

**MEMORANDUM OF UNDERSTANDING BETWEEN
BIG SKY ECONOMIC DEVELOPMENT AUTHORITY,
THE CITY OF BILLINGS
AND
THE SOUTH BILLINGS URBAN RENEWAL ASSOCIATION, INC.
FOR THE IMPLEMENTATION OF THE MASTER PLAN FOR THE
REVITALIZATION OF THE SOUTH BILLINGS BOULEVARD
URBAN RENEWAL DISTRICT**

This Memorandum of Understanding (“MOU”) is made and entered into on _____, 2014 (the “Effective Date”) by and between the Big Sky Economic Development Authority (“BSEDA”), a local port authority created and funded by Yellowstone County, a political subdivision of the State of Montana, the City of Billings (“City”), and the South Billings Urban Renewal Association, Inc. (SBURA), a 501 c(6) tax exempt corporation of the land owners with property located within the boundaries South Billings Boulevard Urban Renewal District (“SBBURD”), that is managed with the purpose of assisting the City in revitalization of the SBBURD for all projects, regulations and planning done in the SBBURD and to render opinions and give recommendations to the City Council. For purposes of this MOU, BSEDA, the City, and SBURA are each a “Party” and are sometimes collectively referred to as the “Parties.”

I. TERM & TERMINATION OF THIS MOU

This MOU shall be in effect for Five (5) years from the Effective Date, and the parties agree to conduct an annual progress-review meeting to consider any necessary changes to the implementation strategies and roles and responsibilities as set forth in this Agreement. Any Party may terminate this MOU by giving the other Parties thirty (30) days written notice. Days are defined in this Agreement to be business days.

II. BACKGROUND AND PURPOSE OF THIS MOU

- A. The SBBURD is defined in the attached map of the SBBURD Exhibit “A”.
- B. This MOU is a cooperative effort among the City of Billings, BSEDA and the SBURA, with the mutual objective of enhancing economic development opportunities in the SBBURD by promoting the ideals of sustainable industry, public infrastructure improvement, and fair, predictable land use decision-making embodied in the Master Plan for the SBBURD
<http://ci.billings.mt.us/DocumentCenter/View/22976>.
- C. A Master Plan for the Revitalization of the SBBURD has been completed pursuant to a grant by the U.S. Department of Commerce – Economic Development Administration. The purpose of this MOU is to define the mutual understanding of BSEDA, the SBURA, and the City regarding the implementation of the Master Plan in the Study Area.

- D. The SBBURD has as its financial foundation a Tax Increment Financing District (TIFD).

III. RELATIONSHIP OF THE PARTIES

- A. This MOU relates only to the cooperative efforts of BSEDA, the City, and the SBURA described herein in connection with the SBBURD and the Study Area.
- B. This MOU is not intended to create or constitute any joint venture, partnership, joint powers agency, or other formal organization of any kind.
- C. Nothing herein shall be interpreted to require the Parties to exercise their discretion in any particular way or to require the Parties to take any future action regarding the SBBURD.
- D. No Party is authorized herein to act as the agent of the other.
- E. This MOU is not intended to create any benefits, rights or entitlements for persons or entities not a party to this MOU.
- F. Sections IV through XII of this MOU describe a basic outline of roles and responsibilities related to the SBBURD and the Study Area. These Sections identify lead organizations for each identified role and responsibility. All Parties shall collaborate with the identified lead organization to carry out these identified activities.

IV. TAX INCREMENT FINANCING AUTHORITY AND ADMINISTRATION

- A. The City Council shall have the ultimate decision making authority regarding any expenditure of TIFD Funds related to the SBBURD. Recommendations for expenditures shall be presented by the SBURA to the City Council.
- B. The SBURA and the City have developed an application form and assistance guidelines for parties seeking the use of TIFD Funds.
- C. The SBURA will accept and review the application for TIFD Funds related to the SBBURD within ten (10) days of receipt of a fully completed application, and then will submit said application to the City for review and recommendations. The City shall return the application with their comments within fifteen (15) days from the submittal of a complete application to the City. The SBURA board shall review and meet with the applicant within twenty (20) days and then make advisory recommendations to the City Council regarding such expenditures in consultation with the Parties. The application shall be processed and sent to the City Council for action within 50 days after receipt of a properly completed application.

V. LAND USE DECISION AUTHORITY

- A. The City shall have final decision making authority regarding any land use or zoning decision related to the SBBURD. SBURA shall review land use applications within the District and present its recommendation to the City Council for action.
- B. The City staff shall provide to the SBURA notice of any proposed land use regulation changes related to SBBURD property within ten (10) days of receipt or consideration of such proposal for the review by the SBURA. The SBURA shall submit its recommendation to the City Zoning Commission and City Council within 10 days.
- C. Subject to existing land use law, the City may develop and administer land use and design regulations consistent with those proposed in the Master Plan as recommended by the SBURA. The City and the SBURA shall cooperatively explore potential incentives for developers and property owners subject to such regulations.

VII. SEEKING AND ADMINISTERING GRANT AND INCENTIVE FUNDING

- A. BSEDA will seek, apply for, and administer grant opportunities well-suited for the SBBURD, which may include Brownfields, planning, infrastructure and incentive grants. Specifically, in development projects where there will be an increase of additional new jobs, BSEDA will apply on behalf of, or assist in the preparation of, applications to the Montana Department of Commerce New Worker Training Grant and Big Sky Economic Development Trust Fund incentive programs. All applications for grants and any acceptance of any grant awards must be approved by the City Council, if TIFD funds are used.
- B. The Parties agree that to the extent that grant funding and grant restrictions do not allow for the full reimbursement of BSEDA's costs associated with the application and administration of grants, those costs shall be reimbursable from TIF funds, as approved by Council.
- C. When an appropriate grant or funding opportunity is not available to BSEDA, for eligibility reasons, BSEDA will identify a potential applicant among the Parties and will notify such Party of the funding opportunity. BSEDA will assist these Parties in preparing applications for these funding opportunities on a fee-for-service basis at the hourly rate normally charged by BSEDA for grant-writing services (\$105 per hour through December 31, 2014) and the amount agreed to annually¹.
- D. Whenever possible, funds secured by BSEDA for implementation of Master Plan recommendations should be matched with local dollars, including TIFD funds, in order to maximize impact.

¹ Fees will be paid by SBURA either from Tax Increment Fund sources or private contributions.

VIII. MAINTENANCE, PRIORITIZATION, AND IMPLEMENTATION OF THE SBBURD MASTER PLAN

- A. SBURA will work to maintain, prioritize, and implement the SBBURD Master Plan in consultation with the Parties.
- B. The Parties, under SBURA leadership, will assemble a “Response Team” of Party representatives to meet with potential investors and to coordinate recruitment efforts on a case-by-case basis.
- C. SBURA will convene a committee of all Parties to discuss and make recommendations to the SBURA regarding work plan for the maintenance, prioritization, and implementation of the SBBURD Master Plan.

IX. RECRUITMENT OF PRIVATE INVESTORS AND DEVELOPERS TO THE SBBURD

- A. SBURA will actively work to recruit private investment in the SBBURD.
- B. The Parties, under SBURA leadership, will assemble a “Response Team” of Party representatives to meet with potential investors and to coordinate recruitment efforts on a case-by-case basis.

X. IDENTIFY FUNDING SOURCES AND FACILITATE INFRASTRUCUTRE IMPROVEMENTS

- A. The City will identify and make application for appropriate City resources in order to facilitate necessary infrastructure improvements as identified in the Master Plan and the Study Area.
- B. SBURA will consult with the City and BSEDA before making recommendations for infrastructure improvement projects. The projects should be identified in the SBBURD Master Plan and incorporated into the City’s Capital Improvement Plan.

XI. OTHER SERVICES

- A. SBURA may, at its sole option, contract professional services with an outside party or with the City to provide planning, security and maintenance services within the SBBURD funded through property owner participation in a business improvement district or sub-district.

- B. SBURA will work to potentially provide a marketing/branding plan and attendant materials for the SBBURD, as staff and funding allows and in consultation with the Billings Chamber of Commerce and BSEDA.

XII. PUBLIC RELATIONS

Any news release, public announcement, advertisement or publicity proposed to be released by BSEDA, SBURA or the City regarding this MOU shall be subject to the approval of the other Parties prior to release. The Parties agree that such approval shall not be unreasonably withheld.

XIII. NOTICE

The Parties have identified the following individuals as point persons for all communication and coordination in connection with the SBBURD redevelopment. Any notice required hereunder shall be provided in writing.

BSEDA:	Steve Arveschoug Executive Director 222 North 32 nd Street, Suite 200 Billings, MT 59101 Arveschoug@bigskyeda.org (406)256-6871 ext. 106	Dianne Lehm Community Development Director 222 North 32 nd Street, Suite 200 Billings, MT 59102 Dianne@bigskyeda.org (406)256-6871 ext. 119
City:	Candi Millar Director, City/County Planning and Community Services Department 2825 3 rd Ave. North, 4 th Floor Billings, MT 59101 millarc@ci.billings.mt.us (406) 657-8249	Wyeth Friday Planning Manager 2825 3 rd Ave. North, 4 th Floor Billings, MT 59101 FridayW@ci.billings.mt.us (406) 247-8660
SBURA:	Shawn Hanser President, SBURA, Inc. 430 S. Billings Blvd. Billings, MT 59101 shawnh@hansers.com (406) 248-7795	

XIV. AUTHORITY AND EXECUTION

Each Party represents that it has the authority to enter into this MOU and to perform the functions stated herein, and that the persons executing this MOU on their respective behalf are authorized by law, resolution or other requisite action of the Party's governing body.

IN WITNESS WHEREOF, the Parties hereto have executed this MOU on the dates indicated below.

-- BIG SKY ECONOMIC DEVELOPMENT AUTHORITY --

Dated: _____

By: _____
 , President
 Board of Commissioners
 "BSEDA"

-- CITY OF BILLINGS --

Dated: _____

By: _____
 Thomas W. Hanel, Mayor
 "City"

-- SOUTH BILLINGS URBAN RENEWAL ASSOCIATION, INCORPORATED --

Dated: _____

By: _____
 Shawn Hanser, President
 "SBURA"

Exhibit "A"

