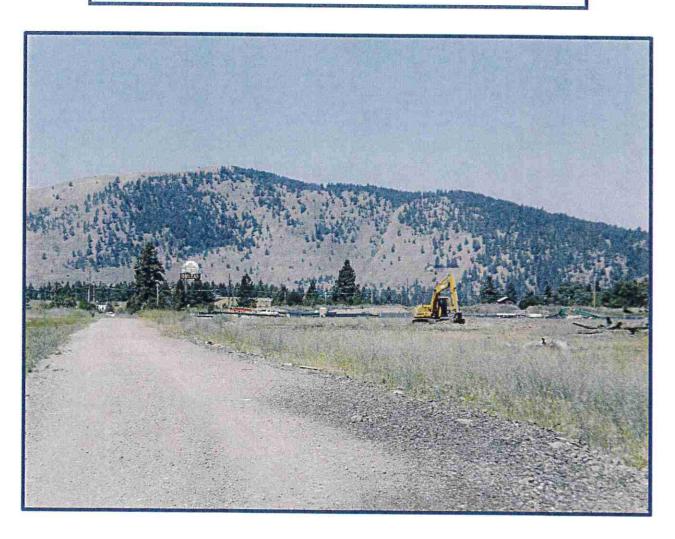
# EXHIBIT "C"



# Comprehensive Development Plan Bonner West Log Yard Targeted Economic Development District



Adopted by the Missoula County Commission November 12, 2014

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# Chapter 1. Introduction and Overview

Missoula County is interested in fostering the development of secondary, value adding industries within its jurisdiction as part of its overall mission to promote economic development, to improve area employment opportunities and to expand the community's tax base. This effort will be facilitated, in part through the creation of a Targeted Economic Development District or "TEDD" at the site of the "West Log Yard" in Bonner. Missoula County intends to use Tax Increment Financing as part of its overall strategy to provide infrastructure in support of value-adding industry per the 2013 Targeted Economic Development District Act, embodied in 7-15-4279, Montana Code Annotated (MCA).

# Brief Overview of Missoula County and Bonner

Missoula County became part of the United States as a result of Oregon Treaty of June 14, 1846 and when it was initially incorporated in 1860, it encompassed present-day Missoula and Deer Lodge Counties, as well as lands to the north and south of its present day boundaries. Hell Gate Town, the county seat, was located at the confluence of the Clark Fork and Bitterroot Rivers.

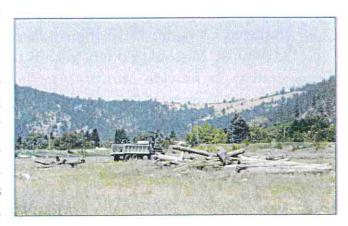
By 1866, the settlement had moved five miles upstream and renamed Missoula Mills before being shortened to Missoula. The mills provided supplies to western settlers traveling along the Mullan Road. Fort Missoula, established in 1877, further stabilized the economy. The arrival of the Northern Pacific Railway in 1883 was coupled with rapid growth and the development of a robust local lumber industry. Ten years later the City of Missoula was chosen by the Montana Legislature as the site for the new state's first university. In 1908, The U.S. Forest Service placed its regional headquarters in Missoula, and together with the lumber industry and the university provided long-term stability to the local economy through most of the 20th Century.

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

These closures have in part contributed to a decline in per capita personal income (PCPI) in Missoula County since 2000. According to the Bureau of Economic Analysis of the US Department of Commerce, in 2012 Missoula had a PCPI of \$36,584. This PCPI ranked 35<sup>th</sup> (down from 22<sup>nd</sup> in 2010) in the state and was 94.89 percent of the state PCPI, \$38,555, and

83.65 percent of the national PCPI, 42,693. In 2000 the PCPI of Missoula was \$25,029 and ranked 7th in the state. The relative loss of PCPI has occurred, even as the population of the county has increased by nearly 17%, from 95,802 in 2000 to 111,807 in 2013.

The Bonner West Log Yard area is part of the Bonner – West Riverside Census Designated Place (CDP), which has an estimated 2013 population of 1,725, up from the 2010 Census population figure of 1,663. Its per capita income of \$21,949 is well below the county and state's income levels (2008-2012 American Community Survey). It has a poverty rate of 19%, higher than the county's rate of 16.7% and the state's rate of 14.8% (2008-2012 American Community Survey).



While there are other sites within Missoula County that are appropriate for new industrial development, including manufacturing, the West Log Yard site presents significant opportunities to invest in infrastructure in support of new secondary value-adding industry in a historically industrial area and community. The site's proximity to both Highway 200 and Interstate 90, as well as the rail line, makes it a logical place to locate industries that rely on good access to regional and national markets. In addition, while the site itself has little or no public infrastructure improvements, it has access to electricity (from the southeast), phone lines and natural gas (from the northwest).

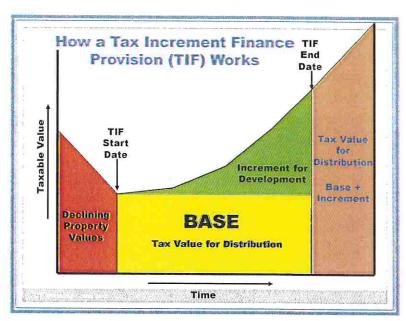
Plans for the development of the site must, however, reflect Missoula County's commitment to the stewardship of our natural resources heritage and in particular the Blackfoot River Corridor and the associated restoration, interpretive, recreation and conservation programs currently underway. Efforts in support of secondary, value adding economic development will consider these important natural and recreation-based resources.

Missoula County is keenly aware of the need to work closely with the other taxing jurisdictions that will be affected by the creation of the TEDD. The County is working and will continue to work in concert with the other taxing jurisdictions that will be affected by the creation of a TIF provision, including the Bonner and Missoula County School Districts and the Missoula Rural Fire District.

# Tax Increment Financing for Targeted Economic Development

Missoula County intends to use Tax Increment Financing within the Bonner West Log Yard TEDD, which encompasses an area of approximately 117 acres, and with a zoning designation of light industrial. The base year for the purposes of measuring any incremental value is 2014 and the base value will be calculated as of January 1, 2014.

Tax increment financing is a mechanism that allows communities to use new tax dollars resulting from increasing taxable value for reinvestment within the geographic area in which they are derived. Until 1989, tax increments could only be used for rehabilitation efforts within urban renewal areas within the municipal boundaries of cities or towns, which were usually blighted central business districts.



In 2013, the Montana Legislature amended the Montana Urban Renewal Law to enable cities, towns and counties to create special districts that can employ tax increment financing to assist in the development and retention of secondary, value-adding industries. In doing so, the Legislature noted that the State of Montana wishes to encourage secondary, value-adding industrial manufacturing that uses Montana timber, mineral, oil and gas, coal and agricultural resources in the production of goods in the State. The legislation recognized that secondary, value-adding industries, in order to be competitive in today's world economy, require expensive infrastructure that is beyond the means of most Montana communities. The Targeted Economic Development District Act of 2013 enables communities to assist in secondary, value-adding industrial development in areas that are deemed to be infrastructure deficient. Tax increment financing can be used for improvements as defined in 7-15-4288 MCA.

Montana statutes define secondary value adding products and secondary value-adding industries as follows:

(a) "secondary value-added products or commodities" means products or commodities that are manufactured, processed, produced, or created by changing the form of raw materials or intermediate products into more valuable products or commodities that are capable of being sold or traded in interstate commerce; (b) "secondary value-adding industry" means a business that produces secondary value-added products or commodities or a business or organization that is engaged in technology-based operations within Montana that, through the employment of knowledge or labor, adds value to a product, process, or export service resulting in the creation of new wealth.

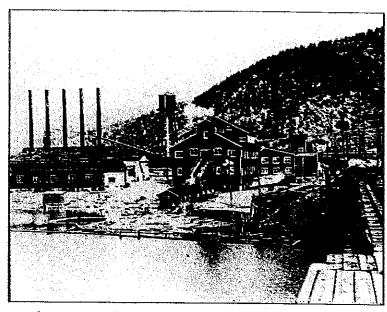
In order to make use of this innovative economic development strategy, Missoula County must adopt a comprehensive development plan, which defines the specific geographic area within which the tax increment will be measured and reinvested. The plan must outline those activities that the local government intends to undertake in order to successfully develop (or retain) value-adding industrial activity. Finally, the boundaries of the district must ensure that the district can host a diversified tenant base of multiple independent tenants.

# Chapter 2. Portrait of Bonner West Log Yard TEDD

## Site Description

The Bonner TEDD is comprised of a site known as the "West Log Yard", which includes approximately 117 acres, generally located east of US Highway 200 (to the east of Anaconda and 1st Streets), north of the Blackfoot River, and south of West Riverside Drive, in a portion of Section 21, Township 13 North, Range 18 West, PMM; Missoula County. The area is comprised of a fairly flat, open area, that gives way to hilly, forested lands to the north and east.

The adjacent subdivision of West Riverside was platted in 1911 by Barbara Zaugg, an early homesteader in the area. Lots were then sold to families, coinciding with the arrival of the Lumber Western Company, owned by Butte Copper King, William A. Clark. The sawmill was the last of Clark's enterprises to be built in the Missoula area. The addition of the mill, physically moved from Lothrup on the Northern Pacific (NP) Railroad



between 1911 and 1912 meant that for a short period Bonner-Milltown became a two mill community. The new mill was modern and run by electricity.

The Anaconda Company bought the mill from Clark's heirs in 1928 and continued to operate both mills for several years. The Depression and the difficulty of running two adjacent mills caused Anaconda to close the Western in 1931. It took a couple of years for the mill to be dismantled and the inventory used up. Fifty men were still employed at the Western in 1932, but none the next year. (This summary is taken from TwoRiversHistory.net.)

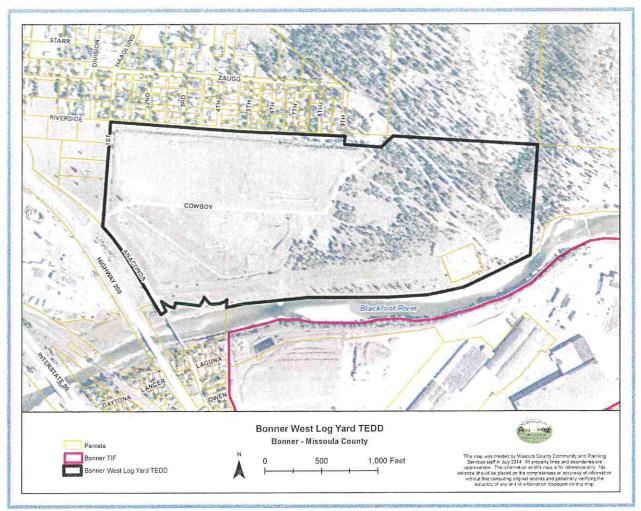
# Legal Description

The legal description of the Bonner West Log Yard TEDD is as follows:

Parcel 1 of C.O.S. 6009, Less Portions A & B Town Pump W Riverside of Lots 7 & 8, including and encompassing the Northwestern Energy Bonner Sub-Station; located in Section 21, Township 13 North, Range 18 West, PMM; Missoula County; consisting of 116.96 acres.

#### District Map

The following figure illustrates the Bonner West Log Yard TEDD.



Bonner West Log Yard Targeted Economic Development District

# Land Owners, Addresses and Geocodes

Geocode: 04-2201-21-1-01-03-0000 Assessment Code: 0006011421

FM LLC PO Box 820

Newberg, OR 97132-0820

Legal Description: C.O.S. 6009, Parcel 1,

Less Portions A & B Town Pump W Riverside of Lots 7 & 8

S21, T13 N, R18 W

Acres: 115.24

Geocode: 04-2201-21-1-01-02-0000 Assessment Code: 2012071333

Northwestern Energy - Transmission & Distribution

Attn: Wayne M Hitt

Sioux Falls, SD 57108-5613

Legal Description: S21, T13 N, R18 W, NE4NE4

State Allocation - Bonner Sub-Station

Acres: 1.72

# Planning Consistency with the Missoula County Growth Policy 2005

This Comprehensive Development Plan must conform to the Missoula County Growth Policy per 7-15-4213 MCA. On September 30, 2014, the Missoula City-County Planning Board reviewed the Bonner West Log Yard Comprehensive Development Plan and found it to be in conformance with the Missoula County Growth Policy 2005 Update, Amended February 28, 2014, per statutory requirements. Specific sections demonstrating conformance follow.

# Chapter 3. Community Goals and Objectives

OVERALL PRINCIPLES AND GOALS

Growth Policy Guiding Principles:

- 1. Tools used by the City, County, and other governing bodies should reflect the values of the citizens they serve and effectively accomplish the goal to a) protect critical lands and natural resources, and b) enhance cultural and social resources and the valued characteristics of our communities.
- 2. The right to a clean and healthy environment is fundamentally important.
- 3. Economic and social well being is tied to the quality of the natural environment. Long term economic stability and a high quality living environment should not be sacrificed for short-term economic gain.
- 4. There may be social as well as physical limitations on the ability of an area to accommodate growth.
- 5. Social structure and physical character are distinctive at the neighborhood level, the small community level, the larger urban area, and in the rural reaches of Missoula County. The diversity, integrity, and unique values of neighborhoods, communities, and rural areas are important and should be protected.
- 6. Communities should be involved in the planning and decision making processes that affect them.

- 7. Respect for private property rights is fundamentally important.
- 8. Efforts by citizen groups to achieve community goals are as vital to effective growth management as government actions.
- 9. Planning and development of infrastructure are among the most important tools for well managed growth. Decisions about infrastructure may affect, deter or promote integration of development and environmental values.

#### Growth Policy General Goals:

Manage growth in a proactive way rather than reactive way, considering both immediate and cumulative impacts. Create a truly healthy community by: 1) protecting critical lands and natural resources such as wildlife habitat; riparian resources; hillsides; air and water quality; and open spaces; and 2) enhancing the community's resources in the areas of health and safety; social, educational, recreational, and cultural services; employment; housing and the valued characteristics of communities.

## Chapter 3. Community Goals and Objectives

DEVELOPMENT PATTERN, LAND USE AND COMMUNITY CHARACTER GOALS, POLICIES & OBJECTIVES

Growth Policy Development Pattern and Land Use Goals:

- 1. Identify where in Missoula County certain types of growth should or should not occur and how the integration of developed lands and open spaces can best be accomplished.
- 2. Provide for logical expansion of communities while maintaining environmental quality and keeping the expenditures for public services and facilities at a reasonable level.

Growth Policy Development Pattern and Land Use Objectives

- 1. Accommodate growth, retain historical resources, and provide appropriate open spaces in the design of development so that areas of greater density remain healthy, safe, and livable.
- 2. Encourage and support new land development within or immediately adjacent to areas where public services are currently available both to maximize local government efficiency and to promote a logical growth pattern.

#### Commercial/Industrial

- 15. Conserve resources and minimize transportation demand in rural areas by structuring commercial centers around existing facilities.
- 17. Allocate land for commercial and industrial land uses that meets their specific needs and adheres to adopted land use policy. Efficiently and economically provide public services to those areas.
- 20. Encourage the use of tax increment financing districts to revitalize blighted and infrastructure deficient areas of the community to spur public investment while maintaining balance with overall principles, goals and objectives.
- a. Promote secondary, value adding industry through appropriate land use designations and development incentives.
- b. Promote infrastructure development projects in support of value adding technology businesses that create new products, processes and services for export to national and international markets through appropriate land use designations and development incentives.
- c. Encourage aerospace transportation and technology industry through appropriate land use designations and development incentives.

# Chapter 3. Community Goals and Objectives ECONOMY GOALS, POLICIES & OBJECTIVES

Growth Policy Economy Goals

- 1. Protect and further develop the County's economic base and assure the economic health of the Missoula urban core, smaller communities, and rural areas.
- 2. Encourage economic development to occur in ways that conserve and enhance natural and human resources.
- 3. Manage growth to maintain and enhance the economy of Missoula County to support a diverse population, strong community, and healthy environment.

# Growth Policy Economy Objectives

1. Allow for diverse business and employment opportunities and a competitive business environment.

- 2. Support a stable economy by encouraging "clean" industries that utilize raw materials and diversity demand dependence; concentrating economic expansion on stable industries with long term prospects; encouraging a broad economic base; and encouraging economic expansion that meets residents' needs first.
- 3. Promote secondary, value adding industry through economic development incentives.
- 4. Promote the location and retention of value adding technology related economic development projects and programs.
- 5. Encourage aerospace transportation and technology related economic development projects and programs.

## Chapter 3. Community Goals and Objectives

LOCAL SERVICES AND FACILITIES GOALS, POLICIES & OBJECTIVES Growth Policy Local Services and Facilities Goals

- 1. Provide cost effective urban services such as sewer, police and fire protection, libraries, cultural activities, active recreation and schools.
- 2. Encourage development to locate in areas where facilities are available and where the public costs of providing needed facilities and public services are lowest.
- 3. Ensure that the impacts associated with development are fully addressed and that the costs of mitigating those impacts are fairly distributed.
- 4. Encourage a land use pattern that facilitates use of all modes of transportation and provides for safe, healthy, affordable, efficient and convenient access to transportation connections for residential, commercial, industrial, and emergency traffic.
- 5. Assist in the development of necessary public infrastructure in support of secondary value-adding industry.
- 6. Facilitate the development of necessary public infrastructure to encourage the location and retention of value adding technology related projects.
- 7. Facilitate the development of public infrastructure to encourage the location and retention of aerospace transportation and technology infrastructure development projects.

## Chapter 4. Implementation

IMPLEMENTATION TOOLS

Policy Tools

In addition to urban renewal TIF Districts, which are limited to incorporated cities and towns, cities and counties have the opportunity to establish three other types of tax increment financing districts - industrial, technology, and aerospace transportation and technology. Industrial districts must be zoned for light or heavy industrial use in accordance with the area growth policy document and have as their purpose the development of infrastructure to encourage the growth and retention of secondary, value-adding industries. Technology districts must, through the employment of knowledge or labor add value to a product, process, or export service that results in the creation of new wealth of which at least 50% of the sales of the business or organization occur outside of Montana. Aerospace transportation and technology districts must have as their purpose the development of infrastructure to encourage the location and retention of aerospace transportation and technology infrastructure development projects in the state.

## Fiscal Tools Tax Increment Financing

Tax increment financing (TIF) is a state authorized, locally driven funding mechanism that allows cities and counties to direct property tax dollars that accrue from new development, within a specifically designated district, to community and economic development activities. TIF is one of the few mechanisms that local governments have to encourage investment and to diversify tax base. As communities lose jobs and tax base, they are forced to eliminate services, close schools and cut jobs. TIF provides an opportunity to "turn the tide" of decline. The creation of a TIF district fosters thoughtful land use planning. The enabling statutes specifically indicate that TIF districts must be found to be in accordance with a jurisdiction's Growth Policy and associated zoning regulations. TIF does not increase property taxes. Rather, it only affects the way that new taxes, once collected, are distributed. Tax payers located within a TIF district pay the same amount as they would if the property were located outside the district. Virtually all of the resulting new property tax dollars can be directed to redevelopment and economic revitalization activities within the area in which they are generated. TIF funds are used to make infrastructure improvements that benefit the public and allow for orderly growth. Funds generated from TIF districts can be used directly for projects and to leverage state and federal grants. This is particularly important to smaller communities, which often face significant challenges in finding matching funds. Taxpayers within a TIF district pay no additional taxes as a result of their inclusion in the district. Tax Increment Financing may be used to address blight

and infrastructure deficiencies in support of industrial development, technology innovation, and the revitalization of central business districts.

Tax increment financing (TIF) is an important fiscal tool that allows jurisdictions to finance certain kinds of development costs. Bonds may be sold by a jurisdiction to finance (re)development efforts in a particular area based on anticipated increases in property taxes collected from that locale. The actual increment of increased tax revenue from the area is then used to pay off the bonds. There are three urban renewal districts in the City of Missoula and one industrial and one technology district in the County. Opportunities exist for the establishment of additional districts for the use of tax increment financing particularly in conjunction with superfund and brownfield sites, such as an industrial TIF district at the Bonner Mill site.

Chapter 2: Missoula County Profile (also Appendix G) A description of industrial land use and associated economic trends for promoting secondary, value adding industry in Missoula County. Section inserted after "Agricultural Land Uses" sub-section and before "Development Permit and Subdivision Activity" section on Page 2-9

#### INDUSTRIAL LAND USE

There are a variety of existing sites in Missoula County previously designated for industrial use. It may be appropriate to expand land designated for industrial use in areas where there are adequate access and services available such as workforce housing, or in areas where growth of existing industrial development can occur.

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

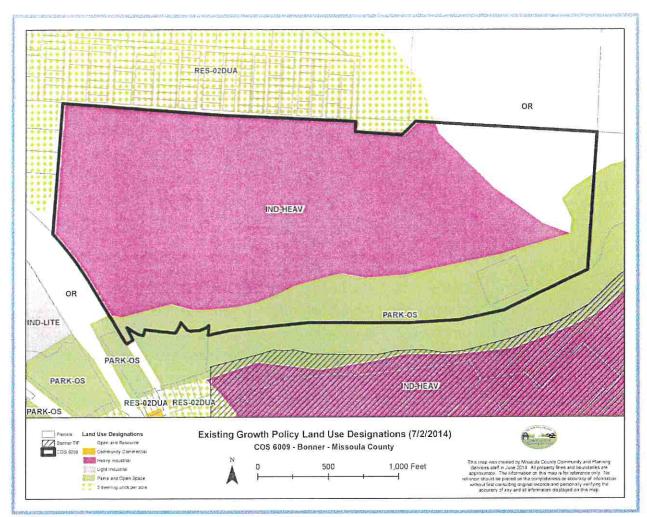
These closures have in part contributed to a decline in per capita personal income (PCPI) in Missoula County since 2000. According to the Bureau of Economic Analysis of the US Department of Commerce, in 2010 Missoula had a PCPI of \$34,766. This PCPI ranked 22nd in the state and was 99 percent of the state average, \$35,053, and 87 percent of the national average, \$39,937. In 2000 the PCPI of Missoula was \$25,029 and ranked 7th in the state. The relative loss of

PCPI has occurred, even as the population of the county has increased by more than 14%, from 95,802 in 2000 to 109,299 in 2010.

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

In addition, redevelopment of the Bonner Mill site area to attract new secondary value-adding industry presents opportunities to address the Blackfoot River corridor in the context of these activities. The appurtenant work force housing at the Bonner site provides an added incentive for sustainable approaches to revitalizing the historic industrial site and the adjacent community.

The map illustrating the County growth policy land use designations for the TEDD area follow:



Missoula County Growth Policy 2005 Land Use Designations Map

The Bonner West Log Yard has Growth Policy land use designations of "Heavy Industrial", "Open and Resource (1:40)" and "Parks and Open Space". The area of the Bonner West Log Yard Comprehensive Development Plan which has a Growth Policy land use designation of "Parks and Open Space" runs parallel to the floodplain and the Blackfoot River. This general land use designation reflects the need to consider the importance of the river corridor during development review processes.

# Land Use in the Bonner West Log Yard TEDD

The land use within the TEDD was historically a saw mill and after the mill ceased to operate, the area was a log yard for the Stimson mill across the Blackfoot River. The area is vacant and is comprised of a fairly flat, open area, that gives way to hilly, forested lands to the north and east.

## Zoning in the Bonner West Log Yard TEDD

Pursuant to Sections 7-15-4206, 4208, and 4209, MCA, the Bonner West Log Yard TEDD must be zoned in accordance with the jurisdiction's Growth Policy. On September 30, 2014, the Missoula City-County Planning Board found that the Bonner West Log Yard was zoned in accordance with the Missoula County Growth Policy 2005 Update, Amended February 28, 2014, per statutory requirements.

All of the area included within the Bonner West Log Yard TEDD is zoned under the Missoula County Zoning Resolution. The primary purposes of this resolution are as follows:

- 1. Promote the public health, safety, morals, and general welfare;
- 2. Secure safety from fire, panic, and other dangers;
- 3. Prevent overcrowding of land and undue concentrations of population;
- 4. Prevent waste and inefficiency in land use;
- 5. Encourage innovations in residential development and renewal so that the needs of the community for housing may be met by greater variety, type, and design of dwellings;
- 6. Provide open space for travel, light, air, and recreation;
- 7. Provide adequate land and space for the development of residential, commercial, and industrial uses, and encourage such development in locations calculated to benefit the area at large with reasonable consideration to the character of the area and its peculiar suitability for particular uses;
- 8. Facilitate adequate provisions for transportation, water, sewage, schools, parks, and other public services;
- 9. Stabilize and conserve the value of buildings and land;
- 10. Avoid excessive expenditure of public funds for public services; and,
- 11. Promote and guide development consistent with the goals and objectives of the Comprehensive Plan of Missoula County and of the laws of the State of Montana.

The area of the Bonner West Log Yard TEDD is zoned CI-2, Heavy Industry, CI-1, Light Industry, and CA-1, Open and Resource Lands.

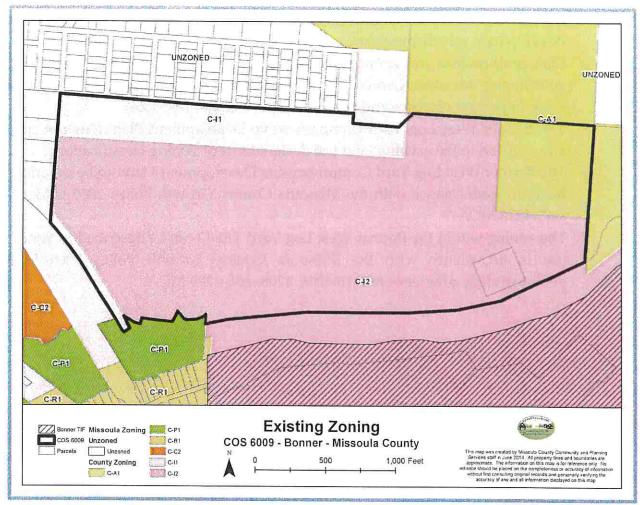
The intent of CI-2, Heavy Industry, is to accommodate heavy manufacturing, processing, fabrication, and assembly of products or materials, which can be employed in areas where the land is capable of sustaining such uses.

CI-1, Light Industry is intended to accommodate light manufacturing, processing, fabrication, repairing, and assembly of products or materials, warehousing and storage, transportation facilities, and commercial uses with large land requirements.

The intent of CA-1, Open and Resource Lands, is to encourage the continuing use of land for recreation and natural resource production; protects open lands not capable of supporting urbanized development due to biologic, physiographic, or hydrologic constraints; protects open lands from untimely urbanized development which tends to hamper sound resource production and to increase expenditures of public funds for supplying public services. Planned unit developments and planned variations are encouraged to preserve agricultural land and enhance environmental amenities found in rural areas.

Industry is defined as the manufacture, storage, extraction, fabrication, processing reduction, destruction, conversion, or wholesaling of any article, substance or commodity or any treatment thereof in such a manner as to change the form, character, or appearance thereof.

The map representing the County zoning classifications for the TEDD area follow:



Missoula County Zoning Resolution Zoning Classifications Map

#### Conclusion

Based on these findings and as documented in the Missoula City-County Planning Board minutes of September 30th, 2014:

- ✓ An evaluation of conformance and accordance must consider the Growth Policy document as a whole and a combination of all factors included in the entire Growth Policy such as relevant land use designations, goals, objectives and implementation as cited in this Chapter above.
- The area of the Bonner West Log Yard Comprehensive Development Plan which has a Growth Policy land use designation of "Parks and Open Space" runs parallel to and encompasses the floodplain and the Blackfoot River. Under Natural Environment Goals and Objectives, the Growth Policy considers riparian and river corridors. Parks, open space, floodplains and rivers could be considered to be accessory uses within any zoning classification, and does not necessarily have to be zoned C-P1. This general land use designation of "Parks and Open Space"

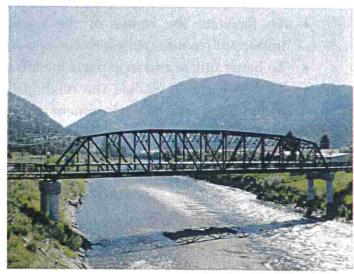
- reflects the need to consider the importance of the river corridor during development review processes.
- ✓ Plan conformance and zoning accordance must be evaluated for the property by considering the entire Growth Policy (including it's acknowledgment of the river as an important resource and the need to protect that resource).
- ✓ The Bonner West Log Yard Comprehensive Development Plan does not suggest any revision to the existing land use designations or zoning classifications.
- ✓ The Bonner West Log Yard Comprehensive Development Plan can be described as being in conformance with the Missoula County Growth Policy 2005 Update per 7-15-4213 MCA.
- ✓ The zoning within the Bonner West Log Yard TEDD can be described as zoned for use in accordance with the Missoula County Growth Policy 2005 Update demonstrating adherence to 7-15-4206, 4208, and 4209 MCA.

# Chapter 3. Goals of the Bonner West Log Yard TEDD

In recognition of the historic, cultural, economic, resource and recreation resources of the Bonner area, economic development plans for the district should address the importance of not only the development, but also the essential character of the communities

surrounding the area. Recognition and consideration of the people and their cultural heritage, coupled with the immeasurable value of the Blackfoot River, will likely result in more successful development than if such issues are not incorporated in development plans.

There have been vast sums of time, funding and effort expended on the restoration of the Blackfoot River. The redevelopment of the West Log



Yard site for new secondary, value-adding industries provides an excellent opportunity to revitalize the communities of Bonner and West Riverside while taking into account the river corridor during the regulatory review process. This will help communities in the area grow in a desirable and planned manner while also addressing valuable natural resources as required by Missoula County.

The West site provides an opportunity to make use of adjacent infrastructure including rail, natural gas, telephone, electricity, state highway, and Interstate access. Enhancing and extending such infrastructure will benefit both new development targeted economic development and the community in general.

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

# Based on these critical considerations, the goals of the Bonner West Log Yard Targeted Economic Development District are

- To foster economic vitality in the Bonner-Milltown-West Riverside Community and increase employment opportunities in Missoula County through infrastructure development in support of secondary value-adding industry
- To facilitate the re-use of the former West Log Yard which constitutes an important resource for economic and community development
- To better utilize and to expand the infrastructure adjacent to the site
- To foster and revitalize the relationship between the site and the surrounding community, natural environment and river corridor
- To help assure that targeted economic development activities reflect Missoula County's commitment to the stewardship of our natural resources heritage and in particular the Blackfoot River Corridor and associated restoration, interpretive, recreation and conservation programs currently underway
- To foster projects that are in keeping with Missoula County community planning goals and objectives
- To support development and subdivision of the site in keeping with Missoula County regulations
- To facilitate the reinvestment in a site that has historically been industrial due to its unique and significant location at the confluence of two rivers, and its proximity to both rail and highway transportation infrastructure.

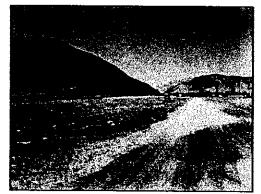
# Chapter 4. Infrastructure Analysis – Statement of Infrastructure Deficiencies

In order for a local government to create a TEDD, it must first adopt a Resolution of Necessity per 7-15-4280 MCA, finding that

- (1) one or more infrastructure-deficient areas exist in the local government; and
- (2) the infrastructure improvement of the area is necessary for the welfare of the residents of the local government.

On August 5th, 2014, Missoula County Commission adopted a Resolution of Necessity designating the area as infrastructure deficient. This action establishes the need for TEDD program with a TIF provision, and the rationale for investing public funds in economic development activities. In meeting this requirement, the following infrastructure deficient conditions in the Bonner West Log Yard area have been identified.

Transportation Infrastructure -



The site lacks adequate roads and associated improvements such as sidewalks, curbs and gutters. None of the existing roads are paved and suffer from poor drainage. Additional roads will be necessary to accommodate manufacturing and other industrial uses. The intersection of the current on-site access US Highway road (Cowboy) with uncontrolled, making increased use by new manufacturing and other industrial uses problematic. The roads, curb/gutter and sidewalk needed for the Bonner/West Riverside Area can be

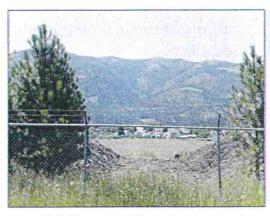
installed and upgraded as development and construction is completed.

Fire and Emergency Services – The Bonner area is served by the Missoula Rural Fire Department, which has noted that the community's fire station could be more centrally located to serve the area more efficiently. A facility currently under construction at the site is required to install a fire hydrant that supplies 1,000 gallons per minute at a minimum pressure of 20 pounds per square inch. The developer of this property has chosen to accomplish this by drilling three wells that will supply a strategically located, single fire hydrant at 1000 gallons per minute. This hydrant addresses only the needs of this structure. There are no fire hydrants located at the West Log Yard and, given the inadequacies of the roads within the site, fire trucks and other emergency vehicles are likely to have difficulties responding to emergencies rapidly.

<u>Utilities</u> – Although telephone, natural gas and electrical services are located adjacent to the West Log Yard site, lines will need to be extended to accommodate new industrial users.

<u>Sewer and Water Services</u> – The area suffers from a lack of water and waste water infrastructure and poor water quality overall. The closest sewer services are in East Missoula, approximately 3.3 miles to the west. There is a sewer lagoon located to the south, across the Blackfoot River, in the industrial park that occupies the site of the former Stimson Mill. The lagoon is currently "mothballed" and would require upgrades in order to serve industrial development on both sides of the River. At this point in time, water and sewer services are being provided by wells and septic systems.

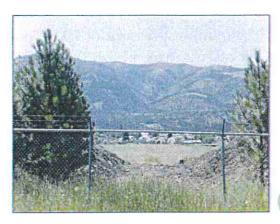
According to the Missoula County Public Works Department, the most significant hindrance to new development in Missoula County is the lack of municipal water supply. Most industrial, manufacturing, and commercial development requires high velocity water flows for fire suppression and potable water for employee and public consumption. In addition to the requirements in Building Code, which could



require high velocity water flows, the fact that most of Missoula County is in the Wildland Urban Interface should be considered. Meeting current subdivision and building code requirements limits the growth and development of business in Missoula County as the cost of installing or improving infrastructure becomes cost prohibitive.

Further, Public Works staff notes that the second biggest hindrance to new development in Missoula County is the lack of municipal sanitation facilities. A septic and drain field system can take up valuable real estate that could be better used for other purposes. The back bone facilities of water and sewer are the key infrastructure requirements that would allow this area of Missoula County to develop.

Buffering Improvements – The study area is located in close proximity to the West Riverside neighborhood. While there is currently a berm and a line of trees separating the neighborhood from the site, this berm and tree line has been breached and it fails to completely shield the residences from adjacent uses. This photograph shows a gap in the tree line that may need to be addressed.



Under Missoula County zoning, industrial uses are required to provide, construct and maintain a perimeter buffer strip adjacent to all non-industrial areas such as residential, the floodplain area and the Blackfoot River corridor. Therefore, addressing buffering would help to support the location of secondary, value-adding industry within the area.

<u>General Improvements</u> – Additional infrastructure and public service deficiencies will be identified and addressed over time. These might include, for example, upgrades to water, sewer and road systems, a railroad spur, public transportation services, communication infrastructure such as broadband and pedestrian related improvements.

#### Conclusion

Based on these findings, the Bonner study area at the "West Log Yard" site can be described as infrastructure deficient per Montana Statute and that this deficiency impedes the ability of the County to engage in the development of secondary-value added industries.

# Chapter 5. Targeted Economic Development Activities

## Secondary, value-adding industries

Missoula County will work with other public entities and private developers to establish an industrial and economic development framework to target and recruit secondary, value-adding industries. This effort will be multifaceted and will include market analysis, capital improvement planning, industry recruitment, and project financing and implementation.

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

Table 1. Potential Industries - Bonner West Log Yard TEDD				
NAICS Code	Industry			
332420	Metal Tank (Heavy Gauge) Manufacturing			
	This industry comprises establishments primarily engaged in			
	cutting, forming, and joining heavy gauge metal to manufacture			
	tanks, vessels, and other containers.			
332410	Power Boiler and Heat Exchanger Manufacturing			
•	This industry comprises establishments primarily engaged in			
	manufacturing power boilers and heat exchangers.			
	Establishments in this industry may perform installation in			
	addition to manufacturing power boilers and heat exchangers.			
332710	Machine Shops			
	This industry comprises establishments known as machine shops			
	primarily engaged in machining metal and plastic parts and			
	parts of other composite materials on a job or order basis.			
	Generally machine shop jobs are low volume using machine			
	tools, such as lathes (including computer numerically controlled);			
	automatic screw machines; and machines for boring, grinding,			
	and milling.			
236210	Industrial Building Construction			
	This industry comprises establishments primarily responsible for			
	the construction (including new work, additions, alterations,			
	maintenance, and repairs) of industrial buildings (except			
	warehouses). The construction of selected additional structures,			
	whose production processes are similar to those for industrial			
	buildings (e.g., incinerators, cement plants, blast furnaces, and			
	similar non-building structures), is included in this industry.			
	Included in this industry are industrial building general			

contractors, industrial building for-sale builders, industrial building design-build firms, and industrial building construction management firms.

Further research and analysis will be required to determine which of these industries can be actively recruited based on market conditions and the Bonner West Log Yard TEDD's unique position in the market place. Issues such as energy costs related to operations and transportation, distance from markets and overall industry trends, as well as infrastructure requirements will help determine industries to be targeted.

# Capital Improvements Planning and Implementation

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

#### **Industry Recruitment**

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

# <u>Partnerships</u>

The implementation of the Bonner West Log Yard TEDD program will require cooperation between the public and private sectors. Missoula County, in order to encourage private enterprise, shall afford maximum opportunity consistent with the sound needs of the community as a whole, to the development of the TEDD by private enterprise. Property and business owners should acknowledge the advantage of the investment within the TEDD of property tax dollars generated within the District and make corresponding private investments to further economic activity.

# **Financing**

Once targeted industries and required capital improvements have been more clearly identified, the next step will be to develop the mechanisms to implement the overall TEDD program. Given that private industrial development will generate the property taxes necessary to finance a portion of the infrastructure development, recruitment and infrastructure development must occur hand in hand. In some cases, the construction of

public infrastructure will be financed through the sale of Tax Increment Bonds in combination with other state and federal funding programs. Tax increment financing mechanisms can include:

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

Use of Tax Increments Bonds for Specific Projects - A project for which tax increment will be used for bond payments must be a specifically approved urban renewal project, and must be authorized, by the County Commission through the resolution or ordinance, as required by bond council, procedure.

- ➤ Annual Tax Increment Appropriations The County may finance smaller public infrastructure improvements from its annual tax increment receipts by appropriation. Funds available each year would be determined by the size of the annual increment and any prior commitments (such as bond debt service requirements and administrative costs).
- ➤ Tax Increment Financing Revolving Loans The Montana TIF statutes provide for the establishment of loan programs, whereby TIF funds may be loaned for the construction of private infrastructure or other activities in support of the goals of the TIF district. As principal and interest payments are made, the funds may be loaned again, even after the TIF District sunsets. Missoula County may establish a revolving loan program, based the availability TIF funds as well as other financial resources.
- ➤ Conventional Financing The County may borrow funds from commercial lending institutions in order to finance public infrastructure improvements. Annual tax increment revenues will pay principal and interest on the loan.

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

In addition, Missoula County may pursue other funding sources in conjunction with its TIF program. Potential sources include the following;

#### State and Federal Sources

- > The Montana Intercap Program, which provides loans to local governments through the Board of Investments
- ➤ Water, Wastewater and Solid Waste Action Coordinating Team (a group of professionals from state, federal, and non-profit organizations that finance, regulate, or provide technical assistance for community water and wastewater systems)
- ➤ Community Transportation Enhancement Program Under 23 USC 133 (d) (2) (Federal Code), 10 percent of the Surface Transportation Program monies are awarded to each state for transportation enhancements.

# Local Funding Mechanisms

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

# Chapter 6. Program Administration

The Bonner-West Log Yard TEDD program will be managed by the existing Tax Increment Financing Advisory Board, which includes a representative from this community, to the Missoula County Commission. All decisions regarding budgeting, program design and related actions will be made directly by the Missoula County Commission. Each year the Commission, in conjunction with TEDD Advisory Board, will prepare an annual TEDD budget and work plan for the following fiscal year (July 1st to June 30th). Each annual work plan will include the following elements:

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

The Commission will review the work plan and determine whether any changes are necessary before setting the budget. Once the budget is set, the TEDD Advisory Board, in conjunction with the County, will be responsible for:

- Developing financing strategies
- Working with the County, property owners and developers to identify public infrastructure projects for the future
- Reviewing infrastructure development projects for the future
- Following all local government procurement rules with respect to:
  - o Preparing bid and proposal requests
  - o Reviewing proposals from engineers, contractors and other vendors
  - Making recommendations to the Commission regarding contractor selection
- Monitoring projects
- Conducting market analyses, engineering studies and project feasibility analyses

#### TEDD Program Criteria

Missoula County will use tax increment financing in conjunction with other funding mechanisms to support the development of secondary value-adding industry within the Bonner West Log Yard TEDD. Infrastructure projects selected for funding will be required to meet certain criteria, based on the goals of this Comprehensive Development

Plan. Suggested eligibility criteria for reviewing both publicly and privately initiated requests for public infrastructure improvements projects might include the following:

- 1. The project must be located within the authorized TEDD (or provide connecting services to the TEDD).
- 2. Additional specific criteria which will be used to evaluate applications for assistance will include but are not limited to:
  - a. Job Creation Developments will be evaluated based upon the number of direct jobs created. Advantage will be given to developments where the wages and benefits for the jobs meet or exceed the current average Missoula County Per Capita Personal Income.
  - b. Taxable Valuation In most cases, developers who contribute more to the community's tax base will be eligible for greater assistance.
  - c. Value-adding Developers must be engaged in "secondary industries", defined as those industries that use mechanical or chemical processes to transform materials or substances into new products in the manner defined as manufacturing in the North American Industry Classification System Manual.
  - d. Leverage-Ratios Tax increment funds will be used to construct infrastructure in support of secondary value adding economic development. Those investments of tax increment financing which result in a larger infusion of private or other public capital will generally be viewed more favorably, compared to those which result in smaller infusion of private or other public capital.

Each project will be analyzed individually to determine the amount of financial assistance available based upon the factors stated above. Final criteria will be approved by the Missoula County Commission, based on the advice of the TEDD Advisory Board.

# Chapter 7. Plan Amendments

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

# Appendix A. Public Comments

# Interviews and Public Meeting Input <u>Missoula County TEDD meetings – 7-10-14</u>

<u>Meeting with Superintendent of Bonner School District – Doug Ardiana</u> (with Barbara Martens)

Doug noted that site is called "West Log Yard"

The Bonner School has a stable enrollment of 370, including 75 "out of district" students; no more room going forward so not accepting out of district students for K-2<sup>nd</sup> grade. The school is at 80% capacity, which is a good operating level. Most students go to Hellgate; others go to Sentinel, parochial/private schools or Big Sky for the medical preparatory program. 28% of the students are transient, which is a consistent percentage.

There has been no increase in school taxes for Bonner for 10 (or12) years, and the school does not charge "out of district" tuition.

Bonner is increasingly becoming a bedroom community for Missoula, but it really wants to keep its own identity and the school helps the community to achieve that.

Bonner is a "working" community and its location at the crossroads of I-90 and Highway (200 is a plus.

Infrastructure needs: The school just paid \$17,000 to get new internet fiber optic service. The community needs a senior/community center. The grocery store (Mill Town Market) (which might be owned by MRL) is vacant and could be converted to a center (?). The town is on septic/wells. The Canyon River golf course community has city water (Mountain Water). The Sunny Meadows development in East Missoula has a water district. Bringing water in may benefit town. A new fire station is contemplated.

Barbara Martens of Missoula County noted that the TIFID (on the other side of the river) did cleanup work along the river and is helping pay for a new bus shelter.

The Superintendent will write a letter of support for the TEDD (pending his board review and approval) and offered to host a joint meeting with the Bonner Community Council on August 12<sup>th</sup>

# Meeting with County staff and Eric Groenweghe, by phone from Harris Manufacturing

In attendance:

Vickie Zeier, Chief Administrative Officer, Missoula County Pat O'Herren, Karen Hughes and Lewis YellowRobe, CAPS Greg Robertson, Public Works Barb Martin, Special Projects Dori Brownlow, County Attorney's office

Eric: Harris Manufacturing makes pressure vessels/tanks and shell and tube heat exchangers. These are used in many industries including pulp and paper, food (including oil heaters for frying), water treatment (including municipal systems), and desalinization in Egypt and South America. They also have large evaporators that treat water in the tar sands of Canada. Harris pressure vessels are made of a variety of metals, including titanium, nickel alloys and carbon steel.

Harris is working to expand its market into the Midwest and eastern United States, where it had not historically been competitive because of shipping costs. It is also interested in the Bakken which has both energy and water-related needs for Harris' products.

Harris Thermal, its current company does the same thing in Oregon but is independent from Harris Manufacturing.

Another associated company, FM LLC, owns the land at the Bonner site and Harris Manufacturing leases the land and pays the taxes owed.

#### <u>Infrastructure Needs:</u>

FM LLC is bringing in natural gas and electricity (from the south end, underground). Overall capacity will be greater than Harris' needs and additional lines could be added to accommodate additional users. The greatest needs are roads and associated improvements such as sidewalks and fire protection. Harris is digging three wells to achieve 1000 gallons per minute, per the fire marshal's requirement. This water supply addresses only the needs of the structure currently being built. Addition tenants will need to meet the gallons per minute requirement and hydrant spacing and locations would be determined during the planning and review phase of the subdivision. It would take into consideration the potential occupancy types, size of lots/structures, fire apparatus access road layout, etc. and would follow the International Fire Code and NFPA 1142.

Other companies that could potentially occupy the site include metal and bolt suppliers, shipping companies, machine shops, painting companies. The site can be divided into both larger sites for industrial use (up to 10 acres) and smaller, approximately two acre, lots. There are 115 total acres, of which 60-70 are useable for development. The rest is not, due to topography or the presence of power lines.

Greg notes that the neighboring West Riverside area suffers from a lack of water and waste water infrastructure and poor water quality. The transportation infrastructure is poor. There will be some MDT improvements on Highway 200 (?), but they won't necessarily help a lot. The community is on well and septic only and fire flow is very limited.

The closest sewer to the area is on top of Brickyard Hill in East Missoula.

There is an existing sewer lagoon on the TIFID side of the River that is fully licensed, but mothballed. It could potentially serve both the TIFID and the TEDD.

The proposed TEDD is very appropriate because it is "raw ground" and needs infrastructure for both anticipated and future growth.

We will need to set priorities for infrastructure projects, based on TIF receipts and the needs of secondary, value adding industry. <u>Greg</u> - sewer is a higher priority than roads.

There are other funding mechanisms, such as subdivision requirements/obligations, special improvement districts, latecomers buy downs, and various debt options.

Meeting with Brent Christopherson, Deputy Chief of Operations, Missoula Rural Fire District (MRFD) with Barbara Martens

The MRFD is a member of the Missoula County Fire Protection Association (meets quarterly and represents all fire agencies in the County. The Association also includes state and federal fire entities (DNRC, Forest Service, etc.). The MRFD provides fire and emergency services in the "donut" around the City of Missoula including Bonner. The Chief also serves as Fire Warden. The MRFD has 40 paid staff including an additional 6 that were added through a grant and then retained. The MRFD has worked to reduce the ISO rating for some properties which are closer to fire hydrants and stations to a "4". ISO ratings are derived from numerous conditions including the location of central water hydrants, the ability to shuttle water and the distance to fire stations. The reduction in ISO ratings meant that in one case insurance premium dropped from \$130 to \$80. (LW wrote down 8-13% per \$1000?)

About 60% of MRFD calls are for medical emergencies. Ambulance services are provided by Missoula Emergency Service and MedStar Helicopter (private providers).

Infrastructure needs in Bonner include:

- ✓ Streets signage and addresses.
- ✓ Replacement (relocation) of the fire station (old station could become a community center); include a bay for an ambulance?
- ✓ Better equipment
- ✓ Water/Sewer systems
- ✓ Adequate street widths (MRFD wants to be involved in the design of roads.)

There is a more than adequate fire hydrant system (10+ hydrants) that serves the entire complex at the former Stimson Lumber site. (Bonner Mill TIFID)

The MRFD will write a letter of support for the new TEDD (pending board review).

# Bonner West Log Yard TEDD Presentation Bonner School District No. 14 School Board Meeting Tuesday, August 12, 2014

What happens when bonds are sold and then a business closes?

Is the establishment of the Bonner West Log Yard TEDD a done deal?

Who started this process? The County did, and the potential 2<sup>nd</sup> phase on the west side of the Blackfoot River was discussed with the Bonner TIFID in 2012.

What would be the base year? January 1, 2014.

- How can the community have input into expenditure of tax dollars in the TEDD? In the annual budget process, on the TIF Advisory Board there is currently a Bonner representative on the TIF Advisory Board. The Advisory Board holds an open meeting on the 4<sup>th</sup> Thursday of each month. Budgets for the TIFs are prepared each spring.
- The Blackfoot River corridor should not become an industrial byway. The TEDD plan acknowledges that the Blackfoot River corridor is an important resource.
- The neighbors have historically had pedestrian access across the West Log Yard property to the forest on the north side.
- Can a TEDD be for only a single business? Currently there is only business, but the property is large enough to accommodate multiple tenants.
- Can a TEDD support workforce housing? It is possible but it must be restricted to workforce housing, not just general housing.
- What has the current TIFID spent the increment on? The Bonner TIFID has spent increment on the Blackfoot River cleanup and the Highway 200 bus shelter.
- What is the current business being required to do for sewer and water? That is not under the purview of the TEDD.
- Can increment be used for Fire service to support industrial development? Yes, it can use based on nexus and proportion.
- What is the increment of the TIFID and what percentage is the Bonner school district? The current increment is \$92,000 and about 30% is based on the elementary school district mill levy.
- How many districts are there in the state? About 45 districts still active. Approximately 10 have sunsetted, creating about \$18 million in new taxable value.

>>> "Gary Matson" <gjmatson@montana.com> 8/13/2014 10:34 AM >>>

Hi, Barbara

Thanks for letting me know about the meeting last night. I think there were some good public comments.

I have 3 items that perhaps would be of interest as the TIFD consideration moves forward.

1.Blackfoot River. As development of the West Log Yard continues, there is a likelihood that companies like Harris Thermal with a history of supplying equipment for the Alberta Tar Sands will locate there. If this happens, these companies may want to use Highway 200 along the Blackfoot River to transport very large loads. As you know, the Blackfoot is a treasured recreational and natural resource that must not be allowed to become an industrial haulway.

2. Public access to public land on Woody Mountain. Harris Thermal has patched the hole in their West Riverside fence that has been used by residents for many years to access the mountain north of the property. There is a possibility that residents, Harris Thermal, the Forest Service, and Fish Wildlife and Parks could collaborate on re-establishing lost access to public land.

3.Residential housing. Land available for housing within the Bonner School District is very limited. Although West Riverside's many mobile home parks make it the most densely populated area in the state, there are few residences available for growing families wishing to relocate from the mobile home parks or to move here from other places. When the Milltown State Park is developed it will be a strongly attractive community asset. We who were active in developing the original Park concept have always thought that residences near the Park would have great value. It would be a good thing if some of the land in the West Log Yard that may otherwise be utilized for wholly industrial purposes could be set aside for residential development. The added development diversity and residential opportunity would make the West Log Yard a greater community asset than if it became only industrial.

I believe it would be very good for the County and the Bonner/Milltown communities if the design and development of the TIFD could consider these 3 community enhancements. Thanks again, Barbara! The TIFD process is a great one and offers fine opportunities for community collaboration and planning.

P.S. Is there a way I can be included on a notifications list for future public meetings on the "West Log Yard TIFD?"

Best...
Gary
Gary Matson
370-6584
PO Box 308, Milltown MT 59851



# MISSOULA RURAL FIRE DISTRICT

2521 South Avenue West • Missoula, Montana 59804 (406) 549-6172 • FAX (406) 549-6023

September 18, 2014

Following are comments and/or inaccuracies noted in regards to the Comprehensive Development Plan-Bonner West Log Yard TEDD:

- 1) Page 20, Fire and Emergency Services: It is stated that "the Missoula County Fire Marshal will require at least three wells to be drilled at the site to serve any anticipated industrial development and more will be required as additional activity occurs at the site." To clarify, Harris Manufacturing was required to install a fire hydrant that supplies 1000 gpm's at a minimum pressure of 20psi for the structure they are currently building. Harris Manufacturing chose to accomplish this by drilling three wells that will supply a strategically located, single fire hydrant at 1000 gpm's. This hydrant addresses only the needs of the structure currently being built. Discussion ensued with Eric Groenweghe about the possibility of subdivision of the remaining parcel. In this discussion, I stated that a municipal-type water supply system would be required for the industrial subdivision he was describing. This water supply system would need to be included in the initial subdivision planning and review, along with roads and other infrastructure needs.
- 2) Page 29, Infrastructure Needs: "Harris is digging three wells to achieve 1000 gallons per minute, per the fire marshal's requirement." is correct. The following sentence stating "Addition tenants would need another 100 gallons per minute" is incorrect. The gallons per minute requirement and hydrant spacing and locations would be determined during the planning and review phase of the subdivision. It would take into consideration the potential occupancy types, size of lots/structures, fire apparatus access road layout, etc. and would follow the International Fire Code and NFPA 1142.
- 3) Page 31, "There is one good hydrant across from the Stimson Lumber site (TIFID)". For clarification, I believe it should say that there is a good hydrant <u>system</u> at the former Stimson Lumber site, and not "one good hydrant". There is a more than adequate fire hydrant system (10+ hydrants) that serves the entire complex.

Thank you for the opportunity to comment/clarify.

Chris Newman Deputy Chief/Fire Marshal Missoula Rural Fire District

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