



January 2020

CITY OF THOMPSON FALLS

Growth Policy

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Growth Policy **FINAL ADOPTED VERSION**

City Council adopted the Growth Policy on January 13, 2020



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EXECUTIVE SUMMARY



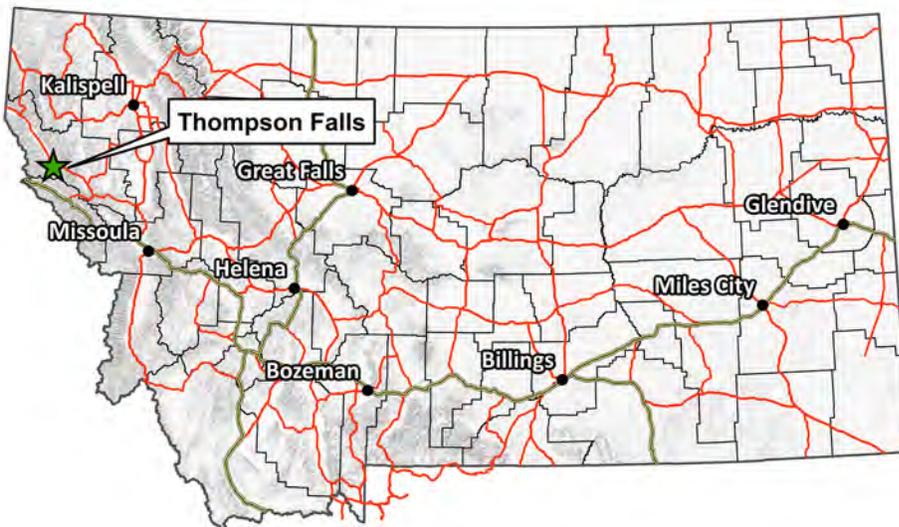
The City of Thompson Falls' community tag line is 'Genuine in Nature' because of its two greatest assets, people and open spaces. An example is the fact that in 2012, the City was chosen by Outdoor Life magazine as number 16 of the 35 best hunting and fishing towns in the United States.

Thompson Falls is in the warmest area of the state, thus allowing residents and visitors to enjoy outdoor activities year-round. The City is surrounded by the Lolo National Forest and very close to the Kootenai National Forest to the west. In addition, the community is set between the Cabinet Mountain Range and the Coeur d'Alene Mountain Range. The surrounding public lands and thousand miles of trails and logging roads offer many opportunities for outdoor enthusiasts.

Thompson Falls is the County seat for Sanders County and offers a variety of services for residents and visitors. The City is located adjacent to the reservoir created by the Thompson Falls Dam which provides access to swimming, fishing and boating. Residents and visitors can also walk from downtown across the Gallatin Bridge to Island Park and view the dams and the historic High Bridge over the Clark Fork River.

While the City has amazing natural assets, residents know there are other opportunities and challenges that need to be addressed. These include working to strengthen the economy, upgrading City infrastructure, retaining and attracting young people and families and harnessing the knowledge and resources of new City and County residents.

Map 1 - Location of Thompson Falls



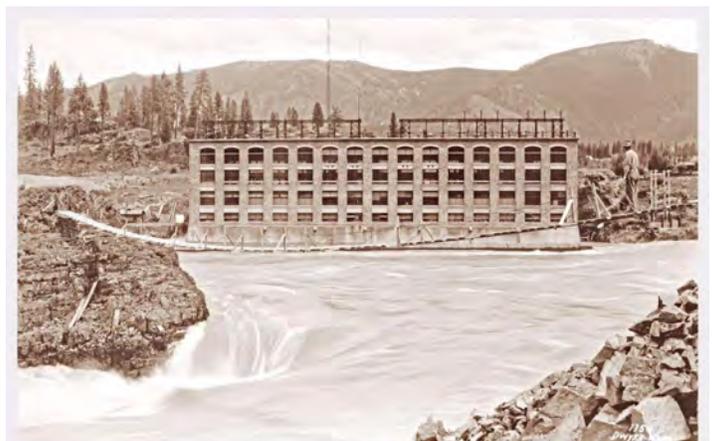
EXECUTIVE SUMMARY

It is important to note that Thompson Falls and Sanders County have been actively working to improve the economy and quality of life of residents through thoughtful planning. These efforts include:

- 2013 Sanders County Technology Initiative Feasibility Study (Sanders County Community Development Corporation (SCCDC)/Big Sky Trust Fund)
- 2014 Thompson Falls Community Trails Plan (Thompson Falls Community Trails-TFCT)
- 2015 County-wide Resource Assessment (SCCDC and MEDA, sponsored by the County Commissioners)
- 2015 Downtown Master Plan (Thompson Falls Main Street-TFMS, Montana Main Street Grant Program)
- 2016 Thompson Falls Community Branding Project (TFMS, Montana Main Street Grant Program)
- 2017 Financial Measures Feasibility Study (SCCDC and City of Thompson Falls/LOR Foundation)
- 2017 Thompson Falls City Inventory and Assessment of Public Parks (SCCDC and City/LOR Foundation)
- 2017 Feasibility Study of Eastward Extension Trail (SCCDC and TFCT/LOR Foundation)
- 2018 Thompson Falls Visitor Survey (SCCDC/Institute for Tourism and Recreation Research)
- 2018 PAR for Black Bear (SCCDC/Montana Main Street Program)
- 2019 Recreation Economy Technical Assistance Grant (TFMS and SCCDC/EPA)

This Growth Policy is the City's comprehensive effort to tie these many different planning projects into one document and to look 5 to 8 years into the future. The document contains nine sections all of which provide the basis for achieving the goals developed by the City Planning Board. These sections include:

- **Goals and Objectives:** To take advantage of the opportunities and issues the City faces, residents must be willing to establish practical and achievable goals.
- **Introduction:** A description of the City, its location, features and history.
- **Population:** A description of the City's population characteristics.
- **Economy:** A description of the City's current economic situation through the lens of both City and County level data and other sources.
- **Community Services:** A description of the services and infrastructure provided to residents.
- **Housing:** The status of the City's current housing stock.
- **Land Use:** A discussion about how the City might grow in the future. This section also includes a discussion about annexation, subdivision regulations, the wildland urban interface, sand and gravel resources and floodplains that affect the City.
- **Resident Engagement:** A description of the steps used to obtain the advice and guidance of residents for this planning process.
- **Action Plan:** The actual steps the City may take to achieve the goals identified in the document.



GOALS AND OBJECTIVES

The City Planning Board developed goals and objectives to address the opportunities and needs identified through the entire process. The specific projects and policies to be used to achieve these goals are found in the Action Plan on page 51.

Economy

Thompson Falls must create a foundation to help residents prosper. Therefore, the City will work to strengthen and diversify its economy.

Goals	Objectives
Increase the number of (non-gender-specific) living wage jobs in Thompson Falls	Support the establishment of a customer service call center to employ up to 30 full-time employees.
Promote a business incubation strategy.	Support the provision of low-cost space for new business startups to begin the process of developing and establishing their business
Improve and enhance the impact of the recreation economy upon City residents.	<ul style="list-style-type: none"> ▪ Assist with the implementation of the Downtown Master Plan. ▪ Help implement the City Marketing Strategy. ▪ Assist with implementing the priorities identified in the Thompson Falls Community Trails Plan.
Help foster the continued development of a technology and communications industry in the City.	Assist in implementing the Sanders County Technology Initiative by supporting private businesses and engaging the school district.
Improve technology and educational opportunities for residents.	Encourage satellite technology and a location for continuing/technology/distance training and education in the City.
Create events focused on the identity, cultural quality and social fabric of Thompson Falls.	<ul style="list-style-type: none"> ▪ Create events focused on the identity, cultural quality and social fabric of Thompson Falls. ▪ Create a rich cultural component to Thompson Falls identity.
Encourage business development through the provision of safe, economical and reliable City services.	Continue to upgrade and maintain City services, i.e. water, sewer and streets.
Encourage business development and resident pride through a clean and well-maintained community.	Improve the appearance of the downtown and residential areas.

GOALS AND OBJECTIVES

Community Services

Quality of life for City residents is determined by many things. Some of the most important are services, including healthcare, education, emergency services and recreation. The City will help to provide and/or encourage adequate community services including safe and economical infrastructure and facilities that range from drinking water and wastewater treatment to streets and parks.

Goals	Objectives
Provide safe and economical drinking water and wastewater collection and treatment services.	<ul style="list-style-type: none"> Complete upgrades to the City’s drinking water system. Complete the installation of the new sewer collection system and treatment system upgrades. Prioritize revenue expenditures on the most critical City facilities. Utilize state and federal funding sources to help maintain and upgrade City water and sewer infrastructure.
Reduce stormwater drainage issues in the City.	Focus on stormwater issues in the residential areas north of the railroad tracks.
Upgrade the surface condition of City streets.	Prioritize and incrementally complete street improvements.
Promote quality year-round, indoor recreation/fitness opportunities for all City residents.	Develop year-round indoor recreation facilities.
Ensure emergency medical and fire protection services for City residents.	Provide residents with efficient, effective and economical fire protection and emergency medical services.
Improve pedestrian and bicyclist safety in the City and along Main Street.	<ul style="list-style-type: none"> Maintain a good working relationship with the Montana Department of Transportation (MDT). Construct pedestrian facilities across Main Street/ Highway 200 and bicycle/pedestrian routes parallel to, but not located on Main Street.
Conserve, manage and enhance wildlife resources in the City.	<ul style="list-style-type: none"> Provide an environment that encourages the survival of pollinators (honeybees, etc.). Reduce wildlife conflicts and the potential impact of chronic wasting disease upon deer in and around the City.

Housing

Adequate and affordable housing is essential to ensure the success of City residents. The City along with other partners will work to meet community housing needs.

Goals	Objectives
Facilitate safe and affordable housing for all City residents.	<ul style="list-style-type: none"> Understand the housing and real estate market of the City and the County. Encourage the use of vacant City lands for housing.

GOALS AND OBJECTIVES

Land Use

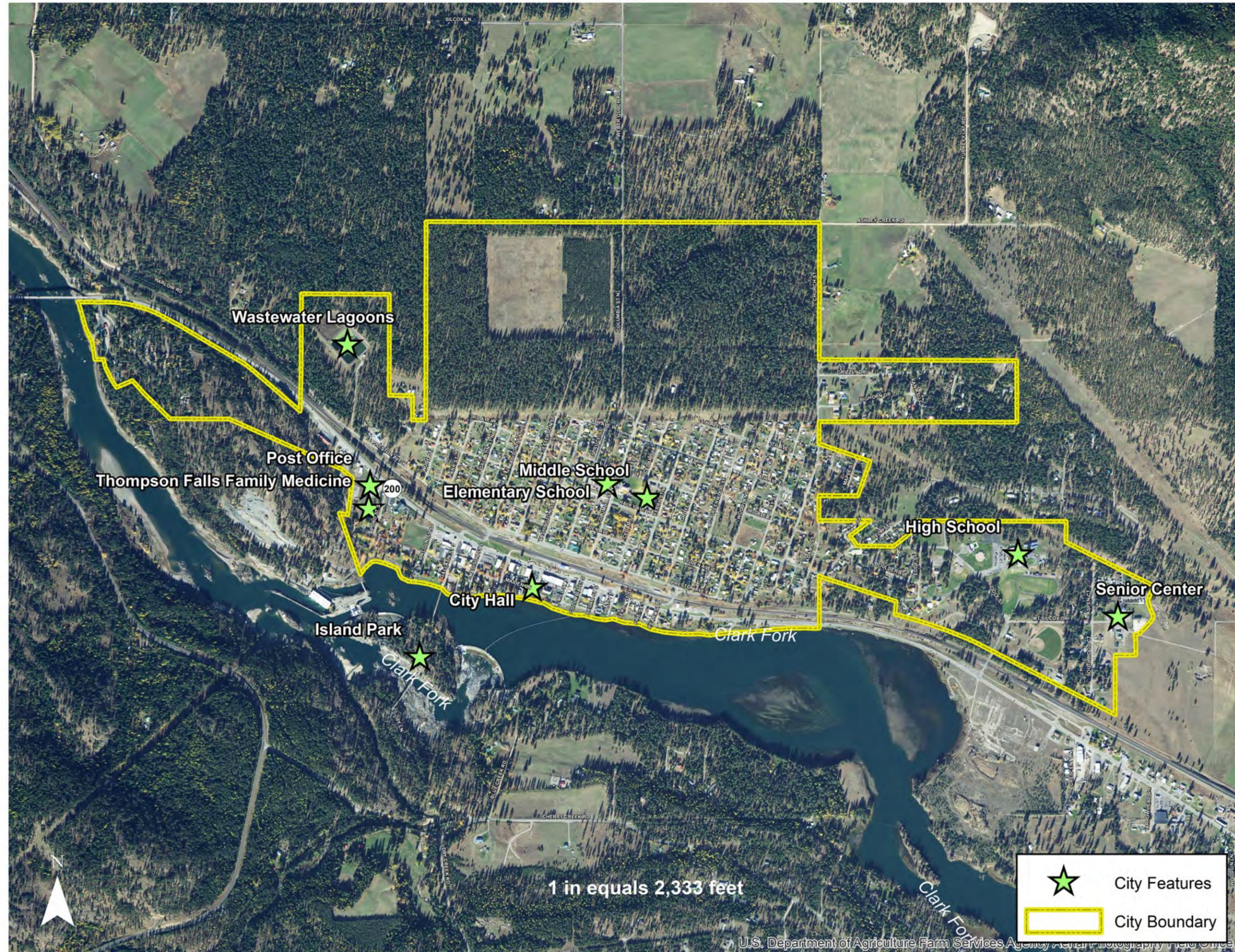
New growth will be essential for the long-term success of the City, but growth should occur in a logical and cost-effective manner. New development should take place in areas easy to provide services to and have a limited potential for natural hazards such as floodplain or wildfire.

Goals	Objectives
Annexation of new land into the City will only occur if it will be an asset to the City and can be economically and safely provided with services.	<ul style="list-style-type: none">▪ Develop and adopt a formal policy and process for annexation.▪ Use existing City engineering reports to help identify areas appropriate for annexation.
Properties connected to City services should be incorporated into the City.	Identify and initiate the process of annexing properties connected to City services.
Efficiently and effectively develop and adopt subdivision regulations.	<ul style="list-style-type: none">▪ Use an existing template for the new regulations.▪ Ensure City staff and the Planning Board understand and can administrate the review of subdivisions.
Encourage the redevelopment of the Riley Creek Mill Site.	Assess the property for any potential cleanup and development options.

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GOALS AND OBJECTIVES

Map 2 - City Features



GOALS AND OBJECTIVES

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INTRODUCTION



Location

The City of Thompson Falls is in Sanders County, Montana, approximately 101 highway miles northwest of the City of Missoula and 107 highway miles southwest of Kalispell. According to the United States Census Bureau, the estimated population of the City in 2017 was 1,130 people. The City also serves as the County seat for Sanders County.

Geography

Thompson Falls is nestled in the Clark Fork River Valley between the Cabinet and Coeur d' Alene Mountains along the Clark Fork River. Main Street is part of Montana Secondary Highway 200 and the north side of the highway is bordered by the Burlington Northern and Santa Fe Railroad which is leased by Montana Rail Link. Thompson Falls is surrounded by large amounts of public land particularly the Lolo and Kootenai National Forests, which comprise well over 900,000 acres of land in Sanders County.

Land Ownership in Sanders County (Acres)		
Private Ownership	360,157	20.2%
Federal Lands	933,694	52.3%
Tribal Lands	427,631	23.9%
State of Montana	64,047	3.6%

U.S. Geological Survey, Gap Analysis Program. 2018.
Protected Areas Database of the United States (PADUS version 2.0)

Climate

The climate of Thompson Falls is characterized by generally mild summers and cold winters. The City's warmest month of the year is August with an average maximum temperature of 88 degrees Fahrenheit, while the coldest month is January with an average minimum temperature of 21 degrees Fahrenheit. The average annual precipitation in the City is 23.07 inches, with precipitation evenly distributed throughout the year. Generally, the month with the highest precipitation is December with an average snowfall of 2.75 inches.

It is important to note that Thompson Falls and the western end of Sanders County are the most temperate areas in Montana and thus have the longest growing season in the State. This highlights how mild the climate can be in Thompson Falls compared to the rest of the State of Montana.

INTRODUCTION



History

It is generally assumed that the City of Thompson Falls is named after the British explorer and fur trader David Thompson. Thompson established a Northwest Company fur trading post in 1809 near the present-day City. Historical evidence shows the City was more likely named after James Thompson, a trapper, hunter and prospector who lived in the area from the mid-1860s until 1888.

Development of the City began in earnest upon the arrival of the railroad in 1881. Growth increased two years later when a gold rush hit the region surrounding Coeur d'Alene, Idaho. Thompson Falls served as a supply and transportation center to accommodate the men going to the new mines. The first platted lots were established in 1885 and the City was incorporated in 1910.

The Thompson Falls Dam was completed in 1915 with the foundation of the dam constructed on a set of natural falls at the time. The dam was a major supplier of electricity to the electrified portion of the Milwaukee Railroad in Montana and mining operations in Idaho. The dam system is owned by Northwestern Energy. Currently, the dam complex creates an upstream reservoir and has a seven-unit hydroelectric generation capacity of 94 megawatts. The island in the middle of the dam complex contains a public park with hiking trails, picnic tables, and scenic overlooks.

Construction of a fish ladder at the Thompson Falls dam was completed in 2010 and it started operations in 2011. The fish ladder operates annually between March and October and provides passage for bull trout, as well as several other salmonid and non-salmonid species.

Thompson Falls Dam is one of a series of three (3) dams that are found on the lower Clark Fork River. The other two are Noxon Rapids Dam and Cabinet Gorge Dam and are located downstream of Thompson Falls. Noxon Rapids Dam creates Noxon Reservoir, a 7,700-acre body of water that is a major recreation attraction for the area.

POPULATION CHARACTERISTICS

In 2017, the City of Thompson Falls was estimated by the Census Bureau to have a population of 1,130 people, while Sanders County had an estimated population of 11,414, which includes Thompson Falls.

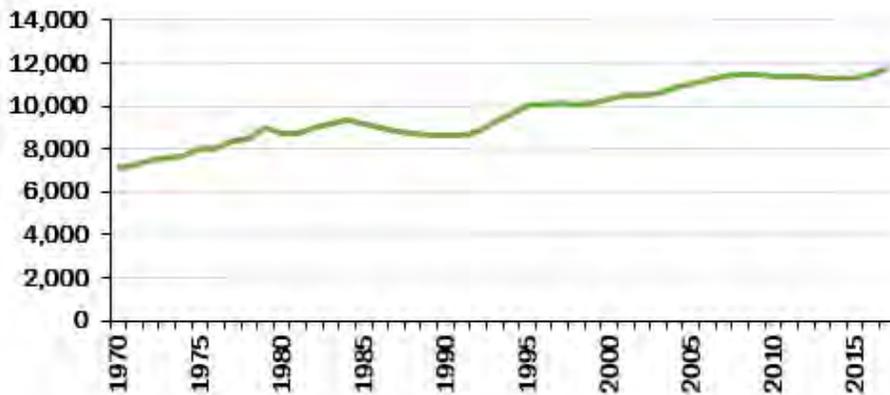


Figure 1 - Population Trends, Sanders County 1970-2017
(Census Bureau, 2014 Washington, D.C.).

Demographically, Sanders County finds itself in a situation familiar to many other communities in Montana, the median age of County residents has increased. American Community Survey (ACS) data from the Census Bureau showed that in 2010, the median age for County residents was estimated at 48.8 years of age and by 2017 it had increased to 52.7. For the City of Thompson Falls, ACS data indicates the median age of residents has decreased from 44.5 to 40.1 from 2010 to 2017. A closer look at the reliability of this data puts these estimates into question. Thus, using County age data as a proxy for the City would be much more reliable at this time.

It is important to note the City provides services to far more than just the people within the City limits. This is particularly true from a parks and recreation standpoint. For example, there are approximately 1,130 people in the City but, there are approximately 5,000 people living in the High School District, which also encompasses the City. The District helps fund the operation of the Library. While an actual number is unknown, many of the people living outside the City limits likely use City parks and recreation facilities at some point during the year; however, they do not pay to fund their operation and maintenance.



POPULATION CHARACTERISTICS

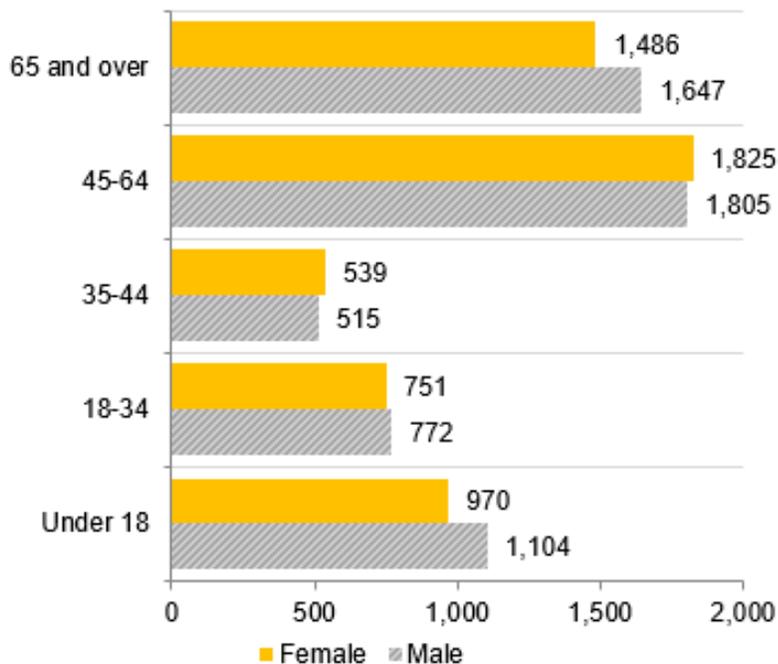


Figure 2 - Population Age Breakout for Sanders County, 2017
Census Bureau, American Community Survey, 2017 Washington, D.C., as reported in Headwaters Economics' Economic Profile System (headwaterseconomics.org/eps).

Another trend that should be watched closely in both the City and the County is the increase in the number of people age 65 and over. In 2010, the Census estimated this number at 2,335 persons in the County and by 2017 it was estimated to be 3,133 persons, or approximately 27 percent of the total County population.

There are several factors that are leading to an aging population. These include:

- People of retirement age are finding Thompson Falls and the County an attractive place to retire due to a lower cost of living and the wide variety of amenities; and
- Young people graduating from high school in the County find it economically difficult to stay.

To slow or reverse this trend, it will be important to make the City and Sanders County an attractive choice for young people and families to choose for a home. To do so, will require four key ingredients:

- Living wage employment;
- Housing affordability;
- Cultural and entertainment opportunities; and
- Continuing education opportunities.

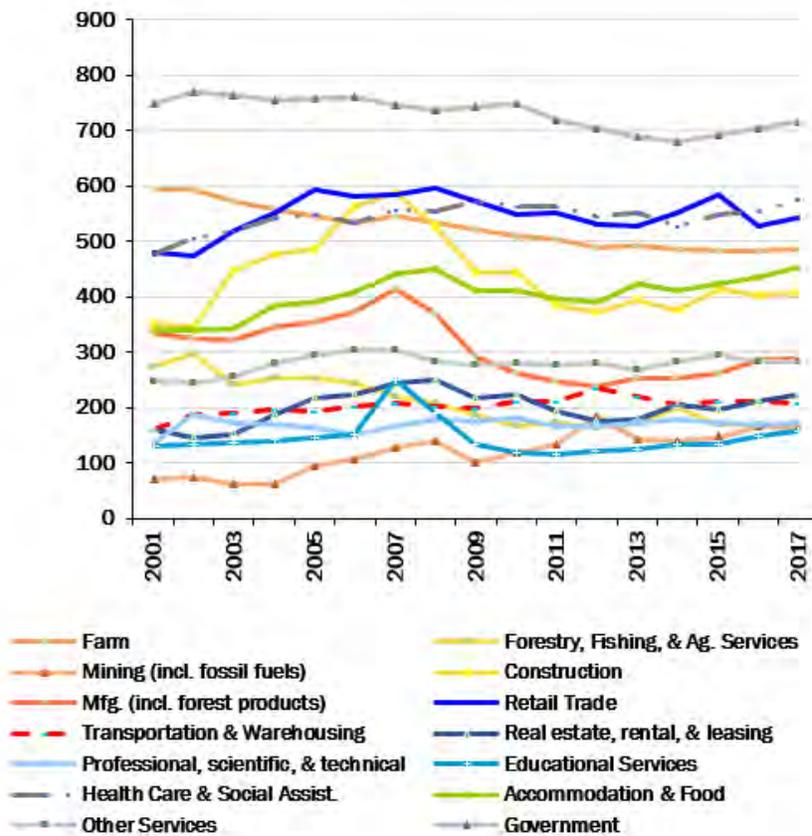
Like many other Montana counties and communities, an aging population and a continued decrease in the number of younger people is something the City and Sanders County need to continue to watch closely. The trend could affect the ability of each jurisdiction to provide or facilitate services such as senior services, health-care, housing and a stable workforce.

ECONOMY

Based on the limited economic data available from the U.S. Census Bureau, Thompson Falls has six broad occupations that employ most of the residents. These include education, healthcare, retail trade, finance/real estate, manufacturing and forestry/agriculture. Unfortunately, much of the detailed economic data available for Montana is compiled only at the State or County level. Hence, to understand the economic situation in Thompson Falls it is essential to also look at data for Sanders County.

County Employers

In 2017, the top six employment sectors in Sanders County were government (715), healthcare (577), retail (543), ranching/farming (486), accommodation/food service (452) and construction (409). Other important employers in the County include manufacturing and transportation services.



From 2001 to 2017, the top three industry sectors that added jobs were accommodation and food services (113 new jobs), health care and social assistance (100 new jobs), and retail trade (64 new jobs).

From 2001 to 2017, jobs in non-service related industries (farm/ag/mining) shrank from 1,626 to 1,515, a 7 percent decrease. During that same time, jobs in service-related industries (retail/healthcare etc.) grew from 2,586 to 3,143, a 22 percent increase. Over that same time, the number of government jobs shrank from 750 to 715, a 5 percent decrease. The significant increase in service sector jobs is likely related to the growth in the recreation economy of the County.

Figure 3 - Top Employment Sectors in Sanders County 2001-2017

U.S. Department of Labor. 2017. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Washington, D.C., as reported in Headwaters Economics' Economic Profile System (headwaterseconomics.org/eps).

According to data from the Montana Department of Labor and Industry, the following are the firms or organizations in Sanders County that employed the most people in 2018:

ECONOMY

Organizations	Employees	Location
Avista Corporation	20-49 employees	County
Clark Fork Valley Hospital	100-249 employees	Town of Plains
Evergreen Hot Springs Health & Rehabilitation Center	20-49 employees	City
First Security Bank	20-49 employees	City
Little Bitterroot Services	50-99 employees	Town of Plains
Quinn's Hot Springs Resort	50-99 employees	County
Sanders County Harvest Foods	20-49 employees	County
Thompson River Lumber	50-99 employees	County
Town Pump	20-49 employees	City

Figure 4 - Top Employers in Sanders County 2018
 Montana Department of Labor and Industry 2018.

Labor and Non-Labor Income

In 2017, income from labor sources for County residents was \$147,002,000 or 36.7 percent of all income. This was a significant increase from the estimated figure of \$127,307 million in 2000. This increase may be attributable to an increasing “remote” workforce working from home or pending retirees bringing their labor income with them.

Non-labor income for County residents in 2017 was \$253,847,000 and represented 63.3 percent of income. This was a 12.3 percent increase from the estimated figure in 2000. Non-labor sources of income include dividends, interest, rent and transfer payments such as Social Security and Medicare.

Per Capita Income

From 2000 to 2017, per capita income in the County increased from \$25,243 to \$34,228, a 35.6 percent increase over that time. Per capita income is a measure of income per person. It is total personal income (from labor and non-labor sources) divided by total population. Per capita income is considered one of the more important measures of economic well-being for communities.

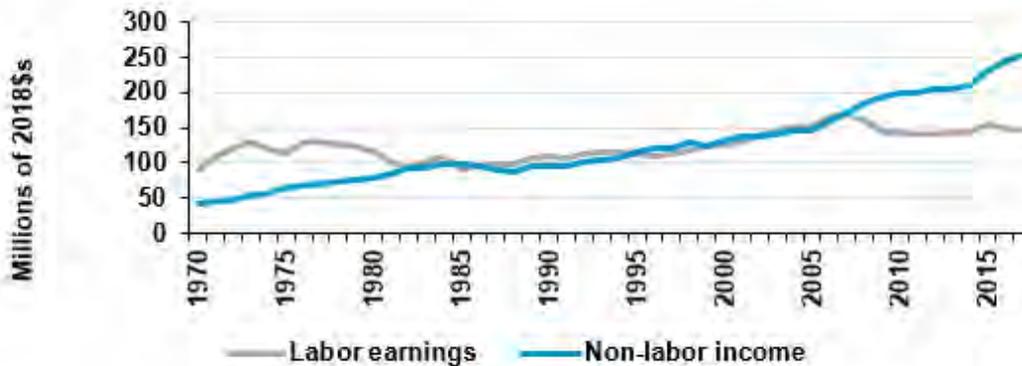


Figure 5 - Components of Total Personal Income, Sanders County 1970-2016

U.S. Department of Labor. 2016. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Washington, D.C., as reported in Headwaters Economics' Economic Profile System (headwaterseconomics.org/eps).

Total personal income is a measure of the total annual gross earnings of an individual from all income sources, such as; salaries and wages, investment interest and dividends, employer contributions to pension plans, and rental properties.

According to Census data, the median household income in the County in 2017 was \$36,445 and the percentage of low to moderate income families was approximately thirty-eight (38) percent of the County's population in 2015. The Census defines median income as dividing the income distribution of a community, in this case the County into two equal parts: one-half of the cases falling below the median income and one-half above the median. For households and families, the median income is based on the distribution of the total number of households and families including those with no income.

Timber Industry

Natural resource industries had traditionally dominated the economy of Sanders County and communities such as Thompson Falls. The County used to be one of the top timber producing counties in the State, with timber harvests taking place on national forest lands, corporate timber lands, state and tribal land and other private holdings. The timber industry in the County was at its height of production in the late 1980s, but with increased Federal regulations, environmental litigation and the national recession of 2008, timber harvests saw a significant decline which negatively impacted the economy of the County.

At the height of timber production there were four large mills and several smaller sawmills in operation in the County. Today, only one mill remains in operation, Thompson River Lumber, which is the second largest employer in the County.

In 1998, the timber industry represented almost 16 percent of total employment in the County. By 2016, that percentage declined by over half to just over a 7 percent total employment. From 1970 to 2017, the average earnings for such jobs shrank from \$35,172 to \$31,676 (in real terms), a 10 percent decrease. In addition, according to the University of Montana's Bureau of Business Economic Research, in 2005, Sanders County reported 74 million board feet (MBF) of timber harvested. By 2016, volumes declined to 39 million board feet (MBF).

ECONOMY

The potential does exist to use the County’s timber resources to diversify the County’s economy. The area has significant timber biomass resources that could be used to create value added products such as wood pellets for heating. Timber biomass is any timber-derived product capable of being converted to energy. Biomass mills that are manufacturing heating pellets are currently operating in nearby Superior and Columbia Falls, Montana and Sandpoint, Idaho.

Rock Creek Mine

The Rock Creek Mine is a silver and copper hard rock mine proposed by the Hecla Mining Corporation. The project has received Phase 1 approval by the United States Forest Service and Hecla is proposing to invest \$3.2 billion (over 35 years) in the project. The proposed mine is located approximately 36 miles northwest of Thompson Falls. During Phase II of the project when the mine is fully developed it could create approximately 300 high paying jobs. These jobs will be distributed between Bonner County in Idaho, Lincoln and Sanders Counties in Montana and other areas of the country. The jobs at the mine could generate nearly \$700 million in salaries and \$400 million in goods and services purchased during the estimated life of the mine which is approximately 35 years.

When the mine begins operation, it will have a significant impact on the economy of northwestern Montana including Sanders County and Thompson Falls. The City and the County need to think about how to ensure that adequate housing is available for the new workers and how additional services such as law enforcement, emergency services and education can be provided. The most important question for Thompson Falls is how to position itself to attract some of the new residents that are a part of the mine workforce. One thing the City can do is to ensure it has enough water and sewer capacity and land for the development of new residential housing.

Broadband Communications

Thompson Falls has very good Broadband internet service. Service is provided to City residents by two private entities: Access Montana and Blackfoot Telephone.

In the spring of 2019, Blackfoot Telephone began a multi-year project to upgrade its Broadband network in the Thompson Falls area, which includes the installation of new fiber optic cables. This work could help encourage businesses that are reliant on fast internet speeds and facilitate any potential distance learning/continuing education programs.

Main Street Businesses

The Thompson Falls, Main Street Inc. was formed by concerned business owners and City residents who wanted to improve the appearance and economic vitality of the downtown area. As part of that process the City became an affiliate member of the Montana Main Street Program which is managed by the Montana Department of Commerce. The City’s Main Street program essentially serves as a funding mechanism for downtown projects and Sanders County Community Development Corporation assists with implementing program projects.



ECONOMY



In 2015, Main Street Inc. developed a Downtown Master Plan to serve as a guide for improving the economic condition and appearance of the downtown area. The Plan focused on the traditional downtown along Main Street/MT Highway 200 and extended along MT Highway 200 from Wild Goose Landing on the east side of the City to just beyond Pond Street on the west end of the City.



The plan addresses marketing, the design and improvement of buildings and identifying how to connect the downtown to nearby amenities. It also focuses on achieving measurable results. The plan contains short, medium and long-term actions to improve downtown and addresses four main issues:

- **Access and Mobility:** Pedestrian and non-motorized connections between the core area and neighborhoods, important sites, and recreational amenities should be made and improved upon.
- **Awareness:** Thompson Falls should do more to brand and promote itself within its primary trade area and within the region. Signage is needed to direct visitors to amenities.
- **Amenities:** Thompson Falls has a wealth of quality-of-life amenities, especially outdoor recreational opportunities. These amenities can be used as assets to attract residents, businesses and visitors.
- **Appearance:** The appearance of the community can help capture business and create a uniqueness to the community that people identify with. Opportunities to improve facades and the streetscape can create a sense of place where people will want to be.

An example of a project undertaken to implement the plan is the development of a preliminary architectural report (PAR) for the historic Black Bear Inn in 2019. The PAR will set the stage for the rehabilitation of the building and promote economic development by conducting a feasibility study for the use of the second floor of the building for office space etc. Another project identified in the Plan that was completed in 2016 was a Marketing Strategy. The strategy created a “brand” for the City and helped with the installation of wayfinding signage.

Implementation of the Downtown Master Plan continues to gain traction. This was highlighted by the recent award of an EPA Recreation Economy Technical Assistance Grant to help Main Street Inc. and the City work to implement the other goals identified in the Plan.

Ultimately, it is important that the Downtown Master Plan be coordinated closely with goals and actions identified in this Growth Policy.

Recreation

Recreation is an important component of the economy for Thompson Falls and Sanders County. Data from the University of Montana’s Institute for Tourism and Recreation Research (ITRR) shows that average annual



expenditures by non-residents in Sanders County between 2016 and 2018 was \$15,582,333. The highest expenditure categories were fuel, groceries, lodging, restaurants/bars and outfitting.

In 2018, Thompson Falls was one of five communities chosen by ITRR to participate in a tourism survey. The survey conducted by community volunteers and students from the University of Montana examined the impact of tourism on the City. The study used a visitor survey to collect data. The survey found that visitors spent an average of 5.66 nights on one form of lodging or another while traveling and of that time, 2.01 of those nights were spent in Thompson Falls. In addition, expenditures by visitors on lodging in Thompson Falls totaled \$7,062. Respondents also reported spending a total of \$26,321 while in the Thompson Falls area. Of the 122 people surveyed, most indicated that they stayed in Thompson Falls because it was their destination of choice.

Implementing the Downtown Master Plan, the Marketing Strategy and the Community Trails Plan are all steps that the City can do to enhance the recreation economy in and around the City.

Technology-Communication

Technology and Communication infrastructure enable access to jobs in the business sectors not dependent on regional natural resources (lumber, mining, etc.). Work that can be done via computer and telephone can exist anywhere in the world. What is required is physical space to accommodate the workers, technology and communication infrastructure and a willing workforce.

One business sector that has surfaced as a solid source of jobs in areas with a lower cost of living is customer contact (call centers/customer service and support). This industry has exploded into trillions of dollars annually. For example, the single largest provider of these services is Tata (based in India) at \$1.46 trillion annual revenue. While companies are attracted to the lower cost of offshore services, they are also deeply concerned about the negative impact of non-English-speaking support personnel who struggle to create satisfying customer experiences.

The idea of putting people to work in call centers across the US, where other industry opportunities are not prevalent is not new. Significant call center operations have been opened in the last year in Billings and Butte and each employs hundreds of workers. This is significant because it clearly signals the willingness of US corporations with a national presence to award contracts where they feel their needs can be met.

Thompson Falls has a willing workforce with the desire and ability to work living wage jobs. A Customer Service Call Center is being developed in the City by a local business owner, who is also working with Blackfoot to ensure fiber optic infrastructure is available for the new call center.

Other Technology Opportunities

The City's excellent telecommunications system can be used to attract people who want to telecommute. This means working in a non-traditional capacity, outside of a traditional office or workplace and using technology to complete one's work. There are many types of telecommuting jobs:

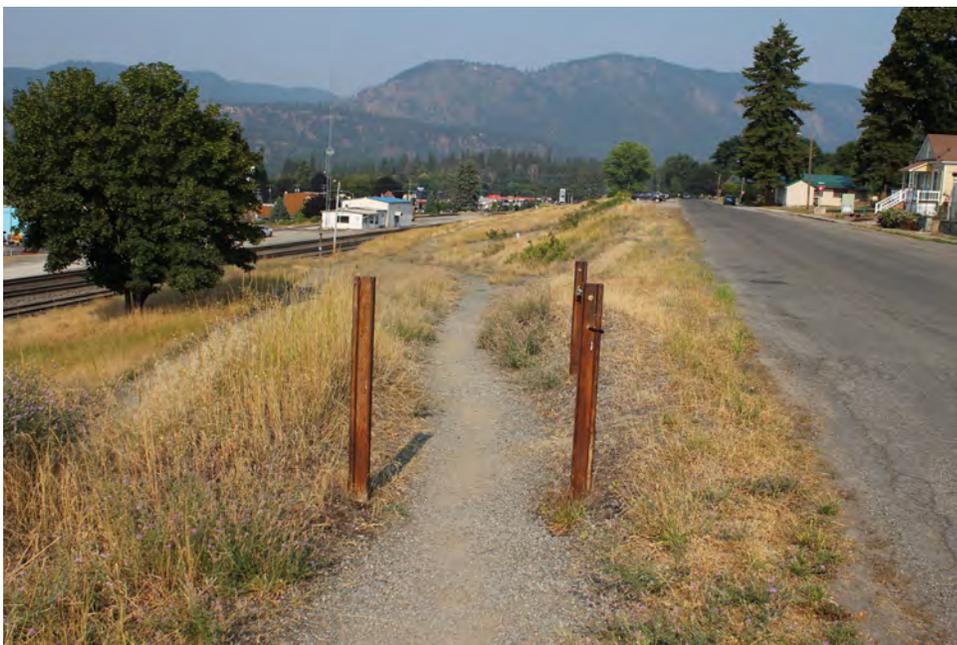
- Remote: Remote jobs might involve working from home, from a co-working space, or on the road. This can be a combination of home-based and office-based work.
- Virtual: Working in a virtual job usually involves working 100% of the time from a home-based office.
- Mobile: Describes a job that you can take with you, even if you start out in one geographic location and end up moving to another.
- Work-from-Home: These positions generally have established home office and set hours.

Community Events

Organizing and holding community events is another way to boost the City's economy and bring City residents together to socialize and celebrate the community.

David Thompson Days was an annual event that used to be held in the City. It was a historical celebration of the life and times of the explorer, David Thompson. Attendance never met expectations and eventually the event was canceled.

Nonetheless, there is a desire on the part of City residents to identify and facilitate successful community events in the coming years. This might include concerts, parades, festivals, etc. The success of any event will depend on finding the right mix of event, volunteers, sponsors and venues.



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COMMUNITY SERVICES



Providing services and maintaining infrastructure in a safe and economical manner are the primary functions of the City. Services include but are not limited to providing drinking water, treating wastewater, maintaining streets, police protection, emergency services, and parks/recreation.

Like many small communities in the State, Thompson Falls finds providing these services on a limited budget is challenging. According to a 2018 study completed by the Trust for Public Lands, the City's general fund budget totaled \$987,550. The general City levy was set at 265.75 mills. A mill rate is the amount of tax payable per dollar of the assessed value of a property in the City. This is a figure that represents the amount per \$1,000 of the assessed value of the property, which is then used to calculate the amount of property tax paid by residents.

It is important to note that the foundation for the City's tax revenues is generally based on small platted lots developed with homes that have below average property values. Therefore, many of these properties have below average taxable values. Because commercial and industrial properties provide far more municipal tax revenues than do residential properties, it is in the City's interest to increase the number of such properties within the City limits.

The City is not alone in providing services to its residents. Other local governments such as Sanders County and local organizations like Thompson Falls Chamber of Commerce, Thompson Falls Main Street Inc., Sanders County Arts Council and Friends of the Thompson Falls Library also provide services to residents and visitors. A comprehensive list of the services and facilities found in Thompson Falls follows.

Statute requires that a growth policy provide a strategy for the maintenance and replacement of infrastructure. It is important to note that the City is developing a comprehensive Capital Improvements Plan (CIP). The CIP in conjunction with this Growth Policy serves as the City's strategy for the maintenance and replacement of its infrastructure.

Thompson Falls Airport

FAA Designation THM, is a County-owned, public-use airport located three nautical miles southeast of Thompson Falls. It is included in the National Plan of Integrated Airport Systems which categorizes it as a general aviation airport.

Thompson Falls Airport covers an area of 136 acres (55 ha) at an elevation of 2,467 feet above mean sea level. It has one runway designated 7/25 with an asphalt surface measuring 4,200 by 75 feet (1,280 x 23 m). For the 12-month period ending July 22, 2008, the airport had 7,000 general aviation aircraft operations, an average of 19 per day.

COMMUNITY SERVICES

Currently, the airport includes several key features which make it an integral part of the story when promoting Thompson Falls as either a destination or waypoint for the aviation enthusiast or recreation charter service. These features include:

- New state of the art avgas self-serve fuel system.
- GPS cloud buster instrument approach in planning stages.
- Many lots available for hanger construction and an occasional hanger for rent.
- Nearly new snowplow, broom and snowplow barn on the airfield.
- Courtesy car on the airfield.

FAA tax dollars (collected with the purchase of airline tickets) fund development and maintenance of airport facilities. \$3 million dollars have been allocated to provide a 30-year upgrade to the airport runway in 2020.

There are currently 15 aircraft based on the airfield with several experimental aircraft under construction. There is an active Sanders County Pilots Association that promotes aviation interest and safety and sponsors fly-in events annually. There are also plans to add a helicopter pad.

Municipal Court

The City Court is conducted in the City Council chambers in City Hall. The City employs a Judge, Court Clerk and City Attorney. Court is held each Monday from 1PM to 3PM.



Thompson Falls Ambulance Service

The service provides emergency services to an area that roughly covers from west to Beaver Creek Bridge, east to Mile Marker 62 up Highway 556 up the Thompson River, Blue Slide to the vicinity of Deep Creek, to top of Thompson Pass, and up Cherry Creek.

The service is funded through tax revenue and monies received from billing patients who receive service. Currently, the service receives one mill annually, totaling approximately \$18,000.

The service is currently staffed by 12-15 volunteers. Ambulance runs are staffed by an ambulance driver and EMT. Due to personnel absences, ambulances are not always available when needed. There are two regular use ambulances and one reserve ambulance. The reserve ambulance is not fully stocked. It is important to note that the service is only available when enough trained volunteers are available to fill work shifts.

The service has two main issues: funding and volunteers. Purchasing and maintaining ambulances is expensive. When an ambulance is purchased, the process of saving for the next one begins, and local banks are willing to assist with loans. Volunteers are paid \$200-\$300/month but generally is not enough to attract and retain sufficient numbers. Also, volunteers are required to be “on call” for 12-hour shifts and may work 18-20 shifts per month. There is also no retirement fund available for emergency medical volunteers, as there is for firefighters.

Fire Protection

Fire protection is provided by the Thompson Falls Volunteer Fire Department. The Departments’ primary station is located next to City Hall at 1006 Maiden Lane. A secondary station is located at 225 Grove Street. The

COMMUNITY SERVICES



Department has 10 volunteers and 3 fire engines. The engines consist of a 1991 International with a 750-gallon tank and 1,000 gpm capacity, a 1997 International with a 1,000-gallon tank and a 250 gpm capacity and a 1996 Chevrolet wildland truck with a 200-gallon tank and 100 gpm capacity. The City has mutual aid agreements with the Thompson Falls Rural Fire Department and the Thompson Falls Community Ambulance.

Police

The Thompson Falls Police Department employs a Chief and four full-time officers, which includes a school resource officer. The Department's offices are in the basement of City Hall. Dispatch and jail services are provided to the City by the Sanders County Sheriff's Department.

Library

The Thompson Falls Public Library is located along Main Street. Services include a large collection of books, audiobooks, DVDs, music CDs, magazines, newspapers, and Montana and local history collections. Library cards allow patrons to download e-books and audiobooks for free. Patrons can access various online databases through the library's website. The facility has seven computers available for public use as well as free Wi-Fi. Library staff can help patrons with the internet and staff is available, by appointment, to assist patrons with their devices. In addition, the library has color printing, scanning and a self-service black and white copier.

The Thompson Falls Public Library is an independent, publicly supported library, which collects operating funds through a tax on properties in the Thompson Falls High School district. Through an Interlocal Agreement, funds from a dedicated levy are collected by the County and administered by the City.

The Library is also supported by the "Friends of the Thompson Falls Public Library," which is a non-profit group that exists to increase and improve the Library's facilities and services, to promote reading and literacy in the community, and to fund raise for the Library.

Healthcare

The Clark Fork Valley Hospital (CFVH) is a non-profit organization that serves Sanders County. It operates a critical access hospital in the Town of Plains, where it also has a fully staffed primary care clinic and a residential long-term care facility. In addition, CFVH provides primary care, orthopedics and rehabilitation services through its clinics in Thompson Falls and Hot Springs.

COMMUNITY SERVICES

In 2018, CFVH employed two full time mental health professionals as well as coordinating other mental health care with the Sanders County Coalition for Families, Montana Western Mental Health Center, Sanders County Council on Aging, Sanders County Public Health/WIC and licensed local mental health providers.

There is a need for 24-hour emergency services for City residents. Currently after hours or on holidays, residents need to drive 20 miles on Highway 200 to reach the Clark Fork Valley Hospital in the Town of Plains for emergency medical services. In the winter the drive can take place during a variety of road and weather conditions.



Open from Memorial Day to Labor Day, the Old Jail Museum is one of the oldest buildings in continuous use in Sanders County. Originally operating as the county jail, sheriff's office and sheriff's residence, the building now serves as a museum and focuses on preserving Sanders County history, historical artifacts, images and maps.

Parks, Trails and Recreation

For its size, Thompson Falls has an amazing parks and trail system. Facilities owned and maintained by the City of Thompson Falls consist of nine (9) designated facilities. These include: Wild Goose Landing, Softball Field/Community Center, Fort Thompson Playground/Rose Garden, Swimming Pool Park, Railway Park, Babe Ruth Baseball Field, Ainsworth Field Park, Bighorn Park and Grizzly Park.

Extensive improvements began at Ainsworth Field Park in the fall of 2019 and are anticipated to be completed in the summer of 2020. The work will include the construction of a pavilion, restroom, amphitheater seating, a stage, park trail, parking area, installation of power, lighting and landscaping, irrigation system modifications and other site amenities. It is important to note that this project was identified as of high priority in the City's Downtown Master Plan.

Map 3 from the City of Thompson Falls Public Parks Inventory & Assessment Plan shows the location of the City's park facilities.

The trail system in and around the City is extensive and residents continue working to expand and improve it. The cornerstone of this effort is Thompson Falls Community Trails (TFCT), a community organization that was formed in 2008. TFCT is a not-for-profit organized for the purpose of enhancing the quality of life in the Thompson Falls area by building, maintaining, and improving trails that provide transportation ways, connectivity, and recreation opportunities.

COMMUNITY SERVICES

In 2014, TFCT developed a trails plan with the goal of creating a “safe and convenient network of non-motorized trails connecting existing recreation areas, as well as key locations within the community such as schools and downtown Main Street. These connections will benefit our residents, our economy and our environment.”

Community partners working with TFCT to improve the trail system include: Sanders County Community Development Corporation (SCCDC), Sanders County, Montana Fish Wildlife and Parks/State Parks, Northwestern Energy, Rimrock Lodge, Frisbee Morbella Foundation, Avista Utilities, the US Forest Service and the City of Thompson Falls. Figure 4 shows the current trail system in and around Thompson Falls including the Mule Pasture Trails, Powerhouse Loop Trail, Island Park and Thompson Falls State Park Trail.

TFCT is currently working on a feasibility study for the “Eastward Extension Trail.” This is a proposed trail that will extend from Wild Goose Landing at the east entrance to the City and provide pedestrian and bicycle access to Harvest Foods, the community grocery store and other businesses. Most of this trail will be located outside the City limits.

It is also important to note that the local chapter of Babe Ruth Baseball recently completed the construction of a new field. Along with new sod and irrigation systems there are dugouts. Eventually the facility will include grandstands and a concession stand.

Funding Parks and Recreation

While parks and recreation are an important part of the services and facilities the City provides to residents, they are by nature not as high a priority as maintaining streets and the drinking water system or constructing the new sewer collection system. This is the reality for the community. Nonetheless, there are ways the City can fund additional parks and recreation services with resident support.

To learn more about these options, in 2018, the Mayor of Thompson Falls asked the Trust for Public Lands to conduct an analysis of the mechanisms available to support the operation and maintenance of parks and other protected lands in the City. The results of the analysis found the best opportunities for financing parks and recreation are:

- **Bonding.** The City has ample debt capacity to issue a general obligation bond for parks and conservation purposes and to levy property taxes to pay the debt service. A general obligation bond issue must be submitted to City voters at a general election.
 - Bonds are almost always used to pay for land acquisition or construction projects and generally cannot be used for operations and maintenance purposes.
- **Property Tax.** Thompson Falls may impose a new mill levy by submitting the question to electors at a regular, primary, or special election. A mill levy must be approved by a majority of City voters.
- **Resort Tax.** The City can seek designation as a resort community which would give the City authority to impose a local option sales tax. The Montana Department of Commerce determines the designation. The tax requires approval of a majority of voters.
 - Resort tax can be used to offset the financial burdens of hosting tourists. Monies raised by this tax can be used for developing and maintaining local infrastructure. It is important to note that at least 5.0 percent of the tax revenues must be used to provide property tax relief to residents in the jurisdiction.
- **Special District.** Finally, Thompson Falls could consider creating a special district for local improvements and/or parks. The district could adhere to City boundaries or be drawn to encompass a larger area such as the Thompson Falls School District. A special district is created by resolution (subject to hearing and protest) or by referring a ballot measure for approval by the local electorate.

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- A district could be used to fund the operation and maintenance of a facility such as the City swimming pool which serves a population beyond just City residents.

Indoor Recreation-Fitness Facilities

There is a need for a quality year-round indoor recreation and fitness facility, particularly in the winter months. Such a facility would need to serve a wide variety of fitness levels, particularly senior citizens and children. City-wide resources (banks, business owners, volunteers, local donors) may be able to work together to develop and maintain an indoor recreation/fitness center. This would probably require a long-term well-coordinated fundraising effort to build a facility.

Rex Theatre

The Rex Theatre is a 220-seat theater, first opened in 1939, that is located in Thompson Falls. When the availability of movies on film transitioned to digital distribution, small town theaters across the nation, including the Rex, were no longer able to show current movie titles. The prohibitive cost of upgrading to digital has made the operation of these theaters economically challenging. It typically requires a community population in the vicinity of 20,000 people to justify the financial upgrade by the owner of a theater.

As a result, other than small community recitals or music performances, the Rex theater is now no longer in operation and is for sale. Thus, if City residents would like to see a movie or attend a concert, they must drive to either Coeur d'Alene, Kalispell or Missoula. As a result, residents in Thompson Falls have little in the way of entertainment or cultural enrichment outside of their own homes or the outdoors.

With all of this in mind, the Rex Theater Working Group, comprised of Thompson Falls residents and business owners, have come together to generate the funding and assemble the business model needed to acquire the theater, perform needed upgrades and maintenance of the building and install the modern equipment needed to show digitally distributed content.

It should be noted that while the current plan does include the ability to present recently released, modern digital movies, it does not expect to include first run box office movies. These sorts of movies are not financially in reach for the current population of the area.



Schools

The Thompson Falls School District is made up of three schools; a high school, middle school and an elementary school. The teacher to student ratio for each school currently ranges from 15-20 students per teacher with numbers occasionally up to 26 students per teacher.

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It is important to note that enrollment in the District has declined significantly since 2009. This is particularly true for the high school. In 2009, the high school had 213 students and by 2019 that number had declined to 159 or over a 25 percent decrease. Elementary school enrollment has stayed relatively stable, from 296 in 2009 to 284 in 2019. The decrease in enrollment is directly attributable to the corresponding decline in the timber industry in Thompson Falls and Sanders County.

Solid Waste

Sanders County provides solid waste services to City residents. According to a preliminary engineering report developed for the County in 2016, approximately 6,800 tons of solid waste is generated in the County on an annual basis. The solid waste generated in Thompson Falls is either collected at the “curb” by a private hauler or customers haul their own waste directly to the transfer station located east of Thompson Falls just south of Highway 200.

Streets

The City has about twenty miles of streets and alleys which it maintains. Approximately 15 miles of these are paved. Many of the paved streets are in relatively poor condition and have problems, including poor drainage, cracks and potholes.

The City is working to upgrade the streets in conjunction with improvements to the water and wastewater systems. Funding for street maintenance is provided through the City General Fund, gas tax receipts, and infrastructure projects.

Main Street in Thompson Falls is also part of Montana Secondary Highway 200 and therefore, maintenance is the responsibility of the Montana Department of Transportation (MDT). Residents have had longstanding concerns about pedestrian and bicycle safety on Main Street. This is particularly true due to the lack of facilities and signage to ensure safe pedestrian crossings of Main Street from the northside of the street to the businesses and services located on the southside.



Because MDT is regularly evaluating and scheduling maintenance and reconstruction on the roadways under its jurisdiction, it would be beneficial for the City to collaborate with the Department to determine when, in the future, any maintenance and/or reconstruction may occur on Main Street and what type of work that might entail. Any future reconstruction of the highway through the City will provide an opportunity for residents to work with MDT to improve pedestrian facilities, utilities and the streetscape along Main Street.

COMMUNITY SERVICES

Stormwater

The City has an existing storm sewer system that consists of approximately one mile of collection lines located in the downtown area and along Preston Avenue. Stormwater in the downtown area drains into the Clark Fork River. There are additional stormwater needs in the City, but they are primarily in the residential area above the downtown.

Wastewater Treatment



The existing sewer system for Thompson Falls currently only serves the commercial district of the City and a few residential users south of Highway 200. The main issue for the City from a wastewater perspective is that most of the community utilizes on-site septic systems and drain fields and are not connected to the centralized sewer collection system. An overwhelming majority of residents and all three of the City's schools are not connected to the City's sewer system. In addition, many of the residential lots in the City are small and do not have the capacity to install septic systems that can meet current Montana DEQ standards.

In order to address the need of wastewater collection in the unsewered areas of the community, the City is undertaking a phased project to create a City-wide sewer collection system. In addition to the collection system the City will also upgrade its wastewater treatment system. The City's Capital Improvements Plan contains a detailed description of the wastewater collection and treatment project. It is important to note that Phases 1 and 2 are being funded primarily through grants awarded to the City for the purpose of improving the system.

Drinking Water

According to the Capital Improvements Plan, the City's public water supply system serves approximately 528 residential services and 108 non-residential services. The system provides basic domestic water service, irrigation service, and partial fire protection to its residents.



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The existing water system is the remnant of the original water system built for the railroad in the late 1800's and significant updates were completed in the 1930's and 1940's. It has been owned and operated by the City since 1936. In 1996 the Town completed a City-wide Water System Master Plan which led to significant system improvements. In 2005 and 2006, the City completed a Water System Preliminary Engineering Report (PER) and is taking a phased approach to the system improvements.

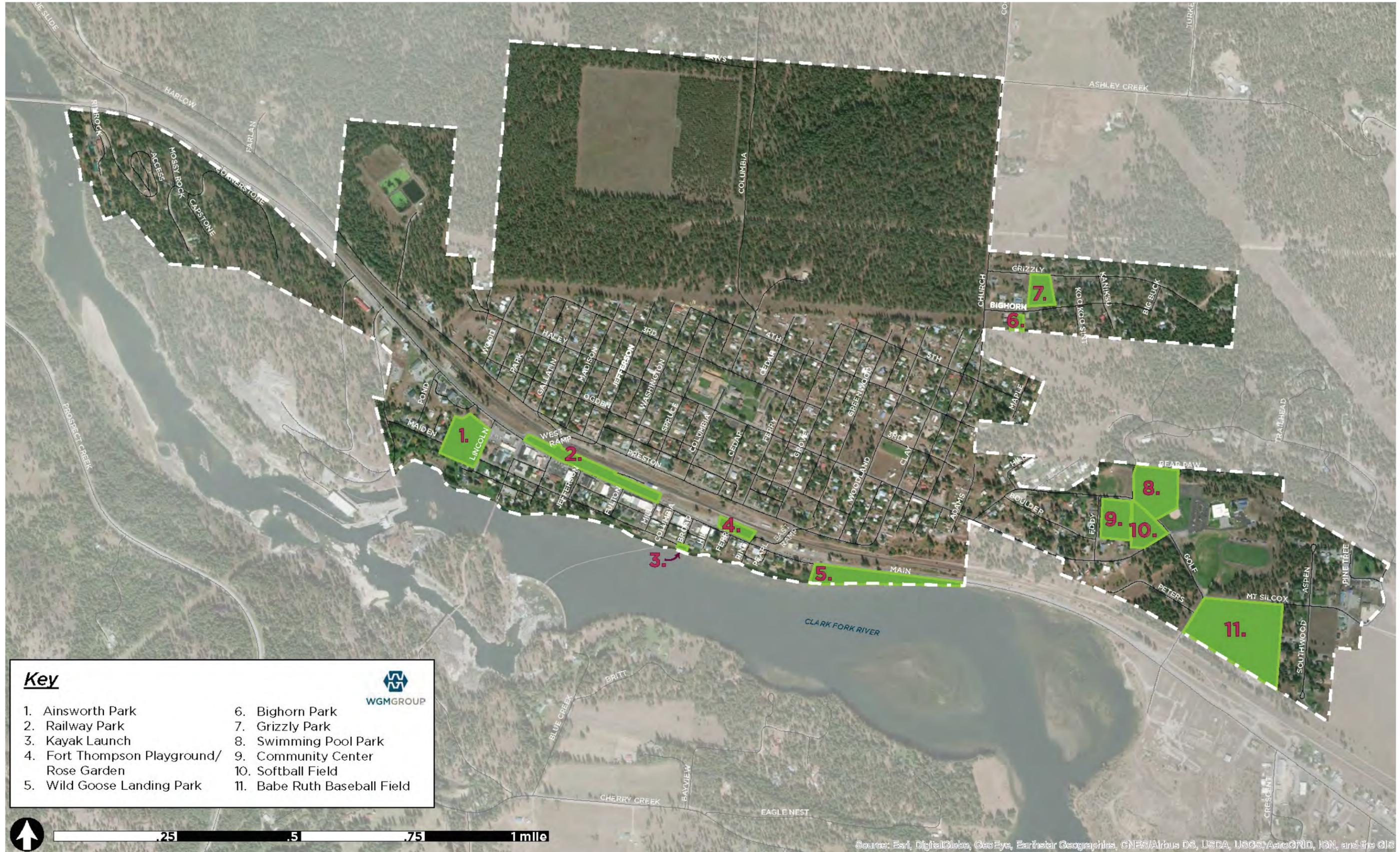
The water supply for the City consists of a spring supply source, two operating water wells, two backup ground-water wells and two concrete storage reservoirs. The existing water supply appears to have adequate capacity to serve the community through 2025.



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COMMUNITY SERVICES

Map 3 - City Parks

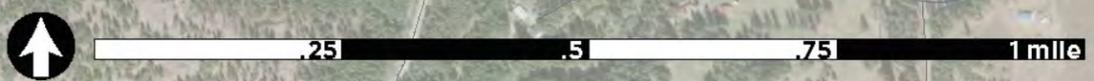


Key

1. Ainsworth Park	6. Bighorn Park
2. Railway Park	7. Grizzly Park
3. Kayak Launch	8. Swimming Pool Park
4. Fort Thompson Playground/ Rose Garden	9. Community Center
5. Wild Goose Landing Park	10. Softball Field
	11. Babe Ruth Baseball Field



WGM GROUP

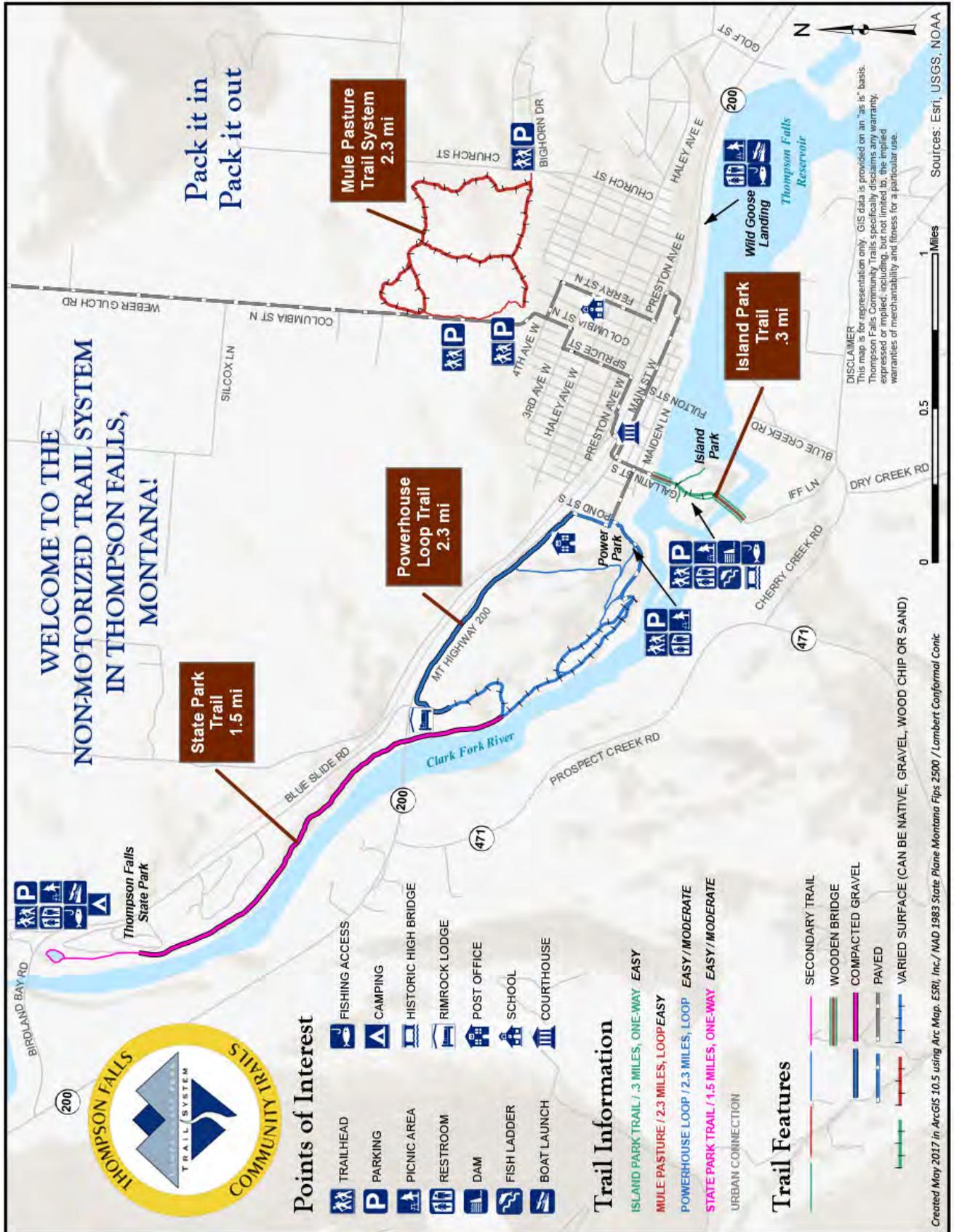


Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS

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COMMUNITY SERVICES

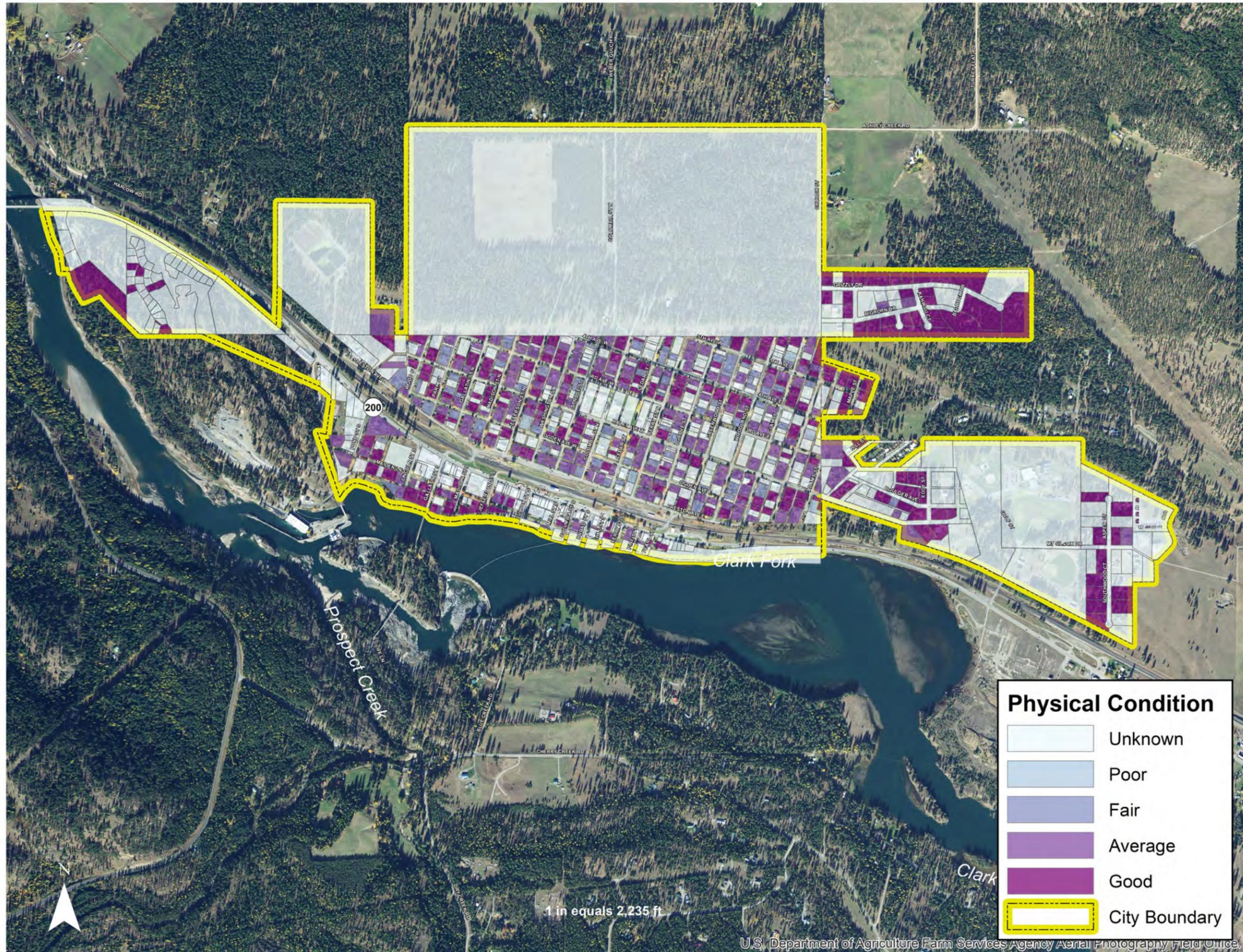
Map 4 - City Trail Network



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COMMUNITY SERVICES

Map 5 - Condition of Housing in Thompson Falls



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HOUSING

Like many Montana communities, the City of Thompson Falls' housing stock is aging. 2017 data from the American Community Survey (ACS) of the Census Bureau estimated there were 505 housing units in the City. Of these units, 440 were estimated to be occupied. 162 or 32 percent of the existing units were estimated to have been constructed prior to 1970. This is an important characteristic to understand as older homes generally require more maintenance and upkeep and are often less energy efficient, all of which add to housing costs.

The age of the City's housing stock is also highlighted in a physical assessment that was conducted by the Montana Department of Revenue (DOR) in 2008. At that time the Department conducted assessments of the physical condition of residential structures throughout the State, including in Thompson Falls. Those assessments are highlighted in Figure 6. It is important to note the ACS numbers in the table below are for housing units and the DOR numbers are for structures and those two are very different. Housing units typically include apartments and condominiums, where a structure would be an entire building.

Figure 6 - Approximate Age of Residential Structures In Use

Approximate Age of Residential Structures (American Community Survey - 2017)		
Year Built	Number of Units	Percentage
2010 or later	0	0%
2000 to 2009	57	11.3%
1990 to 1999	36	7.1%
1980 to 1989	65	12.9%
1970 to 1979	114	22.6%
1940 to 1969	162	32.1%

In early 2016, residents of Sanders County participated in a Montana Economic Development Association (MEDA) Resource Team Assessment which was used to identify strengths and weaknesses in the County and to select needed projects. The team held two meetings, one in Noxon and the other in Thompson Falls. Regarding housing, participants in the meetings identified the following needs as very important:

- Senior housing
- Aging in place
- Affordable housing
- Assisted Living

Figure 7 - Condition of Residential Structures

Condition of Residential Structures (Montana Department of Revenue - 2008)		
Condition	Number of Structures	Percentage
Unsound	0	0%
Poor	8	1.5%
Fair	67	13.5%
Average	183	37.5%
Good	231	47.5%
Excellent	0	0%

HOUSING



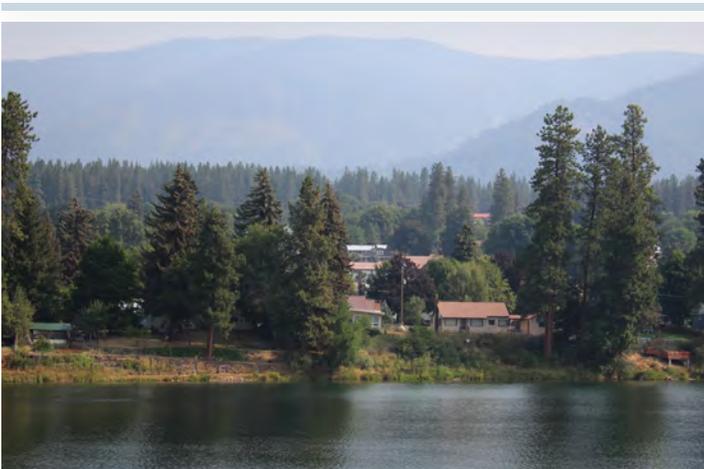
Housing affordability is clearly an issue in Sanders County. According to American Community Survey data from 2018, there were 1,845 owner-occupied homes in the County that were under a mortgage. Of those homes, it was estimated that 936 or 50.7 percent required the owners to spend more than 30 percent of their income on mortgage costs. The same data showed that there were 1,209 renter occupied units in the County and of those, 444 or 36.7 percent required the renter to spend 30 percent or more of their income on rent.

Young professionals who are interested in living in the County are finding that housing is either not available or is too expensive. This includes both rentals and homes for sale. This is a situation that is deterring teachers, natural resource and healthcare professionals from settling in the County and its communities.

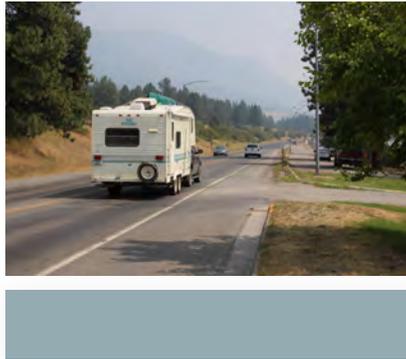
Finding affordable housing is even more difficult for low income residents, particularly senior citizens. There is an unmet need for additional multi-family housing and for assisted living facilities for seniors.

Sanders County also has a high number of seasonal homes. Of the 6,754 housing units identified by the American Community Survey as existing in the County in 2017, 1,049 or 15.5 percent of them were determined to be seasonal/recreational in nature. This is significantly higher than the statewide average of seasonal homes which was 8.6 Percent in 2017. Most of these seasonal homes are likely not available for rentals or for sale.

In order to better understand the housing situation in the area, Sanders County is going to undertake the development of a Housing Assessment that will focus on aging in place and workforce housing.



LAND USE



Existing Land Use

Development within the City is distinctly divided into the residential area of the City that is located north of the railroad tracks and the commercial district south of the railroad and along Highway 200. There are some residential dwellings located along Clark Fork River and up against the commercial development along Highway 200.

The newest residential development is in the eastern end of the City and north of the railroad and highway. All the Thompson Falls School District's facilities are also located north of the railroad and highway.

Community Appearance

Like many communities in Montana, issues regarding the accumulation of debris and junk vehicles exist in Thompson Falls. In order to improve the appearance of the City, maintain property values and increase resident's pride in the community, the City will continue to enforce the City Community Decay Ordinance.

Riley Creek Mill Site

The Riley Creek Mill site was once the location of the largest lumber mill within Sanders County and closed in 1995. The property is 115 acres in size and is located at the eastern entrance of Thompson Falls, outside of the City. The property is in a state of decay, overgrown with weeds and the current out-of-state owner does not maintain the property. In addition, the owner will not allow for a voluntary EPA Brownfield Assessment to determine what site cleanup may be required for redevelopment.

This is a project that the City and Sanders County could work together on to facilitate a potential cleanup and redevelopment plan. If the property could be "cleaned-up" and redeveloped, perhaps it could be annexed into the City and eventually help provide City services and annexation to the outlying business district east of the City.

Annexation

While some new development will occur via the construction of homes and businesses on existing vacant land, inevitably the annexation of new land into the City will be necessary. From a topographic and practical aspect, new annexations will likely only happen on the east side of the City.

It will be important for new annexations to be reviewed to ensure that they become an asset to City residents and to determine what their effect will be on the City's ability to provide services including fire protection, water,

LAND USE

sewer, stormwater drainage, and street maintenance. Typical requirements for the annexation of property include a plan that describes how City services such as water and sewer will be installed and how the construction of additional streets including curb, gutter, and sidewalks will be completed.

The City of Thompson Falls does not currently have an annexation policy to provide a formalized and predictable process for annexing new properties. Developing and adopting such a policy and procedures is something the City will consider. It is important to note that if the City is proposing to annex property that will also be subdivided, the City Council must officially annex the properties prior to deciding on whether to approve a subdivision application.

There are many residences located outside the City limits that are receiving City water service. Almost all of the homes are in the Elk and Hill Street areas. Eventually these homes should be formally annexed into the City.

Subdivision Regulations

The City has not yet adopted subdivision regulations. The intent is to complete the Growth Policy before adopting regulations. This will ensure the new regulations are developed in accordance with the Policy per 76-1-606, MCA.

Subdivision regulations can be used by the City to address the issues related to new residential and commercial development by ensuring accurate surveying, providing legal and physical access, provision of utilities, parkland requirements, right-of-way location, mitigating hazards and ensuring the overall development fits the character of the City. Subdivision review can also help ensure that the installation of infrastructure (water, sewer, streets and sidewalks) is completed in accordance with City standards.

Sand & Gravel Resources

Sand and gravel are important resources for the construction and maintenance of streets and roads as well as the construction of new homes and businesses. According to the Montana Department of Environmental Quality Open Cut Mining Program, there are numerous permitted gravel pits in Sanders County. Only one of the pits is located within one mile of City limits (to the north) and is operated by the Sanders County Road Department.



The Soil Survey completed for Sanders County, by the Soil Conservation Service, shows eight (8) soils near the City that are suitable for use as gravel. These include; Totelake, Winkler, Tevis, Mitten, Oldtrail, Yellowbay, Sharrot and Big Arm. See Figure 6 for the location of these soils in relation to the City.

Flooding and Floodplain

According to the Federal Emergency Management Agency (FEMA), the City of Thompson Falls is not currently participating in the National Flood Insurance Program and has not adopted floodplain regulations as of 2019; however, Sanders County does participate in the program.

LAND USE

A 2012 Flood Insurance Study completed for Sanders County indicated that major flooding occurred in the County in 1948, 1964, 1975, 1996, and 1997. The report stated that a maximum discharge of 128,000 cubic feet per second (cfs) was recorded on the Clark Fork River in June of 1964 at the gaging station near Plains. In June of 1948 the stream gaging station for the Clark Fork River near Plains, reached a maximum discharge of 134,000 cfs, the highest ever recorded. In June of 1975, the Clark Fork River reached a maximum discharge of 107,000 cfs at the stream gage near Plains.

With regard to flooding from ice jams, in February of 1996, an ice jam 12 miles in length formed above Thompson Falls. The jam flooded farms and a four-mile stretch of US Highway 200 in the Eddy Flats area. Above Eddy Flats, the river washed away 500 feet of railroad track causing the derailment of two freight trains.

Based on a Flood Insurance Rate Map (FIRM) for the area surrounding the City of Thompson Falls, no portion of the City is currently located within the Special Flood Hazard Area (100-year floodplain) as designated for the Clark Fork River. See Figure 7 for a zoomed version of the Flood Insurance Rate Map.

Wildland-Urban Interface

The City of Thompson Falls is located adjacent to lands identified as part of the wildland urban interface (WUI), particularly to the north, east and west of the City. The City is bordered to the south by the Clark Fork River. See Figure 8 showing the wildfire hazard for the City and surrounding area.

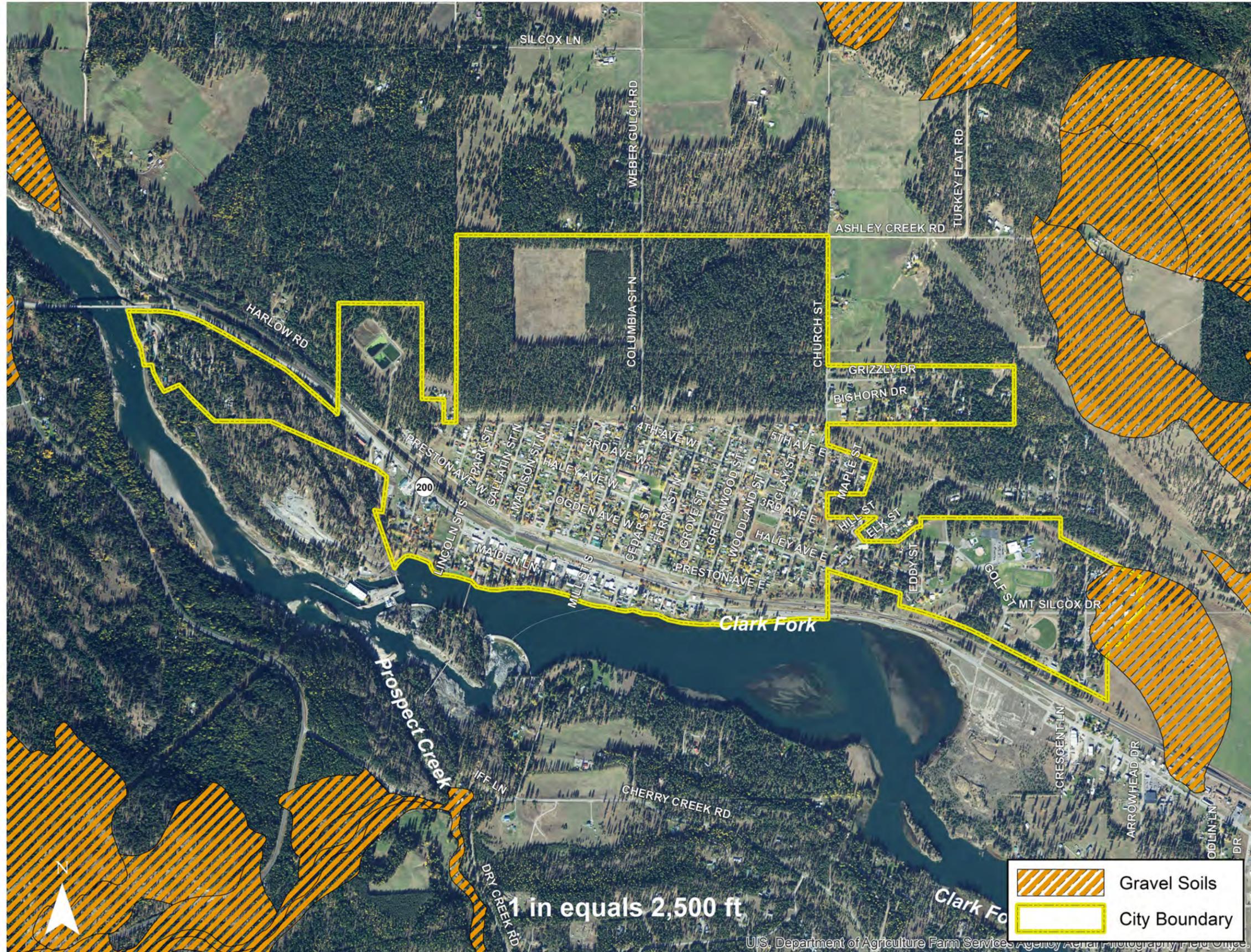
The City does not currently have subdivision regulations addressing new development. It is the intent of the City to complete the development of the Growth Policy and then to work on developing subdivision regulations. The City will examine the need for regulations that will address development within the WUI, including ingress-egress, defensible space and fire protection water supplies. It is important to note that the City does have a water system that includes fire hydrants located throughout the community.



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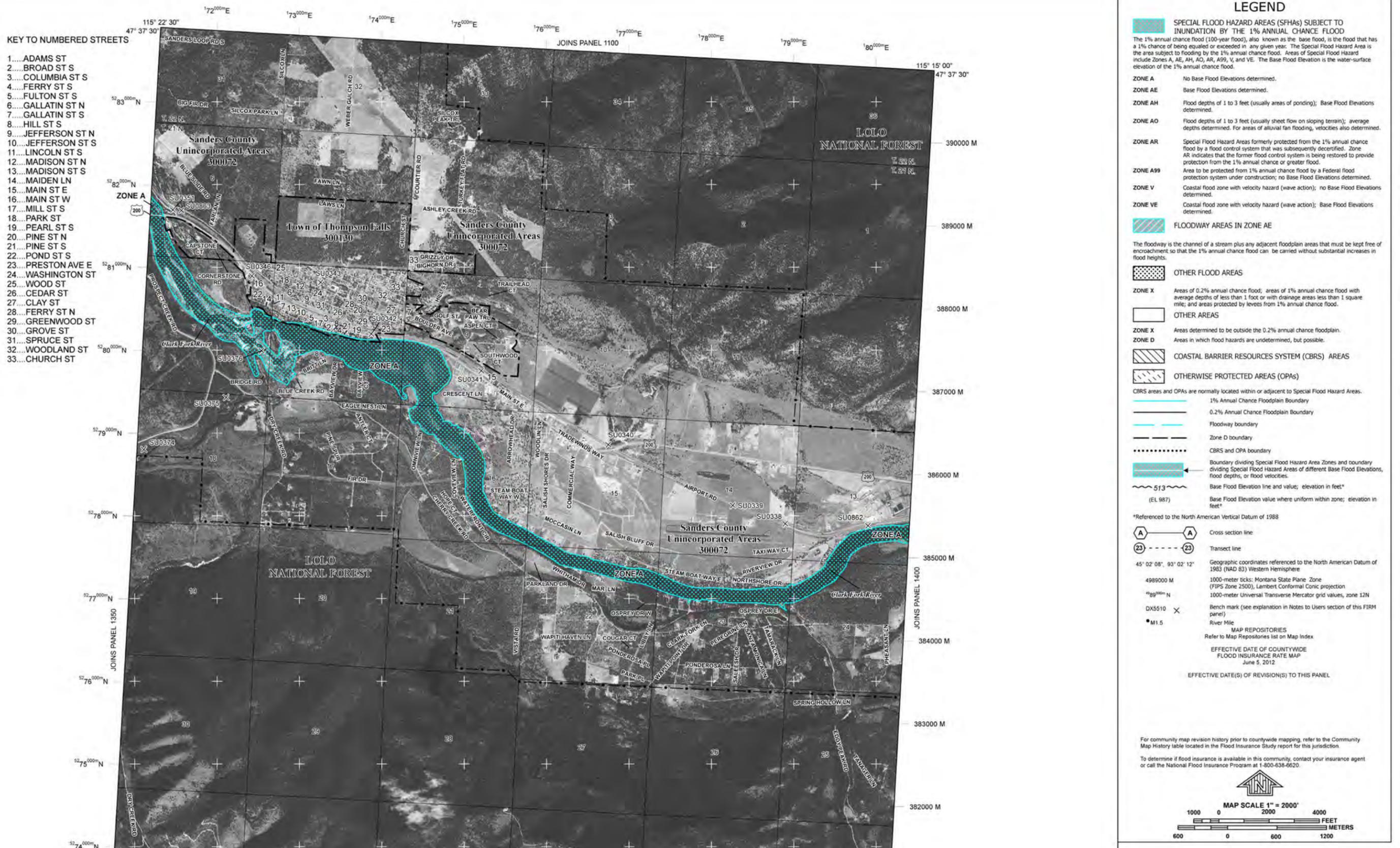
Map 6 - Gravel Soils Near Thompson Falls



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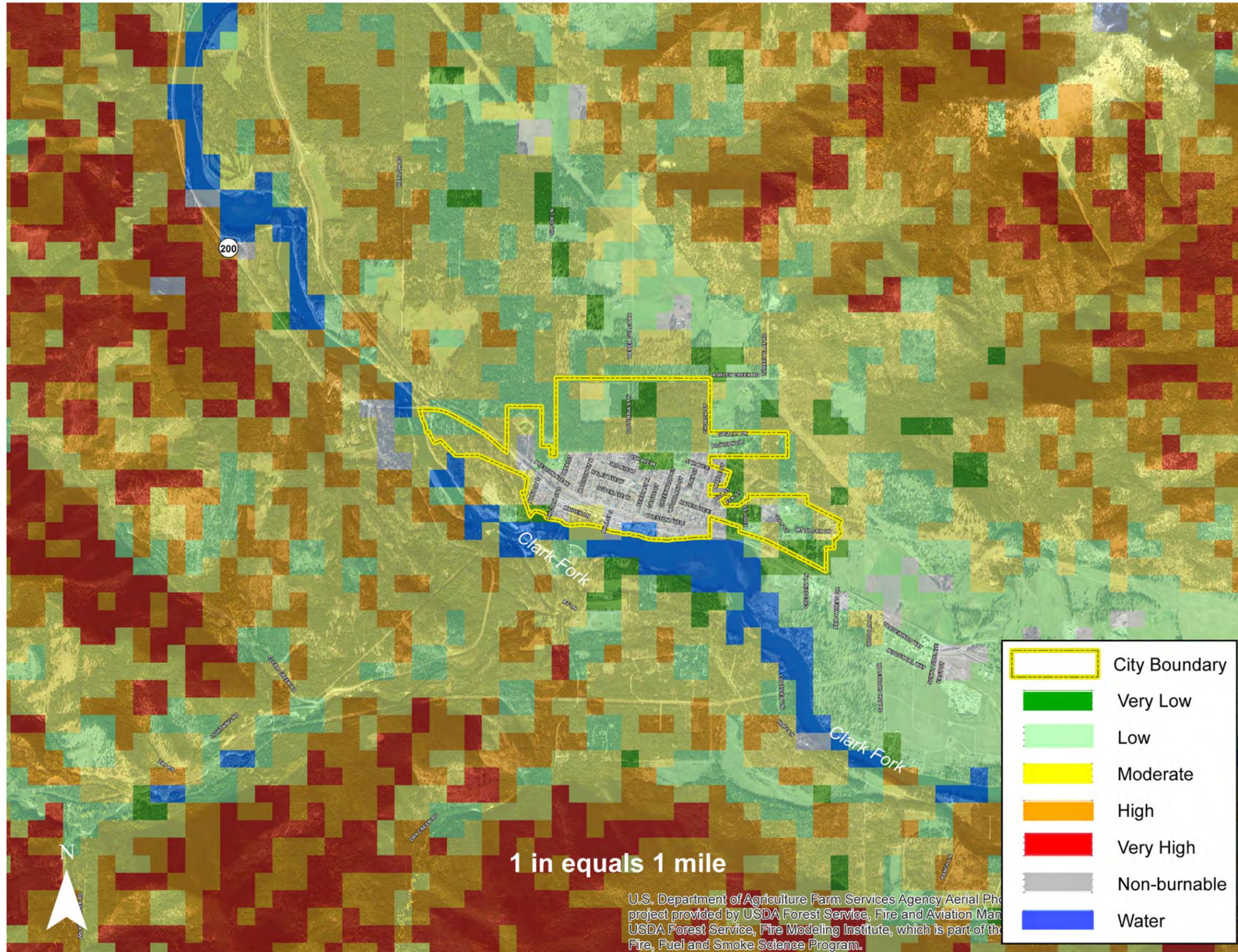
Map 7 – Zoom View of Flood Insurance Rate Map (FIRM) for Thompson Falls Area



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LAND USE

Map 8 - Wildfire Hazard in the Thompson Falls Area (U.S. Forest Service: 2018)



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RESIDENT ENGAGEMENT

Gathering the ideas and advice of City residents was a critical step in creating the new Growth Policy. Outreach to residents included meetings, a hearing and the use of an online and hardcopy survey.

The first step in the process was the creation of a City Planning Board. The City Council appointed the Board to not only meet the requirements state law, but also to create a body that was representative of the City residents. The Planning Board held a total of five (5) public work sessions to discuss the creation of the Growth Policy. Work sessions were held on the following dates at City Hall:

- August 21, 2019
- September 17, 2019
- October 24, 2019, and
- November 14, 2019, and
- December 4, 2019

As part of the outreach process to City residents, the Planning Board created a survey to assist in gathering advice and guidance from residents about the opportunities and issues that they care about. The survey was distributed to residents via the internet and hard copies and was marketed via word of mouth, Facebook, websites and in an article in Sanders County Ledger. Ninety (90) residents responded to the survey. The general survey results showed the following:

- Residents like the City's quality of life and the lifestyle it affords.
- Residents want to improve job opportunities, housing options, recreational opportunities and City infrastructure.
- Economic development and emergency medical services were the two most important issues for residents.
- If given one topic to focus on, City residents overwhelmingly chose economic development.

The Planning Board held a formal public hearing on the draft Growth Policy on December 30, 2019 at the City Hall. The Board discussed the draft goals and action plan and ultimately recommended that the draft Growth Policy be adopted by the City Council contingent upon the edits and changes that they recommended at the meeting. The hearing was noticed in the Sanders County Ledger.

The City Council adopted the new Growth Policy on January 13, 2020

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FINAL ACTION PLAN – December 2019

Implementation of goals identified in this Growth Policy will take time and resources. Most important, it will require a commitment by City residents, City Council and other partners to follow through on the guidance provided by the document. The projects and policies to be pursued by the City and its partners are identified by the broad category they fall under.

ECONOMY		
Action	Responsibility	Schedule
Living Wage Jobs		
Work with Blackfoot Communications to provide high quality broadband services. e.g. Fiber Optic.	City, Private Sector	1 year
Business Incubation		
Encourage the creation of office space for new businesses.	SCCDC, Private Sector	Ongoing
Continuing/Technology/Distance Training		
Implement the Sanders County Technology Initiative.	SCCDC, Private Sector	Ongoing
Create an “on the job training” and GED achievement program for high school students and adults.	SCCDC, School District, Private Sector	Ongoing
Recreation Economy		
Participate on the Main Street Committee.	City	Ongoing
Sponsor applicable Main Street Projects.	City	Ongoing
Permanently staff the Visitor’s Center.	SCCDC, Main Street Inc., Chamber of Commerce, Private Sector	1 to 2 years
Produce and display City advertising/marketing materials.	SCCDC, Main Street Inc., Chamber of Commerce, Private Sector	Ongoing
Create a collaborative branding and marketing strategy for the City.	SCCDC, Main Street Inc., Chamber of Commerce, Private Sector, City	1 year
Promote the City through the direct marketing email and broadcast-social-print media.	SCCDC, Main Street Inc., Chamber of Commerce, Private Sector	1 year
Recreation Economy		
Develop a City-County parks and trails maintenance agreement.	City, Sanders County and Thompson Falls Community Trails	2 years
Participate in funding and/or sponsoring trail projects.	City, Sanders County and Thompson Falls Community Trails	Ongoing
Community Events		
Create a working group to examine the potential for community events in the City.	Main Street Inc., Chamber of Commerce, Private Sector	1 year

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ECONOMY		
City Business Attraction		
Complete the drinking water and wastewater treatment projects that are underway.	City	Ongoing
Use the City Decay Ordinance to improve the appearance of the Community by removing debris and junk vehicles.	City	Ongoing
Continue to support the program to recognize well maintained residential and commercial properties.	City and County	1 year

COMMUNITY SERVICES		
Action	Responsibility	Schedule
City Infrastructure		
Complete upgrades to City’s drinking water system. <ul style="list-style-type: none"> Replace aging water distribution mains. Replace Jefferson Street reservoir. Increase overall water storage capacity 	City	Ongoing
Complete the installation of the new sewer collection system and treatment system upgrades. <ul style="list-style-type: none"> Complete Phases III and IV of the sewer upgrade project. 	City	Ongoing
Prioritize expenditures on the most critical facilities. <ul style="list-style-type: none"> Use the Capital Improvements Plan for prioritizing projects and budgeting. 	City	1 year

COMMUNITY SERVICES		
Action	Responsibility	Schedule
City Infrastructure		
Continue to pursue funding from Community Development Block Grants (CDBG), Rural Development, Treasure State Endowment Program (TSEP) etc. for projects.	City	Ongoing
Develop a preliminary engineering report to identify and prioritize stormwater improvement projects in the City.	City	1 to 2 years
Complete the chip-seal 4th Avenue, 2 blocks of Spruce Street, 2 blocks of Columbus Street and 2 blocks of Clay Street.	City	TBD as sewer project progresses
Develop an overall street condition assessment and street project prioritization.	City	Ongoing

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COMMUNITY SERVICES		
Pedestrian and Bicycle Safety		
Meet with MDT district staff to discuss pedestrian and bicycle safety on Main Street and formulate solutions.	City, SCCDC, Main Street Inc., Chamber	Biannually
Install “bulb-outs” and user activated crosswalks with lights along Main Street	MDT	5 to 8 years
Cultural, Entertainment and Recreation Opportunities		
Create a working group to examine the potential for an indoor fitness and recreation facility.	Private Sector, Clark Fork Valley Hospital, Insurance Companies	5 years
Fire Protection, Emergency Medical and Ambulance Services		
Create a working group to examine the future combination of fire protection, emergency medical and ambulance services, including the potential for full time staffing.	City, Sanders County, Fire Departments, Ambulance Service, Search and Rescue.	2 years

COMMUNITY SERVICES		
Action	Responsibility	Schedule
Air Quality		
Consider constructing diversion in streets/alleys to prevent gravel washout onto streets and to reduce the need for sweeping roads following heavy runoff events.	City	2 years
Wildlife Resources		
Work with Sanders County Extension to provide City residents with information on how to protect pollinators (bees etc.) and through pollinator friendly landscaping.	City, Sanders County Extension	1 year
Work with Montana Fish, Wildlife and Parks (FWP) to create a strategy for dealing with CWD.	City, FWP	1 to 2 years
Work with FWP to enforce ordinance prohibiting the feeding of wildlife to reduce herding and the spread of disease.	City, FWP	Ongoing

HOUSING		
Action	Responsibility	Schedule
Understand and use the information gathered from the housing assessment/plan developed by the County.	City, SCCDC, Sanders County Community Housing, Private Sector	1 year
Consider the use or sale of vacant City owned land for affordable housing purposes.	City	Ongoing

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Land Use		
Action	Responsibility	Schedule
Annexation		
Develop and adopt an annexation policy and process.	City	1 year
Use existing water and wastewater preliminary engineering reports to identify appropriate areas for the extension of City services and annexation.	City	2 years
Annex properties using City services, but not currently annexed.	City	3 to 5 years
Subdivision Regulations		
Develop and adopt subdivision regulations.	City	1 -year
Obtain subdivision review training from the Montana Department of Commerce.	City, MDOC	2-years
Riley Creek Mill Site		
Organize a meeting with the County and the owners of the site to discuss the cleanup and redevelopment of the site.	City, Sanders County, SCCDC	1-year
Support and sponsor a voluntary EPA Brownfields assessment of the property.	City, Sanders County, SCCDC	3- years

Subdivision Review

As mentioned earlier, the City does not currently have subdivision regulations. It is the intent of the City to complete the development of the Growth Policy and then to work on developing subdivision regulations. Nonetheless, Montana Code Annotated requires the City Council to provide a statement in the Growth Policy explaining how they will:

- Provide definitions for the review criteria for subdivisions found in 76-3-608 (3) (a) MCA.; and
- Describe how the City will evaluate and make decisions regarding proposed subdivisions with respect to the criteria in 76-3-608 (3) (a) M.C.A.

Thus, even though the City does not have adopted subdivision regulations it is essential to provide the information listed above in order to help develop and adopt the regulations in the future.

Definition of 76-3-608 Criteria:

The City of Thompson Falls will use the following definitions in its future Subdivision Regulations to define each of the subdivision review criteria listed below.

- Agriculture: Montana Code contains definitions for the words “agriculture” and “agricultural” as follows: Agriculture: All aspects of farming and 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 for market or delivery to storage, to market, or to carriers for transportation to market. “Agricultural and food

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product” includes a horticultural, viticulture, dairy, livestock, poultry, bee, other farm or garden product, fish or fishery product, and other foods.

- **Agricultural Water User Facilities:** Those facilities, which provide water for irrigation or stock watering to agricultural land as defined in 15-7-202, MCA, or which provide water for the production of agricultural products as defined in 15-1-101, MCA, including, but are not limited to ditches, headgates, pipes and other water conveying facilities.
- **Local Services:** Any and all services that local government entities are authorized to provide.
- **Natural Environment:** The physical conditions, which exist within a given area including land, air, water, mineral, flora, fauna, noise, and objects of historic or aesthetic significance.
- **Public Health and Safety:** A condition of optimal well-being, free from danger, risk or injury for a community at large, or for all people, not merely for the welfare of a specific individual or a small class of persons.
- **Wildlife:** Living animals, which are neither human nor domesticated.
- **Wildlife Habitat:** A place frequented by wildlife or site where wildlife naturally lives.

Evaluation of Subdivisions Based Upon 76-3-608 Criteria

The evaluation of subdivision applications by the City will include an analysis of whether and to what extent a proposed subdivision will impact agriculture, agricultural water user facilities, local services, the natural environment, wildlife, wildlife habitat, and public health and safety as defined in this Growth Policy.

The City will evaluate each proposed subdivision regarding the expected impacts on each of the criteria, and the degree to which the subdivision applicant proposes to mitigate any adverse impacts. This evaluation will be based on the subdivision application submitted by the applicant, review by the City Council and the Planning Board and reports and information gathered from public hearings and other sources of information as deemed appropriate.

Upon completion of its review and evaluation, the City will render a decision on a proposed subdivision with respect to the requirements of the City of Thompson Falls Subdivision Regulations, the City of Thompson Falls Growth Policy, and the Montana Subdivision and Platting Act.

Evaluation Criteria for Effects on Agriculture

- a. The number of acres that would be removed from the production of crops or livestock. Acreage will be obtained from Department of Revenue tax records.
- b. Removal of agricultural lands critical to the Sanders County’s agricultural base. Maps and land capability classifications developed by the USDA Natural Resource Conservation shall be used to determine the agricultural significance of land.
- c. Potential conflicts between the proposed subdivision and adjacent agricultural operations shall be evaluated including:
 - Interference with the movement of livestock or farm machinery
 - Interference with agricultural production and activities
 - Maintenance of fences
 - Proliferation of weeds
 - Increased human activity
 - Harassment of livestock by pets

Evaluation Criteria for Effects on Agricultural Water User Facilities

- a. Location and proximity to a ditch, canal, headgate, sprinkler system, watering tank or developed spring shall be considered.
- b. Potential subdivision nuisance complaints or problems due to agricultural water user facilities such as safety hazards to residents or water problems from irrigation ditches, headgates, siphons, sprinkler systems or other facilities shall be considered.
- c. Ownership of water rights and the historic and current use of facility on the proposed subdivision shall be examined. Easements to protect the use of water user facilities on or access through a subdivision shall be considered.
- d. Allocation of water rights within a subdivision shall be considered.

Evaluation Criteria for Effects Upon Local Services

- a. Increased demand on services and need to expand services for a proposed subdivision:
 - Ambulance service
 - City drinking water supply and distribution system
 - Fire department
 - Parks and recreation
 - Police protection
 - Schools
 - Solid waste management
 - Streets and stormwater management
 - Sewer treatment and collection system
- b. Cost of services
 - Current and anticipated tax revenues
 - Cost of providing services to the subdivision
 - Evaluate the need for special improvement districts

Evaluation Criteria for Effect on Natural Environment

- a. Any draining, filling or alteration of any wetland.
- b. Needed cuts and fills on slopes as a result of street or building construction.
- c. Removal of vegetation contributing to potential soil erosion or bank or slope instability.
- d. Evaluate whether the subdivision design maintains significant open space.

Evaluation Criteria for Effect on Public Health and Safety

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- a. Potential hazards to residents of subdivision from high voltage lines, high-pressure gas lines, highways, streets, railroads or railroad crossings, nearby industrial or mining activity.
- b. Evaluate existing activities taking place in the vicinity of the subdivision.
- c. Evaluate traffic conditions.
- d. Presence of natural hazards such as flooding, wildfire, or difficulties such as high-water table, expansive soils or excessive slopes.

Evaluation Criteria for Effect on Wildlife and Wildlife Habitat

- a. Location of the subdivision with respect to critical wildlife areas such as big game wintering range, calving areas, migration routes, nesting areas, wetlands, or habitat for endangered or threatened species.
- b. Expected effects of pets and human activity on wildlife.

Upon completion of its review and evaluation, the City will render a decision on the proposed subdivision with respect to the requirements of the City of Thompson Falls Subdivision Regulations, the City of Thompson Falls Growth Policy, and the Montana Subdivision and Platting Act.

Public Hearing Procedure

Public hearings on proposed subdivisions will be conducted by the City Planning Board for major subdivision proposals in the City. Hearings shall be structured according to the following procedures:

1. Planning Board President opens the public hearing.
2. Planner provides a summary of the subdivision application and staff report.
3. Subdivision applicant is given an opportunity to make comments.
4. Planning Board members are given an opportunity to ask clarifying questions of the subdivision applicant and planning staff.
5. Members of the public have an opportunity to make comments.
6. Public comment will be closed, and the Planning Board discussion takes place.
7. If Planning Board members feel prepared to render a decision on the application, they will vote to either recommend project approval, conditional approval, or denial.
8. If Planning Board members feel they need more information or time to consider the project before voting, or if the subdivision applicant wishes to modify the project and bring a revised proposal back to the Planning Board, the Board may opt to extend the public hearing in accordance with the review period outlined in statute. An extension of the public hearing must take place with the concurrence of the applicant.

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9. Once all public comments have been received within the allowable timeframe, and once the Planning Board has taken its vote, the Planning Board President closes the public hearing.

Coordination with Sanders County

The City of Thompson Falls will examine the potential to coordinate efforts with Sanders County in the following ways:

- Work to promote the use of the County's timber resources.
- Clean up (if necessary) and redevelopment of the Riley Creek Mill site.
- Initiate a plan to provide additional workforce housing.
- Foster the technology and communications economy.
- Expand and improve the recreation economy.

Conditions and Timing for Review and Revision

To ensure the Growth Policy remains a relevant and effective document for decision making in the City, the Growth Policy will need to be periodically reviewed and updated.

The document will be reviewed every 5 years from the date of its adoption. The City Planning Board will be the entity responsible for reviewing the Policy and will make any recommendations regarding revisions or changes to the City Council. Future reviews will include an evaluation of every section of the Policy. It is anticipated that a full update of the Policy will be necessary within 10 years of its original adoption.

The Growth Policy may also be revised when a situation or issue has been identified by the public that necessitates changes or when changes are deemed to be in the public interest by the Planning Board or the City Council. It is also possible that Legislative changes to the Growth Policy statutes may require significant amendments or changes. Finally, amendments to the Policy may also be necessary when litigation in the City or elsewhere in Montana sets legal precedent that is clearly contrary to the stated goals, objectives or implementation strategies in the Growth Policy.

SOURCES

Introduction

1. City of Thompson Falls
2. Sanders County Community Development Corporation
3. National Weather Service
4. Sanders County
5. United State Census Bureau

Population Characteristics

1. Sanders County Community Development Corporation
2. Headwaters Economics, Economic Profiling System, 2014
3. United States Census Bureau

Economy

1. Sanders County Community Development Corporation
2. United States Census Bureau
3. Headwaters Economics, Economic Profiling System, 2017
4. Montana Department of Commerce, Housing Division
5. Montana Department of Labor and Industry

Local Services & Public Facilities

1. City of Thompson Falls
2. Sanders County Community Development Corporation
3. Sanders County
4. Thompson Falls Capital Improvements Plan
5. Thompson Falls School District

Housing

1. American Community Survey, Census Bureau
2. Montana Department of Revenue
3. Sanders County Community Development Corporation

Land Use

1. City of Thompson Falls
2. Sanders County Community Development Corporation
3. Montana Department of Natural Resources and Conservation
4. United States Department of Natural Resources and Conservation
5. United States Forest Service

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