



*Tomorrow's Town ... Today!*



# COLSTRIP GROWTH POLICY

AUGUST 2019



## Table of Contents

<b>CHAPTER 1: INTRODUCTION AND PURPOSE .....</b>	<b>1</b>
Historical Context.....	1
Community Vision .....	2
Regulatory Requirements .....	2
<b>CHAPTER 2: PUBLIC INVOLVEMENT .....</b>	<b>3</b>
Overview.....	3
Prior Efforts .....	3
City Council and Planning Board Meetings and Public Hearings .....	4
<b>CHAPTER 3: COMMUNITY GOALS AND OBJECTIVES .....</b>	<b>4</b>
Overview.....	4
Community Goals and Objectives .....	4
GOALS: .....	5
OBJECTIVES AND RELATED STRATEGIES.....	5
<b>CHAPTER 4: COMMUNITY PROFILE .....</b>	<b>7</b>
Population Trends .....	7
Ethnic Characteristics .....	7
Households and Families .....	8
Education.....	8
Employment and Industry .....	8
Work Commute.....	9
<b>CHAPTER 5: EMPLOYMENT AND POPULATION FORECASTS.....</b>	<b>10</b>
Employment Forecasts .....	10
Population Forecasts .....	11
<b>CHAPTER 6: LAND USE.....</b>	<b>14</b>
Overview.....	14
Trends .....	15
Existing Land Uses.....	16
Commercial/Industrial .....	18
Parks .....	18
Public .....	18
Residential and Rural Residential.....	18



Vacant Land .....	18
<b>CHAPTER 7: FUTURE LAND USE .....</b>	<b>20</b>
Overview .....	20
<b>CHAPTER 8: HOUSING .....</b>	<b>22</b>
Overview .....	22
Households and Housing Units .....	22
Housing Affordability .....	23
Housing Quality .....	23
Specialized Housing Facilities .....	24
Housing Programs and Incentives .....	25
<b>CHAPTER 9: INFRASTRUCTURE .....</b>	<b>25</b>
Overview .....	25
Roads/Streets .....	26
Wastewater System .....	26
Water System .....	26
Utilities .....	27
<b>CHAPTER 10: TRANSPORTATION .....</b>	<b>28</b>
Overview .....	28
Roadway Functional Classification and Condition .....	28
Future Roadway Extensions and Corridor Preservation .....	28
Public Transportation .....	29
Air Transportation .....	29
Railroad .....	29
<b>CHAPTER 11: ECONOMIC DEVELOPMENT .....</b>	<b>29</b>
Overview .....	29
The Local Economy .....	31
Energy Development .....	32
Agriculture .....	33
Tourism .....	33
Employment .....	33
Economic Development Objectives and Policies and Strategies .....	34
<b>CHAPTER 12: PUBLIC FACILITIES AND SERVICES .....</b>	<b>34</b>
Overview .....	34
Public Education .....	34





School District .....	35
Law Enforcement/Emergency Communications .....	36
Fire Protection .....	38
Ambulance and Emergency Medical Services .....	39
City Administration .....	40
Public Health, Medical Services and Facilities .....	40
Additional Public Services .....	41
Cultural Resources .....	41
County Library .....	41
Solid Waste Collection .....	42
Senior Citizen Services .....	42
<b>CHAPTER 13: RECREATION PLAN .....</b>	<b>42</b>
Overview .....	42
County and City Park Partnership .....	44
Parks Funding, Governance and Operations .....	44
Recreation Programs, Events, Objectives, Policies and Strategies .....	45
<b>CHAPTER 14: NATURAL RESOURCES .....</b>	<b>46</b>
Overview .....	46
Agricultural Land Use .....	46
Soils .....	47
Water and Wildlife Habitat .....	47
Rivers, Streams, Lakes and Aquifers .....	47
Montana Fish, Wildlife, and Parks .....	47
Coal Resources .....	47
Sand, Gravel, and Other Mineral Resources .....	49
Wildland-Urban Interface .....	49
Climate .....	50
<b>CHAPTER 15: GROWTH POLICY IMPLEMENTATION .....</b>	<b>50</b>
Overview .....	50
Implementation Tools .....	51
Regulatory Tools .....	52
Policy Tools .....	53
Government Finance Tools .....	54
Education Tools .....	55



Coordination Tools .....	57
Land Use.....	63
Housing .....	65
Transportation .....	66
Infrastructure.....	67
Economic Development Objectives, Policies and Strategies .....	70
Public Facilities and Services Objectives, Policies and Strategies .....	72
Intergovernmental Coordination Objectives, Policies, and Strategies .....	73
Figure 1, Population Trends of Rosebud County .....	7
Figure 2, Population Change Scenarios .....	14
Figure 3, Existing Land Use Map .....	17
Figure 4, High Value Development Locations .....	19
Figure 5, School Population .....	35
Table 1, 2010 Census Statistics .....	8
Table 2, Colstrip Vicinity—Major Employers.....	9
Table 3, Housing Statistics.....	23
Table 4, Colstrip Volunteer Fire Department Call History .....	38
Table 5, Land Use Objectives .....	63
Table 6, Housing Objectives.....	65
Table 7, Transportation Objectives.....	66
Table 8, Infrastructure Objectives .....	67
Table 9, Economic Development Objectives.....	70
Table 10, Public Facilities and Services Objectives .....	72
Table 11, Intergovernmental Coordination Objectives .....	74



## CHAPTER 1: INTRODUCTION AND PURPOSE

### Historical Context

The town of Colstrip was established as a company town in the early 1920's by the Northern Pacific Railroad. The nearby mine provided coal to use in steam locomotives for 34 years. By the 1950's the mine had closed, and the town had decreased to less than 1,000 people. In 1959, Montana Power Company purchased the Northern Pacific Railroad coal leases, mining equipment and a town site to meet the needs of its projected coal-fired electrical power plants.

The community of Colstrip was developed in two distinct phases. In the early 1970's phase one involved the platting and development of the original town site. This occurred in response to the population growth created by the construction of Colstrip electric power generating plants 1 and 2. Phase two, expansion of the Colstrip Town site, began in the late 1970's and early 1980's to accommodate the growth that occurred in response to the construction of Units 3 and 4. The community grew and developed from a population of 250 in 1970 to approximately 8,600 in 1982. The population was, in part, mining employees, but the majority were construction workers. After the construction of Units 3 and 4 was completed and the plants became operational, a smaller, remaining population was comprised of coal mining, power plant generation, secondary services, retail employees, and their families. The subsequent reduction of temporary construction workers and the stabilization of permanent employees and families determined the present land use pattern of Colstrip.

In 1998, when Colstrip became an incorporated city, the mayor and council prepared a comprehensive plan to guide the city in decisions relating to the physical and economic development of the community. The council formed a city planning board to assist it in the land use planning program. The 2013 Colstrip Growth Policy was an extension of the first Comprehensive Growth Policy which was adopted in 2001.

Today, Colstrip is still primarily a power generating and mining town, however, the area is uncharacteristic of the stereotypical strip-mining community. The Colstrip area has received nationally recognized awards for planning and city engineering as well as environmental awards for land reclamation, factors contributing to a high quality of life in Colstrip. Colstrip boasts numerous parks and a trail system that connects the entire community. Castle Rock Lake, a water source for the city and the power plants, is another benefit to the community and is the direct result of responsible energy development.

While planning and development of growth policies is important in all communities, the need for a strategy in Colstrip is intensified as federal regulations and rulings jeopardize the viability of a significant portion of Colstrip's current economy and electrical generation capacity by taking Units 1 and 2 of the Colstrip Power Plant off-line. In September of 2016, the owners of Colstrip Units 1 and 2 signed a binding legal agreement ratified by the District Court which obligates the parties or their assignees to the terms of the Sierra Club settlement agreement. The consent decree requires the retirement of the boilers at Colstrip Units 1 and 2 no later than July 1, 2022. Neither the Presidential Administration nor the sale of Units 1 and 2 can change the consent decree. In May 2019, as a result of failed contract negotiations related to fuel supply, a decision to close Units 1 and 2 on December 31, 2019 was made.



By signing the original decree in 2016, owners were able to ensure the prolonged life of the newer, larger, cleaner and more economic Units 3 and 4; avoiding further litigation and expensive environmental compliance improvements that would have otherwise been required for these Units.

These actions, along with looming fear surrounding the long-term plan for the Westmoreland Rosebud Mine and Units 3 and 4 of the Colstrip Power Plant, have driven the city planning board and other community leaders to actively focus on developing the future of Colstrip beyond primary economic drivers of today.

## Community Vision

The City of Colstrip has always been forward thinking. The town slogan “Tomorrow’s Town Today” reflects that spirit. The City Council and the planning board desire the Growth Policy to be an extension of that slogan and a mechanism that provides the necessary tools to meet the mission of the City to enhance the high quality of life of the residents through improvement of provided services and upgrading of infrastructure, to foster pride in the community’s energy resource heritage and to develop a vibrant diverse economy by proactively planning for the future.

## Regulatory Requirements

Montana State Statute 76-1-601 provides guidance on the development of growth policies by local governments. While the contents of each individual growth policy are at the discretion of the governing body, the intent of Montana’s planning statute is to provide the tools for local governments to proactively envision their future and address local issues in a coordinated way.

Colstrip’s future is, in many respects, uncertain. In a 2016 settlement agreement, the owners of Units 1 and 2 of the Colstrip Power Plant agreed to close those units no later than July 1, 2022. In the spring of 2019, the owners announced Units 1 and 2 would close early, on December 31, 2019. In a community in which the economy has traditionally been dominated by the Westmoreland Rosebud Mine and the Colstrip Power Plant, the pending closure of Units 1 and 2 will most certainly have significant impact. Additionally, although there is no indication that Units 3 and 4 will not remain operational for years to come, there remains a degree of uncertainty related to the future of not just coal-fired power but coal mining itself on a statewide, regional and national level.

Despite these factors, many of which are outside the control of the Colstrip community, the citizens of Colstrip remain proactive in their efforts to maintain their heritage in the mining and power industries, but also to diversify in order to maintain the community and quality of life they have come to enjoy. The 2016 Comprehensive Economic Development Plan, the 2017 Economic Diversification Plan, the 2019 Land Use and Business Development Plan, and now this Growth Plan all work in conjunction to ensure that Colstrip has the community buy-in and planning infrastructure in place to make long-term strategic decisions for the future.



## CHAPTER 2: PUBLIC INVOLVEMENT

### Overview

The planning board began meeting formally in December of 2018 and continued meeting through August of 2019. The planning board held a meeting on August 29, 2019 solely for the purpose of gathering public comment on the finalized draft of the Colstrip Growth Policy and City Council met to review and adopt the plan on September 10, 2019. All meetings were open to the public.

### Prior Efforts

In addition to the Growth Policy, which was last updated in 2013, Colstrip has participated in several other planning efforts, all of which have included significant public engagement. In 2016, Southeastern Montana Economic Development Corporation (SEMDC) completed the 2016-2020 Comprehensive Economic Development Strategy (CEDS), a revision of the original CEDS report of 2004. This document is designed to encourage, stimulate and promote economic development throughout the Southeastern Region and encompasses Custer, Powder River, Rosebud, and Treasure Counties as well as the individual communities in those counties of Ashland, Broadus, Colstrip, Forsyth, Hysham, Miles City, Lame Deer and the Northern Cheyenne Indian Reservation. Public meetings were held in each of the designated communities in the fall of 2016. In addition, the CEDS is updated annually to reflect ongoing progress and change. Public meetings were held again for the 2017 and 2018 updates to garner input regarding the community identified infrastructure and economic development priorities.

In response to community input during the 2016 CEDS process and to the 2016 District Court acceptance of the settlement which would result in the retirement of Colstrip Power Plant Units 1 and 2, the City and SEMDC completed the 2017 Colstrip Economic Diversification Strategy. This six-month study included significant public engagement including two community meetings and multiple individual and small-group stakeholder discussions. Multiple concepts rose to the surface as opportunities for Colstrip to consider that would bring balance to economic drivers, while still staying true to the core industries of coal mining and power generation.

In 2016, recognizing the significant economic impact the closures of Units 1 and 2 would have on the area, Puget Sound Energy, one of the two owners of Units 1 and 2 of the Colstrip Power Plant (the second being Talen Energy), agreed to set aside \$10 million to assist the community. Governor Steve Bullock and Attorney General Tim Fox convened and co-chaired the Colstrip Community Impact Advisory Group (CCIAG) to develop a community impact plan that would guide disbursement of that impact fund.

Between January of 2018 and December of 2018, the CCIAG met seven times and various subcommittees held additional meetings, all of which were open to and well attended by the public. In addition, the Montana Department of Commerce hosted four public meetings (in Colstrip, Forsyth, and Lame Deer) to encourage further public engagement and input into the final plan. The plan was completed and submitted to Puget Sound Energy in December 2018.

Each of these planning documents plays a critical role in the overall growth and economic development plan of Colstrip, engaging the community throughout to ensure public involvement and citizen buy-in are part of each step moving forward. Relevant results from these planning documents have been incorporated into this Growth Policy.





## City Council and Planning Board Meetings and Public Hearings

- ◆ Planning Board Meeting – December 5, 2018
- ◆ Planning Board Meeting – December 17, 2018
- ◆ Planning Board Meeting – January 14, 2019
- ◆ Planning Board Meeting – February 6, 2019
- ◆ Planning Board Meeting – February 25, 2019
- ◆ Economics Subcommittee Meeting – March 4, 2019
- ◆ Housing and Population Growth Subcommittee Meeting – March 5, 2019
- ◆ Planning Board Meeting – March 11, 2019
- ◆ Planning Board Meeting – April 4, 2019
- ◆ Planning Board Meeting – June 17, 2019
- ◆ Planning Board Meeting – July 22, 2019
- ◆ Planning Board Meeting – August 12, 2019
- ◆ Public Hearing for the Draft Colstrip Growth Policy -August 19, 2019
- ◆ City Council Meeting to Adopt the Colstrip Growth Policy – September 10, 2019

(Agendas and minutes for each meeting can be requested at Colstrip City Hall).

## CHAPTER 3: COMMUNITY GOALS AND OBJECTIVES

### Overview

Colstrip's community goals and objectives are most comprehensively outlined in the 2016 Comprehensive Economic Development Strategy (CEDS) and the corresponding 2017 Colstrip Economic Diversification Strategy. In the face of certain and looming changes to the primary economic drivers of coal and coal-fired power generation, Colstrip continues to strive to create strong, collaborative relationships with neighboring and regional communities, and to diversify the economic base while maintaining traditional rural quality of life aspects during growth.

### Community Goals and Objectives

Goals, objectives and strategies are derived from analyzing background socioeconomic data, community and town meetings, a project list developed by community members, and meetings with community leaders and experts in the southeastern Montana region.



## GOALS:

1. Encourage economic growth, development, and diversification
2. Support responsible natural resource development
3. Foster opportunities and support entrepreneurship and business development
4. Promote the investment in public infrastructure and services
5. Support additional broadband capacity, access and affordability options
6. Enhance communication and networking opportunities
7. Strengthen marketing and the web-presence for public and private sector entities
8. Encourage the improvement of quality of life issues and benefits

## OBJECTIVES AND RELATED STRATEGIES

1. Actively participate in numerous Coalitions
  - a. Collaborate with other communities and economic development groups in Eastern Montana to address the rapid changes associated with natural resource development and other economic development and growth challenges.
2. Implement the Colstrip Economic Diversification Strategy
  - a. Continue to obtain funding for implementation of the Diversification Strategies and the individual projects/goals as outlined in that document
3. Continue to determine the feasibility and financing available for community infrastructure projects as identified within the growth plan and/or the SEMDC Infrastructure Needs List, the CEDS and other planning documents. This should include state and federal financial opportunities.
  - a. Work in conjunction with SEMDC to determine the feasibility and financing of critical community infrastructure projects and continue updating the SEMDC Infrastructure Needs list to reflect infrastructure priorities.
  - b. In partnership with economic development, write, submit and receive grants in a minimum amount of \$2 million for the region, a portion of which will be designated to Colstrip.
4. Continue to market the benefits of the SEMDC Revolving Loan Fund opportunities to the lending community, identify funding strategies and develop loan packages that increase capital formation and create/retain community jobs
  - a. Schedule outreach with lenders, provide information to potential investors/entrepreneurs via websites, email marketing and other media as appropriate.
5. Enhance communications and networking activities
  - a. Increase marketing efforts and awareness of what makes Colstrip an amazing place to live, work and play



6. Support additional broadband capacity, access, and affordability
  - a. Quantify current broadband capacity within the community and continue efforts to enhance access and affordability throughout the entire community
7. Actively participate in the Brownfield Coalition (15 surrounding counties)
  - a. Support and assist in outreach with lenders, as well as provision of information via websites and other media as appropriate
8. Promote and support leadership and workforce development
  - a. Encourage and support the Leadership Montana program, and the REAL Montana Program as well as local leadership programs and opportunities.
  - b. Continue support of the Heavy Equipment course at Miles Community College
  - c. Encourage utilization of workforce development grant funding as it is available
9. Continue to improve a collaborative working relationship with the Northern Cheyenne Tribe and Tribal government through improved communication, and active and mutual participation in both public and private sector projects
  - a. Maintain and encourage ongoing interaction and communication with the Northern Cheyenne Tribe
10. Strengthen Colstrip's marketing and web presence for both the public and private sector
  - a. Support and encourage bi-annual marketing workshops and consider contracting with private marketing resources to boost Colstrip's ability to highlight amenities and reasons to live, work and play in Colstrip.
11. Encourage and support improvement of the Quality of Life group and expand, where possible, outside Colstrip and into Rosebud County
  - a. Be aware and support shared resources and funding opportunities in Colstrip and in the surrounding county and district
12. Actively prepare for and interact with city, county, state and federal legislators, community leaders and other stakeholders during legislative sessions and in-between those sessions
  - a. Compile community issues and actively and diligently educate community leaders and legislators about issues critical to Colstrip
13. Actively collaborate with and support SEMDC in the continuation of the annual Energy Open Conference and Golf Tournament
  - a. Promote education and collaboration opportunities for responsible natural resource development.

## CHAPTER 4: COMMUNITY PROFILE

### Population Trends

Colstrip became a municipality in 1998 but was established in 1924. After the initial boom days during the first period of coal mine development, the population remained under 500. The census doesn't fully account for the peak population it experienced during the time the power generation plants were being built. It is estimated that the population may have peaked in 1982 with approximately 8,600 people. **FIGURE 1** illustrates the population trends of Rosebud County, Forsyth, and Colstrip over the last fifty years.

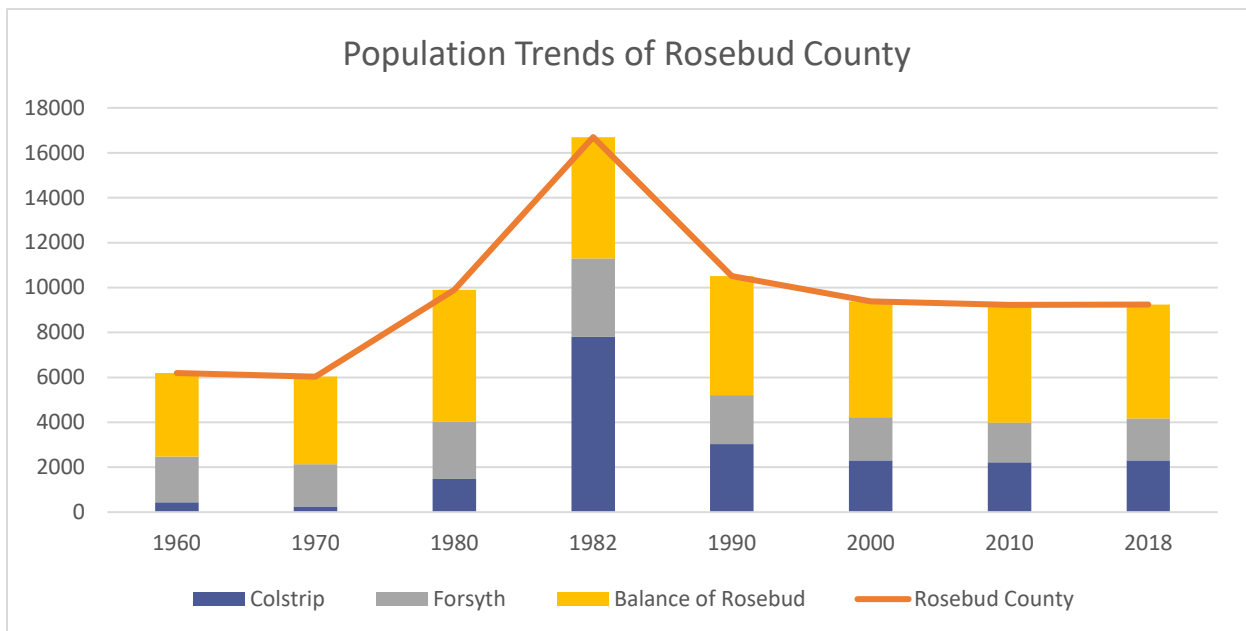


FIGURE 1, POPULATION TRENDS OF ROSEBUD COUNTY

The entire southeastern Montana region has been losing population since the 1970's. Rosebud County accounted for the only variation from this pattern with the increase of population due primarily to the influx of construction workers and spinoff employment during the 1980's. Farms/ranches have combined ownership and acreage resulting in fewer families to support schools and businesses, absentee owners, and no significant new industry developing since the Colstrip boom. These conditions have contributed to a cycle of population decline. According to the 2010 United States Census Bureau, the population of Colstrip was 2,214, with a median age of 38.1 years. The most recent Census Bureau data estimate indicates Colstrip's 2017 population at 2,311.

### Ethnic Characteristics

The 2010 Census indicates the racial distribution of Colstrip to be 84.7% Caucasian, 9% Native American, with the remaining population split among all other categories. Just over 5% of the population is indicated to be Hispanic or Latino. More recent and reliable estimates of ethnic characteristics are not available.



The 2013–2017 American Community Survey (ACS) uses such a small sample size that its margin of error for communities the size of Colstrip is not considered reliable, however those statistics are provided in the table below for reference.

TABLE 1, 2010 CENSUS STATISTICS

	2010 CENSUS	SUBURBAN STATS	ACS SAMPLE DATA
<b>Single Race</b>			
White	1875	1875	1768
American Indian	199	199	374
Asian or Hawaiian	16		49
Black	5		
Another Race	9		39
Two or More races	110	110	23
Not Identified		30	
<b>Total Population</b>	<b>2214</b>	<b>2214</b>	<b>2253</b>
<b>Hispanic or Latino (any race)</b>	96		280

## Households and Families

According to the 2010 Census, there were 863 households in Colstrip. (The term household refers to all the people who occupy a housing unit. Family refers to a group of two people or more, one of whom is the householder, related by birth, marriage, or adoption residing together). Of these households, 35.9 percent had children under the age of 18, and 10.9 percent of the households had at least one-person age 65 or older. Of these 863 households, 61.8 percent were married couples living together, 5.8 percent had a female head of house with no husband present, 4.5 percent had a male head of house with no wife present, and 27.9 percent were non-families. Of these 863 households, 24.1 percent lived alone.

## Education

Colstrip is a well-educated community with 97.9 percent of the population attaining a high school degree or higher, and 70.3 percent pursuing some college, completing an associate degree or trade program. Colstrip has a strong resource in its well-educated population. Included in the 70.3 percent pursuing “some college or associate degree” are highly skilled trade workers such as welders, electricians, and heavy equipment operators. These careers provide high wage jobs and require intense levels of training and often lengthy apprenticeships.

## Employment and Industry

Employment statistics by industry are often not readily available for smaller communities because of data privacy. Data is more often available at a county level. Rosebud County’s traditional major industries of coal mining, railroad, and agriculture remain the driving forces in the area economy. Rosebud County has experienced a declining economy in the last several decades. Primary businesses have downsized, and a small U.S. Air Force base closed. Ongoing drought conditions have also impacted the county’s agricultural sector. The Tongue River Lumber Mill (a major employer of Native Americans) closed but has attempted to reopen numerous times in the last ten years.





There is no current, complete and reliable source of employment numbers for employers in Rosebud County or the City of Colstrip. Historical records of major employers include data from the Montana Department of Labor and Industry in 2016, data from the 2017 Colstrip Economic Diversification Strategy Report, and various other sources. Collectively, these sources provide the best available data on major employers. The table below summarizes the Colstrip Area Major Employers, identifies their related industry, and lists the best available number of full- time equivalent employees.

TABLE 2, COLSTRIP VICINITY—MAJOR EMPLOYERS

EMPLOYER	INDUSTRY GROUP	NUMBER OF FTE EMPLOYEES*
Ashland Public Schools	Educational Services	Not Available
1 <sup>st</sup> Interstate Bank	Banking	7.5
CEI Electrical Contractors	Construction	16
Charging Horse Casino	Gambling	35 **
City of Colstrip	Public Administration	25
Colstrip Medical Center	Healthcare	17.5
Colstrip School District	Educational Services	125
Forsyth Public Schools	Educational Services	Not Available
Lame Deer Trading Post	Retail	35 **
North American Energy Services	Power Plan Operations	175**
Oftedal Construction	Construction	160
Prince	Construction	75**
Range Telephone	Telecommunications	Not Available
Rosebud Community Hospital	Healthcare	175**
Rosebud County	Public Administration	128
Rosebud Foods	Retail	Not Available
Rosebud Powerplant	Energy Services	42
St. Labre Indian School	Educational Services	175**
Sagebrush Industries	Construction	10
Talen Montana, LLC	Energy Services	372
Town Pump	Retail	35**
True Oil Company	Energy Services	Not Available
Westmoreland Rosebud Mining	Mining	361
Tinum	Renewable Energy	Not Available
Veolia (Brine Concentrator)	Waste Management	8

\*latest estimate of full-time equivalent employees based on available public sources

\*\* data only available in ranges; value listed is the midpoint of the range provided

## Work Commute

Colstrip has a great number of people who commute from Billings, Forsyth, Lame Deer, Miles City and some out of state communities (mostly in neighboring Wyoming and North Dakota). Additionally, Colstrip supplies workers to communities in the immediate area at various medical, educational, and other facilities.



## CHAPTER 5: EMPLOYMENT AND POPULATION FORECASTS

### Employment Forecasts

Despite recent efforts to diversify the Colstrip economy, both mining and power production continue to be staples. As reported to SEMDC in 2019, the Westmoreland Rosebud Coal Mine employed 361 workers, while the power plants combined provided employment for 372. Between these employers, 733 full-time positions are provided to the region. In addition to coal mining, electric power and transmission, additional economic drivers in Colstrip include livestock industries, healthcare, and education.

Colstrip has a well-educated and trained population with transferrable skills, specifically within the professional trades. Given the strong presence of mining and power production/transmission jobs in the community and the standard pay scale for these jobs, it is not surprising that the median income in Colstrip is much higher than in other communities in Montana (\$84,145, which is 44 percent higher than the median household income of Montana at \$46,972). The educated and highly skilled population along with the heightened income level is attractive, but at the same time, it presents challenges for Colstrip sustainability and growth moving forward as it is rare that economic diversification efforts in communities based on limited industries will garner employment opportunities with the level of wages that are accepted in the community.

None of the research to date clearly provides a definitive total number of direct, contract, and supporting employees who will lose jobs when Units 1 and 2 close on December 31, 2019. Two studies provide estimates. In June 2018, the Bureau of Business and Economic Research (BBER) released a study on the economic impacts of closing Colstrip Units 3 and 4. The analysis in this study was built from the assumption that Units 1 and 2 had been decommissioned. The report states current employment in all 4 units is 328 full time and 20 part-time plant workers, in addition to a year-round equivalent of 164 contractors. This is a total of 512 employees/contractors. The report indicates that the closure of Units 3 and 4 would result in a loss of 279 plant jobs and 125 year-round equivalent contractor jobs for a total of 404 jobs. Comparing this to the total current employment for all four units of 512, this is a difference of 108 jobs, or 21 percent of the workforce presumable associated with Units 1 and 2. The report further indicates that should Units 3 and 4 close this would result in the loss of an additional 289 workers at the Rosebud Mine.

A second estimate of the number of workers directly employed with Units 1 and 2 is provided by Nick Van Brown and Sam Schaefer of the Montana Legislative Fiscal Division in a June 17, 2016 memo to Colstrip Senator Duane Ankney. The memo states that Colstrip Units 1 and 2 make up 29 percent of the plants' total generating capacity. The analysis assumed that 29 percent of the workforce at the Colstrip facility and the Rosebud mine would be lost with the retirement of Units 1 and 2.

In October 2018, Westmoreland, the operators of the Rosebud Coal Mine, filed bankruptcy and began soliciting offers for the purchase of substantially all its assets. Subsequently, Westmoreland Rosebud Mining LLC Company was retained by Westmoreland and emerged from bankruptcy as a new company named Westmoreland Rosebud Mining LLC (WRM).

WRM has received a new permit to mine in Area F, which will continue to supply coal to Units 3 and 4 for many years into the future. As of July 2019, the new contract with Unit 3 and 4 buyers was only a few weeks away from completion.



In addition to these already complex and ever-changing factors, there is the issue of remediation and reclamation activities. Remediation/reclamation activities often create employment opportunities that require the same or similar skills as those found in the Colstrip community already. One opportunity available is the recent start-up of a brine concentrator facility which removes dissolved solids from the scrubber wastewater. This facility began operations in June of 2019 on Units 3 and 4. Operation of this facility is contracted to Veolia North American and employs eight (8) people. The owners of the Colstrip Power Plant have submitted preliminary plans for remediation of the site to DEQ, however, Northern Plains Resource Council has recently completed a site-study and is recommending a much higher and more intensive level of remediation and reclamation than is being proposed by the power plant owners. With the implementation of either plan, there may be additional employment opportunities.

Due to these and several other complex and unknown factors, as well as uncertainty related to possible new industries that will rise to fill declining mining and power employment gaps, it is impossible to accurately forecast employment. What is anticipated, however, based on national data and case studies of similar communities facing similar industry specific employment issues, is that there will be a decline in employment opportunities, or, at minimum, a decline in employment opportunities with wages that would be comparable to the current wages and acceptable to the community.

One additional factor which should be considered in discussion of the potential change in employment levels related to energy production in the Colstrip area, is the impact of national policies pertaining to green energy. Since most of the energy produced by Colstrip Power Plant is utilized in other states, much of it in the state of Washington, that state's energy policy is especially significant. In May of 2019, Governor Inslee signed SB5116 into law. The bill calls for Washington's electricity to be 100 percent carbon-free by 2045. The bill also requires utilities to phase out coal power by the end of 2025. The State of Washington follows Hawaii, California, New Mexico and Puerto Rico in committing to 100 percent clean energy.

Regionally, it is estimated that the closure of Colstrip Units 1 and 2, and the general decline of production in all eastern Montana coal mines will result in a minimum of 800 and up to 7,100 jobs lost in the southeastern and eastern Montana region. (Montana State University: "Colstrip, The Status of Key Policies and Decision Processes," July 2017)

## Population Forecasts

Population forecasts for Colstrip are also difficult to develop due to limited, inconsistent, and conflicting data pertaining to future employment opportunities as noted previously.

One difference from employment data is that there is existing information on Colstrip's recent population change and additional data that can be used to develop a baseline trend. When combined with alternative future employment changes which may occur, forecasts can be derived. The following employment data can be used to develop population forecasts.

- ◆ According to the 2018 Legislative Fiscal Report, 803 full-time workers are employed directly at Colstrip Power Plant Units 1-4, the Westmoreland Rosebud Mine and the Rosebud Power Plant.
- ◆ The Colstrip Generating Facility employs approximately 430 people (full-time). A recent count of employees at these three facilities put current employment at 330, 361, and 42 respectively.



- ◆ According to the Summary of Colstrip Units 1 and 2 closures as completed by Department of Commerce for the CCIAG in September 2018, the estimated loss of employee and contractor positions associated with Colstrip 1 and 2 is between 233 and 289 FTE employees, resulting in an expected population decrease in Colstrip of 10-15 percent (CCIAG Plan Final Report, December 11, 2018).
- ◆ The Medical Center anticipates a reduction in patient visits that will result in approximately a 10 percent reduction in patient revenue as a result of the shutdown of Colstrip Units 1 and 2. This is based on an assumption of approximately 80 workers being lost with the closure of the power plant units and the mine.

Despite statistics and national data suggesting a significant population decline directly related to declines in mining and power industries, there are factors that should be taken into consideration that could offset at least a portion of the anticipated population loss. As identified by community members in both the CEDS and Economic Diversification Strategy process, Colstrip is a welcoming community with low crime rates, an exceptional education system, good community facilities and a low cost of living. There is existing, useable infrastructure that is desirable to several industrial and manufacturing businesses (rail, water and transmission lines), and significant outdoor recreation access and opportunities. The community is home to several home-based/on-line businesses. In addition, Colstrip has local airport access with Rick's Field, a county owned public airport located 3 miles west of Colstrip. It has a 5,100' X 75' reinforced runway for business-class aircraft.

In addition to the opportunities the community already offers, there are additional opportunities that could prove to be beneficial moving forward. The community has already been approached by industries working in clean coal and related technologies, as well as renewable power providers (wind, solar and geothermal). The ability to utilize the existing facilities and neighboring coal mine at current capacity and for a significant period may depend on these technologies, many of which have the potential to draw new residents to the area. Additionally, the community has several buildings, vacant properties and possible industrial sites ripe for development and private investment. The City and SEMDC continue to actively pursue these opportunities and to take a multi-pronged approach to economic diversification that will offset some, albeit not all, the energy and mining employment vacancies and anticipated related population decrease.

Lastly, because of the high caliber of recreational and small-town amenities, low cost of living, low crime rate, and access to medical care, Colstrip is an ideal location for retirees. With the community's emphasis on increased broadband access, there is reason for hope that many of the older residents will remain, and that new industries and opportunities will bring renewed interest to the community.

Population change in a community is always the net result of three activities: births, deaths, and migration. Births and deaths have constant statistical patterns in a given geographic area and are usually tracked at a county level.

If one knows the birth rate and death rate, and the number of people by age and gender in a county, the natural increase or decrease in population can be reasonably calculated. What is more difficult to account for is the migration factor. Especially during periods of volatile economic activity, migration patterns can change quickly.



Factors that tend to influence migration activity include jobs availability (both in a community and elsewhere), transferable skill level, home ownership, home market value, presence of nearby family, presence of children in K-12 school, and age of household members.

The most certain economic factor in Colstrip's local economy is the closure of Plants 1 and 2 on December 31, 2019. It is assumed that economic factors related to this closure will be the highest drivers of whether people stay or leave Colstrip. If individuals have jobs, they will probably stay. If they don't have jobs, they are likeliest to stay if they have (a) the capacity to earn income without moving, (b) are close to retirement and don't feel the need to move, (c) have children in high school, (d) are a two-income household, and/or (e) perceived risk to better themselves financially through migration is high. Of these factors, those close to retirement and those with children in high school are easiest to estimate.

Based on the Census Bureau's Annual Estimates Program Data, and the births and deaths statistics for Rosebud County from 2010 through 2017, the contribution of deaths, births, and net migration can be estimated for each year. Using the last five years of data as a trend for each factor of population change, a trend baseline was derived through the year 2030. This represents the anticipated change in population if no employment changes to the Colstrip Power Plant, Rosebud Power Plant, and WMC coal mine were to occur.

Since some level of employment change for the Colstrip Power Plant, Rosebud Power Plant, and WMC coal mine will occur, four different scenarios have been constructed based on alternative employment change data noted previously. These four scenarios are as follows:

1. Minimal Unit 1 and 2 Impact. Assumes 80 jobs will be lost when Units 1 and 2 close at the end of 2019. This results in the loss of 177 people related to job loss.
2. Major Unit 1 and 2 Impact. Assumes 233 jobs will be lost when Units 1 and 2 close at the end of 2019. This results in the loss of 576 people related to job loss.
3. Minimal Unit 1-4 Impact. This assumes that 10 percent of Colstrip's population will be lost when Units 1 and 2 close and an additional 23 percent of Colstrip's population will be lost if Units 3 and 4 were to close in 2025.
4. Major Unit 1-4 Impact. This assumes that 233 jobs will be lost when Units 1 and 2 close at the end of 2019, and that an additional 540 jobs will be lost if Units 3 and 4 were to close in 2025. This results in the loss of 1612 people related to job loss.

The following **FIGURE 2** chart illustrates the population trend baseline, and the four population change scenarios noted above. The population change in these four scenarios results in a Colstrip population in 2030 that ranges from as high as 2,101 to as low as 666. If the ongoing efforts at economic diversification are successful, the more drastic impacts that would occur if Units 3 and 4 were to close may be mitigated.



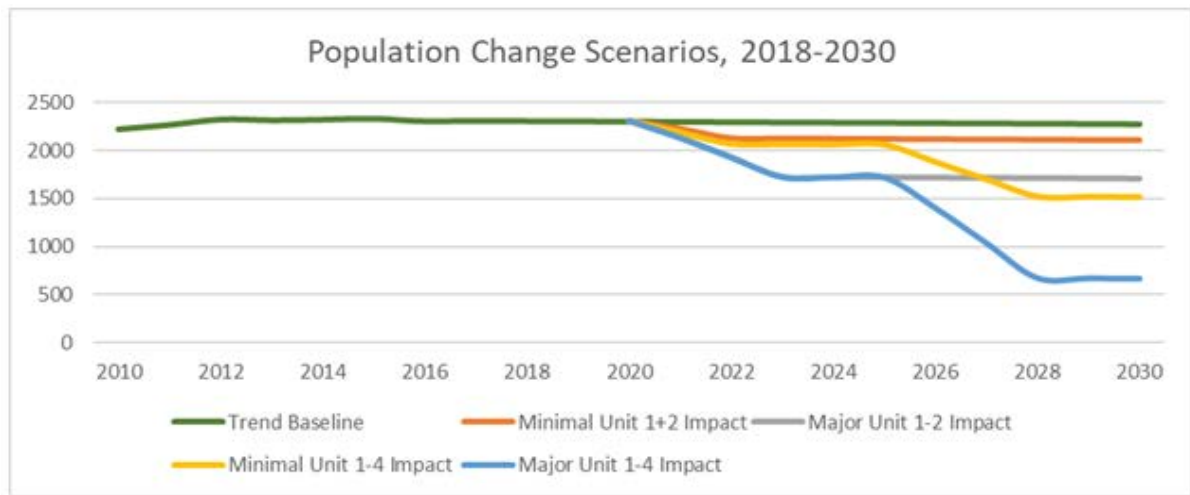


FIGURE 2, POPULATION CHANGE SCENARIOS

## CHAPTER 6: LAND USE

### Overview

Colstrip is in southeast Montana, 120 miles east of Montana's Trailhead, Billings. This equates to a 2-hour drive. Colstrip is located on MT Highway 39 between US Highways 212 and I-90. It is 238 miles from Rapid City, SD and Mount Rushmore National Memorial, 324 miles to Yellowstone National Park, 90 miles from Miles City Montana and 63 miles from the Little Big Horn Battlefield National Monument. From a national perspective, Colstrip is located 526 miles north of Denver, 1,124 miles west of Chicago, 994 miles east of Portland, and 410 miles south of Regina, Canada.

There are twelve (12) counties that comprise southeast Montana (as defined by Southeast Montana Tourism), however, there are four (4) counties (Custer, Powder River, Rosebud, and Treasure) that are served by Southeastern Montana Development Corporation (SEMDC) and are considered the most predominantly and directly impacted by the coal industry. This four-county region is a vast area of prairies, buttes, ravines and forests encompassing 13,280 square miles. With a population of just under 24,000, the density is sparse; 1.8 people per square miles. Three rivers running through the area and several creeks provide cherished water to the semi-arid climate.

The most western boundary of the region is 75 miles east of the largest city in the state, Billings, and 300 miles east of the state capital, Helena. The southern portion of Rosebud County is also home to the Northern Cheyenne Reservation.

Colstrip is in the middle of Rosebud County and is one of only four urbanized towns with a population over 1,000 in the southeastern Montana region. Nearly a quarter of Rosebud County's population resides in Colstrip. Colstrip is also Montana's newest town, officially incorporating in 1998, after serving the region as a leading coal provider since 1924.



Rosebud County has just over 13,000 square miles of land and low population density. Land ownership and natural resource development are key land uses and economic features. The land uses primarily consist of agriculture, crops for grazing, grasslands, forest/grazing, open grazed sparse woods and irrigated land. The vast and open landscape provides Colstrip and the region with natural resources and space to farm, ranch, mine and hunt. With access to land for recreational opportunities, Colstrip residents freely enjoy fishing, hunting, access to rivers and the small-town lifestyle the community has to offer.

Natural disasters and severe weather such as harsh winters, floods, droughts, forest and rangeland fires pose significant threats in the area and in Colstrip specifically. Changes in precipitation and temperature strongly influence the regional and local economy due to the large agricultural base. Water, weed, and land use or re-use continue to be issues. As repeatedly noted, coal production and related reclamation is significant. Over 6,000 acres of land previously used for mining in the Colstrip area has been turned back into quality ranching land through responsible reclamation practices.

## Trends

According to building permit reports submitted to the State of Montana between July of 2009 and June of 2019, Colstrip continues to issue building permits at a consistent rate each year for general home improvements and repairs. In addition, there have been 6-8 new homes built in this timeframe. Data related to commercial and industrial permits was not available for the City of Colstrip.



## Existing Land Uses

The map in this section is a generalized existing land use map of Colstrip and its environs. There are many similarities between this map and Colstrip's official zoning map, but they are not identical.

The Zoning Districts sometimes include more than one land use type within them. For instance, Colstrip High School is on a parcel that is zoned R-2. However, the actual land use is Public and Government Facilities, not residential. The land use categories used in the map and their meaning are:

- ◆ Single Family Residential (SF) – Land in this category contains residential structures designed for a single household. This is the case whether the residence is a stick-built house, a modular home, or a mobile home. The land on which these residences sit are all parcels intended for single household occupancy. This one designation is used for all areas of single-family residences because many parts of the City mix mobile homes side by side with stick-built homes, and there are not necessarily separate mobile home parks designated expressly for leasing small lots or lots and mobile homes to residents.
- ◆ Multi-Family Residential (MF) - Land in this category contains residential structures designed for more than one household. This includes duplexes, rowhouses, and typical apartment buildings. There are several duplexes, fourplexes, and at least two apartment complexes located in Colstrip that meet the definition of multi-family residential land use.
- ◆ Commercial – Land in this category contains all commercial and light industrial land uses
- ◆ Industrial – Land in this category contains the power plant, and other major tracts of land used for heavy industrial purposes.
- ◆ Public and Government Facilities – Land in this category contains churches, schools, government offices, public works facilities, and the open space surrounding them. It does not include Parks and Recreation land.
- ◆ Parks, Recreation, and Open Space – Land in this category is used primarily for outdoor recreational activities which are independent from school district property. It includes designated parks, the rec center, the golf course, ball diamonds, playground areas, areas containing trails, and the horse park, as well as minimally or undeveloped lands adjacent to these areas.
- ◆ Undeveloped/Unplatted Vacant – Land in this category is land not in the Parks, Recreation, and Open Space category that has not been developed. It may be green space between developed land areas, land for agricultural use, or just left vacant.
- ◆ Temporary Residential – Land in this category is set aside for temporary housing.

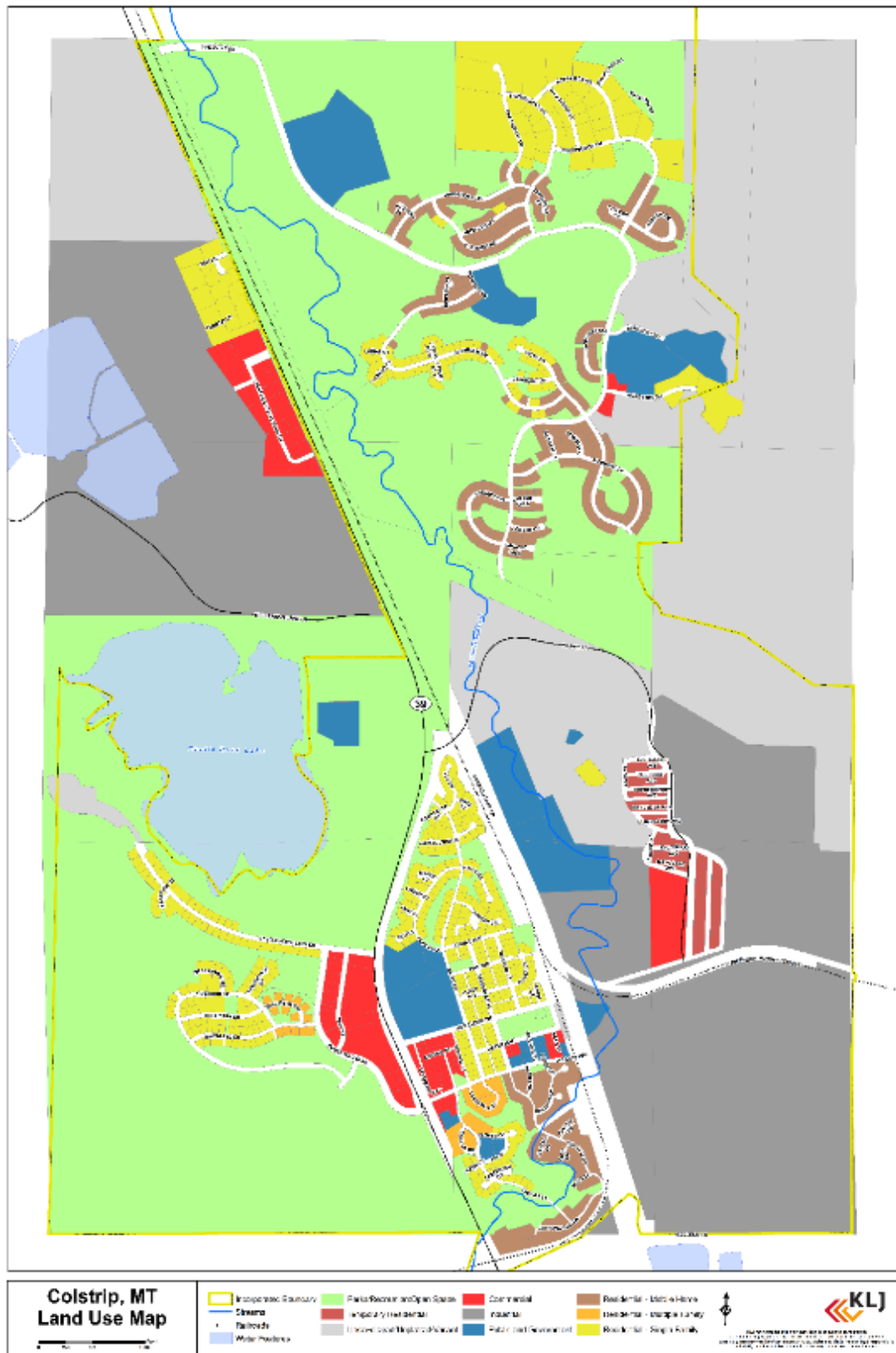


FIGURE 3, EXISTING LAND USE MAP



## Commercial/Industrial

Colstrip has at least one of each of the following businesses: grocery store, hardware/lumber store, hotel, motel, bed & breakfast, hair salon, women's boutique, gift shop, commercial printing shop, convenience store/gas station, bank, credit union, restaurant/caterer, veterinary services, day care, car wash, and auto repair shop, all of which provide vital services to the community.

Colstrip's central business districts are located off Cherry Street in an older section of town and across the highway on Main Street, a newer section of town. There is a commercial/light industrial area located west of Highway 39. The Stillwater Ballfield Complex and the heavy industrial zoned area is in the north part of the community. The Colstrip Power Plant is in the southeastern corner of the community.

## Parks

Colstrip is home to many different parks and outdoor recreational facilities, several multi-use paths and riding trails, and a recreation center. It has been nationally recognized for its recreational facilities. Community and county parks serving Colstrip are further discussed in Chapter 13.

## Public

In addition to the parks and recreational facilities noted above, Colstrip has a variety of public and government facilities. There are separate sites for the Colstrip High School, Frank Brattin Middle School, and Pine Butte Elementary School. There are six different churches. The City has separate buildings and sites for a water treatment plant, an above ground water reservoir, a community center/city hall, and a public works facility.

## Residential and Rural Residential

Based on the 2010 Census data and including new building permit information since that time, there are currently an estimated 994 housing units in Colstrip. (A housing unit is defined as a house, apartment, a group of rooms, or a single room occupied or intended for occupancy as separate living quarters). An estimated 27 percent of these are mobile homes. Colstrip has three primary residential areas: the northern part of town; the oldest part of Colstrip, near the power plant; and the newest residential area, across Highway 39.

A potential issue which may warrant consideration and action pertains to the existing zoning map and policy guiding development in residential areas. The 2013 Growth Policy identifies permitted principal uses for each zoning district. The Mobile Home Residential District permitted uses include only home occupations and one single-family mobile home on an individual lot. However, it appears that many single-family residences in the mobile home residential district are stick built homes on permanent foundations, despite current zoning that indicates stick built single family homes are not allowed even as a conditional use in the District. This issue and potential responses are addressed in the Future Land Use Chapter of the Growth Policy.

## Vacant Land

The Colstrip Land Use and Business Development Plan has identified 25 total sites as high value development locations suitable for potential new businesses. The tracts are identified in the map on the following page. Seven of the 25 sites are colored tan on the map and have existing structures which are anticipated to be appropriate for redevelopment or re-use. Three of the sites are colored blue and are identified as likely industrial or commercial sites. One of the three likely industrial or commercial sites already has eight existing businesses but at least three vacant lots.



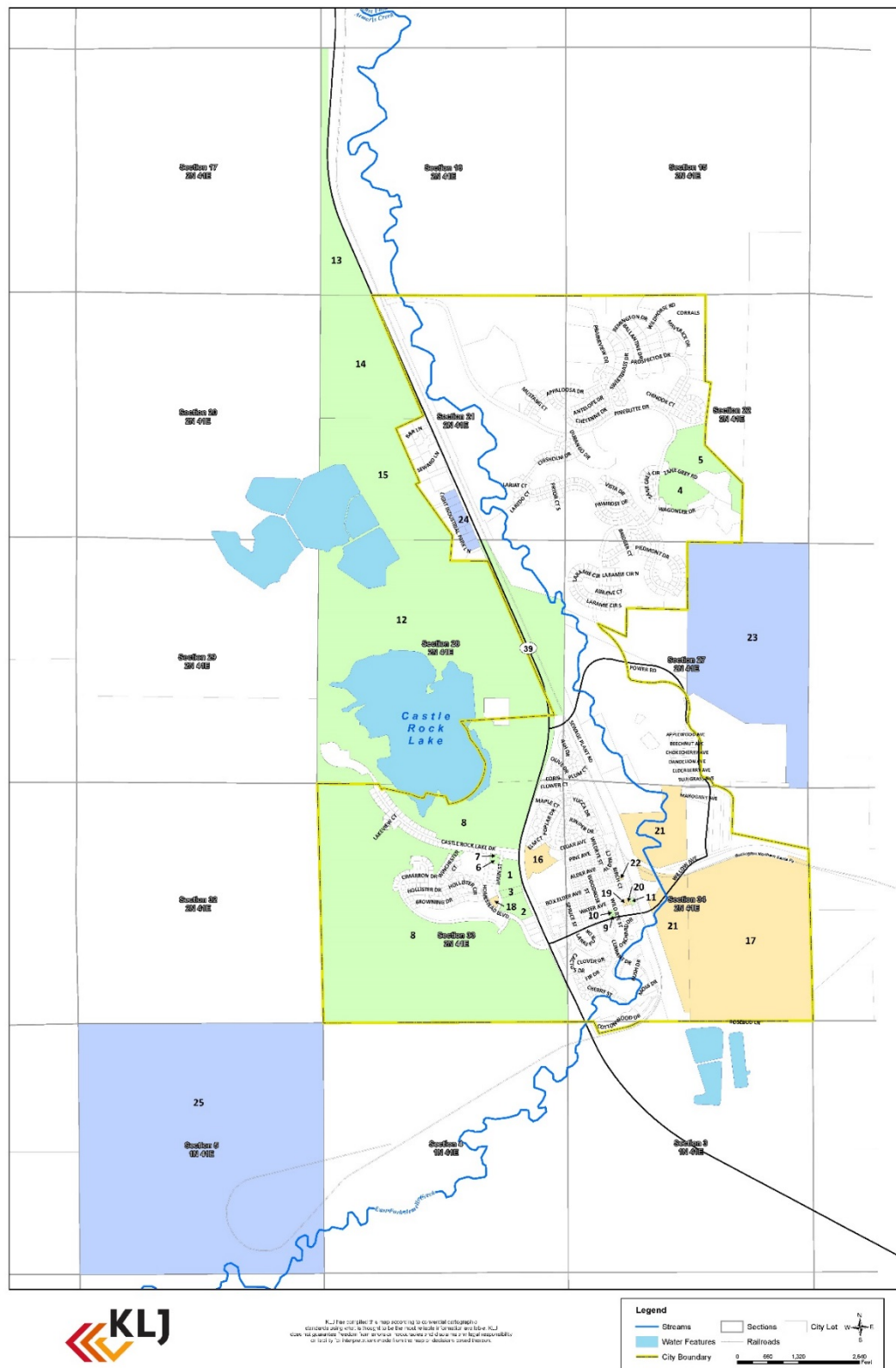


FIGURE 4, HIGH VALUE DEVELOPMENT LOCATIONS



The other two likely industrial or commercial sites are very large tracts at the outskirts of the city and may be most suitable for industrial park type development.

The remaining fifteen of the 25 sites are colored green on the map and include eight small vacant parcels adjacent to office and retail uses, two tracts zoned for, and adjacent to, residential uses and five large tracts that would clearly need infrastructure extension in order to be developed.

## CHAPTER 7: FUTURE LAND USE

### Overview

Until recently, the dominant factor influencing the land use pattern of Colstrip has been the needs of those directly or indirectly working in energy and mining. Colstrip's origins were mining industry development in the 1920's, and the population surged with the construction of the power plant in the late 1960's and early 1970's. After the construction of Units 3 and 4, Colstrip's population settled into its present mix of primary industry workers and workers of business, service, and government entities.

The land development patterns of today were created for primary industry workers, and to be the workplaces and homes of those supporting the primary workforce. As the community looks ahead to the loss of Units 1 and 2, and the loss of primary industry jobs, it has been actively seeking to recreate itself with a broader mix of employment opportunities. It is inevitable that some existing workplaces will decline or disappear, but vacant land and structures can be utilized as new opportunities.

Until there is greater certainty regarding the level of primary industry loss and related jobs in the region, it is very difficult to establish assumptions upon which to base a future land use plan. The recently completed Land Use and Business Development Plan identifies specific sites which are considered prime opportunities for development or redevelopment. Details about these sites were discussed previously in the Vacant Land section of the Existing Land Use Chapter. To maximize the potential for these sites, the following strategies are recommended for the City and SEMDC consideration:

- ◆ Establishing a new zoning district which functions as a "Flex Zone." The zone would be different than the traditional Euclidean zoning model, and would allow a wide variety of uses, if care was taken to avoid major conflicts with adjoining land uses. One of the characteristics of this zone should be the potential reduction of certain standards to allow more creative and cost-effective approaches to development.
- ◆ Developing incentives to encourage infill and increased densities in locations where existing infrastructure is already in place. The intent of this strategy is to minimize initial capital investment requirements and long-term capital maintenance requirements. Essentially this allows increased taxable value for capital costs outlaid by the city.
- ◆ Continuing efforts to repair and improve critical infrastructure now, before potential major tax revenue reductions related to the closure of Units 1 and 2 and/or future closure of Units 3 and 4. During the transition to a more diverse economy, it will be important to minimize the tax burden on the city's residents and businesses.
- ◆ Reserving frontage along Highway 39 for development that is traffic dependent.



- ◆ Developing a prioritized list of businesses that would assist Colstrip in being economically sustainable either because of their primary sector function or because of their ability to enhance quality of life in the community. It might be useful to identify at least two alternative optimal locations for these businesses so that if one of the sites is used by a different development opportunity, there remains a viable alternative site for these highly desirable businesses to be located.
- ◆ Developing additional housing that would be ideal for retirement housing, with the idea that it will free up existing housing for newcomers the City wants to attract as part of its new diversified economic base.

To foster an environment that promotes economic diversification and enhances the potential for transitions to new employment opportunity in Colstrip, the following strategies might be considered:

- ◆ Complete a future land use study that updates this Growth Policy in 2021 or 2022 and is based on the more detailed information about primary industry changes that will be evident by then.
- ◆ Pursue development of cutting-edge technological infrastructure to support the potential for any industry needing digital connections to birth and grow.
- ◆ Pursue enhancement of existing amenities that make Colstrip's quality of life outstanding.
- ◆ Pursue development and redevelopment for flexible and diverse workplace and housing options to maximize the potential to serve the needs of existing households, and new households that will move to Colstrip to take advantage of its quality of life and emerging opportunities.

Specific concepts that could be considered and encouraged include, but are not limited to, the following:

- ◆ Mixed use development
- ◆ One stop permitting
- ◆ Neighborhood district development
- ◆ Universal housing
- ◆ Community farming
- ◆ Energy efficient buildings
- ◆ Sustainable development practices
- ◆ Community gardening
- ◆ Economic gardening
- ◆ Community daycare to support the need for two income households
- ◆ Live-work units
- ◆ Tiny houses
- ◆ Accessory dwellings
- ◆ Bungalow courts



- ◆ Small multi-family apartments
- ◆ Rental infrastructure
- ◆ Shared workspace
- ◆ Entrepreneurial incubator space

Above all, there is a need to foster community pride and creativity in a way that encourages people to join the direction of community growth and economic stability. The recommended in-depth future land use plan may need to address the following topics:

- ◆ Agricultural
- ◆ Commercial/industrial
- ◆ Parks
- ◆ Public/Civic
- ◆ Residential and Rural Residential
- ◆ Vacant Land
- ◆ Annexation
- ◆ Development Standards
- ◆ Annexation
- ◆ Infrastructure Extension

## CHAPTER 8: HOUSING

### Overview

Since the major housing development activity of the 1970's and 1980's Colstrip has seen modest but continued changes in housing stock. One unique characteristic of the housing stock is the large percentage of mobile homes (the City has five (5) mobile home parks within the City limits). The City has very few programs that address housing issues. The following sections provide more details about Colstrip's housing stock, issues, and opportunities.

### Households and Housing Units

At the time of the 2010 Census there were 986 housing units. Of these 87.5 percent (863) were occupied housing units. Nearly 4 percent of the housing units were for rent but vacant. Another 5.8 percent were vacant but used for seasonal, recreational, or occasional purposes. The majority (78.6 percent) of occupied housing units were owner occupied. Since 2010, an estimated 6-8 additional housing units have been built in Colstrip, resulting in a current estimate of 994 housing units in Colstrip.

The following Housing Statistics Table provides the best available information about the age of the housing units in Colstrip. It also provides summary statistics about occupancy from the last three decennial censuses.



It should be noted that these statistics include mobile homes. The number of mobile homes is listed separately since they have always represented a significant part of Colstrip's housing stock.

TABLE 3, HOUSING STATISTICS

YEAR STRUCTURE BUILT	NUMBER OF UNITS
<b>2010–2018</b>	7
<b>2000–2009</b>	50
<b>1990–1999</b>	93
<b>1980–1989</b>	394
<b>1970–1979</b>	357
<b>1960–1969</b>	20
<b>1950–1959</b>	3
<b>1940–1949</b>	27
<b>Built 1939 or earlier</b>	41

Housing Units	1990*	2000	2010
<b>Total Units</b>	1178	936	986
<b>Occupied Units</b>	995	825	863
<b>Owner Occupied Units</b>	774	677	678
<b>Renter Occupied Units</b>	221	148	185
<b>Mobile Homes</b>	535	311	n/a

\*Colstrip Census Designated Place (CDP)

## Housing Affordability

The 2016–2020 CEDS prepared by the SEMDC indicates that there is a lack of affordable and senior housing throughout the four county (Rosebud, Custer, Treasure, and Powder River) region.

It also indicates degradation of the housing infrastructure, and that a lack of quality housing has been a major concern raised throughout the region during the CEDS process. The Colstrip Economic Diversification Strategy noted that there had been steady growth in the housing market from 2009 through early 2016, but that this pattern has changed more recently. It was speculated that this downward trend was because of layoffs from BNSF or retiring residents seeking to get out of their homes quickly. The general slowdown in the market is also reflected in the decrease in realtors from 4 in 2005 to only 1 in 2019.

## Housing Quality

Neither Rosebud County nor Colstrip have conducted a formal housing study and Colstrip has very little formal data regarding local housing stock. In general, Rosebud County's housing stock is relatively diversified by age. Data from the Census Bureau, American Community Survey, estimated that there were 4,104 residential structures in Rosebud County in 2016. Of those, 773 were built prior to 1970, 1,366 were constructed between 1970 and 1979 and 729 between 1980 and 1989.





<b>Age of Residential Structures in Rosebud County (2016)</b> (American Community Survey)		
<b>Year Built</b>	<b>Number of Units</b>	<b>Percentage</b>
2010 or later	79	1.9%
2000 to 2009	354	8.6%
1990 to 1999	292	7.1%
1980 to 1989	729	17.8%
1970 to 1979	1,366	33.3%
Older than 1969	773	18.8%

Generally, the older a home is, the more maintenance and upkeep it requires. Older homes are often less energy efficient, and the increased cost to heat them in the winter can add to the overall cost of housing. Low income families are more likely to live in older homes as they are a lower market value. Thus, increased costs for maintenance and utilities can be an economic burden for that population.

In 2008, the Montana Department of Revenue compiled data as part of its appraisal process classifying the physical condition of housing throughout the state. The data provided physical assessments of 1,838 residential structures in Rosebud County, including those in Forsyth and in Colstrip. Of the structures assessed, 551 (approximately 30 percent) were classified as being in either unsound or in poor physical condition. This may be indicative of the fact that many homes were built over 60 years ago and may need updates to electrical, plumbing and/or heating systems. They may also need additional insulation and exterior repairs.

## Specialized Housing Facilities

Typically, in any given community, some part of its population needs specialized housing facilities. These may include group homes, assisted living facilities, low income housing, and temporary housing. Colstrip has a limited number of residential units available to serve most of these special needs. There are no group homes in Colstrip. There is an assisted living facility that can house up to 12 residents and offers in-home care. Colstrip does not have designated low income or rent assisted housing units. Median rent is estimated at \$676/month.

The one specialized housing sector that Colstrip is well equipped to serve is temporary/seasonal housing. In part, this is because of the influx of workers that came to build the power plant, and the annual influx of workers that arrive to meet the seasonal maintenance and turn-around needs of the power plants. During the 1970's mobile homes were placed in neighborhood clusters that included parks, and bike and walking trails to schools and work. Colstrip also has a crew camp area that was developed in stages from 2008 to 2012 and is used exclusively to provide housing and RV parking for seasonal workers during the power plant outage/overhaul. Additionally, there are many different apartment complexes in the R4 and R2 zoning districts that are available for short term leasing.



In order to better understand housing availability and related issues and opportunities specific to the Colstrip community, it is recommended that Colstrip consider undertaking a detailed housing assessment and plan, either independently or in conjunction with Rosebud County. This type of study would help to identify the most effective steps and housing related project to ensure that limited resources are used effectively to address housing quality, availability, and affordability in the community.

## Housing Programs and Incentives

There are a multitude of housing issues facing the United States today. Several of these are, or may become issues for Colstrip, including:

- ◆ Deterioration of existing housing stock
- ◆ Limited availability of many types of housing
- ◆ Lack of affordable housing
- ◆ Universal housing (ADA accessible/life-cycle housing)

The for-profit housing construction industry cannot be relied upon to address these existing or potential issues. Typically, the profit margins are better for higher end housing. But as an increasing number of retirees stay in or move to Colstrip, and as some workers lose their high paying jobs, but want to continue to live and work in Colstrip, the moderately priced housing inventory will likely tighten.

Currently there are no housing programs to address these and other housing issues which Colstrip could be facing in the years ahead. Typically, no one housing program can address all the housing issues of a community. Among the menu of potential programs to address housing issues are:

- ◆ Housing rehab programs
- ◆ Community land trusts
- ◆ Resident owned communities
- ◆ Land development incentives

## CHAPTER 9: INFRASTRUCTURE

### Overview

The city of Colstrip provides water and wastewater services, solid waste disposal, law enforcement and fire protection services, as well as road maintenance. Street lighting is provided through a special lighting district. The City of Colstrip has a Public Works Department that includes a supervisor, lead water/sewer plant operator, five maintenance worker/operators, a solid waste technician, and two summer part-time employees. This department is responsible for solid waste, wastewater, water, roads/streets infrastructure and services.

The remainder of this chapter focuses on physical infrastructure. Solid waste services are discussed in Chapter 12 as part of public facilities and services.



## Roads/Streets

Colstrip has approximately 22 miles of streets and alleys, which are maintained by the Colstrip Public Works Department. In 2009, Sweetgrass Paving Phase I was completed and Phase II was done in 2010. In the summer of 2012, Phase I of the Pinebutte overlay from Power Road to Zane Grey was finished. The remainder of Pinebutte was completed in 2013. In 2018 Willow Avenue was reconstructed from Highway 39 to the railroad crossing at Park Street. Overlays are currently under construction for Homestead Boulevard, Main Street and Power Road from Highway 39 to Pinebutte Drive.

Except for approximately one-third of the original town site, Colstrip is served by a storm sewer system, which effectively handles storm water run-off in most parts of the city. In several areas of the original town site and other areas without storm drains, storm water accumulation creates problems for the city and the individual property owners. As streets are scheduled for maintenance or repairs, these problems are addressed. Additional details about roads and streets are discussed in Chapter 10 on transportation.

## Wastewater System

There are approximately 19 miles of sanitary wastewater gravity collection mains ranging in size from 6-inches to 18-inches in diameter. Wastewater mains in Colstrip consist primarily of polyvinyl chloride (PVC) pipe. At present, the Colstrip Wastewater Treatment Plant (WWTP) system treats approximately 180,000-200,000 gallons per day, less than one-half its capacity. The system consists of lagoon cells and an oxidation ditch – a mechanical and chemical treatment facility. Treated wastewater from the oxidation ditch is transmitted to the second and third cells of the lagoon. The third cell is not used at this time though available if future use of the system were to increase. In a responsible and cooperative reuse plan with Colstrip Parks and Recreation District, the treated water is pumped from those cells to irrigate the golf course. The Park District has the desire for more reuse water than the City currently has available. The wastewater collection system includes seven lift stations located throughout the city to transport wastewater to the treatment plant. Since 2007 all lift stations have been rehabilitated or replaced.

In 2013 the City of Colstrip reviewed and updated a Wastewater Facilities Plan. The overall wastewater system continues to operate through diligent careful management practices. Replacement of the actual sewage treatment facility components was addressed in the updated Wastewater Facilities Plan.

Phase 1, a \$2.2 million upgrade, was completed in 2019. The headworks was improved to include a grinder and auger system to remove large debris entering the plant. A second clarifier was added for redundancy and the original clarifier was then rehabilitated.

The residential sewer base rate (for ¾ inch service) is \$28.17 plus a \$2.32 per 1000 gallons usage rate, which is determined by the average water usage from December through February of each year.

## Water System

Water is pumped through two pipelines 30 miles from the Yellowstone River to a surge pond located on the outskirts of Colstrip, referred to as Castle Rock Lake. Castle Rock Lake, a 160-acre raw water reservoir, is owned and operated by the five power plant owners. Four 6,000 gpm pumps supply water from the pond to the Colstrip Power Plant located within the city limits. The lake is also the source of drinking water for the city of Colstrip.



As part of the Raw Water Transportation Agreement between the city and the power plant owners, the City owns water rights to 2.1 cubic feet per second (cfs) of the water in Castle Rock Lake. The pumps and intakes from the river are owned by the power plant owners and maintained and operated by Talen Energy.

Water usage by the City is very small in comparison to that for the power plants, amounting to .422 mgd on a 365-day year average. All the water used by the City is treated in a rapid sand filtration plant. The Colstrip Water Treatment Plant (WTP) consistently provides high quality potable water with very low turbidity, usually 0.1 NTU or less. Filter backwash water is discharged to Castle Rock Lake. The Colstrip treatment plant, located just east of Castle Rock Lake, is designed to treat 4,000 gallons per minute. Disinfection is provided by an on-site hypochlorite generating system installed in 2006.

Backwash discharges to Castle Rock Lake are regulated by the Montana Department of Environmental Quality (MDEQ). The current discharge permit sets limits on the quality of water discharged to the lake. Compliance with the aluminum and total suspended solid limits was not possible without modification of the Water Treatment Plant. In 2015 an \$850,000 project to rehabilitate an existing unused clarifier at the Water Treatment Plant was completed. It is now used to treat the backwash water before it is returned to the lake.

The water distribution system consists of 22 miles of water lines and 219 fire hydrants. The infrastructure is in relatively good condition. Since the system was built to support the workforce needed during Colstrip's boom years the city was left with a water system capacity much greater than needed. Colstrip has begun taking steps to downsize. There were originally three separate zones in the distribution system, which supply four steel reservoir towers. The Pressure Zone 1 Water Tanks were taken offline and Zone 1 was combined with Zone 2. A 14-inch main from the treatment plant supplies a steel tank with a capacity of 2,000,000 gallons in Zone 2. Another 12-inch main supplies water from the plant to a steel tank with a capacity of 650,000 gallons in zone three. Because of the poor condition of this existing Zone 3 tank a new 400,000-gallon elevated spheroid tank is currently under construction

Colstrip has conducted a two-phase process of replacing inadequately sized water lines with properly sized PVC lines to provide adequate pressure and proper fire flows throughout the city. Colstrip also installed water meters in city households (commercial, industrial and institutional water users were previously metered). The residential water base rate (for ¾ inch service) is \$35.66 plus \$2.59 per thousand gallons of water used.

## Utilities

Northwestern Energy (formerly Montana Power Company) is the electricity supplier within the City of Colstrip. There is a capacity of 40,000 KW with peak demand of 10,000 KW. They are supplied by two 20 Megawatt feeders. There is no natural gas service available.

The residential rate for electricity is \$0.114 per Kilowatt Hour with a monthly service charge of \$4.95. The commercial rate is \$0.126 per Kilowatt Hour with a monthly service charge of \$4.95.



## CHAPTER 10: TRANSPORTATION

### Overview

Colstrip is served by MT Route 39, a high-quality state highway that runs through the town. Colstrip is served by several freight carriers. As of 2019 there is no bus service available to or from Colstrip. The nearest bus service is 35 miles away into Forsyth. The nearest commercial air transportation is either 125 miles away in Billings, Montana at the Logan International Airport or Sheridan County Airport in Sheridan, Wyoming, 110 miles away.

### Roadway Functional Classification and Condition

Colstrip has approximately 22 miles of local streets and alleys, which are maintained by the Colstrip Public Works Department. Over the last decade, street improvement projects have been completed to address nearly all the street network needs.

MT Route 39 has an average traffic volume of 2,230 vehicles per day and the road is in excellent condition. This is a minor arterial from the principal arterial, Interstate 94, which is approximately 30 miles north of Colstrip and runs east and west through Montana.

There is one overpass located within the city limits but by state law indicates that cities have no jurisdictional authority over bridges. Bridges are, instead, maintained by counties or by Montana Department of Transportation.

### Future Roadway Extensions and Corridor Preservation

The current uncertainty around future economic drivers and related land use suggests that Colstrip should focus on maintaining and protecting the current roadway system in the most efficient way possible. Although there is not a current pavement management system, the Public Works Department should annually monitor roadway conditions and conduct proactive maintenance to reduce major maintenance costs. In order to minimize the financial impacts of roadway maintenance, it is important that the city encourage infill development instead of the extension of future roadways. Every new foot of roadway built is another foot of roadway with ongoing maintenance costs.

There may come a time when the local economy can be enhanced by new external development instead of infill development. The economic impact of more external development should be scrutinized to ensure there is a net gain in the city's finances. In other words, the resulting increased tax revenue should at least balance the increased annual maintenance and long-term capital maintenance costs of the new development.

Existing and proposed new roadway corridors should be preserved to meet future transportation capacity needs and enhance the pattern of land use development. This means the city should establish and follow standards for right-of-way, road setbacks, and access spacing. It also means that the city should carefully consider the road network characteristics whenever new development is proposed. Key characteristics to support include:

- ◆ Looped or linked networks instead of dead ends in order to provide access for emergency vehicles, and to support a grid or broken grid street network that increases traffic efficiency.



- ◆ Evaluation of proposed roadway widths that encourage construction of the narrowest widths that meet functional roadway needs in order to minimize annual and long-range capital maintenance costs.
- ◆ Discouragement of development that will block off access to potential future development further away from existing roadways.
- ◆ Backage roads instead of frontage roads to increase the efficiency of the street network and minimize the impacts fronting parcel owners.

## Public Transportation

Colstrip has a senior bus that is supported by the city for transportation of senior citizens to various events and needs. This should be encouraged and supported to continue considering the expectation of increased numbers of retirement people living in Colstrip.

## Air Transportation

Colstrip has a county owned and operated airport five miles from the center of the community, with an elevation of 3,426. The runway is a hard surface with the longest runway 5,100 feet by 75 feet wide and is reinforced for business class aircraft. The runway is lighted and there is aircraft storage available. The airport is overseen by a five (5) member board appointed by the County Commissioners. This airport has been an integral part of several different fire seasons in southeast Montana.

## Railroad

An inactive/decertified Burlington Northern-Santa Fe branch line connects Colstrip to the main east/ west rail line that is thirty (30) miles to the north of Colstrip. Because the line is decertified and currently inactive, there are no trains currently passing through Colstrip and therefore, no trains blocking roadways or pedestrian trails. The future of rail transportation through Colstrip is undetermined and will be, to some degree, based on new business/industry development that may request/require rail access as well as the ability of the community and industry to negotiate rail use with Burlington Northern and Montana Rail Link.

# CHAPTER 11: ECONOMIC DEVELOPMENT

## Overview

Colstrip's economy historically has been and continues to be tied to coal development and the two associated industries, coal mining and power generation/transmission. Even considering the pending closures of Units 1 and 2 and the bankruptcy restructuring of Westmoreland Rosebud Mining LLC, Colstrip still has a robust small business community and opportunities for growth. There is interest in new development and investment in existing and future businesses.

Local businesses include a mix of hardware grocery, women's boutique, and gift stores as well as a motel/hotel, hair salons, a bed and breakfasts, a post office, a bank, a credit union, many service providers, construction contractors, veterinarian services, a commercial printing business, restaurants, a convenience store, and nonprofit organizations.





Colstrip has more home-based businesses per capita than anywhere else in the state. The 2018 Colstrip City business licenses showed 116 licensed businesses within the incorporated limits of the city. The vast majority of those being home-based businesses.

**Colstrip Economic Diversification Strategy:** In 2017, Colstrip completed a formal Economic Diversification Strategy to address the changing economy and to strategically address the anticipated and ongoing decline in the existing coal and power industries. The Diversification Strategy was a cooperative effort of businesses, civic organization and the public to outline economic development projects and goals that would diversify and strengthen the Colstrip community. The document is designed to serve as a roadmap to empower Colstrip to establish goals and objectives, develop and implement a plan of action, and utilize resources efficiently. As part of the process, the community acknowledged there was no silver bullet in terms of diversification and that diversification would only occur through several ventures coming together to provide support and balance to one another. The plan is a “living” document and is in the implementation phase currently, morphing and changing as progress and development require.

In short, the Economic Diversification Strategy outlines goals and strategies in the following key areas:

1. Coal, Energy and Renewable Technology
2. High Tech Industry and Entrepreneurship
3. Manufacturing
4. High Skilled Trades
5. Agriculture and Outdoor Recreation/Tourism
6. Quality of Life

**Colstrip Community Advisory Group Community Impact Foundation:** In 2019, in response to the completion of the Colstrip Community Impact Advisory Group (CCIAG) Plan (completed in December of 2018), the Colstrip Impact Foundation (CIF) was formed. The CCIAG Plan guides the disbursement of the \$10 million economic impact fund received from Puget Sound Energy. Specific development objectives the committee established for use of funds are modeled, to some degree, after the goals and objectives outlined in the previously completed Colstrip Economic Diversification Strategy. Specific development objectives the committee established for use of the funds include:

1. Economic: Industry, Services and Support
2. Workforce: Labor Force Development, Retention, Attraction, and Gap Financing for Impacted Workers
3. Community: Infrastructure, Water/Sewer, Housing, Schools, Healthcare, Law Enforcement, Parks/Recreation and Agriculture

Based on the CCIAG Funding Subcommittee work, it was unanimously recommended that the CIF be formed. The Foundation will allow for flexibility to fund impacts as they occur, allow for local and not state control, provide a repository for other funds to be received from corporate and private donors and maintain a revenues stream for the Colstrip community's future.



The CIF structure contains two funds: the CIF nonpermanent funds (\$7.5 million) and the CIF Permanent Endowment (\$2.5 million). Nonpermanent funds are available for immediate granting and possible short-term loans. They are held in an interest-bearing fund with a short-range investment horizon. Permanent Endowment funds will be established in a local community fund preserved for the perpetual benefit of the impacted Colstrip workers and community. Investments will be made with a long-term time horizon allowing higher returns. Annual endowment payout distribution will also be used for grant making.

The newly established CIF will be responsible for development of all operational aspects and criteria for granting, and will be overseen by a seven-member board of directors that includes one city government representative, one county government representative, one representative from the Certified Regional Development Corporation (SEMDC), one local workforce representative from the Colstrip Power Plant, one local workforce representative from the Rosebud Mine, and two Colstrip citizens.

## The Local Economy

Currently, the Colstrip economy remains remarkably stable in spite of the uncertainty surrounding the Coal and Energy Industries. While this Growth Policy pertains to Colstrip, it's important to remember that the Colstrip community is not alone in this situation. The contracting coal industry story is being played out throughout the western United States with numerous other communities also experiencing the economic uncertainty that Colstrip is both facing and for which it is preparing. Future impacts are very difficult to plan for, however, the Growth Policy and numerous other economic development studies/plans that have recently been completed or are on-going, should assist community, business and civic leaders with plans to soften community and business impacts with the pending closures of Units 1 and 2 in December of 2019.

While there are many concerns in the community for the future, the major issues are:

1. Early Closure of Colstrip Power Plant Units #1 and #2 (in December 2019)
2. Economic Impacts related to that closure, including pending contract issues
3. Regional doubt created by the Cloud Peak bankruptcy & Gillette mine closures

Despite the major economic challenges looming on the horizon, the Colstrip small business community remains very active and investment levels are high. Numerous small businesses are changing hands and a new generation of entrepreneurs is emerging.

The overall number of Colstrip businesses is trending upward, and it is anticipated that this upswing should continue for the next few years. The Colstrip home-based business community is also anticipated to remain strong as additional broadband capacity will likely be available within the next few years. Additional connectivity will only enhance the strong entrepreneurial spirit that already exists, increasing business activity in Colstrip.

In addition to improvements in broadband, Colstrip is investing in significant infrastructure improvements and construction that will support ongoing economic growth and stability. These include:

1. Two major street construction projects
2. A replacement water tower



3. A new lumber yard building being built in conjunction with a remodeling project on the former lumber yard
4. A significant pond construction project at the power plant complex.

In addition to the local investment, there are several out-of-town firms currently evaluating the feasibility of relocation into Colstrip in order to take advantage of value-added energy processing opportunities.

The future of the Colstrip community will no doubt look differently than the community today and although that future is, to some degree, uncertain, the following factors will most certainly have a great deal to do with how that future is shaped:

1. Actual economic impacts from the early closure of Units 1 and 2 in December 2019
2. The future of the coal mining and power generation industries not just in Colstrip but in the United States
3. Impacts of Westmoreland Rosebud Coal Mine emerging from bankruptcy
4. Area F Permitting
5. Local labor and coal contract resolution
6. Workforce issues including the training and/or availability of skilled workers
7. Community water supply and related water rights
8. The future of the housing market; sales and value
9. Impact Fund (\$10 million) usage

In addition, the community's ability to identify and access funding for broadband/fiber optics expansion, energy/industrial parks, community marketing/branding strategies (to meet retention and recruitment needs), capital investment by small businesses, and additional economic development activities will certainly drive the shaping of the new Colstrip economy.

## Energy Development

The main employment opportunities in Colstrip have been directly attributed to coal mining, the generation facilities, or a subsidiary service to these industries. The Colstrip Power Plant currently employs about 360 full time employees. An onsite company that specializes in the maintenance and repairs to large coal fired plants employs an additional 20 to 25 full time employees. During the annual "over-haul" periods, employment within the power plant may increase anywhere from 35 workers to more than 500 workers. These workers come mainly from out of town contractors with some local contractors. This seasonal increase in workers is a huge economic boost to nearly every Colstrip business. However, on December 31, 2019, Units 1 and 2 of the power generation plant will be closing. The plant is looking at a one-third reduction of the total workforce, mainly brought about by not replacing employees when they retire. When Units 1 and 2 close and the economy transitions, there may be excess labor that is skilled in union trades. To prepare and retain this group of laborers, it is critical that Colstrip work closely with the local unions to identify opportunities to retrain and redeploy these community members.



The coal mine employs about 350 full time employees. Rosebud Power Plant which is located 7 miles north of Colstrip employs about 32 full time employees. Both companies employ a small number of seasonal temporary workers. There is also a rail spur into Colstrip and the largest Transmission Line (500kV) in the state of Montana. This Transmission line provides a huge tax base for the entire state of Montana.

## Agriculture

There are many ranches and farms in the immediate area around Colstrip. They provide robust involvement in the Colstrip community as many of the families that operate them also work, attend school, and utilize resources in the community. Many of these farms and ranches face the same generational struggle of continuing their family owned business or selling to larger corporate structured ranches/farms.

## Tourism

There are many opportunities for tourism in the Colstrip area. Each fall many hunters make Colstrip their base for the hunting in southeast Montana. There are over 32 parks and 6 miles of trails for walking and riding bikes. Colstrip is currently planning the addition of a series of mountain bike trails that will connect to the existing trail system and will be completed in 2020.

The parks and recreation facilities are maintained by CPRD, a tax-based district. These also include a gym and fitness center, a pool/splash park, baseball and softball complexes, a tennis court, a skate/bike park, Ponderosa Butte Golf Course, a 9-hole public course, and a 9-basket Frisbee-Golf (Folf) Course.

Castle Rock Lake sits on the edge of town and is an excellent tourist location providing swimming, fishing and birding. Pedestrians and cyclists can also enjoy a well-maintained trail that varies in length from 2.58 miles to 3.12 miles around the lake.

Montana's state record fish for Green Sunfish and Channel Catfish are recorded as being caught in Castle Rock Lake in 1991, 1998, and 2019 respectively. Ice fishing is also popular, so the lake is a year-round fishing destination.

Colstrip has a very active museum/art center with the Schoolhouse History and Art Center (SHAC). Colstrip is centrally located between many fantastic historic sites, museums and cultural events. With two bed & breakfasts, a hotel/motel, as well as a several restaurants one can easily use Colstrip as a base for a plethora of adventure and outdoor recreational activities. Each year, SEMDC hosts the Energy Open to showcase all the unique attributes of the community, bringing awareness to the tourism opportunities and quality of life in and around the Colstrip community.

In 2017, the last year for which information was available, \$364 million was spent by non-residents visiting the southeast Montana travel region. The non-resident visitor spending in Montana has grown over the preceding year for 14 out of the last 19 years.

## Employment

Colstrip's highly educated and skilled labor force is its most valuable asset. Of the reporting employers, Colstrip Power Plants (Talen Energy) leads the employment count with 372. In addition to full-time, permanent employment, Talen also brings in between 250-500 temporary "overhaul" workers for 4-8 weeks annually or every-other year.



It is anticipated that although Units 3 and 4 will continue to require overhaul workers, the number and/or frequency of need may diminish when Units 1 and 2 close at the end of 2019. In reference to temporary workers, Colstrip Parks and Recreation District also hires approximately 80 seasonal employees each summer.

Working-age professionals are important to the community as they are the labor force that keeps the economy moving forward. As diversification efforts are implemented, this will be a key baseline to continue to monitor and measure against. For best-available employment statistics, please refer to Chapter 4: Community Profile, Employment and Industry.

## Economic Development Objectives and Policies and Strategies

South Eastern Montana Development Corporation (SEMDC) is the City's primary partner in developing and implementing local economic development objectives, policies and strategies. Established in 1997, the office is based in Colstrip but works to stabilize existing businesses and encourage growth of business throughout southeastern Montana (including Treasure, Custer, Powder River and Rosebud counties). This is accomplished through free one-on-one small business consulting, grant administration, small business loans, business training, general business advocacy, commissioning and preparing of planning documents and community studies, and the identification of, and writing for, grants and other identified funding resources. SEMDC is a Certified Regional Development Corporation and has a Federal Economic Development District designation.

Eastern Plains Economic Development Corporation (EPEDC) was established in 2006. It is a public benefit, regional economic development corporation serving the five counties of Carter, Dawson, Fallon, Prairie, and Wibaux. The organizations primary purpose is to promote economic development in this area in Montana. The EPEDC is a Certified Regional Development Corporation and participates with SEMDC and the Great Northern Development Corporation in the Eastern Montana Brownfields Coalition (EMBC), serving a 15-county region.

The overall economic development strategy for Colstrip was summarized in the Overview of this Chapter. Additional details can be found in the 2017 Colstrip Economic Diversification Strategy.

## CHAPTER 12: PUBLIC FACILITIES AND SERVICES

### Overview

This chapter discusses a wide range of public facilities and services for Colstrip. The city provides its primary infrastructure systems such as water and wastewater services, and road maintenance through its public works department. These were discussed in detail in Chapters 9 and 10. Street lighting is provided by the city through a special lighting district.

### Public Education

The Colstrip School District is the third largest local employer with over 100 employees. The District operates three schools with additional personnel in operations and administration. The District benefits from the large tax base (power plants) in the Colstrip city limits and is blessed with state-of-the-art facilities and a highly educated work force.

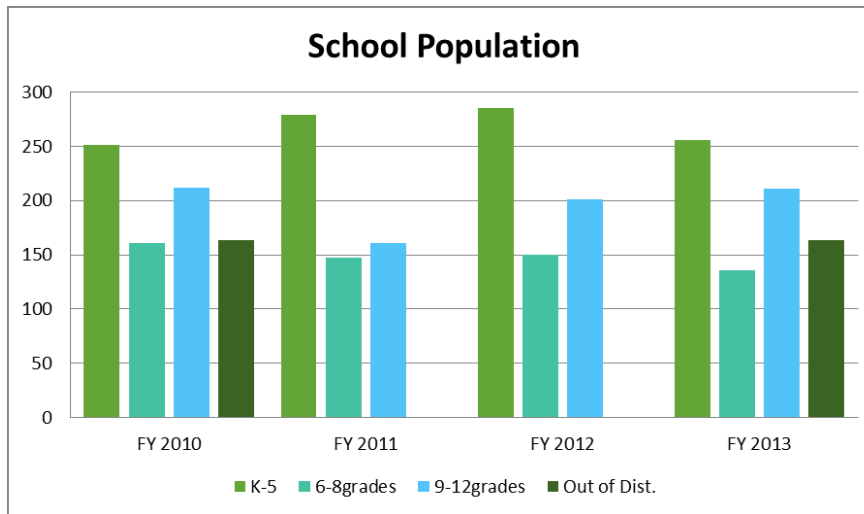


FIGURE 5, SCHOOL POPULATION

Two community and Tribal colleges in the region serve the Colstrip community as well. Both are two (2) year schools with a broad-based and balanced curriculum for today's ever-changing student needs. Chief Dull Knife College is located 25 miles south of Colstrip and serves not only the Northern Cheyenne Indian Reservation, but also the regional needs for post-secondary education. Miles

Community College is located 75 miles from Colstrip and features both academic and athletic programs.

## School District

As previously indicated, the Colstrip School District operated three schools; an elementary, middle and high school. In the 2009-2010 school year, 35.6 percent of students enrolled were Native American; only 9.17 percent of those students lived within the school district.

It is no surprise that as the overall population fluctuates, so does the school enrollment. Some of the variation in school population could also be a result of out-of-district students, primarily from the Northern Cheyenne Reservation south of Colstrip. According to 2012-13 school year records, approximately 27 percent of total students came from out of district.

K-8 classes are the most heavily impacted with 116 out of 392 students, nearly 30 percent, coming from out of district. The High School has nearly as large a percentage of out of district population with slightly less than 27 percent, or 48 out of 211 students.

Colstrip also has an active homeschooling community comprised mainly of K-8 grade students and a few high school students. With 24 students noted in district by the Rosebud County Superintendent of Schools, homeschoolers comprise 3.8 percent of the school population in Colstrip.

The Colstrip Public School system is committed to student learning through the delivery of educational services that use up-to-date technology, modern teaching tools, and the highest caliber personnel to meet student needs.

Like most of Colstrip, the school system is experiencing uncertainty regarding both the potential reduction in tax base and the related decline in students as the community faces the closure of Units 1 and 2 at year's end and also the potential decline in coal production and related coal gross proceeds, which support the school's operational costs. In addition to the very concrete and measurable concerns related to tax revenue reductions, the other issue created by the closure of Units 1 and 2 is the uncertainty created within the community and by the popular media.





The District has experienced a reduction in enrollment which negatively impacts funding from the general budget. General Budget funding is based on the average number of students belonging (ANB) in the educational system. Reductions in enrollment (ANB) equate to reductions in the general fund allocation. Additionally, the District has experienced significant staff resignations and retirements. Recruiting and retaining new personnel has been difficult given the uncertainties of Colstrip's economic future.

In 2017, recognizing the impact of the eventual shut-down of Units 1 and 2, and the related loss of tax revenue, the Montana Legislature created a block grant for each of the two school districts in Colstrip. Coal Plant Closure Mitigation grants provide approximately \$1.7 million per year to offset the loss of tax revenue, alleviating at least some of the financial concerns.

Colstrip Public Schools has over \$3 million in deferred maintenance. Maintenance and replacement items will need to be addressed in the next five (5) years. The District is currently seeking additional grant resources to address the most immediate of these needs. Additionally, the schools are considering the centralization of middle and high school programming and staff, reducing long-term operational costs.

## Law Enforcement/Emergency Communications

The City of Colstrip established its own Police Department in 2004. The police department consists of (7) police officers including the Chief and Assistant Chief with five (5) patrol officers with one serving as a part-time school resource officer, four (4) fulltime and one (1) part-time 911 dispatcher. The city also has one (1) code enforcement officer that oversees planning, code enforcement, building and zoning permits, and additional ordinance enforcement. This position reports directly to the Chief of Police.

The department provides 24 hour, 7 days/week on-duty police and dispatching service to the community. The department also has available a seven-bed 72 hour holding facility in Colstrip, which is operated by the city.

Colstrip was named one of the 10 best places to live in Montana by homesnacks.net for 2019, in fact Colstrip was ranked second. Ranking was determined by several factors, one being high income (Colstrip ranked first overall) and low crime rate (Colstrip ranked first overall in this area as well).

**Police Services** include, but are not limited to; patrolling the city limits within the established boundaries to preserve law and order, prevent and discover the commission of crimes, enforcing traffic regulations and ordinances; responding to citizens' requests for assistance, apprehension of violators, service of arrest warrants and civil processes, animal control duties and providing other public services according to CPD command procedures.

**911 Dispatch** services include, but are not limited to; answering and responding to incoming emergency and non-emergency calls, interviewing callers and gathering details on the urgency and nature of the calls, prioritizing calls for service and determining appropriate personnel to respond, dispatching emergency responders, relaying pertinent information to law enforcement and emergency services officers in a concise, organized and understandable manner, providing information, instructions and assistance to the public within their scope of authority, providing dispatch services to multiple city departments, keeping track of a wide variety of law enforcement and emergency services officers in a concise, organized and understandable manner. In addition, this agency/service is responsible for food service to inmates within the holding facility, to include meal prep, serving and dish washing, as well as laundering inmate clothing.



**Police Department Facilities** are located at 303 Willow Avenue in a shared facility also occupied by the Rosebud County Sheriff's Office, Rosebud County Ambulance Services and the Colstrip Volunteer Fire Department. The facility is currently owned by Rosebud County and the city leases/rents space for the Police and Fire Departments occupied spaces.

Due to the lack of storage/evidence space in the current facility, the Police Department constructed a 30x40 foot shop behind the law enforcement building on the site of the old city shop. This facility is utilized for evidence and general storage and is equipped with two enclosed outdoor dog kennels in support of the animal control duties/responsibilities. Construction was completed in the spring of 2019.

**Police Department Capital Equipment** includes seven (7) fully equipped patrol vehicles, one for each sworn office, which are take-home vehicles officers utilize for immediate emergency response and back-up needs.

These vehicles are currently on a 6-7-year replacement cycle and are currently replaced at a rate of one (1) vehicle each year to replace the oldest one in the fleet. The department also has several specialized equipment items utilized to perform day to day activities and law enforcement functions which are replaced through the annual budgeting process as necessary.

**Capital Improvement Needs** have been addressed currently through collaboration with Rosebud County to cost share a significant remodel of the current offices located at 303 Willow Avenue. Updating the current spaces was long overdue and has included holding facility modernization and both interior and exterior improvements. The collaboration has benefited both agencies and has presented the community with a more professional updated facility that employees and community members take pride in.

Future capital improvement needs for the police department may include a stand-alone facility for the department. Currently a site has been designated next to City Hall for this facility.

An engineering study was done several years ago on the construction of a Law Enforcement Center and estimates for construction were between \$2.5-\$3 million at that time. If a new facility were to be contemplated in the future, a new study would need to be completed to adjust for current costs of construction.

The 911 Dispatch center was also completely remodeled as equipment and furniture was over 20 years old and needed to be replaced with an updated modern ergonomically fit workstation for dispatchers as well as newly updated flooring and paint. Cost was approximately \$30,000.00 and was paid for out of the City/County 911 funds. This remodel was completed in 2019.

**Crime Trends.** The following statistics illustrate the nature and level of crime in Colstrip.

2015: 1787 calls for service, investigation of 70 criminal cases, 65 misdemeanors, and 5 felonies, 14 arrests, 207 citations including criminal & traffic.

2016: 1850 calls for service, investigation of 93 criminal cases, 85 misdemeanors, and 8 felonies, 15 arrests, 306 citations including criminal & traffic.

2017: 1632 calls for service, investigation of 77 criminal cases, 71 misdemeanors, and 6 felonies, 26 arrests, 263 citations including criminal & traffic.



2018: 1487 calls for service, investigation of 87 criminal cases, 74 misdemeanors, and 13 felonies, 33 arrests, 214 citations including criminal & traffic.

## Fire Protection

The City of Colstrip has a Class 4 Fire Insurance Rating. It is one of the best in Montana and helps property owners with lower insurance costs. The Colstrip Volunteer Fire Department (CVFD) is responsible for responding to all fire/rescue incidents within the Colstrip city limits. The CVFD provides structure fire suppression, wildland fire suppression, automobile extrication, HAZMAT decontamination, ice rescue, and general rescue. The CVFD is a completely volunteer fire department, with a current staffing level of 26 and the maximum staffing level capped at 30 volunteers.

In addition to providing services to the City of Colstrip, the CVFD also has mutual aid agreements with Rosebud County, Lane Deer, Forsyth, Ashland, and St. Labre. The CVFD also provides fire contracts to Rosebud County residents living within 7 miles of the Colstrip city limits. The CVFD provides auto extrication services through our mutual aid agreements in an approximate 15-mile radius of the city limits of Colstrip and has the only functional HAZMAT decontamination in Rosebud County. The Department also contracts with the Rosebud Power generating station located 6 miles north of Colstrip to provide fire suppression services.

The CVFD consists of two engine companies and one ladder company based out of two fire stations. The CVFD South Station houses a single engine company. The CVFD North Station houses an engine company, the ladder company, HAZMAT, and rescue operations. In the 2017-2018 budget year, the CVFD responded to 19 incidents. Six incidents were within the city limits, 1 automobile wreck, and 12 mutual aid incidents calls. A five-year examination of responses shows an average of 10.2 responses within the city limits and 12.2 responses to mutual aid calls.

Over the last five-year period, the CVFD averaged 22.4 calls a year. 45.5 percent of calls were within the Colstrip City limits, and 54.5 percent were mutual aid calls.

TABLE 4, COLSTRIP VOLUNTEER FIRE DEPARTMENT CALL HISTORY

TIME PERIOD	IN CITY RESPONSES	MUTUAL AID RESPONSES
<b>2017–2018</b>	6	13 (1 auto wreck)
<b>2016–2017</b>	8	13 (2 auto wrecks)
<b>2015–2016</b>	10	14 (6 auto wrecks)
<b>2014–2015</b>	13	5 (3 auto wrecks)
<b>2013–2014</b>	14	16 (8 auto wrecks)

The Colstrip Volunteer Fire Department has identified the following items to be included in capital improvement budgets between 2019 and 2029 (the next ten years).

1. Purchase of the Old Culvers lot directly adjacent to the Boese training center to the north was completed in 2019. This location allows for more training opportunities. Cost was approximately \$40,000.
2. Replacement of Engine 1/332 (2001 model). NFPA standards place a 20-year life span on fire engines which dictate replacement of this engine in 2021. Estimated replacement cost is \$400,000.



3. Replacement of the Snorkel Truck (1970 snorkel boom). This is the ladder company vehicle for the City of Colstrip. The pump is no longer functional, and the boom is no longer certified to lift people. The truck is nearly 50 years old and should be replaced with a modern ladder truck. Estimated replacement cost is \$1,000,000–\$1,500,000. Estimated replacement cost for a used certified ladder truck is \$250,000–\$500,000. A used unit is recommended.
4. Replacement of 20 SCBA units. Estimated replacement cost in 2030 is predicted to be \$300,000.00.
5. Replacement of the HVAC system at the Boese training center, estimate cost is \$25,000.
6. Replacement or rehabilitation of the South Fire Station. The City of Colstrip currently rents this station from Rosebud County. The station was built for the much smaller fire trucks of the 1980's. Modern fire apparatus needs to be custom ordered to fit and is considerably more expensive than stock apparatus. Estimated cost for the replacement facilities is \$2,000,000 - \$3,000,000.

## Ambulance and Emergency Medical Services

Emergency medical services are provided by Rosebud County, which funds the service through its Ambulance Fund. In Colstrip, two ambulance vehicles are housed in the Rosebud County Law Enforcement facility. Both vehicles are intermediate level and provide advanced life support services. Colstrip has 14 volunteer emergency medical technicians (EMTs).

Over the next 5 years the Colstrip Ambulance Service is anticipating a major volunteer shortage. The service is currently running with 2-man crews and has been doing so for the past few years as our volunteer numbers have been down considerably and there are not enough people to continue to maintain the preferred 3-man crew.

An EMT class is concluding in the summer of 2019 and unless 6-8 new volunteers are recruited from that class, the service will be forced to continue utilizing the current 2-man crew approach. Younger volunteers are also needed as it is anticipated at least 3 of the current volunteers will leave/retire within the next 3 years.

Colstrip Ambulance Service is currently operating 2 ambulances, one 2009 and one 2017 model. The service will be working with the County over the next few years to replace the 2009 vehicle and will also need to replace the 2017 vehicle within a 5-year time. Cost of replacement is anticipated at between \$250,000-\$300,000 for each.

Ambulance/EMT equipment is also aging and will need to be replaced over the next 2-3 years. The 2 Lifepak 12 heart monitors will need to be replaced with Lifepak 15 models, allowing staff to transmit 12 lead EKG readings to the Colstrip Medical Center as well as to both major hospitals in Billings. The new Lifepak 15's are anticipated to cost approximately \$30,000 each. In addition to the heart monitors, the Ambulance service also has one Lucas device which is kept in the quick response vehicle, a non-transporting SUV. This device allows for constant chest compressions for CPR through mechanical means instead of performing chest compressions manually. It is the intent of the ambulance service to purchase two more of these to ensure there is one in each ambulance as well. These are acquired through a state-level program and cost is uncertain.

Lastly, the service owns a self-loading gurney, located in the 2017 ambulance. Self-loading gurneys prevent back injuries to volunteers and cost approximately \$30,000.



It would be appropriate to upgrade the gurney in the second ambulance within the next 1-2 years. Lastly, the ambulance service has an older SUV, which was acquired from the county and is utilized as a quick response vehicle. The availability of this vehicle has lowered response times considerably. It too will be replaced with a newer version in 2019.

## City Administration

Colstrip is home to a modern and spacious City Hall. In 2008, the city requested and received grant assistance of \$200,000 from the Montana Coal Board. This was combined with \$700,000 available in capital reserves, and \$200,000 in the 2007-08 general fund budget to create the funding for the city administration building. The Public Works Director, City Clerk/Treasurer, Deputy City Clerks, Building/Planning Official, City Judge and Clerk, Mayor and City Attorney all have office space at City Hall. There is a large meeting room available to the public that is also used for City Council Meetings, City Court hearings and various board meetings.

## Public Health, Medical Services and Facilities

Health care plays a major role in the Colstrip economy. Because of the unique industry and employment base at Colstrip, occupational testing and special health care programs are needed. The Colstrip Medical Center has a state of the art, 20,000 square foot facility and highly trained personnel to handle the needs of the rural population and the mining and power industries. The Colstrip Medical Center, established in 1991, is a total medical services clinic. The center is operated as a county hospital taxing district and levies approximately 5 mills each year to provide annual revenues for operating and maintenance.

The Colstrip Medical Center has a staff of over 20 employees and provides routine, urgent, special, and preventative health services and 24-hour on-call urgent care services. It also houses an independent pharmacy and provides telemedicine and mental health services. Three mid-level practitioners (physician assistants), two physical therapists, two registered nurses, one medical assistant, the equivalent of one additional registered nurse being staffed through LOCUM, and laboratory/radiology and Health and Wellness personal staff the clinic. The Colstrip Medical Center is managed by and affiliated with Billings Clinic and is overseen by a publicly elected board of directors.

Ninety-three percent of the taxes levied to support the Medical Center are derived from the power plant. The pending loss of primary tax revenue from the closure of units 1 and 2 is anticipated to be covered by increases in the mills levied against Units 3 and 4, and to a smaller extent by increases on the remaining tax base. A 2-mil supplemental tax for the Medical Center is anticipated to see a 30 percent reduction in taxes generated. The Center lost both a doctor and a nurse in 2018, and a nurse practitioner in 2019, and has not been able to recruit nurses for some time due to the uncertainty of the area's economy. According to available data, 40 percent of the Medical Center staff live outside Colstrip.

The Rosebud County Public Health Department has a Colstrip office that is in operation Monday through Thursday from 8am to 5pm. Health nurses are in the Colstrip office one day a week, however, there is a receptionist available five days a week for information or scheduling.

Immunizations, family planning, and women's/men's health services including a wide variety of health screenings are available. Eastern Montana Community Mental Health Center conducts ACT (DUI) classes in Colstrip once a week. The Women, Infants, Children program is held once a week or by appointments.



There is a senior citizens center located on the ground floor of the Human Services Building which also provides a multitude of services. The seniors use the center for activities, meetings, and educational programs. Low cost lunches are served to the seniors Monday through Friday.

Located in Lame Deer, 25 miles to the south, is Indian Health Services that serves the Northern Cheyenne Indian Reservation including those Tribal members who live in Colstrip.

## Additional Public Services

Access to most of the traditional public services are offered to Colstrip residents through Rosebud County.

Services provided by the county include Environmental Health, Extension Services, some emergency and senior services, and weed control. Offices for these service providers are found in Forsyth, the County seat and not in Colstrip.

## Cultural Resources

The Schoolhouse History and Art Center (SHAC) is a non-profit organization that serves as a historical and art museum for the Colstrip community. The structure itself was originally built in 1924 as a schoolhouse for the emerging community of coal miners and area ranchers. SHAC has one gallery devoted to Colstrip area historical photographs and another gallery for rotating art exhibits. The organization sponsors several events and fundraisers for the facility throughout the year including a golf tournament, annual quilt show, juried art exhibits, Holiday bazaars, and participation in Colstrip Days' activities.

SHAC has an active outreach program that travels to Forsyth, Lame Deer and Colstrip visiting senior centers, rest homes, and the Boys and Girls Clubs. SHAC serves as Colstrip's Visitor Center and has space for community meetings, lectures, children's craft time and seminars. It also has a developed pottery center where local artists can work on their pottery projects.

In addition to SHAC, Colstrip is fortunate to have a local non-profit (501c3), the Quality of Life Corp which umbrellas and facilitates Colstrip United, Colstrip Days, several scholarship programs, Scouting activities, and a Breakfast Club for school-aged children.

## County Library

The Bicentennial Library provides comprehensive library services to the Colstrip community. The library originated in 1976 by volunteers with donated books. In 1986, Rosebud County assumed operation of the library and funds it with county library fund. The library is staffed by one full-time employee and three part-time employees.

The services offered by the Bicentennial Library include faxing, copying, and internet stations. Children's story time, young adult story time, and reading programs are also offered. The library contains over 49,876 holdings in books, magazines, videos, CD's, audiobooks, and E-content. Bicentennial Library participates in both a national and statewide inter-library loan program. Yearly patron visits total approximately 17,000 including more than 106 children at story time sessions.





## Solid Waste Collection

All residential customers have access to 96-gallon containers. Only commercial, public nonresidential entities, and multi-family residential units have usage of 300-gallon containers. In 2010, a recycling program was implemented utilizing Miles City Sanitation (MCS) as the contractor. MCS charges \$430.00 per container of cardboard and aluminum cans. MCS continues to pick up recycling containers as needed for aluminum and cardboard.

The City collects waste oil at the City Shop during regular business hours. The solid waste is disposed of at the Rosebud County landfill, located north of the City of Colstrip. The city employs one person to conduct this service. This service is provided at a rate of two (2) pickups a week for residential service and is assessed through property taxes. A new refuse hauler was purchased in 2011 at the cost of approximately \$237,000. A second new refuse hauler was purchased in 2016 at the cost of approximately \$257,000. Due to the difficulty of obtaining service, the 2011 truck has been kept and maintained as a back-up.

## Senior Citizen Services

The Colstrip Senior Center offers hot meals for lunch Monday through Friday at the Human Services Building. Seniors can sign up for these meals to be delivered to them by the kitchen manager at home if they are unable to come to the Center. In addition to hot meals during the week, the food assistance program provides monthly commodity boxes with 30 pounds of food. Senior citizens may apply for this service at the Senior Center.

Some transportation service for seniors is also available. Transportation to Billings is provided on Tuesdays and to Miles City on Thursdays. Transportation to these locations is provided utilizing the county car, which must be reserved and staffed by a volunteer driver.

There is also limited transportation services provided by Rosebud Health Care which can be utilized by seniors to travel round-trip from the Colstrip Senior Center to Billings the first Tuesday of the month, Miles City on the second Tuesday of the month, and again to Miles City for groceries on the third Friday of the month. 48-hour advance registration is required for this service. Lastly, the City of Colstrip maintains a small bus to which seniors have access.

The local assisted living facility is also providing in-home care to Colstrip seniors. A skilled-nurse program offers home visits from the public health nurse for wellness checks. In addition, there is a health promotion foot Clinic the third Tuesday of each month which includes toenail care/trimming and a blood pressure check.

## CHAPTER 13: RECREATION PLAN

### Overview

With the comparatively large tax base provided by the power plant and coal mine, two tax districts were formed to provide services to the Colstrip community. They include the tax supported Medical District and the Colstrip Park and Recreation District.

The Colstrip Park and Recreation District (CPRD) was created on July 1, 1987 with a 3-mil levy as a result of an April election. The District is currently funded by 15.9 mils and a portion of the Coal Gross Proceeds Tax collected by Rosebud County. It is overseen by a 7-member publicly elected non-compensated board of commissioners. CPRD celebrated its 25th anniversary in the summer of 2012.



Park and Recreation District facilities include a 32,000 sq. ft. community center with outdoor swimming pool, a 15' rock-climbing wall, and a 147' waterslide. Colstrip boasts 32 improved playgrounds with only a population of slightly over 2,300 residents. In addition, CPRD has constructed and operates a challenging 9-hole golf course with a clubhouse and a golf professional on-site. The parks include ball fields, tennis and basketball courts, a skate park, a BMX track, and a children's splash park that opened in 2017. For every 70 people in Colstrip there is an improved park. In addition, there are over 150 acres of dedicated open space which the district also oversees. The park district also maintains a paved pedestrian/bike trail that stretches approximately 4.5 miles and serves both recreational and non-motorized transportation needs. Year-round, individuals can safely travel to most areas of town on this trail which also features tunnels that cross under HWY 39 and Power Road.

The Community Center, located in Rye Park, contains a basketball, handball, and racquetball court, as well as exercise areas including a weight room, cardio room, childcare, youth room, men's and women's locker room with shower facilities, and certified fitness instructors with a variety of fitness classes offered Monday through Friday year-round. An expansion in 2006 increased the facility from 24,000 sq. ft. to its current size including an elevator, offices, teen room and additional exercise gym area. New flooring was installed in the main gymnasium in 2018.

In 2004 Sports Illustrated magazine recognized Colstrip as Sports Illustrated 50th Anniversary Sports town USA for Montana. According to an article in the Billings Gazette; "from July 2002 through April 2003, there were some 44,023 "touches" or uses of the community center by the locals." In addition, in 2008, the CPRD board was named "Outstanding Board or Commission" for communities with populations under 25,000 by the Citizen Branch of the National Recreation and Park Association for the nation.

Castle Rock Lake sits on the edge of town and provides hours of entertainment for swimmers, non-motorized boaters, and fishermen with a passion for warm water fishing including Large Mouth Bass, Northern Pike, Crappie, Bluegill, or Walleye. Pedestrians and cyclists enjoy a well-maintained trail that varies in length from 2.58 miles to 3.12 miles around the lake. Ice fishing is also popular, so the lake is a year-round fishing destination. Montana's state record fish for Green Sunfish and Channel Catfish are recorded as being caught in Castle Rock Lake in 1991, 1998, and 2019 respectively.

CPRD maintains a 5-year capital improvement plan. Annual improvements identified in the plan include the purchase of equipment, park land and facility expansion, and ongoing improvements. The plan is an aggressive plan which identifies major improvements, however CPRD is also responsible for substantial recreational infrastructure within Colstrip that requires ongoing maintenance and continued upgrades. CPRD services are available to residents at no additional cost and are truly representative of a publicly owned and operated facility.

In addition to the numerous opportunities provided by CPRD, Colstrip is also home to the Colstrip Sportsman Club and the Colstrip Trap Club. The Sportsman Club provides a 25, 50, and 100-yard shooting range as well as archery ranges to enthusiasts for a very reasonable membership fee. The Colstrip Trap Club offers trap, sporting clays, skeet and black powder shooting. Colstrip also has four Hunters Education instructors that hold bi-annual classes for community members.



## County and City Park Partnership

Parks and recreational facilities' services within the community are owned by Rosebud County but maintained and operated by the Colstrip Parks and Recreation Department (CPRD) a legally formed taxing jurisdiction. CPRD is discussed in the following section under unique governmental functions/ recreation facilities and services.

## Parks Funding, Governance and Operations

In consideration of the closures to Units 1 and 2, CPRD has developed a five-year plan that prioritizes specific projects to be completed prior to any loss of revenue due to the shutdown.

The focus of the five-year budget is to replace/repair the heating and cooling system at the recreation center. The Rec Center and pool area are at the center of programming and must be operated and maintained well into the future without any unforeseen major repairs that could take money away for the operating budget. After completing the Rec Center heating/cooling upgrade, the District will be updating Big Timber Park on Piedmont Street.

This will include removal of old and outdated equipment and replacement with modern, safer equipment and fill material, construction of a picnic shelter, elimination of ADA access issues such as a hill sloped poorly-maintained and weeded park, and the addition of fill material that will significantly curb noxious weed growth problems that exist in the sand-based material while providing a better surface for wheelchair access.. Planned upgrades will create a park destination like Wild Horse Park on the north end of town and Rye Park on the south, which are both currently fully accessible.

After the upgrade to Rock Park is made, all parks and playgrounds will be in a maintenance/repair mode and operate under a yearly maintained budget. The next areas of focus in the five-year plan is replacement of equipment, specifically the large mowers needed for the parks and the golf course to operate efficiently into what is anticipated to be a more restricted budget moving forward.

Other projects/items to be completed as part of a 5-year capital improvement plan are:

1. Improvements to the Rec Center Reception Area to accommodate more effective greeting and observation.
2. Upgrades to the camera and alarm security to protect against active shooter incidents and vandalism issues.
3. Remodeling of the basement locker/shower rooms to create ADA accessibility as well as a more modern and aesthetically pleasing environment.
4. Remodeling the pool locker/shower areas to include an effective floor drainage system, safer flooring that is more maintenance friendly, upgraded fixtures, and replacement of old metal lockers and painted wooden benches with modern plastic fixtures for longer lasting and more easily maintained fixtures. (Current lockers are surplus items purchased from the school district approximately 25 years ago).



If the Park District should lose significant revenue in the course of the next five years, as is now anticipated given the premature closing of Units 1 and 2 on December 31, 2019, projects will be prioritized and purchases to operate will be considered under the new budget. CPRD also has the option of requesting Coal Board grant funds, and/or asking the taxpayers of Colstrip to increase taxes to maintain the previous budget. A request to increase taxes would only be considered after attempts to obtain grant funds and to meet the needs under the new budget were made.

## Recreation Programs, Events, Objectives, Policies and Strategies

It is important for the continued vitality of Colstrip that the community attract young professionals and families. Colstrip offers exceptional quality of life amenities to its residents. It is in a welcoming and beautiful area with outstanding schools, well-maintained infrastructure, excellent medical services and developed outdoor recreation. Jobs follow people, and people and businesses are drawn to great places. Clark Anderson with Community Builders noted, “70 percent of entrepreneurs started their business after locating to the community.”

While gathering public input during the 2017 Colstrip Economic Diversification Strategy process, it was determined that Colstrip has the unique opportunity to enhance the image of a vibrant community in small town America by creating a community “core” that connects to the existing trail system. Currently, Colstrip has no real downtown.

The core, which would function like a central or more typical downtown, could be utilized for community gathering, highlighting of in-home businesses, and events, and a focal point to encourage young professionals to start a business, raise a family, and grow a career.

The concept could even be tested and grown slowly by designating the intended “core” area as a pop-up commercial and community activity space to build interest in the area before fully pursuing any permanent development.

Based on this goal, the following action items were established to be pursued moving forward:

1. Establishing of a community working group with industry partners (including Parks & Recreation, in-home business owners, economic development and City leadership)
2. Developing a public relations campaign and set of positive community/cultural news stories to be released to the media over a set time frame
3. Developing and maintaining a web and social media presence
4. Developing a series of mini-video documentaries of the benefits, events and recreational programs and opportunities available in Colstrip.

In addition to the recreational opportunities and event planning outlined as part of the creation of a community core, Colstrip has tremendous agricultural and natural resources that might allow for the development of agri/eco/geo-tourism in the region. Again, as identified in the 2017 Economic Diversification Strategy, this might include coal mine reclamation tours, the addition of a campground and/or RV park, a mining and power plant museum, growth in the Colstrip service industry to include a farm-to-table restaurant, and niche farming opportunities (such as raspberry farming or greenhouses).



In addition, the geo-tourism and recreation industry holds tremendous promise. A growing global trend, geo-tourism focuses on the holistic geographical character of the location: environment, culture, heritage, and social well-being.

This is an industry that is driving nature-based and adventure travel in combination with agriculture and eco-tourism, culture and heritage travel. Specific to Colstrip, the addition of a retreat center with cabins and a main facility for corporate, spiritual, veterans healing, outdoor culture and Tribal culture retreats is one potential strategy identified.

The benefits of a recreational and quality of life strategy such as this are numerous and include the possible repurposing of currently under-utilized land, supporting entrepreneurial activity, increasing jobs in the agriculture and tourism industries, stimulating tourism activity in Colstrip and Rosebud County, and presentation of marketing opportunities for other resources in Colstrip, including the local airport for private access for guests in personal aircraft.

Tasks specifically related to recreational, tourism and quality of life strategies can be found in the 2017 Colstrip Economic Diversification Strategy.

## CHAPTER 14: NATURAL RESOURCES

### Overview

Colstrip's elevation is 3,426 feet above sea level. At present there is no oil or gas activity in the area. Much of the Colstrip area is underlain by shallow bedrock, which occurs visually as frequent outcrops along hillsides and on hilltops. The bedrock is composed of sedimentary rock, with some sandstone, shale and coal horizons. Many of the outcrops were ignited, becoming underground fires. The underground fires in coal seams resulted in pink and red scoria present throughout the area.

Located in the rolling hills of southeast Montana, Colstrip is approximately 26 miles south of the Yellowstone River and approximately 10 miles west of Rosebud Creek. Except for the area to the southwest and west, the countryside is rolling hills covered by grass and sagebrush and an occasional area of small pine trees. The land slopes to the north and east into the Yellowstone River and Rosebud Creek drainages.

A few miles to the southwest and west the elevation increases to 4,000 feet, with the highest point, recorded at 4,820 feet, approximately 15 miles west-southwest of Colstrip. Sparse pines cover this area and increase in number and size with increases in elevation.

### Agricultural Land Use

As noted in several sections of this Policy, industrialization in the form of mining and energy production, has played a significant role in the development of Rosebud County and specifically of Colstrip. In addition, the land and its agricultural base have proven to be a constant economic base for the city and the county.

Livestock production, including cattle, sheep and horses, has played, and continue to play, a significant role in the agricultural operations of the region. For the most part, the area south of the Yellowstone River does not have significant areas of crop production but does offer prime grassland for cattle production.



## Soils

Soils in the Colstrip vicinity are in two basic groups; sandy silt and clinker residual soils derived from bedrock, and loamy/clayey alluvium soils deposited by stream action.

The soils, climate and gently rolling terrain support native vegetation that is typically mid-prairie and sagebrush with Ponderosa pine stands. Sand, gravel and similar types of construction materials are available through private industry, but no sand or gravel pits are located within the city limits of Colstrip.

## Water and Wildlife Habitat

Southeastern Montana has habitat for a large variety of wildlife including mule deer, white-tailed deer, elk, antelope, upland game birds, turkeys, several species of waterfowl, black bears, and mountain lions.

## Rivers, Streams, Lakes and Aquifers

The East Fork of Armells Creek is the principle natural surface water traversing from south to north through the community. The Creek is mainly fed by springs that discharge groundwater into low points of the drainages, as well as natural rainfall and snowmelt. Castle Rock Lake is a man-made reservoir on the west side of Colstrip. It was constructed to receive raw water pumped from the Yellowstone River approximately 30 miles to the north and provides raw water storage for Colstrip Power Plant power generation processes and municipal water for the city of Colstrip.

Shallow aquifers occur along the drainage of the East Fork of Armells Creek. Deep aquifers are in the Rosebud and McKay coal seams. The Fort Union Formation is the widely used aquifer in the area. Ground water is used mostly for livestock watering. Aquifers do not have capacity to support irrigation and is rarely used for drinking water. A deep well was drilled within the community of Colstrip to a depth of 5,200 feet. The temperature of the well was 210 degrees F, and the Sulphur content is too high for domestic use.

## Montana Fish, Wildlife, and Parks

The region is rich with wildlife including mule deer, whitetail deer, antelope, grouse, pheasants, geese, elk and turkeys. In 2005 in partnership with Montana Fish, Wildlife, and Parks, the city took a proactive approach to establish a deer management plan.

## Coal Resources

Coal is the dominant mineral resource in the Colstrip vicinity. The area is underlain by the Fort Union Formation, which comprises the Rosebud and Mackay coal seams. The Rosebud seam, the minable coal bed at Colstrip, averages 20-30 feet in thickness.

Montana has approximately 25 percent of the country's coal reserves, and the Westmoreland Rosebud Mine, located adjacent to Colstrip, produces between 9 million and 12 million tons of coal per year. Coal in the Colstrip area is sub-bituminous.

Sub-bituminous coal is a dull black coal with heating value ranging between 7,800 and 9,500 Btu; with a carbon content of 30-40 percent; and moisture content 20-30 percent. It is one of the largest, more modern mines in the United States and the Colstrip Power Plant is the second largest coal fired power plant west of the Mississippi. Colstrip Electrical Generating Plants, Units 1-4 are mine-mouth pulverized coal generating plants with 2094 MW nameplate capacity.





Just north of Colstrip, Montana 1 (also known as Colstrip Energy Limited Partnership (CELP) which owns the Rosebud Power Plant), has a 41.5 MW nameplate and burns waste coal.

Due to the environmental regulations related to surface or “strip” mining, Westmoreland Rosebud Mining LLC has participated in land reclamation since the 1970’s and has reclaimed over 9,790.4 acres (2012) of mined land by replacing soil to original condition and use. Of those 9,790.4 acres 700.2 acres have been released back to the public. The company has won numerous nationally recognized awards for reclamation efforts. Surface coal mining companies are required to reclaim and return mined land to a productive capacity that is equal to or better than before mining occurred.

Reclamation operations take place concurrently with mining operations. The first step taken is to remove the topsoil from an area to be mined, stockpile it and stabilize it with temporary vegetation to prevent erosion. The initial overburden removal is called a box cut and the cavity that is left when the coal is removed will receive the overburden from the second cut. In most cases, a dragline is used to lift overburden from a new section and deposit it in the section that has just been mined. To loosen the overburden for the dragline, it is blasted. The coal is fractured in the same way and then removed by large loaders, transferred into coal haulers and transported to the mine storage and loading facility.

Once the dragline has deposited overburden over the mined-out cavity, reclamation equipment is utilized to smooth it out and contour it to the approximate original contour which blends in with the surrounding landscape. This process is much like that employed in construction projects. After that, reclamation becomes very similar to any farming operation. Before any company is permitted to mine, it is required to post a bond sufficient enough to cover the cost of reclamation in the event any operator fails to perform their reclamation efforts.

Westmoreland Rosebud Mining LLC has reclaimed most of the disturbed land to native rangeland. Another 10 percent of reclaimed land is returned to timber and shrub land. Ponderosa Pine and Rocky Mountain Juniper are the timber species planted. Shrubs include silver sagebrush, big sagebrush and skunk bush sumac. Through alternative reclamation plans, Westmoreland Rosebud Mining has received approval to reclaim former croplands with alfalfa and wheat. As of 2012, 738.6 acres of cropland has been reclaimed. As of 2012, 9,792.2 acres have been reclaimed, more than 60 percent of all coal mine acres reclaimed in the entire state. 8,021 of the reclaimed acres are fenced and grazed each year by 450 head of cattle.

Stock water is supplied by seven wells, five of which are powered by windmills. Westmoreland Rosebud Mining LLC’s reclamation also includes 203 water monitoring wells, and 5 active sharp-tail grouse dancing grounds.



The mine produced 12,230,000 tons in 2010 and 8,800,000 tons of coal in 2011. Westmoreland Rosebud Mining LLC has the following current permits and reserve potential for the existing Rosebud Mine:

AREA	REMAINING MINABLE	BTU/lb
Area A	33 million tons (approved, pending revision, and some not yet submitted for mining approval).	8,700
Area B	21 million tons (approved and some not yet submitted for mining approval).	8,750
Area C	6.8 million tons/yr. through 2020.	
Area D	3.1 million tons/yr. through 2012. Mined out as of February 2013.	
Area E	In reclamation	
Area F	71 million tons (permitted)	

The Colstrip Steam Electric Station is owned by Puget Sound Energy Inc., Talen Energy LLC, Portland General Electric Co., Avista Corporation, NorthWestern Energy LLC, and Pacific Corp. It is operated by Talen Energy and is one of the cleanest coal-fired generating facilities west of the Mississippi River. Pollution control equipment removes 99.5 percent of the particulate emission and mercury controls place it in the top 10 percent cleanest coal plants in the country. Electricity generated by the four-unit facility is used through-out the Northwest.

COLSTRIP STEAM ELECTRIC STATION OWNERSHIP BY UNITS	UNITS 1 & 2	UNIT 3	UNIT 4
Talen Energy LLC	50%	30%	
Puget Sound	50%	25%	25%
Portland General Electric		20%	20%
Avista		15%	15%
NorthWestern Energy			30%
PacifiCorp		10%	10%

## Sand, Gravel, and Other Mineral Resources

According to the Montana Department of Environmental Quality (DEQ) there are 31 permitted gravel pits in Rosebud County. A new gravel pit has started operation northwest of Forsyth that may provide gravel to the proposed wind farm in the northeast corner of the County. The Soil Survey completed for Rosebud County by the Soil Conservation Services shows sixteen types of soils suitable for use as gravel. Although some of these are in and directly around Colstrip, currently there are no local sand, gravel or other mineral extraction (aside from coal) taking place in the community.

## Wildland-Urban Interface

Wildland and rangeland fires are a significant threat in the Colstrip area. According to the 2018 Montana Multi Hazard Mitigation Plan, Rosebud County had the most acres burned between 1992 and 2017 in Montana. One third of the acres burned were a result of the Ash Creek fire of 2012 which was started by lightening. Wildland and rangeland fires are often hard to control because of the abundance of fuel, and the unpredictability of weather conditions. They can be a threat to developed areas like the City of Colstrip.



The areas at greatest risk are at the edges of cities, often called the wildland-urban interface. Colstrip is especially susceptible because its long, thin configuration makes almost the entire community a part of the wildland-urban interface. On the positive side, this same configuration means that most of the community is also adjacent to wildlife habitat and rural open space scenery.

## Climate

The annual average precipitation for the period of 1961 to 1990 was 14-16 inches for the Colstrip and surrounding area. The annual precipitation (three-fourths of which falls during the April-September growing season) is adequate for many types of grains and grasses. The average annual precipitation of 15.79 inches is 2 to 3 inches more than the lower elevation areas along the Yellowstone River and just slightly less than the annual precipitation at Lame Deer, a few miles to the south and at a little higher elevation. Heavy snow falls are not common in this area and during the 1946-1963 period the greatest daily snowfall was just under 10 inches in December of 1958. Somewhat greater daily snowfalls of a foot and a half or more, can be expected in the Colstrip area during a typical transition storm.

Spring and fall are transition seasons between the cold of winter and warmth of summer, and day to day changes can be extreme. Summer precipitation almost always occurs as showers, but late spring some-times will produce general rains of several hours in duration and late September and October in some years can have rainstorms of the same general character. Thunderstorms are common in the general area, occurring 20 to 30 days a year. Hail and strong winds occasionally occur, but the incidence of these is not large. No tornadoes have been observed in Rosebud County over the past 20 years, but this may be partially due to the sparse population of the county.

Summers are characterized by warm days, but most nights even during mid-summer, cool down to 60 degrees or less. Temperatures of 90 degrees or more occur about 40 days each year and can occur in any month from May through October, although most of the 90-degree temperatures occur in July and August. Temperatures of 100 degrees or more occur around 2 days of the year in at least 3 out of 4 years. Mornings during July and August are mostly clear and sunny, but by afternoon on most days convective cloudiness appears, occasionally accompanied by thunder and showers.

Winters are cold, but not extreme. While minimum temperatures rarely fail to cool to 32 degrees or colder, during the winter most days will find afternoons warming to at least the mid-thirties. An occasional cold spell will generate sub-zero temperatures, but these spells seldom last more than two or three days. Less than one out of three days will the maximum temperature fail to reach zero during the afternoon. Wind is seldom a factor during cold spells.

## CHAPTER 15: GROWTH POLICY IMPLEMENTATION

### Overview

The 2019 Colstrip Growth Policy is a significant upgrade of the existing Growth Policy. The previous Growth Policy provided very useful information regarding existing community characteristics as well as trends that had future implications for the community. However, it lacked specific recommendations regarding how the community may best address existing and emerging issues.



The content of this chapter is critical to compliance with state law and provides necessary details for communities to be eligible for various funding programs and resources. The chapter is organized into two primary sections:

1. Section 1: Identification of tools available to Montana cities to help implement the growth policy; and
2. Section 2: Fulfills a specific requirement in Montana State Law requiring growth policies to evaluate jurisdictional subdivision regulations in the following three ways:
  - a. Identification of how local government defines various impact assessments as specified in the law
  - b. Addressing how public hearings for proposed subdivisions will be conducted, and
  - c. Addressing how local governments will make decisions with respect to various impact assessments

In addition, the second section identifies specific objectives, policies and strategies for six planning topic areas which are also outlined throughout the Growth Policy text:

- ◆ Land Use
- ◆ Housing
- ◆ Infrastructure
- ◆ Economic Development
- ◆ Public Facilities and Services
- ◆ Intergovernmental Coordination

In some cases, the topic areas identify specific resources and programs that are available to help implement strategies identified for each topic area. Objectives are also listed and for each identified objective, there are recommended implementation measures. The implementation measures are either recommended policies or strategies. Recommended policies reflect the intent of how a governing body might address a planning topic or issue through policy. Strategies reflect a specific course of action that a governing body might utilize to address a specific planning topic or issue.

## Implementation Tools

This section identifies several types of Growth Policy implementation tools. Generally, there are five types of tools at a local government's disposal to help implement a growth policy. They include:

- ◆ **Regulations:** Regulations are generally outlined and authorized by Montana Code Annotated (MCA) and adopted into law by local government.
- ◆ **Policies:** The Growth Policy and other adopted plans contain policies that express the community's interest in pursuing a course of action on topics and issues. Unlike regulations, local government has discretion in the implementation of policies.



- ◆ **Government Finance:** Government finance tools represent the community's financial commitment to fund the implementation of policies and strategies outlined in the Growth Policy.
- ◆ **Education:** Educational tools, such as the growth policy itself, include several activities that inform the public, appointed officials and elected officials that facilitate effective decision making.
- ◆ **Coordination:** Coordination tools are voluntary measures with the local government or between a local government and other local, state and federal government or agency that results in more efficient and effective delivery of services or a shared response to a common concern.

Provided below is a discussion of each of the types of growth policy implementation tools. The tools described are not all inclusive but rather are intended to provide examples of tools that are commonly used by communities in Montana. Several of the tools are currently already being utilized by the City of Colstrip. The tools currently not in use may be considered as additional means to advance the implementation of the Growth Policy.

## REGULATORY TOOLS

### Subdivision Regulations

MCA requires counties to adopt subdivision regulations that comply with the Montana Subdivision and Platting Act. Subdivision regulations control the creation or modification of the division of land into new parcels or tracts. They also control the design of subdivisions and provide standards for adequate provision of infrastructure without adversely impacting public services and natural resources.

The City of Colstrip has adopted subdivision regulations that are enforced in the City or on lands proposed for annexation into the City of Colstrip. Subdivision regulations will need to be updated to be consistent with this Growth Policy and must include any amendments made during the 2019 Montana Legislative session.

### Zoning Regulations

Zoning regulations are a common regulatory tool to control land use. One of the primary purposes of zoning regulations is to minimize land use incompatibility. Zoning regulations also establish standards that limit the density or intensity of development as well as other characteristics of development such as off-street parking, signs, lighting, site layout, etc. Zoning regulations are supplements to a zoning map that establishes zoning districts in the jurisdiction. The zoning map provides the means to separate incompatible land uses and zoning regulations mitigate potential land use incompatibilities at the boundaries separating different zoning districts.

The City of Colstrip adopted zoning regulations in 2001. Over the years, several amendments have been made to those regulations. The city is in the process of reviewing a comprehensive update to the zoning regulations as prepared by their planning consultant. Pursuant to MCA, the City of Colstrip can establish extraterritorial zoning jurisdiction up to one mile beyond the city limits if Rosebud County and the city create the extra territorial area and provide for joint administration.

### Design Standards

Design standards are most often contained within zoning regulations but can also be established in subdivision regulations. The purpose of design standards is to enhance the appearance and functionality of a development. Overly restrictive design standards can impede development. If properly crafted, design standards can significantly enhance the built environment without placing undue burden on a developer.



### Floodplain Regulations

Floodplain regulations are intended to regulate the use of land located within an officially designated 100-year floodplain in order to protect buildings and its occupants from the risks associated with flooding. Floodplain provisions are contained in the subdivision regulations. Some communities choose to participate in the National Flood Insurance Program Community Rating System (CRS). CRS is a voluntary incentive program that recognizes and encourages community floodplain management activities that exceed the minimum NFIP requirements. Any community in compliance with the minimum requirements of NFIP may participate. Participation in the CRS results in discounted premiums for flood insurance policy holders; between 5 to 45 percent depending on the rating of proposed floodplain management activities, reducing the likelihood or magnitude of damage resulting from a flood.

### Zoning Compliance Permits

Zoning compliance permits ensure that development activities comply with zoning regulations. The City of Colstrip requires the issuance of zoning compliance permits for most types of improvements to private property.

### Building Permits

Building permits are utilized to ensure that construction of buildings follows the State of Montana Building Code. Building permits are required for all buildings over two hundred (200) square feet. Most residential building permits are issued by the City Building Inspector but permits for commercial or residential buildings with five or more dwelling units are issued by the State.

## POLICY TOOLS

### Neighborhood or Area Plans

The Growth Policy can be further implemented by more detailed neighborhood or area plans. With the adoption of the Growth Policy, plans may be prepared that provide a greater level of detail for specific areas or issues as the City finds need.

### Annexation Policy

A city expands its boundaries and its jurisdictional authority through the process of annexation. There are six different methods for annexation authorized by state statute (Parts 42 through 46 of Title 7, Chapter 2, MCA). Part 46 authorizes an annexation resulting from a petition from private property owners.

Cities use two tools to facilitate and guide future annexations. The first is a "Limits of Annexation" map that delineates the areas surrounding the city that can be reasonably supported by urban services and infrastructure.

The map is prepared in coordination with the preparation of a capital improvements plan. The second is the use of annexation agreements. Entering into an annexation agreement with a property owner prior to the submission of development plans gives a local jurisdiction the opportunity to assign infrastructure and other costs associated with development of the annexed property.



### Urban Planning Area

Designation of an urban planning area is utilized for the extension of urban services as a jurisdiction grows. It delineates the geographic extent of how far outside the city limits the jurisdiction is prepared to extend urban services within a 10-year planning horizon. This is often accomplished by establishing an urban service area boundary beyond the city limits. The urban service area boundary is established in coordination with planned growth areas identified in the Growth Policy as well as the city's capital improvement plan. This tool helps a city plan for future growth outside the city limits and puts property owners outside the city limits on notice of what areas will and will not be supported by the extension of urban services.

### Urban Renewal Districts

The establishment of urban renewal districts facilitates redevelopment of selected areas in the city. Title 7, Chapter 15, Part 42 of the MCA gives municipalities authority to establish urban renewal districts in areas that meet the statutory definition of "blighted" areas and authorizes the municipality to expend funds in the area to stimulate private investment.

Tax increment finance districts are often used to recapture the city's expenditure of funds for public improvements in the redevelopment area. Prior to establishing an urban renewal district, municipalities are required to prepare and adopt an urban renewal plan.

## GOVERNMENT FINANCE TOOLS

### Capital Improvement Programs

City and county governments often program capital improvements on an annual basis. This is a reasonable practice for communities experiencing no or low levels of growth. However, for communities anticipating or experiencing high levels of growth, the use of multi-year capital improvement programs is an important tool to plan for public expenditures associated with growth. In such cases, a local government may establish a five-year capital improvement program. As noted above, a multi-year capital improvement program can support the establishment of urban service areas and facilitate negotiation of an annexation agreement.

### Fee Incentives

The reduction or full waiver of municipal fees can be utilized to support implementation of specific growth policy goals and objectives. Often the financial incentive is used to support affordable housing or redevelopment projects. The tool can also be used to support specific economic development policy.

### Impact Fees

An impact fee is a charge on development assessed at the building permit or zoning compliance permit stage of a project to assist the funding of new or expanded facilities that are needed to accommodate the development. Impact fees are used by communities anticipating or experiencing high levels of growth and are intended to maintain existing or minimum levels of service with minimal costs to existing property owners.

Impact fees can be assessed for a wide range of community services including but not limited to public safety (EMS, police and fire), public works (sewer, water, transportation and drainage facilities), recreation, libraries, etc. Citizens assessed impact fees need to receive benefit from impact fee expenditures within a reasonable period, which most often is considered five years.





### Local Government Owned Land

Land that is owned by local government, including school districts, is a valuable resource that can be used to implement growth policy goals and objectives. Undeveloped public land may be used to financially leverage private development that meets a community's high demand need. By reducing or eliminating land acquisition costs the jurisdiction provides a significant financial incentive to facilitate development that supports the implementation of land use, housing or economic development policy. When this implementation tool is used the local government should consider entering into a development agreement to ensure the developer provides the desired outcome.

### Tax Increment Financing (TIF)

Tax Increment Financing (TIF) was first authorized by the Montana legislature in 1974. It is a locally- driven funding mechanism that allows cities and counties to direct property tax dollars that accrue from new development, within a specifically designed district, to community and economic development activities within that district. It is intended as a tool that can encourage and support investment in areas where growth has been hindered by a lack of infrastructure and/or the presence of blight.

TIF does not increase property taxes for individuals and businesses located within a designated district. Rather, it only affects the way that taxes are distributed after they have been collected. A base taxable value is determined upon the establishment of a TIF district, and any additional tax revenue that accrues due to new development over a specified time frame is used to finance a variety of district improvements. Eligible improvement activities include:

- ◆ Land acquisition
- ◆ Rehabilitation and renovation
- ◆ Demolition and removal of structures
- ◆ Planning, marketing and analysis
- ◆ General redevelopment activities
- ◆ Constructing, improving and connecting to infrastructure

## EDUCATION TOOLS

### Planning Studies and Data Collection

The Growth Policy provides significant information and data on the community's various characteristics. It also provides an extensive list of policies and strategies to implement growth policy objectives. In most cases the information and data contained in the growth policy will be enough to justify and implement the policies and strategies. However, there may be cases where the community will need to conduct more detailed follow-up planning studies and collect additional information to support an implementation activity.

Establishing impact fees or urban renewal districts are examples of implementation measures requiring additional study. As discussed below, ongoing collection of data will support Growth Policy monitoring.



## Growth Policy Monitoring

The recommended policies and strategies contained in this Growth Policy are based on an assessment of current information and data. The policies and strategies remain relevant so long as conditions in the community are aligned with current trends. However, unanticipated circumstances or opportunities are likely to arise that will warrant a re-evaluation of policies or strategies whether they have been implemented or not. To support a re-evaluation of policies or strategies, data that is applicable to various planning topics should be collected and reported on an annual basis. This data will, in effect, provide community indicator information allowing the community to identify the emergence of new trends.

It is recommended that the City consider preparation of an annual community indicator report that can be used to support an evaluation of the level of success in achieving community goals and objectives, and an assessment of the need to implement or revise selected policies and strategies contained in the Growth Policy. Annual community Indicator reports also provide valuation information that can be used in the next update of the Growth Policy. The reports can also be used to justify need when requests for outside funding are made.

Community indicator reports should provide information that can be compared to information contained in the Growth Policy, so change can be measured.

Annual community indicator reports should include, but are not limited to an assessment and review of the following information:

- ◆ Building permits for new housing
- ◆ Volume of sales of residential property
- ◆ Crime statistics
- ◆ Client caseloads for senior citizen programs
- ◆ Number and type of new or expanded businesses
- ◆ Number and type of new jobs created
- ◆ Tax revenue
- ◆ School enrollment
- ◆ Levels of participation in recreational programs
- ◆ Remaining capacity of sewer treatment facilities
- ◆ Remaining capacity of the landfill
- ◆ Updated population projections prepared by the Montana Department of Commerce
- ◆ Annual departmental budget reports/requests
- ◆ Medical Facility programming/services



## COORDINATION TOOLS

### Intra-Governmental Coordination

The functions of local government are logically divided into departments. The departmentalization of local government services tends to discourage the sharing of information and coordination between departments. Too often synthesizing information from the various departments to get a holistic view of the community is solely the responsibility of the elected officials and most often occurs during preparation of annual budgets. It is recommended that Colstrip consider the sharing of department reports with a staff member who is responsible for overseeing implementation of the Growth Policy.

In addition, the City might consider assigning individual departments the task of implementing or evaluating the need to implement recommended policies and strategies that most clearly impact those individual departments. This is an excellent way to spread ownership of the Growth Policy. Annual department reports can provide information on the status of recommended implementation activities. To institutionalize the community's commitment to Growth Policy implementation, the City might consider including a Growth Policy Implementation section into each department budget.

Intra-governmental coordination is also an effective tool to more efficiently deliver services. When leaders of each department meet periodically to share information and service delivery challenges, there is more opportunity to enhance coordination between departments and identify ways that staff, equipment and other departmental resources might be shared to mitigate service delivery challenges.

### Inter-Governmental Coordination

The same principles discussed in the previous section apply to coordination between local governments and between local governments and regional, tribal, state and federal agencies. Inter-governmental coordination provides an opportunity to regularly share information about plans and programs and enhance working relationships.

The City might consider establishing a semi-annual meeting schedule with regional, state and federal agencies and a quarterly meeting schedule for local governments within the county. Individual County Commissioners and City Council members can be designated as the liaison for each agency and/or local government. The intangible benefits of this coordination are often the maintaining of open lines of communication and a greater mutual understanding of the perspectives and needs of the larger region and state.

### Evaluation of Rosebud County/Colstrip Subdivision Regulations

An evaluation of the administration and standards contained in the Colstrip Subdivision Regulations is required as part of the Growth Policy. There are three items that need to be evaluated per Title 76, Chapter 1, Part 6, 76-1-601(3)(h), MCA. 1).

How local government defines the various impacts assessments as specified in 76-3-608(3)(a), 2) How local government makes decisions with respect to the impact assessments as made, and 3) How public hearings for proposed subdivisions are conducted.



## Impact Assessments: Definitions and Evaluation Factors

Local government subdivision regulations are required to review proposed subdivisions in accordance with the following criteria provided in 76-3-608(3)(a):

- ◆ The effect on agriculture
- ◆ The effect on agricultural water user's facilities
- ◆ The effect on local services
- ◆ The effect on the natural environment
- ◆ The effect on wildlife and wildlife habitat
- ◆ The effect on public health and safety

For each of the above criteria, applicable definitions and evaluative provisions contained in the subdivision regulations must be identified.

### Effect on Agriculture

Agriculture is defined as all aspects of farming or ranching including the cultivation or tilling of soil; dairying; the production, cultivation, growing, harvesting of agricultural or horticultural commodities; raising of livestock, bees, fur-bearing animals or poultry; and any practices including forestry or lumbering operations, including preparation for market or delivery to storage, to market, or to carriers for transportation to market.

The effect on agriculture is evaluated utilizing the following provisions:

1. Is the proposed subdivision or associated improvements located on or near prime farmland or farmland of statewide importance as defined by the Natural Resource Conservation Service? If so, identify each area on a copy of the preliminary plat.
2. Is the proposed subdivision going to result in removal of any agricultural or timber land from production? If so, describe.
3. Are there any possible conflicts with nearby agricultural operations (e.g., residential development creating problems for moving livestock, operating farm machinery, maintaining water supplies, controlling weeds or applying pesticides; agricultural operations suffering from vandalism, uncontrolled pets or damaged fences)? If so, describe.
4. Are there any possible nuisance problems which may arise from locating a subdivision near agricultural or timber lands? If so, describe.
5. What effects would the subdivision have on the value of nearby agricultural lands?

### Effect on Agricultural Water User Facilities

Agricultural water user facilities are defined as those facilities which provide water for irrigation or stock watering to agricultural lands to produce agricultural products.

These facilities include, but are not limited to, ditches, head gates, pipes and other water conveying facilities.

The effect on agricultural water user facilities is evaluated by the following provisions:



1. Are there any conflicts the subdivision would create with agricultural water user facilities (e.g. residential development creating problems for operating and maintaining irrigation systems) or would agricultural water user facilities be more subject to vandalism or damage because of the subdivision? Describe
2. Are there any possible nuisance problems which the subdivision would generate regarding agricultural water user facilities (e.g. safety hazards to residents or water problems from irrigation ditches, head gates, siphons, sprinkler systems or other agricultural water user facilities)? Describe

#### Effect on Local Services

Local services are defined as any and all services that local governments, public or private utilities are authorized to provide for the benefit of their citizens. The effect on local services is evaluated by the following provisions:

1. Are there any additional or expanded public services and facilities that would be demanded of local government or special districts to serve the subdivision? Describe
2. Are there any additional costs which would result for services such as roads, bridges, law enforcement, parks and recreation, fire protection, water, sewer and solid waste systems, ambulance service, schools or busing, (including additional personnel, construction and maintenance costs)? Describe
3. Who would bear these costs (e.g. all taxpayers within the jurisdiction, people within special taxing districts, or users of a service)?
4. Can service providers meet the additional costs given legal or other constraints (e.g. statutory ceilings on mill levies or bonded indebtedness)?
5. Are there off-site costs or costs to other jurisdictions that may be incurred (e.g. development of water sources or construction of a sewage treatment plant; costs borne by a nearby municipality)? Describe
6. How does the subdivision allow existing services, through expanded use, to operate more efficiently, or makes the installation or improvement of services feasible (e.g. allow installation of a central water system or upgrading a country road)?
7. What are the present tax revenues received from the un-subdivided land?
 

By the County \$ \_  
 By the municipality, if applicable, \$ \_\_\_\_\_  
 By the school(s) \$ \_\_\_\_\_
8. What are the approximate revenues received by each above taxing authority if the lots are reclassified, and when the lots are all improved and built upon? Describe any other taxes that would be paid by the subdivision and into what funds (e.g. personal property taxes on mobile/manufactured homes are paid into the County general fund).
9. Would new taxes generated from the subdivision cover additional public costs?



10. How many special improvement districts would be created which would obligate local government fiscally or administratively? Are any bonding plans proposed which would affect the local government's bonded indebtedness?

#### Effect on Natural Environment

Natural environment is defined as the physical conditions which exist within a given area, including land, air, water, mineral, flora, fauna, sound, light and objects of historic and aesthetic significance. The effect on the natural environment is evaluated by the following provisions:

1. What are the known or possible historic, paleontological, archaeological or cultural sites, structures or objects which may be affected by the proposed subdivision? Describe and locate on a plat overlay or sketch map.
2. How would the subdivision affect surface and groundwater, soils, slopes, vegetation, historical or archaeological features within the subdivision or on adjacent land? Describe plans to protect these sites.
3. Would any stream banks or lake shorelines be altered, streams re-channeled or any surface water contaminated from sewage treatment systems, run-off carrying sedimentation, or concentration of pesticides or fertilizers?
4. Would groundwater supply likely be contaminated or depleted as a result of the subdivision?
5. Would construction of roads or building sites require cuts and fills on steep slopes or cause erosion on unstable, erodible soils? Would soils be contaminated by sewage treatment systems? Explain
6. What are the impacts that removal of vegetation would have on soil erosion, bank or shoreline instability?
7. Would the value of significant historical, visual or open space features be reduced or eliminated?
8. Are there any natural hazards the subdivision could be subject to (such as flooding, rock, snow or landslides, high winds, severe wildfires, or difficulties such as shallow bedrock, high water table, unstable or expansive soils, or excessive slopes)?
9. How would the subdivision affect visual features within the subdivision or on adjacent land? Describe efforts to visually blend the proposed development with the existing environment (e.g. use of appropriate building materials, colors, road design, underground utilities and re-vegetation of earthworks).

#### Effect on Wildlife and Wildlife Habitat

Wildlife is defined as those animals that are not domesticated or tamed, or as may be defined in a Growth Policy. Wildlife habitat is defined as the place or area where wildlife naturally lives or travels through. The effect on wildlife and wildlife habitat are evaluated by the following provisions:

1. What impacts would the subdivision or associated improvements have on wildlife areas such as big game wintering range, migration routes, nesting areas, wetlands or important habitat for rare or endangered species?



## 2. What effect would pet, or human activity have on wildlife?

### Effect on Public Health and Safety

Public health and safety are defined as the prevailing healthful, sanitary condition of wellbeing for the community at large. Conditions relating to public health and safety include but are not limited to: disease control and prevention; emergency services; environmental health; flooding, fire or wildfire hazards, rock falls or landslides, unstable soils, steep slopes and other natural hazards; high voltage lines or high pressure gas lines; and air or vehicular traffic safety hazards. The effect on public health and safety is evaluated by the following provisions:

1. Are there any health or safety hazards on or near the subdivision, such as: natural hazards, lack of water, drainage problems, heavy traffic, dilapidated structures, high pressure gas lines, high voltage power lines or irrigation ditches? These conditions, proposed or existing, should be accurately described with their origin and location identified on a copy of the preliminary plat.
2. Would the subdivision be subject to hazardous conditions due to high voltage lines, airports, highways, railroads, dilapidated structures, high pressure gas lines, irrigation ditches and adjacent industrial or mining uses?
3. How will the subdivision affect the adjacent land use? Identify existing uses such as feed lots, processing plants, airports or industrial firms which could be subject to lawsuits or complaints from residents of the subdivision.
4. What public health or safety hazards, such as dangerous traffic, fire conditions or contamination of water supplies would be created by the subdivision?

In addition to the above factors, the subdivision regulations also require preparation of a community impact report on the following public services and facilities.

1. Education and busing
2. Roads and maintenance
3. Water, sewage and solid waste facilities
4. Fire and police protection
5. Payment for extension of capital facilities

### Public Hearing Requirements and Procedures

The subdivision regulations contain several sections that specify the procedural requirements for the following types of subdivision applications.

1. Divisions of land exempt from subdivision review
2. Review and approval procedures for minor subdivisions
3. Review and approval procedures for major subdivisions, including review and approval of preliminary and final plats





#### 4. Expedited review of a first minor subdivision

The subdivision regulations apply to all jurisdictions within the county. The County is in the process of updating the subdivision regulations for consistency with all applicable enacted amendments to the MCA during the last three Montana legislative sessions. All procedural provisions, including those applicable to public hearings, are consistent with the current statutory provisions contained in the MCA.

### Objectives, Policies and Strategies

A growth policy is a foundational document. It is intended to provide an overview of the community in terms of guidance for future planning. As a guiding document, the growth policy should encourage as many “finer point” studies and documents as possible to encourage refining of larger scope ideas.

Items outlined in the following tables are only options, and do not in any way obligate the governing body to pursue, fund or prioritize any given option or opportunity. Instead, the following are the recommended objectives and policies and strategies for each topic of the Growth Policy. For each policy and strategy, the entity responsible for implementation is identified and a recommended time frame for implementation is provided. The entity listed first for each policy and strategy (in italicized type) is assigned the primary responsibility to initiate and follow-through with implementation measures. In a few cases, multiple entities are assigned the primary responsibility for implementation. Other listed entities for recommended policies and strategies are responsible for supporting the implementation measures. Four implementation time frames are provided:

1. Immediate
2. Short-term (defined as not later than two years after adoption of the Growth Policy)
3. Mid-term (defined as between two and four years after adoption of the Growth Policy)
4. Long-term (defined as prior to the update of the Growth Policy in 5 years (2024))



## LAND USE

TABLE 5, LAND USE OBJECTIVES

Objective: Ensure developable land is available to accommodate anticipated population increases.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Utilize the Land Use and Business Development map to assist in guiding development and extending the service area within the City.	<i>Planning Board</i> City Council	Immediate
Retain existing residents, including the young adult population, and accommodate new people, including energy sector workers and their families, moving into the community.	<i>SEMDC</i> City Council	Immediate

Objective: Accommodate future growth in areas that can be efficiently served by public services.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Encourage county land use policies and development standards adjacent to Colstrip that are compatible with city land use and development standards and land uses and infrastructure.	<i>Planning Board</i> County Commission	Short-term
Investigate the use of an urban service boundary or adequate public facilities ordinance to promote efficient extensions of infrastructure.	<i>Planning Board</i> City Council	Short-term

Objective: Implement land use policies and strategies to promote investment in Colstrip and development of commercial uses		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Identify areas in the City of Colstrip that would meet the MCA criteria for establishing a redevelopment plan.	<i>SEMDC</i> City Council	Short-term
Review the City code of ordinances to determine if existing regulations are imposing a constraint on new development.	<i>City Council</i>	Mid-term



**Objective: Establish land use compatibility policy in planned future growth areas, including policy to limit incompatible development in existing agricultural areas.**

POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Establish future land use policy to guide decisions on rezoning and land use map amendment applications.	<i>Planning Board</i> City Council County Commission	Short-term
Enforce zoning standards to mitigate adjacent land use incompatibilities.	<i>Planning Board</i> City Council	Immediate
Establish zoning standards that address land use transitions and compatibility with existing rural residential developed properties.	<i>Planning Board</i> City Council	Mid-term
Require recordation and notification of buyers of residential properties in proximity of agricultural land uses and operations such as harvesting, grazing of animals, etc.	<i>Planning Board</i> City Council County Commission	Short-term

**Objective: Improve the physical appearance of existing neighborhoods and high visibility properties to retain a clean and safe sense of place.**

POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Enforce zoning landscaping standards and consider establishing open space requirements for development projects.	<i>Planning Board</i> City Council	Immediate and short-term
Establish a street tree/landscaping program for community gateways and selected commercial sites.	<i>Planning Board</i> City Council County Commission	Long-term
Enhance code enforcement of properties not maintained or in need of repair.	City Council	Immediate
Report the identification of abandoned or derelict properties to the County Sanitarian who has the authority to investigate and decide if a public nuisance exists. If such a determination is made the matter will be brought to municipal court.	<i>City Council</i> <i>County Commission</i> County Sanitarian	Immediate
Continue to amend the City of Colstrip zoning ordinance to promote high quality development.	<i>Planning Board</i> <i>Zoning Commission</i> City Council	Short-term
Update and enforce ordinances in City of Colstrip.	<i>Planning Board</i> City Council	Short-term



## HOUSING

TABLE 6, HOUSING OBJECTIVES

<b>Objective: Increase the availability of housing choices for all people including low and fixed-income residents, senior citizens, homeless and disabled persons.</b>		
<b>POLICIES AND STRATEGIES</b>	<b>RESPONSIBLE ENTITY</b>	<b>TIME FRAME</b>
Encourage development of apartment buildings in the City of Colstrip to provide more housing options for residents with fixed incomes.	<i>SEMDC</i> Planning Board City Council County Commission	Short-term
Work with the owners of undeveloped vacant properties. Financial incentives such as tax abatement or directly monthly payments to the property owner should be considered.	<i>County Commission</i> <i>City Council</i>	Immediate

<b>Objective: Increase availability of housing in the community, with special emphasis on increasing the supply of affordable and workforce housing.</b>		
<b>POLICIES AND STRATEGIES</b>	<b>RESPONSIBLE ENTITY</b>	<b>TIME FRAME</b>
Use surplus city, county, town and school district owned land to establish public-private partnerships for developing affordable and workforce housing.	<i>County Commission</i> <i>City Council</i> <i>School Districts</i>	Short-term
Implement revisions to the zoning ordinance to encourage residential development and redevelopment in existing neighborhoods.	<i>Planning Board</i> <i>City Council</i>	Immediate
Promote Neighbor Works-Montana housing programs which include but are not limited to home buyer assistance (including income-based loans), foreclosure intervention, home maintenance guides, purchase of mobile homes, etc.	<i>SEMDC</i> City Council	Mid-term

<b>Objective: Reduce the number of substandard housing units by securing outside funding for repair and rehabilitation.</b>		
<b>POLICIES AND STRATEGIES</b>	<b>RESPONSIBLE ENTITY</b>	<b>TIME FRAME</b>
Establish a local housing rehabilitation program and seek state and federal funds to support its activities.	<i>SEMDC</i>	Short-term
Apply for Montana Department of Commerce Community Development Block Grant funds that can be used to develop a housing assistance program.	<i>SEMDC</i>	Short-term
Seek funding from the Montana Entity of Commerce Home Program non-competitive homeowner rehabilitation funds.	<i>SEMDC</i>	Short-term



Objective: Make targeted public investments in neighborhoods to stimulate private investment.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Seek Montana Department of Commerce Community Block Grant Program funds for public facility projects in neighborhoods.	<i>City Council</i>	Short-term

Objective: Establish minimum standards for temporary workforce housing.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Establish zoning and subdivision standards for the appropriate location, size, design standards, reclamation procedures and infrastructure for temporary worker housing.	<i>Planning Board</i> <i>County Commission</i> <i>City Council</i>	Immediate

## TRANSPORTATION

TABLE 7, TRANSPORTATION OBJECTIVES

Objective: Improve traffic safety and maintain existing streets and roads.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Formalize an adequately funded street and road maintenance program that is responsive to citizen complaints and uses criteria to prioritize street maintenance projects.	<i>City Council</i> <i>County Commission</i>	Long-term
Establish, implement and enforce load limits on streets to reduce damage to streets, truck traffic congestion and noise and visual impacts of heavy truck traffic.	<i>Planning Board</i> <i>City Council</i>	Short-term
Establish access management regulations in the City of Colstrip zoning ordinance and the subdivision regulations.	<i>Planning Board</i> <i>Zoning Commission</i> <i>City Council</i>	Mid-term

Objective: Plan for new streets and roads in future growth areas by preserving right-of-way for street and road extensions.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Implement a Future Roadway Functional Classification map to coordinate alignment of extended or new streets and in growth areas to maximize connectivity of the street network.	<i>Planning Board</i> <i>City Council</i>	Immediate
Prepare specifications for new roads based on the projected overall traffic volume and truck traffic volume, including the expected weight of loads.	<i>City Council</i> <i>County Commission</i>	Mid-term
Establish street connectivity standards in the City of Colstrip zoning ordinance.	<i>Planning Board</i> <i>Zoning Commission</i> <i>City Council</i>	Short-term



## INFRASTRUCTURE

TABLE 8, INFRASTRUCTURE OBJECTIVES

Objective: Maximize the functional life of existing water, sewer, storm water and solid waste facilities.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Establish and/or maintain an inspection and maintenance program for sewer, water and drainage facilities	<i>City Council</i>	Short-term

Objective: Coordinate infrastructure planning with future land use policy and future growth areas.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Coordinate future infrastructure investment with future land use designations.	<i>City Council</i> <i>Planning Board</i>	Short-term
Develop a financially feasible five-year capital improvement plan (CIP) for infrastructure improvements in designated growth areas.	<i>City Council</i>	Mid-term
Create compatible development standards for streets, roads, water, and sewer in the county that can be annexed into the City.	<i>Planning Board</i> <i>City Council</i> <i>County Commission</i>	Mid - term

Objective: Establish policies that clearly define financial responsibilities for infrastructure improvements associated with existing and new development.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Refine policy and regulation on infrastructure cost sharing associated with development by providing preferential terms for development that clearly promote multiple Growth Policy goals and objectives.	<i>Planning Board</i> <i>City Council</i>	Short-term
Monitor funding programs and apply for infrastructure project grant funds. (Details on several grant programs that support community infrastructure projects are provided below).	<i>City Council</i>	Immediate

### Infrastructure Funding Opportunities:

#### Montana Entity of Environmental Quality, Drinking Water State Revolving Fund Loan Program

The Montana Legislature established the Drinking Water State Revolving Fund (DWSRF) Loan Program for Drinking Water projects. The program provides at or below market interest rate loans to eligible Montana entities. The Department of Environmental Quality (DEQ) is the administering agency and assures the technical, financial and programmatic requirements of the program are met.

Eligible water projects include acquisition of land that is integral to the project, consolidating water supplies, engineering, new sources, treatment, source water protection, storage and distribution.



Eligible applicants are municipalities, public or private community water systems and non-profit, non-community water systems. The current interest rate for loans is 3.75 percent with payment schedules not to exceed 20 years. Drinking Water Projects qualifying as disadvantaged may extend the term up to 30 years.

Applications are accepted year-round. Preliminary engineering analysis must be reviewed prior to submittal of application.

#### Montana Department of Environmental Quality, Water Pollution Control State Revolving Fund Loan Program

The Montana Legislature established the Water Pollution Control State Revolving Fund (WPCSRF) Loan Program for water pollution control projects. The program provides at or below market interest rate loans to eligible Montana entities. Cooperatively, DEQ and DNRC administer the Water Pollution Control State Revolving Fund Loan Program.

Eligible water quality projects include wastewater treatment plant improvements, interceptors, collectors and lift stations, lagoon construction and rehabilitation, engineering and project inspection, and land used for disposal purposes. All projects must be included in a project priority list and intended use plan for the fiscal year in which funding is anticipated, and the ability to repay loan funding must be demonstrated.

Eligible applicants are municipalities for wastewater projects as well as municipalities and private entities for nonpoint source projects. The current interest rate for loans is 3.75 percent with payment schedules not to exceed 20 years. Water Pollution Control projects qualifying as disadvantaged may extend the payment term up to 30 years.

Applications are accepted year-round. Preliminary engineering analysis must be reviewed prior to submittal of application.

#### Montana Department of Commerce, Treasure State Endowment Program Construction Grants (TSEP)

The Treasure State Endowment Program (TSEP) awards matching grants to local governments for construction of local infrastructure projects. TSEP construction grants provide help in financing infrastructure projects throughout Montana.

Eligible applicants include incorporated cities and towns, counties, consolidated governments, Tribal governments and county or multi-county water, sewer or solid waste districts.

A dollar-for-dollar match is required, but in cases of extreme financial hardship where the public's health and safety are seriously affected, grants up to 75 percent of the project costs may be awarded. Matching funds can be public or private funds. Construction grant applications are limited to a maximum of \$750,000. Applications are typically due the first week of May on even numbered years.

#### US Entity of Agriculture, Water and Environmental Loan and Grant Program (WEP)

Water and Environmental Programs (WEP) loans and grants provide funding for drinking water, sanitary sewer, solid waste and storm drainage facility projects in rural areas and cities and towns of 10,000 or less. WEP also makes grants to nonprofit organizations to provide technical assistance and training to assist rural communities with their water, wastewater and solid waste problems. Eligible projects include construction, repair and expansion of water, wastewater, storm water and solid waste systems.





Public bodies, non-profit organizations and recognized Indian Tribes are all eligible applicants for the program. This funding opportunity is capped at 75 percent of total project costs. Applications are accepted on a continual basis.

#### Economic Development Administration, Public Works Grant Program

The Economic Development Administration (EDA) provides public works investments to support construction or rehabilitation of essential public infrastructure and facilities to help communities and regions leverage their resources and strengths to create new and better jobs, drive innovation, become centers of competition in the global economy and ensure resilient economies. Eligible projects are those pertaining to water and wastewater systems that address national strategic priorities, assist economically distressed and underserved communities, demonstrate a good return on EDA's investment through job creation or retention, demonstrate or support regional collaboration and employ public-private partnerships to use both public and private resources and/or leverage complementary investments.

Eligible applicants include municipalities, counties and Indian Tribes. The maximum award attainable is 75 percent of project cost. Application deadlines are variable and would need to be determined at the time of application.

#### US Entity of Interior, Water Grant Program System Optimization Review Grant

The Water Program focuses on improving water conservation, sustainability and helping water resource managers make sound decisions about water use. It identifies strategies to ensure present and future generations will have enough clean water for drinking, economic activities, recreation and ecosystem health. The program also identifies adaptive measures to address climate change and its impact on future water demands.

Eligible projects include any plan of action that focuses on improving efficiency and operations on a regional or basin perspective. Eligible applicants include the state, Indian Tribes, irrigation districts, water districts or other organizations with water or power delivery authority.

A 50 percent match is required for this funding opportunity and the maximum award attainable is \$300,000.



## ECONOMIC DEVELOPMENT OBJECTIVES, POLICIES AND STRATEGIES

TABLE 9, ECONOMIC DEVELOPMENT OBJECTIVES

Objective: Develop economic strategies that create a diverse local economy with employment opportunities for all ages.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Develop a marketing brand for the City of Colstrip and Rosebud County to market to potential businesses and future residents.	SEMDC City Council County Commission	Short-term
Survey existing businesses to identify needed skill sets and to identify ways the County or City can aid in improving business operations and productivity.	SEMDC	Mid-term
Maintain SEMDC as the one-stop service center that distributes information about available regional, state and federal technical assistance, loans and grant programs for expanding and start-up businesses.	SEMDC City Council County Commission	Short-term
Acquire an existing commercial building or construct a new facility to serve as a business incubator.	SEMDC	Long-term
Refine existing economic development strategies to target under-represented industries with forecasted high demand for jobs.	SEMDC	Mid-term
Capitalize on energy-sector growth and expand businesses to support primary energy industries.	County Commission City Council	Mid-term
Seek state and federal funds to increase telecommunications infrastructure in the community (specifically bandwidth) to increase efficiency of businesses, enhance the technology courses offered at the city high school and attract new businesses that require high-capacity telecommunications infrastructure.	SEMDC City Council	Short-term
Continue to support start-up businesses by providing technical assistance and temporary financial assistance such as low interest guaranteed loans.	SEMDC	Short-term


**Objective: Enhance the community's quality of life to stimulate private investment.**

POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Develop a main street grant program to fund façade and other property improvements to enhance visual aspects of the core of Colstrip	SEMDC	Short-term
Establish a business improvement district or special district to fund streetscape improvements in the core of Colstrip.	SEMDC City Council	Mid-term
Continue to promote the use of the revolving loan fund that is intended to provide gap lending for business development.	SEMDC	Immediate
Promote more special events by civic organizations to increase business activity and enhance the community's quality of life.	SEMDC	Mid-term

**Objective: Maximize the use of outside economic development funding opportunities.**

POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Take maximum advantage of existing economic development technical assistance and loan and grant programs offered by USDA Rural Development, the Montana Community Development Corporation, and Southeastern Montana Development Corporation.	SEMDC City Council County Commission	Short-term

**Objective: Ensure existing job training services provide skills needed by existing and targeted businesses.**

POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Modify existing job training programs to be responsive to employment trends, specifically forecasted high-demand occupations.	SEMDC	Long-term
Promote establishment of a college satellite facility or a trade school or nursing program in the City of Colstrip. Develop/promote remote learning programs to reduce transportation costs for college students and increase the number of college- aged students who can remain in the community.	City Council County Commission SEMDC	Short-term
Consider expanding the number of high school courses that offer college credits and enter into Articulation Agreements with nearby colleges to receive formal acknowledgement of course credentials.	School Districts	Short-term



## Economic Development Funding Opportunities

### Community Development Block Grant Program

Each year the US Entity of Housing and Urban Development (HUD) allocates grant funding to the Montana Department of Commerce for the Community Development Block Grant (CDBG) program. Funds are intended to benefit low or moderate-income persons, aid in prevention or elimination of slums or meet urgent community development needs. CDBG is broken into five different funding categories: Planning, Public Facilities, Housing and Neighborhood Renewal, Neighborhood Stabilization Program and Economic Development.

Eligible applicants include counties, incorporated cities and towns, and consolidated city-county governments. Deadlines are staggered throughout the year with planning grants being offered one year and construction grants the following year generally.

### Montana Department of Commerce, Montana Main Street Program

The mission of the Montana Department of Commerce Main Street program is to be a coordinating resource for communities seeking to revitalize their historic downtown or core commercial districts and to provide technical assistance to communities of all sizes. The underlying premise of the Montana Main Street Program is to encourage economic development within the context of historic preservation.

In 2011, the project began gearing toward community development. The Montana Main Street Program was awarded a Preserve America sub grant from the Montana State Historic Preservation Office (SHPO) in 2011. The purpose of the grant was to focus on core and downtown planning and to build capacity under the Main Street program. It was this sub grant that focused the program toward community development.

## PUBLIC FACILITIES AND SERVICES OBJECTIVES, POLICIES AND STRATEGIES

TABLE 10, PUBLIC FACILITIES AND SERVICES OBJECTIVES

Objective: Improve effectiveness and efficiency of government programs and services.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Encourage continued and expanded joint use of public facilities to provide cost effective local services.	County Commission City Council CPRD Board School Board Medical Board	Short-term
Coordinate County and City services and share facilities/equipment to increase efficiency of providing local services.	County Commission City Council	Short-term
Evaluate effectiveness of the existing differentiated water rates measured by per capita water consumption.	City Clerk City Council	Short-term



<b>Objective: Provide responsive public services that improve the health, welfare and safety of City residents.</b>		
<b>POLICIES AND STRATEGIES</b>	<b>RESPONSIBLE ENTITY</b>	<b>TIME FRAME</b>
Create a brochure or marketing materials to increase the number of volunteer firefighters and ambulance service first responders and emergency medical technicians.	<i>Emergency Services Coordinator</i> Fire Department Chief Ambulance Director	Short-term
Facilitate expansion of the existing assisted living facility to address the unmet high demand for this housing option for senior citizens.	<i>City Council</i>	Mid-term
Establish a back-up Emergency Operations Center (EOC) facility that would be used during a declared emergency in the event the EOC in the courthouse is damaged or destroyed.	<i>Emergency Services Coordinator</i> County Commission	Short-term
Prepare new marketing strategies and outreach efforts to identify special need populations in the community.	<i>Emergency Services Coordinator</i>	Short-term

<b>Objective: Enhance public involvement and timely/accurate notification of City, Town and County projects.</b>		
<b>POLICIES AND STRATEGIES</b>	<b>RESPONSIBLE ENTITY</b>	<b>TIME FRAME</b>
Continue to encourage public participation in decisions on public projects and services.	<i>County Commission</i> <i>City Council</i>	Immediate
Utilize citizen task forces to research and evaluate the feasibility of new or expanded programs and community enhancement projects.	<i>County Commission</i> <i>City Council</i>	Short-term

### **INTERGOVERNMENTAL COORDINATION OBJECTIVES, POLICIES, AND STRATEGIES**

The city interacts with a number of agencies and organizations including but not limited to, the Colstrip Park and Recreation Department (CPRD), Colstrip Schools, the Medical Center taxing district, Eastern Montana Drug Task Force (EMDTF), Fish, Wildlife & Parks (FW&P), Bureau of Indian Affairs (BIA), Rosebud County, and private companies such as The Colstrip Power Plant and Westmoreland Rosebud Mining LLC. Some of the entities provide multiple functions cooperatively such as Rosebud County which shares a VOIP phone system, the law enforcement center, ambulance services, the library, weed management, senior citizen services, public health services, probation, and county landfill in the Colstrip area.

The city of Colstrip has inter-local agreements with CPRD and the school regarding cooperative efforts, shared use of facilities and other areas of mutual interest. The Colstrip volunteer fire department has a mutual aid agreement with Rosebud County Fire Services.

The Colstrip police department works with the EMDTF, assists Rosebud County on calls near Colstrip and works closely with the BIA.



The city, FW&P, and private landowners including the Colstrip Power Plant and Westmoreland Rosebud Mining LLC have developed a deer management Plan for the city which includes the harvesting of deer.

Ongoing efforts will be maintained. These efforts include the city mayor or administrative staff meeting with the director of CPRD, Rosebud County Commissioners, and school administrator at least once a year to discuss ongoing cooperative efforts and coordination. In addition, a County Commissioner has been actively involved in the development of the Colstrip Comprehensive Growth Plan and the Rosebud County Commissioners have asked the city of Colstrip to appoint three members to serve on the County Planning Board which has jurisdiction of matters related to growth adjacent to the city of Colstrip, yet outside the limits of the incorporated boundaries of the city. A copy of the Colstrip Comprehensive Growth Plan will be submitted to the County Commissioners for review and comment prior to the adoption by the City Council.

TABLE 11, INTERGOVERNMENTAL COORDINATION OBJECTIVES

Objective: Establish an annexation policy encouraging coordination with the County.		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Develop a coordinated city-county policy about annexation of developed properties addressing the transition from rural to urban services and fiscal impacts associated with the annexation.	Planning Board City Council County Commission	Short-term
Establish extraterritorial zoning one mile beyond Colstrip city limits. To implement this policy the City of Colstrip would need to adopt its own city subdivision regulations.	Planning Board City Council	Short-term

Objective: Develop a TIF district to create economic incentives and spur growth in Colstrip's core		
POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Create TIF district with reasonable boundaries.	City Council SEMDC	Short-term
Complete Determination of Blight study for selected district.	City Council Planning Board SEMDC	Short-term
Work with other entities to establish who will be responsible for managing various aspects of the TIF district.	SEMDC City Council Planning Board	Short-term
Create an Urban Renewal Plan in accordance with MCA conditions addressing blight.	Planning Board	Mid-term
Hold public hearings, adopt the plan and receive certification by the Montana Department of Revenue.	City Council Montana Dept of Revenue	Mid-term
Determine taxable value of the district and calculate tax increment. Develop financing strategy for tax increment funds.	City Council SEMDC	Mid-term
Utilize tax increment funds to implement improvements in district.	City Council Planning Board SEMDC	Long-term


**Objective: Develop a TIF district to create economic incentives and spur growth in Colstrip's core**

POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
<b>Objective: Maintain acceptable levels of service in developed areas as the City of Colstrip and grow.</b>		
Establish policies that set minimum levels of service for essential services such as schools, fire, police, water and sewer.	<i>City Council School Districts</i>	Mid-term

**Objective: Support development of agriculture in the community.**

POLICIES AND STRATEGIES	RESPONSIBLE ENTITY	TIME FRAME
Support specialized agricultural businesses that produce high-value, high-demand products.	<i>MSU Extension</i>	Mid-term
Encourage continued and expanded use of state and federal land for agricultural purposes.	<i>County Commission</i>	Immediate
Promote community gardening programs in the city and the county to encourage residents to plant more local produce and create/expand farmer markets in Colstrip	<i>MSU Extension</i>	Short-term