

February 5, 2025

City of Billings Planning and Community Services
Attn: Wyeth Friday
P.O. Box 1178
Billings, MT 59103-1178

Subject: Request for TIF Assistance – AC2 Parking Lot and Property Updates

Dear Wyeth,

On behalf of Air Controls Billings, Inc., the BIRD is submitting a request for TIF assistance for the AC2 Parking Lot and Property Updates within the East Billings Urban Renewal District (EBURD).

This project includes:

- Demolition of a blighted building on the property facing 1st Ave
- Fencing in the parking lot to enhance safety and remove blight
- Upgrading surrounding infrastructure to meet current code, including sidewalks, curbs, gutters, and landscaping

The AC2 building, located on 2nd Ave N, is a key part of Air Controls' ongoing expansion. The company has previously revitalized the building's interior and continues to be a significant asset to the community, providing quality jobs and services.

The initial application was submitted on December 18, 2024, and resubmitted with updates on January 14, 2025. The BIRD Review Committee approved this request via email on February 4, 2025, and the BIRD Board formally approved it in person on February 5, 2025.

The BIRD Board recommend an award of up to **\$56,699 for TIF reimbursement** for eligible expenses related to **demolition, sidewalks, curbs, gutters, utilities, landscaping, and fencing**. Additionally, the site will undergo other exterior work – including rebuilding loading docks, building improvements, and repaving the private parking lot, bringing the **total project cost to \$671,787**.

The TIF request amounts to **8.44%** of the total project cost and aligns with Montana Code Annotated and the City's TIF Policy, maintaining the preferred 5:1 private-to-public investment ratio and meeting eligibility requirements for qualified expenses. Furthermore, this project advances the goals outlined in the Urban Renewal Plan and BIRD Strategic Plan, contributing to the district's revitalization, infrastructure improvements, security, and green space development.

BIRD requests that this TIF application be scheduled for review by the Billings **City Council at its regular meeting on Monday, March 10th**.

Thank you for your time and consideration.



Michelle Harkins
Director

Air Controls									
TIF Application Analysis-Summary									
		Per			Allowability				
		General	Per		MT Code	MT Code	Total	BIRD BOARD	
		Contractor	Applicant		7-15-4233	7-15-4288	Allowability	Endorsement	
Admin	\$	36,040	\$ -	\$ 36,040	\$ -		\$ -		
Site Improvements	\$	73,405	\$ -	\$ 73,405	\$ -	\$ 73,405	\$ 73,405	\$ 39,032	
Building	\$	11,830	\$ -	\$ 11,830	\$ -	\$ -	\$ -	\$ -	
Site Work	\$	427,410	\$ -	\$ 427,410	\$ -	\$ 24,190	\$ 24,190	\$ 16,430	
Concrete	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -		
Metals	\$	38,350	\$ -	\$ 38,350	\$ -	\$ -	\$ -		
Wood & Plastic	\$	7,763	\$ -	\$ 7,763	\$ -	\$ -	\$ -		
Thermal & Moisture Protection	\$	7,266	\$ -	\$ 7,266	\$ -	\$ -	\$ -		
Doors & Windows	\$	14,478	\$ -	\$ 14,478	\$ -	\$ -	\$ -	\$ -	
Finishes	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -		
Specialties	\$	13,500	\$ -	\$ 13,500	\$ -	\$ -	\$ -		
Special Construction	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -		
Mechanical	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -		
Electrical	\$	11,388	\$ -	\$ 11,388	\$ -	\$ -	\$ -		
Site Overhead	\$	16,109	\$ -	\$ 16,109	\$ -	\$ 1,237	\$ 1,237	\$ 1,237	
Land			\$ -	\$ -	\$ -	\$ -	\$ -		
Building Overhead	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -		
		Total Project Cost	\$ -	\$ 657,539	\$ -	\$ 98,832	\$ 98,832	\$ 56,699	
		Total Project Cost	\$ 657,539						
		Maximum TIF Assistance	16.67%	\$ 109,612					
		Requested TIF Assistance	8.62%	\$ 56,699					
		Payback Period:							
		Expected Increase in Taxable Value	80%	\$ 526,031					
		Commercial Tax Rate	1.89%	\$ 9,942					
		Annual Tax Increment	69 mills	\$ 6,860					
		Payback Period	years	8.27					

Air Controls
TIF Application Analysis-Detail

	Per		Allowability		
	General Contractor	Total	MT Code 7-15-4233	MT Code 7-15-4288	BIRD BOARD Endorsement
Admin					
Architect	\$ 35,040.00	35,040.00			-
Permits	1,000.00	1,000.00			-
Site Improvements					
Landscaping	\$ 6,232.00	6,232.00		6,232.00	6,232.00
Fences & Gates	67,173.00	67,173.00		67,173.00	32,800.00
Building					
Façade	11,830.00	11,830.00			-
Site Work					
Parking Lot - Private	375,000.00	375,000.00			-
Demo	7,760.00	7,760.00	-	7,760.00	-
Concrete package	44,650.00	44,650.00		16,430.00	16,430.00
Metals					
Metals	38,350.00	38,350.00			-
Wood & Plastic					
Framing	7,763.00	7,763.00			-
Thermal & Moisture					
Roofing	7,266.00	7,266.00			-
Doors & Windows					
Garage Door Package	14,478.00	14,478.00			-
Specialties					
Dock System	13,500.00	13,500.00			-
Electrical					
Electrical	11,388.00	11,388.00			-
Site Overhead					
General	16,109.00	16,109.00		1,237.00	1,237.00
	\$ 657,539.00	\$ 657,539.00	\$ -	\$ 98,832.00	\$ 56,699.00