

Memorandum

REPORT TO: City Commission

FROM: Brit Fontenot, Economic Development Director

SUBJECT: An Ordinance of the City Commission of the City of Bozeman, Montana, Repealing Chapter 2, Article 5, Division 10 of the Bozeman Municipal Code

MEETING DATE: September 9, 2025

AGENDA ITEM TYPE: Ordinance

RECOMMENDATION: Approve the ordinance repealing Chapter 2, Article 5, Division 10 of the Bozeman Municipal Code.

STRATEGIC PLAN: 7.3 Best Practices, Creativity & Foresight: Utilize best practices, innovative approaches, and constantly anticipate new directions and changes relevant to the governance of the City. Be also adaptable and flexible with an outward focus on the customer and an external understanding of the issues as others may see them.

BACKGROUND:

The purpose of this proposed ordinance is to repeal Chapter 2, Article 5, Division 10 of the Bozeman Municipal Code, which currently governs Urban Renewal, Tax Increment, and Economic Development District Boards. This action proposed is in response to legislative changes enacted by the 69th Montana Legislature through Senate Bill 3, which now requires urban renewal districts employing tax increment financing (TIF) mechanisms to create advisory boards. By removing the outdated provisions from the municipal code, the City of Bozeman ensures compliance with state law while avoiding duplicative or conflicting requirements.

The original provisions, established through Ordinance 1861 in 2013 and later amended by Ordinance 2144, provided the City Commission with authority to create advisory boards for urban renewal and TIF district administration. While these provisions served an important function at the time, the new state mandate renders them unnecessary. Repealing this section of the code allows the City to streamline its governance framework and maintain consistency with Montana statutes while preserving the flexibility for the Commission to establish advisory boards as required.

In addition to aligning with state law, this repeal advances the City's commitment to operating as a high-performance organization, as outlined in the Bozeman Strategic Plan. By removing duplicative or outdated code provisions, the City can reduce administrative inefficiencies, clarify governance responsibilities, and promote transparency in the administration of urban renewal and TIF projects. The repeal does not eliminate the City's ability to pursue urban renewal or economic development initiatives but ensures that these efforts are managed under a clear and legally sound structure.

The repeal will take effect thirty (30) days following final adoption, ensuring a smooth transition. Adoption of this ordinance demonstrates the City Commission's proactive approach to governance, legal compliance, and alignment with best practices for managing urban renewal and economic development initiatives.

UNRESOLVED ISSUES: None at this time.

ALTERNATIVES: As proposed by the Bozeman City Commission

FISCAL EFFECTS: None.

Attachments:

[250818 Ordinance TIF Board 9-9-25 FINAL.pdf](#)

Report compiled on: August 19, 2025