

HOUSE BILL NO. 562

INTRODUCED BY E. ARNTZEN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING NOTIFICATION OF LOCAL GOVERNMENTS AND
5 SCHOOLS REGARDING VARIOUS PROVISIONS OF AN URBAN RENEWAL DISTRICT WITHIN THE
6 EXTRATERRITORIAL JURISDICTION OF THE MUNICIPALITY; REQUIRING NOTIFICATION OF THE
7 INTENDED USE OF TAX INCREMENT FINANCING TO LOCAL GOVERNMENTS AND SCHOOLS;
8 REQUIRING THE ANNUAL REPORT OF URBAN RENEWAL DISTRICTS TO BE PROVIDED TO LOCAL
9 GOVERNMENTS AND SCHOOLS WITHIN THE TERRITORIAL JURISDICTION OF THE MUNICIPALITY; AND
10 AMENDING SECTIONS 7-15-4211, 7-15-4213, 7-15-4221, 7-15-4237, AND 7-15-4282, MCA."

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

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14 **Section 1.** Section 7-15-4211, MCA, is amended to read:

15 **"7-15-4211. Preparation of comprehensive development plan for municipality.** For the purpose of
16 approving an urban renewal plan and other municipal purposes, ~~authority is hereby vested in every~~ a municipality
17 may:

18 (1) ~~to prepare, to adopt, and to revise from time to time a comprehensive plan or parts thereof of a plan~~
19 ~~for the physical development of the municipality as a whole, (giving due regard to the environs and metropolitan~~
20 ~~surroundings)~~ with consideration for public entities, including counties, school districts, authorities, and other
21 districts that include municipal territory or are in the extraterritorial area of the municipality as provided in
22 7-4-4306;

23 (2) ~~to establish and maintain a planning commission for such that~~ purpose and related municipal
24 planning activities; and

25 (3) ~~to make available and appropriate necessary funds therefor~~ for municipal planning activities."

26
27 **Section 2.** Section 7-15-4213, MCA, is amended to read:

28 **"7-15-4213. Review of urban renewal plan by planning commission.** (1) Prior to its approval of an
29 urban renewal project, the local governing body shall submit the urban renewal project plan to the planning
30 commission of the municipality for review and recommendations as to its conformity with the growth policy or

1 parts of the growth policy for the development of the municipality as a whole if a growth policy has been adopted
2 pursuant to Title 76, chapter 1.

3 (2) The planning commission shall, after consultation with public entities, including counties, school
4 districts, authorities, and other districts that include municipal territory or are in the extraterritorial area of the
5 municipality as provided in 7-4-4306, submit its written recommendations with respect to the proposed urban
6 renewal plan to the local governing body within 60 days after receipt of the plan."

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8 **Section 3.** Section 7-15-4221, MCA, is amended to read:

9 **"7-15-4221. Modification of urban renewal project plan.** (1) An urban renewal project plan may be
10 modified at any time by the local governing body. If modified after the lease or sale by the municipality of real
11 property in the urban renewal project area, the modification is subject to any rights at law or in equity that a lessee
12 or purchaser or the lessee's or purchaser's successor or successors in interest may be entitled to assert.

13 (2) An urban renewal plan may be modified by ordinance.

14 (3) Any urban renewal plan proposed for modification to provide tax increment financing for the district
15 must be proposed with consideration for public entities, including counties, school districts, authorities, and other
16 districts that include municipal territory or are in the extraterritorial area of the municipality as provided in
17 7-4-4306.

18 ~~(3)~~(4) All urban renewal plans approved or modified by resolution prior to May 8, 1979, are validated.

19 ~~(4)~~(5) A plan may be modified by:

20 (a) the procedure set forth in 7-15-4212 through 7-15-4219 with respect to adoption of an urban renewal
21 plan;

22 (b) the procedure set forth in the plan."

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24 **Section 4.** Section 7-15-4237, MCA, is amended to read:

25 **"7-15-4237. Annual report.** (1) An agency authorized to transact business and exercise powers under
26 part 43 and this part and part 43 shall file with the local governing body, on or before September 30 of each year,
27 a report of its activities for the preceding fiscal year. A copy of the annual report must be submitted to all other
28 public entities, including counties, school districts, authorities, and other districts that include municipal territory
29 or are in the extraterritorial area of the municipality as provided in 7-4-4306.

30 (2) The report ~~shall~~ must include a complete financial statement setting forth its assets, liabilities, income,

1 and operating expenses as of the end of the fiscal year.

2 (3) At the time of filing the report, the agency shall publish in a newspaper of general circulation in the
3 community a notice to the effect that ~~such~~ the report has been filed with the municipality and that the report is
4 available for inspection during business hours in the office of the city clerk and in the office of the agency."

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6 **Section 5.** Section 7-15-4282, MCA, is amended to read:

7 **"7-15-4282. Authorization for tax increment financing.** (1) Any urban renewal plan as defined in
8 7-15-4206, industrial district ordinance adopted pursuant to 7-15-4299, technology district ordinance adopted
9 pursuant to 7-15-4295, or aerospace transportation and technology district ordinance adopted pursuant to
10 7-15-4296 may contain a provision or be amended to contain a provision for the segregation and application of
11 tax increments as provided in 7-15-4282 through 7-15-4299.

12 (2) The tax increment financing provision must address, in consideration of other public entities, including
13 counties, school districts, authorities, and other districts that include municipal territory or are in the extraterritorial
14 area of the municipality as provided in 7-4-4306:

- 15 (a) the impacts on the public entities of the district's use of a tax increment provision;
- 16 (b) the expected duration of the tax increment provisions, including any extension of the life of the plan
17 or district due to the issuance of bonds as provided in 7-15-4292;
- 18 (c) the manner in which any released portion of a tax increment is expected to be administered under
19 7-15-4287; and
- 20 (d) any other provision that is requested in writing by two or more affected public entities."

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