

CITY /COUNTY PLANNING BOARD AGENDA
March 10, 2015 MEETING TIME: 6:00 p.m.
1st Floor Large Conference Room, Miller Building
2825 3rd Avenue North, Billings, Montana 59101



1. **CALL TO ORDER - Planning Board President:** Welcome and Introduction of new and returning Board Members.

2. **APPROVAL OF AGENDA*** - including any additions or deletions to agenda. The agenda for a regular meeting will be closed at 5:00 p.m. three (3) working days prior to the date of the meeting.

3. **APPROVAL OF THE FEBRUARY 10, 2015 MEETING MINUTES:** The Yellowstone County Board of Planning met on **February 10, 2015** in the Miller Building 1st Floor Conference Room. The February 24, 2015 meeting was canceled due to a lack of agenda items.

Attachments

PLN_Minutes_2015_02_10

4. **PUBLIC COMMENT PERIOD** – As required (3 minute maximum per person). *Any member of the public may be heard on any subject that is not on the agenda. The Planning Board will not take any action on these items at this time, but could choose to add an item to the next meeting's agenda for discussion.*
4a) Comments on items not on agenda and requests to add items to future agendas
4b) Comments on items on the non-public hearing agenda items

5. **DISCLOSURE OF CONFLICT OF INTEREST:**

6. **DISCLOSURE OF EX PARTE COMMUNICATION:** Ex Parte Communication Binder is available at the Sign-In and Agenda station.

7. **OLD BUSINESS** (Agenda items that were not discussed or not completed in a previous meeting or items requiring action).

8. **NEW BUSINESS:** (Agenda items new to this meeting).

- a. **PLAT REVIEW/DISCUSSION. DIAMOND FALLS SUBDIVISION, JULIET SPALDING SUBDIVISION COORDINATOR:** On February 2, 2014, the Planning Division received an application for preliminary plat approval for the proposed Diamond Falls Subdivision. The property is generally located on the west side of South 48th Street West and south of King Avenue West. This 61-lot subdivision would be developed in two phases with the first phase containing 13 lots. The proposed lots range from 0.341 acres to 0.91 acres. A concurrent zone change application is in review at this time to change the zoning from Agricultural Open Space to Residential-15,000. This zone change is necessary to allow the subdivision to proceed. The Planning Board will review the plat at this meeting and a conduct a public hearing on March 24, 2015.

Attachments

Findings of Fact

- b. **MOTION/RECOMMENDATION. COMMUNITY TRANSPORTATION SAFETY GRANT, LORA MATTOX, TRANSPORTATION PLANNER**
The Planning Division is requesting Planning Board approval to submit a Community Transportation Safety Grant application to the Montana Department of Transportation (MDT). The grant is intended to assist the community in establishing a Community Transportation Safety plan tailored to the transportation safety needs in Billings and Yellowstone County. The plan will be prepared in collaboration with other agencies and local jurisdictions with roles in transportation safety. Safety plans are data driven, address transportation safety with the 4E approach (Education, Enforcement, Engineering and Emergency Medical Services), focus on community specific safety issues, and are community led with MDT support.

MDT is offering technical and financial transportation safety planning assistance that requires no local cash match. However, the Yellowstone County Planning Board acting as the Metropolitan Planning Organization (MPO) would act as the local plan sponsor and Planning staff would commit to coordinating the process with stakeholders, tracking and reporting the progress of the plan development, and implementing strategies. It is anticipated that the planning process could take one-year to complete. Transportation planning staff has the ability to guide this process in addition to the other Transportation Planning Studies scheduled for 2015.

If the grant application is approved by MDT, the safety plan, through data collection, will assist in the identification of local transportation safety emphasis areas. Emphasis areas may include, but are not limited to, intersection crashes, occupant protection, and impaired/distracted driving. Once local issues are identified, programs and strategies can be developed to address the issues. In addition to strategies, performance measures will be included in the study to help track progress in achieving the strategies.

There will be no direct financial impact from applying for the transportation safety grant. Under this grant, no funds are received from the state or paid out from the City to a consultant. MDT provides a consultant that is under contract with the State and the consultant is paid directly by MDT. Given this arrangement, it is not known at this time what the estimated total cost of the plan would be as funded through MDT. There would be local staff time involved in the development of the plan. The plan will establish quantifiable safety-related goals, objectives, and performance measures relevant to the local transportation system.

Attachments

MDT Request Letter

9. **OTHER BUSINESS:**

- a. **DISCUSSION. AFFIRMATION OF THE EAST BILLINGS BOULEVARD URBAN RENEWAL DISTRICT, WYETH FRIDAY, PLANNING DIVISION MANAGER.** The Council on March 23 is scheduled to consider adopting a resolution to modify the East Billings Boulevard Urban Renewal District (EBURD). The EBURD was originally created in November 2006 and while the tax increment in the district has increased, a significant amount of long range planning and project planning has also occurred to position the EBURD for development and redevelopment. The Council's intends to modify the district to include newly annexed properties east of the existing EBURD in the Exposition Gateway Concept Plan area as well as include two properties adjacent to the District that a property owner has asked be brought into the EBURD.

The Yellowstone County Board of Planning is being asked to review the EBURD Modified Plan and determine for the City Council if the modification is in conformance with the 2008 Yellowstone County and City of Billings Growth Policy. This is a requirement of both the creation and modification of an urban renewal district under state law. The Planning Board will discuss this request at this meeting and take action on the request at its meeting on March 24. If the City Council passes the resolution of intent to modify the EBURD on March 23, it will conduct a public hearing on April 13 and consider action on the modification. It is prior to this action and hearing that the Council will expect a recommendation from the Planning Board.

Attachments

Modified EBURD Plan

East Property Exhibit

North Central Property Exhibit

FUTURE AGENDA ITEMS FOR TUESDAY, MARCH 24, 2015

PUBLIC HEARING : Diamond Falls Subdivision, a 62-lot, County major subdivision of S16, T01 S, R25 E, S2NE (Less C/S 2452 & 2892). The 64.781-acre subject property is located on the north side of Austrian Pine Drive, between South 48th Street West and South 52nd Street West. The property is zoned Agricultural-Open, and residential use is proposed. Jason Hertz, owner. Blueline Engineering, Agent. Juliet Spalding, Subdivision Coordinator.

Planning Board Plat Review

3.

Meeting Date: 03/10/2015

Information

Subject

APPROVAL OF THE FEBRUARY 10, 2015 MEETING MINUTES: The Yellowstone County Board of Planning met on **February 10, 2015** in the Miller Building 1st Floor Conference Room. The February 24, 2015 meeting was canceled due to a lack of agenda items.

Attachments

[PLN Minutes 2015 02 10](#)

CITY/COUNTY PLANNING BOARD

“Serving Billings, Broadview and Yellowstone County”

Board Attendance Roster: Please note: “E” stands for excused absence, “A” stands for un-excused absence, “1” stands for present.

BYLAWS, YELLOWSTONE COUNTY BOARD OF PLANNING, (Amended. May 25, 2004)

Section 4. Absences and Removal

- A. Each member shall inform the Planning Director at least one day before the meeting of his/her inability to attend a Board or Committee meeting. Such an absence shall be considered an excused absence.
- B. If any Board member accrues three (3) or more consecutive unexcused absences from regular meetings, notice of which has been given at his/her usual place of work or residence, or by announcement at a meeting attended by him/her, the President may call such absences to the attention of the Board which may then recommend to the appointing authority that such member be asked to resign and that another person be appointed to serve out the unexpired term. Schedule: (** denotes a Wednesday meeting)

Board Members	Position	01/13/15	01/27/15	02/11/15	02/24/15	03/10/2015	03/24/2015	04/15/2015	4/28/2015	05/12/2015	05/26/15	06/09/2015	06/23/2015	07/15/2015	07/28/2015	08/11/2015	08/25/2015	09/08/2015	09/22/2015	10/13/2015	10/27/2015	11/10/2015
Vacant	Mayor/Billings Ward I	-	-	-																		
Patrick Klugman	Mayor/Billings Ward II	1	1	1																		
Donna Forbes	Mayor/Billings Ward III	1	1	E																		
Darell Tunnicliff	Mayor/Billings Ward IV	1	1	1																		
Dick Clark (President)	Mayor/Billings Ward V	1	E	1																		
Vacant	YC District 1	-	-	-																		
Dennis Cook	YC District 2	1	1	1																		
Lisa Sukut	YC District 3	1	E	E																		
Vacant	YC District 4	-	-	-																		
Don Reed	YC District 5	E	E	1																		
Dean Clark	YC District 6	E	E	1																		
Al Littler	YC District 7	1	1	1																		
Clint McFarland	Y County Cons. District	1	1	1																		
Scott Reiter	Ex-Officio S.D. 2 Facilities Director	E	E																			
Supt. Terry Bouck	Ex-Officio S.D. 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CITY/COUNTY PLANNING BOARD

“Serving Billings, Broadview and Yellowstone County”

February 10, 2015

To be approved by a motion on March 10, 2015

1. Call the Meeting to Order

President Dick Clark called the meeting to order at 6:00 p.m. on Tuesday, February 10, 2015, in the Miller Building 1st Floor conference room, 2825 3rd Avenue North, Billings, Montana.

2. Approval of the Agenda-President Clark called for approval of the February 10, 2015 meeting agenda. Candi Millar asked to strike 7a. “Planning Board recommendation for Planning Board Vice President”

Motion

Dennis Cook made a motion and it was seconded by Clint McFarland to approve the February 10, 2015, meeting agenda with the strikeout for Agenda item 7a.

The motion carried with a unanimous voice vote.

Introduction of Planning Board Members and Planning Department Staff

President Clark called for introductions of the members of the Planning Board and staff. Attending Planning staff members were: Candi Millar, Director, Planning & Community Services Department; Lora Mattox, Transportation Planner; Tammy Deines, Planning Clerk

Meeting Minutes:

President Clark called for approval of the January 27, 2015 meeting minutes.

Motion

Dennis Cook made a motion and Dean Clark seconded the motion to approve the January 27, 2015 minutes.

The motion carried with a unanimous voice vote.

2. Public Comment: President Clark asked if there was anyone wishing to speak during the public comment portion of the meeting. He stated any member of the public may be heard on any subject that is not on the agenda; the Planning Board will not take any action on these items at this time, but could choose to add an item to the next meeting agenda for discussion.

5. Disclosure of Conflict of Interest – Board members and Planning Staff. There were no disclosures of conflict of interest.

6. Disclosure of Outside (Ex Parte) Communication– Board Members and Planning Staff. The Ex Parte Communication Binder is available at the Sign-In and Agenda station. There was none.

CITY/COUNTY PLANNING BOARD

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7. NEW BUSINESS

7a. Discussion. Lockwood Targeted Economic Development District, (TEDD), conformance with the Growth Policy, Candi Millar, Director, Planning and Community Services.

President Clark asked Candi Millar to open this informational agenda item.

BACKGROUND

As one of the required steps to creating the Lockwood Targeted Economic Development District (TEDD), the Planning Board must make a determination that the proposed TEDD is supported by the existing City/County Growth Policy. A map showing the general area of the proposed TEDD is below. The Board must review the Growth Policy and recommend the Growth Policy supports the creation of the TEDD for the following reasons:

- Existing conditions and future trends address economic well-being
- Goals and objectives support the development of secondary value-adding industries
- Tax Increment Financing is identified as an implementation strategy, and
- Land use maps support zoning designations.

The existing 2008 Growth Policy covers these items in the following sections:

- **Chapter 4.1 Land Use, page 37** references the Lockwood Community Plan that outlines the preferred land uses for industrial purposes in Lockwood: **Lockwood Community Plan, Community Background section, page 6**: “Lockwood’s location as the eastern gateway to the City of Billings, its significant commercial and industrial business presence and its community-oriented residence make the community a place where continued growth and change is expected to occur. The Lockwood Community Plan and its specific Community Focus Areas and Action Steps will help Lockwood prepare for its future and continue to foster its individuality and community atmosphere.”
- **Chapter 3 Community Goals and Objectives, Economic Development Element, page 7**, Goal 1: “Coordinated economic development efforts that target business recruitment, retention, and expansion” and Goal 7: “Preserve and sustain the rural community centers throughout the County.”
- **Chapter 5.1 Implementation Tools and Strategies, page 202**, lists Urban Renewal Districts and tax increment funds as a tool to redevelop and rehabilitate “blighted” areas. The Targeted Economic Development District had not been authorized at the time the 2008 Growth Policy was adopted, but is now part of the Urban Renewal Law that is cited in this section.
- **Map 4.1.3 City/County Planning Board Growth Map, page 45**, shows the projected industrial land uses north of the Interstate along the rail corridor within the vicinity of the proposed TEDD.

Discussion

President Clark called for discussion. Al Littler asked regarding Weave Management’s position. Candi Millar explained the TEDD would be both private and public as the BOCC have to approve the expenditure. She noted there are other businesses in the area and other parcels that would be encompassed and benefit from the district. She said the bypass project is funded, and Weave Management has been in discussions with MDT to have direct access. Per request of Dick Clark, Candi Millar noted the bypass project design alignment and said it includes an overpass. Don Reed commented on the improvements that will be done at the Johnson Interchange through the bypass project.

Darell Tunnicliff asked how this project will be different from the Transtech development. Candi Millar said Transtech did not have the benefit of a TIFD and is not

CITY/COUNTY PLANNING BOARD

“Serving Billings, Broadview and Yellowstone County”

industrial in the sense that they do not produce value adding goods. Darell Tunnicliff pointed out that Transtech did not move forward until it was transferred to private ownership. Candi Millar commented BSEDA developed the park and the infrastructure for Transtech; at this point this is more of a joint private public enterprise and the public will administer the mechanism for funding. She said Weave Management has come forward and will build an industrial park; they are marketing their property and have been approached by interested entities. She stressed it is critical that businesses come in to get the improvements extended. Darell Tunnicliff asked if there is a demand for this type of property in the community. Candi Millar commented on the feasibility study conducted by BSEDA which demonstrated a demand for shovel ready properties that can be used for oil and gas company equipment manufacturing to a trans loading facility for distribution. She said it is uncertain what the future will hold and the economy will have an impact.

Dick Clark asked about sewer and water costs. Candi Millar said initially they will use individual septic systems and wells or a package plant to serve multiple buildings but Weave Management cannot achieve their vision of the intense land uses without public water and sewer.

Darell Tunnicliff asked about wetlands mitigation. Candi Millar said about half of the area depicted will be restricted as there are limits on development in the flood plain area. They will have to demonstrate the flood elevations are unaffected; necessary permits will be obtained; and the engineering must be done to not disturb the existing boundaries. She gave a brief overview of the differences between floodway and the flood fringe. She stated there will be no development within the floodway, and the riparian area will be protected through the environmental permitting process. She said at this point, the Growth Policy is not conflicting with this proposal; and this Board will be asked to make a determination at a future date. Don Reed stated it is his understanding the Lockwood Water and Sewer District would be able to accommodate this district with the appropriate amount of funds. Candi Millar said there are discussions with the City and the Lockwood Water and Sewer District as to how these services could be extended. Candi Millar said this item will return to the Board with more specific information on infrastructure, proposed land uses, and environmental impacts. Don Reed commented on concern with the potential impacts on adjacent communities, and stressed the importance of having this district developed in conjunction with the surrounding area. Candi Millar noted an upcoming meeting with the Lockwood Steering Committee on February 26, 2015 to discuss the Growth Policy update as to growth and projecting where land uses should go. She pointed out the Transportation Plan is in place that recognizes the limits of the transportation network in this area. She said it is a matter of funding and hopefully it will be a priority for the County. In response to a question by Dick Clark, Don Reed said some of the impetus for incorporation is that Lockwood would deal with the distribution of tax revenue instead of the County.

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“Serving Billings, Broadview and Yellowstone County”

7b. Discussion. Community Transportation Plan Grant, Lora Mattox, Transportation Planner

President Clark asked Lora Mattox to open this agenda item. She explained this is an opportunity to expand the Traffic Safety Plan within the MPO.

INTRODUCTION: The Planning Division is presenting to the Planning Board a request for the Metropolitan Planning Organization (MPO) to apply for a Community Transportation Safety Grant. The Montana Department of Transportation (MDT) is offering planning assistance to communities to develop local transportation safety plans. This plan would complement the recently completed 2014 Billings Urban Long Range Transportation Plan.

BACKGROUND

The grant offered by MDT is intended to assist communities an opportunity to establish a Community Transportation Safety plan tailored to the communities transportation safety needs. The plan will be in collaboration with other agencies and local jurisdictions with roles in transportation safety. Safety plans are data driven, address transportation safety with the 4E approach (Education, Enforcement, Engineering and Emergency Medical Services), focus on community specific safety issues, and are community led with MDT support.

The safety plan through data collection will assist in the identification of local transportation safety emphasis areas. Emphasis areas may include but are not limited to intersection crashes, occupant protection and impaired/distracted driving. Once local issues are identified, programs and strategies can be identified to address the issues. In addition to strategies, performance measures will be included in the study to help track progress of the strategies.

MDT is offering technical and financial transportation safety planning assistance that requires no local match. However, the MPO would act as the local plan sponsor and staff would commit to coordinate the process with stakeholders, implement strategies, and tract and report progress. It is anticipated that the planning process could take one-year to complete. Transportation planning staff has the ability to guide this process in addition with other Transportation Planning Studies scheduled for 2015.

FINANCIAL IMPACT: There will be no direct financial impact from applying for and receiving the funds. However, there would be local staff time involved in the development of the plan. The plan will establishes quantifiable safety-related goals, objectives, and performance measures relevant to the local transportation system.

RECOMMENDATION

Staff recommends that the Planning Board initiate the process to submit an application to MDT for the Transportation Safety Plan. This action will direct staff to meet with the local governing bodies and solicit coordination on this project and grant application.

CITY/COUNTY PLANNING BOARD

“Serving Billings, Broadview and Yellowstone County”

Discussion

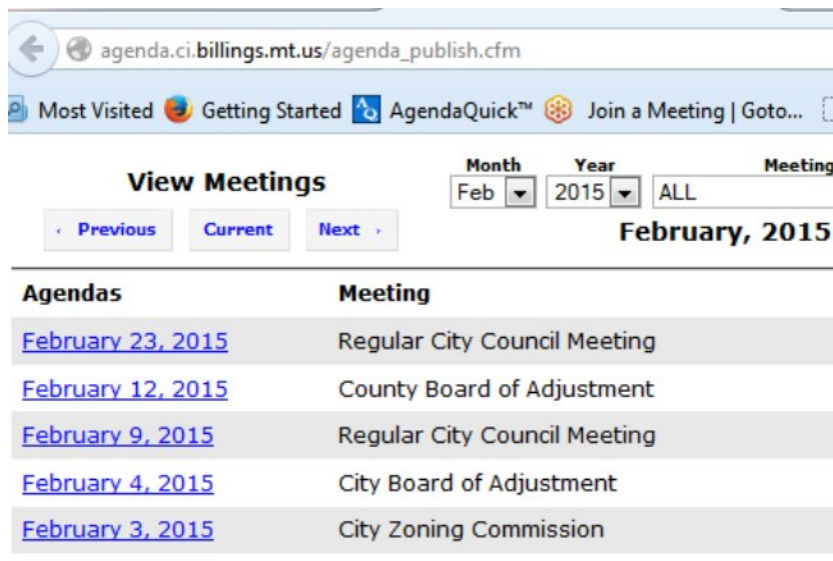
President Clark called for questions and discussion. The Board and Staff discussed the role of MPO with this grant and Lora Mattox explained that this Board is responsible for the implementation of the Safety Plan. Candi Millar stated it will be the consultant's responsibility to ensure the plan conforms to Federal Regulations; there will be no funds expended other than staff time. Al Littler commented insurance companies should act as a partner on these types of studies and Lora Mattox said this was discussed during the State meetings. She said she will approach the Board of County Commissioners; City Council and the Policy Coordinating Committee to work as partners in the process.

****This item will come before the Board for action at the March 10, 2015 meeting.**

8. OTHER BUSINESS

8b. Announcements:

1. The February 24, 2015 meeting will be cancelled due to a lack of agenda items.
2. Planning Division Staff is migrating towards using an electronic agenda and packet software similar to the system used for City Council and will be bringing forward more information at a future meeting. Board members are encouraged to go to the link below and look at the forward for the listed Zoning Commissions and City Council meetings. http://agenda.ci.billings.mt.us/agenda_publish.cfm



The screenshot shows a web browser window with the URL agenda.ci.billings.mt.us/agenda_publish.cfm. The page has a navigation bar with "View Meetings" and filters for "Month" (Feb), "Year" (2015), and "Meeting" (ALL). Below the filters are "Previous", "Current", and "Next" buttons. The main content is a table with two columns: "Agendas" and "Meeting".

Agendas	Meeting
February 23, 2015	Regular City Council Meeting
February 12, 2015	County Board of Adjustment
February 9, 2015	Regular City Council Meeting
February 4, 2015	City Board of Adjustment
February 3, 2015	City Zoning Commission

ADJOURNMENT: 7:00 p.m.

ATTEST: DRAFT. To be approved on February 10, 2015

Richard Clark, President, Yellowstone County Board of Planning

Candi Millar, Director, Planning and Community Services Department



YELLOWSTONE COUNTY BOARD OF PLANNING
CITY OF BILLINGS AND
YELLOWSTONE COUNTY, MONTANA



Planning Board Plat Review

8. a.

Meeting Date: 03/10/2015

Information

INTRODUCTION

PLAT REVIEW/DISCUSSION. DIAMOND FALLS SUBDIVISION, JULIET SPALDING SUBDIVISION COORDINATOR: On February 2, 2014, the Planning Division received an application for preliminary plat approval for the proposed Diamond Falls Subdivision. The property is generally located on the west side of South 48th Street West and south of King Avenue West. This 61-lot subdivision would be developed in two phases with the first phase containing 13 lots. The proposed lots range from 0.341 acres to 0.91 acres. A concurrent zone change application is in review at this time to change the zoning from Agricultural Open Space to Residential-15,000. This zone change is necessary to allow the subdivision to proceed. The Planning Board will review the plat at this meeting and conduct a public hearing on March 24, 2015.

RECOMMENDATION

Staff recommends that the Planning Board recommend that the Yellowstone County Board of County Commissioners conditionally approve the preliminary plat of Diamond Falls Subdivision and adopt the Findings of Fact as presented in the staff report.

Pursuant to Section 76-3-608(4), MCA, the following conditions are recommended to reasonably minimize potential adverse impacts identified within the Findings of Fact.

1. To minimize effects on local services, the Homeowners' Association shall be established concurrent with the final plat recording. Articles of Incorporation, Covenants, Conditions & Restrictions, and any other appropriate documents for its creation shall be provided with the final plat documents.
2. To minimize effects on local services, prior to final plat approval, the 30,000 gallon dry hydrant system shall be installed as approved by the Billings Fire Department and a Rural Special Improvement District – Maintenance (RSID-M) shall be created for its maintenance.
3. To minimize effects on the natural environment and public health and safety, a note shall be added to Section II. of the Subdivision Improvements Agreement (SIA) stating that future landowners are responsible for having a Montana Registered Professional Engineer inspect and provided as-built certification that the improvements for the SepticNET drainfield are constructed as shown on the Drainfield Plans as required by Montana Department of Environmental Quality (MDEQ) at the time of septic permitting.
4. To minimize effects on the natural environment, a weed management plan and property inspection shall be approved by the County Weed Department, prior to final plat approval.
5. To ensure compliance with zoning, a note shall be added to Section II. of the final SIA indicating that Zoning Compliance Permits shall be submitted for review and approved by the City-County Planning Division prior to construction on the lots.
6. To minimize effects on local services, prior to final plat approval an RSID-M shall be created to provide maintenance of the interior public roads of this subdivision.

7. To minimize effects on agricultural water user facilities, evidence that the existing irrigation facility proposed to be abandoned does not serve downstream users shall be provided prior to final plat approval.
8. To minimize effects on local services, prior to Phase II development, the developer shall apply for and receive the appropriate provisional permit for additional water rights from Montana Department of Natural Resources and Conservation (DNRC). A note shall be added to Section VI.A. of the final SIA stating this requirement.
9. To minimize effects on local services, a note shall be added to the face of the final plat and Section VI.B. of the final SIA indicating which lots will retain sanitary restrictions until future approval is granted by MDEQ.
10. To minimize effects on local services, a Park Maintenance District (PMD) shall be established prior to final plat approval for future maintenance of the dedicated parkland.
11. Minor changes may be made in the SIA and final documents, as requested by the Planning and/or Public Works Departments to clarify the documents and bring them into the standard acceptable format.
12. The final plat shall comply with all requirements of the County Subdivision Regulations, rules, regulations, policies, and resolutions of the Yellowstone County, and the laws and Administrative Rules of the State of Montana.

VARIANCES REQUESTED

No variances have been requested from the Yellowstone County Subdivision Regulations for this proposal.

PROCEDURAL HISTORY

- A subdivision pre-application meeting was held on August 7, 2014.
- The preliminary plat application and zone change application were submitted to the Planning Division on February 2, 2015.
- The Yellowstone County Zoning Commission will hold a public hearing and make a recommendation on the proposed zone change request on March 9, 2015.
- The Yellowstone County Board of Planning will review the plat application on March 10, 2015.
- The Yellowstone County Board of County Commissioners (BOCC) will be considering the zone change request application at its 9:30 am meeting on March 24, 2015.
- The Yellowstone County Board of Planning will hold a public hearing on this plat application and make a recommendation to the BOCC at its meeting on March 24, 2015.
- The BOCC will consider the subdivision application at its regular meeting on April 14, 2015.
- The 60-working day review period ends April 28, 2015 for this application.

PLAT INFORMATION

General location: West side of South 48th St. West, south of King Avenue West, on the north side of Austrian Pine Rd.

Legal Description: South ½ of the Northeast ¼ of Section 16, T1S, R25E (less Certificates of Survey 2458 and 2892)

Owner/Subdivider: Diamond Falls, LLC (Jason Hertz and Rod Lorenz)

Surveyor/Engineer: Blueline Engineering; Engineering West

Existing Zoning: Agricultural Open Space (A1)

Proposed Zoning: Residential-15,000 (R-150)

Existing land use: Agricultural land

Proposed land use: Single Family Residential

Gross area: 65.134 acres

Net area: 51.406 acres

Proposed number of lots: 61

Max.: 0.91 acres

Min.: 0.34 acres

Parkland requirements: A parkland dedication of 3.865 acres is proposed.

Attachments

Findings of Fact

Diamond Falls Subdivision
PROPOSED YELLOWSTONE COUNTY BOARD OF PLANNING
FINDINGS OF FACT

The City/County Planning Staff has prepared the Findings of Fact for the Diamond Falls Subdivision. These findings are based on the preliminary plat application and address the review criteria required by the Montana Subdivision and Platting Act (76-3-608, MCA) and the Yellowstone County Subdivision Regulations (YCSR).

A. What are the effects on agriculture, local services, the natural environment, wildlife, wildlife habitat, and public health and safety (76-3-608(3)(a), MCA) (Section 3.2(H)(2), YCSR)

1. Effect on agriculture and agricultural water users' facilities

The subject property has been historically used for irrigated crop land as have properties to the north, east and west. The properties to the south have been developed for residential uses since the late 1990's and early 2000's and property to the east is master planned for urban mixed-use development in the City limits. The subdivision will remove 65 acres of agricultural land. This area is generally transitioning out of agricultural use.

Hogan's Slough runs along the northern boundary of the subject property. One irrigation lateral exists in the proposed subdivision running north/south in the center of the property. It is proposed to be abandoned as it will no longer be needed for irrigation. Staff recommends as a condition of approval that evidence be provided that this lateral does not supply irrigation water to any downstream users. The evidence could be a letter from the applicable ditch company or from the surrounding property owners (**Condition #7**). There is also a lateral ditch located west of the subject property that will not be disturbed by the proposed development.

2. Effect on local services

- a. **Water and Sewer** –Domestic water is proposed to be supplied by using individual wells. Montana Department of Environmental Quality (MDEQ) will review placement of each proposed well to ensure appropriate separations from septic systems. In addition, prior to any use of water, the subdivider and/or subsequent lot owners will be required to obtain a water right permit from the Montana Department of Natural Resources and Conservation (DNRC). Under a recent Montana First Judicial District Court judgment dated November 6, 2014, applying for water rights for multiple wells within a single subdivision project must be looked at collectively. In the past, individual wells were considered on an individual basis, and therefore were exempt from applying for the "provision permit" for a water right. In accordance with a letter dated February 3, 2015, from Kimberly Overcast, Manager of the Billings Water Resources Office, DNRC, water usage from approximately 14 wells within this development can be issued a water right without going through the provision permit process. Phase I of Diamond Falls Subdivision proposes development of 13 wells. Therefore, prior to Phase II development, the developer shall apply for and receive the appropriate provisional permit for additional water rights from DNRC. It is recommended that a note be added to the final SIA under section VI.A. stating this requirement (**Condition #8**).

Sanitary sewer treatment is proposed using individual septic systems. A review of existing background nitrate levels in a nearby well has indicated that an advanced wastewater treatment system called “SepticNET” shall be used to provide the needed water protection envelope for each proposed septic system. MDEQ will review and approve design and location specifications for each proposed system and then require at the time of system installation that a Professional Engineer (PE) inspect and certify the systems are installed to approved plans. In order to inform future land owners of this requirement staff recommends that a note be added to Section II. of the Subdivision Improvements Agreement (SIA) stating that future landowners are responsible for having a Montana Registered Professional Engineer inspect and provide as-built certification that the improvements for the SepticNET (or approved equivalent) drainfield are constructed as shown on the Drainfield Plans as approved by Montana Department of Environmental Quality (MDEQ) at the time of septic permitting (**Condition #3**).

Only Phase I lots are proposed to have sanitary restrictions lifted at the time of final plat approval. The remaining lots within the future phases will retain sanitary restrictions until future review and approval by MDEQ has been granted. It is recommended that a note be added to the face of the final plat and to Section VI.B. of the final SIA indicating which lots will retain sanitary restrictions until future approval is granted by MDEQ (**Condition #9**).

- b. **Streets and roads** – Current access to the subject property is from either S. 48th St. West on the east or Austrian Pine Rd. on the south. Additionally, S. 52nd St. West fronts the western boundary of the subdivision but is undeveloped at this location at this time. The appropriate additional right-of-way dedications are proposed on the subdivision plat for those three adjacent streets based on their street network classification. Access (driveway approaches) to the new lots is proposed to be limited to using a network of constructed internal streets. The local streets will be constructed to County paved road standards and are proposed to be installed in two or more phases. The preliminary plat indicates the darkened roadway that will be constructed with Phase I improvements. Culverts shall be provided to convey storm water under roads and driveways in the subdivision.

Maintenance for all public improvements will be through RSIDs which will be created prior to final plat approval. (**Condition #6**)

- c. **Fire and Police services** – The property is within the Billings Urban Fire Service Area’s jurisdiction and the Billings Fire Department will provide fire service. It is the subdivider’s responsibility to ensure provisions of a water source and adequate access to the proposed lots for emergency service’s needs. A 30,000 gallon dry hydrant is proposed to be installed near the intersection of South 48th St. West and Diamond Falls Road. The 30,000 gallon tank is shown on the preliminary plat located in the Diamond Falls Road right-of-way. Maintenance of the 30,000 gallon dry hydrant will be done through an RSID-M to be created prior to the filing of the final plat as stated in the SIA Section IX. The Fire Department indicated that the proposed fire suppression facilities are sufficient but has requested that installation inspection and approval occur prior to final plat approval. (**Condition #2**)

The Yellowstone County Sheriff's Department will provide law enforcement services. The Department did not have any concerns with the proposal.

- d. **Solid Waste disposal** – The Billings Landfill has capacity for solid waste disposal. Solid waste will be collected and disposed of by a private garbage collection company. Each lot owner will be responsible for arranging for collection.
- e. **Storm water drainage** – Storm water drainage shall satisfy Yellowstone County Storm Water Management requirements and MDEQ. Storm water will be absorbed in retention areas within the open space, common areas and in the ditches along the roads.
- f. **School facilities** – The proposed subdivision is located in School Districts #8 and #2 service areas. Elementary and Middle school students would attend Elder Grove, while High School students would be attend West High School. Elder Grove School has indicated that they have capacity for additional students at this time.
- g. **Parks and recreation** – The parkland dedication requirement for this subdivision is 7.5% of the net lot area. This amounts to 3.82 acres. The subdivider has proposed to provide 3.865 acres of parkland on the northern portion of the subdivision adjacent to Hogan's Slough. Much of this park area is within the 100-year flood plain of Hogan's Slough. County Parks has reviewed the park proposal and is recommending approval of it with the condition that a Park Maintenance District be established prior to final plat approval for its maintenance in the future (**Condition #10**).
- h. **Historic features** – No known historical or cultural assets exist on the site.

3. Effects on the natural environment

The subject property has Hogan's Slough on its north border. Portions of the northeast edge of this plat are identified on the plat as in the 100 year mapped floodplain boundary, as identified by the West Billings Flood Study. Even though this flood study has not been officially adopted by FEMA, it is the best available data and must therefore be acknowledged at time of subdivision. Even though most of the area is within the proposed park dedication, certain limitations exist for areas within the floodplain on individual lots, such as no drainfields can be constructed within it.

The subdividers will use noxious weed control measures to prevent the spread of noxious weeds to adjacent developed or agricultural land. They shall complete the property inspection and weed management plan for the property in coordination with the County Weed Department prior to final plat approval (**Condition #4**).

Aside from the floodplain, there are no other apparent or known natural hazards on the property.

4. Effects on wildlife and wildlife habitat

There are no known endangered or threatened species on the property although the area is good deer and antelope habitat. An advisory note to this effect is in the SIA, Conditions that Run with the Land Section. The proposed parkland area will remain in its natural state, allowing for the perpetuation of existing wildlife habitat.

5. Effects on public health and safety

Plans and designs for the individual wells and septic systems will be reviewed and approved by MDEQ prior to final plat approval to ensure public health and safety.

Fire and emergency services are provided for this proposed subdivision. A 30,000 gallon tank with a dry hydrant system will be constructed prior to final plat approval for water supply for firefighting needs.

Effects on public health and safety should be minimized through these measures.

B. Was an environmental assessment required? If yes, what, if any, significant adverse impacts were identified? (76-3-603, MCA) (Chapter 9, YCSR)

An environmental assessment was not required for this subdivision, as it met the exemptions listed in Section 9.2.C.3.b. of the County Subdivision Regulations.

C. Does the subdivision conform to the Yellowstone County-City of Billings 2008 Growth Policy Update, the Urban Area Transportation Plan--2009 Update, and the Billings Area Bikeway and Trail Master Plan? (Section 3.2(H)(4), YCSR)

1. Yellowstone County – City of Billings 2008 Growth Policy Update

- Goal: Predictable land use decisions that are consistent with neighborhood character and land use patterns. (p. 6)

This subdivision will create 61 lots for single family residences. This land use is consistent with surrounding developed properties.

- Goal: More housing and business choices within each neighborhood. (p. 9)

The proposed subdivision will create 61 additional lots for homes in this area.

- Goal: Protection of groundwater, surface water, riparian areas, air quality and productive agricultural land. (p. 9)

The proposed subdivision will maintain the natural drainage area as parkland, although it is removing some agricultural land.

- Goal: Contiguous development focused in and around existing population centers separated by open space. (p. 6)

The proposed subdivision will increase the development density on the subject property therefore concentrating development and potentially preserving the agricultural land and open space in the surrounding the area. Additionally the natural drainage area is preserved within Public zoning ensuring open space in the neighborhood.

2. 2014 Billings Urban Area Long Range Transportation Plan

The subject property is within the boundary of the Transportation Plan. The subject property has frontage on S. 48th Street West, which is a principal arterial road, and S. 52nd

Street West and Austrian Pine Road, both which are collector roads. The appropriate amount of right-of-way is being preserved for these roads with this plat. Also, no-access strips are identified on the plat to prevent new drive approaches on to the these existing roads. The internal streets in this subdivision are proposed to be public local residential streets.

3. Billings Area Bikeway and Trail Master Plan (BABTMP)

The subject property is also within the jurisdiction of the BABTMP. The plan identifies Austrian Pine Road and S. 52nd St. West as proposed long-range bike lane routes. This subdivision is providing sufficient right-of-way to allow for a future bike lane. The BABTMP also identifies a potential future trail alignment along Hogan's Slough. Parkland dedication adjacent to Hogan's Slough is proposed, and a future trail could be built within the park area. No bikeway or trail improvements are required or proposed for this subdivision.

D. Does the subdivision conform to the Montana Subdivision and Platting Act (MSPA) and to local subdivision regulations? [76-3-608(3)(b), MCA and Section 3.2(3)(a), YCSR]

The proposed subdivision meets the requirements of the MSPA and the YCSR. The subdivider and the local government have complied with the subdivision review and approval procedures that are set forth by local and state subdivision regulations.

E. Does the subdivision conform to sanitary requirements? [Section 4.8(C) and 4.9(C), YCSR]

The subdivider must receive approval from the MDEQ for the individual wells and the proposed septic facilities prior to final plat approval.

F. Does the proposed subdivision meet any applicable Zoning Requirements? [Section 3.2(H)(3)(e), YCSR]

The subdivision is currently within the Agricultural Open Space zoning district but a zone change application has been submitted for consideration. The new proposed zoning (Residential-15,000) would allow the proposed lot sizes.

Other zoning requirements for the buildable lots shall be reviewed prior to construction on the individual lots. It is recommended as a condition of approval that a note be added to Section II of the final SIA indicating that Zoning Compliance Permits shall be submitted for review and approved by the City-County Planning Division prior to construction on the lots (**Condition #5**).

G. Does the subdivision provide for necessary planned utilities? [76-3-608(3)(c), MCA and Section 3.2(H)(3)(b), YCSR]

Utility easements are provided as requested by MDU and Northwest Energy adjacent to the public road dedication.

H. Does the proposed subdivision provide for Legal and Physical Access to all lots? [MCA 76-3-608 (3) (d) and Section 3.2 (H) (3) (c) (d), YCSR]

Legal and physical access will be provided for proposed lots off of the internal streets. Access off of South 48th St. West and Austrian Pine Road must be approved by the Yellowstone Public Works Department.

CONCLUSIONS OF FINDINGS OF FACT

- Diamond Falls Subdivision does not create adverse impacts that warrant denial of the subdivision.
- Impacts to agriculture, agriculture water user facilities, local services, public health and safety, the natural environment, and wildlife should be minimal. Impacts identified can be mitigated by reasonable conditions of final plat approval.
- The subdivision conforms to some of the goals of the 2008 Growth Policy.
- The applicant has complied with the MSPA and YCSR processes and the subdivision conforms to the law requirements.



YELLOWSTONE COUNTY BOARD OF PLANNING
CITY OF BILLINGS AND
YELLOWSTONE COUNTY, MONTANA



Planning Board Plat Review

8. b.

Meeting Date: 03/10/2015

Information

INTRODUCTION

MOTION/RECOMMENDATION. COMMUNITY TRANSPORTATION SAFETY GRANT, LORA MATTOX, TRANSPORTATION PLANNER

The Planning Division is requesting Planning Board approval to submit a Community Transportation Safety Grant application to the Montana Department of Transportation (MDT). The grant is intended to assist the community in establishing a Community Transportation Safety plan tailored to the transportation safety needs in Billings and Yellowstone County. The plan will be prepared in collaboration with other agencies and local jurisdictions with roles in transportation safety. Safety plans are data driven, address transportation safety with the 4E approach (Education, Enforcement, Engineering and Emergency Medical Services), focus on community specific safety issues, and are community led with MDT support.

MDT is offering technical and financial transportation safety planning assistance that requires no local cash match. However, the Yellowstone County Planning Board acting as the Metropolitan Planning Organization (MPO) would act as the local plan sponsor and Planning staff would commit to coordinating the process with stakeholders, tracking and reporting the progress of the plan development, and implementing strategies. It is anticipated that the planning process could take one-year to complete. Transportation planning staff has the ability to guide this process in addition to the other Transportation Planning Studies scheduled for 2015.

If the grant application is approved by MDT, the safety plan, through data collection, will assist in the identification of local transportation safety emphasis areas. Emphasis areas may include, but are not limited to, intersection crashes, occupant protection, and impaired/distracted driving. Once local issues are identified, programs and strategies can be developed to address the issues. In addition to strategies, performance measures will be included in the study to help track progress in achieving the strategies.

There will be no direct financial impact from applying for the transportation safety grant. Under this grant, no funds are received from the state or paid out from the City to a consultant. MDT provides a consultant that is under contract with the State and the consultant is paid directly by MDT. Given this arrangement, it is not known at this time what the estimated total cost of the plan would be as funded through MDT. There would be local staff time involved in the development of the plan. The plan will establish quantifiable safety-related goals, objectives, and performance measures relevant to the local transportation system.

RECOMMENDATION

Staff recommends the Planning Board approve applying for the Community Transportation Safety Grant funds and authorize the Planning Board President to sign the application letter. This grant application is somewhat unusual in that it is in the form of a letter that various local entities (Yellowstone County Board of Planning, City Council, Board of County Commissioners, Policy Coordinating Committee) all must sign before submittal of the application. Staff is taking the application to all of the entities referenced above for signatures.

VARIANCES REQUESTED

Does not apply.

PROCEDURAL HISTORY

Does not apply.

PLAT INFORMATION

Does not apply.

Attachments

MDT Request Letter

[March 24, 2015](#)

Pam Langve-Davis, Planner
Program & Policy Analysis Bureau
Montana Department of Transportation
Rail, Transit and Planning
PO Box 201001
Helena, MT 59620-1001


RE: Community Transportation Safety Planning and Development Assistance

Dear Ms. Langve-Davis:

The Billings-Yellowstone County Metropolitan Planning Organization is formally requesting technical and financial assistance from MDT to develop a Community Transportation Safety Plan (CTSP). This letter describes transportation safety issues in Billings that a CTSP could help alleviate, describes ways that the community will benefit from the development and implementation of a CTSP and identifies a local plan sponsor.

Safety Issues in the Billings-Yellowstone County Metropolitan Planning Organization include but are not limited to:

- Crash data for Montana and the City of Billings highlight several transportation safety issues in the community, many which align with the specific emphasis areas (EAs) in the State Comprehensive Highway Safety Plan (CHSP). The FFY 2011 Montana Traffic Safety Problem Identification report states that Yellowstone County ranked third in severe crashes (EA: Urban Crashes), the report also shows that 10.4% of total crashes are related to alcohol-related crashes (EA: Drugs & Alcohol).
- Data from the 2014 Billings Urban Long Range Transportation Plan identified through MDT Crash Data the following information within the MPO boundary:
 - Total of 8,792 crashes;
 - 2,402 injury crashes (27%) with total injuries of 3,315;
 - 122 incapacitating injuries (5% of injury crashes); and
 - 33 fatal crashes (< 1% of total crashes)



Planning & Community Services Department
2825 3rd Avenue North, 4th Floor
Billings, MT 59101
Fax: (406) 657-8327
Phone: (406) 657-8246

Ways That Development of a CTSP Would Benefit the Community include but are not limited to:

- The CTSP would complement the recently completed 2014 Billings Urban Area Long Range Transportation Plan (LRTP) Update's recommended investment of over \$15 million in safety improvements in the metropolitan region.
- The CTSP will provide a coordinated set of strategies that work for and are consistent with the goals, objectives and policies of all safety partners in the community.
- The CTSP will clarify the working relationship between the safety partners in the community. In this way the CTSP will ensure coordination and consistency among various community safety initiatives.

Local Plan Sponsor

The Yellowstone County Planning Board is the designated Metropolitan Planning Organization (MPO) and oversees transportation planning for the Billings Urban Area. The MPO will serve as the Local Plan Sponsor and will be the point of contact for the planning process and for the coordination of the development and implementation of the CTSP. MPO staff will track and report progress on the plan implementation annually to MDT.

Agency partners representing the four E's have contributed letter of support for this application and look forward to participating in a community safety planning process with MDT and the MPO.

Thank you for the opportunity to develop a Community Transportation Safety Plan with MDT's technical assistance and financial support. We look forward to working with MDT to develop strategies that will enhance Billings' ongoing efforts to reduce the number of severe and fatal crashes. If you have any questions or need additional information, please contact Lora Mattox at (406) 247-8622 or mattoxl@ci.billings.mt.us.


Sincerely,

Richard Clark, President
Yellowstone County Planning Board

Bill Kennedy, Chairman
Board of County Commissioners
Yellowstone County

Thomas W. Hanel, Mayor
City of Billings

TBD
Policy Coordinating Committee



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YELLOWSTONE COUNTY BOARD OF PLANNING
CITY OF BILLINGS AND
YELLOWSTONE COUNTY, MONTANA



Planning Board Plat Review

9. a.

Meeting Date: 03/10/2015

Information

PROBLEM/ISSUE STATEMENT

DISCUSSION. AFFIRMATION OF THE EAST BILLINGS BOULEVARD URBAN RENEWAL DISTRICT, WYETH FRIDAY, PLANNING DIVISION MANAGER. The Council on March 23 is scheduled to consider adopting a resolution to modify the East Billings Boulevard Urban Renewal District (EBURD). The EBURD was originally created in November 2006 and while the tax increment in the district has increased, a significant amount of long range planning and project planning has also occurred to position the EBURD for development and redevelopment. The Council's intends to modify the district to include newly annexed properties east of the existing EBURD in the Exposition Gateway Concept Plan area as well as include two properties adjacent to the District that a property owner has asked be brought into the EBURD.

The Yellowstone County Board of Planning is being asked to review the EBURD Modified Plan and determine for the City Council if the modification is in conformance with the 2008 Yellowstone County and City of Billings Growth Policy. This is a requirement of both the creation and modification of an urban renewal district under state law. The Planning Board will discuss this request at this meeting and take action on the request at its meeting on March 24. If the City Council passes the resolution of intent to modify the EBURD on March 23, it will conduct a public hearing on April 13 and consider action on the modification. It is prior to this action and hearing that the Council will expect a recommendation from the Planning Board.

BACKGROUND

A significant amount of progress has occurred within the EBURD, as evidenced by:

1. Increase in taxable value: base year value of \$1,800,794, increased to a 2014 value of \$2,502,968
(*Montana Department of Revenue Form AB-72T, 8-4-2014*)
2. Successful approval of both the EBURD Master Plan and the Exposition Gateway Plan
3. Successful implementation of the recommended Parking Overlay District
4. Accomplishment of the recommended two-way streets conversions on 2nd Avenue North and 3rd Avenue North
5. Completion of EPA Brownfields Program environmental assessments on 23 parcels
6. Successful adoption of the EBURD Zoning Code
7. Completion of the Hospitality Corridor Study
8. Approval of a project to address flooding, storm water management, and infrastructure improvements in the eastern-most portion of the District.

However, many of the undesirable conditions continue to exist, and several properties adjacent to the District have been annexed into the City. Therefore, it would be in the best interest of the City to expand the District to encompass adjacent properties, construct needed public infrastructure improvements,

increase growth of the tax base, increase the parking inventory, increase the inventory of residential property, stimulate mixed-use development, and further implement the visions of the EBURD Master Plan, Exposition Gateway Plan, and the Hospitality Corridor Plan.

Growth Policy Conformance

One of the requirements of Montana's Urban Renewal Law (Title 7, Chapter 15, Parts 42 and 43) is that the urban renewal plan must conform to the community's growth policy. The Yellowstone County and City of Billings 2008 Growth Policy aligns with EBURD redevelopment in a variety of ways. This amendment to the East Billings Urban Renewal Plan is consistent with the current Growth Policy. A few specific examples of how the expanded EBURD revitalization efforts meet several Community Goals and Objectives outlined in the 2008 Growth Policy include:

- Land Use Goal #4, "Contiguous development focused in and around existing populations centers separated by open space."
- Economic Development Goal #1, "Coordinated economic development efforts that target business recruitment, retention, and expansion."
- Land Use Goal #5, "Affordable housing for all income levels dispersed throughout the City and County."
- Land Use Goal #6, "More housing and business choices within each neighborhood."
- Aesthetics Goal #1, "Visually appealing communities."

Additionally, the projects planned for the area that would be included in the EBURD expansion, support:

- Transportation Goal #6, "Well maintained network of safe and interconnected sidewalks."
- Public Service Goal #4, "Sanitary and safe properties."

For more detail on the justification for conformance of this EBURD modification with the 2008 Growth Policy, please see Section 10 of the EBURD Plan Amendment attached to this memo. The City desires to improve the quality of land use and economic development potential of these properties by including them in the EBURD.

Procedural History

- Over the course of a year or more, the Billings Industrial Revitalization District (BIRD) Board and staff, acting as advisory to the City Council in activity in the EBURD, met with all of the owners of County property in the area east of the EBURD, south of 6th Avenue North, North of 1st Avenue South, and west of Exposition Drive. These discussions included and followed the process that led to the adoption by the City Council and Board of County Commissioners of the Exposition Gateway Concept Plan for the subject area. The discussions led to 12 properties being petitioned for annexation into the City and the City approving the annexations.
- In addition, a property owner with property at 620 North 14th and 622 North 14th adjacent to the existing EBURD (620 North 14th is directly adjacent to the EBURD boundary and 622 North 14th is adjacent to 620 North 14th and already in the City) met with BIRD staff and requested that these two properties also be included in the EBURD.
- On January 26, 2015, the City annexed 12 properties in the Exposition Gateway Concept Plan area.
- On March 24, 2015, the Yellowstone County Board of Planning will act on a recommendation to the City Council as to the modified EBURD Plan's consistency with the Growth Policy.
- If the City Council approves the Resolution of Intent to Modify the District, Declare Blight, and set a public hearing date, the Council will conduct a public hearing on April 13, 2015 and conduct a first reading on an ordinance to modify the EBURD.
- If the City Council approves the ordinance modifying the EBURD on first reading on April 13, the Council will conduct a second reading of the ordinance on April 27. Thirty days from the approval of the second reading, the ordinance will take effect.

FINANCIAL IMPACT

The financial impact is unknown. However, the 2014 taxable market value of the 14 properties to be included in the modified EBURD is approximately \$93,600. The purpose of an urban renewal and tax increment district is for the public to invest in infrastructure and thereby encourage private investment that increases the taxable value. Without the public investment, it is assumed that the private investment would not occur, thus there is no “loss” of taxes from freezing the taxable value base because all taxing entities continue to collect taxes on the base value.

RECOMMENDATION

Staff recommends that the Planning Board review the modified East Billings Urban Renewal Plan, affirm the modified plan proposal is in conformance with the 2008 Yellowstone County and City of Billings Growth Policy as summarized in this memo and outlined in the modified Plan, and recommend the City Council expand the East Billings Tax Increment Finance District area and modify the Urban Renewal Plan.

Attachments

Modified EBURD Plan

East Property Exhibit

North Central Property Exhibit

2015 EXPANSION OF THE BILLINGS, MONTANA EAST BILLINGS URBAN RENEWAL DISTRICT, WITH TAX INCREMENT, AND AMENDMENT TO THE URBAN RENEWAL PLAN

**FOR CITY OF BILLINGS AND PLANNING REVIEW
February 2015**

Prepared by



Billings Industrial Revitalization District, Inc. (BIRD)
1413 4th Ave. N., Ste. C – Billings, MT 59101
pattynordlund@billingsbird.com kelly@billingsbird.com

SECTION 1 – INTRODUCTION

On November 16, 2006, the City Council adopted Ordinance #06-5395 that (a) created the East Billings Urban Renewal District (EBURD) and (b) adopted an urban renewal plan for the district. For reasons discussed in this Amendment to the East Billings Urban Renewal District Plan (“Plan”), it has been determined that the EBURD should be expanded to include other contiguous blighted properties in need of redevelopment. Further, it has been determined that this area has been and is in need of expanded public parking, enhanced pedestrian connections and experiences, improved public safety, and infrastructure improvements to public and private properties that will alleviate flooding issues and lead to increased taxable values. The existing urban renewal plan may be modified by ordinance in accordance with the procedure described in M.C.A. § 7-15-4221. The Urban Renewal Plan of the EBURD approved by the City Council on November 16, 2006, is included by reference as part of this amended Plan and shall remain applicable except to the extent the original plan is explicitly or impliedly amended by this Plan. It is recognized as part of this Plan that the basic vision of the document known as EBURD Master Plan, adopted by the Billings City Council on September 14, 2009 (Resolution #09-18878) and by the Yellowstone County Commissioners on September 29, 2009 (Resolution #09-66), remains valid and should be considered a part. In addition, it is recognized that as part of this amended Plan, the basic vision of the document known as the Exposition Gateway Plan, approved by the Yellowstone County Commissioners on May 28, 2013, and adopted by the Billings City Council on June 24, 2013 (Resolution #13-19289) also remains valid and should be considered a part. The terms defined in “Part A.III – DEFINITIONS” of the EBURD Urban Renewal Plan shall have the same meanings in this Plan unless a contrary meaning is expressed. The expanded district proposed in this Plan is hereafter referred to as the 2015 Expanded EBURD.

SECTION 2 – BACKGROUND

The original East Billings Urban Renewal District, a tax increment finance district, was created on November 16, 2006, by a resolution which stated that it was desirable for the City to consider an urban renewal project within the District, and found that the area contains structures and property in states of substantial deterioration, properties that are obsolete or defective, posing unsanitary or unsafe conditions, are vacant and unused, and have inappropriate uses, and that the present condition of the area substantially impairs the sound functioning of the area and its environs. The Council found that the area is a blighted area within the meaning of MCA 7-15-4210, and stated that “rehabilitation, redevelopment, or a combination thereof is necessary in the interest of public health, safety and welfare of the residents.” The

Council found that undertaking measures to eradicate or diminish the blight will help to foster a more dynamic, livable, and vibrant neighborhood.

Progress has occurred within the District, as evidenced by: 1) increase in taxable value: base year value of \$1,800,794, increased to a 2014 value of \$2,502,968 (*Montana Department of Revenue Form AB-72T, 8-4-2014*); 2) successful approval of both the EBURD Master Plan and the Exposition Gateway Plan; 3) successful implementation of the recommended Parking Overlay District; 4) accomplishment of the recommended two-way streets conversion; 5) completion of EPA Brownfields Program environmental assessments on 23 parcels; 6) successful adoption of the EBURD Zoning Code; 7) completion of a Hospitality Corridor Study; and 8) approval of a project to address flooding, storm water management, and infrastructure improvements in the eastern-most portion of the District. However, many of the undesirable conditions continue to exist, and several out-of-City properties adjacent to the District have now petitioned and been approved for annexation into the City (City Council meeting, 1-26-2015). Therefore, it would be in the best interest of the City to expand the District to encompass adjacent properties, construct needed public infrastructure improvements, increase growth of the tax base, increase the parking inventory, increase the inventory of residential property, stimulate mixed-use development, and further implement the visions of the EBURD Master Plan and the Exposition Gateway Plan, both of which are consistent with the adopted City-County Growth Policy.

Although there has been improvement in the valuation of property in much of the District, the area defined by this proposed expanded tax increment district still has pockets of neglect and blight. The 2015 Expanded EBURD creates an opportunity to continue redevelopment in the center of Billings with a mixture of public and private investment.

The 2015 expansion of the EBURD is essential to planned development along Exposition Drive/Main Street, across from the MetraPark facilities. Public infrastructure construction within this expanded District will spur private investment consistent with the EBURD Master Plan, and especially pertinent to the vision of the Exposition Gateway Plan. It is expected that the expanded District may help fund the following projects:

I. Business Programs and Projects

- a. Business Retention and Recruitment
 - i. Targeted assistance to existing and potential businesses
 - ii. Development of “The EBURD Advantage” marketing materials

- iii. Collaboration with and referral to Big Sky Economic Development and its business assistance programs

II. Parking and Transportation

- a. Facilitate public transit and bicycle/pedestrian-friendly growth and development
- b. Collaborate with City regarding parking management practices and programs consistent with the Parking Overlay District
- c. Plan for future needs regarding parking lots and/or structures

III. Management, Implementation and Maintenance

- a. Billings Industrial Revitalization District, Inc. or its successor, management agreement
 - i. Project development
 - ii. Public awareness
 - iii. Advocacy and liaison between public and private sectors
- b. Potential future development of Business Improvement District
 - i. Development and promotion of a MetraPark-to-Downtown Corridor through the EBURD
 - ii. Crime prevention and public safety:
Cooperative Security and/or Business Watch Program

IV. Infrastructure Improvements

- a. Public
 - i. Public parking
 - ii. Landscaping and park development
 - iii. Street construction/improvements
 - iv. Streetscapes and traffic calming plans
 - v. Sidewalks, curbs and gutter improvements
 - vi. Storm water management
 - vii. Water and waste-water line construction/improvements
 - viii. Relocation of public and private utility lines
- b. Public infrastructure improvements will support investments in:
 - i. Workforce housing development
 - ii. Parking facilities
 - iii. Lodging facilities
 - iv. Conference facilities
 - v. Entertainment venues
 - vi. Retail and restaurant enterprises

V. Housing Improvements

- a. Increase in workforce housing and live-work mixed-use projects
- b. Revitalization and redevelopment of sub-standard residential housing stock

SECTION 3 – SUMMARY OF BLIGHT FINDINGS

The area in the proposed 2015 expansion of the EBURD contains blight, particularly those parcels directly west of the MetraPark facilities which host events that attract hundreds of thousands of visitors each year. Within the district there is structural deterioration, under-utilized structures and vacant lots, and a railroad spur line that is little used. A major issue that rises to the forefront in every planning discussion is that of inadequate storm water management. Without curb and gutter to direct its flow, water pools in low spots and floods buildings. Several of the commercial buildings in the district are deteriorated and/or vacant and need demolition or renovation. Sidewalks are cracked or non-existent; alleys are deteriorated, and, in general, much of the area is below accepted standards. In contrast to the above, there are certain properties within the district in good repair but included in the district to allow for a contiguous block of land within the district and because pockets of revitalization cannot be sustained if areas of neglect and blight surround them. Over time, without ongoing managed urban renewal, even these success stories could once again decline in taxable value.

SECTION 4 – DESCRIPTION OF BLIGHTED AREA

The 2015 expanded urban renewal area described for this amended Plan incorporates most of the Exposition Gateway area, including those properties annexed in January 2015. Major flooding problems occur with rainstorms, as the infrastructure is inadequate for storm water flow and drainage. The subject properties have been used as car sales lots, truck and truck parts sales, vacant lots partially used for equipment storage, as well as some active business enterprises. Many of these structures are unsuited to their current uses because of age obsolescence and physical deterioration.

Montana's Urban Renewal Law (Montana Code Annotated Title 7, Chapter 15, Parts 42 and 43) provides the authority to declare the existence of blighted areas and to target them for improvements. "Blighted area" is defined in Section 7-15-4206(2), M.C.A., as follows:

[A]n area that is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime; substantially impairs or arrests the sound growth of the city or its environs; retards the provision of housing accommodations; or constitutes an economic or social liability or is detrimental or constitutes a menace to the public health, safety, welfare, and morals in its present condition and use, by reason of:

- (a) the substantial physical dilapidation; deterioration; defective construction, material, and arrangement; or age obsolescence of buildings or improvements, whether residential or nonresidential;*

- (b) *inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality;*
- (c) *inappropriate or mixed uses of land or buildings;*
- (d) *high density of population and overcrowding;*
- (e) *defective or inadequate street layout;*
- (f) *faulty lot layout in relation to size, adequacy, accessibility, or usefulness;*
- (g) *excessive land coverage;*
- (h) *unsanitary or unsafe conditions;*
- (i) *deterioration of site;*
- (j) *diversity of ownership;*
- (k) *tax or special assessment delinquency exceeding the fair value of the land;*
- (l) *defective or unusual conditions of title;*
- (m) *improper subdivision or obsolete platting;*
- (n) *the existence of conditions that endanger life or property by fire or other causes; or*
- (o) *any combination of the factors listed in this subsection (2).*

The land being added to the Plan area in 2015 includes 14 property tax codes, as listed in Exhibit A, with total assessed value of \$4,871,639. As noted in the 2006 approved Urban Renewal Plan, there are specific “target areas” that should be immediately considered for redevelopment. The properties on Exposition Drive represent an immediate opportunity to capitalize on the traffic generated by MetraPark events.

The EBURD area is part of Census Tract 2, with a population of 3,751. Within the tract, 28.98 percent of residents live below the Federal Poverty Line, with an estimated 2014 median family income of \$30,263. By comparison, in the greater Billings population of 109,059, only 13.1 percent live below the Federal Poverty Line. ([www.ffiec.gov/geocode/CensusDemo 07-01-2014](http://www.ffiec.gov/geocode/CensusDemo%2007-01-2014) & <http://quickfacts.census.gov>.)

There are 1,995 housing units in Tract 2, with 61.7 percent of the units (1,231) built prior to 1960 (55 years ago or more). Of those 1,231 older units, 546 were built in 1939 or earlier. Of the 446 owner-occupied housing units in the tract, 96 percent (428) are valued at less than \$200,000. In fact, 85 of the 446 units (19.1 percent) are valued at less than \$100,000. Indeed, there are a few occupied housing units (16) that lack complete plumbing and/or kitchen facilities. The tract holds 1,243 units where occupants are paying rent. The majority of renters (52.4 percent) pay between \$500 and \$749 per month. However, 29.2 percent (363 renters) pay between \$200 and \$499 per month. There are even a number of renters (23) living in units at less than \$200 per month. Census Tract 2 has a somewhat transient population. Of the 1,689 households, 83.9 percent, or 1,418 householders, moved into the current unit in 2000 or more recently. Only 16 percent, or 271 householders, have resided in the current unit since 1999 or prior years. (*U.S. Census Bureau, 2008-2012 American Community Survey 5-year Estimates, Table DP04 10-22-14.*)

Public transit, walking and bicycling facilities are important for the area, as 21.6 percent of households (365) do not have a vehicle available. Moreover, the tract houses 406 students in kindergarten through eighth-grade, along with 25 high school attendees and 248 college students. In commuting to work, although the majority of those age 16 and over drove or carpoled to work (72.6 percent), a significant number - 14.9 percent (285 people) - walked to work, and 11.1 percent (212 people) used public transportation or other means of getting to work. (*U.S. Census Bureau, 2008-2012 American Community Survey 5-year Estimates, Tables DP03 & S1401 10-22-14.*)

The EBURD census tract, along with the nearby Heights-Main Street area, is designated by the Billings Police Department as “Beat 3,” or the “East” patrol beat. The East Beat has experienced, over the past three years, increasing numbers of calls for service. In the year 2011, the East Beat had 7,756 calls. Number of calls increased to 9,804 in 2012, and jumped to 10,507 (third highest beat of the nine in the City) for 2013. (*Billings Police Department 2013 Annual Report, www.ci.billings.mt.us.*) Unfortunately, there have recently been two murder incidents in the area as well. Parks personnel, during the October conference on addressing homeless/transient issues, mentioned that homeless individuals are congregating under the Rims in the EBURD, as well as in North Park.

Brownfields, defined as areas with actual or perceived environmental contamination issues, can contribute to unsafe and dangerous conditions, as well as discourage redevelopment efforts. Big Sky Economic Development, in a cooperative agreement with the U.S. Environmental Protection Agency, has secured funding for environmental assessments of properties in the EBURD. With its first round of funding, Big Sky Economic Development contracted with an environmental engineering firm to assess 23 parcels of land in the EBURD to determine “Phase I” conditions (looking at the historical uses of the property and assessing any observed potential contamination issues). In addition, nine parcels were examined with more in-depth “Phase II” assessments, where soil and water testing took place. While none of the completed Phase II assessments pointed to remediation requirements, there are still a number of sites that are advised for Phase II assessment, and many parcels that have not received any environmental assessment to date. Big Sky Economic Development has secured additional EPA Brownfields Program funding with which to accomplish additional environmental assessments in the EBURD beginning in spring 2015, at no cost to property owners who volunteer for the program.

SECTION 5 – DETERMINATION OF BLIGHT

The proposed EBURD Expansion area contains a number of underdeveloped properties and substandard facilities. The Council previously determined that the property included in the EBURD was “blighted” within the meaning of the Act in its adoption of Ordinance #06-5395 that (a) created the East Billings Urban Renewal District (EBURD) and (b) adopted an urban renewal plan for the district (November 16, 2006). Deficiencies in public and private properties located in the district lead to a determination of blight, as defined by state statute. As cited in the original Urban Renewal Plan, the area still meets several definitions of blight:

Deficient Structures in Area (*the substantial physical dilapidation; deterioration; defective construction, material, and arrangement; or age obsolescence of buildings or improvements, whether residential or nonresidential; deterioration of site*)

There are several buildings and residential structures that are over 50 years in age and do not qualify as being historically significant. Many are in poor repair and may contain potentially hazardous asbestos and lead paint.

While streets, curbs, gutters and sidewalks in some of the area are in satisfactory repair, there are areas without such improvements. Sewer and water utilities in the area are aging and/or inadequate. Flooding occurs within public right-of-way as well as on private property during heavy rain events. Several parking lots generally do not meet code requirements for paving, striping and landscaping. Many of them are cracked and crumbling. Demand for parking will continue and District managers will collaborate with the City to accommodate commercial growth in alignment with the adopted Parking Overlay District.

Deficient Land Use (*inappropriate or mixed uses of land or buildings; defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility, or usefulness*)

In general, the 2015 expansion area is under-utilized due to the significant amount of surface used as storage or left vacant. Most structures are single-story. There are vacant lots, storage lots, and auto sales lots directly across the street from Montana’s largest indoor entertainment complex and trade-show facilities. The taxable value of this district must be stabilized and encouraged to grow.

Protecting Public Health & Safety (*unsanitary or unsafe conditions; the existence of conditions that endanger life or property by fire or other causes*)

The conditions of blight, crime, vagrancy and potential brownfields, as described above, reduce “social capital” and community connectedness. Flooding promotes mold growth and related health problems.

SECTION 6 – THE SITE AND ITS RELATIONSHIP TO THE CITY

The Expanded EBURD occupies the center of the City of Billings, adjacent to the Downtown Central Business District and the medical corridor to the west; connecting to the Billings Heights area via Main Street to the northeast; welcoming visitors from Lockwood and beyond via 1st Avenue North to the southeast; and meeting up with the Rimrocks to the north.

SECTION 7 – LEGAL DESCRIPTION

The legal description of the proposed 2015 Expanded East Billings Urban Renewal District is as follows: Beginning at a point at the centerlines of the intersection of 1st Avenue North and North 10th Street and proceeding east to the centerline of Exposition Drive/Main Street, and proceeding north from the intersection of 1st Avenue North and Exposition Drive/Main Street to the intersection of 6th Avenue North and Exposition Drive/Main Street, and from the intersection of 6th Avenue North and Exposition Drive/Main Street, proceeding west to the intersection of 6th Avenue North and North 10th Street, and proceeding south from the intersection of 6th Avenue North and Exposition Drive/Main Street to the intersection of 1st Avenue North and North 10th Street, encompassing all parcels and tax codes therein.

Please see map on following page.

In addition, we propose to add property designated as Tax Code A12053 (North Park Subd., S33, T01N, R 26E, Block 2, Lot 11-12) and property designated as Tax Code A12052 (North Park Subd., S33, T01 N, R26E, Block 2, Lot 7-10).. These lots, are slated for expansion of the Billings Carpet Cleaning activities

[insert map here]

SECTION 8 – PROPERTY DEVELOPERS

New development and revitalization in the proposed 2015 expanded urban renewal district will be accomplished with private investment and public-private partnerships, through the implementation of the EBURD Master Plan and the Exposition Gateway Plan. As outlined in Section 2 above, improvements in infrastructure will spur investments in workforce housing development, parking facilities, lodging facilities, conference facilities, entertainment venues, as well as retail and restaurant enterprises.

SECTION 9 – PROJECT RELATIONSHIP TO THE EBURD MASTER PLAN & EXPOSITION GATEWAY PLAN

The proposed urban renewal area and expanded tax increment district is located generally in the center of the City and encompasses several “districts” as defined by the EBURD Master Plan and the EBURD Code. The EBURD Master Plan contemplated eventual annexation of County properties adjacent to the original urban renewal district, and this Amended Urban Renewal Plan seeks to accomplish that end.

One goal of the EBURD Plan was to develop a zoning code unique to the vision of the EBURD. The new code was established and adopted in October 2012, following several months of committee work and public meetings, with consultation from a professional firm known for, literally, writing the book on form-based code options. Form-based code considers the look of the facility and its surrounding landscape, rather than basing zoning purely on the use of the facility. The new code allows for increased flexibility in uses, which was desired by landowners and developers in the area.

Generally, the EBURD Master Plan stressed the area’s ability to make a positive impact on the entire city. The Plan also recommended a private non-profit organization to assist the City of Billings with the management of the Tax Increment District through an annual work plan and contract. This expanded EBURD may be managed in a similar manner and could make use of the redevelopment and facilitation established through that management entity, the Billings Industrial Revitalization District, Inc.

The Plan names housing as an important priority, and recommends that the City continue to work with builders and developers to encourage downtown housing through various methods. Specifically, the plan encourages housing in the Rail Spur Village. However, live-work space is allowed in several EBURD districts, as outlined in the adopted EBURD Code. The formation of an expanded tax increment district will

increase funding for construction or rehabilitation of public infrastructure necessary to attract, retain, and improve housing in the area.

The guiding principles developed through the EBURD Master Plan were built upon the goals of the original Urban Renewal Plan, and continue to guide today's efforts: 1) Foster economic growth; 2) Foster distinct mixed-use, industrial, and hospitality centers; 3) Create affordable housing opportunities and choices; 4) Ensure existing industrial uses can continue to operate as desired; 5) Improve the natural beauty of the District by reintroducing trees and other features; 6) Extend pedestrian and bike trail connections to downtown, Heights, MetraPark and the Yellowstone River; 7) Integrate edges of the District with North Park neighborhood, medical corridor, and downtown; 8) Provide a variety of transportation choices and connections; 9) Complete sewer and storm water infrastructure; and 10) Understand and reduce environmental risks.

Guided by the above principles, several critical action plan steps have already been accomplished: successful approval of both the EBURD Master Plan and the Exposition Gateway Plan; successful implementation of the recommended Parking Overlay District; accomplishment of the recommended two-way streets conversion; completion of EPA Brownfields Program environmental assessments on 23 parcels, with more to take place beginning in 2015; successful adoption of the EBURD Zoning Code; completion of a transportation corridor study; and development of a plan to address flooding, storm water management, and infrastructure improvements in the eastern-most portion of the District. This amendment to the Plan and the urban renewal projects that it contemplates will continue to act upon the Plan's guiding principles.

SECTION 10 – CONFORMANCE TO THE GROWTH POLICY

One of the requirements of Montana's Urban Renewal Law (Title 7, Chapter 15, Parts 42 and 43) is that the urban renewal plan must conform to the community's growth policy. The Yellowstone County and City of Billings 2008 Growth Policy ("Growth Policy") aligns with EBURD redevelopment in a variety of ways. This amendment to the East Billings Urban Renewal Plan is consistent with the current Growth Policy. Specifically, the expanded EBURD revitalization efforts meet several Community Goals and Objectives outlined on pages 6-16 of the 2008 Growth Policy:

A. Revitalization in the EBURD meets the goal of contiguous development and of the City's Infill Policy. Revitalization also helps to address the issue stated in the Growth Policy that urban sprawl threatens the rural character of land surrounding Billings, increases the cost of providing public services and threatens the

vitality of the city core and downtown area.

B. Development in the EBURD, especially in the Rail Spur Village area, works toward the goal of affordable housing for all income levels dispersed throughout the City and County. Development of housing helps to address the Growth Policy issue which stated that there is a serious lack of affordable housing for low to moderate income households.

C. Adoption of the more-flexible EBURD Code and continued development efforts in the expanded area help achieve the goal of more housing and business choices within each neighborhood. Moreover, continued development in accordance with the new code assists in addressing the stated issue that there is a desire for more mixed-use neighborhoods.

D. Addition of the Exposition Gateway area to the existing TIF District helps achieve goals to encourage economic development in the neighborhood, encourage new businesses to locate in a prime gateway area, and sets the stage for enhancement of both the functionality and the visual appeal of the entrance to Billings from Lockwood (1st Avenue North & Exposition Drive/Main Street). As noted in the Growth Policy, entryways to our communities should be attractive and not present physical barriers discouraging economic development.

E. The EBURD is adjacent to downtown Billings, and revitalization of the area, as it continues to develop, will contribute toward the vitality and increased safety for visitors and shoppers. As stated in the Growth Policy, safety is an important element.

F. Expansion of the EBURD TIF District assists in meeting the goal of more visually appealing communities, improving the image of the area across the street from the MetraPark facilities and instilling pride in this area of town. Enhancing visual appeal helps to address the Growth Policy's stated issue that there are areas in the City and County that are unattractive and present a poor image of the community.

G. Improvements to the area as envisioned in the Exposition Gateway Plan can lead to a visually appealing design that incorporates the needs not only of vehicular traffic entering the area from Lockwood and from Main Street, but also improves pedestrian access between the MetraPark facilities and new development in the Expo Gateway. Improvements in the proposed expansion area will aid in addressing the Growth Policy's issue that the design of roads, streets, and pedestrian facilities can be more attractive and functional.

H. Expansion of the EBURD TIF District will contribute toward the goal of a well-maintained network of safe and interconnected sidewalks by addressing the critical need for sidewalks, curb and gutter in the Expo Gateway area. As noted in the Growth Policy, the sidewalk system in the City needs upgrading; many sidewalks are cracked and broken, several critical sections are missing, and important sidewalk routes are not adequately maintained.

I. Expansion of the District to include the Expo Gateway area assists the City toward its goal of sanitary and

safe properties, with an improved community image and an increase in property values. Advancing toward this goal helps to address the stated issue that there are dilapidated and unsafe properties in neighborhoods.

J. Expansion of the District allows access to TIF District funding for a long-neglected infrastructure upgrade, moving the City toward its goal of equitable collection and distribution of funding for public services and facilities. Moreover, the expansion assists the City in achieving its objective to ensure that facilities and services are maintained in existing neighborhoods as new neighborhoods are added. The Growth Policy notes that funding for community facilities and infrastructure is very limited; prudent use of TIF District funds assists in solving the limited funding issue.

K. Expansion of the TIF District to include the Expo Gateway area aligns with the City's goal of adaptive reuse of vacant structures, conserving resources, preserving landmarks, preserving neighborhood integrity, and taking advantage of economic development opportunities. Adaptive reuse helps to address the stated issue that there are vacant structures around Billings and in the County that could be reused.

L. Expansion of the EBURD TIF District, leading to development of live-work enterprises and additional workforce housing options, helps move toward the goal of adequate affordable housing and more options for housing, potentially in an area very near to work opportunities. Achievement of these goals assists in solving the stated Growth Policy issue that poor housing and lack of living wage jobs puts the health of residents at risk.

The Growth Policy lists Urban Renewal Districts as an implementation strategy to revitalize neighborhoods, and expansion of the EBURD aligns well with that revitalization strategy.

SECTION 11 – CERTAIN PLAN FEATURES AND FINANCIAL MATTERS

Section 7-15-4217, M.C.A., of the Act requires cities to make certain findings when they adopt an urban renewal plan and approve Urban Renewal Projects. These are addressed below:

1. The existing EBURD contains 133 housing units that are home to 305 people (*U.S. Census 2010, per Leslie Zolman, GISP, Montana Dept. of Commerce Census and Information Center, 5-7-2014*). For the entire Census Tract, including the North Park neighborhood, there are 1,995 housing units, of which 1,689 are occupied and 306 are vacant (*U.S. Census Bureau, American Community Survey Table DP04, 10-22-14*). Planned projects would not displace any persons from housing. Accordingly, there is no need to have a workable and feasible plan for substitute housing until and unless such a project is developed in the future.

2. This amended East Billings Urban Renewal Plan conforms to the Growth Policy for the City as a whole, and also to the EBURD Master Plan and the Exposition Gateway Plan.
3. This Modified Plan affords maximum opportunity, consistent with the needs of the City as a whole, for the rehabilitation or redevelopment of the Expanded EBURD by private enterprise. It is unreasonable to expect that the district will be stabilized and/or redeveloped without substantial public support. Some properties within the area are dilapidated. As presently constituted, property in the district is not conducive to any sort of uniform or integrated development and, as presently existing, cannot compete with other areas of the City for substantial developments, particularly areas at the outskirts of the City. This amended Plan is intended to facilitate the identification and construction of significant Urban Renewal Projects, which would not be possible without this Plan.
4. A sound and adequate financial program exists for financing projects, which include the sale and issuance by the City of tax increment finance bonds. Subsequent approved development projects will require commitments of substantial private financing that will provide the primary means for funding construction of the improvements and revitalization efforts.
5. This 2015 Expanded EBURD may be modified at any time by the City Council as necessary to eliminate and prevent the development or spread of blighted areas, and encourage urban rehabilitation. The process for plan modification shall follow the procedures set forth in 7-15-4212 through 7-15-4219 MCA, with respect to initial adoption of this plan. For purposes of urban renewal district boundary changes only, the notice of public hearing, as described in 7-15-4215 MCA, may be mailed only to those owners whose properties are situated within the area of expansion of the Urban Renewal District boundaries. Notice will be mailed to those property owners whose properties are within the area of expansion.

SECTION 12 – TAX INCREMENT

Tax increment financing is necessary to encourage private reinvestment within the District, which will further encourage economic growth in the District and the City, create substantial employment opportunities, and increase the tax base of the City and other taxing jurisdictions. The 2015 Expanded EBURD is hereby established as a tax increment financing urban renewal area within the meaning of the

Act, and, in particular, Section 7-15-4282 through 7-15-4293 of the Act. This Section constitutes a tax increment provision within the meaning of the Act. In connection with the expansion:

1. For the purpose of calculating the incremental taxable value each year for the life of the district, the base taxable value shall be calculated as base taxable value of the original district as of [January 1, 2006] plus the base taxable value of all real and personal property added to the district by this amended plan and as shown in Exhibit A as of January 1, 2015.
2. The City is hereby authorized to segregate the tax increment derived in the district and use and deposit such increment into the tax increment fund of the district for use as authorized by the Act and as authorized herein from time to time, including, without limitation, pledging the tax increment to repayment of Bonds.
3. The tax increment received from the district may be used to pay directly costs of an approved Development Project as may from time to time be approved by the Council. The Council also hereby authorizes the use of tax increment in the district to pay debt service on bonds issued to finance a portion of the costs of these development projects, and costs associated with the sale and security of such bonds (including any necessary reserve funds) in compliance with the Act, subject to any limitations imposed by the Montana Constitution and federal law.
4. The tax increment provision of the district will terminate upon the latter of:
 - a. The fifteenth (15th) year following the original creation of the district; or
 - b. The payment or provision for payment in full or discharge of all bonds, and the payment of interest thereon, for which the tax increment has been pledged.

After termination of the tax increment provision, all taxes shall continue to be levied upon the actual taxable value of the taxable property in the district, but shall be paid into funds of the taxing bodies levying taxes within the district.

SECTION 13 – CONCLUSIONS

The creation of this expanded East Billings Urban Renewal District will have a positive impact on central Billings, and is an essential first step in completing what may be a number of urban renewal projects.

Estimates calculated by ECO-Northwest in preparation of the Exposition Gateway Plan indicate that development in the Expo Gateway has a potential new value of nearly \$65 million, with potential TIFD revenues of slightly more than \$1 million (*Financial Analysis, ECO-Northwest, April 8, 2013*). The figures are preliminary estimates; actual values and tax revenue will vary based on type, size and timing of development. Expansion of the district, in addition to further stabilizing the tax base, eliminating blight and providing renaissance to the EBURD, will also bring new employees and residents to the area.

ECO-Northwest states that the Expo Gateway District offers desirable locational attributes:

The Gateway District has several important locational advantages relative to other areas in Billings that make it a prime area for development in the hospitality and retail sectors.

- Proximity to downtown. It is centrally located near employment and commercial uses in the Central Business District, the medical campuses, and the University (directly to the west).
- Proximity to MetraPark. The county-owned multi-function facility has an indoor arena, rodeo grounds, a horse track, open space and other facilities. MetraPark has a long history of successful operation (850,000 to 1 million visitors per year, with 30% coming from over 100 miles away, per Sandra Hawke, MetraPark, February 2009), and provides opportunities for complementary meeting space and catering facilities.
- Proximity to the airport. It is closer to Billings Logan Airport (3 miles) than many areas in the Central Business District as well as areas in south and east Billings.
- Proximity to amenities and commercial areas. It is in close proximity to commercial areas downtown and in Billings Heights, which is a commercial and residential hub to the north.
- Proximity to regional highways. The District lies at the intersection of 212, I-90 and I-94.

The key comparative advantage for the area is its central location *between* downtown and MetraPark (and between the West End and the Heights) on flat land with urban services. It is a good location for urban development. (*ECO-Northwest, Existing Market Conditions Assessment, May 22, 2013*)

As stated in the Exposition Gateway Plan and as stated herein, the Exposition Gateway area requires repair and improvement to streets, curbs, gutters and sidewalks and the water and sewer utilities are inadequate. The City hereby approves, as an urban renewal project for the District, [the reconstruction of the streets from Main Street to North 11th Street and between 1st Avenue North to 4th Avenue North in accordance with the Exposition Gateway Concept Plan. The streets included in the construction limits are North 9th Street, North 10th Street, 2nd Avenue North, and 3rd Avenue North. Construction includes full street construction, sidewalk, bulb-outs at the corners, on-street parking, new sanitary sewer, new water mains, and storm drain upgrades.] The Council hereby approves financing of such improvements with proceeds of tax increment bonds payable from tax increment generated by the District. Such bonds will be issued in a principal amount such that the debt service thereon can be paid from tax increment generated by the District over a period of 30 years. The City hereby finds that there is a feasible and workable plan for financing the improvements.

Expansion of the East Billings Urban Renewal District to include the property described in this amended Plan will have a positive effect on the area and on the City. Improvements to infrastructure will surely be the catalyst in attracting the desired types of development, and will spur further achievement in reaching the goals of the overall EBURD Master Plan.

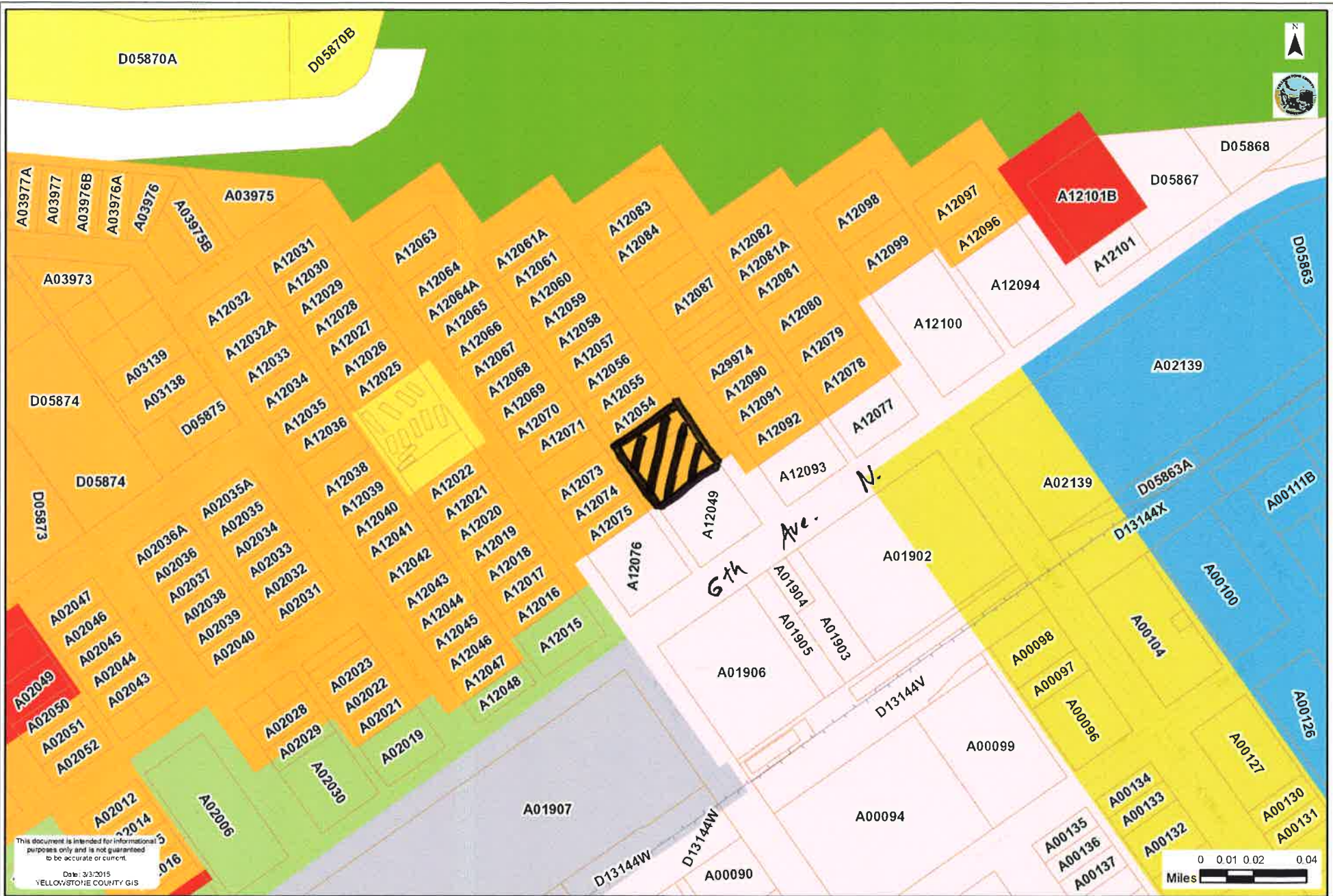
Please see Exhibit A on next page.

EXHIBIT A

2015 EBURD Expansion

TAXID	ASSESSED VALUE	TAXID	MARKET VALUE	TAXABLE VALUE	TAXID	LOT SIZE (Approx. Sq. Ft.)
1002286 Total	\$1,720.00	1002286 Total	\$912.00	\$23.00	1002286	0
A09340 Total	\$792,286.00	A09340 Total	\$621,944.00	\$15,362.00	A09340	44344.08
A09343 Total	\$688,400.00	A09343 Total	\$540,394.00	\$13,347.00	A09343	29403
A09355 Total	\$265,451.00	A09355 Total	\$208,379.00	\$5,147.00	A09355	42383.88
A09355B Total	\$45,930.00	A09355B Total	\$36,055.00	\$891.00	A09355B	6403.32
A09373 Total	\$498,600.00	A09373 Total	\$391,401.00	\$9,667.00	A09373	19035.72
A09374 Total	\$71,910.00	A09374 Total	\$56,449.00	\$1,394.00	A09374	10628.64
A09375 Total	\$43,862.00	A09375 Total	\$34,432.00	\$850.00	A09375	6054.84
D05887 Total	\$358,428.00	D05887 Total	\$281,366.00	\$6,949.00	D05887	56628
D05888 Total	\$444,941.00	D05888 Total	\$349,279.00	\$8,628.00	D05888	69260.4
D05893 Total	\$593,800.00	D05893 Total	\$466,133.00	\$11,513.00	D05893	56628
D05897 Total	\$14,973.00	D05897 Total	\$11,754.00	\$290.00	D05897	1306.8
D05898 Total	\$917,363.00	D05898 Total	\$720,129.00	\$17,787.00	D05898	91911.6
I01092A Total	\$19,200.00	I01092A Total	\$15,072.00	\$372.00	I01092A	0
Total	\$4,756,864.00	Total	\$3,733,699.00	\$92,220.00		
A12052	\$92,800.00	A12052	\$49,184.00	\$1,215.00	A12052	15000
A12053	<u>\$21,975.00</u>	A12053	<u>\$11,647.00</u>	<u>\$ 201.00</u>	A12053	7500
Grand Total	\$4,871,639.00		\$3,794,530.00	\$93,636.00		

Exhibit A figures provided by Yellowstone County GIS



Public	Residential 8000	Residential 6000	Residential Multi-Family	Residential Professional	Central Business District	Heavy Industrial	Agricultural Suburban	Entryway Mixed Use	East Billings Railspur Village Main St.	East Billings Industrial Sanctuary	Residential Suburban (Laurel)	Residential Limited Multi-Family (Laurel)
Residential 15000	Residential 7000	Residential 6000 Restricted	Residential Multi-Family Restricted	Neighborhood Commercial	Planned Unit Development	Controlled Industrial	Entryway Light Commercial	Entryway Light Industrial	East Billings Central Works	Medical Corridor Permit Zoning District	Residential Tracts (Laurel)	Light Industrial (Laurel)
Residential 9600	Residential 7000 Restricted	Residential 5000	Residential Manufactured Home	Community Commercial	Highway Commercial	Agricultural Open	Entryway General Commercial	East Billings Railspur Village	East Billings 13th St. Main St.	S. 27th Street Permik Zoning District	Residential 7500 (Laurel)	