

Appendix C. Fairgrounds Special Area Plan



TOOLE COUNTY FAIRGROUNDS 2016

SPECIAL AREA PLAN

This document is prepared as a supplement to the “Public Infrastructure Strategy” component of the Toole County Growth Policy Update 2016.

Prepared by the Cossitt Consulting Team: Cossitt Consulting and Stahly Engineering

Toole County Fairgrounds 2016 Special Area Plan

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INTRODUCTION

Why Plan Now?

Toole County is examining the future of its fairgrounds and this “Special Area Plan” is an initial step in that direction.

The Toole County Fairgrounds is the single fairground location for four counties: Toole, Glacier, Pondera, and Liberty. It is utilized year-round, although the greatest use is during the summer months. The fairgrounds facilities are insufficient for current needs. Most buildings are in general decline, lacking modern amenities, and with access issues for persons with disabilities. Sewer and water facilities are inadequate. In 2013, the city of Shelby created a Targeted Economic Development (TED) District for industrial uses in an area of approximately 677 acres that includes the county fairgrounds. The designation of the TED District could result in improved utilities for the fairgrounds, but also potential issues with fairgrounds use, livestock, and surrounding industrial activities.

This “Special Area Plan” examines existing conditions and identifies next steps in planning for the Toole County Fairgrounds.

Purpose and Scope

Toole County identified the need to assess Toole County fairground’s current uses, structures, location and possible funding sources for future growth. Planning for the future of the fairgrounds is based on concerns about the existing condition of facilities and location within an area that has become an industrial park adjacent to a multi-modal transportation hub. This document is not intended as a master plan for the fairgrounds, but instead as an analysis of existing conditions and initial considerations for the future of the fairgrounds. It is an initial step in fairgrounds planning, and identifies next steps needed to develop a fairgrounds master plan.

Planning Process

In April 2015, work on the Fairgrounds Assessment began with a site visit by the Cossitt Consulting-WGM Consulting Team hired to prepare the Toole County Growth Policy update. Attending the site visit were county commissioners and Fairgrounds Manager.

In June 2015, the consulting team submitted an initial assessment of existing conditions to the county. In the period between July and December, the consultant team identified initial considerations for future planning. In February, the consultant team presented an initial

complete draft of the Toole County Fairgrounds “Special Area Plan” to Toole County for review by the Toole County Fairgrounds Board, the Toole County Planning Board, and the general public..

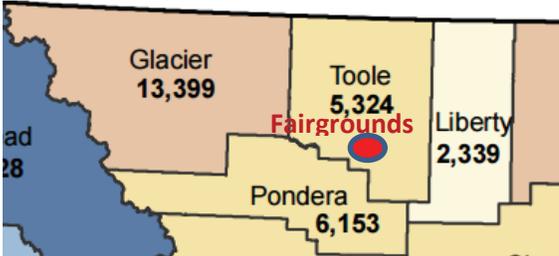
Authority to Adopt the Plan

The authority to include the fairgrounds “Special Area Plan” is found in the Montana Growth Policy statutes. All counties in Montana are authorized to prepare Growth Policies. 76-1-601(3)(e), MCA, requires a growth policy to provide “a strategy for development, maintenance and replacement of public infrastructure.” The fairgrounds “Special Area Plan” is intended to supplement the Public Infrastructure portion of the Toole County Growth Policy.

EXISTING CONDITIONS

General Location

The Toole County Fairgrounds, also known as Marias Fairgrounds, are located in Shelby and are the only county fairgrounds within a four-county area. Glacier, Pondera, Liberty, and Toole Counties jointly participate in the annual Marias Fair and have been doing so since 1941. Together the four counties include an area of 7,965 square miles and a 2010 population of 27,215 persons.



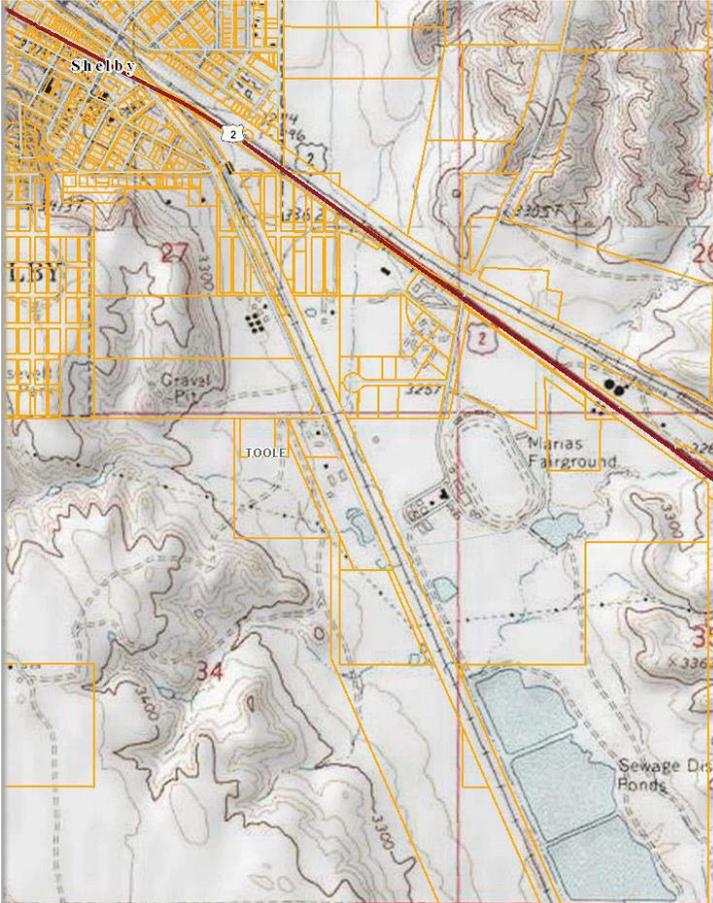
Toole County Fairgrounds – 4 County Area and Population by County, Source:

<http://ceic.mt.gov/Documents/Maps/Population/Population10.p>

The Fairgrounds are located south and east of Shelby downtown.

Events

The four-county Marias Fair is the largest event held each year at the fairgrounds. Over the course of four days in mid-July, there are a number of activities, including a carnival, 4-H exhibits and competition, free daily entertainment and parades, and an open class competition among county residents for livestock, creative projects and food entries. Special evening events include pig wrestling, two nights of PRCA rodeo followed by concerts, and on the last evening a demolition derby followed by fireworks. The only record of attendance is grandstand gate tickets, and for each day of the four day event, attendance ranges from approximately 500 to 1200, with the biggest attendance on Sunday night.



Marias Fairgrounds in Vicinity of Shelby, Source: MT cadastral topo image

Annually, there are three to four other events that occur on the fairgrounds. The high school rodeo takes place over three days in May. Since 2012, Toole County has hosted the Montana Governors Twenty Law Enforcement Pistol Championship, a day-long event in August. The Shriner’s circus is held in July and another smaller circus comes every 1-2 years in May. Blazing Arrows 4-H Archery meets once a week from October to March at the fairgrounds.



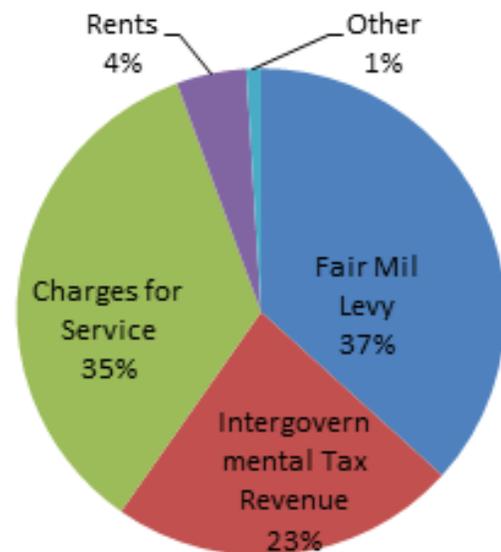
Spinning Marvels, Marias Fair, photo by Jack Gilluly, Montana Historical Society Photo Archives PAC 78-18 (photo retrieve on-line at <http://svcalt.mt.gov/education/textbook/Chapter20/Chapter2>)

Fairgrounds Administration

The Fairgrounds are administered by the Toole County Commissioners. A nine member advisory board meets once a month. The Fair Board currently includes members who represent Toole, Liberty, and Pondera Counties, with a vacancy for Glacier County. Fair Board members include county extension agents and 4-H. Most board members have taken on very specific roles regarding the Marias Fair – one person is the lead for the Marias Fair rodeo, another works on the demolition derby, and others focus on 4-H. The Fairgrounds are staffed with a part-time Fair Manager, a part-time groundskeeper (and two or three seasonal, part-time student workers who mow the lawns).

Revenues and Expenses

Between 2010 and 2014, Toole County’s costs for the fair increased by about 15% and revenues decreased by about 16%. In the most recent fiscal year (ending June 30, 2014) Toole County received \$139,518 for the fairgrounds and spent \$199,129, for a net loss of approximately \$60,000. The fairground revenues consist primarily of tax revenue from the mil levy for the fairgrounds, intergovernmental sources, and charges for service (including ticket sales and building rentals).



Toole County Fairgrounds Revenues FY 2013-14

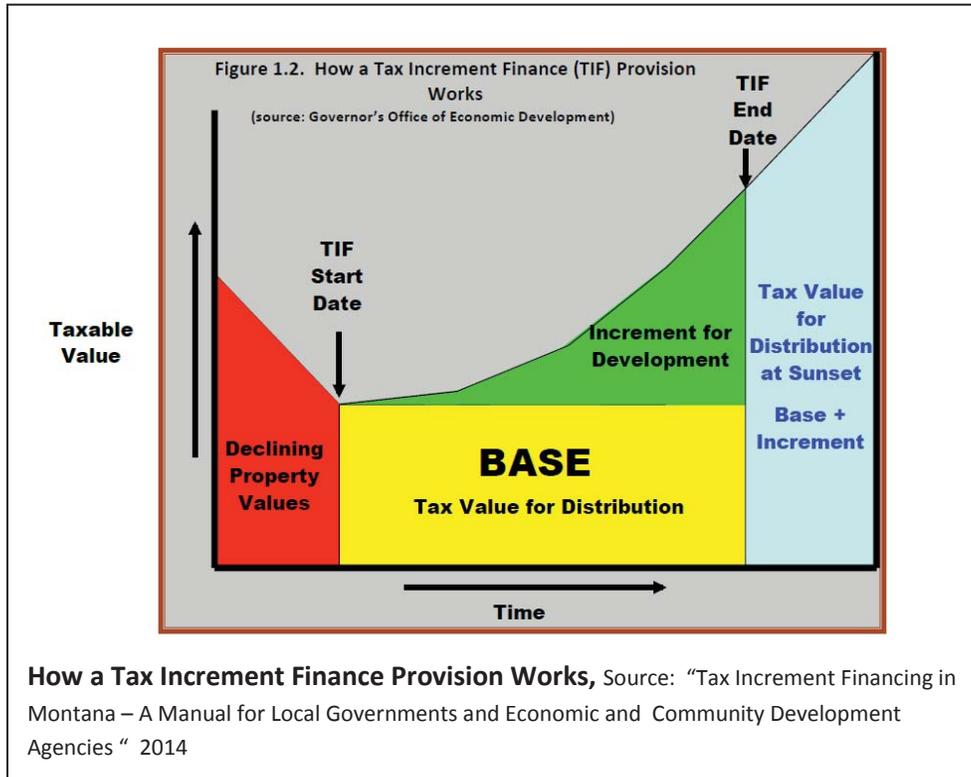
Expenditures consist of administration (personnel, office supplies, etc.), utilities, professional services, repair and maintenance and fair premiums. In the past four years (2010-2014), the county spent an average of \$5600/year on repair and maintenance.

Fairground Rental Fees and Other Charges for Service		
	Fee	Use
Exhibit Building	\$400/year	Blazing 4H Archery
	\$125/day or weekend	Weddings or Other Events
Sewald Building	\$100-\$250/space	Seasonal Storage of RVs and Boats
Arena	\$250/day	High School Rodeo
Horse Stalls	\$10/night/horse	High School Rodeo, occasional visitors
Outdoor Shooting Range	No Charge	Governors 20 Law Enforcement Pistol Championship
Camping	\$10/night/space	4-H during Fair, High School Rodeo, Governors 20
Fair Related Fees	15% of sales	Concessions
	51% of net sales	Beer Garden
	\$15/\$10	Evening event tickets adult/senior-student-child

Shelby Industrial Park Targeted Economic Development District

The Toole County Fairgrounds are located on county-owned property in the Shelby Industrial Park Targeted Economic Development Tax Increment Financing District (the “TED District”). The current TED District was created in November 2013 by city ordinance and as an amendment to a district created in 2008. The stated purpose of the TED District is the “development of infrastructure to encourage the growth and retention of value-adding industries in the City.” TED Districts may establish Tax Increment Financing Districts (TIFDs) to address insufficient infrastructure. A tax increment is the difference between the amount of property tax revenue generated before the TIFD is created and the amount of property tax revenue generated after the TIFD is created. The reason for establishing TIFDs in a TED is to provide funding for infrastructure and other improvements that will benefit private sector industry and the community overall. As infrastructure improvements are constructed, and private sector development grows, the value of the property begins to increase. When property values rise, tax revenues on those properties also increase over time. Taxpayers within a TIFD pay the same amount as they would if the property were outside the district. What makes a TIFD different from other taxing districts is that the amount of incremental tax increase in the TIFD (compared to the base year) is placed in a special fund for financing improvements in the TIFD. The TIFD only affects the way that taxes are distributed; it does not affect the amount of the tax

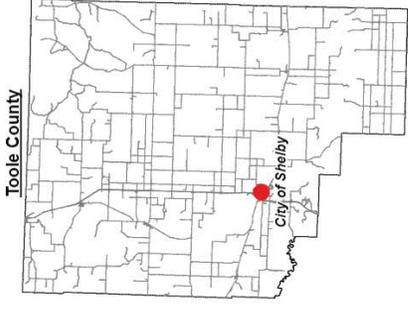
collection. The TED District in Shelby has a 15 year term. Ultimately when the term of the TED sunsets, the entire community benefits from the improvements and overall increased tax revenue, as shown in the following figure.



The Comprehensive Development Plan for the TED District identified a number of infrastructure deficiencies focused primarily on railroad connections, roads, water, sewer, and utilities necessary for the creation of a multi-modal hub and related industries. The multi-modal hub will be the largest of its kind in a multi-state region. Although the TED District priorities are clearly on these kinds of private sector developments, the Comprehensive Development Plan also includes "site issues at the county fairgrounds" in the list of infrastructure deficiencies.

The entire TED District is zoned for general industrial uses. The Toole County Fairgrounds do not meet the general industrial zoning classification and thus appear to have been "grandfathered" as a non-conforming existing use within the zoning district.

Shelby, MT TEDD Boundary



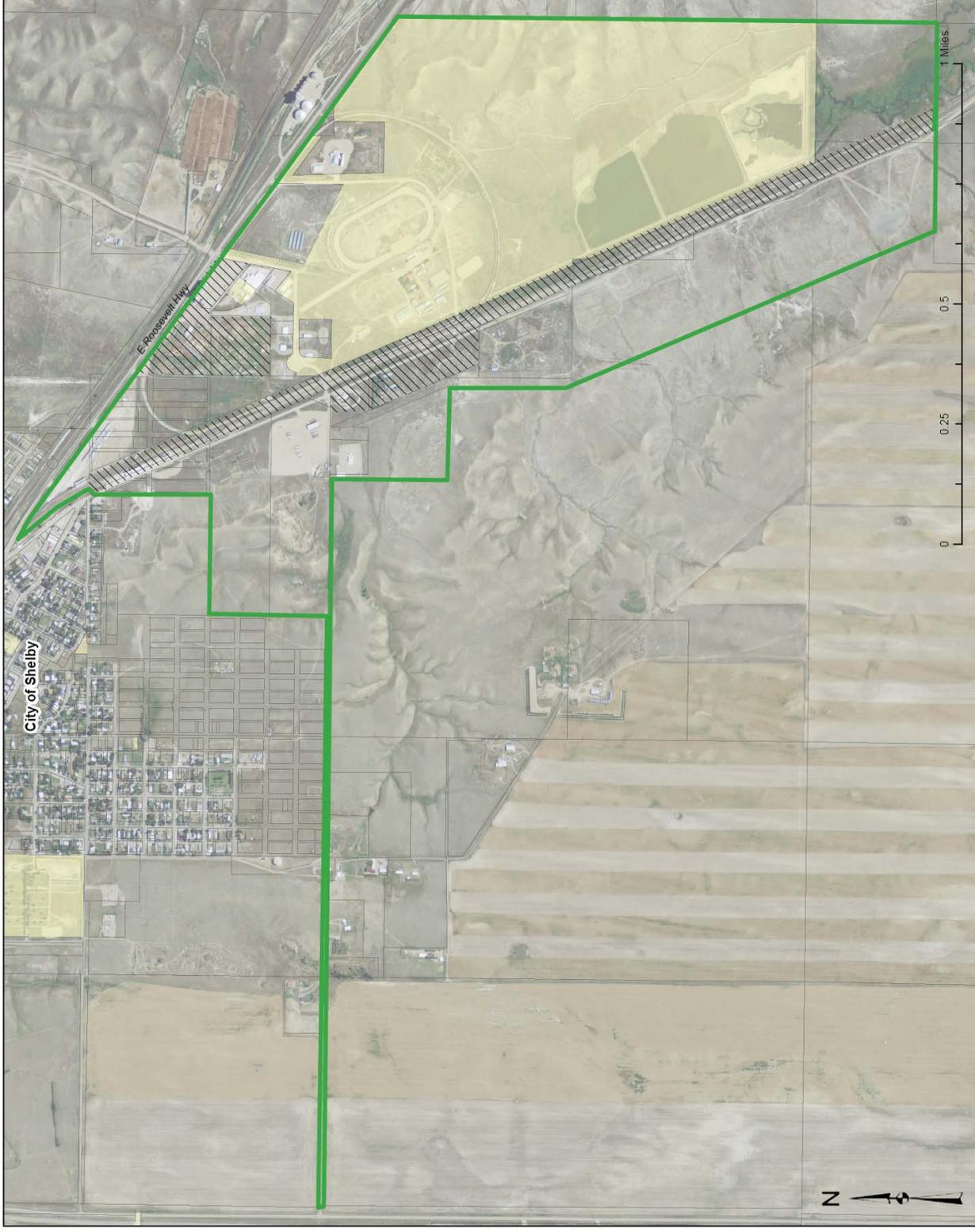
- County-Owned Parcel
- TEDD Boundary
- Excluded TEDD Area



Helena
3530 Centennial Drive
Helena, MT 59601

Bozeman
651 Bridger Drive Suite 1
Bozeman, MT 59715

Lewistown
404 W Broadway
Lewistown, MT 59457



Assessment of Existing Buildings and Infrastructure

Overall Layout

The fairgrounds are bordered to the north and northeast by privately-owned parcels and businesses. The railroad line and a spur border the fairgrounds area to the east and south.

Infrastructure – General

There is water, sewer, phone, electricity, and natural gas on the fairgrounds, but not all buildings are connected. The pipe size, depth and layout for the water and sewer systems are unknown and new water and sewer mains may be necessary. Water and sewer are functional only during the warmer months of the year because the pipes are shallow and will freeze over winter. There are no stormwater drainage facilities on the site, and drainage may be a problem. All roads and parking areas within the fairgrounds are packed soils. The road connection to Highway 2 is also unpaved.

Buildings and Facilities

Generally, fairground buildings serve their intended purpose, however many are in poor condition reflecting years of deferred maintenance. The FFA Building is no longer used due to its condition. The senior center was recently demolished because of substantial issues caused by lack of a foundation, plumbing issues, and water damage. Overall, however, most buildings need painting or upgrading and some have serious structural issues (such as the sloping internal staircase in the grandstand building). The exceptions to this are the recently constructed 4-H Exhibit building and several structures with newer roofs.

The number and location of bathroom facilities is inadequate for times of high demand, such as the Marias Fair. The fair has brought in port-a-potties and portable shower facilities to address the need. All of the existing bathroom facilities are in need of major overhaul and update; some are completely unusable (e.g., the bathrooms in the mercantile building).

The following table identifies fairground buildings and evaluates their condition. The conditions were based upon a site visit and conversations with the Fair Manager. Condition is expressed as one or a combination of the following categories.

Condition Categories

- **Unsuitable:** *cannot be used in current condition*
- **Inadequate:** *Can be used, but inadequate for current needs*
- **Adequate:** *Can be used, meets current needs. Building may not be in good condition or may not meet standards such as ADA, but the building continues to be used and generally serves its intended purpose.*
- **Adequate Plus:** *Can be used and has existing capacity beyond current needs*

Building	Photo	Construction Type	Condition	Description	Bathrooms	Utilities	Events/Use	Notes
Grandstand/Beer Garden		wood	Grandstand Seating: Adequate but no ADA capabilities Interior: Inadequate	Outside seating for arena events ,Fair offices, Display and vendor area under grandstand; beer garden is a roofed outside area attached to grandstand	1 bathroom next to upstairs office; M&W bathrooms on main floor (under grandstand)	water, sewer, phone, electricity	Marias Fair; High School Rodeo	Exterior: stadium seating in good condition; grandstand roof appears patched Interior: Poor condition -- sagging stairs, outdated, dark bathrooms, appears ADA non-compliant
Seward Building		wood	Adequate	4-H Bidding arena-sale barn,	None	water, electricity	Marias Fair; seasonal RV and boat storage	new metal roof
Exhibit Hall		concrete	Adequate	4-H Exhibit Hall	None	electricity	Marias Fair, Archery Club, weddings and other events	Newer building in good condition
4-H Bathrooms "Main Street" Bathrooms	 insert photo	metal siding wood	Inadequate Inadequate	bathrooms with showers M&W bathrooms	2 stalls and one shower each M/W facility info needed here	water, sewer, electricity	Marias Fair - use for 4H only Marias Fair; High School Rodeo	In need of update In need of update
Mercantile		wood	Adequate	single story with central 2 story component with false front	M&W in back of building, currently unusable -- stalls fall down	water, sewer, electricity	Marias Fair - Exhibits	In need of update; exterior and roof in good condition, but interior has issues including floor and bathrooms
Dunkirk School		wood	Adequate	two story with central cupola	None	electricity	Marias Fair - Exhibits	Exterior in good condition; interior could benefit from water, sewer
Other Buildings facing Grandstand		wood	Inadequate - no water	small shack-type construction	None	electricity	Marias Fair - Concessions	could use upgrade, but appear relatively solid
4-H Food Building		metal side and roof	Adequate/inadequate	Single story building	None	water, electricity	Marias Fair	could use upgrade; appears to lack adequate ventilation
FFA Building Ticket Booth	 insert photo	sided with logs and wood siding wood	Unsuitable Adequate	Single story building single-story booth	None None	No longer use this building None	Marias Fair	Poor to unusable condition

Building	Photo	Construction Type	Condition	Description	Bathrooms	Utilities	Events/Use	Notes
Jockey House			Inadequate-Unsuitable	jockey rest area	bathroom with shower	water, sewer, electricity	?	No longer used as jockey house since horse-racing discontinued
Camping Spots	insert photo		Adequate-Inadequate	areas on the west side of fairgrounds, not clearly designated		questionable electricity	Marias Fair, Governors 20	Some spots have electric hook-ups but these can be unreliable and short out, water may be near campsites, but not served directly with water
Arena Horse Barns			Adequate	roofed stalls	None	water	Marias Fair; High School Rodeo	recently received inquiry for monthly boarding during summer
4-H Horse sheds			Adequate	roofed stalls	None	water	Marias Fair	recently re-roofed
Swine Barn			Adequate	metal siding and roof	None	water	Marias Fair	
2-other barns???	insert photo		Adequate	metal siding and roof	None	water	Marias Fair	
Manager's House			NA	single wide mobile home			To be Removed - Summer 2015	

Credits: Photos of the Mercantile, Dunkirk School House, Grandstand, and Arena Horse Barns courtesy of Carroll Van West

Trends and Anticipated Future Use

Trends

There are several trends that could affect the future potential of the fairgrounds. These include the following.

- **Worsening Condition of Existing Facilities** -- The condition of most of the buildings has reached a point that routine annual maintenance alone is not enough to keep these building in usable condition.
- **Increasing Costs and Shrinking Revenues** --Fair costs are continuing to rise, while revenues are declining.
- **Difficulty in Attracting and Retaining an Annual Carnival** -- There are fewer carnival companies than in previous decades and consequently there is little price competition. It is getting more difficult to secure a carnival for the Marias Fair.
- **Multi-Use Facilities with Potential to Increase Use** -- Fairgrounds across the nation are looking to multi-use facilities to accommodate trade fairs and other events throughout the year. Lewis and Clark County, for example, built a multi-use facility within the past few years and has attracted more events as a result. There is some interest in considering this for the Toole County Fairgrounds.
- **Anticipated Future Use** -- At this time, there is no adopted plan for the fairgrounds. Although some new events such as the Governors 20 Championship have developed over the past few years, the fairgrounds primarily serves as a venue for the annual Marias Fair, high school rodeo, and circus. Without some planning, it is anticipated that these uses may continue, but there are no strategies in place to help ensure the past uses will continue into the future.

Considerations for the Future - Initial Evaluation Criteria

Toole County will need to weigh a number of factors in order to address existing and future needs of the fairgrounds. The following criteria are suggested as a means to evaluate potential fairground alternatives. At this time, there are only two very basic alternatives – 1) retain the fairgrounds in their current location, and 2) locate the fairgrounds elsewhere in Toole County. This initial analysis is very broad because there are no identified alternative sites at the current time. Before alternative sites can be realistically considered, Toole County should identify what is needed and feasible for the future.

1. **Initial Cost.** Compare alternatives by the cost of initial investment.

2. **Sustainability.** Can each alternative be sustainable over the long term, with funds for regular maintenance and life-cycle costs? Life cycle costs are the major repair and replacement items like roof replacements, bathroom and kitchen facility upgrades, etc., that go beyond the regular maintenance items such as regular cleaning, painting, and smaller repair.
3. **Utilities.** Does each alternative provide for water, sewer, power, communications cable to the appropriate buildings?
4. **Road Access.** Does the alternative have suitable road access to the site?
5. **Travel Distance.** Compared to the existing site, does the alternative increase driving time for attendees, competitors, and concessionaires?
6. **Increased Usage and Attendance.** Does the alternative have potential to increase annual use and attendance?
7. **Year-Round Use Potential.** Does the alternative have potential for year-round use of the fairgrounds?
8. **Competitive Advantage.** How do the proposed uses for each alternative compare with what exists in the market area?
9. **Compatibility with Surrounding Uses.** Will the alternative be a compatible use with surrounding lands?
10. **Capability for Expansion.** Does the alternative provide enough land area to allow for future expansion of facilities and parking?

INITIAL EVALUATION OF EXISTING FAIRGROUNDS AND OTHER POTENTIAL SITES YET TO BE DETERMINED		
Evaluation Criteria	Existing Site	Other Potential Sites
1. Initial Cost	No initial cost to purchase land, but keeping the fairgrounds at current location will result in the loss of potential revenue from sale of property for industrial purposes. Due to the age and condition of most buildings, costs to upgrade most facilities will require complete tear-down and re-build. Historic buildings should be considered for retention, but may require re-location on the site to make room for new construction.	Initial cost at other locations will include purchase of land, and development from the ground-up in most cases. Sale of existing fairgrounds could provide some revenue for new site purchase. Historic buildings at the existing fairgrounds should be considered for retention and re-location.
2. Sustainability	Unknown at this time. Routine maintenance costs will rise with the age of structures and infrastructure. Many of the buildings have gone beyond the point at which major life-cycle replacements (e.g., roof, heating systems, etc.) are economic compared to cost of new construction.	Means to provide annual repair/maintenance and long-term life-cycle replacement for facilities (new or old) will be a factor in any potential location.
INITIAL EVALUATION OF EXISTING FAIRGROUNDS AND OTHER POTENTIAL SITES YET TO BE DETERMINED (Continued)		

Evaluation Criteria	Existing Site	Other Potential Sites
3. Utilities	Year-round water and sewer need to be installed for many buildings. Electricity as well. Site has advantages because the TED could facilitate utility extension in the fairgrounds area.	Extension of utilities to a new site will be necessary if utilities are not available at site boundaries. Even with utilities at site boundary, the site itself will require installation of utilities to various buildings.
4. Access	Road access is excellent from Hwy 2 to the east and from the west (from the Interstate at Lincoln Road to Marias Valley Road to Old Water Tank Road). Increased rail traffic on the loop that surrounds the fairgrounds could hamper or delay access in the future.	Unknown until alternative sites are identified.
5. Travel Distance	The fairgrounds are centrally located to all four participating counties.	Unknown until alternative sites are identified.
6. Increased Usage and Attendance	The fairgrounds have potential for increased usage and attendance but need additional facilities, especially bathrooms.	For existing or new sites, increased use and attendance will depend on types of functions, activities, marketing, etc.
7. Year Round Use Potential	At least one building has near year-round active use (4-H Exhibit Hall). More facilities with utilities and bathrooms are needed for additional year-round use.	For existing or new sites, the potential for year-round use depends on a variety of factors (demand, marketing, etc.) similar to "Increased Use and Attendance" above.
8. Competitive Advantage	There are no other facilities at this time that meet the needs of the four counties for fairgrounds.	The potential competitive advantage for other than current uses is unknown. Determining the competitive advantage for new uses such as a multi-use convention type hall would require market analysis.
9. Compatibility with Surrounding Uses	There is currently sufficient distance between fairground activities and adjoining uses that compatibility is not a significant issue. If fairground facilities and activities are extended on the site it could become more of an issue, particularly if industrial uses on adjoining property also grow.	Unknown until alternative sites are identified.
10. Capability for Expansion	The existing fairground site has considerable land area, mostly not utilized or under-utilized except during the Marias Fair. Site layout adjustments may be necessary to accommodate additional use during the Marias Fair.	Unknown until alternative sites are identified. For existing or new sites, a needs assessment and master site planning effort would facilitate identifying size and layout of area adequate for future needs.

Additional Analysis of Existing Fairgrounds Site

The existing location of the fairgrounds provides some opportunities, some constraints and a considerable degree of uncertainty given its situation within a Targeted Economic Development (TED) District intended for industrial use.

Strengths and Opportunities

The existing location has been in place for decades, it is centrally located within the four counties that utilize it, and people are familiar with it. It is close to I-15 and access directly from I-15 has been enhanced by improvements on Old Water Tank Road. The existing location is directly adjacent to Highway 2. It's within Shelby city limits, so fair visitors who may need to do other errands can easily access Shelby stores and offices. It is currently zoned "Rural Residential" making it possible for upgrades to existing structures and construction of new structures as permitted uses, without the need for requesting approval of conditional uses or variances.

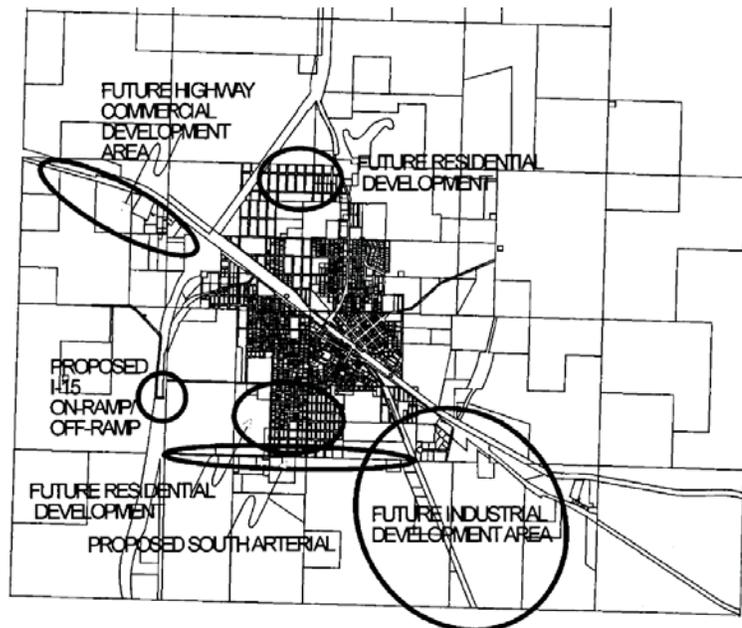
Constructing new facilities and/or upgrades such as bathrooms to existing facilities creates opportunity for increased use and related revenue. For example, a new building could accommodate larger events such as weddings, conferences, fund-raising events, gun shows, boat shows, etc., for which the county could charge fees which could offset expenses for major life-cycle costs and ongoing routine maintenance.

The existing location has some potential for expansion. The site is under-utilized most of the year. Some potential uses identified to date include a large year-round multi-use facility, a general use campground, and overnight facilities for horses and livestock travelling through the area. The site itself is approximately 80 acres and could potentially handle even more functions even at its busiest time during Marias Fair. There is some potential to expand to the north, where a county shop is located, or to the south (and north of the railroad tracks).

The site is located within the Shelby TED District, which means that the fairgrounds could benefit from infrastructure upgrades within the district. Also, location in the TED could mean that the property will increase in value more rapidly than other comparable properties in the county. This would provide an option for the county to sell the existing fairgrounds site. Assuming a lower purchase price for new land, funds would be available to construct modern facilities at the new location. In the long-run, sale of the fairgrounds property for industrial purposes could also benefit the county because tax revenues would be increased overall, even with the conversion of private taxable land to a new county-owned fairground elsewhere in the county.

Issues and Constraints

Although being within the TED may benefit the fairgrounds in some ways, the TED is also perhaps the most significant issue facing the fairgrounds. Although currently there is considerable buffer between the fairgrounds and adjoining industrial land uses, that could change in the future, creating potential conflicts. The TED is intended for industrial development and has been identified as such in the Shelby Growth Policy. The Growth Policy establishes guidance for zoning, which means the area of the fairgrounds could be rezoned to an “Industrial” district. If that were to occur, the fairgrounds area would be considered a “non-conforming” use. Under Shelby zoning code, existing uses would be allowed to continue, but restrictions would be placed on the development of additional or upgraded fairground structures. Whether or not zoning changes are ever adopted by the city, the fairgrounds are fundamentally in conflict with the stated industrial purpose of the TED.



Shelby Growth Policy – Future Development Map

The TED District also includes Tax Increment Financing (TIF) as a means to fund improvements and stimulate industrial development. TIF works when public and private sector improvements in the district result in increased property values. When the TIF is created, a base year is established and incremental increases in property tax revenue (resulting only from increases in property value, not additional taxes) are distributed back to the district for those improvements. Properties exempted from property tax, such as the county-owned fairgrounds, do not contribute to the TIF. It benefits the purpose of the TED for county-owned properties to be sold to private owners.

The railroad tracks that loop around the eastern and southern edge of the fairgrounds area could potentially create access and safety issues. Traffic into and out of the area could be delayed by train crossings. A derailment and hazardous release, although unlikely, could be a serious hazard if it were to occur at the same time as the Marias Fair. On the background aerial photo of the Toole County Fairgrounds Map on page 8, the train on the tracks is almost long enough to cut off access to the fairgrounds from both the east and west, which would seriously inhibit emergency access to and from the fairgrounds.

The county property has some design constraints for expansion. Although the entire county-owned parcel that includes the fairgrounds is approximately 150 acres (of which 80 acres is within the current fairgrounds general area), expansion is limited. County-owned land to the north includes a county shop. South of the main access road there are existing drainages, including a stormwater detention facility (as shown in the photo below). Expanding the existing fairgrounds beyond the railroad tracks to the south would necessitate vehicle crossings, pedestrian/livestock under-passes or over-passes, which if agreed to by the railroad, are likely cost-prohibitive. The municipal sewage lagoons create another extension constraint to the south.



Aerial Photo of Fairgrounds Arena and Stormwater Detention Facility: 2015 by Stahly Engineering

Conclusions and Recommendations

Conclusions

Like other counties throughout Montana, Toole County has significant infrastructure needs and few resources. The county has many facilities including the court house, the library, roads, bridges, and of course the fairgrounds. Most of these structures are decades old, not current with modern needs and requirements for universal accessibility, safety standards, etc. and despite considerable effort to plan for and keep facilities maintained, the county is unable to keep up with all the demands.

The unique conditions of the fairgrounds and its location within the TED industrial district set it apart from the other infrastructure needs of the county. It is a high priority given the overall condition of the fairgrounds, which are becoming increasingly tenuous for holding large events such as Marias Fair.

Recommendations and Potential Resources

In order to move forward with existing and future needs of the fairgrounds, the following steps are recommended. Each of the following four steps has a basic description, followed by more detailed “next steps” and potential “resources.” In general grant funds for planning and construction for fairgrounds are very limited at this time. Because the Marias Fairgrounds are a regional facility serving four counties, it makes sense to work with the local regional organizations – Sweetgrass Development and Opportunity Link – and encourage them to raise this item in their planning and assistance priorities. Another potential regional source of funding would be for the participating counties to contribute general fund monies or assess a fairgrounds tax, as authorized under state law.

- 1. Prepare a Needs Assessment.** This assessment should identify needed and/or desired future uses. The Needs Assessment should also address the historic structures and begin the process of prioritizing those for retention, conservation, and/or preservation. .

Suggested Next Steps: Establish a steering committee, headed by the Fairgrounds Board, to gather ideas from key stakeholders and the general public about what is needed and/or desired in the future at the fairgrounds (wherever they may be located.)

Resources: Although funds for a Needs Assessment may be unavailable, the steering committee could complete this step. Montana Community Technical and Assistance Program, Montana Community Development Block Grant Program, USDA Rural Development, Sweetgrass Development, and Opportunity Link are likely to have information or potentially to provide guidance on what a needs assessment should contain in order to potentially qualify for funds at other stages.

- 2. Conduct Market and Feasibility Analyses.** Research demand, existing supply, and cost to build and maintain to determine feasibility of specific needs and desired future uses. Costs of constructing new facilities, regular routine maintenance, and long-term life cycle items (roofs, updates to bathrooms, kitchens, HVAC systems etc.) should be carefully considered in the feasibility analysis. These are important items considered more carefully now by grant agencies. The fairgrounds are in poor condition in part because the county has been unable to keep up with the long-term life-cycle items. Operations and maintenance on a new building will certainly be less than on a deteriorated existing building, but it is important to plan ahead for funding routine operations, maintenance and life-cycle costs on a new building or in a few decades the county will once again be faced with deteriorating structures.

A market analysis can help determine, if once built, there will be adequate demand for a structure or proposed use. If demand is sufficient, fees can be charged to cover costs of operations, maintenance, and life cycle costs. If demand is strong, there may be enough revenues from fees to offset some of the initial construction costs. Market analysis should consider factors such as existing supply of similar facilities in the market region and willingness to pay for the service or use.

Suggested Next Steps: The steering committee should categorize projects based on needs, timeframe and anticipated cost. Use the information to develop a range of items and scenarios for a market and feasibility analysis. Toole County contracts with a firm that specializes in these analyses to complete the study. The results of the study are released to the public and discussed.

Resources: Funding sources are changing rapidly at this time. Contact Sweetgrass Development, Opportunity Link, Montana CDBG, USDA Rural Development for possible funding opportunities.

- 3. Identify and Evaluate Alternatives.** Use the 10 criteria above as a starting point for evaluating alternatives. In assessing the option of improving the existing fairgrounds, a detailed and comprehensive Facility Conditions Inventory is recommended.

Suggested Next Steps: The steering committee considers the market analysis and public comment. The committee then identifies alternatives for detailed evaluation. Toole County hires a firm to complete the detailed evaluation and cost estimates for each alternative. The results are released for public comment.

Resources: Funding sources are changing rapidly at this time. Contact Sweetgrass Development, Opportunity Link, Montana CDBG, USDA Rural Development for possible funding opportunities.

- 4. Develop a Master Fairgrounds Plan.** Once the plan is developed, incorporate into the county's Capital Improvements Program (CIP).

Suggested Next Steps: The steering committee makes a recommendation to the County Commissioners regarding preferred alternative. Once the final alternative is approved, the detailed analysis of a master fairgrounds plan can begin. It is suggested that any detailed plan include development in phases to avoid potential "over-build" issues. Developing the Master Fairgrounds Plan should be completed by a qualified professional in order to qualify for grant funds such as a Preliminary Architectural Report (PAR) from CDBG. The final fairgrounds plan, including costs and schedule should be incorporated into the county's capital improvements program.

Planning Resources: There is a possibility that CDBG funds for a PAR or Preliminary Engineering Report (PER) might be available for this type of project, although fairgrounds would be unusual for these funds. Typically PAR funds are awarded to non-water/non-wastewater projects for special populations –senior centers, food banks, or low income housing. PER funds are for water/waste-water projects. As noted above, funding sources are changing. Contact Sweetgrass Development, Opportunity Link, Montana CDBG, USDA Rural Development for possible funding opportunities.

Construction Resources: Currently, there is little available from government funding sources for construction projects of this type. Some potential funding sources could include:

- Renewable Resource Grant and Loan Program -- Administered by Department of Natural Resources and Conservation and money allocated by the legislature; \$125,000 maximum; no match required.
- Treasure State Endowment Program – funded by coal tax, administered by the Department of Commerce and allocated by the legislature; \$500,000 with an option for up to \$750,000 if specific criteria is met; this is a 50/50 matching grant.
- Rural Development -- Administered by the US Department of Agriculture; grant used for smaller communities with populations under 10,000 and income level is a factor.

Additional Recommendations for the Existing Fairgrounds

In addition to the above general recommendations, the following are suggested with regard to the existing fairgrounds location:

1. **Determine the termination date of the TIF.** This is important because converting the non-taxable county property to private ownership would increase the incremental tax revenue that funds infrastructure improvements in the District while the TIF is active. State law sets termination dates for TIFs at 15 years from the date of creation. The original creation date of the Industrial District was 2008, resulting in an anticipated termination in 2023. Provisions to extend are allowed if TIF funds are being used to pay bonds, so long as the bonds are established prior to the 15-year deadline.
2. **Assess the Potential Rail Hazard.** To ensure the safety of the thousands of people who attend the Marias Fair, review the potential train hazards that could affect the fairgrounds, including derailment, accidents, and hazardous spills. The 2015 Toole County Pre-Disaster Mitigation Plan recommended updating the hazardous materials flow study. In addition, review and amend the Toole County Emergency Operations Plan as needed regarding train derailments or hazardous spills in this area.