



Work Session Meeting Agenda
2 Park Drive South, Great Falls, MT
Gibson Room, Civic Center
September 2, 2025
5:30 PM

The agenda packet material is available on the City's website: <https://greatfallsmt.net/meetings>. The Public may view and listen to the meeting on government access channel City-190, cable channel 190; or online at <https://greatfallsmt.net/livestream>.

Public participation is welcome in the following ways:

- Attend in person.
- Provide public comments in writing by 12:00 PM the day of the meeting: Mail to City Clerk, PO Box 5021, Great Falls, MT 59403, or via email to: commission@greatfallsmt.net. Include the agenda item or agenda item number in the subject line, and include the name of the commenter and either an address or whether the commenter is a city resident. Written communication received by that time will be shared with the City Commission and appropriate City staff for consideration during the agenda item, and, will be so noted in the official record of the meeting.

CALL TO ORDER

PUBLIC COMMENT

(Public comment on agenda items or any matter that is within the jurisdiction of the City Commission. Please keep your remarks to a maximum of five (5) minutes. Speak into the microphone, and state your name and either your address or whether you are a city resident for the record.)

WORK SESSION ITEMS

1. Update on Clean Indoor Air Act – Presented by Penny Paul from the City County Health Department. (estimated 5 minutes)
2. Process for the Sale of Community Recreation Center at 801 2nd Ave N.- Presented by Greg Doyon. (estimated 20 minutes)
3. Infrastructure Development and Investment Review Memo Discussion - Presented by Greg Doyon. (estimated 30 minutes)

DISCUSSION POTENTIAL UPCOMING WORK SESSION TOPICS

ADJOURNMENT

City Commission Work Sessions are televised on cable channel 190 and streamed live at <https://greatfallsmt.net>. Work Session meetings are re-aired on cable channel 190 the following Thursday morning at 10 a.m. and the following Tuesday evening at 5:30 p.m.

Wi-Fi is available during the meetings for viewing of the online meeting documents.

UPCOMING MEETING SCHEDULE

City Commission Work Session - Tuesday September 16, 2025 5:30 p.m.

City Commission Meeting - Tuesday September 16, 2025 7:00 p.m.

Montanans Have the Right to Clean Air

Secondhand smoke, or the smoke from burning commercial tobacco products, such as cigarettes, cigars, or pipes, harms children and adults. Secondhand smoke contains more than 7,000 chemicals; hundreds are toxic, and about 70 can cause cancer. (1)

The only way to fully protect people from secondhand exposure is to eliminate smoking in all homes, worksites, and public places. (1)



Separating smokers from nonsmokers, opening windows, and using ventilation systems or air cleaning systems does not protect people from harmful exposure. (2)

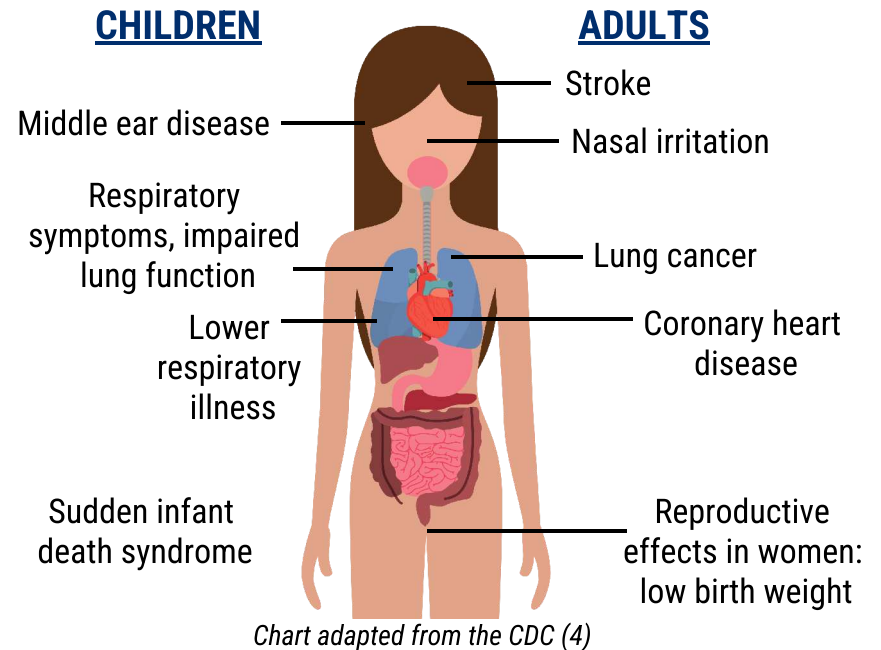


E-cigarettes, or vapes, emit an aerosol that can expose bystanders to *harmful chemicals*. Secondhand e-cigarette aerosol can contain nicotine, ultrafine particles, volatile organic compounds, cancer-causing chemicals, and heavy metals. (3)

Sources:

- Centers for Disease Control and Prevention. Secondhand Smoke (SHS) Facts. "https://www.cdc.gov/tobacco/data_statistics/fact_sheets/secondhand_smoke/general_facts/index.htm" Accessed January, 2021.
- U.S. Department of Health and Human Services. The Health Consequences of Involuntary Exposure to Tobacco Smoke: A Report of the Surgeon General. Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, Coordinating Center for Health Promotion, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2006.
- Centers for Disease Control and Prevention. Quick Facts on the Risks of E-cigarettes for Kids, Teens, and Young Adults. "https://www.cdc.gov/tobacco/basic_information/e-cigarettes/Quick-Facts-on-the-Risks-of-E-cigarettes-for-Kids-Teens-and-Young-Adults.html". December, 2020.
- Centers for Disease Control and Prevention. Health Effects of Secondhand Smoke. "https://www.cdc.gov/tobacco/data_statistics/fact_sheets/secondhand_smoke/health_effects/index.htm". February 27, 2020.

Health Impacts of Secondhand Smoke Agenda #1.



The Clean Indoor Air Act (CIAA) protects Montanans from the harms of secondhand smoke and e-cigarette/vape aerosol.

The purpose of the CIAA is:

1. to protect the public health and welfare by prohibiting smoking in public places and places of employment;
2. to recognize the right of nonsmokers to breathe smoke-free air; and
3. to recognize that the need to breathe smoke-free air has priority over the desire to smoke.



Visit tobaccofree.mt.gov to learn more or report a possible violation of the CIAA.



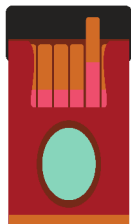
Montana's Clean Indoor Air Act

Agenda #1.

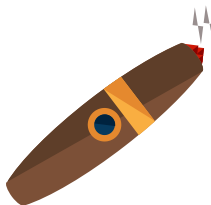


The **Montana Clean Indoor Air Act**, codified under Title 50, Chapter 40, Part 1, MCA, has protected children and adults from the negative health effects of secondhand smoke since 2005. The law was expanded to include marijuana in 2021 and e-cigarettes/vapes in 2025. The State of Montana recognizes that the need to breathe smokefree air has priority over the desire to smoke.

The CIAA generally prohibits using smokable products in enclosed public spaces, including:



Cigarettes



Cigars/little cigars/cigarillos



E-cigarettes/vapes



Hookah



Marijuana

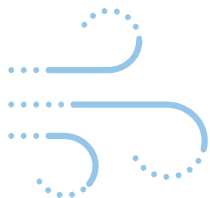


Pipes

The CIAA prohibits smoking in enclosed public spaces, including places of work, such as:

- K-12 public schools as provided in § MCA 20-1-220
- Private schools, universities, colleges, community colleges, and trade schools
- Trains, buses, and other forms of public transportation
- Health care facilities
- Auditoriums, arenas, and assembly facilities
- Meeting rooms open to the public
- Family day-care homes and group day-care homes
- Adult foster care homes
- Hotel and motel rooms not designated as smoking rooms
- Public and private offices and office buildings
- Public facilities
- Government buildings
- Work vehicles
- Restaurants, stores, bars, taverns, nightclubs, cocktail lounges, and casinos
- Malls, movie theatres, and gyms

The CIAA does not prohibit smoking in:



- Private residences that do not serve as a family day-care home, group day-care home, adult foster care home, or health care facility
- Private vehicles
- Hotel or motel rooms designated as smoking rooms and rented to guests if not more than 35% of the total rooms of a hotel or motel are designated as smoking rooms
- Sites used in connection with the practice of cultural activities by American Indians in accordance with the American Indian Religious Freedom Act

Report a possible violation of the CIAA by:



Visiting tobaccofree.mt.gov or scanning the QR code. You can also report a violation by contacting your local health department.

For questions, contact infotobaccofree@mt.gov or 1-866-787-5247.



The Montana Clean Indoor Air Act Protects Public Health

Agenda #1.

Montana's Clean Indoor Air Act now includes e-cigarettes/vapes.

Using e-cigarettes, or vapes, is no longer allowed in Montana's enclosed public spaces. This is the result of SB 390, a bill passed by the Montana Legislature and signed into law by Governor Greg Gianforte on May 8, 2025. The new law went into effect immediately.



Vaping nicotine, marijuana, or any other substance is not allowed in enclosed public spaces, includes places of work, in Montana.







Visit tobaccofree.mt.gov to report a violation

Including e-cigarettes in the statewide smokefree law makes Montana a healthier and safer place to live and work.

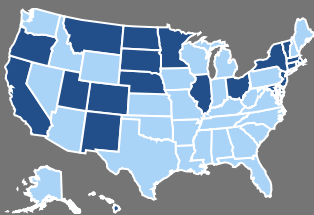
Including e-cigarettes/vapes in Montana's Clean Indoor Air Act:

- ✓ Protects the public and workers from exposure to dangerous chemicals.
- ✓ Reinforces healthy social behaviors for youth and young adults.
- ✓ Sends a clear message that smoking of any type is not safe.

E-cigarette/vape aerosol can contain harmful and potentially harmful substances, including:

-  Nicotine
-  Ultrafine particles that can be inhaled deep into the lungs
-  Toxic flavorings
-  Volatile organic compounds
-  Cancer-causing chemicals
-  Heavy metals such as nickel, tin, and lead (1)

20



other states include e-cigarettes/vapes in their comprehensive smokefree laws. (2)

Sources:

- Centers for Disease Control and Prevention. About Electronic Cigarettes. https://www.cdc.gov/tobacco/basic_information/e-cigarettes/about-e-cigarettes.html Accessed May, 2019.
- Centers for Disease Control and Prevention State Tobacco Activities Tracking and Evaluation (STATE) System. Smokefree Indoor Air Laws, Including E-cigarette. [https://www.cdc.gov/statesystem/factsheets/ecigarette/ECigarette.html#:~:text=As%20of%20September%2030%2C%202024%2020%20states%20\(California%2C%20Colorado, Puerto%20Rico%20have%20passed%20comprehensive](https://www.cdc.gov/statesystem/factsheets/ecigarette/ECigarette.html#:~:text=As%20of%20September%2030%2C%202024%2020%20states%20(California%2C%20Colorado, Puerto%20Rico%20have%20passed%20comprehensive) Accessed May, 2025..



Visit tobaccofree.mt.gov



MONTANA
TOBACCO USE
PREVENTION PROGRAM



City Manager's Office

Memorandum

To: Mayor Reeves and City Commissioners

From: Greg Doyon – City Manager

Re: Infrastructure Development and Investment Review

Date: April 24, 2025

Executive Summary

The purpose of this memorandum is to outline the challenges and opportunities associated with economic development and infrastructure investment in the City of Great Falls. It highlights persistent barriers to growth, analyzes the tools currently available to support new development, and proposes actionable recommendations for Commission consideration. Central to this discussion is the need to clarify the City's role in facilitating development, the funding mechanisms that can support infrastructure, and the expectations of both the development community and the public.

Key Recommendations:

1. Explore additional City funding options as well as public infrastructure investment to include a utility rate increase for infrastructure expansion.
2. Establish a Strategic Development Officer position to lead front-end development discussions.
3. Finalize updated Special Improvement District (SID) policy
4. Adopt/Endorse clear development process guidance for staff and developers to improve consistency and negotiation transparency with private developers/investors.

This document is intended to initiate a broader conversation—with the Commission and the public—about how the City of Great Falls positions itself for sustainable growth in the face of increasing demand and limited financial capacity.

I. Observations and General Thoughts

Over the course of my tenure, I have observed several persistent trends impacting economic development in Great Falls and community growth:

- The City continues to struggle to grow beyond the "Big 3": military, agriculture, and medical sectors.
 - There have been 'wins' including MaltEurop, ADF, Helena Chemical, Montana Specialty Mills, and GFDA's AgriTech Park with rail.
- Despite targeted efforts, diversification and expansion have been limited and slow.
- Although I believe the last census undercounted our population, overall growth has remained stagnant for decades.
- Developers often choose to construct projects in the county to avoid city-related taxes, assessments, and fees.
- The lack of diverse housing options limits our ability to support population and workforce growth.
 - This is changing, but primarily with multi-family projects in recent years.
- The City collaborates with GFDA for development promotion, yet the partnership has evolved since direct financial support ended in 2014. GFDA now plays both promoter and developer roles.
- The City is frequently brought into new development conversations later in the process, when it is either very difficult or even too late to positively shape the desired outcome.
 - This can create friction between investors, GFDA and the City. This is often translated into a perception that Great Falls is not 'Business Friendly' when we cannot meet developer expectations.
- Great Falls lacks the geographic advantages of other cities (e.g., mountain proximity, major east-west interstate access), and our socioeconomic metrics reduce outside investor appeal.
- Great Falls' stagnant community growth (population and new development) limits building and development expertise, and workforce capital.

Additionally:

- Most recent developments have been locally driven and often require financial tools like TIF to become financially viable.
- Developers frequently lack the capital to extend or upgrade necessary infrastructure, such as water, sewer, storm drain, and streets.
- The public often expresses frustration about the absence of desired stores or businesses (e.g., Costco, Olive Garden, Kohl's), but our market conditions, population density, income levels, demographics, and traffic flow—often do not align with corporate site criteria.
 - Concurrently, the public often expresses a desire to not increase taxes, assessments, and utility rates that could help the services and infrastructure upon which new developments would depend.

II. Structural Challenges to Economic Development

Several entrenched issues inhibit our ability to support or attract new development:

- Complex soil conditions require expensive foundation mitigation, which increases legal and financial risk for all parties.
 - P&CD and Legal are working on an updated policy. This is my number one land use issue for the City.
- The City heavily relies on private developers to build out infrastructure; the City's infrastructure investment resources and capacity are very limited.
- Business-minded developers expect some level of public investment, recognizing that their projects also generate jobs, tax revenue, and economic multiplier effects.
- Our rate structures have historically prioritized affordability, which means limited flexibility to support new projects.
- The General Fund (approximately 85% of property taxes) are primarily consumed by Fire, Police, Legal, and Municipal Court services (i.e., Public Safety) there is little to no funding for infrastructure expansion.
 - Actually, without the State Entitlement Share, the City does not raise sufficient taxes to pay for Public Safety.
- Growth in one area often strains Fire, Police, and EMS, yet development impact is not formally included in development assessments.

Misconceptions About "Business Friendly"

A recurring theme from both the Commission and the public is that the City needs to be more "business friendly." In response, the City has taken several steps over the years to improve its posture toward development, including adding a Development Review Engineer, eliminating the Design Review Board, extending TIF district timelines, and streamlining permitting processes within Public Works and Planning & Community Development. As the City contemplates its next move, it's important to recognize that maintaining clear, consistent, and reasonable standards is not anti-business; it's the foundation of responsible growth. Providing clarity through proposed development guidelines ensures fairness, transparency, and predictability for all parties involved.

However, the term "business friendly" is often interpreted in ways that create unrealistic expectations—particularly when developers assume the City will waive standards, absorb infrastructure costs, or expedite approvals regardless of complexity or public impact.

As experienced over the years, developers broadly interpret the City's need to be "business friendly" in these ways:

- Clear, consistent and collaborative development standards.
- Responsive city staff.
- Predictability and timely application review, processing, and issuance.

The City has also observed that developers often:

- Express a preference for public participation in infrastructure costs, sometimes without a corresponding reimbursement plan. This can strain public resources without assurance of project delivery.
- Desire to be allowed to design and pitch projects regardless of the Growth Policy, neighborhood input, or zoning regulations.
- Desire fewer public meetings (e.g., Neighborhood Council review) and public engagement.
- Expect permits to be issued in a matter of weeks, irrespective of safety reviews or project complexity.
- Expect that staff can negotiate large scale financing proposals.
- Expect waivers for the needed off-site improvements necessary to protect public assets.
- Are highly resistant to “off-site” improvements (City or MTDOT imposed) when the project has significant impact on existing city infrastructure.

Development Process Limitations

- Great Falls city staff lacks clear, early-stage development negotiation guidelines. Authority and incentive structures are ambiguous.
- Developers often want clear commitments before making financial decisions or committing to a land use process like annexation or infrastructure cost-sharing.
- Key departments (City Manager, Finance, Planning, and Public Works) are frequently drawn into ad hoc negotiations.
 - Staff often has the knowledge and expertise to align new infrastructure improvements with City capabilities, but staff often does not carry the actual authority to “seal the deal”, including the City Manager.
 - Developers do not hear directly from the City Commission about staff recommendations until the public hearing stage. As a result, some developers attempt to negotiate directly with the Commission during the public hearing process.
- Staff must balance Commission calls for "business friendly" practices with legal and procedural limitations.
- Development financing perspectives typically do not consider the lifecycle cost of owning and maintaining infrastructure.

III. Economic Development Tools: Analysis and Recommendations (Summarized in Attachment A)

1. Tax Increment Financing (TIF)

TIF allows the City to reinvest increased property tax revenues generated within a district into infrastructure or revitalization projects. The City currently has five (5) TIF districts and is actively using all of them to promote economic development as allowed by state statute.

Pros:

- Provides funding for public infrastructure
- Uses growth-generated funds without new taxes
- Flexible applications (utilities, site prep, demolition)
- Attracts private capital
- Long-term return once the TIF expires

Cons:

- Diverts funds from General Fund and other taxing entities
 - Sometimes up to 30 years
- Perceived favoritism if not carefully managed
- Complex to administer and monitor
- Politically vulnerable (e.g., SB 2, SB 539)

2. Impact Fees

One-time charges imposed on new developments to offset the costs of growth-related infrastructure. Governing bodies in Great Falls have been severely averse to considering impact fees in Great Falls. The City has dealt with a reputation of not being “business friendly” and the perception that another set of new fees for development would discourage investment.

Pros:

- Promotes and funds City Capital Improvement Planning
- Aligns cost burden with development
- Reduces pressure on existing ratepayers
- Can be based on clear, predictable schedules

Cons:

- May deter development in a slow-growth market
- Statutory requirements are complex (MCA §7-6-1601 et seq.)
- Cannot be used for pre-existing deficiencies

Most effective when:

- Growth is placing measurable pressure on infrastructure
- The community has a healthy and consistent growth rate
- Political leadership supports "growth paying for growth"
- Integrated into a broader capital funding strategy

3. Grants (Federal, State, Private)

Great Falls has benefited from DoD grants in recent years, including a feasibility study for Malmstrom AFB (MAFB). In 2021, the City thought that ARPA funding would provide funding for infrastructure, however that was not an eligible use of those dollars. Grants for new infrastructure are hard to come by because of their overall cost, typically requiring the City to provide matching resources, such as funding or in-kind funding. Not to mention, that while a grant may cover material and/or labor cost, new infrastructure requires ongoing maintenance and will have repair needs without additional new funding to support.

Pros:

- Leverages non-local funding
- Focuses on strategic priorities (housing, broadband, workforce)
- Encourages partnerships

Cons:

- Competitive and unpredictable
- May require match funding
- Compliance-heavy and slow to deploy
- Does not provide for lifecycle maintenance, operations and reinvestment financing
- Requires significant staff time for application development, provider selection, award, management, and closure

4. Special Improvement Districts (SIDs)

SIDs are localized funding tools that allow the City to finance public infrastructure improvements (e.g., streets, sidewalks, water/sewer, lighting) by levying assessments on the properties that directly benefit from those improvements. The only Special Improvement District in Great Falls currently being used is for the City's lighting districts.

https://archive.legmt.gov/bills/mca/title_0070/chapter_0120/part_0410/sections_index.html

Pros:

- Ties cost to a benefit
- Can fund infrastructure in underbuilt neighborhoods
- May be bonded for immediate needs

Cons:

- Often faces strong opposition from affected property owners
- Administrative complexity

- Limited to localized, not citywide improvements
- Risk of collection default
- Subject to political shifts and sensitivity to legislative changes

5. Negotiated Recovery Rate for New Development

Legally supported rate structure for infrastructure-related cost recovery. The City Commission could create a new user rate for new development when city infrastructure is required to support the new development. The additional fee could be used to offset the City's cost for funding, financing, or building a Capital Reserve Account for infrastructure including upsizing, extending, or meeting identified CIP needs in an adopted plan.

The City currently has different user rates for Black Eagle, Malmstrom Air Force Base, and high strength industrial users. More work would be required to design an appropriate application/approval process that satisfies Commission expectations.

Pros:

- Enabled by MCA 69-7-101 and GF Code 13.2.050
- Promotes fairness and transparency
- Creates capital reserves for planned expansion
- Precedent exists with the unincorporated community of Black Eagle, MAFB, and high-strength industrial users

Cons:

- Requires detailed program design
- May be perceived as duplicative of other fees
- Risk of perception that funding is allocated unfairly
- Must be justified and uniformly applied

6. Private Development Pays for Infrastructure

Aside from adoption of a TIF District, this method is truly the primary means by which new infrastructure is created in Great Falls. It applies to all new developments whether it is business, industry or housing developments.

Developers seek a return on investment, so the market has to be right for them to invest their own money in a development. I often refer to this as their "book of business", that is the combination of existing customer base, market potential, and demand in a given area that makes a project financially viable.

Factors in a business's Book of Business can include:

- Number of households with specific income levels
- Workforce availability
- Traffic counts or drive-time population
- Consumer behavior patterns
- Demographic fits with target market
- Known demand based on competitors or lack thereof

Pros of Market-Driven Development:

- Low public financial risk
- Preserves negotiating leverage
- Avoid precedent-setting subsidies
- Simplifies processes

Cons:

- Delayed economic development
- Missed opportunities for catalyst or stimulus projects
- Limited control over quality or timing
- Infrastructure demands persist even without incentives
- The public may perceive stagnation

IV. Options to Explore

1. Update SID Policy: The City has requested Dorsey and Whitney to provide recommended revisions of the current SID Policy (severely outdated). Dorsey will begin after the Legislature deals with SB 539, which would have a major impact on SIDs. If that bill is tabled/killed, then Dorsey would need about two (2) months to complete.

2. Utility Rate Adjustments: Attachment B outlines Enterprise Fund rates if the City Commission approved \$2 million annually in water, sewer, and storm drain funds to support capital investment for new development. Staff can certainly run different ranges upon request – this was done to keep things simple in terms of understanding the cost to the rate payer for this level of investment.

- A direct allocation to improve infrastructure for development has previously occurred. The City Commission made a direct contribution a \$140,000 contribution for utilities to GFDA's AgriTech Park in 2014, using unscheduled development funds from water/sewer enterprise funds.
- No doubt this is a difficult conversation to have with the community, but if had, the Commission and staff can have a clear and more definitive communication process with investors and developers to address their demands for new infrastructure. If direct

allocation is not an option, then the City will direct them to their other options, as previously outlined in this memorandum.

3. Create Strategic Development Officer Position (Attachment C): Funded by Enterprise Funds that support infrastructure and TIF dollars, this position would lead developer engagement and manage incentives.

- The City needs someone to manage its TIF Districts under the state's new law (SB 3 https://bills.legmt.gov/#/laws/bill/2/LC0083?open_tab=bill), but more importantly, be the City's representative at the front-end of new development discussions. The City relies on GFDA as its development agency, and that would continue. The position removes the city manager, public works director, planning and community development director, and finance director from an immediate negotiating role and allows more immediate contact with developers to address infrastructure options.
- This is a "tip-of the spear" position that affords developers (and GFDA prospects) first contact with the City's chief economic development promoter. The position will balance city resources, investor needs, City Commission goals, and public investment with actual defined City capabilities/resources.

4. Endorse/Adopt Development Process Guidance: Attachment D and Attachment E provide draft protocols to clarify staff/developer responsibilities and standardize development discussions. These guidelines will require additional work.

V. Commission Discussion Questions

1. Should the Commission consider utility rate increases to support strategic infrastructure investment?
2. Is it time to revisit impact fees or adopt recovery rates to formalize cost-sharing expectations?
3. Is the creation of a Strategic Development Officer a priority for managing developer relations and project intake?
4. Will the Commission adopt formal staff guidelines to improve consistency and negotiation transparency?

Final Thoughts

This is not just about economic development, it's about making Great Falls more resilient, more competitive, and more responsive to the opportunities we know are coming.

These observations are not intended as criticism of any person or entity, but as a reflection of the City's need to modernize its approach to attracting, retaining, and promoting economic development growth. Our tools are limited, expectations are rising, and developer interest is real. Without better coordination, clearer policies, and a willingness to invest, we risk falling behind.

This memo serves as a starting point. With Commission guidance, we can move toward a more structured, proactive, and transparent development process. Additional public input, rate analysis, and legal and policy frameworks will be required to finalize any changes.

Attachments:

- Attachment A: Economic Development Funding Tools
- Attachment B: Utility Rate Impact Summary Scenarios
- Attachment C: Draft Strategic Development Officer Position Proposal
- Attachment D: Draft Development Process
- Attachment E: Draft City Commission Developer Expectations

Attachment A: Economic Development Funding Tools Summary

Tool	Key Advantages	Key Disadvantages	Best Used When...
Tax Increment Financing (TIF)	<ul style="list-style-type: none"> - Leverages future tax revenue - Attracts private capital - Flexible uses 	<ul style="list-style-type: none"> - Diverts revenue from General Fund - Complex to manage - Politically sensitive (SB 2, SB 539) 	<ul style="list-style-type: none"> - There's a defined district - Project needs gap financing - ROI will exceed public investment
Impact Fees	<ul style="list-style-type: none"> - "Growth pays for growth" - Reduces burden on existing ratepayers 	<ul style="list-style-type: none"> - May deter development - Legal complexity - Cannot fix pre-existing deficiencies 	<ul style="list-style-type: none"> - Growth is steady - Infrastructure pressure is measurable - Strong policy support exists
Grants (Federal/State/Private)	<ul style="list-style-type: none"> - Outside funding source - Supports strategic priorities - Encourages partnerships 	<ul style="list-style-type: none"> - Competitive - Requires match funding - Does not cover lifecycle costs 	<ul style="list-style-type: none"> - Projects are shovel-ready - City has matching funds - Project aligns with grant criteria
Special Improvement Districts (SID)	<ul style="list-style-type: none"> - Costs tied to direct benefit - Supports localized upgrades 	<ul style="list-style-type: none"> - Property owner opposition - Only funds neighborhood-scale improvements 	<ul style="list-style-type: none"> - Property owners see direct benefit - Target area needs basic infrastructure
Recovery Rates for New Development	<ul style="list-style-type: none"> - Transparent cost-sharing - Builds capital reserves - Supported by local law/code 	<ul style="list-style-type: none"> - Needs detailed program design - May be perceived as duplicative 	<ul style="list-style-type: none"> - New development triggers infrastructure upgrades - City wants to avoid General Fund burden
Private Developer Funding	<ul style="list-style-type: none"> - No public subsidy - Simplifies process - Reduces public risk 	<ul style="list-style-type: none"> - Delays projects - Missed opportunities - Uneven infrastructure quality 	<ul style="list-style-type: none"> - Strong private ROI exists - Project is market-ready - Public doesn't want to subsidize
Enterprise Fund Direct CIP Development Funding	<ul style="list-style-type: none"> - Predictable revenue stream - Can be allocated for specific infrastructure - Promotes long-term planning 	<ul style="list-style-type: none"> - Politically sensitive - Public resistance to rate hikes - Regressive impact on ratepayers 	<ul style="list-style-type: none"> - Infrastructure is aging or needs expansion - Transparent communication is possible - Enterprise funds are strong and support reinvestment

Attachment B: Utility Rate Impact Summary Scenarios

Rates Proposed on April 15, 2025, Commission Work Session

Proposed Increase			Monthly Impact		Yearly Impact	
Fund	Rate Option #1	Investment Impact	Residential	Commercial	Residential	Commercial
Water	10%	\$1,790,000	\$2.32	\$7.26	\$27.84	\$87.12
Sewer		\$1,230,000	\$2.89	\$9.22	\$34.68	\$110.64
Stormwater		\$420,000	\$0.83	\$1.19	\$9.96	\$14.28
Total		\$3,440,000	\$6.04	\$17.67	\$72.48	\$212.04

Adding Capital for New Infrastructure - \$2 million

The chart below reflects a rate structure that includes a \$2 million dollar Capital Improvement Plan allocation for new infrastructure investment. Eligibility criteria would need to be clarified, but generally new infrastructure investment could include main upsizing, public extension of utility to developed property, and/or new supporting substructure like lift stations.

Total Increase (Proposed Increase + Capital Improvement Investment)			Monthly Impact		Yearly Impact	
Fund	Rate Option	Amount to raise	Residential	Commercial	Residential	Commercial
Water	21.17%	\$3,790,000	\$4.89	\$15.41	\$58.67	\$184.97
Sewer	26.26%	\$3,230,000	\$7.61	\$24.51	\$91.26	\$294.12
Stormwater	57.6%	\$2,420,000	\$5.11	\$6.90	\$61.37	\$82.82
Total		\$9,440,000	\$17.61	\$46.83	\$211.30	\$561.92

Attachment C: Strategic Development Officer Position Proposal

Position Funding

Fund	FY 2025 Revenue Budget	Allocation	Salary	Benefit	Total
<u>Enterprise Funds</u>					
Water	17,940,150	37.2%	44,589.20	18,565.73	63,154.93
Sewer	13,176,105	27.3%	32,748.44	13,635.56	46,384.00
Storm Drain	4,267,500	8.8%	10,606.62	4,416.31	15,022.93
Streets	8,482,823	17.6%	21,083.56	8,778.62	29,862.19
<u>TIF Funds</u>					
Central MT	679,115	1.4%	1,687.90	702.80	2,390.70
Airport	211,678	0.4%	526.11	219.06	745.17
East Industrial	423,567	0.9%	1,052.75	438.34	1,491.09
West Bank	1,000,220	2.1%	2,485.99	1,035.10	3,521.09
Downtown	2,100,000	4.3%	5,219.43	2,173.23	7,392.66
	48,281,158		120,000.00	49,964.75	169,964.75

* Allocation is based off of the Enterprise Funds revenues.

Position Overview

The **Strategic Development Officer (SDO)** serves as the City of Great Falls’ lead representative for coordinating economic development initiatives, managing public-private partnerships, and overseeing key infrastructure financing tools such as Tax Increment Financing (TIF) and Special Improvement Districts (SIDs). Reporting to the City Manager’s Office, the SDO is the primary point of contact for developers and business stakeholders, guiding projects through early planning stages and ensuring alignment with City policies, funding capacities, and infrastructure priorities. This role is grounded in the ethical stewardship of public resources and is responsible for advocating fair, transparent, and financially responsible development practices. The SDO leads cross-departmental coordination, advises the City Manager and Commission on growth strategies, and maintains trusted relationships with economic development partners and the public. A strong understanding of municipal finance, land use, and infrastructure policy—combined with diplomacy, integrity, and strategic focus—is essential to this position.

Attachment D: Development Process and Decision Authority Matrix (Macro)

Step	Staff Role / Authority	What Staff Cannot Do	Commission Role	Developer Must Provide
1. Pre-Application	SDO coordinates early engagement with Planning, Public Works, Legal, Finance, Fire, and Police. Provides overview of city policies, funding tools, and infrastructure availability.	Cannot make promises of funding or entitlements.	N/A	Project description, site plan, and preliminary concept.
2. Internal Review	Departments analyze infrastructure capacity, layout, and service demand. Fire reviews for life safety code compliance; Police evaluates public safety access.	Cannot grant waivers or alter master plans.	N/A	Technical drawings, utility estimates, zoning context.
3. Staff Negotiation	SDO and Planning negotiate development terms, agreements, and recommend feasibility based on Growth Policy and City capability.	Cannot finalize incentives or commit public funds.	N/A	Infrastructure cost estimates, proposed TIF/SID or funding requests.
4. Formal Application	Planning finalizes reports, schedules hearings. Legal, Finance, Fire, and Public Works review technical and legal details.	Cannot approve annexation, zoning, or subdivision.	Conducts public hearings and votes on entitlements and agreements.	Application packets, notifications, community meeting participation.
5. Commission Decision	Staff presents recommendations, impact analysis, and legal/financial review.	N/A	Votes on final agreements, zoning, annexation, and funding terms.	Final engineering plans, signed agreements, pro forma if incentives used.
6. Implementation	Public Works oversees infrastructure installation. Planning ensures conditions are met. Fire conducts compliance inspections.	Cannot change terms post-approval without Commission action.	Reviews progress as needed; may amend policies or funding strategy.	As-builts, construction schedules, maintenance and compliance reports.

* Whether an SDO is hired or not, we're looking for Commission concurrence with processes.

Continued Attachment D: Development Functional Process Outline (Macro)

Function	Responsible Department(s)	Staff Role	Planning Board Role	City Commission Role
Annexation & Zoning Entitlements	Planning & Community Development (P&CD)	Review, negotiate terms, prepare reports	Conducts hearing, recommends approval/denial	Final approval of annexation and zoning decisions
Subdivision Review	P&CD	Leads technical review, coordination, and staff reports	Hearing and recommendation	Final approval
TIF Requests	P&CD / Finance	Pre-app review, prepare analysis, recommend	N/A	Approves or denies funding/incentive request
Utility Infrastructure (Water/Sewer/Storm)	Public Works	Layout, cost share, approve below-threshold expenses in agreements	N/A	Approves agreements, SIDs, bonding, master plans
Streets/Traffic Infrastructure	Public Works	Layout, cost share, approve up to \$250K per FY	N/A	Approves long-range transportation plans and agreements
Legal Review & Risk	Legal	Ensures agreements comply with state law, assists with negotiation	N/A	N/A
Fiscal Oversight & Cost Modeling	Finance	Analyzes cost impacts, TIF, SIDs, user rates	N/A	Approves funding mechanisms and budgets
Developer Negotiation/Coordination	Strategic Development Officer (CM Office)	Primary point of contact, aligns City interests across departments	N/A	Advisory role to Commission; ensures alignment with goals and policy

Attachment E: City Commission Developer Expectations

Proposed Statement by the City of Great Falls to Developers: The City of Great Falls supports strategic development that contributes to the community's long-term health, economic vitality, and infrastructure sustainability. Developers seeking to build within city limits or receive public investment are expected to engage early, align with adopted plans and policies, contribute equitably to infrastructure costs, and demonstrate long-term public value. The City is committed to being a fair and responsive partner in this process.

Best Practices: Developer Expectations Framework

1. Early Engagement & Pre-Application Coordination

- **Expectation:** Developers should initiate engagement with the City early—prior to land acquisition or design.
- **Best Practice:** Require or strongly encourage a formal **Pre-Application Meeting** with the Strategic Development Officer (SDO), Public Works, Planning, and Finance.
- **Benefit:** Clarifies infrastructure needs, timeline, and available public tools (e.g., TIF, SID) before design is locked in.

2. Infrastructure Responsibilities & Cost Sharing

- **Expectation:** Developers are primarily responsible for onsite and direct offsite infrastructure required for their project.
- **City Role:** The City may contribute to *oversizing* infrastructure if it aligns with adopted master plans or capital improvement strategies.
- **Best Practice:** Require developers to submit a **Public Infrastructure Impact Analysis** if requesting cost share or incentives.
- **Rationale:** This avoids the perception of giveaways and ensures public investment matches broader benefit.

3. Alignment with Plans & Policies

- **Expectation:** All projects must align with the **Growth Policy, Zoning Ordinance, Infrastructure Master Plans, and Design Standards.**
- **Best Practice:** Require a narrative from the developer explaining how the project aligns—or why an exception is justified.

4. Transparency and Lifecycle Accountability

- **Expectation:** Developers requesting TIF, SID, or rate-based incentives must provide:
 - Estimated construction value and timing
 - Revenue forecast (taxable value, utility fees)
 - Long-term impact on City services (e.g., streets, water, police/fire)
- **Best Practice:** Explore using a **6:1 public value-to-infrastructure ratio benchmark** for evaluating project feasibility.

5. Public Process Respect & Coordination

- **Expectation:** Developers will participate in required public hearings and coordinate with affected Neighborhood Councils when appropriate.

- **Best Practice:** Avoid direct lobbying of Commissioners before public hearing; direct communications through SDO or staff leads.
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6. Incentive Requests: Defined Process

- **Expectation:** All requests for TIF, SID, or cost participation must:
 - Be submitted in writing with supporting financials
 - Undergo staff vetting and fiscal analysis
 - Be formally reviewed by the City Commission
- **Best Practice:** Establish a **Development Incentives Policy** or application checklist to standardize submissions.