

ORDINANCE NO. _____

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF RAVALLI COUNTY, MONTANA, CREATING THE RAVALLI COUNTY TARGETED ECONOMIC DEVELOPMENT DISTRICT (TEDD), AND ADOPTING THE RAVALLI COUNTY TARGETED ECONOMIC DEVELOPMENT DISTRICT DEVELOPMENT PATTERN AND ZONING REGULATIONS, WITH A TAX INCREMENT FINANCING PROGRAM PURSUANT TO TITLE 7, CHAPTER 15, PART 42 AND 43 OF THE MONTANA CODE ANNOTATED

WHEREAS, the Ravalli County Board of Commissioners is interested in targeted economic development and fostering the growth of infrastructure-intensive, value-adding economic development in the proposed Ravalli County Targeted Economic Development District, as part of the County's overall goals to promote, stimulate, develop and advance the general welfare, commerce, economic development and prosperity of the citizens of Ravalli County and the State of Montana; and

WHEREAS, on April 1, 2014, the Ravalli County Commissioners directed that a Preliminary Engineering Report of the infrastructure deficiencies in the proposed Ravalli County Targeted Economic Development District be conducted to document the existence of infrastructure deficiencies and resulting impediments to the development of infrastructure-intensive, value-added development in the area of the Ravalli County Airport and other contiguous parcels, including approximately 420 acres, more or less, generally located in Sections 19, 20, 29 & 30, T 6 N, R 20 W, S1/2SW1/4SW1/4 Section 20, T6N, R20W, S1/2N1/2SW1/4SW1/4 Section 20, T6N, R20W, Sections 19, 20, 29 & 30, T 6 N, R 20 W, Ravalli County, Montana; and

WHEREAS, in accordance with 7-15-4280, MCA, on August 5, 2015, the Ravalli County Board of Commissioners adopted Resolution 3267, a "Resolution of Necessity" that established the boundaries of the proposed Ravalli County Targeted Economic Development District (TEDD), identified the area as a proposed TEDD, recognized that the area is infrastructure deficient, and declared that infrastructure improvement in this area is necessary for the welfare of the residents of the County; and

WHEREAS, Ravalli County is interested in using Tax Increment Financing as a tool to foster economic and community development, therefore, pursuant to 7-15-4279, MCA, Ravalli County caused a development pattern and zoning regulations to be prepared. ;and

WHEREAS the creation of a TEDD, as authorized in Sections 7-15-4277 through 4280, MCA, "Targeted Economic Development District Act," will help fund the supportive public infrastructure needed to encourage the location and retention of value-adding industries in the Ravalli County Targeted Economic Development District area.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF RAVALLI COUNTY, MONTANA, THAT:

Section 1

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

- a) "Act" means Title 7, Chapter 15, Parts 42 and 43, Montana Code Annotated.
- b) "Actual taxable value" means the taxable value of taxable property at any time, as calculated from the assessment roll last equalized.
- c) "Base taxable value" means the actual taxable value of all taxable property within an urban renewal area or targeted economic development 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.
- d) "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 an urban renewal area or targeted economic development district.
- e) "Tax increment" means the collections realized from extending the tax levies, expressed in mills, of all taxing bodies which the urban renewal area or targeted economic development district or a part thereof is located, against the incremental taxable value.
- f) "Tax increment provision" means a provision for the segregation and application of tax increments as authorized by [7-15-4282](#) through [7-15-4299](#).
- g) "Taxes" means all taxes levied by a taxing body against property on an ad valorem basis.
- h) "Targeted Economic Development Area" means an infrastructure deficient area that the local governing body designates as appropriate for targeted economic development project or projects.
- i) "Targeted Economic Development District" means an established targeted economic development area.
- j) "Targeted Economic Development District Pattern Plan" means a development pattern and development plan for the TEDD adopted by the Ravalli County Board of Commissioners in accordance with the provisions of this Ordinance, and describes potential projects or programs. Ravalli County does not have a Growth Policy. The TEDD will be for uses in accordance with the development pattern and zoning regulations of the development district adopted under Title 76, chapter 2, part 1.
- k) "Targeted Economic Development project or program" means undertakings or activities of a municipality in a TEDD that consists of any or all of the activities authorized by Section 7-15-4288, MCA, in accordance with the development pattern plan; a targeted economic development project may not include using property that was condemned pursuant to Title 70, chapter 30, for anything other than a public use.

- 1) “Ravalli County Targeted Economic Development District” means the TEDD established by this Ordinance, consisting of a continuous area within an accurately described boundary, planned in accordance with the development pattern and zoning regulations of the development district adopted under Title 76, chapter 2, part 1, and is found to be deficient in infrastructure improvements for targeted economic development of secondary, value adding industry.

Section 2

Findings. Based on representations made to the Ravalli County Board of Commissioners to date, including public comments, the Board of Commissioners hereby makes findings, determinations and declarations, subject to the additional findings, determinations and declarations following the required public hearings, as follows:

1. There have been several Board of County Commissioner (BCC) public meetings and hearings leading up to and including for the reading of this ordinance, with legal notice thereof having been provided to the public, including:
 - a. a meeting to discuss requesting grants to create a TEDD on May 3, 2013;
 - b. the BCC letter of support to create a TEDD on June 10, 2013;
 - c. approval of Department of Commerce and Ravalli County contract on July 19 and continued on July 23, 2013;
 - d. opening of RFP and awarding contract to Community Development Services of Montana on September 9, 2013;
 - e. a planning session with the BCC and RCEDA on September 12, 2013;
 - f. a meeting for the first draw for the TEDD on October 23, 2013;
 - g. approval to continue with the TEDD on December 30, 2013;
 - h. an approval letter to the Department of Commerce on July 13, 2014;
 - i. a claim for the Preliminary Engineering Report on September 3, 2014;
 - j. a request for an extension of time on the grants on April 22, 2015;
 - k. a meeting with RCEDA on wastewater issues on July 21, 2015;
 - l. a working meeting with the BCC and Hamilton City Council on September 10, 2015;
 - m. approval of the boundary for the Zoning District on October 1, 2015;
 - n. a meeting with the BCC and RCEDA for an update on the TEDD on October 7, 2015;
 - o. a Planning and Zoning Commission meeting on October 22 and hearing on October 29, 2015;
 - p. a meeting to adopt the Zoning District regulations on November 2, 2015;
 - q. the first reading of the TEDD Ordinance on November 9, 2015;
 - r. a meeting on the adoption of the TEDD comprehensive development plan and preliminary engineering report on November 19, 2015; and
 - s. the 2nd reading and adoption of the TEDD ordinance on November 23, 2015.
2. The TEDD has as its purpose the development of infrastructure to encourage the location and retention of value-adding projects in the state.

3. The TEDD is the Ravalli County Airport and other contiguous parcels, including approximately 420 acres, more or less, generally located in Sections 19, 20, 29 & 30, T 6 N, R 20 W, S1/2SW1/4SW1/4 Section 20, T6N, R20W, S1/2N1/2SW1/4SW1/4 Section 20, T6N, R20W, Sections 19, 20, 29 & 30, T 6 N, R 20 W, Ravalli County, Montana.
4. The TEDD consists of a continuous area with an accurately described boundary, and consists of approximately 420 acres, more or less, that is large enough to host a diversified tenant base of multiple independent tenants.
5. The TEDD has been zoned for uses in accordance with the development pattern and zoning regulations of the development district adopted under Title 76, chapter 2, part 1, Montana Code Annotated.
6. The TEDD development pattern plan, to be adopted by this Ordinance, demonstrates that the TEDD is not designed to serve the needs of a single district tenant or group of non-independent tenants.
7. The TEDD does not comprise any property included within an existing tax increment financing district.
8. The TEDD was on August 5, 2015, prior to its creation, found to be deficient in infrastructure improvements as stated in the "Resolution of Necessity," Resolution 3267.
9. In the TEDD, infrastructure development will require the upgrade of water and sewer services, transportation and utility upgrades, and other facility and service improvements.
10. Prior to the creation of the TEDD, a comprehensive development plan has been put in place that ensures the district can host a diversified tenant base of multiple independent tenants. The use of and purpose for tax increment financing is specified in the comprehensive development plan.
11. The TEDD development pattern, to be adopted by this Ordinance, includes a provision to use tax increment financing in support of making infrastructure improvements. As revenues permit, Ravalli County may issue tax increment financing bonds in support of these activities.

Section 3

Findings. Based on representations made to the Ravalli County Board of Commissioners to date and taking into consideration the previous findings, and all comments received, including those made at the public hearing duly held on November 23, 2015, after proper legal notice was given, the Ravalli County Board of Commissioners does hereby make the following additional findings, determinations and declarations regarding the Ravalli County Targeted Economic Development District:

1. A Targeted Economic Development District that includes the Ravalli County Airport and other continuous areas consisting of approximately 420 acres more or less would encourage the location and retention of value-added projects in support of the County's

overall goals to promote, stimulate, develop and advance the general welfare, commerce, economic development and prosperity of the citizens of Ravalli County, and the State of Montana.

2. The “Resolution of Necessity,” passed on August 5, 2015, Resolution 3267, found the TEDD to be deficient in public infrastructure for targeted economic development, and that infrastructure improvement was necessary for the welfare of the residents of the County.
3. The purpose of the TEDD is to foster development of infrastructure to encourage the location and retention of value-adding projects.
4. On November 2, 2015, the Ravalli County Board of County Commissioners adopted a development pattern for the physical and economic development of the planning and zoning district.
5. The development pattern for the Ravalli County TEDD authorizes the use of tax increment financing in support of making infrastructure improvements. As revenues permit, Ravalli County may issue tax increment financing bonds in support of these activities.
6. The Act requires that prior to final adoption of this Ordinance; the Ravalli County Board of Commissioners shall hold a public hearing on the creation of the proposed TEDD. Pursuant to such authority, notice of a public hearing in substantially the form presented in, and attached hereto as, Exhibit "A" was published on October 21, 28, and November 4, 2015, and mailed by certified mail to all property owners in the district, giving notice of the public hearing held on Monday, November 23, 2015, at 9:00 a.m. at 215 South Fourth Street, Hamilton, Montana.

Section 4

Establishment of the District. The Ravalli County Targeted Economic Development District (TEDD) is hereby established.

Section 5

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

Section 6

A Comprehensive Development Plan. A Comprehensive Development Plan was approved by Resolution No. _____ on November 19th, 2015.

Section 7

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

Section 8

Tax Increment Provision. Ravalli County is hereby authorized to segregate, as received, the tax increment derived in the TEDD, and use and deposit such increment into the TEDD Fund for use as authorized by the Act and as authorized herein or by the Ravalli County Board of Commissioners from time to time.

Section 9

Costs That May be Paid From Tax Increments. The tax increments received from the TEDD may be used to directly pay costs of approved infrastructure projects, or to pay debt service on bonds or loans issued to finance infrastructure improvements as defined under the Act as may from time to time be approved by the Ravalli County Board of Commissioners. The Board of Commissioners hereby authorizes the use of tax increment in the TEDD 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 10

Term of the Tax Increment Financing Provision. The tax increment financing provision of the TEDD will terminate upon the earlier of:

- a) the fifteenth year following the creation of the TEDD; 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 11

Effect of TEDD Project. The creation of a TEDD project or the approval of a TEDD 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 12

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

Section 13

Effective Date. The effective date of this Ordinance is thirty days after final adoption on second reading November 23, 2015. This Ordinance shall be in full force and effect on December 23, 2015.

INTRODUCED, PASSED AND ADOPTED BY THE RAVALLI COUNTY BOARD OF COMMISSIONERS OF RAVALLI COUNTY, MONTANA, ON FIRST READING, AT A REGULARLY CONVENED MEETING THEREOF HELD ON THE 9TH DAY OF NOVEMBER, 2015.

ROLL CALL VOTE:

AYE _____ NAY _____ ABSENT _____

JEFF BURROWS, CHAIR

GREG CHILCOTT, MEMBER

JR IMAN, MEMBER

RAY HAWK, MEMBER

DOUG SCHALLENBERGER, MEMBER

ATTEST: _____
CLERK & RECORDER

PASSED, APPROVED AND ADOPTED BY THE RAVALLI COUNTY BOARD OF COMMISSIONERS OF RAVALLI COUNTY, MONTANA ON SECOND READING, AFTER PUBLICATION AND NOTICE OF PUBLIC HEARING THEREON, AT A REGULARLY CONVENED MEETING THEREOF HELD ON THE 23RD DAY OF NOVEMBER 2015.

ROLL CALL VOTE:

AYE _____ NAY _____ ABSENT _____

JEFF BURROWS, CHAIRMAN

GREG CHILCOTT, MEMBER

JR IMAN, MEMBER

RAY HAWK, MEMBER

DOUG SCHALLENBERGER

ATTEST: _____
CLERK & RECORDER

DRAFT

EXHIBIT "B"

Legal Description and Map of the Ravalli County Targeted Economic Development District

The legal description of the Ravalli County TEDD is as follows:

Ravalli County Airport and certain contiguous parcels, described as beginning at the common section corner of Sections 19, 20, 29 & 30, T 6 N, R 20 W, said point being the true point of beginning; thence N. 00° 11' 01" E., along the common section line between Section 19 & 20, a distance of 925.95 feet; thence West, a distance of 1600.53 feet to a point on the Westerly edge of the Republican Ditch Easement as shown on Certificate of Survey (COS) 582497, thence fourteen (14) courses along the westerly edge of said easement, N. 17° 16' 07" W., a distance of 31.46 feet; thence N. 07° 02' 53" E., a distance of 165.18 feet; thence N. 33° 00' 53" E., a distance of 217.31 feet; thence N. 54° 19' 07" W., a distance of 19.32 feet; thence N. 03° 24' 02" W., a distance of 116.98 feet; thence N. 02° 40' 32" E., a distance of 180.87 feet; thence N. 25° 17' 44" E., a distance of 43.56 feet; thence N. 05° 05' 23" W., a distance of 148.38 feet; thence N. 04° 14' 47" E., a distance of 242.27 feet; thence N. 01° 57' 24" E., a distance of 194.12 feet; thence N. 14° 27' 24" E., a distance of 101.12 feet; thence N. 01° 31' 38" E., a distance of 111.93 feet; thence N. 00° 52' 46" W., a distance of 104.22 feet; thence N. 14° 43' 30" E., a distance of 22.19 feet; thence S. 89° 59' 50" W., a distance of 2529.57 feet; thence S. 00° 08' 07" W., a distance of 551.23 feet to the Northeast corner of Parcel A of COS 4343; thence two (2) courses along the Northerly boundary of said Parcel A, N. 89° 59' 50" W., a distance of 1177.23 feet; thence S. 68° 41' 43" W., a distance of 70.11 feet to a point on the West line of said Section 19; thence N. 00° 04' 12" E., along said West line of said Section 19, a distance of 1841.49 feet; thence S. 84° 20' 00" E., a distance of 1070.10 feet; thence S. 35° 00' 00" W., a distance of 328.00 feet; thence S. 03° 12' 54" E., a distance of 512.54 feet to a point on a non-tangent curve from which the radius bears S. 03° 12' 54" E, Easterly, Southeasterly and Southerly, being concave to the Southwest and having a radius of 318.50 feet, a distance of 518.81 feet to a point on a non-tangent line; thence N. 89° 59' 50" E., a distance of 3958.00 feet to a point on the Easterly line of said Section 19; thence S. 00° 11' 01" W., a distance of 1643.25 feet to the Northwest corner of the S1/2N1/2SW1/4SW1/4 of said Section 20; thence N. 89° 58' 49" E., a distance of 1326.55 feet to the Northeast corner of the S1/2N1/2SW1/4SW1/4 of said Section 20; thence N. 00° 07' 03" W., a distance of 328.23 feet to the Northwest corner of the SE1/4SW1/4 of said Section 20; thence N. 89° 57' 11" E., a distance of 1325.64 feet to the Northeast corner of the SE1/4SW1/4 of said Section 20; thence S. 00° 09' 22" E., a distance of 1315.49 feet to the Southeast corner of the SE1/4SW1/4 of said Section 20; thence S. 00° 29' 49" E., a distance of 4056.13 feet to a point on the northerly boundary of Parcel 1 of COS 488373; thence N. 89° 50' 10" E., a distance of 487.88 feet to the Northeast corner of said Parcel 1; thence S. 00° 21' 16" E., a distance of 28.00 feet; thence N. 89° 50' 10" E., a distance of 9.30 feet; thence S. 00° 00' 06" W., a distance of 2546.73 feet; thence S. 58° 00' 06" W., a distance of 79.28 feet; thence N. 85° 59' 54" W., a distance of 140.43 feet to a point on the Northerly right-of-way line of Golf Course Road; thence eight (8) courses along said Northerly right-of-way line, N. 66° 43' 33" W., a distance of 22.85 feet; thence N. 89° 33' 42" W., a distance of 147.62 feet to a point on a non-tangent curve from which the radius bears S. 07° 25' 32" W; thence Westerly, along said non-tangent curve, being concave to the South and having a radius of 1482.50 feet, a distance of 159.94 feet to a point on a tangent line; thence N. 88° 45' 21" W., a distance of 489.05 feet; thence S. 77° 15' 03" W., a distance of 41.04 feet; thence N. 88° 32' 50"

W., a distance of 194.92 feet; thence N. 80° 31' 25" W., a distance of 50.11 feet; thence N. 89° 29' 14" W., a distance of 40.26 feet; thence N. 00° 18' 39" W., a distance of 208.66 feet; thence N. 89° 17' 50" W., a distance of 417.37 feet; thence S. 00° 17' 17" E., a distance of 208.84 feet to a point on the Northerly right-of-way line of Golf Course Road; thence along said Northerly right-of-way line, N. 89° 18' 11" W., a distance of 60.05 feet; thence N. 00° 17' 08" W., a distance of 1300.42 feet; thence N. 00° 18' 32" W., a distance of 1258.27 feet to the Northwest corner of said Parcel 1; thence N. 89° 50' 10" E., a distance of 149.52 feet; thence N. 00° 29' 57" W., a distance of 3256.53 feet; thence S. 89° 52' 03" W., a distance of 1465.83 feet; thence N. 00° 27' 42" W., a distance of 806.17 feet to the true point of beginning, containing 420.28 acres more or less. Ravalli County, Ravalli County, Montana, as shown below.

CONTAINS 420.28+/-ACRES SUBJECT TO ALL EASEMENTS OR DEDICATIONS, EXISTING OR OF RECORD.

District Map

The following figure illustrates the proposed Ravalli County Targeted Economic Development District. The TEDD lies within the blue borders.

