

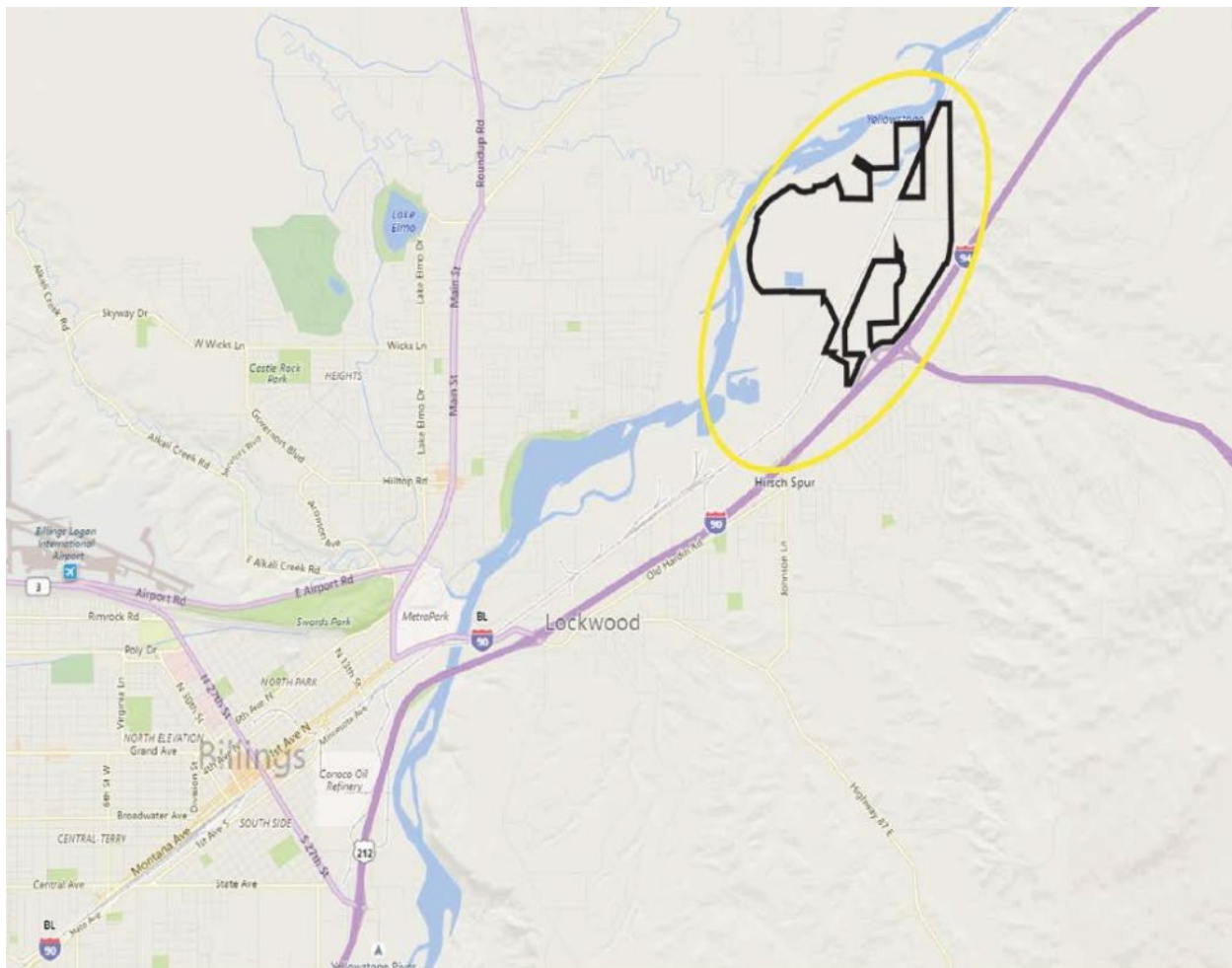
Memo to Chris Kukulski, Billings City Administrator

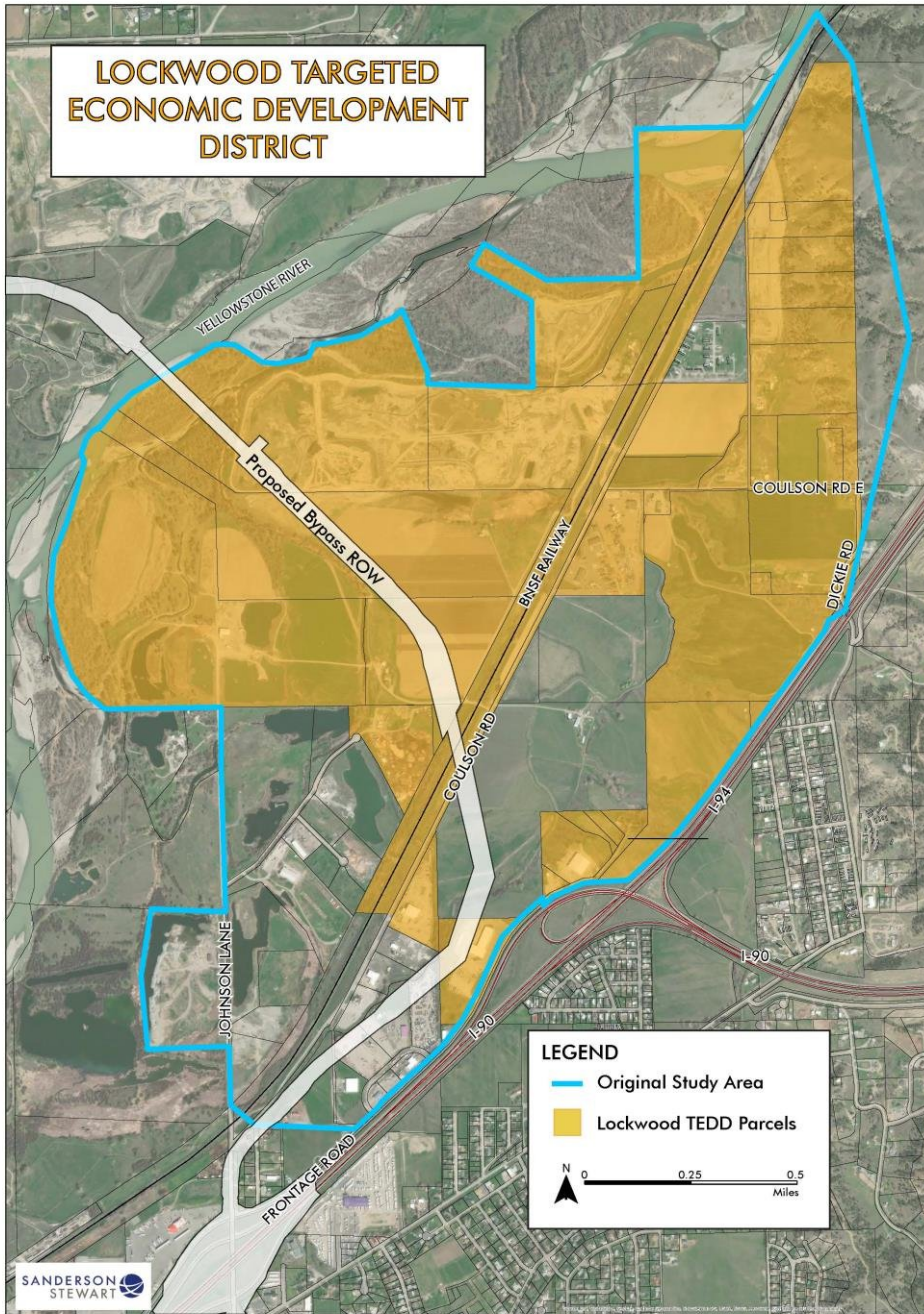
RE: Lockwood Targeted Economic Development District/Lockwood Water and Sewer District

The Lockwood Targeted Economic Development District (TEDD) was created in 2016 by Yellowstone County to develop planned, ready-to-go industrial space that supports secondary, value-adding industries. The need for such space in this area was indicated by the 2014 Industrial Park Feasibility Study. That study noted that demand for industrial space is strong and projected to grow through 2030. It looked at sites in Laurel, Billings, and Lockwood. The Lockwood site was identified as the preferred location based on access to rail, interstate, and the airport, as well as the interest of the local landowners in the development.

Following creation of the TEDD, a Strategic Plan and an Infrastructure Master Plan were developed. In 2018, the TEDD was expanded to include additional properties. It currently encompasses 1194 acres in the area between the Yellowstone River and the Interstate north of Lockwood. Because of floodplain and topography issues, only approximately 468 of those acres are developable.

The map below indicates the location of the TEDD relative to Billings:





This map provides a closer representation of the TEDD properties as well as the proposed position Billings Bypass.

The development of the Lockwood TEDD cannot move forward without the provision of sufficient sewer service to the area. Lockwood Water and Sewer District (LWSD) currently has an agreement with the City of Billings for the treatment of its wastewater. The district boundaries do not currently include the TEDD area. We are asking the City Council to allow LWSD to move forward with the process to explore expanding its boundaries to include the TEDD study area within its agreement with the City of Billings.

Given the tremendous benefits that planned space for clustered industrial, manufacturing, warehousing, and transportation services can lend to the City of Billings and Yellowstone County, we encourage the City's consideration of extending these services to the TEDD within the context of the current partnership between the City of Billings and the Lockwood Water and Sewer District.

Among the many benefits that may be realized from the strategic planning and management of the Lockwood TEDD are:

- Key infrastructure investment to provide planned, ready-to-go industrial space,
- Remain regionally competitive for expanding and new industry,
- An increased tax base,
- Increased employment opportunities,
- Cost efficiencies gained by planned growth,
- Development of infrastructure to support further long-term investments in the area.

We seek the City's partnership in realizing this tremendous economic development opportunity.