



PROBLEM/ISSUE STATEMENT

The Downtown Billings Partnership (DBP) Board of Directors is presenting this recommendation to the Billings City Council to allocate \$20,000 in Tax Increment Financing (TIF) funds from the North 27th Street Urban Renewal District (URD) for the creation of the Crime Prevention Through Environmental Design (CPTED) grant program. The CPTED grant program will provide financial assistance through 1:1 matching grants, not to exceed \$3,000, to business owners within the district who have participated in the CPTED evaluation program offered through the Downtown Billings Business Improvement District (BID) and have identified project(s) that will improve the safety of their property and the North 27th St URD. The DBP has received commitments for financial support from The Northern Hotel (\$5,000) and First Interstate Bank (\$2,500) in addition to the Downtown Billings BID allocating resources for CPTED evaluation training. Downtown Billings BID Director, Joe Stout has completed CPTED training and will be able to evaluate properties for this public safety program. This program is allowed under MCA 7-15-4202 (2)(a)(3), 4203 (3), 4209 (a), 4252, 4288.

The DBP Board of Directors voted to support funding the CPTED grant program at its September 27, 2019 meeting, under the authority granted per the Memorandum of Understanding between the City of Billings and the Downtown Billings Partnership, Inc.

ALTERNATIVES ANALYZED

The City Council has the final authority in distribution of TIF funds. This program appears to conform to the City of Billings TIF Policy. The City Council may:

- Approve the recommendation from the DBP Board for the expenditure of these TIF funds, or;
- Disapprove the recommendation from the DBP Board for the expenditure of these TIF funds.

FINANCIAL IMPACT

The request is for a total of \$20,000 to be assigned to the DBP CPTED Grant Program in the DBP Budget. The DBP Board will review and approve individual applications for CPTED improvements. Approved applications will be eligible for funding on a reimbursement basis (See CPTED Grant Program application attached). Staff recommends this line item be revisited during the FY21 Budget so any balance may be carried over for a new budget year.

RECOMMENDATION

The Downtown Billings Partnership Board of Directors recommends the City Council approve up to \$20,000 from the North 27th St URD for the DBP CPTED Grant Program.

Sincerely,

A handwritten signature in blue ink that reads "Katy Easton".

Katy Easton
Downtown Billings Alliance



Crime Prevention Through Environmental Design (CPTED) is a program designed to help property owners understand how they can make their building or land safer for occupants as well as the public. CPTED promotes improvement measures which include but are not limited to: the addition of strategically placed exterior lighting, the creation, elimination, or maintenance of landscaping to eliminate places to hide/for crime to occur, and the creation, elimination, or maintenance of landscaping which would allow unlawful access to a property. As a partner in promoting public safety, the DBA is proud to offer the CPTED grant program to all businesses within the Expanded N 27th TIF District. This program offers 1:1 matching grants not to exceed \$3000 of granted funding and a free CPTED evaluation for all DBA members. Funds will only be granted to those applicants who wish to make the improvements found to be necessary in the CPTED evaluation. **Important: this is a reimbursement grant which means funds will only be granted to projects if an application is delivered to the DBA, evaluated, and approved prior to the execution of said project.**

Timeline

- 1) Call the DBA office at (406) 294-5060 to schedule a CPTED evaluation with Joe.
- 2) Have your evaluation performed.
- 3) Procure a bid from a contractor to perform the work.
- 4) Fill out the application information below and turn it in **with your CPTED evaluation and bid from the contractor** via email or in person at 116 N 29th Suite A.
- 5) The application will then be evaluated and assessed for compliance with the program guidelines and availability of funds.
- 6) Contingent upon the approval of an application, a project may then be executed.
- 7) Upon receipt and approval of all necessary documents listed below proving the completion and compliance of the project, funds will be disbursed to the applicant. **Please provide pictures of the completed project as well as any information from the contractor which would have altered the cost of the project relative to the initial bid.**

Applicant/Project Information

- 1) Have you had a CPTED evaluation performed? _____
- 2) What is your project? _____
- 3) Have you had a bid performed by a contractor for the project? _____
- 4) How much is the bid? _____
- 5) How much grant funding are you requesting? _____
- 6) Final information. Is there any pertinent information the evaluation committee should know? (List below).

Andy Patten	Joni Harman	Mehmet Casey	James Chandler	Katy Easton
Kim Olsen	Randy Hafer	Steve Wahrlich	Sam Merrick	Jock West
Zach Dunn	Norman Miller	Wyeth Friday	Chris Kukulski	Dave Fishbaugh
Ethan Kanning	Melanie Schwarz	Emily Meick	Chris Montague	

1. **Call to Order, Introductions and Courtesies** – Mr. Patten brought the meeting to order at 7:01 am.
2. **Amendment to Agenda** – Ms. Easton added Item 6b. TIF Committee to the regular agenda.
3. **Presentation**
4. **Regular Agenda**
 - a. **Minutes – August 23, 2019** – Mr. Miller moved to approve. Seconded by Mr. West and approved by all.
 - b. **Development Director Update**
 - i. **RLF Applications** – Two applications from the Good Earth Market (GEM) building at \$200,000 and the Grand building at \$250,000 have been submitted.
 1. Mr. Wahrlich asked about the total RLF balance.
 - a. Mr. Casey said there’s \$500,000 left to loan.
 2. Mr. Dunn wants to act on the two larger projects to be able to loan.
 - a. Ms. Olsen said the city would engage that process, not any activity of the board.
 - ii. **TIF Applications** – Four TIF applications were presented yesterday to the TIF committee, including NADC, Limber Tree, Good Earth Market building, and Grand building. Mr. Casey. No recommendations have been made, and a follow-up meeting is required to determine committee goals through the Urban Renewal Plan.
 - iii. **Grand Avenue and Shiloh Excursions** – Mr. Casey, Mr. Chandler, and Mr. Headlee traveled to learn the pros and cons of the areas. Grand pros include price, visibility, parking, and building ownership; cons include building age and a lack of community. Residential units and price are main pros for Commons, while safety and new spaces were top for Crossing. City Vineyard will continue talks but wants more public safety downtown and cooperative building owners. Positive conversations have been had with Bozeman businesses.
 1. Mr. Canning expressed the desire to collaborate, because NAI is doing similar work.
 2. Mr. Dunn asked about progress on downtown property owners.
 - a. Mr. Casey said flexibility comes from new building owners, but he’s hoping to have more meetings and about filling more spaces with pop-ups or art.
 - c. **Associate Development Director Update** – Mr. Chandler provided a draft of the new TIF application, a hybrid of the current, far simpler one and one too detailed.
 - i. Ms. Easton spoke of the TIF committee meeting and application was differences. The committee decided that scoring criteria are necessary to help make recommendations.
 1. Mr. Dunn explained the EBURD’s process and best practices.
 2. Mr. Hafer suggested breaking it into smaller areas to make comparison easier. Equal evaluation be hard, but all are important to the strategic goals for downtown.
 - ii. Ms. Easton said the board won’t act now, but she wants standardization. Mr. Chandler’s work moves closer to a good system. He’ll look at the EBURD application and meet with Mr. Friday.
 1. Mr. Friday said SBURA is also working to redo their application.
 - d. **Financials** – Ms. Easton provided a profit and loss from July 1 to current. The board elected to create a fund called Business Development that would cover things like recruitment and travel. A portion of that \$1,700 will go to website development to help create a toolkit for interested businesses. The Fund 203 Project Management expense is the BoP payout to SomethingCHIC, which is complete.

- i. Mr. Montague asked about the website.
 - 1. Ms. Easton said it will be a directory page, more visitor-focused, and easier to update internally. Larimer Square is the inspiration for the redesign, and it will be released in mid to late-October.

5. Old Business

- a. **Yesteryears Building** – Ms. Easton has looked into replacing the roof. The contractor said he can usually carry the deductible, but she hesitates to spend if it's unnecessary. Although she's unsure how the decision would be made by the board, she thinks it's worth considering. The contractor is confident that he would fall within the deductible. It has no offers but it's not officially on the market.
 - i. Mr. Miller asked if Ms. Easton plans to be a developer. Mr. Canning asked if it's a one-off thing.
 - 1. Ms. Easton said no, but the process goes back to its original intent: To spur thoughtful development, not to make money for the board. She's following precedent set by the city and other communities. Developers are still interested, but property costs are high.
 - a. Mr. Patten said it doesn't seem much different than a TIF grant.
 - i. Mr. Kukulski said the primary incentive is not to sell the ground but redevelopment. He speculated that council and the community would be responsive to that project.
 - ii. Mr. Friday said it's important to highlight similarities and differences between this and a TIF grant; however, there are many different models, and this is a one-off situation.
 - ii. Mr. Hafer said the board decided to purchase the property to spur development; it seems silly to get rid of it. He suggested fixing the roof, continuing to look at all opportunities, and putting out an RFP instead of placing it on the market or holding it until the next legislative session.
 - iii. Ms. Easton spoke of the line of credit with BESDA. There's opportunity to pay it off with current TIF funds, but she's unsure if council would agree. Although it doesn't have to be a motion, she's looking for a decision on whether the roof should be fixed.
 - 1. Mr. Miller agrees but cautions on holding onto the building to try and cut a development deal, because it might backfire.
 - a. Ms. Easton doesn't disagree that it wouldn't be a challenge, but she wants to be bold and spur a big project that adds back to the tax base.
 - 2. Mr. Patten asked if the board needs to decide in advance.
 - a. Ms. Easton would ask for board approval for an RFP and it would go through the city. Some background work and a prudent approach to council is necessary.
 - 3. Mr. Kukulski said some relationships have council unwilling to give up purchase authority to another organization. He reiterated the main issue of deciding whether to fix the roof. He recommended waiting until after the election.
 - a. Mr. Patten said council approved the purchase of the building.
 - iv. Ms. Easton isn't looking for an official vote on the RFP or the roof, but she'll continue forward.
 - b. **Stillwater Building** – Ms. Easton said a letter was transmitted to Mr. Holden's lawyer. The contract will remain the same and must be executed no later than October 31. If not returned, she assumes the party is no longer willing to work. She's unsure of his response, but willing to take it to council if necessary.
 - i. Mr. Canning asked how long the board has been waiting for a response.
 - 1. Ms. Easton said it was officially awarded October 2017 and the official development agreement final draft was November 2018, which was transmitted on May 15.
 - ii. Mr. Patten asked for clarification on wording.

6. New Business

- a. **Lou Taubert Building** – Mr. Casey said it's likely under contract, closing at the end of October. The new potential owners are looking to turn in a TIF application, which would involve interior and exterior work.

- b. **TIF Committee** – Mr. Casey wanted to speak to the board regarding TIF committee representation, minutes taken during that meeting, and COIs.
 - i. Ms. Easton feels that some committee members will likely have a COI when making such decisions. With minutes, she wonders if members might hesitate to speak. She’s unsure of past precedent and if they were confidential. Are they public documents?
 - 1. Mr. Patten clarified the role of the committee in making recommendations to the board.
 - a. Ms. Easton affirmed. She thinks minutes would be valuable as a record, but perhaps they aren’t public. The committee does fall under DBP bylaws. She wants lively discussion without hesitation.
 - i. Mr. Montague moves to accept Ms. Corbyn, Mr. Canning, Ms. Easton, Ms. Olsen, Mr. Dunn, and Mr. Terakedis as TIF Committee members. Mr. Miller seconds motion.
 - 1. Mr. Montague asked if it will be added to over time.
 - a. Ms. Easton said yes and asked the board to let her know if there’s any underrepresentation.
 - i. Motion approved by all.
- c. **CPTED Grants** – Ms. Eaton explained public safety priorities and the CPTED program. She asked if the board is interested in providing small matching grants and what an appropriate amount might be. She wants to be thoughtful on how much funding is available and suggested the board start small, about \$20,000 to start.
 - i. Mr. Miller said lighting projects are generally between \$3,000 and \$5,000; if ten property owners is the starting goal, then start with \$30,000.
 - ii. Ms. Olsen asked if Ms. Easton would go before council about a budget line item.
 - 1. Ms. Easton said yes, Mr. Zoeller would be amending the budget and adding a line item. She would ask him to reimburse the property owner directly.
 - a. Ms. Olsen motioned for of \$50,000 for CPTED grants; Mr. Wahrlich seconded.
 - i. Mr. Wahrlich suggested lowering to \$20,000 and adding funds yearly.
 - 1. Mr. Wahrlich amended the motion to have \$20,000 and match at \$3,000. A one-to-one match, not to top \$3,000.
 - b. Ms. Olsen asked if it would be through the BID.
 - i. Ms. Easton said evaluation would be through the BID, but funding would be through the Partnership.
 - 1. Ms. Olsen seconded the amended motion of \$20,000 requiring one-to-one match and not to exceed reimbursement of \$3,000. Amended motion approved by all.

7. Partner Reports

- a. **City of Billings**
- b. **Yellowstone County**
- c. **School District 2**
- d. **BSEDA**
- e. **DBA**
- f. **BID**
- g. **BCP**
- h. **Parking Advisory Board**
- i. **Property Owners Association**

8. Adjourned at 9:05 am. Next meeting: October 25, 2019