## Missoula Board of County Commissioners

# PUBLIC MEETING MINUTES COVER SHEET

## THURSDAY, NOVEMBER 07, 2024 – 2 PM

**Hybrid meeting – Missoula County Courthouse Annex Sophie Moiese Room/Microsoft Teams**

**Click here to view the meeting recording.**

*Time stamps (in green)* correspond to meeting recording above. Please click to the time stamps listed to view a particular item in the meeting.

**ATTENDANCE:**

**Commissioners Present:**
Chair David Strohmaier
Commissioner Josh Slotnick

**Staff Present:**
Cheryl Hartman, Administrative Assistant, Commissioners' Office
Kali Becher, Project Manager, Parks, Trails, and Open Lands
Jennie Dixon, Planner, Planning, Development, and Sus
Flanna McLarty, Development Specialist, Community and Economic Development
Andrew Hagemeier, Director, Community and Economic Development
Vinnie Pavlish, Civil Attorney, County Attorneys' Office
Christina Dewar, Administrative Assistant, Commissioners' Office
Melissa Fisher, Strategic Initiatives Manager, Commissioners' Office
Mattie Scott, Administrative Assistant, Commissioners' Office
Katy Reeder, Planner, Planning, Development, and Sustainability
Tim Worley, Senior Planner, Planning, Development, and Sustainability
Carey Powers, Communications Coordinator, Communications
Allison Franz, Manager, Communications
Brenna Davis, Community Engagement Coordinator, Communications
Karen Hughes, Director, Planning, Development, and Sustainability

1. **CALL TO ORDER** *[Time stamp – 0:02]*

2. **PLEDGE OF ALLEGIANCE** *[Time stamp – 0:09]*

3. **LAND ACKNOWLEDGEMENT** *[Time stamp – 0:30]*
   Missoula County acknowledges that this event takes place in the aboriginal territories of the Salish and Kalispel people.

4. **PUBLIC ANNOUNCEMENTS** *[Time stamp – 0:39]*

a. **Closed Captioning**
b. **Proclamation: Native American Heritage Month**
c. **Proclamation: Operation Green Light**

5. **PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA** *[Time stamp – 6:27]*

6. **CURRENT CLAIMS LIST** *[Time stamp – 6:55]*
None available

7. **HEARINGS**
   a. **Considering an Ordinance Creating the Grant Creek Crossing TEDD** *[Time stamp – 07:43]*
   Flanna McLarty, Development Specialist, Community and Economic Development

   **[Continued November 14, 2024 Public Meeting]**

   b. **Case Ranch-Potomac Open Space Bond**
   *[Time stamp – 01:03:00]*
   Kali Becher, Project Manager, Parks, Trails, and Open Lands

   *Commissioner Slotnick made the motion that the Missoula Board of County Commissioners approve the resolution to expend up to $944,550 of the 2018 Open Space Bond proceeds toward the purchase for the Case Ranch Company-Potomac conservation easement based on the presentation and fact and findings of the staff reports.*

   *Commissioner Strohmaier seconded.*

   [Motion Passed 2-0.]

   **[Resolution 2024-105 Book:1106 Page:682]**

   c. **Morning Dun Rd. BLR**
   *[Time stamp – 01:24:00]*
   Jennie Dixon, Planner, Planning, Development, and Sustainability

   *Commissioner Slotnick made the motion that the Missoula Board of County Commissioners approve the boundary line relocation for 6 tracts of Morning Dun Rd. and Mission View Dr based on the fact and findings of the staff reports.*

   *Commissioner Strohmaier seconded.*

   [Motion Passed 2-0.]

   **[Letter 2024-184 was sent to Eli and Associates, Inc. in c/o Marias Hale.]**

8. **OTHER BUSINESS**
[None]

9. **ADJOURN**
**Chair Strohmaier – Called the meeting to adjourn at 3:36 p.m.**

# BCC Public Meeting November 07, 2024 – Transcription

*This transcription was produced by transcription software. There may be discrepancies between this transcription and meeting dialogue. You can view the recording of the meeting on the county's YouTube channel: https://www.youtube.com/c/missoulacounty or contact the commissioners' office to obtain a copy.*

*Dialogue in the transcription attributed to "Sophie Moiese Room" is for all speakers that attended the meeting in person. Attendees that participated virtually are labeled individually.*

0:02
Afternoon everyone.

0:03
Welcome to our Missoula Board of County Commissioners meeting this Thursday, November 7th.

0:09
I'd like to call the meeting to order and please stand and join me in the Pledge of Allegiance.

0:13
I pledge allegiance to the plague of the United States of America and to the Republic in which it stands, One nation under God, indivisible, with liberty and justice for all.

0:30
Missoula County acknowledges that this event today takes place in the aboriginal territories of the Salish and Kalispell people.

0:39
Cheryl, would you be so kind as to introduce us to closed captioning and any other logistics you need to share with us?

0:46
Thank you.

0:48
Hello, everyone.

0:49
If you're joining us for this meeting virtually today, instructions for turning on closed captioning or on your screen.

0:55
If you're joining us in person, we'll have closed captioning on all the screens here in the Sophie Louise room.

1:00
There will be an opportunity to speak during the meeting for public comment virtually and in person.

1:05
We ask that all speakers today speak slowly and clearly.

1:08
This helps with the accuracy of the closed captioning if you're on Microsoft Teams.

1:13
If you'd like to speak, one discussion has been open.

1:15
For public comment, we ask that you use the Raise Hand feature.

1:19
This is the small hand button at the top of your screen.

1:22
If you're calling in on the phone, you'll need to hit *5 to raise your hand.

1:26
Once called upon, you'll need to hit *6 to unmute.

1:29
We also have assisted listening devices if you need one.

1:32
Please find me during the meeting.

1:34
Also, if you have any questions, let me know.

1:36
Thank you.

1:39
Thank you, Cheryl.

1:40
And just by way of introductions, I'm County Commissioner Dave Strohmeyer.

1:44
I'm joined by fellow Commissioner Josh Slotnick.

1:47
County Commissioner Juanita Vero is unable to make up today.

1:51
She's tied up in another event.

1:54
We also have two proclamations today, which we will read.

1:57
The first pertains to Native American Heritage Month, whereas Missoula County is located within the homelands of the Confederated Salish, Upper Kalispell, and Kootenai Tribes.

2:09
And WHEREAS, in October 1891, the United States government forcefully removed the Salish people from their Bitterroot homeland and further imposed European concepts of land ownership by authorizing the appropriation of land within the boundaries of sovereign nations through the purchase by non-native people.

2:28

AND WHEREAS, we acknowledge the ongoing impacts of systemic racism and intergenerational trauma that has resulted from historical injustice directed toward Indigenous populations.

2:39
AND WHEREAS, Missoula County in the City of Missoula continue to strengthen relationships with the Confederated Salish and Kootenai Tribes, enhancing trust and understanding and developing policies and practices that will aid in closing equity gaps and honor Indigenous roots and history in our communities.

2:58
And whereas American Indian Heritage Month was first proposed in 1990 by U.S.

3:04
House Joint Resolution 577 and later changed to Native American Heritage Month in 1991 by George HW Bush.

3:15
And WHEREAS this proclamation serves as a reminder of Missoula County and the City of Missoula's commitment to honor its relationship with sovereign nation, nations, and Indigenous peoples and to uphold trust and treaty responsibilities, now, therefore, be it resolved, we, Missoula County in the City of Missoula, do hereby proclaim November as Native American Heritage Month to value the history and rich cultures of Indigenous peoples as we recognize their pride, resilience, determination in patriotism for this country.

3:50
Signed by Mayor Andrea Davis and year three Missoula County commissioners.

3:57
Thanks.

3:59
I have a proclamation regarding Operation Green Light.

4:03
WHEREAS the residents of Missoula County have respect, admiration and gratitude for all citizens who have served in the armed forces.

4:11
And WHEREAS the contributions and sacrifices veterans have made in service to their country and communities are significant and commendable.

4:18
And WHEREAS Montana is home to approximately 85,000 veterans, about 8000 of whom live in Missoula County.

4:26
And where WHEREAS Missoula County seeks to honor the veterans who have placed themselves in harm's way in service of their country.

4:33
And WHEREAS, veterans continue to serve our community in the American Legion, Veterans of Foreign Wars, religious groups, Civil service, and other community organizations.

4:42
And whereas, approximately 200,000 service members transition to civilian communities annually.

4:48
And whereas, there will be a 20% increase in the number of service members transition transitioning to civilian life in the near future.

4:56
And whereas, studies indicate that 44 to 72% of service members experience high levels of stress during transition from military to civilian life.

5:06
And whereas, active military service members transitioning from the military service are at a high risk for suicide side during their first year after military service.

5:16
And whereas the National Association of Counties encourages all counties, parishes and boroughs to recognize Operation Green Light for veterans.

5:25
And WHEREAS Missoula County appreciates the sacrifices of our United States military personnel and wishes to grant them specific recognition now, THEREFORE, we, the Missoula Board of County Commissioners in the State of Montana, do hereby proclaim November 11th, 2024 as a time to honor the service and sacrifice of our citizens in uniform transitioning from active service.

5:48
Be it further resolved that in observance of Operation Green Light, Missoula County encourages its residents to honor all those who made immeasurable sacrifices to preserve freedom by displaying a green light in a window of their home or business.

6:02
Dated this 7th day of November, 2024.

6:05
Board of County Commissioners Dave Strohmeyer, Josh Slotnick and Juanita Biero.

6:09
Thank you.

6:10
Josh and I have not validated this but I believe we have illuminated the clock tower in the courthouse green this month so be on the lookout for that.

6:22
I have head nod so it has been illuminated.

6:27
All right.

6:27
Is there any public comment today on items not on?

6:30
Well, before I do that, any comment on either of the proclamations that we just read?

6:37
OK.

6:38
Any public comment on items not on the agenda?

6:40

This would be your opportunity for anything that is not otherwise listed on your agenda today to comment on, hopefully within the purview of the Board of County Commissioners.

6:52
OK, Seen none.

6:55
Our claims list is not currently available and the next claims listing will be updated and provided for the Commissioner's public meeting on November 14th.

7:07
I know you are on the edges of your seat for that, so stay tuned.

7:11
November 14th there will be a larger claim list before you.

7:15
We have three public hearings today.

7:17
With each of our public hearings, we will begin with a staff report.

7:21
If appropriate.

7:22
We will then have the opportunity for an applicant or an applicant's representative to say a few words.

7:28
We'll have an opportunity for comment and if the case or if the item is ripe for action today, we will close the public hearing, have deliberation among the commissioners and take action.

7:43
Our first public hearing is actually the second hearing to adopt A comprehensive development plan with a tax increment finance provision.

7:52
And this is going to be brought to us, I believe as an update by Flanna.

8:06
My name is Flanna Mclarty and I am the Land and Economic Development Specialist with Missoula County.

8:14
And today we have a second hearing for the proposed Grant Creek Crossing Targeted Economic Development District and I have a presentation for you.

8:49
Maybe my computer's a little slow.

9:03
OK, so the purpose that we are here today is 1.

9:08
To consider creating.

9:11
Consider an ordinance creating the Grant Creek Crossing Targeted Economic Development District.

9:17
The ordinance is required by state law to create a Ted.

9:20
It establishes the boundaries and adopts the comprehensive Development plan that establishes a tax increment financing provision to fund public infrastructure, establishes the cost that may be paid for by tax increment financing, and establishes the base year for the calculation of tax increment.

9:42
The second purpose is also to consider the adoption of the comprehensive development plan.

9:48
The comprehensive Development plan is required by state law to create a Ted and it ensures that the district has a diversified tenant base.

9:56
It describes the use and purpose of tax increment financing and describes how the expenditure of tax increment financing will promote infrastructure development to encourage location and retention of value adding enterprises.

10:20
Just a little quick recap for the purpose of a targeted economic development district.

10:26
So within state law, the the purpose of a TAD is to develop infrastructure to encourage the location and retention of value adding projects in the state and tax increment financing can be used to promote the development of infrastructure.

10:54
So a brief overview of the process to create a target targeted economic development district.

11:00
So the first step, which happened in August, was that the Board of County Commissioners declared the area infrastructure deficient.

11:11
The next step was that we went before the Planning Board to review the comprehensive development plan for conformance with and zoning in accordance with the growth policy.

11:21
We had the first reading of an ordinance to create the Grant Creek crossing.

11:25
Ted, an open public hearing on October 10th.

11:30
Today we have the second reading of the ordinance and potentially a decision on considering creating the Ted.

11:41
If no decision is made today, then we have scheduled a continuation of the hearing to next Thursday, November 14th.

11:50

And then the last step would be, if it is adopted to notify the Department of Revenue of our intent to create a Ted and that would be by November 30th.

12:08
Since we started this project, we have had many opportunities for public engagement.

12:15
So on the left, we kind of listed out many of the meetings that we've had with the various taxing jurisdictions that would be affected by the Ted, the land owners and developers of the area.

12:28
We have a page on the Missoula County Voice, the engagement site.

12:34
We also sent letters to the taxing jurisdictions and property owners.

12:39
We had a discussion with the Missoula Development Authority Advisory Board and we also made a presentation and discussion with the Reserve St.

12:47
Public Working Group.

12:50
I have a list of some of the comments that we heard at these different meetings.

12:56
We've had comments from the fire department that the new Ted would potentially increase services from the fire department without an increase in funding to support those services.

13:08
That there would be no benefit to the fire department as the city will likely annex the area as soon as the Ted ends.

13:15
That they have a lack of stations and staffing and resources near the proposed area.

13:22
That Ted's in general have a negative impact on the fire district's tax valuation, which effects their staffing and services.

13:30
And then at the last public hearing, they asked for additional discussions for funding and assessments and that an agreement be in place.

13:38
Before we before adoption of the proposed head, we heard from the school district that that there's no benefit to the school district and that it could potentially create additional kids with no additional funding and that we have thrown around a lot of ideas but not included a lot of details on the Ted.

14:04
We heard from conservation and different trail organizations.

14:10
Some would like a trail along Grant Creek outside the riparian area.

14:15
We heard that a trail could be done in this area without the use of TIFF.

14:22
We heard that taxpayer money should should sorry that should taxpayer money used for private development should have serve a public benefit.

14:35
We also heard that stormwater control should address impairments of stream and restore floodplain connection.

14:42
And then some of the other comments that we heard were that a request for more details on the impact of Ted's and how tax revenue is redirected away from taxing jurisdictions, that there's more cost than benefits to Ted's, and a question of why do we have to subsidize commercial development.

15:05
So in response to these public comments, we have put together some recommendations for amendments to the Comprehensive Development Plan and the ordinance.

15:18
So the first 3 recommendations are to the Comprehensive Development Plan.

15:24
We recommend changing the term industrial to enterprise as value adding.

15:28
The definition of value adding does not limit development to industrial uses only, and this has been a source of a bit of confusion as the area is zoned for commercial uses, not just industrial uses.

15:44
The next recommendation is that the Comprehensive Development Plan references fire districts plural and there is only one fire district that has jurisdiction over this area.

15:58
And then the last recommendation for the comprehensive development plan is to include the summary of public engagement as an appendix.

16:08
And then we have one recommendation to the ordinance and that recommendation is to exclude the Missoula rural fire districts voted mills from tax increment as the voted mills are used to support their personnel.

16:24
And since the city will likely annex when the Ted expires, they will not see the long term benefit of when the Ted expires of having that increase in their total taxable value.

16:44
So just a reminder of what what we what the decision space is today.

16:50
So a couple things that we can decide what types of public infrastructure should be eligible for tax increment financing and what usage should be considered as value adding.

17:02
So we have a list of the types of infrastructure that are being considered.

17:06
All of these are found efficient in the area and besides wastewater and water transportation, stormwater, some of the big ones, we also include life safety services which can include projects that would help support the fire departments and or the school districts to make sure that as we develop this area, we keep them in mind.

17:33
And then I have a list of value adding enterprises that we are considering for the area.

17:40
So those the top the main areas that are considered value adding or manufacturing as well as anything that has to do with tourism or recreation.

17:53
So we could include retail trade, accommodation and food services if they're within the scope of recreation and tourism.

18:06
Other bigger questions to decide are should the county create a Ted and what are the goals of the Ted?

18:14
So the goals of the Ted really are also the benefits of creating a Ted.

18:20
So they are to promote economic development and supportive value adding industry which would increase the overall taxable value per acre of the area.

18:30
It would also promote the vision set forth in the growth policy promoting the highest and best use of the land.

18:37
Another benefit is and goal is investing in public infrastructure such as water and sewer.

18:43
Within this there's an opportunity to an increased opportunity for public engagement as all of the decisions around how money would be spent out of the Ted district would be in a public meeting.

18:59
So there would be the public could comment on this throughout the process.

19:06
It also encourages the development of workforce housing and enhances public safety services.

19:13
So these are the goals and some of the benefits that we're considering.

19:18
Some of the drawbacks to creating the Ted are that it does divert a portion of tax revenue from the taxing jurisdictions throughout the duration of the Ted.

19:28
And then on top of that, there could be an increase in services needed from these taxing jurisdictions without that increase in revenue to support the services.

19:40

Another drawback for this Ted in particular is that the city is likely to annex from the Ted ends, so county only services and the Missoula Rural Fire District would not realize the benefit of that increased taxable value.

19:56
And there's also the potential for the area to develop without a Ted.

20:01
And how it would develop without a Ted is one of the unknowns, but it is a consideration.

20:13
So this next section of the presentation, we have heard consistently that people want more details on how Teds affect taxing jurisdictions.

20:25
So I've put together some more details based on number one, what is known, but #2 on what is unknown.

20:34
So any of the historical information from 2024 and earlier was collected from public records on taxable values and tax details.

20:44
So that's a known.

20:46
Any information that I'm going to present based on predictions in the future, those are big unknowns.

20:55
I don't have the ability to predict how taxable value will change over time.

21:00
I don't have the ability to predict how mills will change over time and we can't predict how the area will develop, will develop and when and how.

21:11
So those are some big caveats before we get into this information to keep in your mind that these predictions are purely hypotheticals and they are based on 2024 taxable values of neighboring parcels that have value adding uses.

21:29
So they would be the uses that we could use to towards as well as these hypotheticals are based on 2024 mills, so today's numbers, but kind of looking at what the future could look like.

21:49
So first of all, I have a list of the taxable value of all the parcels within the proposed area.

21:56
So there's five parcels that are in this area and generally speaking, so this area was a gravel pit that is no longer in service anymore.

22:08
And so you'll see for most of the parcels a decline in taxable value over time.

22:16
That column furthest to the right is kind of the total for the whole area.

22:20

There is one parcel that has seen an increase in taxable value and that's the one where storage units were built which came into the tax base in 2023.

22:34
At the bottom is a list of these neighbouring parcels that have value adding uses.

22:44
So just as comparisons of what taxable values are, if some of these areas developed, just to give you an idea of the range of what the taxable values could be.

23:02
This next slide breaks down the taxable value per acre.

23:06
So it's the same information as before, but then just divided by how many acres are in the parcel.

23:13
And so I find this to be important as you'll see.

23:17
So in 2024, the total taxable value per acre of this area is about $1400, whereas if the area were to develop with value added uses, that number could be anywhere from $14,000 per acre upwards to $150,000 per acre.

23:50
So taxable value per acre.

23:52
This is important because it's how we can measure and compare land use efficiency.

23:57
So lower taxable value per acre.

23:59
You would find this in open lands, which you would expect not to have a taxable value, right, like forest lands or conservation areas.

24:08
But undeveloped land also has a low taxable value per acre.

24:12
And in this area that's about $8 per acre.

24:17
Then low intensity development such as storage units.

24:21
This middle taxable value per acre is about $14,000 per acre, but then you have higher taxable value per acre.

24:31
And this is the dense Urban Development that the growth policy envisions for this area.

24:38
And that would potentially be 31,000 upwards of $104,000 per acre is what this area could see.

24:49

And if we increase the taxable value of the area, this benefits the whole community by helping to lower the mills required across the county to meet revenue needs.

25:00
So that's kind of the end goal of the Ted is to increase these taxable values over time and so that across our community, each parcel doesn't have to pay as much in revenue.

25:23
OK.

25:23
So this is into some of the hypotheticals.

25:26
So currently the area is a mix of undeveloped and low intensity development.

25:33
It's about $1400 per acre and the total taxable value of the area today is just over $118,000.

25:43
The potential that we see looking at these neighboring parcels with value adding uses would be a mix of low intensity and and dense Urban Development which could lead to a taxable value per acre of $32,000.

26:01
And for the whole area it could potentially develop to being over $2,000,000 in taxable value.

26:08
So by comparison, we're looking at an increase of over 2000% in taxable value per acre and 1800% increase in taxable value for this area.

26:19
So this is really what we're looking at for the Ted.

26:24
Like the purpose of doing this is so that we can we can achieve this kind of dense Urban Development in this area.

26:35
I also just listed for some comparison the total taxable values within the area of Grant Creek Crossing compared to the total taxable value, total taxable values of the taxing jurisdictions that would be affected by the Ted and this area, it's about 84 acres.

26:56
So it is a really small percentage of the total taxable value for each of the taxing jurisdictions.

27:07
The highest percentage we see is for the Hellgate School District at .18%.

27:22
OK, so next looking at tax revenue and not just the taxable value.

27:29
So here is a list of the tax revenue that each taxing jurisdiction receives from this area.

27:39
And so you you do see kind of a steady increase to each of these taxing jurisdictions over time, whereas we saw kind of a decrease in the taxable value over time.

27:55
So most of these increases are probably from there's a there's sorry there's a jump in 2023 and that's when those storage units were came online as taxable value.

28:06
So that's where I would say the majority of the revenue is coming from the one parcel where is the other parcels are paying, you know, maybe a couple $100 a year total in tax revenue.

28:25
But if we look at.

28:26
But if we look at.

28:34
OK.

28:35
Oh and just a reminder, as we're as we're looking at tax revenue, so tax revenue is calculated by multiplying the mills by the taxable value.

28:45
And I kind of have an example here, which is Missoula rural fire districts, that is their mills and then the total taxable value of the area in 2024, which equals the total tax revenue.

29:03
And again a reminder that the factors that affect tax revenue, changes in mills can affect tax revenue and changes in taxable value.

29:12
And neither of these we can predict for the future.

29:15
So again, we're just doing hypothetical here.

29:20
So hypothetically, how would the tax revenue of the taxing jurisdictions change if there were a Ted?

29:28
So let's say that theoretically the tide was created and next next year there's no change, there's no new development, there's no change in taxable value, there's no change in mills.

29:40
So theoretically then the revenue would be the same for 2025 as it was for 2024, say in a few years that there's new development in the area.

29:54
There's one kind of low density development and there's one high density development and so you see an increase in taxable value to about half $1,000,000.

30:07
So how this gets distributed then if it is a Ted is that the revenue for the taxing jurisdictions doesn't change.

30:18
That increase in taxable value that then causes an increase in revenue would go into the tax increment financing fund

if the area were eventually to fully develop with a mixture of low and high density development with potentially a taxable value of over $2,000,000.

30:43
So during this time period as a Ted, again, the taxing jurisdictions themselves, if there's no change in mills and no other changes in taxable value would receive the same revenue as they're currently receiving, but that additional revenue would go into the TIF fund.

31:03
So you can see on this chart that the Ted, the taxing jurisdiction revenue stays the same, but the Ted fund would be right starts at 0 and increases over time with this increase in taxable value to where that fund could generate over $1,000,000 a year potentially.

31:26
And that revenue would be used to help fund the the necessary infrastructure for the for the development of the area.

31:43
That is the end of my presentation, so I'm happy to answer any questions.

31:48
Yeah, thanks Blana.

31:50
Question from Commissioner Slotnick.

31:52
So first great job Flana.

31:54
This stuff is super dense and complicated and for those who aren't schooled in it, you can't just go look up like what's the definition of taxable value and how does that work?

32:04
You really have to dive in.

32:05
It's just really unfortunate about this body of information.

32:08
It's quite opaque and and accessing it isn't straightforward and finance done a great job of really owning it and becoming fluent in it.

32:14
So thanks to that I want to add a couple things.

32:18
This phrase taxable values used a lot and I'm concerned when I see some of my realtor friends here that they and I would make would have made this mistake as well.

32:26
Assuming the taxable value and assessed value are the same thing.

32:30
The assessed value is what the state says a property is worth.

32:34

Taxable value is that number multiplied by the tax rate that the Department of Revenue has assigned to that property because of its tax class.

32:44
There are 16 different classes of property.

32:47
Each class has its own valuation method, residential property, it's 100% of market, but other property it's it's valued differently and each class has its own tax rate, which adds to the unpredictability that Flanito articulately pointed out.

33:02
And in fact, the fire district has lack of a better word, kind of been victimized by this.

33:07
Certain classes of property in our last reappraisal cycle because of how they are valued, lost value.

33:14
That should be shocking to the to anybody who is involved with real estate in 2023-2024 in western Montana.

33:21
How can any real estate go down in value?

33:24
Well, because of the Department of Revenue's equations on some specific property tax classes, those properties lost value, even if they have a high tax rate.

33:35
And if you are a, a, a taxing jurisdiction like the fight, like Missoula Rural fire is, they actually lose revenue even as their costs increase because certain properties lose value and other properties increase in value.

33:50
In their case, the drop offset the increase.

33:53
And I'm getting too weedy here, but I just wanted to say all that and make sure people weren't mixing up assessed value and taxable value.

34:00
They're, they're different things.

34:01
And as to the unpredictability of mills, the value of a mill is reflective of value of all of the real estate in the county.

34:11
So we have seen a steady increase and we can't at the county level use as many mills as we want.

34:18
We are capped by the state.

34:20
So there is some level of unpredictability, but there's a, there's also a piece of predictability in there that it's capped.

34:26
It's probably more than you needed, but I didn't want misunderstandings to persist.

34:31
Thanks.

34:31
You are a smooth operator working in a little tax tutorial there.

34:35
That is nice.

34:36
OK.

34:38
All right.

34:38
And before we get rolling here today, I believe it is our intention not to take action on this today.

34:45
And, and yes, yes, so for sure and, and, and Paul, I'd love to have you speak to the Chief if you'd want to speak to this in a bit.

34:54
We were able to meet this week because we're very concerned about the negative financial impact this could have on the tax and jurisdictions, but at this point it's somewhat hypothetical.

35:04
Finally, he pointed us really in the right direction with these numbers.

35:07
Until this, I wasn't aware of the size of the numbers we're talking about.

35:11
But as the FIRE folks had talked about diving in further and looking at what would, what kind of revenue would they be talking about losing if the Ted went forth in a very traditional way, What kind of revenue would they lose if voted on mills were excluded?

35:28
What kind of revenue would they gain if all mills were all of their mills were excluded?

35:32
And we don't really know these yet.

35:34
And in our meeting last week, we talked about having the fire folks dive in and taking some time to come up with real numbers which would guide our decision making.

35:43
But please you guys, if you want to speak to that, welcome too.

35:48
So this will I guess be the pivot to our next portion of the meeting and that is an opportunity for public comment on this.

35:56

Again, unless, unless something changes dramatically in the next few minutes, our intention is to continue this public hearing until November 14th where we will take action then.

36:08
But please, Chief, do come up and share your thoughts.

36:15
Good afternoon, commissioners.

36:16
For the record, my name is Paul Findley.

36:18
I'm the chief of the Missouri Fire District.

36:20
I come before we did today to provide comments and ongoing concerns regarding the Grand Creek crossing Ted.

36:26
The Missoula Real Fire District Administration, in conjunction with multiple county administrators has spent an incredible amount of time over the last multiple months in an effort to understand plan for an attempt to forecast issues that may come up from a 30 year relationship with their proposed Grant Creek Crossing Ted.

36:43
Our concerns are many with a few focused on increasing demand for the fire district while our dollars to operate are impacted negatively with the addition of Teds and Tiffs.

36:52
As a side note, the proposed Grant Creek Crossing would become the 6th Ted within the Missoula Row Fire District.

36:58
Out of hundreds of hours spent including asking questions and explaining concerns, the outcome of questions remains in a circular pattern.

37:06
Ultimately, how is the fire district impacted?

37:08
Why do theoretical calculations of fiscal impact not support the actual documented losses to the fire district?

37:14
Are the benefits of the Ted weight against the impacts of the fire district spanning a 30 year relationship?

37:20
These are just a few remaining questions that continue to be researched for further understanding.

37:24
In the interim and Intel questions and concerns are answered and understood by the Fire District and the county, I would ask that the approval be delayed and additional time be and resources be committed to a comprehensive understanding of financial workload and future concerns related to the Grand Creek crossing.

37:40
Ted, as the fire district responsible for the fire and life safety of the area, we are committed and will continue to commit personnel and resources to ensure the sustainability of the fire district and most importantly, the people that we serve in our community.

37:54
Thank you.

37:55
Before you sit down, Mr.

37:56
Finlay, so a question for you and don't feel like you need to answer today if you want to Mull this over.

38:03
But I wonder if the fire district would contemplate the possibility of de annexation of this parcel if, if if one of the concerns is ultimate responsibility over this area, even if hypothetically certain functions are are contracted with the city of Missoula to provide services to.

38:32
Would that would that be something you would contemplate if it if it were to be annexed into the city of Missoula?

38:38
Is that the question?

38:39
No, no, the de annexation from Missoula rural fire District.

38:43
So essentially it would it would no longer be under your jurisdiction or responsibility, correct.

38:49
So your thought there being that it would completely remove us as the responsible party and not show within our fire district, which is part of our concern, right is based on we are receiving a incremental value based on tiffs that is negatively impacting us.

39:11
So if if and again, hypothetically and and don't feel like you need to figure this out on the fly, if that financial impact could be mitigated and de annexation occurred such that you no longer have any of the responsibility that you might currently be saddled with, would that perhaps find a sweet spot there assuming that the entire financial impact to the fire district were to be mitigated, which means removal completely from the fire district, right?

39:43
Correct.

39:44
Sleep on it.

39:46
Thank.

39:46
Thank you, Sir.

39:49
Additional public comment.

39:59
Hi guys, good afternoon.

40:01
I think my, my record and where I stand with Tiff's has been well documented.

40:05
We don't like these within our school districts, but we had a really a pretty interesting conversation with Andrew and Flanna over last week where they had an opportunity to understand how we have to approach school funding.

40:21
And we got to understand a lot more and how they approach their TIF funding aspects of it.

40:26
And, and I'm sorry if you did already and I didn't notice.

40:29
Could you state your name for the record?

40:30
Matt Dreesen.

40:31
Thank you.

40:34
So there's two real main funding sources for school districts.

40:41
And one is the 95 equalization mills, which Josh is very well versed on and he and I have tangled over.

40:47
And then the other one is permissive levies and it was in the permissive levy discussion, I think where Andrew and Flannis had kind of an aha moment when they saw what that's about.

41:01
A permissive levy as we know is a levy that we put on to the taxpayers to pay for a cost that we have.

41:08
That permissive levy will be caught in the TIF district funding.

41:14
So when we say we need to have funds for a child with disability, that funding will get caught up in the TIF.

41:23
And I don't believe it is the intent of the county or the city or anyone else to be exploiting children with disabilities for development.

41:35
It's just something that happened when the tax law was changed in 2014.

41:40
And this has been a, a, a difficult thing for everybody to kind of come to an understanding with.

41:47
And I would urge you with a full heart is that you allow permissive levies to pass through on the TIF districts so that you don't have to deal with the ethical dilemma of using children with disabilities for funding.

42:10
And, and that's where the issue comes in.

42:13
And I want to pass that on to be something you really have to take a look at it.

42:17
And just like Paul was explaining, we have to have a deeper understanding of how this funding works within these different taxing jurisdictions.

42:25
I saw Josh had a question.

42:26
Thank you, Josh, go ahead.

42:28
Thanks.

42:28
So it's my understanding it's about reason that in 2023, Superintendent, Apologies, Superintendent.

42:36
I'll call you captain if you whatever you want.

42:38
Superintendent, Generals General, you can be general at the Legislature.

42:43
Said future permissive levies are excluded from Ted's.

42:47
That is the law.

42:48
It's my understanding that no, it's not.

42:50
Nope, it's not.

42:51
Are you Andrew Linney?

42:53
It's not the case that future permissive voted on levies are not excluded from Ted's.

42:57
No, no, no, no, no, no.

42:59
There's two different things.

42:59
A voted levy is different than a permissive levy.

43:02
OK.

43:02
The voted on levies.

43:04
Future voted on levies are excluded from Ted's.

43:07
Correct.

43:08
I just wanted to be clear on that.

43:10
You're correct.

43:10
Permissive levies are not and so we called up the Department of Revenue to clarify that you know, as the law as it's written to our permissive levies excluded from a tip.

43:22
So we what's a def, could you define for all here how a permissive levy differs from a voted on that?

43:28
Sure.

43:29
So the voted levy, good question by the way, a voted levy is I'm going to build a new school, which I did and it's going to cost me $6 million and everybody votes and says, yes, we want to do that.

43:40
And so that's going to cost everybody there 20 mils a year for the next 20 years as we pay off the bonds.

43:48
That is our that's our voted levy.

43:50
OK.

43:52
A permissive levy is on a year to year basis.

43:56
I have funding obligations at my school district or Molly school district or Micah's, whoever, whatever school district we're at that have to be paid.

44:06
So if I have a child who shows up who is blind, I am going to have to hire someone to for Braille education because that's not something that it would be part of a normal elementary curriculum.

44:23
So I have to hire that person.

44:25
We probably have to have an aide.

44:26
I'll probably have to make changes to the school for that student to move around in a in a safe manner.

44:33
There's a lot of things I'd have to do.

44:36
Everything that we have to do is going to have a cost associated with it and that cost is then calculated and we make a mil for that and we put that on the taxpayers.

44:48
That was the change that the legislature did in 2014 on special education funding.

44:56
And so that gets just put directly on and when the kid leaves the funding go that we don't be no longer taxed for that funding.

45:03
And permissive levies can't be however much you like, correct?

45:08
Yeah, we have we have a cap just like you do, right.

45:11
At a certain point they say enough.

45:12
Yeah.

45:12
And what's and isn't isn't the cap on permissive levies have to do with the amount of kids that are enrolled in the school?

45:20
Yes, I believe.

45:22
Is that A&B?

45:23
Yeah, No, I I believe it could be.

45:25
I'd have to actually, you got me kind of there because I don't really know the exact answer to that.

45:29
We have a cap on how many, how much taxation we can do, just like the county has a cap on their taxation.

45:37
If we reach that cap, we're done.

45:40

The mix of that taxation though, I don't think it's ever really been worked out to say you can only do so much here or so much there.

45:48
Pardon me, but that's I don't have a better answer for you than that which I I haven't attempted to understand school funding as well.

45:55
I have both in county funding.

45:57
My understanding though is the average number of belonging plays a a a pretty big role.

46:02
Yes, it does and that maybe Molly may know better.

46:05
I know how the average number of belonging plays and I know how the 95 equalization mills play.

46:11
What I don't know is there is there a cap on the amount of permissive levies?

46:16
I don't know that answer.

46:18
I've never to actually research that answer, but as a school district, I know there's a cap on how much we can levy total, just like you have a total levy.

46:29
And then I guess it's A to use a an example, what is the cap of parks levies that you can do on a yearly basis?

46:39
I don't think there's any answer for that.

46:41
We we don't have levies divided up like that.

46:44
We are under a mill cap.

46:45
Yeah.

46:45
And our mill cap is half the three-year average of inflation in dollars.

46:49
And then on top of that, we're allowed it to count new growth and anything voted.

46:53
Yeah.

46:54
And we have a mill cap not calculated the same way.

46:56
So underneath we have these pieces that we have to work out on a yearly basis.

47:00
And and we do have some analogous permissive levies for instance, for health.

47:05
And so not exactly.

47:09
So understanding that piece of it that these permissive levies are when we exercise that within a TIF district have a, a moral implication or an ethical implication that I don't think anyone intended, I don't think anyone said, oh, let's use these children for funding purposes.

47:30
I think what you were looking at in all honesty was the 95 equalization mills, the 40 mil piece, all those things that we look at, I think those are what everyone looked at.

47:42
I don't think they saw this other side of it and how detrimental that is.

47:46
Josh, another question.

47:47
I think that you're right, I'm sure that this was never anticipated by the folks of the legislature.

47:52
I do want to point out that the entirety of Desmet School District is not encapsulated by this Ted.

47:58
And if I remember correctly, the percentages that Flana brought up were very, very small.

48:03
And none of it's in my, none of this is in mind.

48:06
I'm in here in support with Molly as, as the three of us, Molly, Les and I are all working together within this area because all the growth is coming out here.

48:15
So, so this is a pretty small area.

48:18
And as we go forward in decision making, like we should really understand the numbers that Chief Finley is going to help bring to us.

48:24
We need to look at these impacts too.

48:26
And if we're talking about a dramatic impact, that's one thing.

48:28
But if we're talking about, you know, less than 1%, it's a whole other thing.

48:33
And, and I do want to be careful about oversimplifying this as economic development versus disabled children.

48:39
I mean, that's rich for Griffin, but I think it's a bit of a stretch.

48:42
It's not a stretch.

48:43
It's an actual fact is that if you use the permissive levy and you're using that for a disabled child, that that's exactly what you're doing.

48:54
And, and I and it's not, I'm, I'm just saying that is the exact fact right there.

48:58
And I think that's the thing that we need to understand.

49:01
We can say, oh, it's a small impact.

49:04
We're going to be, you know, using these permissive levies, They're going to have a small impact.

49:08
How small of an impact do you think is acceptable when we're talking about children with disabilities?

49:16
Well, that that, that is precise.

49:17
That is the question we need to be wrestling with and and what we need help from anyone out there in the audience today or online is over the course of the next several days.

49:29
If you have specific data or numbers that you can provide us that help us quantify these impacts, that's super helpful because right now we are talking in a whole lot of generalities.

49:41
So we just had the numbers.

49:43
I just saw Flane Flana just put up there.

49:45
I think if you shot those over to Molly so we could kind of read them on there.

49:50
It's a calculation that can get kind of worked out.

49:52
So you'd have a number to go.

49:53
This is what we're kind of looking at, you know, as an impact.

49:57
We can provide everyone that presentation.

50:00
So thank you, Matt.

50:01
Thanks.

50:02
Additional public comment.

50:03
Come on up.

50:05
And folks could please state their name for the record.

50:07
That would be great.

50:09
My name is Doctor Molly Blakely, President.

50:12
Wow, that came out.

50:13
I'm the Superintendent.

50:14
I wish I was the President Superintendent of Hellgate Elementary.

50:20
I would just echo Matt's comments in that we did have two really productive and positive meetings with Flanna and Andrew and also the Superintendent of Frenchtown where we really look strategically at some strategies that could work.

50:37
I think the two could be the permissive levies and we also talked about impact fees.

50:42
You know, our A&B we're, our enrollment is down, Josh, we typically have 200 kindergarten kids.

50:49
This year we have 112.

50:51
I, I don't have research to support why.

50:53
What I think is that young families can't afford to live in our district.

50:56
And so where we're seeing our numbers increases in you like 4th, 5th, 6th grade, but those kids aren't with us for very long.

51:03
We are, our lower elementary numbers are exceedingly low.

51:08
Our costs are high.

51:09
Our transportation costs are up, you know, maintaining building costs are up.

51:14
So we will have to look at permissive levies for technology, for building fund and for security because school security is one of my major issues that keeps me up at night.

51:27
And there's no school funding from the state for school security.

51:30
We have to do it all on our own.

51:32
So I know it's a small area and I know when you say, you know, it could just have a, you know, 1% impact for schools, 1% is pretty significant.

51:44
Even if it's $60,000, that's, that's one teacher for me.

51:48
That's, that's three paraprofessionals, that's three security cameras that's partially funding our school resource officer.

51:57
So although it can be a, a minimal impact, it, it is significant for us.

52:03
And I think if we could sit down like we did and, and really, I mean, I think you guys did have some aha moments with school funding because even people that run schools don't understand school funding.

52:13
I mean, it changes all the time.

52:14
And the legislature right now is, I mean, I know I'm a public record, but I feel like they're against us more than for us.

52:21
I mean, the, the cost of living goes up and we are not seeing equal increases in school funding.

52:26
I mean, a 3% increase for us will be nothing.

52:30
I mean that it will be nothing for us.

52:33
So if we could look at that permissive levy strategy, I think it would be powerful and I think it would really impact us positively.

52:43
Help help me understand this right.

52:46
So right now, given the the fairly low taxable values that we have in this district, if if you're if the voters in your district, well, I get I I guess can in terms of permissive levies, is that voted or is that unilaterally the district based on having a disabled student or whatever the criteria are, can the the school district unilaterally presumably impose that levy?

53:17
Is that correct?

53:18
Yes, OK.

53:19
So, so hypothetically in a, in a case like that and let let's use the, the disabled student example where you need additional revenue to cover the, the needs of that, that special circumstance right now that would be spread out across across your district.

53:42
And I'm, I guess when I'm having difficulty grasping is how any of the the increment would be a windfall for you.

53:55
I don't see this as taking away from anything that you have right now.

54:00
No, it wouldn't take away from anything we have right now.

54:03
But moving forward in the future, if this Ted is created, it will impact.

54:10
And that's why I'm going to tell you right now, I mean, when this Ted, if it's created, it is not going to impact me personally.

54:15
I will not be the Superintendent at Hellgate Elementary when we see the impacts of this, Ted, but my professional responsibility is to advocate for our school district.

54:25
So it won't impact us now, it won't impact us next year.

54:29
It won't probably impact us in three to five years, but over the long term, it does make an impact and that's what we have to look at.

54:41
Yeah, I guess I'm still not following because even if taxable values significantly increased in this particular district, whether it's five years or 20 years from now, if, if we do nothing right there, right on the ground right now, the, the taxable values probably for a while if not in perpetuity are going to remain pretty minimal.

55:07
And if you have a permissive levy, it's going to just be spread out among all of the, all of the individuals and parcels that are, are paying taxes.

55:19
So I, I guess the impact, I'm just gaming this out in my mind, the impact would be that the burden for that permissive permissive levy would be decreased for everyone if the taxable values in this district raise.

55:38
The other thing we have to consider is with the grant create Ted, there's housing going in.

55:43
Am I correct?

55:45
We don't know yet.

55:46
So if there's Andrew, do you want to, I think you have to be determined what actually happens on the ground, correct?

55:54
We, we do not know yet, but if there were, I mean 50 houses that went in or 200 apartment buildings, we will get children from those units, right?

56:06
And then if we're not getting any revenue from that area, we're educating those students without any revenue coming in for them, right?

56:19
Hypothetically no, right.

56:21
I mean, there's no, no, we, we have no way of knowing if there will be a single child coming out of here.

56:26
I don't think it's big enough for 200 apartment buildings.

56:28
But you're not going, even if it's fifty houses, the likelihood is there will be children.

56:33
I mean, none of the building that's going on in our area is an area where we say, oh, we, we, our buses don't pick up one kid from there.

56:41
I mean, we are picking up children in all of these.

56:46
I mean that thing that's going on Mullen Rd.

56:48
that's huge.

56:49
There's going to be a lot of kids coming out of there, right?

56:52
I mean, I'm lucky because they can walk across the street.

56:54
We don't have to bust some hopefully, but there will there.

56:58
The likelihood that there would be children coming from there is high, right?

57:04
So we're going to educate those kids and not have any revenue come from that.

57:11
And we're already fighting the open enrollment bill where we are taking kids from other districts and we have to build districts and our, the way we build them is not equitable.

57:23
And so that's also a huge, I mean, we just ran our numbers and we will be, we'll be paying out about 1200 bucks losing about $1200 for this open enrollment bill.

57:34
And I know $1200 does not sound like a lot, but that's paper, that's toilet paper, that's cleaning supplies, that's school lunches for kids.

57:43
So I, I just, I just challenge it.

57:45
I think there's viable strategies.

57:47
I really do.

57:48
I mean, we work, we work in a world where people are smart enough and compassionate enough to figure out solutions.

57:55
And I think there can be a solution that's figured out for both schools and, and for the fire department and for the county.

58:01
And for the county, yeah.

58:03
I mean, it can be a win win for everybody.

58:06
And and when I say for the county, I don't mean the county government, I'm talking about the the greater county.

58:12

And we are looking at right now a defunct gravel pit that contributes next to nothing to the greater economy or culture or anything that is our community.

58:21
And if we don't bring infrastructure to this site, we will see the kind of low density development that Flannel was talking about and we need to add that up.

58:29
Is that what we need at this space?

58:31
Would a storage units and some empty gravel would would that be best for our community?

58:36
I just want you to hear, as I'm hearing on your side, that there's a lot to this, and I get that you must be and you are a zealous advocate for your school district as Chief Finley is a zealous advocate for the fire district, and I must be a zealous advocate for the county as an entirety.

58:53
And Mr.

58:53
Slotnick, I would say this, I am all about making that area beautiful.

58:57
I mean, I lived.

58:58
I lived up Grant Creek.

58:59
I drove by that ugly gravel pit at all times.

59:03
I mean, I am not here as an adversary at all.

59:07
Not at all.

59:08
I think the best thing we could do is make that area beautiful like a park, No, like what you're proposing with commercial buildings and and homes and and safe sidewalks for, for kids and families and trails and make it beautiful.

59:26
The only thing that I am advocating for is can there be a strategy where schools the impact to schools is not negative.

59:37
So I am not here as an adversary.

59:39
I I mean, I think it's wonderful, but we have to figure out how schools and the fire department is not negatively impacted.

59:49
Thank you, Superintendent Blake.

59:50
And, and this area has resisted development for a long time and I'm just going to guess it's resisted development and, and I'm just going to stop you there because I personally haven't resisted it.

1:00:02
No, no, no, no, no, no.

1:00:03
That's the wrong word.

1:00:04
I don't mean I'm not a resistor on that.

1:00:06
What I'm saying is this area has not been developed, not because anyone was anti development.

1:00:10
It hasn't been developed.

1:00:11
I'm going to presume because the costs are so high to bring infrastructure into this site.

1:00:18
The kind of development we've seen is the kind of development you see where there isn't infrastructure, things like storage units.

1:00:25
I will.

1:00:26
It sounds to me that the way to get this developed as you described as a a robust economically diverse happening place with sidewalks and retail and commercial and industrial and maybe even some housing, we have to get infrastructure in there, right?

1:00:41
And unfortunately, this, this TIF as a mechanism and Ted as a district is one of the few economic catalyst tools we have that we can use to bring infrastructure to a site that will yield this type of development.

1:00:54
And I appreciate what you're saying.

1:00:56
And hopefully we can negotiate a strategy where we can still use this mechanism because I personally don't believe that the highest and best use of this area is storage units and defunct.

1:01:05
I agree because that's ugly and I don't want to see this come at the cost of the school district or fire district.

1:01:12
Agree there's solutions.

1:01:13
Thanks Superintendent.

1:01:15
One last question and this is a softball 1.

1:01:18
So would it would it be play softball?

1:01:21
Would it be useful if we provided you any of the numbers that were in very small font on the screen earlier?

1:01:27
Is there because we can sit and chunk numbers.

1:01:30
I mean, the meeting that we had, we had all our district clerks there and quite frankly, it was riveting, if I must say, because the district clerks are so brilliant in school finance and what they know, I mean, that's their job.

1:01:43
And they are able to look at these numbers and get out their calculators and tell you right away what the impact is.

1:01:51
OK.

1:01:51
So yeah, it'd be super helpful.

1:01:53
We'll do our homework and get a report back to you.

1:01:55
OK, Thank you very much.

1:01:57
Additional public comment.

1:01:59
Let's take folks in the room 1st and then if anyone online wants to comment, that would be welcome.

1:02:05
Also anyone else in the room OK anyone online like to comment on this item?

1:02:16
Seeing none.

1:02:17
We will plan on continuing this until November 14th.

1:02:21
If Andrew, I just wanted to have plan to throw the slide up that has the specific information on the continuation, that would be fantastic.

1:02:36

There we go, Thursday, November 14th at 2:00 PM in this very room, Sophie Maui's room in the Missoula County Courthouse.

1:02:43
Based on our conversation today, if folks have any other specific data that and, and quantifications that would be useful to us, please provide them and, and shoot them our way.

1:02:55
You can route that through Flanna or Andrew.

1:03:00
And thank you all for coming out for this.

1:03:02
We, we appreciate the dialogue today.

1:03:06
OK, we will move on since that public hearing will remain open.

1:03:11
And our next one shifting gears to open space.

1:03:16
This is the Case Ranch Company Potomac open space bond proposal and we will begin when she gets set up with a staff report from Kaylee Becker of our parks, trails and Open Lands.

1:03:35
Good afternoon, thanks for the introduction.

1:03:39
So Kaylee Becker, Missoula County Open Lands Project Manager, I am going to just do some quick intro of the topic and then I'll be handing it over to Derek from 5 Valleys Land Trust for a presentation on the specifics of the project.

1:03:55
So today what the hearing is focusing on is a request for open space bond funding specifically from the 2018 voter approved Open Space Bond.

1:04:04
And just as a reminder for anybody who may want some background on that, that ballot initiative was approved by voters in 2018, in November of 2018.

1:04:15
And it was approved for the purpose of providing funds to pay for the costs of conserving, enjoying and enhancing open space land.

1:04:23
To include providing public access to water and land, conserving agricultural lands, Fish and Wildlife habitat, and rivers, lakes and streams, protecting scenic views, and making improvements to lands acquired or designated as open space that are accessible to the public by purchasing land, easements or other interests in land from willing land owners.

1:04:45
With that, I'll hand it over.

1:04:47
And after Derek does his presentation, I'll follow up with the rest of my staff report.

1:04:52
Thanks.

1:04:54
All right.

1:04:55
Thanks, Kaylee.

1:04:55
Yeah, Derek Oble, 5 Alleys Land Trust.

1:04:58
So as Kaylee mentioned, today we are presenting for request for open space bond funding for a conservation easement project for the Case Ranch Company, which is a ranch up in the Potomac Valley.

1:05:13
Map on the left here shows in the red outline the location of the ranch in relation to the city of Missoula.

1:05:20
It's about 20 miles east of Missoula in the heart of the Potomac Valley.

1:05:26
If the picture on the right is familiar, it is the kind of iconic open Meadow and old farm barn structures on the north Hand side of Hwy.

1:05:35
200 as you're traveling E through Potomac Valley, just before you go over the hill up to the Lubric National Forest there.

1:05:44
Lubric State Forest.

1:05:45
Excuse me, So the the Potomac Valley itself is a deep legacy for its historic natural resource wealth.

1:05:53
It was long known for its abundance of canvas flowers and was long used for as common ground for canvas gathering by indigenous peoples.

1:06:01
Over the last 150 years the valley has been settled in and used as a prime location for agriculture and timber harvest, and much of the current Case Ranch was once owned by the Anaconda Mining Company and was used for its abundant timber and also winter pasture land for four horses in the Potomac Valley.

1:06:19
There the harvested timber was sent down by rail and river down to Bonner and the logs and timber were used in mining over in Butte and Anaconda and some of these buildings are still on site on the north side of the highway there and they are over 100 years old.

1:06:45
OK.

1:06:46
So the the Case Ranch Company is owned by the descendants of Arnold Case who moved to the Potomac Valley in 1932 and pieced together a lot of this ranch over time, buying different sections of of land on the property itself contains 9 contiguous parcels, 2 of which on the Far East side are unfortunately being omitted from the easement for now.

1:07:08
The full acreage of the ranch is about 3300 and the conservation easement will include 70% of that at 2330 acres.

1:07:17
The reason we had to omit some of this additional acreage is because one of our primary funders in this case is the NRCS and they have specific rules about the metrics in terms of how much timber deforested land that can be included in, in the easements.

1:07:34
You can see that Hwy.

1:07:35
200 runs through the center of the property here.

1:07:38
And this is a a unique property in Potomac and that includes large chunks of land both North and South of Hwy.

1:07:44
200.

1:07:45
And then it also has Union Creek, which is the primary Creek or drainage system of the Potomac Valley and over 2 1/2 miles of Union Creek run through the heart of this property here.

1:07:57
Again, this is a conservation easement project.

1:07:59
And so just a reminder for all folks out there.

1:08:02
A conservation easement is a legally binding agreement between a Land Trust and a landowner that restricts certain uses the property to protect conservation values while still staying in private land ownership.

1:08:12
In this case, those conservation values are local agriculture, scenic views and vistas, and critical wildlife habitat.

1:08:19
And those the land owners will still retain full ownership of the property with the right to transfer the easement as contiguous parcels in the future, subject to the terms of the conservation easement nearby land use for the adjacent to the property.

1:08:36
So you can see on the the north side here is a large network of state and BLM land, including lubric forest land.

1:08:47
The property on the South also shares a border with three other existing conservation easements, which are these crosshatch shapes down here below it.

1:08:58
Those other easements connect to it.

1:09:00
A total of 11 conservation easements throughout the Potomac Valley, which includes about 3400 acres of existed protect land, and adding this 200 and 2330 acres will increase the protected AG land in the Potomac Valley by nearly 70%.

1:09:24
So the land cover on this property is primarily forested land, which is in the dark green map here and then range and grasslands and kind of the lighter, lighter colors.

1:09:33
Again, this is a unique combination of of habitat that straddles that wildland urban interface and current agricultural operation includes cattle gazing throughout the property and then also timber harvest.

1:09:45
They also have some grass hay production in the lower flatter areas around Union Creek.

1:09:51
And then the land owners have enrolled in the block management hunting program for the last 20 years or so, allowing seasonal hunting access on the property north of Hwy.

1:10:00
200.

1:10:00
Here, because of the diverse ownership structure of the ranch, the the land owners are requesting and including a potential split of the of the conservation easement property at some point in the future to allow for greater flexibility and ownership for successor generations.

1:10:16
And so I have two maps of what that potential future split would look like.

1:10:22
It would include two parcels, one that's about 1700 acres north of Hwy.

1:10:26
200 and another that's 600 acres South of Hwy.

1:10:29
200.

1:10:30
But each of these individual parcels would still be subject perpetually to the terms of the conservation easement.

1:10:41
So I mentioned, you know, the mixed lane cover on the property provides significant expansive of wildlife habitat for a range and variety of species and and its position on North and South of the highway provides essential connections between protected areas and and enhances a wildlife connection corridor across Hwy.

1:10:56
200.

1:10:58

The map on the the left here illustrates the extensive network of protected public and private land basically from the Potomac Valley to the Canadian border and adding this additional protection.

1:11:12
Well, you can basically draw a straight line through protected public and private land and get all the way to the the Canadian border there.

1:11:26
So as I mentioned the the ranches in has enrolled in block management hunting program since the early 2000s and this easement will actually include explicit language that will permanently grant public hunting access on that northern section of the property.

1:11:40
And we will formally turn over management, management responsibility of that section to fish, wildlife and parks.

1:11:51
In terms of how this project meets the objectives of local and statewide policy and plans, it meets three of the 2018 Open Space Bond goals.

1:11:59
That includes conserving, enjoying and in happening, enhancing open space land to include providing public access to water and land, conserving agricultural lands, Fish and Wildlife habitat, and rivers, lakes and streams, and then protecting those scenic views.

1:12:13
It's also consistent with the Missoula County Growth Policy, which was developed to safeguard natural landscapes and prepare for future.

1:12:19
Growth policy recognizes a healthy agricultural sector as essential to the well-being of the community due to benefits such as food security, open space, wildlife habitat, economic activity and quality of life.

1:12:37
Quick glance at the budget.

1:12:39
Up top are the project expenses.

1:12:41
The easement value is estimated to be about $5.1 million.

1:12:47
There are also there's also line items for staff time, legal fees and transaction costs associated with the project, bringing the total up to just over $5.2 million.

1:12:57
Our organization's been had first had conversations with some of the family members about conservation on this property over 20 years ago and we revived the effort just about two, 2 1/2 years ago and we've been working with the the current generation towards a conservation outcome.

1:13:14
In the last two years.

1:13:16
We've been successful in securing other funding for this project namely through the NRCS agricultural easement

program and we have applied for in late 2022 and were granted over two and a half $1,000,000 which is 50% of the estimated easement value.

1:13:34
5 alleys along with other private funding sources will account for approximately 20% of the total project costs.

1:13:41
The land owners will contribute approximately 12% in the form of donated land, donated easement value land and the request from the county of up to $994,550 from the county open space bond is just shy of 20% of the total project budget and comes out at a request of just $427.00 per acre.

1:14:03
Great.

1:14:13
Thank you for that presentation.

1:14:15
So as the main points of those, the project was well covered.

1:14:19
I'm just going to cover a few pieces that relate to the process that we do for the open lands or the, sorry, the open space bond projects.

1:14:29
And part of this process, just to be clear, is laid out in the interlocal agreement between the city and county related to the 2018 bond that covers the administration of the bond and procedures.

1:14:40
So the Missoula County Open Land Citizen Advisory Committee visited the property on April 29th and the Board of County Commissioners visited the property on October 2nd of this year.

1:14:51
As part of their review and vetting process, the Open Lands Committee members completed their evaluations of the project that are their evaluation is based on criteria that was adopted by the Board of County Commissioners via Resolution 2007 Dash 40.

1:15:07
And overall, through those evaluations that we received, the project ranked highest in terms of wildlife habitat and agricultural values and working lands.

1:15:17
On May 9th of this year, a quorum of the Open Lands committee met and they voted on their recommendation for this open spot open space bond funding request.

1:15:28
And there is an OLC member today in attendance who can speak more to that recommendation and they did recommend unanimously funding for this project per staff analysis.

1:15:41
I just wanted to highlight a few aspects of the project that really stood out.

1:15:44
One was the location of the property is as it is within an important wildlife corridor that's based on the proximity to other protected lands and public lands as well as the really rich wildlife habitat values of the area.

1:15:59
In addition, the extensive agricultural lands, including important egg soils, as well as the productive and well managed forest land that the property contains and would be protected through this project.

1:16:11
And of course, in addition, the secure public hunting access is also a huge benefit of the project.

1:16:18
As was mentioned in the presentation, this project does or would achieve many of the purposes of the Open Space Bond, the 2018 bond including conserving agricultural lands, Fish and Wildlife habitat and rivers, lakes and streams, protecting scenic views, and providing public access to land through that hunting access.

1:16:43
The staff recommendation for this project is to recommend the project be funded for up to $994,550 from the county's portion of the 2018 Open Space Bond.

1:16:56
And just a point of clarification that I think is always helpful is the reason we use that up to amount is that the final amount of funding would be based on a final appraisal, which usually happens closer to when a project closes.

1:17:08
And so that up to amount means that if the final appraisal changes slightly from what the anticipated number is, it just can't go over the amount that's approved, but it could be less of the appraised value ends up being a little bit lower.

1:17:23
So that's why we include that.

1:17:26
I'm happy to answer any questions that anyone may have.

1:17:30
OK, thank you.

1:17:31
Do we have a representative from OLC who would like to speak to this?

1:17:34
Come on up.

1:17:41
For the record, Ron Slater SCHLADERI am a member of the Missoula County Open Open Lands Citizen Advisory Committee.

1:17:51
Afternoon Commissioners, I come to you today with teeming with enthusiasm.

1:17:57
On our April 29th site visit, what we saw was, aside from a herd of elk, was thousands of acres of flat agricultural ground.

1:18:09
You know what Missoula County does with 1000 acres of flat agricultural ground?

1:18:14
They build houses on it.

1:18:16
100 years from now when there is a food shortage in Missoula County, you know what we can do with that 1000 acres of flat agricultural land?

1:18:23
We could plow it up and plant vegetables on it.

1:18:26
The OLC committee and they're there.

1:18:30
When we did our final meeting, we discussed these two options and decided we'd rather see taters and townhomes on this parcel.

1:18:38
Therefore, the Open Missoula County Open Land Citizen Advisory Committee would like to recommend to the County commissioners that you approve up to $994,550 of 2018 open space bond funds for the purchase of a conservation easement on the Case Family Ranch property in Potomac.

1:19:00
Thank you.

1:19:00
Ron, do we happen to have a representative of the any of the property owners They couldn't join us in person, but they are they are on virtually OK.

1:19:12
If there's anyone online who would like from the the family who would like to speak to this, please do so.

1:19:21
It was well.

1:19:24
Hi, I'm Donna Hacker.

1:19:26
I am one of the land owners and beneficiary of a wonderful inheritance of the Case Ranch property.

1:19:35
I'm enthusiastic about this because since there are several members of several owners of this property, we just can't predict what could happen to this property if it's not put under a conservation easement for the goal of habitat.

1:19:57
You know, giving our animals, all of the animals, plants and etcetera, a place.

1:20:03
To, to be free, free of houses that is.

1:20:06
And so I'm enthusiastic, supportive.

1:20:12

Well, I, I've at first I thought that we together as a family could conserve this without having it any interventions or any help.

1:20:25
But we've conceded that in perpetuity that land should be open space.

1:20:32
So I'm really, I want to thank Derek for a great presentation and you know, I hope and I'm, I'm glad it has a full support.

1:20:42
So I think that's all I have.

1:20:46
Thank you, Donna.

1:20:47
Any other of your family or owners like to speak to this?

1:20:54
It's just me.

1:20:57
Nobody else could join, actually.

1:20:59
OK, no problem.

1:21:01
Thank you so much for your your words.

1:21:05
Anyone else either in the room or online who would like to comment on this?

1:21:12
OK, well, thank you all.

1:21:15
Kaylee, do we have a motion?

1:21:22
And before we do that, Josh, any questions?

1:21:25
I know my only one little comment is on the finances here.

1:21:28
And just to note that, yes, this really is a expensive in that it's a large sum of money from our fund.

1:21:34
It's less than 1/5 of the cost of the project.

1:21:37
And you guys, as usual, have done a great job leveraging this money one 1/5 to the, to the rest of the four fifths.

1:21:44
It's, it's quite impressive.

1:21:46
So that, and I think that's one of the strengths of the open Space bond funds is that it can leverage other money that otherwise we wouldn't have access to.

1:21:55
And this is an absolutely iconic piece of property and wonderful that the family would choose to protect it.

1:22:00
And thanks to Five Valleys for being a great partner.

1:22:02
And thanks for Kaylee for making this happen.

1:22:06
With all that, I would, I recommended motion here.

1:22:10
I would approve the expenditure of 2018 Open Space bond funds in an amount not to exceed $944,550 toward the purchase of a conservation easement on approximately 2330 acres for the Case Ranch Company Dash Potomac Open Space project.

1:22:27
And I will 2nd that.

1:22:29
I would just add on to what Commissioner Slotnick said already.

1:22:34
Yeah, this is an iconic piece of Montana.

1:22:39
And do we have a late breaking typo of some sort?

1:22:58
Sorry, we do have a late.

1:23:00
OK.

1:23:01
We we we do have a late breaking typo.

1:23:04
I am so sorry.

1:23:05
It's a big type.

1:23:06
It's like a $50,000 type.

1:23:07
It is.

1:23:08
It is.

1:23:08
Thank you, Ron.

1:23:09
Hey.

1:23:09
So what what This is why we value of these OLC members.

1:23:13
So what what ought the number be?

1:23:15
Yeah.

1:23:15
So it should be 994,550.

1:23:22
OK.

1:23:22
Should I do it again or should we just live with that, Do it again.

1:23:28
Let's get it on the record.

1:23:30
The attorney is nodding his head yes.

1:23:32
So let's get this on the record with the correct number.

1:23:34
I would move that we approve the expenditure of 2018 open space bond funds in an amount not to exceed $994,550 toward the purchase of a conservation easement on approximately 2330 acres for the Case Ranch Company Dash Potomac open Space project.

1:23:54
Do we have any other bidders on that?

1:23:56
No, I will, I will second that motion.

1:23:58
And and again, I was just mid, mid thought before that that error was brought to our attention.

1:24:05

I was just saying, as Josh alluded to earlier, this is an iconic piece of of the Montana landscape and we'll serve multiple functions and and addresses multiple values at risk in this area.

1:24:18
So I'm enthusiastically in support of this.

1:24:23
Anything else?

1:24:24
OK, let's go ahead and vote All in favor.

1:24:25
Please signify by saying aye, aye, aye.

1:24:28
It's a done deal.

1:24:29
Thanks, everybody.

1:24:30
Thank you.

1:24:30
And big week in the world of conservation.

1:24:33
Thank you, Derek.

1:24:34
Thank you, Kaylee.

1:24:35
Thank you, Donna for chiming in earlier and and thank you all, everybody who's worked hard on this.

1:24:44
I think it's just going to be a mutually beneficial deal.

1:24:48
So I'm grateful.

1:24:50
Thank you for your generosity.

1:24:54
We will move on to our 3rd and final public hearing today.

1:24:59
This one pertains to the morning done Rd.

1:25:03
boundary line relocation and we'll have a staff report from Jenny Dixon.

1:25:13
Thank you very much.

1:25:16
So this is a proposed boundary line relocation.

1:25:20
The owner is Kona Mountain Ranch, being represented by Eli and Associates, approximately 950 acres in the vicinity of Big Flat Road and Kona Ranch Road.

1:25:32
And here's a, a vicinity map if you, if you want, I also can have a map up that can show you the bigger picture.

1:25:40
But if you're, oh, let's see the vicinity map, my apologies.

1:25:49
Try that again.

1:25:50
Thank you, Vinny.

1:26:00
OK, All right.

1:26:10
I think this will do it.

1:26:30
Screen.

1:26:36
Hey, there we are.

1:26:40
So here's the location again.

1:26:42
Just to repeat, it's when you come off of Mullen Rd.

1:26:47
on the Kona Ranch Road and you head towards Big Flat.

1:26:51
But if you keep going, you would enter the property here, I think it's called Martin Gulch Rd.

1:27:00
And as I said, the ownership was about is about 900 acres here.

1:27:04
This is a complete section, section 13.

1:27:08
So that's 640 the land use designation for the property and the zoning match, which is nice thanks to your work a few years ago with the land use element and the zoning.

1:27:22
So AG working lands is the is the designation and as well the zoning for these two proper two, well six properties.

1:27:32
They show on these maps as two properties.

1:27:34
But what I'm going to do is show you how they are actually been broken up.

1:27:39
So this is a boundary line relocation for 6 tracks that are aliquot parts created through deed or not through any other exemption just because they're either greater than 600, 160 acres or aliquot part through deed.

1:27:57
And the proposal is to take these tracks, rearrange the boundary lines so that there are three tracks on the east, 40 acres each, which complies with the zoning regulations, and then three larger tracks to the West, all over 160 acres, but all less than 320 acres, which means that they cannot be further divided without review, which is important.

1:28:30
We staff has recommended approval of this boundary line relocation, but did also identify several evasion criteria that just for you to be aware of.

1:28:43
One is did the claimant purchase a property within the past two years?

1:28:48
And the answer to that is yes, it was April of 2023.

1:28:54
So it's been about a year and a half since these tracks were purchased by Kona Mountain Ranch LLC.

1:29:03
And if you remember, when we revised our exemption regulations back in 2016, the boundary line relocation was meant to be viewed pretty liberally in terms of if it's ending starting with the same number of tracks and you're ending with the same number of tracks and you don't flag other key evasion criteria.

1:29:29
Your preference at that time and as is reflected in our regulations is to view these as pretty straightforward.

1:29:39
The other evasion criterion that's triggered is it does it result in tracks 6 or more tracks?

1:29:50
And yes, it does.

1:29:53
And we just saw this on Roseburg where they had 12 and we saw it on King Ranch where they had 13.

1:29:58
And so, so that's bound to happen.

1:30:01
But that's why this is here before you rather than being done administratively is if it's over 6.

1:30:07
And then last but not least, towards the end of the comment period, we did get a letter from the US.

1:30:13

Let's see the US Forest Service commenting about concerns relative to anticipated development and use of the properties on the West these tracks 4-5 and six.

1:30:27
The applicant has indicated and has sat down with us previously about potentially doing a guest ranch at this location that's not a subdivision.

1:30:35
It is a zoning compliance review.

1:30:38
And so that doesn't trigger an evasion criterion for us.

1:30:44
But it did raise a little bit of a pink flag, if you will, for the US Forest Service, which as you can see here own land to the West and to the South of these tracks.

1:30:56
And just relative to impacts from development primarily as it relates to fire access.

1:31:02
And I think what I'll, I'll do, there was a, a letter, a response letter in your packet from Kona Ranch, Kona Mountain Ranch LLCI think Adam's here to talk about can can give some response to that.

1:31:18
But essentially, they have done quite a bit of improvements prior to this application for the year and a half that they have owned it by widening roads, flattening roads, making the roads more passable, by clearing debris and trees and being very sensitive to that fire safety protection for the US Forest Service lands to the South and to the West.

1:31:42
But I'll let Adam, Mr.

1:31:44
Trina discuss that further if you, if you would like to ask.

1:31:49
There are no evasion criterion some questions that we ask on this like we do on family transfer.

1:31:56
So with that I I can just prevent present you with our staff recommended motion and and my and my presentation there.

1:32:04
OK, thank you.

1:32:06
Adam, do you want to come up and share anything that you would like?

1:32:11
Yeah.

1:32:11
My name is Adam Trina and I'm one of the members of the Mountain ranch.

1:32:15

We have three members in total and yeah, I the only comment that received as Jenny said was from US Forest Service and they were concerned about and, and you might need to pull that mic a little bit closer.

1:32:29
They were, they were concerned about thank you fires and increased potential use and having access and not access and those kinds of things.

1:32:40
And, and I just wanted to express on the record that we fully support with the US Forest Service and providing any, anything we can do to make sure that there are no fires in in that area.

1:32:54
We've already spent a lot of a lot of money, a lot of time hand clearing and also with excavation improvement, making the roads wider and just helping, helping the the overall access for the fire service.

1:33:11
And I should say there is no public access there.

1:33:15
The entry point we have to go through an easement through the Johnstons and the Moors.

1:33:18
So because of that, there is no public access.

1:33:23
So the increase of the roads wouldn't it wouldn't mean that there's even more traffic coming in from the public anyway.

1:33:31
So I responded to the Forest Service in the letter that was attached.

1:33:34
I think you probably both have read already.

1:33:37
And my main point there was just that for the purpose of this boundary line relocation, it's, it's kind of the, the, the land use is kind of irrelevant because we're talking about what is the purpose of this.

1:33:51
And the purpose for us is to, as you can see from another screen that that there you go, that didn't add up by moving and creating and creating that consolidating the acres down to, for the 40 acres, the minimum that just increases the liquidity of of the ranch, increases the value of the ranch for borrowing purposes for future owners wanting to exit and us having, you know, the ability to potentially sell off the track.

1:34:22
If before, if you have, you know, 300 and some acres, it's a lot harder to find a a buyer if there needs to be an exit.

1:34:30
So we're just looking at the future and what the, you know, what the exit could be for any potential member.

1:34:37
And so, and then also if we plan to do something in the future and we need a, we need a bigger borrowing base, you know, by having these smaller parcels, it increases the value of the overall company.

1:34:56
Thank you.

1:34:57
And yeah, I, I don't completely buy the US Forest Services argument if it if it pertains to likelihood of fire starts, if that's what we're talking about.

1:35:09
I would, my guess is there's probably a higher likelihood of recreationalists on their side of the property, the property line starting fires that will get on to the private tracks than any potential use on these tracks, but starting fires.

1:35:26
So thank you though.

1:35:28
Yeah, you're welcome.

1:35:30
Any other questions, Josh or I feel good.

1:35:32
Any other public comment from anyone online or the one other person in the room in the back looking at his laptop buying stuff.

1:35:45
OK, we'll close the public hearing and let's go ahead with the motion.

1:35:51
I move that the request by Kona Mountain Ranch, LLC to utilize the relocation of common boundaries exemption on property legally described as all tracks within Section 13, Township 13 N, Range 21 W, and two tracks in Section 18, Township 13 N, Range 20 W, described in Book 25, Deeds Page 17 and Book 22, Deeds page 128 be approved based on the findings and conclusions in the staff analysis and as presented in the exemption application and affidavit.

1:36:23
I'll second that.

1:36:24
Any further discussion?

1:36:26
Seeing none.

1:36:27
All in favor.

1:36:28
Aye.

1:36:29
OK, thank you.

1:36:30
Thanks all.

1:36:32
Is there any other business to come before the Commission today?

1:36:36
Seeing none, we'll be adjourned.