

Rail-park area declared infrastructure-deficient

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The Kalispell City Council on Monday declared the Glacier Rail Park as infrastructure-deficient, the next step in establishing a new funding mechanism in the area.

A Targeted Economic Development District would be established to finance infrastructure such as city services and roadways. The city lists the 49 acres as economically distressed “due to a decline in the traditional industries of timber, mining and aluminum production.”

The Targeted Economic Development District allows the city to use tax increment financing, as it does in other parts of the city. The difference between those districts and the Glacier Rail Park district is the intent is to finance infrastructure development rather than revitalize existing buildings or properties.

“This is perfect for a TIF,” City Attorney Charlie Harball said. “What you have is the resolution of necessity — essentially calling it infrastructure-deficient.”

Council members agreed with the funding method, noting that while the district itself doesn’t raise anyone’s taxes, the increase in taxes over time in the district will help pay for its infrastructure.

“That’s a great way for the parties involved to pay for the development of the rail park while the residents outside the rail park don’t have to pay for it,” council member Jim Atkinson said.

The Glacier Rail Park is spearheaded by the Flathead County Economic Development Authority and the city of Kalispell to develop a new rail park on the former McElroy & Wilken gravel pit property northeast of Kalispell. The cost of installing the rail is \$4.3 million while building a road from U.S. 2 is expected to cost \$2.6 million.

The City Council will hold a public hearing on the new economic district at its April 18 meeting. After the public hearing, the council will hear a comprehensive plan on the Glacier Rail Park Targeted Economic Development District.

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