

SENATE BILL NO. 293

INTRODUCED BY WHEAT

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAWS TO AUTHORIZE AND REQUIRE QUALITY GROWTH PLANS THAT INCLUDE DESIGNATED QUALITY GROWTH AREAS THAT RECEIVE PRIORITY FOR CERTAIN STATE GRANTS AND LOANS; DEFINING "FAST-GROWING COUNTY", "POPULOUS COUNTY", AND "URBAN FACILITIES"; REQUIRING FAST-GROWING COUNTIES AND POPULOUS COUNTIES AND CITIES AND TOWNS WITHIN FAST-GROWING COUNTIES AND POPULOUS COUNTIES THAT ADOPT GROWTH POLICIES TO INCLUDE A QUALITY GROWTH PLAN IN THE GROWTH POLICY; AUTHORIZING THE DESIGNATION OF A QUALITY GROWTH AREA BY A PLANNING BOARD CITY COUNCIL, BOARD OF COUNTY COMMISSIONERS, OR BY ANY COMBINATION OF MORE THAN ONE CITY OR COUNTY; ESTABLISHING PRIORITIES UNDER THE TREASURE STATE ENDOWMENT PROGRAM AND THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM FOR FUNDING OF PROJECTS IN QUALITY GROWTH AREAS; AMENDING SECTIONS 76-1-103, 76-1-601, 85-1-612, AND 90-6-710, MCA; AND PROVIDING AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 76-1-103, MCA, is amended to read:

"76-1-103. Definitions. As used in this chapter, the following definitions apply:

(1) "City" includes incorporated cities and towns.

(2) "City council" means the chief legislative body of a city or incorporated town.

~~(3) "Fast-growing county" means a county with a population that increased by more than 10% between the two most recent federal decennial censuses.~~

~~(3)(4)(3)~~ (4) "Governing body" or "governing bodies" means the governing body of any governmental unit represented on a planning board.

~~(4)(5)(4)~~ (5) "Growth policy" means ~~and is synonymous with,~~ a comprehensive development plan, master plan, or comprehensive plan that meets the requirements of 76-1-601.

~~(5)(6)(5)~~ (6) "Mayor" means mayor of a city.

~~(6)(7)(6)~~ (7) "Neighborhood plan" means a plan for a geographic area within the boundaries of the

jurisdictional area that addresses one or more of the elements of the growth policy in more detail.

~~(7)(8)(7)~~ "Person" means any individual, firm, or corporation.

~~(8)(9)(8)~~ "Planning board" means a city planning board, a county planning board, or a joint city-county planning board.

~~(9)(10)(9)~~ "Plat" means a subdivision of land into lots, streets, and areas, marked on a map or plan, and includes replats or amended plats.

~~(11) "Populous county" means a county with a population of 15,000 or more at the time of the most recent federal decennial census.~~

~~(10)(12)(10)~~ "Public place" means any tract owned by the state or its subdivisions.

~~(11)(13)(11)~~ "Streets" includes streets, avenues, boulevards, roads, lanes, alleys, and all public ways.

~~(12)(14)(12)~~ "Units of government" means any federal, state, or regional unit of government or any county, city, or town.

~~(15)(13) "Urban facilities" means public drinking water systems, wastewater treatment facilities, public sewer systems, and highways and streets in or near cities or areas characterized by urban growth.~~

~~(13)(16)(14)~~ "Utility" means any facility used in rendering service that the public has a right to demand."

Section 2. Section 76-1-601, MCA, is amended to read:

"76-1-601. Growth policy -- contents. (1) The planning board shall prepare and propose a growth policy for the entire jurisdictional area. The plan may propose ordinances or resolutions for possible adoption by the appropriate governing body.

(2) A growth policy must include:

(a) community goals and objectives;

(b) maps and text describing an inventory of the existing characteristics and features of the jurisdictional area, including:

(i) land uses;

(ii) population;

(iii) housing needs;

(iv) economic conditions;

(v) local services;

(vi) public facilities;

- 1 (vii) natural resources; and
- 2 (viii) other characteristics and features proposed by the planning board and adopted by the governing
- 3 bodies;
- 4 (c) projected trends for the life of the growth policy for each of the following elements:
- 5 (i) land use;
- 6 (ii) population;
- 7 (iii) housing needs;
- 8 (iv) economic conditions;
- 9 (v) local services;
- 10 (vi) natural resources; and
- 11 (vii) other elements proposed by the planning board and adopted by the governing bodies;
- 12 (d) a description of policies, regulations, and other measures to be implemented in order to achieve the
- 13 goals and objectives established pursuant to subsection (2)(a);
- 14 (e) a strategy for development, maintenance, and replacement of public infrastructure, including drinking
- 15 water systems, wastewater treatment facilities, sewer systems, solid waste facilities, fire protection facilities,
- 16 roads, and bridges;
- 17 ~~_____ (f) for a fast-growing county, a populous county, or a city located within the boundaries of a fast-growing~~
- 18 ~~county or populous county, a quality growth plan as provided in [section 3];~~
- 19 ~~(f)(g)(F)~~ an implementation strategy that includes:
- 20 (i) a timetable for implementing the growth policy;
- 21 (ii) a list of conditions that will lead to a revision of the growth policy; and
- 22 (iii) a timetable for reviewing the growth policy at least once every 5 years and revising the policy if
- 23 necessary;
- 24 ~~(g)(h)(G)~~ a statement of how the governing bodies will coordinate and cooperate with other jurisdictions
- 25 that explains:
- 26 (i) if a governing body is a city ~~or town~~, how the governing body will coordinate and cooperate with the
- 27 county in which the city ~~or town~~ is located on matters related to the growth policy;
- 28 (ii) if a governing body is a county, how the governing body will coordinate and cooperate with cities ~~and~~
- 29 ~~towns~~ located within the county's boundaries on matters related to the growth policy;
- 30 ~~(h)(i)(H)~~ a statement explaining how the governing bodies will:

- 1 (i) define the criteria in 76-3-608(3)(a); and
- 2 (ii) evaluate and make decisions regarding proposed subdivisions with respect to the criteria in
- 3 76-3-608(3)(a); and
- 4 ~~(i)(ii)(i)~~ a statement explaining how public hearings regarding proposed subdivisions will be conducted.
- 5 (3) A growth policy may:
- 6 (a) include one or more neighborhood plans. A neighborhood plan must be consistent with the growth
- 7 policy.
- 8 (b) establish minimum criteria defining the jurisdictional area for a neighborhood plan;
- 9 (c) address the criteria in 76-3-608(3)(a);
- 10 (d) evaluate the effect of subdivision on the criteria in 76-3-608(3)(a);
- 11 (e) describe zoning regulations that will be implemented to address the criteria in 76-3-608(3)(a); ~~and~~
- 12 (f) identify geographic areas where the governing body intends to authorize an exemption from review
- 13 of the criteria in 76-3-608(3)(a) for proposed subdivisions pursuant to 76-3-608; and
- 14 (g) include a quality growth plan as provided in [section 3].
- 15 (4) The planning board may propose and the governing bodies may adopt additional elements of a
- 16 growth policy in order to fulfill the purpose of this chapter."
- 17

18 **NEW SECTION. Section 3. Designation of quality growth areas -- quality growth plans.** (1) A

19 quality growth area may be designated by a ~~planning board~~ CITY COUNCIL WITHIN ITS PLANNING JURISDICTION OR

20 A BOARD OF COUNTY COMMISSIONERS WITHIN ITS PLANNING JURISDICTION or by any combination of more than one

21 city or county. In addition to the methods authorized under this chapter for adoption of a growth policy prepared

22 by a city-county planning board or a consolidated planning board, any combination of more than one city council

23 or board of county commissioners may designate a quality growth area through an interlocal agreement.

24 (2) A county shall consult with all cities with authority over land within the county boundaries in the

25 designation of quality growth areas. A city shall consult with the county in which the city is located IN THE

26 DESIGNATION OF QUALITY GROWTH AREAS IMMEDIATELY ADJACENT TO THAT CITY.

- 27 (3) Subject to the requirements of subsection (4), a quality growth plan must include:
- 28 (a) quality growth areas that include sufficient land area suitable for development or redevelopment that
- 29 will accommodate the projected development for the jurisdictional area for the next 20 years, including:
- 30 (i) residential development at a NET density of at least four dwelling units for each acre OR AT A NET

1 DENSITY EQUALING THE NET DENSITY OF THE NEAREST UNINCORPORATED DEVELOPED AREA OR MUNICIPALITY,
2 WHICHEVER IS CLOSEST; and

3 (ii) nonresidential development; and

4 (b) a description of existing and planned urban facilities and transportation corridors that are necessary
5 to serve the development projected for the quality growth area pursuant to subsection (3)(a).

6 (4) Land included in a quality growth area ~~must~~ MAY be designated in the following priority:

7 (a) if a county and a city designate a quality growth area jointly, land areas within the limits of the city
8 that have immediate access to adequate urban facilities;

9 (b) other land areas suitable for development that are characterized by urban growth and that will be
10 adequately served by existing and future urban facilities; and

11 (c) remaining land areas suitable for development that can be adequately served with urban facilities.
12

13 **Section 4.** Section 85-1-612, MCA, is amended to read:

14 **"85-1-612. Rulemaking authority.** (1) The department shall adopt rules:

15 ~~(1)~~(a) prescribing a reasonable application fee and the form and content of applications for grants and
16 loans;

17 ~~(2)~~(b) governing the application of the criteria for awarding loans and grants to private persons;

18 ~~(3)~~(c) providing for the servicing of loans including arrangements for obtaining security interests and
19 the establishment of reasonable fees or charges to be made;

20 ~~(4)~~(d) describing the terms and conditions for making grants and loans, the security instruments, and
21 the agreements necessary;

22 ~~(5)~~(e) subject to subsection (2), describing the ranking criteria used to evaluate and prioritize grants to
23 governmental entities; and

24 ~~(6)~~(f) specifying any other procedures necessary to accomplish the objectives of the renewable resource
25 grant and loan program.

26 (2) For grants that affect drinking water systems, wastewater treatment facilities, or sewer systems, the
27 rules must provide that a higher ~~THE~~ priority PROVIDED IN 90-6-710 be given to grants for new facilities that serve
28 a quality growth area jointly designated by a city and a county in a quality growth plan pursuant to [section 3]."
29

30 **Section 5.** Section 90-6-710, MCA, is amended to read:

"90-6-710. (Temporary) Priorities for projects -- procedure -- rulemaking.

(1) The amount of \$425,000 is statutorily appropriated, as provided in 17-7-502, to the department of commerce for each biennium for the period beginning July 1, 2001, and ending June 30, 2005, from the treasure state endowment special revenue account for the purpose of providing communities with grants for engineering work for projects provided for in subsection (3).

(2) The department of commerce must receive proposals for projects from local governments as defined in 90-6-701(3)(b). The department shall work with a local government in preparing cost estimates for a project. In reviewing project proposals, the department may consult with other state agencies with expertise pertinent to the proposal. The department shall prepare and submit a list containing the recommended projects and the recommended form and amount of financial assistance for each project to the governor, prioritized pursuant to subsection (3). The governor shall review the projects recommended by the department and shall submit a list of recommended projects and the recommended financial assistance to the legislature.

(3) In preparing recommendations under subsection (2), preference must be given to infrastructure projects based on the following order of priority:

(a) projects that solve urgent and serious public health or safety problems or that enable local governments to meet state or federal health or safety standards;

~~(b) projects that serve a quality growth area jointly designated by any combination of more than one city, town, or county in a quality growth plan pursuant to [section 3];~~

~~(b)(c)(B)~~ projects that reflect greater need for financial assistance than other projects;

~~(c)(d)(C)~~ projects that incorporate appropriate, cost-effective technical design and that provide thorough, long-term solutions to community public facility needs;

~~(d)(e)(D)~~ projects that reflect substantial past efforts to ensure sound, effective, long-term planning and management of public facilities and that attempt to resolve the infrastructure problem with local resources;

~~(f) projects that serve a quality growth area designated solely by a city, town, or county in a quality growth plan pursuant to [section 3];~~

~~(e)(g)(E)~~ projects that enable local governments to obtain funds from sources other than the funds provided under this part;

~~(f)(h)(F)~~ projects that provide long-term, full-time job opportunities for Montanans, that provide public facilities necessary for the expansion of a business that has a high potential for financial success, or that maintain the tax base or that encourage expansion of the tax base; ~~and~~

1 (G) PROJECTS THAT SERVE A QUALITY GROWTH AREA JOINTLY DESIGNATED BY ANY COMBINATION OF MORE THAN
2 ONE CITY, TOWN, OR COUNTY IN A QUALITY GROWTH PLAN PURSUANT TO [SECTION 3] AND PROJECTS THAT SERVE A
3 QUALITY GROWTH AREA DESIGNATED SOLELY BY A CITY, TOWN, OR COUNTY IN A QUALITY GROWTH PLAN PURSUANT TO
4 [SECTION 3]; AND

5 ~~(g)(i)(H)~~ projects that are high local priorities and have strong community support.

6 (4) After the review required by subsection (2), the projects must be approved by the legislature.

7 (5) The department shall adopt rules necessary to implement the treasure state endowment program.

8 (Terminates June 30, 2005--sec. 10(2), Ch. 10, Sp. L. May 2000.)

9 **90-6-710. (Effective July 1, 2005) Priorities for projects -- procedure -- rulemaking.** (1) The
10 department of commerce must receive proposals for projects from local governments as defined in
11 90-6-701(3)(b). The department shall work with a local government in preparing cost estimates for a project. In
12 reviewing project proposals, the department may consult with other state agencies with expertise pertinent to
13 the proposal. The department shall prepare and submit a list containing the recommended projects and the
14 recommended form and amount of financial assistance for each project to the governor, prioritized pursuant to
15 subsection (2). The governor shall review the projects recommended by the department and shall submit a list
16 of recommended projects and the recommended financial assistance to the legislature.

17 (2) In preparing recommendations under subsection (1), preference must be given to infrastructure
18 projects based on the following order of priority:

19 (a) projects that solve urgent and serious public health or safety problems or that enable local
20 governments to meet state or federal health or safety standards;

21 ~~—— (b) projects that serve a quality growth area jointly designated by any combination of more than one city,~~
22 ~~town, or county in a quality growth plan pursuant to [section 3];~~

23 ~~(b)(c)(B)~~ projects that reflect greater need for financial assistance than other projects;

24 ~~(c)(d)(C)~~ projects that incorporate appropriate, cost-effective technical design and that provide thorough,
25 long-term solutions to community public facility needs;

26 ~~(d)(e)(D)~~ projects that reflect substantial past efforts to ensure sound, effective, long-term planning and
27 management of public facilities and that attempt to resolve the infrastructure problem with local resources;

28 ~~—— (f) projects that serve a quality growth area designated solely by a city, town, or county in a quality~~
29 ~~growth plan pursuant to [section 3];~~

30 ~~(e)(g)(E)~~ projects that enable local governments to obtain funds from sources other than the funds

provided under this part;

~~(f)(h)(F)~~ projects that provide long-term, full-time job opportunities for Montanans, that provide public facilities necessary for the expansion of a business that has a high potential for financial success, or that maintain the tax base or that encourage expansion of the tax base; ~~and~~

(G) PROJECTS THAT SERVE A QUALITY GROWTH AREA JOINTLY DESIGNATED BY ANY COMBINATION OF MORE THAN ONE CITY, TOWN, OR COUNTY IN A QUALITY GROWTH PLAN PURSUANT TO [SECTION 3] AND PROJECTS THAT SERVE A QUALITY GROWTH AREA DESIGNATED SOLELY BY A CITY, TOWN, OR COUNTY IN A QUALITY GROWTH PLAN PURSUANT TO [SECTION 3]; AND

~~(g)(h)(H)~~ projects that are high local priorities and have strong community support.

(3) After the review required by subsection (1), the projects must be approved by the legislature.

(4) The department shall adopt rules necessary to implement the treasure state endowment program."

NEW SECTION. Section 6. Codification instruction. [Section 3] is intended to be codified as an integral part of Title 76, chapter 1, and the provisions of Title 76, chapter 1, apply to [section 3].

NEW SECTION. Section 7. Applicability. [This act] applies to a growth policy that is adopted or revised after [the effective date of this act].

- END -