

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF BILLINGS
AND
THE SOUTH BILLINGS URBAN RENEWAL ASSOCIATION, INC.,
AN I.R.C. 501 (c)(6) MONTANA NON-PROFIT CORPORATION,
FOR PROGRAM COORDINATION AND TAX INCREMENT FINANCING
RECOMMENDATIONS AS PER MCA 7-15-4233 IN THE SOUTH
BILLINGS BOULEVARD 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 South Billings Urban Renewal Association. (“SBURA”), a 501 c (6) tax exempt organization that is managed with the purpose of assisting the City in revitalization of the South Billings Boulevard Urban Renewal District (SBBURD) 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 SBBURD. For purposes of this MOU, the City, and the SBURA are each a “Party” and are sometimes collectively referred to as the “Parties.”

I. TERM & TERMINATION OF THIS MOU

This MOU shall be in effect for five (5) years from the Effective Date, and the parties agree to conduct an annual progress-review meeting to consider any necessary changes to the implementation strategies and roles and responsibilities as set forth in this Agreement. Any Party may terminate this MOU by giving the other 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 SBBURD was created by the City of Billings in 2007 and expanded in 2008 (Ordinance No. 07-5441, Ordinance No. 08-5462, Ordinance No. 08-5484) and is defined in the attached Exhibit A map.
- B. The City of Billings has adopted a Tax Increment Finance Policy (Resolution #18-10750). The SBURA 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.
- C. This MOU is a cooperative effort between the City of Billings and the SBURA, with the mutual objective of enhancing economic development opportunities in the SBBURD by promoting efforts that include, but are not limited to, commercial, residential and mixed-use development, public infrastructure improvement, and implementing the goals of the 2012 South Billings Master Plan, as well as other City-adopted ordinances, plans and programs affecting the SBBURD.

III. RELATIONSHIP OF THE PARTIES

- A. For the life of this MOU, the SBURA 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 SBURA will comply with these requirements when acting in its capacity as an advisory board to the City Council.
- B. The SBURA 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 SBBURD Master 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 SBBURD annual budget. If the SBURA does seek contract services, supplies, or expenditures for other capital costs that utilize TIF funds, the SBURA must follow City purchasing and procurement policies in effect at the time.
- C. The SBURA Board By-Laws in Article 4 specifies the Board be made up of stakeholders that represent both business and residential interests in the SBBURD. As per the City TIF Policy Section 3 (a), this MOU refers to the SBURA By-Laws in outlining the members of the Board. As outlined in Article 5, Section 5.2 of the SBURA By-Laws. The Board includes two members that are homeowners in the SBBURD, three members that own or represent businesses in the SBBURD, and two at-large members that may be from outside the SBBURD. 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. However, SBURA Board By-Laws in Article 2 and Article 3 notes the SBURA could take on urban renewal powers as per the Montana Urban Renewal Laws if the City assigned them during this MOU.
- 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 SBURA related to the SBBURD. 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 SBBURD.
- B. The SBURA and the City will develop and maintain an application form and assistance guidelines for parties seeking the use of TIF Funds.

- C. The SBURA will accept and review applications for TIF Funds related to the SBBURD and will provide a copy of the application to the City staff for review. The SBURA 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 SBURA in coordination with City staff. Development Agreements for the applications for TIF funds will also be reviewed by the SBURA Board and City staff before presentation to City Council for approval.

V. SBURA TRAINING AND CONFLICT OF INTEREST

- A. Training – The SBURA 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 SBURA By-Laws in Article 5, Section 5.4 specifically addresses conflicts of interest situations for board members. The SBURA Board will adopt a policy that also addresses conflicts of interest situations for any employees of SBURA and provide that Policy to the City. In addition to the conflict of interest provisions in the SBURA 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 SBURA any proposed land use regulation changes related to property within the SBBURD for review by the SBURA. The SBURA 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 2012 South Billings Master Plan and other plans and ordinances adopted by the City. As referenced in Section II C. of this MOU, the City and the SBURA share the mutual objective of enhancing economic development opportunities in the SBBURD. These efforts include, but are not limited to, commercial, residential and mixed-use development, public infrastructure improvement, and implementing the goals in the 2012 South Billings Master Plan, as well as other City-adopted ordinances, plans and programs affecting the SBBURD.

VII. MAINTENANCE, PRIORITIZATION, AND IMPLEMENTATION OF THE 2012 SOUTH BILLINGS MASTER PLAN

- A. SBURA will work to maintain, prioritize, and implement the 2012 South Billings Master Plan as its staffing capacity will allow and in consultation with the City. This may include making updates to the 2012 South Billings Master Plan during this MOU as the Plan is already six years old at the time this MOU was adopted.
- B. SBURA will work with the City in developing annual goals and an associated proposed budget for the SBBURD for consideration and adoption by the City Council.

- C. SBURA will actively work to recruit private investment in the SBBURD 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 Capital Improvement Plan and other infrastructure master plans for projects within the SBBURD boundary. The SBURA will assist the City with funding applications, as appropriate.
- B. The SBURA will work with City staff and property owners to consider public infrastructure projects in the SBBURD and bring recommendations to City Council through processes, including the City’s Capital Improvement Plan.

IX. OTHER SERVICES

SBURA will work in consultation with the Billings Chamber of Commerce, Big Sky Economic Development and the City to develop and maintain a marketing/branding program for the SBBURD, as staff and funding allows.

X. PUBLIC RELATIONS

Any news release, public announcement, advertisement or publicity proposed to be released by SBURA 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 rd Avenue North, 4 th Floor Billings, MT 59101 fridayw@ci.billings.mt.us (406) 657-8249
SBURA:	Carolyn Rukstad SBURA Board President cprapril1@gmail.com

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

SOUTH BILLINGS URBAN RENEWAL ASSOCIATION, INCORPORATED

Dated: _____

By: _____

SBURA Board President

