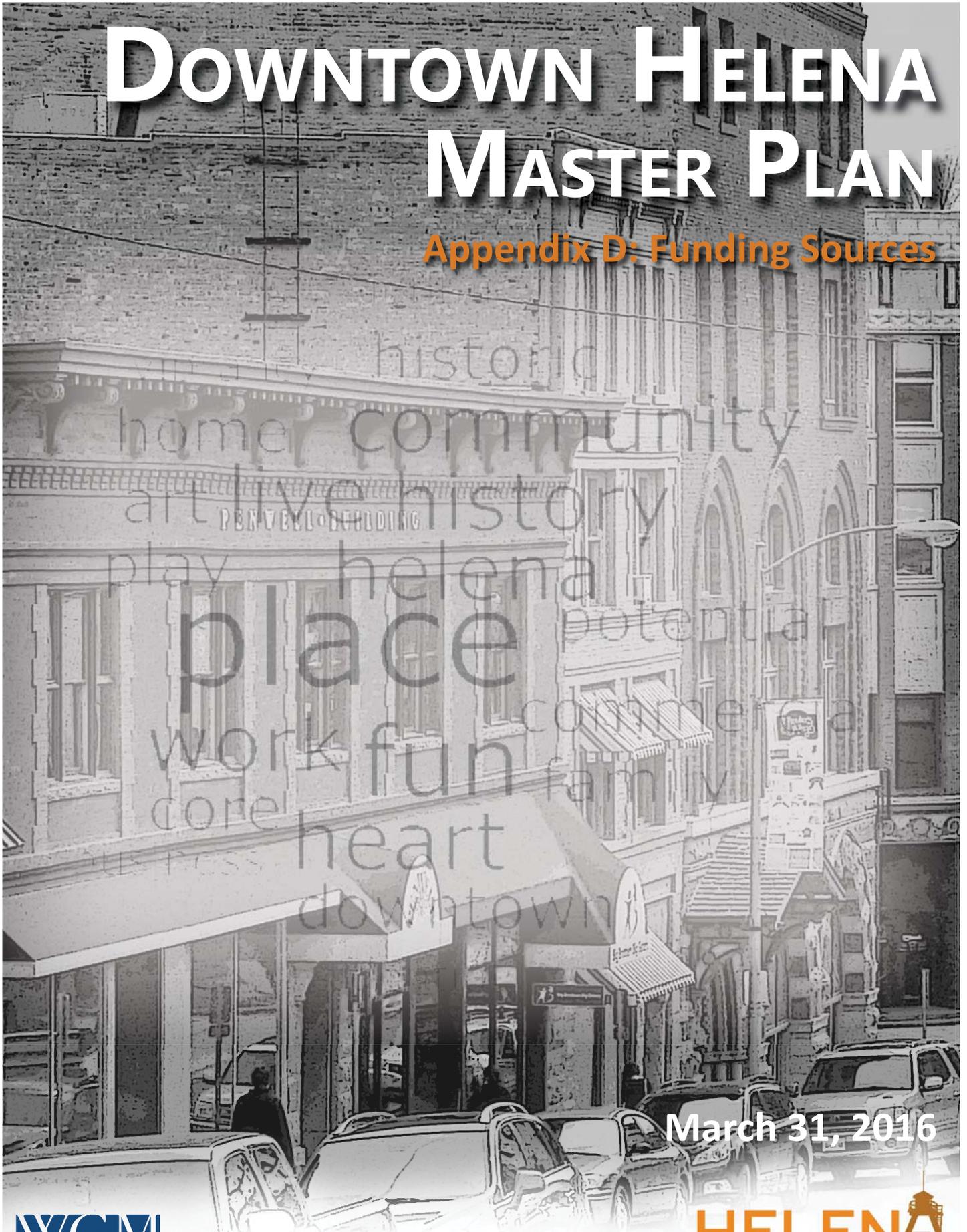


DOWNTOWN HELENA MASTER PLAN

Appendix D: Funding Sources



March 31, 2016



Funding Sources

GENERAL FUNDING

Capital Improvement Fund

A capital improvement fund plans for the replacement, improvement, and acquisition of property, facilities, or equipment that has a life expectancy of 5 years or more. The capital improvement fund may receive money from any source. Interest and income from the investment in the capital improvement fund must be credited to the fund.

Intended projects: Money in the capital improvement fund must be invested according to state law. Projects include infrastructure repair and improvements such as roads, sidewalks, bike paths and parks. It can also include machinery such as police cars and snow removal equipment.

General Funds

Every year the City Commission establishes a budget for the expenditure of general funds. The City Commission can direct general funds towards actions implementing this plan.

Intended Projects: These funds can go to most public related expenditures as decided by the City Commission.

General Obligation (GO) Bonds

A General Obligation Bond is debt taken out by the local government and repaid through property taxes. When the bond is retired, the obligation of the taxpaying public is also retired. General obligation bonds require voter approval.

Intended Projects: The sale of general obligation bonds can finance major infrastructure improvements such as parks, trails, sidewalks, roads, etc.

TARGETED ASSESSMENTS

Tax Increment Financing (TIF)

Tax increment financing is a redevelopment tool in state law that allow communities to reinvest new tax revenues in specific areas. Communities can borrow against future tax revenues to stimulate redevelopment.

Intended Projects: Infrastructure improvements that stimulate development such as the extension of services, parking, parks and streetscape improvements, as well as acquisition, demolition, and site preparation for private improvements.

Business Improvement Districts (BID)

A BID is a special district where an additional assessment is placed on commercial properties. The funds generated by the special assessment must be used to fund projects and programs that benefit the property owners within that district.

Intended Projects: Promotions and marketing, organizing and executing events, beatification projects, maintenance of existing facilities, security, infrastructure improvements and funding organizational and management entities.

Tourism Business Improvement Districts (TBID)

A TBID is a special assessment district that allows the hotel/motel industry within a community to place a per-room, per-night fee on their facilities. The funds, collected through the property tax, are used to promote tourism and can be targeted to the community's logical business market.

Intended Projects: Branding, signage, tourist publications.

Special Improvement Districts (SID)

SID's are an additional assessment placed on properties for a limited period of time – typically 15 to 20 years. The funds generated are generally targeted toward a specific purpose. SID's affect both commercial and residential properties.

Intended Projects: Infrastructure improvements or maintenance of infrastructure.

TRANSPORTATION FUNDING

Transportation Alternative (TA) Funds*

The Transportation Alternative program is Federal funding administered by the Montana Department of Transportation. The TA program replaced previous programs including Community Transportation Enhancements (CTEP), Recreational Trails, Safe Routes to School, and several other discretionary programs, wrapping them into a single funding source.

Intended Projects: Sidewalk improvements, trails, safe routes to schools, bike infrastructure.

Urban Highway System (STPU) Funds*

MDT administers federal and state funds under this program to finance transportation projects on Montana's Urban Highway System, as per MCA 60-3-211. STPU allocations are based on a per capita distribution and are recalculated each decade following the census.

Intended Projects: STPU funds are primarily used for resurfacing, rehabilitation or reconstruction of existing facilities; operational improvements; bicycle facilities; pedestrian walkways and carpool projects.

Highway Traffic Safety Funds

MDT's Highway Traffic Safety Section administers federal monies for safety programs aimed at reducing deaths, injuries, and property losses resulting from traffic crashes.

Intended Projects: Intersection improvements, traffic signals, roundabouts, lighting, signing and pavement markings.

Transit Funds

MDT administers both federal and state grant programs for qualified organizations providing transportation to the rural general public, including the elderly and disabled.

Intended Projects: Transit planning, capital improvements, equipment purchases, operations and maintenance.

Gas Tax Funds

The monies collected from fuel tax are used to support and maintain a safe transportation system across Montana. The Montana Department of Transportation allocates funding to Montana's cities, counties, and consolidated city-county governments.

Intended Projects: Construction, reconstruction, maintenance, and repair of rural roads, city/town streets and alleys, or for matching of Federal funds for similar activities.

* Additional information about transportation funding is available in the Greater Helena Area Long Range Transportation Plan – 2014 Update or through MDT.

GRANTS

Community Development Block Grants (CDBG)

This grant program assists communities with housing, public facilities and neighborhood renewal projects. Communities must have matching funds for CDBG projects. It is administered through the Montana Department of Commerce.

Intended Projects: Long range planning, water and wastewater projects, housing improvements, streetscape improvements, facade improvements, and Tax Increment Financing District creation.

Montana Office of Tourism Grant Program

This program awards funds to projects that strengthen Montana's economy through the development and enhancement of the state's tourism industry. The Grant Program offers funding in four categories.

Intended Projects: Digital enhancements such as website development, brick and mortar projects such as preservation, wayfinding production or installation, advertising in national media and trade shows.

Main Street Grants

The Montana Main Street Program helps communities strengthen and preserve their historic downtown commercial districts by focusing on economic development, urban revitalization, and historic preservation through long-range planning, organization, design, and promotion.

Intended Projects: Historic preservation, urban revitalization, design improvements, promotion and branding, and Tax Increment Financing District creation.

Big Sky Trust Fund Grants

This program provides state funds to promote long-term, stable economic growth in Montana in two categories: Economic Development Job Creation Projects and Planning Projects. Job creation funding is to create good paying jobs in basic sector business. Planning projects may include central business district redevelopment; industrial development; feasibility studies; creation and maintenance of baseline community profiles; matching funds for federal funding; preproduction costs for film or media; and administrative expenses.

Intended Projects: Tax Increment Financing District creation and downtown market feasibility.

Treasure State Endowment Program (TSEP)

This state-funded grant program is designed to help solve serious health and safety problems and to assist communities with the financing of public facilities projects. It may be utilized for certain projects pertaining to water, wastewater, and storm water infrastructure.

Intended Projects: Storm drainage, water, and sewer infrastructure improvements.

TIGER Grants

The Transportation Investment Generating Economic Recovery (TIGER) competitive grant program is authorized by the Federal government to fund road, rail, and transit projects that have significant impacts on a region or metropolitan area.

Intended Projects: Comprehensive bike network, circulator trolley, downtown transfer center, and roadway construction projects.

PRIVATE FUNDING

Business Owners Associations

A Business Owners Association is a common funding mechanism for downtowns across Montana. Businesses downtown pay a membership fee, which is then invested into projects that improve downtown.

Intended Projects: Funding is spent at the discretion of the Association. Typically the funds go towards promotion and marketing, event organization and execution, beautification and maintenance.

Private Donations

Private donations can range from contributions from foundations and corporations, to planned giving and fundraising events.

Intended Projects: Private donations can be used for essentially any project. Donations are typically used to fill in the gaps where other funding mechanisms cannot reach.