

**MEMORANDUM OF UNDERSTANDING BETWEEN  
THE CITY OF BILLINGS  
AND  
THE DOWNTOWN BILLINGS PARTNERSHIP, INC.,  
AN I.R.C. 501 (c)(4) MONTANA NON-PROFIT CORPORATION, (DBP)  
FOR PROGRAM COORDINATION AND TAX INCREMENT FINANCING  
RECOMMENDATIONS AS PER MCA 7-15-4233 IN THE EXPANDED  
NORTH 27<sup>TH</sup> STREET URBAN RENEWAL DISTRICT**

This Memorandum of Understanding (“MOU”) is made and entered into on \_\_\_\_\_, 2019 (the “Effective Date”) by and between the City of Billings (“City”), and the Downtown Billings Partnership, Inc. (“DBP”), a 501 c(4) tax exempt corporation that is managed with the purpose of assisting the City in revitalization of the Expanded North 27<sup>th</sup> Street Urban Renewal District (27<sup>th</sup> Street URD) for projects, regulations, planning, and to render opinions and give recommendations to the City Council as outlined in MCA 7-15-4233 on all financial assistance provided by Tax Increment Financing (TIF) in the North 27<sup>th</sup> Street URD. For purposes of this MOU, the City, and the DBP are each a “Party” and are sometimes collectively referred to as the “Parties.”

**I. TERM & TERMINATION OF THIS MOU**

This MOU shall be in effect for five (5) years from the Effective Date, and the parties agree to conduct an annual progress-review meeting to consider any necessary changes to the implementation strategies and roles and responsibilities as set forth in this Agreement. Any Party may terminate this MOU by giving the other party not less than 90-days’ notice prior to a fiscal year end of June 30. Days are defined in this Agreement to be business days.

**II. BACKGROUND AND PURPOSE OF THIS MOU**

- A. The North 27<sup>th</sup> Street URD was created by the City of Billings in 2008 by Ordinance No. 08-5483 and is defined in the attached Exhibit A map. The 2008 modification of the downtown URD followed multiple amendments by the City to the boundary of the original URD first created by the City in 1976.
- B. The DBP works in cooperation with the Downtown Billings Alliance (DBA). This MOU is between the City and the DBP, and is focused on the work and operations of the DPB as they relate to the 27<sup>th</sup> Street URD and application of TIF funds in the District.
- C. The City of Billings has adopted a Tax Increment Finance Policy (Resolution #18-10750). The DBP will maintain compliance with the Policy in operating under this MOU and the City will use the Policy in its decisions related to TIF programs and projects.
- D. This MOU is a cooperative effort between the City of Billings and the DBP, with the mutual objective of enhancing economic development opportunities in the North 27<sup>th</sup> Street URD by promoting efforts that include, but are not limited to, commercial, residential and mixed-use development, public infrastructure improvement, and implementing the Goals for Downtown Billings as embodied in the 2018 Downtown

Billings Strategic Plan, 2008 Urban Renewal Plan, as well as other City-adopted ordinances, plans and programs affecting Downtown Billings.

### **III. RELATIONSHIP OF THE PARTIES**

- A. For the life of this MOU, the DBP will maintain itself as a non-profit advisory board to make recommendations to the City Council regarding all TIF expenditures. As per Sections 2-3-103, 2-3-111, and 2-3-203(1), Montana Code Annotated (MCA), which specify public participation requirements and that all meetings of public or governmental bodies or organizations supported by or expending public funds must be open to the public, the DBP will comply with these requirements when acting in its capacity as an advisory board to the City Council.
- B. The DBP working in cooperation with the DBA may hire, contract for, or coordinate with the City, for support for the implementation of this MOU. Support includes, but is not limited to, program coordination, application review and processing, tax increment financing recommendations, administration and implementation of the 2018 Downtown Billings Strategic Plan and 2008 Urban Renewal Plan. TIF funding used for support positions must be approved by the City Council through its annual budgeting process as part of its review and approval of the DBP annual budget. If the DBP does seek contract services, supplies, or expenditures for other capital costs that utilize TIF funds, the DBP must follow City purchasing and procurement policies in effect at the time.
- C. The DBP Board By-Laws in Article II, Section 1 (D) specify the Board be made up of Downtown Billings stakeholders that represent many organizations. As per the City TIF Policy Section 3 (a), this MOU refers to the DBP By-Laws in outlining the members of the Board. The Board includes a representative from the City of Billings that is a voting member of the Board. The Board must carry Errors and Omissions Insurance for its members and provide proof of insurance to the City. The Board will ensure a current copy of its By-Laws is provided to the City.
- D. This MOU is not intended to create or constitute any joint venture, partnership, joint powers agency, or other formal organization of any kind.
- E. No Party is authorized herein to act as the agent of the other.
- F. Sections IV through XI of this MOU outline roles and responsibilities of the City and DBP related to the North 27<sup>th</sup> Street URD. The Parties shall collaborate to carry out these identified activities.

### **IV. TAX INCREMENT FINANCING AUTHORITY AND ADMINISTRATION**

- A. The City Council shall have the ultimate decision making authority regarding any expenditure of TIFD Funds related to the 27<sup>th</sup> Street URD and the DBP.
- B. The DBP and the City will develop and maintain an application form and assistance guidelines for parties seeking the use of TIF Funds.
- C. The DBP will accept and review applications for TIF Funds related to the North 27<sup>th</sup> Street URD and will provide a copy of the application to the City staff for review. The

DBP Board shall review the application and make a recommendation to the City Council regarding funding of the application. Recommendations for expenditures shall be presented to the City Council by the DBP in coordination with City staff. Development Agreements for the applications for TIF funds will also be reviewed by the DBP Board and City staff before presentation to City Council for approval.

- D. The DBP staff will work with the City Administrator and City Finance Director to maintain and administer the City of Billings Downtown Revolving Loan Program as per Section 13-1100 of the Billings City Code.

**V. DBP TRAINING AND CONFLICT OF INTEREST**

- A. Training – The DBP Board will participate with all City URD advisory boards in biannual training conducted in coordination with City staff and URD support staff. The training must include, but is not limited to review of URD and TIF laws, Administrative Rules, ethics, conflicts of interest, meeting management, and maintenance of minutes and records.
- B. Conflict of Interest – The DBP By-Laws in Article II, Section 14 specifically addresses conflicts of interest situations for board members and any employees of the DBP. In addition to the conflict of interest provisions in the DBP By-Laws, if the City finds an appearance of conflict of interest during review of a program or project seeking TIF funding, the matter will be reviewed by the City Attorney’s Office.

**VI. LAND USE DECISION AUTHORITY**

- A. The City staff shall provide to the DBP any proposed land use regulation changes related to property within the 27<sup>th</sup> Street URD for review by the DBP. The DBP shall submit its recommendation to the City Council.
- B. Subject to existing land use law, the City may develop and administer land use and design regulations with consideration to the 2018 Downtown Billings Strategic Plan and other plans and ordinances adopted by the City. As referenced in Section II D. of this MOU, the City and the DBP share the mutual objective of enhancing economic development opportunities in the North 27<sup>th</sup> Street URD. These efforts include, but are not limited to, commercial, residential and mixed-use development, public infrastructure improvement, and implementing the Goals for Downtown Billings as embodied in the 2018 Downtown Billings Strategic Plan, as well as other City-adopted ordinances, plans and programs affecting Downtown Billings.

**VII. MAINTENANCE, PRIORITIZATION, AND IMPLEMENTATION OF THE 2018 DOWNTOWN BILLINGS STRATEGIC PLAN**

- A. DBP will work to maintain, prioritize, and implement the 2018 Downtown Billings Strategic Plan and the DBP Board’s annual goals as its staffing capacity will allow and in consultation with the City.
- B. DBP will work with the City in developing annual goals and an associated proposed budget for the North 27<sup>th</sup> Street URD for consideration and adoption by the City Council.

- C. DBP will actively work to recruit private investment in the 27<sup>th</sup> Street URD in partnership with the City.

**VIII. IDENTIFY FUNDING SOURCES AND FACILITATE PUBLIC INFRASTRUCUTRE IMPROVEMENTS**

- A. The City will identify and make application for appropriate funding sources in order to facilitate necessary infrastructure improvements as identified in the City's Current Capital Improvement Plan and other infrastructure master plans for projects within the 27<sup>th</sup> Street URD boundary. The DBP will assist the City with funding applications, as appropriate.
- B. The DBP also will work with City staff and property owners to consider public infrastructure projects in the 27<sup>th</sup> Street URD and bring recommendations to City Council through processes, including the City's Capital Improvement Plan.

**IX. OTHER SERVICES**

- A. DBP may, at its sole option, contract professional services with an outside party or the City to provide security and maintenance services within the North 27<sup>th</sup> Street URD funded through property owner participation in a business improvement district or sub-district.
- B. DBP will work in consultation with the Downtown Billings Alliance, Billings Chamber of Commerce, Big Sky Economic Development and the City to develop and maintain a marketing/branding program for the North 27<sup>th</sup> Street URD, as staff and funding allows.

**X. PUBLIC RELATIONS**

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

**XI. NOTICE**

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

City:	Wyeth Friday Director, Planning and Community Services Department 2825 3 <sup>rd</sup> Avenue North, 4 <sup>th</sup> Floor Billings, MT 59101 <a href="mailto:fridayw@ci.billings.mt.us">fridayw@ci.billings.mt.us</a> (406) 657-8249
DBP:	Katy Easton Chief Executive Officer DBA <a href="mailto:keaston@downtownbillings.com">keaston@downtownbillings.com</a> (406) 294-5060

**XII. AUTHORITY AND EXECUTION**

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

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

THE CITY OF BILLINGS:

By: \_\_\_\_\_

William A. Cole, MAYOR

ATTEST:

By: \_\_\_\_\_

Denise R. Bohlman, CITY CLERK

APPROVED AS TO FORM:

By: \_\_\_\_\_

Brent Brooks, CITY ATTORNEY

**DOWNTOWN BILLINGS PARTNERSHIP, INCORPORATED**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

DBP Board President

# Exhibit A

Map of entire Expanded N. 27<sup>th</sup> District

