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

AGENDA
June 23, 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. **MEETING MINUTES**: **JUNE 9, 2015**

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).

a. Public Hearing/Motion and Recommendation to City Council. Aspen Ridge Subdivision, 2nd Filing, Wyeth Friday, Planning Dvision Manager

b. **PUBLIC HEARINGS/PUBLIC HEARING PARTICIPATION GUIDELINES**. The County Planning Board welcomes public input on matters brought before the Board. To ensure a fair and effective public comment process, we ask that you consider the following guidelines when presenting your comments: Address the Planning Board directly. You must state your name and address before commenting. This is an opportunity to explain how you will be affected by the decision and why that is an important consequence. By state law, the Planning Board must consider only certain criteria when reviewing subdivisions (76-3-608(a), MCA). Please see the attached guidelines for the criterion. Thank you for participating!

1. **Clear Creek Subdivision 2nd Filing, Amended Lot 5, Block 1**, **Dave Green, Planner I.** On May 1, 2015, owners Robert and Dorothy Labert applied for preliminary subsequent minor plat approval for Clear Creek Subdivision, 2nd Filing, Amended Lot 5, Block 1. The proposed plat creates 2 lots from a 3.8-acre parcel of land. The subject property is generally located on the south side of Pine Ridge Lane, just north of the Highway 87 N/ Highway 312 intersection in the Heights. The property is zoned Community Commercial (CC) and there are a mixture of commercial and residential uses in the immediate vicinity.

PROCEDURAL HISTORY

- A pre-application meeting was held on April 16, 2015, to discuss the proposal.
- The preliminary plat application was submitted to the Planning Division on May 1, 2015.
- A departmental review meeting was conducted on May 14, 2015.
- The preliminary plat was resubmitted with revisions based on department reviews on May 21, 2015.
- The Planning Board reviewed the plat on June 9, 2015.
- The Planning Board will conduct a public hearing on June 23, 2015, and forward a recommendation to the Board of County Commissioners.

- The Board of County Commission will consider the preliminary plat on July 14, 2015.
- The 60 working-day preliminary plat review period ends July 27, 2015.

c. **Motion/Recommendation to BOCC. Lone Tree Industrial Park, Dave Green Planner I**

INTRODUCTION

On May 1, 2015, the Planning Division received an application for review and approval of a seven-unit condominium subdivision on Tract 3A of Certificate of Survey 971. The property is located on the north side of King Avenue West between South 64th Street West and South 72nd Street West. The general address is 6875 King Avenue West. The property is not within the County zoning jurisdiction and therefore, in accordance with Chapter 8 of the County Subdivision Regulations, this condominium development must be reviewed as a "subdivision for rent or lease." The Board of County Commissioners will act on the proposal on July 7, 2015.

PROCEDURAL HISTORY

- A pre-application meeting was held on April 2, 2015 for this proposal. It was determined that this is a major subdivision for rent or lease application which follows the major subdivision review process.
- The preliminary plat application was submitted to the Planning Division on May 1, 2015.
- A Department Review Meeting was held on May 14, 2015, on this plat application.
- The Yellowstone County Board of Planning held a plat review for this application at its June 9, 2015, meeting.
- The Yellowstone County Board of Planning will conduct a public hearing on this application at its meeting on June 23, 2015.
- The Yellowstone County Board of County Commissioners will be considering the application at its regular meeting on July 7, 2015.

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

a. Discussion. Lockwood Non-Motorized Plan Review Schedule. Scott Walker, Transportation Coordinator

b. **Presentation/ Motion and Recommendation.** East Billings Urban Renewal District and the Gateway Exposition Master Plan. Candi Millar

9. **OTHER BUSINESS:**

10. ADJOURNMENT

FUTURE AGENDA ITEMS FOR TUESDAY, JULY 14, 2015

a. **Public Hearing. Motion/Recommendation to BOCC. Holly's Subdivision, County Subsequent Minor, Dave Green, Planner I**

b. **Public Hearing. Motion/Recommendation to PCC: Lockwood Non-Motorized Plan, Lora Mattox, Transportation Planner**

Planning Board Planning Board Meeting 2
Meeting Date: 06/23/2015

Information

Subject
MEETING MINUTES: **JUNE 9, 2015**

Attachments

2015_06_09_PLNB_Minutes

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)

1	Position	01/13/2015	01/27/2015	02/11/2015	02/24/2015	03/10/2015	03/24/2015	04/14/2015	04/28/2015	05/12/2015	05/26/2015	06/09/2015	06/23/2015	07/14/2015	07/28/2015	08/11/2015	08/25/2015	09/08/2015	09/22/2015	10/13/2015	10/27/2015	11/10/2015	
Dave Goodridge	Mayor/Billings Ward I	-	-	-	-	1	1	-	1	E	E												
Patrick Klugman	Mayor/Billings Ward II	1	1	1	-	1	1	-	1	1	1												
Donna Forbes	Mayor/Billings Ward III	1	1	E	-	1	1	-	1	1	1												
Darell Tunnicliff	Mayor/Billings Ward IV	1	1	1	-	-	1	-	1	1	1												
Dick Clark (President)	Mayor/Billings Ward V	1	E	1	-	1	1	-	1	1	1												
Vacant	YC District 1	-	-	-	-	-	-	-	-		-												
Dennis Cook	YC District 2	1	1	1	-	-	E	-	1	1	1												
Lisa Sukut	YC District 3	1	E	E	-	-	E	-	E	1	E												
Vacant	YC District 4	-	-	-	-	-	-	-	-	-	-												
Don Reed	YC District 5	E	E	1	-	-	1	-	1	E	1												
Dean Clark	YC District 6	E	E	1	-	1	1	-	1	1	1												
Al Littler	YC District 7	1	1	1	-	1	E	-	E	E	E												
Clint McFarland	Y County Cons. District	1	1	1		1	1	-	E	1	1												
Scott Reiter	Ex-Officio S.D. 2 Facilities Director	E	E			1	1	-	1	-	E												
Supt. Terry Bouck	Ex-Officio S.D. 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

June 9, 2015
To be approved by a motion on June 23, 2015

1. **Call the Meeting to Order**
   President Dick Clark called the meeting to order at 6:00 p.m. on Tuesday, June 9, 2015, in the Miller Building 1st Floor conference room, 2825 3rd Avenue North, Billings, Montana.

   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 are: Candi Millar, Director, Planning & Community Services Department; Wyeth Friday, Planning Division Manager; Dave Green, Planner I; Scott Walker, Transportation Planning Coordinator; Tammy Deines, Planning Clerk

   Attending: Toby Liecht, Blueline Engineering; Quentin Eggart, EEC; Chris Vlahos

2. **Approval of the Agenda**-President Clark called for approval of the June 9, 2015 meeting agenda. Director Millar requested an additional discussion item for the Exposition Gateway Overlay District-City and County.

   Motion
   Darell Tunnicliff made a motion and it was seconded by Dennis Cook to approve the June 9, 2015 meeting agenda with the discussion item for the Exposition Gateway Overlay District-City and County.

   The motion carried with a unanimous voice vote.

3. **Meeting Minutes for May 27, 2015**

   Motion
   Donna Forbes made a motion and Clint McFarland seconded the motion to approve the May 27. 2015 minutes.

   The motion carried with a unanimous voice vote.

4. **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.

   There were no Public Comments given during this time.

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.

7. OLD BUSINESS-

7a. Public Hearing Guidelines-President Clark reviewed the public hearing participation guidelines provided on the agenda.

7b. Public Hearing. Motion/Recommendation 2015-2019 TIP Amendment I, Scott Walker Transportation Planner

Introduction

Scott Walker gave an overview of the summary and adoption schedule below. . This document is the fiscal accounting of projects moving through the planning process. This amendment is due to cost changes in some of the projects, including the Bench Boulevard project and several safety projects.

2015-19 TIP AMENDMENT I

PROJECTS ADDED/AMENDED - Summary

- Bench Boulevard – Cost Updates
- Signal Upgrades Billings – Various Locations
- Lockwood Signal Upgrades – Various Locations
- Pinehills and Prior Creek Interchanges – Pavement Preservation
- Highway 3 (27th to Zimmerman Trail) – Pavement Preservation
- 6th Avenue (27th to 32nd) – Pavement Preservation
- Division Street – Pavement Preservation
- Hillcrest – Right Turn Lane
- Billings North – Rumble Strips
- King Avenue Interchange Signals – Reflective Back plating

2015-2019 TIP AMENDMENT I - ADOPTION SCHEDULE

- The Technical Advisory Committee met the morning of May 21st to review the 2015-1 96 TIP Amendment I. TAC has recommended approval.
- The Planning Board will initially review the 2015-19 TIP Amendment I at its regular meeting on May 27th then make final recommendation of the document June 9th and forward its recommendation to the PCC.
- The Board of County Commissioners will review and take action on the 2015-19 TIP Amendment I at its regularly scheduled meeting on June 16th and forward its recommendation to the PCC.
- The City Council will review and take action on the 2015-19 TIP Amendment I at its regular meeting on June 22nd and forward its recommendation to the PCC.
- The PCC is expected to meet on June 23rd to take final local action on the 2015-19 TIP Amendment I.

Discussion
President Clark called for questions and discussion. Don Reed asked what the Lockwood signalization project entails and Scott Walker said it will involve Johnson Lane.

Public Hearing
At 6:10 p.m., President Clark opened the public hearing and asked if there is anyone present wanting to speak in favor or against the 2014-2019 TIP Amendment I. There was none. President Clark closed the public hearing and called for a motion.

Motion
Dennis Cook made a motion and it was seconded by Donna Forbes to forward a recommendation to PCC of approval of the 2015-2019 TIP Amendment I as presented by staff.

The motion carried with a unanimous voice vote.

Scott Walker added he followed up with the Public Works Engineering Division as requested by Board members Klugman and Clark. The intersection at Wicks and Governors Boulevard is under review. The Central Ave and 19th-intersection needs conduit replacement and they are waiting for an available crew.

7c. Public Hearing/Motion/Recommendation. City and County Subdivision Regulation Amendments-Wyeth Friday, Planning Division Manager

President Clark asked Wyeth Friday to open this agenda item. He explained Planning staff was recently alerted to an inconsistency in the local subdivision regulations with state law in relation to subdivision of land within a 100-year floodplain. It is desirable to have local subdivision regulations consistent with all other applicable laws. This proposed amendment is designed to bring the local and state regulations related to the 100-year floodplain into alignment with each other.

RECOMMENDATION
Planning staff recommends that the Board of Planning review the proposed changes, provide feedback, and set a public hearing date for June 9, 2015.

Discussion
President Clark called for questions and discussion. Donna Forbes asked if insurance can be obtained if a structure is built in the flood fringe. Wyeth Friday stated insurance would have to be obtained for this to take place. Darell Tunnicliff asked if the County regulations can be more restrictive than State regulations. Candi Millar stated it is possible but justification is needed for the reasoning behind the more restrictive regulations. Dick Clark asked about the process if one wants to build in the fringe area. Wyeth Friday explained that a floodplain permit would need to be obtained and there are requirements to demonstrate there would be no impacts. The local floodplain administrator determines if the criterion is met. Candi Millar explained that the language

in the floodplain regulations is a remnant from older model regulations primarily written for cities and counties that did not adopt the old FEMA regulations. These regulations were carried for decades and both the City and County adopted the Flood Insurance maps in the 80s. Under the floodplain regulations, demonstration is needed to say what the subdivision regulations used to say. She said this amendment should have been done some time ago.

Don Reed commented that much of the proposed development (industrial park) in Lockwood is in the flood fringe. Wyeth Friday clarified and stated the proposal is to not develop the property in the fringe area. Don Reed noted applicants would have to go through the permitting process. Discussion followed on the changes in the river and the floodway mapping. Clint McFarland stated the Yellowstone Conservation District conducted LIDAR mapping of the river and Candi Millar said this was used for recent remapping of the floodplain.

Public Hearing

At 6:28 p.m., President Clark opened the public hearing and asked if there is anyone present wanting to speak in favor or against the City and County Subdivision Regulation Amendments. There was none. President Clark closed the public hearing and called for a motion.

Motion

Dean Clark made a motion and it was seconded by Dennis Cook to forward a recommendation to the governing bodies of approval of the City and County Subdivision Regulation Amendments presented by staff.

The motion carried with a unanimous voice vote.

8. NEW BUSINESS

8a. Plat Review/Discussion. Clear Creek Subdivision, 2nd Filing Amended Lot 5 B1 Dave Green, Planner I

President Clark asked Dave Green to open this agenda item.

INTRODUCTION

On May 1, 2015, owners Robert and Dorothy Labert applied for preliminary subsequent minor plat approval for Clear Creek Subdivision, 2nd Filing, Amended Lot 5, Block 1. The proposed plat creates 2 lots from a 3.8-acre parcel of land. The subject property is generally located on the south side of Pine Ridge Lane, just north of the Highway 87 N/ Highway 312 intersection in the Heights. The property is zoned Community Commercial (CC) and there are a mixture of commercial and residential uses in the immediate vicinity. The Yellowstone County Board of Planning will review the plat at this meeting and conduct a public hearing on Tuesday, June 23, 2015. The Board of County Commissioners will act on the proposal on July 14, 2015.

RECOMMENDATION

Staff recommends that the Planning Board recommend that the Yellowstone County Board of County Commissioners conditionally approve the preliminary plat of Clear Creek Subdivision, 2nd Filing, Amended Lot 5, Block 1, and adopt the Findings of Fact as presented in the staff report.

PROPOSED CONDITIONS OF APPROVAL

Planning staff recommends the following conditions of approval:

1. To minimize the 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.

2. 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.

3. 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.

Discussion

President Clark called for discussion. Donna Forbes asked for clarification on the subdivision access points and it was given by Dave Green. In response to question by Patrick Klugman, the property is in the BUSFA, and Billings Fire Department has designated an emergency access from the cul de sac.

** A public hearing for Clear Creek Subdivision, 2nd Filing, Amended Lot 5 Block 1 will be held on Tuesday, June 23, 2015.

8b. Plat Review/Discussion. Lone Tree Industrial Park, Dave Green, Planner I

President Clark asked Dave Green to open this agenda item.

INTRODUCTION

On May 1, 2015, the Planning Division received an application for review and approval of a seven-unit condominium subdivision on Tract 3A of Certificate of Survey. The property is located on the north side of King Avenue West, between South 64th Street West and South 72nd Street West, the general address is 6875 King Avenue West. The property is not within the County zoning jurisdiction and therefore, in accordance with Chapter 8 of the County Subdivision Regulations, this condominium development must be reviewed as a "subdivision for rent or lease."

RECOMMENDATION

Staff recommends that the Planning Board recommend that the Yellowstone County Board of County Commissioners conditionally approve the preliminary plat of the Lone Tree Industrial Park and adopt the Findings of Fact as presented in the staff report.

PROPOSED CONDITIONS OF APPROVAL

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 the effects on public health and safety, prior to final plat approval the subdivider shall receive approval from the MDEQ / RiverStone Health for the proposed cistern and septic system.
2. 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.
3. 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.

Discussion

President Clark called for discussion. Donna Forbes commented on the lack of green space in this area. Dave Green pointed out this is an industrial subdivision for businesses.

**A public hearing for Lone Tree Industrial Park will be held on Tuesday, June 23, 2015.

8c. Plat Review/Discussion. Aspen Ridge Subdivision, 2nd Filing, Wyeth Friday, Planning Division Manager

President Clark asked Wyeth Friday to open this agenda item.

INTRODUCTION

On May 1, 2015, owner, Superior Builders, LLP, applied for preliminary major plat approval for Aspen Ridge Subdivision, 2nd Filing. The proposed plat creates 15 lots from a 28-acre parcel of land. The subject property is generally located in Lockwood, on the south side of San Marino Drive, between Tanglewood Drive and Noblewood Drive. The property is zoned Residential-9,600 (R-96). The Yellowstone County Board of Planning will review the plat at this meeting and conduct a public hearing on Tuesday, June 23, 2015. The Board of County Commissioners will act on the proposal on July 14, 2015.

RECOMMENDATION

Staff recommends that the Planning Board recommend that the Yellowstone County Board of County Commissioners conditionally approve the preliminary plat of Aspen Ridge Subdivision, 2nd Filing, and adopt the Findings of Fact as presented in the staff report.

PROPOSED CONDITIONS OF APPROVAL

Planning staff recommends the following conditions of approval:

1. To minimize effects on local services, Lot 9, Block 2 shall be deeded to the County at the time of final plat recording, and a maintenance district shall be established or expanded to maintain the storm water facilities on the lot.

2. To minimize the 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.

3. 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.

4. 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.

Discussion

President Clark called for discussion. He asked if the parkland cash-in-lieu will be used for Harris Park. Wyeth Friday said that the funds have to be used in the area so the subdivision residents are benefitted. Don Reed commented the residents and not the County currently maintain Harris Park. Patrick Klugman noted that any cash-in-lieu within the County goes to a park in the vicinity. Don Reed asked if the cash can go to the park and those maintaining it. Wyeth Friday commented the County is in the process of parkland inventory. Candi Millar said Harris Park is a County Park and residents are probably paying for a maintenance district. The initial cash-in-lieu could be used for additional improvements, and residents could request additional improvements through the County Park Board.

Patrick Klugman asked how far away Noblewood Drive is from Becraft and Wyeth said it is probably close to a mile away. Patrick Klugman asked about the pedestrian access. Agent Toby Liecht, Blueline Engineering, said it is a gravel path connecting to Noblewood Drive. Patrick Klugman asked if there is opportunity for paving and Toby Liecht responded it is possible but more expensive. Don Reed noted Noblewood Drive is the only thoroughfare that has the potential to become a collector. He said there has been no concurrent connections as subdivisions were developed through the years, and he would like to see Noblewood Drive constructed to a collector standard. Wyeth Friday said initially Noblewood Drive will be improved with a gravel improvement to the trail at Lot 9. In the future with additional development Noblewood Drive will be improved to Yellowstone County's paved road standards. Don Reed asked about the criterion for County standards for roadways and Wyeth Friday gave an explanation. Don Reed asked why the County doesn't live up to their standards for thoroughfares and voiced concern with the lack of planning for incoming future development. Donna Forbes commented many of these subdivisions do not have sidewalks and this will become an issue in the future as they are annexed into the City. Candi Millar said the City will not annex

property that is not built to City standards and this issue will be addressed in the Growth Policy for future developments. Don Reed said sidewalks in the thoroughfares are an absolute necessity. Patrick Klugman spoke to the need to meet the opportunities to address these items when subdivisions are developed and to consider holding a higher standard for developers. He asked why the County doesn't live up to their standards for thoroughfares. He voiced concern with the lack of planning for thoroughfares. Donna Forbes commented in the future many of these subdivisions do not have sidewalks and will become an issue as they are annexed into the City. Candi Millar said the City will not annex property that is not built to City standards and this issue will be addressed in the Growth Policy for future developments. Don Reed said sidewalks in the thoroughfares are an absolute necessity. Patrick Klugman said it is an opportunity to address these items when subdivisions are developed and a higher standard for developers should be considered.

*A public hearing for Aspen Ridge 2nd Filing will be held on Tuesday, June 23, 2015.

OTHER BUSINESS-

a. Exposition Gateway Overlay District-City and County, Candi Millar, Director, Planning & Community Services Department

Candi Millar said the East Billings Industrial Revitalization District (EBIRD), met today and approved this proposal for the update. This is an interim zoning district that would prevent developments from coming into the district at Controlled Industrial zoning standards. An Urban Renewal Plan has been drafted to cover the expansion of the EBURD and several parcels have been annexed. There is a fear that some of the developments coming in are not consistent with the Exposition Gateway Master Plan, and they are trying to prevent developments inconsistent with the Hospitality concept. This Overlay District addresses uses and how they look. The Special Requirements Section lists prohibited uses in Section 27-306; the allowable uses that are otherwise prohibited in CI zoning; and the minimum site development requirements.

Discussion

Dennis Cook voiced his discouragement with the development of the car wash and asked if this is the direction that should be taken considering the Master Plan. Candi Millar explained this is an allowed use under the current zoning but is not in character with the Exposition Gateway Master Plan. In response to further comment by Dennis Cook, she offered to bring the Master Plan presentation to the Board as a refresher. Darrel Tunnicliff voiced concern if the criterion is based on only aesthetics, and he advocated for a listing of allowed businesses and uses

instead of a prohibitive concept. After discussion, it was noted the concept presented this evening is both inclusive and exclusive and not a moratorium on the existing zoning. Dennis Cook said he understands private property rights but he is concerned the development of the Exposition Gateway could be lost if this is not addressed. Darell Tunnicliff suggested developing language that would require exceptions from the allowed uses. He commented this update is a good start to addressing the needs of this area.

Candi Millar explained this item is brought to the Planning Board as the law allows initiation of a zone change via property owners; the County Commissioners; and the Planning Board. Staff will request the Planning Board to initiate this zone change and forward it to the City and County Zoning Commissions for recommendation to the governing officials. She said this is a draft and most if not all of the landowners were contacted in this process.

Announcements

1. Dick Clark announced his plans to run for City Council this fall and said depending on the election results, he may have to resign his position.

ADJOURNMENT:

ATTEST: DRAFT. To be approved on June 9, 2015

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Richard Clark, President, Yellowstone County Board of Planning

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Candi Millar, Planning Board Executive Secretary and Planning and Community Services Department Director

Planning Board Planning Board Meeting 2
Meeting Date: 06/23/2015

Information

INTRODUCTION

On May 1, 2015, owner, Superior Builders, LLP, applied for preliminary major plat approval for Aspen Ridge Subdivision, 2nd Filing. The proposed plat creates 15 lots from a 28-acre parcel of land. The subject property is generally located in Lockwood, on the south side of San Marino Drive, between Tanglewood Drive and Noblewood Drive. The property is zoned Residential-9,600 (R-96). The Yellowstone County Board of Planning reviewed the plat at its meeting on June 9 and will conduct a public hearing at this meeting. The Board of County Commissioners is scheduled to act on the proposal on July 14, 2015.

RECOMMENDATION

Staff recommends that the Planning Board recommend that the Yellowstone County Board of County Commissioners conditionally approve the preliminary plat of Aspen Ridge Subdivision, 2nd Filing, and adopt the Findings of Fact as presented in the staff report.

PROPOSED CONDITIONS OF APPROVAL

Planning staff recommends the following conditions of approval:

1. To minimize effects on local services, prior to final plat approval two stormwater facilities easements shall be created for the stormwater facilities on Lot 9, Block 2. A County RSID for maintenance of the stormwater facilities in the easements also shall be established or expanded prior to final plat approval. The final SIA must reflect these arrangement for the stormwater management.
2. To minimize effects on local services, prior to final plat approval the conveyance of stormwater in the 20' stormwater easement along the northeast boundary of the subdivisoin adjacent to the existing alley shall be piped from the new stormwater facilities proposed on Lot 9, Block 2, to the existing stormwater detention pond located in an easement on proposed lots 2, 3, and 4, Block 2. The design of the piping system shall be reviewed and approved by County Public Works.
3. To minimize the 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.

4. To minimize effects on local services, provide the pedestrian pathway connectivity required by Section 4.6 C. 15 of the County Subdivision Regulations, and meet the requirements of the Aspen Ridge Subdivision,1st Filing Subdivision Improvement Agreement, prior to final plat approval the 5-foot wide pedestrian walkway/trail shall be constructed along the east side of Tanglewood Drive and the north side of San Marino Drive in the existing walkway/trail easement in Aspen Ridge Subdivision, 1st Filing, and the 5-foot wide pedestrian walkway/trail shall be constructed in the walkway/trail easement along the north side of San Marino Drive to the cul-de-sac in the 2nd Filing.
5. 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.
6. 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 pre-application meeting was held on April 30, 2015 to discuss the proposal (three previous pre-application meetings were held).
- The preliminary plat application was submitted to the Planning Division on May 1, 2015.
- A departmental review meeting was conducted on May 14, 2015.
- The preliminary plat was resubmitted with revisions based on department reviews on May 21, 2015.
- The Planning Board reviewed the plat on June 9, 2015.
- The Planning Board will conduct a public hearing on June 23, 2015, and forward a recommendation to the Board of County Commissioners.
- The Board of County Commission will consider the preliminary plat on July 14, 2015.
- The 60 working-day preliminary plat review period ends July 27, 2015.

PLAT INFORMATION

General location: San Marino Drive, west of Noblewood Drive, in Lockwood.

Legal Description: Lot 5, Block 3, Aspen Ridge Subdivision, 1st Filing

Subdivider/Owner: Superior Builders, LLP

Engineer and Surveyor:	Blueline Engineering
Existing Zoning:	R-96
Existing land use:	Vacant
Proposed land use:	Single-Family Residential
Gross area:	28.9 acres
Net area:	27.1
Proposed number of lots:	15
Lot size:	Max: 18.5 acres Min.: 0.506 acre
Parkland requirements:	Parkland dedication is required in the amount of 0.578 acres. A cash contribution in lieu of land dedication is proposed.

Attachments

Findings of Fact
Plat Review Discussion
Preliminary Plat
Zoning Area Map

FINDINGS OF FACT

The City/County Planning staff has prepared the Findings of Fact for the Aspen Ridge Subdivision, 2nd Filing. 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 is not currently used for agricultural purposes and does not have water rights. The subdivision should not affect agricultural water users' facilities or take land out of agricultural production.

2. Effect on local services

a. **Water and Sewer** –Lockwood Water and Sewer District shall be used to supply water to the individual lots. A service line will be extended from its current terminus in San Marino Drive, and connect to the existing line in Noblewood Drive, completing a necessary loop for water pressure and quality needs. Individual septic systems are proposed for each of the lots. Locations and design of the septic systems will be reviewed and approved by the Montana Department of Environmental Quality (MDEQ) prior to final plat approval. These systems will be constructed as approved by the MDEQ and as shown on approved plans.

b. **Streets and roads** – The proposed subdivision is located at the east terminus of San Marino Drive, a local paved street, south of Tanglewood Drive in Lockwood. San Marino will be extended to serve the new proposed lots. It will be built to a County paved road standard and will have a pedestrian walkway on its north side.

   Additionally, right-of-way for the future continuation of Noblewood Drive fronts the east side of property. Noblewood Drive is a future Collector street, according to the Billings Urban Area Transportation Classification map, therefore, a 40-foot half width right-of-way is being dedicated with this plat. Construction of Noblewood Drive as it fronts the subject property will be limited to a 20-foot wide gravel surface to the south side of Lot 9, Block 2 with this filing. In the future, when Lot 11, Block 3 is developed as shown on the master plan, the entire Noblewood frontage will be constructed to a County paved road standard. This requirement is specified in the Subdivision Improvements Agreement (SIA).

c. **Fire and Police Services** – The property is within the Lockwood Fire Department's jurisdiction. 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 pressurized fire hydrant shall be installed at the end of San Marino Drive to meet the requirements for

water supply specified in the County Subdivision Regulations and the Fire Department has indicated that the proposal meets their needs for access.

The Yellowstone County Sheriff's Department will provide law enforcement services.

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** – The management of storm water runoff shall be designed to satisfy storm water management requirements and specifications of MDEQ. As was required with the 1st Filing of Aspen Ridge Subdivision, the subdivider shall provide a stormwater master plan for this filing and any future development of Lot 11, Block 3. The preliminary plat shows that storm water will be absorbed on-site in the ditches along the paved road and also within two storm retention areas. The existing retention pond at the north end of Lots 2 and 3, Block 2, will be maintained in an easement on those lots and two additional ponds will be constructed on Lot 9, Block 2.

   The two stormwater facilities shown on Lot 9, Block 2, may remain in private ownership and function as public stormwater facilities. To do this, two stormwater facility easements must be created and easement documents filed with the final plat specifying the areas of the easements are for stormwater management only and are maintained through a Rural Special Improvement District (RSID) created for the purpose of maintaining the facilities (**See Condition #1**). Lot 9 may not be developed in the future for anything except the stormwater management without first providing the County with alternate stormwater facilities to serve the subdivision. An RSID for maintenance of the stormwater facilities on Lot 9 must be created or expanded prior to final plat approval (**See Condition #1**). These details must be updated in the SIA.

   A stormwater easement and swale in the easement is identified on the preliminary plat to be provided and constructed to connect all three stormwater ponds in the subdivision. The easement is located on the back (north) side of Lots 4-8, Block 2. Based on County Public Works staff review and past experience with storm water facilities in County developments, Public Works is proposing a condition of final plat approval that conveyance of the stormwater in the 20' easement be piped from the new stormwater facilities on Lot 9, Block 2, to the existing stormwater detention pond located in an easement on proposed lots 2 and 3, Block 2 (**See Condition# 2**). Property owner desire for access from lots backing the existing alley and future fencing and landscaping of properties in the subdivision will create a situation where an open stormwater swale will be modified and no longer function as designed. County Public Works staff states that piping the stormwater in this area will ensure the system functions with limited maintenance and likelihood of a failure or effect on neighboring properties.

f. **School facilities** – The proposed subdivision is located in the Lockwood School District for elementary and middle school, and Billings School District #2 for high school (Senior High). Both Senior High and Lockwood School administrators commented that the

subdivision is located on a current bus route, and that the schools have capacity for more students.

g. **Parks and recreation** – This subdivision is required to provide parkland dedication for the 14 lots that are less than 5 acres in size. As the lots are between 0.5 and one acre, a dedication equal to 7.5% of the net lot area is require; this equates to 0.578 acres. The subdivision is near Harris Park, a developed County park, and the developer has proposed to provide cash in lieu of land dedication for this filing. The developer will also be required to expand the existing Park Maintenance District for Harris Park prior to final plat approval. These details are noted in the SIA.

h. **Historic features** – No known historical or cultural assets exist on the site.

3. Effects on the natural environment

The development will use noxious weed control measures to prevent the spread of noxious weeds to adjacent developed or agricultural land. A weed management plan will be completed and a property inspection done prior to final plat approval **(Condition #3)**.

MDEQ will review and approve the new proposed septic systems and stormwater management facilities to ensure any impacts of the development are mitigated.
There are no 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. Montana Fish, Wildlife, and Parks (FWP) responded to a request for review and comment on the proposed subdivision. It is suggested that future homeowners should be made aware that unless they take steps to deter animals such as fencing their yards they may experience damage problems. A note to this effect is found within the SIA to help inform future landowners.

5. Effects on public health and safety

Plans and designs for use of the proposed septic systems and public water supply will be reviewed and approved by MDEQ prior to final plat approval. Fire and emergency services are provided for this proposed subdivision. The subdivider shall install pedestrian walkways on the north side of San Marino Drive to help facilitate safe pedestrian travel. Effects on public health and safety should be minimal.

B. Was an environmental assessment required? If yes, what, if any, significant adverse impacts were identified? (76-3-616, MCA) (Chapter 9, YCSR)

An environmental assessment was not required for this subdivision.

C. Does the subdivision conform to the Yellowstone County-City of Billings 2008 Growth Policy Update, the 2014 Billings Urban Area Long Range Transportation Plan, 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 14 lots for single family residences, consistent with the immediately surrounding neighborhood.

- **Goal: New developments that are sensitive and compatible with the character of adjacent County townsites. (p. 6)**

There are similarly sized lots containing single-family homes directly adjacent to the subject property.

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

The proposed subdivision is within the Lockwood water service area. Because it is able to be served with public water, development can be of higher density and more concentrated around the existing population center of Lockwood.

- **Goal: More housing and business choices within each neighborhood. (p. 6)**

The proposed subdivision will create 14 additional residential lots in this area.

2. <u>2014 Billings Urban Area Long Range Transportation Plan</u>

The subject property is within the boundary of the study area of the Transportation Plan. Although the new lots will be served by an internal local street, the subject property has frontage on Noblewood Drive which is identified as a future collector road on the Functional Classification Map. The appropriate amount of right-of-way is being preserved for this future collector with this plat and the roadway will be constructed to a County Collector Road standard when any additional development occurs south of Lot 9, Block 2.

3. <u>Billings Area Bikeway and Trail Master Plan (BABTMP)</u>

The subject property is not within the jurisdiction of the BABTMP.

However, to provide for the pedestrian pathway connectivity required by Section 4.6 C. 15 of the County Subdivision Regulations, and meet the requirements of the Aspen Ridge Subdivision, 1st Filing Subdivision Improvement Agreement, prior to final plat approval the 5-foot wide pedestrian walkway/trail shall be constructed along the east side of Tanglewood Drive and the north side of San Marino Drive in the existing walkway/trail easement in Aspen Ridge Subdivision, 1st Filing, and the 5-foot wide pedestrian walkway/trail shall be constructed in the walkway/trail easement along the north side of San Marino Drive to the cul-de-sac in the 2nd Filing. The pathway shall be constructed of asphalt or concrete (**See Condition #4**).

D. Does the subdivision conform to the Montana Subdivision and Platting Act 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 shall receive approval from MDEQ for the proposal to make use of the public water and individual septic systems for the new lots.

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

The subdivision is in the County's zoning jurisdiction and is zoned R-96. The proposed lots sizes are in compliance with zoning, County Subdivision Regulations, and MDEQ. A note is found in the SIA notifying future property owners that a Zoning Compliance Permit is required prior to any construction on the lots.

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 shall appear on the face of the final plat as requested by Northwestern Energy and MDU.

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

Legal and physical access will be provided for the proposed lots from San Marino Drive.

CONCLUSIONS OF FINDINGS OF FACT

- The Aspen Ridge Subdivision, 2nd Filing 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.

RECOMMENDATION

Staff recommends that the Planning Board recommend to the Board of County Commissioners conditional approval of the preliminary plat of Aspen Ridge Subdivision, 2nd Filing and adoption of the Findings of Fact as presented in the staff report.

ATTACHMENTS

A: Zoning Map
B: Preliminary Plat and Associated Documents

Aspen Rudge, 2nd Filing – Preliminary Plat Review Discussion

Planning Board, June 9, 2015

Staff gave a brief presentation of the proposal and shared the recommended conditions of approval. Staff also explained that the developer had just recently asked if the parcel identified for the stormwater facilities, proposed as Lot 9, Block 2, could remain in private ownership and still have an RSID for stormwater facility maintenance. Staff explained that this question was being looked into by County Legal and County Public Works staff and more information would be available at the public hearing. More information is provided in the updated Findings of Fact attached to the public hearing memo.

The planning board had some questions about road standards, pedestrian facilities and access, and park land. Planning Board Member Don Reed asked if the road standard for Noblewood Drive as a Collector level roadway included pedestrian facilities. Wyeth Friday explained that the County Road Standards do not include any pedestrian facilities. Don stated that the new Lockwood Pathway and Lighting District Steering Committee is now reviewing the need for pedestrian facilities in Lockwood and so it is clear the County Road standards need to be updated to reflect this.

Planning Board Member Donna Forbes asked where the existing Harris Park was in relation to the subdivision and if it had improvements? Wyeth explained the existing park is just north of the proposed subdivision and does have playground equipment and other landscaping.

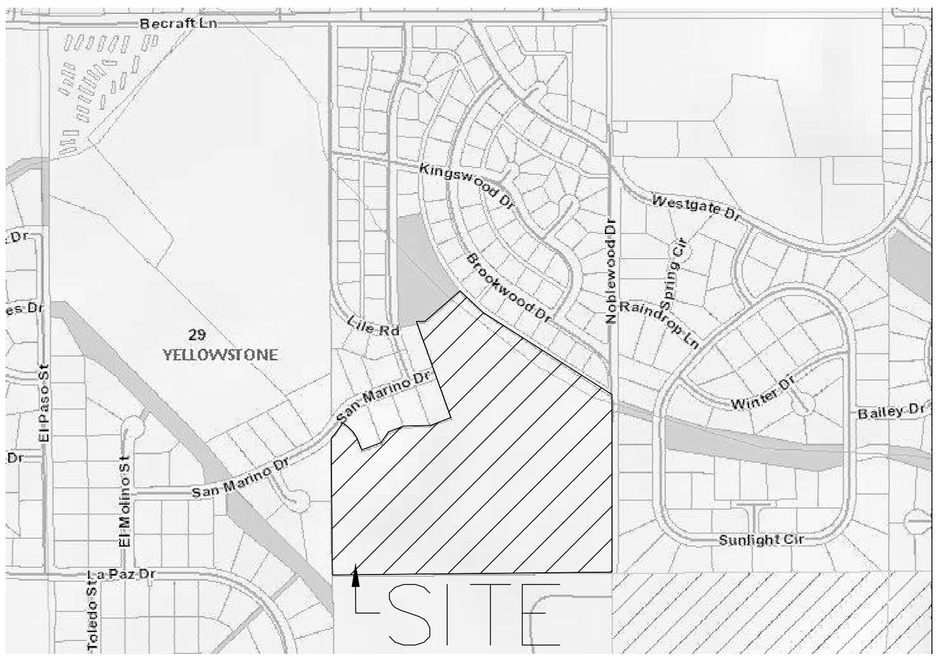
Planning Board Member Patrick Klugman asked if the pedestrian walkway between the end of the San Marino Cul-de-Sac and Noblewood Drive was going to be paved. The developer's agent said no it was to be gravel and that there were no plans to pave it. Patrick said this was unfortunate as it would be nice if it were paved.

PRELIMINARY PLAT OF

ASPEN RIDGE SUBDIVISION, 2ND FILING

BEING LOT 5, BLOCK 3, ASPEN RIDGE SUDIVISION, 1ST FILING
SITUATED IN THE SE 1/4, SW 1/4, SECTION 29, T. 1 N., R. 27 E., P.M.M.
YELLOWSTONE COUNTY, MONTANA

80 0 80
Scale 1" = 80'



VICINITY MAP
NOT TO SCALE

PREPARED FOR: SUPERIOR BUILDERS LLP
SURVEYOR: NORTH STAR LAND SERVICES, P.C.
ENGINEER: BLUELINE ENGINEERING LLC
MAY, 2015
BILLINGS, MONTANA

SUBDIVISION DETAILS:

GROSS AREA	=	28.977 ACRES
NET AREA	=	27.155 ACRES
ROAD AREA	=	1.822 ACRES
PARK LAND	=	0 ACRES
NUMBER OF LOTS	=	15
MINIMUM LOT SIZE	=	0.509 ACRES
MAXIMUM LOT SIZE	=	18.598 ACRES
EXISTING ZONING	=	R-9600
SURROUNDING ZONING		
NORTH	=	R-9600
SOUTH	=	AG SUBURBAN
EAST	=	R-9600
WEST	=	R-9600
EXISTING LAND USE	=	VACANT
PROPOSED LAND USE	=	RESIDENTIAL

CURVE TABLE

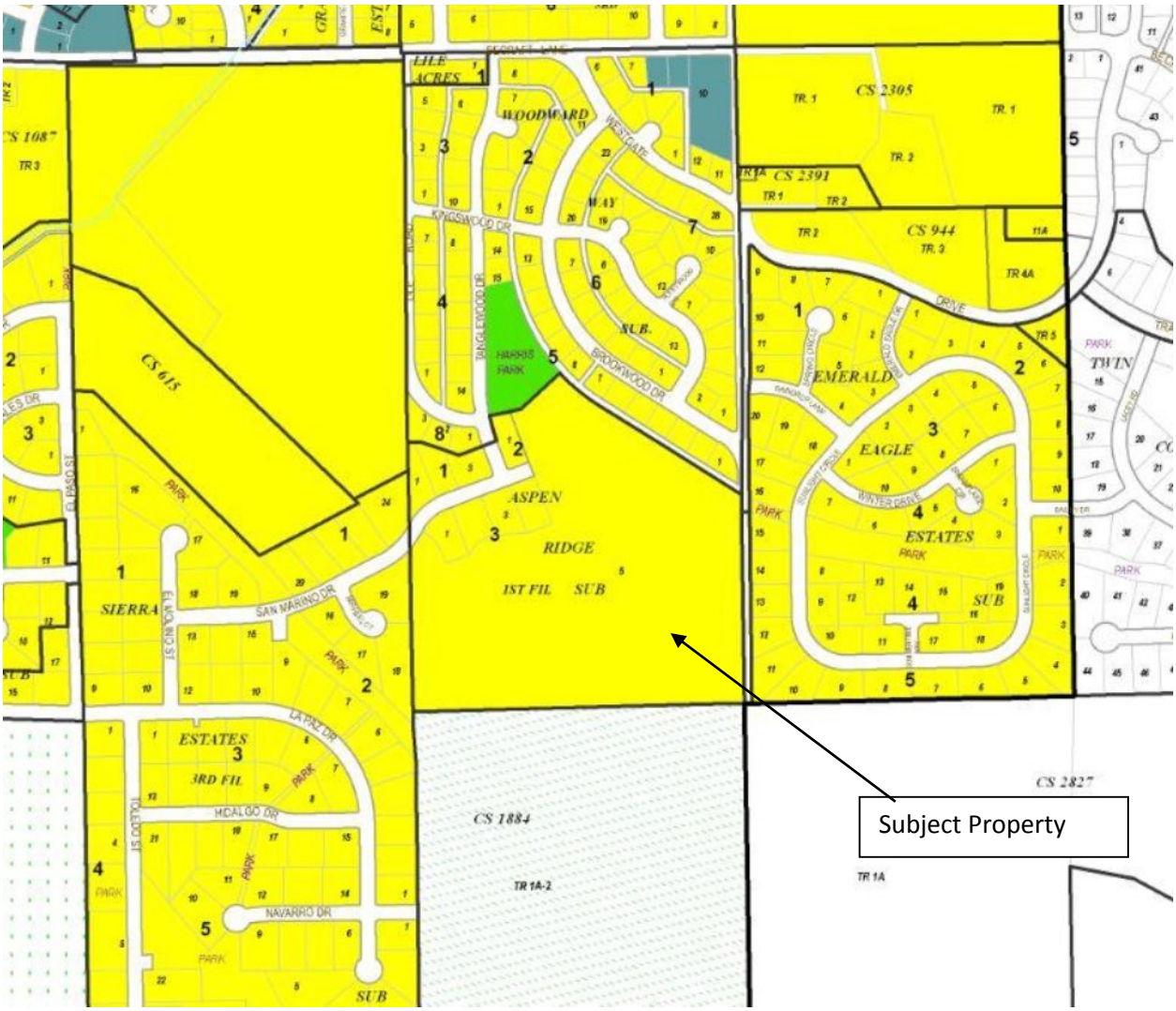
CURVE #	ARC LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD LENGTH
C1	168.08	270.08	35.66	S87°30'32"W	165.38
C2	83.75	270.08	17.77	N65°46'47"W	83.41
C3	9.20	10.00	52.69	N30°32'42"W	8.88
C4	52.72	56.00	53.94	S31°09'56"E	50.79
C5	119.11	56.00	121.87	N60°56'00"E	97.89
C6	107.11	56.00	109.59	N54°47'37"W	91.51
C7	9.20	10.00	52.69	S83°14'24"E	8.88
C8	16.13	330.07	2.80	N58°17'44"W	16.13
C9	96.89	330.07	16.82	N68°06'20"W	96.55
C10	96.66	330.07	16.78	N84°54'18"W	96.32
C11	97.54	330.07	16.93	S78°14'21"W	97.19
C12	251.82	270.08	53.42	N83°36'29"W	242.80
C13	279.02	56.00	285.48	N33°09'08"E	67.81
C14	291.03	330.00	50.53	N84°57'41"W	281.69
C15	7.50	190.00	2.26	S30°42'54"W	7.50

CERTIFICATE OF SURVEY 1884, PARCEL 1A2, AMND TR 1 (LESS EAGLE CLIFF MEADOWS SUB 1ST & COS 3425 & 3484)

ROTTRUP, WAYNE & MARY K
4143 FORD RD
BILLINGS, MT 59101-7150

KLP 14080 5-21-15

Aspen Ridge, 2nd Filing – Zoning Map



Planning Board Planning Board Meeting 2
Meeting Date: 06/23/2015

Information

INTRODUCTION

Clear Creek Subdivision 2nd Filing, Amended Lot 5, Block 1, Dave Green, Planner

I. On May 1, 2015, owners Robert and Dorothy Labert applied for preliminary subsequent minor plat approval for Clear Creek Subdivision, 2nd Filing, Amended Lot 5, Block 1. The proposed plat creates 2 lots from a 3.8-acre parcel of land. The subject property is generally located on the south side of Pine Ridge Lane, just north of the Highway 87 N/ Highway 312 intersection in the Heights. The property is zoned Community Commercial (CC) and there are a mixture of commercial and residential uses in the immediate vicinity.

PROCEDURAL HISTORY

- A pre-application meeting was held on April 16, 2015, to discuss the proposal.
- The preliminary plat application was submitted to the Planning Division on May 1, 2015.
- A departmental review meeting was conducted on May 14, 2015.
- The preliminary plat was resubmitted with revisions based on department reviews on May 21, 2015.
- The Planning Board reviewed the plat on June 9, 2015.
- The Planning Board will conduct a public hearing on June 23, 2015, and forward a recommendation to the Board of County Commissioners.
- The Board of County Commission will consider the preliminary plat on July 14, 2015.
- The 60 working-day preliminary plat review period ends July 27, 2015.

RECOMMENDATION

Staff recommends that the Planning Board recommend that the Yellowstone County Board of County Commissioners conditionally approve the preliminary plat of Clear Creek Subdivision, 2nd Filing, Amended Lot 5, Block 1, and adopt the Findings of Fact as presented in the staff report.

PROPOSED CONDITIONS OF APPROVAL

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 the 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.

2. 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.

3. 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

None

DISCUSSION/STAKEHOLDERS

Staff gave a brief presentation of the proposal and shared the recommended conditions of approval. The planning board had some questions about access to the proposed lots. Planning Board Member Donna Forbes asked for clarification on the subdivision access points and it was given by Dave Green. In response to question by Planning Board Member Patrick Klugman, the property is in the BUSFA, and the Billings Fire Department has designated an emergency access from the cul-de-sac.

There were not other questions from the Board or information provided by the applicant or agent.

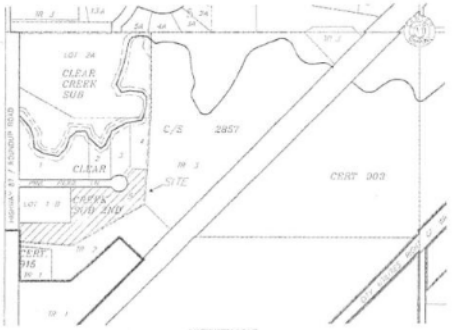
Attachments

Proposed Plat

PRELIMINARY PLAT OF
AMENDED LOT 5, BLOCK 1,

CLEAR CREEK SUBDIVISION, 2ND FILING

SITUATED IN THE SW 1/4, SECTION 11, T. 1 N., R. 26 E., P.M.M.
YELLOWSTONE COUNTY, MONTANA

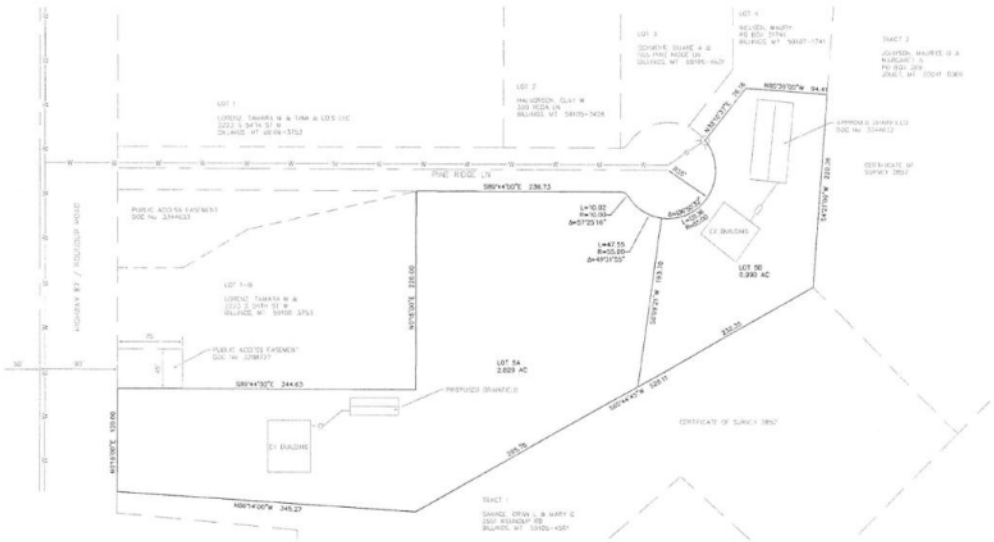


VICINITY MAP
NOT TO SCALE

PREPARED FOR: BOB LABERT
SURVEYOR: NORTH STAR LAND SERVICES, P.C.
ENGINEER: BLUELINE ENGINEERING LLC
APRIL, 2015
BILLINGS, MONTANA

SUBDIVISION DETAILS:

GROSS AREA	=	3.819 ACRES
NET AREA	=	3.819 ACRES
ROAD AREA	=	0.00 ACRES
NUMBER OF LOTS	=	2
MINIMUM LOT SIZE	=	0.990 ACRES
MAXIMUM LOT SIZE	=	2.829ACRES
EXISTING ZONING	=	Community Commercial
SURROUNDING ZONING		
NORTH	=	Community Commercial
SOUTH	=	Community Commercial
EAST	=	Community Commercial
WEST	=	Community Commercial
EXISTING LAND USE	=	VACANT
PROPOSED LAND USE	=	RESIDENTIAL/ COMMERCIAL



Planning Board Planning Board Meeting 2
Meeting Date: 06/23/2015

Information

INTRODUCTION

Motion/Recommendation to BOCC. Lone Tree Industrial Park, Dave Green Planner I

INTRODUCTION

On May 1, 2015, the Planning Division received an application for review and approval of a seven-unit condominium subdivision on Tract 3A of Certificate of Survey 971. The property is located on the north side of King Avenue West between South 64th Street West and South 72nd Street West. The general address is 6875 King Avenue West. The property is not within the County zoning jurisdiction and therefore, in accordance with Chapter 8 of the County Subdivision Regulations, this condominium development must be reviewed as a "subdivision for rent or lease." The Board of County Commissioners will act on the proposal on July 7, 2015.

PROCEDURAL HISTORY

- A pre-application meeting was held on April 2, 2015 for this proposal. It was determined that this is a major subdivision for rent or lease application which follows the major subdivision review process.
- The preliminary plat application was submitted to the Planning Division on May 1, 2015.
- A Department Review Meeting was held on May 14, 2015, on this plat application.
- The Yellowstone County Board of Planning held a plat review for this application at its June 9, 2015, meeting.
- The Yellowstone County Board of Planning will conduct a public hearing on this application at its meeting on June 23, 2015.
- The Yellowstone County Board of County Commissioners will be considering the application at its regular meeting on July 7, 2015.

RECOMMENDATION

RECOMMENDATION

Staff recommends the Planning Board recommend that the Yellowstone County Board of County Commissioners conditionally approve the preliminary plat of the Lone Tree Industrial Park and adopt the Findings of Fact as presented in the staff report.

PROPOSED CONDITIONS OF APPROVAL

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 the effects on public health and safety, prior to final plat approval the subdivider shall receive approval from the MDEQ / RiverStone Health for the proposed cistern and septic system.

2. 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.

3. 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

None

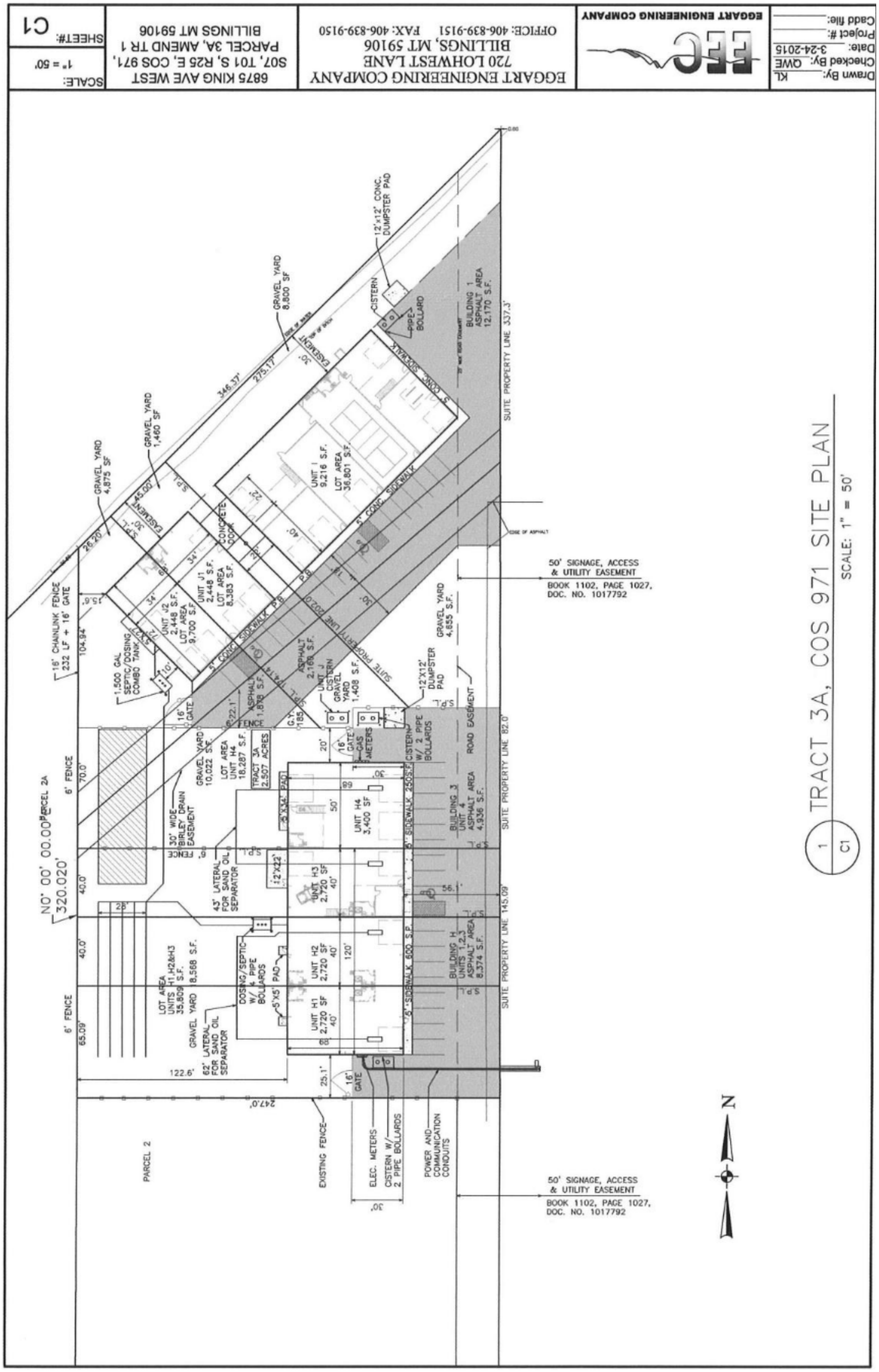
DISCUSSION/STAKEHOLDERS

Staff gave a brief presentation of the proposal and shared the recommended conditions of approval. The planning board had some questions about access to the proposed lots. Donna Forbes commented on the lack of green space in this area. Dave Green pointed out this is an industrial subdivision for businesses.

There were not other questions from the Planning Board or information provided by the subdivider's agent.

Attachments

Proposed site plan


TRACT 3A, COS 971 SITE PLAN
SCALE: 1" = 50'
EGGART ENGINEERING COMPANY
720 LOHWEST LANE
BILLINGS, MT 59106
OFFICE: 406-839-9151 FAX: 406-839-9150
6875 KING AVE WEST
S07, T01 S, R25 E, COS 971, PARCEL 3A, AMEND TR 1
BILLINGS MT 59106
SCALE: 1" = 50'
SHEET#: C1
Drawn By: KL
Checked By: QWE
Date: 3-24-2015
Project #:
Cadd file:
50' SIGNAGE, ACCESS & UTILITY EASEMENT
BOOK 1102, PAGE 1027, DOC. NO. 1017792
SUITE PROPERTY LINE 337.3'
SUITE PROPERTY LINE 145.09'
SUITE PROPERTY LINE 82.0'
PARCEL 2
PARCEL 2A
N

Planning Board Planning Board Meeting 2
Meeting Date: 06/23/2015

Information

Subject

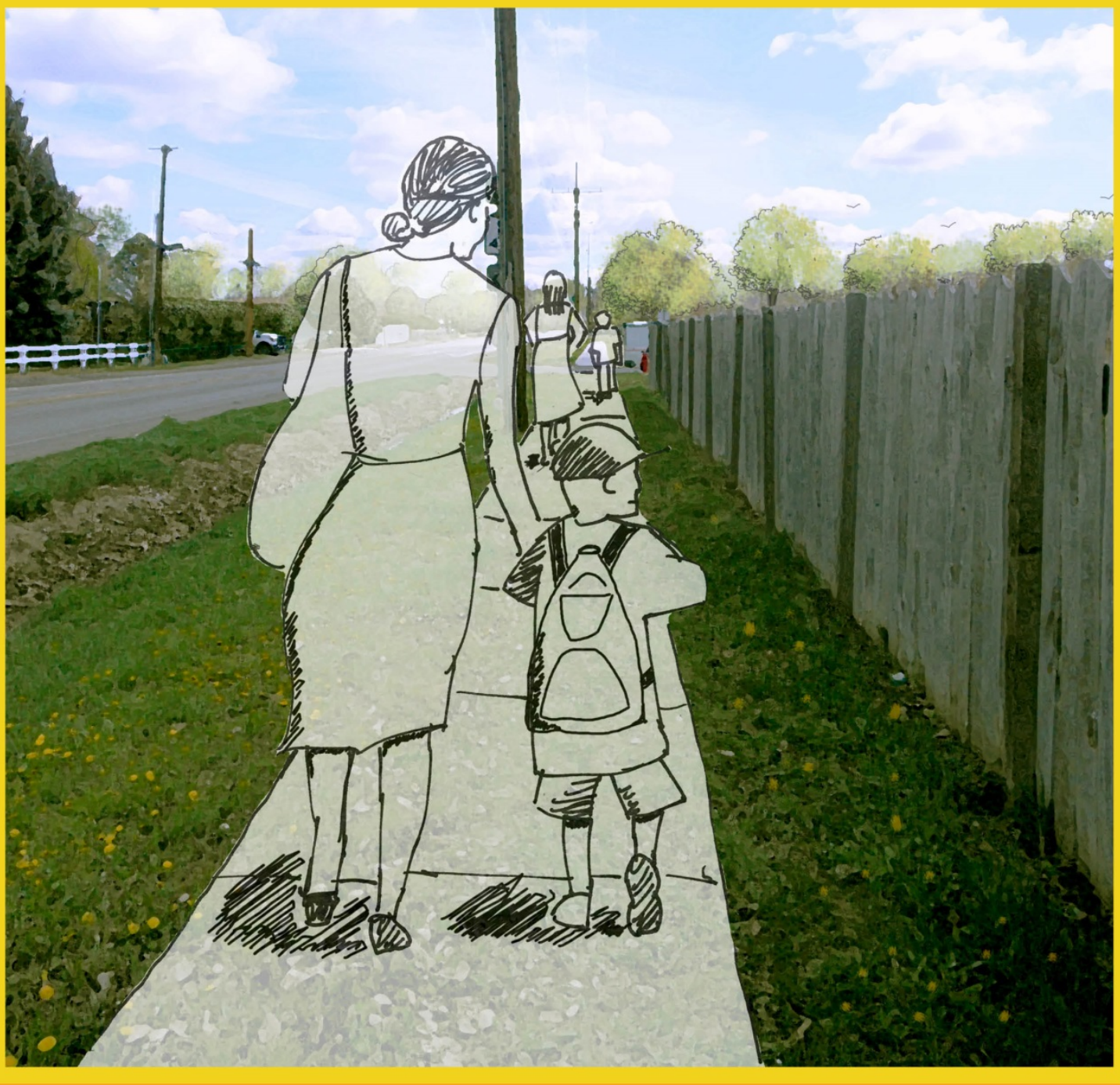
Discussion. Lockwood Non-Motorized Plan Review Schedule. Scott Walker, Transportation Coordinator

Attachments

Lockwood Non-Motorized Transportation Plan

LOCKWOOD PEDESTRIAN SAFETY DISTRICT

Non-Motorized Transportation Plan



YELLOWSTONE COUNTY MONTANA

Peaks to Plains Design P.C.
LANDSCAPE ARCHITECTURE / PLANNING / CIVIL ENGINEERING

INTERSTATE ENGINEERING

June 2015

Acknowledgements

Lockwood Pedestrian Safety District Advisory Board

Nic Talmark, Chairman
Woody Woods, Vice Chairman
Brandy Dangerfield, Secretary
Tobin Novasio, Lockwood School District #26 Representative
Carlotta Hecker
Joe Porter
Scott Taylor

Yellowstone County Board of Commissioners

Bill Kennedy
John Ostlund
Jim Reno

Agency Advisory Members

Mike Black, Yellowstone County Engineering
Jeffrey Butts, City of Billings-Yellowstone County Planning
Stan Jonutis, Montana Department of Transportation
Sargent Roger Bodine, Yellowstone County Sheriff Department
Luke Walawander, Beartooth RC&D
Patrick Klugman, Big Sky Economic Development
Carl Peters, Lockwood Irrigation District
Melissa Henderson, RiverStone Health
John Staley, Lockwood Fire District

Consultant Team

Chuck Strum, PE, PTOE, Interstate Engineering, Inc.
Jolene Rieck, PLA, Peaks to Plains Design PC

Terminology used in the Lockwood Area Non-Motorized Transportation Plan

Abbreviations

ADA	Americans with Disabilities Act
ADT	Average Daily Traffic
CDC	Centers for Disease Control and Prevention
CDP	Census Defined Place
CIP	Capital Improvement Plan
CMAQ	Congestion Mitigation and Air Quality Improvement Program
DOT	United States Department of Transportation
EPA	Environmental Protection Agency
HUD	United States Department of Housing & Urban Development
LPSD	Lockwood Pedestrian Safety District
LRTP	Long Range Transportation Plan
LWCF	Land and Water Conservation Fund
MAP-21	Moving Ahead for Progress in the 21st Century Act
MDT	Montana Department of Transportation
NHPP	National Highway Performance Program
PILT	Payment In Lieu of Taxes
PVEA	Petroleum Violation Escrow Account
RTP	Recreation Trails Program
STP	Surface Transportation Program
TAP	Transportation Alternatives Program
TSEP	Treasure State Endowment Program
VSL	Value of a Statistical Life

Definition of Key Terms

Sidewalk – An improved surface within a vehicular right-of-way, aligned with a road, constructed either adjacent to the curb or separated from the curb or travel lane, for purpose of pedestrian and non-motorized use.

Walkway – A stable surface, either paved or consisting of compacted granular fill, for the purpose of pedestrian and another non-motorized use. A walkway connects two points and is not aligned along a vehicular public right-of-way. A walkway may be in a dedicated pedestrian easement. Examples include pedestrian linkages within one site, mid-block, between subdivisions, and leading from roads to public amenities such as schools or parks.

Trail – A stable surface, either paved or consisting of compacted granular fill, within a dedicated right of way for the purpose of pedestrian and non-motorized use. A trail may or may not be aligned with a road. A trail and a sidewalk may be collocated, or may exist on opposite sides of a road.

Urban Highway System (MCA 60-2-125) – The highways and streets that are in and near incorporated cities with populations of over 5,000 and within urban boundaries established by the department [of transportation], that have been functionally classified as either urban arterials or collectors, and that have been selected by the commission, in cooperation with local government authorizes, to be placed on the urban highway system. Highway 87 and Johnson Lane are urban routes.

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Forward

After decades of reoccurring incidents of pedestrians being injured or killed on the roadsin Lockwood, residents were finally offered a solution by Yellowstone County Board of County Commissioners. In October of 2013, the Yellowstone County Board of County Commissioners presented an opportunity for Lockwood to vote to establish its own Special District so that they could tax themselves to collect funds for the purposes of pedestrian safety. The Commissioners' decision was influenced by a strong outcry from Lockwood residents for pedestrian safety resolutions, recorded in a study initiated by the Lockwood Steering Committee, conducted by the Montana Economic Developers Association in 2013. All parties concerned were strongly influenced by the latest fatality, where 16 year old Dustin Freese was hit by a driver in a car and killed on Becraft Lane on January 4, 2013.

On October 4, 2013, the Montana Economic Developers Association along with Yellowstone County's Big Sky Economic Development presented the conclusion of its Lockwood Resource Team Assessment Report at a Town Hall Meeting. The purpose of the meeting was to briefly review the report, identify projects, set priorities and create working groups for action. The Pedestrian Safety group formed at that meeting, and was informed that the Yellowstone County Board of County Commissioners had offered a Resolution to elect a Special District. As the new group became organized, they attended Public Hearings on Creation of Special District and strategized to campaign for the Special District Election, to be held, February 25, 2014.

It was stated in Resolution 13-85, The Yellowstone County Board of County Commissioners received requests from several residents in the Lockwood area of the County as to whether the County could construct and maintain various improvements, such as sidewalks, trails and street lights, to enhance the safety of pedestrians and provide for alternative means of transportation in the area. The Board considered the requests and came to the conclusion that a special district may be able to construct and maintain the improvements to enhance the safety of pedestrians and provide for alternative means of transportation in the area.

Current Lockwood Pedestrian Safety Chair, Nic Talmark and Secretary, Brandy Dangerfield recruited the Freese family and many other helpful volunteers to conduct the "Do It For Dustin" Campaign in order to approve the Special District. It was with the collected efforts of all volunteers that the election passed with an astonishing 61 percent win. The Lockwood Pedestrian Safety District was formally recognized March 11, 2014.

Submitted by Brandy Dangerfield

"The Lockwood Pedestrian Safety District Advisory Board serves to honor those we have lost or that have been injured, and to protect the community as it develops."

1. Introduction

The Lockwood community includes a large, unincorporated area under the governance of Yellowstone County. For years, the area has continued to prosper with industrial, commercial and residential properties all developed under rural development standards. As a result, many roads throughout the planning area lack adequate pedestrian and bicycle facilities within the designated right-of-way. An increasing number of vehicular and pedestrian fatalities and serious injuries have been documented in the area, resulting in a public outcry for a more formal, stabilized development system.

In 2014, the Yellowstone County Board of Commissioners initiated a referendum allowable under MCA 7-11-1001 through 7-11-1029 to create a special improvement district for the purpose of enhancing pedestrian safety and provide for alternative means of transportation in the Lockwood Area. The effort was in response to increased conflicts between people walking and people driving vehicles and a lack of sufficient infrastructure to separate the two uses, causing collisions that resulted in loss of life and serious injury. The voting results were 61 percent in favor to create the district.

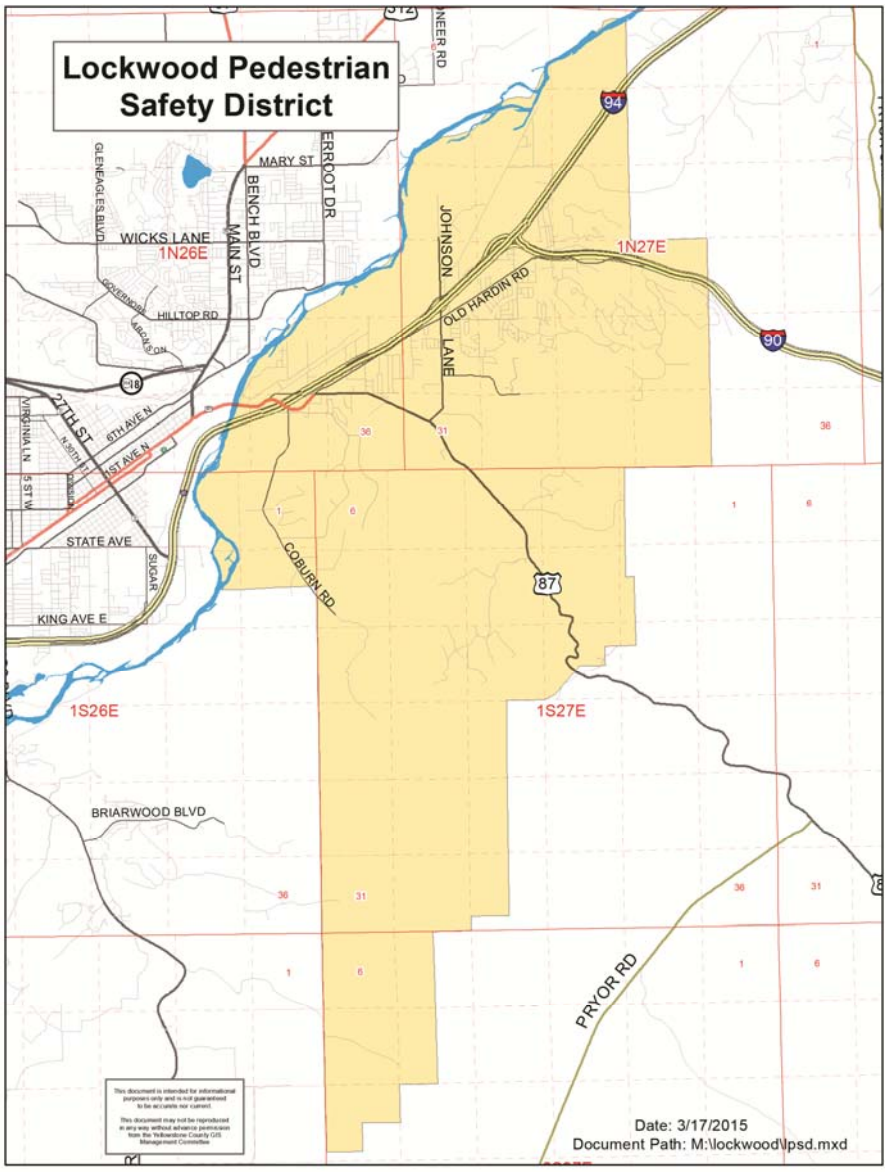


Figure 1: Lockwood Pedestrian Safety District Boundary

The Special Improvement District encompasses the same area as the Lockwood School District and affects approximately 7,750 people who reside in the District, plus many more who work there as well. The funding for the District comes from a property tax mil levy of up to 10 mills, with estimated annual revenues of about $212,697 per year.

The Special Improvement District is administered by the Yellowstone County Board of Commissioners, who seeks citizen guidance from advisory board of up to 10 members, consisting of individuals who live and work in the District.

This document outlines the work plan for the next five years, but provides long-range planning for the next 20 years. The purpose of this document is to set forth District-specific activities and to provide guidance for policy to execute the mission and vision of the Lockwood Pedestrian Safety District.

2. Mission

The Mission of the Lockwood Pedestrian Safety District is to effectively eliminate fatalities and serious injuries caused by vehicular and pedestrian conflicts throughout the Lockwood area.

3. Vision

Lockwood is a vibrant community with thriving industrial, commercial and residential neighborhoods where people of all ages and physical abilities can travel safely and efficiently without the use of an automobile.

4. Benefits of Walking

Walking is the most basic mode of transportation – it is convenient, inexpensive and an enjoyable personal preference that benefits our health and improves air quality. The best benefit of walking is good health, however, a broad range of economic and social benefits also accompany well-planned community development to support this most basic of human actions.

1. **Safety:** Walkable neighborhoods have lower rates of traffic fatalities – for both pedestrians and motorists – compared with automobile-orientated areas.
2. **Health:** Fewer than 50 percent of Americans meet the minimum guidelines for moderate physical activity – walking is the easiest and most affordable way to correct this problem.
3. **Social Equity:** Low –income families are more reliant on walking for essential journeys than the middle class.
4. **Environmental:** Transportation is responsible for one third of all greenhouse gas emissions in the United States. Converting short driving journey to walking journeys reduces this impact.
5. **Transportation:** One quarter of all trips in the United States are 1 mile or less, with most of the trips taken in a vehicle. Walking reduces traffic congestion and the cost of road maintenance.[1] (American Walks in partership with San Schwartz Eng)
6. **Economics:** Walkable communities allow for all age groups to migrate about their community. Access to retail and commercial facilities allows for all ages to purchase goods and services from community businesses.

[1] http://americawalks.org/learning-center/benefits-of-walking-2/

Figure 2: Benefits of Sidewalk Infrastructure[2]

5. Economic Value and Cost-Benefit Analysis

Economic Value in People-Orientated Communities

In 2009, the US Department of Housing and Urban Development (HUD), US Department of Transportation (DOT), and the US Environmental Protection Agency (EPA) joined together to help communities nationwide improve access to affordable housing, increase transportation options and lower transportation costs while protecting the environment. This interagency partnership is called the "Partnership for Sustainable Communities." As a result of technical assistance and grant opportunities, the Billings Livability Partnership was formed consisting of public agencies, private businesses and concerned citizens. The Livability Principles set forth by the local and federal partnerships include the following:

- Provide more transportation choices;
- Promote equitable, affordable housing;
- Enhance economic competitiveness;
- Support existing communities;
- Coordinate and leverage federal policies and investment; and
- Value communities and neighborhoods.

Each of these principles supports the other, for example the end result of the first five bullets support the last bullet by "enhancing the unique characteristics of all communities by investing in healthy, safe and walkable neighborhoods – rural, urban or suburban."[3]

[2] www.americawalks.org
[3] www.sustainablecommunities.gov/mission/livability-principles

The *Celebrate Lockwood* event showcased several of the Lockwood resident's values, encompassing those principles. Recent economic development efforts have focused on Lockwood's economic competitiveness in a thriving industrial, commercial and residential area.

Economic Value through Quality Housing

According to a survey of 15 real estate markets, a one-point increase in the walkability of a neighborhood as measured by WalkScore.com increased home values by $700 to $3000.[4] People living in communities that give them the option to walk or bike to their destinations often pay less in total housing and transportation costs than those who live in areas that are more auto-dependent.[5]

Economic Value through a Quality Workforce

With Yellowstone County's unemployment rate at about 3 percent, Lockwood will want to present to potential businesses and industries the ability to attract a more qualified workforce due to its lower cost of living and high quality schools than the surrounding area. As the Affordable Care Act regulations require large businesses to provide health insurance for its employees, a healthier Lockwood workforce due to encouragements for walking and exercise may also attract businesses seeking to lower their health insurance premiums.

Economic Value through Tourism

Bicycle tourism is an untapped opportunity for economic development in Lockwood. The Lockwood Pedestrian Safety District encompasses the Pictograph Caves State Park, which could be a bicycling destination for tourists. Forty percent of touring cyclists visit historical sites. The needs and challenges for touring cyclists include improved road conditions, food and lodging and amenities. Thirty-nine percent of touring cyclists stay in a motel. Multi-day cyclists spent an average of $75.75 per day in Montana.[6]

Lockwood's proximity to Pictograph Caves State Park, Four Dances Natural Area, Future Dover Park and Billings' Coulson/Mystic/Riverfront Park corridors could position Lockwood to attract additional hotels, restaurants, bicycle repair shops, and guiding businesses to their community. The potential of tourist-generated revenue as a source of funding for bicycling infrastructure should not be overlooked for Lockwood.

Economic Value of a Statistical Life

The US Department of Transportation (DOT) provides annual guidance on the treatment of the Economic Value of a Statistical Life (VSL). VSL Is defined as the additional cost that individuals would be willing to bear for improvements in safety (that is, reductions in risks) that, in the aggregate, reduce the expected number of fatalities by one.[7] The US DOT's guidance indicates that

*In 2014, the US DOT placed the Value of a Statistical Life at **$9.2 million dollars**. This is the value of one fatality involved in a crash event.*

[4] CEOs for Cities (2009, August). Walking the walk. www.ceosforcities.org/research/walking-the-walk/

[5] Center for Neighborhood Technology (March 2010). Penny wise and pound fuelish: New measures of housing _ transportation affordability. www.cnt.org/repository/pwpf.pdf

[6] Nickerson, Norma, Ph.D. Institute for Tourism & Recreation Research, University of Montana. November 2014.

[7] Trottenberg and Rivkin. Guidance on Treatment of Economic Value of a Statistical Life (VSL) in the U.S. Department of Transportation Analyses. February 2013.

safety is not an off-the-shelf item that can be directly purchased; therefore, the guidance indicates that the prevention of an expected fatality is assigned a single, nationwide value in each year, regardless of the age, income or other distinct characteristics of the affected population, the mode of travel or the nature of the risk. The Lockwood Pedestrian Safety District will utilize the US DOT's annual guidance for the cost-benefit analysis for VSL purposes.

Nonfatal injuries occur more commonly than fatalities and vary in severity and probability. Therefore an Abbreviated Injury Scale (AIS) has been developed that assigns each injury class a value of VSL corresponding to a fraction of a fatality. For example, the value of a serious injury (0.105) is multiplied by $9.2 million resulting in a value of $966,000. Where safety is the primary outcome of cost-effectiveness analysis, these values help determine whether or not the cost of a government action with a non-monetary measure of benefit.

Table 1: Fraction of VSL for Nonfatal Injuries[8]

AIS Level	Severity	Fraction of VSL
AIS 1	Minor	0.003
AIS 2	Moderate	0.047
AIS 3	Serious	0.105
AIS 4	Severe	0.266
AIS 5	Critical	0.593
AIS 6	Unsurvivable	1.000

6. Related Documents

Billings Urban Area Long Range Transportation Plan (Kittelson & Associates, Inc., 2014)

This document also covers the Billings Area Metropolitan Planning Organization boundaries, which includes the Lockwood area. This plan covers streets and highways, public transit and transportation, truck services and facilities, rail facilities and pedestrian and bicycle facilities. This document acknowledges the Lockwood Safe Routes to School plan and the Lockwood Transportation Study, but stops short of inventory and recommendation of specific non-motorized transportation projects for Lockwood.

Lockwood School District Safe Routes to School Plan (Peaks to Plains Design PC, 2011)

This document was prepared in accordance with the Safe Routes to School funding program and evaluates walking and bicycling needs within a 2-miles radius from Lockwood Elementary and Middle Schools. The document includes the five "E's" of the Safe Routes to School program: encouragement, education, enforcement, engineering and evaluation. The document also includes a highly statistically valid parent survey that can be used as a baseline for evaluation of the effectiveness of the Lockwood Pedestrian Safety District plan.

[8] Rogoff and Thomson. Guidance on Treatment of the Economic Value of a Statistical Life (VSL) in U.S. Department of Transportation Analyses – 2014 Adjustment. June 2014.

Billings Area Bikeway and Trail Master Plan (Alta Planning + Design, 2011)

This document covers the Billings Area Metropolitan Planning Organization boundaries, which includes the Lockwood area. However, little specific information is provided for Lockwood and many projects listed in the plan are within the Billings City Limits. However, many of the funding, policy and other guidelines included in this document are applicable to the Lockwood Pedestrian Safety District.

Yellowstone County & City of Billings Growth Policy (City-County Planning, 2008)

The 2008 adopted policy document outlines several community goals and objectives, including "Billings and surrounding County town sites need more multiple use trails." Under transportation elements, several goals include "well maintained network of safe and interconnected sidewalks" and "ensuring equitable and safe use of public transportation facilities." This document is currently in the process of a 2015 update.

Lockwood Transportation Study (Marvin & Associates, 2008)

This study was prepared to augment the 2005 Billings Urban Area Transportation Plan with Lockwood-specific recommendations for transportation. The study area for this plan encompasses a broader area than the Lockwood Pedestrian Safety District. Bike and pedestrian facilities are outlined that pathways, trails and sidewalks should be developed with all new road and infrastructure projects. In fact, the study indicates "an overwhelming desire to construct a multi-use trail along Old Hardin Road."

The Lockwood Community Plan (Lockwood Steering Committee, City-County Planning, 2006)

The purpose of this plan is to assist agencies, service districts and private developers to make informed choices when determining how to accommodate new development, plan for infrastructure improvement and address changes in land use for Lockwood. This plan is not a regulatory document, but supports the City-County Growth Policy.

7. Demographic Analysis

Population

In 2010, Lockwood's population was estimated at 7,759 people. The Lockwood urbanized area encompasses almost 28 square miles of land. If the area was incorporated, Lockwood would be considered a "City of the Second Class" according to MCA 7-1-411. Other incorporated cities of a similar size would include Laurel, Livingston, Belgrade and Miles City.

Table 2: Lockwood CDP Population Statistics[9]

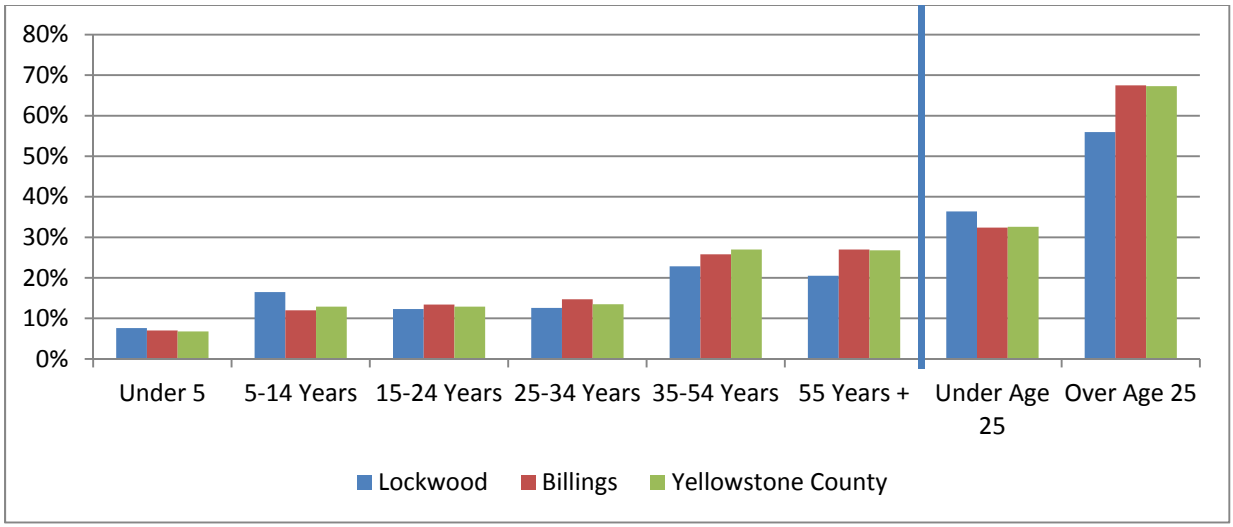
	1990	2000	2010	2020 (projected)
Population	6,700	7,200	7,759	8,387
Historic Growth Rate		8.5%	7.7%	8.1%
Housing Units		1,619	1,766	

[9] City-County Planning 2015 Growth Policy Update Presentation, 2015.

Age

The age distribution of Lockwood is generally consistent, with the median age of 35.8 years. The age distribution compared to the City of Billings or Yellowstone County indicates that a larger percentage of Lockwood residents are younger with more people under the age of 25.

Table 3: Lockwood Census Defined Place Age Cohorts, 2010 Census



Income

According to the American Communities Survey, the mean or average household income in Census Tract 8, which encompasses the more urbanized Lockwood area, was $55,017. The mean income for the State of Montana is $60,639 and Yellowstone County is $67,055.[10]

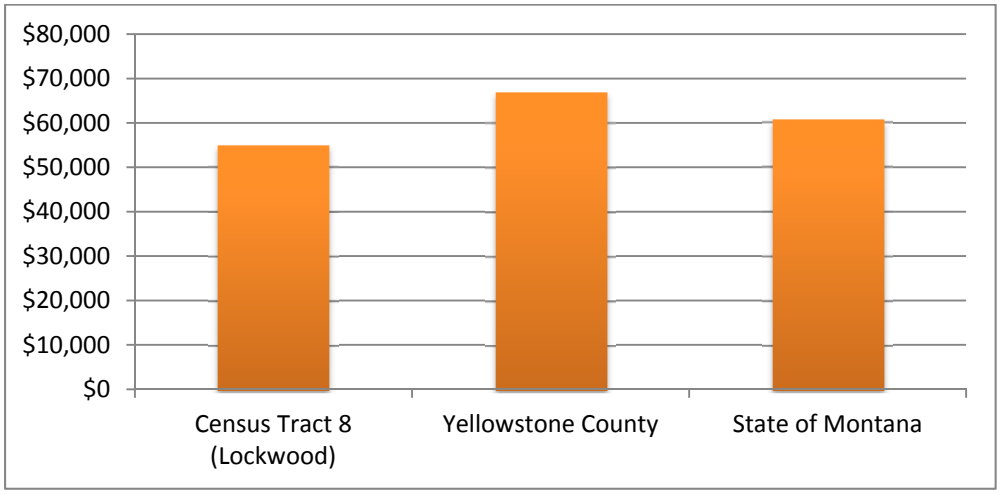


Table 4: Mean Household Income, 2013 American Community Survey

[10] U.S. Census Bureau, 2013 American Community Survey, Mean Income in the past 12 months, 2013 ACS 5-year estimates.

Health[11]

The 2014 PRC Community Health Needs Assessment Report for Yellowstone County covers all aspects of health including physical activity, infectious diseases, birth rates and access to health providers. A total of 10.8 percent of survey respondents indicated they wanted to be more physically active, but felt unsafe due to factors such as crime or traffic. The trends are higher among women and the age 18 to 39 cohort as well as low income respondents. Over 61 percent of the survey respondents indicate that they "never" walk, bike or use transit for their daily commute. However, a large percentage (22.7%) utilizes alternative transportation at least weekly.

Nearly 2 in 3 Yellowstone County adults are overweight.

The same report indicates that nearly 2 in 3 Yellowstone County adults are overweight. This is statistically higher than the State of Montana. While the number of overweight adults in Yellowstone County is less than a survey in 2010, the 2014 overweight statistic is still higher than the percentage in 2005. Almost one third of Yellowstone County adults are obese. This is a statistically significant increase since 2005, when only one quarter of adults was obese. Overweight and obese adults are more likely to report multiple adverse health conditions. Among those conditions are hypertension (high blood pressure), chronic depression, arthritis/rheumatism, high cholesterol and "fair" or "poor" mental health. Overweight/obese residents were also more likely to have overweight children.

8. Existing Conditions

The Lockwood Pedestrian Safety District encompasses 47 square miles of land area. Currently, only five areas have sidewalks adjacent to public rights of way:

1. Western Security Bank at Old Hardin Road and Cole Street has five-foot wide curb sidewalks. However, the sidewalk only has about 50 percent compliance with the Americans with Disabilities Act.
2. Burger King at Old Hardin Road is adjacent to the Western Security Bank property and also has five-foot wide curb sidewalks. The intersection of Old Hardin Road and Johnson Lane does have an ADA compliant curb ramp.
3. Emerald View Trailer Court includes the following streets: Sherwood Avenue, Silverton Street, Jemstone Drive, Rockwood Street, Finley Circle, Andrick Avenue and Kallen Drive. This development has five-foot wide sidewalks.
4. Sidewalks are on Lockwood School District property adjacent to US Highway 87 from Peters Street to the intersection of Piccolo Lane and from the entrance road to the administrative area to Stonehaven Trail.
5. Hillner Lane from Piccolo Lane to Nightingale Drive has a sidewalk that was installed as a part of a Safe Routes to School project in 2012.

Less than 2 percent of all roads in Lockwood have sidewalks

[11] Professional Research Consultants, Inc. 2014 PRC Community Health Needs Assessment Report, Yellowstone County, Montana. 2014.

These sidewalks represent less than 2 percent of all roads within the Lockwood Pedestrian Safety District.

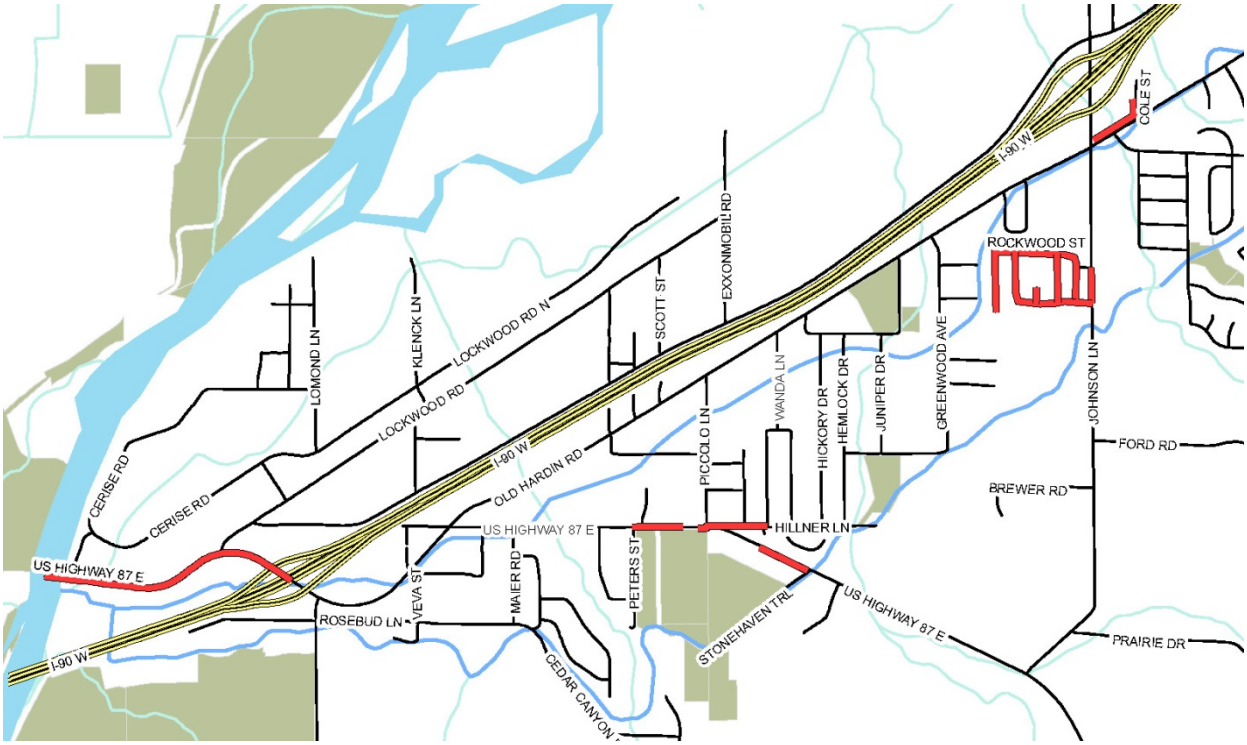


Figure 3: Existing Sidewalks in the Lockwood Pedestrian Safety District

9. Safety and Fatality, Serious Injury and Injury Data

According to the 2014 Billings Urban Area Long Range Transportation Plan, motor vehicles crashes generally involve multiple contributing factors, which may be related to drivers, the roadway or the vehicle(s) involved.[12] Therefore, increasing safety requires a multi-agency, multi-faceted approach, consistent with this plan's objectives.

Recently, the Montana Department of Transportation launched is "Vision Zero Montana" campaign, a multipronged initiative with the ultimate goal of eliminating deaths and injuries on Montana highways. The Montana Department of Transportation reported that in the last 10 years, 492 people died in vehicle crashes within the 18 to 25 year age range, the most out of any age cohort. Lockwood, with its high percentage of residents within this age range, makes roads in this area that should be considered a priority for safety. The Vision Zero campaign focuses on four areas: education, enforcement, engineering and emergency medical response.[13]

"Engineering of Montana roadways ensure that Montana's thousands of miles of state roads and highways are built and maintained with safety as the first concern" – MDT Vision Zero Focus Area

[12] Kittleson & Associates. 2014 Billings Urban Area Long Range Transportation Plan, page 96.

[13] www.mdt.mt.gov/visionzero/about.shtml

Pedestrian Involved Crash Statistics

According to the Montana Department of Transportation, roads located in Yellowstone County are host to an average of 43 crash events per year that involve pedestrians. Eighteen people have lost their lives as pedestrians and additional 60 people have suffered an incapacitating injury over the past 10 years as pedestrians.[14]

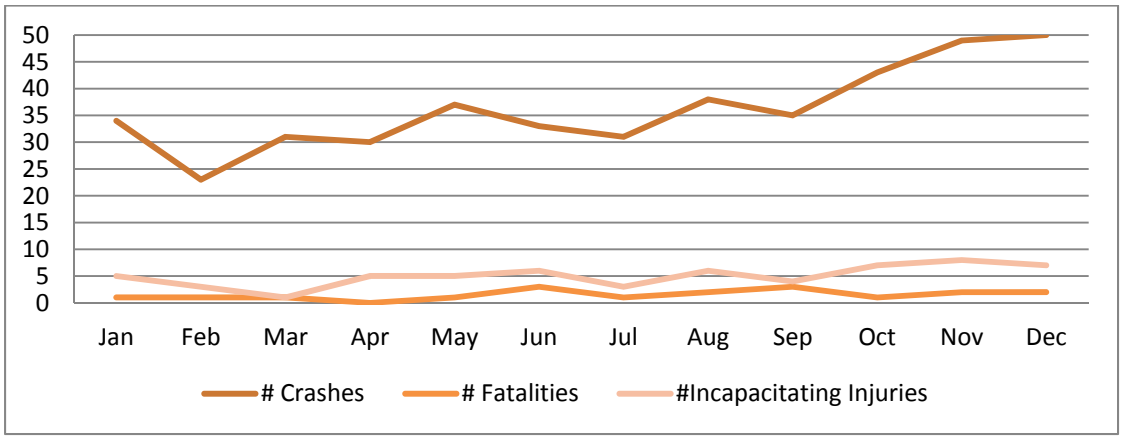


Table 5: Pedestrian-Involved Crash Injury Summary for Yellowstone County by Month (2004-2013)

The table above represents the pedestrian-involved crash injury statistics for Yellowstone County during a 10-year period. Pedestrian crash event numbers increase steadily in the months of October through December. The same statistics also show that dark light conditions contribute to a significant number of those events during those months. Also noteworthy is that almost 42 percent of the people involved in pedestrian crashes are age 25 and under.

According to MDT crash statistics, in the past five years, the area encompassing the Lockwood Pedestrian Safety District has experienced 10 crash events that have involved pedestrians. One fatality and twelve serious injuries have been documented from those events. Utilizing the Value of Statistical Life, the cost of those events has resulted in an **economic loss of over 20 million dollars in five years**.[15]

In the past five years (2009-2014), the area encompassing the Lockwood Pedestrian Safety District has experienced 10 crash events that have involved pedestrians that have resulted in one fatality and 12 serious injuries.

According to MDT statistics, pedestrian-involved crash events are occurring at an increasing frequency at intersections. Likewise, pedestrians are involved in crash events increasingly along Interstate Highways/US Routes and Secondary Routes in Yellowstone County.

[14] MDT. Pedestrian Involved Crash Injury Summary Yellowstone County, Montana (2004-2013)

[15] The calculations assume the twelve serious injuries are classified as an AIS 3 level injury. All calculations utilized the 2014 value guidance.

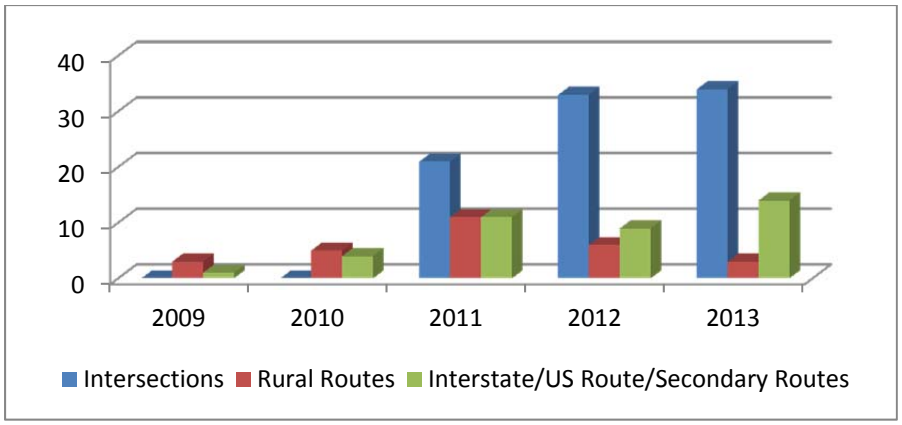


Table 6: Pedestrian Crash Events in Yellowstone County Classified by Street Type

Bicycle Involved Crash Statistics

In Yellowstone County the number of crash events involving bicyclists has seen a decline since 2010 where a 10-year high of 50 crash events occurred. Only one fatality has occurred in the last 10 year period in 2004. Incapacitating injuries are less prevalent involving bicyclists with just over one crash event per year. The number of crash events directly correlates with the classification of roadway. Local streets have the largest number of bicycle-related crash events, followed by Interstate/US Route/Secondary routes and then County/Rural routes.

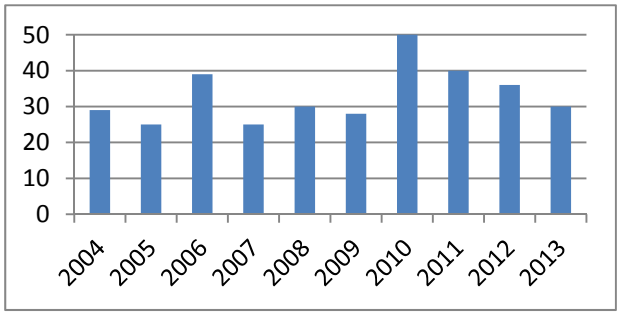


Table 7: Number of Bicycle Involved Crash Events in Yellowstone County

The greatest numbers of bicycle-involved crash events occur during the months of May through September as climatic conditions encourage bicycle ridership, although it should be noted that year-round crash events involving bicycles do occur.[16]

In the parent survey conducted for the Lockwood School District Safe Routes to Schools plan, the top issues that affected a parent's decision to allow or not allow their child to walk or bike to/from school included distance, traffic volume along

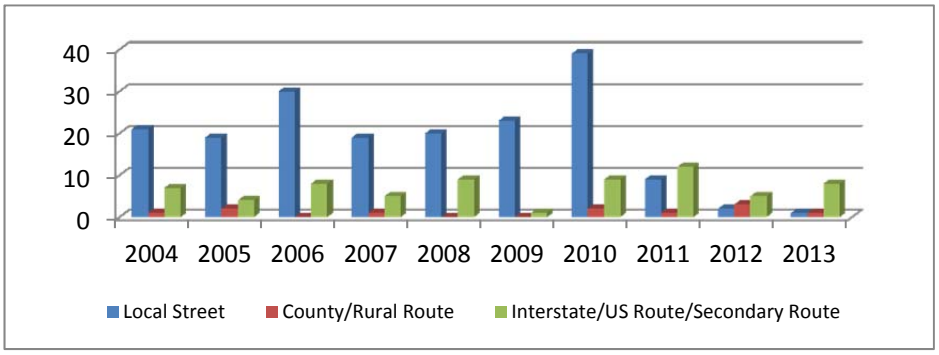


Table 8: Number of Bicycle Involved Crash Events in Yellowstone County by Route Type

[16] MDT. Bicycle-Involved Crash Injury Summary Data for Yellowstone County (2004-2013)

the route, traffic speed along route to school and availability of sidewalks or pathways. The same survey indicated that a change in traffic volume, sidewalks or pathways and traffic speed along the route would affect their decision to allow a student to bike or bike to/from school.[17]

10. Public Involvement and Outreach

The development of the plan included two public involvement meetings. The first was held in September 2014 at the "Celebrate Lockwood" event where the Advisory Board and District were part of a greater presentation of all entities in Lockwood. Attendees were asked a variety of opinions on the newly formed district, and an initial priority projects list for the Lockwood Pedestrian Safety District was presented at this meeting.

The second public meeting was held in May 2015 for the purposes of reviewing the draft plan, reviewing the activities of the Lockwood Pedestrian Safety District and to solicit participant's opinions on the highest priorities from the work plan. Participants provided opinions in a written format.

The aspects of the draft plan presented that surprised people the most were the extent and relevance of data and they felt that the information presented was very thorough and well researched; the progress on the Highway 87 [sidewalk] project; the availability of grant writers to the District; the safety and cost of a fatality to a community and the young population of Lockwood.

Participants were asked to state what the District could do to encourage them and others to be more active: Be persistent, consistent and resistant to naysayers; keep (or continue to keep) the public informed; complete a pedestrian project; acquire grants; communicate through email, etc; and get a project going to show some results.

In reference to the aspects of the work plan (education, encouragement, enforcement, engineering, evaluation or partnerships and funding); people felt the following were the most important: engineering was tied with partnerships and funding, followed by enforcement.

Responses regarding the District's work that has been missing or not covered included: A solution for Piccolo Lane; sufficient support from the Board of County Commissioners; and indication that [the Board] seems to be doing an excellent job so far – the Board has accomplished a lot in a few months.

Final general thoughts provided included suggestions to work with other organizations, such as BikeWalk Montana and TrailNet; "you are doing an excellent job;" and do not be intimidated by the many hurdles of Piccolo Lane, it is a safety priority.

The participants placed dots on their highest priorities in the work plan. Those results, combined with advisory board guidance, were integrated into the activity listing in the work plan section of the document.

[17] Peaks to Plains Design PC. Lockwood School District Safe Routes to School Plan. (2011)

11. Work Plan

The work plan outlines the District's work plan for the next five years, and the plan outlines projects desired for the next 20 years. It is separated into six areas of focus: education, enforcement, encouragement, engineering, evaluation and partnerships and funding. The estimated costs are in 2014 dollars, and do not include costs for right of way acquisition or easements.

Education

The purpose of these activities is to provide citizens of all ages with opportunities to learn more about Montana's pedestrian and bicycle laws, crash avoidance techniques, bicycle safety checks and general advocacy and awareness.

Activity Number	Activity	Responsibility/Potential Partners	When	Estimated Costs
EDU-1	Develop a non-motorized transportation plan.	LPSD	2015	$40,000
EDU-2	Bicycle Safety Class	LPSD/Lockwood School	Annually	$600
EDU-3	Distribute Montana Bicycle & Pedestrian Laws	LPSD/Material from MDT	On-going	$0
EDU-4	Lead advocacy and awareness outreach through social media and other communication venues	LPSD	On-going	$0
EDU-5	Develop and distribute PSA's regarding safe bicycling & walking	Lockwood Students/LPSD	On-going	$0
EDU-6	Establish a presence on the Yellowstone County website	LPSD/Yellowstone County	2015	$0
EDU-7	Place informational ads regarding rules of the road/riding/walking in local newspapers	LPSD	On-going	$22 - $30 per ad

Table 9: Education Activities

Enforcement

The purpose of enforcement activities is to work with the Montana Highway Patrol and the Yellowstone County Sheriff's department in order to effectively and consistently apply vehicular, bicycle and pedestrian laws throughout the Lockwood Area. This section also includes the review of policy documents, including developing zoning ordinances that affect development within the Lockwood Pedestrian Safety District.

Activity Number	Activity	Responsibility/Potential Partners	When	Estimated Costs
ENF-1	Develop an ordinance requiring adjacent property owner maintenance of sidewalk on public rights of way	City-County Planning/LPSD/County Engineering	2016	$0
ENF-2	Update County Road standards for the LPSD area	County Engineering/LPSD	2016	$0

ENF-3	Collaborate with City-County Planning on Growth Policy Update	LPSD	2015	$0
ENF-4	Request a speed study on US Highway 87 from Old Hardin Road to Lockwood School with the intent of speed reduction	Yellowstone County/MDT	2016	$0
ENF-5	Contract District-installed facilities maintenance procedures and execution	LPSD/County Purchasing	Annually	$5,000-$7,000
ENF-6	Develop an ordinance requiring the construction of sidewalks along all roads with in the LPSD	LPSD/County Engineering	2017	$0
ENF-7	Meeting with MHP & YC Sheriff's Department to discuss opportunities to enhance safety	LPSD	2016	$0

Table 10: Enforcement Activities

Encouragement

The purpose of encouragement is to provide citizens with opportunities for safe, reliable transportation choices that encourage residents to exercise, commute and interact with the Lockwood community. Visibility of activities by the District will lend itself to credibility in its mission.

Activity Number	Activity	Responsibility/Potential Partners	When	Estimated Costs
ENC-1	Placement & maintenance of street lights at 6 school bus stops	LPSD/County/Yellowstone Valley Electric	2014	$624/year
ENC-2	Recognize businesses & developers who have already installed sidewalks	LPSD	2015	$50
ENC-3	Explore & co-host educational partnerships	LPSD/Bike Walk Montana/Billings Bicycle & Pedestrian Advisory Committee/Lockwood School	On-going	$0 & per event, see also EDU
ENC-4	Distribute reflective materials to students and at businesses.	LPSD/MDT	On-going	$0
ENC-5	Helmet Giveaway	LPSD/Lockwood School/Local Hospitals	Annually	$0
ENC-6	Participate in Bike/Walk to School Days (May & October)	Lockwood School/PTA/LPSD	Annually	$0
ENC-7	Encourage walking as an essential part of community health	LPSD/Healthy by Design coalition	On-going	$0
ENC-8	Create a pedestrian way finding system	LPSD/Yellowstone County	2020	$20,000

Table 11: Encouragement Activities

Engineering

The engineering section includes the planning and construction of non-motorized transportation infrastructure. The types of facilities could include sidewalks, multi-use paths, recreational trails, transit stops, signage or other ancillary features that support non-motorized transportation.

Activity Number	Activity	Responsibility/Potential Partners	When	Estimated Costs
ENG-1	Highway 87 Sidewalk from Old Hardin Road to Peters Street	LPSD/MDT/Yellowstone County	2015	$285,000
ENG-2	Evaluate re-opening of cut-through path at East Ridge Estates	LPSD	2015	unknown
ENG-3	School Bus Stop Waiting Areas	LPSD/Yellowstone County	Even Years	$15,000 ea
ENG-4	Becraft Lane Sidewalk from the Old Hardin Road to Noblewood Drive	LPSD/Yellowstone County	2016	$500,000
ENG-5	Piccolo Lane from Old Hardin Road to Highway 87	LPSD/Yellowstone County	2018	$250,000
ENG-6	Old Hardin Road Sidewalk from Johnson Lane to Greenwood Avenue	LPSD/Yellowstone County	2020	$250,000
ENG-7	Lower Lockwood Irrigation Ditch from Rykken Circle West to Piccolo Lane	LPSD/Lockwood Irrigation Ditch	2022	$200,000
ENG-8	Old Hardin Road Sidewalk from Greenwood Avenue to Piccolo Lane	LPSD/Yellowstone County	2024	$410,000
ENG-8	Old Hardin Road Sidewalk from Piccolo Lane to Highway 87	LPSD/Yellowstone County	2026	$350,000
ENG-9	Johnson Lane from Old Hardin Road to Hillner Lane	LPSD/Yellowstone County/Private	As Developed	$587,000
ENG-10	Upper Lockwood Irrigation Ditch	LPSD/Lockwood Irrigation Ditch	Beyond 2024	$30/LF
ENG-11	Billings Bypass Sidewalk from Johnson Lane Interchange to Yellowstone River Bridge	MDT/Yellowstone County	unknown	$600,000
ENG-12	Johnson Lane north of I-90 to Yellowstone River	Private	unknown	unknown
ENG-13	Bicycle Tourist Route	Yellowstone County/Chamber of Commerce/Private	unknown	unknown

Table 12: Engineering Activities

Evaluation

It is vital that each of the programs listed above are consistently evaluated for their effectiveness and usefulness of human and fiscal resources. Therefore, the Advisory Board will evaluate each of the recommendations on an annual basis. Criteria for the basis of evaluation are as follows:

1. Did the activity further the mission of the LPSD? If so how?
2. Did the activity provide quantifiable data that is useful in pursuit of other activities?
3. Did the activity promote awareness or advocacy for the Lockwood community?
4. Did the activity leverage LPSD funds and/or other fiscal contributions?
5. Did the activity create long-lasting results?

Activity Number	Activity	Responsibility/Potential Partners	When	Estimated Costs
EVAL-1	Annual Review of the Non-Motorized Transportation Plan	LPSD/City-County Planning	Annual	$0
EVAL-2	Conduct Pedestrian & Bicycle Counts	LPSD	Annual	$0
EVAL-3	Conduct Parent & Student Surveys	Lockwood School/LPSD	Annual	$0
EVAL-4	Prepare an annual budget for County Commissioner approval	LPSD	Annual	$0
EVAL-5	Develop a walk score for Lockwood	LPSD/Local Realtors	2016	$0
EVAL-6	Collect Fatality, Serious Injury & Injury Data	City-County Planning Safety Grant/LPSD/MHP/Sheriff	2016	$0
EVAL-7	Collect economic data regarding sidewalks as critical infrastructure	LPSD/Big Sky Economic Development/Beartooth RC&D	On-going	$0
EVAL-8	Develop a Health Impact Assessment	LPSD/RiverStone Health	2016	Unknown
EVAL-9	Retain District Consultant to execute non-infrastructure tasks and administration	LPSD/Yellowstone County	Annual	$20,000

Table 13: Evaluation Activities

Partnerships & Funding Sources

The execution of the five "E" section of this document will rely on quality outreach with corporate partners and citizen advocates. A well-thought out work scope and transparency in the execution of the work builds confidence by both elected officials and constituents alike.

Activity Number	Activity	Responsibility/Potential Partners	When	Estimated Costs
PFS-1	Identify possible grant sources within a rolling 6-month time period	LPSD/Big Sky Economic Development/Beartooth RC&D	On-going	$0
PFS-2	Request non-infrastructure funding opportunities from Yellowstone County	LPSD	Annual	$1,200
PFS-3	Establish a restricted funds account for non-profit donations	LPSD	2016	$0
PFS-4	Participate in meetings involving implications to taxing entities	LPSD	On-going	$0
PFS-5	Research as to the applicability of tourism as an economic development strategy and grant sources	LPSD	2017	$0
PFS-6	Establish relationship with the Healthy by Design coalition to co-promote healthy activities and outreach	LPSD/RiverStone Health/Healthy by Design	2015	$0
PFS-7	Contact Billings Clinic Trauma Surgeon regarding helmet giveaway	LPSD/Lockwood School	2015	$0
PFS-8	Identify potential corporate sponsors for events	LPSD	Annual	$0
PFS-9	Identify any in-kind donations that are available to the District	LPSD	On-going	$0

Table 14: Partnership & Funding Activities

12. Infrastructure Plan (Highest Priorities)

The infrastructure plan generally covers all engineering-related infrastructure projects. The highest priorities were identified by the Advisory Board, and then affirmed by participants in town hall meetings. The highest priority corridors have received further evaluation for the opportunities and constraints for each area.

US Highway 87 from Old Hardin Road to Peters Street

This project includes the construction of a six-foot wide sidewalk that will connect the Lockwood School to Old Hardin Road. This 2,480 feet length of sidewalk will be constructed on the south side of Highway 87 and will generally parallel the south right-of-way line. This sidewalk will connect the East Ridge Estates subdivision to Lockwood School and provide a safe passage to the commercial area at the intersection of Old Hardin Road and Highway 87. Constraints to the project include the Box Elder Creek crossing and hydraulic conflicts with right-of-way constraints at the Old Hardin Road interchange. US Highway 87 has an average daily traffic (ADT) count of 2990, which is slightly higher than Johnson Lane South and Becraft Lane.

Figure 4: A sidewalk will be placed in the Highway 87 right-of-way in 2015.

Street Lights and Waiting Areas at Bus Stops

During the time of year between the vernal and spring equinoxes (October to March), the lack of lighting contributes to safety concerns for collection sites. Street lights were installed in 2014 at six locations where students wait for school transportation. The light allows for better visibility of waiting and walking students to the bus stops. The lights and poles are owned by Yellowstone Valley Electric, and Yellowstone County pays a monthly fee of $8.50 for five lights that were placed on existing poles and $9.50 per month for one light that required a new pole. The locations are as follows:

- Old Hardin Road and Horn Street
- Enfield Street and Springfield Avenue
- 1600 block of Dickie Road
- Greenwood Avenue and Silverton Street
- Bluebird Street and Canary Avenue
- Becraft Lane and Starlight Drive

The Lockwood Fire District has indicated that the main arterials such as Becraft and Old Hardin Road are collection sites for bus stops. When weather is a factor, there are no places for children to congregate, and currently they stand on the road. Snow removal from the road pushes the snow into the edges of the road, forcing students to stand in the street.

The narrow roads are built to rural standards, with no curb and gutter. During ice conditions, an uncontrolled vehicle's momentum may not allow them to redirect their path or provide a barrier when approaching the congregated pedestrians. Refer to the appendix for a full-sized bus route map.

It is recommended to dedicate approximately $15,000 every other year to construct a proper bus stop

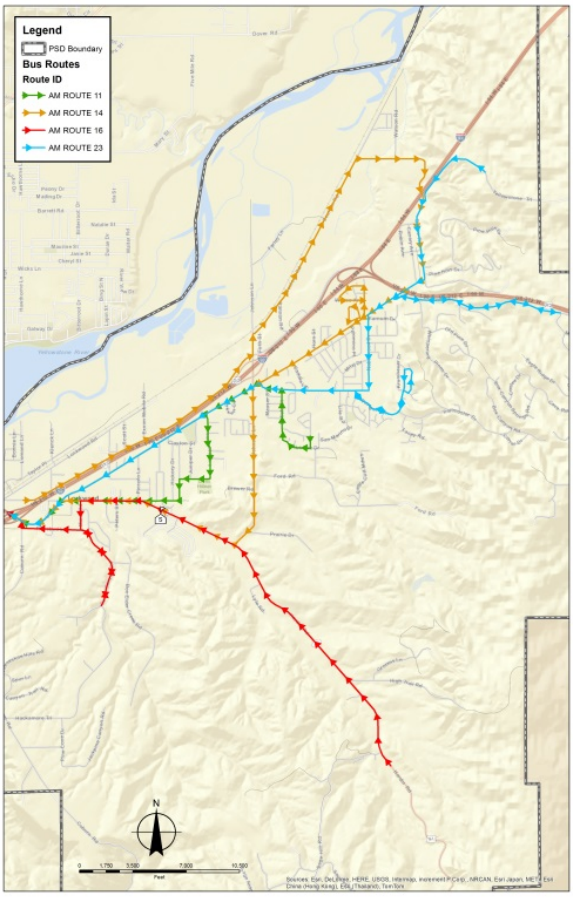


Figure 5: High School Bus Routes in Lockwood

waiting area in addition to the monthly costs for street lights.

Becraft Lane from Old Hardin Road to Noblewood Drive

Becraft Lane is a major collector street that has documented fatality and serious injury crashes involving pedestrians. Becraft Lane has an ADT of 2,630 vehicles, just slightly less than US Highway 87. A school bus stop is located at Becraft Lane and Starlight Drive. Approximately 750 feet of Becraft Lane will be reconstructed as a part of the Billings Bypass project. There are over 650 households located within one half mile of the road.

Figure 6: 2013 Fatality on Becraft Lane

Opportunities include creating a pedestrian connection to the gas station / convenience store at the Old Hardin Road intersection and to Harris Park, located south of Becraft Lane. Constraints include a power line which runs along the north side of Becraft Lane between First Interstate Bank and the irrigation canal crossing, then crosses Becraft Lane and runs along the south side of Becraft Lane between the irrigation canal crossing and Westgate Drive. Some potential right-of-way conflicts also come into play along both sides of the road.

The evaluation suggests that the path run along the south side of Becraft Lane due to the potential connection to pedestrian destinations. The physical constraints due to the presence of the power line are present on both sides of the road. The intersection of Westgate Drive and Becraft Lane is almost 150 feet wide, requiring specialized pedestrian facility. More right-of-way constraints are present along the project corridor on the south side of the road; however, constraints are also present on the north side of the road as well. These potential conflicts can be addressed with easements.

Piccolo Lane from Old Hardin Road to Highway 87

Piccolo Lane is classified as a local road which serves residential housing. Opportunities include serving the housing along the street and creating a pedestrian connection to the IGA convenience store on the southwest corner of the Piccolo Lane / Old Hardin Road intersection. Constraints include significant right-of-way constraints on both sides of the road, a line of large trees on the east side of Piccolo Lane south of Old Hardin Road, power poles on the east side of the street between US 87 and Sunrise Ave, and buildings on the west of the street immediately north of US 87.

Figure 7: Building restricting the availability of sidewalk placement on the west side of Piccolo Lane

Significant constraints limit options for a pedestrian path facility along Piccolo Lane. A five foot concrete curb-walk is recommended on the west side of the street which could stop north of the building encroachment shown in Figure 7. A between Sunrise Avenue and the southern end of the proposed sidewalk fence will have to be relocated. Piccolo Lane does have a lot of potential to become a neighborhood shareway/greenway or a woonerf in order to accommodate all types of traffic.

A "woonerf" is an urban design concept where a street is shared by both vehicles and non-motorized transportation. It is typically used in places with narrow rights-of-way, such as Piccolo Lane.

Old Hardin Road from the I-90 Interchange to Noblewood Drive

Old Hardin Road is classified as a "Minor Arterial" from the I-90 Interchange to Johnson Lane that is primarily fronted with commercial establishments although a few residences front the street. Along this route ADT counts range from 9,100 to 4,590. Old Hardin Road from Johnson Lane to Noblewood Drive has an ADT of 5,510 to 2,630 from west to east, including the Johnson Lane interchange with over 12,000 ADT. The classification of Old Hardin Road in this segment is a Major Collector. Old Hardin Road has had a fatality as a result of a vehicle/bicycle crash in 2010. There have been additional numerous other crashes involving pedestrians, resulting in injury along this road. According to the Billings Urban Area Long Range Transportation Plan, Old Hardin Road is anticipated to be reconstructed in the years beyond 2035 from its current state to a 3-lane urban roadway. The projected cost is approximately $10.5 million.

Opportunities include creating a pedestrian connection to Lockwood Park south of Old Hardin Road as well as several gas stations / convenience stores (including IGA at southwest corner of Old Hardin Road / Piccolo Lane as well as Lockwood Square, Flying J Truck Plaza, and Town Pump at the southwest, northwest, and southeast corner of the Old Hardin Road / Johnson Lane intersection, respectively). Constraints include potential right-of-way conflicts on both sides of Old Hardin Road as well as a power line on the north side of Old Hardin Road between McIntosh Drive and Noblewood Drive.

Figure 8: Pedestrians on Old Hardin Road often walk near the travel lane and walk with their back to oncoming traffic, creating a hazard.

It is recommended the proposed path be placed on the south side of Old Hardin Road. Placement on this side of the road allows for several connections to convenience stores as well as Lockwood Park. Placing the path on the south side of the road also creates a better connection with the proposed paths along Piccolo Lane and Becraft Lane. More right-of-way constraints exist on the south side of Old Hardin Road; however, these can be addressed with easements.

Old Hardin Road is a corridor where the use of an irrigation canal as a location for a pedestrian path could be considered. A canal runs near Old Hardin Road the entire length of the project corridor (runs north of Old Hardin Road between Noblewood Drive and Rykken Circle west of Johnson Lane, then runs south of Old Hardin Road between Rykken Circle and US 87). Doing this would eliminate the possibility of right-of-way constraints assuming permission is given by the Lockwood Irrigation District.

Lockwood Irrigation District Ditches

Preliminary meetings with the Lockwood Irrigation District Board have indicated a positive interest in utilizing the ditch property for the placement of trails. The lower ditch runs from Maier Road to Rykken Circle and Old Hardin Road. This corridor runs parallel to Old Hardin Road and may be an alternate route to facilitate the movement of people until an appropriate solution for Old Hardin Road can be obtained.

The upper ditch runs from Dickie Road, past Coburn Road and provides an alternative trail alignment for people wishing to connect from the Johnson Lane area to Lockwood School. The alignment of this ditch facilitates the greatest potential to safely move people from the east side of the Lockwood urbanized area to the west side, plus providing trailhead opportunities for a tourism route.

The liability for the use of ditches and canals for recreational purposes has traditionally been limited by Montana's Recreational Use Statute (MCA 70-16-Part 3). However, a District Court decision in 2014 (that is currently in appeal) has challenged that statute. If opportunities arise to construct a trail along the Lockwood Irrigation District's facilities, all aspects of its use will be considered.

Options for the utilization of the District's ditches include piping the ditch and placing the trail on top of the canal or running the trail immediately adjacent to the canal. The estimated costs only reflect the trail surfacing only.

13. Additional Infrastructure Routes

Johnson Lane from the I-90 Interchange to Ford Road

Johnson Lane is classified as a "Major Collector" that supports commercial, residential and rural traffic patterns. Johnson Lane at the I-90 Interchange has over 12,000 ADT and the end of Johnson Lane at US Highway 87 East is just over 1,000 ADT. This area has many undeveloped parcels that are a prime opportunity for sidewalk construction as a part of new development.

Opportunities include creating a pedestrian connection to the Lockwood School and a connection to Hillner Park. Constraints include the fact that no roads are built connecting Johnson Lane to either Sunrise Avenue or Greenwood Avenue. A potential right-of-way constraint exists along the east side of Johnson Lane south of Silverton Street.

This location provides an opportunity to use the irrigation canal to construct a pedestrian path, as allowed by the Lockwood Irrigation District. The canal runs in the area where the preferred path would be placed. It is recommended the path run along the west side of Johnson Lane from Old Hardin Road to the location of the irrigation canal, run along the north side of the canal from Johnson Lane to Greenwood Ave, run along the south side of Sunrise Ave, and along the east side of Hemlock Drive.

Johnson Lane North of I-90

Preliminary interest has been expressed by property owners to construct a trail corridor linking Johnson Lane at I-90, north to the Yellowstone River.

Billings Bypass

In 2014, the Montana Department of Transportation issued the Record of Decision regarding the new construction of a principal arterial highway connecting Interstate 90 east of Billings with Old Highway 312. The purpose is to address several transportation-related issues that stem from a lack of connectivity and lack of mobility due to major physical barriers for north-south transportation connections in the eastern Billings area.[18] The project is in the Engineering Design phase that includes the primary and secondary corridors, interchange and intersection options and related facilities, such as bridges. The preferred alignment connects at Johnson Lane and I-90 interchange and runs through an industrial development and undeveloped areas in North Lockwood.

The Record of Decision indicates that non-motorized transportation facilities are planned to be accommodated through an 8-foot shoulder, which also serves as a vehicle break-down lane. The Record of Decision states that "bicycle and pedestrian accommodations will be taken into account during final design." The Lockwood Pedestrian Safety District Advisory Board submitted a letter to the Yellowstone County Commission on February 24, 2015, indicating the Board's desire for a separated facility parallel to the road to provide pedestrian safety for those using that corridor.

Bicycle Tourist Route

This route would promote bicycle tourism within the LPSD. Only one hotel, the Holiday Inn Express is located in Lockwood. Utilizing that as a tourist starting point, the potential route could follow the Lockwood Irrigation District canal over to Coburn Road. Then the route could extend to the Four Dances Natural Area and Pictograph Caves State Park. With an Interstate Bridge connection, the route could extend over to Billings, connecting into the proposed "Marathon Loop." Additionally, tourists staying at the hotel could potentially ride north towards the future Dover Park, connect to the Heights Kiwanis Bike trail and also tie into the Marathon Loop. Lockwood is poised to become a key trailhead for bicycle tourism and economic development.

14. Capital Improvements Plan (10 years)

The highest priority corridors have received further evaluation as to the feasibility of construction. The long-range capital improvements plan assumes that all easements or right-of-way acquisitions are not financed by the District. Therefore, it should be noted that the "Cumulative District Account Balance" may be required to stop-gap any land costs or unrealized grant funds. It should be noted that all estimated costs of sidewalks are in 2015 dollars and assume one six-foot wide sidewalk along each roadway, with the exception of irrigation ditch routes, which is estimated with a gravel trail.

[18] Final Environmental Impact Statement Billings Bypass. Executive Summary. MDT, FWHA. March 2014.

LOCKWOOD PEDESTRIAN SAFETY DISTRICT
LONG RANGE (10 YEAR) PLAN

PROJECT	PROJECT COST*	FUNDING SOURCE	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
US 87 Sidewalk: Peters Street to Old Hardin Rd. (2400 LF)	$ 285	$285 INTERCAP Loan	$ 15	$ 30	$ 30	$ 30	$ 30	$ 30	$ 30	$ 30	$ 30	$ 30
Becraft Road Sidewalk: Old Hardin Road to Noblewood Drive (4350 LF)	$ 500	$ 75 District $225 INTERCAP $200 Grants		$ 92	$ 32	$ 32	$ 32	$ 32	$ 32	$ 32	$ 32	$ 32
Piccolo Lane: Old Hardin Road to US 87 (2100 LF)	$ 250	$150 District $100 Grants				$ 150						
Old Hardin Road: Johnson Lane to Greenwood Avenue (2000 LF)	$ 250	$150 District $100 Grants						$ 150				
Lockwood Irrigation District Lower Ditch from Rykken Circle (West) to Piccolo Lane (5900 LF)	$ 200	$160 District $40 Grants								$ 160		
Old Hardin Road: Greenwood Avenue to Piccolo Lane (3650 LF)	$ 410	$250 District $160 Grants										$ 250
Education, Enforcement, Evaluation, Encouragement Programs		District/ Partnerships	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2
School Bus Stop Light and Waiting Areas		District	$ 1	$ 16	$ 2	$ 17	$ 2	$ 17	$ 2	$ 17	$ 2	$ 17
Maintenance		District		$ 2	$ 4	$ 6	$ 6	$ 8	$ 8	$ 10	$ 10	$ 12
Master Plan & Misc. Consulting		District	$ 48	$ 20	$ 20	$ 20	$ 20	$ 50	$ 20	$ 20	$ 20	$ 20
Repay Yellowstone County Advance from FY15				$ 50	$ 50							
TOTAL DISTRICT SPENDING			$ 66	$ 212	$ 140	$ 257	$ 92	$ 289	$ 94	$ 271	$ 96	$ 363
EXPECTED DISTRICT REVENUE			$ 100	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
CUMULATIVE DISTRICT ACCOUNT BALANCE (CONTINGENCY)			$ 35	$ 23	$ 83	$ 26	$ 134	$ 45	$ 151	$ 80	$ 184	$ 21

* All costs in $1,000's, 2015 dollar value

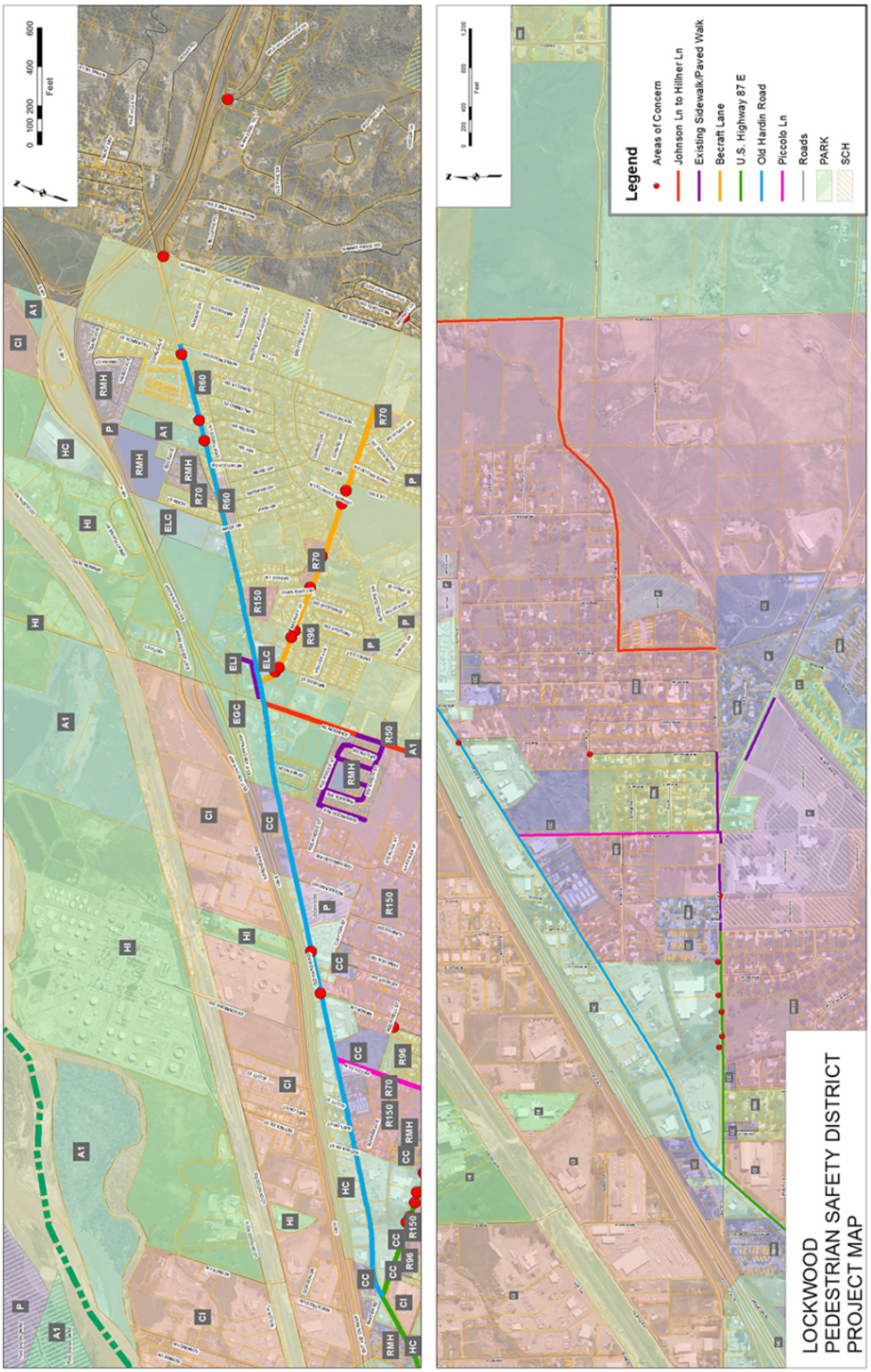


Figure 9: Project Location Map: Old Hardin Road & Highway 87

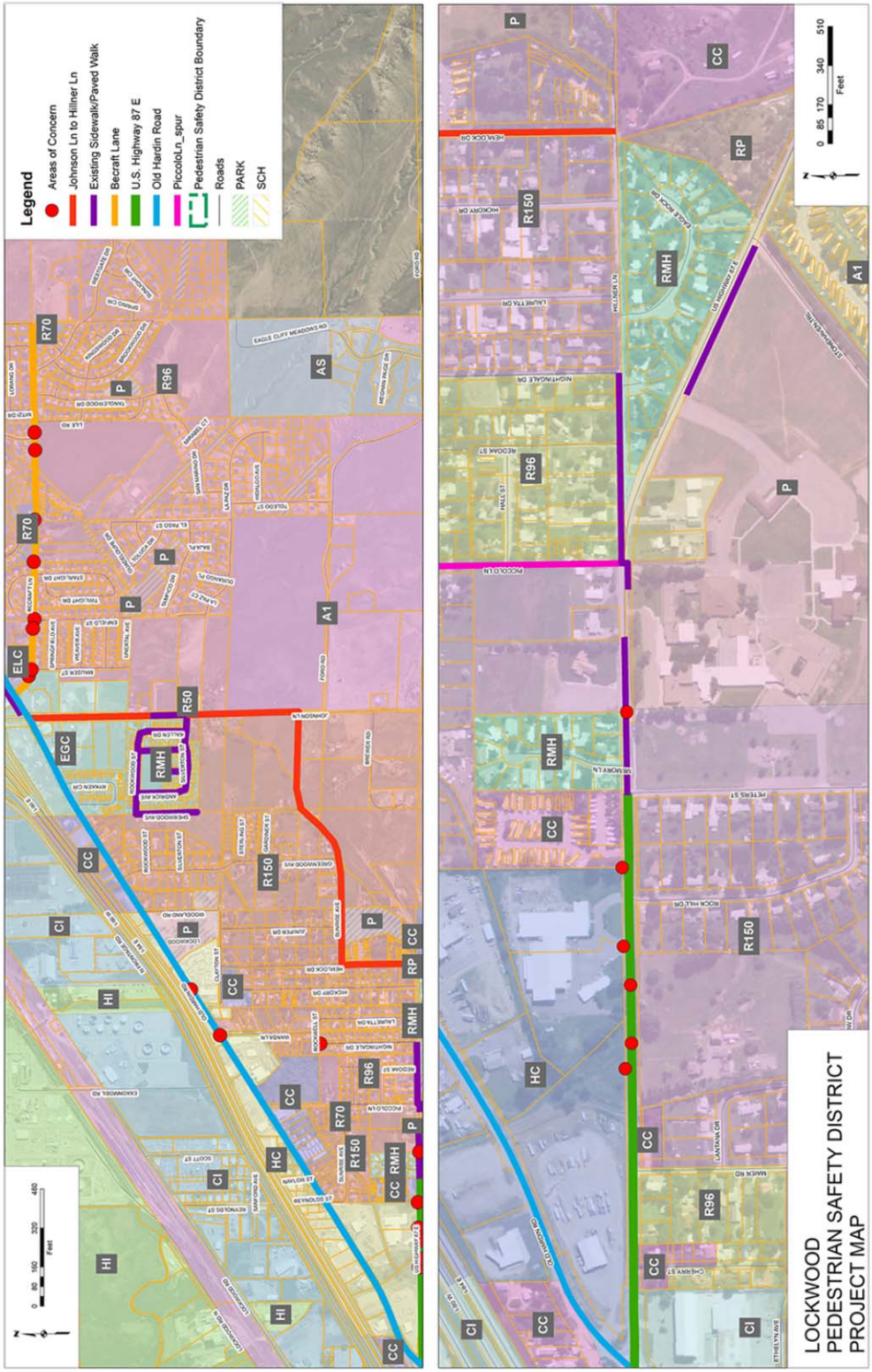


Figure 10: Project Location Map: Johnson Lane & Becraft Road

15. Funding Sources

Yellowstone County Special District No. 1 for Lockwood Area

In 2014, the Yellowstone County Commissioners approved by citizen vote the creation of a special district to construct and maintain improvements to enhance pedestrian safety and provide for alternative forms of traffic in the area. The area is defined as the Boundaries of School District No. 26 (Lockwood School). The first year of the levy is tax year 2015. The estimated annual revenues are $212,697 at 10 mills.

Billings Chamber/CVB Trails Initiative

The Billings Chamber of Commerce serves the greater Billings area. The Billings Chamber/CVB trail initiative is to develop a trail system for the economic and healthy community benefits that result from active transportation (to work and school and for leisure).[19] The strategic priority includes the concept of a Marathon Loop, plus vital spokes to that loop, which could include Lockwood.

Centers for Disease Control and Prevention (CDC)

The CDC's Built Environment and Health Initiative works to improve public health by linking public health data collection with community design decisions, improving community design decisions through the use of tools such as Health Impact Assessments, educating decision-makers on the health impact of community design and conducting research to identify the links between health and community design. The CDC offers grant opportunities for the research, assessments and tools to develop a Health Impact Assessment (HIA). An HIA evaluates objectively the potential health effects of a policy or project before it begins. The health effect may be physical, mental or emotional. The CDC's Healthy Places initiative provides tools for transportation, parks, trails, children's health and community design.[20]

Coal Board Grant Program

The Montana Department of Commerce and the Coal Board administers grants pursuant to 90-6-207, MCA. Grant are available to counties, communities, school districts or other governmental units that has had or expects to have a result of the impact of coal development, a net increase or decrease in population. Application dates are approximately 45 days prior to a scheduled Coal Board meeting. Lockwood (Yellowstone County) is eligible area because of the Signal Peak Mine. Funds are appropriated every two years from the coal trust fund.

Congestion Mitigation and Air Quality Improvement Program (CMAQ)

CMAQ funds may be used for the construction of pedestrian walkways and bicycle transportation facilities and for carrying out non construction projects related to safe bicycle use.

INTERCAP Loan

The Montana Department of Commerce/Montana Board of Investments manages this variable rate loan program. This program provides loans to eligible credit worthy government units, of which Yellowstone County is in good standing. One hundred percent financing is available with no up-front cost, equity or matching funds required. The use of the loan funds has significant flexibility (new and used equipment and vehicles, real property improvements, preliminary engineering and grant writing.) The maximum

[19] http://www.billingschamber.com/sitemap/pdf-archive/trails/

[20] http://www.cdc.gov/healthyplaces/about.htm

term of the loan is 15 years or useful life of the project, whichever is less. The current interest rate is 1.25 percent, which is adjusted annually on February 16. Interest and principal payments are due semi-annually on February 15 and August 15.

Land & Water Conservation Fund (LWCF)

The LWCF was established in 1965 and is a federal reimbursement grants program administered by the Montana State Parks. Eligible projects include ball fields, open space acquisitions, public parks, swimming pools, playgrounds, picnic facilities and walking trails. Facilities directly supporting outdoor recreation areas, such as restrooms and maintenance sheds are also eligible. The maximum grant per project is $75,000, and the grant may provide up to 50 percent of the project's total costs.

Moving Ahead for Progress in the 21st Century Act (MAP-21)

This is the federal legislation that funds and authorizes federal dollar spending on surface transportation. The $105 billion, two-year bill expires in May 2015. Bicycle and pedestrian projects are broadly eligible throughout the Federal-Aid and Federal Lands programs.

National Highway Performance Program (NHPP)

NHPP funds may be used for the construction of pedestrian walkways and bicycle transportation facilities on land adjacent to any highway on the National Highway System.

Non-Profit Donation Restricted Funds Account

Working with an established 501(c)3 organization, the Lockwood Pedestrian Safety District could acquire charitable donations through a restricted funds account that is dedicated to the District's activities. Utilizing an existing organization would relieve the District of the administrative burden. However, if the Lockwood community would like to establish its own non-profit organization, it is certain to do so.

Petroleum Violation Escrow Account (PVEA)

PVEA funds come from fines paid by oil companies in the 70's for violating oil price caps set by the federal government. The Department of Energy's State Energy and Weatherization Assistance Program distributes the money at the state level through grants. PVEA funds projects with an emphasis on energy saving, including public transportation and bridge construction or maintenance.[21]

Payments in Lieu of Taxes (PILT)

PILT funds are payments to local governments that help offset losses in property taxes due to nontaxable Federal lands within their jurisdictions. These funds may be used at the County's discretion for any governmental purpose. Yellowstone County receives just over $200,000 per year in PILT payments.

Private Grant Sources

Several foundations and charitable arms of businesses provide opportunities to contribute to non-motorized transportation activities. Healthcare organizations, insurance companies, oil and gas companies are all possibilities that a dedicated team of grant writers should be researching and applying for on a regular basis.

[21] Billings Area Bikeway and Trail Master Plan. Alta Planning+ Design. 2011

Recreation Trails Program (RTP)

This is a sub-category of the TAP funding, with dedicated funding to RTP. Montana State Parks administers the reimbursement grant program. Eligible projects include urban trail development, basic front and backcountry trail maintenance, restoration of areas damaged by trail use development of trailside facilities and educational and safety projects related to trails. This program requires a 20 percent match. Equipment purchases are eligible. Unlike the base TAP program, the RTP program will fund unpaved trails.

Surface Transportation Program (STP)

STP funds may be used for the construction of pedestrian walkways and bicycle transportation facilities and for carrying out non construction projects related to safe bicycle use.

Transportation Alternatives Program (TAP)

TAP was authorized under MAP-21, provides funding for programs and projects defined as transportation alternatives, including on and off road pedestrian and bicycle facilities, infrastructure projects for improving non-drive access to public transportation and enhanced mobility, community improvement activities, and environmental mitigation; recreational trail program projects; safe routes to school projects; and projects for the planning, design or construction of boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways. This competitive grant program requires a local match of 13.42 percent.

Treasure State Endowment Program (TSEP)

This grant program is administered by the Montana Department of Commerce with a maximum grant amount of $750,000 with applications due in the spring of even years with legislative action in the following odd year. This grant program process entails a 2-3 year process and requires a 50 percent match. Eligible uses include drinking water systems, wastewater treatment facilities, sanitary or storm sewer systems, solid waste disposal & separation systems and bridges. TSEP applications are evaluated, scored and ranked based upon seven statutory priorities. In general, projects that solve serious health and safety threats, and have a serious financial need are likely to be more competitive and ranked higher than other proposed projects. This program would only apply to bridges. Financial need for bridge projects is determined by evaluating the amount of funds available to the county that could be used towards bridges and the number of bridges that the county is responsible for maintaining.

16. Maintenance

Sidewalks provide tremendous value to communities by making walking safe and easier. Unlike bicyclists, every person is a pedestrian. The Federal Highway Administration recommends that “[g]iven that people walk despite not having facilities – for exercise, going to friends’ houses…it is neither rational nor acceptable to build places that do not have places for people to walk.”

Yellowstone County does not currently have the equipment or staff needed maintain sidewalks within their rights-of-way. Because the current regulations do not require the installation of sidewalk, there has not ever been a need to develop an ordinance regarding sidewalk maintenance. Typically, most municipalities address sidewalk installation and maintenance as the responsibility of the abutting property owner. Yellowstone County will need to develop a sidewalk construction and maintenance ordinance for the Lockwood Pedestrian Safety District.

For sidewalks placed within a right-of-way within Montana Department of Transportation jurisdiction (such as Highway 87 East), a maintenance agreement is required between MDT and the local government (Yellowstone County). An example maintenance agreement is located in the Appendix. Because of the lack of County equipment and personnel, the County will need to procure bids from maintenance companies to perform minimal sidewalk maintenance.

"An occupant of land upon which is located an accessible parking space or adjacent to a public sidewalk, shall be responsible for the removal of two inches or more of snow or one inch or more of ice." The term "occupant" refers to either the tenant or the owner of the land.

Anchorage Municipal Code 24.80.090

A case study review included the Anchorage Pedestrian Plan where winter maintenance affects winter conditions of cold, snow and ice for 6 months of the year. The Municipality of Anchorage blows sidewalks with 17 sidewalk-sized plows. The Alaska Department of Transportation and Public Facilities plow curb-walks with street-sized plows. In the Rural Road Service Area, a local property tax mill levy funds sidewalk improvements and maintenance. Additionally, members of the public are responsible for snow removal under municipal code. [22]

Within the Lockwood Pedestrian Safety District, solutions include creating an ordinance requiring adjacent property owners to remove snow off of sidewalks. Additionally, sidewalks within a principal arterial should be maintained through a contract with a local business to remove snow and provide twice per year sweeping services. Weed control in those corridors in right-of-way is the responsibility of the governing agency. The costs to the District affiliated with maintenance are reflected in the 10 year capital improvements plan.

17. Conclusion

The Lockwood Pedestrian Safety District is an innovative use of local government control to address the problems of people choosing alternate modes of transportation. The unique generation of the special district allows for greater flexibility to apply for other funding opportunities. To increase safety and to make Lockwood a livable community, a multi-faced approach must be taken. Building the infrastructure is not enough, a plan that embraces education, enforcement, encouragement and partnerships will have a far greater impact than engineering alone. The Lockwood Pedestrian Safety District joins the Montana Department of Transportation in its Vision Zero campaign, seeking the ultimate goal of eliminating deaths and injuries on Montana highways.

[22] Anchorage Metropolitan Area Transportation Solutions. Anchorage Pedestrian Plan. October 2007

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

Planning Board Planning Board Meeting 2
Meeting Date: 06/23/2015

Information

PROBLEM/ISSUE STATEMENT

Presentation/ Motion and Recommendation. East Billings Urban Renewal District and the Gateway Exposition Master Plan. Candi Millar

BACKGROUND

This presentation is offered per the Planing Board's request at the June 16, 2015 meeting.

FINANCIAL IMPACT

Presentation Only.

RECOMMENDATION

Presentation Only.

Attachments

Billings Exposition Gateway MP

BILLINGS EXPOSITION GATEWAY
CONCEPT PLAN

BIG SKY
ECONOMIC DEVELOPMENT

MAY 15, 2013

ACKNOWLEDGMENTS

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The Boyer Company

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First Interstate Bank Operations Center - Meeting Space
Big Sky Collision Center - Meeting Space
Billings Industrial Revitalization District - Meals and Refreshments

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Enhance Opportunities
Development that creates a distinctive gateway.

Individual Initiative
Improve properties and enhance businesses.

Fair Treatment
All property owners should be able to participate in development.

PLANNING PRINCIPLES

1. Manage storm water.
2. Provide lodging, dining and visitor attractions.
3. Connect to MetraPark.
4. Create high visibility.
5. Expression of businesses.
6. Phased redevelopment.
7. Create infrastructure over time.

SECTION 1
INTRODUCTION

Beginning in July 2012, Big Sky Economic Development Authority (BSEDA) collaborated with property owners and civic leaders in Billings to develop a concept plan for the Exposition Gateway. This planning effort aligns with the recommendation set forth in the East Billings Urban Renewal District Master Plan (July 2009) to develop a "mini master plan" for the Exposition Gateway. The Exposition Gateway planning area addresses properties both within and adjacent to the eastern-most edge of the East Billings Urban Renewal District. These properties straddle City and County boundaries. There are 8 properties, (8 owners) located within the City of Billings and 42 properties, (26 owners) located outside of the City within Yellowstone County.

The Exposition Gateway Steering Committee, property owners and a team of consulting architects, engineers, economists and planners studied the area's issues and opportunities. The consultant team completed a market assessment (see Appendix A) and conducted a number of in-depth interviews with property owners and representatives of public agencies (see Appendix C). The Exposition Gateway Steering Committee participated in and guided the planning process. Property owner workshops were held on October 16, 2012 and December 5, 2012. The consultant team presented the draft concept plan at a public meeting held on February 20, 2013.

This concept plan is the result of an extensive and inclusive effort. It presents a number of recommendations and implementation actions that can be used to guide future development toward the long-term vision of a stronger, more dynamic and diverse economy within the Exposition Gateway.

EXISTING CONTEXT

Early on in the planning process, the consultant team and Exposition Gateway Steering Committee identified the study area's opportunities and attributes (Figures 1-1, 1-2, 1-3) and issues and constraints (p.4, Figures 1-4, 1-5, 1-6) to address through this planning effort.

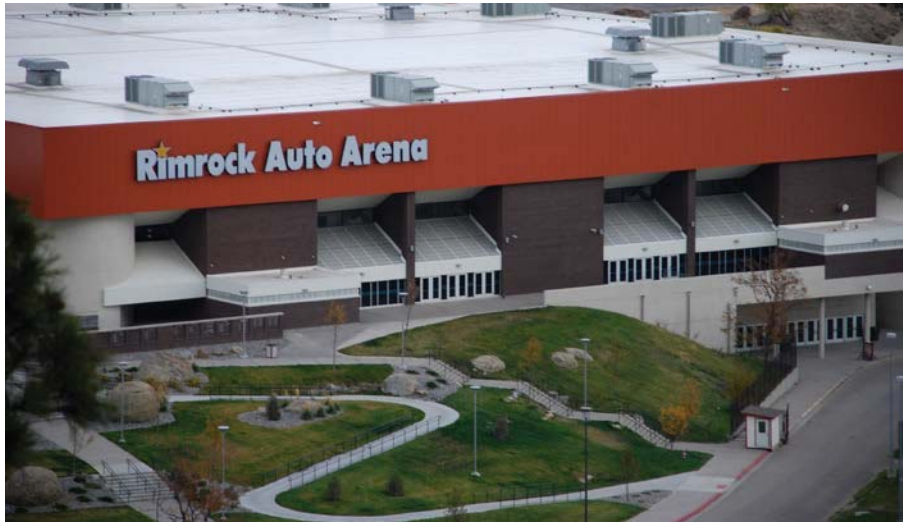

FIGURE 1-1 PROXIMITY TO REGIONAL ENTERTAINMENT AND EVENT CENTER

FIGURE 1-2 UNIQUELY SITUATED BETWEEN THE RIMS NATURAL AREAS AND THE YELLOWSTONE RIVER

Opportunities and Attributes

- The study area is situated within a prominent location in the region, in close proximity to surrounding natural recreation areas, MetraPark event center, and downtown Billings.
- The confluence of transportation corridors offers visibility and access to the greater metropolitan area.
- The shift in the street grid presents a potential opportunity for landmark structures and landscapes.
- Many current property owners are willing, interested and organized to be involved with the changing area.
- Some of the larger property ownerships may help enable near-term development.
- There is evidence of recent private investment in blocks to the west.
- Additional modification of Bench Boulevard, Exposition Drive, and 6th intersection could help address existing traffic patterns to complement the recently completed Bench Boulevard improvement project by Yellowstone County.
- Expansion of the Downtown transit service (circulator) and eventual reuse of rail corridor could help improve access to and from the area.
- Current related projects addressing the Hospitality Corridor, MetraPark, Heritage Trail system, Museum of the Yellowstone, conference center, etc can establish symbiotic relationships in the area by identifying common goals and partnership opportunities.
- Prior planning efforts such as the Downtown Framework Plan and EBURD Master Plan define the goals of the area in its larger context.
- There are multiple potential grant opportunities for innovative infill projects.
- There is a potential for public private partnerships for redevelopment.
- The area may have access to redevelopment tools such as: CDBG, EB-5, New Markets Tax credits, and non-profit bonds. Additionally, parcels within the city may have access to TIFD funds.

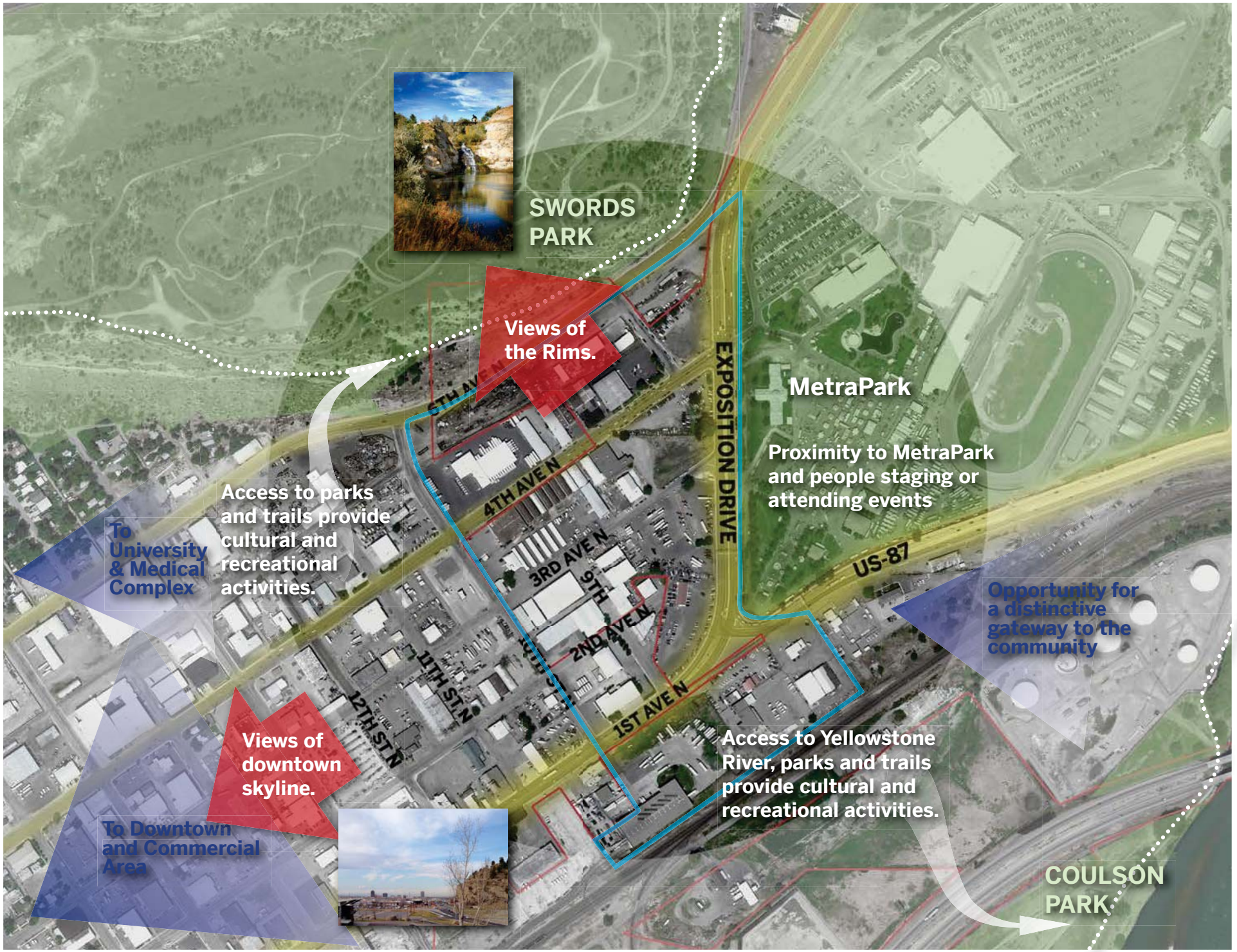

FIGURE 1-3 OPPORTUNITIES AND ATTRIBUTES

FIGURE 1-4 LACK OF CONNECTION TO METRAPARK WITH MULTI-MODAL ACCESS OR COMPLEMENTARY DEVELOPMENT

FIGURE 1-5 EXISTING NARROW AND INCOMPLETE SIDEWALKS

Issues and Constraints

- The study area lacks a strong physical, multi-modal connection to MetraPark.
- Existing streetscapes consisting of narrow sidewalks, traffic volume and vehicle speeds make walking seem unpleasant, if not unsafe.
- Major intersections of Exposition Drive with 6th Avenue North and 1st Avenue North have very high traffic volumes and lack appropriate multi-modal accommodation.
- The Gateway lacks a sense of place. The area is dominated by storage lots and industrial uses.
- There are existing stormwater issues in the area that lead to periodic flooding.
- There are several groups of smaller parcels with different owners that can make a coordinated redevelopment effort more challenging.
- The lack of services within the area discourages some desired uses.
- Uncertainty about potential to achieve needed rents for various uses and building types discourages redevelopment.
- Concerns of property owners regarding rising taxes if development occurs.
- There are some identified zoning issues, such as non-conforming situations, that discourage redevelopment activities.
- County parcels do not have the ability to use TIF or urban renewal techniques (unless annexed into the City).
- There have been challenges to ensuring cooperation from utility servicing agencies, including the lack of on-going maintenance for street and stormwater facilities.
- As this area is governed by multiple jurisdictions, there is an existing challenge to maintain coordination between agencies.

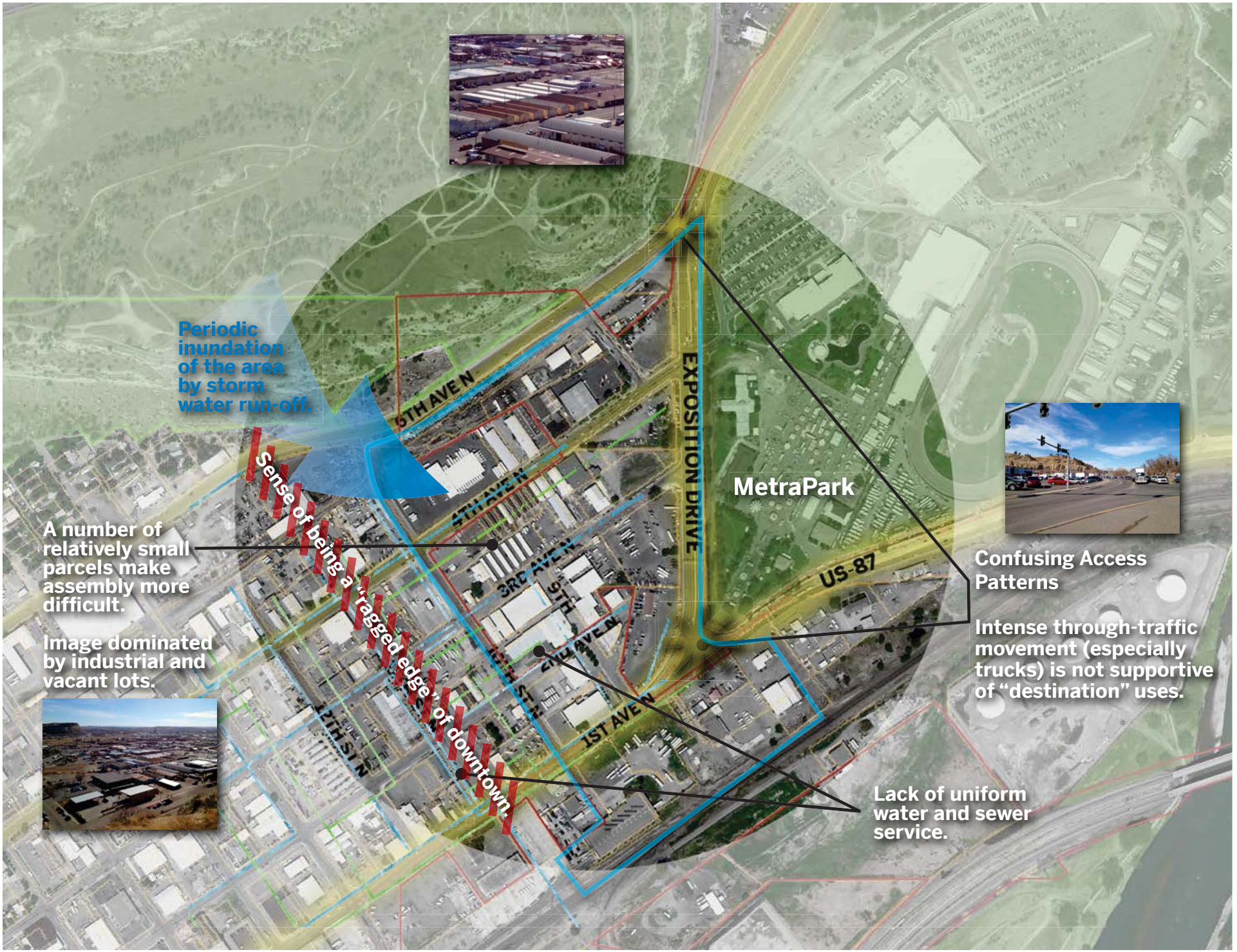

FIGURE 1-6 ISSUES AND CONSTRAINTS

SECTION 2
FRAMEWORK: PLAN ELEMENTS

Stormwater Management

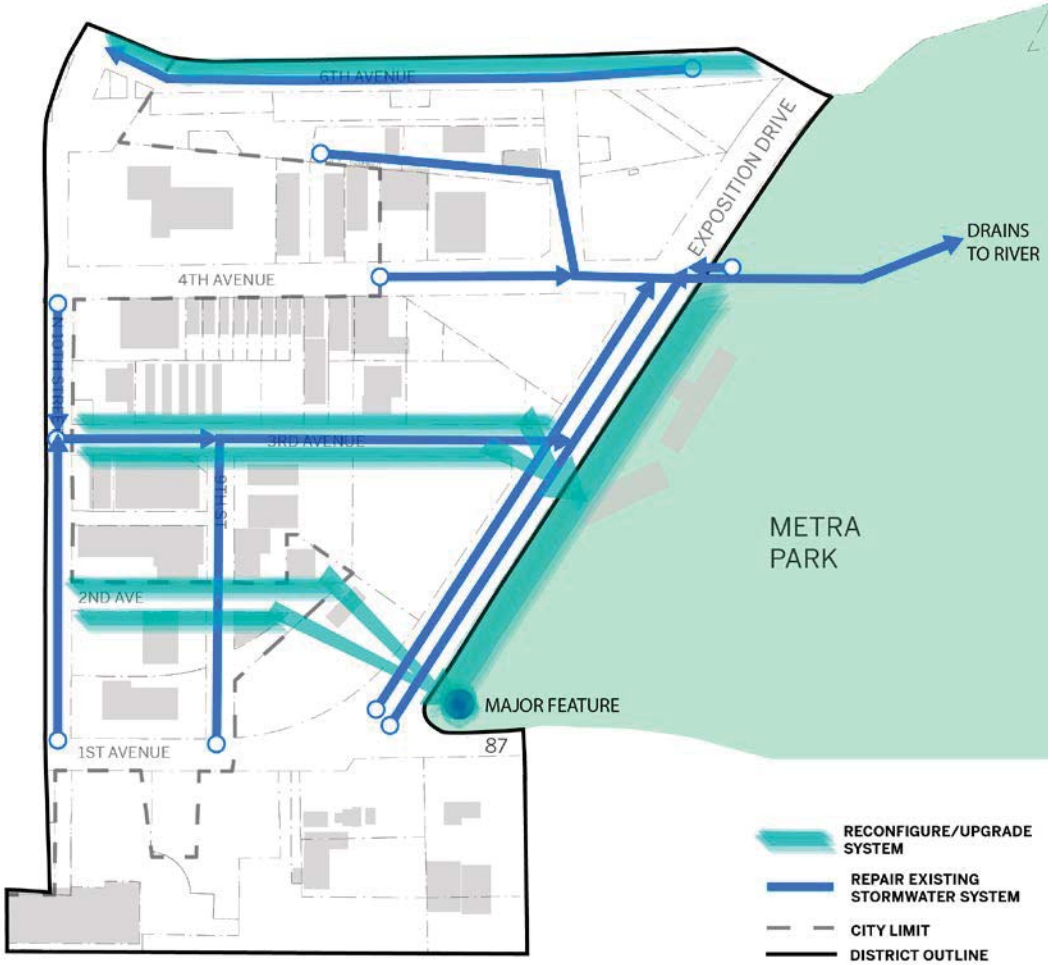

FIGURE 2-1 STORMWATER SYSTEM CONCEPT DIAGRAM

According to the City of Billings stormwater maps, stormwater inlets and piping exist throughout the Exposition Gateway Area. Much of this infrastructure was installed decades ago and is no longer adequate. The City is using cameras to investigate the conditions of the stormwater pipes. During site visits, the consultant team verified the location of the drain inlets at all intersections in the study area. The inlets were found to be silted in or the rim elevations were not in alignment with a flow line, both horizontally and vertically. The result is that during large storm events, the water is slow to drain, backs up onto the streets, and sometimes appears to reverse flow into the storm drain system and on to private property. Flooding damages buildings, equipment and materials and decreases property values significantly. This is further exacerbated by differing regulations across the Gateway's multiple jurisdictions. The parcels in the study area that fall within the City jurisdiction are regulated by the City and their MS4 permit standards. Investigations by the consultant team determined that there are currently no requirements in place to address stormwater for the parcels in the study area located outside of the City boundary. It does appear that the City is taking action to address stormwater management issues further to the west, (*"Ambitious drainage project aims to stop east-end Billings flooding"* Billings Gazette Feb 13, 2013)

Before any major redevelopment of the Exposition Gateway Area can occur, this essential infrastructure issue needs to be addressed. This will likely require a combination of maintenance, repair and replacement. In the absence of formal regulations for the majority of the study area,

FIGURE 2-2 EXAMPLES OF EXISTING STORMWATER DRAINAGE FACILITIES

FIGURE 2-3 LANDSCAPED SWALE FOR SURFACE RUNOFF

FIGURE 2-4 MID-STREET RAIN GARDEN

the consultant team looks to existing standards within the City Public Works Department, County Public Works Department, Montana State Department of Transportation, and State Department of Enivironmental Quality for guidance on what makes sense to address the deficiencies.

The City of Billings stormwater regulations state that Comprehensive Drainage Plan (CDP) sites must implement low impact development practices that infiltrate, evapotranspire, or capture for reuse the first half-inch of rainfall from their site's runoff from a 24hr-storm event. (pg 1-2 of City of Billings Stormwater Management Manual). The County does not have any additional stormwater permits or requirements. The result is that current stormwater pipes are sized to capture street drainage only, but are being inundated with runoff from private lots and street runoff from outside of the project study area.

These stormwater deficiencies: reinforce suboptimal land and transportation uses; detract from an otherwise robust and well-traveled corridor; and prevent the accrual of advantages that proximity to the MetraPark presents.

Developing an interlocal agreement among City, County and State partners to maintain, retrofit and upgrade the stormwater system may be an effective tool to overcome these deficiencies.

Montana state law requires property owners to collect, slowly release and filter stormwater created by their own development. Treatments can occur through surface treatment basins, rain gardens, underground storage facilities, green roof technologies, or some combination. Ideally any surface method should create an amenity that can enhance the area's appeal. There are numerous proven methods by which stormwater may be handled in a visually attractive manner. They need not be fenced off ponds. By the same token, streets and sidewalks can also incorporate these methods in a manner that enhances the public realm. We have included photographic illustrations that demonstrate examples used both in Billings and elsewhere. A combination of these solutions will resolve the current deficiencies and add immeasurably to the collective value of the area.

FIGURE 2-5 EBURD SEWER AND WATER PIPING

FIGURE 2-6 EXPOSITION GATEWAY AREA AFTER AN EXTREME STORM EVENT- BILLINGS GAZETTE JUNE 20, 2010 (L MAYER)

Water and Sanitary Sewer Utilities

As discussed in the EBURD Master Plan and indicated on Figure 2-5 of this plan, almost all of the study area is serviced by water and sanitary sewer to some degree. Unfortunately, many of these facilities are decades old, run across jurisdictional boundaries and are severely undersized for the type of development activities that are being planned for the area. Many of the properties within the project boundary were developed prior to being in the City of Billings municipal boundaries and did not receive ample design consideration for other potential construction in the area. In fact there are several significant parcels that still remain under County jurisdiction. Water and sanitary sewer services have typically been provided to these parcels under loose agreements between the City and the County in regards to operation and maintenance.

With this type of history, water main lines are typically found to be undersized because they were only designed to provide domestic services to small warehouse type facilities. A systematic program of replacing the old system with new larger diameter mains should be reviewed. It should be pointed out that there are some larger water supply mains that cross the EBURD Master Plan district, but extension and looping of local mains of sufficient size to provide both domestic and fire flow requirements will be required.

As with the water, sanitary sewer collection mains extend into the area to varying degrees. Some of these lines are again quite old but appear to be functional at this time. If new surface improvements are being completed, the entirety of the subsurface installations, including sanitary sewer should be reviewed and replaced as needed. As noted on the exhibit, the entire study area is not covered by sanitary sewer collection lines. Some of the older parcels that still remain in the City and County may be on septic tanks and drainfields at this time. Each proposed project will need to be evaluated on its own or as part of a collective upgrade and replacement program.

The operation, maintenance, upgrade or extension of either of these utilities will of course be greatly eased by bringing the county parcels into the jurisdictional boundaries of the City of Billings. By doing this, it will allow for increased access to available funding sources and mechanisms to complete needed improvements as new projects become realities and also provide for a uniform operation and maintenance program conducted under the auspices of a single entity.

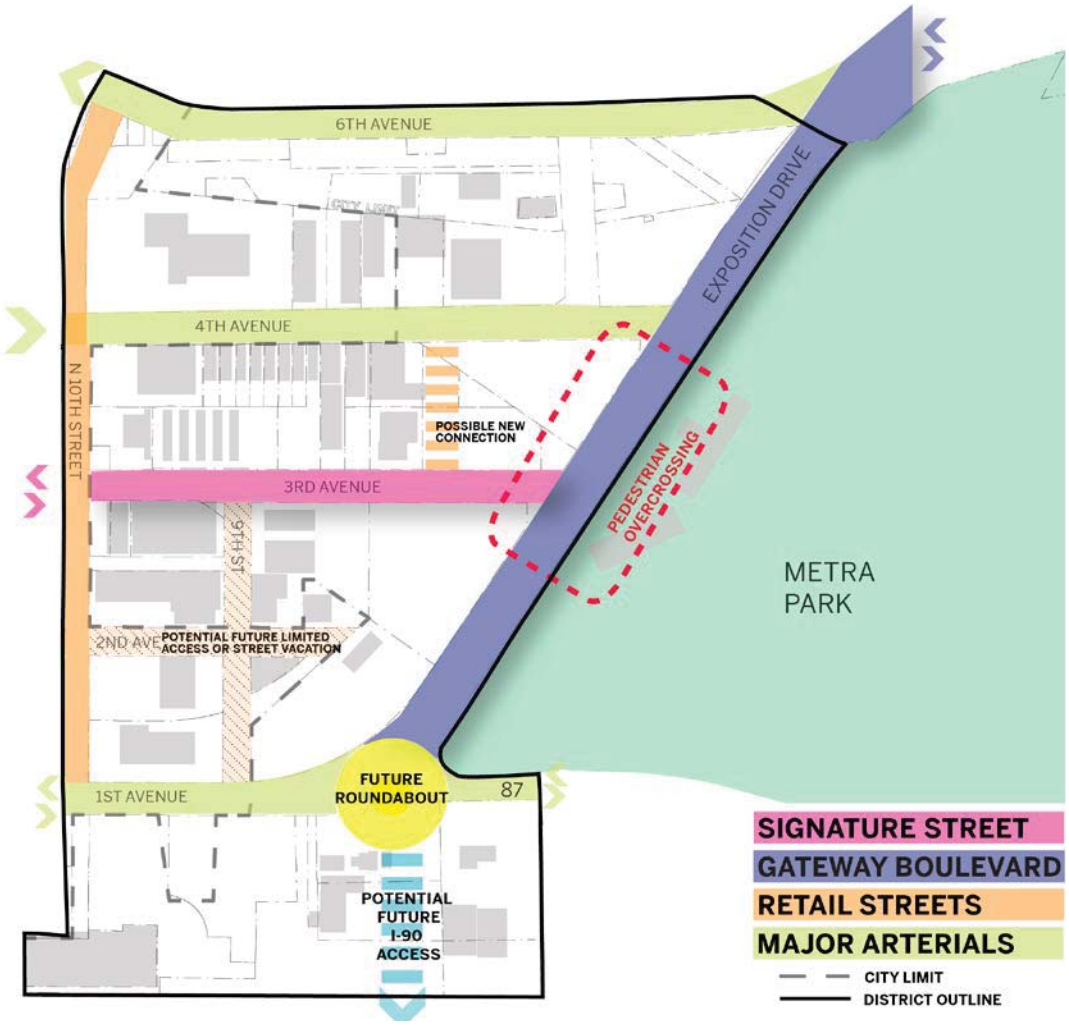

FIGURE 2-7 STREETSCAPE CHARACTER CONCEPT DIAGRAM

Street Improvements

All cities throughout history have developed with different types of streets. Some serve principally as conveyances for vehicles. They are busy, noisy, fast-moving and at times congested. Other streets serve purposes such as allowing people to have access to a variety of goods and services while on foot. These often contain street cafes, shops that spill out with their merchandise, brightly lighted showcase windows, street trees, special lighting and a host of other attributes that make for a pleasant experience. These streets do not exclude vehicles, but include measures to tame the traffic – slow it down and make it one of many uses of the street, all sharing the space. In contrast, other streets that are quiet, serene and green can serve as havens for privacy, movement by foot, and places where people live. Too often cities have made the mistake of having streets that are one-size-fits-all, in which no use is well-accommodated and everything is difficult, whether by vehicle or on foot.

The Exposition Gateway Area would benefit from a more nuanced and artful approach to its streets. Just as the EBURD plan described different functions of streets, this area would be more attractive for development if it were to contain streets that have different performance characteristics. Even so, no street should be relegated to being the ugly sacrificial lamb; all streets can be both handsome and functional.

The streets passing through and surrounding the area can be assigned different purposes and enhanced in different ways.

FIGURE 2-8 MAJOR ARTERIAL: ACCOMMODATE PARKING

FIGURE 2-9 MAJOR ARTERIAL: MULTI-MODAL ACCESS

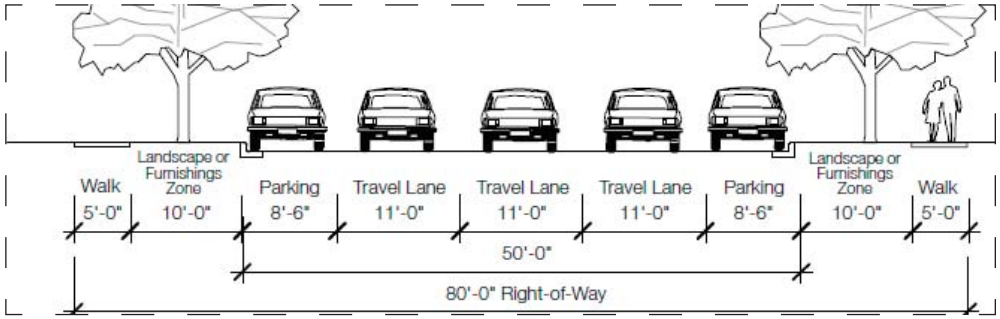

FIGURE 2-10 SECTION FROM EBURD CODE FOR 1ST, 4TH AND 6TH AVENUES

FIGURE 2-11 URBAN BOULEVARD: LANDSCAPED MEDIAN

FIGURE 2-12 URBAN BOULEVARD: PEDESTRIAN ENVIRONMENT

1st, 4th and 6th Avenues: Continue as Major Arterials

This plan recommends some streets within the area to continue serving their current functions for through traffic, 1st, 4th and 6th Avenues North fall into that category. They are identified in the EBURD Plan as "Boulevards" and the proposed cross section would be appropriate continuing into the Exposition Gateway Area. While they might be enhanced with streetscape improvements, their essential purpose and operational characteristics would remain unchanged. They serve very important purposes in connecting traffic between the Heights and downtown and would continue to provide for the movement of trucks that serve businesses in downtown and the EBURD.

Key Intersections

Sanderson Stewart's 6th Avenue North Bench Traffic Report (2012) provided an analysis of the intersections at 6th Avenue North and Exposition Drive and at First Avenue North and Exposition Drive. A number of different configurations were examined, including grade separations, different geometries, and roundabouts. The analysis concluded that none of these modifications were warranted in the short term at 6th and Exposition, particularly given that planning is proceeding for two large transportation projects in the area that would relieve traffic at this intersection. However, the report did suggest that a roundabout could work in the future at 1st Avenue North and Exposition Drive. This element is recommended in this concept plan.

Exposition Drive: Transform into an Urban Boulevard

The segment of Exposition Drive between 1st and 6th Avenues North has the potential of becoming a unique boulevard with qualities associated with a parkway. Already, the east side is heavily planted with mature trees and lawn area that lines the edge of MetraPark. Currently, this green corridor is cut off from public use because of a tall fence topped with barbed wire. This fence could be moved 20-30 feet to the east, and will still provide security and admissions control during ticketed events. The resulting wide corridor can then allow for a meandering, multi-purpose trail. The trail would allow people walking and using bicycles to connect from the Exposition Gateway Area to the Yellowstone River or the Rims with only one major street crossing.

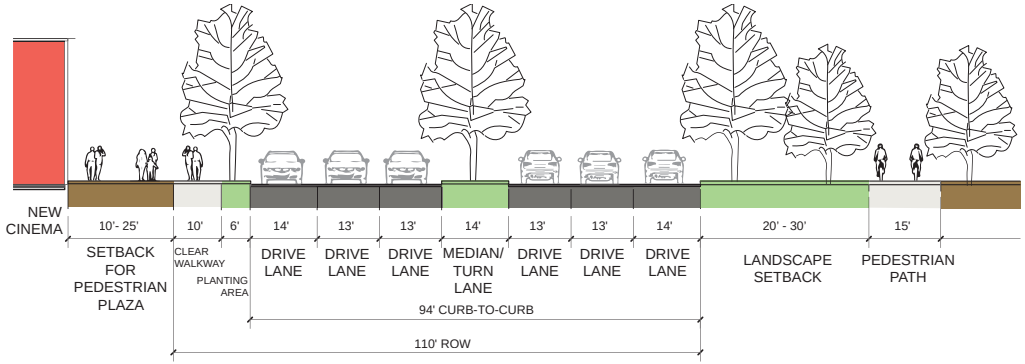

FIGURE 2-13 POSSIBLE URBAN BOULEVARD STREET SECTION FOR EXPOSITION DRIVE/MAIN STREET

FIGURE 2-14 PEDESTRIAN PASSAGE ON VACATED STREET

FIGURE 2-15 PEDESTRIAN SPINE THROUGH SHOPPING AREA

FIGURE 2-16 PEDESTRIAN ORIENTED LINKING STREET

Additionally, the median in the middle of Exposition Drive could be rebuilt to incorporate substantial planting so that a complete boulevard treatment can be created. Given the speeds involved in that corridor, there is sufficient room to install trees within the median, as well as understory. The design of the boulevard could reflect a “Gateway” treatment, with special signage, artwork, and lighting.

As development occurs on the west side, the edge along Exposition Drive should include trees, planting and other features to extend and complement the boulevard. Since it is unlikely that the frontage along the State route will allow curb cuts, this edge can be relatively continuous planting. Site and building design guidelines should be adopted, as a new part of the EBURD code, to ensure a consistent combination of elements.

North 9th Street and 2nd Avenue North, East of North 10th Street North: Candidates for Potential Street Vacation

These short street segments do not currently connect with the larger grid network and are appropriately cut off from Exposition Drive. Vacating them to adjacent property owners could allow for more flexibility in consolidation of parcels and potential redevelopment.

However, this may need to be a longer term action as there are still functioning businesses that need access by trucks for deliveries and cars by customers. Until and unless those businesses choose to relocate, public right-of-way will be needed. It might be possible to partially vacate sides or segments of these streets. Finally, there is the issue that these rights-of-way include utilities. These would need to be reconfigured and the cost of that might need to be figured into the cost of vacation. Typically, in a vacation process, adjacent property owners purchase the vacated land at fair market value from the government entity that owns it.

Vacated right of way could still allow for some amenities to increase the positive image of the district, such as landscaped storm water ponds, connecting pathways, and vehicular access to parking. There are many examples of linear, park-like settings in former streets where limited access is allowed.

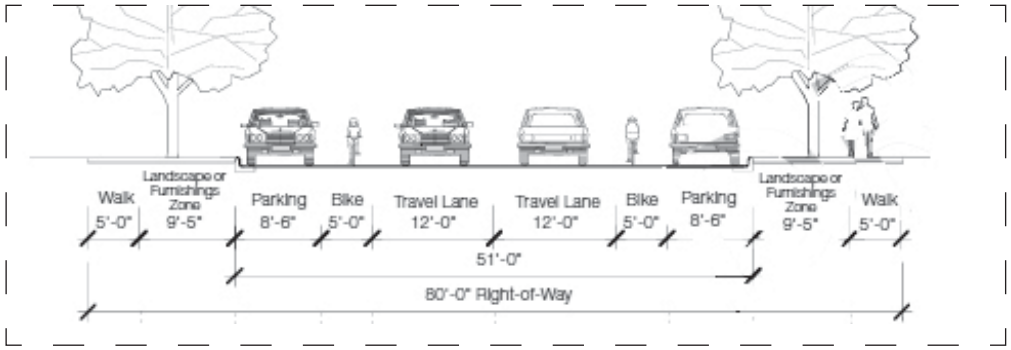

FIGURE 2-17 SECTION FROM EBURD CODE FOR 10TH STREET NORTH


FIGURE 2-18 ARTFUL ROUNDABOUT


FIGURE 2-19 MAJOR INTERSECTION ROUNDABOUT

North 10th Street

The EBURD plan suggested that 2nd Avenue North be the main spine through that area, connecting the various subdistricts within it together and to the downtown core. This makes sense except where it reaches the Exposition Gateway Area, and 2nd Avenue North reaches a dead end. Prior concepts for the area have shown 2nd turning northward and intersecting with 4th Avenue North. However, that would divide properties and consume land otherwise already aggregated and ideal for larger scale development.

The consultant team recommends using North 10th Street as a connecting street between 2nd Avenue North and the Gateway Area. It already connects all cross streets. 10th could be designed to include on-street parking and bike lanes and offer goods and services that could be available to both the EBURD to the west and the Gateway to the east. Its intersection with 3rd Avenue North which leads to new destinations and eventually MetraPark, would be marked with public spaces surrounded by cafes and seating, creating a gateway to the Exposition Gateway Area.

1st Avenue North and Exposition Drive: Grand Roundabout

Identified as a future project in the Sanderson Stewart analysis of transportation improvements, this could assume a much more important role than merely sorting out traffic movements. By using space at the south end of MetraPark which is rarely used for programmed events, the size of the roundabout could be much larger and grander in design than typically seen in more restricted locations. There are many examples throughout Europe of roundabouts with multiple lanes and large diameters that can accommodate semi-trailer trucks. Slip ramps can help in ensuring smooth right-turn movements.

Such a roundabout could also serve as a landmark, marking the presence of MetraPark, adding a dramatic gateway feature into downtown Billings and signifying the redevelopment of the Exposition Gateway Area. The design of the roundabout could include a number of bold features. These could include trees, seasonal planting, unusual lighting such as LEDs that change in color by season or by temperature, a unique sign, large scale artwork reflecting the culture of the community, or even a unique fountain that might make use of local stone. All of these elements have been seen in other major urban roundabouts.

The design of this roundabout could be the subject of a competition – one that invites collaboration of designers, artists, and the community. It could be a lively new entrance to downtown Billings and the EBURD.

FIGURE 2-20 EXAMPLE OF PEDESTRIAN OVER CROSSING

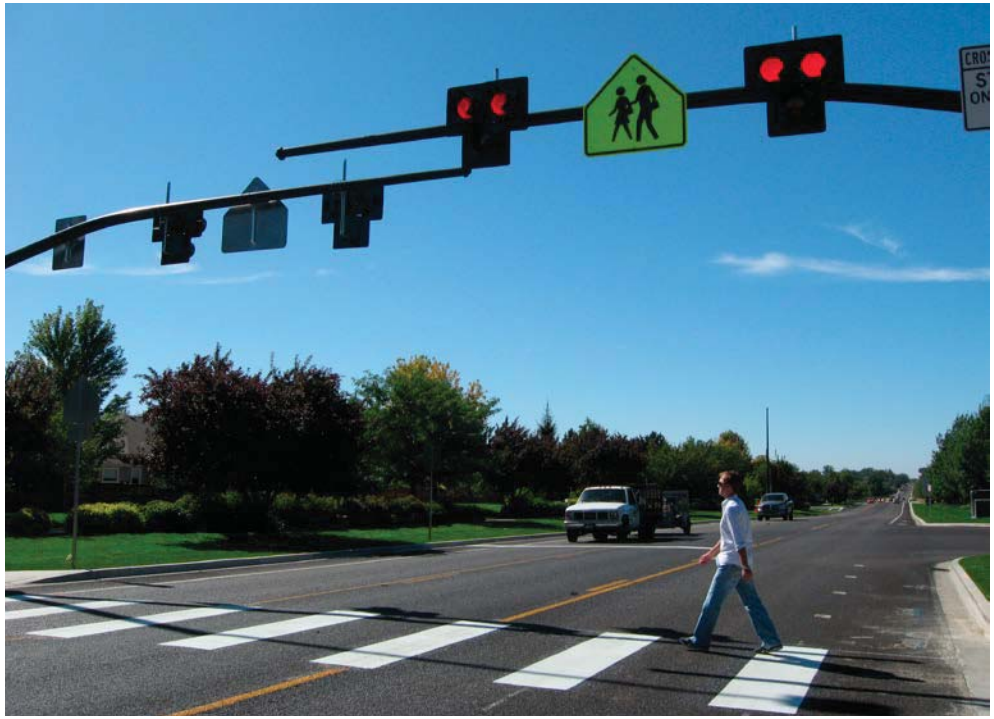

FIGURE 2-21 EXAMPLE OF A HAWK (HIGH-INTENSITY ACTIVATED CROSSWALK). PHOTO FROM ACHDIDAHO.ORG

Pedestrian Overcrossing

One of the major problems of the Exposition Gateway Area is that it is severed from any good pedestrian connection with MetraPark by the multi-lane highway. This creates a visual and functional chasm – somewhat like a river. But in this case, the effect is not just geographic; it is economic, because the activities of MetraPark cannot be easily captured in the Exposition Gateway Area. Anecdotal evidence indicates that many people – event organizers, performers and the public – would like to stay nearby and enjoy other attractions, but few choices are available in close proximity, virtually none within walking distance. People engaged in events often prefer to have accommodations close at hand.

Sometimes this connection between events venues, off-site services, and amenities can be made through improving intersections on-grade so that pedestrian movement is enhanced. Given the presence of the heavily traveled State route, this option has a few challenges in introducing potential conflict with traffic flow. One possible solution would be to introduce an on-grade HAWK signal (High-intensity Activated crosswalk) at 3rd or 4th Avenue North. This would allow cyclists and pedestrians to cross only when the signal was activated. It could potentially be the most economical solution, but would need some further investigation to understand how the timing of the pedestrian and bicycle crossing would be coordinated with the traffic flow along Exposition Drive and the intersections at Exposition Drive and 6th Avenue North and Exposition Drive and 1st Avenue North. Also, the timing may need to be adjusted during major events at MetraPark.

Another option is a pedestrian underpass. This has been done in locations with some success, although some people do not feel comfortable walking through a tunnel, especially if it is long, which this would need to be. Underpasses can be made to feel safer using lighting, higher ceilings, and design elements that make for a natural sequence of movement. A public crossing must provide for disabled movement under the ADA statutes. Often, this means long approaches with ramps. The presence of a large underground gas pipeline that is part of a regional system may prevent this option from being economical, but it has not been studied.

An overpass option has the least impactful to current vehicular traffic patterns and safest for bike and pedestrian users. Of course, any overpass must allow for necessary clearance for vehicles traveling below it. This clearance is easy to determine because elsewhere along this corridor, there are already signal arms and sign bridges that have limited clearance. Such clearance is likely in the range of 18 to 22 feet – typically found in most pedestrian overcrossings.

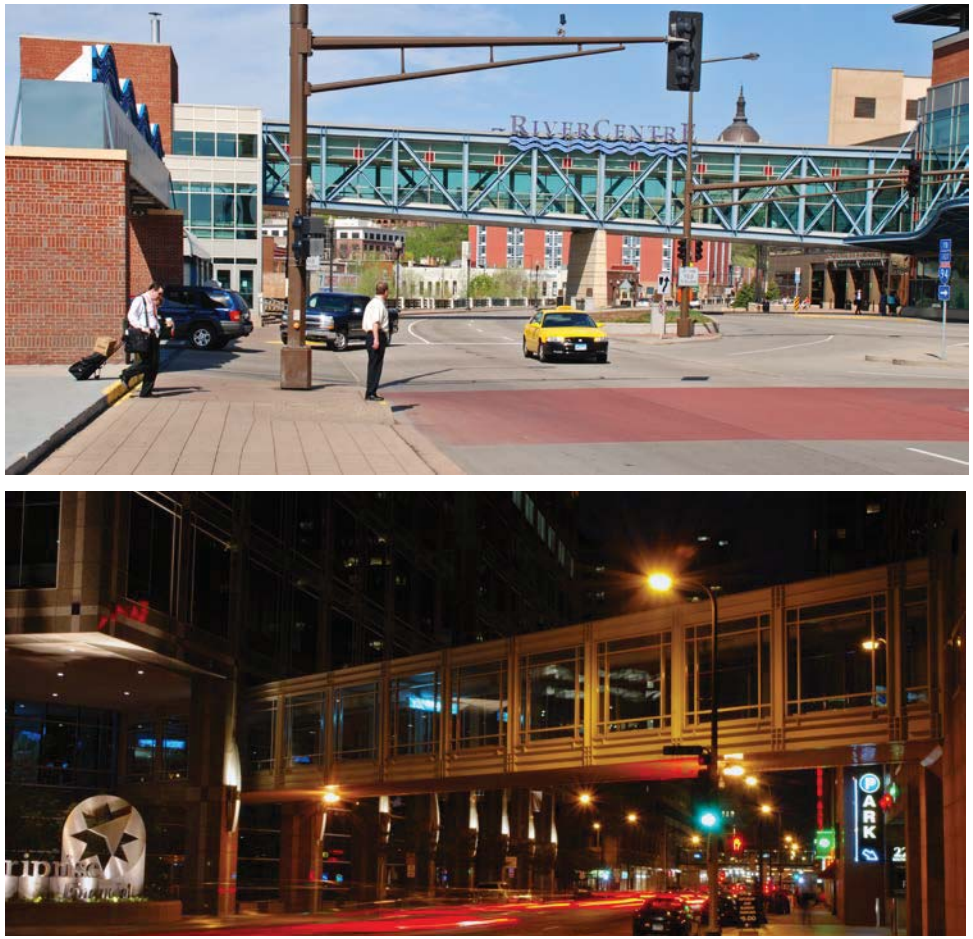

FIGURE 2-22 EXAMPLES OF A PEDESTRIAN OVERCROSSING TO A BUILDING

In hundreds of communities, pedestrian overpasses have been installed where there are 6-7 lanes of high volume traffic, including trucks, as is the case here. However, the success of these overpasses varies widely, despite initial capital costs that can range from $2 million to $10 million, depending on the design. The lower end of the range buys only a simple steel truss with corkscrew-type or switchback-type ramps at each end. The upper end buys a custom design that might serve as a bold symbol of a district or development area. (See Figures 2-2.)

There are several related issues associated with the design of pedestrian overcrossings. The least costly type of bridge has ramps at each end. These not only look out of place in an urban context, but they discourage use by people on foot as they require walking long distances to even approach the actual crossing point. Stairs can be installed, but ramps still need to be provided to meet ADA standards. This results in redundant expenses.

Some overcrossings have elevators at each end instead of ramps. Typically, elevators have high initial costs along with ongoing maintenance and repair costs. Free-standing, unmonitored elevators are often exposed to harsh weather, vandalism and other misuses. Moreover, pedestrians intuitively tend to take the shortest route possible and may find going up, across, and down inconvenient.

Pedestrian overcrossings are most successful and cost effective when they can be incorporated into adjacent buildings where vertical circulation is already necessary. That way, maintenance and observation is built-in and the movement seems more natural. Costs can be shared and the structure becomes part of the imagery of the flanking buildings. Sometimes these structures can be dramatic extensions of the development on each side. Elsewhere in this document, the consultants have suggested uses that could bracket both sides of Exposition Drive. The team has also suggested a zone between 3rd Avenue and 4th Avenue North where an overcrossing could make sense. A wholly new pedestrian only entry to MetraPark could be provided at the east end of the crossing. Regardless of any suggestions here, a pedestrian overcrossing would need to be further analyzed with regard to location, structural form, security, cost, and on-going maintenance.

FIGURE 2-23 SPECIAL STREETSCAPE AMENITIES

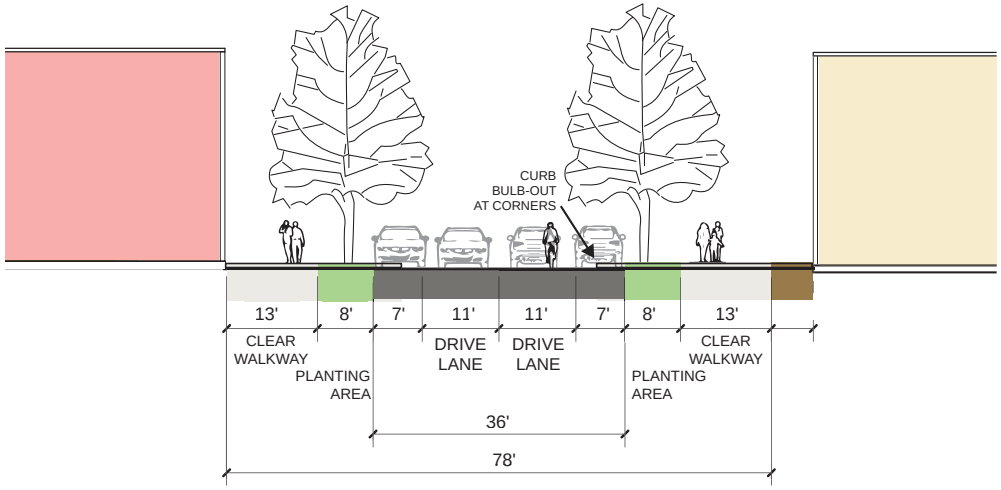

FIGURE 2-24 SIGNATURE STREET SECTION FOR 3RD AVENUE

FIGURE 2-25 POSSIBLE FREEWAY CONNECTION

Signature Street: 3rd Avenue North

3rd Avenue North should be completely re-purposed as a special kind of street that serves as the central spine for the Exposition Gateway Area. It would be narrowed to one lane each direction, with bicycle lanes and parallel parking on each side. As is currently the case today, the intersection with Exposition Drive should be right turn in/right turn out. The sidewalks should be expanded in width and fitted with trees and rain gardens. Walking surfaces should be treated with distinctive, textured paving. Additionally, special pedestrian-scale lighting should be installed.

3rd Avenue North would serve as a quiet, landscaped promenade, linking the EBURD with MetraPark. Depending on the nature of redevelopment, the eastern end could have branches that connect between buildings and lead to other destinations to the north and south. 3rd might also incorporate unusual lighting such as catenary lighting overhead, to give it a "festival street" ambiance. (See images 2-23 that depict this idea.)

Future Connection: Exposition/Main to I-90

A connection between the intersection of Exposition Drive and First Avenue North with Interstate 90 has been considered in the past, since the distance between those two points is no more than 1500 feet. This connection would require constructing a grade-separated crossing so as to not disrupt mainline rail movement and it would also require purchasing right-of-way through private property. It would not require purchasing buildings and portions of the connection might allow for cross circulation between the property segments if some of the roadway were to be elevated.

An interchange with the interstate could be a partial one, allowing for west-bound I-90 access to and from the Exposition Gateway Area. Therefore, the Coulson Park area to the south along the river would not be affected. The major benefit of this interchange would be to allow through traffic, particularly trucks, not destined for downtown to avoid streets in the EBURD and downtown. Some of the traffic originating in the Heights could also access I-90 more directly. Although the volumes would remain the same on Exposition Drive (until a Bypass is built), the through traffic would decrease in the EBURD, allowing it to achieve its objectives for mixed use, residential development and walkability. This then could potentially allow portions of 4th and 6th Avenues North to be retrofitted with diagonal on-street parking, which would help support local businesses.

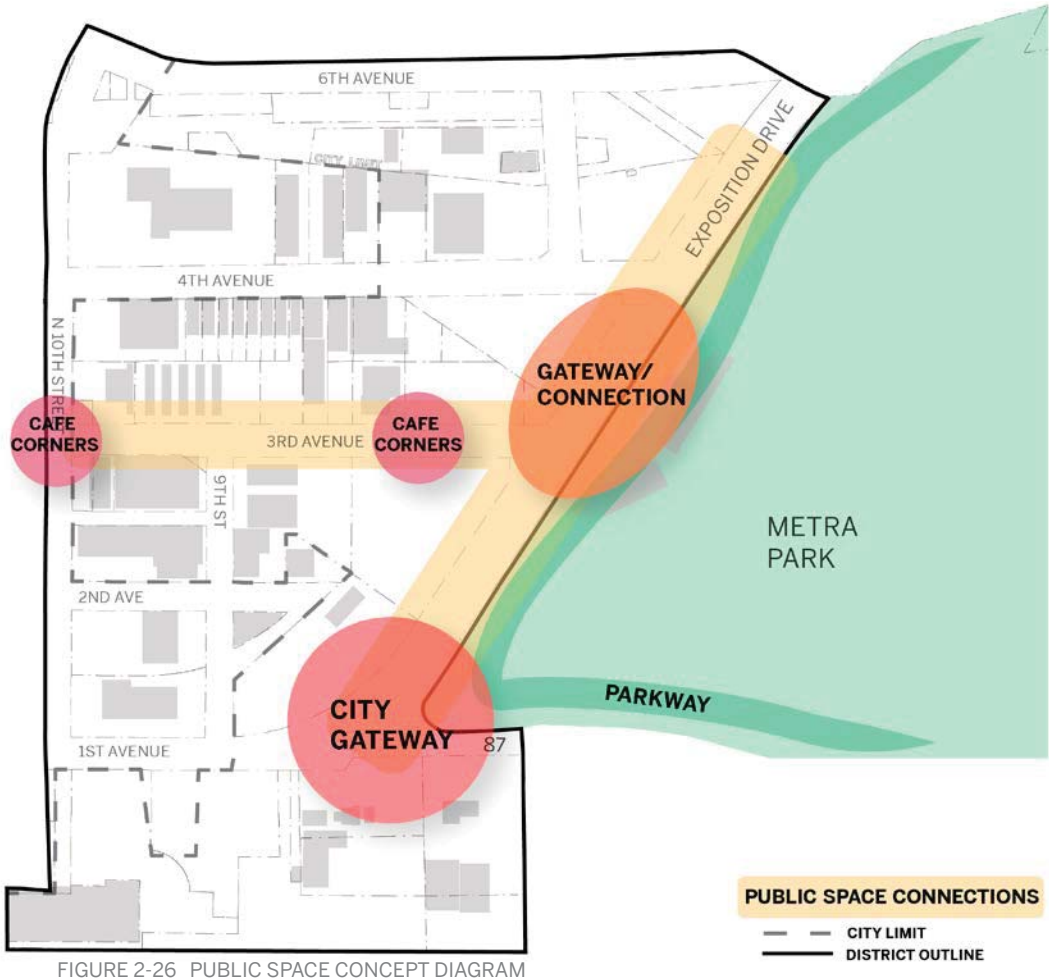

FIGURE 2-26 PUBLIC SPACE CONCEPT DIAGRAM

Public Spaces and Landmarks

3rd Avenue Corridor

A re-design of the 3rd Avenue North corridor could be the focus of many dynamic elements to create a "heart" for the Exposition Gateway Area. As previously described, the street itself can serve as a linear signature feature, with distinctive lighting and landscape design elements. There could be various forms of artwork that could reflect the history, geography and cultures found in the area. Adjacent development could include plazas, forecourts, gardens and sitting areas that help make this a desirable destination for local residents and visitors alike. It can also create a dramatic landmark element, which in this case is suggested to be a pedestrian overcrossing. In a sense, the 3rd Avenue corridor would be a linear focal point. It could be closed for festivals and celebrations. It could link the CBD and MetraPark with a continuous public space that enhances commercial and cultural activity.

First and Exposition Drive Gateway

This location has been indicated above as a place for a future roundabout. It will likely take some time to develop funding for this project. In the meantime it would still be possible to add a dramatic new element that can signal a new identity for the area.

The current sign for MetraPark is showing its age. This could be replaced with a much grander statement about the Park that involves using natural rock walls (echoing the nearby Rims), falling water, storm water retention and infiltration, lighting and artwork, along with signage that announces the place. Many public facilities with the regional significance of MetraPark have gateway markers that befit them. The entire south end of MetraPark could be redesigned to better use the mature stand of trees and gateway feature. This area could also incorporate the multi-use trail leading to the river, as described previously.

FIGURE 2-27 SPECIAL SIGNAGE WITHIN A ROUNDABOUT

A roundabout in this location will require an analysis of operational characteristics, footprint, lane configuration, diameter, and cost-effectiveness. But even before that work is done, a slip lane could be added next to the MetraPark property to make that turn smoother for longer vehicles. This lane could be retained in a future roundabout configuration. The combination of improvements that address freight mobility, circulation, non-motorized vehicles and low-impact development can make an ideal project for attracting grants.

Exposition Drive Parkway Corridor

This corridor has been described as an Urban Boulevard previously. But it is worth repeating that both the east and west sides of the street can reinforce this effect over time. The fence line on the MetraPark side can be moved back to provide a greenbelt containing the existing trees, a new sinuous multi-use trail, lighting and additional landscaping. The fence itself could be a new design, perhaps combining a low masonry wall topped by decorative metalwork. Inserts could display bold cut-out patterns of the wide range of activities within the park, from sports to animal shows to live music. The wall/fence could celebrate the edge of the park and frame the boulevard with elements of local flavor.

FIGURE 2-28 EXAMPLES OF LANDSCAPED PARKWAYS

The western edge of MetraPark contains two structures. One is an older exhibit barn that clearly has historic value. Preserving and restoring it could give it a new life and role as a piece of Billings' heritage. The other is a much more nondescript structure now used for storage. This building could be replaced with a new use that creates a pedestrian entrance to the park, adds a sense of drama, helps frame the boulevard and connects to a pedestrian overcrossing.

The west side of Exposition Drive should contain development that echoes MetraPark's role in agriculture, arts, sports and entertainment. Building facades could be dramatically lighted and have generous amounts of glass. Lobbies and vertical circulation elements could display people, movement and activity inside. At one or more points, vertical tower forms could mark entrances or end points. If a hotel locates there, it might incorporate a rooftop restaurant or observation deck.

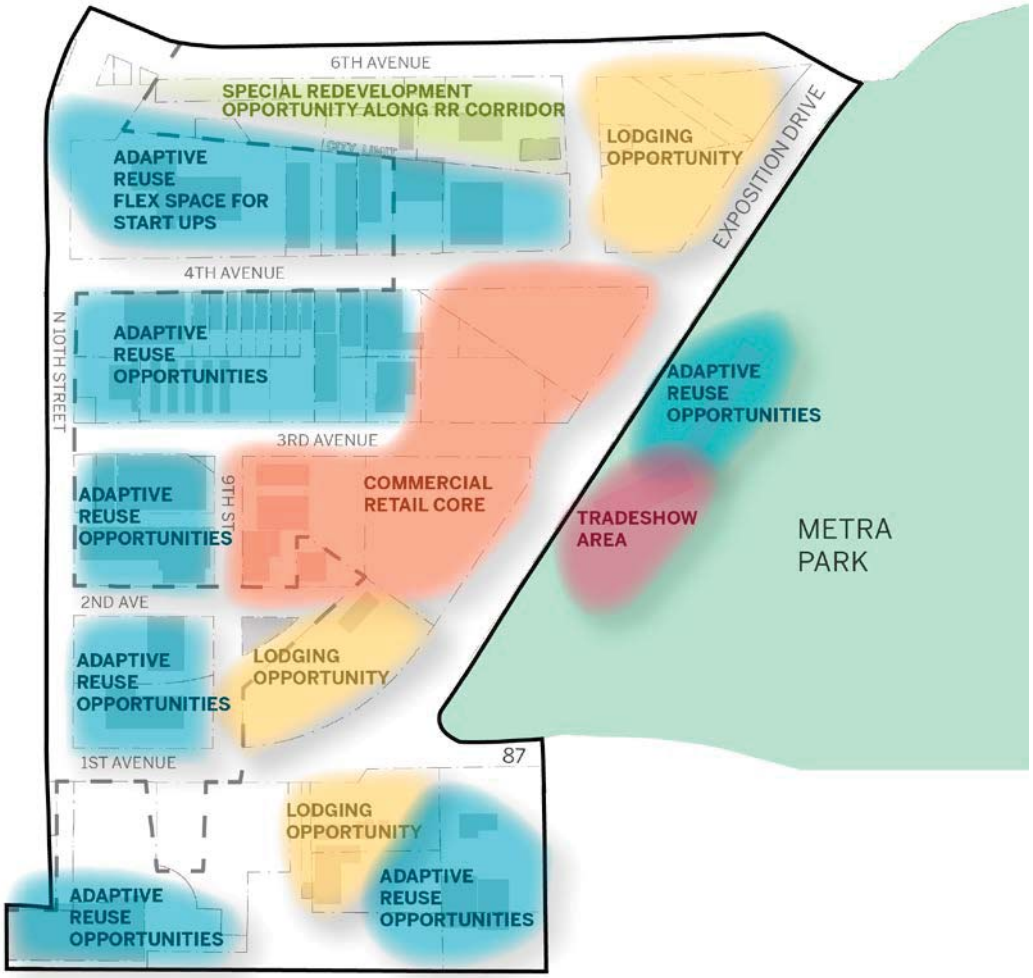

FIGURE 2-29 LAND USE CONCEPT DIAGRAM

Land Development Concept

The recommendations described above have been translated into a development concept. The recommendations have been combined with a range of uses that have been identified as desired and likely to make sense economically for the area. These include the following:

- Hotels
- Cinema Complex
- Restaurants
- Destination Retail Stores
- Start-up Businesses, some of which could involve fabrication
- Shared and Structured Parking

The introduction of new businesses does not assume the wholesale displacement of existing businesses. Rather the area could evolve into a rich mixture of the light industrial uses that are present today with infill of new uses. It is already evident that some current businesses, especially ones that involve heavy use of larger trucks, are seeking better locations with more space and easier access and maneuvering. Over time, as with other similar areas around the country, it is expected that the predominant types of businesses will change as owners reconsider business models, choose different locations, or sell properties to other parties. This could occur over decades. In the meantime, very interesting things could be done to older existing structures to adapt them to new uses. The combination of new and old, industrial and commercial would make for an interesting and dynamic identity for the area.

Over a longer time frame, it might eventually be the case that some people will choose to live there, within infill residential buildings. This phenomenon has been seen in other cities including Bozeman, Spokane, Seattle, Portland, Salt Lake City, Denver and Oakland. The initial wave of residents often is made up of artists, fabricators, and crafts people who have a higher tolerance for an “edgy” neighborhood.

FIGURE 2-30 EXAMPLES OF HOTEL DEVELOPMENT

FIGURE 2-31 CINEMA AND RESTAURANT COMPLEX

FIGURE 2-32 SMALL-SCALE RESTAURANTS

Hotels

This illustrative plan indicates several places for hotels. None of these are necessarily meant to be fixed or unchangeable. Indeed, there may well be a number of good sites. However, hotels do generally require exposure to highways or arterial streets. They gain great benefit from being close to venues like MetraPark. And they often require sufficient land for large parking lots, at least until land values rise enough to make a garage feasible. This, of course, can change over time, with a parking lot eventually converted to a structure, which then allows more development, whether a new wing of the hotel or another use. The plan anticipates hotels in locations where it seemed logical in the marketplace to see the first ones built. There could be more over time.

Cinema Complex

The easterly portion of the city is not currently served by any movie theaters. Yet, the area's household income and population size could support a small complex of movie theaters. There are a number of models for this around the country. Some depart from the conventional multiplex in that the seating capacities of the individual auditoriums are smaller and food is available. There are some theaters that include other forms of entertainment, such a live music on certain nights. Often, contemporary theaters offer multiple choices, even serving beer and wine with a lounge-like atmosphere. This is also a use that might start out with a large surface parking lot that would be converted to a garage over time.

This type of building is often designed to recapture the formerly popular, dramatic impact of seeing movies on the big screen. Theaters are stacked in multiple floors, there is a large, high-ceilinged lobby surrounded by glass, and a marquee that is big, bold and brightly lit. The "theatricality" of movie theaters has come back, as many people have tired of seeing great films on small screens. And seeing movies is as much about the social experience as about film-watching.

Restaurants

A wide range of restaurants could be located in this area, from national brands to local, home-grown enterprises. Some could be found with hotels or with the cinema complex, while others could be freestanding. It is also possible that some could be located within older industrial structures that have been retrofitted. One cautionary note is that larger restaurants have high demand for parking. This consumes large areas of land which might otherwise be available for buildings. Some national brands insist upon a model that has them situated in the middle of a parking lot. This is a very

FIGURE 2-33 EXAMPLES OF DESTINATION RETAIL

FIGURE 2-34 EXAMPLES OF ADAPTIVE REUSE FOR RETAIL, COMMERCIAL AND MANUFACTURING USES

suburban pattern that usually does not work well in an urban setting. One good solution is to locate them on properties where parking can be shared with other uses. The ideal situation is to have customers park once, then walk to multiple destinations. Most land use regulations today reflect the efficiency gained by shared parking facilities. At some point it might be feasible to consider a shared-use parking structure for the area. These are now being built in other cities, sometime using TIF and/or SID funds or a "fee-in-lieu-of" method that removes parking obligations from individual developments.

Destination Retailing

There are a number of larger parcels situated throughout this area that could lend themselves to special retailing. An example might be a small outlet mall carrying national brands. Another could be a sporting goods company. There are some that even like adapting an older building to their use. There are also models in which a public market like atmosphere is created in older industrial buildings where small vendors and start-up retailers can get a foothold in the market. Many people enjoy and value the opportunity to have access to small local merchants such as artist, artisans, jewelry makers, hat makers, and so on. Older buildings can easily lend themselves to a loft-like ambiance filled with smaller businesses that do not require much space. In contrast to seasonal street fairs, this gives these enterprises exposure to customers, even during periods of inclement weather. There is enough room in the Exposition Gateway Area to accommodate a variety of retail types in both new and re-used facilities.

Start-up Businesses

The number of older industrial buildings in the area could attract smaller, newer businesses that need raw, less expensive space for creating new products. These businesses initially need open, flexible space that can be adapted to widely varying combinations of fabrication, research, marketing, distribution and management. They often use one location and then expand into adjacent space or new space. These kinds of businesses have been fueling significant job growth within cities for the past ten years, even with the recession. Billings already has seen a number of these types of businesses get started and flourish, even within the EBURD. The Exposition Gateway Area has an inventory of buildings that could serve this purpose. In a sense, it's the New Economy, re-purposing structures used by the previous industrial economy. There is even a current

phenomenon in some cities of a larger, older structure being redesigned to hold a number of smaller businesses that can share meeting spaces, lounge areas, and business services. Often, these can go into very minimal, raw space, as that is part of their creative, entrepreneurial image.

FIGURE 2-35 EXAMPLES OF PARKING STRUCTURES

Shared and Structure Parking

As part of the EBURD zoning updates, a new parking overlay was adopted that establishes lower parking ratio and allows properties within the City to utilize onstreet as part of their overall parking count. Adopting this parking overlay will help to promote more dense, walkable development within the Expostion Gateway Area. However, over time, as development begins to infill into the area, the existing ample onstreet parking may begin to feel scarce. In order to accommodate the variety of proposed uses into a more successful urban pattern in the Exposition Gateway Area, it may be advantageous for the City and the County to explore the additional effective ways to accommodate parking. Placing the parking burden on each individual development is expensive and usually produces an environment that falls short of community and customer expectations. By finding appropriate ways and sites for shared surface parking initially, and when economically viable, structured parking, will help create a more lively, welcoming and robust mixed-use environment and one that will provide a greater public return on investment from jobs to taxes.

Effect on Property Values

It is expected that all of these actions by public and private entities will, over time, result in an increase in property values. This is considered desirable since it will help fund improvements to infrastructure, streets and public spaces. The suggested improvements may not benefit all property owners to the same degree. Ideally, a mechanism should be employed to grant tax relief to small properties that are not ideal for redevelopment. Each property owner will need to evaluate the costs and benefit of participation in this redevelopment initiative to determine what makes sense for them: redevelopment, sales, or status quo.

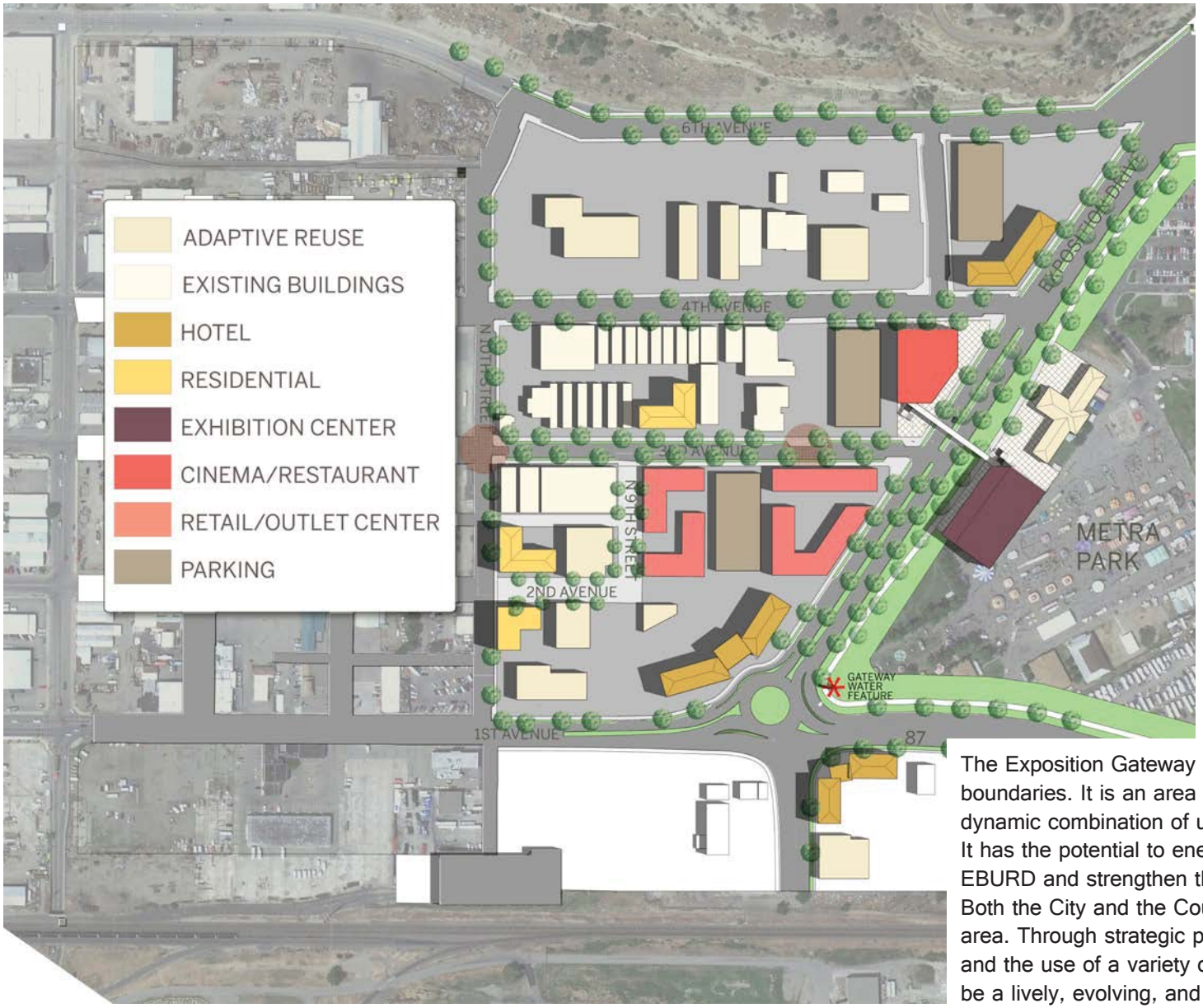

FIGURE 2-36 ILLUSTRATIVE DEVELOPMENT PLAN

The Exposition Gateway Area straddles the City and the County boundaries. It is an area that could hold a very diverse and dynamic combination of uses, activities, spaces, and streets. It has the potential to energize and anchor the east end of the EBURD and strengthen the highly valued MetraPark complex. Both the City and the County have a stake in the future of the area. Through strategic public investments, creative marketing and the use of a variety of development tools, this area could be a lively, evolving, and a unique community and regional destination.

FIGURE 3-1 FIRST EXPOSITION GATEWAY AREA PROPERTY OWNER WORKSHOP

SECTION 3
IMPLEMENTATION

Implementing the recommendations in this plan will require cooperation among a number of individuals, organizations and government agencies. No one party will be able to achieve all the goals for the Exposition Gateway Area alone; collaboration and coordination will be necessary.

The action items listed in this section indicate that the property owners, working within the structure of the BIRD organization, will take the lead but other agencies and organizations will be involved in the effort at various points in time.

Level of Landowner Support

A balloting process was conducted by the BIRD of all of the landowners in the study area. Landowners were contacted at least 5 times and many attended two public meetings. The results of balloting were: 21 landowners in favor of the plan; 3 landowners oppose the plan; 10 landowners did not respond. Of the Nonresponse landowners two are the BNSF railroad and Rail Link. They have been in on the planning process and it is anticipated that the agencies will review the final plan and voice their support. Several of the other nonresponsive landowners just say they want to wait. This is a tremendous positive response to such a massive project.

The following steps are roughly in order with respect to what needs to occur first to what requires a longer planning horizon. However, the first ten (A-J) are essential.

Appendix A includes a more detailed description of a number of specific implementation tools.

FIGURE 3-2 EXAMPLES OF STORM DRAINAGE IMPROVEMENTS

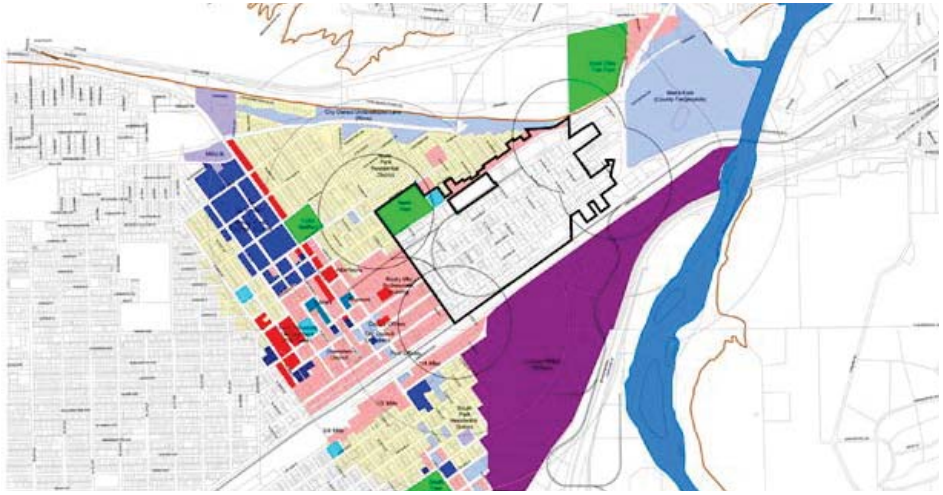

FIGURE 3-3 HOUSING STUDY FOR EAST BILLINGS TIF DISTRICT FROM EBURD MASTER PLAN

FIGURE 3-4 EXAMPLE OF URBAN BOULEVARD IMPROVEMENT

A. County Commissioners Adoption of the Plan

The plan should be presented to individual commissioners and discussed, then brought to a vote for formal adoption.

B. City Council Adoption of the Plan

The plan should be presented to individual city councilors and discussed, then brought to a vote for formal adoption.

C. City of Billings Commence Engineering of Infrastructure to Upgrade & Repair Utilities & Streets

The Public Works Department of the City of Billings should begin engineering, planning for the infrastructure (utilities, streets, sidewalks, curb and gutter) to be built in the Gateway area. Costs and time lines for the construction and long term maintenance should be developed in coordination with the BIRD, Yellowstone County, and the Montana Department of Transportation.

D. BIRD is the organization that represents the Area

Encourage property owners to join the BIRD, which would drive the implementation program, working with various governmental agencies and jurisdictions.

E. BSEDA and BIRD develop a Marketing Prospectus for the Area

The BIRD & BSEDA should assemble an illustrated prospectus for the purpose of marketing the area. This should include information on properties, ownerships, land values, incentives and other market information of interest to developers and businesses.

F. Urban Renewal District and TIFD Inclusion

Once all parcels of the Expo Gateway Study Area are assimilated into the City, they will then be included into the East Billings Urban Renewal District (EBURD) and in to the TIFD District.

G. Develop a EBURD Code designation for this Area

Develop an EBURD zoning designation within the EBURD Code for this area to suit the specific area needs, including hospitality uses. Then adopt the EBURD Zoning Code and Parking Overlay for this area.

H. Reconstruct Exposition Drive into an Urban Boulevard

The BIRD working with the City, the County and MDT drive the reconstruction of the segment of Exposition Drive between 1st Avenue and 6th Avenue into an urban boulevard. This would include: 1) new lighting, a planted median,

FIGURE 3-5 EXAMPLE OFUNIQUE GATEWAY WATER FEATURE

FIGURE 3-6 EXAMPLE OF ROUNDABOUT CONNECTION TO THE INTERSTATE

and trees along the edges; 2) a multi-modal trail along the east edge; 3) relocating the MetraPark fence 30 feet to the east to allow for the trail to meander and; 4) swales to collect and filter run-off, artwork, and wayfinding signage. This would require several steps: a preliminary "pre-design study" to determine the general physical elements and the costs, finding funding sources, applying for the funds, designing the corridor, and providing plans and specifications. This is, as with most similar projects, a multi-year effort.

I. Develop a New Gateway Feature at MetraPark

The BIRD working with the County, MetraPark Board, BSEDA and Chamber of Commerce create a new entry gateway feature, northeast of the intersection of 1st Avenue and Exposition Drive. This should include a new sign, landscaping, major water feature and artwork that reflect the region. This project should also include moving the southern fence line to the north to allow for a continuous bike path from the river to this intersection.

J. Pedestrian Crossing to MetraPark

The BIRD working with the City, the County and MDT construct a pedestrian undercrossing or overcrossing of Exposition Drive This would require several steps: a preliminary "pre-design study" to determine the location, type and length, costs, finding funding sources, applying for the funds, designing the crossing, and providing plans and specifications.

K. Connection to I-90

The BIRD and MDT working with the various governmental entities conduct a feasibility study of a new connection to I-90 that allows through traffic, especially truck traffic, to relieve traffic that is forced thru downtown Billings. This would also enhance transportation commerce as it shortens the time to the interstate from points north. The interchange should be an "on ramp only" to avoid impacting the riverfront park and reduce the costs of construction.

FIGURE 3-7 EXAMPLE OF EXHIBITION CENTER WITH BRIDGING ELEMENT

L. Exhibition Center

The BIRD working with the County and MetraPark Board commission a study of a possible exhibition center along the west edge of MetraPark that can tie into a pedestrian crossing and create a additional entrance to the grounds. This could be combined with a project to restore the old, historic building. The exhibition center would emphasize high quality, large, flat-floor, column-free space that could be tied to nearby hotels as a destination and offer another revenue stream for MetraPark. The study would examine market demand, size, function, capital costs and operating costs, and income. The exhibition center should a distinctive, civic building that extends the character of the Rimrock Auto Arena.

IMPLEMENTATION PROGRAM -TIME FRAME

PROPERTY OWNERS		COORDINATING AGENCIES	ROLE	SHORT-TERM 0-3 YEARS	LONG-TERM 3-5 YEARS
A	County Commissioners Adoption the Plan	County/BIRD	APPROVAL		
B	City Council Adoption of the Plan	City/BIRD	APPROVAL		
C	City of Billings Commence Engineering of Infrastructure to Upgrade & Repair Utilities & Streets	City/County/BSEDA/MDT	APPROVAL/ COORDINATION		
D	BIRD is the organization that represents the Area	BIRD/Property Owners	COORDINATION		
E	BSEDA and BIRD develop a Marketing Prospectus for the Area	City/ BSEDA/BIRD	COORDINATION		
F	Urban Renewal District and TIFD Inclusion	City	SUPPORT		
G	Develop a EBURD Code designation for this Area	City	APPROVAL		
H	Reconstruct Exposition Drive into an Urban Boulevard	City/MDT	APPROVAL		
I	Develop a New Gateway Feature at MetraPark	County/ MetraPark board	COORDINATION		
J	Pedestrian Crossing to MetraPark	City/County/ MDT	COORDINATION		
K	Connection to I-90	City/County/ MDT	APPROVAL		
L	Exhibition Center	County/ MetraPark board	APPROVAL		

POLICY

CAPITAL IMPROVEMENTS

MARKETING AND PROMOTION

REFERENCES

2008 Yellowstone County/City of Billings Growth Policy
http://ci.billings.mt.us/DocumentView.aspx?DID=4281

Infill Development Policy
Adopted by City Council on December 12, 2011
http://www.ci.billings.mt.us/DocumentCenter/Home/View/20851

Billings Area Bikeway & Trail Master Plan
Adopted by the Policy Coordinating Committee on August 9, 2011
http://ci.billings.mt.us/DocumentCenter/Home/View/6750
This Plan includes:
- Existing Bikeway and Trail Network map (Page 45)
- Proposed Bikeway and Trail Network map (Page 57)

EBURD Parking Overlay District
Adopted by City Council on April 12, 2010
http://www.ci.billings.mt.us/DocumentCenter/View/21341

EBURD Code
Adopted by City Council on September 10, 2012
http://agenda.ci.billings.mt.us/docs/2012/CC/20120910_89/1979_EBURD%20Code%20Adopted.pdf

Billings Urban Area Transportation Improvement Program (TIP)
Amendment III, January 2012
http://www.ci.billings.mt.us/DocumentCenter/View/20979

City of Billings Downtown Framework
1997
http://mt-billings.civicplus.com/DocumentCenter/Home/View/1509

East Billings Urban Renewal District Master Plan
July 2009
http://ci.billings.mt.us/DocumentView.aspx?DID=4825

Billings Chamber/Convention & Visitors Bureau Comprehensive Tourism Research and Strategic Plan,
February 2010
- http://www.visitbillings.com/staging/files/4e93313031203.pdf

Billings Executive Conference Center Study,
March 2011

6th Avenue N/Bench Corridor Study Presentation
(Sanderson Stewart Traffic Study), December 2012
http://www.ci.billings.mt.us/DocumentCenter/View/21575

APPENDIX A-
EXISTING MARKET CONDITIONS ASSESSMENT
FINANCIAL ANALYSIS MEMORANDUM

Attached

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ECONorthwest
ECONOMICS • FINANCE • PLANNING

DATE: May 22, 2013 ECO Project #: 20960
TO: Sara Hudson, Big Sky Economic Development and LMN Architects
FROM: Anne Fifield
SUBJECT: EXISTING MARKET CONDITIONS ASSESSMENT

This memorandum provides an assessment of market conditions relevant to the Exposition Gateway District Plan. It provides context for the proposed uses in the Gateway District. It is intended to be an assessment of the key conditions that affect the ability of the area to redevelop. This memorandum is organized into four sections:

- Demographics and socioeconomic characteristics;
- Locational attributes;
- Lodging and hospitality market; and
- Program implications.

Demographics and Socioeconomic Characteristics

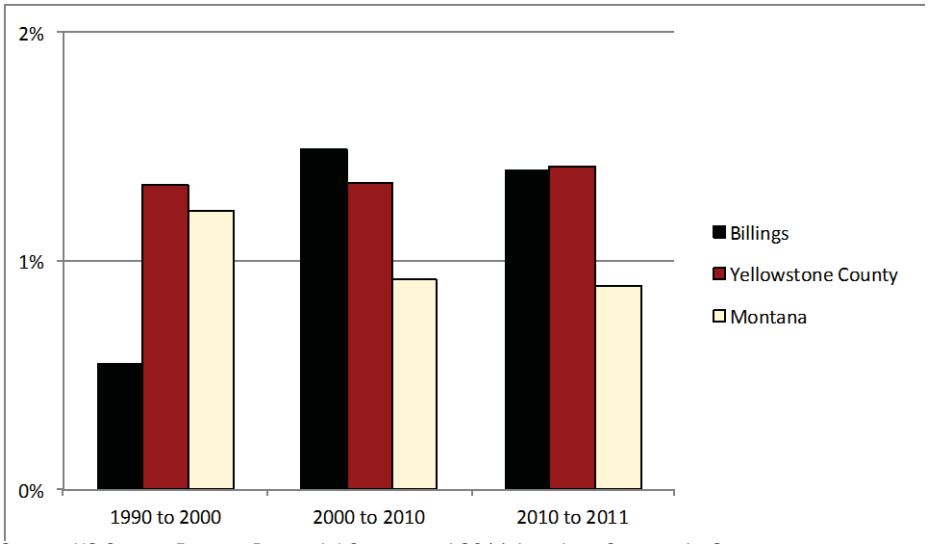
This section provides a general overview of key economic and demographic trends in Billings, to provide broad context for the Gateway District study area and the market forces that affect demand for different uses in it.

Population and Households

Billings is Montana's most populous city and is larger than any city in a 500-mile radius, with about 105,600 people in 2011. In 2010, the City of Billings accounted for 11% of Montana's population and 70% of Yellowstone County's population.

Figure 1 shows the annual average growth rates for 1990 to 2000, 2000 to 2010, and 2010 to 2011 for Billings, Yellowstone County, and Montana. Billings and Yellowstone County have grown at a faster pace than Montana since 2000. Billings has been growing at about 1.5% per year over the last decade; it grew by almost 16,000 people between 2000 and 2011.

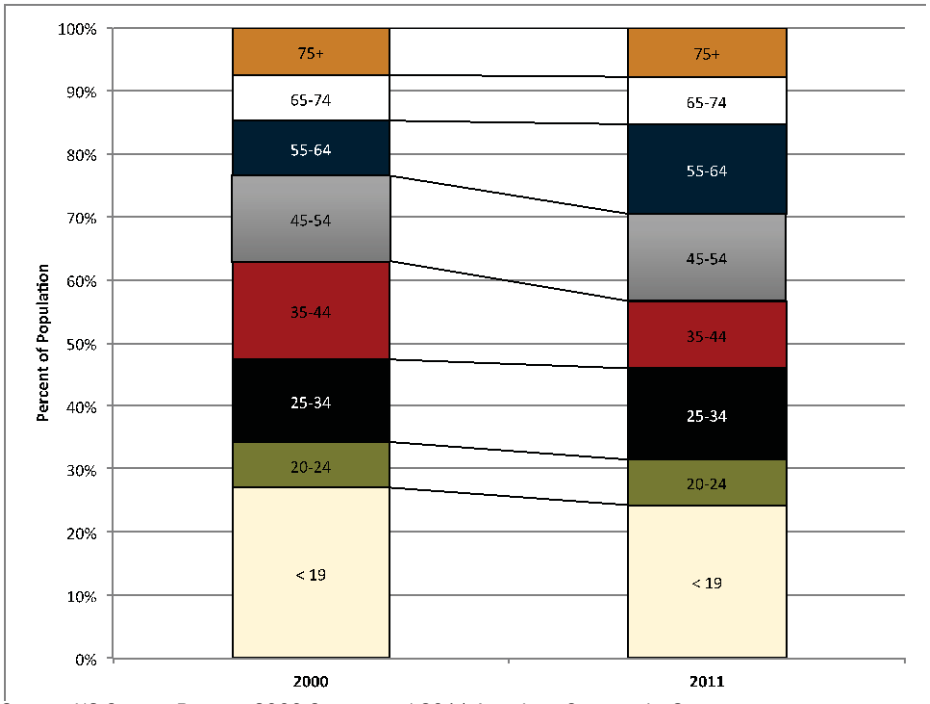
Figure 1. Average annual population growth rate, Billings, Yellowstone County, and Montana, 1990 to 2011,



Source: US Census Bureau, Decennial Census and 2011 American Community Survey 1-Year Estimate

Figure 2 shows the portion of the population by age group in Billings in 2000 and 2011, showing how the proportional mix of ages has shifted since 2000. The figure shows that the percentage of individuals over the age of 55 has increased and the portion of children has declined. Some of these changes are driven by broad demographic trends. The baby boom generation has aged into the older category, causing an increase in that population.

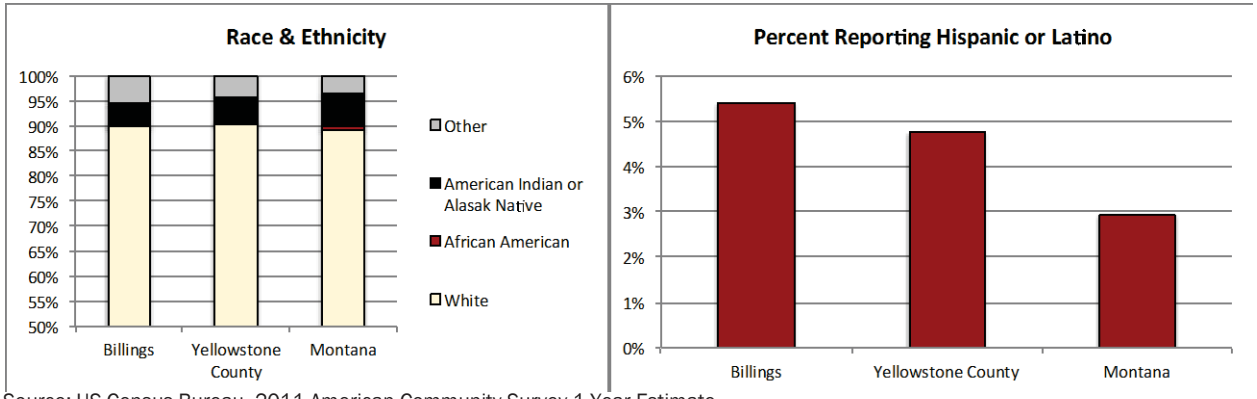
Figure 2. Population distribution by age, Billings, 2000 and 2011



Source: US Census Bureau, 2000 Census and 2011 American Community Survey 1-Year Estimate.

Billings and Montana lack ethnic diversity. Figure 3 shows broad categories of race and ethnicity in Billings, Yellowstone County, and Montana. In all three geographies, 90% of the population is white. In Billings, about 4% of the population is Native American. Billings has a slightly higher portion of Latinos, compared to the County and the state as a whole.

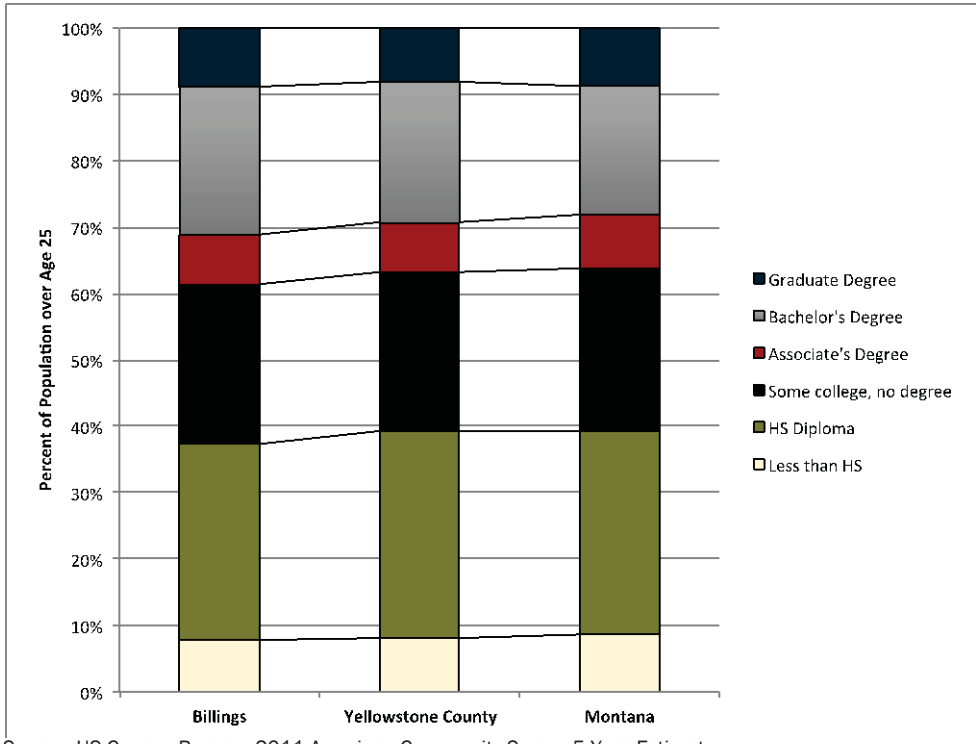
Figure 3. Race and Ethnicity, Billings, Yellowstone County, and Montana, 2011



Source: US Census Bureau, 2011 American Community Survey 1-Year Estimate.

Compared to Yellowstone County and Montana, Billing's population has higher education levels (see Figure 4). A larger portion of the population has a Bachelor's degree or higher, and a smaller portion of the population has only a high school degree or less.

Figure 4. Educational Achievement, Billings, Yellowstone County, and Montana 2011

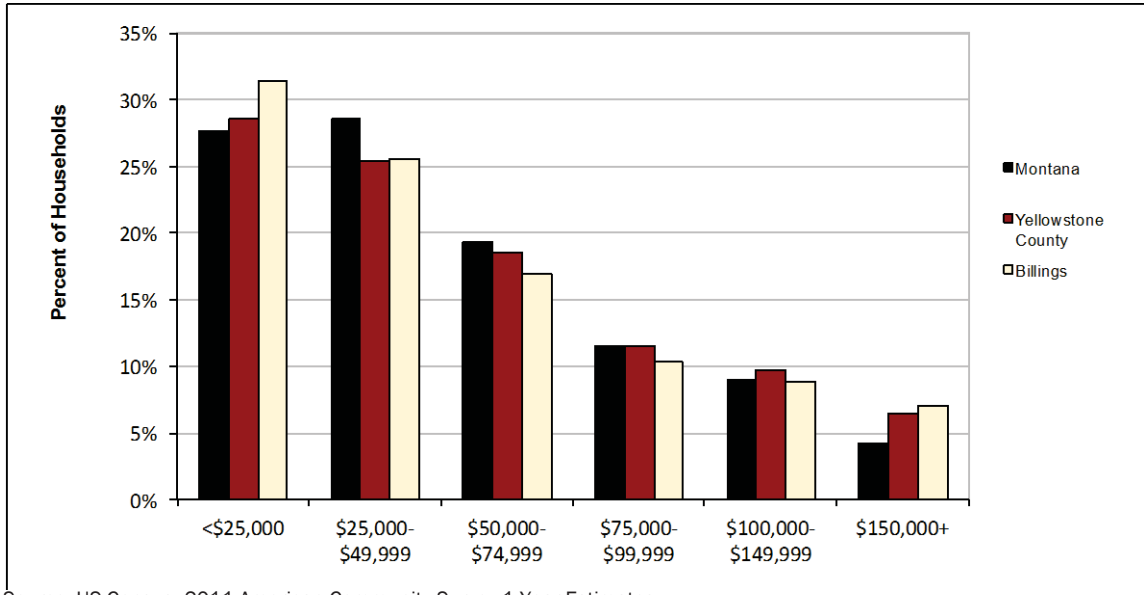


Source: US Census Bureau, 2011 American Community Survey 5-Year Estimate.

Income

Billings has a wide mix of household income levels, shown in Figure 5. Billings has a slightly higher portion of households at the high end of the income spectrum compared to Montana—7% of households in Billings have incomes greater than $150,000 per year, compared to 4% across the metropolitan area. Billings has a high portion of households earning less than $25,000; about a third of households fall into this category.

Figure 5. Household income, Billings, Yellowstone County, and Montana 2011



Source: US Census, 2011 American Community Survey 1-Year Estimates.

Table 1 shows two different measures of average income: median household and per capita. Median household income is the income level at which half the households in the community have higher incomes and half have lower income incomes; it is the mid-point for household income. Per capita income is the mean income of all individuals in the community—if you add up all the income in a community and divide by the number of people living in that community. The per capita income in Billings is the slightly higher than the statewide figure. The median household income in Billings is about $43,500, less than the median in Yellowstone County and the state. Billing's lower median household income indicates that the distribution of household income is weighted towards the lower end of the income range.

Table 1. Median household and per capita income, Billings, Yellowstone County, and Montana 2011

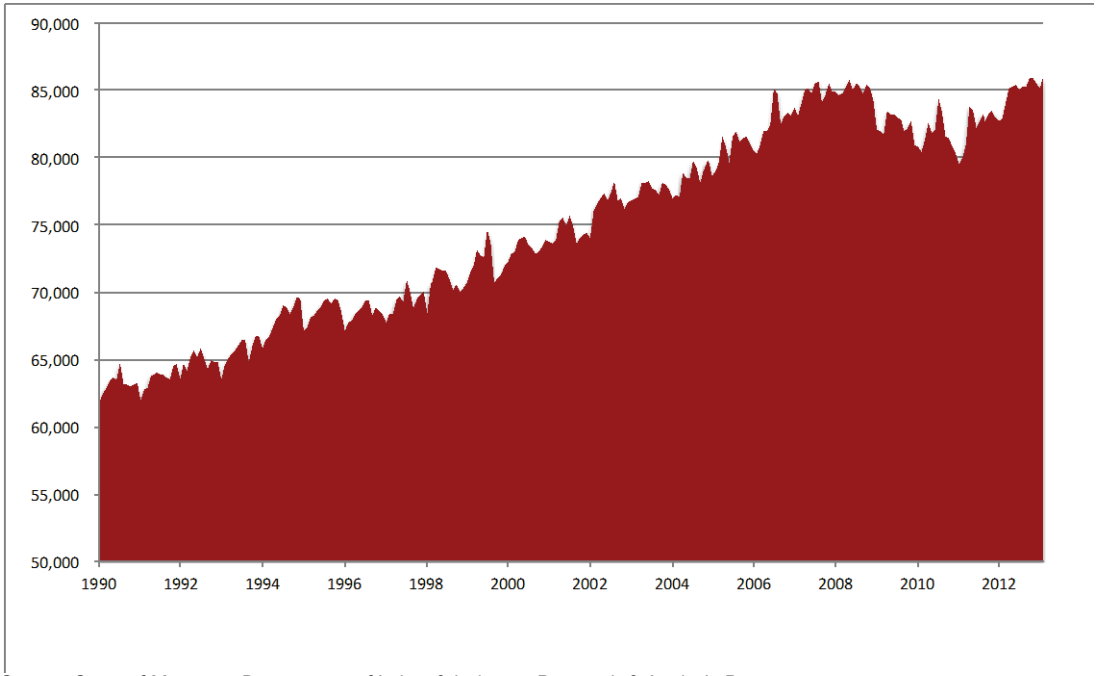
	Median HH Income	Per Capita Income
Billings	$43,530	$25,997
Yellowstone County	$46,975	$25,956
Montana	$44,222	$23,893

Source: US Census, 2011 American Community Survey 1-Year Estimates.

Employment

Figure 6 shows total employment in the Billings MSA since 1990.[1] The data show that the area has seen relatively strong growth in its overall employment. Before 2008, total employment steadily climbed. The region lost jobs in the economic downturn, but not as severely as much of the country. Total employment has started to increase, and the area has recovered the number of jobs lost during the downturn.

Figure 6. Total Employment, Billings MSA, 1990 to 2013

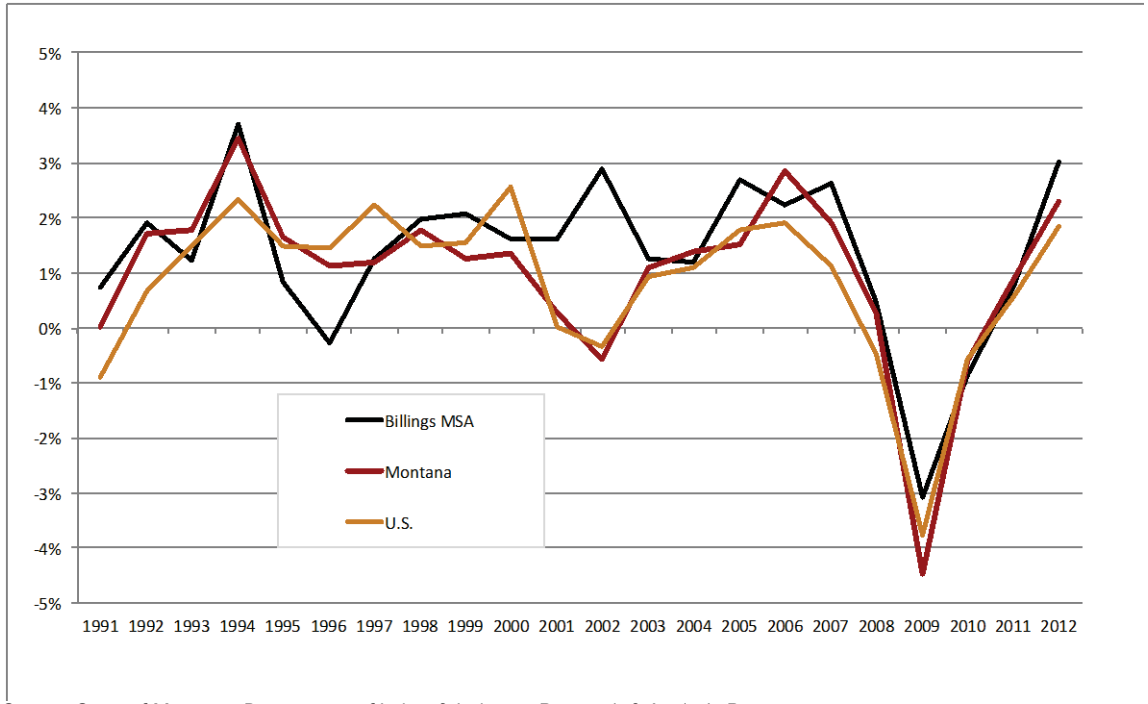


Source: State of Montana, Department of Labor & Industry, Research & Analysis Bureau.
Note: Data show non-seasonally adjusted figures.

[1] Employment and unemployment data are available at the County level. City-level data are not available.

Employment growth in the Billings MSA's has long outpaced the state and the nation. Figure 7 shows the annual percent change in total employment. The Billings MSA has experienced higher growth rates during years of growth, and during the economic downturn, losses to total employment were less than in the state and the nation.

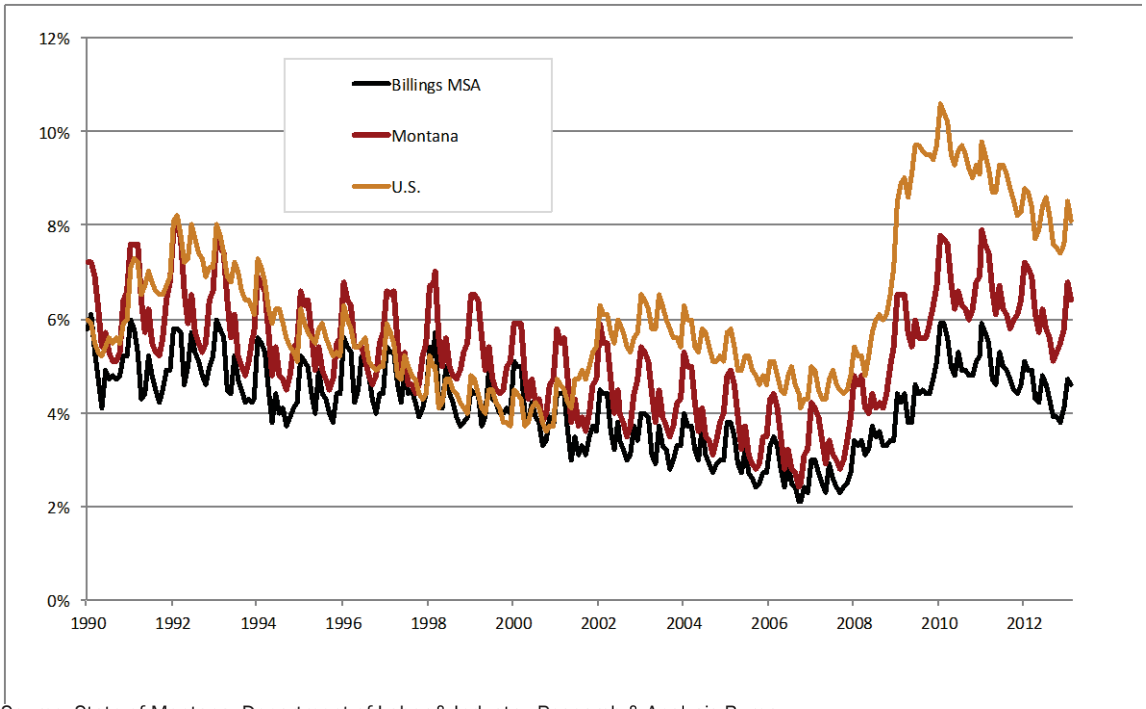
Figure 7. Annual Percent Change in Total Employment, Billings MSA, Montana, and U.S., 1990 to 2012



Source: State of Montana, Department of Labor & Industry, Research & Analysis Bureau.
Note: Data show non-seasonally adjusted figures.

Over the last decade, Billings has experienced lower unemployment than the state or nation. Figure 8 shows the unemployment rate in the U.S., Montana, and the Billings Metropolitan Statistical Area (MSA) from 1990 to 2013.[2] The unemployment rate in the Billings MSA shows seasonal variation, but had generally moved downward until 2008. After hitting a high of 5.9% in January 2011, it has been trending downward. These unemployment rates are low relative to state averages and much lower than national averages.

Figure 8. Unemployment Rate, Billings, Yellowstone County, and Montana, 1990 to 2013



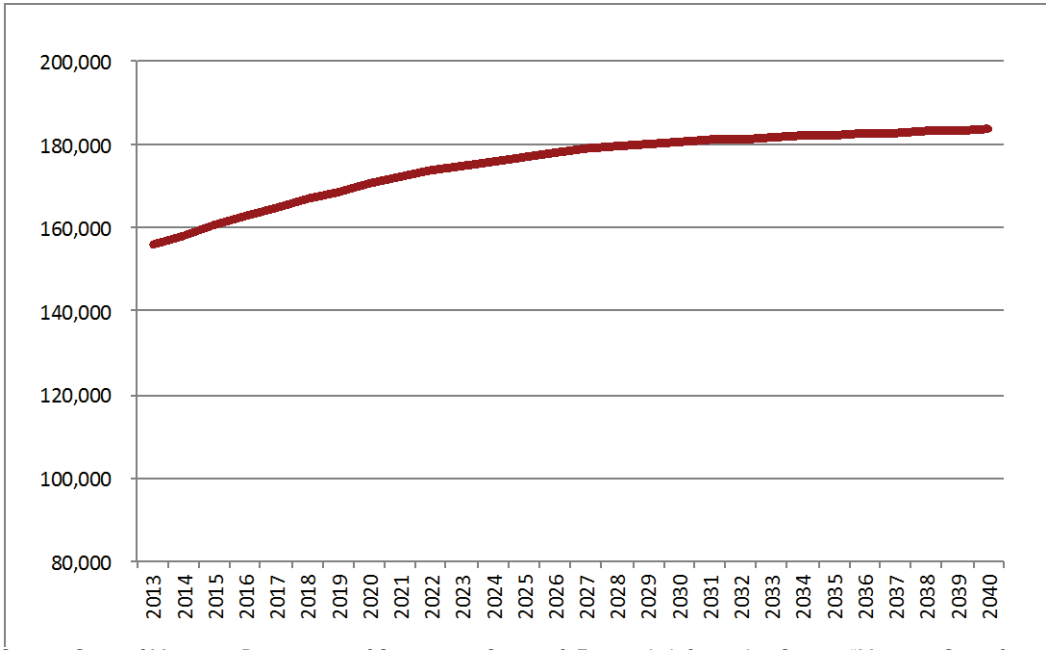
Source: State of Montana, Department of Labor & Industry, Research & Analysis Bureau.
Note: Data show non-seasonally adjusted figures.

[2] A Metropolitan Statistical Area, or MSA, is a geographic entity delineated by the Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. A metro area contains a core urban area of 50,000 or more population. Each metro area consists of one or more counties and includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core. The Billings MSA includes Yellowstone and Carbon Counties.

Population forecast

The forecast for population growth in Yellowstone County shows the County growing by about 30,600 people from 2013 to 2040 (see Figure 9). If Billings continues to account for about 70 percent of the County's population, then Billings would grow about 1% annually, or about 21,500 people over the next 27 years.

Figure 9. Population Forecast, Yellowstone County, and Montana, 2013 to 2040



Source: State of Montana, Department of Commerce, Census & Economic Information Center. "Montana State & County Population Projections".

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 that has an indoor arena, rodeo grounds, a horse track, open space and other facilities. MetraPark it, has a long history of successful operation (850,000 to 1 million visitors per year, with 30% coming from over 100 miles away[3]), and provides opportunities for complementary meeting space and catering facilities.
- **Proximity to the airport.** It is closer to the 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.

The Gateway District can develop in ways consistent with providing a gateway to Billings, and reinforcing the economic driver that MetraPark provides. Based on the locational attributes of the area, we conclude that the area is well suited for retail and hospitality uses. It currently offers industrial uses, but focused investment could re-direct the area to more commercial-oriented activities, to take advantage of proximity to the MetraPark and enhance the MetraPark. The area is not a good foot for single-family detached housing.

[3] Per Sandra Hawke, MetraPark, February 2009.

Lodging

Given the employment conditions of the South Billings area and the unique attributes of the Gateway District, specifically its close proximity to MetraPark, the client requested that ECONorthwest consider the potential market for a lodging development in the Study Area. This section describes the regional hospitality market using data from Smith Travel Research.

ECONorthwest's analysis uses two key assumptions:

- The occupancy rate in Billings equals what analysts call "the natural occupancy rate," the average annual rate across all reporting lodging establishments. This rate is around 63%.[4]
- The supply of hotel rooms will grow at the same rate as the population and employment, about one percent per year.

Using these occupancy and growth assumptions, ECONorthwest modeled the hospitality market in Billings. Smith Travel Research reports there are about 4,000 available rooms in Billings. Given a 1 percent annual growth rate, the supply of hotel rooms will grow at a base rate of 40 rooms per year. Over the next 10 years, this rate of growth will generate demand three to five new hotels in Billings.

Program Implications

The unique advantages associated with the Gateway District position it as a prime location for hospitality and retail development. The area's proximity to the MetraPark and major roads give it excellent access.

The Billings market is expected to steadily grow over the next 20 years. It's low unemployment rate and high job growth rate will help that trend. The steady population growth will cause steady growth in demand for retail goods and services. The site is well suited to capture a large share of future demand.

[4] Research of nationwide data has estimated the 'natural occupancy rate' to be 63 percent.

ECONorthwest
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DATE: April 8, 2013 ECO Project #:20960
TO: Sara Hudson, Big Sky Economic Development and LMN Architects
FROM: Anne Fifield and Abe Farkas
SUBJECT: FINANCIAL ANALYSIS TEXT FOR BILLINGS REPORT

This memorandum provides text that describes the financial feasibility analysis for the five different building type concepts. We have written the text with the expectation that LMN Architects will be able to insert this text as appropriate into the final report. This memorandum has two sections:

- **Financial Feasibility and Financing** describes the pro forma analyses and the proposed financing plans. The text includes introductory text and five parts—one for each conceptual building type.
- **Development Schedule and Bonding Capacity** describes the order and schedule to implement the conceptual types. It also discusses some issue the estimated amount of bonding capacity generated by increment revenue from the conceptual development.

Financial Feasibility and Financing

ECONorthwest developed preliminary pro forma models for five different proposed development types in the study area: adaptive reuse, hotel, outlet retail, cinema, and a parking structure. The pro forma models compare estimated construction and development costs with potential rents to determine the financial feasibility of each development type. ECONorthwest also identified a package of potential financing tools for each development type. This section describes the assumptions and conclusions used in the pro forma models for each of the five development types. Please refer to the pro forma spreadsheets in Appendix B for the full set of data.

Adaptive reuse

The Expo Gateway area includes a variety of older industrial buildings. The team did not identify a particular building to adaptively reuse, but instead developed a pro forma for a generic 4,000 square foot (SF) building. We assumed the space would be evenly split between retail space and a restaurant.

Development Costs and Operating Revenues

To estimate construction costs, ECONorthwest interviewed commercial contractors in the Billings area. The pro forma model assumed that construction will cost $80 per SF for the retail space and $100 for the restaurant space and that both uses will include $15 per SF for tenant improvements. Total hard costs will equal $417,000. Total development costs include the cost of land ($7 per SF), the existing building ($25 per SF), developer fees (5%), soft costs (10%) and a 5% contingency. Total development costs will be $642,000.

To calculate the net operating income (NOI) and the expected market value, ECONorthwest assumed both rents and operating costs increase 3% per year. We assumed that operating expenses, including lease commissions, equal 15% of gross revenue. Operating expenses are low because the rent is triple net. The pro forma assumed the capitalization rate is 8.0%. It used the following rents and vacancy rates.

- The annual **retail** rents are $14 per SF ($1.17 per month) triple net. We assume that vacancy will be 0%, as the structure will be built to suit.
- The annual **restaurant** rents are $15 per SF ($1.25 per month) triple net. We assumed that vacancy will be 0%, as the structure will be built to suit.

The pro forma estimated that the adaptive reuse structure would have a positive net operating (NOI) in its first year of operation.

Development Financing and Resources

ECONorthwest identified a packet of financing tools for the adaptive reuse prototype. To finance the development, we identified the sources described in Table 1.

Table 1. Adaptive Reuse Concept Development Financing and Resources

Source	Amount	% of Total Costs	Explanation
Bank Loan	$370,000	58%	A loan from a private bank, at 6% over 20 years.
Loan from TIF funds	$150,000	23%	This assumes that the current urban renewal area would be extended to cover the Expo area or that a new urban renewal area would have been created. In either case the amount of TIF is relatively small. The loan will be at 1% for 15 years.
Private equity	$122,500	19%	The pro forma calculates the payment the private equity investors would receive in Year 10. Their payment (secured through a refinancing or sale) is the value of the building minus the remaining debt. The internal rate of return for the equity is 17%.

The reconstruction of an existing building would increase its value and associated property tax revenue. ECONorthwest estimated that the value of the structure would increase by about $500,000—the value brought generated by the building's rehabilitation and tenants. We estimated that the increased value would generate about $8,000 per year in tax increment for an urban renewal district.[1] The tax revenue actually generated by such a development will vary based on costs, quality of the construction, and assessed values.

Hotel

The conceptual development plan includes a hotel. In the pro forma, we modeled a 180-room hotel with 500 gross SF per room. The gross SF figure includes the lobby, halls, conference space, and a restaurant. The net SF for the room will be between 225 and 350 SF. We assumed the gross SF for the entire structure will be 90,000 and it will be a wood-frame structure with three or four floors. The hotel will include a 2,500 SF restaurant.

Development Costs and Operating Revenues

The development costs include land, hotel construction costs, hotel furniture, fixtures and equipment (FF&E), and restaurant tenant improvement costs. To estimate construction costs, ECONorthwest interviewed a company that had recently constructed a hotel and was familiar with typical hotel costs. The pro forma incorporated the following assumptions:

- Estimated land cost $7 per SF. The total site is 2.0 acres, yielding total land costs of $610,000.
- The hotel's hard costs for construction is estimated at $152 per SF and FF&E is projected at $15,000 per room, yielding total costs of $16.4 million.
- The restaurant's construction costs were accounted for in the hotel's construction costs. The tenant improvements are assumed to be $40 per SF, for a total of $100,000.
- The total development costs include developer fees (5%), soft costs (20%) and a 5% contingency.

We estimate that total hard costs will be $16.5 million and total development costs will be $21.3 million.

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[1] Based on the assumption that every $1,000,000 in new taxable value generates about $16,000 in annual tax increment revenue. Actual amounts vary based on mill levies affecting individual properties. This is a preliminary and rough estimate. Actual revenue will depend on the application of current Urban Renewal laws and rules in Montana. We recommend a more precise estimate of tax increment revenue be calculated as part of a tax increment district plan whether the City or the County administers it.

To calculate the net operating income (NOI) we applied occupancy and room rates estimated to be appropriate for the Billings market, based on data from Smith Travel. We assumed the average room rate is $118 and it will increase 3% per year. We assume occupancy is 64% in Year 1 and increases incrementally to 72% by Year 5, the year we assumed it will stabilize. We assumed that the cost of operating the hotel equals 67% of gross revenues, based on a pro forma provided to ECONorthwest from a hotel operator. The pro forma assumed the restaurant use in the hotel pays $15 per SF (triple net), generating $37,500 in rent. The model estimated that the hotel structure will have a positive net operating (NOI) in its first year of operation.

The pro forma assumed the capitalization rate is 8.0%.

Development Financing and Resources

ECONorthwest identified a packet of financing tools for the hotel prototype, including private equity, a private bank loan, and financing from the federal EB-5 program. For more information about the EB-5 program, please refer to Appendix A.

The EB-5 financing is a 5-year low-cost equity injection that we assumed would be refinanced with a private bank loan. The amount of available financing from EB-5 depends on the number of jobs the development will generate. The EB-5 program requires that at least 10 jobs be created for every $500,000 invested. To be conservative, our formula is based on creating 12 jobs for every $500,000 of EB-5 funding. For projects located within a targeted employment area (TEA) EB-5 allows the calculation to include indirect jobs associated with hard construction costs as well as longer term operating jobs, direct and indirect. We realize that Billings as a whole has a relatively low unemployment rate. TEAs can be created by identifying a qualifying census tract within a reasonable distance from the project and then asking the Governor's office to certify that the larger area (which includes the higher unemployment census tract) qualifies as a TEA. ECONorthwest's analysis assumes that it is feasible to establish a TEA in this area.

To estimate the available financing from EB-5 investors, ECONorthwest estimated the number of jobs the hotel would generate using an input-output analysis with the IMPLAN model.[2]

[2] IMPLAN is an input-out model used to track dollars, starting with the initial project being studied, as they ripple through an economy from one employment sector to the next. The model estimates the number of jobs, income, and economic output that can be traced to the initial project. The model estimates direct impacts, which are those directly generated by the project. It also calculates indirect impacts, which are the jobs and income earned by workers in industries supplying the project.

- For the construction phase, the input-output analysis estimated that commercial construction generates 8 indirect jobs for every $1 million in construction costs. Based on our estimated hard costs of $16.5 million, the construction of the hotel will generate 132 jobs.
- For the operations phase, ECONorthwest used input-output analysis to estimate that the hotel will create 91 jobs.

Combined, the construction and operations phases will generate 223 jobs, making it possible that the EB-5 program could bring $9.3 million to the project. ECONorthwest opted to use less than what is allowed because 1) EB-5 investors would be more likely to select this project if other partners provided a greater share of the overall financing and 2) the return for the private equity is favorable.

Table 2 summarizes the sources that could be used to finance the hotel development.

Table 2. Hotel Concept Development Financing and Resources

Source	Amount	% of Total Costs	Explanation
EB-5	$5.0 million	23%	An EB-5 low-cost equity amount is based on a calculation that indirect hard cost construction jobs for the project will generate 132 jobs and the operating the hotel will generate 288 jobs. The pro forma then conservatively assigns 12 jobs to every $500,000 from EB5 investors. The loan will be at 3% for 5 years. It is paid off in Year 5 with a second bank loan.
Bank Loan	$14.2 million	67%	A loan from a private bank, at 6% over 20 years.
Private equity	$2.1 million	10%	The pro forma calculates the payment the private equity investors would receive in Year 10. Their payment (secured through a refinancing or sale) is the value of the building minus the remaining debt. The internal rate of return for the equity is 32%.
2nd Bank Loan	$5.8 million	na	A loan from a private bank to pay off the EB-5 loan. It starts in Year 6. The pro forma assumes the loan is at 6.5% over 30 years.

Assuming the new hotel would be in the City, it would increase the City's tax base and associated property tax revenue. ECONorthwest estimated that the value of the site would increase by about $20.7 million—the value of the new construction. We estimated that the increased value would generate about $330,000 per year in tax increment for an urban renewal district.[3] The tax revenue actually generated by such a development will vary based on costs, quality of the construction, and assessed values.

[3] Based on the assumption that every $1,000,000 in new taxable value generates about $16,000 in annual tax increment revenue. Actual amounts vary based on mill levies affecting individual properties. This is a preliminary and rough estimate. Actual revenue will depend on the application of current Urban Renewal laws and rules in Montana. We recommend a more precise estimate of tax increment revenue be calculated as part of a tax increment district plan whether the City or the County administers it.

Outlet Retail

The conceptual development plan includes 200,000 gross SF of retail space, with the expectation that the retail space would accommodate an outlet mall.

Development Costs and Operating Revenues

To estimate construction costs, ECONorthwest interviewed commercial contractors in the Billings area. The development costs include land, construction, and a tenant improvement allowance. The pro forma incorporated the following assumptions:

- The land is estimated to cost $7 per SF. The total site is 4.1 acres, yielding total land costs of $1.25 million.
- The hard costs for construction was estimated to be $100 per gross SF and the tenant improvement allowance will be $40 per leasable SF, yielding total hard costs of $26.8 million.
- The total development costs include developer fees (5%), soft costs (15%) and a 5% contingency.

We estimated that total hard costs will be $26.8 million and total development costs will be $36.5 million.

To calculate the NOI and the expected market value, ECONorthwest assumed that both rents and operating costs increase 3% per year. We assumed that operating expenses, including lease commissions, equal 15% of gross revenue. Operating expenses are low because the rent is triple net. The pro forma assumed the capitalization rate is 8.0%. It assumed that annual rents will be $17 per SF (triple net) and the vacancy rate will be 20% in Year 1, 10% in Year 2, and 5% in Year 3 and into the future.

The pro forma estimated that the outlet retail structure would have a positive NOI in its first year of operation.

Development Financing and Resources

ECONorthwest identified a packet of financing tools for the outlet retail concept. The EB-5 financing is a 5-year low-cost equity injection that we assumed would be refinanced with a private bank loan. The amount of available financing from EB-5 depends on the number of jobs the development will generate. For reasons stated above we assume that at least 12 jobs be created for every $500,000 invested. We again assume that this development would be in a TEA, which allows the EB-5 calculation to include indirect jobs associated with hard construction costs.

To estimate the available financing from EB-5 investors, ECONorthwest estimated the number of indirect jobs the construction would generate using an input-output analysis with the IMPLAN model. The input-output analysis estimated that commercial

construction generates 8 indirect jobs for every $1 million in construction costs. Based on our estimated hard costs of $26.8 million, the construction of the outlet retail space will generate 214 jobs, making it possible that the EB-5 program could bring $8.9 million to the project. ECONorthwest opted to use the full amount available because 1) even with the substantial private investment the private equity return was still on the cusp of acceptability in the market and 2) the EB-5 funds as a portion of the total project is relatively low, under 25%.

Table 3 summarizes the sources that could be used to finance the outlet retail development.

Table 3. Outlet Retail Concept Development Financing and Resources

Source	Amount	% of Total Costs	Explanation
EB-5	$8.9 million	24%	An EB-5 low-cost equity injection amount is based on a calculation that indirect hard cost construction jobs for the project would generate 214 jobs. The pro forma then conservatively assigns 12 jobs to every $500,000 from EB5 investors. The loan will be at 3% for 5 years. It is paid off in Year 5 with a second bank loan.
Bank Loan	$20.0 million	55%	A loan from a private bank, at 6% over 30 years.
Private equity	$7.6 million	21%	The pro forma calculates the payment the private equity investors would receive in Year 10. Their payment (secured through a refinancing or sale) is the value of the building minus the remaining debt. The internal rate of return for the equity is 16%.
2nd Bank Loan	$10.4 million	na	A loan from a private bank to pay off the EB-5 loan. It starts in Year 6. The pro forma assumes the loan is at 6.0% over 25 years.

Assuming the new outlet retail development is in the City, it would increase the City's tax base and associated property tax revenue. ECONorthwest estimated that the value of the site would increase by about $35.2 million—the value of the new construction. We estimated that the increased value would generate about $560,000 per year in tax increment for an urban renewal district.[4] The tax revenue actually generated by such a development will vary based on costs, quality of the construction, and assessed values.

[4] Based on the assumption that every $1,000,000 in new taxable value generates about $16,000 in annual tax increment revenue. Actual amounts vary based on mill levies affecting individual properties. This is a preliminary and rough estimate. Actual revenue will depend on the application of current Urban Renewal laws and rules in Montana. We recommend a more precise estimate of tax increment revenue be calculated as part of a tax increment district plan whether the City or the County administers it.

Cinema

The conceptual development plan includes a movie theater. The movie theater concept here includes non-traditional seating with food service. A number of cities have embraced these facilities which can offer arts films as well as first-run movies—which many do after they have been out for a few days to keep their costs down. The Living Room Theater (in Portland, Oregon and Boca Raton, Florida) is a recent example (http://pdx.livingroomtheaters.com/theater_tour.html).

ECONorthwest researched the operating costs and revenue of movie theaters. The research indicated that traditional theaters have a wide range of operations expenditures, depending on the types of movies they show and their ability to sell and mark up concessions. Movie theaters make the majority of their profits from concessions, not ticket sales.

A theater's rent expense is sometimes a set percent of gross ticket sales and sometimes based on a dollar per SF rate. While rents can be based on gross revenues or a combination of a base rent and gross revenues, ECONorthwest relied on a $14.50 per SF rate in the pro forma model because it was an efficient way to test this product at an early stage. That is a reasonable rate for retail space in Billings, and at the low end for new space.

Development Costs and Operating Revenues

To estimate construction costs, ECONorthwest interviewed commercial contractors in the Billings area. The development costs include land, construction, and tenant improvement allowance. The pro forma incorporated the following assumptions:

- The land will cost $7 per SF. The total site is 2.5 acres, yielding total land costs of $760,000.
- The hard costs for construction will be $127 per gross SF and the tenant improvements will cost $40 per leasable SF, yielding total costs of $6.7 million.
- The total development costs include developer fees (5%), soft costs (15%) and a 5% contingency.

We estimated that total hard costs will be $6.7 million and total development costs will be $9.2 million.

To calculate the NOI and the expected market value, both rents and operating costs are assumed to increase 3% per year. We assumed that operating expenses equal 15% of gross revenue. The pro forma assumes the capitalization rate is 8.0%. It assumed that annual rents will be $14.50 per SF (triple net) and the vacancy rate will be 0%.

The pro forma estimated that the cinema concept would have a positive NOI in its first year of operation.

Development Financing and Resources

ECONorthwest identified a packet of financing tools for the cinema concept. In this case, we propose using New Market Tax Credits (NMTC), which the City has already used in the EBURD area. NMTC program enables very low interest rate financing to be injected into a project as a loan or equity for a required seven years. The project must be in a NMTC-qualified census tract. For a more detailed description of the NMTC program, please refer to Appendix A.

Table 4 summarizes the sources that could be used to finance the cinema concept.

Table 4. Cinema Concept Development Financing and Resources

Source	Amount	% of Total Costs	Explanation
NMTC	$2.1 million	23%	Federal tax credit program available for a portion of the development. The project pays 1.0% on the value of the credits for the first seven years.
Bank Loan	$6.0 million	65%	A loan from a private bank, at 6% over 30 years.
Private equity	$1.1 million	12%	The pro forma calculates the payment the private equity investors would receive in Year 10. Their payment (secured through a refinancing or sale) is the value of the building minus the remaining debt. The internal rate of return for the equity is 19%.

A new cinema development would increase the City's tax base and associated property tax revenue. ECONorthwest estimated that the value of the site would increase by about $8.4 million—the value of the new construction. We estimated that the increased value would generate about $130,000 per year in tax increment for an urban renewal district.[5] The tax revenue actually generated by such a development will vary based on costs, quality of the construction, and assessed values.

Parking Structure

The conceptual development plan includes 230-space public parking garage. ECONorthwest estimated that it will be 86,250 gross SF, and at four stories will require 0.54 acres. The parking structure would replace some of the area's surface parking.

[5] Based on the assumption that every $1,000,000 in new taxable value generates about $16,000 in annual tax increment revenue. Actual amounts vary based on mill levies affecting individual properties. This is a preliminary and rough estimate. Actual revenue will depend on the application of current Urban Renewal laws and rules in Montana. We recommend a more precise estimate of tax increment revenue be calculated as part of a tax increment district plan.

Development Costs and Operating Revenues

To estimate construction costs, ECONorthwest interviewed a commercial contractor in the Billings area. The development costs include land and construction. The pro forma incorporated the following assumptions:

- The land will cost $7 per SF. The total site is 0.54 acres, yielding total land costs of $163,000.
- The hard costs for construction will be $56 per gross SF, yielding total costs of $4.8 million.
- The total development costs include developer fees (5%), soft costs (10%) and a 5% contingency.

We estimated that total hard costs will be $4.8 million and total development costs will be $5.9 million.

ECONorthwest assumed that the parking structure will not charge fees—it will offer unpaid parking. Therefore, the NOI is $0 throughout the period modeled in the pro forma. It is possible, as other cities have experienced, that over time the garage may become a pay-to-park facility. This evolution would more likely take place when/if paid on street parking became are reality.

Development Financing and Resources

Because ECONorthwest assumed that parking structure will operate with zero revenues, it must be entirely funded by the public sector unless an agreement is struck with developers of the retail center and hotel to help with ongoing costs, as the garage primarily benefits them. If developers opted to participate in the financing it could be done through establishment of a special improvement district (SID) that could be a complement to TIF. To be conservative in this case, we assume the parking structure would be financed with bonds supported by TIF revenue generated from the other four development concepts.

We estimate that the four developments will yield a little over $6 million in bonding capacity, enough to cover our estimated cost of a 230-space parking structure. If more TIF is generated then the garage size can be increased.

ECONorthwest estimated the bonding capacity created by each development concept and calculated the total bonding capacity available to finance the parking structure. We provide the figures in the section titled Development Schedule and Bonding Capacity.

Summary of Financial Feasibility

The pro forma analyses for the five proposed uses show that all uses but the parking structure have net positive revenue beginning in the first year of operations. Actual profitability of any of these uses will vary with current constructions cost, achievable rents, and financing terms.

The first four uses—adaptive reuse, hotel, outlet retail, and a cinema are all financed primarily with funds from the private sector. They all include a mix of private equity and a conventional loan financed by a bank. The financial feasibility analyses shown in the pro formas also show a mix of quasi-public funding, including EB-5 or New Market Tax Credits. The conceptual development plans shows how those four uses could be used to generate enough tax increment revenue to fully fund the construction of a parking garage. Because the parking garage would be publicly owned and serving multiple blocks, and because these kinds of garages have been funded with TIF in many communities, ECONorthwest believes that using TIF for this facility is viable.

Table 5 shows the portion of each financing tool we applied to this preliminary financing plan for the conceptual development. The total private investment in the area, based on the assumptions shown in this conceptual development plan, will actually depend on the size of any actual development, the quality of the development, current market conditions in the local market for each use, and other factors that affect private investors' appetite for investing in these uses at this location.

Table 5. Portion of Financing Tool Applied to Each Use in the Conceptual Development Plan

	Bank Loan	Private Equity	TIF Loan	EB-5	NMTC
Adaptive Re-use	58%	19%	23%	0%	0%
Hotel	67%	10%	0%	23%	0%
Outlet Retail	55%	21%	0%	24%	0%
Movie Theater	65%	12%	0%	0%	23%
Parking Structure	0%	0%	100%	0%	0%

Estimated Employment

ECONorthwest conducted an input-output analysis using the IMPLAN model to estimate the number of jobs in Yellowstone County associated with implementing the conceptual development plan.[6] The actual number of jobs that will be generated by developing the area will vary, depending on the value of the construction, the types of businesses that locate in the area, and the size of those businesses. This estimate is preliminary by necessity, based on the conceptual plan.

[6] IMPLAN is an input-out model used to track dollars, starting with the initial project being studied, as they ripple through an economy from one employment sector to the next. The model estimates the number of jobs, income, and economic output that can be traced to the initial project. The model estimates direct impacts, which are those directly generated by the project. It also calculates indirect impacts, which are the jobs and income earned by workers in industries supplying the project.

For this project, ECONorthwest estimated the number of jobs for two distinct phases: construction and operations. Construction impacts are temporary in nature and occur as construction spending unfolds. Operating impacts will continue annually as long as the use in the structure continues to operate. Jobs include both full- and part-time employment.

We estimated two different types of jobs. The **direct jobs** comprise those held by contractors and workers building the structure (direct construction impacts), and the number of employees working at the structure (direct operating impacts). The **secondary jobs** include those associated with the ripple effects of the direct jobs.[7] The secondary jobs include two general types of impacts.

- **Supply-chain impacts.** In order to operate, the structure will purchase a range of goods and services including raw materials, spare parts and equipment, repair services, electricity, water and sewer, etc. This spending generates the first round of secondary impacts. Suppliers and vendors to the structure will also have to purchase additional goods and services. This spending leads to additional rounds of indirect impacts.
- **Consumption-driven impacts.** The direct and supply-chain increases in employment and income enhance the overall purchasing power in the economy, thereby inducing further consumption- and investment- driven stimulus. Workers at the proposed development, for example, will use their income to purchase groceries. Workers at businesses who supply the structure will do the same.

For this analysis, ECONorthwest did not measure potential counterfactual scenarios that consider how scarce resources would be allocated if the conceptual development plan is not implemented, or how the development could potentially divert spending away from other Yellowstone County businesses.

[7] Secondary jobs include those defined as 'indirect' and 'induced'. Indirect are the supply-chain impacts, and induced are the consumption-driven impacts. We combine them into 'secondary' impacts in the text for simplicity.

Table 6 shows the estimated number of jobs the input-output model generated with the construction and operation of the conceptual development plan.

Table 6. Estimated Number of Jobs Generated by Implementing the Conceptual Development Plan

Period/Development Type	Direct	Secondary
Construction	**441.4**	**519.3**
Operations		
Retail	1.6	0.5
Restaurant	3.8	1.1
Hotel	61.6	29.6
Outlet Retail	160.5	43
Cinema	32.1	16.2

Development Schedule and Bonding Capacity

This section describes a possible development schedule for the five development concepts. This schedule should be interpreted as a guide. We have identified a possible order that the City could work to develop the different concepts. The actual year of implementation should vary, based on market conditions and developer interest.

We recommend the City work to implement the adaptive reuse concept first. The City should address a range of items before attempting to bring about the other conceptual developments. We recommend the City work with existing property owners to resolve these issues. These items include:

- Zoning.
- Consider if these properties should be brought into the City. If they are part of the City, they will have access to important development assistance tools.
- Consider whether the area should become a new urban renewal district or appended onto an existing urban renewal district if partner entities elect to bring their land into the City. It is possible the existing district may not have sufficient time remaining to bring about this concept plan or it may already have existing obligations it is trying to meet.

- Should the City wish to use EB5 resources it will need to secure a TEA designation for the area from the state that would then register this with the United States Customs and Immigration Service (USCIS).
- Identify the significant infrastructure improvements (such as stormwater) that should be made and how they will be funded.

We crafted the development program so that the first four uses will generate increment revenue that can be used to finance the parking structure. We used conservative assumptions regarding the debt coverage ratio and the interest rate to provide an approximation of the bonding capacity the four conceptual developments could generate. Actual increment revenue and bonding capacity will vary.

To estimate the bonding capacity generated by the first four uses, we identified the incremental increase in taxable value from all the contributing taxing jurisdictions generated by each use, the associated tax increment revenue, and the bonding capacity generated by that increased tax revenue.

- To estimate the incremental increase in the taxable value, we assumed the taxable value equals the cost of replacement (the construction cost) minus existing value (land and existing structure).
- To estimate the tax increment value, we assumed that every $1,000,000 in new taxable value generates about $16,000 in annual tax increment revenue. This is, by necessity, a rough estimate. Actual amounts vary based on mill levies affecting individual properties, whether properties are in the City, or the County, should the latter create an urban renewal area (if it gains the legal ability to do so). Given the preliminary nature of this conceptual plan, future planning will need to calculate more precise increment estimates.
- To estimate bonding capacity, we assumed that the agency could bond $6 for every $1 in tax increment revenue. This is, by necessity, a rough estimate. Actual bonding capacity will depend on the use, tax revenue, timing, and other factors dictated by the bond market. Factors that affect the bond market fluctuate, and the terms of any bond vary with national and global financial markets.

Table 7 shows the estimated incremental increase in value and the potential tax increment revenue. It is important to note that actual values and tax revenue will vary based on the individual locations of the development, the size of the development, the method used by the Assessor to estimate taxable value, timing of development, and application of urban renewal tools in Montana. These figures are preliminary estimates, based on hypothetical financial pro forma models.

Table 7. Estimated Potential Value and Tax Increment Revenue

Development	Potential New Value	Potential TIF Revenue
Adaptive Re-use	$502,500	$8,000
Hotel	$20,720,800	$332,000
Outlet Retail	$35,242,000	$564,000
Movie Theater	$8,400,100	$134,000
TOTAL	$64,865,400	$1,038,000

Source: ECONorthwest.

Table 8 shows the potential proposed year of completion for the five conceptual development types, the estimated bonding capacity for the first four types, and the cumulative bonding capacity that could be used to finance the parking structure. The table shows that we estimate the four conceptual types could generate just over $6 million in bonding capacity if they are all located in the City.

Table 8. Conceptual Development Program

Development	Year Completed	Bonding Capacity ($millions)	Cumulative Bonding Capacity ($millions)
Adaptive Re-use	2015	$0.05	$0.05
Hotel	2016	$1.99	$2.04
Outlet Retail	2017	$3.38	$5.42
Movie Theater	2019	$0.81	$6.23
Parking Structure	2019		
		$6.23	$13.74

Source: ECONorthwest.

APPENDIX B- PROFORMA DEVELOPMENT TYPES

Adaptive Re-Use = input

Development Inputs and Costs

Gross SF	4,000	
Gross SF-Retail	2,000	
Gross SF-Restaurant	2,000	
Efficiency Ratio	95%	
Leasable SF-Retail	1,900	
Leasable SF-Restaurant	1,900	
FAR	0.70	
Estimated Acres	0.13	
Land Cost per SF	$7	
Total Land Cost	$40,000	
Builidng cost/sF	$25	
Total Building Cost	$100,000	
Total Property Cost	$140,000	
Construction Cost/ GSF-Retail	$80	<<ECO estimate
Construction Cost/ GSF-Restaura	$100	
Tenant Improvement/LSF-Retail	$15	
Tenant Improvement/LSF-Restaur	$15	
Developer fee (% of construction)	5%	
Soft costs (% of construction)	10%	
Contingency (% of soft & hard costs)	5%	
Total Hard Costs	$417,000	
Developer fee	$20,850	
Soft Costs	$41,700	
Contingency	$22,935	
Total Construction Costs	$502,485	
Total Development Costs	**$642,485**	

Operating Costs and Revenues

		Notes
Annual Rent-Retail	$14	<<NNN
Annual Rent-Restaurant	$15	<<NNN
Annual rent increase	3%	
Vacancy, Yr 1	0%	<<built to suit
Vacancy, Yr 2	0%	<<built to suit
Vacancy, Yr 3 and stabilization	0%	<<built to suit
Leasing Commission	5%	
Management/operations (% of reve	10%	
Capitalization Rate	8%	

Capital Resources Summary

		% of Total Dev't Costs
Bank Loan	$370,000	**58%**
TIF Loan	$150,000	**23%**
Private Equity	$122,485	**19%**
Total	**$642,485**	**100%**

Assumptions about Capital Resources

Bank Loan	
interest rate	6.00%
Term	20
Principle	$370,000
Annual Pmt	$32,258
TIF Loan	
interest rate	1.00%
Term	15
Principle	$150,000
Annual Pmt	$10,819

Financial Measures

	Year 1	Year 3	Year 10
Net Operating Income (NOI)	$45,733	$48,518	$59,671
Value at 0.08 cap rate	$571,663	$606,477	$745,890
DCR (=NOI / Total Debt Service)	1.1	1.1	1.4
LTV ([Bank loan] / Value)	0.6	0.6	0.3
IRR in 10 years, 0.08 cap rate			17%

TIF Revenue Estimate

Estimated Annual Increment	$8,039.76	<<based on construction cost
Estimated Bonding Capacity	$48,239	

Hotel = input

Development Inputs and Costs

Gross SF	90,000	<<includes lobby, halls, conference, restaurant.
Gross SF per Room	500	<<Rooms range from 225-350 net SF
Number of Rooms	180	
Hard Costs per SF	$152.00	<<From Jerry Jones
Furniture,Fixtures & Equipment (F,F & E)	$30.00	<<includes lobby, halls, conference
Hard Costs per Room	$76,000	
FF&E per Room	$15,000	<<from other hotel project data
Restaurant		
SF	2,500	
TI per SF	$40	
Land		
Acres	2.0	
FAR	1.03	
Land Cost per SF	$7.00	
Total land cost	$609,840	
Developer fee (% of construction)	5%	
Soft costs (% of construction)	20%	
Contingency (% of soft & hard costs)	5%	
Total Hard Costs	$13,680,000	
Total FF&E	$2,700,000	
Restaurant TIs (2,500 SF)	$100,000	
Developer fee	$684,000	
Soft Costs	$2,736,000	
Contingency	$820,800	
Total Construction Costs	$16,480,000	
Total Development Costs	**$21,330,640**	

Operating Costs and Revenues

Average Room Rate Sold	$118	
Room Nights Available	65,700	
Occupancy, Yr 1	64%	
Occupancy, Yr 2	66%	
Occupancy, Yr 3	68%	
Occupancy, Yr 4	70%	
Occupancy, Yr 5 and stabilization	72%	
Annual room/rent rate increase	3%	
Hotel Operations (% of revenue)	67%	
Restaurant Rent (NNN) per foot	$15	
Restaurant Rent	$37,500	
Capitalization Rate	8.0%	<<from Dick Zeir

Capital Resources (see below for terms)

		% of Total Dev't Costs	
EB5	$5,000,000	23%	**$ in Year 0**
Conventional Bank Loan	$14,197,576	67%	**$ in Year 0**
Private Equity	$2,133,064	10%	**$ in Year 0**
2nd Bank Loan	$5,796,370	na	**<<payback EB5**
Total	**$21,330,640**	**100%**	

Financial Measures

	Year 1	Year 3	Year 10
Net Operating Income (NOI)	$1,549,741	$1,746,107	$2,272,922
Value at 0.08 cap rate	$19,371,761	$21,826,334	$28,411,523
DCR (=NOI / Total Debt Service)	1.3	1.4	1.3
LTV ([Bank loan] / Value)	0.7	0.6	0.5
IRR in 10 years, 0.08 cap rate			32%

TIF Revenue Estimate $20,720,800

Estimated Annual Increment	$331,533	<<based on construction costs
Estimated Bonding Capacity	$1,989,197	

Assumptions about Financing Tools

EB5		
8 Jobs/$1million cost	131.8	<<jobs created from total hard costs
1.6 jobs per room	288	<<jobs created from total operations
Total jobs	419.8	
$500k/12 jobs created	35.0	
Potential Loan	$17,493,333	
interest rate	3.0%	
Term	5	
Actual Loan	$5,000,000	
Payment	$5,796,370	<<Paid with 2nd bank loan
Conventional Bank Loan		
interest rate	6.0%	
Term	20	
Loan Amount	$14,197,576	
Annual Pmt	$1,237,809	
2nd Bank Loan		
interest rate	6.5%	
Term	20	
Loan Amount	$5,796,370	
Annual Pmt	$526,058	

Outlet Retail = input

Development Inputs and Costs

		Notes
Gross SF	200,000	~3,750/store, this is ~50 stores
Efficiency Ratio	85%	
Leasable SF	170,000	
FAR	1.12	2 stories
Estimated Acres	4.10	<<Trucking site.
Construction Cost per GSF	$100	<<from Jerry Jones Construction in Billings
Tenant Improvement per LSF	$40	<<from Jerry Jones Construction in Billings
Land Cost per SF	$7	
Developer fee (% of construction)	5%	
Soft costs (% of construction)	15%	
Contingency (% of soft & hard costs)	10%	
Site acquisition	$1,250,172	
Total Hard Costs	$26,800,000	
Developer fee	$1,340,000	
Soft Costs	$4,020,000	
Contingency	$3,082,000	
Total Construction Costs	$35,242,000	
Total Development Costs	**$36,492,172**	

Financial Measures

	Year 1	Year 3	Year 10
Net Operating Income (NOI)	$1,832,260	$2,394,547	$188,540
Value at 0.08 cap rate	$22,903,250	$29,931,835	$36,812,381
DCR (=NOI / Total Debt Service)	1.3	1.6	1.3
LTV ([Bank loan] / Value)	0.6	0.4	0.30
IRR in 10 years, 0.08 cap rate			16%

TIF Revenue Estimate

Estimated Annual Increment	$563,872	<<based on construction costs
Estimated Bonding Capacity	$3,383,232	

Operating Costs and Revenues

		Notes
Retail Rent-Annual (NNN)	$17	<< High end for Billings
Annual rent increase	3%	
Vacancy, Yr 1	20%	
Vacancy, Yr 2	10%	
Vacancy, Yr 3 and stabilization	5%	
Leasing Commission	5%	
Management/operations (% of reve	10%	
Capitalization Rate	8%	

Capital Resources Summary

		% of Total Dev't Costs	
Private Equity	$7,558,839	**21%**	**$ in Year 0**
Bank Loan	$20,000,000	**55%**	**$ in Year 0**
EB-5	$8,933,333	**24%**	**$ in Year 0**
2nd Bank Loan	$10,356,182		**<<payback EB5**
Total	**$36,492,172**	**100%**	

Assumptions about Capital Resources

Bank Loan		
interest rate	6.00%	
Term	30	
Principle	$20,000,000	
Annual Pmt	$1,452,978	
EB 5		
8 Jobs/$1million cost	214.4	<<jobs created from total hard costs.
$500k/12 jobs created	17.9	
Potential Loan	$8,933,333	
interest rate	3.0%	
Term	5	
Payment at Year 5	$10,356,182	<<Paid with 2nd bank loan
2nd Bank Loan		<<pays off EB 5
Principle	$10,356,182	
interest rate	6.0%	
Term	25	
Annual Pmt	$810,130	

Movie Theater = input

Development Inputs and Costs

		Notes
Gross SF	40,000	8 to 10 screens, based on ULI examples
Efficiency Ratio	100%	
Leasable SF	40,000	
FAR	0.37	
Estimated Acres	2.50	<<1-story
Construction Cost per GSF	$127	<<from Jerry Jones Construction in Billings
Tenant Improvement per LSF	$40	<<for food prep areas
Land Cost per SF	$7	
Developer fee (% of construction)	5%	
Soft costs (% of construction)	15%	
Contingency (% of soft & hard costs)	5%	
Site acquisition	$762,300	
Total Hard Costs	$6,680,000	
Developer fee	$334,000	
Soft Costs	$1,002,000	
Contingency	$384,100	
Total Construction Costs	$8,400,100	
Total Development Costs	**$9,162,400**	

Operating Costs and Revenues

		Notes
Rent-Annual	$14.50	<<estimate based on local rents
Annual rent increase	3%	
Vacancy, Yr 1	0%	
Vacancy, Yr 2	0%	
Vacancy, Yr 3 and stabilization	0%	
Leasing Commission	0%	
Management/operations (% of reve	15%	
Capitalization Rate	8%	

Capital Resources Summary

		% of Total Dev't Costs
Private Equity	$1,100,860	**12%**
Bank Loan	$6,000,000	**65%**
NMTC	$2,061,540	**23%**
Total	**$9,162,400**	**100%**

Assumptions about Capital Resources

Bank Loan		
interest rate	6.00%	
Term	30	
Principle	$6,000,000	
Annual Pmt	$435,893	
NMTC		
Eligible Basis	$9,162,400	<<Total development costs
Percent	22.5%	
Interest rate	1.00%	
Term	7	
Credit	$2,061,540	
Interest Payment	$20,615	

Financial Measures

	Year 1	Year 3	Year 10
Net Operating Income (NOI)	$481,400	$510,717	$628,118
Value at 0.08 cap rate	$6,017,500	$6,383,966	$7,851,473
DCR (=NOI / Total Debt Service	1.1	1.1	1.4
LTV ([Bank loan] / Value)	0.7	0.6	0.4
IRR in 10 years, 0.08 cap rate			19%

TIF Revenue Estimate

Estimated Annual Increment	$134,402	<<based on construction cost
Estimated Bonding Capacity	$806,410	

Parking Structure = input

Development Inputs and Costs

		Notes
Gross SF	86,250	
Number of spaces	230	
SF per space	375	
Building footprint	21,563	4 stories
FAR	3.70	
Estimated Acres	0.54	
Construction Cost per GSF	$56	<<from Jerry Jones Construction in Billings
Land Cost per SF	$7	
Developer fee (% of construction)	5%	
Soft costs (% of construction)	10%	add land size, 3 floors
Contingency (% of soft & hard costs)	5%	
Site acquisition	$163,176	
Total Hard Costs	$4,830,000	
Developer fee	$241,500	
Soft Costs	$483,000	
Contingency	$265,650	
Total Construction Costs	$5,820,150	
Total Development Costs	**$5,983,326**	

Financial Measures

	Year 1	Year 3	Year 10
Net Operating Income (NOI)	$0	$0	$0
Value at 0.08 cap rate	$0	$0	$0
DCR (=NOI / Total Debt Service)	NA	NA	NA
LTV ([Bank loan] / Value)	NA	NA	NA
IRR in 10 years, 0.08 cap rate			NA

Operating Costs and Revenues

		Notes
Hourly Rate	$0	
Hours per Day	18	
Daily Space Hrs	4,140	
Daily Revenue	$0	
Annual Revenue	$0	
Vacancy Rate	40%	
Operations	10%	
Rate Increase	3%	
Cap Rate	8%	
Capitalization Rate	8%	

Capital Resources Summary

		% of Total Dev't Costs	
TIF	$5,983,326	**100%**	<<based on bonding capacity in 2018
Total	**$5,983,326**	**100%**	

Development Schedule

Year	Development	TIF Bonding Capacity	Cumulatvie TIF Bonding
2013			$0
2014	Adaptive Re-Use	$48,239	$48,239
2015	Hotel	$1,989,197	$2,037,435
2016	Outlet Retail	$3,383,232	$5,420,667
2017			$5,420,667
2018	Movie Theater	$806,410	$6,227,077
2019			
2020			

Year	Development	TIF Bonding Capacity	Cumulatvie TIF Bonding Capacity
2013			$0
2014	Adaptive Re-Use	$0.05	$0.05
2015	Hotel	$1.99	$2.04
2016	Outlet Retail	$3.38	$5.42
2017		$0.00	$5.42
2018	Movie Theater	$0.81	$6.23
2019			
2020			