

****ATTENTION****

The City Council meeting will be held in a hybrid format that may include both in-person AND virtual attendance via Zoom. Unless they have cause to appear virtually, Councilmembers will attend the meeting in person in Council Chambers, second floor of City Hall, 220 N. 27th Street. In order to honor the Right of Participation and the Right to Know in Article II, Sections 8 and 9, of the Montana Constitution, the City of Billings and City Council are making every effort to meet the requirements of the open meeting laws.

Citizens are invited to:

- Review the Agenda Packet on the City's website at: www.billingsmt.gov and click on "Your Government," "City Council," and "Agendas & Minutes".
- View the meeting:
 - On Community 7 TV - Channel 7 or Channel 507 -- Spectrum Cable. (*On evenings when there is a conflict with School District No. 2 Board meetings, the City Council meeting will be broadcast on Channel 8 - Spectrum Cable.*)
 - Online at www.comm7tv.com and click on the "Watch Live" icon. Community 7 also has links to their Facebook page and YouTube channel.
 - On the City's website at www.billingsmt.gov and click on "Watch Meetings Online" on the homepage.
 - In-Person.
 - Virtually via Zoom (see the link below).

Citizens may submit public comment via the following methods:

- Mail: City Clerk, P.O. Box 1178, Billings, MT 59103
- Email: Council@billingsmt.gov.
 - Emails received after 3:00 PM on the day of the meeting, may be posted on the Council's webpage the following day for public viewing.
- Attend the meeting in person.
- Attend the meeting virtually through Zoom by entering the Webinar ID and Passcode indicated below. Click on *Zoom Meeting Instructions* and *Zoom Hybrid Meeting Details* below for more information. The link will allow you to attend, view and participate in the meeting on your computer, laptop or smart phone. (You must have the Zoom App on your device [Click Here to Download Zoom App](#)) To provide public comment at the appropriate time, click on the "raise hand" icon located at the bottom of the screen and the moderator will unmute your device.
 - **Don't have a smart phone, computer or laptop?** That's okay -- you can attend a Zoom meeting using your **landline phone**. Call the Zoom phone number, 1.253.215.8782 to join the meeting and follow the operator's instructions. Want to give public comment? Simply "*raise your hand*" by pressing *9 and the moderator will give you permission to speak when it is your turn. **Note this is a long distance toll number and charges may apply depending on your plan.*
- Click Here for [Zoom Meeting IDs and Passcodes](#)
- Click Here for [Zoom Meeting Instructions for Attendees \(as guests\)](#)

Please contact Denise Bohlman, City Clerk, at bohlmand@billingsmt.gov, or at 406.657.8210, with any questions.



VISION STATEMENT:
"The Magic City: A diverse,
welcoming community
where people prosper and
business succeeds."

**WORK SESSION AGENDA
OCTOBER 16, 2023**

COUNCIL CHAMBERS

5:30 P.M.

CALL TO ORDER: Mayor Cole

CLOSED EXECUTIVE SESSION (4:30 PM - 5:30 PM)

PUBLIC COMMENT ON ALL ITEMS. This is the time to comment on any matter (Agenda or Non-Agenda) falling within the scope of the Billings City Council. There will also be time in conjunction with each agenda item for public comment relating to that item. You may only speak once for each item during the meeting.

Please note, the City Council cannot take action on any item of significant interest to the public that does not appear on the agenda. Comments are limited to three (3) minutes during each public comment period or as set by the Mayor. **Speaker sign-in required.** Please sign the roster at the cart located at the back of the Council chambers or at the podium.

1. Billings Tourism Business Improvement District MOU.

-Public Comment

2. Review Council's Subcommittee Structure.

-Public Comment

3. Highlight Upcoming Agenda Items of Council Interest.

-Public Comment

COUNCIL DISCUSSION:

PUBLIC COMMENT on "NON-AGENDA ITEMS". Speaker Sign-in required. *(Restricted to ONLY items not on this printed agenda. Comments are limited to 3 minutes or as set by the Mayor. Please sign the roster at the cart located at the back of the Council chambers or at the podium.)*

ADJOURN:

Note:

- This meeting is an "informal" meeting of the City Council. The content of the Agenda is subject to change at the meeting.
- In the event there is a Closed Executive Session, the sole purpose is to discuss litigation strategy. The other parties to the case(s) discussed are not public bodies or associations as described in Section 2-3-203(1) and (2), MCA. The meeting is closed, as allowed by Section 2-3-203(4) (a), MCA, "to discuss a strategy to be followed with respect to litigation when an open meeting would have a detrimental effect on the litigating position" of the City of Billings.

City Council Work Session

Date: 10/16/2023
Title: MOU with Billings Tourism Business Improvement District
Presented by: Gina Dahl
Department: Legal
Presentation: No
Legal Review: Yes
Project Number: N/A

RECOMMENDATION

Staff requests Council review the MOU and provide feedback.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

On July 10, 2023, Council approved a resolution calling for a special election on November 7, 2023, on whether the City should be authorized to issue general obligation bonds not to exceed \$143 million for parks, trails, and recreation projects. Council also approved an Initiative directing staff to prepare a resolution related to the parks, recreation, and trails bond issue that would outline the agreements and commitments made by the City and private partners and to provide guidelines regarding decision-making related to the debt financed parks projects for future Councils. The project management resolution was approved by Council on August 28, 2023.

One of the commitments referred to in the resolution was the Billings Tourism Business Improvement District (TBID) conditionally agreed to provide funding for administrative, operational, promotional, and marketing expenses up to \$800,000 per year for ten years to help defray the anticipated deficit in operating costs for the recreation center. The TBID will seek to increase the assessment to fund this commitment. The resolution also required an MOU to formalize this commitment before the November 7, 2023, election.

The MOU memorializes this commitment and indicates the TBID will seek to increase the assessment starting in FY 2025 with funding to begin after completion of construction and the recreation center has begun operating, with a specific date to be determined by the parties. The TBID will seek to renew the district for an additional ten-year period prior to expiration of the current term in October 2027. Additional terms are set forth in the MOU attached for review.

Some Council members have expressed a concern about the TBID's authority to use these funds to defray the operating expenses of a recreational center. The Legal department has reviewed and analyzed this issue and considered the statutory authority that applies to these districts and will provide a summary below of its conclusions to alleviate these concerns.

Montana law provides for the creation of a TBID to 1) serve a public use; 2) promote the health, safety, prosperity, security, and general welfare of the inhabitants of the district and of the people of this state; 3) be of special benefit to the property within the boundaries of any district created pursuant to the provisions of this part; or 4) aid in tourism, promotion, and marketing within the district. See MCA 7-12-1102. The resolution of intent to create a TBID approved by City Council indicates the assessments collected shall be used as set forth in Montana law, sections 7-12-1101 through 7-12-1144, for the funding of all uses and projects for tourism promotion within Billings as specified in the TBID budget.

MCA section 7-12-1131 sets forth the authority of a board in administering a district. This statute does not provide an all-inclusive list and it deliberately uses broad language to ensure districts have the power to engage in activities necessary to carry out its functions.

7-12-1131. Powers of board in administering district. The board in administering a district has all powers necessary to carry out the functions of the district contained in the ordinance creating it, including the power to:

- (1) sue and be sued, enter into contracts, and hire and terminate personnel needed for its purposes;
- (2) provide special police, maintenance, or cleaning personnel for the protection and enjoyment of the general public using the business district;
- (3) landscape and beautify public areas and to maintain those areas;
- (4) contract with the governing body to maintain, operate, or repair public parking facilities;
- (5) **contract with the governing body to maintain streets, alleys, malls, bridges, ramps, tunnels,**

- landscaping, **and other public facilities as mutually agreed upon;**
- (6) promote private investment and business expansion in the district;
 - (7) provide for the management and administration of the affairs of the district;
 - (8) promote business activity by advertising, decorating, marketing, and promoting and managing events **and other actions designed for the general promotion of business activities in the district;** and
 - (9) **perform such other functions as are necessary to carry out the purposes of this part and to further the objectives of the district.**

Tourism business improvement districts enhance public/private partnerships as well as the quality of life for residents by providing funding for local events and sports facilities. These funds are utilized for a variety of uses that promote tourism related businesses, including for sports events and facilities, throughout the Country as well as in Montana. For example, Denver, Colorado's tourism district uses this funding to host sporting events as well as to fund capital improvements to Denver's event facilities, including the Colorado Convention Center. Another example that may not traditionally appear to be tourism-related is the City of Bozeman's tourism business improvement district which contributes funds to support housing. These funds specifically benefit the Human Resources Development Council's 24/7, 365 days a year shelter in Bozeman.

The TBID presents a work plan and budget to Council every year for approval pursuant to MCA 7-12-1132. The work plan outlines the goals, objectives, activities and budget for the next fiscal year. Montana law does not restrict the use of TBID funds to contribute for operating expenses of a recreation center that will draw visitors to Billings. This use of funds is consistent with the statutory purposes of these districts as well the TBID's stated purpose and if the work plan and budget includes a specific goal, objective, or activity that will aid in tourism within the district then it is an allowed use of funds.

ALTERNATIVES

This is a discussion item and no formal action will be taken.

FISCAL EFFECTS

This will provide funding up to \$800,000 to help defray operational deficits of the recreation center for a period of ten years.

SUMMARY

Staff seeks any feedback Council may have regarding this MOU because it is scheduled to appear on the October 23rd regular business meeting agenda for Council's consideration prior to the November 7th election.

Attachments

Resolution 23-11148
Draft MOU
Resolution 17-10614

RESOLUTION 23-11148

**A RESOLUTION ESTABLISHING GUIDELINES FOR THOSE
PARKS, TRAILS, AND RECREATION PROJECTS TO BE
FUNDED BY GENERAL OBLIGATION BONDS IF
AUTHORIZED BY VOTERS ON NOVEMBER 7, 2023**

WHEREAS, Council recognizes the importance of improving the health and safety of the City of Billings by increasing recreational opportunities for all citizens by making parks, trails, and recreation facilities more available; and

WHEREAS, the primary mission of the proposed recreation center is to serve the diverse recreational needs of the residents of Billings. A secondary mission of the recreation center is to support economic activity through sports tourism and related events.

WHEREAS, Council approved a resolution calling for a special election on November 7, 2023, to ask the voters to determine whether the City should be authorized to issue and sell bonds in order to fund the development and improvements for parks, trails, and recreation facilities; and

WHEREAS, if the citizens vote in favor of the question, the City will be authorized to issue and sell general obligation bonds for the purpose of providing funds to pay the costs of designing, constructing, improving, installing, and equipping City parks, trails, and recreation properties and facilities in the City up to \$143 million; and

WHEREAS, Council intends to be fiscally responsible when issuing bonds on any projects and hereby establishes guidelines for the City to follow when scheduling, budgeting, and managing any debt financed projects for parks, trails, and recreation facilities; and

WHEREAS, Council encourages the public to engage in the process of planning parks, trails, and recreation projects to ensure the opportunity for more equitable access to City recreation properties and facilities; and

WHEREAS, Council wishes to recognize the commitments and agreements made by community members and private partners to raise and dedicate future funding to ensure the successful completion and management of these projects; and

WHEREAS, this resolution aims to outline the general project overview, financial commitments, and project management guidelines for the effective implementation and ongoing management of debt financed projects if this ballot measure is approved by voters on November 7, 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA:

Section 1. General Project Overview

1. To achieve the primary goal of enhancing the health and safety of Billings by providing increased recreational opportunities for all citizens, Council is focused on the following:
 - a. Replacing existing deteriorating facilities;
 - b. Finishing partially completed parks according to their adopted master plans; and
 - c. Leveraging grants and pledges from other governmental and private sources.

2. The projects, along with their respective budgets, to be funded by authorized general obligation ("G.O.") bonds, if approved on November 7, 2023, by voters, are listed in alphabetical order as follows:
 - a. Castle Rock Park - \$12 million (G.O. bonds)
 - b. Centennial Park - \$8 million (G.O. bonds)
 - c. Cottonwood Park - \$1 million (\$400,000 from cash-in-lieu, \$600,000 from G.O. bonds)
 - d. Coulson Park - \$3 million (G.O. bonds)
 - e. North Park Center - \$4 million (G.O. bonds)
 - f. Poly Vista Park - \$4 million (G.O. bonds)
 - g. Recreation Center - \$110 million (\$25 million from SBBURD tax increment revenue bonds, \$85 million from G.O. bonds)
 - h. South Park Pool & Community Center - \$10 million (G.O. bonds)
 - i. Stagecoach Trail - \$5.535 million (\$4.73 million from Transportation Alternatives Program ("TAP") grant, \$100,000 from TrailNet, \$705,000 from G.O. bonds)
 - j. Trails Projects - \$6.15 million (\$500,000 from Downtown Billings Partnership ("DBP"), \$1.22 million from TAP grants, \$325,000 from TrailNet, \$4.605 million from G.O. bonds)
 - k. West End Water Reservoir - \$6 million (G.O. bonds)
 - l. Zimmerman Center - \$4 million (G.O. bonds)

3. Council anticipates bonds to be issued gradually, in at least three tranches, over 3-5 years to ensure taxpayers experience a gradual instead of an immediate increase. The first tranche is expected to be issued in calendar year 2024 and will be no more than 1/3 of the total available bonding capacity.

4. All requests for authorization to issue debt, whether G.O. bonds or tax increment revenue bonds, must be first reviewed by the Budget and Finance Committee to make a recommendation prior to Council consideration. All requests for authorization to issue debt must be accompanied by a list of projects or tasks that will be carried out with the issuance of said bonds, the proposed budget for

each project/task and the approximate timeline for completion of each project/task. The list of projects and tasks must be placed on a Council work session agenda prior to a vote to approve the authorization to issue bonds. Additionally, the list of projects and tasks must be provided to Council and made available to the public in advance of the work session and the regular meeting in accordance with City policies and public notice and open meeting laws.

5. Park District 1 ("PD 1") will expire and dissolve at the end of calendar year 2024, and the maintenance costs previously assessed and paid through PD 1 will be paid from the General Fund.
6. The G.O. bonds shall cover capital construction and related financing costs only. A future levy for operation and maintenance of parks, recreation, and trails may be needed after construction of all projects is complete. Council believes any future levy should dedicate a specific number of mills for ongoing parks and trails development.
7. In order to support trust and transparency in the election process, City staff and Council members shall ensure their full compliance with the law.
 - a. As provided in the law, City staff may educate citizens on the proposed projects, bonds, and the contents of this resolution and City staff may not advocate for or against a ballot issue.
 - b. Council members may advocate for or against a ballot issue but they shall not use any City resources for the purpose of supporting or opposing a ballot issue.

Section 2. Financial Commitments

1. A capital campaign initiated by foundations, agencies, and other organizations supporting parks, trails, and recreation will endeavor to raise at least \$6 million. Additionally, City staff or other appropriate partners will seek \$6 million in grants. The funds raised from the capital campaign and grants will be used to reduce the amount levied on taxpayers to pay the annual debt service on the bonds, by either reducing the size of the bonds issued or by reducing the annual debt service levy. To the extent possible, funds raised through donations and grants should be used to reduce the amount of bonds issued.
2. The capital campaign reaching the goal of at least \$6 million pledged and/or donated must be accomplished before construction commences on any project, with the exception of trails projects.
3. If the capital campaign falls short of the goal and there is no reasonable path to reach the target, the budgets of projects listed in Section 1, paragraph 2 will be reduced to match the fundraising deficit.

4. Funds raised through the capital campaign will be tracked separately for each project, allowing donations to be utilized according to the wishes of the donors. Undesignated donations will also be accepted.
5. Any donations received or pledged prior to July 10, 2023, will not be attributed toward the \$6 million capital campaign goal but may be used to increase the project budgets.
6. If the total amount raised from the capital campaign and grants exceeds \$12 million, the excess funds may be allocated to increase project budgets as requested by the donors or granting agencies.
7. G.O. bonds for trails projects will be issued as grant funds become available and as TrailNet reaches their fundraising commitment for each project. The specific fundraising commitments for the trails projects are:
 - a. Stagecoach Trail - \$100,000
 - b. 25th St Bridge - \$50,000
 - c. Highway 3 pedestrian underpass - \$25,000
 - d. Trail signage - \$25,000
 - e. Lillian Ave to Coulson - \$50,000
 - f. Yellowjacket Trail - \$75,000
 - g. Aronson to Main - \$100,000
8. The City will pursue Land and Water Conservation Fund (“LWCF”) grant opportunities for park components that do not fit within project budgets. To prevent delays in other approved development, applications for LWCF grants can be submitted independently of the debt financed projects’ progress.
9. The ice and aquatic communities have committed to donating existing equipment for use at the recreation center. The liquidation of Centennial Ice Arena and the contribution of remaining assets are part of this commitment to reduce the amount levied to pay the annual debt service. Both communities have expressed support for continued fundraising efforts as well as facility surcharges to assist with the construction, operations, and maintenance of the recreation center.
 - a. Based on the Billings Multi-Generational Recreation Center Concept Design (“recreation center master plan”) pro forma, the facility surcharge program is expected to raise an additional 10% above anticipated revenues, or approximately \$250,000 - \$300,000 annually.
 - b. Continued fundraising efforts may include late-stage fundraising for specialized equipment (e.g., timers, scoreboards, etc.) needed for sporting events.
10. The Parks, Recreation, and Public Lands Department (“Parks Department”) will collaborate with the capital campaign committee and the Parks, Recreation, and Cemetery Board (“Parks Board”) to establish naming and sponsorship opportunities for all projects in accordance with City policies.

11. The Billings Tourism Business Improvement District (TBID) has conditionally agreed to provide funding for administrative, operational, promotional, and marketing expenses up to \$800,000 per year for 10 years to help defray the anticipated deficit in operating costs for the recreation center to be funded by the TBID through an increased assessment. The TBID will seek to increase the TBID assessment to cover this cost. An MOU between the TBID and the City will formalize this agreement, which must be signed before the November 7, 2023, election.
12. The Partners for Parks Foundation has committed to raising at least \$25,000 each year to assist individuals of limited financial means access City recreational programming and the recreation center.
13. Adopt-a-Park and Adopt-a-Trail programs will be developed by the Parks Department to help offset parks and trails maintenance costs. These programs may require financial and/or in-kind support from sponsors based on the specific needs of the Parks Department.

Section 3: Project Management

1. The design and construction of the debt financed projects shall be managed with the objective of delivering maximum value to the community in a timely manner, while involving the community in key decision-making processes.
2. Construction of the debt financed projects will be managed as follows:
 - a. Public Works will oversee the management of trails projects within rights-of-way, which may include the installation of major paths/trails around the new water reservoir. Additional recreational paths may also be included as part of the debt financed project cost.
 - b. Various project management approaches will be evaluated for the parks projects listed in Section 1. Whenever possible, firms capable of delivering multiple streams of work without separate bidding for each component of every project is preferred.
 - i. Contracts with firms handling work across multiple projects shall specify both the total budget and individual project budgets.
 - ii. Budget allocations for individual projects cannot be increased by reallocating funds from another project without approval from City Council. However, budgets may be increased through additional funds raised from private sources.
 - iii. The project management team shall strive to define efficient and timely strategies for working through all projects to maximize their value to the community.

Council prefers an approach that will make improvements throughout the City each year, as opposed to only completing a single park project at a time. In the first tranche of bonds issued, Council's initial inclination is to focus on the South Park Pool and building, and the community centers at Castle Rock Park, North Park, Pioneer Park, and Centennial Park, subject to expert guidance from the project management team.

- c. When contractors are hired to build the recreation center, contracts shall specify the total project budget.
 - i. If the recreation center construction costs exceed the budget, the deficit will be reduced by value engineering, reduction of scope, or an additional capital campaign to raise funds privately. The budget for the recreation center shall not be increased by using G.O. bonds allocated for other projects.
 - ii. Recreation center design cannot begin before the MOU with the TBID has been signed and the increased TBID assessment referenced in Section 2, paragraph 11 has been approved.
 - iii. Recreation center construction shall not begin before construction on the first selected group of parks projects has begun.
3. The City administrator shall establish community steering committees ("Committees") for each project to monitor and advise on the scope, schedule, communication, and cost of the projects.
- a. Committees should be small enough to facilitate efficient decision-making while also representing diverse community interests and expertise. Committee size may vary across projects to meet this need. When feasible, Committees should:
 - i. Be primarily comprised of residents or owners of businesses in the general service area of the project.
 - ii. Include at least one council member and, if available, a representative from a functioning neighborhood task force where the project is located.
 - iii. Not contain more than one employee or board member from the Billings Chamber of Commerce, nor more than one employee or board member from Big Sky Economic Development, nor more than one employee or board member from Billings TrailNet.
 - iv. Not include a member of another steering committee.
 - b. Committees will ensure project stakeholders are identified, appropriately engaged, and are provided timely communication throughout the design and construction phases.
 - c. Committees will make recommendations regarding major design and scope decisions to the project management team and/or Council. If a

Committee supports design or scope decisions that exceed the project budget, it should raise private funds to meet the shortfall.

- d. Committees, Council, and City staff must safeguard project budgets against encroachment from other projects.
 - e. Each Committee shall select a Chairperson. Committee meetings shall be open to the public. Minutes of all meetings shall be kept and made available to the public. Audio recordings shall suffice as minutes.
 - f. The City Administrator shall ensure residents with potential financial conflicts of interest are not appointed to any Committee.
 - g. The City Administrator will confer with Council members from the relevant ward prior to appointing Committee members.
4. The City Administrator shall ensure a public-facing website presents timely and relevant public information on each project, including, at a minimum, the following: master plans, concept drawings, surveys, planning documents, contracts for services, public meetings, status reports, total budget and total amount spent to-date.
5. The City Administrator shall ensure summary project updates are provided to Council during a work session at least twice per year.

Section 4: Recreation Center Management

1. To further the mission of serving diverse recreational needs of Billings' residents and supporting economic activity through sports tourism and related events, the recreation center should be managed with minimal political interference to ensure community access to the facility while maximizing its usage and financial and operational efficiency.
2. The City Administrator shall appoint a committee to recommend the optimal management structure for the recreation center considering the mission and goals and make a recommendation to Council.
 - a. The committee shall consist of one member of City administration or staff, one member appointed from and by the City Council, one member appointed by the TBID, and a minimum of three members from the community with specific financial, operational, legal, functional, or community experience needed to solicit, evaluate, and recommend management proposals.
 - b. Committee meetings shall be open to the public. Minutes of all meetings shall be kept and made available to the public. Audio recordings shall suffice as minutes.

- c. If the committee determines the optimal approach is to enter into a contract for management of the facility with a non-City entity, then the committee shall also develop a recommendation regarding how the contract with the selected entity should be managed, whether directly by City staff or by a newly formed operational authority/commission.
- d. The committee should consider the following in making its determination:
 - i. A user fee structure that ensures City residents pay lower rates than non-residents for using the facility.
 - ii. Financial accessibility for low-income residents supported through scholarships, special pricing tiers, or other programs. Standard methods of means testing (e.g., participation in free/reduced school lunch program) may be used to determine eligibility for these programs.
 - iii. The facility manager or the operational authority/committee will need to define an ongoing sponsorship, advertising, and naming rights program for the recreation center consistent with other City policies.
 - iv. To reduce the amount of annual debt service that must be levied on taxpayers, the facility manager will need to generate and commit specialized revenues to the City annually over the term of the bonds. Funds can be generated from sponsorship, advertising, naming rights, temporary facility surcharges over and above normal membership and program fees, and other targeted revenue generation.
 - a) The amount of revenue to be generated shall be approved annually by Council as part of the budget process. It is expected, based on the 2023 Victus Advisors Sponsorship and Naming Rights Analysis for the Proposed Billings Sports and Recreation Center and the pro forma in the recreation center master plan, that the target amount will be around \$650,000 annually.
 - b) Since residents are already paying for a majority portion of the facility through property taxes, facility surcharges on regular memberships and daily admissions for City residents should not be allowed.
 - v. The annual budget and operating plan for the recreation center shall be presented to and approved by Council during the ordinary budget cycle, similar to the process for the budget and operating plan for the TBID.
 - vi. A portion of revenues from the recreation center should be used to establish a capital maintenance fund at a level recommended by the committee.
 - vii. If the committee recommends a non-City entity as the facility manager, the Parks Department must be allowed to run

recreational programs at the recreation center based on a schedule and facility fee structure mutually agreeable to the Parks Department and the facility manager.

EFFECTIVE DATE. This resolution shall be effective upon adoption.

ADOPTED AND APPROVED by the City Council of the City of Billings, Montana, on the 28th day of August, 2023.



CITY OF BILLINGS

By: William A. Cole
William A. Cole, Mayor

ATTEST:

By: Denise R. Bohlman
Denise R. Bohlman, City Clerk

MEMORANDUM OF UNDERSTANDING

Between
City of Billings and
Billings Tourism Business Improvement District

This Memorandum of Understanding (“MOU”) is entered into by and between the City of Billings, Montana, a Montana municipality (“City”) located at City Hall, 210 North 27th Street, Billings, MT 59101, and Billings Tourism Business Improvement District (“BTBID”) located at 815 South 27th Street, Billings, MT 59101. City and BTBID are sometimes referred to herein individually as a “party” and collectively as the “parties”.

Recitals

WHEREAS, in 2017 the owners of qualified lodging facilities in the City of Billings petitioned the City pursuant to §§ 7-12-110 et seq. MCA to renew a tourism business improvement district and on May 8, 2017, the Billings City Council approved Resolution No. 17-10619 to renew the District to be known as the Tourism Business Improvement District No. 0002 of the City of Billings, Montana (referred to herein as the BTBID).

WHEREAS, City Resolution No 17-10619 became effective October 1, 2017, and provides that the duration of the BTBID shall be for a period of 10 years as prescribed by § 7-12-1141 MCA and provides for the boundaries of the District, the property to be assessed, and the amount of assessments.

WHEREAS, the purpose of the BTBID is to aid in tourism, promotion, and marketing within the District, to promote and market Billings, and to leverage visitor dollars in order to grow the local economy.

WHEREAS, BTBID provided financial assistance and coordinated completion of the 2018 Victus Advisors Yellowstone County Sports Facility Market Needs Assessment, a study of a potential sports facility for Billings and Yellowstone County and has remained involved in the promotion and development of the potential sports facility that is now known as the Multi-Generational Recreation Center (MGRC).

WHEREAS, on July 10, 2023, the City passed Resolution 23-11136 to call for a special election placing a bond initiative on the ballot on November 7, 2023, to submit the question of issuing general obligation bonds totaling an amount up to \$143M for Parks, Trails, and Recreation Improvement projects. On August 28, 2023, the City approved Resolution 23-11148 to establish guidelines for projects to be funded from the general obligation bonds and other revenue sources, including funding the MGRC as a project with a budget in the amount of \$110M, with \$85M to be funded from general obligation bonds.

WHEREAS, the primary mission of the MGRC is to serve the diverse recreational needs of the residents of Billings and a secondary mission is to support economic activity through sports tourism and related events.

WHEREAS, City and BTBID agree that the purpose of the BTBID and the missions of the MGRC are compatible and consistent to achieve both parties' goals and they wish to cooperate and work together to promote the success of the MGRC.

WHEREAS, on July 13, 2023, the BTBID Board voted to increase the District assessment for FY 2025 by \$2.00 to an amount of \$4.00 per occupied room per night.

WHEREAS, on July 13, 2023, the BTBID Board conditionally approved providing funding for promotional, marketing, administrative and operational expenses of the MGRC not to exceed \$800,000 per year for a period of 10 years to help defray anticipated operating shortfalls of the MGRC.

WHEREAS, BTBID's proposed funding support for the MGRC is made with the intent to further the purposes of the BTBID and support the success of the MGRC.

WHEREAS, City and BTBID wish to document their agreement regarding BTBID's commitment of funding to the MGRC in the event the ballot measure is approved on November 7, 2023, and regarding the future operation and management of the MGRC.

NOW, THEREFORE, City and BTBID, in consideration of the covenants and promises in this MOU and other good and valuable consideration receipt of which is hereby acknowledged, hereby agree as follows:

1. The parties acknowledge that the Recitals above are true and correct statements of fact and incorporated herein.
2. **BTBID Funding Commitment for MGRC.** Subject to the conditions set forth in Section 7 below, BTBID will provide funding for promotional, marketing, administrative and operational expenses of the MGRC in an amount not to exceed \$800,000 per year ("Maximum Annual Funding Payment") for a period of 10 years to help defray anticipated operating shortfalls of the MGRC. (the "BTBID Funding Commitment"). The amount of the BTBID Funding Commitment in each fiscal year of operation of the MGRC shall be the amount of any operating shortfall for the previous fiscal year of the MGRC and shall not exceed the Maximum Annual Funding Payment. The amount of the BTBID Funding Commitment shall be based on any actual financial operating shortfall of the MGRC and not its budgeted operating shortfall. The amount of the BTBID Funding Commitment shall not include any operating shortfall that results from any set aside for a capital maintenance fund, for capital expenditures, or for specialized revenues generated or committed to the City to reduce annual bond or debt service.

3. **BTBID Request for Increased FY 2025 Assessment.** City and BTBID acknowledge that the BTBID intends to propose a work plan and budget for FY 2025 that will include an increase in its assessment from \$2.00 per occupied room per night to \$4.00 per occupied room per night, which is an amount sufficient to satisfy the BTBID Funding Commitment. The parties acknowledge that BTBID intends to submit this work plan and budget and request the increased assessment regardless of whether the ballot measure is approved on November 7, 2023. Subject to the conditions set forth in Section 7 below, if the ballot measure is approved, BTBID intends to allocate a portion of the increased assessment funds to the BTBID Funding Commitment.

4. **BTBID Future Requests for Assessment.** BTBID will propose work plans and budgets for fiscal years after FY 2025 that will include amounts necessary to pay the BTBID Funding Commitment.

5. **BTBID Renewal of District.** To the maximum extent permitted by law, BTBID agrees to request a renewal of the BTBID for an additional 10-year term prior to the termination of the current term of the BTBID and to submit work plans and budgets for the renewed District that will include amounts necessary to pay the BTBID Funding Commitment.

6. **Payment of BTBID Funding Commitment** The parties acknowledge that timing of the BTBID Funding Commitment is subject to and contingent upon several unknown variables including the timing of receipt of assessment funds by BTBID, completion of construction and commencement of operation of the MGRC, the need for ramp-up funds prior to opening the MGRC, determination and approval of annual BTBID work plans and budgets, the frequency of payments by BTBID, realization of funds and availability for use, and other contingencies. The following ground rules shall apply to payment of the BTBID Funding Commitment:

- a. The parties will confer on commencement of payments, the payee, and method of payment. The BTBID Funding Commitment will be paid directly by BTBID.
- b. The parties anticipate that BTBID will first receive actual increased assessment funds in July of 2025 (FY 2026) to be available for the BTBID Funding Commitment.
- c. BTBID will not be required to expend any portion of the Maximum Annual Funding Payment that was not required or expended during a fiscal year. Such unexpended funds will no longer be committed to fund the MGRC and will not carryover to subsequent years. BTBID shall be entitled to expend such unexpended funds for its other programs to promote tourism in the District.

- d. The parties will determine a mechanism to adjust payment, if any, of the BTBID Funding Commitment to account for budgeted versus actual operating shortfalls of the MGRC.

7. **Conditions Precedent to BTBID's Funding Commitment.** The BTBID Funding Commitment pursuant to Section 2 of the MOU is expressly conditioned and contingent upon satisfaction of each of the following conditions precedent in each year of the BTBID Funding Commitment as applicable:

- a. The November 7, 2023, ballot measure for the general obligation bonds to fund the proposed projects, including the MGRC, is approved by the voters.
- b. The City approves issuance of general obligation bonds and approval of design and construction of the MGRC consistent with Resolution No. 23-11148 and the MGRC master plan.
- c. Construction of the MGRC is completed and operations of the MGRC commence before January 1, 2028.
- d. The City and BTBID approve the BTBID's FY 2025 work plan and budget to provide the increased assessment to fund the BTBID Funding Commitment.
- e. The City and BTBID approve the BTBID's subsequent annual work plans and budgets in amounts necessary to fund the BTBID Funding Commitment.
- f. The City and BTBID property owners approve a renewal of the District to take effect upon termination of the current 10 year term of the District in October of 2027.
- g. The City Administrator appoints a committee to study the optimal management structure for the MGRC considering the mission and goals to make a recommendation to Council. At least 20% of the voting membership of the committee shall be appointed by the BTBID.
- h. The MGRC will be operated by a qualified, experienced, and proven facility manager or management group with a proven resume of success in managing all facets of the activities and facilities of the MGRC to maximize profitability, revenues and to minimize operating shortfalls.
- i. The facility manager or management group for the MGRC will provide its annual budget to BTBID at least 60 days prior to submission of its annual budget for City approval and will confer with BTBID regarding its budget to allow for coordination with BTBID's work plan, budget and the BTBID Funding Commitment.

- j. The City Administrator will form an operational authority/commission to oversee the management contract with the facility manager or management group for the MGRC. At least 20% of the voting membership of the operational authority/commission shall be appointed by BTBID.
- k. BTBID will participate in the initial and any future RFP process for management of the MGRC.
- l. The MGRC will be consistently operated and managed to promote its primary mission to serve the diverse recreational needs of the residents of Billings and its secondary mission to support economic activity through sports tourism and related events.
- m. MGRC management will coordinate with BTBID in promoting, arranging and scheduling sporting events that support BTBID’s purpose of promoting tourism, lodging stays, and sports tourism in the District while also considering the primary mission of the MGRC to serve the diverse needs of the residents of Billings.

8. **Validity of Agreement.** In the event the ballot measure is not approved on November 7, 2023, the MOU shall be null and void and of no force or effect.

9. **Additional Documents.** The parties shall execute and acknowledge, if required, any and all documents consistent with this MOU and necessary to carry out its terms and conditions.

DATED this _____ day of _____, 2023.

City of Billings

By: _____

Its: _____

Billings Tourism Business Improvement District

By: _____

Its: _____

RESOLUTION 17-10614

A RESOLUTION DECLARING IT TO BE THE INTENTION OF THE CITY COUNCIL TO CREATE A TOURISM BUSINESS IMPROVEMENT DISTRICT FOR THE PURPOSE OF PROMOTING TOURISM, CONVENTIONS, TRADE SHOWS AND TRAVEL TO THE CITY OF BILLINGS, MONTANA

BE IT RESOLVED by the City Council of the City of Billings (the "City"), Montana, as follows:

Section 1. Proposed Tourism Business Improvement District (T.B.I.D.); Intention To Create Tourism Business Improvement District. The T.B.I.D. proposes that the purposes for which the assessments collected shall be used are the statutory purposes set forth in Business Improvement District Law, Montana Code Annotated 2007, 7-12-1101 through 7-12-1144 as amended, for the funding of all uses and projects for tourism promotion within Billings as specified in the Billings Tourism Business Improvement District budget.

Section 2. Number of District. The District, if the same shall be created and established, shall be known and designated as the Tourism Business Improvement District No. 0002 of the City of Billings, Montana.

Section 3. Boundaries of District. The limits and boundaries of the District are the limits and boundaries of the City of Billings and are depicted on a map attached as "Exhibit A" hereto (which is hereby incorporated herein and made a part hereof) which boundaries are designated and confirmed as the boundaries of the District. A listing of each of the properties in the District is shown on "Exhibit B" hereto.

Section 4. Benefited Property. The District and territory included within the limits and boundaries described in Section 3 and as shown on Exhibit "A" are hereby declared to be the Tourism Business Improvement District and the territory which will benefit and be benefited by and will be assessed for the costs of the Tourism Business Improvement District as described in Section 1.

Section 5. General Character of the Services to be performed. The services to be performed shall be the funding of all uses and projects for tourism promotion within Billings as specified in the Billings Tourism Business Improvement District budget. It includes the marketing of convention and trade shows that benefit local tourism and lodging businesses in Billings; the marketing of Billings to the travel industry in order to benefit local tourism and the lodging businesses located within the Billings Tourism Business Improvement District; and the marketing of Billings to recruit major sporting events in order to promote local tourism and to benefit the lodging businesses within the Billings Tourism Business Improvement District.

Section 6. Assessment Methods: Property To Be Assessed. All hotels, defined as any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging, or sleeping purposes, and includes any hotel, inn, motel, or other similar structure or portion thereof, which meet this criteria and are within the District are to be assessed for the costs of operating the Tourism Business Improvement District.

Section 7. Assessable Area. All Hotels, as defined in Section 6, that are within the District will be assessed for their proportionate share of the costs of maintaining the activities of the Tourism Business Improvement District as prescribed in Section 7-12-1133 subsection (c), M.C.A. The assessments to fund the work plan for each fiscal year are to be collected from all hotels with 6 or more rooms within the boundaries of the district who

shall be subject to an assessment of two dollars (\$2) per occupied room night as prescribed in Section 7-12-1133, subsection (c), M.C.A, except that stays by persons who are otherwise exempt from paying a transient occupancy tax, also known as a lodging facility use tax, as provided in 15-65-101 through 15-65-136 MCA, shall be exempt from the assessment. The assessments may be modified annually by City Council resolution or adoption of the City budget.

Section 8. Payment of Assessments. The assessments for the costs of maintaining the services provided by the Tourism Business Improvement District shall be payable, as prescribed in Section 7-12-1133 subsection (c), M.C.A.

Section 9. Duration of District. The duration of the T.B. I. D. shall be for a period of 10 years as prescribed in Section 7-12-1141, M.C.A. Upon receipt of a petition signed by the owners of more than 50% of the area of the property included in the district, the governing body shall dis-establish the district at the end of any fiscal year.

Section 10. Public Hearing; Protests. At any time within fifteen (15) days from and after the date of the first publication of the notice of the passage and approval of this resolution, any owner of real property within the proposed District subject to assessment and taxation for the cost and expense of maintaining the Tourism Business Improvement District may make and file with the City Clerk until 5:00 p.m., M.D.S.T., on the expiration date of said 15-day period from April 13, 2017 through April 28, 2017 written protest against the proposed Tourism Business Improvement District, and this Council will at a regular meeting after the expiration of the fifteen (15) days in which such protests in writing can be made and filed, proceed to hear all such protests so made and filed; which said regular meeting will be held on Monday, May 8, 2017 at 6:30 p.m., in the Council Chambers, located on the Second Floor of the City Hall at 220 North 27th Street, in Billings, Montana.

Section 11. Notice of Passage of Resolution of Intention. The City Clerk is hereby authorized and directed to publish or cause to be published a copy of a Notice of the passage of this Resolution in the Billings Times, a newspaper of general circulation in the County on Thursday, April 13, 2017 and Thursday, April 20, 2017, in the form and manner prescribed by law, and to mail or cause to be mailed a copy of said Notice to every person, firm, corporation, or the agent of such person, firm, or corporation having real property as described in Section 6 within the proposed district listed in his or her name upon the last completed assessment roll for State, County, and school district taxes, at his last-known address, on or before the same day such notice is first published.

Section 12. Effective Date. This resolution shall become effective upon adoption.

APPROVED by the City Council of the City of Billings, Montana, this 10th day of April, 2017.



THE CITY OF BILLINGS:

BY: Thomas W. Hanel

Thomas W. Hanel, Mayor

ATTEST:

BY: Denise R. Bohlman

Denise R. Bohlman, City Clerk

EXHIBIT A

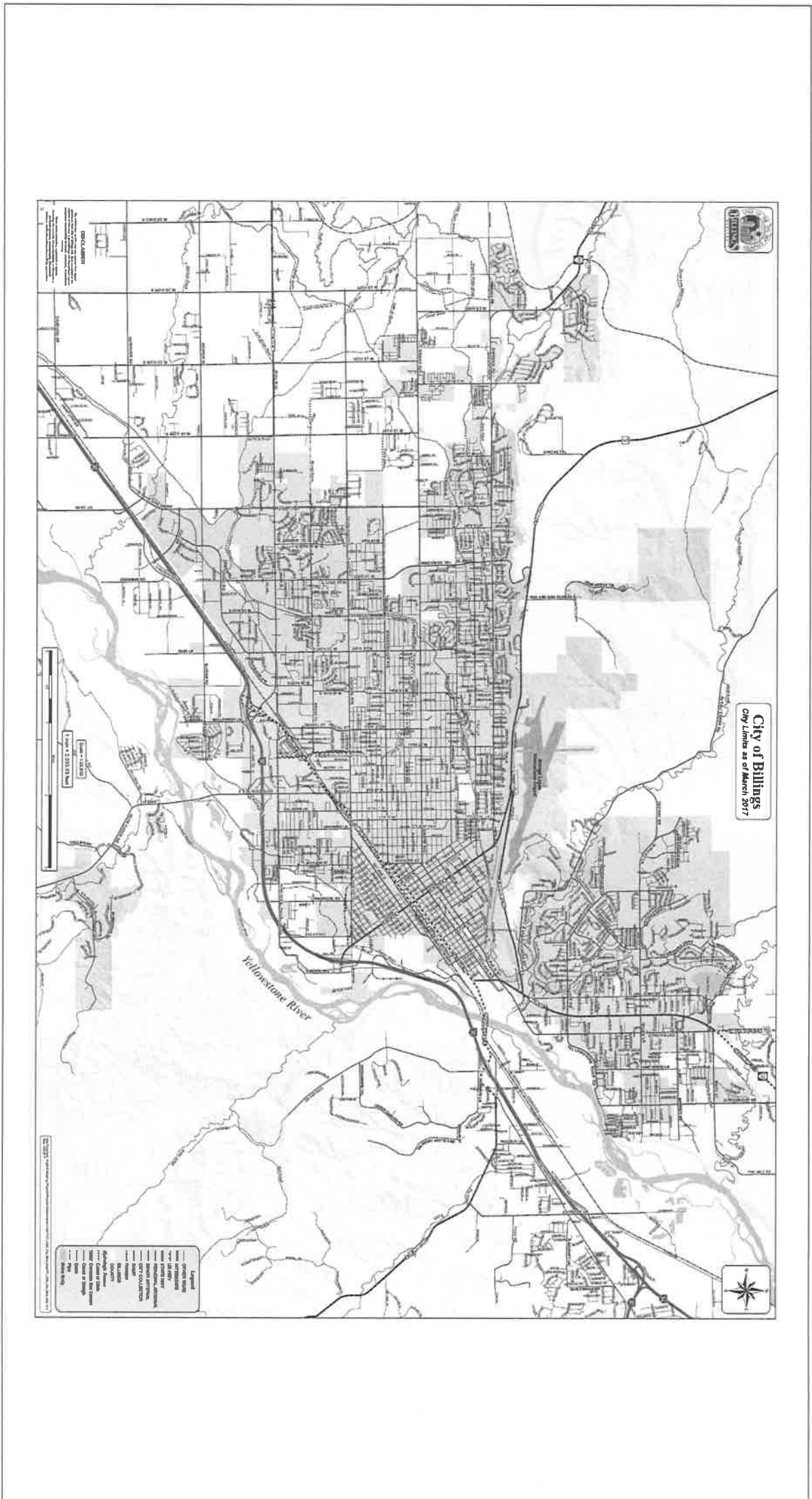


EXHIBIT B

OWNERSHIP LIST

Property	Contact/Voting Member	# of Rooms	Tax Code	FEIN	Gt Ft of Footprl	Property Address	City/State/Zip	Phone	Ownership Group	Mailing Address	City/State/Zip	Ownership Email
Baymont Inn & Suites	Nasima Khan	60	A27802	45-302165	67,832	2030 Overland Avenue	Billings, MT 59102	652-5200	Khan Organization LLC	2030 Overland Ave	Billings, MT 59102	Khan@kdiamondhotels.com
Best Western Clock Tower Inn	Steve Wahrlich	127	A00618	81-0296997	63,000	2511 1st Avenue North	Billings, MT 59101	259-5511	Clocktower Inn LLC	2511 First Avenue North	Billings, MT 59101	sw@bwclocktowerinn.com
Best Western Kelly Inn	Joyce Bratland	89	A28977	26-2210919	139,392	4915 Southgate Drive	Billings, MT 59101	256-9400	Kelly Midwest Ventures LLP	3211 West Sencore Dr	Sioux Falls, SD 57107	Bschmidt@kellyinns.com
Big 5 Motel	Jphn Newman	34	A00048	81-0502624	28,000	2601 4th Avenue North	Billings, MT 59101	245-6646	Contract Buying Services Inc c/o Wayne Shawver	5484 Forest Hills Dr	Billings MT 59101	
Big Horn Resort	Richard Todd	108	A30687	75-3159950	486,957	1801 Majestic Lane	Billings, MT 59102	839-9300	Billings Ventures LLP	1801 Majestic Lane	Billings, MT 59102	mbrosovich@bresnan.net
Boothill Inn & Suites	Shell Mann	69	A29251	81-0534567	60,984	242 East Airport Road	Billings, MT 59105	245-2000	Bottrill Family Investments LLP	P O Box 80284	Billings, MT 59108	shellmann@boothillinn.com
Bourbon Street Hotel Tower III	LuAnne Pekovich	24	A00721	81-0518121	10,454	3420 First Avenue North	Billings, MT 59101		Greg and Becky Pekovich	3550 Masterson Cir	Billings, MT 59106	gpekovich@yahoo.com
Bourbon Street Hotel Towers I & II	LuAnne Pekovich	51	A00729	81-0518121	30,750	3314 1st Avenue North	Billings, MT 59101	259-4551	Greg Pekovich	3550 Masterson Cir	Billings, MT 59106	gpekovich@yahoo.com
C'Mon Inn	Justin Manning	80	A27800	81-0490658	138,521	2020 Overland Avenue	Billings, MT 59102	655-1100	Billco Investments LLCT Inc	P O Box 12697	Grand Forks ND 58208	
Carlin Hotel	Susan Smith	8	A00806	81-0519836	6,500	2501 Montana Avenue	Billings, MT 59101	255-9570	Computers Unlimited	2407 Montana Avenue	Billings, MT 59101	
Cherry Tree Inn	Douglas G. Kirby	65	A07125	81-0330181	27,878	823 North Broadway	Billings, MT 59101	252-5603	Kirby Development Co Inc c/o Douglas Kirby	823 North 28th St	Billings, MT 59101	Cherrykirby@aol.com
Comfort Suites	Phenny Bowers	60	A28409A		89,646	4908 Southgate Drive	Billings, MT 59101	969-2300	Khan Organization LLC	4908 Southgate Drive	Billings, MT 59101	Khan@kdiamondhotels.com
Country Inn & Suites	Michelle Breitwiser	67	A27760	36-4445264	84,506	231 Main Street	Billings, MT 59101	245-9995	Billings Hospitality LLC	705 9th Street N	Sartel MN 56377	gamask@hotmail.com
Days Inn	Robbie Schneider	63	A24755	81-0466696	84,835	843 Parkway Lane	Billings, MT 59101	252-4007	Billings Hotel Investors LLC	4965 Jaiden Ln	Missoula, MT 59803	larry@lamberthotels.com
Double Tree Inn by Hilton	LaReil Baldwin	282	A00804	20-5135485	41,818	27 North 27th Street	Billings, MT 59101	252-7400	Makenna Hotel Investment LLC c/o Randy Meyer	201 5th Ave South, Ste 200	Edmonds, WA 98020	
Dude Rancher Lodge	Todd Graves	57	A07370	75-3177568	28,000	415 North 29th Street	Billings, MT 59101	259-5561	Virginia Karlsen c/o Gordon Graves	P O Box 160433	Big Sky, MT 59716	Virginia@duderancherlodge.com
Econo Lodge	Shawna Smith	86	C07320	26-2210919	85,813	5425 Midland Road	Billings, MT 59101	252-2700	Big Sky Hotels LLC c/o Stephen Cranston	1345 Mallowney Lane	Billings, MT 59101	Khan@kdiamondhotels.com
Extended Stay America - Billings Westend	Troy Mginis	104	A29258	20-1627433	117,176	4950 Southgate Drive	Billings, MT 59101	245-3980	BRE/ESA Portfolio LLC	PO Box 49550	Charlotte, NC 28277-9550	
Fairfield Inn	Beth Cantrell	63	A27801	47-2107328	81,457	2020 Overland Avenue	Billings, MT 59102	652-5330	F I Midwest Inn of Billings Inc c/o TMI Hospitality	PO Box 9118	Fargo, ND 58106	
Hampton Inn	Joe Studlner	122	A29257A	81-0528484	169,486	5110 Southgate Drive	Billings, MT 59101	248-4949	Billings Lodging Investors, c/o Ruby Erck	14 Carriage Way	Missoula, MT 59802	stacy.lind@erckhotels.com
Hampton Inn & Suites	Stacy Lind	101	A30691	20-5390823	134,800	9550 Ember Lane	Billings, MT 59102	656-7511	Broso Valley Lodging Investors c/o Dustin Williams	8214 O'Reilly Drive	Helena, MT 59602	stacy.lind@erckhotels.com
Heights Inn Motel	Sam Quiglyw	33	A04929	81-0512438	127,631	1206 Main Street	Billings, MT 59101	252-8451	CMYL Inc	5060 Maple Ridge Drive	Billings, MT 59106	
Hilltop Inn	Ivah Collins	57	I00802	81-0498965	38,500	1116 North 28th Street	Billings, MT 59101	245-5000	Hilltop Inn Limited Partnership	1116 North 28th	Billings, MT 59101	
Hilton Garden Inn-Billings	Tina Wiser	128	A31178	20-2396255	142,441	2465 Grant Road	Billings, MT 59102	670-5338	JWT Hospitality Group c/o Kevin Walsh	2546 Grant Road	Billings, MT 59102	
Holiday Inn Express & Suites	Keri Wilson	66	A30690			3431 Ember Lane	Billings, MT 59102	869-5133	Billings Hospitality Inc	PO Box 15	Aberdeen, SD 57402	
Home 2 Suites by Hilton	Boone Jones		A07225		57,289	2611 7th Ave N	Billings, MT 59101	252-2255	7th Avenue Hospitality, LLC	2811 7th Avenue N	Billings, MT 59101	
Homewood Suites	Stacy Lind	110	A30689A		76,622	3420 Ember Lane	Billings, MT 59102	656-0525	Ember Lane Lodging Investors LLC	8214 O'Reilly Drive	Helena, MT 59602	stacy.lind@erckhotels.com
Howard Johnson Billings	Nasima Khan	116	D01901	27-1372178	106,722	1345 Mallowney Lane	Billings, MT 59101	252-2584	Khan Organization LLC	P. O. Box 7246	Gillette, WY 82717	Khan@kdiamondhotels.com
Kelly Inn	Shinead Field	80	A28394	26-2210919	160,199	5610 South Frontage Road	Billings, MT 59101	248-9800	Kelly Midwest Ventures LLP	3211 West Sencore Dr	Sioux Falls, SD 57107	Bschmidt@kellyinns.com
La Quinta Inn & Suites	Gail Linnell	85	A28396A		141,875	5620 S Frontage Rd	Billings, MT 59101	252-1188	Kelly Midwest Ventures Limited Partnership	3025 West Sencore	Sioux Falls, SD 57107	Bschmidt@kellyinns.com
Lazy KT Motel	Kerry Struckman	26	A00527		24,394	1403 1st Avenue North	Billings, MT 59101	252-6606	Soto Holdings LLC	P. O. Box 1333	Columbus, MT 59109	
Ledgestone Hotel	Jennifer Benson	57	A31141	45-3568204	87,558	4863 King Ave East	Billings, MT 59101	259-9454	Northern Lights Investments LLC c/o Kristine Tanaka	1105 Porter Way	Milton WA 98354	
Lewis & Clark Inn	Mike Pekovich	57	A00538	81-0508267	42,000	1709 1st Avenue North	Billings, MT 59105	252-4691	Greg and Becky Pekovich	4141 Stale Avenue	Billings, MT 59101	gpekovich@yahoo.com
Lexington Inn & Suites	Kacy Kleth	88	C14765	20-3431155	72,736	3040 King Avenue West	Billings, MT 59102	294-9090	Father and Sons Hospitality LLC	3040 King Avenue West	Billings, MT 59102	
Motel 6 North #115	Crystal Swanson	116	A22949	77-0116487	131,813	5353 Midland Road	Billings, MT 59102	248-7551	G8 Hospitality Property LLC	PO Box 117508	Carrollton, TX 75011	
Motel 6 South #178	Crystal Swanson	99	C07322	77-0116487	73,442	5400 Midland Road	Billings, MT 59101	252-0093	G8 Hospitality Property LLC	PO Box 117508	Carrollton, TX 75011	
My Place Hotel	Dalton Emig- Wahren	64	A34239	45-3537608	68,389	4770 King Ave East	Billings, MT 59101	259-9970	RW Billings LLC	1910 8th Ave NW	Aberdeen, SD 57401	
Northern Hotel	Mike Nelson	160	A00795		20,909	19 N. Broadway	Billings, MT 59101		Zoolist Hotel LLC	555 Zoot Enterprise Lane	Bozeman, MT 59718	zootst@northernhotel.com
Parkway Motel	John Stanley	22	D01383	20-5154291	46,609	4808 Underpass Avenue	Billings, MT 59101	245-3044	MTSU LLC c/o Larery & Marlene Thiel Trustees	P O Box 195	Billings, MT 59103	
Picture Court Motel	Greg McFarland	20	A17367	81-0541007	25,265	5146 Laurel Road	Billings, MT 59105	252-8478	Jovanovich Enterprises LLC c/o Greg McFarland	4605 Sticka Circle	Billings, MT 59108	
Quality Inn Homestead	Brian Ameson	119	A24991A	41-1263469	126,324	2036 Overland Avenue	Billings, MT 59102	652-1320	Billings Hospitality LLC	100 4th Avenue S	Salmi Cloud, MN 56301	barnerson@brutgerequities.com
Radisson	Tony Contreaz	317	D01889	20-3847778	594,986	5500 Midland Road	Billings, MT 59101	248-7701	Midland Holdings LLC c/o Inner Circle Investments	1275 W Granada Blvd Ste 3B	Ormond Beach, FL 32174-8105	
Red Lion Hotel and Convention Center	Ron Spence	234	D01899	27-4362897	516,611	1223 Mallowney Lane	Billings, MT 59101	248-7151	BHCC II Inc c/o Ron or Jeff Murl	2223 Mallowney Lane	Billings, MT 59101	jmurl1958@gmail.com
Residence Inn by Marriott	Ginny Hart	92	A32902	30-0346341	160,495	956 South 25th Street West	Billings, MT 59102	650-3900	Lads Hospitality Associates LLC c/o David Veeder	2975 Enterprise Avenue Ste 6	Billings, MT 59102	
Riversage Billings Inn	Vanda Bishop	59	A07142	20-8573526	31,500	880 North 29th Street	Billings, MT 59101	252-6800	Riversage Billings Inn c/o Raymond Clark	880 North 29th Street	Billings, MT 59101	
Rodeway Inn	Usman Khan	47	A16557	46-5474018	13,983	1315 North 27th Street	Billings, MT 59101	245-4128	Rimrock Hospitality LLC c/o Usman Khan	1315 N. 27th St	Billings, MT 59101	
Sleep Inn Motel Billings	Jance Varela	75	A28408	20-8953974	103,237	4904 Southgate Drive	Billings, MT 59101	254-0013	Khan Investments	208 Decker Court	Gillette, WY 82716	Khan@kdiamondhotels.com
SpringHill Suites by Marriott Billings	Wes Carter	79	A30781	68-0527240	58,912	1818 King Avenue West	Billings, MT 59101	652-9313	Billings Hospitality Inc	PO Box 15	Aberdeen, SD 57402	
Super 8 Lodge	Steven Hill	106	A24758	52-2186988	97,844	5400 Southgate Drive	Billings, MT 59101	248-8842	Supertel LP	PO Box 1448	Norfolk, NE 68702	
The Vegas Hotel	Tom Miner	102	D01750	45-3659345	109,336	2612 Belknap Avenue	Billings, MT 59101	248-7761	Greg and Becky Pekovich	4141 Stale Avenue	Billings, MT 59101	gpekovich@yahoo.com
Towne Place Suites by Marriott	Becy Meldig	91	A31180	46-2271771	115,434	2480 Grant Rd.	Billings, MT 59102	652-7106	Billings Hospitality LLC	2480 Grant Road	Billings, MT 59102	
Twin Cabs Motel	Bill Chilton	15	C01517		37,897	1818 Main Street	Billings, MT 59105	252-9851	Wayne and Celia Chilton	1818 Main St	Billings, MT 59105	
Western Executive Inn	Faye Adams	40	C07975A	81-0519152	39,335	3121 King Avenue West	Billings, MT 59102	294-8888	Cindy Duncan	3121 King Ave W	Billings, MT 59102	cduncan@montana.net
Western Inn	David Kahn	38	A00320	27-4252161	20,909	3311 2nd Avenue North	Billings, MT 59101	245-6345	Kahn Real Estate LLC	3311 2nd Avenue North	Billings, MT 59101	
Westwood Rimview Inn	Art Westwood	54	A16341	81-0335686	40,946	1025 North 27th Street	Billings, MT 59101	248-2622	Hillcrest Inc c/o Art Westwood	1025 North 27th Street	Billings, MT 59101	art.westwood@gmail.com
					5,507,746							