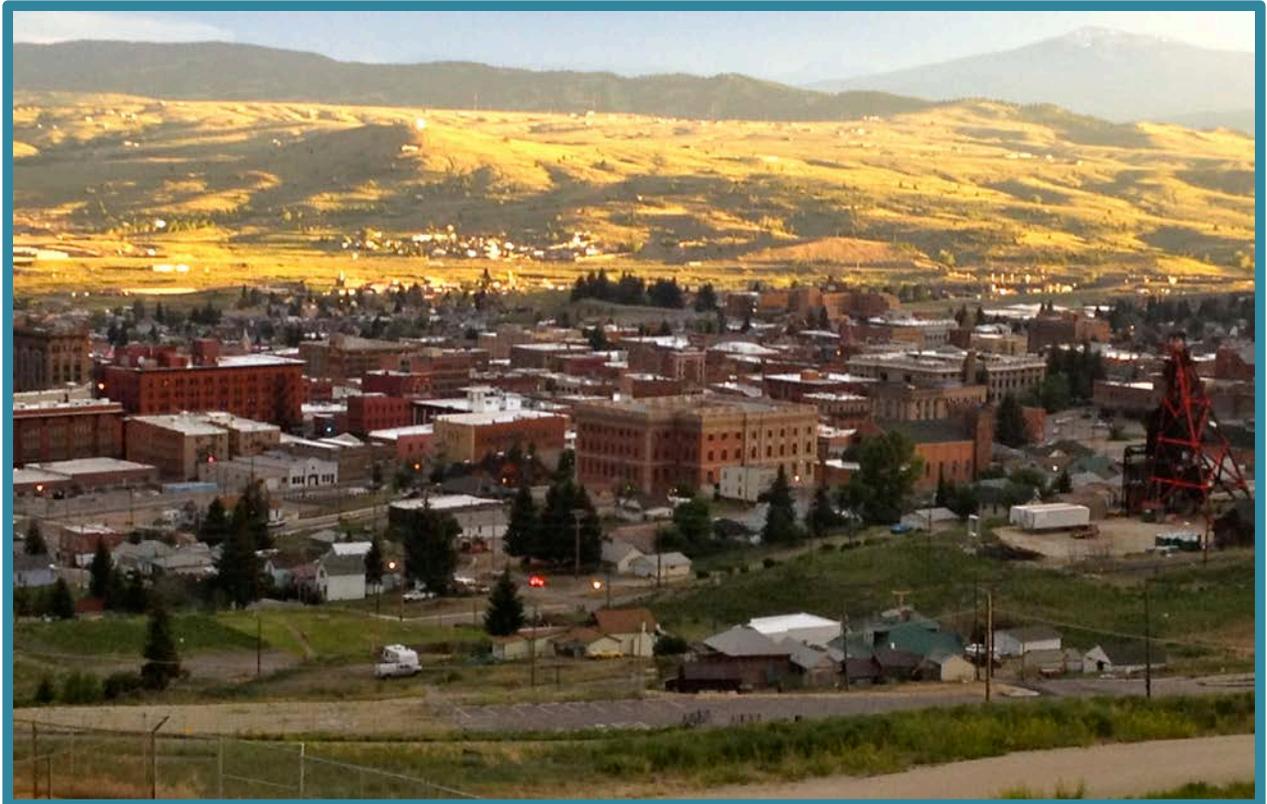


Butte Uptown Urban Renewal Plan
Butte-Silver Bow
2014



**Adopted by the Butte-Silver Bow Council of Commissioners
December 18th, 2013**

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Chapter 1. Introduction and Overview

Introduction

In 1979, the City and County of Butte-Silver Bow (Butte-Silver Bow) passed Council Resolution 210, finding that blighted areas exist in Butte-Silver Bow, particularly in the area known as Uptown Butte, the community's historic Central Business District (CBD) and adjacent neighborhoods, as well as the historic mine yards to the north. Following the passage of this Resolution, Butte-Silver Bow initiated an urban renewal program in the blighted area through the adoption of an Urban Renewal Plan in 1980 by Council Resolution 331 (later amended by Council Ordinance 332), which called for using a variety of strategies, including tax increment financing, to revitalize the area. In 1981, Butte-Silver Bow established the Butte-Silver Bow Renovation and Rehabilitation Agency (now known as the Urban Revitalization Agency) by Council Resolution 468 to administer the urban renewal program.

The 1980 Urban Renewal Plan noted that substantial blight existed in the renewal district, as follows:

“The first and most tangible evidence of blight is the physical aspect of the Central Business District. Many structures, both residential and commercial, are visibly deteriorating. Buildings are unpainted; many are vacant and show evidence of vandalism and neglect. Over one-fourth of the total inventory of office space in the core of the CBD is now vacant. It has been estimated that since 1963 this same area of the CBD has lost 15% of its established market in the Butte trade area.”

During the last 33 years, the area has experienced substantial revitalization, evidenced by an increase in taxable value of well over \$3,200,000. At the same time, however, portions of the urban renewal district have continued to deteriorate. Many of the storefronts remain vacant and the surrounding neighborhoods have the highest rates of poverty in Butte-Silver Bow according to the US Census. Blighted conditions and infrastructure deficiencies continue to constitute a significant barrier to reinvestment in Uptown Butte. This is of particular concern, given that Uptown and the adjacent neighborhoods are part of the Butte National Historic Landmark District, designated in 1962 by the US Department of the Interior.

While progress has been made in meeting the goals of the 1980 Urban Renewal Plan, and the state statutes governing urban renewal, more needs to be done. According to 7-

15-4209 MCA, a local government “may formulate a workable program for utilizing appropriate private and public resources:

- (a) to eliminate and prevent the development or spread of blighted areas;
- (b) to encourage needed urban rehabilitation;
- (c) to provide for the redevelopment of such areas; or
- (d) to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program”

On July 10th, 2013, the Butte-Silver Bow Council of Commissioners renewed its commitment to urban renewal by passing Resolution 13-39, declaring that the Urban Renewal District is “blighted” as defined in the Montana Urban Renewal Law, 7-15-4206 MCA. The Resolution noted four blighted conditions in Uptown Butte and surrounding neighborhoods. These include the following and are described in more detail in Chapter 3:

1. Physical deterioration of buildings and properties
2. Inappropriate or mixed uses of land or buildings
3. Defective street layout
4. Unsanitary and unsafe conditions and the existence of conditions that endanger life or property by fire or other causes

In response, the local government is embarking on a renewed effort to revitalize the central business district and surrounding neighborhoods through the creation of the new Butte Uptown Urban Renewal District. The district will be created by ordinance that will officially adopt this urban renewal plan. The Plan includes a provision to use tax increment financing, as funds become available in addition to other resources in implementing its goals and strategies.

Guiding Principles

The Butte Uptown Urban Renewal Plan reflects sound public policy and thoughtful planning. To this end the following principles will guide revitalization and redevelopment efforts in the urban renewal district

Readiness – The revitalization of the Butte Uptown Urban Renewal District has and will occur in stages, as resources and opportunities become available. In some cases, specific projects will occur in support of private investment that would otherwise not occur without a corresponding investment in public infrastructures. Also, new

program initiatives or funding opportunities may present themselves from time to time, which can help bring certain urban renewal projects forward.

Leveraging – Projects that make use of a variety of public and private resources including state and federal grants, loans and specialized tax credits, as well as tax increment funds are encouraged.

Design – As noted above, the Butte Uptown Urban Renewal District is part of a National Landmark District that honors Butte’s history. The rehabilitation of existing buildings as well as new construction and public infrastructure development should be respectful of this legacy. Urban renewal projects should serve to complement cultural resources rather than create a development pattern that diminishes their value. Thoughtful, well-designed development will, in turn, enhance the natural setting, drawing additional investment.

Public Investment – The revitalization of the Butte Uptown Urban Renewal District will require cooperation between the public and private sectors. As noted above, the local government plans to invest in public infrastructure improvements in order to foster private investment. Funding for public infrastructure improvements will come from a number of sources including, but not limited to Tax Increment Financing (TIF). Specific projects will be undertaken in accordance with the Montana Urban Renewal Law, 7-15-42 and 7-15-43, MCA.

History of Butte-Silver Bow

Butte-Silver Bow County Montana has one of the richest, most colorful histories in the nation. The role that the community played in the world’s copper industry as well as in the American labor movement during the first half of the 20th century is considered critical to the understanding of the history of the United States. As a result of its prominence, Butte, and southwest Montana, have been left with unique economic, environmental and historic preservation challenges.¹ Today less than 5% of the workforce is employed in the mining industry. Efforts to diversify the economy have focused on the growing the service sector including health care and higher education, and in bringing high tech companies to the community. The community has also worked to promote Butte’s unique cultural resources in order to develop its heritage tourism potential.

¹ Cornish, Janet, Regional Historic Preservation Plan, 1993

Butte-Silver Bow County has a unique character that combines urban, rural, semi-rural and industrial qualities within an extraordinarily beautiful setting. A century of mining copper helped to shape our land use patterns, architecture, landscape, attitudes and lifestyle. As the community transitions away from a dependence on mining, Butte-Silver Bow is emerging as more diverse. ²

Early History

The landscape of Butte-Silver Bow has been shaped by powerful natural and human forces. The earliest inhabitants came to Southwest Montana nearly 12,000 years ago. Archaeological explorations in the Deer Lodge Valley, in the Highlands south of Butte and in nearby areas have recovered artifacts from various periods, including the Early Prehistoric Period (12,000 to 7,000 years ago). The Continental Divide was at first thought to be a barrier to migration. However, while the Divide probably presented a significant obstacle, Early Period artifacts suggest that similar cultural activities existed in this period on both sides of the Rockies and throughout the mountains in Southern Montana. People traveled between the Great Plains and the Rocky Mountains to hunt small game and later, large animals. As recently as the 17th Century, Shoshone Indians hunted bison near Butte.³

The Continental Divide, shedding water to the east and west to create the headwaters of the Missouri and Columbia Rivers, forms a significant portion of the county's eastern boundary at the north end. To the south and east, it bisects the county into two parts. The area is spectacular and rugged, yet fragile. Elevations range from 4,420 feet above sea level in the extreme eastern portion of the county along the Jefferson River to over 10,000 feet at the top of the tallest peaks. The county is characterized by a few valley areas along major drainage systems, including moderately steep to steep slopes in excess of 6,000 feet in elevation, featuring rock outcrops. These slopes are predominantly forested with Douglas fir, while a mixture of grassland and forest (both aspen/cottonwood and coniferous areas) can be found on the more moderate slopes. Plants struggle to grow through a short growing season and animals must forage for food during periods of extended drought and heavy snow fall. Fisheries are often devastated in a dry year and timbered mountain sides are subject to fires and erosion. ⁴

² Butte-Silver Bow Growth Policy Update, 2008

³ Cornish, Janet, Southwest Montana Heritage and Recreation Area Resource Document, Prepared for Headwaters RC&D, March, 1995

⁴ 1995 Butte-Silver Bow Growth Policy

Butte-Silver Bow lies within a rich mineral zone featuring diverse deposits. The region supplied chert, gold, silver, lead, copper and numerous other metals to American Indians seeking tools and weapons and later to those engaged in building an industrialized America. The area has produced precious and base metals as well as industrial minerals. Butte became a center for mining gold, silver and ultimately copper, which became the community's economic mainstay for more than 100 years. Tens of thousands of ounces of gold and silver and tens of millions of pounds of copper, lead, zinc and manganese were taken from the region. Copper mining in Butte-Silver Bow alone contributed 25 percent of the world's supply in the early part of the twentieth century.

The Role of Mining – 19th and 20th Centuries

The development of the mining industry in Southwest Montana followed a pattern of discovery that began with gold placer mining using both hand and more advanced hydraulic methods and then to quartz gold mining, which required the crushing (gravity) or chemical removal of gold from large mineral deposits of quartz. Silver mining followed gold, spurred by the demand for silver coins and improved technologies for mining and reducing the ore.

The modern history of mining activity in Southwest Montana began in 1852, when gold was discovered on Benetsee Creek (known as Gold Creek today), approximately 60 miles to the west of Butte. This first strike, as well as those that followed in Bannack and Alder Gulch in present day Madison County drew thousands of prospectors to the region. Early in 1864, Bud Parker, William Allison, Pete MacMahon and others found a bit of gold color along a meandering stream which they named Silver Bow because it glistened in the sun. Later that spring they located the first lode claims and by fall several cabins and huts were clustered along what was to become Dublin Gulch and ultimately Butte. Within the next three years the placer gold boom in Summit Valley (present day Silver Bow County) had attracted several thousand miners and produced about \$1.5 million worth of gold. While these early booms were highly productive, they were generally transitory. They were, however, extremely significant in that they opened up the area to further exploration and increasing settlement. As the gold played out and the first wave of mining immigrants moved on, Chinese miners reworked the gravels for a number of years. For example, the present town of Rocker, to the west of Butte, became a Chinese settlement unofficially known as Foochow.

By 1883, silver mining was predominant and silver mined in Butte and other places in Southwest Montana placed Montana as the second largest producer after Colorado.

However, beginning in the late 1870's, entrepreneurs began to shift their attention to the vast copper deposits in Butte. The demand for copper wire had skyrocketed with the invention of the Morse telegraph in the 1840's. The first copper strike in Butte was made in 1876 by Billy Parks at the Parrot Mine. The speculative flurries that followed brought investments from Marcus Daly, William Clark and Augustus Heinze, the "copper kings", and a host of financiers including George Hearst, father of media baron William Randolph Hearst.

The copper boom had begun even before the coming of the first railroad. The Union Pacific's narrow gauge Utah and Northern spur line did not approach Butte until 1881. By 1883, however, Butte was linked to the new Northern Pacific transcontinental main line and was on its way to becoming Montana's largest urban center. When Daly built a smelter 25 miles to the northwest in Anaconda in 1883, Butte emerged as a major copper producer. In 1887, the district produced 78,900,000 pound of copper, making it the largest provider in the U.S.

Mining in Butte attracted tremendous capital and human resources. Timber, water and food were increasingly needed as the mining infrastructure was developed. These demands also made a lasting impression on the landscape as reservoirs were developed, transportation corridors constructed and hillsides rearranged. New mountains of wastes appeared adjacent to the deep underground mines. Copper mining in Butte created a regional economic system that was based on the supply of natural resources and agricultural products to the minerals industry.

In 1889, when the Montana Territory became a state, 100,000 acres of school trust lands were set aside for the specific purpose of establishing and maintaining the Montana School of Mines. Butte was chosen as site for the new college which opened its doors in 1900 offering programs in mining and electrical engineering. (Now known as Montana Tech, the college is affiliated with the University of Montana.)

The discovery of copper in Butte was responsible for bringing an industrial giant, the Anaconda Copper Mining (ACM) Company, which operated the mines until the late 1970's, to the forefront of the state's economy. Mining also made Butte key in the development of the American labor movement. The industrialization of Butte, including the role that Butte's miners played in addressing the plight of workers and their families across the United States provided the basis for the creation of the Butte

National Historic Landmark District in 1962, by the National Park Service.⁵ In 2006, the district was expanded significantly to include parts of Walkerville and Anaconda, as well as the bed of the Butte, Anaconda and Pacific Railroad. The expanded district covers 9,774 acres (39 km²) with nearly 6,000 contributing properties of historic significance.⁶

Today, Silver Bow is the eighth largest county in the State of Montana. In 1977, it became one of two counties in Montana to consolidate its city and county government into one entity – Butte-Silver Bow.

Urban Renewal District

Uptown Butte is characterized by densely developed streetscapes of late nineteenth and early twentieth century architecture. Multi-story commercial buildings, boarding houses, worker cottages and apartment dwellings huddle together with steel headframes and other mining structures, remnants of deep copper mining activity. In combination, these elements create a uniquely urban center in what is otherwise an essentially rural region.

In 1977, architect John DeHaas Jr. wrote in his “Historic Uptown Butte”, the following:

“Most of the cities and towns in Montana grew in an uncontrolled linear fashion along a trail, roadway or rail line. They lack a defined central core. On the other hand, Butte’s uptown business district occupies roughly a five-block square area. This area contains some of the state’s finest architectural examples of the late nineteenth and early twentieth centuries, spanning a period of more than thirty years, from the early 1880s to World War 1. While other cities have a handful of outstanding buildings, Butte has 50 buildings...of primary significance and 45 buildings of secondary significance, all within the Historic Uptown Butte area. Another 18 buildings of primary significance and 13 buildings of secondary significance are situated in the blocks around Historic Uptown Butte. ... The buildings that compose the central business district range from one and two stories to eight-story structures. Many are situated on a sloping terrain that adds character to the designs.”

⁵ Cornish, Janet, Southwest Montana Heritage and Recreation Area Resource Document, Prepared for Headwaters RC&D, March, 1995

⁶ Wikipedia

Unfortunately, some of the buildings that Mr. DeHaas surveyed have been lost to fire, deterioration and neglect. While some buildings have been stabilized, restored and/or adaptively re-used, others continue to be at risk. There has been some infill construction throughout the commercial district, but in many cases, where buildings have been lost, lots remain vacant.

In 1980 Montana Power (now Northwestern Energy) made a corporate decision to keep its headquarters in the historic central business district and expand its investment in Uptown Butte. Montana Power's action enabled Butte-Silver Bow, through its tax increment program, to undertake a number of redevelopment activities, which in turn encouraged Uptown property owners to invest. Buildings were given new life, facades were restored and new businesses appeared. In addition, a variety of cultural programs and events were established, drawing national and international audiences. Uptown Butte hosted the National Folk Festival, beginning in 2008 for three years and will host the Montana Folk Festival for the fourth year in 2014. Other state-wide and national events held in Uptown include the An Ri Ra Irish Festival and Evel Knievel Days. In recent years, several building owners have renovated the upper stories of commercial buildings to create new residential units in Uptown Butte.

Overall, however, as stated above, many of the buildings in the central business district remain vacant or substantially vacant. As such, they constitute a risk to public health and safety.

The areas surrounding the central business district include single and multi-family housing units as well as commercial properties. Both the public and parochial high schools are located to the south and west of the central business district respectively. Retail establishments are found along the major thoroughfares on Park, Main, Wyoming, Idaho, Platinum and Iron Streets. There are various health-care related businesses, architecturally significant religious buildings, two "Copper King" mansions and a soon to be completed neighborhood center in Emma Park, south of the business district.

However, the neighborhoods are plagued by deteriorating infrastructure. A large number of the buildings require stabilization and many of Butte-Silver Bow's poorest residents live in the neighborhoods surrounding the central business district. Two massive buildings, the former home of the YMCA and the old St. James Hospital are largely vacant and long abandoned storefronts can be found throughout the area. While some progress is being made in the Emma Park Neighborhood, south of the

central business district, where residents are working together to improve their environment, other areas continue to decline. For example, the neighborhoods south of the public high school and immediately west of the central business district are extremely blighted. Addressing blighted conditions within these residential areas will not only benefit the residents who live there but will contribute to the overall health of the Butte Uptown Urban Renewal District.

General Boundary Description and Map of the Butte Uptown Urban Renewal District

General Description

The Butte Uptown Urban Renewal District encompasses an area that includes portions of the district established in 1980, including Uptown Butte, the community's historic CBD as well as other adjacent blighted areas, specifically neighborhoods to the south. The new district includes the blighted area to the south of Butte High School as well as part of the warehouse district to the southeast of the CBD. The area is generally centered around the crossroads of Park Street and Main Street, extending east to approximately Arizona Street and south to East Second Street, and extending west to approximately Jackson Street and south to West Iron Street; and the area is bordered on the north by West Copper Street, East and West Boardman Streets and Anaconda Road.

Parcels Included in the District

The list of parcels within the district (attached as Appendix A) includes the identifying geocodes, as well as property owners' names and addresses.

Map of the Urban Renewal Area

The following map shows the boundary of the Butte Uptown Urban Renewal District.



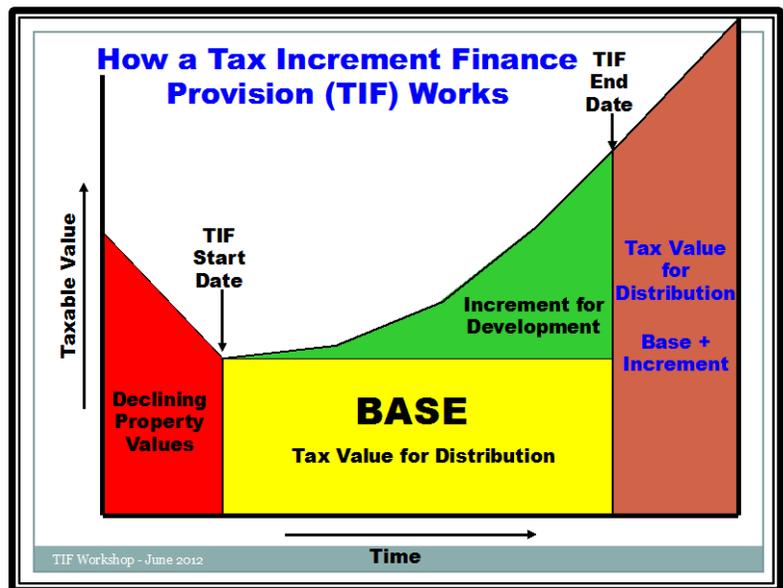
Tax Increment Financing

Butte-Silver Bow plans to utilize Tax Increment Financing (TIF) in conjunction with other funding sources to help foster revitalization within the Urban Renewal District.

The base year for the purposes of measuring any incremental value in the District will be 2014 and the base value will be calculated as of January 1, 2014.

Tax Increment Financing is a state authorized, locally driven funding mechanism that allows cities and counties to direct property tax dollars that accrue from new development, within a specifically designated *district*, to community and economic development activities. In Montana, TIF districts are authorized in parts 7-15-4201 and 4301, et. Seq. Montana Code Annotated (MCA), the State's Urban Renewal Law.

TIF districts are typically characterized by blight and/or infrastructure deficiencies that have limited or prohibited new investment. A base year is established from which "incremental" increases in property values are measured. Virtually all of the resulting new property tax dollars (with the exception of the six mill state-wide university levy) can be directed to redevelopment and economic revitalization activities within the area in which they are generated.



Tax Increment Financing Schematic

Taxpayers located within a TIF district pay the same amount as they would if the property were located outside the district. TIF only affects the way that taxes, once collected, are distributed. Taxes that are derived from base year taxable values continue to be distributed to the various taxing jurisdictions – local and state government entities and school districts. Taxes derived from the incremental increase in taxable value are placed in a special fund for purposes set forth an Urban Renewal Plan.

In order to proceed with the creation of an Urban Renewal District, Butte-Silver Bow was required to provide documentation that blighted conditions exist within the district and pass a Resolution of Necessity to address blighted conditions. The Montana Urban Renewal law states in 7-15-4210 MCA, that a municipality may not exercise any of the

powers authorized by part 43 and this part until after its local governing body has adopted a resolution finding that:

- (1) one or more blighted areas exist in the municipality as documented by the presence of at least three blighted conditions; and
- (2) the rehabilitation, redevelopment, or both of an area or areas are necessary in the interest of the public health, safety, morals, or welfare of the residents of the municipality.

As noted above, the Resolution of Necessity Butte-Silver Bow Resolution 13-39, was adopted on July 10th, 2013.

Statement of Purpose – Butte Uptown Urban Renewal Plan

In response to conditions of blight as noted in Chapter 3 of this plan, Butte-Silver Bow has chosen create a new urban renewal district in order to engage in a comprehensive renewal program in Uptown Butte and surrounding neighborhoods. This Urban Renewal Plan provides direction to Butte-Silver Bow in its efforts to foster the revitalization and economic development in the district. The Plan, which includes a provision to use tax increment financing, provides a context for activities that will be undertaken by a variety of public and private entities over the next several decades. More particularly, this Plan recommends a series of programs and projects that will be undertaken by the local government to encourage reinvestment in the district, which will in turn address blighted conditions that have diminished the environmental, economic and cultural well being of the area over time.

Although the Montana Urban Renewal Law recognizes that eliminating urban blight is a matter of public interest, this Plan has been developed, based on the underlying principle that it is the citizens who work, reside and own property in the area who will be engaged directly in the revitalization effort. Further, the Plan has been prepared with respect to three Guiding Principles as follows:

- To foster economic vitality in the City and County of Butte-Silver Bow through the redevelopment and revitalization of its central business district and surrounding neighborhoods
- To enhance opportunities for private investment in order to generate jobs and new taxable value for the community
- To address blight through investment in public infrastructure and programs that enhances the quality of life for the citizens of Butte-Silver Bow

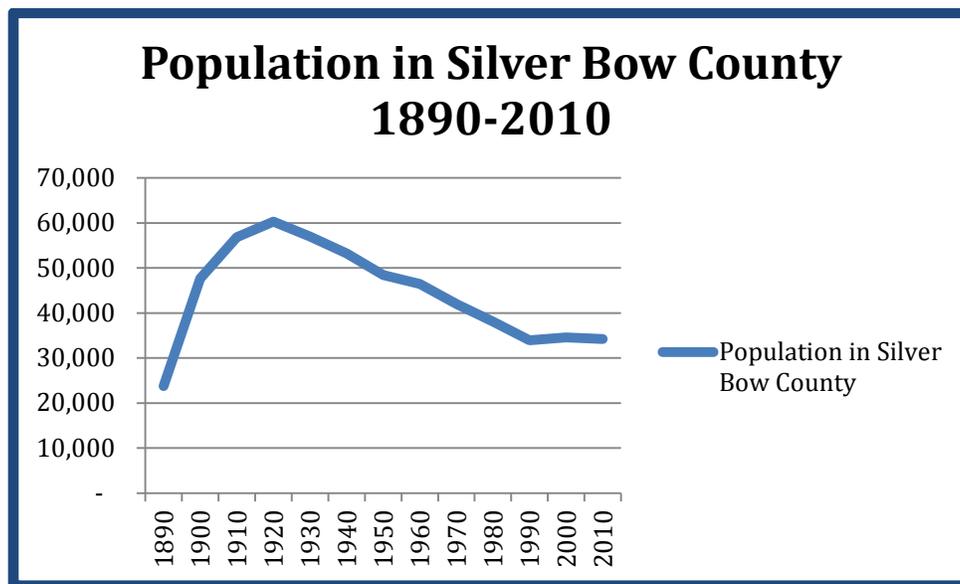
Chapter 2. Description of the Butte Uptown Urban Renewal District

Current Demographic and Economic Information – Butte-Silver Bow

Information specific to Uptown Butte is not available. Therefore, data presented in this section is for Silver Bow County. It does, however, provide the overall context that will guide revitalization activities in the Urban Renewal District. For example, the median age in Butte-Silver Bow at 41.7 years is higher than both Montana (39.8) and the nation (37.2). While persons 65 and older constitute 16.6% of the population, 28% of the households in the community include individuals who are 65 or older. Therefore, businesses that are accessible to seniors may be more successful.

Demographics and Housing

As of July 1st, 2012, the estimated population of Silver Bow County was 34,403, an increase of .6% since the 2010 census. However, overall, Silver Bow County has been characterized by declining population since 1920, as noted in the following figure.



Source: US Census

According to the 2010 Census there are 16,717 housing units in Silver Bow County, of which 1,785, more than 10%, are vacant. Approximately 65% of the housing units are owner-occupied according to the 2007-2011 American Community Survey (ACS). ACS data indicates that 6,996 of the County's housing units, about 42%, were built prior to 1939. The median value of owner-occupied housing units is \$120,000 and the median rent is \$552.

Economic Conditions

There are 3,754 firms in Silver Bow County based on the 2007 Survey of Business Owners. According to the ACS, there are 17,114 people in the civilian labor force of which 16,222 are currently employed. The largest segment of the labor force, 27.2% or 4,412, work in the educational services, health care and social assistance sector of the economy. Another 25.4% or 4,120 are employed in the retail trade, arts, entertainment, recreation, accommodation and food services sectors. The following table shows employment by industry for Silver Bow County.

Employment in Silver Bow County				
INDUSTRY	Estimate	Margin of Error	Percent	Percent Margin of Error
Civilian employed population 16 years and over	16,222	+/-529	16,222	(X)
Agriculture, forestry, fishing and hunting, and mining	709	+/-165	4.4%	+/-1.0
Construction	1,007	+/-224	6.2%	+/-1.4
Manufacturing	531	+/-148	3.3%	+/-0.9
Wholesale trade	422	+/-124	2.6%	+/-0.8
Retail trade	2,151	+/-265	13.3%	+/-1.5
Transportation and warehousing, and utilities	1,178	+/-208	7.3%	+/-1.3
Information	224	+/-84	1.4%	+/-0.5
Finance and insurance, and real estate and rental and leasing	480	+/-136	3.0%	+/-0.8
Professional, scientific, and management, and administrative and waste management services	1,268	+/-191	7.8%	+/-1.2
Educational services, and health care and social assistance	4,420	+/-420	27.2%	+/-2.3
Arts, entertainment, and recreation, and accommodation and food services	1,967	+/-335	12.1%	+/-2.0
Other services, except public administration	930	+/-217	5.7%	+/-1.3
Public administration				

Source: U.S. Census Bureau, 2007-2011 American Community Survey

ACS data indicates that the unemployment rate in Silver Bow County is 5.2%, as compared to 6.4% for the State of Montana and 8.75 for the nation.

Poverty

Census tract 1, where the urban renewal area is primarily located, has the highest poverty rate in Silver Bow County. An estimated 21.3% of the families in Census tract 1 live at or below the poverty level. The county rate is 11.1% and the state's poverty rate among families is 9.7% (ACS data).

Planning Consistency

This Urban Renewal Plan must conform to the Butte-Silver Bow Growth Policy per 7-15-4213 MCA. On November 14, 2013, the Butte-Silver Bow Planning Board reviewed the Butte Uptown Urban Renewal Plan and found it to be in conformance with the 2008 Growth Policy, per statutory requirements. Specific sections demonstrating conformance follow.

1. Demonstrated Need. Chapter 3: Existing Conditions and Trends demonstrates the need for urban renewal and economic development in the community.

On page 3-18, "Decay of the housing stock in much of Census Tracts 1 and 2, which encompass the area north of Front Street to Walkerville and the upper and lower west sides of the urban cluster, are contributing to a significant aesthetic crisis and have created an economic development barrier for the community. Retail activity in the central business district is inherently impacted by a loss of people, by vacant and blighted structures and by high poverty in these areas. The poor aesthetic quality created by decay creates a barrier to the attraction of new businesses and people; and "Blight in Census Tracts 1 and 2 is attributable to the age of the units as well as flight of middle and upper income households from the area. ... A concentration of poorer households in these parts of the community has, by virtue of limited resources, translated into lack of investment in maintenance and upkeep of units. Perhaps of more importance is the resulting isolation of poor households in the most blighted and unsafe area of the urban cluster. Segregation of the poor represents a paradigm shift away from economically diverse neighborhoods that once characterized the community."

Found on page 3-19, "In fact, seventy-four percent of the county's housing structures containing two, three and four units are located in Tracts 1 and 2, are privately owned and are largely occupied by renters. Because these Census Tracts together comprise a large part of the old town site, housing there is among the oldest in the county where large scale blight is visible. These areas are also among the very poorest in the community where 81% of renters have annual incomes of less than \$25,000, where median household incomes and property values are the lowest in the county and where poverty rates are highest. This data illustrates that many of the very poorest of Butte-Silver Bow citizens are concentrated in the oldest and most heavily blighted areas of the county."

On page 3-34, *“Within the county, there are pockets of deep poverty. Forty percent of Butte-Silver Bow’s Census Block Groups (17 out of 43) had poverty rates higher than the overall county rate in 2000 that ranged from 15% to 61%. Of the 17 high-poverty Block Groups, ten (or 59%) were located in Census Tracts 1 and 2, inside the older town site. These two tracts contain 52% (2,550 people) of the county’s poor while containing only 29% of the total population. Of particular note are Block Groups 4 and 5 in Tract 1 where poverty rates were 47% and 61% respectively in 2000.”*

2. Supporting Goals and Objectives. Statements, goals and objectives in the 2008 Growth Policy encouraging urban renewal and economic development in the community and supporting development of infrastructure include the following:

Executive Summary

“This Growth Policy update provides a set of goals, objectives and implementation strategies that address these identified land uses and growth trends occurring in Silver Bow County. The goals provide for protection, preservation and conservation of natural resources that are so vital to a healthy community and for the preservation and protection of cultural resources that are fundamental to the character and identity of Butte-Silver Bow. Goals and associated strategies for housing in the County address the need and opportunity to redevelop blighted neighborhoods and ensure affordable, decent housing for all citizens while preserving the historic character of the housing stock. Economic health is addressed in this Growth Policy through a set of goals that include continued pursuit of a diversified, stable economy, a well-trained and educated work force and a thriving central business district. Services like police, fire, water, sewer, land fill, roads and other infrastructures that support all functions of communities are addressed through a set of goals that aim to ensure proper maintenance and adequate supply of services and the most efficient use of them.”

Introduction, 5.0 Community Vision

Butte-Silver Bow County has a unique character that combines urban, rural, semi-rural and industrial qualities within an extraordinarily beautiful setting. A century of mining copper helped to shape land use patterns, architecture, landscape, attitudes and lifestyle. As the county transitions away from a dependence on mining, Butte-Silver Bow is emerging as a more modern and economically diverse community with the potential for growth. As we move into the future, we will manage growth and land use in a way that:

- *preserves the unique character found in our history, architecture and neighborhoods,*
- *provides for a safe and clean environment through environmental clean-up, renewal of decaying neighborhoods and prudent growth management that encourages resource efficiency and low carbon emissions,*

- *strives for a strong and diversified economic base that improves lives for all our citizens,*
- *encourages decent and affordable housing for all in economically diverse neighborhoods,*
- *preserves open spaces that allow our ranch heritage to continue, facilitates our desire for outdoor recreation and maintains the beauty of our natural setting, and*
- *provides public services that make our communities safe and livable.*

Chapter One: Goals, Objectives and Implementation Strategies, 1.0 INTRODUCTION

While the Goals and Objectives are divided into five categories, they there are driven by several fundamental principles considered important to the character and quality of life in Butte-Silver Bow County. The principals that shape this Growth Policy overall are:

- *All citizens should have the opportunity to live in safe, decent, affordable housing in economically diverse and livable neighborhoods*
- *Perspectives that come through neighborhood/rural town center-based planning are important to county-wide planning*
- *Preservation of the nationally significant historic resources within Butte-Silver Bow County is important to the county's aesthetic character and identity*
- *Open space – natural and cultural areas, developed parks and recreational facilities, and trails – is important to the quality of life*
- *Cost effective delivery of services and associated infrastructure is important to creating and maintaining a clean and safe environment and fiscal integrity*
- *Sustainable economic activity within Butte-Silver Bow in association with industrial, agricultural, residential and commercial development is important to the county's economic health*

2.3 Economic Development

Goal 1 Continue to promote a diversified economy that provides for stable tax and job bases

Objectives

Pursue programs that increase the number of well-paying jobs and raise the standard of living for all citizens

Promote a vibrant local business climate that will encourage expansion of existing businesses and attract new ventures

Enhance community aesthetics that ultimately make the community more attractive to new businesses

Develop Butte-Silver Bow's scenic and cultural resources in support of making the area a tourist/recreational destination

Implementation Strategies

- *Examine the feasibility of continuing the business incubator program*
- *Continue economic efforts to attract companies to the county*

- *Continue efforts to attract industries that support well-paying jobs*
- *Continue Tax Increment Financing as an economic development tool*
- *Continue to enforce the Community Enrichment ordinance*
- *Revitalize blighted neighborhoods in and around the central business district*
- *Promote historic preservation as a key element in developing the tourism segment of the Butte-Silver Bow economy*
- *Maintain and enhance existing tourist attractions and develop new venues that encourage tourists to visit and extend their stay*
- *Continue to promote and support cultural events and arts programming*

Goal 2 Maintain a high quality, well-trained workforce

Objectives

Maintain a high quality education system

Support linkages between educational institutions, economic development efforts and federal training programs

Implementation Strategies

- *Develop workforce training programs and delivery systems to meet the needs of the local business community*
- *Coordinate efforts of the local educational community, business leaders, governmental officials and economic development entities to ensure our local educational resources are focused on meeting communities employment training needs*

Goal 3 Create a vibrant historic Central Business District

Objectives

Maintain programs of the Urban Revitalization Agency

Link urban revitalization efforts with economic development and housing development

Implementation Strategies

- *Replace sewer lines within the urban renewal district*
- *Continue the sidewalk improvement program*
- *Construct a parking garage in support of ongoing building renovation and reuse*
- *Improve lighting*
- *Continue historic preservation activities*
- *Create an entry way and loop through Uptown Butte that enhances existing historic resources*
- *Revitalize blighted neighborhoods in and around the central business district*

3. Implementation. The inclusion of Tax Increment Financing among the strategies to be implemented to achieve the Growth Policy's goals and objectives.

On page 3-75, *“To a great extent, local government’s economic development programs have relied on the use of Tax Increment Financing (TIF). While TIF is an important tool, its use is time-limited under Montana’s Urban Renewal statute. Success, therefore, must be measured in terms of how well the tax base is diversified and stabilized as a result of the reinvestment of property tax dollars in each TIF district. For example, the first of Butte-Silver Bow’s TIF districts—the URA—is due to expire in seven years. While the program has been successful, when measured in terms of tax base enhancement, it will be necessary to identify other resources (sic: other resources include this Butte Uptown urban renewal district with its tax increment financing program) for ongoing revitalization efforts in the Uptown Butte central business district and surrounding neighborhoods.”*

Implementation Strategies

- *Continue Tax Increment Financing as an economic development tool*

4. Land Use. The identification in the 2008 Growth Policy of land use through maps and/or text.

Executive Summary

“Finally, the way in which we juxtapose our varied land uses like residential, commercial, industrial and open spaces, and the ultimate purpose of this comprehensive planning review, is addressed through a set of goals for managing growth on our 718.31 square miles of land area. Land use goals, objectives and strategies set forth in this plan encourage growth in areas inside the urban core, an approach that supports revitalization of older neighborhoods while using resources and infrastructure in an efficient manner, direct industrial growth to the urban periphery in order to accommodate quiet, healthy residential life styles while allowing for economic growth, preserve open spaces to support recreation, agriculture and rural living.”

Chapter 4: Land Use Trends & Changes, 3.2.2 Land Use Designations

The land use map identifies nine (9) land-specific ‘use designations’. Butte –Silver Bow Growth Policy Land Use Classifications Map is attached. Within the URD, five (5) land use designations are found.

Butte-Silver Bow County Growth Policy, General Land Use Categories & Purposes

Category	Purpose
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Residential	Residential use accommodates a variety of housing types and development intensities, although the dominant residential land use is anticipated to be the single-family residence.
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Commercial	This land use designation encompasses a range in intensity of commercial land uses. Uses range from the neighborhood shopping center
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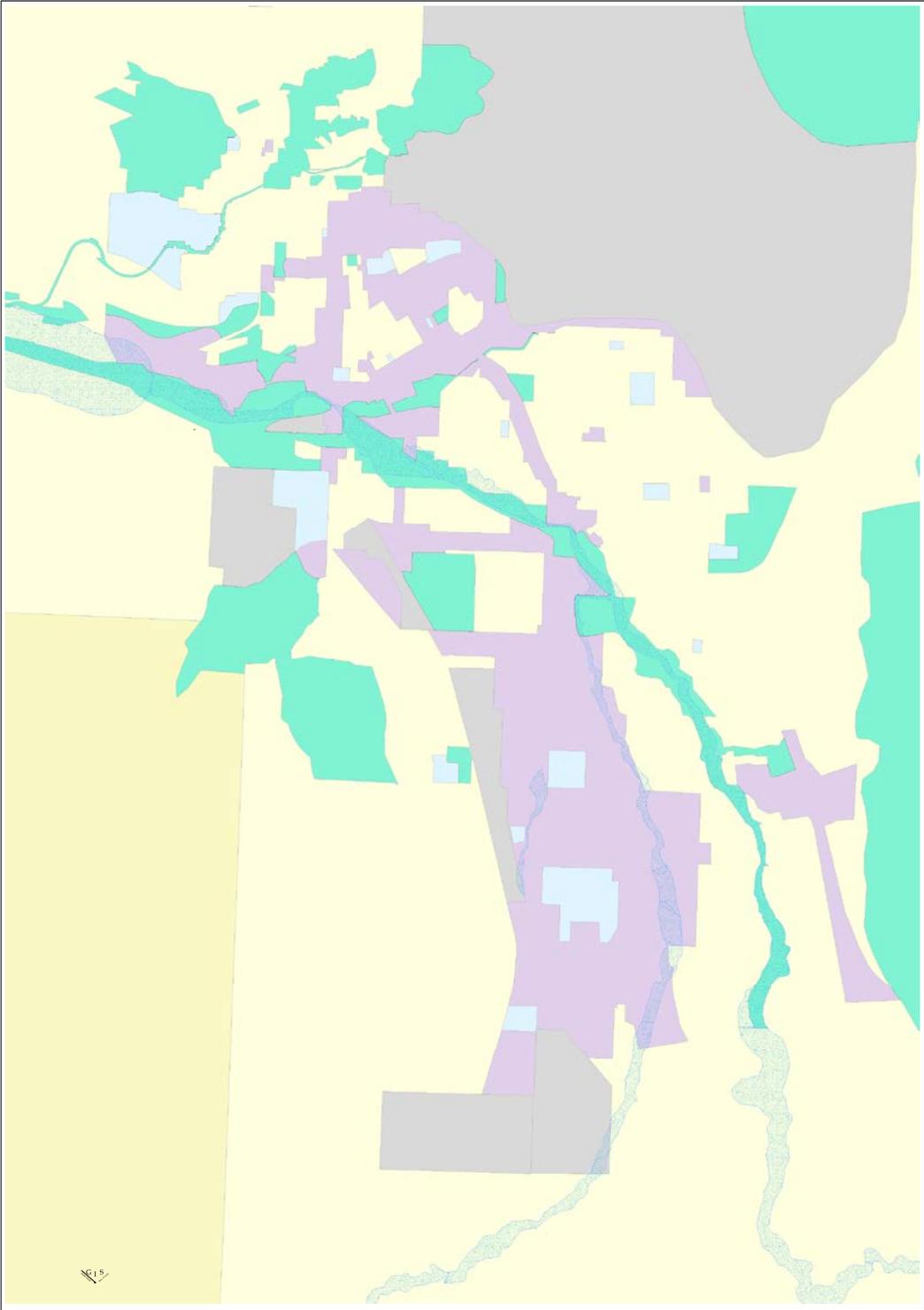
providing convenience goods to the immediate residential neighborhood to the Uptown Central Business District that serves as a regional market place and government center.

Industrial This designation encompasses a range in intensity of industrial land uses from light industrial to heavy industrial. Industrial uses are separated primarily on the basis of the intensity of activities associated with each use, i.e. the level of objectionable features such as noise, odor, dust, vibration, degree of associated hazards and the amount of outdoor activities associated with the industrial operation.

Institutions The institution designation has been utilized to identify schools, colleges and cemeteries.

Public Open Space This designation encompasses land that is publicly owned including developed parks, trails, recreational facilities like Copper Peaks, or natural undeveloped open space. The expanded open space designation provides protection of areas that directly impact residents' quality of life, from providing protection of Butte-Silver Bow's water supply to promoting and protecting green space for recreational opportunities. The expanded open space designation also provides protection of lands that are not suitable for development.

Butte-Silver Bow Growth Policy Land Uses Map



Land Use and Zoning in the Urban Renewal District

The land use within the Urban Renewal District consists of a broad mix of uses ranging from downtown commercial-including retail, office, and service; to upper-story residential; vehicle-oriented retail; industrial; single- to multi-family- residential, and public uses which include the county courthouse, and the school administration building.

Per the provisions of the urban renewal law, the zoning within the Butte Uptown URD must be substantially in accordance with the Butte-Silver Bow Growth Policy. On November 14, 2013, the Butte-Silver Bow Planning Board reviewed the zoning within the URD and found it to be substantially in accordance with the Growth Policy. Evidence of accordance is as follows:

Executive Summary of the Butte-Silver Bow County Growth Policy 2008 Update (2008 Growth Policy) generally describes the comprehensive planning of land use. *“Finally, the way in which we juxtapose our varied land uses like residential, commercial, industrial and open spaces, and the ultimate purpose of this comprehensive planning review, is addressed through a set of goals for managing growth on our 718.31 square miles of land area. Land use goals, objectives and strategies set forth in this plan encourage growth in areas inside the urban core, an approach that supports revitalization of older neighborhoods while using resources and infrastructure in an efficient manner, direct industrial growth to the urban periphery in order to accommodate quiet, healthy residential life styles while allowing for economic growth, preserve open spaces to support recreation, agriculture and rural living.”* The description of the relationship of this plan to 2008 Growth Policy is found earlier in this document.

These planned land uses are regulated by The Butte-Silver Bow, State of Montana, Zoning Ordinance (Title 17 Zoning). The purpose Title 17 Zoning is for the promotion of the public health, safety, comfort, convenience, and general welfare. For that purpose, Title 17 Zoning is divided into zoning districts. In the area covered by this plan, the following districts are found:

- R2 TWO-FAMILY RESIDENCE ZONE** - The R-2 zone is intended primarily to accommodate two-family residences in specified low-density residential areas. It is also intended that the R-2 zone should be used to further encourage improvements in the areas of Butte-Silver Bow, state of Montana, which manifest a building trend toward two-family residences and/or unduly slow and sparse development of one-family residences.
- R3 MULTI-FAMILY RESIDENCE ZONE** - The R-3 zone is intended primarily to accommodate multi-family residences. The zone may be used to provide for apartment

developments in residential areas, to encourage developments of lots on which single-family residences would be impractical because of terrain, rock, or similar condition, to permit a greater number of persons to reside near secondary focal points of Butte-Silver Bow, state of Montana, such as outlying business or industrial employment centers, or to establish a buffer between the one-family residence areas and the less restrictive nonresidential zones.

C2 COMMUNITY COMMERCIAL ZONE - The C-2 zone is intended primarily to accommodate community shopping facilities consisting of varied retail, service and office establishments grouped at locations convenient to Butte-Silver Bow's arterial streets where they can serve a trade area encompassing several neighborhoods usually within a distance of approximately three and one-half miles of such community commercial zoning district.

C3 CENTRAL COMMERCIAL ZONE - The C-3 zone is intended primarily to accommodate stores, offices, service establishments, hotels, and governmental and cultural centers at the central focal point of the arterial and transportation systems where they can conveniently serve the population of Butte-Silver Bow, state of Montana, and the entire surrounding area with a varied and specialized selection of goods and services.

CM COMMERCIAL AND LIGHT INDUSTRIAL ZONE - The C-M zone is intended primarily to provide a district to accommodate selected commercial retail sales and service facilities and to accommodate a variety of light manufacturing activities including warehousing, storage, distributing, wholesale activities, research laboratories, and similar uses which include development standards so as to be suitable for location within commercial or industrial areas. It is also the intent of this zone to facilitate the reuse and recycling of existing commercial and industrial buildings within the central urban area of Butte-Silver Bow.

M1 LIGHT INDUSTRIAL ZONE - The M-1 zone is intended primarily to accommodate a variety of light industrial uses and to provide a greater flexibility within the zoning regulations for those industries which do not create noise, odors, smoke, and other objectionable nuisances to the extent as do the heavier industries restricted to the M-2 zone.

M2 HEAVY INDUSTRIAL ZONE - The M-2 zone is intended primarily to preserve land for heavier industrial uses at locations where their operations will be neither injurious to nor hindered by residences. It is intended that residences should not be permitted except where such use has already been established on adjoining lots.

OS-C CONSERVATION OPEN SPACE ZONE - The conservation open space zone is intended to conserve, protect, preserve, reclaim or maintain the rural, cultural, agricultural, natural and restored lands in Butte-Silver Bow for future generations.

OS-D DEVELOPABLE OPEN SPACE ZONE - The purpose of the developable open space is to set aside portions of the rural, agricultural, cultural, recreational, natural and restored lands characteristic of Butte-Silver Bow County for passive, active, structured and unstructured recreation, community benefits such as museums, place-based educational opportunities, and natural contrast to the built environment.

NZ Un-zoned Area.

Chapter 3. Documentation of Blight

This “Statement of Blight” sets forth the blighted conditions that exist in Uptown Butte and adjacent neighborhoods as a basis for establishing a new urban renewal district and this plan.

Blighted Conditions

The creation of a new urban renewal program for Butte-Silver Bow is being undertaken to address a range of blighted conditions and infrastructure deficiencies. Butte-Silver Bow intends to create an Urban Renewal District in accordance with 7-15-4201 Montana Code Annotated (MCA) and to establish a tax increment financing (TIF) program to help fund its efforts. The first step in creating the District will be to prepare an urban renewal plan for the District, which will guide the investment of resources in addressing critical issues.

Prior to the adoption of the urban renewal plan, however, Butte-Silver Bow must establish that the Butte Uptown Urban Renewal District is “blighted” as defined in the Montana Urban Renewal Law, 7-15-4206 MCA, identifying it as a proposed Urban Renewal District. The 2011 Montana Legislature amended the Law to state that at least three blighted conditions must exist in the proposed area in order for an Urban Renewal District to be created (7-15-4210 MCA). This document presents the conditions of blight within the designated area, in support of the creation of the district.

Defining Blight

Montana law sets forth the specific conditions that constitute blight. In particular, state statute defines a blighted area as one that substantially impairs or arrests the sound development of communities, constitutes an economic or social liability, and/or constitutes a menace to the public health and safety in its present condition.

Per 7-15-4206, MCA, a “blighted area” may be identified as such by reason of:

- (a) the substantial physical dilapidation; deterioration; defective construction, material, and arrangement; or age obsolescence of buildings or improvements, whether residential or nonresidential;
- (b) inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality;
- (c) inappropriate or mixed uses of land or buildings;
- (d) high density of population and overcrowding;
- (e) defective or inadequate street layout;

- (f) faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (g) excessive land coverage;
- (h) unsanitary or unsafe conditions;
- (i) deterioration of site;
- (j) diversity of ownership;
- (k) tax or special assessment delinquency exceeding the fair value of the land;
- (l) defective or unusual conditions of title;
- (m) improper subdivision or obsolete platting;
- (n) the existence of conditions that endanger life or property by fire or other causes;
or
- (o) any combination of the factors listed in this subsection

Blighted Conditions in the Butte Uptown Urban Renewal District

The Butte Uptown Urban Renewal District exhibits a number of these blighted conditions including:

1. Physical deterioration of buildings and properties
2. Inappropriate or mixed uses of land or buildings
3. Defective street layout
4. Unsanitary and unsafe conditions and the existence of conditions that endanger life or property by fire or other causes

Physical Deterioration of Buildings and Properties

Physically, the Uptown Butte CBD and adjacent neighborhoods are suffering from deferred maintenance and lagging attention to both buildings and public spaces. The District includes a number of properties that are vacant and deteriorating. Continued deterioration threatens the District's Landmark status and the ability to promote its historic buildings as part of an overall redevelopment effort. For example, despite reinvestment efforts, the Park Hotel, located, just west of Montana Street, remains vacant. The district also features a number of poorly maintained lots, including the one shown here.



Lot South of Nevada and Platinum Streets



Park Hotel – West Park Street

Inappropriate or mixed uses of land or buildings



South of Colorado and Silver Streets

The Urban Renewal District includes a variety of land uses including commercial, residential, public and industrial. While these uses all contribute to the area's character, the various uses are not always well delineated. For example, this construction staging site, located just south of the CBD is incompatible with both the commercial area to the north and the surrounding Emma Park residential area.

Defective Street Layout

While several streets in Uptown Butte and the surrounding neighborhoods have been improved during the past three decades, many of the streets within the proposed Urban Renewal District are characterized by deteriorating pavement, or no pavement at all. The lack of long term parking facilities in the CBD has made the development of vacant upper story residential space difficult and discouraged new commercial development.



Deteriorating sidewalk on Iron Street

Throughout the district, pedestrians are faced with missing and broken sidewalks as seen in this photograph.



Vacant warehouses on South Wyoming Street

Unsanitary and unsafe conditions and the existence of conditions that endanger life or property by fire or other causes

Many of the blighted conditions noted above can be characterized as unsafe. Vacant buildings and the general deterioration of the overall infrastructure increase the risk of system failures and structure fires. Occupied buildings adjacent to vacant properties are in jeopardy and overall investment in Uptown Butte will continue to be stymied in the absence of a renewed revitalization effort.

Conclusion

Based on these findings, the Butte Uptown Urban Renewal District can be described as blighted per Montana Statute, with respect to the deteriorating condition of property in the area; incompatibility of land uses; defective street layout, and unsafe conditions associated both public and privately held property.

Chapter 4. Goals and Strategies of the Butte Uptown Urban Renewal Plan

Introduction

This chapter presents the goals and strategies for addressing blight within the Butte Uptown Urban Renewal District. Some of these are directed to the entire district, while others are specific to a certain site or area. They are based on the goals of the 1980 Urban Renewal Plan, the survey of blight conducted in May and June of 2013, and a series of public meetings held in September and October of 2013. The meetings, which drew more than 100 participants, included focused discussions on economic development, neighborhood revitalization and parking, as well as on over-arching goals for the district. Public comments for each of these meetings can be found in Appendix B. The public expressed strong support for the continuation of overall efforts to revitalize the historic Uptown Central Business District and surrounding neighborhoods, citing the critical role that partnerships will play in meeting revitalization goals - among public and private entities as well as between the local government and the school district. Participants also noted the need to recognize that our resources are limited and setting priorities will enable us to adequately address the most critical issues. Finally, the public pointed to the importance of continuing our efforts to preserve and adaptively re-use our nationally significant historic buildings.

Following are the Goals of this Urban Renewal Plan and associated strategies.

Goal #1 – Promote compatible land use and human scale urban design

Planning Initiatives

- ✓ Inventory available infill land
- ✓ Inventory the built environment, including the warehouse district
- ✓ Develop planning tools that address historic and compatible architectural styles
- ✓ Develop planning tools that address streetscapes to
 - “Quiet down” streets through parking, “bump-outs” and other elements
 - Provide for more landscaping
 - Incorporate “walkability” into design
 - Maintain and enhance signage
 - Street Signs
 - Safety Signs
 - Directional and Way-finding Signs

- Neighborhood “branding” signs
 - Incorporate “complete streets” in designing transportation related infrastructure (bike lanes, boulevards and pedestrian ways, etc.) while maintaining good traffic flow on main thoroughfares
 - Provide consistent or neighborhood specific streetscape design elements including lighting, benches and garbage receptacles, etc.
- ✓ Develop planning tools that address urban design: Imageability, enclosure, human scale, transparency, complexity, coherence, legibility and linkage

Imageability is the quality of a place that makes it distinct, recognizable, and memorable.

Enclosure refers to the degree to which streets and other public spaces are visually defined by buildings, walls, trees, and other vertical elements.

Human scale refers to a size, texture, and articulation of physical elements that match the size and proportions of humans and, equally important, correspond to the speed at which humans walk. Building details, pavement texture, street trees, and street furniture are all physical elements contributing to human scale.

Transparency refers to the degree to which people can see or perceive what lies beyond the edge of a street or other public space and, more specifically, the degree to which people can see or perceive human activity beyond the edge of a street or other public space.

Complexity refers to the visual richness of a place.

Coherence refers to a sense of visual order. The degree of coherence is influenced by consistency and complementarity in the scale, character, and arrangement of buildings, landscaping, street furniture, paving materials, and other physical elements

Legibility refers to the ease with which the spatial structure of a place can be understood and navigated as a whole.

Linkage refers to physical and visual connections—from building to street, building to building, space to space, or one side of the street to the other—that tend to unify disparate elements.

Source: *Eight Qualities of Pedestrian-and Transit Oriented Design*, by Reid, Ewing, March, 7-20-13

Program Initiatives

- ✓ Promote the potential of our built environment, including the warehouse district
- ✓ Work with design professionals to help facilitate better applications from those who seek public support for redevelopment projects
- ✓ Streamline communication between the Urban Revitalization Agency (URA) and the Historic Preservation Commission (HPC) to help projects succeed
- ✓ Encourage in-fill development
- ✓ Promote “curb appeal” to draw more customers into the area
- ✓ Provide a program for short and long term management of empty lots, which might include landscaping and/or marketing for infill development

- ✓ Foster public art projects
- ✓ Work together to address litter and vandalism

Capital Projects

- ✓ Eliminate blighted conditions at the edges and entryways to the urban renewal district and its distinct neighborhoods
- ✓ Improve corridors to visually and physically connect the edges to the core
- ✓ Use signage and infrastructure improvements to help people identify the historic district – to enable way finding and to better brand the area
- ✓ Create streetscapes that encourage drivers and pedestrians to connect with Uptown Butte
- ✓ Make maintenance of site improvements and landscaping a priority

Goal #2 – Improve, maintain and upgrade the public infrastructure

Planning Initiatives

- ✓ Conduct a survey of parking to determine needs
- ✓ Evaluate the feasibility of providing additional parking through the use of design techniques such as on-street diagonal parking
- ✓ Study the need for additional lighting in areas where public events occur such as the Mother Lode Theater

Program Initiatives

- ✓ Promote the sidewalk program

Capital Projects

- ✓ Construct a multistory parking structure to serve growing commercial and residential uses in the central business district
- ✓ Develop parking for both long and short term needs, including those of visitors and tourists
- ✓ Improve sidewalks
- ✓ Improve lighting
- ✓ Provide street furniture
- ✓ Leverage state and federal funds for streetscape improvements that include transportation, safety and lighting elements
- ✓ Improve overall technical connectivity

Goal #3 – Promote economic development

Planning Initiatives

- ✓ Consider a business retention program
- ✓ Conduct feasibility studies to determine the appropriate uses and marketability for buildings and land
- ✓ Prepare “Proforma” and feasibility analyses as a tool to market vacant commercial buildings
- ✓ Identify the businesses Uptown Butte can support that compliment rather than compete with existing businesses
- ✓ Research trends in retailing

Program Initiatives

Business Development

- ✓ Provide incentives for growth and development
- ✓ Encourage anchor projects, e.g., convention center, hotels, office buildings to provide stability in the area
- ✓ Work to increase property values
- ✓ Support efforts to create a business improvement district (BID)
- ✓ Promote urban living in Uptown Butte
- ✓ Develop partnerships among existing property owners, new/expanding businesses and the local government to increase economic activity
- ✓ Support the efforts of Northwestern Energy to construct its new headquarters building in Uptown Butte
- ✓ Encourage small manufacturers and tech companies to locate in the urban renewal area
- ✓ Support businesses in Uptown Butte that “grow the pie” rather than compete with existing businesses in the community
- ✓ Develop recreational opportunities in the urban renewal district

Adaptive Re-Use

- ✓ Promote building “packages” that reveal incentives to new investors (based on feasibility studies) including lower interest loans, grants, etc.
- ✓ Encourage “operational” ownership of buildings – rather than absentee ownership
- ✓ Encourage retail uses on the ground level

- ✓ Encourage upper story development to accommodate residential, commercial and office uses
- ✓ Encourage businesses to re-occupy vacant neighborhood business spaces
- ✓ Expand live-work opportunities

Job Creation

- ✓ Exploit the increasing interest of young professionals to live and work in urban centers
- ✓ Bring manufacturing jobs to the urban renewal area
- ✓ Consider the establishment of an apprenticeship program to provide jobs to young and unemployed persons in restoring and rehabilitating properties

Capital Projects

- ✓ Prepare properties for redevelopment
- ✓ Facilitate land assemblage and property transfer

Goal #4 – Support the stabilization, preservation and rehabilitation of historic structures in the urban renewal area

Planning Initiatives

- ✓ Inventory and assess historic buildings to determine their best use
- ✓ Develop a “one block at a time” approach to urban renewal to enable the community to measure success

Program Initiatives

- ✓ Encourage partnerships among preservation advocates, the business community and the local government to preserve our historic buildings and reduce the need for demolition
- ✓ Encourage compatible design when reviewing proposals for rehabilitation and new construction
- ✓ Assure projects compliment and contribute to the streetscape
- ✓ Implement incentive programs that encourage the rehabilitation of historic buildings
- ✓ Recruit craftsmen who are skilled in preservation
- ✓ Provide matching programs for building rehabilitation including façade improvement
- ✓ Promote window treatments and other strategies to improve the look of vacant and blighted buildings

- ✓ Enforce community decay ordinances to address vacant, neglected properties including those owned by absentee landlord
- ✓ Work in partnership to determine the best use of empty lots created by demolition

Capital Projects

- ✓ Stabilize structures that are at risk
- ✓ Remove substantially deteriorated structures when such removal would improve public safety and/or enhance redevelopment efforts

Goal #5 – Foster neighborhood revitalization and rehabilitation

Planning Initiatives

- ✓ Conduct risk assessments of vacant and deteriorating properties to determine and identify strategies to address hazards
- ✓ Develop revitalization plans for neighborhood which could include neighborhood specific urban design elements

Program Initiatives

- ✓ Encourage the formation of neighborhood councils
- ✓ Encourage grass roots efforts to preserve historic structures that are at risk
- ✓ Promote partnerships to develop and maintain neighborhood parks and recreation areas
- ✓ Work with law enforcement officials to identify and address illegal activity in neighborhoods
- ✓ Promote new residential development to alleviate sprawl and take advantage of existing infrastructure

Capital Projects

- ✓ Undertake housing rehabilitation that addresses life-safety and structural issues
- ✓ Repair and/or replace “crumbling” neighborhood infrastructure such as sidewalks and retaining walls
- ✓ Replace non-compatible infrastructure to enhance the historic character

Chapter 5. Implementation

The Butte Uptown Urban Renewal Plan sets a direction for redevelopment and revitalization of the Urban Renewal District. Upon its adoption, this Plan will serve as the official policy guide for public action. However, these policies can only be transformed to action through an effective implementation program. Key to implementation will be sound processes of administration, financing and program evaluation.

Administration

The implementation of the redevelopment effort outlined in this Urban Renewal Plan will be directed by the Urban Revitalization Agency (URA), which has been created by the Butte-Silver Bow Council of Commissioners by Resolution 468, as authorized under 7-15-4232, MCA. The Council of Commissioners appoints five members to the Agency's board, who are



West Broadway Street – Uptown Butte

responsible for hiring staff and developing and implementing programs. Each year the URA prepares an annual work program and budget; listing the activities and costs of the activities for the coming fiscal year, as well as the method of financing those activities. This program and budget can be amended during the course of the fiscal year in light of funding and program opportunities and changes. All budgets and revised budgets are reviewed and approved by the Council of Commissioners. Urban renewal activities undertaken by Butte-Silver Bow URA will be in accordance with Montana State statute. (See specific provisions of 7-15-4233 MCA below.)

7-15-4233. Powers which may be exercised by urban renewal agency or authorized department. (1) In the event the local governing body makes such determination, such body may authorize the urban renewal agency or department or other officers of the municipality to exercise any of the following urban renewal project powers:

- (a) to formulate and coordinate a workable program as specified in 7-15-4209;
- (b) to prepare Urban Renewal Plans;
- (c) to prepare recommended modifications to an urban renewal project plan;
- (d) to undertake and carry out urban renewal projects as required by the local governing body;
- (e) to make and execute contracts as specified in 7-15-4251, 7-15-4254, 7-15-4255, and 7-15-4281, with the exception of contracts for the purchase or sale of real or personal property;
- (f) to disseminate blight clearance and urban renewal information;
- (g) to exercise the powers prescribed by 7-15-4255, except the power to agree to conditions for federal financial assistance and imposed pursuant to federal law relating to salaries and wages shall be reserved to the local governing body;
- (h) to enter any building or property in any urban renewal area in order to make surveys and appraisals in the manner specified in 7-15-4257;
- (i) to improve, clear, or prepare for redevelopment any real or personal property in an urban renewal area;
- (j) to insure real or personal property as provided in 7-15-4258;
- (k) to effectuate the plans provided for in 7-15-4254;
- (l) to prepare plans for the relocation of families displaced from an urban renewal area and to coordinate public and private agencies in such relocation;
- (m) to prepare plans for carrying out a program of voluntary or compulsory repair and rehabilitation of buildings and improvements;
- (n) to conduct appraisals, title searches, surveys, studies, and other preliminary plans and work necessary to prepare for the undertaking of urban renewal projects;
- (o) to negotiate for the acquisition of land;
- (p) to study the closing, vacating, planning, or replanning of streets, roads, sidewalks, ways, or other places and to make recommendations with respect thereto;
- (q) to organize, coordinate, and direct the administration of the provisions of this part and part 43;
- (r) to perform such duties as the local governing body may direct so as to make the necessary arrangements for the exercise of the powers and performance of the duties and responsibilities entrusted to the local governing body.

(2) Any powers granted in this part or part 43 that are not included in subsection (1) as powers of the urban renewal agency or a department or other officers of a municipality in lieu thereof may only be exercised by the local governing body or other officers, boards, and commissions as provided under existing law.

Projects and Programs

The URA will implement programs and evaluate projects based on the goals of this urban renewal plan. Measureable objectives should be established with respect to the following to evaluate potential programs and projects

- Job Creation
- Increased Taxable Valuation
- Value-adding
- Leverage-Ratios of tax increment funds to other sources
- Health and Safety Concerns
- Historic Preservation
- Density and Infill
- Adaptive Re-Use
- Cost of Public Services

Given that private development will be necessary to generate tax increment funds, business development must occur hand in hand with other community based revitalization activities. The Butte Uptown urban renewal program will make use of a variety of financing in achieving the goals of this plan, including:

Public Infrastructure Investments

- Annual Tax Increment Appropriations – Butte-Silver Bow may finance smaller public infrastructure improvements and renewal programs from its annual tax increment receipts by appropriation. Funds available each year would be determined by the size of the annual increment and any prior commitments (such as bond debt service requirements and administrative costs).
- Tax Increment Bonds – Butte-Silver Bow will issue tax increment revenue bonds in order to finance major capital projects including, but not limited to, a multistory parking structure to serve the growing commercial and residential uses in the central business district. TIF bonds will enable Butte-Silver Bow to finance projects up-front and then retire the debt through annual tax increment receipts.
- Conventional Financing – Butte-Silver Bow may borrow funds from commercial lending institutions in order to finance public infrastructure improvements. Annual tax increment revenues will pay principal and interest on the loan. A conventional loan agreement will not, however, extend the authorized 15-year time period for an urban renewal TIF district.

- Local, State and Federal Funding Mechanisms – There are a number of funding resources available to communities to undertake planning and capital improvement projects. These are listed in the funding section below.

Private Sector Development

In addition to public sector investments, the urban renewal agency can assist property and business owners in specific renewal activities including the following:

- Tax Increment Financing Revolving Loans – In 7-15-4292, MCA, the Montana TIF statute provides for the establishment of loan programs, whereby TIF funds may be loaned for the construction of private infrastructure in support of the goals of the Urban Renewal District. As principal and interest payments are made, the funds may be loaned again, even after the TIF District sunsets.
- Tax Increment Grants – In some cases urban renewal agencies can make grants to private entities to support projects that are in the community’s best interest, and are in keeping with the purposes of the Montana Urban Renewal Law, such as historic preservation, public safety and the removal of blight. Examples include:
 - Restoration of historic building facades
 - Stabilization of structures that have been neglected or abandoned
 - Installation of life safety equipment such as sprinkler systems
- Other Assistance – The urban renewal program can assist private sector projects in a variety of ways, by providing technical assistance and helping property owners access federal, state and local resources and incentives for development.

Partnership Development

The urban renewal program will rely on cooperative efforts among the Butte-Silver Bow local government and URA, district property owners, and economic development organizations to achieve its goal of fostering revitalization. In many cases, these cooperative partners will work jointly on market analyses, business recruitment and capital improvements planning. Also, as noted above, it will be necessary to work with other local, state and federal entities in providing additional financing and matching funds to undertake projects and programs in the Urban Renewal District. Potential partnerships can be forged using a variety of programs and funding mechanisms. A sampling of these is provided in the following section.

Northwestern Energy – Urban Renewal Project

While the majority of the specific projects that will be undertaken in meeting the goals of this Urban Renewal Plan will be defined over time, Butte-Silver Bow has identified an urban renewal project that it will embark upon following the passage of this Plan. Northwestern Energy has indicated its desire to remain in Uptown Butte and proposes to construct a new headquarters building in the District, subject to commitments of Butte-Silver Bow to fulfill the appurtenant parking needs. The local government has determined that the construction of this headquarters building by Northwestern Energy is key to an overall effort to address blight in Uptown Butte and surrounding neighborhoods. In addition, Butte-Silver Bow finds that the change in use at the northeast corner of Park and Main from surface parking to the site for the Northwest Energy headquarters will better meet the goals of this urban renewal plan and is the highest and best use for that location. Therefore, upon passage of this plan, the local government will undertake the following activities to enable this project to go forward:

- Butte-Silver Bow will transfer the ownership of the land on the northeast Corner of Park and Main to Northwestern Energy, pursuant to a development agreement, to be adopted by the Butte-Silver Bow Council of Commissioners by Resolution
- Butte-Silver Bow will undertake to issue a tax increment financing revenue bond in order to finance a multi-story public parking structure.

Program Funding

Tax Increment Financing

As noted in Chapter 1 of this plan, the implementation of the Butte Uptown Urban Renewal Plan will include the use of Tax Increment Financing (TIF). More particularly, costs that may be paid using TIF dollars are included in 7-15-4288, MCA as follows:

7-15-4288. Costs that may be paid by tax increment financing. The tax increments may be used by the municipality to pay the following costs of or incurred in connection with an urban renewal project, industrial infrastructure development project, technology infrastructure development project, or aerospace transportation and technology infrastructure development project:

- (1) land acquisition;
- (2) demolition and removal of structures;
- (3) relocation of occupants;
- (4) the acquisition, construction, and improvement of infrastructure, industrial infrastructure, technology infrastructure, or aerospace transportation and technology infrastructure that includes streets, roads, curbs, gutters, sidewalks, pedestrian malls, alleys, parking lots and off-street parking facilities, sewers, sewer lines, sewage treatment facilities, storm sewers, waterlines, waterways, water treatment facilities, natural gas lines, electrical lines, telecommunications lines, rail lines, rail spurs, bridges, spaceports for reusable launch vehicles with associated runways and launch, recovery, fuel manufacturing, and cargo holding facilities, publicly owned buildings, and any public improvements authorized by Title 7, chapter 12, parts 41 through 45; Title 7, chapter 13, parts 42 and 43; and Title 7, chapter 14, part 47, and items of personal property to be used in connection with improvements for which the foregoing costs may be incurred;
- (5) costs incurred in connection with the redevelopment activities allowed under 7-15-4233;
- (6) acquisition of infrastructure-deficient areas or portions of areas;
- (7) administrative costs associated with the management of the urban renewal area, industrial district, technology district, or aerospace transportation and technology district;
- (8) assemblage of land for development or redevelopment by private enterprise or public agencies, including sale, initial leasing, or retention by the municipality itself at its fair value;
- (9) the compilation and analysis of pertinent information required to adequately determine the needs of an urban renewal project in an urban renewal area, the infrastructure needs of secondary, value-adding industries in the industrial district, the needs of a technology infrastructure development project in the technology district, or the needs of an aerospace transportation and technology infrastructure development project in the aerospace transportation and technology district;
- (10) the connection of the urban renewal area, industrial district, technology district, or aerospace transportation and technology district to existing infrastructure outside the district;
- (11) the provision of direct assistance, through industrial infrastructure development projects, technology infrastructure development projects, or aerospace transportation and technology infrastructure development projects, to secondary, value-adding industries to assist in meeting their infrastructure and land needs within the district; and
- (12) the acquisition, construction, or improvement of facilities or equipment for reducing,

A tax increment program is authorized for 15 years or longer if the tax increment revenue is pledged to the payment of tax increment bonds. 7-15-4289, MCA provides for the use of tax increments for bond payments. The tax increment may be pledged to the payment of the principal of premiums, if any, and interest on bonds, which the municipality may issue for the purpose of providing funds to pay such costs.

The City and County of Butte-Silver Bow will establish a Tax Increment Financing program for the Urban Renewal District, as defined in this Urban Renewal Plan. The base year for the purposes of measuring any incremental value will be January 1, 2014.

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

Other Financing Mechanisms

There are a number of financial assistance programs that can be used in the revitalization of the Butte Uptown Renewal District in addition to Tax Increment Financing. Financing strategies for addressing urban renewal needs identified in this Plan will likely include combining various funding sources. For example, a local special improvement district might be used in combination with a Montana Board of Investment Intercap loan to match federal or state dollars. The following is a summary of programs available to fund urban renewal projects

Transportation Infrastructure

This section describes funds and funding sources that are available to finance urban renewal transportation related projects. These funding methods, such as local option taxes, improvement districts and other types of bonds, enable local citizens to participate in funding projects. In general, however, the ability to use additional property tax levies to fund urban renewal is governed by Montana Statute under 15-10-402 MCA that limits taxes to 1996 levels.

A. Bridge and Road Mills (Property Taxes)

Montana law provides for cities (7-14-4101, MCA) to manage transportation infrastructure. Counties are specifically responsible for all the bridges in a county, including those within cities and towns, except those managed by the Montana Department of Transportation. Municipalities may establish a road fund under 7-14-4113 MCA.

B. Transportation Improvement Authority

Established under 7-14-1001, MCA, the purpose of a transportation improvement authority is to blend the interests of local, state, and federal governments with the interests of the general public and the business community to build, modify, or improve transportation facilities and systems within its jurisdiction. A county and a municipality within a county may, by joint resolution, create a transportation improvement authority. The Authority may enter into contracts and accept local, state, federal and private funds to undertake transportation projects.

C. Transportation Alternatives Program (TA Program), Montanan Department of Transportation

The Transportation Alternatives (TA) Program authorized under Section 1122 of the Federal Highway Administration's Moving Ahead for Progress program -MAP-21 (23 U.S.C. 213(b), 101(a)(29)), replaces the former Community Transportation Enhancement Program. It provides approximately \$4 million annually to eligible entities including local governments, for activities defined as transportation alternatives, including on- and off-road pedestrian and bicycle facilities, infrastructure projects for improving non-driver access to public transportation and enhanced mobility, community improvement activities, and environmental mitigation; recreational trail program projects; safe routes to school projects; and projects for the planning, design or construction of boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways.

D. State Fuel Tax

Under 15-70-101, MCA, Montana assesses a tax on gasoline and diesel fuel used for transportation purposes. Each municipality receives a portion of the total tax funds allocated to cities and Towns based on:

- 1) The ratio of the population within each municipality to the total population in all cities and Towns in the State;
- 2) The ratio of the street mileage within each municipality to the total street mileage in all incorporated cities and towns in the State. The street mileage is exclusive of the Interstate, National Highway, and Primary Systems.

All fuel tax funds allocated to local governments must be used for the construction, reconstruction, maintenance, and repair of rural roads or city streets and alleys. Priorities for the use of these funds are established by the cities receiving them.

Debt Financing – All Types of Projects

Local governments can make use of various kinds of debt financing to fund urban renewal projects. These include general obligation bonds, special improvement district bonds and revenue bonds as well as Tax Increment Financing Bonds. Debt financing enables local governments to finance major infrastructure projects using future revenue from special assessments, user fees, and other forms of revenue. Under 7-7-4101, MCA, a local government has power to incur indebtedness by borrowing money, issuing bonds, issuing notes, entering into leases, entering into lease-purchase agreements, or entering into installment purchase contracts for the following purposes:

- 1) acquiring land for and designing and erecting public buildings;
- 2) acquiring land for and designing and constructing sewers, sewage treatment and disposal plants, waterworks, reservoirs, reservoir sites, and lighting plants;
- 3) supplying the municipality with water by contract and the construction or purchase of canals or ditches and water rights for supplying municipality with water;
- 4) designing and constructing bridges, docks, wharves, breakwaters, piers, jetties, and moles;
- 5) acquiring, opening, or widening any street and improving the street by constructing, reconstructing, and repairing pavement, gutters, curbs, and vehicle parking strips and to pay all or any portion of the cost relating to the project;
- 6) purchasing or leasing fire apparatus, street and other equipment, and personal property, including without limitation, vehicles, telephone systems, and photocopy and office equipment, including computer hardware and software;
- 7) building, purchasing, designing, constructing, and maintaining devices intended to protect the safety of the public from open ditches carrying irrigation or other water;
- 8) funding outstanding warrants and maturing bonds; and
- 9) repaying tax protests lost by the local government or other municipal corporation.

The local government incurs various administrative costs in conjunction with issuing bonds. These costs include the retention of legal counsel and financial consultants, the establishment of reserve funds and the preparation of the prospectus and various required documents. These bonds provide tax-free interest earnings to purchasers and are therefore subject to detailed scrutiny under both state and federal law. The citations in the Montana Code are listed below, for each type of bond described.

A. Special Improvement Districts

Under 7-12-4101, and 7-12-4102 MCA, cities and towns can create special improvement districts for a number of activities including:

- The acquisition, construction or reconstruction of public streets and roads
- The acquisition, construction or reconstruction of sidewalks, culverts, bridges, gutters, curbs, steps and parks including the planting of trees
- The construction or reconstruction of sewers, ditches, drains, conduits, and channels for sanitary or drainage purposes, with outlets, cesspools, manholes, catch basins, flush tanks, septic tanks, connecting sewers, ditches, drains, conduits, channels, and other appurtenances
- The construction of sewer and water systems including fire hydrants
- The acquisition and improvement of land to be designated as public park or open-space land
- The conversion of overhead utilities to underground locations in accordance with 69-4-311 through 69-4-314, MCA
- The purchase, installation, maintenance, and management of alternative energy production facilities

Under 7-12-2102, the board of county commissioners may order and create rural improvement districts outside of the limits of incorporated towns and cities for the purpose of building, constructing, or acquiring by purchase one or more of the improvements of the kind described in 7-12-4102 MCA, in or for the benefit of the special improvement district.

B. Business Improvement District

Business Improvement Districts (BIDs) are authorized under 7-12-1101 et. seq. MCA. This provision of the law allows the local governing body to assess properties, upon the request of property owners within a district to fund the following activities:

- provide special police, maintenance, or cleaning personnel for the protection and enjoyment of the general public using the business district
- landscape and beautify public areas and to maintain those areas
- contract with the governing body to maintain, operate, or repair public parking facilities
- contract with the governing body to maintain streets, alleys, malls, bridges, ramps, tunnels, landscaping, and other public facilities as mutually agreed upon
- promote private investment and business expansion in the district
- provide for the management and administration of the affairs of the district

- promote business activity by advertising, decorating, marketing, and promoting and managing events and other actions designed for the general promotion of business activities in the district
- perform such other functions as are necessary to carry out the purposes of this part and to further the objectives of the district.

C. General Obligation Bonds

General obligation bonds are backed by the full faith and credit of the local government and must be approved by the voters in an election. General obligation bonds are generally payable from ad valorem taxes (based on the value of property) and expressed in mills. General obligation bonds are attractive to bond buyers because they have voter approval and are not as vulnerable to fluctuations in revenue. Municipalities are assigned a bond debt limit based on a percentage of taxable valuation. General obligation bonds must fall within this limit.

D. Revenue Bonds

Under 7-7-4401, MCA, a municipality may issue revenue bonds to finance any project or activity authorized. Tax Increment Financing bonds are considered revenue bonds but other types of revenue may be directed to debt service as well.

Railroad Crossing Related Programs

A. Federal Surface Transportation Program - Rail/Highway Crossing Protective Devices Program

The purpose of the Federal Rail/Highway Crossing – Protective Devices Program is to identify high hazard rail crossing sites and install new rail crossing signals. MDT's Rail - Highway Safety manager is responsible for surveying, identifying and prioritizing those railroad crossings that require new protective devices or upgrading of existing devices. The funds are distributed on a statewide basis determined by a priority list ranked by a hazard index. The Federal/State ratio is 90% Federal and 10% State.

B. Federal Surface Transportation Program - Rail/Highway Crossing Elimination of Hazard Program

The purpose of the Federal Rail/Highway Crossing – Elimination of Hazard Program is to identify high hazard rail crossing sites and construct new rail/highway grade crossings. The program also uses funds to rehabilitate existing grade separations. Grade separation projects are funded with 90% Federal funds and 10% State funds. Since funding for this program is limited, funds are often used in combination with

other Federal funding sources to fund costly grade separation projects. Eligible expenditures include the separation or protection at grade crossings, reconstruction of existing crossings and relocation of highways to eliminate crossings. Projects for this program are selected by identifying those sites where only a grade separation will eliminate an identified hazard or where an existing grade separation exists but needs rehabilitation or replacement.

Funding for Public Improvements (Sewer, Water, Roads, Community Facilities, Parks)

A. Treasure State Endowment Program ~ Montana Department of Commerce

The Montana Treasure State Endowment Program (TSEP) is a state-funded program, authorized under 90-6-701 through 710, MCA, and is administered by the Montana Department of Commerce (MDOC). It is designed to assist local governments in financing capital improvements to sewer and water facilities. Funds are derived from the Montana coal severance tax and made available to local governments as matching grants, loans and grant/loan combinations. TSEP also provides matching grants of up to \$15,000 to local governments for preliminary engineering study costs.

TSEP funds may not be used for annual operation and maintenance; the purchase of non-permanent furnishings; or for refinancing existing debt, except when required in conjunction with the financing of a new TSEP project. Grant requests cannot exceed \$500,000 and the local government must typically provide a dollar for dollar match that can include other grant funds. Matching funds can be public or private funds provided by a TSEP applicant to directly support the cost of eligible project activities. There are a number of ways in which local governments can provide matching funds for bridge projects. Eligible types of matching funds include:

- local general funds or other cash;
- proceeds from the sale of general obligation, revenue, special assessment or other bonds;
- entitlement or formula-based federal or state funds such as federal highway funds or payments in lieu of taxes;
- loan or grant funds from a state or federal program (including TSEP loans);
- funds expended for engineering studies, reports, and plans, or other reasonable expenses expended for the preparation of the application, directly related to the project during the period 24 months prior to the TSEP application deadline;
- funds expended after the TSEP application deadline, but before being approved by the Legislature, for project management, final engineering design, and other reasonable expenses necessary to prepare the project as in the TSEP application for the construction phase;

- the value of land or materials provided by the applicant, if appraised within a two-year period preceding the application deadline. The appraisal must be:
- an impartially written statement that adequately describes the land or materials, and states an opinion of defined value as of a specific date;
- supported by an analysis of relevant market information; and
- prepared by a qualified appraiser independent from the applicant.
- the value of labor performed by the applicant's employees on the project, after the TSEP project has been approved for funding and a TSEP contract has been signed, as long as the employee is paid at his or her standard hourly rate of pay and the time worked is adequately documented; and
- the value of machinery used in the process of constructing the project that is owned (or leased) and operated by the applicant. The value of the use of the machinery will be determined using the Federal Emergency Management Agency (FEMA) equipment rate schedules.

B. The Montana Intercap Program ~ Montana Board of Investments

The INTERCAP Program is a low cost, variable-rate program that lends money to Montana local governments, state agencies and the university system for the purpose of financing or refinancing the acquisition and installation of equipment or personal and real property and infrastructure improvements. The Board of Investments issues tax-exempt bonds and loans the proceeds to eligible borrowers. In addition to long-term financing, INTERCAP is an excellent source for interim financing.

Funding is always available with no specific cycle. Allocations of \$200,000 and under are considered and approved by the Board of Investments staff. Allocations in excess of \$200,000 are considered and approved by the Board. Funds are released on an on-going basis as the project is completed. The program provides loans at a variable rate plus a one percent loan origination fee on loans over one year and for a term of 5 or 10 years depending on the borrower's legal authority. Short-term loans of less than a year are also available. Interest and principal payments are due bi-annually (February 15 and August 15 of each year). Loans may be pre-paid without penalty with 30 days notice. Types of financing include installment purchase loans, general fund loans, general obligation bonds, revenue bonds and special improvement district and rural improvement district bonds. Gas tax revenues may not be used to service debt. Projects that will use rural improvement district payments to cover the annual debt are limited to a total loan of \$300,000. Intercap funds may be used in association with other grant and loan programs as well as local sources.

C. Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) Program is a federally funded grant program that provides assistance to communities with community development needs such as housing, public facilities, economic development and planning grants. All projects must be designed to principally benefit low and moderate-income families. The program was established by the Federal Housing and Community Development Act of 1974 (42 USC 5301) and is administered nationally by the U.S. Department of Housing and Urban Development (HUD). The Legislature authorized the Montana Department of Commerce (MDOC) to administer the program beginning in 1982. Eligible activities include planning, public facilities construction, housing and neighborhood renewal and economic development.

D. Public Works Program ~ Economic Development Administration

The Economic Development Administration (EDA) is an agency within the U.S. Department of Commerce. The purpose of the Public Works Program is to assist communities with the funding of public works and development facilities that contribute to the creation or retention of private sector jobs and to the alleviation of unemployment and underemployment. Such assistance is designed to help communities achieve lasting improvement by stabilizing and diversifying local economies, and improving local living conditions and the economic environment of the area.

Grants are awarded up to a participation level of 80 percent but the average EDA grant covers approximately 50 percent of project costs. Acceptable sources of match include cash, local general obligation or revenue bonds; Community Development Block Grants, TSEP grants and loans, entitlement funds, Rural Development loans; and other public and private financing, including donations.

Projects must result in private sector job and business development in order to be considered for funding. Eligible applicants under this program include any state, or political subdivision thereof, Indian tribe (and other U.S. political entities), private or public nonprofit organization or association representing any redevelopment area if the project is within an EDA-designated redevelopment area. Redevelopment areas, other than those designated under the Public Works Impact Program must have a current EDA-approved Overall Economic Development Program (OEDP) in place.

E. Water, Wastewater and Solid Waste Action Coordinating Team

In 1982, a group of professionals from state, federal, and non-profit organizations that finance, regulate, or provide technical assistance for community water and wastewater systems, decided to start meeting in order to coordinate and enhance their efforts. This group calls itself the "Water, Wastewater and Solid Waste Action Coordinating Team" or W2ASACT for short. W2ASACT meets several times a year to find ways to improve our state's environmental infrastructure. All of the programs represented in W2ASACT have different missions and meet unique needs. However, it has been the common elements shared by the funding programs that have been the driving force of W2 SACT. These programs provide money (grants or loans), take applications from communities to fund their projects, and administer those monies once the project is funded. While W2ASACT cannot change all of the state or federal requirements, it can identify unnecessary duplication of requirements that make compliance difficult for communities.

Voluntary Programs

In some cases, homeowner associations, business groups or other property owners may finance urban renewal projects voluntary basis.

Butte Uptown Urban Renewal Program Evaluation and Plan Amendments

The Butte Uptown Renewal Plan will be evaluated on a yearly basis in conjunction with the preparation of the annual report. Measures that may be used in evaluating program success include:

- Increases in the property tax base
- Creation of jobs within the Urban Renewal District
- Elimination of blighted conditions

The plan provides flexibility to accommodate a variety of approaches. However, changes over time may necessitate more formal amendments to the Urban Renewal Plan. The Urban Renewal Plan may be modified by ordinance under 7-15-4221 MCA.

Appendix A:

Parcels Included in the District

The list of parcels within the district with the identifying geocodes, as well as property owners' names and addresses follows.

Appendix B – Public Meeting Results

Butte-Silver Bow Urban Renewal Plan Public Meeting and Parking Focus Group
Butte-Silver Bow Archives – September 24th, 2013
Summary of Public Comments

Continue overall efforts to revitalize the Uptown and Surrounding Neighborhoods

- ✓ Retain the goals of the 1980 Urban Renewal Plan (we don't want to lose our momentum!)
- ✓ Set priorities to assure that we don't take on more than we can adequately address
- ✓ Encourage "larger" projects, e.g., convention center, hotels, office buildings
- ✓ Encourage upper story development
- ✓ Work in partnership with the school district (an advocate of the urban renewal effort and of TIF) to meet revitalization goals
- ✓ Recognize and promote the potential associated with our existing built environment, including the warehouse district
- ✓ Encourage in-fill construction, including residential development
- ✓ Work to increase property values in the entire district, including residential areas and the warehouse district
- ✓ Select projects carefully, based on solid plans submitted

Address deteriorating/blighted buildings and other blighted conditions

- ✓ Develop programs that are "proactive", that provide a basis for the local government (Urban Revitalization Agency) to initiate stabilization and redevelopment projects
- ✓ Assist property owners who are "sincerely" interested in improving their buildings
- ✓ Provide 50-50 percent matching programs for building rehabilitation/façade improvement (rather than the existing 25-75 percent matching program).
- ✓ Focus efforts on addressing "problem" buildings that are urgently in need of stabilization and rehabilitation – overall decay hurts all businesses (3)
- ✓ Use window treatments and other strategies to improve the look of vacant and blighted buildings (2)
- ✓ Address the pigeon problem (3)
- ✓ Enforce community decay ordinances to address vacant, neglected properties including those owned by absentee landlords

Public Infrastructure

- ✓ Construct a parking garage in Uptown Butte to serve the needs of Northwest Energy, businesses, employees, residents and tourists
- ✓ Conduct a comprehensive survey of parking in the urban renewal area to determine needs overall
- ✓ Consider providing additional parking through the use of on-street diagonal parking
- ✓ Address connectivity in the district through improvements to the “info-structure”
- ✓ Continue sidewalk program
- ✓ Provide benches and bike racks for pedestrians and cyclists
- ✓ Improve lighting throughout the urban renewal area
- ✓ Provide lighting in areas to the west of the Central Business District; e.g. at sites where public events occur, such as the Mother Lode Theater (2)
- ✓ Expand Emma Park and consider putting the new carousel at the Park
- ✓ Use landscaping and other design elements to tie Uptown Butte to the High School
- ✓ Create a dog park with appropriate maintenance

Business Retention and Development

- ✓ Given that the viability of any one business affects other businesses in the district, the program should provide support to businesses “in trouble”, to help them stay open (2)
- ✓ Support the efforts of Northwest Energy to construct a new headquarters in Uptown Butte

Historic Preservation

- ✓ Recognize and promote our rich architectural heritage
- ✓ Continue the inventory and assessment of historic buildings to determine their best use
- ✓ Focus efforts to improve the “look” of our buildings and consider a “one block at a time” approach to enable the community to measure success (2)
- ✓ Consider the establishment of an apprenticeship program to provide jobs to young and unemployed persons in restoring and rehabilitating properties
- ✓ Recruit skilled craftsmen who are skilled in preservation
- ✓ Continue incentive programs that encourage businesses to rehabilitate historic buildings

- ✓ Encourage partnerships among preservation advocates, the business community and the local government to preserve our historic buildings and reduce the need for demolition (2)
- ✓ Install period sidewalks, streets, guardrails, etc. in areas such as “Nanny Goat Hill” to enhance the historic feel of the area (2)
- ✓ Employ design standards in reviewing proposals for rehabilitation and new construction to assure projects compliment and contribute to the existing street scape

Encourage Maintenance and Enhancements of Public Spaces

- ✓ Landscape key areas, using volunteers to plant and maintain sites, such as lots at Wyoming and Park and Broadway and Main, and along key corridors (2)
- ✓ Make maintenance of site improvements and landscaping a priority
- ✓ Foster public art projects
- ✓ Work together to address litter and vandalism
- ✓ Address litter overall (3)

Butte-Silver Bow Urban Renewal Plan Public Meeting and Neighborhood Revitalization
Focus Group
Butte-Silver Bow Archives – October 10th, 2013
Summary of Public Comments

Promote neighborhood revitalization and rehabilitation

- ✓ Encourage neighborhood revitalization initiatives, including the formation of neighborhood councils
- ✓ Tear down structures that are not suitable for rehabilitation and offer vacant land to adjacent property owners for green space
- ✓ Encourage grass roots efforts to preserve threatened historic homes and commercial buildings
- ✓ Initiate a housing rehabilitation program (similar to the CDBG program) that focuses on addressing life-safety and structural issues
- ✓ Take a “block at a time” approach to neighborhood revitalization
- ✓ Focus efforts on the neighborhoods adjacent to the High School
- ✓ Strike a balance between historic preservation and future growth

Improve the quality of life in neighborhoods

- ✓ “Quiet down” neighborhoods through thoughtful design of the street scape, including parking, “bump-outs” and other elements
- ✓ Maintain the historic integrity of neighborhoods through high quality design standards
- ✓ Incorporate “walkability” in the neighborhood design

Encourage infill development in residential neighborhoods uptown

- ✓ Promote new compatible construction that takes advantage of existing infrastructure
- ✓ Promote new residential subdivisions in Uptown neighborhoods to alleviate sprawl
- ✓ Make vacant lots available for construction of buildings that meet area design standards.

Develop and maintain green spaces and recreational areas in neighborhoods

- ✓ Make use of partnerships between neighbors and the local government to develop and maintain neighborhood parks
- ✓ Provide areas for children and pets
- ✓ Install benches and garbage cans to help focus use and reduce litter

- ✓ Provide for more landscaping on streets – trees and shrubs

Assure safe neighborhoods

- ✓ Work with law enforcement officials to identify and address illegal activity in the neighborhood
- ✓ Address potential increase in transients in and around the proposed new parking garage at Mural Park
- ✓ Conduct a risk assessment of vacant and deteriorating properties; e.g. whether a vacant structure is connected to electrical and natural gas services

Improve area infrastructure

- ✓ Address “crumbling” infrastructure such as sidewalks and retaining walls
- ✓ Design and replace infrastructure in keeping with the historic character of the neighborhoods, such as the guardrails on Nanny Goat Hill
- ✓ Continue the installation of historic lighting
- ✓ Maintain and enhance signage throughout the urban renewal district
 - Street Signs
 - Safety Signs (stop, yield, etc.)
 - Directional and Way-finding Signs
 - Neighborhood “branding” signs
- ✓ Incorporate “complete streets” in designing transportation related infrastructure (bike lanes, boulevards and bump-outs as appropriate, pedestrian ways, etc.) where appropriate, while maintaining good traffic flow on main thoroughfares
- ✓ Expedite cleanup of key corridors into the Uptown; e.g., Main, Montana, Arizona and Continental/Mercury

Encourage economic development in the urban renewal area that, in turn, will help bring new vitality to Uptown neighborhoods

- ✓ Make use of incentives for people to invest in the urban renewal area
- ✓ Direct resources to the preparation of “Proforma” and feasibility analyses as a tool to market vacant uptown commercial buildings
- ✓ Encourage businesses to re-occupy vacant neighborhood business spaces
- ✓ Support efforts to create a business improvement district (BID) for uptown businesses
- ✓ Promote living in Uptown Butte

Butte-Silver Bow Urban Renewal Plan Public Meeting and Economic Development
Focus Group
Butte-Silver Bow Archives – October 22nd, 2013
Summary of Public Comments

Promote good design in the urban renewal area

- ✓ Maintain our character while providing incentives for growth and development of properties within the urban renewal district
- ✓ Address blighted conditions at the edges and entryways to the urban renewal district and its distinct neighborhoods – Uptown, the Warehouse district, etc.
- ✓ Improve corridors to better connect the edges to the core of the district
- ✓ Use signage and infrastructure improvements to help people identify the historic districts – to enable way finding and to better brand the area
- ✓ Develop comprehensive planning tools that promote good design; such as plans and design guidelines that address
 - streetscape development including lighting and signage
 - architectural styles
 - other public improvements including garbage receptacles
- ✓ Work with design professionals to help facilitate better applications from those who seek public support for redevelopment projects
- ✓ Streamline communication between the Urban Revitalization Agency (URA) and the Historic Preservation Commission (HPC) to help projects succeed

Address infrastructure needs comprehensively

- ✓ Create streetscapes that encourage drivers and pedestrians to better connect with Uptown Butte through thoughtful design
- ✓ Leverage public (HUD, MDT) funds for well-deigned streetscape improvements that include transportation, safety and lighting elements
- ✓ Develop parking for both long and short term needs, including the development of surface parking for visitors/tourists
- ✓ Improve the overall “connectivity” of the area – better Internet access, WIFI, fiber optics, etc.

Promote the adaptive re-use of existing structures

- ✓ Conduct feasibility studies to determine the appropriate uses and marketability for commercial, office and warehouse buildings
- ✓ Develop and promote building “packages” that provide incentives to new investors (based on feasibility studies) including lower interest loans, grants, etc.

- ✓ Encourage “operational” ownership of buildings – rather than absentee ownership
- ✓ Look at opportunities as Montana Tech increases enrollment to develop residences in the upper stories of commercial buildings and in warehouse lofts
- ✓ Consider ways to adaptively re-use buildings in the urban renewal area including:
 - The historic YMCA building, which is now vacant
 - The “Jamz” building at Main and Platinum streets – which is at the edge of the Central Business District and has an important role as an entry-way point
- ✓ Work with owners of existing properties, including absentee landlords to invest in their properties to encourage small manufacturers and tech companies to locate in Butte
- ✓ Take a “pro-active” role in promoting re-investment in Uptown Butte through the development of partnerships among property owners, new/expanding businesses and the local government
- ✓ Examine the potential to adaptively re-use buildings for offices, multi-family residences, bed and breakfast facilities, etc. in the neighborhoods south of Platinum Street
- ✓ Encourage small tech companies to utilize vacant spaces
- ✓ Provide assistance to homeowners – both financial and design assistance to rehabilitate their homes

Create new jobs and associated economic activity in Uptown Butte

- ✓ Develop a convention center facility that takes advantage of existing venues and local services
- ✓ Exploit the increasing interest of young professionals to live and work in urban centers
- ✓ Bring manufacturing jobs to the urban renewal area to help grow the economy – tourism alone cannot provide for sustained economic growth
- ✓ Develop recreational opportunities in the urban renewal district that incorporate “fun-ness”, such as zip lines in the mineyards
- ✓ Engage in economic development in Uptown Butte that “grows the pie”, rather than competes with existing businesses in other parts of the community
- ✓ Focus efforts on larger projects that will reap greater benefits for the district
- ✓ Reverse the loss of retail activity in the Uptown by “reinventing” our approach
- ✓ Improve the “curb appeal” in Uptown to draw more customers into the area