



**AGENDA
CITY OF LAUREL
LAUREL RENEWAL AGENCY
MONDAY, MARCH 06, 2023
11:00 AM
CITY COUNCIL CHAMBERS**

Public Input: *Citizens may address the committee regarding any item of business that is not on the agenda. The duration for an individual speaking under Public Input is limited to three minutes. While all comments are welcome, the committee will not take action on any item not on the agenda.*

General Items

1. Election of President
2. Election of Vice President
3. Elect a Recording Secretary

New Business

- [4.](#) Resolution R21-123
- [5.](#) Review Bylaws of LURA
6. Meeting Dates and Times

Old Business

7. Grants

Other Items

Announcements

The City makes reasonable accommodations for any known disability that may interfere with a person's ability to participate in this meeting. Persons needing accommodation must notify the City Clerk's Office to make needed arrangements. To make your request known, please call 406-628-7431, Ext. 2, or write to City Clerk, PO Box 10, Laurel, MT 59044, or present your request at City Hall, 115 West First Street, Laurel, Montana.

DATES TO REMEMBER

File Attachments for Item:

4. Resolution R21-123

RESOLUTION NO. R21-123

A RESOLUTION OF THE CITY COUNCIL TO ADOPT CRITERIA FOR AWARDING AND/OR APPROVING GRANTS FOR THE LAUREL URBAN RENEWAL AGENCY (LURA) BOARD AND CITY COUNCIL.

WHEREAS, the City Council previously created the Laurel Urban Renewal Agency (LURA), pursuant to Ordinance No. 08-09 as codified at Title 18, Chapters 18.02 and 18.04 of the Laurel Municipal Code, to provide input and recommendations regarding the most effective uses of resources gained from the Tax Increment Finance (TIF) District; and

WHEREAS, the City Council appointed a LURA Board of Commissioners, pursuant to Resolution No. R08-123, who are responsible for providing guidance and recommendations to the City Council pursuant to grant programs that were previously created by resolution;

WHEREAS, the City Council has determined that it is appropriate to adopt mandatory criteria for the LURA Board and City Council to utilize when reviewing and analyzing grant applications under the previously created LURA grant programs.

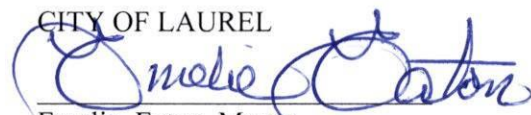
NOW THEREFORE BE IT RESOLVED by the City Council of the City of Laurel, Montana, that the LURA Board and City Council shall apply the following criteria when reviewing and awarding LURA Grants to applicants under the previously approved grant programs:

1. Does the application benefit the public as a whole or just an individual business/property owner?
2. Does the application directly fund public projects or programs?
3. Does the application help to retire public debt?
4. Does the application establish a loan fund to provide financing?
5. Does the application stabilize or renovate publicly owned historic buildings?
6. Does the application construct and/or connect public infrastructure?
7. Does the project improve streetscape and/or public green spaces?
8. Does the project mitigate unsafe decay?
9. Does the project improve accessibility to publicly owned infrastructure?
10. Is the application intended to fund a study, plan or to promote something for the Public benefit?

Introduced at a regular meeting of the City Council on November 23, 2021, by Council Member Sparks.

PASSED and APPROVED by the City Council of the City of Laurel this 23rd day of November 2021.

APPROVED by the Mayor this 23rd day of November 2021.

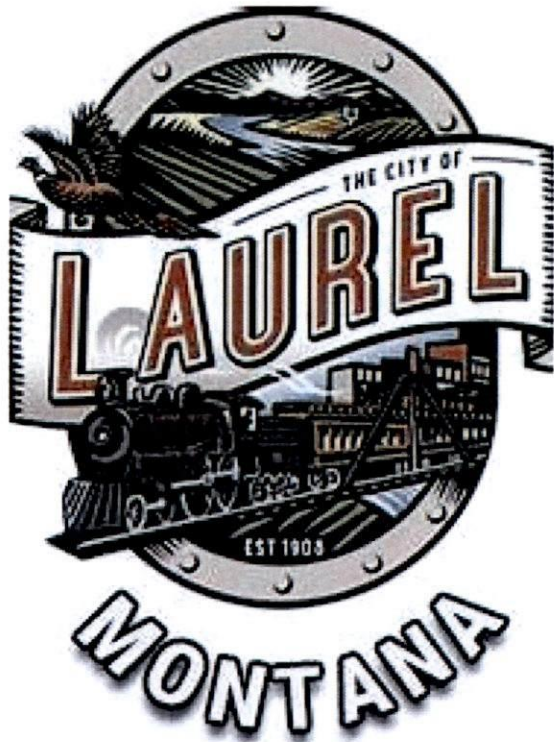
CITY OF LAUREL

Emelie, Eaton, Mayor

ATTEST:


Bethany Langve, Clerk-Treasurer

Approved as to form:


Sam S. Painter, Civil City Attorney



Urban Renewal and Tax Increment Financing

CDS of Montana

October 5, 2021

2

Workshop Overview

Purposes of Urban Renewal

Fundamentals of Tax Increment Financing

Laurel URD Summary

District Management

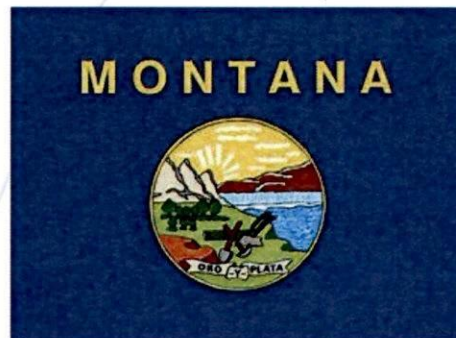
Eligible Projects and Activities

Urban Renewal Experiences Across the State
and Cautionary Tales

Questions and Discussion

CDS - 2021

Statutory Authority for Urban Renewal



"...the prevention and elimination of [blighted] areas is a matter of state policy and state concern in order that the state and its municipalities shall not continue to be endangered by areas which...consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization, and other forms of public protection, services, and facilities." (§7-15-4202 MCA)

Types of URDs



Urban Renewal (URD)

Available only within incorporated cities and towns in areas that exhibit at least three conditions of blight

Provides for investments in public improvements in support of commercial, industrial and residential revitalization

CDS - 2021



Targeted Economic Development (TEDD)

Available to cities, towns and counties in areas that exhibit public infrastructure deficiencies

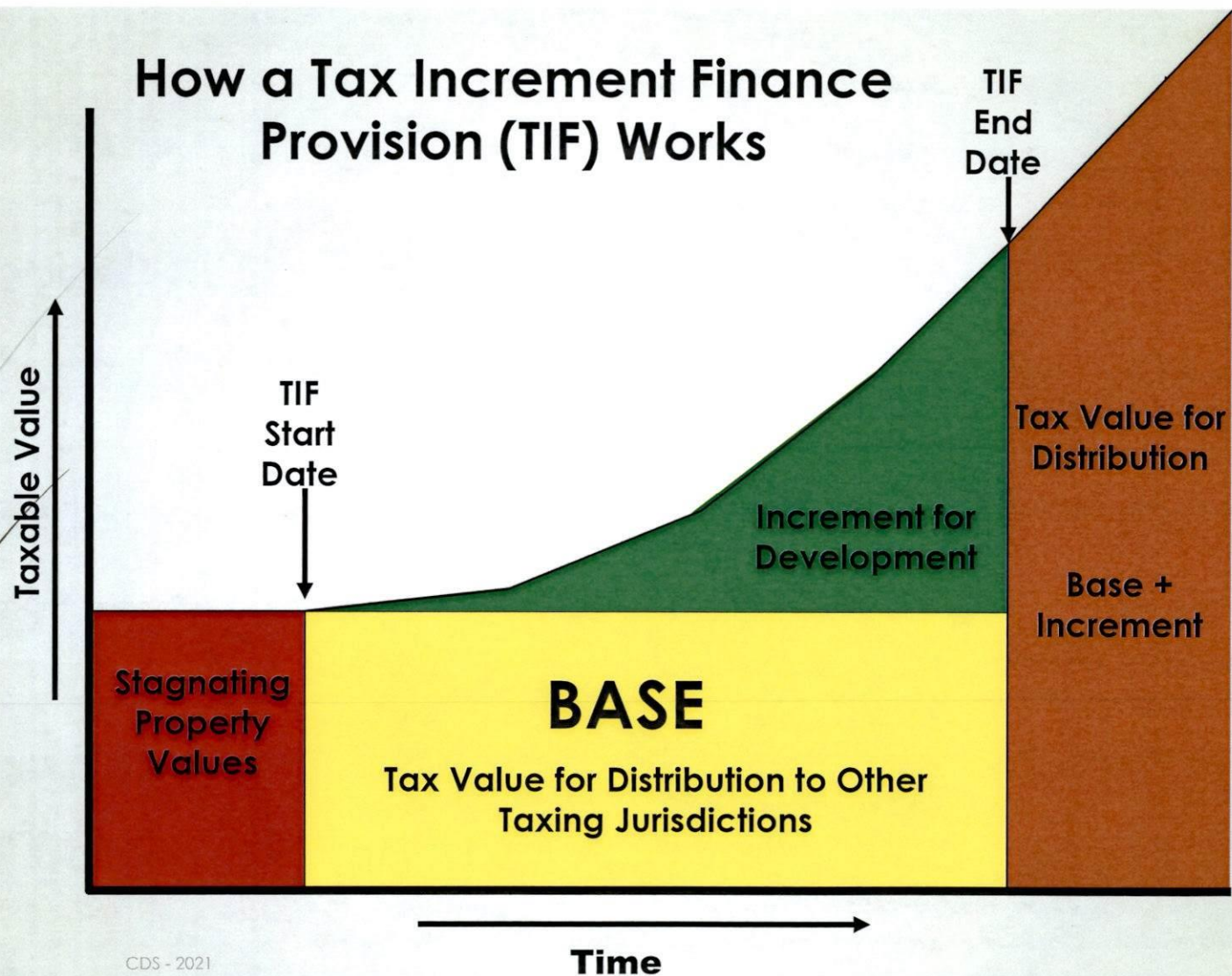
Supports value-added economic development, usually industrial with limited commercial uses through investments in public infrastructure

Urban Renewal and Tax Increment Financing

- The plan for a URD may include a provision to use Tax Increment Financing (TIF).
- TIF is a state authorized, locally driven funding mechanism that allows cities and counties to direct property tax dollars that accrue from new investment within a URD or TEDD, to development activities *within* that district.
- TIF is not a special taxing district; it does not add any new taxes. Rather, it affects the way that incremental increases in property taxes are distributed once collected.
- Projects and programs that are funded by TIF dollars **must** serve a public purpose.

CDS - 2021

How a Tax Increment Finance Provision (TIF) Works

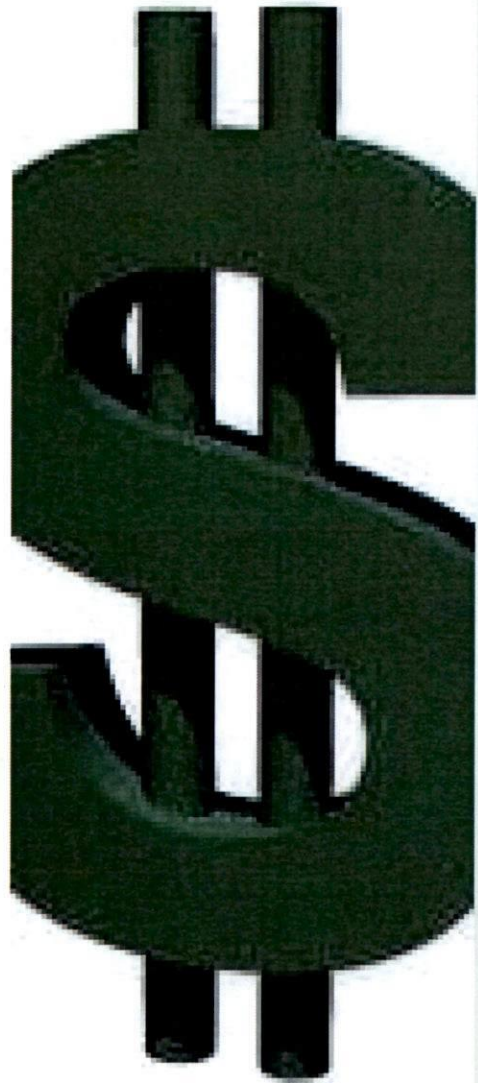


CDS - 2021

The Calculation

- Assume: \$10,000,000 dollars of net New Appraised Value
- Assume: Class 4 commercial property valued at a tax rate of 1.89% (2021)
- Taxable Value = \$189,000
- Assume: 600 *net* mills (total mills minus the six-mill university levy and any voted mills after TIF effective date)
- Tax Increment = \$113,400

CDS - 2021



Potential Funding Strategies

- TIF dollars can be used to:
 - Directly fund public projects and programs
 - Retire debt
 - Leverage other funding sources, both public and private.
- Funds may be used to establish a revolving loan fund to provide financing.
 - Interest rates can be set based on project feasibility.
 - The revolving fund may continue in perpetuity, even after the TIF provision has “sunsetted”, but funds must be used in accordance with the adopted urban renewal plan.

CDS - 2021

Laurel URD Summary



Laurel Urban Renewal District created in 2007



City created an urban renewal agency in 2008



Created a Facade Improvement Grant program in 2010



Created Technical Assistance Grant program in 2010



Large Grant Requests Program in 2015



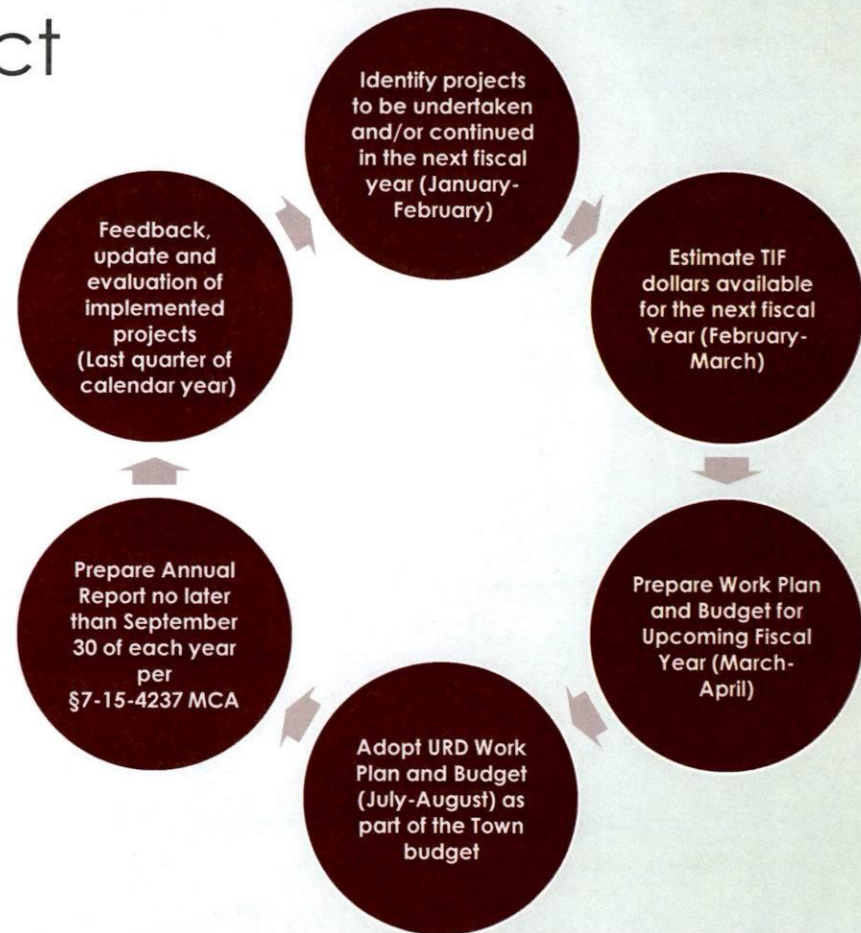
General Small Grant Program in 2019



Issued a 25-year TIF bond in 2020

Management of an Urban Renewal District

- Ongoing process of project identification, analysis and implementation
- Work plan and budget due when required by local government
- Annual report due by Sept. 30



Allowable Uses of TIF Funds

Stabilize and/or
renovate
publicly owned
historic buildings

Construct and
connect public
infrastructure

Mitigate unsafe
decay

Improve
streetscapes
and public
green spaces

Improve
accessibility to
publicly owned
infrastructure

Study, plan and
promote



Project Evaluation Criteria

- Public purpose
- Urban Renewal Plan conformance
- Beneficiaries – community or district vs. business?
- Leverage – percent of total project cost
- Partnerships brought to the project
- Measurable objectives
- Property tax growth
- Opportunity cost
- Ongoing maintenance requirements



12

CDS - 2021

Urban Renewal Plan Conformance – Identified Conditions that Contribute to Blight

Flooding

Storm Drain
System
Inadequacies

Lack of Green
Space

Need for Street
Improvements

Need for
Intersection
Improvements

Lack of
streetlights,
sidewalks, curbs
and gutters

Urban Renewal Sample Projects

Capital improvements

- Water main replacement
- Sewage system expansion pro-rata share
- Repaving/rebuilding streets
- Broadband installations

Branding/Beautification

- Unified street fixtures/colors
- Intersection identification
- Signs and Wayfinding
- Utility box graphics/anti-graffiti





15

Sample Projects

Economic development

- Public parking lot construction
- Revolving loan fund
- Historic Façade Improvements

Safety

- HAWK (High Intensity Activated Cross Walk) light
- Traffic Signals
- Fire hydrant connections
- ADA in publicly owned buildings

CDS - 2021

Neighborhoods

- Sidewalks
- Streetlights
- Connectivity
- Leveraging LMI grant applications

Decay

- Acquisition
- Removal
- Resale

CDS - 2021

16

Sample
Projects

Cautionary Tales

Questionable
public benefit

"Build it and
they will come"

Lack of buy-in

Dependency
on centrally
assessed
taxpayers

Change in
taxable status

Single use
districts



18 Questions and Discussion

CDS - 2021

File Attachments for Item:

5. Review Bylaws of LURA

RESOLUTION NO. R08-123

**RESOLUTION OF THE CITY COUNCIL ASSIGNING CERTAIN STATUTORY
POWERS TO THE LAUREL URBAN RENEWAL AGENCY PURSUANT TO
MCA § 7-15-4232 AND APPROVING BY-LAWS FOR THE ORDERLY OPERATION
OF THE LAUREL URBAN RENEWAL AGENCY.**

WHEREAS, the City Council previously elected to create a separate urban renewal agency pursuant to MCA § 7-15-4232 for purposes of exercising select urban renewal powers that are provided by Montana Law on the City Council's behalf;

WHEREAS, the City Council created the Laurel Urban Renewal Agency through the adoption of Ordinance No. 08-09;

WHEREAS, Ordinance No. 08-09 provides that the City Council will empower the Laurel Urban Renewal Agency by assigning select powers to it by Resolution;

WHEREAS, Ordinance No. 08-09 provides that the Laurel Urban Renewal Agency shall act only in an advisory capacity to the City Council and shall exercise all assigned powers consistent with the previously approved Laurel Urban Renewal Plan;

WHEREAS, the City Council is authorized by MCA § 7-15-4232 to assign or reserve unto themselves any of the urban renewal project powers listed in MCA § 7-15-4233 by and through a Council Resolution; and

WHEREAS, the City Council intends that any power not specifically assigned to the Laurel Urban Renewal Agency by this Resolution is specifically reserved for the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Laurel, Montana, that the City Council hereby authorizes and assigns the following urban renewal project powers to the Laurel Urban Renewal Agency pursuant to MCA § 7-15-4232:

1. To formulate and coordinate a workable program as specified in § 7-15-4209;
2. To prepare urban renewal plans;
3. To prepare recommended modifications to an urban renewal project plan;
4. To disseminate blight clearance and urban renewal information;
5. To enter any building or property in any urban renewal area in order to make surveys and appraisals in the manner specified in § 7-15-4257;
6. To prepare plans for the relocation of families displaced from an urban renewal area and to coordinate public and private agencies in such relocation;

7. To prepare plans for carrying out a program of voluntary or compulsory repair and rehabilitation of buildings and improvements;
8. To conduct appraisals, title searches, surveys, studies, and other preliminary plans and work necessary to prepare for the undertaking of urban renewal projects;
9. To negotiate for the acquisition of land;
10. To study the closing, vacating, planning, or re-planning of streets, roads, sidewalks, ways, or other places and to make recommendations with respect thereto; and
11. To perform such duties as the local governing body may direct so as to make the necessary arrangements for the exercise of the powers and performance of the duties and responsibilities entrusted to the local governing body.

BE IT FURTHER RESOLVED, that the City Council hereby specifically reserves unto itself any and all urban renewal powers available and provided by Montana Law that are not specifically assigned to the Laurel Urban Renewal Agency in this Resolution.

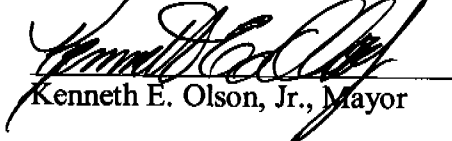
FINALLY BE IT RESOLVED, the City Council approves the attached By-Laws providing for the effective and orderly operation of the Laurel Urban Renewal Agency.

Introduced at a regular meeting of the City Council on November 4, 2008, by Council Member Hart.

PASSED and APPROVED by the City Council of the City of Laurel this 4th day of November, 2008.

APPROVED by the Mayor this 4th day of November, 2008.

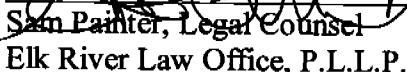
CITY OF LAUREL


Kenneth E. Olson, Jr., Mayor

ATTEST:


Mary K. Embleton, Clerk-Treasurer

Approved as to form:


Sam Painter, Legal Counsel
Elk River Law Office, P.L.L.P.

2008 BYLAWS LAUREL URBAN RENEWAL AGENCY

Approved by Laurel City Council through Resolution No. R08-123

Article I - Authority

The Laurel Urban Renewal Agency ("Agency") was created by the City Council through the adoption of Ordinance No. 008-09. The City Council empowered the Agency through Resolution No. R08-123, all pursuant to Title 7, Chapter 15, Parts 42 and 43, Montana Code Annotated, 2007 (MCA).

Article II - Objectives

The Agency's objectives are to act in an advisory capacity to the City Council and to exercise all assigned powers consistent with the most currently approved Laurel Urban Renewal Plan. The City Council may modify the Laurel Urban Renewal Plan from time to time in accordance with MCA § 7-15-4221.

Article III - Definitions

As used in these bylaws,

- a. "Advisory Member" means a non-voting advisory member of the Agency as appointed by the Mayor and approved by the City Council in accordance with LMC 18.02 through 18.08.
- b. "Agency" means the Laurel Urban Renewal Agency.
- c. "City Staff" means any employee or contractor currently employed or under contract with the City of Laurel.
- d. "Council" means the City Council of the City of Laurel, Montana.
- e. "Commissioners" means the Board of Commissioners who administer the Agency as appointed by the Mayor and approved by the City Council in accordance with LMC 18.02 through 18-06.
- f. "LMC" means the Laurel Municipal Code.

Article IV – Powers and Duties

A. The Agency serves in an advisory capacity to the Council. The Agency has the following authority:

1. To adopt amendments to bylaws for the conduct of business that must be approved by the Council;
2. To elect a President and Vice-President from among its members;
3. Any other duty, power and/or responsibility assigned to the Agency by the Council through Resolution; and
4. To perform such duties as the local governing body may direct so as to make the necessary arrangements for the exercise of the powers and performance of the duties and responsibilities entrusted to the local governing body.

Article V - Membership

A. Selection and Terms. Membership of the Agency consists of five Commissioners and four advisory members. The Council shall fill any vacancy for the unexpired portion of a term within sixty days after the vacancy has occurred.

B. The President may appoint a temporary alternate to serve as a Commissioner, replacing any absent Commissioner under the following circumstances:

1. To ensure a knowledgeable discussion and decision;
2. To promote the desired conduct of business with input from as many sources as possible;
3. To fill the unexpired term of a Commissioner who resigns, pending replacement by the Council; and
4. To provide advancement opportunities for Advisory Members who are willing, eligible and qualified to serve as Commissioners.

C. Three (3) Mayor appointed and Council confirmed Commissioners constitute a quorum for the Agency when hearing and acting on an Agency matter. Advisory Members and temporary alternate members may participate in Agency discussion of any matter, but they shall neither make motions nor vote.

D. Resignations and Expirations

1. Agency members resigning before completion of their terms are expected to submit written resignations. The President shall report such resignation to the Agency, Mayor and Council.
2. A resignation is effective on the date indicated in the resignation, or if no date is specified, it is effective on the date submitted.
3. Any member whose term expires shall serve until a successor is appointed.

Article VI - Officers and Duties

A. Officers

1. President. Agency members shall elect a President who shall serve one year.
2. Vice-President. Agency members shall elect a Vice-President who shall serve a term of one year.
3. Recording Secretary. Agency members shall elect a Recording Secretary who shall serve one year.

B. Duties

1. President. The President shall preside at all Agency meetings and hearings, call special meetings and perform the duties normally conferred by parliamentary usage on such officer and other such duties as may be properly prescribed.
 - a. The President may enter into the discussion of matters before the Agency.
 - b. The President may vote on matters before the Agency.
2. Vice-President. When the President is absent, disabled or disqualified, the Vice-President shall act as President.

Article VII - Meetings

A. Regular Meetings. The Agency shall meet at least once each month, on a day selected by the Agency. The President may cancel meetings if there is no business to come before the Agency.

B. Special Meetings

1. Either the President or three Commissioners, making written request to the President, may call a special meeting of the Agency.
2. The President shall send, at least twenty-four hours in advance, written notice of any special meeting to all members and shall post a meeting notice in conspicuous public places including but not limited to, City Hall and the Post Office.

C. Quorum

1. A majority of Commissioners currently serving, but not less than three, shall constitute a quorum.
2. All official action taken through those powers specifically assigned to the Agency by Council Resolution shall be authorized only by the favorable vote of three.
3. Any action or recommendation passed by vote of a majority less than three shall include this fact in all printed or published records or minutes.

D. Parliamentary Authority. Robert's *Rules of Order* shall apply in all parliamentary matters unless these bylaws otherwise provide.

E. Conflict of Interest

1. A conflict of interest exists when a Commissioner or other member of the Agency

- has a financial or property interest in a matter under consideration by the Agency or one of its duly created committees.
2. Before consideration of the matter, this conflict of interest shall be entered in the minutes of the meeting.
 - a. Thereafter, the member shall be excused from meeting during consideration of the matter and shall not participate in consideration, debate, or if a Commissioner, voting thereon.
 - b. The member may participate as a part of the public in attendance in providing information to the Agency.
 3. No member may represent a party having an interest in business currently before the Agency. If a member has received prior communication from such a party, it shall be passed to the Recording Secretary or appropriate Staff for public disclosure and subsequent communication to the Agency at a meeting.

F. Voting.

1. All Commissioners who do not declare conflict of interest shall vote; votes may be registered as *aye or nay*.

G. Notification.

1. All meetings of the Agency and its committees shall comply with Montana law as it applies to open public meetings.

Article VIII - Conduct of Meetings

A. Order of Business

1. Unless otherwise voted and approved by the Commissioners, the order of business at regular meetings shall be:

- a. Call to order.
- b. Roll call.
- c. Approval of minutes and action thereon.
- d. Public hearings.
- e. Communications and Special Presentations.
- f. Committee Reports.
- g. Old Business.
- h. New Business and referrals.
- i. Comments from Agency members.
- j. Staff announcements.
- k. Adjournment.

2. The Agency may, by a two-thirds vote of members present, dispense with any item on the agenda, other than hearings, or change the order of business.

B. New Business

1. Only those items included on the agenda and that are part of the materials provided to the Commissioners may be acted upon at that particular meeting.

2. New business may be introduced without prior notice for the purpose either of Agency action at a future meeting or referral to a committee or the staff for study or consideration.
3. The requirements of this section may be waived through a Suspension of the Rules by the two-thirds vote of the members present if there is a quorum.

Article IX - Public Hearing Procedures

A. If the Agency or Council determines a formal public hearing be held upon a particular matter, the following apply to the President. The President shall:

1. Preside at all public hearings.
2. State a summary of the question or issue at the opening of the hearing, limiting its contents to the subject advertised for hearing.
3. Specify the method of conduct of the hearing.
4. Assure an orderly hearing, having the power to terminate the hearing if, in the President's opinion, persons become unruly.
5. Announce that all questions and comments shall be directed through the President only after the speaker has been properly recognized.
6. Direct each speaker recognized to supply the record with a complete name and address, and if appropriate, the name of the person, firm or organization which the speaker represents.
7. Direct that copies of prepared statements be given to the secretary and the presiding officer to become part of the record.
8. Call first for statements from proponents, then give opponents and others equal opportunity for comment and finally, allow an opportunity for rebuttal testimony.
9. Close the hearing to the receipt of public testimony when all who wish to speak have spoken, or if the time limit set by the Agency has expired.
10. Declare the hearing to be closed or state the time, place and date upon which the hearing will be continued.

B. Duties of Recording Secretary. The Recording Secretary shall:

1. Take minutes or record the content of all presentations, public hearings, discussion, and decisions of duly constituted regular or special meetings of the Agency. These minutes shall include a list of those members present at any meeting and those members absent.
2. Incorporate this record in the minute book of the Agency as a permanent part of its record.
3. Furnish copies of the minutes of the Agency in the materials mailed to the Agency members prior to the next monthly Agency meeting for approval.
4. Routinely provide copies of the minutes to the City Council.

C. Power of Agency.

1. The Agency may set a reasonable time limit for the receipt of public testimony.

Article X - Committees

A. Special Committees. The President may appoint special committees for such purposes and terms as the Agency provides.

B. Committee Reports

1. A referral to committee may contain the date for report to the Agency.
2. Each committee report shall be written and may contain both majority and minority opinion.
3. A copy of each committee report shall be submitted to the President for inclusion in the permanent records of the Agency.

C. Staff Attendance.

1. The City Staff at the request of the President and approval of the Mayor or Chief Administrative Officer shall attend committee meetings and participate in discussion, presenting relevant information and alternatives.

Article XI - Legal Assistance

A. The Agency may seek legal assistance from the attorney(s) for the City of Laurel upon approval of the Mayor or Chief Administrative Officer.

Article XII – Staff Attendance

1. City Staff at the request of the President and approval of the Mayor or Chief Administrative Officer shall attend Agency meetings. Staff shall participate in the discussion, provide advice, information, expertise or other relevant information and alternatives to the Agency.

Article XIII - Amendments

A. Procedure

1. Any bylaw amendment shall be proposed in writing to the President by any member for placement under new business on the Agency agenda.
2. Approval of the proposed amendment requires an affirmative vote of a majority of the Agency present at any meeting properly called subsequent to the proposal.

B. Approval. No such amendment shall be effective until approved by the Council.