

AGENDA ITEM ONE

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Downtown Billings BOARD Action Items

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TITLE: N. 27<sup>th</sup> St. TIFD – FY 2010 Projects  
ORGANIZATION: Downtown Billings Partnership, Inc. (DBP)  
Approved by: DBP Board of Directors – May – September, 2009

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**PROBLEM/ISSUE STATEMENT:** Earlier this year, the Board approved and Council confirmed, up to \$20,000 in TIFD funding for Kit of Parts projects. This action confirmed the validity of the “Kit of Parts” and acknowledged that many components of the program are in need of updating and maintenance.

A significant portion of the Kit is the downtown street banner program. We currently have banners within the footprints of the Montana Avenue Streetscape and the N. Broadway Streetscape. And, about 3 years ago, using funds from the Downtown Streets account, banners were placed on 3<sup>rd</sup> Avenue North and kept up even during the holiday season in place of outdated and broken Christmas Decorations.

Over the years, many of the Montana Avenue walking tour banners have been lost due to a number of reasons that include inferior (to new products on the market) mounting hardware. The property owners of the PMD, under agreement, are responsible for the replacement and maintenance of the banners. They are not responsible for the reprinting of the walking tour maps nor the replacement of outdated hardware.

The North Broadway Streetscape PMD does not have a banner replacement provision as their banners pre-date the PMD. Further, the Alberta Bair Theater, playing off of the banner installation on 3<sup>rd</sup> Ave. North, has been placing event banners around the theater. These banners are quite expensive to replace with each show and the ABT budget for FY2010 does not allow for any changes. Further, Downtown Billings has adopted a new logo and brand – Downtown! Billings starts here.

Next, the DBP continues to explore redevelopment and public amenities options. Often, these projects lead to Development Agreements that contain, in part, some sort of real estate transaction. In order to expedite any development process, it is beneficial to the City and the DBP to know the actual appraised value of a property of interest as well as the feasibility of the projected from an engineering standpoint. The DBP is exploring two different properties as a potential development site and, in order accurately negotiate with the current owners and prospective buyers, must complete appraisals of the properties and obtain basic engineering opinions. This proposed expenditure of Tax Increment Funds is very similar to the Technical Assistance Grant program of the very successful expired tax increment district.

**FINANCIAL IMPACT:** Following expenditure of the previously approved Kit of Parts project of \$20,000, we will have \$55,000.00 remaining in our TIFD project budget that was approved as part of our Agreement with the City of Billings. If the new projects are funded in full (\$21,000 in FY 2010) the balance remaining in the Project Budget will be \$34,000. Based upon the DOR certified taxable value of the N. 27<sup>th</sup> District, we can anticipate more than sufficient tax increment revenue this fiscal year to allow for the entire project budget. The following action does not increase nor decrease the approved FY 2010 budget amount for fund 203.

The DBP Board approved the following NEW two year Fund 203 projects:

Branded Banners (8) for ABT on N. Broadway and 3 <sup>rd</sup> –	FY 2010	FY2011
New hardware for 45 banner placements on MT Ave. –	up to \$2,700	
Reprint 5000 maps –	up to \$5,000	
2 year contract for gateway billboard on N. 27 <sup>th</sup>	up to \$3,000	
Branded Banners for 3 <sup>rd</sup> N. (22) and 2 <sup>nd</sup> N. (24) & N. Broadway (22)	up to \$5,300	up to \$3,600
Funding Property Appraisals and Engineering review	*****	up to \$27,200
	up to \$5,000	
<b>TOTAL FUND 203 NEW PROJECTS</b>	<b>up to \$21,000</b>	<b>up to \$30,800</b>

Updated Fund 203 Budget

APPROVED N. 27TH TIFD DISTRICT FY 2010 BUDGET		UPDATED FY2010	PROJECTED FY2011
Estimated Cash Balance as of 6/30/09 - Tax Year 2008		\$134,870.00	\$133,979
INTEREST		\$0.00	\$1,151
Projected Increment		\$80,000.00	\$506,914
<b>TOTAL FUND</b>		<b>\$214,870.00</b>	<b>\$642,044</b>
DBP Management Services		(\$98,580.00)	(\$98,580)
Expansion of historic district		(\$15,000.00)	(\$15,000)
City Service Charges		(\$9,000.00)	(\$9,000)
*For Council Approved TIFD Projects		(\$75,000.00)	(\$75,000)
<b>BALANCE</b>		<b>\$17,290.00</b>	<b>\$30,800</b>
Board Approval Date	Council Approval Date:	<b>*PROJECT FUND ALLOCATIONS</b>	
4/13/2009	5/11/2009	Landscaping 1st N & N27th	(\$4,500)
4/13/2009	5/11/2009	Tree Treatments	(\$2,500)
4/13/2009	5/11/2009	Skypoint Cleaning	(\$6,000)
4/13/2009	5/11/2009	Pedestrian Wayfinding	(\$7,000)
5/22/2009	pending	ABT Branded Banners	(\$2,700)
5/22/2009	pending	New Hardware for Montana Ave. Banners	(\$5,000)
5/22/2009	pending	Reprint Walking Tour Maps	(\$3,000)
5/22/2009	pending	Gateway Billboard Project	(\$5,300)
5/22/2009	pending	City Center Banner Project	\$0
7/24/2009	pending	Property Appraisals	(\$2,000)
9/18/2009	pending	Property Appraisals 2	(\$3,000)
pending	pending	Other Projects 3	
		Bond Payment	
		<b>Total ALLOCATED</b>	<b>(\$41,000.00)</b>
		Approved Project Funds Remaining	\$34,000
		<b>BALANCE</b>	<b>\$478,464</b>
			<b>\$688,317</b>

COUNCIL ACTION: The DBP Board of Directors recommends approval of the Fund 203 project Budget projects.

