



**AGENDA
CITY OF LAUREL
LAUREL URBAN RENEWAL AGENCY
MONDAY, OCTOBER 18, 2021
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.*

1. Roll Call

General Items

2. Approve Meeting Minutes: September 20, 2021
3. Partner Updates

New Business

4. State TIF District Presentation
5. Projects Discussion

Old Business

Other Items

Announcements

6. Adjourn
7. Next Meeting: November 15, 2021

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:

2. Approve Meeting Minutes: September 20, 2021



**AGENDA
CITY OF LAUREL
LAUREL URBAN RENEWAL AGENCY
MONDAY, SEPTEMBER 20, 2021
11:00 AM
LAUREL 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.*

1. Roll Call

The Chair called the meeting to order at 11:03am.

Don Smarsh
Daniel Klein
Janice Lehman
Judy Goldsby
Nick Altonaga (City of Laurel)

General Items

2. Approve Meeting Minutes: August 23, 2021

The Chair presented the minutes from the August Meeting.

Daniel motioned to approve the minutes from August 23, 2021.
Don Seconded.
Motion Carried.

3. Partner Updates

Dianne Lehme from BSEDA was present at the meeting.

Not a lot of big updates. Holding premiere of Edge of the Plains featuring entrepreneurs from the region. October 7th premiere at Babcock theater in Billings. Free but you need to reserve a ticket. Should be a fun event. 3:30 for annual meeting, premiere at 6:00/6:30.

You can also get Free tickets to the annual meeting of BSEDA. There is a party between the annual meeting and the screening of the documentary. Trainings are coming up, don't have the list in front of me but they are listed on our website.

Daniel mentioned poaching Steve from Beartooth RC&D.

Dianne: He is a project manager in the Community Development department. He left Beartooth due to the ton of travelling he had to do. Wanted to focus more on Yellowstone County. Beartooth has hired Jacy Head (out of Red Lodge). This is her 3rd week.

Nick reported that he had invited The Laurel Chamber of Commerce, Cami reported she would attend but Nick had not heard back, He was also invited to speak in front of Rotary in the next few weeks so he will spread the word about it.

New Business

4. Small Grant Request: Uniquities Signage Grant

Nick presented the grant. Straightforward 50% request for signage and awning improvement.

Don Motioned to approve the signage and awning grants in the amount of \$1,937.96.

Daniel Seconded.

Motion Carried.

5. Priorities: Lighting

Nick presented his letter summarizing the discussions that took place in the Board meetings.

- Nick and Don would like to see lighting done for full Downtown (SE 4th Street and CBD).
- Judy, the lighting requested for SE 4th were more the pole
- Janice wants solar powered lights.
- Laurel Community Foundation has put lighting on the building on 1st and Main. (Currently a church).
- Discussion of mixing lighting with other downtown improvements (marketing, landscaping, etc.)

Richard Herr was present; he is skeptical of the amount of water downtown. Does not think we have enough water to take care of any landscaping or tree improvements.

Don: it would be a great addition to the city (flowers or planters). Would be great to have trees downtown or some other greenery. Use LURA funds for trimming and other maintenance.

- Nick can look up how cities use funds for maintaining downtown planters or trees.

Janice: If we replant trees we CAN NOT use the type of trees that were planted in years prior.

- Nick can look up/establish a list of proper trees.

Daniel: Need to estimate # of hours of time spent on maintenance, # of staff needed. Need to re-study the program annually to ensure the program is effective.

Marvin Carter from the F.O.E.: Bring Mike Matthew from Billings, he was responsible for the maintenance of some planters and landscaping in Billings. Check with him about how to get it done. Ask business owners if they would want to maintain the planters and/or trees or spend \$\$ on it.

Nick also presented the idea to have drought resistant plants that would not require as much right-of-way or maintenance.

Debbie Singer, Lisa Perry at NW Energy are the people to talk to. Dianne Lehme will provide Nick with their contact information.

- Nick Can put together info on: Install Cost, Maintenance Cost, Manpower, Financing.

Old Business

6. Large Grant Discussion

Nick presented the FOE Grant. Marvin Carter was present to discuss it.

Sean Mullany wants to create a greenscape area along Main Street. (Amy and Sean own Sunlight realty)

Judy: Our question was when the vendor is marked “Eagles,” who would be doing the work? Would this be a donation?

- We cant reimburse for labor that is donated.
- We want more details on #'s for the items marked EAGLES on the breakdown.

Marv: A lot of the work will come up above the current estimates.

Nick: We can always reconfigure and re-vote on the grant after more information is provided. That vote can then be sent to City Council.

Don: Come back with more details. City Council has been very critical of fund requests.

Marv: I will work with the treasurer to revise and get a more accurate set of numbers to submit back to the Board.

Other Items

Don: Payment of funds has been a concern. The lag time is an issue.

Nick reported that he will be submitting a number of the previously applied for grants in the next week or so.

Don: Suggest contacting Lumpy (Mark Cloud). He is always willing to work on projects around Laurel (Lighting or other items).

Announcements

7. Adjourn

Daniel Motioned to Adjourn.

Don Seconded.

Motion Carried.

Meeting adjourned at 11:58am.

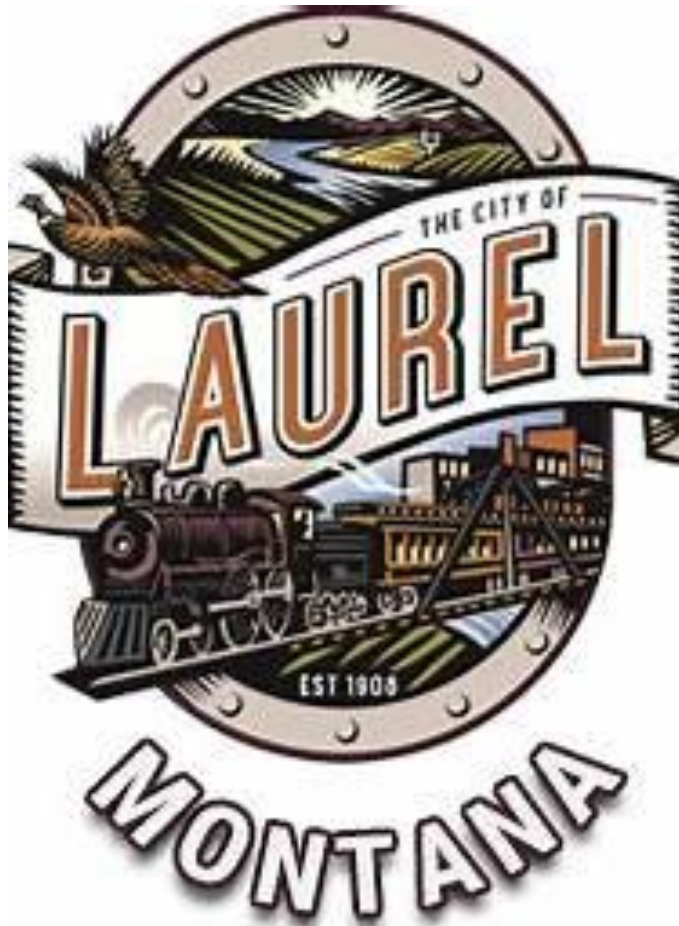
8. Next Meeting: October 18, 2021

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DATES TO REMEMBER

File Attachments for Item:

4. State TIF District Presentation



Urban Renewal and Tax Increment Financing

CDS of Montana

October 5, 2021

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

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



Targeted Economic Development (TEDD)

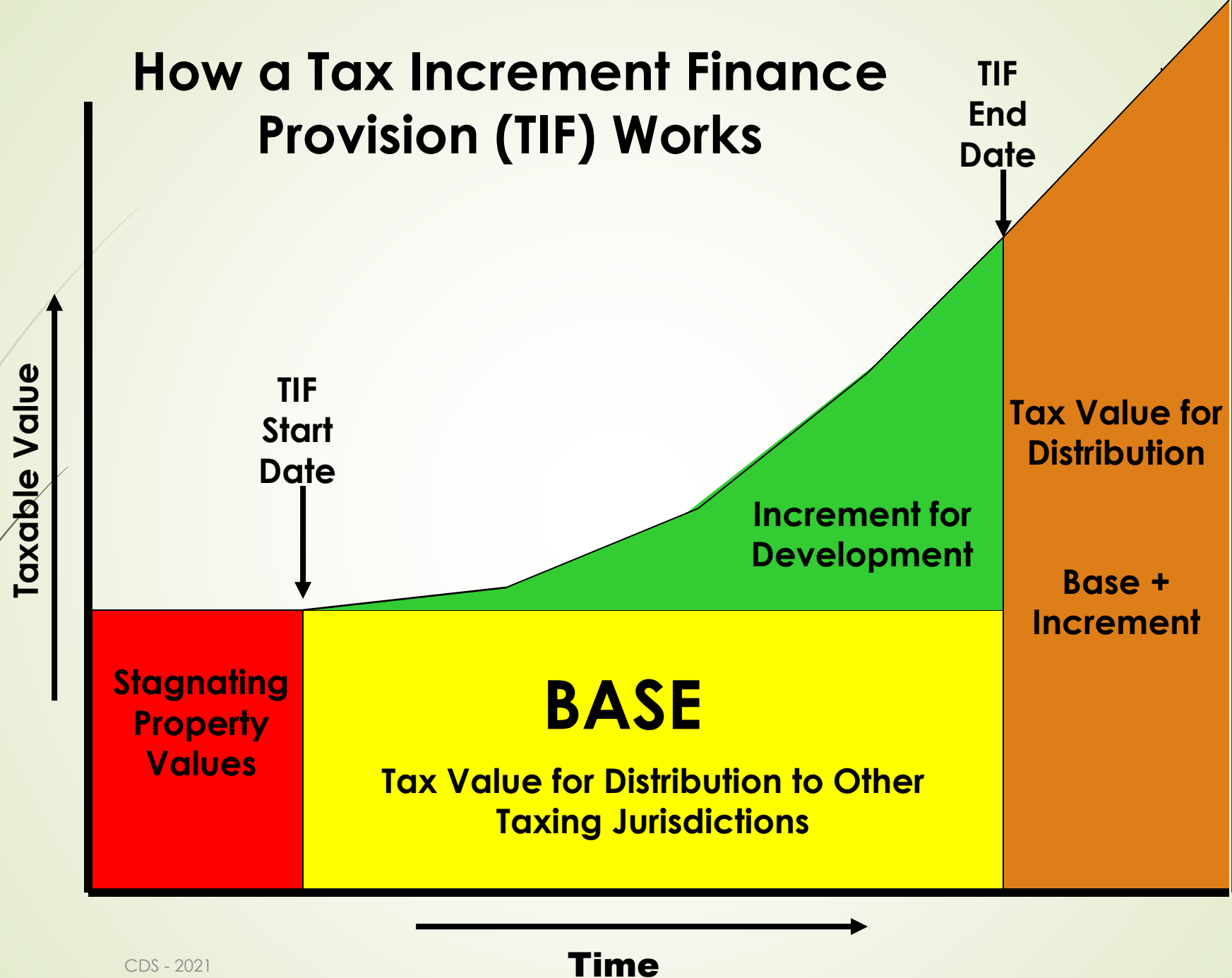
Available to cities, towns and counties in areas that exhibit public infrastructure deficiencies

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.

How a Tax Increment Finance Provision (TIF) Works



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



8 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.

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



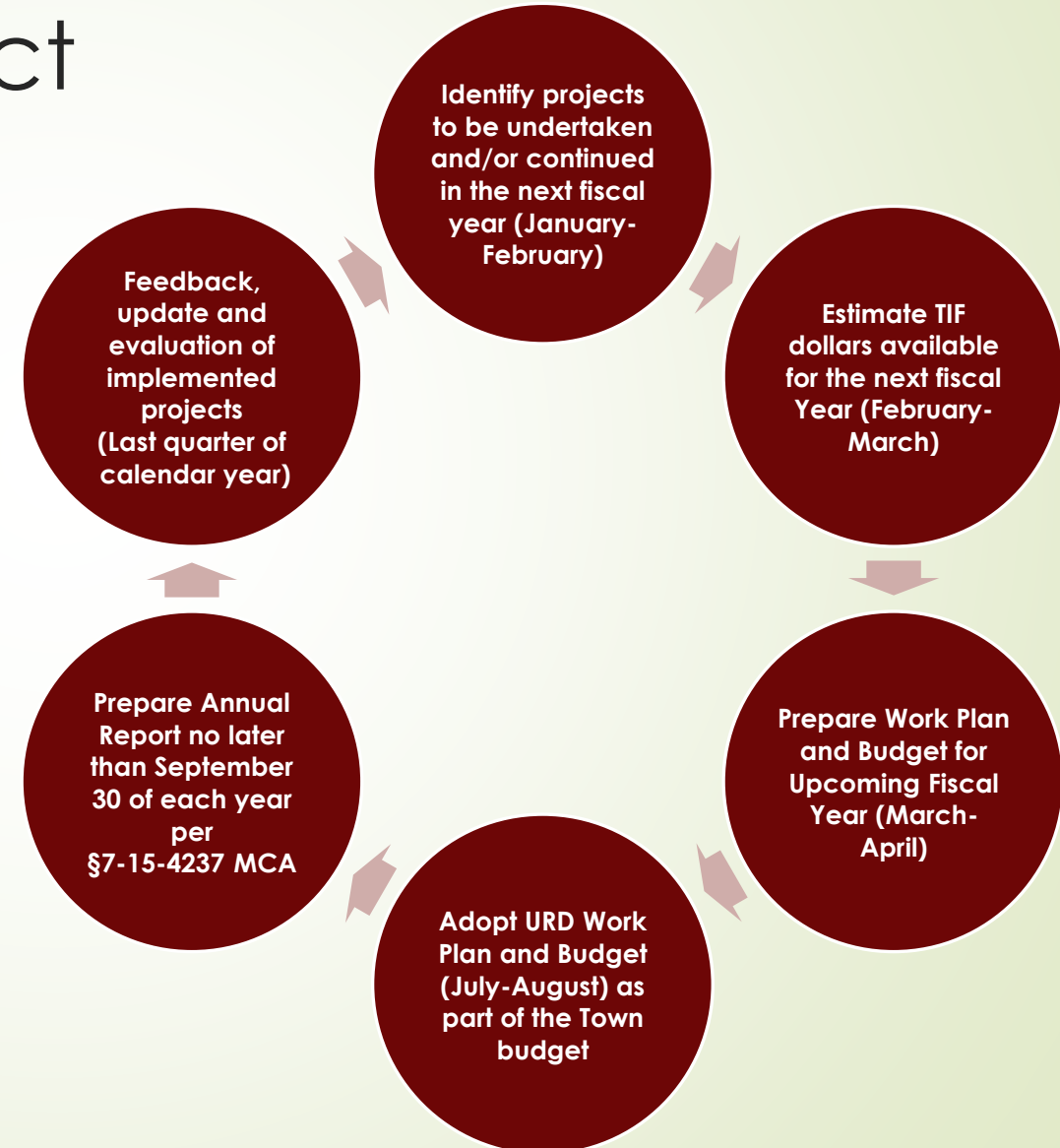
General Small Grant Program in 2019



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

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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





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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

Neighborhoods

- Sidewalks
- Streetlights
- Connectivity
- Leveraging LMI grant applications

Decay

- Acquisition
- Removal
- Resale

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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