

Rimrock KIA - Five Year Tax Abatement Request Project Summary

Rimrock IV, LLC DBA KIA of Billings has been in business in Billings Montana for 10 years. The business specializes in automotive sales and service of new and used vehicles and includes parts sales.

The company plans to remodel and expand their KIA dealership by investing \$5,000,000 in new construction at 4040 King Avenue West. The existing building is currently valued at \$4.5 million. Their plan is to begin the expansion this spring with construction being completed this year. This project is located within Billings City limits and will go before Billings City Council and Yellowstone County Commissioners for consideration.

The Tax Abatement Request is ONLY on the new investment in the business, meaning the tax savings are only on the new incremental taxable value on the \$5,000,000 investment. The existing business tax obligation remains at the full 100%.

Rimrock KIA currently employs 36 full time employees and intends to expand their work force to 60 full time employees within two years. The new jobs will be sales associates, automotive technicians, sales managers, administration, and parts representatives.

Facility Investment: Expansion is estimated at \$5,000,000

Jobs Created: 24 full time positions. The annual economic impact of 24 new jobs in the automotive sector will result in \$3,657,426 in sales/output direct impact, \$401,410 in indirect impact for a total of \$4,058,836 annual economic impact to our region, per JobsEQ.

Jobs Retained: Currently 36 full time positions.

The application received in August 2022.

Company Address: Rimrock IV, LLC DBA Kia of Billings
4040 King Avenue West
Billings, MT 59106

Contact Person: April Wagner, Controller
P. O. Box 80208
Billings, MT 59108
406-655-7444

RECOMMENDATION: The City Council grant a 50% tax abatement to Rimrock IV, LLC DBA Kia of Billings in support of their \$5,000,000 investment to expand their facility at 4040 King Avenue West within the City.

ALTERNATIVES

City Council may:

- Approve the tax abatement or;
- Not approve the tax abatement