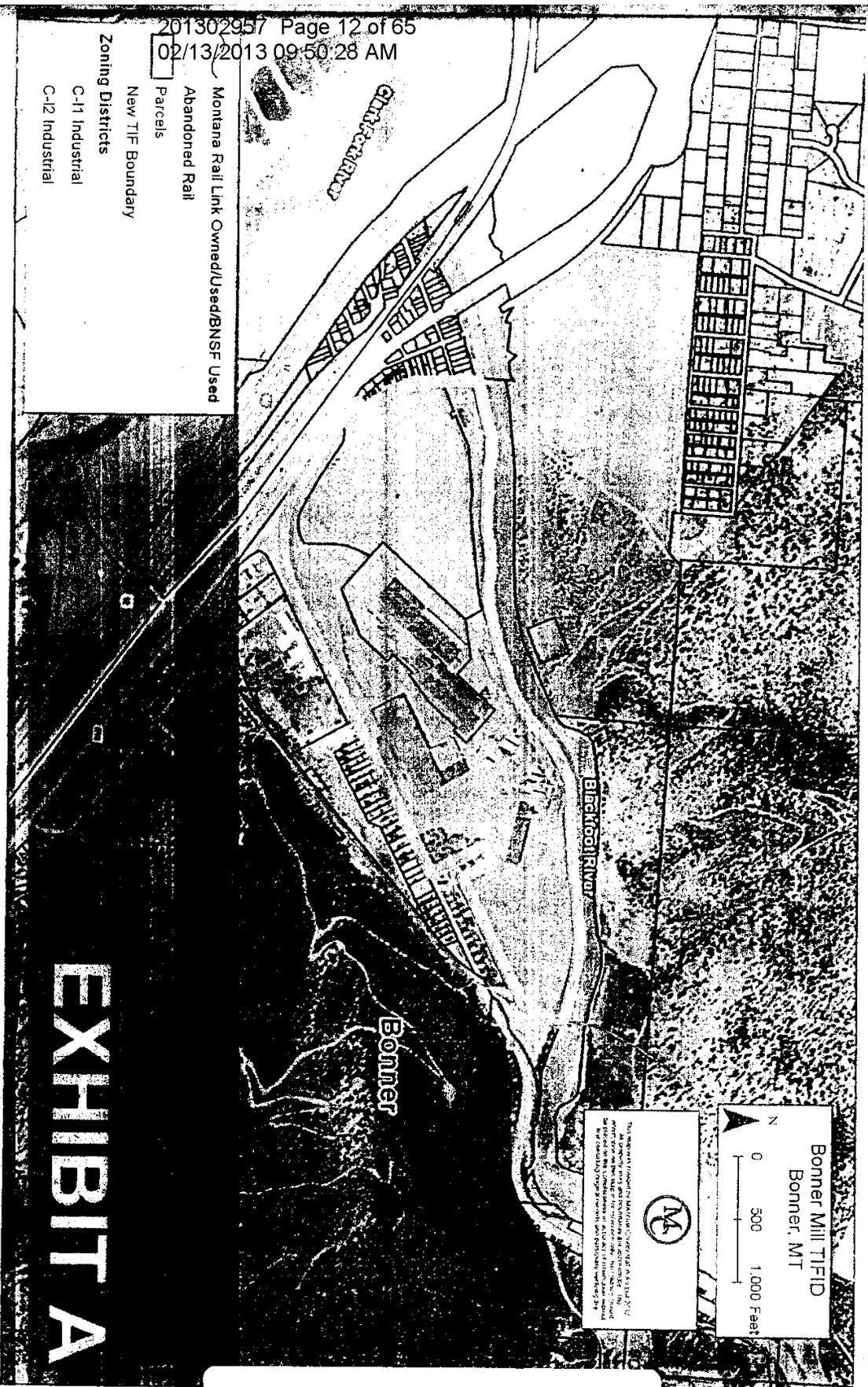
Chair, Board of County Commissioners

ATTEST:

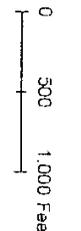


County Clerk & Recorder/Treasurer

- Montana Rail Link Owned/Used/BNSF Used
- Abandoned Rail
- Parcels
- New TIF Boundary
- Zoning Districts
 - C-11 Industrial
 - C-12 Industrial




Bonner Mill TIFD
 Bonner, MT


 0 500 1,000 Feet



This map was prepared by M&A Planning, Consulting & Engineering, Inc. (M&A) for the City of Bonner, Montana. The map is not to be used for any other purpose without the written consent of M&A. The map is not a warranty, representation, or agreement of any kind. The map is provided as a service to the City of Bonner and is not to be used for any other purpose without the written consent of M&A.

EXHIBIT A

Resolution 2012-202 – Bonner TIFD
Exhibits A and B

EXHIBIT B
PUBLIC NOTICE

The Missoula Board of County Commissioners ("BCC") will conduct public hearings on November 14, 2012, and November 28, 2012, at 1:30 p.m., in the Missoula County Administration Building, 199 West Pine Street, Room B14, in Missoula, Montana.

Creation of the Bonner Mill Tax Increment Financing Industrial District (TIFID)

Missoula Board of County Commissioners has adopted a Resolution of Intention to create the TIFID to encourage secondary, value-adding industrial growth by providing a financial mechanism to install necessary infrastructure improvements as authorized by Title 7, Chapter 15, Part 42, Montana Code Annotated. The proposed plan for the Bonner Mill TIFID addresses the following:

- The Bonner Mill TIFID encompasses an area that is located northeast of Highway 200 and includes approximately 148 acres. The Blackfoot River forms the northern boundary of the site. It is located in Sections 21 and 22, Township 13 North, Range 18 West, Missoula County Montana.
- Missoula County has as its goal, the development of secondary, value adding industries in order to sustain and grow its economy over time.
- At the Bonner Mill TIFID, achieving this goal may require the upgrade of water and sewer services, transportation and utility upgrades, stormwater collection and treatment, extension of rail service, improvements to fire safety systems, property clean up, and other facility and services improvements.
- Missoula County intends to use tax increment financing in support of making infrastructure improvements as revenues permit and may issue tax increment financing bonds.

The purpose of the public hearings is to receive public input on the Ordinance to Adopt the Bonner Mill Tax Increment Financing Industrial District (TIFID). First reading of the Ordinance will be on November 14, 2012, with final adoption to take place on November 28, 2012.

The TIFID plan is available for public inspection at the Missoula County Special Projects Office (physical location: 317 Woody Street, Missoula) and the Missoula County Commissioners Office (physical location: second floor of the Missoula County Administration Building, 199 W Pine, Missoula).

Your attendance and comments are welcomed and encouraged on the public hearing items noted above. Any person wishing to be heard on the matter may submit written or other materials to the Commissioners and/or speak at the hearing. Comments may also be submitted any time prior to the hearing by phone, mail, fax, e-mail or personal delivery to the Commissioners at their offices, in the Missoula County Administration Building, 199 West Pine Street, Missoula, Montana 59802, FAX: (406) 721-4043, Phone: (406) 258-4877; E-mail: bcc@co.missoula.mt.us and/or Barbara Martens in the Missoula County Special Projects Office, 317 Woody Street, Missoula, MT, 59802, FAX: (406) 258-3920, Phone: (406) 258-4763.

If anyone attending these meetings needs special assistance, please provide 48 hours advance notice by calling 258-4763. Missoula County will provide auxiliary aids and services.

TO BE PUBLISHED THURSDAY, NOVEMBER 1, 2012 AND THURSDAY NOVEMBER 8, 2012

Independent

P.O. Box 8275 Missoula, MT 59807
Ph: 406-543-6609 • Fx: 406-543-4367

PRINTING

Affidavit of Publication

State of Montana

County of Missoula

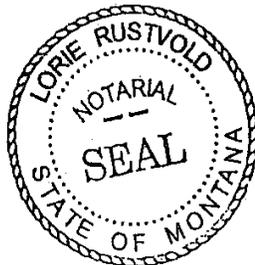
Tami Allen, being first duly sworn,
Deposes that she is a Classified
Advertising Representative of the
Missoula Independent, a newspaper
of general circulation, published in
Missoula, Missoula County, Montana and
printed in Great Falls, Cascade County,
Montana, and that the attached notice has
been correctly published in the regular
and entire issue of every number of said
paper for 2 (two) successive weeks,
commencing on the 1st day of
November 2012 and published
on the following dates thereafter:
11/8 2012.

Signed Tami Allen

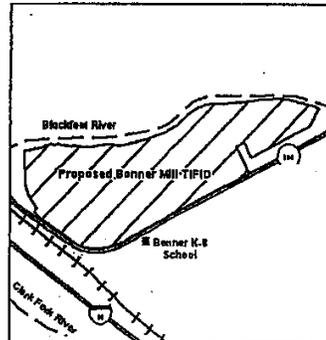
Subscribed and sworn before me this
9th day of November
2012.

Lorie Rustvold
LORIE RUSTVOLD

Notary Public for the State of Montana,
residing at Missoula, Montana. My
commission expires
10/11/2014



PUBLIC NOTICE The Missoula Board of County Commissioners ("BCC") will conduct public hearings on November 14, 2012, and November 28, 2012, at 1:30 p.m., in the Missoula County Administration Building, 199 West Pine Street, Room B14, in Missoula, Montana. Creation of the Bonner Mill Tax Increment Financing Industrial District (TIFID) Missoula Board of County Commissioners has adopted a Resolution of Intention to create the TIFID to encourage secondary, value-adding industrial growth by providing a financial mechanism to install necessary infrastructure improvements as authorized by Title 7, Chapter 15, Part 42, Montana Code Annotated. The proposed plan for the Bonner Mill TIFID addresses the following: The Bonner Mill TIFID encompasses an area that is located northeast of Highway 200 and includes approximately 148 acres. The Blackfoot River forms the northern boundary of the site. It is located in Sections 21 and 22, Township 13 North, Range 18 West, Missoula County Montana. Missoula County has as its goal, the development of secondary, value adding industries in order to sustain and grow its economy over time. At the Bonner Mill TIFID, achieving this goal may require the upgrade of water and sewer services, transportation and utility upgrades, stormwater collection and treatment, extension of rail service, improvements to fire safety systems, property clean up, and other facility and services improvements. Missoula County intends to use tax increment financing in support of making infrastructure improvements as revenues permit and may issue tax increment financing bonds. The purpose of the public hearings is to receive public input on the Ordinance to Adopt the Bonner Mill Tax Increment Financing Industrial District (TIFID). First reading of the Ordinance will be on November 14, 2012, with final adoption to take place on November 28, 2012. The TIFID plan is available for public inspection at the Missoula County Special Projects Office (physical location: 317 Woody Street, Missoula) and the Missoula County Commissioners Office (physical location: second floor of the Missoula County Administration Building, 199 W Pine, Missoula). Your attendance and comments are welcomed and encouraged on the public hearing items noted above. Any person wishing to be heard on the matter may submit written or other materials to the Commissioners and/or speak at the hearing. Comments may also be submitted any time prior to the hearing by phone, mail, fax, e-mail or personal delivery to the Commissioners at their offices, in the Missoula County Administration Building, 199 West Pine Street, Missoula, Montana 59802, FAX: (406) 721-4043, Phone: (406) 258-4877; E-mail: bcc@co.missoula.mt.us and/or Barbara Martens in the Missoula County Special Projects Office, 317 Woody Street, Missoula, MT, 59802, FAX: (406) 258-3920, Phone: (406) 258-4763. If anyone attending these meetings needs special assistance, please provide 48 hours advance notice by calling 258-4763. Missoula County will provide auxiliary aids and services.



www.missoulanews.com

Resolution 2012-202 – Bonner TIFD
Exhibits A and B

public sale and any person, including the Beneficiary, and excepting only the Trustee, may bid at the sale. The bid price must be paid in cash. The conveyance will be made by Trustee's Deed. The sale purchaser shall be entitled to possession of the property on the 10th day following the sale. Dated: September 4, 2012. /s/ Benjamin P. Hursh BENJAMIN P. HURSH TRUSTEE STATE OF MONTANA; ss. County of Missoula) This instrument was acknowledged before me on 4th September, 2012, by BENJAMIN P. HURSH, as Trustee. /s/ Dawn L. Hanninen Printed Name Dawn L. Hanninen [NOTARY SEAL] Notary Public for the State of Montana Residing at Missoula, Montana My commission expires: February 14, 2016 File No. 87-1168-001

NOTICE OF TRUSTEE'S SALE
Reference is hereby made to that certain trust indenture/deed of trust ("Deed of Trust") dated 05/29/09, recorded as Instrument No. 200913340, Bk. 840, Pg. 1179, mortgage records of Missoula County, Montana, in which Corey D. McCure and Siney Kaleen McCure, husband and wife was Grantor, Mortgage Electronic Registration Systems, Inc. as nominee for Guild Mortgage Company, a California corporation, its successors and assigns was Beneficiary and First American Title Company of Montana, Inc., a Montana corporation was Trustee. First American Title Insurance Company has succeeded First American Title Company of Montana, Inc., a Montana corporation as Successor Trustee. The Deed of Trust containing real property located in the Bonner Mill Industrial Park, Montana, more particularly described as follows: A tract of land located in Block 13 of West View Addition, a platted subdivision in Missoula County, Montana, being a portion of Lots 14 and 15 in said Block 13, located in the SE1/4 of Section 27, Township 12 North, Range 20 West, P.M.M., and being more particularly described as Tract B of Certificate of Survey No. 564. By written instrument, beneficial interest in the Deed of Trust was assigned to IBM Capital Chase Bank, National Association. Beneficiary has decided, in the event of default of the terms of the Deed of Trust and the promisor's note ("Note") secured by the Deed of Trust because of Grantor's failure to pay all monthly installments of principal, interest and, if applicable, escrow reserves for taxes and/or insurance as required by the Note and Deed of Trust. According to the Beneficiary, the obligation evidenced by the Note ("Loan") is now due for the 05/01/12 installment payment and all monthly installment payments due thereafter. As of September 8, 2012, the amount necessary to fully satisfy the Loan was \$174,783.67. This amount includes the outstanding principal balance of \$157,686.33, plus accrued interest, accrued late charges, accrued escrow installments for insurance and/or taxes (if any) and advances for the protection of beneficiary's security interest (if any). Because of the defaults stated above, Beneficiary has elected to sell the Property to satisfy the Loan and has instructed Successor Trustee to commence sale proceedings. Successor Trustee will sell the Property at public auction on the front steps of the Missoula County Courthouse, 200 West Broadway, Missoula, MT 59802, City of Missoula on January 30, 2013 at 11:00 AM, Mountain Time. The sale is a public sale and any person, including Beneficiary and excepting only Successor Trustee, may bid at the sale. The bid price must be paid immediately upon the close of bidding at the location in cash or cash equivalents (valid money orders, certified checks or cashier's checks). The conveyance will be made by trustee's deed without any representation or warranty, express or

implied, and the Beneficiary will be added by the Deed of Trust. The proceeds of this sale, less the Trustee's fees and attorney's fees, costs and expenses of the sale and late charges, if any. Beneficiary has elected, and has directed the Trustee to sell the above described property to satisfy the obligation. The sale is a public sale and any person, including the beneficiary, excepting only the Trustee, may bid at the sale. The bid price must be paid immediately upon the close of bidding in cash or cash equivalents (valid money orders, certified checks or cashier's checks). The conveyance will be made by Trustee's Deed without any representation or warranty, including limitation, as the sale is being made subject to all existing conditions, if any, of best pained, mold or other environmental or health hazards. The sale purchaser shall be entitled to possession of the property on the

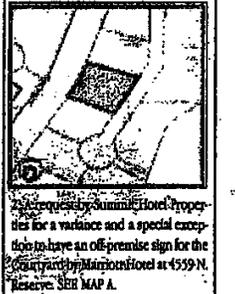
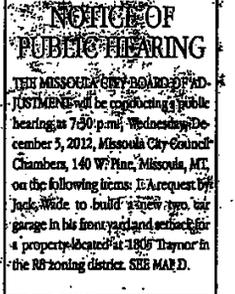
NOTICE OF TRUSTEE'S SALE TO BE SOLD FOR CASH AT TRUSTEE'S SALE on December 10, 2012, at 11:00 o'clock A.M. at the Main Entrance of the First American Title Company of Montana located at 1006 West Sussex, Missoula, MT 59801, the following described real property situated in Missoula County, Montana: LOT 2B OF FAIRFAX ESTATES, LOT 2, A PLATTED SUBDIVISION IN MISSOULA COUNTY, MONTANA, ACCORDING TO THE OFFICIAL RECORDED PLAT THEREOF, TOGETHER WITH PRIVATE ACCESS AND UTILITY EASEMENTS AS SET

PUBLIC NOTICE
The Missoula Consolidated Planning Board will conduct a public hearing on the following item on Tuesday, November 20, 2012, at 7:00 p.m., in the Missoula City Council Chambers located at 140 W. Pine Street in Missoula, Montana. Subdivision Request - Bonner Mill Industrial Park I.A. request from Bonner Property Development, LLC, represented by Bertland Landworks, Inc. to create 15 condominium units on a 20.02 acre parcel. This requires subdivision review. The property is located at the former Stinson Lumber site in Bonner Mill (Map A).



The Missoula Board of County Commissioners will hold a public hearing on this item on Wednesday, December 12, 2012 at 1:30 p.m. The hearing will be held in Room B14 of the County Admin. Building, located at 199 W. Pine Street in Missoula. The request and exact legal description is available for public inspection at the Missoula Office of Planning and Grants, City Hall, 435 Ryman, Missoula, Montana, (406) 258-4657. Your attendance at the public hearing and comments are welcomed and encouraged. If anyone attending any of these meetings needs special assistance, please provide 48 hours advance notice by calling 258-4657. The Office of Planning and Grants will provide utility aids and services.

NOTICE OF PUBLIC HEARING
THE MISSOULA CITY BOARD OF JUSTICES will be conducting a public hearing at 7:30 p.m. on Wednesday, December 5, 2012, Missoula City Council Chambers, 140 W. Pine, Missoula, MT, on the following items: A request by Jack White to build a new two-car garage in his front yard and set back a property located at 3805 Taylor in the R8 zoning district. SEE MAP D.



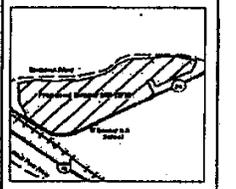
If anyone attending this meeting needs special assistance, please provide advance notice by calling the Missoula Office of Planning and Grants at 258-4657. Missoula County will provide auxiliary aids and services. For additional information regarding public hearing request, you may contact Hillary Schoendorf at (406) 258-3862 or email: hlschoendorf@missoula.mt.us

CLARK FORK STORAGE
will auction to the highest bidder abandoned storage units owing delinquent storage rent for the following units: 82, 211, 291. Units can contain furniture, coats, chairs, toys, kitchen supplies, books, sports equipment, books, beds, other misc. household goods, vehicles & trailers. These units may be viewed starting November 12th, 2012 by appointment by calling 541-7919. Written sealed bids may be submitted to storage offices at 597 Clark Fork Way, Missoula, MT 59806 prior to November 15th, 2012 at 4:00 P.M. Bidders bid will be for entire contents of each unit offered in this sale. Only cash or money orders will be accepted for payment. Units are reserved subject to redemption by owner prior to sale. All sales final.

BITTERROOT MINI STORAGE
6415 Mormon Creek Road, Lolo, MT 59847
Will auction to the highest bidder abandoned storage units owing delinquent storage rent for the following units: 5, 21, 55, 74, 82-90, 92, 93, 95, 105-125. Units may contain misc. household goods, furniture, toys, clothes, tools and other misc. items. We will hold a live auction starting at 1:00 p.m. on Monday, November 19, 2012. Payment will be due immediately at acknowledgment of winning bid. Bidders bid will be for entire contents of each unit offered in the sale. Only cash or money orders will be accepted for payment. Unit must be emptied by buyer at least 10 business days from day of sale. Units are reserved subject to redemption by owner prior to sale. All sales are final. Please contact Grizzly Property Management, Inc. at (406) 548-2062 or email: gpm@grizzlyprop.com with any questions.

PUBLIC NOTICE
The Missoula Board of County Commissioners ("BOC") will conduct public hearings on November 14, 2012, and November 28, 2012, at 1:30 p.m., in the Missoula County Administration Building, 199 West Pine Street, Room B14, in Missoula, Montana. Creation of the Bonner Mill Tax Increment Financing Industrial District (TIID) Missoula Board of County Commissioners has adopted a Resolution of Intention to create the TIID to encourage secondary, value-adding industrial growth by providing a financial mechanism to install necessary infrastructure improvements as authorized by Title 7, Chapter 15, Part 42, Montana Code.

Amended. The proposed plan for the Bonner Mill TIID addresses the following: The Bonner Mill TIID encompasses an area that is located northeast of Highway 200 and includes approximately 148 acres. The Blackfoot River forms the northern boundary of the site. It is located in Sections 21 and 22, Township 13 North, Range 18 West, Missoula County Montana. Missoula County has as its goal, the development of secondary, value adding industries in order to sustain and grow its economy over time. At the Bonner Mill TIID, achieving this goal may require the upgrade of water and sewer services, transportation and utility upgrades, stormwater collection and treatment, extension of rail service, improvements to fire safety systems, sewer system up, and other facility and service improvements. Missoula County is the lead agency for the TIID project of making infrastructure improvements as revenues generated by the tax increment financing bonds. The purpose of the public hearings is to receive public input on the Ordinance to Adopt the Bonner Mill Tax Increment Financing Industrial District (TIID). The hearing of the Ordinance will be on November 14, 2012, with final decision to take place on November 28, 2012. The TIID plan is available for public inspection at the Missoula County Special Projects Office (physical location: 317 Woody Street, Missoula) and the Missoula County Commissioners Office (physical location: second floor of the Missoula County Administration Building, 199 W. Pine, Missoula). Your attendance and comments are welcomed and encouraged on the public hearing. Items to be heard on the matter may include: written or other materials to the Commissioners and/or speak at the hearing. Comments may also be submitted any time prior to the hearing by phone, mail, fax, e-mail or personal delivery to the Commission at their office, in the Missoula County Administration Building, 199 West Pine Street, Missoula, Montana 59802. FAX: (406) 721-4043. Phone: (406) 258-4877. E-mail: boc@missoula.mt.us and/or Barbara Matens in the Missoula County Special Projects Office, 317 Woody Street, Missoula, MT, 59802. FAX: (406) 258-3920. Phone: (406) 258-4765. If anyone attending these meetings needs special assistance, please provide 48 hours advance notice by calling (406) 258-3862. Missoula County will provide auxiliary aids and services.



COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* Agent Address

B. Received by (Printed Name) *B. H. Ford* C. Date of Delivery *10/29/12*

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. Restricted Delivery? (Extra Fee) Yes No

4. Restricted Delivery? (Extra Fee) Yes No

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:
B.C.F. INVESTMENTS
P.O. BOX 1017
BAINBRIDGE MT
59823-1017

2. Article Number (Transfer from service label) 7010 1870 0003 3551 7994

3. PS Form 3811, February 2004 Domestic Return Receipt

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A. Signature *[Signature]* Agent Address

B. Received by (Printed Name) *Shane Waise* C. Date of Delivery *10/29/12*

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

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4. Restricted Delivery? (Extra Fee) Yes No

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1. Article Addressed to:
Bonnie Property Development
384 N Higgins Avenue
Missoula, MT 59802-4135

2. Article Number (Transfer from service label) 7010 1870 0003 3551 8007

3. PS Form 3811, February 2004 Domestic Return Receipt

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B. Received by (Printed Name) *Shane Waise* C. Date of Delivery *10/30/12*

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. Restricted Delivery? (Extra Fee) Yes No

4. Restricted Delivery? (Extra Fee) Yes No

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:
JDC PLAININGS, LLC
P.O. BOX 457
OAKVILLE, WA 98568-0457

2. Article Number (Transfer from service label) 7010 1870 0003 3551 7987

3. PS Form 3811, February 2004 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* Agent Address

B. Received by (Printed Name) *Shane Waise* C. Date of Delivery *10/30/12*

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. Restricted Delivery? (Extra Fee) Yes No

4. Restricted Delivery? (Extra Fee) Yes No

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.

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Bonner Mill Tax Increment Financing Industrial District Plan Missoula County, Montana

1. INTRODUCTION AND OVERVIEW

Missoula County is committed to fostering the development of secondary, value adding industries, including manufacturing businesses in order to sustain and grow its economy over time. Specifically the County plans to create a tax increment financing industrial district (TIFID) at the former site of the Stimson Mill at Bonner. The Bonner Mill site



provides an excellent location for new industrial activity that can take advantage of existing infrastructure including rail service and large industrial buildings associated with the site's former occupant. In addition, redevelopment of the Bonner Mill site area presents opportunities to address the Blackfoot River corridor in the context of these activities. The appurtenant work force housing at the Bonner Mill site provides an added incentive for sustainable approaches to

revitalizing the historic industrial site and the adjacent community.

However, in order to facilitate development, a variety of infrastructure deficiencies must be addressed, including road condition, water and sewer services, utilities and stormwater management. Tax Increment Financing will be a key component in a comprehensive funding strategy to address these infrastructure deficiencies and will enable Missoula County to leverage other local, state and federal dollars to achieve its goals.

Missoula County

The population of Missoula County (2011 Estimate) is 110,138. According to the US Census, it has a total area of 2,618 square miles of which, 2,598 square miles of it is land and 20 square miles of it is water. It is the 24th largest county in Montana. The County became part of the United States as a result of Oregon Treaty of June 14, 1846 and when it was initially incorporated, in 1860, it encompassed present-day Missoula and Deer Lodge Counties, as well as lands to the north and south of its present day boundaries. Hell Gate Town, the county seat, was located at the confluence of the Clark Fork and Bitterroot Rivers.

By 1866, the settlement had moved five miles upstream and renamed Missoula Mills before being shortened to Missoula. The mills provided supplies to western settlers traveling along the Mullan Road. Fort Missoula, established in 1877, further stabilized

the economy. The arrival of the Northern Pacific Railway in 1883 was coupled with rapid growth and the development of a robust local lumber industry. Ten years later the City of Missoula was chosen by the Montana Legislature as the site for the new state's first university. In 1908, The U.S. Forest Service placed its regional headquarters in Missoula, and together with the lumber industry and the university provided long-term stability to the local economy through most of the 20th Century.

Since 2007, Missoula County has experienced significant losses in wood products related industrial employment associated with the closure of two area mills. Over 400 people lost their jobs when Smurfit Stone shut down its Frenchtown pulp mill in 2009. The closure contributed to the loss of more than 1,700 jobs across the state by 2010 and the effects were felt in nearly every sector of the local economy. After 122 years of continuous operations, the lumber mill at Bonner, Montana shut its doors in 2008, laying off the remaining 133 employees, down from the over 1,000 workers at the mill in 1976.

These closures have in part contributed to a decline in per capita personal income (PCPI) in Missoula County since 2000. According to the Bureau of Economic Analysis of the US Department of Commerce, in 2010 Missoula had a PCPI of \$34,766. This PCPI ranked 22nd in the state and was 99 percent of the state average, \$35,053, and 87 percent of the national average, \$39,937. In 2000 the PCPI of Missoula was \$25,029 and ranked 7th in the state. The relative loss of PCPI has occurred, even as the population of the county has increased by more than 14%, from 95,802 in 2000 to 109,299 in 2010.

While there are sites within Missoula County that are appropriate for new industrial development, including manufacturing, the Bonner Mill site presents significant opportunities for the re-use of existing industrial infrastructure in support of new secondary value-adding industry. Extensive repair of the remaining facilities will be required and environmental concerns associated with industrial contamination must be addressed. However, as noted above, the presence of large industrial buildings at the Bonner Mill site as well as the close proximity of workforce housing will serve as an important tool in attracting new investment.

Bonner Mill Tax Increment Financing Industrial District

Missoula County intends to establish a Tax Increment Financing Industrial District (TIFID) in Bonner, at the site of the former Stimson Lumber Mill. The base year for the purposes of measuring any incremental value will be 2012 and the base value will be calculated as of January 1, 2012.

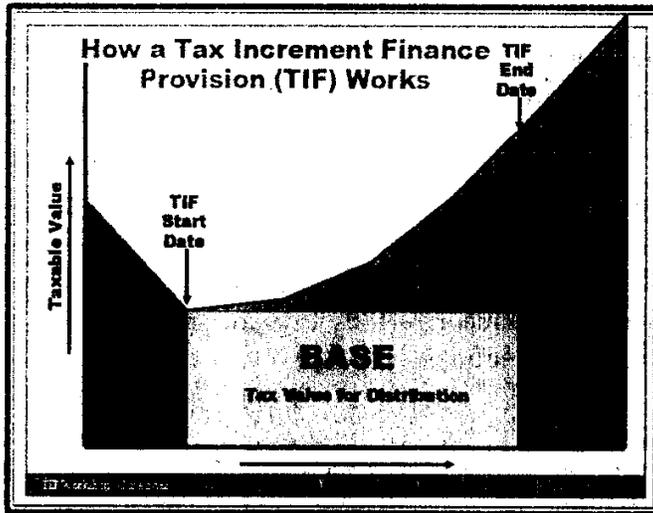


Figure 1. Schematic of Tax Increment Financing

Tax increment financing is a mechanism that allows communities to use new tax dollars resulting from increasing taxable value for reinvestment within the geographic area in which they are derived for a period of 15 years, or up to 40 years if the incremental taxes were pledged to the repayment of a bond. (Figure 1.) Until 1989, tax increments could only be used for rehabilitation efforts within urban

renewal areas, which were usually blighted central business districts. In 1989, the Montana Legislature amended the Montana Urban Renewal Law to enable municipalities to create special industrial districts which could employ tax increment financing to assist in the development and retention of secondary, value-adding industries. In doing so, the Legislature noted that the State of Montana wishes to encourage secondary, value-adding industrial manufacturing that uses Montana timber, mineral, oil and gas, coal and agricultural resources in the production of goods in the State. The legislation recognized that secondary, value-adding industries, in order to be competitive in today's world economy, require expensive infrastructure that is beyond the means of most Montana communities. Senate Bill 472 resulted in Section 7-15-4299 Montana Code Annotated (MCA), originally codified in 1989 and amended in 2007. This law enables communities to assist in industrial development in areas that are deemed to be infrastructure deficient. Tax increment financing may now be used for improvements as defined in 7-15-4288 MCA.

In March of 2008, the Montana Department of Revenue, under its administrative rule making authority, more specifically defined "secondary industries" as those that use mechanical or chemical processes to transform materials or substances into new products in the manner defined as manufacturing in the North American Industry Classification System Manual. These industries engage in the:

- Processing of raw materials, such as minerals, ore, oil, gas, coal, agricultural products, and forestry products; or
- Processing of semi-finished products that are used by the industry as a raw material in further manufacturing.

"Value-added" is defined as an increase in the worth of the raw or semi-finished product that results from a mechanical or chemical transformation and may not be attributable to a mere increase in existing production.

In order to make use of this innovative economic development strategy, Missoula County must adopt an industrial development plan, which defines the specific geographic area within which the tax increment will be measured and reinvested. Further, the plan must outline those activities that the local government intends to undertake in order to successfully develop (or retain) value-adding industrial activity.

2. DISTRICT DESCRIPTION

The proposed Bonner Mill TIFID district encompasses an area that is located northeast of Highway 200 and includes approximately 148 acres. The Blackfoot River, a protected corridor, forms the northern boundary of the site. The site is also adjacent to existing and proposed trails and river access projects. The redevelopment of the Bonner Mill site area to attract new secondary value-adding industry presents opportunities to safeguard this important resource and associated recreation-based improvements in the context of these activities.

The site was originally home to a lumber mill which operated continuously for 122 years. Initially known as the Blackfoot Mill, it began operating in 1886 to meet the demands of the Butte mining boom and railroad expansion. In 1898, timber baron A.B. Hammond sold it to the Anaconda Company, which owned the mill until 1972, when it sold it to Champion International. By 1976, there were over 1,000 workers at the mill. In 1993, Champion sold the mill to Stimson Lumber Company and in 2008, amid plummeting demand it closed. Today the site's facilities are largely vacant.



While there has been some economic activity, new growth has been stymied by the lack of adequate infrastructure.

A Phased Approach - The proposed site is within a larger area that offers the potential for district expansion over time. Directly southeast of the Bonner Mill site there are several blocks of residences, many of which date back to the mill's earliest years and traditionally provided housing for mill workers and their families. These homes can once

again provide housing for workers in close proximity to their place of employment. Adjacent to this existing housing is vacant land that would also be suitable for additional workforce housing.

Across the Blackfoot River are additional lands that can be added to this District as well. However, current zoning designations on some of these parcels prohibit their inclusion in the Bonner Mill Site TIFID at this time.

In its entirety, the site will provide excellent opportunities for development in an area that historically served value-adding industries in Missoula County. The creation of the Bonner Mill TIFID will enable Missoula County to market an area that offers not only vacant land, but existing under-utilized industrial buildings and ancillary residential structures. Efforts across the state to develop housing for workers in close proximity to their place of employment recognize the associated energy savings and improved employee wellness associated with doing so. In some cases, companies can earn greater access to Federal contracting opportunities if at least 35% of their employees live within a short distance of their work site (SBA.gov).

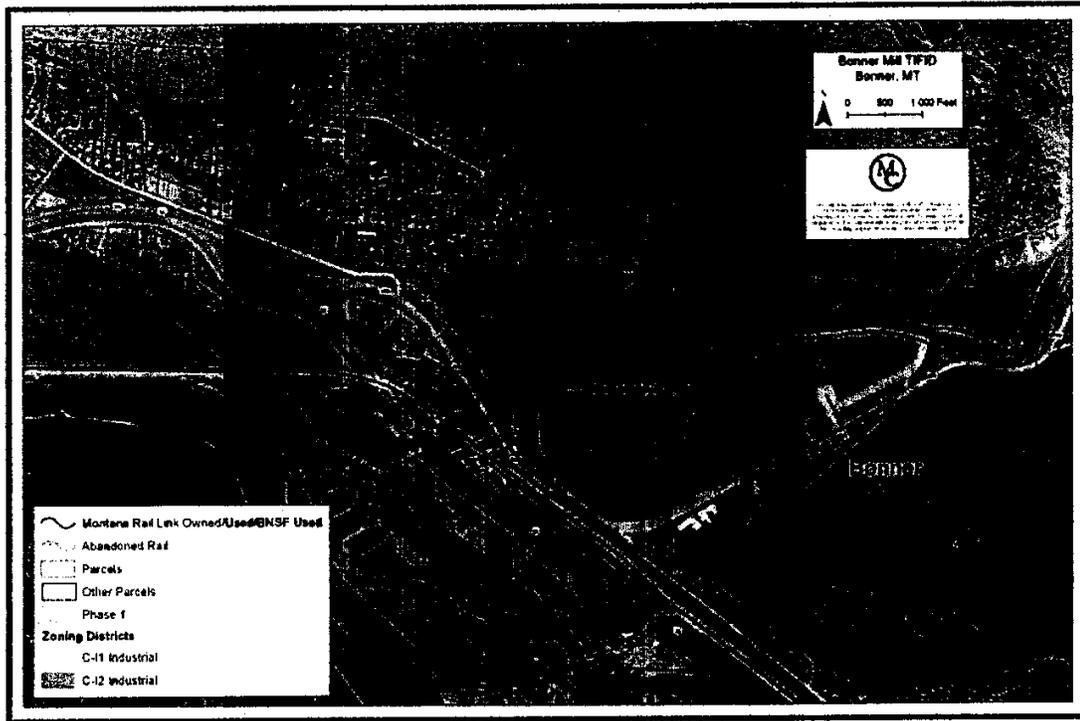
Legal Description

The legal description of the Bonner Mill TIFID is as follows:

Tract 1A and 2A of COS 6295 and Tract 3A-1 of COS 6348.

Map

Figure 2. Map of the Proposed Bonner Mill Tax Increment Financing Industrial District



3. GOALS OF THE BONNER MILL TIFID

In recognition of the historic, cultural, economic, resource and recreation resources of the Bonner area, economic development plans for the district should address the importance of not only the development, but also the essential character of the communities surrounding the area. Recognition and consideration of the people and their cultural heritage, coupled with the immeasurable value of the Blackfoot River, will likely result in more successful development than if such issues are not incorporated in development plans.

Given the vast sums of time, funding and effort expended on the restoration of the Blackfoot River, a redeveloped Bonner Mill site provides another excellent opportunity to revitalize the community while concurrently protecting the river corridor. This will help communities in the area grow in a desirable and planned manner while also protecting valuable natural resources.

New development at the Bonner site will also need to recognize the vast infrastructure currently in the area, including rail, state highway, and Interstate access. Protecting and

enhancing such infrastructure will benefit both new development and the community in general.

Residential development is a key component of growth in the area and should be supported in a manner that provides housing for new workers. Future phasing of an expanded, or new, TIF should consider the housing needs of the communities surrounding the Bonner Mill site.

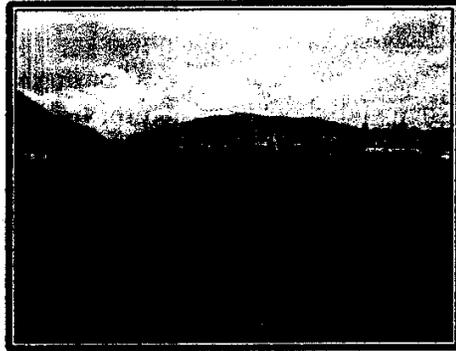
While economic growth can bring substantial benefit to the area, there can be undesirable impacts from that growth. Consequently, balancing growth and community values is a critical issue that should be addressed in any development proposal. Historically, there have been significant problems associated with mill development in the area, including but not limited to alteration of the Blackfoot River, construction of dikes, disposal of toxic wood and processing wastes on and off site, and air quality degradation. New development can learn from these past problems and bring employment to the area while avoiding mistakes of the past.

Based on these critical considerations, the goals of the Bonner Mill Tax Increment Financing Industrial District are:

- To foster economic vitality in the community of Bonner and increase employment opportunities in Missoula County through infrastructure development in support of secondary value-adding industry
- To facilitate the re-use of the substantially vacant industrial buildings located on the Bonner Mill Site, which constitute an important resource for economic and community development
- To better utilize and to expand the railroad infrastructure associated with the Bonner Mill Site
- To foster and revitalize the relationship between the mill site and the adjacent historic workers' homes, as well as the surrounding community
- To help assure that industrial development activities reflect Missoula County's commitment to the stewardship of our natural resources heritage and in particular the Blackfoot River Corridor and associated restoration, interpretive, recreation and conservation programs currently underway
- To facilitate the reinvestment in a site that has historically been industrial due to its unique and significant location at the confluence of two rivers, and its proximity to both rail and highway transportation infrastructure.

4. INFRASTRUCTURE ANALYSIS – STATEMENT OF INFRASTRUCTURE DEFICIENCY

As noted above, the development of secondary, value-adding industries in the Bonner Mill TIFID will require water and sewer services, transportation and utility upgrades, stormwater collection and treatment. A review of the existing infrastructure and the infrastructure needed for the development of these industries reveals the following deficiencies.



Roads – The properties within the District are generally served by Montana Highway 200. Although this road is in good condition, uses within the District will likely prompt additional improvements to accommodate increased traffic. Both left and right turn lanes, signalization and street lighting will be necessary. Additionally, there are several internal roads that are of record but have not been built. As the site is more fully developed, these roads will have to be constructed. Finally, depending on planned uses there are additional internal roads (yet to be dedicated) will have to be added for newly created lots.

Water and Sewer – The property is served by a small public water supply and distribution system, as well as a wastewater collection and treatment systems. Both systems are inadequately sized to accommodate activities within the District. The water system only serves a portion of the property and is not properly sized to accommodate fire flows to serve the District. Upgrades to distribution, storage and water rights will be necessary. There are two wastewater treatment systems that serve a portion of the District. The first is a minimal domestic waste collection and treatment system. It barely has capacity to serve current users. The second but much larger system is currently not operational. It is not likely that this system can be used without significant mechanical upgrades. The MPDES (Montana Pollution Discharge Elimination System) discharge permit for this system will require modifications as this District develops.

Utilities – Telephone, cable, natural gas, fiber and electricity are available to the property. However, with the exception of electricity, these services will need to undergo significant upgrade to accommodate District uses. Although, these utilities are present, most of the property is not served. Therefore, in addition to upsizing current utility infrastructure, extensions of these facilities will be required to serve individual needs.

Stormwater – Development related activities on the property will require a MPDES Stormwater Discharge Permit through MDEQ. Because of the District's size, it is likely a

centralized collection and treatment system will be required to accommodate ultimate build-out. This will involve a system of stormwater pipes and a dedicated treatment basin to maintain water quality standards before discharge to the Blackfoot River.

Rail – Currently a Montana Rail Link spur serves several businesses within the proposed TIFID, including NorthWest Paints, McArthur and Company Roofing, Willis Enterprises Wood Chipping, and Bonner Property Development's scrapping operations. However, as the district develops over time, additional rail extensions may be needed to serve other businesses within the district.

Land Related Concerns – Land contamination at certain locations within the site, associated with more than one hundred years of industrial activity, will have to be addressed before development can occur. In particular, the site contains a repository that was created in response to an administrative order by the Montana Department of Environmental Quality. The repository is part of the remediation of a former cooling pond and fire lagoon, and is contaminated with petroleum compounds and polychlorinated biphenyls (PCBs) associated with the Stimson Mill.

The repository is constructed as a mound, approximately 23 feet in height and is fenced to prevent access. It has a two foot cap of re-vegetated clean soil that cannot be disturbed. No building, roads, rail lines or other facilities can be built on this 2.8 acre portion of the property in perpetuity. Due to its location the repository also restricts access to other usable buildings and portions of the property, and may present other financial and physical barriers to beneficial site redevelopment in the future.

In addition to the repository, there is a considerable amount of industrial debris on the property. Removal of this material would help facilitate redevelopment at the site.

The Blackfoot River corridor lies directly adjacent to the north side of this District. Vast sums of time, funding and effort have been expended in the restoration of portions of the Blackfoot River damaged by historic industrial uses. Public infrastructure improvements to the adjacent Blackfoot River corridor during redevelopment of the site will be of significant benefit during marketing efforts and will provide long-term recreational opportunities for the workers on site, the surrounding community and the citizens of Missoula County. These infrastructure and public service deficiencies might include such things as bank restoration, connectivity, visual screening.

General Improvements

Additional infrastructure and public services deficiencies will be identified over time. For example, emergency services buildings and equipment, site security, transloading and cargo facilities, parking lots, and other improvements and services will likely be required. 7-15-4288 MCA provides an extensive list of eligible items that may be paid for with tax increment dollars.

5. INDUSTRIAL DEVELOPMENT ACTIVITIES TO BE UNDERTAKEN

Once the TIFID is established, Missoula County will be responsible for the administration of the TIFID and will work to foster industrial economic development within the District. This program will be multifaceted and will include market analysis, capital improvement planning, industry recruitment, and project financing and implementation.

Identification of secondary, value-adding industries

A list of industries that could be targeted for development or expansion within the Bonner Mill Site TIFID is presented in Table 1, by North American Industry Classification System (NAICS) code.

Table 1. Potential Industries for the Bonner Mill Industrial Park (TIFID)	
NAICS Code	Industry
321113 Sawmills	This U.S. industry comprises establishments primarily engaged in sawing dimension lumber, boards, beams, timbers, poles, ties, shingles, shakes, siding, and wood chips from logs or bolts. Sawmills may plane the rough lumber that they make with a planing machine to achieve smoothness and uniformity of size.
236210 Industrial Building Construction	This industry comprises establishments primarily responsible for the construction (including new work, additions, alterations, maintenance, and repairs) of industrial buildings (except warehouses). The construction of selected additional structures, whose production processes are similar to those for industrial buildings (e.g., incinerators, cement plants, blast furnaces, and similar non-building structures), is included in this industry. Included in this industry are industrial building general contractors, industrial building for-sale builders, industrial building design-build firms, and industrial building construction management firms.
32311 Prefabricated Metal Building and Component Manufacturing	This U.S. industry comprises establishments primarily engaged in manufacturing prefabricated metal buildings, panels, and sections.
332812 Metal Coating, Engraving (except Jewelry and Silverware), and Allied Services to Manufacturers	This U.S. industry comprises establishments primarily engaged in one or more of the following: (1) enameling, lacquering, and varnishing metals and metal products; (2) hot dip galvanizing metals and metal products; (3) engraving, chasing, or etching metals and metal products (except jewelry; personal goods carried on or about the person, such as compacts and cigarette cases; precious metal products (except precious plated flatware and other plated ware); and printing plates); (4) powder coating metals and metal products; and (5) providing other metal surfacing services for the trade. Included in this industry are

establishments that perform these processes on other materials, such as plastics, in addition to metals.
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Further research and analysis will be required to determine which of these industries can be actively recruited based on market conditions and the Bonner Mill site's unique position in the market place. Issues such as energy costs related to operations and transportation, distance from markets and overall industry trends, as well as infrastructure requirements will help determine industries to be targeted.

Capital Improvements Planning and Implementation

Missoula County will undertake the necessary planning required to more particularly identify the infrastructure required to support the development of targeted secondary, value-adding industries. This planning effort will address necessary capital improvements and the associated costs. Infrastructure design and development could include roads and other transportation infrastructure such as rail lines, pedestrian ways, sewage pre-treatment, sewer lines, community septic systems, water wells and mains, utilities, street lighting, communication infrastructure such as cell towers and additional fiber cable and buildings.

TIFID Program Design

Once targeted industries and required capital improvements have been more clearly identified, the next step will be to develop the mechanisms to implement the overall TIFID program. Given that private industrial development will generate the property taxes necessary to finance a portion of the infrastructure development, recruitment and infrastructure development must occur hand in hand. It is likely that construction of public infrastructure will be financed through the sale of Tax Increment Bonds in combination with other state and federal funding programs. Tax increment financing mechanisms can include:

- Tax Increment Bonds – Tax increment revenues would be pledged to pay bond principal and interest annually. The size and term of the bond would depend on tax increment revenues available from private sector taxpayers within the TIFID. While Montana law provides that tax increment districts may only be authorized for 15 years, the time period may be extended to coincide with the term of a tax increment bond, but no longer than an additional 25 years. It may be necessary for the private taxpayer(s) to enter into an agreement with Missoula County to assure, for the term of the bond, the annual payment of all property taxes due or an equivalent amount if the taxpayer no longer holds property in the district. The amount of tax increment realized each year must be enough to cover all bond payments due, as well as an adequate reserve.

- **Annual Tax Increment Appropriations** – The County may finance smaller public infrastructure improvements from its annual tax increment receipts by appropriation. Funds available each year would be determined by the size of the annual increment and any prior commitments (such as bond debt service requirements and administrative costs).
- **Tax Increment Financing Revolving Loans** – The Montana TIF statutes provide for the establishment of loan programs, whereby TIF funds may be loaned for the construction of private infrastructure or other activities in support of the goals of the TIF district. As principal and interest payments are made, the funds may be loaned again, even after the TIF District sunsets.
- **Conventional Financing** – The County may borrow funds from commercial lending institutions in order to finance public infrastructure improvements. Principal and interest on the loan will be paid by annual tax increment revenues. A conventional loan agreement will not, however, extend the authorized 15 year time period for a TIFID.

Per 7-15-4291 MCA, Missoula County may enter into agreements with the other affected taxing bodies to remit to such taxing bodies any portion of the annual tax increment not currently required for the payment of the costs listed in 7-15-4288 MCA or pledged to the payment of the principal of premiums, if any, and interest on bonds.

Industry Recruitment

Once the District is established, local staff and resources and/or consultant services could be used to assist in the development of business plans, market studies and general research to recruit secondary, value-adding industries to the TIFID. Once the District starts generating revenue, TIFID funds may be directed to these activities as well.

Partnership Development

The TIFID program will rely on cooperative efforts among Missoula County, TIFID property owners, and economic development organizations to achieve its goal of fostering industrial development. In many cases, these cooperative partners will work jointly on market analyses, business recruitment and capital improvements planning. Also, as noted above, it will be necessary to work with other local, state and federal entities in providing additional financing and matching funds to build industrial infrastructure in the TIFID. Potential partnerships can be forged using a variety of programs and funding mechanisms. A sampling of these includes:

Programs

- The **Treasure State Endowment Program (Montana)**
- **Community Development Block Grant (U.S. Department of Urban Development)**
- **The Montana Intercap Program**
- **Economic Development Administration (U.S. Department of Commerce)**
- *Water, Wastewater and Solid Waste Action Coordinating Team* (a group of professionals from state, federal, and non-profit organizations that finance, regulate, or provide technical assistance for community water and wastewater systems)
- **Community Transportation Enhancement Program – Under 23 USC 133 (d) (2) (Federal Code), 10 percent of the Surface Transportation Program monies are awarded to each state for transportation enhancements.**

Funding Mechanisms

- **Local mill levies for transportation infrastructure (7-14-4101 MCA)**
- **Transportation Improvement Authority (7-14-1001, MCA)**
- **Special Improvement Districts (7-12-4101 MCA)**
- **Debt Financing – Counties can make use of various kinds of debt financing to fund industrial development projects. These include general obligation bonds, special improvement district bonds and revenue bonds as well as Tax Increment Financing Bonds.**
- **State Fuel Tax (15-70-101MCA)**

6. PROGRAM ADMINISTRATION

Missoula County currently has a TIFID Advisory Board in place to provide ongoing oversight for the County's TIFID Program. Additional appointments to the (TIFID Advisory) Board are **strongly recommended** to make sure that issues particular to the Bonner Mill District are considered. At least one representative from the Bonner/Riverside area should be added as well as someone with expertise in river corridor management, or two representatives from the Bonner/Riverside area, with the use of on-call expertise in river corridor management, and highway or rail transportation as needed.

Edits Related to "Land Related Concerns" begins on page 7, located on page 8 before "General Improvement". Lanette would suggest the following:

The Advisory Board in conjunction with Missoula County staff is responsible for identifying projects and programs for the TIFID Districts within Missoula County. The Board reviews annual work plans for each TIFID District, which are submitted to the

Board of County Commissioners in the spring of each year for the following fiscal year (July 1st to June 30th). Each annual work plan includes the following elements:

- Anticipated Increment Revenue for the Year
- Project Priorities and Associated Costs
- Financing Strategies Anticipated
 - Direct Increment Revenue
 - Debt Financing
 - Other Sources of Funding
- Administrative Budget for the Board including staff and consulting services

The Board of County Commissioners reviews the work plans and determines whether any changes are necessary before setting the budget. Once the budget is set, the County staff is responsible for:

- Developing financing strategies
- Working to maintain the Tax Increment Financing Accounts within the County's budget
- Working with property owners and developers to identify public infrastructure projects for the future
- Reviewing proposed infrastructure development projects for the future
- Following all local government procurement rules with respect to:
 - Preparing bid and proposal requests
 - Reviewing proposals from engineers, contractors and other vendors
 - Making recommendations to the Board of County Commissioners regarding contractor selection
- Monitoring projects
- Conducting market analyses, engineering studies and project feasibility analyses

7. PLAN AMENDMENTS

The plan provides flexibility to accommodate a variety of approaches. However, changes over time may necessitate more formal amendments to the Industrial District Plan. If required, amendments will be made by ordinance.

MISSOULA CONSOLIDATED PLANNING BOARD MINUTES
City Council Chambers, 140 W. Pine
October 23, 2012,
At 7:00 PM

Members present: Don MacArthur, Jennifer Long, John DiBari, Tim Ibey, Tim Skufca, Pat Little
Members absent: Heidi Kendall, Jerry O'Connell, John Newman, Dick Ainsworth
Others present: Janet Cornish, Gary Matson, Dori Brownlow, Barbara Martens, Lanette Windemaker, Dale Bickell, Bruce Troutwine, Bob Giordano, Steve Nelson, Mike Boehme, Sharon Reed

I. Call to Order

John DiBari: I'd like to call to order the Missoula Consolidated Planning Board; this is a special meeting. Sharon, could we have a roll call, please.

II. Roll Call

Sharon Reed: Don MacArthur.

Don MacArthur: Here.

Sharon Reed: Patrick Little.

Pat Little: Here.

Sharon Reed: Just a second. Tim Skufca.

Tim Skufca: Here.

Sharon Reed: Jennifer Long.

Jennifer Long: Here.

Sharon Reed: Heidi Kendall. Heidi Kendall's not here. Tim Ibey.

Tim Ibey: Here.

Sharon Reed: Tim Ibey's here. I'm having a lot of problems with this; I don't know how to shut the sound off on it. And John DiBari.

John DiBari: Here.

Sharon Reed: You have a quorum.

John DiBari: Thank you.

III. Approval of Minutes - Minutes not approved at Special Meetings

John DiBari: There's no approval of minutes at special meetings, so we will move past that agenda item.

IV. Public Comment

John DiBari: Next on the list is public comment. Is there anybody here to comment on an item other than what's on tonight's agenda. Okay, seeing none.

V. Staff Comments

John DiBari: Next is staff comments. Pat.

Patrick O'Herren: Just a quick update for you tonight. We did receive word through the County Attorney's office that the Supreme Court has ruled on the John Richards vs. Missoula County appeal that Mr. Richards took to the Supreme Court and the County prevailed on all counts and the Supreme Court upheld the District Court's decision.

John DiBari: Thanks, Pat.

VI. Public Hearings

A. Missoula County Growth Policy Amendments

John DiBari: Okay, the next item on our agenda is Public Hearings. The first one will be concerning updates to the Missoula County Growth Policy. And may we have a staff report, please.

Patrick O'Herren: First of all, Patrick O'Herren with Rural Initiatives, I'd like to thank the board for coming to this special meeting. As you know, there was a bit of a time crunch on this particular issue, which is dealing with amendments to the Growth Policy relative to tax increment financing and using it as a tool for economic development and community development. That time crunch is due in part because there's a 30-day waiting period that the County Commissioners must go through if they adopt the TIF and that takes up the entire month of December. The goal if this TIF is warranted and the County Commissioners, based in part on your advice, do adopt the TIF and adopt the amendments to the Growth Policy would go in effect on January 1st. And that is desirable from the County's perspective, and, we believe, from the community's perspective because that means that that increase in tax base during the year 2013 would in part be redeveloped back into the community in terms of infrastructure investment and that sort of thing. If we miss that January 1st deadline, when DOR would put the TIF in place, then we lose that years' worth of investment and the TIF wouldn't go in place until 2014. And if I misstated that, I'm sure the consultants will correct me where warranted. So, thank you, for agreeing to this special meeting.

As I mentioned, we're looking at amendments to the Growth Policy and what's important tonight is not only the TIF that's being discussed for the Bonner area, but the amendments will allow the county to consider tax increment financing districts in other portions of the county as well. So this isn't a site-specific amendment that we're looking at, it's much broader than that.

You have staff reports. Attached to them are exhibits and with those are recommendations from the staff. Tonight we're very fortunate to have not only staff from county offices, but in particular Barbara Martens from Special Projects is here, Barbara administers the Airport Industrial District out there and has great experience in TIFs as well. And Dale Bickell, the Chief Administrative Officer, is here tonight for questions that you might have in addition. Having said that, I really want to thank Janet Cornish and Lanette Windemaker from Community Development Services of Montana, who agreed to take on this project. They have done by far the bulk of the work. We are quite excited to have them onboard on this project and Janet's going to give you an overview of the project and then Lanette will walk you through the staff reports and the recommendations. Thank you.

Janet Cornish: Hi. There we go. Okay. Thank you very much for this opportunity to speak with you this evening. Again, as Pat mentioned, my name is Janet Cornish and my firm is Community Development Services of Montana and located in Butte. And Lanette Windemaker is a planning consultant, AICP Planning Consultant, out of Bozeman and we've teamed together to assist Missoula County in its effort to create a tax increment financing district in the Bonner...at the Bonner mill site. The planning department has a role in this project...the Planning Board, that's very critical. And what I'd like to do is talk a little bit about tax increment financing. I'm sure many of you already understand its...the process and how we use tax increment financing, but I'm going to review a little bit of that in these slides and then, with keeping in mind what your role will be in this process.

Tax increment financing is authorized through the state of Montana, but it is a locally-driven funding mechanism that does allow cities and counties to direct tax dollars, property tax dollars, that result from new development within a particular area and/or special district and reinvest those tax dollars to address blight and/or infrastructure deficiencies. It's a real common sense strategy that really provides a way for local governments to invest directly in public infrastructure, in the bricks and mortar that's needed to create sustainable growth over time. And tax increment financing was originally associated with the urban renewal provision of Montana statute but has been expanded to include a number of other types of districts. And one of the things that I always like to remind everyone that tax increment financing is a strategy in and...it is not in of itself a type of district. I mean, we call them tax increment financing districts, but they're really a tool for us to accomplish a renewal and other kinds of economic development in our communities. This little graphic was put together by the governor's office of economic development several years ago, but I think it's a really nice visual representation of how tax increment financing works. The left axis being taxable valuable and the X axis being time; if you look at an area that either has declining or stagnating property values and that those...that area has suffered from decline or in fact had...doesn't have adequate enough infrastructure to encourage growth. And you set a date, you say, at this particular point in time, we're going to start measuring any increases in taxable value based on new development. The base, the amount of taxes that are generated at the time of formation, those...that taxable value times the number of mills that that jurisdiction and the other jurisdictions in that area levy, are...continue to be distributed to all the different tax jurisdictions. So that, in this case, would be Missoula County, the school district, fire district, if there are any conservation districts. The state of Montana 95 Mill Levy, all of those continue to be distributed to taxing jurisdictions. But any new taxable value that occurs from new development levied against the mills creates what's call the tax increment and that becomes then available for reinvestment in the area in which it was generated. The district suns at the point of sunset, which is set by statute at 15 years or can be extended for a longer period if...at any time during those 15 years you incur a debt through the sale of a tax increment bond; and then the district's life can be extended for an additional 25 years. At the end, at the point of sunset, all of the base plus the new incremental taxable value becomes available to all of the tax jurisdictions. In Missoula County, you currently have two tax increment financing districts, one a technology district and one an airport industrial district. And in Missoula, the City of Missoula has several urban renewal districts and I think, also, another industrial district, I'm not sure, but I know they have several urban renewal districts and the oldest of those sunsetted a couple of years ago and has now has generate several million dollars of new taxable value.

So if you look at this as a calculation in the base of the district and that is...and for the purposes of this district, Pat was right, the ordinance will take effect 30 days after its passage, so that will be if...we're hoping for a passage date of November 28 and then the tax increment financing district will become effective with a base year of 2012, 30 days after that passage date. So the base of the district then, again, its taxable value times the mill would go to all of the various taxing bodies. The incremental taxable value levied against the mills and...would then be all directed to the tax increment program with the exception of the 6 mill university levy. Outside of the district, nothing is affected, all of those taxes continue to be levied and distributed as they always were. There are 685 mills that are levied within that Bonner area and it would be 685, minus the 5, so 680 mills that would be available for...against the taxable value to generate the increment.

So it takes a lot of investment. If we take a million dollars of new assessed value, new market value, and assume that it's Class 4—the Department of Revenue divides different types of property into different categories, different classes, and each one has a specific percentage associated with it and when that percentage is applied to the assessed value, the market value, that's how the taxable value is derived. So it's market value times that percentage to get the taxable value. And for Class 4 residential property in 2012, that percentage is 2.82 percent. The legislature has put in a... actually a declining value each year and... over the 6 year cycle that were currently in, the appraisal cycle. So the taxable value of a million dollars in the Bonner mill site area would generate 28,000 dollars of taxable value. I used the full .685 mill levy would generate 19,317 dollars increment and I should have taken that 5 out, it should have been 680 for the purposes of... or 679, actually, because it's 6 mills. But you get the general idea.

What is the financial effect of tax increment financing on the property owners in the district? There is none. The TIF provision only affects the way that new tax increment financing dollars is distributed. As always, taxes would be paid based on the value of the property, including any new improvements. If you improve your property, you certainly would pay more taxes. By just by virtue of creating a TIF district, only affects the way those property taxes are distributed once collected. However, the property owner's benefit, because those improvements are made in the area where they have chosen to invest.

I mentioned there are several types of tax increment financing districts, an industrial district, which is the one we are setting up or hope to set up at the Bonner mill site; urban renewal districts, which can only be inside municipalities (inside cities); technology districts and aerospace transportation and technology districts. Other than urban renewal districts, these TIFs can be set up in either cities or counties. I mentioned, again, that the district has a sunset—15 years if you don't sell any bonds. There's also a provision that either through an adjustment of the base or through individual remittance agreements that can be generated by the taxing jurisdiction you can return unused funds to the other taxing jurisdictions in proportion to their donation. Well, we don't see that happening all the time. Occasionally local governments are able to return some of the funds if they don't need them either for projects or to cover bond debt. You can loan the money to private entities and that money can roll back into your fund and then be used even after the district sunsets as long as you're not adding a new increment dollars, you're just revolving those loan funds into a fund that can continue to be used for the purposes of the district.

We're currently proposed a tax increment financing district for the Bonner mill site, which will be created with a base year 2012, we've talked about, but at this point have no specific plan to... if the county has thought about the potential of whether that district could at any point be expanded, no such expansion plans are in the works at this point in time but there are some opportunities north of the Blackfoot River and there's workforce housing to the southeast and while that would a residential use, there might be some opportunities for workforce housing adjacent to industrial development. In fact, the owners are currently doing some work on those houses just adjacent to the site in anticipation of new... in anticipation of new development occurring, new industrial development. Which is very nice about this site, that it not only offers potential for industrial development, but can offer places for people to work... to live in close proximity to the workplace, which cuts down on transportation costs, energy costs, associated with those jobs.

The...and, again, this is an excellent opportunity, the site presents to Missoula County for development. Because not only does it have vacant land, but it has existing underutilized industrial buildings. Lanette and I had the opportunity to tour the site in September and were literally bowled over by the sheer size and scale of the industrial infrastructure that's located on the site and it's just a wonderful resource for the community.

The...Lanette will talk a little bit more about this in the staff report, but the site follows...is that yellow line on the area, again, between Highway 200 and the Blackfoot River. It is...those have to be all complete parcels, we can't bisect any parcels, they each have their own distinctive geocode, there is a boundary line readjustment occurring—now is almost complete, I understand, because there was one parcel that ended up being in two different zones, the area has to be zoned industrial, which we'll talk about in a moment. But this is...this is the site of the proposed TIF

district.

You can use the funds for a variety of different purposes. Certainly, transportation infrastructure, including roads, rails, trails, sewer, water, and storm water drainage, utilities, land improvements (as you know, there's a repository on the site with low level PCBs that would...we don't know what the cost would be to remove that site but there's been a lot of interest in trying to remove that site from...or that repository.) There's...you could use it for cargo facilities, and this last bullet—connecting to services outside the district. If you want to bring a rail spur into a district or a utility line...even if a portion of that would be outside the boundary of the district, because you're bringing that service into the district, that's an allowable expense. The...I also wanted to draw your attention back to utilities and while we think of infrastructure in this context as being public, the law specifically provides for what you might consider private utilities like rail, gas...natural gas and electric, communication infrastructure are allowable expenses with a TIF district. You can also use it for general planning, doing market and feasibility studies for recruitment activities and to provide technical assistance directly to businesses.

There are a series of steps involved in creating a tax increment financing district that are laid out in both Montana statute and the urban renewal law and through a series of administrative rules that have been adopted by the Montana Department of Revenue. The first thing is that you want to identify a district, it has to be in all one taxing jurisdiction. Which means you can't have a district that overlaps or two different school districts or conservation districts—all of the properties within that district have to be levied the same number of mills. We need a list of the property owners, a geocode, legal description and map.

And this third bullet is something that I want to draw your attention to—you have to look at your Growth Policy to determine the adequacy of its support for economic development and in the...and in its general sets of goal statements and whether tax increment financing is specifically mentioned as a strategy in accomplishing those goals associated with economic development. Also, we have to make sure the associated zoning regulations relevant to the proposed district have been drafted in accordance with the Growth Policy; in other words, if it's...an area is zoned industrial, as it has to be in this case, that zoning is supported in the Growth Policy document. If required, and this is what we're going to be working on tonight, in order for the Growth Policy document to embrace and to essentially authorize tax increment financing districts, it may have to be amended; in some cases, not here, we have to actually amend or adopt zoning ordinances, we've worked in counties where we're creating a district and there is no zoning at all, we had to create a zoning ordinance in order for them to make use of this tool. We also meet with the other taxing jurisdictions, because we are essentially delaying their receipt of funds for a period of 15 or more years, and we want to make sure that they can be...understand how they might benefit over time, and so to that end we have met with the Bonner school district, I know Barbara and Dale are going to be talking to the fire district, we talked to the neighborhood council, and we certainly have been working very closely with the authorization of the County Commissioners. We also have prepare a TIF plan, which I think you have a copy of that draft document, which talks about why we want to create a tax increment financing district, one of the deficiencies in the area that are currently preventing growth and what kinds of things do we want to take to address that. And then, again, and to point out your involvement, we seek Planning Board recommendation regarding—and there's two things: where the...first of all the area is zoned in accordance with the Growth Policy, and that's for non-urban renewal districts such as this; and whether the plan is in conformance, and this is language taken from the statute, in accordance with the Growth Policy. And we, again, want to make sure—and Lanette will talk about this at more length in her staff report—and that's the specific statutory requirements or references, excuse me.

And so, and here's the statutory language with regard to your role: prior to approval...this is found, again, in the urban renewal law...prior to its approval or an urban renewal project, the local governing body shall submit—now we're using the words "urban renewal" here—because you have to again understand the law was originally written for urban renewal districts and we've ex...and the law is a little unwieldy and it doesn't always...isn't always consistent throughout but because of an absence of this in any other we part we have...we go to this provision of the law even in the case of other types of TIF districts...plan to...the project plan to the planning

commission for review and recommendations as to its conformity to the Growth Policy. And then the planning commission shall submit its written recommendations with respect to the proposed plan to the local governing body within 60 days after receipt of the plan. So that's the first issue, the Growth Policy conformity, and the second is specifically mentioned in the amendment to the law that was passed in 1989, I believe...91...about that time where they added the point that the district has to be zoned for light or heavy industrial use in accordance with the area Growth Policy document, so that's the second piece. And, then, of course, it has to be...you have to have a continuous boundary, you find it to be infrastructure con...deficient, it can't be...include any other existing tax increment district. Once the Planning Board has reviewed and made its recommendation to the...in this case to the County Commissioners, the County Commissioners hold a hearing on the TIF plan and after they have notified all the property owners in the district of the intent to create a district and there's been a proper legal advertisement and then you adopt the ordinance creating the TIF district. Then...once all this has been done, you have your statement of your Growth Policy conformance, zoning accordance, your public hearing notification, your plan...all of those documents are sent to the state of Montana, to the Department of Revenue who...and that department makes sure you have done all these things properly and certifies the base year, again, in this case would be 2012.

So the kinds of questions that you would want to ask is again, you want to ensure that the Growth Policy adequately addresses the use of TIF; that you want to be able to look at the TIF plan for its conformance; again, reviewing its zoning to assure accordance; holding this public hearing that we're having tonight to receive public input, if any, on the relationship of the proposed TIF to the Growth Policy; and then adopt a recommendation on the TIF plan's conformance with the Growth Policy for submittal to the County Board of Commissioners; and then adopt a statement on the accordance of the zoning of this non-urban renewal TIF with the Growth Policy, again, to be submitted to the Board of County Commissioners.

Some of the questions that are addressed...or that you might want to ask or make sure are answered: does the Growth Policy document...the existence of blight and infrastructure deficient areas in associated conditions. Again, in urban renewal districts we talk about blight, in industrial districts and some of these other types we talk about infrastructure deficiencies. Does the Growth Policy contain goal statements that address this. Does it identify TIF as a strategy to implement these goals and objectives. Did a land use map in the Growth Policy support the proposed land use designation—in this case, are the lands that we are proposing to be used for this TIF district, are they indicated in your Growth Policy as being industrial. And has the area been zoned appropriately in line with the land use goals stated in the Growth Policy. So that's kind of the overall sense of where...what the Planning Board's role is in this effort. In the end, a successful program provides incentives to businesses and industries to locate in the areas of greatest need. I think it's important to remember that linking this process to the Growth Policy is a way in which the community can make sure that these kind of economic development efforts are in keeping with the vision that community has for itself, that the County has for itself. The Growth Policy link to the TIF program is one that was specifically put in 1974, when tax increment financing first appeared in Montana statute is a very important issue with respect to the relationship of TIF to land use planning. It...a successful TIF program improves the overall tax base, it enables locally-driven economic development, you can use the funds to leverage federal or state grants, but you can also use the money directly for projects and you make the decisions as a community as to how that is best accomplished. And it creates overall economic vitality that generates not only development within the tax increment financing district but in the community as a whole. Are there any questions?

John DiBari: We can take questions about just what she presented on but I'm assuming that because we have two public hearings and the fact that our Growth Policy has to adequately address this issue of TIF and it doesn't, that we're going to work through that process. Are you going to be providing, Lanette, then your two staff reports together? So one on the Growth Policy and on the zoning together or are you going to plan to split those.

Lanette Windemaker: I will split those up.

John DiBari: Okay.

Lanette Windemaker: I think that will work better.

John DiBari: So if we have some questions for Janet on the basic presentation that she made and our understanding of what the Planning Board role in this is, then we can go ahead and ask her about it. Let's hold off on the substance of the issue until we hear the staff report from Lanette. Any questions? Tim.

Tim Skufca: Well, I guess my confusion is there's already a TIF in Missoula County, or two of them. So how did...and the Growth Policy doesn't address it now, so how did those happen?

Janet Cornish: That's a good question. The specific requirements that the Department of Revenue has put in its administrative rules are very recent and they weren't as specific about how those items were to be addressed prior to this and I would have to say that we've been in our work with the Department of Revenue they are going to be increasingly focused on making sure the communities have gone through these processes. So the statute's directed us in this fashion but the specific types of actions, the documents, resolutions from the local government, the Planning Board, are now being scrutinized more closely. And I think it's a good thing, I think that...not in your case, but in some communities, they may not have gone through some of the correct processes or really been as attentive to the community's planning documents and so forth. But I really can't speak to what's...you know, the process, or the...what Missoula has gone through in the past with regard to these. And this is largely what we believe and the Department of Revenue has confirmed is the best way to approach this. Does that answer?

Tim Skufca: Yeah. So that stricter administration did that happen just recently?

Janet Cornish: It's happened over the last three or four years, the administrative rules, I think, came out maybe four years ago. But it's...we've been part of creating four other districts in addition to this one over the few years and we've had no difficulty getting those districts certified by the Department of Revenue based on this process, so we feel pretty confident that this is the right way to go. But I really...I don't want to speak too much for how the other districts in Missoula were created other than I believe these rules have come onboard a little more recently; or at least people have been paying more attention to them.

Tim Skufca: So it leads me to...the real question that I was getting to was since...what is pushing this to happen in the last month of this year—why didn't...I mean, TIFs are new, the administration isn't new, why wasn't this started a year ago?

Janet Cornish: That I would have to direct to the...to Dale or to Barbara, because we were asked more recently to help.

John DiBari: Can you answer that quickly, do you think?

Dale Bickell: Dale Bickell with Missoula County. The reason why it has come on so quickly and, you know, we started this process in August, I would say, to do this. But the County's been working closely with the new owners of the mill, and they're here tonight, Mike Boehme and Steve Nelson, and, you know, with working with them, discussing the infrastructure and kind of the...what that property needs to be developed, it came up that, you know, maybe a tax increment district would be a good tool, that might help some of the problems related to that and so that lead the Commission to say, well, let's consider that and started this process.

John DiBari: Does the board have any other questions on Janet's presentation right now?

Okay, seeing none, Lanette, you can go ahead start your staff report on the amendment to the Growth Policy.

Lanette Windemaker: Does it turn green? Oh, okay. Lanette Windemaker, planning consultant. Good evening and thanks for having us tonight. Janet and I were contracted by Missoula County to shepherd this tax increment district through the process and one of the first things that we do when we start any of these processes is we review the Growth Policy and I'll direct you back to one of Janet's slides, it's up on that screen there. And basically, that's what we do—we look at

the Growth Policy to basically see if addresses these items, does it document the existence of infrastructure deficiencies or loss of industry or something like that. And does it contain goal statements that would address economic development and infrastructure deficiencies and does it talk about using TIF as a strategy to achieve those goals, and then do the land use maps that are in it direct the area that we're looking at to the proper land use designation.

So that's the things that we looked at when we looked at Missoula County Growth Policy we found that there was some lacking information in it, if you will and so we started working with the Rural Initiatives staff and with Pat and Barbara and Karen. The things that we...we started working on this Growth Policy amendment and basically what it ended up being were additions to three of your chapters.

Chapter 2 was an addition, a discussion of industrial land use and the loss of your lumber industry around the area and basically it was something that kind of beefed up the discussion about the downhill slide that the tax value was occurring out in that area, not in extremely specific terms, but in more general terms because there really was no discussion at all in your land...in the Growth Policy about this, so we wanted something to give us the basis to say that this is good thing, to do economic development and that's what Chapter 2 is all about, the little addition to it.

And then we drafted several goal statements that talk about economic development and infrastructure deficiencies and using incentives to fulfill those infrastructure needs and that's what all of the additional goals in your Chapter 3, they're pretty redundant but we were trying to cover all bases for all potential TIFs in the future, if possible. There's never any guarantee of that, but that's what we trying to do.

And then moving on to your Chapter 4, we...there was a very small statement about tax accrual financing, it mostly was addressing the city of Missoula and talking about urban renewal and we really expanded that section to discuss all aspects of tax increment financing as an implementation tool. So basically that's what the Growth Policy amendment is all about and we're looking to get those amendments a recommendation approval tonight and if you have any questions, I'll try to answer them.

John DiBari: I guess given that this is a public hearing, we can ask for comments from people in the audience who are in opposition to this proposal to amend the Growth Policy. Is there anybody who would like to speak in opposition to this amendment? Seeing none, is there anybody who would like to speak in support of this proposed amendment. Nobody. There's lots of dollars of billable hours out there in the audience and nobody wants to speak. Go right ahead, sir. You'll need to step to the microphone and make sure that the green light is on, please.

Steve Nelson: [inaudible, not using microphone] ... district for this industrial site and we see there's three or four items, sewer, utilities, the repository and the rail that are the main areas but there's probably others there could be a corridor, like a walking trail or something along the river, that sort of thing. But those four that I mentioned are the most important. And we just see it as another tool in trying to develop this property. We've got a lot of people, frankly, looking at the property, we're excited about it and this could just be the little thing that might cause someone to be able to come in here and create some jobs and develop this property.

John DiBari: Thank you, Mr. Nelson. Anybody else like to speak?

Gary Matson: My name is Gary Matson, I'm a resident of Mill Town for 40-some years and a member of the community council. I can't speak for the council, but I would just like to...I can't speak specifically to the proposed amendments in the policy but I'm very confident in expressing the idea that the community is totally in support of this tax increment financing industrial district. The area has been historically industrial for many, many years and to put that in writing, it seems like that's the only thing that needs to be done. It certainly has been that way. It's a perfect industrial site and I think it will...it has the complete support of the community and anything that can be done to speak that development along would be important, so I am confident in expressing the support of the community, or people like me, anyway, for the tax increment financing district.

John DiBari: Thank you, Mr. Matson. Anybody else like to speak?

Bob Giordano: Good evening, my name is Bob Giordano, I direct Missoula Institute for Sustainable Transportation and a lot of the work we do we base on the Growth Policy of the city and the County and I think that's one of our most important documents, almost our constitution. So I just became aware recently that we were proposing to change our Growth Policy and I know it was done in 2010, so I'm not opposed to this, not in favor of it, so I don't know where I fall, somewhere more in the middle. But I want to know more. I do have some concerns. The reason I really started looking into this because i...it seems like there's a concurrent process going on, it's the application for a Big Sky Trust grant to look at moving 300 megaloads, or 200 megaloads up and down the Blackfoot corridor. That company or companies could be a part of the Bonner site development. I don't know enough about that to be opposed or in favor. I've been talking to the Commissioners to find out more about this and it seems like this is all tied together, perhaps. And so my group, and I know there would be other citizens in Missoula that would be concerned and want to be a part of that process is what type of development happens in Bonner. I think a lot of this should relate to the people that live there and I know there will be more process. And if there are a lot of oversized loads, not megaloads, that might not be the case. But oversized loads and the Commissioners said they could be as large as the proposed megaloads from a year ago. If they are going to go up and down the Blackfoot corridor to the oil sands in Canada, which is the size of Florida and if you look at pictures of that, there's some environmental destruction that's beyond belief that's happening in Canada with these tar oil sands. And there's a process, I believe, a permit that will be gathered or have to be obtained, a 34-J permit. And I think that will have to have some more public process and talking about what are the impacts of oversized loads and will they be idling in Bonner and could that affect Missoula's air quality. So I'm here to learn more and want you all to ask these important questions, too, and not take lightly amending our local governing document. So I appreciate the work you all are doing, I appreciate that there are people interested in economic development in Bonner and that relates to Missoula. I want our environment to be protected, which relates to our own personal health. And we'll follow the 32-J permit process to make sure that as much as possible we have a strong economy and a strong environment and something that is good for the people and everything else around the Missoula County area. Thank you.

John DiBari: Thank you, Mr. Giordano. Anyone else like to speak?

Bruce Troutwine: Bruce Troutwine, 401 Dixon, at the...I have property up in West Riverside Drive. I saw a little bit of this information, I know very little about it, but to me to see a potential employer landowner that's willing to have taxes imposed upon himself to improve the infrastructure that might bring in industry and jobs and more structure to our neighborhood, I'm all in favor of. I'd like to support that, don't know any of these landowners. Being a landowner in West Riverside, I've heard potential that this could be expanded to the west or north of the Blackfoot River as well, and could be potentially across the street from my neighbor...from my land, which when I was 17 years old, I actually created a couple of mobile home lots on that land and thinking things are going to change over the next few years and I might do something more enhanced with that land. Now it's been close to 40 years now and about the only thing that's happened to that neighborhood is more trailer courts. So what's got me interested is the potential of sewer development. This landowner interested in putting in a sewer plant for their facility...facilities may benefit the community out there as well. And I would like to entertain that idea that possibly West Riverside is a pretty highly dense area that is limited on growth because of lack of sewer, I think it's probably a no starter to leap for the City to annex that in and connect to their sewer but I'd probably not be in favor of that. If there is any possibility that we can connect the portion of West Riverside to a separate sewer out there, I would like to entertain that to see if that may allow us to improve our properties and their values. I think it's time for me to move on from mobile home lots to nicer, modern, affordable housing that would benefit the community and I would like to start that on my own, if I could. Thank you.

John DiBari: Thank you. Anyone else like to speak. Okay, seeing none, we can close this portion of the public hearing and we can have discussion amongst the Board. Anyone like to start? Mr. MacArthur.

Don MacArthur: So this is by way of comment, I guess, first. I'm very much in support of the idea

of establishing a TIF district out here. I am trying to figure out how...this is kind of unique piece of land in that it has this, you know, incredible industrial history, some great infrastructure that supports and a river that goes along a large portion of the site that is vitally important to our resource protection goals. So the question...I guess the question is, how do we create a TIF district that responds to both those things and how do we, in our Growth Policy, set up enabling language for TIF districts that starts to recognize both, you know, economic development goals and the goals that we may have as a community for the overarching goals that are in the Growth Policy. And you guys, in your staff report, you talk about this overall principles and goals on Page 5 and 6 that are, really, lays out the criteria and the overall understanding about how economic development always needs to be framed within our other goals. But I guess the question is how do we do that specifically and how is your language doing that specifically right now—the yellow language that you've shown us, how does that tie it back together? Is it good enough?

Lanette Windemaker: Our language is drafted to support the potential establishment of a TIF. How strong is the language in here in relationship to more specifically protecting your environment, your river, your corridor along there, I'm not sure I can answer that, that isn't something that we looked into.

Patrick O'Herren: So I think what we have are two separate issues that are going to be linked in time. What this particular proposal does and these amendments will accomplish is giving us part of what you're looking for, Don, not the entire thing. The Growth Policy currently recognizes the Blackfoot River corridor, there, as not being industrial and our hope is that as with any new owner that acquires riverside property, that we would be able to work with them as they talk about developing those areas. But, again, I think what issue is probably more related to is future Growth Policy amendments and I may have mentioned in an earlier meeting that our Growth Policy needs amended and updated and this is one of the higher priority items is our river corridors and how to deal with them. So perhaps not a satisfactory answer in trying to link those two tonight, but it is a multi-step process.

Lanette Windemaker: Mr. Chairman. Excuse me, Mr. MacArthur, while it's not real strong language, I...opening paragraph of the TIF plan, which you looked at...you would be asking about its conformance to the Growth Policy ultimately. There's a sentence where we talked about in addition redevelopment of the Bonner mill site presents opportunities to address the Blackfoot corridor in the context of these activities. It's not a...it's a real general statement but I think it begins to provide, at least in the context of this particular district, we need to protect that corridor as part of this. And so the fact that the community will be involved in planning the infrastructure for that area that special care can be taken in respect to that important resource in the community. And, again, we don't get into...in our work and to the specific way in which development occurs, only that the...I mean, that would be within the confines of your zoning regulations, certainly, and any other regulatory processes that impose regardless of whether it's a TIF district or not. But we are aware without...again, it wasn't within our purview to address the natural resource values that are so important to the community. But we are...we try to recognize it, at least reference it in the document.

John DiBari: Go ahead.

Don MacArthur: I had underlined that sentence, too, because I didn't think it was specific enough. I guess the context that I'm asking the question is that we're being asked as a community to allocate future revenue, community revenue, toward a specific piece of land. And the question really is what's that money going to be used for and does the money...you know, this is community money, does it get used to further community goals and how is that controlled. And I think that's the sort of question that I'm asking about this district and I think I would guess that everyone on the board supports some visions of how that money could be used, but there may be visions that are not precluded that we would not support at all. And I guess what I'm trying to figure out is...are...tonight, do we have any of those tools, is there anything we can delve into that will help us give assurance that the way that that money is allocated actually does further Growth Policy goals and not just economic development goals, but goals across the board. So let me...that's my sort of statement and let me suggest something that as I was reading through that I

thought would help for me. On Page 7 of your staff report, there's a three highlighted line items: 20, 21, and 22. And one thing that I was curious...well, I'll just put it out there first and we can talk about what the point was. So I thought that all of those things should be subheadings to a paragraph 20, if you will, or line item 20 that was something like encourage the use of TIF districts for redevelopment of blighted areas as to spur economic development and vitality in the community. You know, that's sort of the overarching Growth Policy goal. We want to encourage TIF districts. Then I thought there should be another sentence that says something like TIF districts must balance, you know, other goals of the Growth Policy. Just as an overarching statement that sort of puts it in the context, yeah, TIF districts are the...we want to do this economic development, but we want to do them in the context of Growth Policy as a whole. So that was just trying to frame it back into the whole document in a very straightforward way. And then I thought that these three items, in some way they seem random to me if I don't know that they are just out of state law, so I thought it was better to put all of these three times as a subheading of that overarching thing and then go back in and say, you know, promotes secondary value added, promote value-added technology, encourage aerospace transportation and technology. Is there...I mean does that fit into the...your understanding of what you're trying to achieve?

Lanette Windemaker: I would...if we were to change that language, we could change that language in the way that you're discussing it, it's...the key is the general overarching statement is blighted and infrastructure deficient areas in...as you say, balancing those things with the Growth Policy and then specifically listing the types of activities that state law requires...provides for in its tax increment financing provisions, which are these somewhat random, as you point out, urban renewal, industrial, technology and aerospace and they're the types of activities that are allowed under this provision.

John DiBari: There was a gentleman in the audience that wanted to speak in reference to this particular item.

Mike Boehme: Thank you. My name is Mike Boehme and I am one of the co-owners of the Bonnerville...or the Bonner mill site. Along with Steve Nelson and myself, we are native Montanans, we have lived in Missoula for many years. I was born and raised in the northeast portion of the state, came here to school, left for many years to make a living and returned. Our intent with the mill is to make it an asset to the community, not just to Bonner, but to Missoula. One of our visions for the property as we develop it is to create a trail system. Now, whether or not that can be part of the TIF program or not, that still is yet to be determined. If you look at a map of the area, you will see that the Black Bridge kind of dead ends, just as it crosses the river. Our desire—my desire—is to extend that along the Blackfoot River up to the corner of the property and where the old rail system used to cross 200 and then go behind the homes in Bonner, would make an excellent addition to the community. Steve and myself are also (I don't know if you've been through that corridor lately) but we own the 16 homes that have been in disarray since 2007. We are in the process (with our own funds) of renovating that property to bring life back to the Bonner community. We're very proud of what we're doing. We have made a commitment not only to ourselves but to people in the community that we will not do anything that's going to ruin the quality of life. Are we in this for a profit? Absolutely. We're business people, but we also have to live in the community and we're not outsiders, we're here to develop it for the benefit of everyone in the Bonner and Missoula County area.

John DiBari: Thank you.

Don MacArthur: Could I respond to that? I guess I just want to put out the point that we're not...when we amend the Growth Policy we're not just looking at a specific property, we're looking at enabling language that every TIF district in the future can and will use. And so we ought to be looking at how do we fit a TIF district into the overarching goals of Growth Policy.

John DiBari: And that's something along the lines of what I was going to say, too. Your intentions are great but we're trying to take a broader brush approach here and try to ensure that as we do this, it applies universally throughout the community in a way that makes sense for TIFs in

general. So thank you for making your point, sir. Mr. Skufca.

Tim Skufca: Just on...regarding the maps, there's not a proposal to change...these are existing zoning and Growth Policy, correct? So there's no map changing.

Lanette Windemaker: No, there's no map change involved in this.

Tim Skufca: It's purely text.

Lanette Windemaker: It's purely text.

Tim Skufca: And in the...in these maps, it looks like there's three parcels within the designated area—is that correct?

Lanette Windemaker: That's correct at this point.

Tim Skufca: And do you guys own all three?

Steve Nelson: No. The...

John DiBari: Mr. Nelson.

Steve Nelson: There's three tracts—1A, 2A, and 3A; 3A we own, 2A is really the plywood building, kind of in the middle there and that is going through subdivision review right now, Northwest Paint owns part of that; and then 1A is where the logs are and that's owned by Willis Enterprises.

Tim Skufca: So you own the parcel that adjoins the river.

Steve Nelson: We do.

John DiBari: Thank you. Pat?

Patrick O'Herren: In visiting briefly with Jan at DOR, I don't think we would have any difficulty at all with the statement overall policy included in the Growth Policy that recognizes the importances of streamside areas, that sort of thing. In part because the TIF is outside of that portion of the Growth Policy that you see on the map that you have. The river corridor is recreationally designated and the TIF is outside that, so there's no difficulty having a separate goal that recognizes the importances of those amenities.

John DiBari: The other resources that have enumerated in the Growth Policy as well. I know agriculture isn't here but there are other related resources that would come into play, correct?

Patrick O'Herren: Correct.

John DiBari: Ms. Long.

Jennifer Long: I guess that was my comment, in addition to, say, the river corridor, but what about the historic value of this site. And also how do you make sure that the industry actually benefits the neighbors, and I'm not just talking the rest of Missoula County but I mean the actual neighbors just outside of it, I mean, I know we talk about sewer and infrastructure, but how do you make sure that's actually infrastructure that benefits the neighborhoods rather than benefiting the industry itself, so that would be kind of a concern or something to point out.

Don MacArthur: It might be in conflict at times.

Jennifer Long: Yeah.

Don MacArthur: Rail spur use at inconvenient hours, or...

Jennifer Long: Yeah.

Don MacArthur: ...other things like that, right.

Jennifer Long: Yep.

John DiBari: Janet.

Janet Cornish: To go to your question regarding how communities, neighbors could benefit potentially, the cost of sewer and water systems are obviously quite high. The tax increment district could pay, potentially, for those portions of the system that are in the district, but we'd lower the cost substantially for the homeowners adjacent so they could have those services, you know, at a reduced cost because of the presence of the large capital investment that would be available for that infrastructure. Again, the discussion the...or the efforts on the part of the landowners to improve that housing could, actually, again, that's incidental to the creation of the tax increment district, but it's something already going on that could potentially create, you know, opportunities for people to work in the neighborhood or close by to where they live. But I would guess, and not to dismiss your question at all, because I think it's really valuable is that that's why we have zoning and why areas are zoned differently to help buffer some of those uses. And we talked, even, about some of the potential and one of the things that the funding could be used for is some buffering between, you know, industrial sites and (and I know there's already some buffering there) that could actually...again, the tax increment district can help address those...those things. But I also wanted to say and Pat and Lanette can bail me out if I dig a hole too deep, here, but I...one of the things is that the tax increment financing thing...provision and enabling that to occur does not mean that we wouldn't follow your own zoning rules, any kind of environmental concern, natural resource concerns, that all stays in place. This is, again, simply a way in which to provide support for the infrastructure that's needed or the blight that needs to be removed in an area that has potential for economic development. The types of uses that occur there would, you know, again, be subject to the same zoning laws as anywhere else in the community that's zoned industrial. And the decision on projects specific is Missoula County has a tax increment financing committee that advises the County Commissioners and that is...and that committee makes the decisions on specific projects. All we're doing at this process is identifying what some of those things might be, but it's not a specific plan in the sense of a Capital Improvements Plan or any document that's set in stone. It's simply saying this is an area that could benefit from reinvestment of property tax dollars in support of economic development, but it does not replace or supersede any of the laws that you have to protect the interest of adjacent property owners or to interfere efforts to conserve or protect important natural resources.

John DiBari: So, these are two discretionary actions that we're going to be taking—one to amend the Growth Policy and one to apply zoning. Once that's done, if a project comes in that complies with zoning, no more discretionary actions take place. So there's no opportunity to condition zoning or to talk about how we ask about public infrastructure, like a trail, even though it's something that you guys are interested in doing anyhow. So, I think the questions that we have here are good in the sense that what we're trying to do now is ensure that these important community values are represented through the Growth Policy because after tonight, potentially, there's no more hearing before this board about what recommendations might take place as far as that land gets used.

Janet Cornish: Certainly you could amend and change the Growth Policy over time that may have some effect on it, but the role this night is to make sure what we're proposing to do with the creation of the district is going to be in conformance with your Growth Policy and without these amendments, it's not.

John DiBari: Anyone else have a question? Mr. MacArthur.

Don MacArthur: So it's not really a question, it's in the larger picture what my hope was that in the Growth Policy area that we were tying back in TIF districts into...you know, framing it back within the Growth Policy overall goals, which I tried to do with that statement that I read out. I think that there's another layer, which you sort of alluded to, which is how does the TIF district plan actually provide guidance to the decision makers so that that...the money is distributed in ways that do conform to Growth Policy. That seems to me to be our other mission tonight, we should look at that plan carefully enough to see whether there's any guidance there that actually directs the way that the money is spent within the context of the land use framework of Missoula County. And I think it's a little not quite there yet. I mean, the only statement was that one line that was read off to me by Janet earlier, there's not a lot, other than that, in there that provides guidance to the Board at the County that is going to be making decisions about how to allocate this TIF money or

whether to write a bond issue for major infrastructure. And it seems like it's deficient right now in that it ought to more clearly delineate some of the goals and conflicts that there might be with the neighborhood and so I'll say that. And then the other thing is that the other districts that the County runs right now have...are different than this. This is really a community...it's a core of an important part of our community, it's a neighborhood, you know, it is part of a neighborhood in ways that the other districts are not, in my opinion, and it has...it's more complex. And I'm not sure that the decision making framework that's working right now just fine for those other districts will adequately represent this really careful urban design requirements.

John DiBari: So I wanted to ask you a question, Don. Because we have these two different actions that we need to take, is the one that is addressing...is your comment that addresses the plan itself better addressed...

Don MacArthur: That's later.

John DiBari: Okay, great, just wanted to make sure where you wanted to parse that.

Don MacArthur: So let me...if folks are ready for this, maybe I would make a motion. And I don't know if I heard specifically from Pat and Janet and Lanette whether they are okay with this or not, but I'm going to try...

John DiBari: Can you hold off for a second?

Don MacArthur: Yeah.

John DiBari: Because I know Tim Skufca has a comment.

Tim Skufca: I know that all this stuff is great, but I wanted...I'm still stuck a little bit on pushing this through so quickly. I know we went through this Growth Policy recently in the last couple years. What's the standard procedure that by pushing it so quickly we're missing right now.

Janet Cornish: Again, we...the decision that the County came to us in September and asked if it was possible to do this, I think the primary reason that we're looking to push it through quickly is that...you know, there's kind of a chicken and egg situation with tax increment financing, that in order...you know, you want the development to occur but you can't have the development occur unless the infrastructure is there and you can't pay for the infrastructure unless the development occurs. So there's...some of the ways you deal with that are where the landowner or the property owners can sometimes agree to pay taxes through assessment agreements until the actual, they actually to some...or they actually invest in those new...new private property so that we can start generating increment. There's lots of difficulties and...I should say lots of challenges in actually getting this to work. But critical to this is creating a base year when the property value is at the lowest point.

Tim Skufca: I understand the economics.

Janet Cornish: And so, if we want to have enough of an increment to begin realistically providing the kind of incentive and support for industrial development, the County or the jurisdiction does best when that increment, when that base year is low. And given that there's going to be some...there's already been a little bit of development that has started to occur this year in anticipation of more and...but more will depend, again, on the ability to put in more infrastructure that we would lose that incremental value that was generated...that was generated...when you say the base year is 2012, actually it's anything...the base year is January 1 of 2012; which then means that any new development that occurs during the year 2012 becomes part of the increment. If we wait, and don't do it this year, then that new development that occurred this year will become part of the base and the base will be higher.

Tim Skufca: Right.

Janet Cornish: So the urgency, to be very honestly, is in that we would fail to recognize enough increment to be useful as soon as we would like to be able to encourage this development. So it's a timing issue, certainly.

Tim Skufca: Well, what I was getting at was that the growth...like Bob said, the Growth Policy is

an important document and there's, you know, a dozen people talking about it at the only public meeting. What...I know you're not James McCubbin, but you must sitting in his chair. What are the legal issues by not involving Missoula more?

John DiBari: State you name, too, please.

Dori Brownlow: Yeah, Dorothy Brownlow, Dori Brownlow, and I'm Deputy County Attorney in the Missoula County's Attorney's office, so that's why I'm sitting in James' seat. I think...I mean, as long as the notice and hearing provisions are met, then from a legal perspective, I think everything has been done and we worked through that and Janet and Lanette, you know, went through and we spent quite a bit of time, they spent quite a bit of time, making sure in a time wise that we had sufficient time to do what we needed to do, so I'm comfortable with it from a legal standpoint that all the hearing...that the hearings and notices have been properly given.

John DiBari: Mr. O'Herren.

Patrick O'Herren: Tim, in terms of process, two minor differences, one is that we hired a consultant, because staff couldn't fit this into its workload, so that's a very minor difference. The other is that you scheduled...we asked you to hold a special meeting as opposed to having your regular meeting whenever we could get here in December. So as far as anything really different, that's as close as we come to different and we didn't think those were substantial. The notice has been the same, the community has been involved, the school board, the community council, and obviously members of the public from West Riverside. So no real significant real differences in terms of hurry up.

Tim Skufca: Thanks.

John DiBari: Mr. Ibey, do you have any thoughts or questions, comments?

Tim Ibey: Well, no, I just...I'm also a member of a tax increment district out in the Expressway area, there, and they work great. They really don't have anything that they affect people around them except that they offer...especially in ours, they've offered walkways, they've offered little picnic areas, lighting. I'm not sure, I think the roundabout, but it's still out as to whether that was a good thing or not. I personally like it, it keeps traffic moving and I'm good with it. But...so, I think they're a great tool and I think they work well. I'm mulling over some of the questions that...or statements that Don has come up with and it seems to me as though in our Growth Policy what we should have is something that is promoting these type of things and I think you're very right in the fact that it needs to fit the entire document, not one specific development, so...

John DiBari: Mr. Little, you have anything you'd like to share? No? And just a general comment: oftentimes, you know, we kind of cleave off a really, really thin slice of something and kind of lose the bigger picture and I'm hoping that through what Don had to say and some of the other folks on the Board that we can kind of craft something that ties this narrow interest into the broader document. So, Mr. Skufca, go ahead.

Tim Skufca: One last...I don't know if we have time for comments, but I'm going to squeeze it in while I have the chance. But contrary to some of the statements earlier tonight, I don't see a worse land use than industry right next to a river. And that's unfortunate part of what we're doing. We're going to tie this in for perpetuity, I think, by doing this. Whereas if (maybe I'm wrong) if there wasn't a TIF on here we could change the zoning and lighten that connection, there, in the future. So, I don't know what to do with that, but I don't like industry where it is there.

John DiBari: You can save that for our discussion about zoning. Mr. O'Herren.

Patrick O'Herren: Thank you. Just a couple of clarifying points. One, if there are no amendments to the Growth Policy to address TIFs and if the TIF doesn't go forward, under the current situation, the Growth Policy stays the same and industrial uses come in here and go and the only thing you know about it is when you see that they're hiring or they purchased it, so tonight, I think, we have an opportunity to make the Growth Policy a little stronger not only to address this but to address the issues that you've brought up in the bigger picture. And secondly, there is a Board that must approve all TIF expenditures, if I'm correct, and that is where the County Commissioners and

public have input into what kind of infrastructure is actually paid for by the TIF. If that's not correct...

Janet Cornish: No, that's...yes. As I...as Pat's mentioned, as I've mentioned earlier, the...our role, again, is to...as the County has indicated its interest in doing this, is we've provided assistance so that we meet the requirements of the law. And that's...and certainly through a couple of things, I wanted to say first, changing the language of the plan as Mr. MacArthur had suggested adding some language there and rephrasing the amendment language to address those issues we can go a long way. But the actual activities in the district, the kinds of infrastructure projects, again, are decided by an advisory committee that this gentleman serves on and we've talked about the potential of adding some folks from the Bonner Community to that Board so that the community are also represented on that TIF Board. But, again, the specific decisions about infrastructure are made in an advisory...by an advisory board and those advisory...the suggestions are then made to the Missoula County Board of County Commissioners who ultimately make the decisions. And that is an open public process and again if you have language, as Mr. MacArthur has suggested, in the Growth Policy, as well as some language that we could certainly put into this planning document that can help say to the community these are the overall guidelines, we want to be respectful of the neighbors, we want to protect important natural resources. That's not anything that...I mean, those are all things that can be done to begin to address the concerns you're expressing here, but it was...and those are things that we would certainly be happy to help change these documents in a way that will accommodate those concerns, that's very easily done, that's why we're here, so we can make sure that as you make them...you're in turn recommendations to the County Commissioners that you're comfortable with that these words are and how we achieve the very important goals that you have stated here.

John DiBari: Thank you. Are we ready for a motion, then?

Don MacArthur: I'm sure I'll...I'll make a motion that we...on Page 7, in your highlighted area, there are paragraphs 21 and 22. So I'm going to make a...and this is very kind of specific, but I guess I'm just trying to frame it out there so everyone understands what the point of the motion is. I'm going to make a new motion that is to create one paragraph, 20, that is in an overarching way talking about the goals of TIF districts and then it has subparagraphs, you know, 1, 2, and 3 or A, B, C, or whatever they need to be that are those paragraphs 21 and 22 right now. So that's the frame of it and what I want to put in Paragraph 20 is this...has this gist and I'm looking for help from Janet and Pat to make sure that it says the right things. But here's the motion is that there be a new paragraph 20 which is...says encourage use of TIF districts for redevelopment of blighted and infrastructure-deficient areas in the community, period. TIF districts may spur economic development and vitality in the community through public investment, period. Public investment dictates that TIF districts must balance other Growth Policy goals with economic development goals, period.

Janet Cornish: Very nice.

Don MacArthur: So that's the overarching statement, then the three subparagraphs. That's the motion.

Janet Cornish: Okay. Very good. You have those words...those are very good words.

John DiBari: We'll assume that they have been recorded.

Don MacArthur: I have them scrawled in here, I don't know if I could do them again.

John DiBari: There's been a second by Mr. Ibey. Discussion? You like it.

Don MacArthur: So let me add one other piece, I don't know how you want to handle this, John, but the current Paragraph 21, I think, should have a little bit of wordsmithing done to it and I guess I'd rather do that as a second motion, but...

John DiBari: That's fine, we can take it separately. Mr. Little.

Pat Little: While fully agreeing with the intent of the motion, I just wanted to ask if the overall

principles and goals stated on the bottom half of Page 5, which include the right to a clean and healthy environment is fundamentally important, economic and social well-being is tied to the quality of the natural environment, long term economic stability and a high-quality living environment should not be sacrificed for short term economic gain and some other pieces there, whether that doesn't already cover. And I don't know how the different sections of this document precede each other or stomp on each other or whatnot, but it seemed as though there was some wording that kind of might satisfy but I certainly don't understand the structure of the document very well.

Don MacArthur: So if I could speak to that first. I was looking up above in this same page where it says things like support development of neighborhood commercial centers which satisfy community-wide goals and are designed to mitigate negative impacts on residential neighborhoods. I mean, so the... all of the goals kind of have within them this balancing act, I think, inherent in it and I guess I was trying to follow that format.

Pat Little: Sounds good to me.

John DiBari: Any other comments? Okay, why don't we go ahead and take a voice vote, is it? **All those in favor, say, "Aye."** [Board members stated "Aye."] **Opposed?** [Board members were silent.] No nays. Ayes have it unanimously. Okay, Don, you had a second section?

Don MacArthur: So on the second paragraph of that page, it says promote value-adding technology infrastructure development projects that create new wealth from outside Montana through appropriate land use designations and development incentives.

Janet Cornish: That's from...

Don MacArthur: There's some kind of presidential joke in there, but I don't think I'm going there. So I think what... I think what it should say is something like promote value-adding technology infrastructure development projects that create new wealth through sales of products outside of Montana.

Janet Cornish: This is... this is language that we took directly from Montana state law. And it is... that's why it says it the way it is. And, actually, the law goes further to say it has to be at least 50% of the businesses in the... this is for a technology district, not one we're creating here. They are very specific about what the purposes of those technology districts are supposed to be.

Don MacArthur: So later on you say... it says something like technology districts must, through the employment of knowledge or labor, add value to a product process or export service that results in the creation of new wealth of which at least 50% of the sales...

Janet Cornish: Yes.

Don MacArthur: ...of this organization occur outside Montana. That I understood, this first one I did not.

Janet Cornish: Okay.

Don MacArthur: All I want is for you guys to figure out how to shorten that in a way that doesn't sound like we're creating wealth outside Montana.

Janet Cornish: Oh, gotcha. Okay.

Don MacArthur: I think we want wealth inside Montana for our investment of tax dollars and that it's... you know, the sales are outside Montana.

Janet Cornish: Gotcha. So...

Don MacArthur: So maybe we can just leave that for them to craft a little bit.

Janet Cornish: We'll fix that. We'll fix it.

John DiBari: A question that I have for you is the language that Don suggested changing occurs in at least two other locations, do we want to, for sake of consistency, make sure that those

language changes take place in each of those locations?

Patrick O'Herren: Staff will do that.

John DiBari: Okay, great, thank you. Any other proposed motions? As...

Don MacArthur: Not on that section.

John DiBari: Okay. Discussion on any other items before we look to the main motion? Mr. Skufca.

Tim Skufca: Nothing we are doing at this point identifies the geographical area, correct?

John DiBari: These are amendments...

Tim Skufca: Just...

John DiBari: ...just to the Growth Policy, as I understand it.

Tim Skufca: The TIF isn't identified in this document.

Janet Cornish: No, the Growth Policy relationship comes within making sure we've identified these types of activities and the goals that there are specific strategies listed that enable the community to use tax increment financing and that your land use maps support the zoning that you've already...and that's already true, I mean, we've already...in your land use designations in the Growth Policy have identified this area's industrial. And then, the other is just the demographic information. And one of the things that Missoula County Growth Policy...where we felt an amendment was necessary was in the actual description of employment figures and the existing characteristics and future trend section of your Growth Policy, there was some additions there that needed to also support in terms of need for job creation. But there's no...the Growth Policy document itself doesn't have layouts specifically where TIF districts will occur.

Tim Skufca: And do we identify that TIF tonight? This spot, in any of the process tonight?

Lanette Windemaker: In the next item, when we get to it, you will address whether the zoning is in accordance with your Growth Policy and whether the plan is in accordance with the Growth Policy.

Tim Skufca: But nowhere do I see that this yellow is what we're actually identifying as this particular TIF.

Lanette Windemaker: Well, yes, that's what you have to...

Tim Skufca: Okay.

Lanette Windemaker: We related it to your Growth Policy and your zoning.

Tim Skufca: I know that during...in accordance...but what if we wanted to change the boundary and how would that happen.

Lanette Windemaker: We would have to...

Tim Skufca: Not that the industry would change but the TIF part of that...that parcel.

Lanette Windemaker: You would have to make that recommendation to your County Commissioners.

Tim Skufca: Okay.

John DiBari: Mr. MacArthur.

Don MacArthur: So I'm now on Page 9 of 12 and the first highlighted paragraph there says assist in the development of necessary public infrastructure in support of value adding industry. And I wondered about the word...it seems very prescriptive that we are going to as a community assist in this infrastructure development. And I wondered...you know, the other ones say facilitate development of infrastructure and I wondered why that one says assist and the others say facilitate.

Lanette Windemaker: Just trying to break up the language. We can certainly make it facilitate.

Don MacArthur: Okay, I'll move that we change that to facilitate.

John DiBari: Second?

Tim Ibey: Second.

John DiBari: Mr. Ibey seconded. Discussion.

Don MacArthur: And I'm not saying that we shouldn't necessarily... I mean TIF dollars probably would be largely used to actually assist and maybe even purchase the development of those infrastructure needs, it's just that I'm not sure that we should promise it, you know, we should...yeah.

John DiBari: Any other discussion? Voice vote, please. **All those in favor, say "Aye."** [Board members stated "Aye."] **Opposed?** [Board members were silent.] The Ayes have it. Discussion on any other items.

Don MacArthur: So the last thing I was looking at was in the Exhibit One, where it does start to... I mean it starts to talk about industrial land uses and gives a little history that relates this Bonner mill to a larger context of loss of timber industry, mill site activity. And then it kind of starts to talk specifically about the opportunities at the Bonner mill site. Which all seems reasonable to me, and I guess the question was where does...where do we talk about it... I mean, if we're going to frame it in the context of industry and loss of jobs and that stuff, is this also a place that ought to frame it in the context of, you know, the other Growth Policy goals about creating a revitalized Bonner community and riverfront goals that are newly available with the removal of the dam. And is there a broader context that we're spelling out here that ought to include those things or should we do that in the next section.

Lanette Windemaker: We think...we intended this section to address industrial land uses, that's what the heading of it is, and it sounds to me like what you are heading for should be addressed in...

Don MacArthur: Yep, I agree.

Lanette Windemaker: ...another time and another section.

John DiBari: It also seems to me that Exhibit One scales up from the previous material in this document and so that the comments that you made earlier should be reflected in the language that actually shows up a little bit later in Exhibit One. Is that correct?

Lanette Windemaker: Yeah, what he's talking about is the one section that's just verbiage...

John DiBari: Right.

Lanette Windemaker: ...and didn't show up in our goals analysis in the beginning because there's no goals, it's just a characteristic and trends discussion is all it is. Which is why I think his concern belongs elsewhere in the next work that they're doing in the Growth Policy.

John DiBari: Right.

Don MacArthur: Okay.

John DiBari: Discussion on any other items? Are we ready for the main motion? Mr. MacArthur.

Don MacArthur: I'd make the motion that the proposed tax increment financing Growth Policy amendments as shown in Exhibit One as amended tonight be approved based on the findings of fact and conclusions of law contained in the staff report.

John DiBari: As amended.

Don MacArthur: As amended.

Tim Ibey: Second.

John DiBari: Seconded by Mr. Ibey. Can we do a voice vote on this one or would you prefer a roll call? Pat, is there any rationale. Okay. Voice vote, please. **All those in favor, say "Aye."** [Board members stated "Aye."] **Opposed? [Board members were silent.]** The ayes have it. That item has passed.

B. Accordance of the Zoning and Conformance of the Bonner Mill Tax Increment Finance District Plan with the Missoula County Growth Policy

John DiBari: Okay, so we'll move onto our second public hearing tonight, which is accordance of the zoning and conformance of the Bonner Mill Tax increment financing district plan with the Growth Policy that we just amended. Lanette.

Lanette Windemaker: Thank you, Lanette Windemaker, planning consultant. Already had a lot of discussion on this and maybe we should take this in two steps, possibly. I would suggest that we look at the accordance of the zoning with the Growth Policy first of all, and...because I think that's fairly straightforward. You have your Growth Policy land use designation map, which designates...and the area we're looking at...there is more yellow on this, but it is the area outlined in yellow and it designates that area as heavy industrial, okay? And then...so the question is: is it zoned, conversely, heavy industrial for heavy industrial use or at least industrial use in accordance with the Growth Policy and this is your zoning map, it's zoned C-11, there it is.

Tim Skufca: C-12.

Lanette Windemaker: C-12, I'm sorry, and that is a heavy industrial zoning. And so there was an evaluation where we walked through that in the staff report and discussed it and for all intents and purposes it appears that those...that the zoning is in accordance with your Growth Policy, there's no change proposed to the Growth Policy or to the zoning with this action. So that's the first thing.

The next question was of some...of which Mr. MacArthur was bringing up was is the plan as we proposed, and that was attached to your staff report, in conformance with the Growth Policy and there has been some discussion on that and I'm sure you'll want additional discussion on it.

John DiBari: So is there any objection to splitting this into two pieces? Nope, okay, so let's address zoning first.

Don MacArthur: Public hearing, do you want to hear from the public?

John DiBari: Certainly. So anyone like to speak in opposition to a determination that the zoning is in conformance with the Growth Policy? Anyone like to speak in favor of it? Okay, we'll close that public portion of the hearing. Board discussion. Mr. MacArthur.

Don MacArthur: I'd make a motion that the Missoula County Planning Board agrees that the proposed Bonner Mill Tax Increment Financing District is zoned industrial in accordance with the Missoula County Growth Policy.

John DiBari: Is there a second?

Tim Ibey: Second.

John DiBari: Mr. Ibey seconds. Discussion? Seems pretty straightforward and obvious. Okay, can we have a voice vote on the motion. **All those in favor, say "Aye."** [Board members stated "Aye."] **Opposed? [Board members were silent.]** None in opposition, the ayes have it, motion carries.

Okay, item Number Two. Lanette, would you like to speak some more on that.

Lanette Windemaker: Oh, I guess what Pat wanted you to put in your motion was "the Growth Policy as amended tonight."

John DiBari: I would ask that the record reflect that it's based on the Growth Policy as amended at tonight's meeting. Okay, Lanette would you like to speak some more about Part B?

Lanette Windemaker: Part B is...

John DiBari: Which is your plan in conformance with the Growth Policy as amended this evening.

Lanette Windemaker: Yes, that is the question. What the plan has in it is a fairly non-specific discussion of what can occur out there. It talks about industrial uses that might go in in terms of, what are those, the taxing... industrial tax codes.

Janet Cornish: Yeah, yeah, industrial codes.

Lanette Windemaker: And they are... what's discussed in here are fairly industrial uses in accordance with the zoning that's out there and the Growth Policy designation. It also talks about the type of infrastructure deficiencies that are out there that might be funded through this process and so I guess I don't have too much to say. Answer any questions, there was, you know, some concern about whether this had a close enough tie-in to other aspects of the Growth Policy, we did ask Pat if he could, at some point, you know, unless come up with something tonight write a paragraph that beefs that up a little bit.

Janet Cornish: Yeah, and, Mr. Chairman, per our conversation earlier with Mr. MacArthur about having the plan reflect that need to address and the other goals of the Growth Policy with respect to natural resources and that river corridors and other sensitive areas... as Lanette mentioned, we've asked Pat to help us draft a paragraph that would encompass those concerns and more than just a passing reference in a sentence and I would, you know, if Pat can help us draft that and... in a way that reflects our conversation, we'd be happy to, you know, we would certainly do that to keep the plan, again, more closely aligned with the Growth Policy as amended this evening.

John DiBari: Thank you. We'll dispense with the proponent, opponent part of this, but is there any one from the audience who would like to make comment on this portion of the discussion? Seeing none, we'll close that portion of the public hearing and we'll entertain Board discussion. Mr. MacArthur.

Don MacArthur: So I had a couple specific questions first about the... the area that is land use designated as open and resource, how does that actually relate to the river, the edges of the river. Do we know that? I was looking at... there's an aerial photo in one of them that makes it look like that open and resource area, some it actually is or all of it is in the river and the actual line includes the river. I mean, if you look at this aerial photo, unless there's just kind of a... you know, parallax error or something it doesn't look like there's any buffer between our district and the river itself.

Patrick O'Herren: On the zoning map, that's correct, there is no distinction. In the land use... in the Growth Policy, in the land use designations, there is a recreational corridor through the industrial zoning. That's why the TIF only incorporates that area that's designated on the land use plan as industrial, it does not incorporate the green portion.

Don MacArthur: That doesn't help me so far. I'm looking at this map, what is the boundary on this map represent? Is that the district boundary?

Patrick O'Herren: And the property line.

Don MacArthur: So the property lines appear to actually, you know, go into the river at some areas, so there doesn't appear to be a riverfront trail or buffer that exists between the property line and the river itself. Is that accurate or is there a mapping question?

Patrick O'Herren: Without a specific survey on the ground to show where that property line is, you may be correct. However, if there is a TIF district formed, improvements within that TIF district can create or help fund that buffer and trail.

Don MacArthur: It doesn't address that there's protection, necessarily, of the riverfront, though. And I guess the difficulty we have, though, is that the TIF district has to follow existing property lines. Right? You cannot split a property. Is there any way to put... or is there any way to put restrictions on to the property as part of the designation? I mean, could there be a buffer indicated

along that river as part of the designation process through some separate agreement? I mean, it's not within the TIF agreements, I guess I'm just trying to understand here.

Janet Cornish: There's...within the TIF plan, we could certainly say that development...again, it's not a regulatory document, it's a conceptual plan and it says that we want to use TIF to make these improvements. Essentially, the plan says that this area has deficiencies, we're going to use tax increment financing to address them. That's really what the plan says. And that's really what the...and I'm not...that's not the role of the plan, what you're talking...but we can say in the plan that we can fund buffering areas, that part of the things we can do is create protective barriers between industrial development and the river with these funds. But the regulatory aspect has to be either in your zoning ordinance or in specific covenants that you would enter into with the property owners. But the TIF district itself only funds projects that it's allowed...that you granted authority to fund, but it has no regulatory function.

Patrick O'Herren: In addition...excuse me...

Janet Cornish: Go ahead.

Patrick O'Herren: In addition, you have the ability to recommend to the County Commissioners that as they administer the TIF that these are high priority items as recognized by the Planning Board. And I, you know, to go to Mr. Ibey's example of the roundabout, there are also parks, trails, picnic structures, all of those other things in that district as well that are funded by the TIF.

John DiBari: Mr. Ibey.

Tim Ibey: And maybe this is a question for Pat. I remember when we were going through the Growth Policy out in...or the plan out in Lolo there was a river setback, a high water river setback, no build zone, or whatever—is there anything in...that would help us out with that in this area?

Patrick O'Herren: It would have to be in the existing zoning, and there really isn't. the only setbacks are basically yard setbacks in the existing heavy industrial zoning.

Tim Ibey: So, Don, do you remember that? That we had something in Lolo, the Lolo Plan where it was 200 feet back or something like that along the river.

Don MacArthur: Didn't that go to the Supreme Court, too?

Tim Ibey: Oh, it might have.

Don MacArthur: You know, I guess I...you want to do...yeah.

Tim Skufca: No, go ahead, go ahead.

John DiBari: I was going to point...

Don MacArthur: I was going to ask the question whether there could be a prioritization of TIF money within the plan. Could TIF money...could we say, you know, the first TIF money is to create a riverfront trail system as a buffer.

Janet Cornish: What really is, again, this is money that's set aside to create industrial infrastructure in support of secondary value-adding industries. There are other things that happen. We...for example, you know, you can...you certainly can use the money for some of these other amenities, but the critical thing is to first bring in those industries to create the increment in the first place. And the other ones that need that sort of support. I also think and this is...the role of this committee, the advisory committee to the County Commissioners, is to help them decide what the priorities are based on the kind of analysis that committee does based on conjunction with the staff with respect to the types of industries that should locate there. The Planning Board can, again, approach the County Commissioners and say we think that the priority should be...we would like to see money spent on some of these things in keeping with our Growth Policy and our vision for the community, this is source of funding that might be used for that. But I always caution local governments not to get too specific in this plan, because then it could preclude taking advantage of real critical opportunities that appear with respect to secondary value added industries. And, again, I go back to issues like your zoning ordinances, design ordinances

and other vehicles, regulatory vehicles, where you can ask for the specific design standards and environmental protections of that developer when those developments occur. But that the purpose of this money is for that secondary value adding infrastructure development.

John DiBari: Mr. Skufca.

Tim Skufca: So if the process for changing the Growth Policy was as easy as we just accomplished prior to this part, is it the same with changing the zoning?

John DiBari: Go ahead, Pat... I'm sorry, Mr. O'Herren.

Patrick O'Herren: And a good example is the recent legislative session there appeared to be some concern on member...or delegation members from other parts of the state that Missoula County had zoned too quickly in Lolo, for example. And so they added an additional 45-day notice provision. What that means is that if a developer or a new land owner wants to come in and change the zoning say, from light industrial to heavy industrial, to accomplish specific purposes that are supported by the Growth Policy, he or she has to go through an additional month and a half of just notice to change the zoning.

Tim Skufca: That's whether...

Patrick O'Herren: It's much more difficult to change zoning...

Tim Skufca: That's whether it's text or map changes both or just map?

Patrick O'Herren: Both.

Tim Skufca: Both. So we can't change anything in the zoning tonight?

Patrick O'Herren: No, we are not having a public hearing on zoning changes. Correct.

John DiBari: Mr. Ibey.

Tim Ibey: Is it really within our purview to change zoning?

Patrick O'Herren: You can make recommendations to the County Commissioners who have that authority, after going through the appropriate notice and public hearing and testimony and deliberations and findings and conclusions and...

John DiBari: Mr. Skufca.

Tim Skufca: Go ahead, Don.

Don MacArthur: I was going to try and move us forward. So if we're still on this, you'd better go.

Tim Skufca: Well, I'm...it's difficult for me because of...that map issue, the industrial zone owner, there's nothing we can do about it, they can build up to, it looks like the river. That's unfortunate, I don't...maybe...I think I'm going to vote against whatever we do because of that. And it needs to be addressed before we put even stricter...more restrictions on solving that issue of a riverfront barrier.

Don MacArthur: You know, so I don't know the exact district boundaries of our current...there are actually three URDs in the city and want of them is down around the riverfront and may include the riverfront, I'm not sure. Certainly, in the past, we've included riverfronts in our TIF districts. I guess the difference is there's already...there's an established community benefit about what's going to happen and about what kind of investment would happen along that riverfront district where there may not be here. And I guess that's where we are at, how do we through what we do tonight send that message up to the Commissioners about let's try to create that vision and make sure that the Board that's actually going to vote on the distribution of TIF moneys in this district has as one of their highest goals to make sure that nothing happens that's in opposition to those goals. So I guess I was going to...I liked what you guys said about adding a paragraph and I wanted to throw out a couple ideas of what should reside in that paragraph and in addition to what you guys would, I'm sure, come up with anyway, and probably you'd come up with these, anyway, too. But the...now I can't read my own things that I wrote down, but...you know, creation of an

overall revitalized Bonner Community. I mean, obviously, that's one of the key elements here is that it's not just about creating economic vitality in Missoula County, but creating a vital Bonner Neighborhood. So that was one piece. You know, I think we've obviously beaten to death the resource protection piece, but in the context of the Blackfoot River and the removal of the dam and the sort of reopening of that section of the river to public access. That seems like it's very important and should be considered as, you know, a new opening opportunity.

John DiBari: Not to mention the incredible amount of financial re...

Don MacArthur: Resources.

John DiBari: ...resources poured into it.

Don MacArthur: Absolutely. And then, you know, there are probably... I guess I would also hope for the... spurring residential development in Bonner. And that sort of is inherent in that revitalizing of the community as a whole, but I think there's been a lot of resources targeted Bonner that are about trying to make it attractive as a satellite community and a community in its own right, but to get residential development back there. So those are my thoughts, maybe others have things they wanted to add. I think, you know, Jennifer added some things about the sort of conflicts that might arise between the industrial uses and the residential and...

John DiBari: Jennifer.

Jennifer Long: Yeah, I guess that's still my concern here that we're... you know, we are using potential dollars that could benefit outside this area and we're focusing them on this area and then we're pointing out all the good things that could happen, which could. But are we... we need to be aware of some other things that could happen. I mean is there an issue with... we could revitalize this industrial area and we bring, you know, money and jobs to this place and then we open up some sort of can of worms with dealing with sewer and bringing in sewer and sewerage this whole... this whole large chunk of private property. How does that affect the people outside where the sewers are traveling. I mean, that was a big deal in this... sort of this donut area that I sort of represent just outside of the city where then that led to issues with annexation and this community didn't necessarily want to be annexed or some people did, some people didn't. so it kind of opened up another can of worms and I just want to be aware... or I don't necessarily know what they are but I know that they... I think this is a good thing, so I'm not in disagreement with it at all, but I just want to be aware that this is also change and change is sometimes hard and sometimes there's unintended consequences. And so we need to be aware that there may be some and I'm not exactly sure what they might be but they maybe and I think some of the language that Don is adding sort of addressed that and addressed... but I just want to make sure that we are addressing those things or thinking about them at least.

John DiBari: Mr. O'Herren.

Patrick O'Herren: If I could maybe try to summarize. Recognize the potential for conflicts between growth and the protection of community values and the history and culture of the Bonner area. We can't be specific because we don't know what they are, but recognize that they could be there.

John DiBari: Mr. Ibey.

Tim Ibey: Well, I think one thing that... and I agree that the Blackfoot is a jewel out here, but the tax increment plan is only going to help put infrastructure in, it's not going to stop development. You know, the development is going to happen. This actually gives some public input as to the direction of the development and how it gets developed and what infrastructure things get put in. So this is actually offering us some input to it, I feel. And so, it's zoned; if they want to build condos up and down the... or whatever they can build up and down the river, they can do that. But if they want to be in a tax increment district, probably not. So actually, I see it as giving us more control than less control.

Unidentified Speaker: They can't build condos.

Tim Ibey: I know, but I mean...what I'm saying is that putting something right up against the...

Tim Skufca: But you could put a chain link fence that follows the property line that might go into the river.

Tim Ibey: You could, and maybe that would be something that this committee would not want to have happen.

Don MacArthur: Well, this is what we're trying to be...to do here, tonight, in my opinion is to give guidance to that committee so that they...at least where the public is investing into this property that they're investing in ways that have some overarching community spirit in mind. And I have trust that the developers are seeking that, they want that, I just want to, you know, memorialize it in the document so that it goes forward 20 years from now, you know, the bond has made it into a 40 year district instead of 15 year one and, you know, people may not remember all the goals and this is why we should memorialize them as we establish these districts.

Tim Ibey: And I'm not...I just wanted to make a point that I think that we do gain a little bit of control—maybe we don't, but somebody does.

John DiBari: The question I had...well, I have a couple, but maybe we'll address who is on the advisory committee, that might be helpful. Might not have names, but you could at least tell us...

Lanette Windemaker: I would defer to Barbara to answer that question.

John DiBari: Ms. Martens. My mentor.

Barbara Martens: Right now, the advisory committee is an 8-member committee, there's two County Commissioners on it as well as volunteers from the community, I can name them, if you want. We all...because we do have an industrial and a technology district that's kind of all in the same area, one of the representatives on our board is representing the technology district and only votes when something affects that technology TIF; the other seven members of the board oversee both the industrial and the technology districts. And, you know, as Janet was saying earlier, if this TIF is approved in Bonner, then, you know, the idea would be to have at least a couple representatives from the Bonner community on the board so that they could, you know, make sure that the board understands the community's desires and interests from their standpoint. And this board is an advisory board, as Janet was also saying, and the Commissioners, as far as how the TIF money is spent, or how the TIF money is spent is made by the County Commissioners.

John DiBari: So one of the other things, in the spirit of what Jennifer and Don had to say, I think what I would like to try to advance through some of this language is that we make an effort to choice projects that are leveragable by the community, so if we are talking about specific kinds of infrastructures, like sewers, as Jennifer brought up, that we're talking about putting in something that could benefit a broader audience rather than specifically just what is happening within the district boundaries and that that be a broader community type thing. The other thing that I think Jennifer was trying to get at, too, is this idea of harm...and I don't want to put words in your mouth, but, clearly, this area has been used for industrial purposes for the last 122 years, as it says in here, and there are...has been harm through pollution that potentially affects residents. So I think what we want to try to do in some way is acknowledge that there is the potential for adverse environment impacts and adverse impacts to the social fabric of the area and that we want to minimize those and I'm sure we can't do anything that's illegal or the people that use it can't do anything illegal, but that's something that we need to acknowledge that there has been a long history of use here and that although it has provided a lot of benefit we are left with having to clean up that mess and we want to avoid cleaning up messes because we want to avoid the messes. And then the point Barbara brought up about representation, I would like to see that...I don't know what the right number is, but that we try to provide the opportunity for two, three, I don't know how many people from the community, West Riverside and Bonner, have the opportunity to serve on this advisory committee since they have a stake in it; maybe Mill Town, too, you know, however you want to break that up geographically.

Janet Cornish: Mr. Chair, I want to underscore the three things you mentioned. With respect to

the infrastructure, I just wanted to give you an example. There's a tax increment financing district in Ramsey that is part of Silver Bow County, we're consolidated City-County government, so it's a little different, but there was a sewer line that was brought in to that TIFID from elsewhere. And the TIFID was able to pay for it because it was connecting infrastructure, but that it enabled people along the way to tap into that line, so it was providing a service that they didn't have before. And I don't know how all the financing was worked out for non-TIFID property owners, but it was generally a benefit to them. We have to be careful, though, that we have to make the moneys...the moneys have to spend on infrastructure that benefits the district but is...is some...as the Chairman has just noted, you can use that money, then to leverage and then it costs less to the residents for their part. The second is that one of the uses of tax increment financing dollars is pollution abatement equipment. And that's something that can go directly to a property owner. It's listed as one of the allowable. So that's a leverage if a company wanted to come in and that said one of its challenges is meeting those requirements, that's one of the things that Missoula County could offer, is part of its tax increment financing program. With respect to the participation on the committee, we've mentioned that in the plan and that would be easy to add those language that additional people from this community...from the Bonner, Riverside area could be added and that would be very easy to add to that section.

John DiBari: Any other board discussion? Mr. MacArthur.

Don MacArthur: I had written down in that same section that I thought there ought to be someone whose main job was to speak for the river and I'm not sure that that is necessarily a community person, it might be a...you know, a hydrologist, or it might be a river...I'm not sure who the right person is, but somebody...

John DiBari: The Clark Fork Coalition?

Don MacArthur: I mean, there seems there ought to be somebody who is...who...that's their main reason to be on the advisory board is to speak up and say, hey, that has no impact or that has harm and, you know, here's how it could be mitigated and so that was my comment, that I thought that that particular resource specialist should be included in the advisory board.

John DiBari: We've mentioned a lot of things and I'm sure it's been captured on tape or whatever we capture it on these days. Can we come up with a motion that in some ways tries to capture all of our comment and move that forward? Or before we do that, Jennifer, did you have something else? Okay.

Don MacArthur: I'll make an attempt. I guess that I would...I'm still a little unclear about the way that the advisory board uses Exhibit A. This is the plan and I guess it's kind of background, right, introduction and overview, and then it talks about the district description. You know, it talks about the deficiencies and then I guess...where does it talk about...you know, it says may be...industrial development activities to be undertaken, is that where it starts talking about here's what we're going to do.

Janet Cornish: Mr. MacArthur, all it says is these are the types of infrastructure improvements that the area could benefit from. It doesn't ever say this is what we will do. These are the types of infrastructure improvements that could be made, that are needed.

Don MacArthur: So I guess what I would like to do is suggest that that paragraph be part of a new section. And the new section is here's the goals of the district. You know, the goals of the district are to spur this kind of...you know, here's the...there are very specific things on the site right now, how are we going to use those and leverage those into creating economic vitality and...for the community.

Janet Cornish: And that...

Don MacArthur: And then balance that with that paragraph about here's the other picture that needs to be kept in mind as we do that.

Janet Cornish: Do you envision...just to be clear, so are we saying the goals are a secondary value-added industry to promote the economic vitality of Bonner, to protect Blackfoot River

corridor in the context of this program, and those...would you be comfortable with a series of goal statements like that?

Don MacArthur: Yes. So...but I was thinking that the first goal was really the TIF goals that you guys have outlined here but made a little more specific to this district to say look, there are some...there's some building resources here, I don't know how many acres that building is, but, you know, we want to make sure that that building can be reused and it provides a unique resource to do something at a really large scale in Missoula County and, you know, we see that this district has the opportunity to support that. I mean...could we add a little bit more about how the...what's on the ground right now and the kinds of ways that this TIF district might be able to help. And I don't have all those in my head but I'm looking at the map and seeing the building but obviously the rail district, you know, the railroad opportunity right there is huge for somebody who wants to ship heavy things and so how do we take...you know, suggest that could be something the TIF should invest in. I mean, here's an infrastructure that exists right here that might need a little improvement and, gosh, that...the TIF is just the kind of thing that could help do that. Are we over reaching, here? I just want to get a little more specific on how why this...why this TIF makes sense here and the kinds of things, not that we're promising anything, but just...you know, here's what's cool about this site as an industrial site and TIF moneys could be used to support those things.

Janet Cornish: No, I don't think you're over reaching, I think we can...certainly we can...I wouldn't be...I would suggest that we set forth those goal statements and saying, you know, the district can take advantage of these opportunities such as...you know, the existing built infrastructure, the rail...you know, the adjacent rail service. I don't think there's anything wrong with that as long as we don't restrict in terms of how...what the response is to those things. I think that's, again, this is a strategic response to the goals and objectives of the community and then what we want to do is take it down and make it more specific to some goals and objectives for the Bonner community.

Don MacArthur: I mean, the site is at the confluence of these three transportation modes, that's why the mill was there—I mean, it has a great road, state roads that are right there and highway that's nearby; it has the railroad that goes right by it; and it has the river. And it's at that little triangle and that's why it makes it so valuable.

Janet Cornish: The three Rs—River, Rails, and Roads.

Don MacArthur: So I guess my suggestion was going to be we add that...we add this section that's sort of an overarching goal statement for the district, that says some opportunities and it says some things that need to be balanced, or should be balanced for the overall community benefit.

John DiBari: And I'm making the assumption that we've been specific enough through the deliberations that that can be crafted rather easily?

Don MacArthur: So the one other piece would be the composition of the advisory board and I think we've made recommendation for a couple of additional folks or at least expertise to be considered to make sure that the board does have that expertise within it and can make recommendations. Some of the folks who are on it, I don't know who's on it, may be able to answer these questions, but it would be nice for the Commissioners to indicate, you know, here's four or five things that we want as expertise on the board, do we have that right now, if not, let's get somebody who is specifically targeted toward that.

Janet Cornish: That may be something that you'd want to include in your communication with your recommendation as to the conformance of the plan, you could also state that in your actual recommendation, I would think, as well as in the plan.

Don MacArthur: So do you want us to make a motion to that affect? I mean, that's how we normally communicate with things we want them to take into consideration. I mean, I think we...so, I don't know if I can...

John DiBari: Let's make a motion. We can take this in pieces and make sure we...make sure

we...it all scales up.

Don MacArthur: Okay, so I'll make a motion that the advisory board...that the Planning Board recommends that the advisory board contain expertise in the following areas: river resource issues, Bonner neighborhood...living in the Bonner neighborhood and being involved in Bonner community design issues, possibly somebody from the neighborhood council, is there a neighborhood council in Bonner?

John DiBari: A community council.

Don MacArthur: Community Council, right. What else did you mention, John, was there another one?

John DiBari: Yeah, I just mentioned the different communities that are out there, but we did have some testimony earlier about what potentially might happen with the transportation corridors there and how they're used, so that could...that could be a consideration.

Don MacArthur: Help me out, I need...who is that...Tim, I heard West Riverside, you know, possibly Bonner and/or West Riverside neighborhood.

Tim Ibey: Well, West Riverside is kind of across the river, it also is inclusive of this zoning, so, I mean, the development there, obviously, there was a lot of people that used to work at the mill that lived in West Riverside, also, and it's part of the community, it's a stone's throw.

Don MacArthur: Preservation? I'm not sure, I'm just looking around to...

John DiBari: I think that captures it, some resource-related expertise, hydrologist, fisheries biologist, something like that, and representatives from adjacent neighborhoods. Tim.

Tim Skufca: Transportation?

Don MacArthur: So:

John DiBari: I don't know how we specifically address that one.

Don MacArthur: Who's that?

Tim Skufca: Transportation expert.

Don MacArthur: Is that, like, DOT or is it, you know, Bob, or is it...

Tim Skufca: No.

John DiBari: I don't think it's DOT.

Tim Skufca: Well, DOT is not going to...

Janet Cornish: To respond to that, the...I would think that when different types of projects are being considered that the advisory board works with different experts, you know, when there is transportation issues or other issues that come across or if there's...you know, a matter of...I mean, I don't want to put words into Mr. Ibey's mouth but I would suspect that depending on the nature of the projects that are being considered, they do avail themselves of the expertise—is that correct?

Tim Ibey: Yes.

John DiBari: Okay...

Don MacArthur: So the motion...

John DiBari: ...let's...

Don MacArthur: The motion is that there are representatives from Bonner, West Riverside, and a fisheries, slash, river resource kind of person.

John DiBari: Is there a second or, Pat, did you have a comment?

Patrick O'Herren: A question just so I understand the motion. This is separate from the

paragraph that includes all of those other issues that we had initially rolled this into? You'd like this separate from that?

Don MacArthur: Yes. On your last page of the staff report it says Missoula County has an advisory board in place to provide ongoing oversight. You know, somewhere it says additional appointments to the board may be necessary to make sure issues particular to the Bonner Mill district are considered. I'd like to add, right after that, that the Planning Board's recommendation is that at a minimum that it include those two or three folks.

Patrick O'Herren: Thank you.

John DiBari: Additional board discussion. Voice vote. All those in favor, say, "Aye." [Board members stated "Aye."] Opposed? [Board members are silent.] Motion carries. Next discussion item.

Don MacArthur: So the other motion was the motion about creating the overarching goal statement and I think we've been through it but that's the motion is that we...that we do create an overarching goal statement that is...that we're recommending that the advisory board evaluate as they considerate each TIF project in front of them.

John DiBari: Second.

Don MacArthur: Is that...you look confused about that.

Janet Cornish: I think it's two different...two different issues, one is what the plan says and what are the goals of the TIF.

Don MacArthur: Yeah.

Janet Cornish: And what you just said is asking that the board consider those goal statements. I would...maybe it's one and the same, it almost sounds like two different issues. One is what we want the plan to say about the goals of the district versus the way in which that advisory board...ultimately, its advisory and the County Commissioners ultimately make those decisions. So I don't know...

John DiBari: So let's address what the plan says.

Don MacArthur: I mainly want it to be in the plan.

Janet Cornish: Okay, gotcha.

Don MacArthur: I mean, it's inherent that the advisory board should review the plan and look at those overarching goal statements and I guess I was just trying to double. You know, hammer it in there.

Janet Cornish: It's just as we write these, I want to make sure we're clear.

John DiBari: Okay, so we're still looking for a second.

Tim Ibe: Second.

John DiBari: Mr. Ibe seconds. Board discussion? So given the...Mr. Skufca's statement earlier, let's do a roll call vote on that motion or...

Don MacArthur: So just to clarify this motion is only on adding the goal statement.

John DiBari: Correct. Okay.

Don MacArthur: Tim may not have a problem with that, I don't think he...

John DiBari: Okay, I'm sorry. I was out of line. We'll do a voice vote on the motion, then. All those in favor, say "Aye." [Board members stated "Aye."] Opposed? [Board members are silent.] Okay, motion carries.

Don MacArthur: Main motion?

John DiBari: Unless anyone else has something. Okay, main motion, please.

Don MacArthur: Okay, I'm not sure how to state it exactly, but the...could you help me out with a suggested main motion?

Lanette Windemaker: You move that the plan, as amended, is in conformance with the Growth Policy...

Don MacArthur: Okay. So I'll move that the Bonner Tax Increment Financing District Plan, as amended here tonight, is in conformance with the Growth Policy as amended.

John DiBari: Is there a second?

Tim Ibey: Second.

John DiBari: Mr. Ibey seconds. Discussion? Mr. Skufca.

Tim Skufca: I think what we've done to address the river has been really good. I think I'm still going to object, but I think we made some good moves.

John DiBari: I agree. Mr. MacArthur.

Don MacArthur: You know, I actually...after we zipped through that...the motion or the first part of this second section where we said that the zoning is in conformance with the Growth Policy, well, it sure overlays...the two maps sure overlay one another. However, you know, the Growth Policy, when I looked at the Growth Policy, I was kind of seduced by the little green strip along the front of the heavy industrial and by the idea that we'd already as a community kind of identified open and resource lands, there, and then when I realized that that strip doesn't really exist, it no longer felt totally like we were...that the zoning is in conformance with the Growth Policy because there really is not strip there. And heavy industrial, as Tim mentioned, doesn't really belong right up to that river. You know, so it does by map agree, you know, I don't think there's any argument that they were meant to overlay one another, but when you look at Growth Policy, that's not a...you know, that's not a zoned line, that's a fuzzy line and the fuzzy line is supposed to indicate in some more...you know, it shows things like green buffers along streams. And when it's not there, it does call into question whether that really is in conformance. I'm not...I'm still voting for this thing. I guess I'm depending on the process of how the protections that we have into the future development activities on this site. I mean, largely this site will be governed by...there will probably be subdivision on this site. At the time of subdivision we'll be implementing streamside buffers and setbacks, riparian setbacks and all that stuff that is required by subdivision. At the time that they might come in for a building permit, there likely will be some restrictions placed on their ability to get close to that river. You know, it may be 50 feet, I'm not sure what the County's enforcing right now, but we've done projects on the river before where they've said, no, you got to be 50 feet back from the top of the bank before you do any development. So there are, you know, and that wasn't part of a subdivision, that was just trying to do a building near the river. So there are things in place that will govern the kinds of development that can happen there and really what I'm hoping is that the TIF district can focus money into both economic vitality for the larger Missoula, but also making all those things come true in the right way so the community grows positively along the river, too. So I'm in support overall, but just make my little last tweaks.

John DiBari: And I think this illustrates, too, that when we have circumstances like this that don't come up very often that there's some shortcomings with our zoning and some shortcomings with the resource protection community value sections of things that we want to see happen and to the extent that we can make that congruous at some point in the future, I think that's a benefit. Mr. O'Herren.

Patrick O'Herren: Actually, you kind of summarized what I was going to say. We do have conflicts. In this particular case, we did ask staff at OPG and Rural Initiatives and GIS to look at where the lines were in terms of the heavy industrial designation for both the zoning and the land use plan and they do coincide with that property line so they're in accordance. So, having said that, obviously, there are problems. When you get to the ground and as we look at our subdivision regulations, but also as we look at the Missoula County zoning resolution, those are things that

we're going to have to start addressing concurrent with future Growth Policy amendments.

John DiBari: Thank you. Any other discussion? Are we at the point of voting. So we'll have a roll call vote, please.

Sharon Reed: Jennifer Long.

Jennifer Long: Yes.

Sharon Reed: Jennifer Long votes yes. Tim Skufca.

Tim Skufca: No.

Sharon Reed: Tim Skufca votes no. Pat Little.

Pat Little: Pat Little has not been seated, therefore cannot vote.

Sharon Reed: Oh. At this point of time, I'd like to seat Pat Little in place of the missing planning board members tonight. As the City Alternate.

John DiBari: Go right ahead, Mr. Little.

Pat Little: Yes.

Sharon Reed: Pat Little votes yes. Don MacArthur.

Don MacArthur: Yes.

Sharon Reed: Don MacArthur votes yes. Tim Ibey.

Tim Ibey: Yes.

Sharon Reed: Tim Ibey votes yes. John DiBari.

John DiBari: John DiBari votes yes. You have five votes of yes and one vote of nay.

John DiBari: Thank you. And that concludes the public hearing for this evening. Thank you all for your time, and your testimony.

Janet Cornish: Thank you.

Patrick O'Herren: Thanks.

VII. Communications and Special Presentations

John DiBari: Okay. Next on the agenda: Communications and Special Presentations. I'm sorry, I can ask. Pat, do you...is there a date when this is going to move forward to the Commissioners.

Lanette Windemaker: It goes forward on November 14 and then the second time on November 28—second and file.

John DiBari: Thank you. Okay, Communications and Special Presentations, I don't believe there are any.

VIII. Committee Reports

John DiBari: Committee Reports, I don't believe there are any.

IX. Old Business

John DiBari: Old Business.

X. New Business and Referrals

John DiBari: New Business.

XI. Comments from MCPB Members

John DiBari: Comments from Planning Board members?

Tim Skufca: Just the one. Wasn't there a letter that you were going to draft...

John DiBari: That's Old Business, I guess.

Tim Skufca: Old Business, yeah.

Don MacArthur: Yes.

Tim Skufca: Did I miss it?

Don MacArthur: No.

Tim Skufca: Okay.

Don MacArthur: What is it again? You're absolutely right, there's something that I'm supposed to write and...

John DiBari: It had to do with the Board's thought on Development Services and I believe I sent to you our original set of comments to the Committee that dealt with Planning Board's concerns and I think it was going to further address the urban fringe development area. I'll have to read my minutes.

Don MacArthur: Okay.

John DiBari: So.

Don MacArthur: I'll have to work on that.

John DiBari: So that was Old Business. Comments from Planning Board members. I guess I'll just bring up one thing. You may remember that we had that Triple C Subdivision come in a while ago and we recently received the letter, the final letter that comes from the Board of County Commissioners about what transpired there. And that spurred me to go back and read the minutes from our meeting and the minutes from the County Commissioners' meeting and look at the letter that was drafted and speak with James McCubbin, ultimately and I think the take home message for me was that the...at some level the County Commissioners heard what we had to say with regard to the concerns we had: transportation, water, design, wildlife, all of those things; but it seemed like there was a rather large disconnect between the concerns that we actually had about them and the concerns that the Commissioners discussed about them. And I'm not sure that the input from Mr. Worley, in this case, adequately represented what Planning Board's concerns were with regard to those issues. So while there was a lengthy discussion about road width, it had more to do with the actual design of the road than it had to do with how the road gets used, and parking, and things like that. So I think, you know, I'm not the Chair, I happen to be tonight, but I think I would like to, at least, bring forward this topic and try to figure out as good a way as we can to clearly communicate what our concerns are with these specific issues so that is being adequately communicated to the County Commissioners and they try their best to address what our concerns were. We had Mr. McCubbin and others come and speak to us a while ago that...and they tried to give us advice about how best to craft our motions and our language and that may have helped but I don't think it's totally helped. So it's just something that occurred to me with this specific proposal and it's probably indicative of some other things that have happened over time and I'm just bringing it up as something that we can mull over and potentially readdress at a future board meeting. Mr. MacArthur.

Don MacArthur: So did...I don't think I was there at the Triple C hearing, here, but was i?

Tim Skufca: I don't think so.

Don MacArthur: I don't remember it, anyway, although I didn't remember that letter, either, for a while, so...I guess what I was going to ask was whether you...whether the concerns that you did not feel like were really heard were addressed by Planning Board in the form of a motion or whether they were, you know, like we had a long discussion about it and we really felt like there's

that ought to be done around these roads but we didn't recommend a change.

John DiBari: Well, that's a good point and I don't remember what the exact language was with... you may have made it, even, Tim (Ibey, I'm speaking to) but I know when I voted I clearly mentioned the reason why I was voting were for specific reasons that I had addressed during the course of the meeting. So that may not have been enough, maybe it needed to be more rolled into the motion but all those things were addressed in a number of ways by a number of people during the course of the meeting. Tim.

Tim Ibey: Well, this isn't the first time that we've run up against this. And, you know, I think sometimes we damage ourselves by not making a motion, by going... well, by saying well, staff can craft something like this and we're okay with it. And I'm in agreement with you, sometimes I don't think that our sight gets down the way we need to have it put down. And there's really no... we don't have a review of that. But I have been, when I was President in the past, I had gone to some of the County Commissioners meetings and basically they got the same thing as we got and then they said and Planning Board denied it and this was their reason and that was the end of it. And so, really, we did sometimes three and four hours' work on a subdivision, especially when the majors were coming through with two a week and we got pretty discouraged over that because we'd be here until 1:00 in the morning. So I think that sometimes we do get a little bit lax on the fact that we don't make the motion, and pass the motion and make them put it in there. I think it... you know, whether it's because they're busy or whether they just don't enjoy the intellectual battle that we do between ourselves, you know, and... but it's happened before and it's something that maybe we just need to stay more on top of and maybe we do need to make motions and not allow staff to kind of fix something rather than making it hard and fast.

John DiBari: Mr. Skufca.

Tim Skufca: And if that motion... if we did make a motion, can we request that if it's Rural Initiatives or OPG actually takes that and reads it during the Council meeting or the Commissioners meeting because, you know, it's just going to be another piece of paper that they won't listen to, but if it's actually read by the staff, then maybe they'll... it'll resonate a little bit.

Tim Ibey: Didn't we ask them to put it in their staff report at one time, Don.

Don MacArthur: I still don't fully understand why the motion that goes to, you know, that's on the top of the staff report isn't the motion that we recommended.

Tim Skufca: Yeah.

Don MacArthur: I don't mind the staff report staying the way it was, but it kind of feels to me like it ought to go forward, you know, here, top sheet, here's the recommendation, staff came out with it, Planning Board reviewed it as your advisory body, sent it to you after the public hearing, here's what it is. You know, then the presentation of that motion and the staff can say the things that they like or don't like about it and how it may not address some concerns that other advisory boards have had or whatever. And then, you know, it just... I guess I don't understand why that isn't the process and maybe we have an opportunity with the recrafting of the Interlocal agreement to work with each governing body to ask them to do that.

John DiBari: Mr. Little.

Pat Little: I don't know if it's the governing bodies that we need to address this or if it's the staff. Because it seems to me that it's the staff who are making the decision of which precedence to present things in (that's not quite grammatically correct), but I don't know that it's necessarily the governing body that has requested them to do that, I suspect the staff is following some sort of professional code or habit or whatever that it seems to me it's them that needs to be willing to change. Now maybe the governing body requires it of them, but...

John DiBari: Mr. Ibey.

Tim Ibey: If I recall the last time we needed to have and I thought we got the County Commissioners to make that direction. And I think... I want to say Cindy Klette was head of OPG at that point and we went and actually sat down at one of their meetings, I believe it's Tuesday

morning, and asked that they give them that direction and it was given to them, that that's...that they were supposed to present our recommendation. But I think it's...that's three fearless leaders ago, so...

John DiBari: Ms. Long.

Jennifer Long: Didn't we talk about this, or I might be thinking something different with...when somebody came here to teach us about Planning Board and sort of what we did, and my understanding from her was that...that's what the Commissioners or City Council was supposed to be seeing in her interpretation. But I know there was definitely pushback from staff as to whether or not that was happening and it was almost like there was two parallel documents and this was kind of a long discussion and I remember thinking at the end that I wasn't really...it was fuzzy as to whether or not it was actually going to happen the way this woman who was here to teach us how it was supposed to happen based on state law or something. I assume it was sort of Planning Board's whatever, you know, so...

John DiBari: Mr. Little

Pat Little: If I recall that conversation, we were told quite clearly that everything is in the record and therefore it doesn't matter what order they put it in that everything is equal. But I don't believe that, I think when it gets presented at the governing body's meeting, the first thing they hear is the one that seems to come across as the recommendation. And I think quite strongly that staff's approach and justification for its approach seems wrong to me.

Don MacArthur: So the only way we have of guaranteeing that there is a discussion is to make a motion that then has to be addressed in order to get rid of it. I mean, if we just say the roads are too wide and you ought to look at it or something, that's not going to be enough. Or the only way to have any assurance that the discussion comes forward is to say the roads...the Planning Board makes the motion that the roads are 28-feet wide. And then they got to...I'm just making that up as a motion, you know, then that motion exists and in order for them to make them back to 40-feet wide, they have to overturn that and they have to discuss it and show why they're overturning it. So that's...I mean that's where...over the course of my too many years on Planning Board, that's been...I get more and more...I want to make motions more and more often because that's...you know, that's how you ensure that the discussion occurs at the next level.

John DiBari: Tim.

Tim Ibey: And I think that we were seeing quite a bit of that when we were getting staff reports that...the County Commissioners followed Planning Board on this and this and this and those were all motions, although they didn't do this and they didn't do that. But I think you're right, Don, I think those were all things that were moved and voted on and so they had to address them.

John DiBari: Certainly, it would be my interest to be more specific in our motions and it would also be my...that's terrible English...it is my interest to also take this up in a more general context and see if we can't even make a motion...put on the agenda and make a motion associated with how we want to see our recommendation advanced. So, if that's the will of the folks here on this board then we can request that staff put on our agenda an item to discuss staff reports and we can take it from there.

Tim Ibey: So moved.

John DiBari: Second?

Tim Skufca: Second.

John DiBari: Seconded by Mr. Ibey [sic] so we will ask at some future meeting that we put on the agenda staff reports and how our recommendations are being forwarded to the County Commissioners. Any other comments or...

Tim Ibey: Should we vote that?

John DiBari: Oh, sorry, it's not enough just to get a second.

Don MacArthur: Is it the County Commissioners or is it both city and county?

John DiBari: I would say both City and County, both governing bodies, is that a friendly amendment, friendly second? Okay, All those in favor, say "Aye." [Board members stated "Aye."] Opposed? [Board members were silent.] Motion carries. Thanks for that point of process. Any other comments?

XII. Adjournment

John DiBari: All right, we're adjourned. Thank you, all.

Respectfully submitted,

Sharon E. Reed
Administrative Secretary
Office of Planning and Grants