

****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.)* Channel 7 or Channel 978 - TDS Fiber.
 - . 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.

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

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

COUNCIL CHAMBERS
316 N. 26th Street, 5th Floor

JULY 21, 2025

5:30 P.M.

CALL TO ORDER: Mayor Cole

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. Montana's 69th Legislative Session Wrap-Up.

-Public Comment

2. Urban Renewal District Legislative and Operational Modifications.

-Public Comment

HIGHLIGHT UPCOMING AGENDA ITEMS OF COUNCIL INTEREST:

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 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.
In the event there is a closed executive session to discuss a matter related to an individual's privacy, the presiding officer must determine the demands of individual privacy exceed the merits of public disclosure and the individual has not waived their right to privacy.

City Council Work Session

Date: 07/21/2025
Title: Montana's 69th Legislative Session Wrap-Up Presentation
Presented by: Jessica Fust, Building Official
Department: City Hall Administration
Presentation: Yes
Legal Review: Not Applicable
Project Number: N/A

RECOMMENDATION

Staff recommends City Council receives a presentation summarizing Montana's 69th Legislative Session and provides feedback to staff on what priorities should be focused on in the interim and looking forward to the next session in 2027.

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

The City of Billings adopted priorities ahead of the 69th Montana State Legislative session. It is important to identify legislative priorities to guide city administration, staff, local elected officials, and our lobbyists. The priorities were intentionally broad to help guide city staff, elected officials and our lobbyist team: Aimee Grmoljez and Brad Longcake.

The Legislative Priorities Resolution adopted the following priorities for the 2025 Legislative Session:

1. Public Safety
2. Housing
3. Economic Development
4. Medicaid Expansion Reauthorization
5. Infrastructure
6. Shift Tax Burden
7. MLCT/Self-Governing Powers

This presentation will review the work done by City Staff and elected officials, and our lobbying team to support the legislative priorities. The presentation will also cover bills that passed this session that affect the City of Billings, and what work can or should be done in the interim for the benefit of the City.

ALTERNATIVES

City Council may provide guidance to staff on work to be done in the interim.

FISCAL EFFECTS

Some of the bills that were passed this session have significant fiscal effects on Billings - specifically the new tax laws. Other bills will require additional staff time or procedure changes. Depending on Council feedback, staff time and/or lobbying efforts in the interim could have additional fiscal effects.

Attachments

Legislative Presentation

CITY OF BILLINGS GOVERNMENT AFFAIRS TEAM



Aimee Grmoljez

Brad Longcake

Madison Tyson

2025 LEGISLATIVE SESSION PROCESS

Activities taken throughout session

- Reviewed 4,495 bills introduced at the 2025 Montana Legislature and coordinated with bill lists tracked by the Montana League of Cities and Towns and other lobbyists to send lists of bills daily to the City of Billings staff to review and determine if the City should monitor or support or oppose a bill
 - Followed and monitored 120 bills
 - Testified on bills as identified by city team members
 - Weekly calls with city staff, often daily with extremely important issues
 - Coordinated several meetings in Helena with key legislators and Governor's staff
 - Monthly meeting with Billings legislators and key stake holders back in Billings
 - Coordinated with other city GA teams to leverage our voice on key issues
 - Aimee Grmoljez, Brad Longcake, and Madi Tyson had separate lead responsibilities, worked from different perspectives to achieve goals
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LEGISLATIVE SUCCESS

- HB 122: Revise right-of way laws
 - HB 191: Revise crime of endangering welfare of child
 - **HB 208: Providing authority for municipalities to control unauthorized occupancy of municipal property**
 - HB 493: Establish the crime of possession of stolen firearm or ammunition
 - HB 629: Revise laws related to a proposed subdivision's connection to a public water supply or wastewater system
 - HB 642: Revise civil liability laws
 - **HB 664: Repeal numeric nutrient standards**
 - HB 764: Revise public transit laws
 - SB 1: Revise definition of "blighted area"
 - **SB 121: Revise the land use and planning act**
 - SB 398: Revise laws related to collections-related actions in municipal court
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CITY OF BILLINGS LEGISLATIVE PRIORITIES

- PUBLIC SAFETY
 - HOUSING
 - ECONOMIC DEVELOPMENT
 - MEDICAID EXPANSION REAUTHORIZATION
 - Passed
 - INFRASTRUCTURE
 - New Nutrient Standards - passed
 - SHIFT TAX BURDEN
 - MLCT/SELF GOVERNING POWERS
 - Land Use and Planning
 - Local Decision-Making
-

PUBLIC SAFETY

- HB 191 – City of Billings DV Attorney Ben Halvorson championed this legislation that is important for protecting children in domestic violence cases
 - SB 398 – Sponsored by Senator Yakawich, this will help Code Enforcement with abatements
 - HB 493 – Establishes the crime of possession of stolen firearm or ammunition
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HOUSING

- HB 505 – Sponsored by Representative Mike Vinton, this law allows the Montana housing infrastructure revolving loan fund to retain its interest and income and provide for fund transfers.
 - HB 492 – Revise municipal zoning laws related to parking requirements. Generally reduces the number of spaces cities can require for dwelling units.
 - SB 213 – Revise the State Building Code to allow single stairwells in certain residential buildings up to 6 stories.
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ECONOMIC DEVELOPMENT

- SB 1 – Revise definition of “blighted area”
- SB 3 – Require advisory committee for districts that use tax increment financing.
 - This would add a County and School District representative to Billings’ advisory boards
- HB 19 – Public hearing before bonding beyond year 15



TAXES

- SB 542
 - Changes tax rates for residential, commercial, second homes, and residential rental properties
 - If charter limits mills, must reset mills in FY 26 to generate amount assess in FY 25
 - Rates phase in over the next two years
 - SB 117
 - Reduces newly taxable to 75% of Class 4 residential and commercial
 - Authorizes a “large taxpayer reserve account” in the even of a large taxpayer ceasing operations or experiencing a significant decrease in taxable value.
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MLCT/SELF-GOVERNING POWERS

- HB 208 – Grants municipalities the authority to regulate unauthorized camping on public property or facilities
 - Land use and planning
 - SB 121 – MLUPA Clean-up Bill
 - Zoning and subdivision applications processed under the Montana Land Use Planning Act have a 15-business day public comment period.
 - SB 133 – Impact Fees – removes 5% administration fee and limits increases
 - SB 243 – Building Heights – Sets by-right heights to 60 ft minimum in mixed-use buildings in downtown, heavy commercial, and industrial zones
 - SB 553 – Authorizing latecomer agreements, restricts ability of local governments to require land dedication for parks and recreation as condition of subdivision approval
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LAND USE AND BUILDING

- SB 175 – Allows for streamlined public hearing notice process when revising zoning
 - SB 275 – Allows revocation of agricultural covenant on lands annexed into municipality
 - HB 629 – Increases the distance for a subdivision to connect to municipal service from 500 to 1,000 feet
 - HB 713 – Revises Municipal Zoning Laws
 - Zoning map changes will now be completed by resolution instead of ordinance.
 - Repeals valid protest
 - SB 33 – State-owned buildings subject to State Building Code Review
 - All State-owned buildings will be reviewed, permitted, and inspected by the state building department instead of the local jurisdictions
 - SB 404 – Requires reporting of Building permits for appraisal information
 - Jurisdictions are required to send copies of all issued building and electrical permits to the DOR within 90 days of issuance.
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2025-2026 LEGISLATIVE INTERIM COMMITTEES

- Follow and monitor
 - GA team
 - City staff
 - Identify priorities
 - Provide input if needed
 - Work with legislators to help champion any City of Billings priorities
 - Work to develop plan for 2027 Legislative Session
 - Opportunity to be proactive



2025-2026 LEGISLATIVE INTERIM COMMITTEES

- Children, Families, Health and Human Services Interim Committee
 - Civil Rights Violations and Censorship by MUS
 - Criminal Justice Oversight Council
 - Economic Affairs Interim Committee
 - Education Interim Budget Committee
 - Education Interim Committee
 - Energy and Technology Interim Committee
 - Environmental Quality Council
 - General Government Interim Budget Committee
 - Health and Human Services Interim Budget Committee
 - Information Technology Planning Council
 - Law and Justice Interim Committee
 - Legislative Audit Committee
 - Legislative Consumer Committee
 - Legislative Council
 - Legislative Finance Committee
 - Local Government Interim Committee
 - Long Range Planning Interim Budget Committee
 - Modernization and Risk Analysis Committee
 - Natural Resources Interim Budget Committee
 - Public Safety Interim Budget Committee
 - Revenue Interim Committee
 - School Funding Interim Commission
 - State Administration and Veterans' Affairs Interim Committee
 - State Tribal Relations Committee
 - Transition Review Committee
 - Transportation Interim Committee
 - Water Policy Interim Committee
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INTERIM STUDY RECOMMENDED ASSIGNMENTS

SJ or HJ	Rank	Points	Study Short Title	Committee
HJ 61	1	1902	Study of the property insurance market in Montana	Economic Affairs Interim Committee
HJ 42	2	1660	Interim study on procurement, no-bid contracts, and transparency on no-bid purchases	State Administration and Veterans' Affairs Interim Committee
HJ 40	3	1653	Interim study on transferring fiscal note production from executive branch to legislative branch	Legislative Finance Committee
SJ 12	4	1548	Interim study on energy transmission	Energy and Technology Interim Committee
SJ 21	5	1543	Interim study on interstate power grid development	Energy and Technology Interim Committee
SJ 28	6	1412	Interim study on the legislature's ethics processes	Legislative Council
HJ 62	7	1321	Study resolution on wildfire safety	Environmental Quality Council
HJ 23	8	1306	Interim study on youth court laws	Law and Justice Interim Committee
HJ 44	9	1274	Interim study of endocrine-disrupting chemicals and water quality	Water Policy Interim Committee
HJ 53	10	1273	Request an interim study on school safety	Education Interim Committee
HJ 26	11	1228	Study guardianships and conservatorships	Children, Families, Health and Human Services Committee
HJ 30	12	1206	Study resolution on incentivizing housing density and affordability	Local Government Interim Committee
HJ 04	13	1205	Interim study on artificial intelligence	Energy and Technology Interim Committee
HJ 28	14	1135	Interim study to identify and improve access to federal grant opportunities for the state of Montana, tribal governments, and local government entities	Local Government Interim Committee
HJ 74	15	1131	Study analyzing water re-use in the state	Water Policy Interim Committee
SJ 33	16	1035	Interim study of the prescription drug supply chain	Economic Affairs Interim Committee

INTERIM STUDY RECOMMENDED ASSIGNMENTS (CONT.)

HJ 48	17	1033	Interim study on moving the date of the primary election	State Administration and Veterans' Affairs Interim Committee
SJ 42	18	937	Interim study of noxious weed control	Environmental Quality Council
SJ 35	19	936	Interim study of voter list maintenance and integrity	State Administration and Veterans' Affairs Interim Committee
SJ 48	20	921	Interim study of the public health and safety impacts of marijuana legalization	Children, Families, Health, and Human Services Interim Committee
SJ 11	21	903	Interim study on farmer's markets and food systems	Economic Affairs Interim Committee
SJ 13	22	880	Study resolution for emergency medical services	Children, Families, Health, and Human Services Interim Committee
SJ 08	23	868	Request interim study of property tax special districts	Revenue Interim Committee
HJ 47	24	863	Study resolution on local government entity cooperation	Local Government Interim Committee
HJ 56	25	826	Study of search and rescue services and funding	Law and Justice Interim Committee
SJ 37	26	820	Interim survey of behavioral health services in Montana	Children, Families, Health, and Human Services Interim Committee
SJ 19	27	789	Joint resolution to study public transportation	Transportation Interim Committee
HJ 50	28	774	Study of uniform common interest ownership laws	Local Government Interim Committee
SJ 29	29	763	Interim study resolution on coordinating efforts between OPI and DPHHS in addressing the impacts on children of prenatal exposure to meth and fentanyl	Children, Families, and Health, and Human Services Committee
HJ 52	30	731	Interim study on Montana cattle industry	Economic Affairs Interim Committee
HJ 45	31	701	Interim study on the impact collateral consequences have on criminal record expungement	Criminal Justice Oversight Council
HJ 27	32	687	Interim study on laws regarding morticians and funeral services	Economic Affairs Interim Committee
HJ 32	33	666	Interim study of advanced investigator qualifications for law enforcement	Law and Justice Interim Committee
HJ 55	34	660	Study on property management licensing and practice	Economic Affairs Interim Committee
SJ 49	35	589	Study of youth and family behavioral health prevention	Children, Families, Health, and Human Services Interim Committee
SJ 36	36	316	Study dependent neglect standards for prosecutors	Criminal Justice Oversight Council

City Council Work Session

Date: 07/21/2025
Title: Urban Renewal District Legislative and Operational Modifications
Presented by: Wyeth Friday
Department: Planning & Community Services
Presentation: Yes
Legal Review: Yes
Project Number: N/A

RECOMMENDATION

City Administration, PCSD, Finance and Legal staff recommend the City Council hear the presentation, consider the solutions provided to address the new state legal requirements and operational changes, and hear from representatives of the three District advisory entities. Based on feedback and direction from the Council at this Work Session, staff will prepare appropriate action item(s) for a future business meeting.

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

At the June 23 City Council meeting when it adopted the FY26 preliminary budget, City staff presented information to the Council about the need for compliance with Legislation (Senate Bill 3 (SB 3)) that passed the 2025 State Legislature regarding advisory boards for urban renewal districts. Council on June 23 also approved extensions of all of the MOUs with the three District advisory entities until October 1, 2025 with the expectation that changes would be made to meet the new state law by that date. October 1 is the date the new state law takes effect.

Legal Compliance

The legal requirements of SB 3 are black and white, and are not driving the operational and budgetary questions that are also part of this discussion. The City Attorney has advised staff that the City must comply with state law (SB 3) and BMCC 2-500, but exactly how the Council approaches this change and what needs to be considered to do it, are solutions City staff have provided in this memo.

SB 3 requires that the Mayor and Council "shall appoint an advisory committee to advise the local government about the administration of the urban renewal area or targeted economic development district. The committee must include at least one representative from each incorporated city or town, county, or school district with boundaries that overlap with the urban renewal area or targeted economic development district. The committee may include representatives of other taxing bodies with boundaries that overlap with the urban renewal area or targeted economic development district" (SB 3).

When creating this advisory committee, the City must also comply with the requirements of BMCC 2-500 Boards, Commissions and Committees. This city code section outlines how these advisory boards, commissions and committees operate. Some highlights of 2-500 applicable to entities like Urban Renewal Advisory Boards include:

- Sec. 2-506 -- each permanent advisory board shall have a designated staff liaison appointed by the city administrator.
- Sec. 2-507 -- all boards shall comply with this article and specific meeting processes, rules and procedures.
- Sec. 2-509 -- the Mayor and City Council have the authority to direct, supervise, and oversee the activities of any board.

Board Recommendation

Staff recommends the Mayor and Council specify the membership of the three advisory boards in a very similar fashion to the current board composition as follows:

- *East Billings Urban Renewal District (EBURD) Advisory Board* - 7 members: 1 County representative, 1 SD#2 representative, 1 City representative, and 4 individuals who represent business and/or property interests within the district boundary.
- *South Billings Boulevard Urban Renewal District (SBBURD) Advisory Board* - 9 members: 1 County representative, 1 SD#2 representative, 1 Elysian SD Representative, 1 City representative, and 5 individuals who represent business and/or property interests within the district boundary.
- *27th Street Urban Renewal District Advisory Board (Downtown District)* - 7 members: 1 County representative, 1 SD#2 representative, 1 City representative, and 4 individuals who represent business and/or property interests within the district boundary. In consideration, the new board's make-up may also take advantage of

the fact that the downtown has several other boards that you could tap into by using 1 District business owner (DBA Board Member?), 1 District property owner (BID Board Member?), 1 District business/organization representative (Downtown Billings Alliance Exec. Director?), 1 District resident.

Mayor and Council may establish the qualifications and the makeup of these three advisory boards as recommended above by resolution in accordance with BMCC 2-500 or by amending BMCC 2-500. We have also briefly discussed having one advisory committee rather than three separate committees. We will be prepared to discuss this further on Monday, including whether it would be in compliance with state statutes.

Solutions for Operations Compliance

Staff have discussed extensively the operational side of management of the three Districts and developed two solutions for complying with SB 3 and making associated operational adjustments to accommodate the change. Goals of any changes should consider:

- The solution should identify the approach that best carries out the implementation of the Urban Renewal Plans for each District
- The solution should best manage the TIF application and program review and approval processes
- The solution should be as efficient as possible with the funding allocated for operations of all three Districts. Staff has experienced inefficiencies in the oversight, administration and support of the three districts, especially in the SBBURD and EBURD. This partly is due to the difference with the Downtown where there are several long-standing organizations that have pooled and coordinated their efforts to provide the most impact on the redevelopment, safety and sustainability of Downtown Billings. However, any solution should determine what, if anything, is lacking in the current operations, and what change could support better implementation of urban renewal activities.

With these goals in mind, staff has provided two solutions to consider:

#1 - Hybrid District Management Solution -- Comply with new state law and follow BMCC 2-500 with a TIF Coordinator position in the City (staff liaison) (See Paragraph #1 under Other Considerations below), and through new agreements, Council could delegate authority to another entity to manage the advisory boards for each or all Districts. The City could contract with the entities to come to mutually agreeable terms/conditions. In this scenario, Mayor and Council would appoint board members with proper representation as mentioned above and according to the requirements of state law and city code. New agreements would have to be negotiated to allow each entity to run board meetings in compliance with state law and city code and perform other operations and processes similar to today. District budgets would be modified for city staff oversight to accommodate a dedicated TIF Coordinator (See Paragraph #1 under Other Considerations below).

Under this scenario, for example, the entity managing the EBURD Advisory Board would solicit TIF applications, provide them to the advisory board for review and recommendation to Council, manage the board functions, oversee the proper legal notifications and meeting conduct for the boards, work on business recruitment and outreach for the district and report those activities to the advisory board, City staff, and City Council on a regular basis. This scenario does have efficiency and oversight challenges that exist today, as the City's TIF Coordinator would still need to ensure the entities were running the processes per the contracts, the TIF applications and recommendations, and any program ideas, met the applicable Urban Renewal Plan, City TIF Policy, state law, and any other local regulations that apply - all tasks PCSD, Finance, and Legal are involved in today.

#2 - City-Supported Districts and Advisory Boards with Separate Economic Development Support -- Upon expiration of all three MOUs, comply with new state law and follow BMCC 2-500 with a TIF Coordinator position in the City and most operations for District support are City-managed. Budgets would be modified to redirect funds for the TIF Coordinator and Finance and Legal oversight, and some funds might be returned to the Districts for projects and programs. Under this solution, staff recommends the Mayor and Council consider if the economic development activities for the SBBURD and EBURD, like business retention and recruitment, business development, outreach, etc. be managed by an entity with the capacity to address activities not covered by the City TIF Coordinator. The Downtown District has a robust network of organizations carrying out this work now to provide the most impact on the redevelopment, safety and sustainability of Downtown Billings.

Operational approach:

- One FTE housed in PCSD
- Full support of Districts and Council Appointed URD Advisory Boards
- Boards would meet at City Hall, use City web platform, use City Legal Notice tools, use City Finance staff, etc.
- Manage intake, review, and processing of TIF applications
- Work with City Departments on TIF supported Infrastructure and Programs (Administration, Finance, Public

- Works, Planning, Parks, Community Development, City Grant Manager Position)
- Present TIF applications to City Council
 - Provide information on URDs to community members, businesses, and organizations as needed
 - Assist Finance in development of annual URD Budgets
 - Work with City Council on TIF Policy updates and changes to process as applicable
 - Work with City Council on any District expansions, considerations of new URDs, etc.
 - Pursue grants and outside funding sources for projects, P3s, etc.
 - Maintain URD information on City website

Economic Development Activities:

As noted above, the City should consider contracting with an outside entity that has the capacity and experience to handle business retention, recruitment, development and program management in the SBBURD and EBBURD, or all three Districts. A city employee is not well suited to lead the economic development activities within any of the districts. Therefore, this could continue with three independent efforts (one for each district) or any combination of two or all three districts consolidating their economic development efforts.

Other Considerations:

1. A given in both solutions, and something that continues to be an efficiency issue today, is that while BMCC 2-500 requires a staff liaison for the boards, there are already staff liaison(s) at the Director level now (PCSD Director, Finance Director and sometimes City Attorney) for all 3 Districts. So, there is an inherent overlap of work that always includes the City staff, as all the work of supporting the districts and managing applications can't ever be totally passed to the District entities under the advisory board/entity model. That operational challenge has always existed and has been difficult off and on throughout the years of managing the Districts. City staff are recommending funding be allocated to have a staff person (TIF Coordinator) manage much of what the PCSD Director does now and coordinate with Finance and Legal no matter what solution is chosen by Council. This will include consideration of the current allocation to PCSD to fund the Director position and resources for support of the three Districts as is identified in the FY26 Budget (See Fiscal Impact section), but will be focused to fully fund a position and some PCSD oversight. This would also be an efficiency improvement as it makes more sense for the PCSD Director to oversee these tasks and have a separate staff member focused on the Districts and only require Legal and Finance participation as applicable.

2. Also, as part of the solutions drafting, staff have provided the operational information for each District and the Urban Renewal Plans for each District (see attached). The idea is to show what added value, or deliverables, or economic development activity might be outside the "standard" operations of TIF. Standard operations include city infrastructure and private application solicitation, submittal, review, drafting and presentation and processing for Advisory Board and City Council actions, etc. This is discussed above in relation to the coordinated approach Downtown uses with its multiple organizations to achieve a broad support of revitalization, safety and business support in the Downtown.

Much of what the operational costs demonstrate is that if the advisory boards and a City TIF Coordinator operated within the City organization, many of the operational costs incurred would be reduced and combined for a lesser overall cost. For example, having three entities utilize UR funding to pay for office space, meeting space, website maintenance, and accounting services, is redundant when the City has office space, meeting spaces, a web platform, and financial services. Again, this is organized in Downtown in a non-siloed approach where multiple organizations share resources and so any savings would need to be balanced against the existing savings the organizations achieve by operating together now.

Next Steps

Council direction on what information it would like further details on, or what solution it would like to pursue to meet state law and adjust operations will provide staff an approach to coordinate with the existing District entities and begin the process to bring back corresponding action items for Council to enact the changes formally. Staff will work to move this ahead steadily to meet the October 1 deadline as closely as possible. The process of Council adopting a resolution or amending City code to determine the advisory board membership, preparing advertising for candidate applications through the City Administrative staff and coordinating those applications for Mayor review and Council action is expected to be time consuming. Other elements of the operations as far as any new or revised contracts or MOUs, City TIF Coordinator hiring, budget amendments, and any other actions can be accomplished along with the advisory board work, but do not all have to be enacted on October 1.

STAKEHOLDERS

The City, the three URD entities currently advising on urban renewal activities and implementation of urban renewal plans, and the Billings community are all stakeholders in this process. The City must comply with the oversight of the

three District advisory boards as required by SB 3, while also ensuring efficient and successful operations of its three urban renewal districts.

ALTERNATIVES

This is a Work Session, so Council alternatives include discussing the information provided, asking questions, and providing direction to staff for next steps.

FISCAL EFFECTS

The FY26 Urban Renewal District (URD) budgets, per the preliminary adoption by Council at its June 23, 2025, meeting, will continue to be implemented until the Council provides direction and budget amendments are developed per the solutions described in this memo.

Currently, the City utilizes URD TIF funds annually for support and operations of the three Districts as follows:

-Downtown District - allocated to the DBA - \$326,105; PCSD Support is \$36,481; Finance & Administration Department support is \$66,632

-SBURA - Allocated to the SBURA - \$160,000; PCSD Support 36,481; Finance & Administration Department support is \$76,518

-EBURD - Allocated to BIRDworks - \$179,750; PCSD support is \$36,481; Finance & Administration Department support is \$46,347

-Total DBA, SBURA and BIRDworks support is \$665,855

-Total City staff support is \$189,497. City staff oversight in PCSD of a TIF Coordinator and Finance for the City's fiscal responsibilities would continue under any solution but may be modified based on the TIF Coordinator position responsibilities.

Attachments

SB 3

BMCC 2-500 Boards, Commissions and Committees

SBURA Operations Budget

SBBURD UR Plan

BIRD Operations Budget

EBURD UR Plan

Downtown Operating Budget

Downtown Operating Budget Detail

Downtown UR Plan



AN ACT REQUIRING A DISTRICT THAT USES TAX INCREMENT FINANCING TO CREATE AN ADVISORY COMMITTEE; AND AMENDING SECTIONS 7-15-4234 AND 7-15-4282, MCA.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 7-15-4234, MCA, is amended to read:

"7-15-4234. Urban renewal agency to be administered by appointed board of commissioners.

(1) If the urban renewal agency is authorized to transact business and exercise powers under this part, the mayor, by and with the advice and consent of the local governing body, shall appoint a board of commissioners of the urban renewal agency consisting of no fewer than five commissioners, including one representative from the county or consolidated city-county government and one representative from a school district with boundaries that overlap with the urban renewal area.

(2) The initial membership shall must consist, at a minimum, of one commissioner appointed for 1 year, one for 2 years, one for 3 years, and two for 4 years. Each subsequent appointment must be for 4 years. A certificate of the appointment or reappointment of a commissioner must be filed with the clerk of the municipality, and the certificate is conclusive evidence of the proper appointment of the commissioner.

(3) Each commissioner shall hold office until a successor has been appointed and has qualified.

(4) A commissioner may not receive compensation for services but is entitled to the necessary expenses, including traveling expenses, incurred in the discharge of duties.

(5) Any persons may be appointed as commissioners if they reside within the municipality.

(6) A commissioner may be removed for inefficiency, neglect of duty, or misconduct in office."

Section 2. Section 7-15-4282, MCA, is amended to read:

"7-15-4282. Authorization for tax increment financing -- advisory committee. (1) An urban

renewal plan as defined in 7-15-4206 or a targeted economic development district comprehensive development plan created as provided in 7-15-4279 may contain a provision or be amended to contain a tax increment provision as provided in 7-15-4282 through 7-15-4294. The local governing body shall approve the adoption of a tax increment provision included in an urban renewal plan. The legislative body of a local government shall approve the adoption of a tax increment provision included in a targeted economic development district comprehensive development plan.

(2) (a) Before adopting a tax increment financing provision as part of an urban renewal plan or a comprehensive development plan, a municipality shall provide notice to the county and the school district in which the urban renewal district or targeted economic development district is located and provide the county and school district with the opportunity to meet and consult in a public meeting with the opportunity for public comment regarding the proposed tax increment financing provision and its effect on the county or school district.

(b) Before adopting a tax increment financing provision as part of a comprehensive development plan, a county shall provide notice to the school district in which the targeted economic development district is located and provide the school district with the opportunity to meet and consult in a public meeting with the opportunity for public comment regarding the proposed tax increment financing provision and its effect on the school district.

(3) The tax increment financing provision must take into account the effect on the county and school districts that include local government territory.

(4) (a) Except as provided in subsection (4)(b), the legislative body of a local government that adopts a tax increment financing provision shall appoint an advisory committee to advise the local government about the administration of the urban renewal area or targeted economic development district. The committee must include at least one representative from each incorporated city or town, county, or school district with boundaries that overlap with the urban renewal area or targeted economic development district. The committee may include representatives of other taxing bodies with boundaries that overlap with the urban renewal area or targeted economic development district.

(b) An urban renewal area administered by an urban renewal agency created under 7-15-4232(2) is not required to appoint an advisory committee as provided in subsection (4)(a)."

Section 3. Transition. If the urban renewal agency provided for in 7-15-4234 is composed of five commissioners on [the effective date of this act], in the event of a vacancy or on the next appointment the mayor, by and with the advice and consent of the local governing body, shall appoint commissioners consisting of one representative from the county or consolidated city-county followed by one representative from a school district with boundaries that overlap with the urban renewal area.

- END -

I hereby certify that the within bill,
SB 3, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2025.

Speaker of the House

Signed this _____ day
of _____, 2025.

SENATE BILL NO. 3

INTRODUCED BY J. TREBAS

BY REQUEST OF THE REVENUE INTERIM COMMITTEE

AN ACT REQUIRING A DISTRICT THAT USES TAX INCREMENT FINANCING TO CREATE AN ADVISORY COMMITTEE; AND AMENDING SECTION SECTIONS 7-15-4234 AND 7-15-4282, MCA.

ARTICLE 2-500. BOARDS, COMMISSIONS AND COMMITTEES¹

DIVISION 1. GENERALLY

Sec. 2-501. Permanent advisory boards, ad hoc council advisory committees or statutory boards.

There are three (3) different types of advisory boards, committees or commissions.

- (1) Permanent advisory boards are established by ordinance (this article; City Charter, Article V).
- (2) Ad hoc council advisory committees (section 2-224) are created by council resolution, have a specific purpose, and have a limited duration.
- (3) Statutory boards are required by state or federal law.

All boards, committees or commissions shall be governed by this article except as otherwise provided by Charter, this Code, statute or interlocal agreement.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-501.1. Qualifications for membership.

- (a) Unless otherwise required by law, other city ordinance or permitted by interlocal agreement or memorandum of understanding with any other governmental or non-governmental entity or organization, all members of city advisory boards, commissions or committees must hold the following qualifications:
 - (1) Resident of the city for at least two (2) years;
 - (2) Registered voter of the city; and
 - (3) Eighteen (18) years of age or older.

¹Editor's note(s)—Ord. No. 09-5485, § 1, adopted January 12, 2009, amended article 2-500 in its entirety, in effect repealing and reenacting said article to read as herein set out. Formerly, article 2-500 pertained to similar subject matter, and derived from the Code of 1967, §§ 2.24.010, 2.24.020, 2.24.040, 2.24.060, 2.29.010, 2.29.020, 2.66.010, 2.66.040, 2.66.060, 2.76.010, 2.76.020, ; Ord. No. 83-4523, § 1, adopted June 20, 1983; Ord. No. 83-4559, §§ 1, 2, adopted November 28, 1983; Ord. No. 97-5035, §§ 2—4, adopted September 8, 1997, and Ord. No. 06-5356, § 1, adopted January 9, 2006.

Charter reference(s)—Boards, commissions or committees, Art. V.

Cross reference(s)—Open public meetings and records, § 2-601 et seq.; code of ethics, § 2-701 et seq.; historic preservation board, § 6-1121 et seq.; downtown redevelopment board, § 9-301 et seq.; city-county planning board, § 20-201 et seq.; board of architectural review, § 27-802; zoning commission and board of adjustment, § 27-1001 et seq.

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- (b) A city employee shall not be appointed to serve on a city advisory board, commission or committee that provides advice to the department for whom the employee works.

(Ord. No. 09-5485, § 1, 1-12-09; Ord. No. 13-5615, § 1, 9-9-13; Ord. No. 19-5726, § 1, 10-15-19)

Sec. 2-501.2. Appointment.

Members of advisory boards, commissions, and committees shall be appointed by the mayor with the consent of the city council, unless otherwise provided by federal or state law, or interlocal agreement.

- (1) Notice of a vacancy shall be published thirty (30) days prior to appointment.
- (2) Members of boards, commissions, or committees shall hold no elected city office unless required by federal or state law, or interlocal agreement.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-502. Compensation, expenses.

The members of advisory boards, committees, and commissions of the city shall serve without compensation, but shall be reimbursed their necessary expenses with prior authorization of the mayor and city council.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-503. Loss of membership.

If a member of any board, committee or commission of this city fails to attend three (3) consecutive scheduled meetings of such board, committee or commission without being excused from such attendance, such person shall no longer be considered a member of such board, committee or commission, and the position shall be declared vacant by the mayor, unless otherwise provided by statute or interlocal agreement.

(Ord. No. 09-5485, § 1, 1-12-09; Ord. No. 19-5726, § 2, 10-15-19)

Sec. 2-503.1. Forfeiture of office.

The position of advisory board, commission, or committee member is forfeited and becomes vacant upon the occurrence of any of the following events prior to the expiration of the term:

- (1) The death of the member;
- (2) The member's resignation;
- (3) The member's conviction of a felony;
- (4) The member's ceasing to meet the qualifications in section 2-501.1; or
- (5) The decision of a competent legal tribunal declaring void the member's appointment.

(Ord. No. 09-5485, § 1, 1-12-09; Ord. No. 19-5726, § 3, 10-15-19)

Sec. 2-503.2. Removal of any or all members.

Members of advisory boards, commissions and committees serve at the discretion of the mayor and city council. Upon two-thirds ($\frac{2}{3}$) vote of the mayor and city council, any or all members of an advisory board, commission or committee may be removed.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-504. Filling unexpired term.

When possible, vacancies occurring for any reason during the member's term shall be filled within sixty (60) days in the same manner as the original appointment. The appointment shall be for the remainder of the unexpired term. If a position remains vacant beyond sixty (60) days, notice of the vacancy shall be published periodically according to the judgment of the mayor until the vacancy has been filled.

(Ord. No. 09-5485, § 1, 1-12-09; Ord. No. 19-5726, § 3, 10-15-19)

Sec. 2-505. Terms of office.

Except as otherwise provided by Charter, this Code, statute or interlocal agreement:

The terms of members of a permanent advisory board or commission will run on a calendar year basis. During the transition to the calendar year terms, any member whose term expires prior to December 31 will holdover in office at least until December 31 or until his position is filled by appointment, whichever is later. All board and commission appointees after the initial appointments shall be appointed for four (4) years. Each member shall be limited to two (2) consecutive four (4) year terms.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-506. Staff liaison.

Each permanent advisory board shall have a designated staff liaison appointed by the city administrator. The staff liaison shall be responsible for preparing the meeting agenda, advertising the meeting, taking minutes, and handling any communications between the board, the mayor or city council, or the city administrator.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-507. Meetings, rules and procedure.

All boards, commissions, and committees shall comply with this article and the following rules of procedure. A board, commission or committee shall not establish its own bylaws or any other rules without the prior written approval of the city council, unless otherwise required by law. All bylaws or rules of procedure existing on the effective date of this article are void and shall be replaced with the rules of procedure set by ordinance.

- (1) *Election of chairperson and vice-chairperson; presiding officer.* At the first meeting of every calendar year, a chairperson and vice-chairperson shall be elected by a majority of members present at the meeting. The chairperson shall be the presiding officer and shall be responsible for recognizing those who would like to speak and generally enforcing a productive decorum. In the absence of the chairperson, the vice-chairperson shall be the presiding officer.

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- (2) *Location; calling to order; quorum.* The advisory boards, commissions or committees shall hold regular meetings for the transaction of city business as required. A majority of the meetings held by each board, commission or committee in any calendar year shall be located in a public facility owned by a governmental entity. Any regular meeting may be canceled or rescheduled by majority vote of the advisory board, commission or committee at any time prior to the last business day before the scheduled meeting. The presiding officer or any three (3) members may request that a special meeting be called. The request shall be submitted to the staff liaison who shall prepare the agenda and notice in writing, which notice shall be delivered or mailed to all members. All meetings shall be held in accordance with the public notice and public meeting laws.

At any regular or special advisory board, commission or committee meeting, the presiding officer shall call the roll, and the names of all members present shall be recorded in the minutes. The presiding officer shall announce whether or not a quorum is present. Unless otherwise set by law, a simple majority of the members of the advisory board, commission or committee duly appointed and qualified is necessary to constitute a quorum. A meeting must have a quorum present in order to conduct business. Members must be physically present for meetings, and no proxy votes shall be allowed. Members shall vote on all agenda items unless prohibited by law.

- (3) *Meetings open to the public.* All meetings of the boards, commissions, committees, subcommittees or other entities created by the city council shall be open to the public if required by state law. "Meeting" means the convening of a quorum of the membership of the boards, commissions or committees created by the city council, whether corporal or by means of electronic equipment, to hear, discuss, or act upon a matter over which the city council has supervision, control, jurisdiction, or advisory power.

A public comment period shall be provided at each meeting. The presiding officer may set time limits for the comments.

- (4) *Proposed agenda.*

- a. The presiding officer through the staff liaison shall prepare a draft regular meeting agenda and shall provide the same to the members in accordance with an agreed process designed to provide them with sufficient time and opportunity to review the draft agenda and request changes therein prior to its finalization.
- b. The staff liaison shall prepare the final agenda of business to be considered at the regular meeting and shall transmit copies of the same to the members on or before close of business on the Monday preceding the regular meeting at which the matters are to be considered. Agenda items may only be removed from the agenda by the consent of a three-fourths ($\frac{3}{4}$) majority of the members present.
- c. Only matters that appear on the agenda shall be considered by the members at its regular meeting. Matters that are ministerial or deemed not of significant interest to the public may be added by consent of a three-fourths ($\frac{3}{4}$) majority of all members present.

- (5) *Order of business for regular meetings.* At all regular meetings of the advisory boards, commissions and committees, the order of business shall be as follows:

- a. Call to order;
- b. Roll call;
- c. Correcting, if necessary, and approving minutes of the last meeting or meetings;
- d. Staff liaison reports;
- e. Public comment on the published agenda or non-agenda items. Speakers are requested to indicate their desire to speak and which item or items on which they wish to offer comment by

filling in their name, address and agenda item number or subject on a prepared "sign in" sheet. The length of time a speaker may speak is limited and is set by the presiding officer.

- f. Agenda. The agenda constitutes an individually numbered listing of business items either:
 - 1. Requiring a public hearing prior to action;
 - 2. Giving a special informational presentation; or
 - 3. Any item that requires separate time by the board, commission or committee to fully discuss the matter prior to rendering a decision.
- g. Adjourn.

The order of business may be altered for any meeting by a majority vote of the members present. The order of business for any special meeting shall be specified in the notice calling for the special meeting.

(6) *Minutes.*

- a. Appropriate minutes of all meetings of advisory boards, commissions and committees shall be kept by the staff liaison and shall be available for inspection by the public.
- b. Such minutes shall include without limitation:
 - 1. Date, time, and place of meeting;
 - 2. A list of the individual members of the board, commission or committee in attendance;
 - 3. The substance of all matters proposed, discussed, or decided; and
 - 4. At the request of any member, a record by individual members of any votes taken.

(7) *Distribution of minutes.* It shall be the duty of the staff liaison to see that copies of the minutes are transmitted to the members as soon after the original minutes are written as possible. The minutes must be finally approved at the next meeting and shall be posted on-line at the city's website within ten (10) business days after final approval. The minutes are permanent records of the city and must be retained indefinitely.

(8) *Rules of procedure for meetings.* The meetings of the advisory boards, commissions or committees shall in all cases be governed by the following rules, unless otherwise set by interlocal agreement, statute, or ordinance, or unless they are suspended pro tem by a majority vote:

- a. *Decorum.*
 - 1. The presiding officer shall preserve order and decorum and shall decide all questions of order, subject to appeal to the board, commission or committee.
 - 2. Every member, previous to speaking, shall address the presiding officer, but shall not proceed until recognized and named by the presiding officer. The provisions of Robert's Rules of Order Newly Revised concerning assigning the floor are superseded by this rule of procedure.
 - 3. When two (2) or more members address the presiding officer, the first to have precedence shall be decided by the presiding officer. The provisions of Robert's Rules of Order Newly Revised concerning assigning the floor are superseded by this rule of procedure.
 - 4. While a question is being placed on the floor, no member shall speak or walk across the meeting room or leave the same.
 - 5. When any member is addressing the group, no other member shall engage in private conversation or do any other act to divert attention or interrupt the speaker.

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6. At meetings all questions relating to the priority of business shall be decided without debate.
 7. To preserve meeting decorum and minimize distractions, television cameras are to be confined to designated areas. Interviews in the chamber are permissible after meetings. No interview or live narration will be allowed in the chamber prior to or during the proceedings of a meeting.
- b. *Meeting protocol.*
1. A member shall not speak more than twice on the same subject without leave of a majority of the group, nor more than once until every member desiring to speak on the pending question has had an opportunity to do so.
 2. No motion shall be debated or put to a vote unless the same shall be seconded. The motion and second shall then be stated by the presiding officer.
 3. All motions shall be stated in clear, concise and definite terms, beginning with the language: "I move that . . .". "I so move" or any other abbreviated language does not constitute correct form for a motion and is out of order.
 4. After a motion has been stated by the presiding officer it shall be deemed in possession of the group, but may be withdrawn at any time before amendment or decision, by the mover with consent of the second.
 5. If a question under consideration contains more than one (1) distinct proposition any member may demand a division.
 6. When a question is under debate, no motion shall be entertained, except: First, to adjourn; second, to lay on the table; third, for the previous question; fourth, to postpone to a day certain; fifth, to refer to a committee; sixth, to amend; and seventh, to postpone indefinitely. These motions shall have precedence in the order stated.
 7. Amendment of a question may take the form of a motion to substitute. Adoption of a motion to substitute shall be deemed approval of the substitute motion itself and further debate and amendment of the adopted substitute motion are not in order. The provisions of Robert's Rules of Order Newly Revised concerning substitute motions are superseded by this rule of procedure.
 8. A motion to adjourn shall always be in order, except when a member is addressing the chair, or a vote is being taken. Motions to adjourn and lay on the table shall not be debatable.
 9. No motion on a subject different from that under consideration shall be permitted.
 10. After a vote is announced, no member shall change his vote without following the procedure for reconsideration.
 11. No motion for reconsideration shall be in order unless made at the same meeting or the meeting following that on which the decision was made, nor shall such motion be made except by a member who voted with the majority. If the motion for reconsideration is approved by a majority vote of the board, commission or committee, then the decision on which the vote is to be reconsidered is placed back on the agenda at a location specified by the presiding officer for further consideration and another vote.
 12. In case a voice vote is indeterminate, a roll call vote shall be taken.
 13. In case of a tie vote on any proposal, the proposal shall be considered lost/failed.

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14. The staff liaison shall rule on all questions of parliamentary procedure and the staff liaison's decision shall be final.
 15. Every member present shall vote upon every question submitted, unless excused or unless the member has a financial or personal interest as defined in section 2-702. If a member has a financial or personal interest, the member shall, immediately after the motion has been made and seconded, or as soon thereafter as the member may be recognized by the presiding officer, publicly disclose the nature and extent of such interest and disqualify himself or herself from participation in the deliberation and voting on the question.
- c. *Documentation of proceedings.*
1. In all cases the name of the member proposing a motion and seconding the motion shall be entered in the minutes.
 2. Any member may demand the roll call of ayes and noes upon any question pending. Except as provided in this subsection, a vote on all matters shall be by voice vote.
 3. All reports or proposals shall be reduced to writing before being submitted to a vote.
 4. Application of Robert's Rules of Order. In all parliamentary practice not herein prescribed, Robert's "Rules of Order Newly Revised" shall govern so far as applicable.
- d. *Public hearings.* Public hearings may be required by law or by council policy. Public hearings are held for the purpose of noticing legislative facts and receiving expressions of public opinion on a question, including views of interested parties. When public hearings are required by law, they shall be held as set out herein. At the commencement of any public hearing, the presiding officer may set time limits for the presentation of views of proponents and opponents of the measure. These time limits shall be adhered to strictly. At the conclusion of his testimony at a public hearing, any individual may be questioned by any member. The time involved in such question and reply shall not count against the time allowed for the presentation of views.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-508. Limitations of powers.

A member of an advisory board, commission or committee, except as otherwise provided by law, shall not:

- (1) Incur city expense or obligate the city in any way without prior authorization of the mayor and city council.
- (2) Make any written or oral report of any board, commission or committee activity to any individual or body unless:
 - a. To the mayor and city council;
 - b. Authorized to do so by majority vote of the entire membership of the board, commission or committee; or
 - c. Allowed by law.
- (3) Independently investigate citizen complaints against departments or individual employees or volunteers by questioning witnesses or otherwise.
- (4) Conduct any activity which might constitute or be construed as establishment of city policy.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-509. Supervision by mayor and city council.

The advisory boards, commissions or committees are established to advise and provide recommendations to the mayor and city council on particular issues. As such, the mayor and city council have the authority to direct, supervise, and oversee the activities of any board, commission or committee.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-510. Reports.

The presiding officer of each board, commission or committee shall report to the mayor and city council annually either in person or in writing. If the presentation is in person, it will be at a council work session at a date and time arranged through the staff liaison.

(Ord. No. 09-5485, § 1, 1-12-09)

DIVISION 2. ANIMAL CONTROL BOARD

Sec. 2-511. Created.

There is hereby created an animal control board.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-512. Composition, appointment.

The animal control board shall be composed of five (5) members.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-513. Powers and duties.

The animal control board shall serve in an advisory capacity to the city council and shall be for the purpose of providing citizen input to the policy decisions of the city council. The primary responsibilities of the board are to review existing and proposed city policies and to review city department activities to ensure that city policies are being implemented and carried out and further, to report any shortcomings and to make recommendations to the city council in the formulation of programs and policies to improve among others the following areas of concern:

- (1) Reserved.
- (2) Reserved.
- (3) The formulation of policies, regulations, implementation and control of animals within the city;
- (4) Solving the serious problem created by the uncontrolled reproduction of pet animals;
- (5) Cooperation with other municipal, county and state governments.

(Ord. No. 09-5485, § 1, 1-12-09; Ord. No. 09-5489, § 1, 4-13-09)

Secs. 2-514—2-517. Reserved.

DIVISION 3. AVIATION/TRANSIT BOARD

Sec. 2-518. Created.

There is hereby created an aviation/transit board.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-519. Composition; appointment.

- (a) The aviation/transit board shall be composed of seven (7) members.
- (b) After June 20, 1983 at the time the first vacancy on the board occurs, that position will be filled by appointment of a person from an airport impact area. An airport impact area is defined as an area close to the airport that may in some way be impacted by activity at the airport. As the next vacancy occurs, it will be filled by a person with business management background not related to airport activities. Thereafter, one (1) appointee to the aviation/transit board shall be from an impact area and one (1) shall be a person with a business management background not related to airport activity; provided, that the requirements as imposed herein shall be followed as closely as reasonably possible.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-520. Duties and responsibilities.

The aviation transit board shall be a citizens advisory board to the city council to aid the city council in formulating city policy in matters pertaining to the MET Transit System, the airport and the concomitant properties. The primary responsibility of the board is to review existing and proposed city policies and to review city department activities to ensure that city policies are being implemented and carried out and further, to report any shortcomings and make recommendations to the city council.

(Ord. No. 09-5485, § 1, 1-12-09)

Secs. 2-521—2-524. Reserved.

DIVISION 4. COMMUNITY DEVELOPMENT BOARD

Sec. 2-525. Created.

There is hereby created a community development board.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-526. Composition, appointment.

The community development board shall be composed of nine (9) members. Six (6) members shall be appointed from lower-income neighborhoods of the city as defined by federal regulations for the community development block grant program and three (3) additional members from the community at large.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-527. Powers and duties.

The community development board shall serve in an advisory capacity to the city council for the purpose of providing citizen input to the policy decisions of the city council. The primary responsibilities of the board are to review existing and proposed city policies and to review city department activities to ensure that city policies are being implemented and carried out and further, to report any shortcomings and make recommendations to the city council in the area of community development.

(Ord. No. 09-5485, § 1, 1-12-09)

Secs. 2-528—2-532. Reserved.

DIVISION 5. RESERVED²

Secs. 2-533—2-539. Reserved.

DIVISION 6. RESERVED³

Secs. 2-540—2-549. Reserved.

DIVISION 7. HUMAN RELATIONS COMMISSION

Sec. 2-550. Created.

There is hereby created a human relations commission.

(Ord. No. 09-5485, § 1, 1-12-09)

²Editor's note(s)—Ord. No. 12-5591, § 1, adopted November 26, 2012, repealed the former division 5, §§ 2-533—2-535 in its entirety, which pertained to the emergency services board, and derived from Ord. No. 09-5485, § 1, adopted January 12, 2009.

³Editor's note(s)—Ord. No. 17-5688, § 1, adopted April 10, 2017, repealed Div. 6, §§ 2-540—2-544, which pertained to the ethics board and derived from Ord. No. 09-5485, § 1, adopted Jan. 12, 2009.

Sec. 2-551. Composition, appointment.

The human relations commission shall consist of nine (9) members to be appointed by the mayor with the consent of the city council. The members shall be broadly representative of all citizens and shall reflect as far as possible the religious, racial, ethnic and minority groups of the community whose training, interest, background or experience will aid the commission in its work.

(Ord. No. 09-5485, § 1, 1-12-09; Ord. No. 20-5734, 3-9-20)

Sec. 2-552. Functions and duties.

The function and duties of the human relations commission shall be to:

- (1) Promote mutual understanding and respect among all;
- (2) Become informed on all matters concerning human relations and foster programs of community education with the object of improving human relations among all citizens of the community;
- (3) Review, study, and assist with complaints, problems and specific situations arising between groups or individuals which result in tensions, discriminations, or prejudice in the city;
- (4) Cooperate with and advise various groups and agencies in programs devoted to the improvement of human relations;
- (5) Inform and make recommendations to the mayor and city council concerning any matters or programs brought before the commission for the furtherance and advancement of human relations and at least once a year submit a report of its work; and
- (6) Refer all matters to the police department that are within its jurisdiction.

Nine (9) members and one city staff member shall meet the 1st Thursday of each month, 12:15 p.m., City Hall Conference Room.

(Ord. No. 09-5485, § 1, 1-12-09; Ord. No. 20-5734, 3-9-20)

Secs. 2-553—2-556. Reserved.

DIVISION 8. LIBRARY BOARD

Sec. 2-557. Created.

There is hereby created a library board.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-558. Composition; appointment.

The library board shall consist of six (6) members appointed by the mayor with the consent of the city council and other members who may be appointed pursuant to contract.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-559. Organization.

The library board shall elect from its membership at the first meeting of every calendar year a chairperson and vice-chairperson. The library director shall serve as secretary. The board shall also elect one (1) person to serve on the library federation board of trustees. The chairperson and the federation representative may be, but need not be, the same person.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-560. Powers and duties.

The library board shall be advisory to the city council and shall only assume those functions additionally as may be prescribed and agreed upon by contract between the city and other governmental agencies.

(Ord. No. 09-5485, § 1, 1-12-09)

Secs. 2-561—2-564. Reserved.

DIVISION 9. BILLINGS PARKING BOARD⁴

Sec. 2-565. Created.

There is hereby created a parking policy board to be named the Billings Parking Board.

(Ord. No. 15-5660, § 1, 10-26-15)

Sec. 2-566. Composition, appointment, term.

The Billings Parking Board shall be composed of nine (9) members.

(Ord. No. 15-5660, § 1, 10-26-15)

Sec. 2-567. Powers and duties.

The Billings Parking Board shall advise and make policy recommendations to the city council in all aspects of parking within the city. The purpose of the board is to provide citizen input to the policy decisions of the city council. The primary responsibilities of the board are to provide input and policy recommendations on all aspects of public parking, including but not limited to, on-street parking, parking meters, parking garages, parking lots, long-range financial plans for parking, annual budget, operating and capital projects plans, parking fees, parking fines and other existing and proposed parking policies of the city, to report any shortcomings, and to make recommendations to the city council with regard to public parking.

⁴Editor's note(s)—Ord. No. 15-5660, §§ 1—3, adopted October 26, 2015, amended division 9 in its entirety to read as herein set out. Formerly, division 9 pertained to the parking advisory board, and derived from Ord. No. 09-5485, § 1, adopted January 12, 2009.

(Ord. No. 15-5660, § 1, 10-26-15)

Secs. 2-568—2-571. Reserved.

DIVISION 10. PARKS, RECREATION AND CEMETERY BOARD

Sec. 2-572. Created.

A parks, recreation and cemetery board is hereby created.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-573. Composition, appointment.

The parks, recreation and cemetery board shall consist of nine (9) members. At least one (1) such member shall be representative of School District Number 2.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-574. School appointee.

If the member of the parks, recreation and cemetery board who is also a representative of School District Number 2 ceases to be the nominee of the school district, his or her membership on this board shall forthwith terminate, and a successor nominee of the school district shall be appointed.

(Ord. No. 09-5485, § 1, 1-12-09)

Sec. 2-575. Powers and duties.

The parks, recreation and cemetery board shall serve in an advisory capacity to the city council for the purpose of providing citizen input to the policy decisions of the city council. The primary responsibilities of the board are to review existing and proposed city policies and to review city department activities to ensure that city policies are being implemented and carried out. Further, to report any shortcomings and to make recommendations to the city council in the following and other related areas:

- (1) Establishment, acquisition, maintenance and management of city parks;
- (2) Establishment, acquisition, maintenance and conduct of playgrounds, swimming pools, baths, gymnasiums, recreation halls, recreation places, recreation centers and athletic activities within the city limits and within four and one-half (4½) miles from the city limits together with recommendations to the city concerning entertainment, plays, concerts and celebrations;
- (3) Cooperate with all other governmental and private agencies and entities in the development of recreational activities and opportunities within the city and surrounding areas;
- (4) Establishment, acquisition, maintenance and management of the city cemeteries.

(Ord. No. 09-5485, § 1, 1-12-09)

Secs. 2-576—2-579. Reserved.

(Supp. No. 65, Update 1)

Created: 2025-05-19 13:49:22 [EST]

DIVISION 11. PUBLIC WORKS BOARD⁵

Sec. 2-580. Created.

There is hereby created a public works board.

(Ord. No. 10-5504, § 2, 2-22-10)

Sec. 2-581. Composition, appointment.

The public works board shall be composed of seven (7) members.

(Ord. No. 10-5504, § 3, 2-22-10; Ord. No. 22-5803, § 1, 4-25-22)

Sec. 2-582. Powers and duties.

The public works board shall serve in an advisory capacity to the city with respect to all aspects of public works. The board may recommend to the city the adoption of such rates, fees and charges as it may deem just and proper, subject to other requirements and provisions imposed by law.

In addition, the board shall serve in an advisory capacity to the city council in all aspects of traffic control.

The purpose of the board is to provide citizen input to the policy decisions of the city council. The primary responsibilities of the board are to review the existing and proposed city policies and to review the city department activities to ensure that city policies are being implemented and carried out and further to report any shortcomings and to make recommendations to the city council.

(Ord. No. 10-5504, § 4, 2-22-10; Ord. No. 22-5803, § 1, 4-25-22)

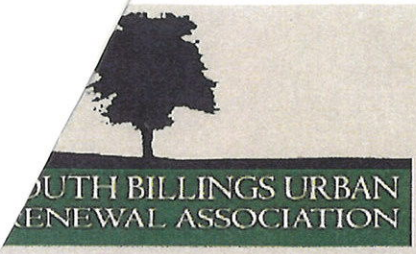
Secs. 2-583, 2-584. Reserved.

DIVISION 12. RESERVED⁶

Secs. 2-585—2-587. Reserved.

⁵Editor's note(s)—Ord. No. 10-5504, §§ 1—4, adopted February 22, 2010, amended division 11 in its entirety to read as herein set out. Formerly, division 11, §§ 2-580—2-582 pertained to the public utilities board, and derived from Ord. No. 09-5485, § 1, adopted January 12, 2009.

⁶Ord. No. 22-5803, § 2, adopted April 25, 2022, repealed Div. 12, §§ 2-585—2-587, which pertained to traffic control board and derived from Ord. No. 09-5485, § 1, adopted Jan. 12, 2009.



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SBURA

BUDGET ITEMS FY 2026

1. CONSULTING FEE	\$96,000.00	—
2. SET BOOKKEEPING SERVICES	\$ 6,000.00	—
3. WEB MAINTENANCE DANIEL RIDER	\$ 6,000.00	—
4. YELLOWSTONE NEWS	\$ 2,000.00	—
5. FUND RAISING FEES	\$25,000.00	—
6. E&O INSURANCE	\$ 4,000.00	—
7. MEETING ROOMS	\$ 6000.00	—
8. MISC EXPENSE	\$15,000.00	—

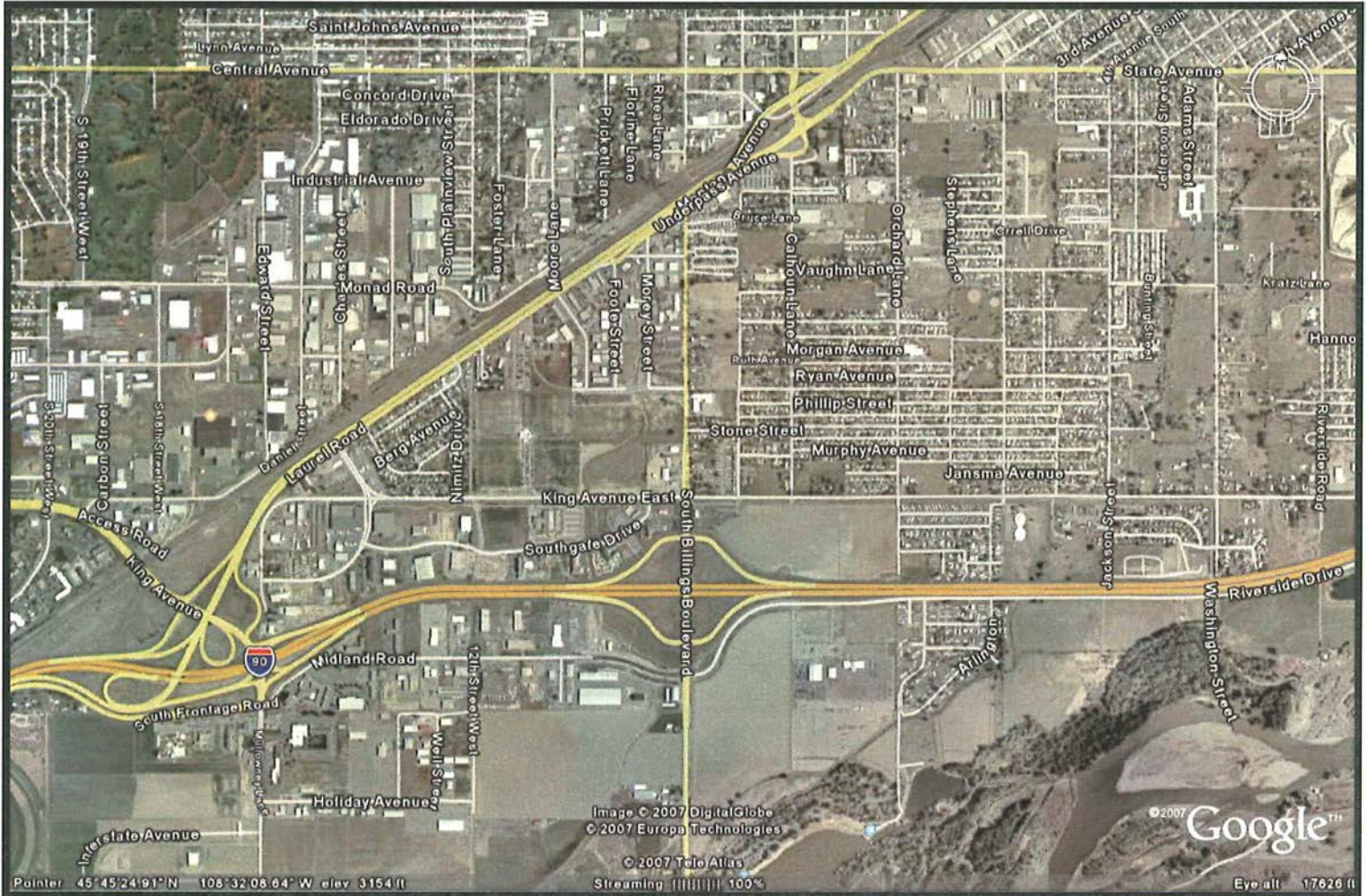
TOTAL **\$160,000.00**

REQUEST QUARTERLY ALLOTMENT AT \$40,000.00 X 4 **\$160,000.00**

SBURA

DICK ZIER CONSULTING

Urban Renewal Plan for the South Billings Boulevard Urban Renewal District



Prepared by the Planning & Community Services Department
Adopted by the Billings City Council on December 8, 2008
Amended by the Billings City Council on July 22, 2019
Amended by the Billings City Council on July 26, 2021

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Jim Ronquillo

Vince Ruegamer

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Denis Pitman

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Planning and Community Services Department

Southwest Corridor Task Force Officers

Tom Ruschkewicz, Chair

Floyd Martin, Vice Chair

Alan Pomick, Treasurer

Debbie Rowe, Secretary

Big Sky Economic Development Authority

Downtown Billings Partnership

Stakeholders

Alene Malloy

Allen Krenz

Alta Dean

Arlene Bierwagen

Barbara Kipp

Barbara Prewett

Barry Wilson

Beth Kirkwood

Betty Hofstad

Betty Kegley

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Bob Franks

Brandy Pmter

Brenda Estill

Brenda Ryan

Brian Reid

Bruce Burrows

Candice Reinschmidt

Carl Howard

Carol Atchley

Casey Ryan

Charles Deunow

Cindy Linse

Cindy Reid

Clarence Perkins

Clifton Burns

Coleen Apps

Connie Wagner

Connie Wittman

Cris Ruckman

Dale Kiel

Daryle Young

David Mora

Dean Haley

Dean Miller

Dennis Randall

Don Pell

Dorothy Plouffe

Doug Toomey

Duane Bender

Edyth Davis

Elanor Aukshun

Elissa Linse

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Gary Tipton

Gene Frank

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Jerald Mohr	Kevin Nelson	Mary Ann Kraske
Jerry Driscoll	Lany Estill	Mary Duenow
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Section 1 – Introduction

On May 12, 2008, the City of Billings adopted an ordinance creating the South Billings Boulevard Urban Renewal District (SBBURD) and established a Tax Increment Finance District. As part of this ordinance, an urban renewal plan and the boundaries of the tax increment finance district were adopted. Public participation for preparing the urban renewal plan involved public meetings and participation with the City of Billings, the Southwest Corridor Neighborhood Task Force, residents and property owners, Downtown Billings Partnership, and Big Sky Economic Development Authority.

In October of 2008, the City began a modification of the SBBURD to include three additional properties. Two of these properties were recently annexed and contiguous to the existing SBBURD; therefore, the properties are now eligible to be included within the SBBURD. The third property is contiguous and requested an expansion of the district boundary. The modification of the urban renewal plan will reflect the addition of those properties.

The December 2008 modification of the urban renewal plan:

- Served as a framework for the official urban renewal plan.
- Fulfilled Montana state law.
- Updated and define district boundaries.
- Classified blight
- Set forth the protocol for its authorization, execution, and management.
- Illustrated the development opportunities.
- Documented baseline taxable property values and potential areas for redevelopment

The July 2019 amendment of the urban renewal plan:

- Identified future projects and programs.
- Ensured the City has the option to bond future projects.
- Updated the 2008 Plan to reflect the 2019 amendment process.

The July 2021 amendment of the urban renewal plan expands the boundary of the SBBURD to add five new properties to the District (see Appendix I).

Section 2 - Definitions

The following terms have the following meanings unless a different meaning is clearly indicated by the context:

1. "Agency" or "urban renewal agency" means a public agency created by Section 7-15-4232 of the Montana Code Annotated.
2. "Blighted area" means an area that is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime; substantially impairs the sound growth of the city or its environs; retards the provision of housing accommodations; or constitutes an economic or social liability or is detrimental or constitutes a menace to the public health, safety, welfare, and morals in its present condition and use, by reason of:

- a. The substantial physical dilapidation; deterioration; defective construction, material, and arrangement; or age obsolescence of buildings or improvements, whether residential or nonresidential;
 - b. Inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality;
 - c. Inappropriate or mixed uses of land or buildings;
 - d. High density of population and overcrowding;
 - e. Defective or inadequate street layout;
 - f. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
 - g. Excessive landcoverage;
 - h. Unsanitary or unsafe conditions;
 - I. Deterioration of site;
 - J. Diversity of ownership;
 - k. Tax or special assessment delinquency exceeding the fair value of the land;
 - L. Defective or unusual conditions of title;
 - m. Improper subdivision or obsolete platting;
 - n. The existence of conditions that endanger life or property by fire or other causes; or
 - o. Any combination of the factors listed in the subsection (2).
3. "Bonds" means any bonds, notes, or debentures (including refunding obligations) authorized to be issued pursuant to Section 7-15-4300 MCA.
 4. "Clerk" means the clerk or other official of the municipality who is the custodian of the official records of the municipality.
 5. "Local governing body" means the council or other legislative body charged with governing the municipality.
 6. "Mayor" means the chief executive of a city or town.
 7. "Municipality" means any incorporated city or town in the state.
 8. "Redevelopment" may include:
 - a. acquisition of a blighted area or portion of the area;
 - b. demolition and removal of buildings and improvements;
 - c. installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out in the area the urban renewal provisions in accordance with the urban renewal plan; and
 - d. making the land available for development or redevelopment by private enterprise or public agencies, including sale, initial leasing, or retention by the municipality itself, at its fair value for uses in accordance with the urban renewal plan. If the property is condemned pursuant to Title 70, chapter 30, the private enterprise or public agencies may not develop the condemned area in a way that is not for a public use.
 9. "Urban renewal area" means a blighted area that the local governing body designates as appropriate for an urban renewal project or projects.
 10. "Urban renewal plan" means a plan for one or more urban renewal areas or for an urban renewal project. The plan:
 - a. must conform to the growth policy if one has been adopted pursuant to Title 76, chapter 1; and;
 - b. must be sufficiently complete to indicate, on a yearly basis or otherwise:
 - i. any land acquisition, demolition, and removal of structures; redevelopment;

- improvements; and rehabilitation that is proposed to be carried out in the urban renewal area;
- ii. zoning and planning changes, if any, including changes to the growth policy if one has been adopted pursuant to Title 76, Chapter 1;
- iii. land uses, maximum densities, building requirements; and
- iv. the plan's relationship to definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements.

Section 3 – Background

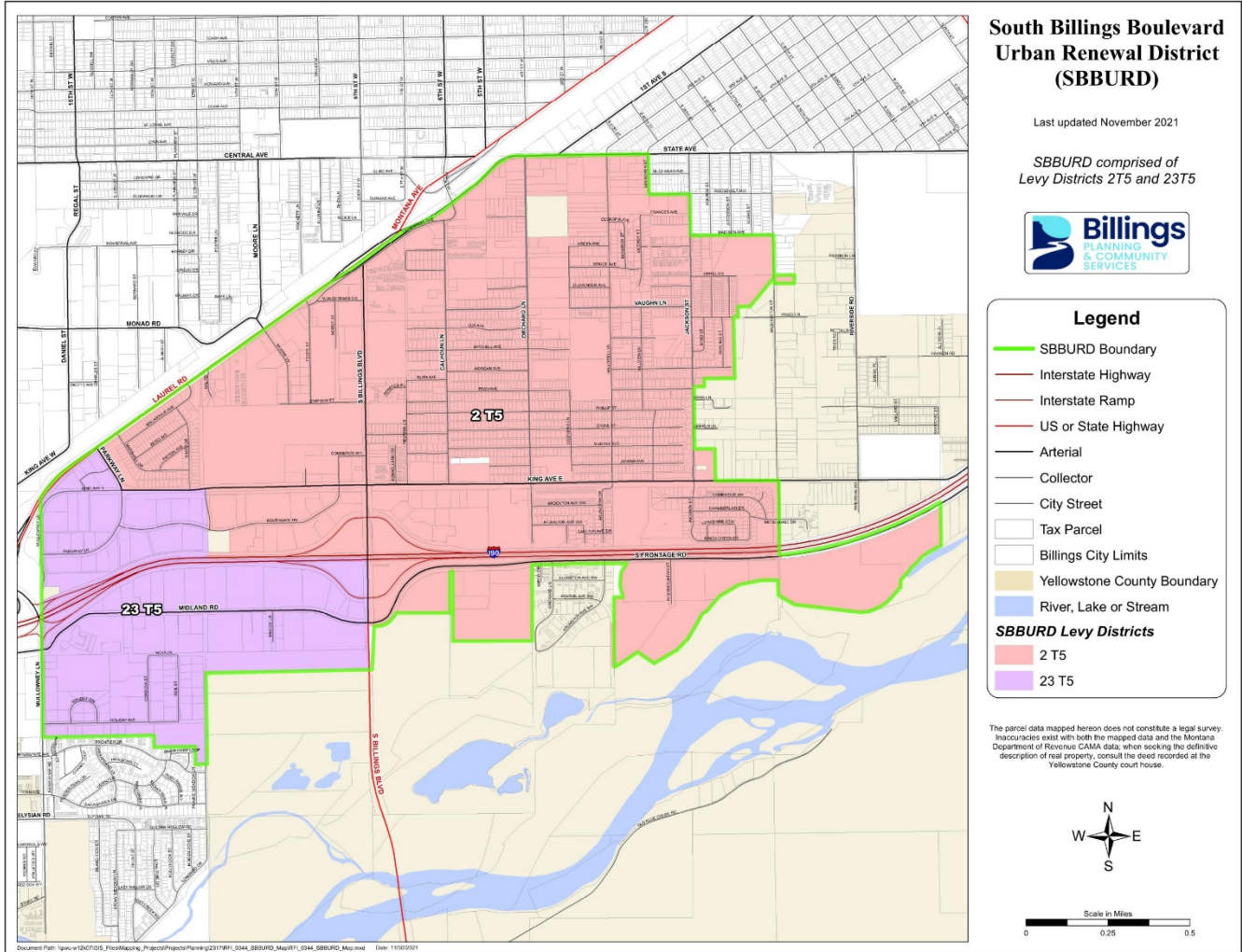
The South Billings Boulevard Urban Renewal District (the “District”) lies within the City of Billings (the “City”), is situated between major transportation routes, and stretches from the east side of the King Avenue Overpass east to Washington Street and from State Avenue South to the city limit boundaries. Located within the district is Interstate Highway 90 and the major railway line through the city. Map 1 shows the boundary of the SBBURD.

The District lies within the Southwest Corridor Neighborhood Task Force. The task force was created in the early 1990's in response to the growing problem with the roadway interchanges and associated issues. For a while, the Task Force was a more diverse body that handled many issues for the Southwest Billings community. The Task Force has not been active for the past several years (2019-2021). Existing land uses and current zoning are shown on Maps 2 and 3.

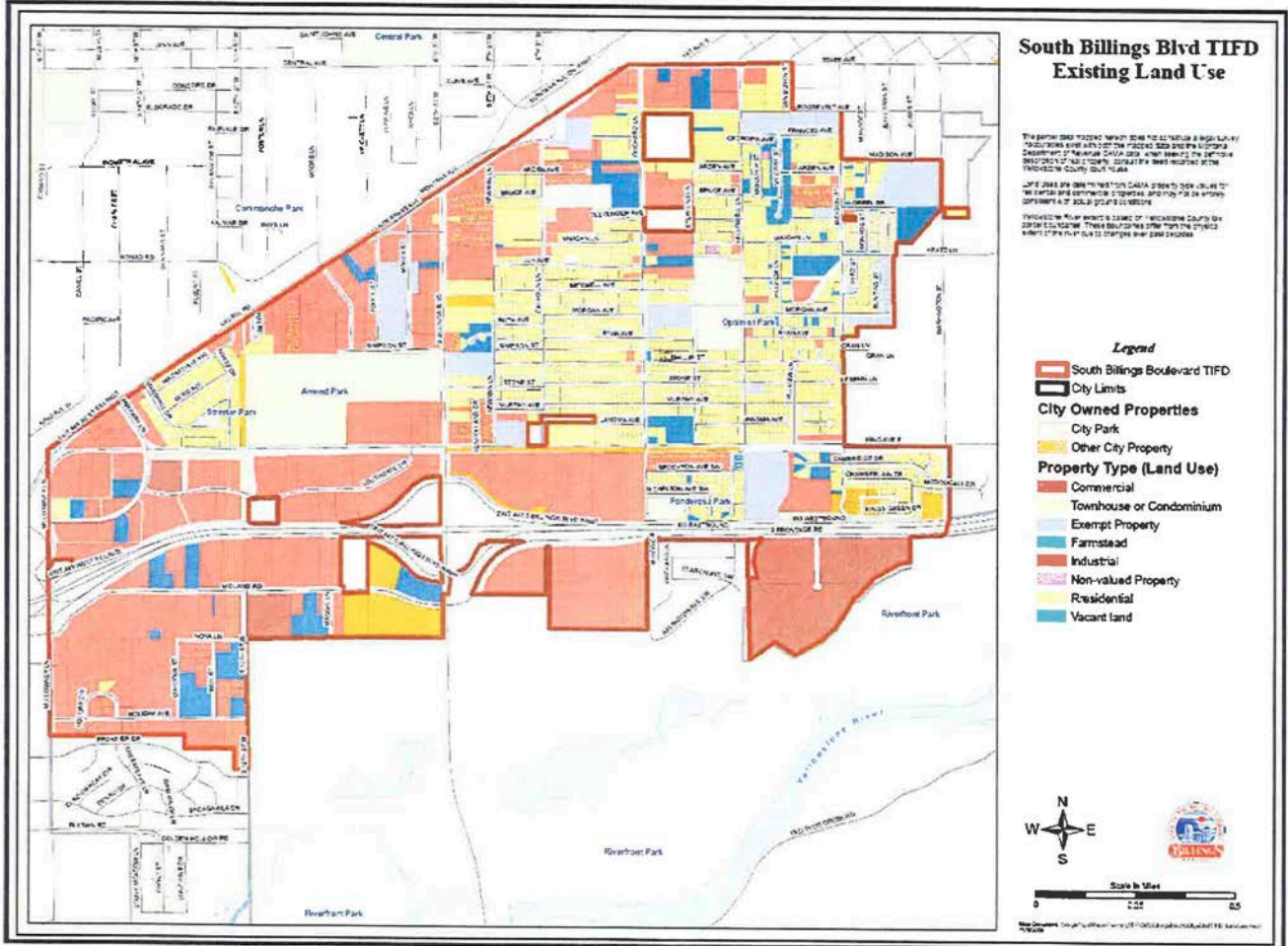
A closer look at this neighborhood shows an established area of mixed residential and commercial uses. This area also includes three elementary schools and one middle school. Some areas include unimproved streets with no sidewalk, curb, or gutter. In addition, many areas were not served by municipal water and sewer or there was old, inadequate water and sewer infrastructure. Many of the concerns raised by residents within the district center around routes for children to get to school, including bus routes that run on unimproved streets and children walking down the street instead of sidewalks to get to school. Many of these infrastructure deficits have been addressed as evidenced by the project list updates in Section 13 of this Plan.

Due to the location, the South Billings Boulevard Urban Renewal District has a tremendous amount of potential to become a major economic force. With the interstate corridor located in this district, the potential exists for this area to become a major destination place for retail, goods and services, manufacturing, and entertainment.

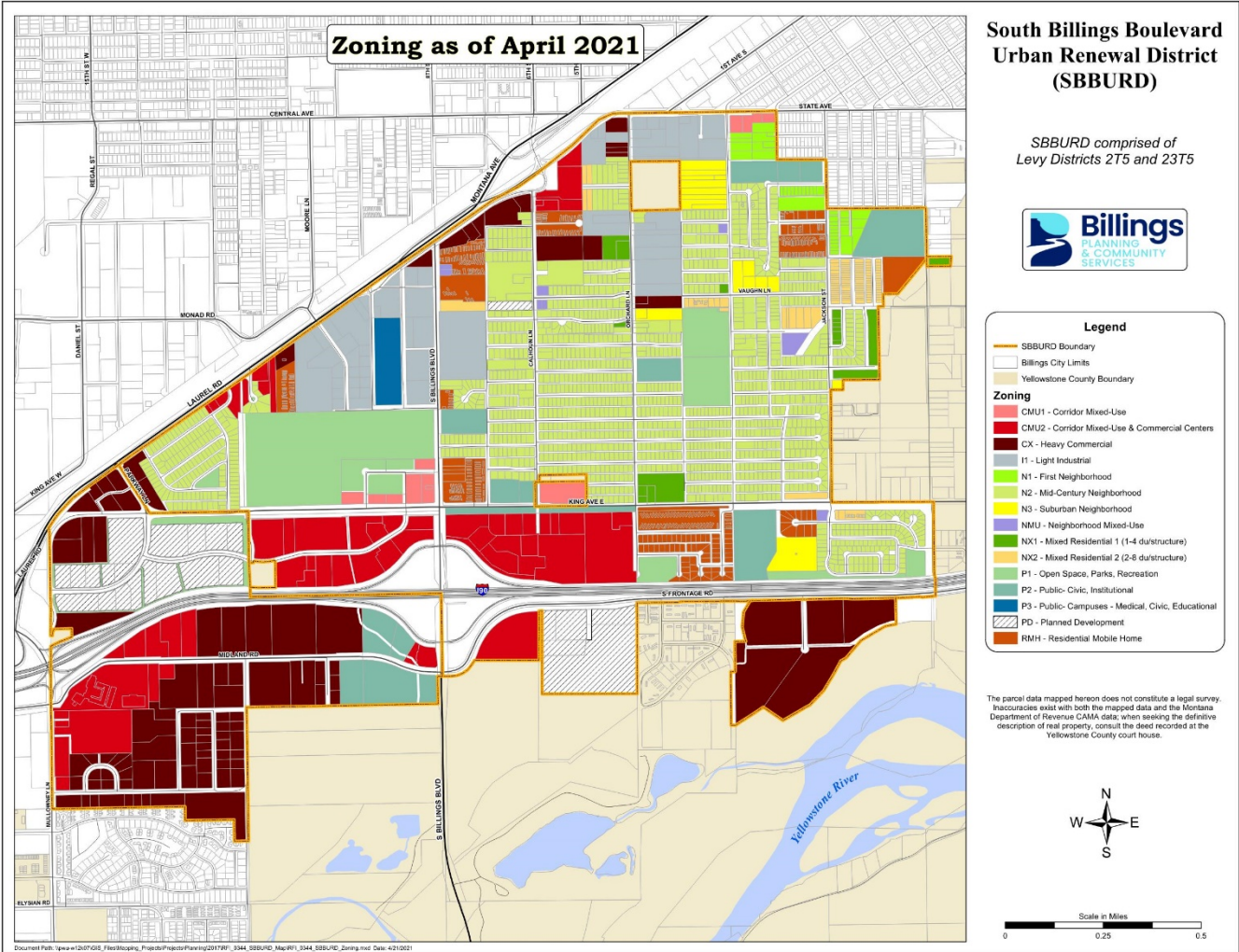
Map 1. South Billings Boulevard Urban Renewal District



Map 2 – Existing Land Uses



Map 3. South Billings Boulevard Urban Renewal District Existing Zoning



Section 4 - Description of Blight

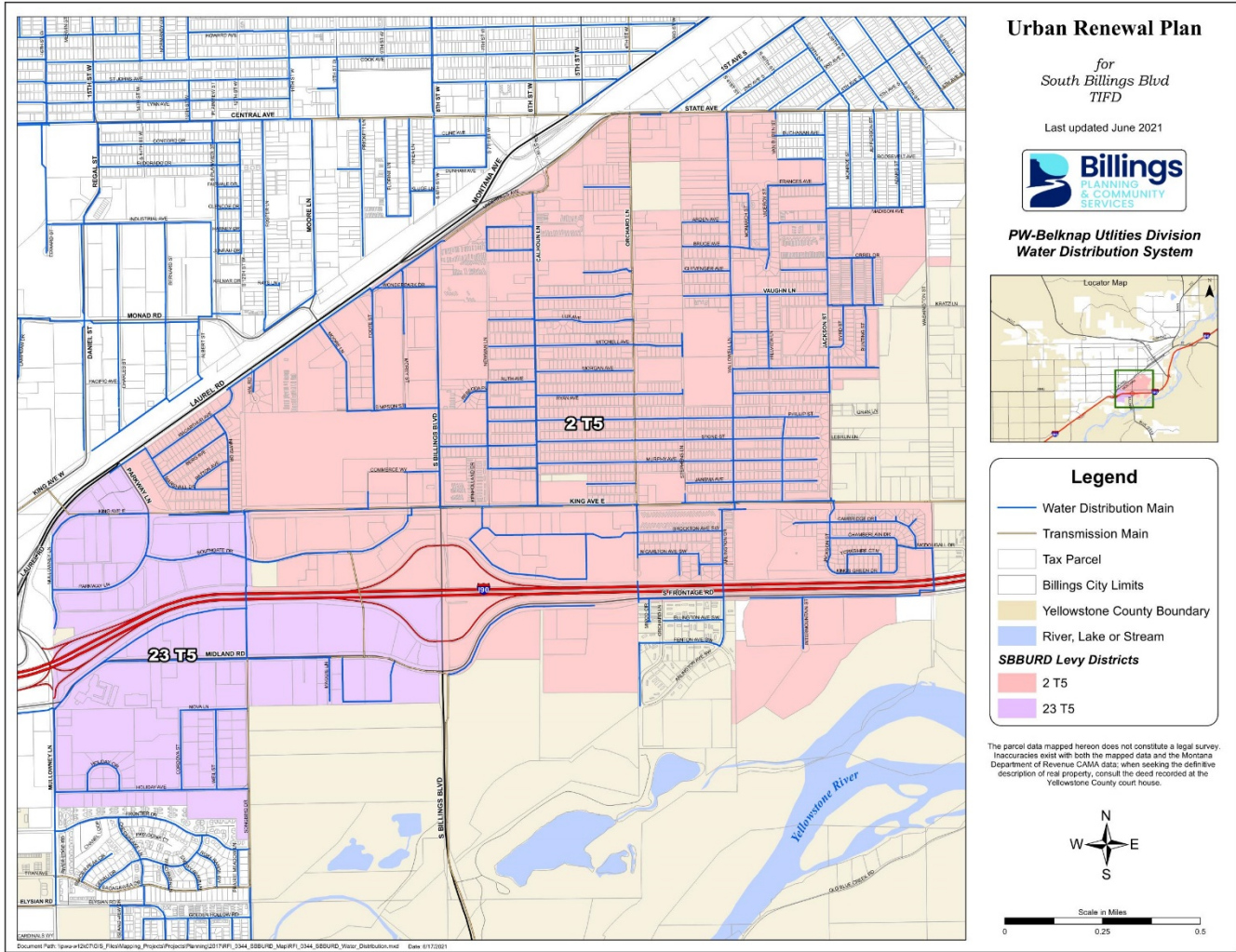
A requirement of Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, is to justify an urban renewal plan supported through a tax increment finance district through the determination of blight. Blight is defined as an area that is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime; substantially impairs the sound growth of the city or its environs; retards the provision of housing accommodation; or constitutes an economic or social liability or is detrimental or constitutes a menace to the public health, safety, welfare, and morals in its present condition and use, by reason of:

- the substantial physical dilapidation; deterioration; defective construction, material, and arrangement; or age obsolescence of buildings or improvements, whether residential or nonresidential;
- inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality;
- inappropriate or mixed uses of land or buildings;
- high density of population and overcrowding;
- defective or inadequate street layout;
- faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- excessive land coverage;
- unsanitary or unsafe conditions;
- deterioration of site;
- diversity of ownership;
- tax or special assessment delinquency exceeding the fair value of the land;
- defective or unusual conditions of title;
- improper subdivision or obsolete platting;
- the existence of conditions that endanger life or property by fire or other causes;
- any combination of the factors listed

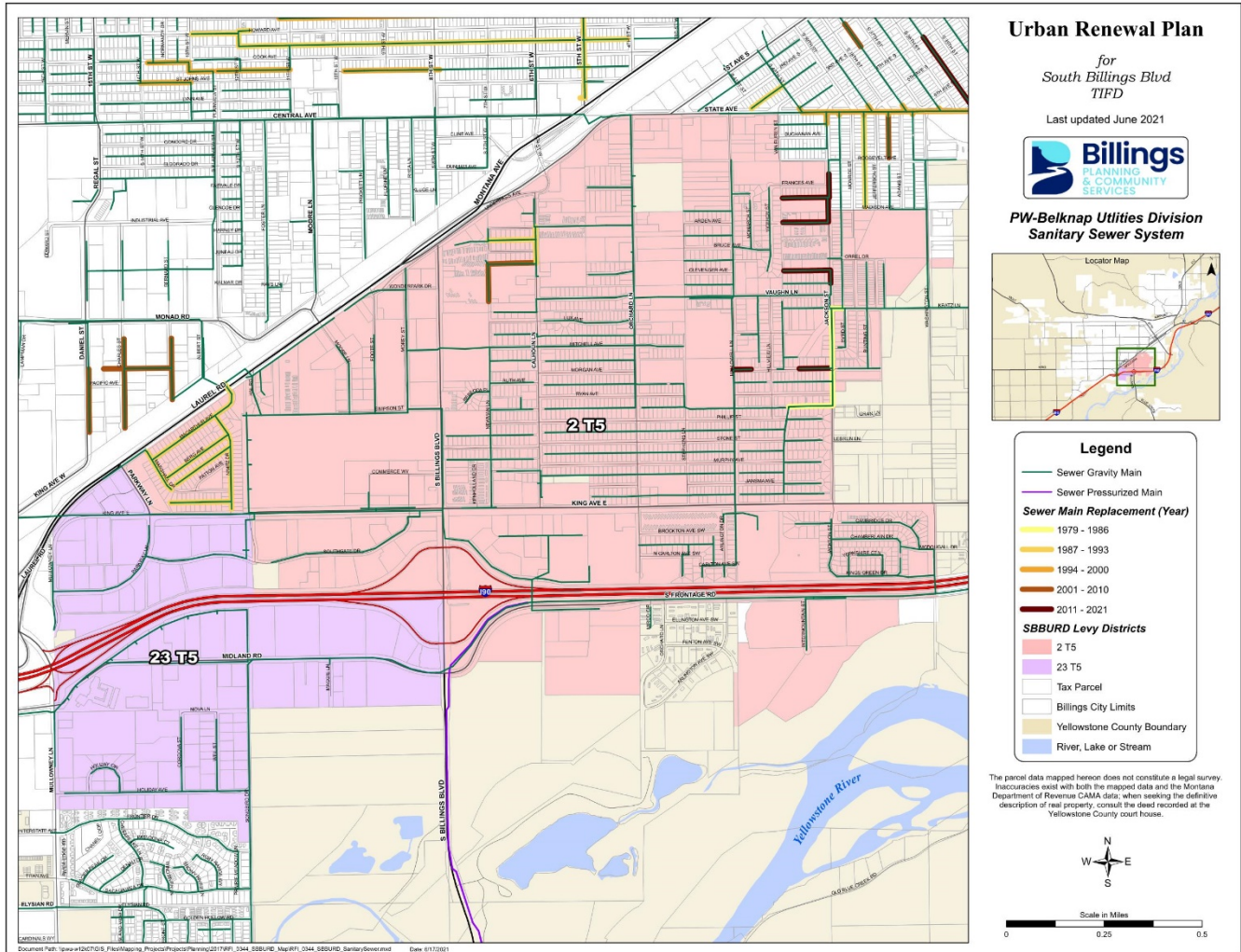
Section 5 - Summary of Blight

The area in the proposed district contains a great deal of blight. Within the district there is substantial structural deterioration, long-term land vacancy, and significant infrastructure needs. Several of the commercial buildings in the district are vacant or deteriorated and need demolition. Many of the sidewalks are cracked or nonexistent, alleys are deteriorated, and, in general, much of the area is below City standards. In contrast to the above, there are certain properties within the District in good repair but included in the District to allow for a contiguous block of land within the district; and because pockets of revitalization cannot be sustained if areas of neglect and blight surround them. Over time, without continued managed urban renewal, even these success stories will once again decline in taxable value. Portions of the District fall into the blighted, neglected, and under-utilized categories. Maps 4 and 5 show the past infrastructure conditions within the district.

Map 4. Water Distribution System.



Map 5. Sewer System



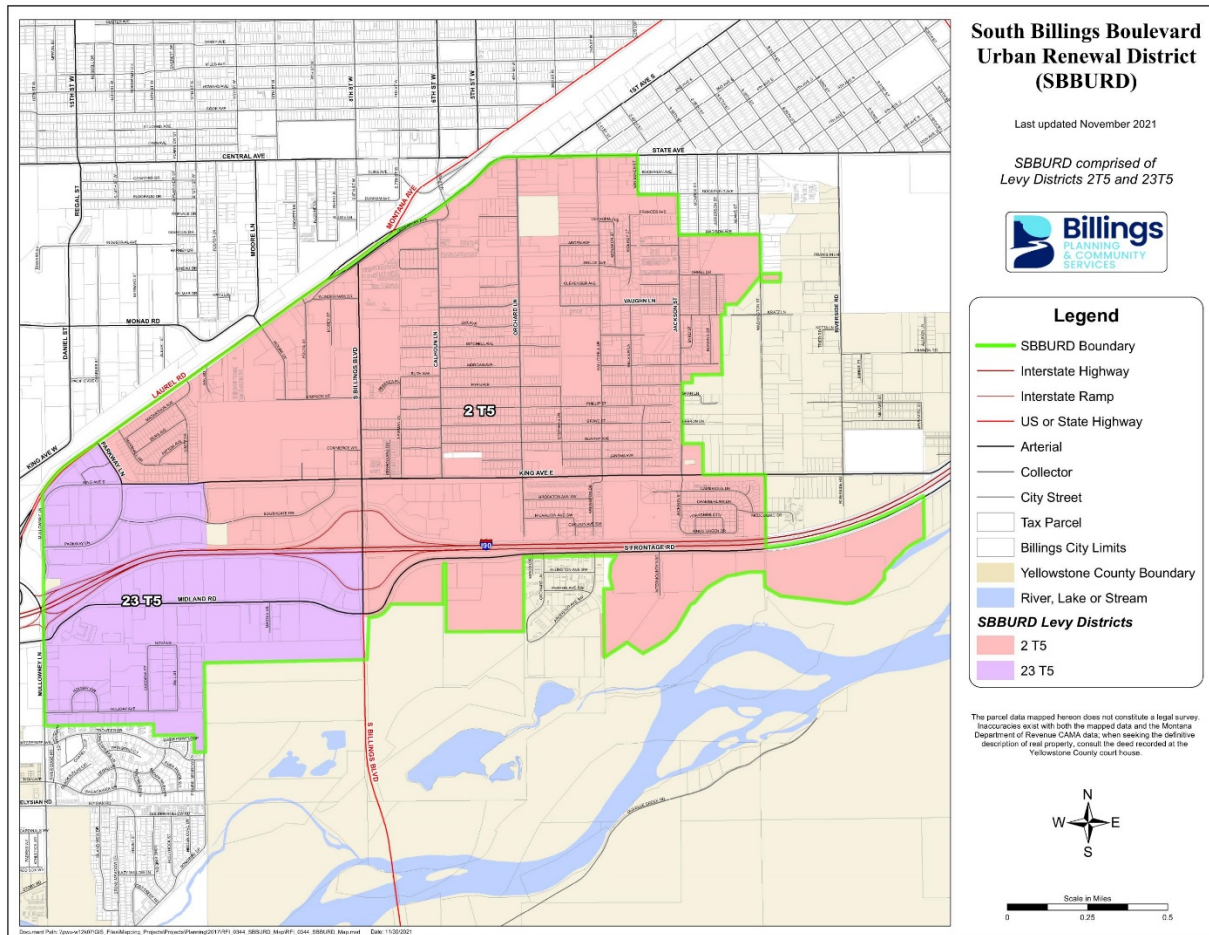
Section 6 - The Site and Its Relationship to the City

The South Billings Boulevard Tax Increment Finance District (“TIFD”) and Urban Renewal District is located in the south-center region of the City of Billings. Bordered by the Interstate corridor, the main railroad line and principal transportation routes, it is an area where economic development opportunities are numerous. In addition, numerous service-related, commercial, industrial, parks and recreation and housing choices are located within the District. Map 6 below shows the TIFD boundary in relationship to the rest of the city.

Section 7 - Description of the District Boundary

Starting at the intersection of State Avenue and Van Buren Street, thence in a southerly direction along the centerline of Van Buren Street to the intersection of Van Buren Street and Roosevelt Avenue, thence in an easterly direction along the centerline of Roosevelt Avenue to the intersection of Roosevelt Avenue and Jackson Street, thence in a southerly direction along the centerline of Jackson Street to the intersection of Jackson Street and Madison Avenue, thence in an easterly direction along the centerline of Madison Avenue to the intersection of Madison Avenue and Washington Street, thence in a southerly direction along the centerline of Washington Street to the intersection of the centerline of Washington Street and the extension of a line 10 feet north and parallel to the north line of the northern boundary of Lot 7, Willis Subdivision, thence in an easterly direction to the existing City of Billings city limit boundary, thence along said existing City of Billings city limit boundary to the north Right-Of-Way line of Interstate 90, thence in a southerly direction and crossing said Right-Of-Way to the south Right-Of-Way line of Interstate 90, thence in an easterly direction and along said south right-of-way to the extended east line of Certificate of Survey No. 1591, thence in a southerly and crossing South Frontage Road to the northeast corner of said Certificate of Survey point also being on the existing City of Billings city limit boundary, thence in a southerly and westerly direction and following said existing City of Billings limit boundary to a point which intersects with the extension of the southern boundary of Tract 1, C/S 2834, thence in a westerly and northerly direction along said southern boundary of Tract 1, C/S 2834 and southern boundary of Block 4 of Weil Subdivision to the intersection with the centerline of Mullowney Lane, thence in a northerly direction and along said centerline of Mullowney Lane and its projection to the centerline of Laurel Road, thence in a northeasterly direction and along said centerline of Laurel Road to its intersection with State Avenue, thence in an easterly direction and along said centerline of State Avenue to the point of beginning of intersection of State Avenue and Van Buren Street. Excluding all unincorporated land within the boundary.

Map 6. SBBURD Boundary in relation to City and County Limits in the area.



Section 8 - Planning Process

Stakeholder and Community Participation

The initial concept of developing a Tax Increment Finance District and an Urban Renewal Plan in the South Billings Boulevard area was brought forward by the City of Billings, Big Sky Economic Development Authority, and the Downtown Billings Partnership. After discussions and meetings with the Southwest Corridor Task Force, it was determined that a steering committee would be established to move forward with the development of an Urban Renewal Plan for the creation of the South Billings Boulevard TIF District. After discussions with the participating members, it was apparent that direct communication with business owners, landowners and public participation was critical for the project to be a success. Two public meetings were scheduled to open dialogue on the proposed Urban Renewal Plan and TIF District process, and to set goals and objectives of the project. It also became clear that a grass-roots effort conducted and led by the property owners themselves was needed.

In October of 2008, the City began an urban renewal plan modification process to include three additional properties to the district pursuant to Montana Code section 7-15-4221. All property owners affected by the urban renewal plan modification were notified by mail of the public hearing on the Urban Renewal Plan held November 24, 2008.

In May 2019, the City, in coordination with the South Billings Urban Renewal Association, began the process to amend the South Billings Urban Renewal Plan. All property owners affected by the urban renewal plan amendment were notified by mail of a public meeting to discuss and receive public comment on the Plan amendment on May 30, 2019. All property owners affected by the urban renewal plan amendment were also notified of the public hearing on the Urban Renewal Plan held July 8, 2019.

In summer 2020, City staff in coordination with the South Billings Urban Renewal Association and its consultant, began discussion of expanding the District Boundary to include additional properties. The proposed expansion was brought to the City Council at a December 2020 Work Session for review and discussion. The Council at that meeting directed staff to move the process to expand the District forward in 2021. All property owners whose property was proposed to be included in the District expansion were notified of the public hearing on the Urban Renewal Plan held July 12, 2021.

Urban Renewal Plan

The Urban Renewal Plan is the tool that governs what public improvements are needed and desired within the District. Through public meetings and meetings at the Southwest Corridor Task Force, neighborhood needs, and projects were identified.

With input from property owners and the identification of goals and objectives, the City of Billings moved forward with the completion of the Urban Renewal Plan. A draft was reviewed with the property owners and the Southwest Corridor Task Force prior to review by the City of Billings City Council.

The high level of transparency and frequency of meetings has ensured that a large local constituency has been involved, and as many stakeholders as possible participate and approve of the plan.

Eminent Domain

In no case shall eminent domain be used as a tool in the redevelopment of the South Billings Boulevard Urban Renewal District except as a last resort in the case of needed public infrastructure improvements and/or rights-of-way.

Residential Relocation Plan

If a residential structure requires relocation as a result of right-of-way acquisition and/or a public infrastructure construction project, that is partially or fully funded with federal assistance (Housing and Urban Development, Federal Highway, etc.), the City of Billings shall abide by the Uniform Relocation Assistance Act.

Planning, City Administration and Legal Review

During the many meetings with the local property owners and the Southwest Neighborhood Task Force, it was decided to begin the process of finalizing the urban renewal plan and take it to the City Council before the end of 2007. The Urban Renewal Plan was sent to the City Legal Department and City Administration for review and comments. Comments and recommendations from both City Legal and City Administration were taken into account and incorporated into this Plan.

The Plan was also sent to the Yellowstone County Board of Planning for its review and recommendations regarding the plan's conformity to the City's 2003 Growth Policy Plan. A recommendation of approval was passed by the Planning Board on October 23, 2007. The plan was then presented at a City Council Work Session on November 5, 2007. The public hearing and first reading of the Ordinance was held by the City Council on November 26, 2007 with the second reading and final adoption on December 10, 2007.

A modification to the SBBURD plan began in October of 2008. On November 10, 2008, the Billings City Council passed a Resolution Declaring Blight, Intent to Modify the District, and Setting a Public Hearing Date. The Yellowstone County Board of Planning reviewed the modified Urban Renewal Plan and made recommendations to the City Council regarding the Plan's conformity with the 2003 Growth Policy on November 12, 2008. The affected property owners were notified of the Plan's modification and public hearing notices were published on November 6, 2008 and November 13, 2008 for the first reading and public hearing on the modification of the Plan.

The City initiated an amendment to the Plan in May 2019 to ensure future projects contemplated by the City and via public comments and recommendations would be possible if funded by bonding or directly through tax increment funds generated by the SBBURD. The process to amend the Plan has followed the process described in Montana Code as follows: The Yellowstone County Board of Planning reviewed the modified Urban Renewal Plan and made recommendations to the City Council regarding the Plan's conformity with the 2016 Growth Policy on June 25, 2019. The affected property owners were notified by mailed postcard of the Plan's modification, and public hearing notices were published on June 28, 2019 and July 5, 2019 for the first reading and public hearing on the Plan amendment.

The City initiated an expansion to the SBBURD boundary in December 2020 to include additional properties in the District. The process to expand the District has followed the process described in Montana Code as follows: The Yellowstone County Board of Planning reviewed the modified Urban Renewal Plan and made recommendations to the City Council regarding the Plan's conformity with the 2016 Growth Policy on April 13, 2021. The City Council acted upon a Resolution of Intent to expand the boundaries of the District on May 10, 2021 and set a public hearing date to act on an ordinance to expand the District in July 12, 2021. The affected property owners were notified by mailed letter of the District expansion, and public hearing notices were published for the first reading and public hearing set for July 12, 2021.

Financial Programming

The City of Billings, to ensure a sound and adequate financial program to fund projects, has concluded the following: For every \$1 million dollars of increased market value, assuming Class 4 (commercial) property @ 3.01 % taxable rate and a mill levy of \$0.55, it is anticipated that an increment value of approximately \$14,500 will be generated yearly.

Modification of SBBURD Plan

The SBBURD may be modified at any time by the City Council as necessary to eliminate and prevent the development or spread of blighted areas and encourage urban rehabilitation. The process for plan modification shall follow the procedures set forth in 7-15-4212 through 7-15-4219 MCA, with respect to initial adoption of this Plan. For purposes of urban renewal district boundary changes only, the notice of public hearing, as described in 7-15-4215 MCA, may only be mailed to those owners whose properties are situated within the area of expansion or contraction of the Urban Renewal District boundaries. In cases where the boundaries are not modified, but the contents of the urban renewal plan are substantially modified, notification shall be mailed to all owners of property within the District area.

Section 9 - Housing (Conservation of Existing Affordable Housing)

Housing is an important element to the District. Providing the District with housing opportunities is vital to the sustainability of the District. With housing opportunities, individuals and families can live and work within the District. This provides a dual benefit; first, the commute to work for individuals will be reduced and second, the businesses within the District will have a local work force to draw from.

Current housing in the area consists of single-family, duplex, and multi-family units and include rental units and owner-occupied. Also, manufactured home parks are located within the District. The main concentration of housing is in the central and eastern portion of the District. During the summer of 2007, the Planning Division developed a map of existing housing conditions within the City of Billings. The information was generated through the Yellowstone County CAMA (Computer Assisted Mass Appraisal) detail system. Properties were queried that were labeled as either unsound, poor, fair, or incomplete. This resulted in approximately 2,390 properties within the city limits that met this query. Out of the 2,390 city properties, 562 or 24% were located in the SBBURD. Of the 562 residential structures, seven were rated as unsound, 184 as poor and 371 as fair.

Future housing for the District is encouraged to be developed for the goal of ownership. When rental housing occurs, such facilities shall be developed in connection with mixed-uses and managed by a company that will provide active policy measures to eliminate crime and blight. Approval of multi-family housing will require either a Zone Change or Special Review request that requires approval by the City Council.

Housing in the area shall also be designed to cater to a variety of income demographics as well. All current affordable housing needs in the District shall be accounted for through the development of owned and rental housing that remain within the District. Housing for mid- and higher-level income

groups shall also be encouraged. To avoid creation of substandard housing or encourage future blight, mixed-use housing developments shall incorporate all income demographics within the same project in a safe and positive way.

Section 10 - Transportation and Pedestrian Circulation

The transportation and circulation situation in the TIF District should be a major focus during redevelopment of the area. Traffic patterns and access issues can affect the function and livability of a community or neighborhood.

During discussions and public meetings, it was apparent the current street conditions and lack of adequate transportation and pedestrian facilities was a high priority for property owners. The majority of traffic that comes into the District is either pass-through or destination traffic to the major transportation routes located within the District. In addition, the lack of sidewalk and pedestrian routes is a concern with the number of schools and parks located in the District. Safe and attractive pedestrian amenities, such as sidewalks, boulevards, crosswalks, improved signage and shelters or benches would greatly enhance pedestrian experiences.

Section 11 - Public Services and Facilities

Currently there are four public schools located within the District; three elementary schools and one middle school. A concern mentioned many times by residents was the lack of sidewalks for school children to get to school. It was observed that many students are walking directly in the street due to a lack of sidewalks. The creation of a Safe Routes to School Plan should be created to address this concern. In addition to schools, there are several developed parks located in the District. Amend Park provides a multi-use facility for soccer and rugby as well as picnic sites and shelters. Optimist Park has a variety of amenities that include basketball courts, jogging trails, playground, softball and baseball fields and picnic areas. Ponderosa Park provides horseshoe courts, playground, softball and baseball fields and soccer and rugby fields. The City of Billings also provides services to the District with MET Transit and the Southgate Cop Shop. Currently two MET routes serve the neighborhood; the Central and the Southside Loop. Both of these routes travel to and from the Stewart Park and Downtown Transfer Centers. The Southgate Cop Shop was reopened in May of 2007 and operates on Monday, Wednesday and Friday from 4 - 7 p.m. The station is a neighborhood police contact center currently staffed by volunteers. Residents are encouraged to use the Cop Shop to report crimes, suspicious activities or obtain information and assistance.

Section 12 - Infrastructure and Utilities

The District has infrastructure and utilities deficiencies that need to be addressed prior to any large influx of redevelopment or new building construction. Water and sewer conditions need to be addressed due to out of date installations, inadequate lines, or increases in impacts to existing structures.

The storm water drainage situation is particularly troublesome as many areas either have inadequate storm water facilities or none at all.

By upgrading infrastructure and utilities, therein lies the opportunity for more attractive development opportunities.

Section 13 - Urban Renewal Projects and Programs

The Urban Renewal Projects were identified by property owners within the District during the public meetings at the time the Plan was first adopted in 2008 and also during the amendment process in 2019. Information for the 2008 Plan adoption process utilized the Southwest Corridor Task Force meetings and delivery through comments mailed to the Planning Division. For the 2019 amendment process, a public meeting was held at Orchard Elementary School on May 30, 2019 where projects ideas and comments were collected, as well as at the South Billings Urban Renewal Association meeting on June 4, 2019. It is the City's intent to use tax increment to finance public improvement projects. In addition to TIF financing, the City may also use Special Improvement District financing as well as grant funding through, but not limited to, the Community Development Block Grant Program. By combining funding opportunities, more projects will be able to be completed.

The project and program list below encompasses both items included in the 2008 Plan as well as the new project recommendations for the 2019 Plan amendment. The items are identified by the year:

2008 Project and Program Recommendations:

Project: Traffic calming measures on Calhoun and Orchard Streets. (Completed)

Project: Street improvements on Newman Drive between Simpson and Stone Streets, install curb and gutter. (Completed)

Project: Pave, curb, and gutter on Simpson from Calhoun to Newman.

Project: Widen, curb and gutter (where needed) and repave Calhoun the full length. (Completed)

Project: Widen, curb and gutter (where needed) and repave Orchard the full length. (Completed)

Project: Widen, curb and gutter (where needed) and repave Hallowell the full length. (Under Construction 2021)

Project: Widen, curb and gutter and install bike path or sidewalk the full length of King Avenue East from Parkway to Riverside Drive. (Completed to Jackson Street)

Project: Safety to school plan. (SRTS Maps Updated, Plan Update in 2021/2022)

Project: Crosswalks within the District (where needed).(In Progress)

Project: Sidewalks within the District (where needed). (In Progress)

- Project:** Street lights along King Avenue East. (In Progress)
- Project:** Street widening at Optimist Park. (Addressed with Hallowell Lane Project)
- Project:** 4100 Block of Vaughn Street - sidewalk. (Included in FY22 CIP – Jackson to Hallowell)
- Project:** 4100 Block of Vaughn - public sewer needed, drain fields failing. (Included in FY22 CIP – Jackson to Hallowell)
- Project:** Bike/pedestrian routes along King Avenue. (Mostly Completed, section east of Jackson Street)
- Project:** Sewer improvements on South Billings Boulevard from Mitchell north to Underpass Road. Sewer line currently runs east under adjoining residential development. (Completed)
- Project:** Repave Morgan Avenue between Hallowell Lane and Jackson Street include sidewalks, streetlights. (Included in FY22 CIP)
- Project:** Install public sewer along Morgan Avenue that includes storm water improvements. (Included in FY22 CIP)
- Project:** More bike trails throughout neighborhood. (In Progress)
- Project:** Park improvements for Little League and soccer leagues. (Amend Park and Optimist Park projects addressing this need)
- Project:** Community Resource Officer within the neighborhood to steer kids away from drugs and promote a safe neighborhood. (Coordination between SD#2 and City PD is ongoing)
- Project:** Pave Newman Lane behind Newman Elementary School. (Completed)
- Project:** Storm water improvement at the Northeast corner of Phillip and Hallowell. (Addressed with Hallowell Lane Project)
- Project:** Need school zone signage at Newman Elementary School. Completed)
- Project:** Installation and improvement of municipal water and sewer lines within the District. (Completed)
- Project:** Installation of sidewalks on Jackson Street (where needed). (In Progress)
- Project:** Stop light at South Billings Boulevard and Midland Road. (Completed)
- Project:** Neighborhood wide traffic study for traffic calming strategies. (In Progress through SRTS and Complete Streets efforts)

Project: Assess adequacy of fire hydrants throughout the neighborhood and add fire hydrants as needed. (Not Completed)

Project: Traffic light at State Avenue and Hallowell Lane. (Completed)

Project: Continuation of streetlights on Jackson to King Avenue. (Not Completed)

In addition to property owner identification of projects for the District, the City of Billings Public Works Department has several ongoing or future infrastructure projects scheduled. These projects include the following:

- **Orchard Lane** - Replacement of a water main in Orchard Lane from just south of King Avenue East to Underpass Avenue. (Completed)
- **Calhoun Lane** – Replacement of water main in Calhoun Lane from King Avenue East to Underpass Avenue. (Completed)
- **Jackson Street** - Jackson Street is split into two phases. The first phase will provide sidewalk and drive approaches on the west side of Jackson Street from King Avenue East to Ryan Avenue. The second phase will provide drive approaches, sidewalk, curb and gutter, and ADA ramps along both sides of Jackson Street from State Avenue to Kratz Lane. (Completed)
- **Newman Lane and Bruce Avenue** - Sanitary sewer rehabilitation work was completed in the TIF District in 2007 at Newman Lane and Bruce Avenue.

2021 SBBURD Gravel Street Inventory – Programming in Current or Future CIP

Branch Name	To	From
ARDEN AVE	JACKSON STREET	VICEROWY STREET
BRUCE Ave	HALLOWELL	STEPHENS
CLEVENGER AVENUE	600' W OF JACKSON ST	JACKSON ST
FRANCES AVENUE	ORCHARD LANE	END W. ORCHARD LANE
HILLVIEW LANE	MORGAN AVE	ALLEY N OF PHILLIP STREET
HILLVIEW LANE	VAUGHN LANE	MITCHELL AVENUE
HOLIDAY AVENUE	SONGBIRD DRIVE	WELL STREET
MCDUGALL DRIVE	CUL-DE-SAC E OF WASHINGTON STREET	WASHINGTON STREET
MITCHELL AVENUE	HILLVIEW	HALLOWELL
MONROE STREET	MADISON AVENUE	371'S. MADISON AVE
MOREY STREET	UNDERPASS AVENUE	WONDERPARK DRIVE
MOREY STREET	END OF GRAVEL	SIMPSON STREET
MULLOWNEY LANE	320' N/O PARKWAY LN	130' S/O PARKWAY LANE
NEWMAN LANE	LUX AVENUE	RUTH LANE
NOVA LANE	SONGBIRD DRIVE	WELL STREET
RYAN AVENUE	JACKSON STREET	HALLOWELL LANE
SONGBIRD DRIVE	MIDLAND ROAD	FRONTIER DRIVE
STEPHENS LANE	ARDEN AVENUE	VAUGHN LANE
STEPHENS LANE	SIMPSON STREET	RYAN AVENUE
STEPHENS LANE	ALLEY N OF JANSMA AVENUE	ALLEY S OF JANSMA AVE
VAUGHN LANE	JACKSON	HALLOWELL

FY 2022 SBURD Project

FY 2021 City Project and SID

Proposed Future CIP Inclusion

2019 Project and Program Recommendations:

Parks & Recreational Amenities – Construct and enhance public facilities that will increase the quality or quantity of parks and recreational activities within the District. This may include, but is not limited to, a recreation center, swimming pool, ice arena, indoor and outdoor park development, and other amenities.

Public Safety – Construction of Police or Fire facilities within the District, to include necessary furnishings for such facilities.

Railroad Infrastructure – Coordinate with BNSF Railway and Montana Rail Link on safety and long-term viability of railroad crossings and corridors in the District and cooperate on projects with the railroads and City of Billings.

Walking Paths and Trails – Construct sidewalks, trails, and pathways throughout the District with landscaping to ensure the safety of children and all pedestrians, as well as provide access to neighborhoods and services.

Transportation Corridor Improvements – Construct and reconstruct transportation infrastructure in the District to include streets, sidewalks, lighting, traffic control, multi-purpose side paths, landscaping, water, sewer, stormwater, and transit access projects.

School and Community Services – Assist in funding projects and programs in the District to enhance school playgrounds and athletic fields, health and wellness programs, access to community meeting and activity spaces, and other efforts that improve access to school and community services.

Section 14 - Identified Projects and Programs in Relationship to the Goals and Objectives Respective to the 2016 City of Billings Growth Policy

One of the requirements of Montana's Urban Renewal Law (Title 7, Chapter 15, Parts 42 and 43, MCA) is that the urban renewal plan must conform to the community's growth policy. On April 13, 2021, the Yellowstone County Board of Planning acted affirmatively on a recommendation to the City Council as to the SBBURD expansion's consistency with the 2016 City of Billings Growth Policy. The 2016 City of Billings Growth Policy ("Growth Policy") refers to and promotes economic development and urban renewal in a variety of ways. The preceding list of urban renewal goals listed in Section 13 are relevant to the Growth Guidelines identified in the Growth Policy in the following areas:

Growth Guidelines

Essential Investments (relating public and private expenditures to public values)

- The safety of all users and the connectivity of the transportation system are important criteria to consider in roadway designs and transportation plans.
- Public transit and commercial air service are critical to ensure access to and around the City.
- Planning and construction of safe and affordable interconnected sidewalks and trails are important to the economy and livability of Billings.
- Developed parks that provide recreation, special amenities (community gardens, dog parks, viewing areas), and active living opportunities are desirable for an attractive and healthy community.
- Landscaping of public rights-of-way and entryways makes Billings more visually appealing to residents and visitors.
- Public health and safety and emergency service response are critical to the well-being of Billings' residents, businesses, and visitors.
- Infill development and development near existing City infrastructure may be the most cost effective.
- The history and heritage of Billings are cornerstones of our community.

- Neighborhoods that are safe and attractive and provide essential services are much desired.
- Infrastructure and service investments that stabilize or improve property values, secure future utility costs, consider maintenance costs, and improve our environmental quality far into the future (i.e. energy efficient) are desirable
- A supportive school system that inspires, motivates, and prepares students for meaningful employment is important for ensuring a high quality, competitive community.

Place Making (Enhance, maintain, preserve, and improve existing public places)

- A multi-use community recreation facility is desirable.
- Enhancement and maintenance of public spaces and buildings through City stewardship is integral to a vibrant community.
- Park master plans and transportation plans are important to facilitate the preservation and improved public access to the Yellowstone River and the Rims
- Public and private partnerships are valuable for creating enhanced entryways into Billings.
- Enhancing public buildings and spaces to be more efficient in their uses of energy, money, and space is important to having a vibrant and livable City.

Community Fabric (attractive, aesthetically pleasing, uniquely Billings)

- Developed landscape areas in commercial areas encourage more pedestrian activity and vibrant commercial activity.
- Attractive streetscapes provide a pleasant and calming travel experience in urban and suburban neighborhoods.
- Outdoor public spaces provide casual and relaxing gathering areas for people.
- Planning and construction of interconnected sidewalks and trails are important to the livability of Billings.
- Cost-effective landscaping of public rights-of-way and entryways makes Billings more visually appealing to residents and visitors.

Strong Neighborhoods (livable, safe, sociable, and resilient neighborhoods)

- Walkable neighborhoods that permit convenient destinations such as neighborhood services, open space, parks, schools, and public gathering spaces foster health, good will and social interaction.
- Safe and livable neighborhoods can be achieved through subdivision design that focuses on complete streets, pedestrian-scale streetlights, street trees and walkable access to public spaces.
- Implementation of the Infill Policy is important to encourage development of underutilized properties.

Home Base (healthy, safe, and diverse housing options)

- A mix of housing types that meet the needs of a diverse population is important.

- Common to all types of housing choices is the desire to live in surroundings that are affordable, healthy, and safe.
- Homes that are safe and sound support a healthy community.

Mobility and Access (transportation choices in places where goods and services are accessible to all)

- Connecting people to places with transportation choices is vital to the well-being of Billings’ residents, businesses, and visitors.
- Safe and accessible transportation systems benefit everyone’s quality of life.
- Affordable public transit is much desired.
- Development oriented to transit routes will provide more transportation choices and is preferred.
- “Safe Routes to Schools” promotes physical health and reduces vehicle trips, earning parents more time and less costs for transportation.
- Planning and construction of interconnected sidewalks and trails are important to the economy and livability of Billings.
- On-street bike facilities promote predictability for all users
- Technology can reduce congestion and facilitate emergency vehicle travel at railroad crossings.

Prosperity (promoting equal opportunity and economic advancement)

- Predictable, reasonable City taxes and assessments are important to Billings’ taxpayers.
- Successful businesses that provide local jobs benefit the community.
- Community investments that attract and retain a strong, skilled, and diverse workforce also attracts businesses.
- Retaining and supporting existing businesses helps sustain a healthy economy.

Section 15 - Neighborhood Planning

Another tool that is expected to be used in the future to address current conditions within the District and the identification of neighborhood needs will be accomplished through the creation of a Neighborhood Plan. A neighborhood plan may be drafted for this area of Billings in the next three or four years based on available funding. The purpose of the neighborhood plan is to assist residents, governing agencies, planners, and developers in making the right choices when determining future growth patterns and development within the neighborhood. The plan also encourages local government, developers, and businesses to discuss future land use decisions with neighborhood residents and business owners prior to the proposed land use change. The neighborhood plan is not a regulatory document; instead, it is adopted by the City Council and the Board of County Commissioners as an implementation strategy and is part of the City of Billings and Yellowstone County Growth Policy as an advisory document. The neighborhood plan would be implemented through the City's Capital Improvement Program Planning and by the Southwest Corridor Neighborhood Task Force.

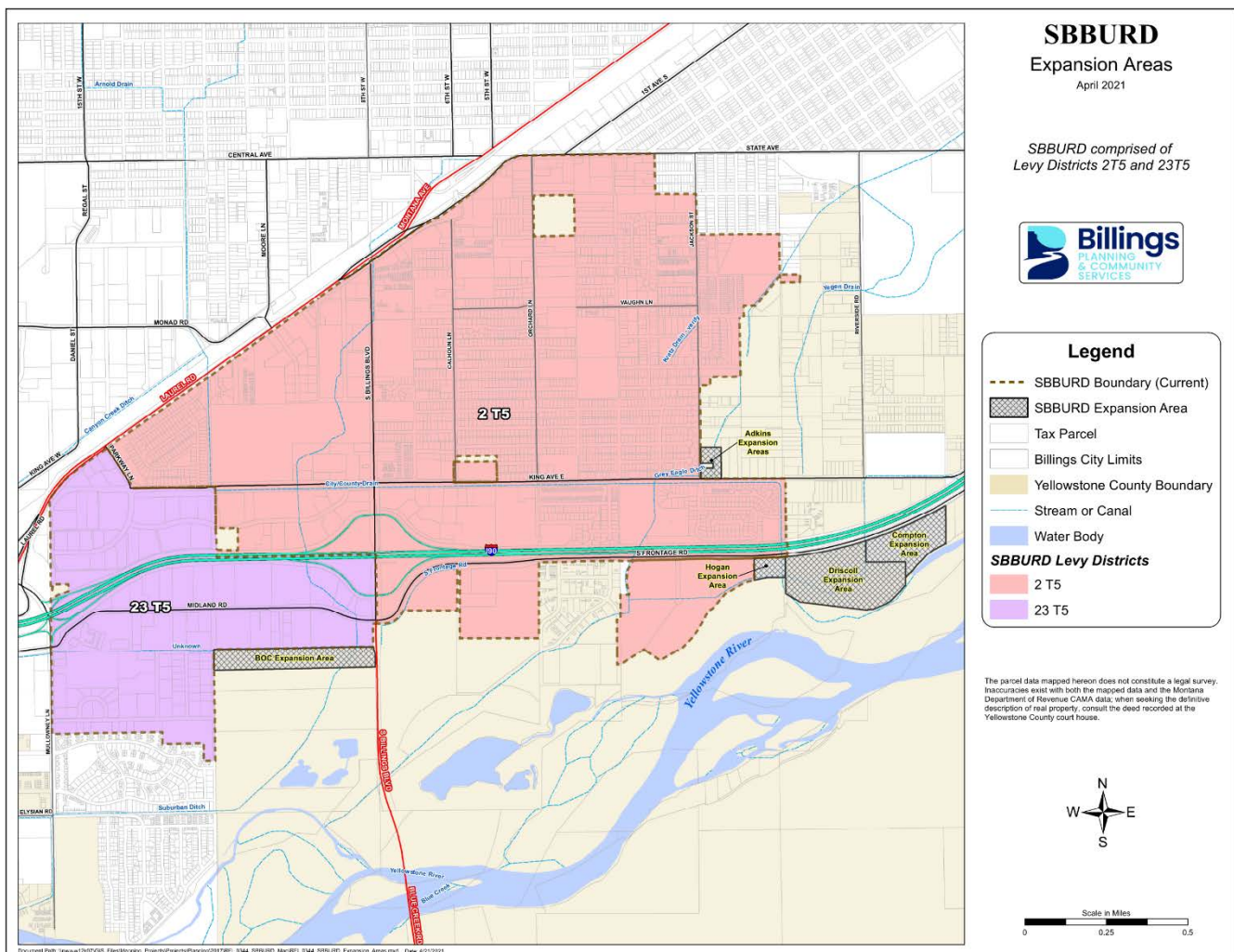
The plan would include general and specific recommendations that reflect the values of the community, encourage sound decision-making, and empower people to take action. The plan also

includes realistic implementation strategies that involve both private and public actions, as well as regulatory decisions.

Section 16- Conclusion

The South Billings Boulevard Urban Renewal District has a tremendous amount of potential to become a viable and reliable economic engine. The District has a great potential to become a destination place where Billings residents, business owners, and visitors will purposefully go to conduct business, have goods and services manufactured and enjoy recreation and leisure activities. At the end of the life of this TIFD program it is the hope of all involved that this area of Billings will be a wonderful place to live, work and play far into the future.

Appendix I – 2021 Expansion



BIRD OPERATIONS BUDGET for EBURD FY 2026			
	Income		FY26
	City of Billings budget remittance		165535
	Expenses		
	Payroll Expenses		
	EBURD salaries		120000
	Health Insurance Supplement		12550
	FICA taxes, Unemployment, Worker Comp.		8000
	Total Payrol		140550
	Operation Expense		
	Advertising, marketing, property notificati		750
	Computer/Website		3500
	Contract services - accounting		4500
	Professional services & personnel		5250
	Insurance		3000
	Meetings		2500
	Office Rent & Utilities		15000
	Office supplies		2500
	Travel & Training		1200
	Miscellaneous		1000
	Total Operations		39200
	Annual Budget Request		179750

2015 EXPANSION OF THE BILLINGS, MONTANA EAST BILLINGS URBAN RENEWAL DISTRICT, WITH TAX INCREMENT, AND AMENDMENT TO THE URBAN RENEWAL PLAN

FOR CITY OF BILLINGS AND PLANNING REVIEW
February 2015

Prepared by



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SECTION 1 – INTRODUCTION

On November 16, 2006, the City Council adopted Ordinance #06-5395 that (a) created the East Billings Urban Renewal District (EBURD) and (b) adopted an urban renewal plan for the district. For reasons discussed in this Amendment to the East Billings Urban Renewal District Plan (“Plan”), it has been determined that the EBURD should be expanded to include other contiguous blighted properties in need of redevelopment. Further, it has been determined that this area has been and is in need of expanded public parking, enhanced pedestrian connections and experiences, improved public safety, and infrastructure improvements to public and private properties that will alleviate flooding issues and lead to increased taxable values. The existing urban renewal plan may be modified by ordinance in accordance with the procedure described in M.C.A. § 7-15-4221. The Urban Renewal Plan of the EBURD approved by the City Council on November 16, 2006, is included by reference as part of this amended Plan and shall remain applicable except to the extent the original plan is explicitly or impliedly amended by this Plan. It is recognized as part of this Plan that the basic vision of the document known as EBURD Master Plan, adopted by the Billings City Council on September 14, 2009 (Resolution #09-18878) and by the Yellowstone County Commissioners on September 29, 2009 (Resolution #09-66), remains valid and should be considered a part. In addition, it is recognized that as part of this amended Plan, the basic vision of the document known as the Exposition Gateway Plan, approved by the Yellowstone County Commissioners on May 28, 2013, and adopted by the Billings City Council on June 24, 2013 (Resolution #13-19289) also remains valid and should be considered a part. The terms defined in “Part A.III – DEFINITIONS” of the EBURD Urban Renewal Plan shall have the same meanings in this Plan unless a contrary meaning is expressed. The expanded district proposed in this Plan is hereafter referred to as the 2015 Expanded EBURD.

SECTION 2 – BACKGROUND

The original East Billings Urban Renewal District, a tax increment finance district, was created on November 16, 2006, by a resolution which stated that it was desirable for the City to consider an urban renewal project within the District, and found that the area contains structures and property in states of substantial deterioration, properties that are obsolete or defective, posing unsanitary or unsafe conditions, are vacant and unused, and have inappropriate uses, and that the present condition of the area substantially impairs the sound functioning of the area and its environs. The Council found that the area is a blighted area within the meaning of MCA 7-15-4210, and stated that “rehabilitation, redevelopment, or a combination thereof is necessary in the interest of public health, safety and welfare of the residents.” The

Council found that undertaking measures to eradicate or diminish the blight will help to foster a more dynamic, livable, and vibrant neighborhood.

Progress has occurred within the District, as evidenced by: 1) increase in taxable value: base year value of \$1,800,794, increased to a 2014 value of \$2,502,968 (*Montana Department of Revenue Form AB-72T, 8-4-2014*); 2) successful approval of both the EBURD Master Plan and the Exposition Gateway Plan; 3) successful implementation of the recommended Parking Overlay District; 4) accomplishment of the recommended two-way streets conversion; 5) completion of EPA Brownfields Program environmental assessments on 23 parcels; 6) successful adoption of the EBURD Zoning Code; 7) completion of a Hospitality Corridor Study; and 8) approval of a project to address flooding, storm water management, and infrastructure improvements in the eastern-most portion of the District. However, many of the undesirable conditions continue to exist, and several out-of-City properties adjacent to the District have now petitioned and been approved for annexation into the City (City Council meeting, 1-26-2015). Therefore, it would be in the best interest of the City to expand the District to encompass adjacent properties, construct needed public infrastructure improvements, increase growth of the tax base, increase the parking inventory, increase the inventory of residential property, stimulate mixed-use development, and further implement the visions of the EBURD Master Plan and the Exposition Gateway Plan, both of which are consistent with the adopted City-County Growth Policy.

Although there has been improvement in the valuation of property in much of the District, the area defined by this proposed expanded tax increment district still has pockets of neglect and blight. The 2015 Expanded EBURD creates an opportunity to continue redevelopment in the center of Billings with a mixture of public and private investment.

The 2015 expansion of the EBURD is essential to planned development along Exposition Drive/Main Street, across from the MetraPark facilities. Public infrastructure construction within this expanded District will spur private investment consistent with the EBURD Master Plan, and especially pertinent to the vision of the Exposition Gateway Plan. It is expected that the expanded District may help fund the following projects:

I. Business Programs and Projects

- a. Business Retention and Recruitment
 - i. Targeted assistance to existing and potential businesses
 - ii. Development of “The EBURD Advantage” marketing materials

- iii. Collaboration with and referral to Big Sky Economic Development and its business assistance programs

II. Parking and Transportation

- a. Facilitate public transit and bicycle/pedestrian-friendly growth and development
- b. Collaborate with City regarding parking management practices and programs consistent with the Parking Overlay District
- c. Plan for future needs regarding parking lots and/or structures

III. Management, Implementation and Maintenance

- a. Billings Industrial Revitalization District, Inc. or its successor, management agreement
 - i. Project development
 - ii. Public awareness
 - iii. Advocacy and liaison between public and private sectors
- b. Potential future development of Business Improvement District
 - i. Development and promotion of a MetraPark-to-Downtown Corridor through the EBURD
 - ii. Crime prevention and public safety:
Cooperative Security and/or Business Watch Program

IV. Infrastructure Improvements

- a. Public
 - i. Public parking
 - ii. Landscaping and park development
 - iii. Street construction/improvements
 - iv. Streetscapes and traffic calming plans
 - v. Sidewalks, curbs and gutter improvements
 - vi. Storm water management
 - vii. Water and waste-water line construction/improvements
 - viii. Relocation of public and private utility lines

In order to make it possible to move forward with the much-needed infrastructure improvement projects referenced above, the Yellowstone County Board of County Commissioners transferred any interest it had in the public right of way on several streets within the Exposition Gateway area to the City of Billings, with Resolution 15-23, passed on March 10, 2015.

- b. Public infrastructure improvements will support investments in:
 - i. Workforce housing development
 - ii. Parking facilities
 - iii. Lodging facilities
 - iv. Conference facilities
 - v. Entertainment venues
 - vi. Retail and restaurant enterprises

V. Housing Improvements

- a. Increase in workforce housing and live-work mixed-use projects

- b. Revitalization and redevelopment of sub-standard residential housing stock

SECTION 3 – SUMMARY OF BLIGHT FINDINGS

The area in the proposed 2015 expansion of the EBURD contains blight, particularly those parcels directly west of the MetraPark facilities which host events that attract hundreds of thousands of visitors each year. Within the district there is structural deterioration, under-utilized structures and vacant lots, and a railroad spur line that is little used. A major issue that rises to the forefront in every planning discussion is that of inadequate storm water management. Without curb and gutter to direct its flow, water pools in low spots and floods buildings. Several of the commercial buildings in the district are deteriorated and/or vacant and need demolition or renovation. Sidewalks are cracked or non-existent; alleys are deteriorated, and, in general, much of the area is below accepted standards. In contrast to the above, there are certain properties within the district in good repair but included in the district to allow for a contiguous block of land within the district and because pockets of revitalization cannot be sustained if areas of neglect and blight surround them. Over time, without ongoing managed urban renewal, even these success stories could once again decline in taxable value.

SECTION 4 – DESCRIPTION OF BLIGHTED AREA

The 2015 expanded urban renewal area described for this amended Plan incorporates most of the Exposition Gateway area, including those properties annexed in January 2015. Major flooding problems occur with rainstorms, as the infrastructure is inadequate for storm water flow and drainage. The subject properties have been used as car sales lots, truck and truck parts sales, vacant lots partially used for equipment storage, as well as some active business enterprises. Many of these structures are unsuited to their current uses because of age obsolescence and physical deterioration.

Montana's Urban Renewal Law (Montana Code Annotated Title 7, Chapter 15, Parts 42 and 43) provides the authority to declare the existence of blighted areas and to target them for improvements. "Blighted area" is defined in Section 7-15-4206(2), M.C.A., as follows:

[A]n area that is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime; substantially impairs or arrests the sound growth of the city or its environs; retards the provision of housing accommodations; or constitutes an economic or social liability or is detrimental or constitutes a menace to the public health, safety, welfare, and morals in its present condition and use, by reason of:

- (a) *the substantial physical dilapidation; deterioration; defective construction, material, and arrangement; or age obsolescence of buildings or improvements, whether residential or nonresidential;*
- (b) *inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality;*
- (c) *inappropriate or mixed uses of land or buildings;*
- (d) *high density of population and overcrowding;*
- (e) *defective or inadequate street layout;*
- (f) *faulty lot layout in relation to size, adequacy, accessibility, or usefulness;*
- (g) *excessive land coverage;*
- (h) *unsanitary or unsafe conditions;*
- (i) *deterioration of site;*
- (j) *diversity of ownership;*
- (k) *tax or special assessment delinquency exceeding the fair value of the land;*
- (l) *defective or unusual conditions of title;*
- (m) *improper subdivision or obsolete platting;*
- (n) *the existence of conditions that endanger life or property by fire or other causes; or*
- (o) *any combination of the factors listed in this subsection (2).*

The land being added to the Plan area in 2015 includes 14 property tax codes, as listed in Exhibit A, with total assessed value of \$4,871,639. As noted in the 2006 approved Urban Renewal Plan, there are specific “target areas” that should be immediately considered for redevelopment. The properties on Exposition Drive represent an immediate opportunity to capitalize on the traffic generated by MetraPark events.

The EBURD area is part of Census Tract 2, with a population of 3,751. Within the tract, 28.98 percent of residents live below the Federal Poverty Line, with an estimated 2014 median family income of \$30,263. By comparison, in the greater Billings population of 109,059, only 13.1 percent live below the Federal Poverty Line. ([www.ffiec.gov/geocode/CensusDemo 07-01-2014](http://www.ffiec.gov/geocode/CensusDemo%2007-01-2014) & <http://quickfacts.census.gov>.)

There are 1,995 housing units in Tract 2, with 61.7 percent of the units (1,231) built prior to 1960 (55 years ago or more). Of those 1,231 older units, 546 were built in 1939 or earlier. Of the 446 owner-occupied housing units in the tract, 96 percent (428) are valued at less than \$200,000. In fact, 85 of the 446 units (19.1 percent) are valued at less than \$100,000. Indeed, there are a few occupied housing units (16) that lack complete plumbing and/or kitchen facilities. The tract holds 1,243 units where occupants are paying rent. The majority of renters (52.4 percent) pay between \$500 and \$749 per month. However, 29.2 percent (363 renters) pay between \$200 and \$499 per month. There are even a number of renters (23) living in units at less than \$200 per month. Census Tract 2 has a somewhat transient population. Of the 1,689 households, 83.9 percent, or 1,418 householders, moved into the current unit in 2000 or more recently.

Only 16 percent, or 271 householders, have resided in the current unit since 1999 or prior years. (*U.S. Census Bureau, 2008-2012 American Community Survey 5-year Estimates, Table DP04 10-22-14.*)

Public transit, walking and bicycling facilities are important for the area, as 21.6 percent of households (365) do not have a vehicle available. Moreover, the tract houses 406 students in kindergarten through eighth-grade, along with 25 high school attendees and 248 college students. In commuting to work, although the majority of those age 16 and over drove or carpoled to work (72.6 percent), a significant number - 14.9 percent (285 people) - walked to work, and 11.1 percent (212 people) used public transportation or other means of getting to work. (*U.S. Census Bureau, 2008-2012 American Community Survey 5-year Estimates, Tables DP03 & S1401 10-22-14.*)

The EBURD census tract, along with the nearby Heights-Main Street area, is designated by the Billings Police Department as “Beat 3,” or the “East” patrol beat. The East Beat has experienced, over the past three years, increasing numbers of calls for service. In the year 2011, the East Beat had 7,756 calls. Number of calls increased to 9,804 in 2012, and jumped to 10,507 (third highest beat of the nine in the City) for 2013. (*Billings Police Department 2013 Annual Report, www.ci.billings.mt.us.*) Unfortunately, there have recently been two murder incidents in the area as well. Parks personnel, during the October conference on addressing homeless/transient issues, mentioned that homeless individuals are congregating under the Rims in the EBURD, as well as in North Park.

Brownfields, defined as areas with actual or perceived environmental contamination issues, can contribute to unsafe and dangerous conditions, as well as discourage redevelopment efforts. Big Sky Economic Development, in a cooperative agreement with the U.S. Environmental Protection Agency, has secured funding for environmental assessments of properties in the EBURD. With its first round of funding, Big Sky Economic Development contracted with an environmental engineering firm to assess 23 parcels of land in the EBURD to determine “Phase I” conditions (looking at the historical uses of the property and assessing any observed potential contamination issues). In addition, nine parcels were examined with more in-depth “Phase II” assessments, where soil and water testing took place. While none of the completed Phase II assessments pointed to remediation requirements, there are still a number of sites that are advised for Phase II assessment, and many parcels that have not received any environmental assessment to date. Big Sky Economic Development has secured additional EPA Brownfields Program funding with which to accomplish additional environmental assessments in the EBURD beginning in spring 2015, at no cost to property owners who volunteer for the program.

SECTION 5 – DETERMINATION OF BLIGHT

The proposed EBURD Expansion area contains a number of underdeveloped properties and substandard facilities. The Council previously determined that the property included in the EBURD was “blighted” within the meaning of the Act in its adoption of Ordinance #06-5395 that (a) created the East Billings Urban Renewal District (EBURD) and (b) adopted an urban renewal plan for the district (November 16, 2006). Deficiencies in public and private properties located in the district lead to a determination of blight, as defined by state statute. As cited in the original Urban Renewal Plan, the area still meets several definitions of blight:

Deficient Structures in Area (*the substantial physical dilapidation; deterioration; defective construction, material, and arrangement; or age obsolescence of buildings or improvements, whether residential or nonresidential; deterioration of site*)

There are several buildings and residential structures that are over 50 years in age and do not qualify as being historically significant. Many are in poor repair and may contain potentially hazardous asbestos and lead paint.

While streets, curbs, gutters and sidewalks in some of the area are in satisfactory repair, there are areas without such improvements. Sewer and water utilities in the area are aging and/or inadequate. Flooding occurs within public right-of-way as well as on private property during heavy rain events. Several parking lots generally do not meet code requirements for paving, striping and landscaping. Many of them are cracked and crumbling. Demand for parking will continue and District managers will collaborate with the City to accommodate commercial growth in alignment with the adopted Parking Overlay District.

Deficient Land Use (*inappropriate or mixed uses of land or buildings; defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility, or usefulness*)

In general, the 2015 expansion area is under-utilized due to the significant amount of surface used as storage or left vacant. Most structures are single-story. There are vacant lots, storage lots, and auto sales lots directly across the street from Montana’s largest indoor entertainment complex and trade-show facilities. The taxable value of this district must be stabilized and encouraged to grow.

Protecting Public Health & Safety (*unsanitary or unsafe conditions; the existence of conditions that endanger life or property by fire or other causes*)

The conditions of blight, crime, vagrancy and potential brownfields, as described above, reduce “social capital” and community connectedness. Flooding promotes mold growth and related health problems.

SECTION 6 – THE SITE AND ITS RELATIONSHIP TO THE CITY

The Expanded EBURD occupies the center of the City of Billings, adjacent to the Downtown Central Business District and the medical corridor to the west; connecting to the Billings Heights area via Main Street to the northeast; welcoming visitors from Lockwood and beyond via 1st Avenue North to the southeast; and meeting up with the Rimrocks to the north.





SECTION 7 – LEGAL DESCRIPTION

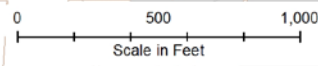
The legal description of the proposed 2015 Expanded East Billings Urban Renewal District is as follows: Beginning at a point at the centerlines of the intersection of 1st Avenue North and North 10th Street and proceeding east to the centerline of Exposition Drive/Main Street, and proceeding north from the intersection of 1st Avenue North and Exposition Drive/Main Street to the intersection of 6th Avenue North and Exposition Drive/Main Street, and from the intersection of 6th Avenue North and Exposition Drive/Main Street, proceeding west to the intersection of 6th Avenue North and North 10th Street, and proceeding south from the intersection of 6th Avenue North and Exposition Drive/Main Street to the intersection of 1st Avenue North and North 10th Street, encompassing all parcels and tax codes therein.

Please see map on following page.

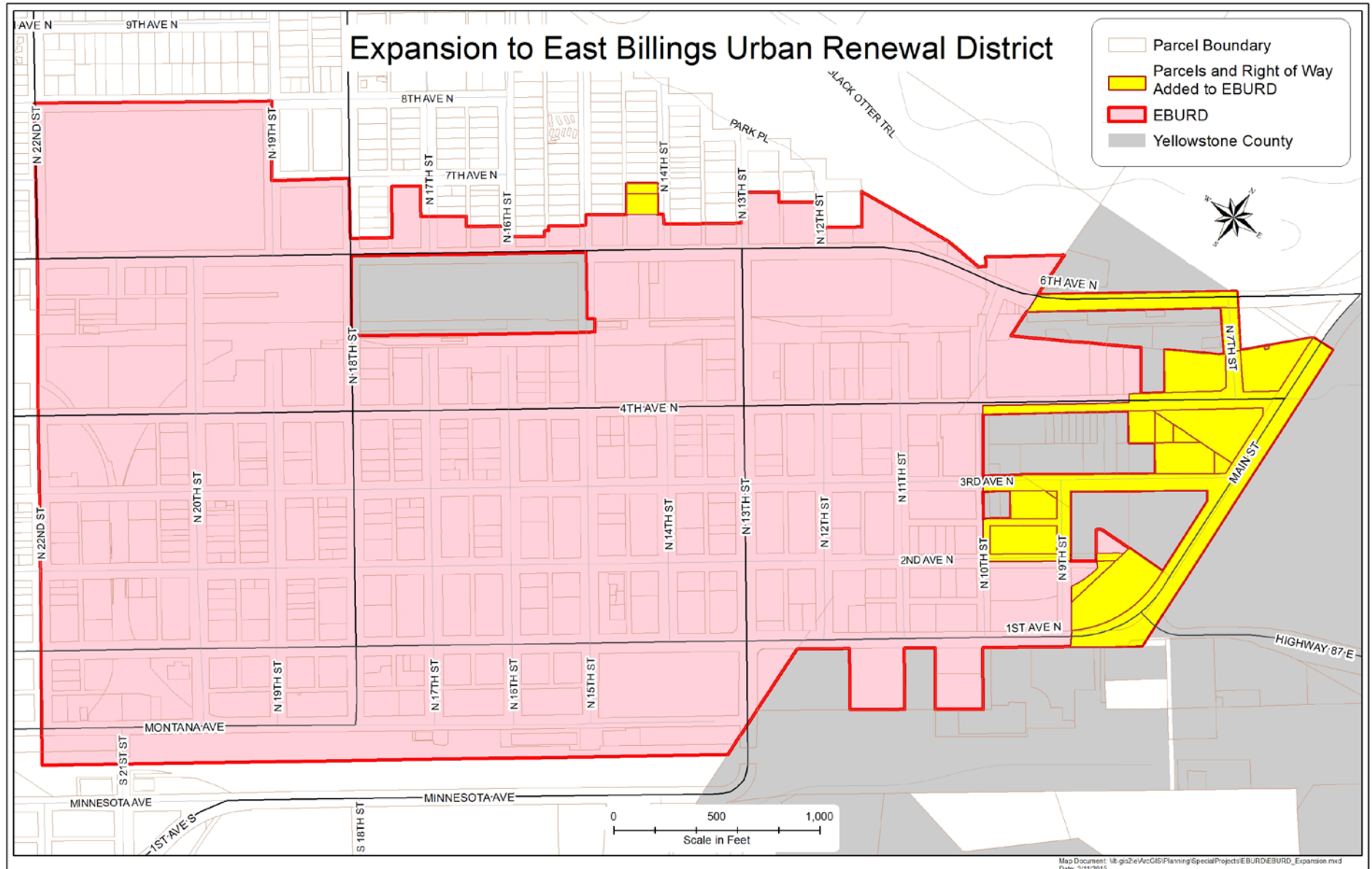
In addition, we propose to add property designated as Tax Code A12053 (North Park Subd., S33, T01N, R 26E, Block 2, Lot 11-12) and property designated as Tax Code A12052 (North Park Subd., S33, T01 N, R26E, Block 2, Lot 7-10).. These lots, are slated for expansion of the Billings Carpet Cleaning activities.

Expansion to East Billings Urban Renewal District

-  Parcel Boundary
-  Parcels and Right of Way Added to EBURD
-  EBURD
-  Yellowstone County



Map Document: I:\gis2\ArcGIS\Planning\SpecialProjects\EBURD\EBURD_Expansion.mxd
Date: 2/11/2015



SECTION 8 – PROPERTY DEVELOPERS

New development and revitalization in the proposed 2015 expanded urban renewal district will be accomplished with private investment and public-private partnerships, through the implementation of the EBURD Master Plan and the Exposition Gateway Plan. As outlined in Section 2 above, improvements in infrastructure will spur investments in workforce housing development, parking facilities, lodging facilities, conference facilities, entertainment venues, as well as retail and restaurant enterprises.

SECTION 9 – PROJECT RELATIONSHIP TO THE EBURD MASTER PLAN & EXPOSITION GATEWAY PLAN

The proposed urban renewal area and expanded tax increment district is located generally in the center of the City and encompasses several “districts” as defined by the EBURD Master Plan and the EBURD Code. The EBURD Master Plan contemplated eventual annexation of County properties adjacent to the original urban renewal district, and this Amended Urban Renewal Plan seeks to accomplish that end.

One goal of the EBURD Plan was to develop a zoning code unique to the vision of the EBURD. The new code was established and adopted in October 2012, following several months of committee work and public meetings, with consultation from a professional firm known for, literally, writing the book on form-based code options. Form-based code considers the look of the facility and its surrounding landscape, rather than basing zoning purely on the use of the facility. The new code allows for increased flexibility in uses, which was desired by landowners and developers in the area.

Generally, the EBURD Master Plan stressed the area’s ability to make a positive impact on the entire city. The Plan also recommended a private non-profit organization to assist the City of Billings with the management of the Tax Increment District through an annual work plan and contract. This expanded EBURD may be managed in a similar manner and could make use of the redevelopment and facilitation established through that management entity, the Billings Industrial Revitalization District, Inc.

The Plan names housing as an important priority, and recommends that the City continue to work with builders and developers to encourage downtown housing through various methods. Specifically, the plan encourages housing in the Rail Spur Village. However, live-work space is allowed in several EBURD districts, as outlined in the adopted EBURD Code. The formation of an expanded tax increment district will

increase funding for construction or rehabilitation of public infrastructure necessary to attract, retain, and improve housing in the area.

The guiding principles developed through the EBURD Master Plan were built upon the goals of the original Urban Renewal Plan, and continue to guide today's efforts: 1) Foster economic growth; 2) Foster distinct mixed-use, industrial, and hospitality centers; 3) Create affordable housing opportunities and choices; 4) Ensure existing industrial uses can continue to operate as desired; 5) Improve the natural beauty of the District by reintroducing trees and other features; 6) Extend pedestrian and bike trail connections to downtown, Heights, MetraPark and the Yellowstone River; 7) Integrate edges of the District with North Park neighborhood, medical corridor, and downtown; 8) Provide a variety of transportation choices and connections; 9) Complete sewer and storm water infrastructure; and 10) Understand and reduce environmental risks.

Guided by the above principles, several critical action plan steps have already been accomplished: successful approval of both the EBURD Master Plan and the Exposition Gateway Plan; successful implementation of the recommended Parking Overlay District; accomplishment of the recommended two-way streets conversion; completion of EPA Brownfields Program environmental assessments on 23 parcels, with more to take place beginning in 2015; successful adoption of the EBURD Zoning Code; completion of a transportation corridor study; and development of a plan to address flooding, storm water management, and infrastructure improvements in the eastern-most portion of the District. This amendment to the Plan and the urban renewal projects that it contemplates will continue to act upon the Plan's guiding principles.

SECTION 10 – CONFORMANCE TO THE GROWTH POLICY

One of the requirements of Montana's Urban Renewal Law (Title 7, Chapter 15, Parts 42 and 43) is that the urban renewal plan must conform to the community's growth policy. The Yellowstone County and City of Billings 2008 Growth Policy ("Growth Policy") aligns with EBURD redevelopment in a variety of ways. This amendment to the East Billings Urban Renewal Plan is consistent with the current Growth Policy. Specifically, the expanded EBURD revitalization efforts meet several Community Goals and Objectives outlined on pages 6-16 of the 2008 Growth Policy:

A. Revitalization in the EBURD meets the goal of contiguous development and of the City's Infill Policy. Revitalization also helps to address the issue stated in the Growth Policy that urban sprawl threatens the rural character of land surrounding Billings, increases the cost of providing public services and threatens the

vitality of the city core and downtown area.

B. Development in the EBURD, especially in the Rail Spur Village area, works toward the goal of affordable housing for all income levels dispersed throughout the City and County. Development of housing helps to address the Growth Policy issue which stated that there is a serious lack of affordable housing for low to moderate income households.

C. Adoption of the more-flexible EBURD Code and continued development efforts in the expanded area help achieve the goal of more housing and business choices within each neighborhood. Moreover, continued development in accordance with the new code assists in addressing the stated issue that there is a desire for more mixed-use neighborhoods.

D. Addition of the Exposition Gateway area to the existing TIF District helps achieve goals to encourage economic development in the neighborhood, encourage new businesses to locate in a prime gateway area, and sets the stage for enhancement of both the functionality and the visual appeal of the entrance to Billings from Lockwood (1st Avenue North & Exposition Drive/Main Street). As noted in the Growth Policy, entryways to our communities should be attractive and not present physical barriers discouraging economic development.

E. The EBURD is adjacent to downtown Billings, and revitalization of the area, as it continues to develop, will contribute toward the vitality and increased safety for visitors and shoppers. As stated in the Growth Policy, safety is an important element.

F. Expansion of the EBURD TIF District assists in meeting the goal of more visually appealing communities, improving the image of the area across the street from the MetraPark facilities and instilling pride in this area of town. Enhancing visual appeal helps to address the Growth Policy's stated issue that there are areas in the City and County that are unattractive and present a poor image of the community.

G. Improvements to the area as envisioned in the Exposition Gateway Plan can lead to a visually appealing design that incorporates the needs not only of vehicular traffic entering the area from Lockwood and from Main Street, but also improves pedestrian access between the MetraPark facilities and new development in the Expo Gateway. Improvements in the proposed expansion area will aid in addressing the Growth Policy's issue that the design of roads, streets, and pedestrian facilities can be more attractive and functional.

H. Expansion of the EBURD TIF District will contribute toward the goal of a well-maintained network of safe and interconnected sidewalks by addressing the critical need for sidewalks, curb and gutter in the Expo Gateway area. As noted in the Growth Policy, the sidewalk system in the City needs upgrading; many sidewalks are cracked and broken, several critical sections are missing, and important sidewalk routes are not adequately maintained.

I. Expansion of the District to include the Expo Gateway area assists the City toward its goal of sanitary and

safe properties, with an improved community image and an increase in property values. Advancing toward this goal helps to address the stated issue that there are dilapidated and unsafe properties in neighborhoods.

J. Expansion of the District allows access to TIF District funding for a long-neglected infrastructure upgrade, moving the City toward its goal of equitable collection and distribution of funding for public services and facilities. Moreover, the expansion assists the City in achieving its objective to ensure that facilities and services are maintained in existing neighborhoods as new neighborhoods are added. The Growth Policy notes that funding for community facilities and infrastructure is very limited; prudent use of TIF District funds assists in solving the limited funding issue.

K. Expansion of the TIF District to include the Expo Gateway area aligns with the City's goal of adaptive reuse of vacant structures, conserving resources, preserving landmarks, preserving neighborhood integrity, and taking advantage of economic development opportunities. Adaptive reuse helps to address the stated issue that there are vacant structures around Billings and in the County that could be reused.

L. Expansion of the EBURD TIF District, leading to development of live-work enterprises and additional workforce housing options, helps move toward the goal of adequate affordable housing and more options for housing, potentially in an area very near to work opportunities. Achievement of these goals assists in solving the stated Growth Policy issue that poor housing and lack of living wage jobs puts the health of residents at risk.

The Growth Policy lists Urban Renewal Districts as an implementation strategy to revitalize neighborhoods, and expansion of the EBURD aligns well with that revitalization strategy.

SECTION 11 – CERTAIN PLAN FEATURES AND FINANCIAL MATTERS

Section 7-15-4217, M.C.A., of the Act requires cities to make certain findings when they adopt an urban renewal plan and approve Urban Renewal Projects. These are addressed below:

1. The existing EBURD contains 133 housing units that are home to 305 people (*U.S. Census 2010, per Leslie Zolman, GISP, Montana Dept. of Commerce Census and Information Center, 5-7-2014*). For the entire Census Tract, including the North Park neighborhood, there are 1,995 housing units, of which 1,689 are occupied and 306 are vacant (*U.S. Census Bureau, American Community Survey Table DP04, 10-22-14*). Planned projects would not displace any persons from housing. Accordingly, there is no need to have a workable and feasible plan for substitute housing until and unless such a project is developed in the future.

2. This amended East Billings Urban Renewal Plan conforms to the Growth Policy for the City as a whole, and also to the EBURD Master Plan and the Exposition Gateway Plan.
3. This Modified Plan affords maximum opportunity, consistent with the needs of the City as a whole, for the rehabilitation or redevelopment of the Expanded EBURD by private enterprise. It is unreasonable to expect that the district will be stabilized and/or redeveloped without substantial public support. Some properties within the area are dilapidated. As presently constituted, property in the district is not conducive to any sort of uniform or integrated development and, as presently existing, cannot compete with other areas of the City for substantial developments, particularly areas at the outskirts of the City. This amended Plan is intended to facilitate the identification and construction of significant Urban Renewal Projects, which would not be possible without this Plan.
4. A sound and adequate financial program exists for financing projects, which include the sale and issuance by the City of tax increment finance bonds. Subsequent approved development projects will require commitments of substantial private financing that will provide the primary means for funding construction of the improvements and revitalization efforts.
5. This 2015 Expanded EBURD may be modified at any time by the City Council as necessary to eliminate and prevent the development or spread of blighted areas, and encourage urban rehabilitation. The process for plan modification shall follow the procedures set forth in 7-15-4212 through 7-15-4219 MCA, with respect to initial adoption of this plan. For purposes of urban renewal district boundary changes only, the notice of public hearing, as described in 7-15-4215 MCA, may be mailed only to those owners whose properties are situated within the area of expansion of the Urban Renewal District boundaries. Notice will be mailed to those property owners whose properties are within the area of expansion.

SECTION 12 – TAX INCREMENT

Tax increment financing is necessary to encourage private reinvestment within the District, which will further encourage economic growth in the District and the City, create substantial employment opportunities, and increase the tax base of the City and other taxing jurisdictions. The 2015 Expanded EBURD is hereby established as a tax increment financing urban renewal area within the meaning of the

Act, and, in particular, Section 7-15-4282 through 7-15-4293 of the Act. This Section constitutes a tax increment provision within the meaning of the Act. In connection with the expansion:

1. For the purpose of calculating the incremental taxable value each year for the life of the district, the base taxable value shall be calculated as base taxable value of the original district as of [January 1, 2006] plus the base taxable value of all real and personal property added to the district by this amended plan and as shown in Exhibit A as of January 1, 2015.
2. The City is hereby authorized to segregate the tax increment derived in the district and use and deposit such increment into the tax increment fund of the district for use as authorized by the Act and as authorized herein from time to time, including, without limitation, pledging the tax increment to repayment of Bonds.
3. The tax increment received from the district may be used to pay directly costs of an approved Development Project as may from time to time be approved by the Council. The Council also hereby authorizes the use of tax increment in the district to pay debt service on bonds issued to finance a portion of the costs of these development projects, and costs associated with the sale and security of such bonds (including any necessary reserve funds) in compliance with the Act, subject to any limitations imposed by the Montana Constitution and federal law.
4. The tax increment provision of the district will terminate upon the latter of:
 - a. The fifteenth (15th) year following the original creation of the district; or
 - b. The payment or provision for payment in full or discharge of all bonds, and the payment of interest thereon, for which the tax increment has been pledged.

After termination of the tax increment provision, all taxes shall continue to be levied upon the actual taxable value of the taxable property in the district, but shall be paid into funds of the taxing bodies levying taxes within the district.

SECTION 13 – CONCLUSIONS

The creation of this expanded East Billings Urban Renewal District will have a positive impact on central Billings, and is an essential first step in completing what may be a number of urban renewal projects.

Estimates calculated by ECO-Northwest in preparation of the Exposition Gateway Plan indicate that development in the Expo Gateway has a potential new value of nearly \$65 million, with potential TIFD revenues of slightly more than \$1 million (*Financial Analysis, ECO-Northwest, April 8, 2013*). The figures are preliminary estimates; actual values and tax revenue will vary based on type, size and timing of development. Expansion of the district, in addition to further stabilizing the tax base, eliminating blight and providing renaissance to the EBURD, will also bring new employees and residents to the area.

ECO-Northwest states that the Expo Gateway District offers desirable locational attributes:

The Gateway District has several important locational advantages relative to other areas in Billings that make it a prime area for development in the hospitality and retail sectors.

- Proximity to downtown. It is centrally located near employment and commercial uses in the Central Business District, the medical campuses, and the University (directly to the west).
- Proximity to MetraPark. The county-owned multi-function facility has an indoor arena, rodeo grounds, a horse track, open space and other facilities. MetraPark has a long history of successful operation (850,000 to 1 million visitors per year, with 30% coming from over 100 miles away, per Sandra Hawke, MetraPark, February 2009), and provides opportunities for complementary meeting space and catering facilities.
- Proximity to the airport. It is closer to Billings Logan Airport (3 miles) than many areas in the Central Business District as well as areas in south and east Billings.
- Proximity to amenities and commercial areas. It is in close proximity to commercial areas downtown and in Billings Heights, which is a commercial and residential hub to the north.
- Proximity to regional highways. The District lies at the intersection of 212, I-90 and I-94.

The key comparative advantage for the area is its central location *between* downtown and MetraPark (and between the West End and the Heights) on flat land with urban services. It is a good location for urban development. (*ECO-Northwest, Existing Market Conditions Assessment, May 22, 2013*)

As stated in the Exposition Gateway Plan and as stated herein, the Exposition Gateway area requires repair and improvement to streets, curbs, gutters and sidewalks and the water and sewer utilities are inadequate. The City hereby approves, as an urban renewal project for the District, the reconstruction of the streets from Main Street to North 11th Street and between 1st Avenue North to 4th Avenue North in accordance with the Exposition Gateway Concept Plan. The streets included in the construction limits are North 9th Street, North 10th Street, 2nd Avenue North, and 3rd Avenue North. Construction includes full street construction, sidewalk, bulb-outs at the corners, on-street parking, new sanitary sewer, new water mains, and storm drain upgrades. In order to make it possible to move forward with this much-needed infrastructure improvement project, the Yellowstone County Board of County Commissioners transferred any interest it had in the public right of way on streets within the Exposition Gateway area to the City of Billings, with Resolution 15-23, passed on March 10, 2015.

The Council through adoption of the modified East Billings Urban Renewal District hereby approves financing of the improvement project described above with proceeds of tax increment bonds payable from tax increment generated by the District. Such bonds will be issued in a principal amount such that the debt service thereon can be paid from tax increment generated by the District over a period of 25 years. The City hereby finds that there is a feasible and workable plan for financing the improvements.

Expansion of the East Billings Urban Renewal District to include the property described in this amended Plan will have a positive effect on the area and on the City. Improvements to infrastructure will surely be the catalyst in attracting the desired types of development, and will spur further achievement in reaching the goals of the overall EBURD Master Plan.

Please see Exhibit A on next page.

EXHIBIT A

2015 EBURD Expansion

TAXID	ASSESSED VALUE	TAXID	MARKET VALUE	TAXABLE VALUE	TAXID	LOT SIZE (Approx. Sq. Ft.)
1002286 Total	\$1,720.00	1002286 Total	\$912.00	\$23.00	1002286	0
A09340 Total	\$792,286.00	A09340 Total	\$621,944.00	\$15,362.00	A09340	44344.08
A09343 Total	\$688,400.00	A09343 Total	\$540,394.00	\$13,347.00	A09343	29403
A09355 Total	\$265,451.00	A09355 Total	\$208,379.00	\$5,147.00	A09355	42383.88
A09355B Total	\$45,930.00	A09355B Total	\$36,055.00	\$891.00	A09355B	6403.32
A09373 Total	\$498,600.00	A09373 Total	\$391,401.00	\$9,667.00	A09373	19035.72
A09374 Total	\$71,910.00	A09374 Total	\$56,449.00	\$1,394.00	A09374	10628.64
A09375 Total	\$43,862.00	A09375 Total	\$34,432.00	\$850.00	A09375	6054.84
D05887 Total	\$358,428.00	D05887 Total	\$281,366.00	\$6,949.00	D05887	56628
D05888 Total	\$444,941.00	D05888 Total	\$349,279.00	\$8,628.00	D05888	69260.4
D05893 Total	\$593,800.00	D05893 Total	\$466,133.00	\$11,513.00	D05893	56628
D05897 Total	\$14,973.00	D05897 Total	\$11,754.00	\$290.00	D05897	1306.8
D05898 Total	\$917,363.00	D05898 Total	\$720,129.00	\$17,787.00	D05898	91911.6
I01092A Total	\$19,200.00	I01092A Total	\$15,072.00	\$372.00	I01092A	0
Total	\$4,756,864.00	Total	\$3,733,699.00	\$92,220.00		
A12052	\$92,800.00	A12052	\$49,184.00	\$1,215.00	A12052	15000
A12053	<u>\$21,975.00</u>	A12053	<u>\$11,647.00</u>	<u>\$ 201.00</u>	A12053	7500
Grand Total	\$4,871,639.00		\$3,794,530.00	\$93,636.00		

Exhibit A figures provided by Yellowstone County GIS

Downtown Billings Partnership, Inc.		
DBP Operating Budget - line item in Fund 203		
	FY 26	
	Budget	
REVENUE		
URD Management Agreement Service Fee (Fund 203)	\$ 326,105	
Business Development Retail Incubator (Fund 203)	\$ 120,000	
Cooperative Safety and Quiet Zone (Fund 203)	\$ 76,396	
Property Management	\$ 45,965	
Other Revenue (Special Projects, Partner Sponsorships, Donations)	\$ -	
Total Revenue	\$ 568,466	
EXPENDITURES		
DBP Allocation to Alliance Operations		
Staffing/Payroll/Parking	\$ 226,609	
Rent and Occupancy	\$ 19,008	
Office Maintenance/Cleaning	\$ 480	
Office Equipment	\$ 720	
Office Supplies	\$ 1,440	
Phones/Internet	\$ 960	
Printing	\$ 288	
Postage	\$ 240	
Marketing	\$ 1,800	
Professional Services	\$ 9,600	
Dues/Membership/Subscriptions	\$ 8,400	
Staff Development/Incentives	\$ 840	
Travel	\$ 960	
Insurance	\$ 3,600	
Meeting Expense	\$ 600	
Gifts	\$ 144	
Subtotal - DBP Allocation to Alliance Operations*	\$ 275,689	275,689
DBP Specific Expenses		
Legal	\$ 5,000	
Accounting (taxes for TIF grants through DBP office)	\$ -	
Insurance (liability D&O - specific to DBP board)	\$ 2,500	
Business Development (Recruitment/Retention)	\$ 40,000	
Meetings	\$ 2,500	
Subtotal - DBP Specific Expenses	\$ 50,000	50,000
Property Management		
Retail Incubator - 1st Floor Annual Lease	\$ 120,000	
Property Insurance	\$ 15,000	
Tenant Buildout	\$ 20,000	
Staffing	\$ 9,000	
Reserve Fund	\$ 3,000	
Subtotal - Property Management Expenses	\$ 167,000	416
Cooperative Safety/Quiet Zone	\$ 76,396	326,105
Total Expenditures	\$ 569,085	
FY25 Reserves	\$ 28,907	
NET REVENUE FY25	\$ (619)	

Downtown Billings Partnership Annual Budget - URD Management Agreement

DBP Allocation to Shared Operations - 24% of total Downtown Billings Budget (BID/DBA/DBP/CI)

Staffing - Payroll, Parking, WC Insurance, Health Insurance

Katy Schreiner, CEO	50%
Mehment Casey, Development Director	100%
James Chandler, Associate Development Director	50%
Joe Stout, BID Director & CPTED Professional	25%
Lindsay Richardson, Communications Director	33%
Cherish Linse, Office Administrator	33%
Staffing TOTAL	\$ 238,785.00

Overhead Expenses Shared by DBP/BID/DBA/CI

Rent and Occupancy	\$ 19,008.00
Office Maintenance/Cleaning	\$ 480.00
Office Equipment	\$ 720.00
Office Supplies	\$ 1,440.00
Phones/Internet	\$ 960.00
Printing	\$ 288.00
Postage	\$ 240.00
Marketing	\$ 1,800.00
Professional Services - Accounting, IT	\$ 9,600.00
Dues/Membership/Subscriptions - IDA, IDEA, MEDA, BSED, Chamber, Canva, Eventny, MailChimp, Adobe	\$ 8,400.00
Staff Development/Incentives	\$ 840.00
Travel	\$ 960.00
Insurance	\$ 3,600.00
Meeting Expense	\$ 600.00
Gifts	\$ 144.00
Overhead TOTAL	\$ 49,080.00

Partnership Program Expenses

Insurance (liability D&O - specific to DBP board)	\$ 2,500.00
Business Development (Recruitment/Retention) - Placer AI, Recruitment Marketing/Materials, Development Programs/Outreach, Education	\$ 35,740.00
Programming TOTAL	\$ 38,240.00

URD Management TOTAL \$ 326,105.00

NOTE: SUPPORTING DOCUMENTS FOLLOW AGENDA

CITY OF BILLINGS

CITY OF BILLINGS' VISION STATEMENT:

***“THE MAGIC CITY – A VIBRANT, WELCOMING PLACE WHERE
PEOPLE FLOURISH AND BUSINESS THRIVES”***

AGENDA

COUNCIL CHAMBERS

December 8, 2008

6:30 P.M.

CALL TO ORDER – Mayor Tussing

PLEDGE OF ALLEGIANCE – Mayor Tussing

INVOCATION – Councilmember McCall

ROLL CALL

**MINUTES – November 13, 2008, Special Meeting
November 24, 2008**

COURTESIES – Presentation to Al Winegardner and family in appreciation of donation in memory of Jayne Winegardner

PROCLAMATIONS

ADMINISTRATOR REPORTS – Tina Volek

PUBLIC COMMENT on “NON-PUBLIC HEARING” Agenda Item: 1 ONLY.
Speaker sign-in required. (Comments offered here are limited to 1 minute per speaker. Please sign up on the clipboard located at the podium. Comment on items listed as public hearing items will be heard ONLY during the designated public hearing time for each respective item.)

(NOTE: For Items not on this agenda, public comment will be taken at the end of the agenda. Please sign up on the clipboard located at the back of the room.)

CONSENT AGENDA:

1. A. **Change Order #3**, W.O. 08-09, Waste Water Treatment Plant Primary Effluent Pipe Replacement and Sludge Drying Bed Expansion, Western Municipal, \$20,468.65, and **increase** the City Administrator's change order authority by \$50,000.

B. **Approval** of compensation agreement for Private Contract No. 599, Emmanuel Baptist Church Sanitary Sewer Extension project, \$325,360.

C. Approval of amended Purchase and Sale Agreement with School District Two for ten acres within Cottonwood Park for \$200,000, and **authorization** for the Mayor to execute associated documents to consummate the sale and transfer of ownership of the property.

D. Approval of grant application submittal to Safe Route to School Program for the Elementary School Traffic Plan, \$50,000.

E. Resolution relating to financing of proposed Zone 3 Storage, Zone 4 Reservoir project and Water Rehabilitation project; establishing compliance with reimbursement bond regulations under the Internal Revenue Code for the purpose of reimbursing the City with bond sale proceeds for financing water projects prior to the availability of funds.

F. Resolution relating to financing of a proposed Wastewater treatment plant disinfection system project; establishing compliance with reimbursement bond regulations under the Internal Revenue Code for the purpose of reimbursing the City with bond sale proceeds for financing sewer projects prior to the availability of funds.

G. Second/Final reading ordinance expanding the North 27th Street Urban Renewal Area – 2008.

H. Second/Final reading ordinance modifying the South Billings Boulevard Urban Renewal District.

I. Exempt Amended Plat of Tract 1 of Certificate of Survey 1815.

J. Bills and Payroll
(1) November 7, 2008
(2) November 14, 2008

(Action: approval or disapproval of Consent Agenda.)

REGULAR AGENDA:

2. PUBLIC HEARING AND RESOLUTION GRANTING NEW OR EXPANDING INDUSTRY TAX INCENTIVES FOR BIG SKY ECONOMIC DEVELOPMENT AUTHORITY/GENERAL ELECTRIC CAPITAL CORPORATION for a new building at 3333 Hesper Road. Staff recommends approval. **(Action:** approval or disapproval of staff recommendation).

3. PUBLIC HEARING AND RESOLUTION GRANTING NEW OR EXPANDING INDUSTRY TAX INCENTIVES FOR DALCO INDUSTRIES DBA TETON STEEL for property improvements at Gabel Road and South 29th Street. Staff

recommends approval. (**Action:** approval or disapproval of staff recommendation).

4. **PUBLIC HEARING AND FIRST READING ORDINANCE FOR REVISIONS TO BOARDS AND COMMISSIONS:** Revisions that provide consistency in procedural areas for advisory boards, commissions and committees, and reorganizes ordinances into one Article of the Code. Staff recommends approval. (**Action:** approval or disapproval of staff recommendation).
5. **PUBLIC HEARING FOR EXTENSION OF INTERIM ZONING ORDINANCE:** A proposed one-year extension of the Interim Zoning Ordinance that amends Section 27-611, Sexually Oriented Businesses, and allows the interim zoning ordinance to be effective until December 23, 2009. Staff recommends approval. (**Action:** approval or disapproval of staff recommendation).
6. **DOWNTOWN BILLINGS PARKING STUDY.** Delayed from 11/24/08. Staff recommends approval of contract with Rich and Associates, Inc. for \$68,500. (**Action:** approval or disapproval of staff recommendation).
7. **PUBLIC COMMENT on Non-Agenda Items -- Speaker sign-in required.** (*Restricted to ONLY items not on this printed agenda; comments limited to 3 minutes per speaker. Please sign up on the clipboard located at the back of the Council Chambers.*)

(**Action:** approval or disapproval of Consent Agenda.)

ADJOURN

(**NOTE:** Additional information on any of these items is available in the City Clerk's Office)

Visit our Web site at:
<http://ci.billings.mt.us>

ATTACHMENT A

ORDINANCE NO. _____

AN ORDINANCE MODIFYING THE URBAN RENEWAL PLAN OF THE NORTH 27TH STREET DISTRICT URBAN RENEWAL AREA; MODIFYING THE BOUNDARIES OF THE DISTRICT; ADOPTING A MODIFIED URBAN RENEWAL PLAN INCLUDING A TAX INCREMENT PROVISION; APPROVING URBAN RENEWAL PROJECTS THEREIN AND AUTHORIZING THE ISSUANCE OF TAX INCREMENT URBAN RENEWAL REVENUE BONDS OF THE CITY TO FINANCE COSTS THEREOF

NOW, WHEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA:

WHEREAS, on July 11, 2005 the City Council adopted Ordinance No. 05-5333, which created the North 27th Street District Urban Renewal Area (hereafter “North 27th Street District”) and adopted the Urban Renewal Plan of the North 27th Street District Urban Renewal Area (“N. 27th Street Plan”) that included a tax increment provision and endorsed urban renewal projects.

WHEREAS, on November 13, 2006 the City Council adopted Ordinance No. 06-5394 which expanded the boundaries and amended the N. 27th Street Plan to create the Extended N. 27th Street District that included a tax increment provision and endorsed urban renewal projects.

WHEREAS, it has been determined that the Extended North 27th Street District and the N. 27th Street Plan should be modified to include additional property contiguous to the Extended North 27th Street District.

WHEREAS, this Council on November 24, 2008, conducted a public hearing on a proposal to modify the N. 27th Street Plan by adopting the Urban Renewal Plan of the Expanded North 27th Street District Urban Renewal Area - 2008, thereby establishing a modified urban renewal area to be formally designated as the Expanded North 27th Street District Urban Renewal Area - 2008 (the “Expanded North 27th Street District - 2008” or “the Property”), and to undertake urban renewal projects therein, all as authorized by Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”).

WHEREAS, the Expanded North 27th Street District - 2008 is depicted on Attachment 1 (depicting the relationship of the Expanded North 27th District – 2008 to the Extended N. 27th Street District) and which is hereby incorporated herein and made a part hereof. Pursuant to this Ordinance, the boundaries of the Redevelopment Area are modified to reflect the addition of the Property depicted on the map on Attachment 1. The Redevelopment Area, as modified, is depicted on Attachment 1 and legally described on Attachment 2 (the “Resulting Redevelopment Area”) (each of which is hereby incorporated herein and made a part hereof). The Resulting Redevelopment Area is contiguous.

WHEREAS, opportunities have been presented to the City that makes it desirable for the City to consider urban renewal projects within the Expanded North 27th Street District - 2008 consisting of demolishing certain blighted structures within the district; improving such properties with new construction, landscaping, utilities, and other similar improvements; and making the properties so improved available for private redevelopment in accordance with the Act (the “Projects”). Development proposals to be considered for funding include mixed use projects, building renovations, services for the District and the construction or expansion of City owned parking structures within the District.

WHEREAS, the proposed modified urban renewal plan titled the Urban Renewal Plan of the Expanded North 27th Street District - 2008 is attached hereto as Attachment 3 (which is hereby incorporated herein and made a part hereof) (the “Modified Plan”). The Modified Plan contains a tax increment provision and will govern the operation and administration of the Expanded North 27th Street District - 2008.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Billings, Montana, as follows:

1. Findings. This Council hereby finds, determines and declares, based on the comments received at the public hearing and other studies and information available to this Council, that:

a. The Property presently contains structures and improvements that are in a state of substantial deterioration, are obsolete or defective, pose unsanitary or unsafe conditions, are vacant and unused, and have inappropriate uses. The present condition of the Property substantially impairs the sound functioning of the downtown area of the City and its environs, is conducive to juvenile delinquency and crime, poses the threat of vandalism or mischief and fire or loss, constitutes an economic and social liability, and is a menace to the public health, safety, and welfare of the residents of the City. Accordingly, the Council reaffirms its previous findings that the Property is a blighted area within the meaning of Section 7-15-4210 of the Act. This Council finds that the rehabilitation, redevelopment or a combination thereof of the Property is necessary and in the interest of the health, safety, morals or welfare of the residents of the City. This Council finds that undertaking measures to eradicate or diminish the blight affecting the Property will help to foster a more dynamic, livable, and vibrant downtown.

b. If Projects require relocation of displaced persons, a detailed relocation plan is required and will be prepared.

c. The Modified Plan conforms to the 2003 Billings and Yellowstone County Growth Policy and the City’s Downtown Framework Plan.

d. The Modified Plan will afford maximum opportunity, consistent with the needs of the City as a whole, for the rehabilitation or redevelopment of the District by private enterprise.

e. A sound and adequate financial program is required for the financing of Projects, which program includes substantial private investment and financing and the sale and issuance by the City of Tax Increment Bonds in proportions yet to be determined, for the purpose of financing a portion of the costs of the Projects as set forth above.

f. Approved Projects will constitute urban renewal projects within the meaning of the Act and are authorized to be undertaken by the City.

2. Plan Adoption. The Modified Plan is hereby adopted and approved in all respects, including without limitation, the segregation and application of tax increments as provided in Sections 7-15-4282 through 7-15-4293 of the Act as provided therein. For purposes of allocating taxes according to the Act, the "prior assessed value" of taxable property within the Expanded North 27th Street District - 2008 is that value shown on the assessment rolls as of January 1, 2008.

3. Project Approval. Authorized Projects are hereby approved.

4. Bonds. This Council approves financing the costs of Urban Renewal Projects, or a portion thereof, with proceeds of the Bonds. The City is hereby authorized and directed to undertake activities and analysis ordinarily prerequisite to the issuance of tax increment urban renewal revenue bonds in a principal amount not to exceed \$10 million for financing of the costs of Urban Renewal Projects or a portion thereof.

5. Conditional Commitment. The adoption of the Plan does not constitute a guarantee or a firm commitment that the City will issue the Bonds or undertake Projects. If, based on comments or information made available to or obtained by the City, it appears that the issuance of the Bonds or Projects is not in the public interest or consistent with the purposes of the Act, the City reserves the right not to issue the Bonds or undertake the Project.

7. Repealer. All resolutions, ordinances, and sections of the City Code inconsistent herewith are hereby repealed.

8. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect the other provisions of this ordinance which may be given effect without the invalid provisions or application, and, to this end, the provisions of this ordinance are declared to be severable.

9. Effective Date. This Ordinance shall be in full force and effect from and after the date that is 30 calendar days after the date set forth below.

ADOPTED by the City Council of the City of Billings, Montana, on second reading this 8th day of December, 2008.

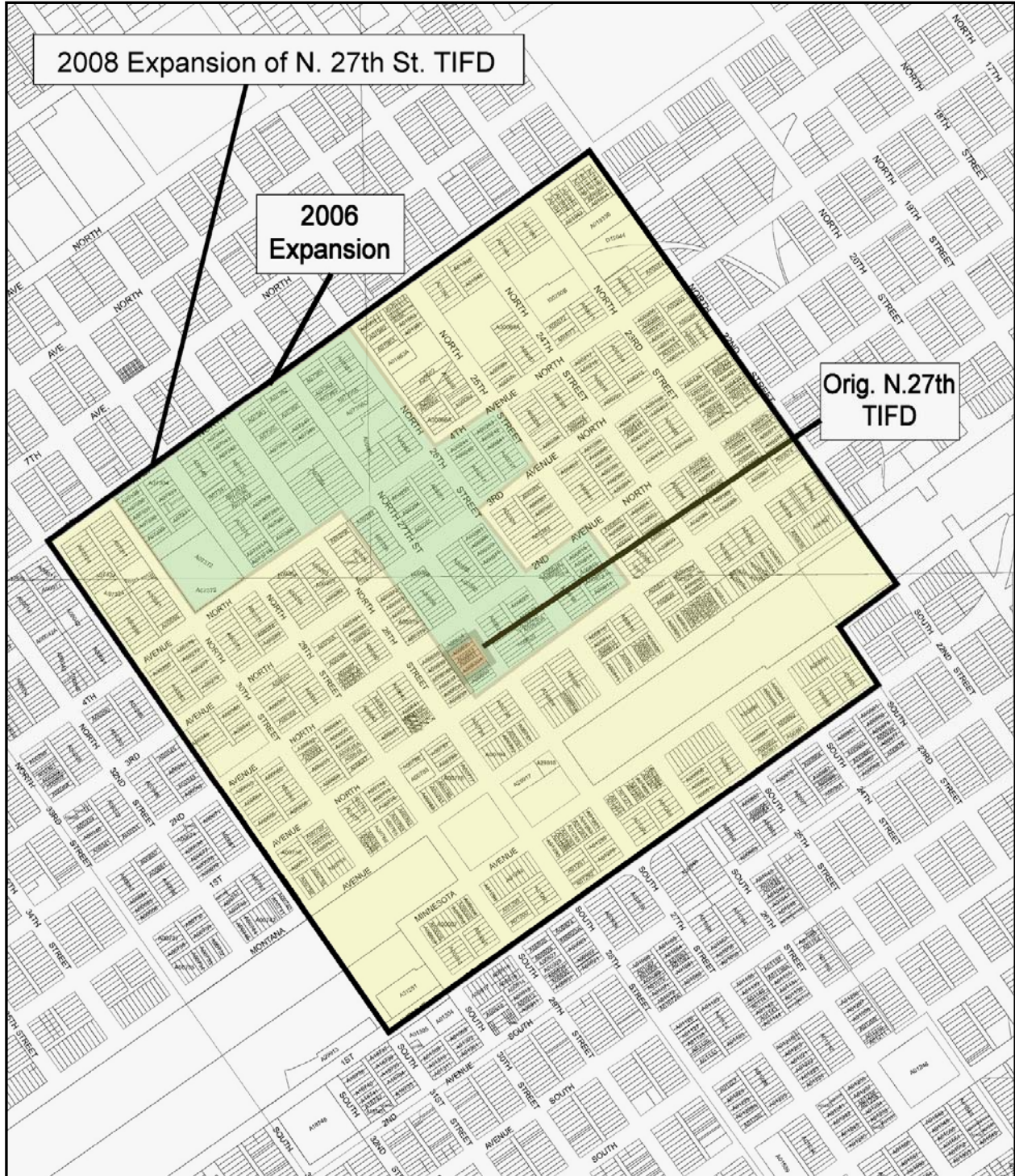
Ron Tussing, Mayor

ATTEST:

Cari Martin, City Clerk

ATTACHMENT 1

Expanded North 27th Street Urban Renewal District – 2008 Boundaries, Boundaries of the Extended N. 27th Street District (2006) and the Boundaries of the N. 27th Street District (2005)



ATTACHMENT 2
Expanded North 27th Street Urban Renewal District – 2008
Boundary Description

Beginning at a point at the intersection of the centerlines of 6th Avenue North and North 31st St. proceeding east along the centerline of 6th Ave. North to a point at the intersection of the centerlines of 6th Avenue North and N. 22nd Street proceeding south along the centerline of North 22nd Street, crossing the centrally assessed Burlington Northern Railroad property, to a point at the intersection of South 22nd Street and Minnesota Avenue proceeding west along the centerline of Minnesota Avenue to a point at the intersection of Minnesota Avenue and South 23rd Street proceeding south along the centerline of South 23rd Street to a point at the intersection of South 23rd Street and 1st Avenue South proceeding west along the centerline of 1st Avenue South to a point at the intersection of the centerlines of 1st Avenue South and South 31st Street proceeding north along the centerline of South 31st Street, crossing the centrally assessed Burlington Northern Railroad property, to the starting point at the intersection North 31st Street and 6th Avenue North encompassing all parcels and tax codes therein.

ATTACHMENT 3
Expanded North 27th Street Urban Renewal Area – 2008
Modified Plan

**EXPANSION OF THE BILLINGS, MONTANA
NORTH 27TH STREET URBAN RENEWAL AREA,
WITH TAX INCREMENT, AND AMENDMENT TO
THE URBAN RENEWAL PLAN**

FOR CITY OF BILLINGS AND PLANNING REVIEW
October 14, 2008

Prepared by



Downtown Billings Partnership, Inc
2815 2nd Ave. North – Billings, MT 59101 – gregk@downtownbillings.com

SECTION 1 – INTRODUCTION

On July 11, 2005, the City Council adopted an ordinance that (a) created the North 27th Street District Urban Renewal Area (“North 27th Street District”) and (b) adopted an urban renewal plan for the district. On November 13, 2006 the City Council adopted an ordinance that (a) expanded the North 27th Street District and (b) modified the urban renewal plan for the district. For reasons discussed in this Amendment to the Urban Renewal Plan of the North 27th Street District (“Plan”), it has been determined that the North 27th Street District should be expanded again to include other contiguous blighted properties in need of redevelopment. Further, it has been determined that this area, known as the Central Business District of Billings, has been and is in need of expanded public parking, enhanced pedestrian connections and experiences, improved public safety, and infrastructure improvements to public and private properties that will lead to increased taxable values. The existing urban renewal plan may be modified by ordinance in accordance with the procedure described in M.C.A. § 7-15-4221. The Urban Renewal Plan of the North 27th Street District approved by the City Council on July 11, 2005 and modified on November 13, 2006 is hereby included by reference as part of this amended Plan and shall remain applicable hereto except to the extent the original plan is explicitly or impliedly amended by this Plan. It is recognized as part of this Plan that the basic vision of the document known as Downtown Billings Framework Plan, adopted by the Billings City Council on December 22, 1997 and by the Yellowstone County Commissioners on December 23, 1997, is still valid and should be considered a part hereof. The terms defined in “Part I – DEFINITIONS” of the North 27th Street District Plan shall have the same meanings in this Plan unless a contrary meaning is expressed herein. The expanded district proposed in this Plan is hereafter referred to as the Expanded North 27th Street District - 2008 or the “District.”

SECTION 2 – BACKGROUND

The original Downtown Redevelopment District, a downtown tax increment finance district, was created on December 20, 1975 by a resolution which cited hazardous conditions existing in the district due to overhead utility wires, inefficient land use, problems of access and circulation, physical constraints to development, random location of mixed uses and deteriorated building

conditions, and found that rehabilitation and redevelopment of the District would be in the public interest. That original district (hereafter “1975 District”) comprised one hundred and twenty four (124) blocks in the city center after the 1985 south expansion and the 2004 east expansion. The 1975 District expired March 1, 2008 but the Urban Renewal Plan and the Framework Plan used for that district, in many parts and in relation to this District remain valid.

Because the 1975 District has terminated, but many of the undesirable conditions continue to exist, it was determined that it would be in the best interest of the City to expand the North 27th Tax Increment District to assist the construction of public improvements, stabilize and grow the tax base, increase the parking inventory, increase the inventory of downtown residential property, stimulate multi-use development (“Multi-Use Facility Projects”), fill street level vacancies, provide expanded security, develop safe event locations with appropriate traffic control devices, expand the Business Improvement District, make modifications to street and intersection lighting, increase traffic calming and reduce the noise in the district through Quiet Zone management and further implement the vision of the Downtown Framework Plan.

Currently, there is a need to expand the North 27th Street District to encompass development needs on the North 27th Street corridor, the North Broadway corridor, the Old Town Neighborhood and the Montana Avenue Historic District (including expansion of the Historic District to include areas south of the railroad tracks), the Civic District, areas adjacent to the Medical Corridor, adjacent to the East Billings Urban Renewal Area and other underutilized properties within the Central Business District of Billings. Although there has been significant improvement in the valuation of property in much of the 1975 District, the area defined by this proposed expanded tax increment district has major properties that have been neglected for many years and continue to show signs of serious blight and tax base decline. Many parcels have been removed from the tax rolls and/or are delinquent on payments of taxes and fees. The Expanded North 27th Street District creates an opportunity to continue redevelopment of the center of downtown with a mixture of public and private investment in a roughly seventy-one-square-

block district (just over half of the size of the 1975 expanded district) encompassing the existing North 27th Street District.

The area has several pockets of low taxable value, with several lots of the land being owned by government and other non-profit entities and several buildings that are over 50% vacant.

The creation of the Expanded North 27th Street District is essential to any planned development at 4th Avenue North and North Broadway, redevelopment of the vacant Northern Hotel, improving security and expanding the clean safe and vibrant programs of the Business Improvement District, continuing redevelopment of the Civic Plaza area, developing the boundary areas of the Medical Corridor and the East Billings Urban Renewal Area, and expanding the Historic District. It could also assist with the essential remodeling of the Northern Hotel, the Babcock Theatre, the Westwood Building, the Lincoln Hotel Building. Public infrastructure construction within this expanded District could assist with the renovation and/or relocation of various City facilities, such as the public library. It is currently expected that the expanded North 27th Street District may help fund the following projects:

I. Business Programs and Projects

- a. Business Retention
 - i. Targeted assistance and review of existing street level businesses
 - ii. Retail market survey
- b. Business Recruitment
 - i. Development of a “chainlet” network
 - ii. Business plan development assistance
 - iii. Association networking
 - iv. Business Improvement District support
 - v. Business cluster analysis
 - vi. Pedestrian study
 - 1. demographics
 - 2. directions
 - 3. linkages
 - 4. destinations
 - 5. wayfinding

II. Parking and Transportation

- a. Increase use of public transit
- b. Parking structures to support current and future needs

- c. Explore parking linkages to adjacent destinations
- d. Explore parking management practices and programs
 - i. Off street parking
 - ii. On street parking

III. Crime Prevention and Public Safety

- a. Cooperative Security Program
- b. Business Watch Program
- c. Crime and Fraud prevention programs
 - i. Geared towards street level businesses

IV. Management, Implementation and Maintenance

- a. Downtown Billings Partnership, Inc. or its successor, management agreement
 - i. Project development
 - ii. Public awareness
 - iii. Advocacy and liaison between public and private sectors
- b. Business Improvement District expansion and development
 - i. Cooperative work agreements with PMDs
 - ii. Development and promotion of Conference Corridor
 - iii. BID expansion
 - iv. “Green” Management
 - 1. Recycling programs
 - 2. Tree management

V. Infrastructure Improvements

- a. Public
 - i. Expansion of Historic District
 - ii. New Library
 - iii. New Planning Department Offices
 - iv. Public Parking and Greenspace
 - v. Intersection Lighting by Public Works
 - vi. New SILMDs for mid-block lighting
 - vii. Streetscapes and traffic calming plans
 - viii. Sidewalks, curbs and gutter improvements
 - 1. stabilization of vaults
 - ix. Relocation of public and private utility lines
- b. Public infrastructure improvements that would support the following development projects/programs
 - i. Workforce housing development
 - ii. Loft and Condo development
 - iii. Lodging development
 - iv. Conference Facilities

v. Entertainment venues

SECTION 3 – SUMMARY OF BLIGHT FINDINGS

The area in the proposed expansion of the North 27th Street District contains a great deal of blight. Within the district there is substantial structural deterioration, long-term land vacancy, a railroad spur line that has been abandoned and a major rail line that continues to divide the Central Business District. Several of the commercial buildings in the district are deteriorated and/or vacant and need demolition or renovation. Many of the storefronts and upper floors are vacant or under-occupied. Sidewalks are cracked; alleys are deteriorated, and, in general, much of the area is below accepted standards. In contrast to the above, there are certain properties within the district in good repair but included in the district to allow for a contiguous block of land within the district and because pockets of revitalization cannot be sustained if areas of neglect and blight surround them. Over time, without continued managed urban renewal, even these success stories will once again decline in taxable value. Most of the district falls into the blighted, neglected and under-utilized categories.

SECTION 4 – DESCRIPTION OF BLIGHTED AREA

The expanded urban renewal area described in this amended Plan incorporates most of the Central Business District. Within the district there are several older, single-story structures that have been retrofitted for offices and warehousing, numerous surface parking lots, and several vacant structures. Many of these structures are unsuited to their current uses because of age obsolescence and physical deterioration.

Montana’s Urban Renewal Law (Montana Code Annotated Title 7, Chapter 15, Parts 42 and 43) provides the authority to declare the existence of blighted areas and to target them for improvements. “Blighted area” is defined in Section 7-15-4206(2), M.C.A., as follows:

[A]n area that is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime; substantially impairs or arrests the sound growth of the city or its environs; retards the provision of housing accommodations; or constitutes an economic or social liability or is detrimental

or constitutes a menace to the public health, safety, welfare, and morals in its present condition and use, by reason of:

- (a) the substantial physical dilapidation; deterioration; defective construction, material, and arrangement; or age obsolescence of buildings or improvements, whether residential or nonresidential;*
- (b) inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality;*
- (c) inappropriate or mixed uses of land or buildings;*
- (d) high density of population and overcrowding;*
- (e) defective or inadequate street layout;*
- (f) faulty lot layout in relation to size, adequacy, accessibility, or usefulness;*
- (g) excessive land coverage;*
- (h) unsanitary or unsafe conditions;*
- (i) deterioration of site;*
- (j) diversity of ownership;*
- (k) tax or special assessment delinquency exceeding the fair value of the land;*
- (l) defective or unusual conditions of title;*
- (m) improper subdivision or obsolete platting;*
- (n) the existence of conditions that endanger life or property by fire or other causes; or*
- (o) any combination of the factors listed in this subsection (2).*

The land being added to the Plan area includes 405 (Exhibit A) property tax codes plus a segment of centrally assessed BN Railroad property. The complete, expanded Urban Renewal Area will have 481 property tax codes plus the segment of BN Railroad property. Within that total area, and as noted in the 2006 approved Urban Renewal Plan, there are many “target areas” that should be immediately considered for redevelopment. The properties on N. Broadway between 4th Avenue North and 6th Avenue North will need additional parking to facilitate the construction of a Stockman Bank facility. The area adjacent to the Northern Hotel on North Broadway is in need of parking due to the closure of the privately owned parking structure in that area due to unsafe and blighted conditions of the structure. The area east of the Yellowstone County Courthouse Lawn is targeted for a new federal courthouse and will need additional parking and green spaces. The area between the new MET transit facility on N. 25th Street and to the east boundary of the East Billings Urban Renewal Area (N. 22nd Street) is in need of redevelopment that could include workforce housing and parking. The status of the Battin Federal Courthouse is still unclear. The facility is contaminated with asbestos and is destined to become vacant with the completion of a new federal courthouse and office building. This

vacancy will present a redevelopment opportunity in the near future. The area surrounding City of Billings Park IV contains many surface parking lots that could be developed if Park IV is sold to a private developer. This area lacks high-rise housing with mixed use occupancy on the first floor. The future use of the Lincoln Center is unclear and it could be a redevelopment opportunity if the school district ceases its administrative and continuing education functions in the building. The properties on 1st Ave. S. and Minnesota Avenue are not currently in a Historic District and values remain stagnant as compared to the Montana Avenue area. The redevelopment of the south side of the railroad tracks has not kept up with the redevelopment north of the tracks and should be a target area. Several properties located between Montana Avenue and 1st Avenue North are severely underutilized and in need of redevelopment. Without attention to some of this blight, over time, the value of the Montana Avenue redevelopment will most likely be negatively impacted.

SECTION 5 – DETERMINATION OF BLIGHT

The proposed expansion area of the North 27th Street District contains a number of underdeveloped properties. The Council previously determined that the property included in the North 27th Street District was “blighted” within the meaning of the Act in Resolution 05-18276 adopted June 13, 2005 and Resolution 06-18488, adopted September 25, 2006. The Redevelopment Area, including the portion that is to be expanded to form the Expanded North 27th Street District - 2008, was previously determined to be blighted and an appropriate area for an urban renewal project in Resolution No. 12107 dated January 5, 1976. Deficiencies in public and private properties located in the district lead to a determination that the area continues to be blighted, as defined by state statute. Specific areas of blight on the site are listed below:

Deficient Structures in Expanded Area

There are several buildings that are over 50 years in age and do not qualify as being historically significant. Many are in poor repair and may contain potentially hazardous asbestos and lead paint.

Deficient Public Facilities in Extended Area

The streets, curbs, gutters and sidewalks in much of the area are in satisfactory repair. However, sewer and water utilities in the area are aging and have required frequent repairs in recent years. Several parking lots generally do not meet code requirements for paving, striping and landscaping. Many of them are cracked and crumbling. The city owned parking ramps within the area, except for Park IV have extensive “waiting lists” and public parking for adjacent office and commercial structures continues to be inadequate. Demand for parking will continue and additional and expanded parking structures will be required to accommodate commercial growth.

Deficient Land Use in Extended Area

In general, the area is under-utilized due to the significant amount of surface parking areas and a large number of single-story structures. The taxable value of this district must be stabilized and encouraged to grow.

SECTION 6 – THE SITE AND ITS RELATIONSHIP TO THE CITY

As noted, the expanded North 27th Street Urban Renewal Area comprises most of the Central Business District (CBD) of the City of Billings.

SECTION 7 – LEGAL DESCRIPTION

The legal description of the proposed Expanded North 27th Street District – 2008 is as follows:

Beginning at a point at the intersection of the centerlines of 6th Avenue North and North 31st St. proceeding east along the centerline of 6th Ave. North to a point at the intersection of the centerlines of 6th Avenue North and N. 22nd Street proceeding south along the centerline of North 22nd Street, crossing the centrally assessed Burlington Northern Railroad property, to a point at the intersection of South 22nd Street and Minnesota Avenue proceeding west along the centerline of Minnesota Avenue to a point at the intersection of Minnesota Avenue and South 23rd Street proceeding south along the centerline of South 23rd Street to a point at the intersection of South 23rd Street and 1st Avenue South proceeding west along the centerline of 1st Avenue South to a point at the intersection of the centerlines of 1st Avenue South and South 31st Street proceeding north along the centerline of South 31st Street, crossing the centrally assessed Burlington Northern Railroad property, to the starting point at the intersection North 31st Street and 6th Avenue North encompassing all parcels and tax codes therein, all inclusive.

SECTION 8 – PROPERTY DEVELOPERS

New development in the proposed tax increment district will also be accomplished through the implementation of the Downtown Framework Plan. These Projects are described in Section 2 of this plan.

SECTION 9 – PROJECT RELATIONSHIP TO THE FRAMEWORK PLAN

The proposed urban renewal area and expanded tax increment district is located generally in the center of the City and encompasses most of the “districts” as defined by the Billings Framework Plan (“Framework Plan”). One goal of the Framework Plan was to remove barriers to downtown circulation and development created by 4th Avenue North and 6th Avenue North and establish the area between the avenues as both a discreet district and a recognized extension of the CBD, thereby allowing potential ties to the medical corridor and MSU-Billings from the CBD. Generally, the Framework Plan stressed the downtown’s ability to make a positive impact on the entire city. The Framework Plan also recommended a private non-profit organization to assist the City of Billings with the management of the Tax Increment District through an annual work plan and contract. This Expanded N 27th Street District may be managed in a similar manner and could make use of the redevelopment and facilitation established through that management entity.

Framework Plan Recommendation: Housing

The Framework Plan states that housing should be a top priority and that the City should continue to work with builders and developers to encourage downtown housing through various methods. Specifically, the plan states that high-rise housing is to be located in the east transition zone and portions of the north transition zone.

The formation of an expanded tax increment district will help to raise funds that can be used for construction or rehabilitation of public infrastructure necessary to attract and retain housing in the area.

Framework Plan Recommendation: Priorities

The top priorities identified in the Framework Plan include the following:

- Development incentives, including business retention and recruitment
- Housing – demonstration projects
- Streetscape Kit of Parts – expand kit to include Minnesota Avenue
- Events Kit of Parts – Modern and safer traffic control devices may be needed
- Paring configuration adjustments – several one-way streets could be converted to 2-way
- 5th Avenue North Corridor preservation and enhancement

This amendment to the Plan and the urban renewal projects that it contemplates specifically address all six of these priorities.

SECTION 10 – CONFORMANCE TO THE GROWTH POLICY

One of the requirements of Montana’s Urban Renewal Law (Title 7, Chapter 15, Parts 42 and 43) is that the urban renewal plan must conform to the community’s growth policy. The Yellowstone County and City of Billings Growth Policy (“Growth Policy”) refers to and promotes downtown redevelopment in a variety of ways. This amendment to the Plan is consistent with the current Growth Policy.

SECTION 11 – CERTAIN PLAN FEATURES AND FINANCIAL MATTERS

Section 7-15-4217, M.C.A., of the Act requires cities to make certain findings when they adopt an urban renewal plan and approve Urban Renewal Projects. These are addressed below:

1. Most of the District contains no existing dwelling units or housing, and planned projects would not displace any persons from housing. Accordingly, there is no need to have a workable and feasible plan for substitute housing until and unless such a project is developed in the future.
2. This amended Plan conforms to the Growth Policy for the City as a whole and to the

Framework Plan.

3. This Modified Plan affords maximum opportunity, consistent with the needs of the City as a whole, for the rehabilitation or redevelopment of the Expanded North 27th Street District by private enterprise. It is unreasonable to expect that the district will be remain stabilized and/or redeveloped without substantial public support. Numerous properties within the area are dilapidated. As presently constituted, property in the district is not conducive to any sort of uniform or integrated development and, as presently existing, cannot compete with other areas of the City for substantial developments, particularly areas at the outskirts of the City. Experience has validated the foregoing facts and observations. This amended Plan is intended to facilitate the identification and construction of significant Urban Renewal Projects, which would not be possible without this Plan.
4. A sound and adequate financial program exists for financing projects, which include the sale and issuance by the City of the Bonds in an amount not to exceed the costs of the project, including administration costs and costs of issuance of the Bonds. Any approved Development Project will require commitments of substantial private financing that will provide the primary means for funding construction of the improvements.
5. This Expanded N. 27th Street District - 2008 may be modified at any time by the City Council as necessary to eliminate and prevent the development or spread of blighted areas, and encourage urban rehabilitation. The process for plan modification shall follow the procedures set forth in 7-15-4212 through 7-15-4219 MCA, with respect to initial adoption of this plan. For purposes of urban renewal district boundary changes only, the notice of public hearing, as described in 7-15-4215 MCA, may be mailed only to those owners whose properties are situated within the area of expansion or contraction of the Urban Renewal District boundaries. In cases where the boundaries are not modified, but the contents of the urban renewal plan are substantially modified, notification shall be mailed to all owners of property within the Urban Renewal District area.

SECTION 12 – TAX INCREMENT

Tax increment financing is necessary to encourage private reinvestment within the District, which will further encourage economic growth in the District and Downtown Billings, create substantial employment opportunities, and increase the tax base of the City and other taxing jurisdictions. The expanded North 27th Street District is hereby established as a tax increment financing urban renewal area within the meaning of the Act, and, in particular, Section 7-15-4282 through 7-15-4293 of the Act. This Section constitutes a tax increment provision within the meaning of the Act. In connection therewith:

1. For the purpose of calculating the incremental taxable value each year for the life of the district, the base taxable value shall be calculated as current base taxable value of the district plus the base taxable value of all real and personal property added to the district by this amended plan and as show in Exhibit B as of **January 1, 2008**.
2. The City is hereby authorized to segregate the tax increment derived in the district and use and deposit such increment into the tax increment fund of the district for use as authorized by the Act and as authorized herein from time to time, including, without limitation, pledging the tax increment to repayment of Bonds.
3. The tax increment received from the district may be used to pay directly costs of an approved Development Project as may from time to time be approved by the Council. The Council also hereby authorizes the use of tax increment in the district to pay debt service on Bonds issued to finance a portion of the costs of these Development Projects, and costs associated with the sale and security of such Bonds in compliance with the Act, subject to any limitations imposed by the Montana Constitution and federal law.
4. The tax increment provision of the district will terminate upon the latter of:
 - a. The fifteenth (15th) year following the original creation of the district; or
 - b. The payment or provision for payment in full or discharge of all Bonds, and the payment of interest thereon, for which the tax increment has been pledged.

After termination of the tax increment provision, all taxes shall continue to be levied upon the actual taxable value of the taxable property in the district, but shall be paid into funds of the taxing bodies levying taxes within the district.

SECTION 13 – CONCLUSIONS

The creation of this expanded North 27th Street Urban Renewal District will have a positive impact on Downtown Billings and no impact on the total taxable value flowing to the taxing entities from the now expired 1975 Urban Renewal District.

Expansion of the North 27th Street District is an essential first-step in completing what may be a number of urban renewal projects. If completed, mixed use projects approved within the first two years could stimulate over \$30 million in new construction, and possibly as much as \$15 million in re-sales and redevelopment. Approximately 500 new employees and new downtown residents could be located on the commercial and upper floors of possible mixed use projects. Thus, expansion of the district, in addition to further stabilizing the tax base, eliminating blight and providing renaissance to the CBD, will also bring new employees and residents to the CBD.

Mixed use development within the Expanded District ties in favorably with and actually stimulates the remodeling plans that are currently underway for several downtown properties. Additionally, like any major new development, the anticipated Stockman Bank construction at 4th Avenue North and North Broadway will have a stimulating effect on the surrounding area. Specific examples of this are:

1. It will tie the CBD to the medical corridor located immediately to the north of the development.
2. The Billings Clinic has purchased the Underriner property to the north and west of the Library. The Clinic's plans at this point have not been determined; however, the development proposed in this amended Plan will enhance and encourage future development by this group.

3. The Framework Plan encourages the development of the 5th Avenue North corridor. An enhanced Library, as accomplished by projects described in this Plan, will provide an excellent entrance to this corridor.
4. Future redevelopment and revitalization of structures like the Northern Hotel and the Babcock Theatre Building are enabled by this district.
5. This expanded district may assist with the completion of and continued modernization of City owned downtown parking structures.

In conclusion, expansion of the North 27th Street Urban Renewal District to include the property described in this amended Plan will have a positive effect on the CBD and the City.