Downtown Billings Partnership

DBP Board Minutes – June 27, 2025
Regular Business Meeting - 7:30 - 9:00 a.m.
Big Sky Economic Development - Zoot Center
201 N Broadway, Billings, MT 59101

Downtown Billings Partnership Attendance			
Present: Meri McGlone	Blake Wahrlich	Councilman Rupsis	Brandon Scala
Sean Lynch	Chris Montague	Dave Fishbaugh	Mary Walks Over Ice
Wyeth Friday	Chris Kukulsi	Janna Hafer	Matt Blakeslee
Katy Schreiner	Cherish Linse	James Chandler	Mehmet Casey
Absent:	Paul Green	Steve Tostenrud	Nick Steen
Ethan Kanning	Andy Patten	Jock West	Erika Guy
Guest: Bill Honaker	Steve Widmyer	Eric Simonsen	Kim Olsen

1. **Call to Order –** Introductions, Courtesies, and Public Comments (3 min. limit) - Mr. Lynch called the meeting to order at 7:32 AM, introductions took place for all attendees.

2. **Consent Agenda**
   a. **Approve Minutes – May 23, 2025 meeting minutes** - Mr. Scala made the first motion to approve the May 23, 2025 meeting minutes. The motion was seconded by Mr. Blakeslee; all were in favor, none were opposed.

   b. **Wicked Bull Trading Post Sign Grant Application and SK-Security Sign Grant Application**
      i. Mr.Casey states that he is still working on the steps for online voting. Today the board has two sign grants to approve. Requests were in the packet. Mr. Casey gives the board a moment for questions or discussion.

      ii. Mr. Wahrlich made the first motion to approve Wicked Bull Trading Post and SK-Security Sign Grant Applications. The motion was seconded by Mr. Montague; all were in favor, none were opposed.

   c. Rockman/AC Marriott - Agreement Extension
      i. Mr. Casey states the next thing on the consent agenda is the extension for the Marriott Hotel. He asked the applicant to join the board meeting this morning if anyone had any questions. Bill Honaker has continued discussions with the city and is full steam ahead. The current structure is in the works of coming down. The request for the extension is to be extra cautious and allow for time, without having to come back in the future to ask for the extension. Mr. Kukulski voices in section 6 of the current agreement, it states a completion date no later than December 31, 2026.

However, the city has had 6 amendments for the sale date. Mr. Honaker is asking for a two year extension. Mr.Honaker voices that it is pretty simple when it comes to the schedule, but the closing date has taken 9 months longer than expected. He wanted to make sure that with Spring upon us, that the timing is still good and that he doesn't risk it. He believes he will make the deadline anyways, but wanted to make sure that he wouldn't have to come back in the future for the extension request.

ii. Mr. Scala made the first motion to approve the Marriott Hotel date extension. The motion was seconded by Mr. Montague; all were in favor, none were opposed.

3. Presentation - Masonic Temple | Widmyer Corp

a. Steve Widmyer is joining the board meeting via zoom. Mr. Widmyer voices his exhilarations and thanks to the board for allowing him the opportunity to present his exciting project. He states the exterior of the Masonic Temple is beautiful while the inside needs some attention to be functional again. His goal is to take the exterior back to its historical structure while creating the interior to be business functional. Mr. Widmyer explains his plans for the building starting with the first floor to be remodeled for retail, second floor will be apartments, and the third floor has two options. One option for the third floor being office space and the other option is for it to be apartments. Part of the third floor will be a yoga studio, with someone already being committed to the space. He's aiming for the building to have no less than a 5% return rate. Mr. Widmyer then hands the presentation over to his architect Eric Simonsen.

b. Mr. Simonsen expresses that the Masonic Temple is one of the most beautiful and iconic historical buildings in our area. He states there will be some restoration work on the outside to help the building last another 100 years. Images of the floor plan and exterior work are presented. The goal is to have micro retail, market rate studio apartments for downtown's workforce community, bring office occupancy back into the building, and a yoga studio that needs minimal changes. The office space is a cool spot for the right tenant. The basement will have residential storage, a potential gymnasium space for tenants, and a potential future tenant space. The roof will get a whole new system put in for electrical, cooler systems, air ducts, fans, and other utility needs. Mr. Montague asks how many units will be on the second floor. Mr. Simonsen states 10 apartments. Mr. Schriener states that the board has Mr. Widmyer and Mr. Simonsen for any questions and discussion. Once discussion is completed we will move onto some other subject item. She voices it is really cool to see the future of the building and the community aspects that it will have.

i. Mr. Scala asks, with a building of this age, are there some things that will not work for the age of the building? Mr. Simonsen responds there are contingencies in place. He iterates his experience and how he has been working with downtown buildings for a long time and has lots of experience. Ms. Schriener states the building was remodeled in 2008. The second and third floor are pretty bare bones and structurally exposed. The inspection also came back pretty clean.

ii. Mr. Wahrlich asks if the plan is to go floor by floor or all at once? Mr. Simonsen responds that when Mr. Widmyer came to him, the idea was to complete the storefront first. However, we want to do all the electrical and plumbing for the apartments, so it will all be done in stages.

iii. Mr. Wahrlich asks what the market rate for rental units is? Mr. Widmyer responds the studio apartments depending on size are from $1,000 to $1,100 a month. He has not yet priced the third floor apartments, but they will be closer to $1,500 or more as they are larger and have bedrooms. He also wants to respond to the previous construction noting that the construction will be done in stages. He does not want to be disruptive to the retail spaces. He wants them to be successful, and having construction going on while they are open is not best. He wants to be sensitive to that. Mr. Widmyer expresses his thanks to the board for the opportunity to present and for the great business environment they have created.

4. Staff Updates

a. Ms. Schreiner starts the staff updates with legislative bill SB3. She states the DBP did not oppose the bill as it was asking for more transparency and city oversight. She didn't have a problem with it, as it was something the board was already doing. The board has representatives as required by legislation. The bill asks for board members to be appointed by City Council and Mayor, which is currently being conducted on the BID board. Ms. Schriener states that what is currently happening is the city is looking at this bill and seeing how they need to comply. One thing that is different with this bill is the language is not as prescriptive. The city attorney is translating it to fall under City Code section 2-500. She voices her concern that all management now may fall under city staff and a new appointed advisory board. Currently the MOU for the DBP has been extended for three months, so they can work through this. If no alternatives are presented for the city to consider, all management may move to the city. The current MOU would no longer come to the DBP. The fees, applications, and work that is done would no longer be done by the Downtown Billings Partnership. From an operational standpoint, this is a big deal for the DBA. However, it would

really change the function of the Urban Renewal District. Ms. Schriener states that as the board knows she has been proposing the DBA moves to the third floor of the Masonic Temple, and that she should be signing the lease soon. If this is no longer part of the budget, she will no longer be signing a lease with Mr. Widmyer. She voices she cannot confidently sign a lease and be fiscally responsible when the decision on how to move forward is up in the air. She continues that Mr. Widmyer has been so kind and is fine waiting as long as possible for her to sign a lease; however, this is why Mr. Widmyer proposed two options for the third floor in the event we're not a possible tenant anymore. She will be in front of the City Council during a work session on July 21st for this matter. Ms. Schriener states that she has met with the former city attorney, and he is willing to render his own opinion to help create other options. The city has to comply with this legislation by October. The city has been very busy with other matters, so she would really like to help assist in the decision making. There have not been further conversations so there is a lot of room between now and July 21st. Her main concern is the health of downtown. There is a lot of return on investment for the Urban Renewal Districts that are really important and valuable. The city would simply conduct business differently, which may change the trajectory of such projects to happen like the Masonic project. Ms. Schriener voices that she wants the Masonic Temple to be a success for the community and Mr. Widmyer. She welcomes the board to have a discussion.

i. Mr. Friday states he went to City Council about a month ago to explain what is being worked through and to notify what will be brought back to July 21st during the work session. The preliminary city budget has been approved as was presented for moving forward. He has reached out to other cities and it is being translated differently. Out of the three districts Billings has, downtown is the most different and complex of the three Urban Renewal districts. Mr. Friday notes that he believes the downtown district needs to be navigated carefully the most. He states the goal is to have several options to bring to council during the work session. Council has been given some information but they do not have all the details yet to make any decisions.

ii. Mr. Kukulski voices that the TIF advisory board has to be appointed by council. The internal piece is the interpretation of the city code with a designated staff liaison. This person is to manage the board, agenda, minutes, and other duties. The issue that has been discussed is, there are three TIF districts with assigned personnel that have drawn attention to the funds it takes to run them; however, this topic was not a conversation during the budget process.

iii. Mr. Rupsis voices that he likes that Ms. Schriener reached out to the former city attorney to help create options. To him, the bill doesn't read that the way the board is run changes. The council doesn't want to mess with something that is working. The funds to these programs is the smallest portion of their budget. He voices that he didn't think the current city attorney is a part of the conversation. Let the council take their own path and have the city attorney tell them how to manage the risks.

iv. Mr. Friday states that the city attorney is not running this nor does she want to. She is just advising the process. The concern is the challenges with working with East and South Billing for the process flows. Things do not need to be duplicated or happening twice. The goal is to create a clear workflow.

v. Mr. Lynch asks if the city code can be adjusted? The BID Board is dictated by state law and appointed by council. Is this different because it's related to the city charter? Mr. Kukulski responds that modifying the code is a possibility. Mr. Friday states it would just create a code amendment.

vi. Discussion is continued among the board.

5. Action Items

a. Masonic Temple TIF Request

i. Ms. Schreiner states what is being proposed is the approval of two options, one with the DBA being able to sign a lease. The second option is for third floor apartments. Mr. Casey presents the TIF cash flow that projects zero growth. He shows that the budget continues to be healthy as it progresses through the years. He states the Masonic Temple as the TIF committee saw was for having an office on the third floor with an ask of $1.2million. The new ask is for $1.3million if they do the apartments. Mr. Scala asks how long is Mr. Widmyer willing to wait for lease signatures? Mr. Schriener responds she will know whether they are moving forward with the lease after the City Council work session on July 21st. The Masonic Temple presentation for City Council will be that Mr. Widmyer is deciding between office space or apartments. The ask will be for the higher amount in case we need to go with the apartments option but if we end up being the tenants, the lower ask will save the city at least $100K. The DBP will be presenting two different options for the third floor so they understand what the goal is for the building as things can change.

ii. Mr. Blakeslee made the first motion to approve the Masonic Temple TIF

project. The motion was seconded by Mr. Scala. Ms. Hafer recused herself from the vote; all were in favor, none were opposed.

b. Election Officers

i. Mr. Casey states all current officers are committed to continue with their roles. Mr. Montague made the first motion to approve the Downtown Billings Partnership Board Officers. The motion was seconded by Mr. Wahrlich; all were in favor, none were opposed.

6. Partner reports

a. Mr. Wahrlich states the BID approved to move forward with SK Security. Ms. Schriener voices that they begin on Thursday, July 3rd. The BID is moving forward with the Cooperative Safety Program. There will be one number released to everyone with a direct contact to the SK-Security, peer support team, Downtown Resource Officer, and Non-Emergency. This will help with the gap of missing officers. There has been no uptick in crime since the reassignment of the two other officers. The security officers will not be armed. She is currently waiting for the Billings Police Department to fill their staff numbers. All special officers from schools, hospitals, and the DBA will not be filled until their staffing is back up. Mr. Wahrlich states this is more cost effective than having officers. Mr. Schriener voices she will be evaluating this every month to see how it is working. A lot of downtowns don't actually have a partnership with their police department, most of them use private security officers. The hours and days the Security Officers are working was suggested by Officer Nick Fonte. She is feeling very positive about working with them.

7. **Adjourn by 9:00 a.m. - Mr. Lynch adjourned the meeting.** The meeting was adjourned at 9:06AM.