

HOUSE BILL NO. 289

INTRODUCED BY E. GREEF

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING ZONING REQUIREMENTS FOR TARGETED ECONOMIC DEVELOPMENT DISTRICTS; ALLOWING PROVISIONS ADOPTED THROUGH ZONING BY PETITION TO FULFILL THE ZONING REQUIREMENTS FOR CREATION OF A TARGETED ECONOMIC DEVELOPMENT DISTRICT; AND AMENDING SECTION 7-15-4279, MCA."

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

Section 1. Section 7-15-4279, MCA, is amended to read:

"7-15-4279. Targeted economic development districts. (1) A local government may, by ordinance and following a public hearing, authorize the creation of a targeted economic development district in support of value-adding economic development projects. The purpose of the district is the development of infrastructure to encourage the location and retention of value-adding projects in the state.

(2) A targeted economic development district:

(a) must consist of a continuous area with an accurately described boundary that is large enough to host a diversified tenant base of multiple independent tenants;

(b) must be zoned; ~~for use in accordance with;~~

~~(i) the area growth policy, as defined in 76-1-103; or~~

~~(ii) the development pattern and zoning regulations or the development district adopted under Title 76, chapter 2, part 1;~~

(i) FOR USES BY A LOCAL GOVERNMENT UNDER TITLE 76, CHAPTER 2, PART 2 OR 3, IN ACCORDANCE WITH THE AREA GROWTH POLICY, AS DEFINED IN 76-1-103; OR

(ii) IF A COUNTY HAS NOT ADOPTED A GROWTH POLICY, THEN FOR USES IN ACCORDANCE WITH THE DEVELOPMENT PATTERN AND ZONING REGULATIONS OR THE DEVELOPMENT DISTRICT ADOPTED UNDER TITLE 76, CHAPTER 2, PART 1;

(c) may not comprise any property included within an existing tax increment financing district;

(d) must, prior to its creation, be found to be deficient in infrastructure improvements as stated in the resolution of necessity adopted under 7-15-4280;

(e) must, prior to its creation, have in place a comprehensive development plan adopted by the local



1 governments that ensures that the district can host a diversified tenant base of multiple independent tenants; and

2 (f) may not be designed to serve the needs of a single district tenant or group of nonindependent tenants.

3 (3) The local government may use tax increment financing pursuant to the provisions of 7-15-4282
4 through 7-15-4294 for the targeted economic development district. If the local government uses tax increment
5 financing, the use of and purpose for tax increment financing must be specified in the comprehensive
6 development plan required in subsection (2)(e).

7 (4) For the purposes of 7-15-4277 through 7-15-4280:

8 (a) "secondary value-added products or commodities" means products or commodities that are
9 manufactured, processed, produced, or created by changing the form of raw materials or intermediate products
10 into more valuable products or commodities that are capable of being sold or traded in interstate commerce;

11 (b) "secondary value-adding industry" means a business that produces secondary value-added products
12 or commodities or a business or organization that is engaged in technology-based operations within Montana
13 that, through the employment of knowledge or labor, adds value to a product, process, or export service resulting
14 in the creation of new wealth."

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