



INTERIM PLANNING COMMISSION

Thursday, March 5, 2026 at 4:30pm

Commission Members	Position	01/15/2026	02/05/2026	03/05/2026	03/25/2026	04/02/2026	05/07/2026	06/04/2026	07/02/2026	08/06/2026	09/03/2026	10/01/2026	11/05/2026	12/03/2026	04/02/2026
Dennie Stephenson	Chair	1	1	1											
Kimberly Welzenbach	Vice Chair	1	V	1											
Daniel Brooks	Commission Member	1	1	1											
Roger Gravgaard	Commission Member	1	V	A											
David Nordel	Commission Member	V	V	V											
Amber Parish	Commission Member	1	1	1											
Josh Sayer	Commission Member	1	1	1											
John Staley	Commission Member	1	1	1											
Jim Ronquillo	Commission Member	A	A	1											
Wyeth Friday	PCSD Director	1	1	A											
Anna Vickers	Planning Div Manager	1	1	1											

Please note: "A" stands for excused absence, "1" stands for present, "V" stands for Zoom participation, "C" stands for cancelled

Call the Meeting to Order:

Chairman Stephenson called the meeting to order at 4:30 p.m.

Introduction of Planning Board Members and Planning Department Staff

Chairman Stephenson called for introductions of the members of the Interim Planning Commission and Planning staff.

Attending Staff: Anna Vickers, Planning Division Manager; Brenda Berns, Planning Clerk

1. Others in Attendance: Nicole Cromwell; Cari Olson; Joseph Femling; Melinda Nielsen; Darci Colbrese; Katie Harrison

2. Approval of Agenda

Motion

Motion by Commissioner Staley to approve the agenda as written, second by Commissioner Ronquillo. Motion carried unanimously.

3. Approval of Minutes of February 5, 2026

Motion

Motion by Commissioner Brooks to approve the meeting minutes of February 5, 2026, second by Commissioner Parrish. Motion carried unanimously.

4. Public Comment – Non-agenda items

Cari Olson – Ms. Olson expressed concern about the proposed data center in Broadview, noting that residents are worried about oversight and the short-term nature of such facilities. She shared that she formed a community group, *Just For Montana*, and sought guidance from the board regarding next steps.

Cassie Solberg – Ms. Solberg highlighted the lack of zoning regulations in her area and advocated for adoption of an interim zoning ordinance into the Billings 2045 Plan. She raised concerns about how data center developments could impact future costs and referenced a resolution and correspondence from Butte-Silverbow to the PSC.

Katie Harrison – Ms. Harrison stated that data centers provide only temporary construction jobs and questioned who truly benefits from these projects. She emphasized concerns about strained national resources and urged the board to communicate with decision-makers about the broader implications of data center development.

Darci Colbrese – Ms. Colbrese raised concerns about water usage and the potential impact on public lands, advocating against the development of data centers in the area.

Mindy Nelson – Ms. Nelson shared her perspective as a retired postal worker, noting the need for community resources such as mental health facilities rather than data centers.

Staff Comments

Anna Vickers, Planning Division Manager,

Ms. Vickers explained that a citizen-initiated zoning district could be a potentially quicker approach, though timelines may vary. She emphasized that the board makes recommendations under the Montana Land Use Planning Act (MLUPA) and cannot declare an emergency for an interim zoning ordinance, that authority rests with the City Council.

Regarding data centers, Ms. Vickers stated that while the board can outline potential use categories or identify considerations for data centers within Billings city limits, the proposed data center in Broadview is outside the board’s jurisdiction. These topics may be addressed in upcoming zoning code amendments and related administrative processes.

5. Disclosure of Outside (Ex-Parte) Communication: No outside communications or disclosures were reported by the board.

6. Disclosure of Conflicts of Interest: No conflicts of interest were reported by the board.

7. Old Business: No old business was discussed.

8. New Business:

a. Presentation by SB Friedman regarding Economic Analysis for Billings 2045

Michael Ryzhov, SB Friedman – Mr. Ryzhov stated they have been working with Orion Planning & Design over the last year to develop a citywide land use plan and future land use map in conformance with the Montana Land Use Planning Act. They’ve conducted demographic, market and economic analyses to inform the forthcoming land use plan and future land use map.

(Please see the attached presentation for information associated with Mr. Ryzhov’s presentation.

Discussion

Board members discussed the definition, identification, and tracking of affordable multifamily housing in Billings. Staff clarified that the referenced affordable units are legally or deed-restricted, with rent covenants typically serving households earning 60–80% of area median income. It was noted that state law does not require the city to provide affordable housing, and that most recently

constructed multifamily units have been market-rate. Staff also reviewed multiple data sources to verify unit counts.

The discussion included factors influencing multifamily construction, including growth patterns, infrastructure costs, and development feasibility. Input from stakeholders, including realtors and community development professionals, highlighted that continued outward expansion of Billings is increasingly costly due to infrastructure demands. Consequently, prioritizing infill development was emphasized as a more sustainable and cost-effective strategy.

Board members also considered historical comparisons of infrastructure costs, long-term population growth projections, and the impact of COVID-19. Staff noted that the pandemic caused short-term shifts in the housing market but had limited influence on long-term growth trends. Growth projections were based on both recent 15-year trends and extended future forecasts to provide a realistic outlook.

Public Comment

Nicole Cromwell – Billings, MT

Ms. Cromwell questioned the general guideline for the proportion of affordable housing relative to total residential units in the city and noted that approximately 5% of the city's housing units are affordable. She also observed that the largest growth sectors in the local economy tend to be lower-wage positions, which will increase demand for affordable housing. Ms. Cromwell highlighted that infill development is an effective strategy to create additional affordable units within the existing urban area.

Mr. Ryzhov noted that the proportion of affordable housing can vary depending on measurement methods, and a comprehensive housing market analysis would also consider units currently available on the market at lower price points. Board members discussed the relationship between local employment sectors and housing demand, observing that lower-wage industries, such as hospitality, influence affordability needs.

Questions were raised regarding the number of affordable units constructed in recent years relative to overall housing permits, and whether rising construction costs are affecting affordable housing development. It was explained that affordable housing projects typically rely on a combination of grants, loans, tax credits, and other funding sources. While deed-restricted affordable housing construction has not necessarily declined, increasing development costs have contributed to a reduction in naturally occurring affordable housing inventory.

b. Comparison of Encouragement of Development of Housing (MCA 76-25-302) Across Montana

Anna Vickers, Planning Division Manager, stated that following the previous meeting, staff reviewed how other communities across the country are implementing land use planning acts. She noted that many cities have not indicated their implemented zoning incentives to the extent that Billings has.

Ms. Vickers explained that the Montana Land Use Planning Act (MLUPA) is required to be implemented in Helena, Bozeman, Missoula, Great Falls, Kalispell, Whitefish, Columbia Falls, and Laurel, with Lewistown having voluntarily adopted a plan.

City	Plan Adopted	Current Compliance Status
Helena	November 2025	Plan to adopt the League's model subdivision regulations and a "quick" update to the zoning process by May; comprehensive zoning update to follow and be completed by August 2027.
Bozeman	October 2025	Adopted an updated Unified Development Code in December 2025; this process had been ongoing since 2022.
Missoula	December 2024	Zoning and subdivision regulations have been updated and adopted to comply with MLUPA (as of January 2026). This process had been ongoing since 2021.
Great Falls	June 2026*	*Anticipated adoption. Update plan makes recommendations on how to align zoning and subdivision regulations with MLUPA; updates have yet to begin.
Lewistown	October 2024	
Kalispell	January 2026*	*Status of plan adoption unclear; City Council held a meeting to continue review of plan on Feb. 23 rd , 2026; no information on updates to zoning or subdivision regulations.
Whitefish	February/March 2026	Housing element adopted in February; complete plan scheduled for adoption 3/2. Unclear what City's next steps are in terms of updates to zoning and subdivision regulations
Columbia Falls	TBD	No information on the status of zoning or subdivision regulation update; planning process began in late 2025/early 2026.
Laurel	TBD	No information on the status of zoning or subdivision regulation update; planning process has yet to begin (RFP released in February 2026).

Ms. Vickers then reviewed each jurisdiction individually to recap housing incentives that were summarized within their plan.

Board Questions

Board members discussed strategies to encourage infill development within the community. Staff noted that available tools include density allowances, zoning incentives, and the City's existing infill policy. Collaboration with stakeholders, including realtors, builders, and developers, was emphasized as critical for identifying community needs and refining approaches. Additional considerations included preapproved building plans, tax credits for redevelopment, and potential adjustments to impact fees. Encouraging density toward the interior of developments was also noted to reduce the visual impact of building height transitions.

Board members expressed concern regarding consistent implementation of the 2011 infill policy and inquired about the responsible authority. Staff clarified that the Planning Department will review the policy following adoption of the MLUPA, with City Council engagement anticipated.

Members emphasized that consistent application is essential to address housing needs and prevent continued outward expansion.

Staff highlighted that focusing on infill supports a sustainable tax base, efficient use of infrastructure, and productive use of vacant properties. Challenges associated with redevelopment in established areas, including downtown, were acknowledged, particularly related to code enforcement and site constraints. Staff concluded that ongoing discussions are necessary, noting that while the committee's immediate role is to provide recommendations for zoning updates, infill development remains a broader, long-term community goal.

Public Comment

Joseph Femling, Billings MT – Mr. Femling stated he acquired various properties in town and would appreciate incentives and encouragement that could be made available to facilitate the infill process and come up with some guidance to assist in that kind of development with his properties.

c. Update on City Council Billings 2045 Discussions and Upcoming Special Work Sessions

Staff provided an update regarding ongoing engagement with City Council. A second meeting is scheduled in March to discuss the Planning Map. Staff noted that a presentation was made to City Council to inform them of the commission's work.

It was emphasized that these sessions are intended to inform City Council, not to circumvent the IPC process. Board members were encouraged to attend City Council sessions, as sharing their perspectives and advocating for the commission's work would be valuable.

Staff indicated that a further update will be provided at the next commission meeting on March 25th.

9. Other Business:

Future Agenda Items

Ms. Vickers shared that our next community Outreach will be April 6, 2026 – April 8, 2026. More information will be forthcoming for another round of public comments on the Billings2045 plan.

Adjournment: 5:50pm

Brenda J Berns, Planning Clerk



BILLINGS 2045 FUTURE LAND USE PLAN

Market Analysis & Growth Projections

Interim Planning Commission Presentation | March 5, 2025



VISION
ECONOMICS
STRATEGY
FINANCE
IMPLEMENTATION

Google Earth
© 2025 Google

PRESENTATION TOPICS

- 1) INTRODUCTION
- 2) HOUSING
- 3) ECONOMIC DEVELOPMENT
- 4) GROWTH PROJECTIONS

WHO WE ARE

SB Friedman Development Advisors, LLC

- **SB Friedman** is a Chicago-based consulting firm working with the public and private sectors in a range of disciplines:
 - Market Analysis and Real Estate Economics
 - Development Strategy and Planning
 - Public-Private Partnerships and Implementation
 - Special District Designation, Amendment and Administration
- SB Friedman is working with Orion Planning + Design to develop a citywide land use plan and future land use map in conformance with the Montana Land Use Planning Act
- SB Friedman conducted demographic, market and economic analyses to inform the forthcoming land use plan and future land use map



Lance Dorn
Partner



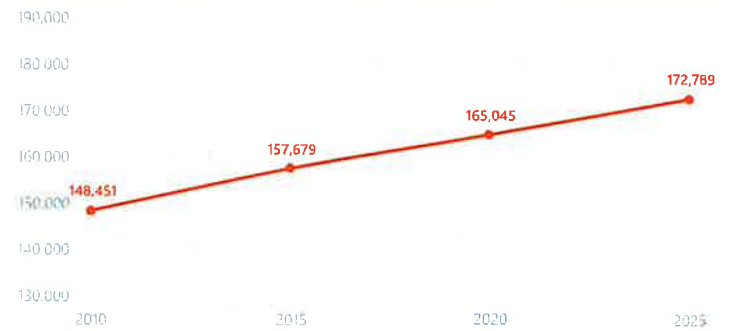
Michael Ryzhov, AICP
Senior Project Manager

POPULATION PROJECTIONS

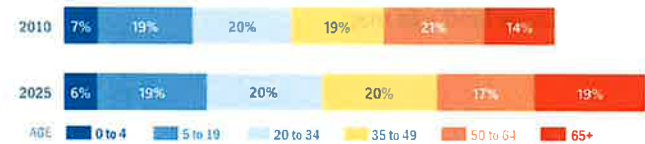
Yellowstone County's population has increased by over 24,000 since 2010

- Based on estimates published by the Big Sky Economic Development Agency, the 2025 population of Yellowstone County was 172,789.
- This 2025 population projection reflects an increase of over 24,000 in the span of fifteen years.
- The population of Yellowstone County has aged over the last 15 years. The share of the population age 65 and older increased from 14% to 19% from 2010-2025.

YELLOWSTONE COUNTY POPULATION AND PROJECTED POPULATION, 2010-2025



YELLOWSTONE COUNTY POPULATION BY AGE, 2010-2025

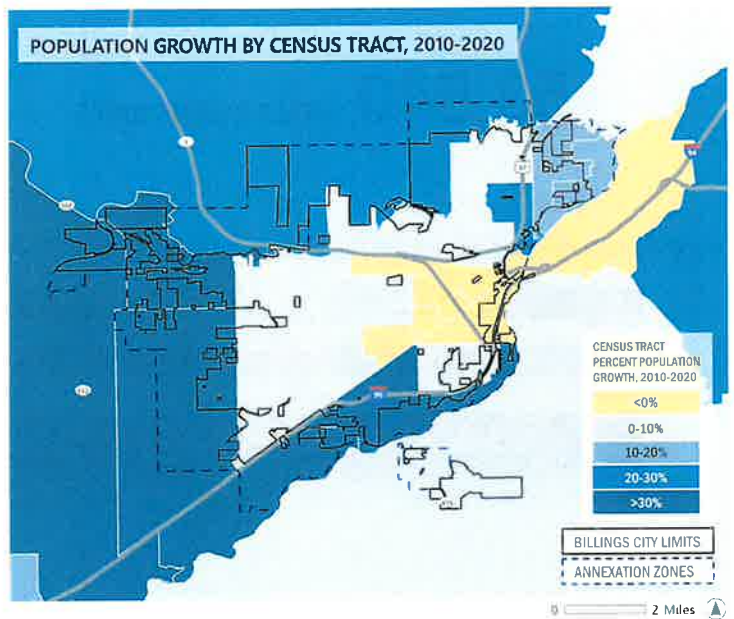


Source: Big Sky Economic Development Agency; IPS Statistics of the State; Regional Economic Model, Incorporated; REMI, compiled by Montana Department of Commerce; SB Friedman Development Advisors, LLC

AREA POPULATION CHANGE, 2010-2020

Population growth has been greater in more outlying areas of Billings

- From 2010 to 2020, Billings' population grew by 12.4%. However, population growth was not distributed evenly throughout the city.
- The historic core of Billings, including Census tracts overlapping downtown, experienced population decline during this period.
- Areas on the edges of Billings, including Billings Heights and West Billings, grew much more rapidly and saw population increases above 20%.
- The population in tracts overlapping annexation areas to the west of city limits increased by up to 95%.



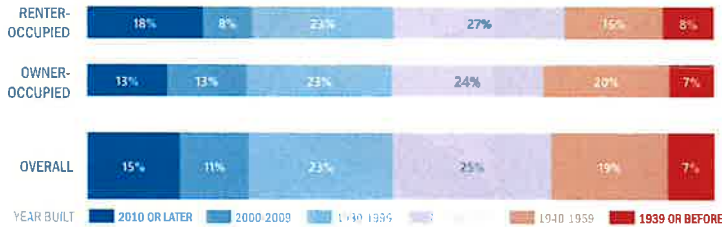
BILLINGS EXISTING HOUSING STOCK

61% of Billings' housing units are owner-occupied; 64% of housing units are single-family detached

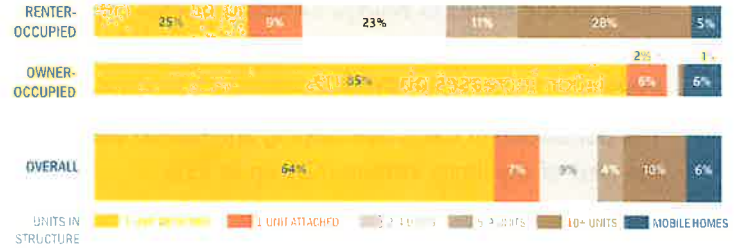
53,540 TOTAL HOUSING UNITS

61% OWNER-OCCUPIED
 33% OWNER-OCCUPIED
 6% VACANT

SHARE OF BILLINGS HOUSING UNITS BY TENURE AND YEAR BUILT, 2023



SHARE OF BILLINGS HOUSING UNITS BY TENURE AND UNITS IN STRUCTURE, 2023



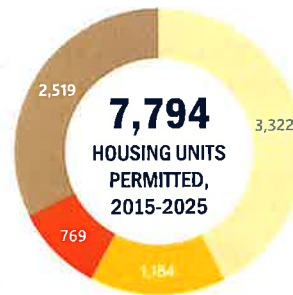
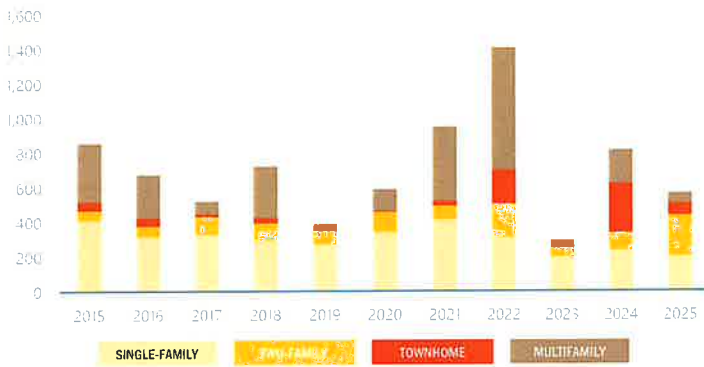
Source: American Community Survey, ACS 5-Year Estimates (2021), SB Friedman, SB Friedman Development Advisors, LLC

BILLINGS RESIDENTIAL BUILDING PERMITS

Since 2020, new housing production in Billings has shifted towards denser housing typologies

- Since 2015, approximately 7,800 residential units have been permitted in Billings.
- The mix of new housing has shifted towards denser options, while total housing production has also grown. Per City data, as of February 2026, subdivision applications have been submitted for over 500 additional residential units.

BILLINGS RESIDENTIAL UNITS PERMITTED, 2015-2025



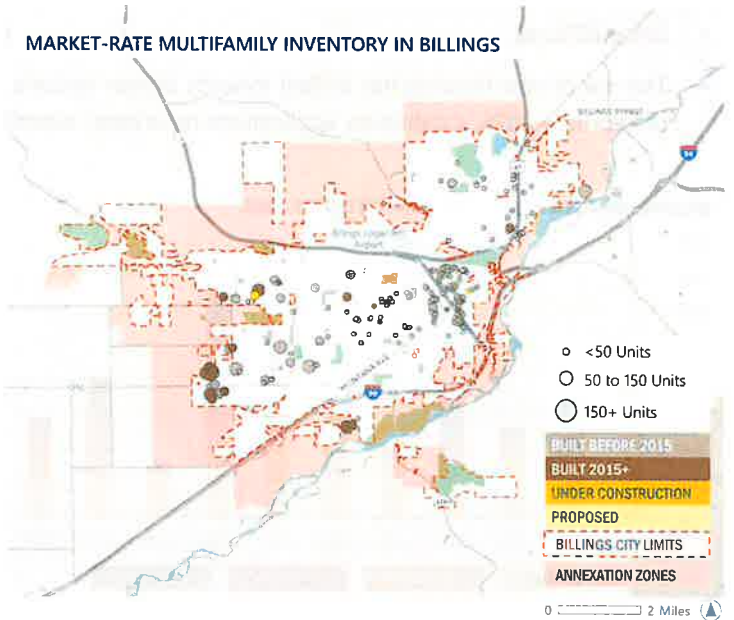
	2015-2020	2021-2025
SINGLE-FAMILY	328	271
TWO-FAMILY	86	134
TOWNHOME	28	121
MULTIFAMILY	185	282
TOTAL	627	808

Source: Census Building Permits, City of Billings, SB Friedman, U.S. Census Bureau, SB Friedman Development Advisors, LLC

MARKET-RATE MULTIFAMILY SUPPLY IN BILLINGS

Almost a third of existing market-rate multifamily units were built since 2015

- Billings has 7,894 market-rate multifamily rental units. The overall vacancy rate is 7.7%, which indicates a healthy market; the U.S. average is 9.0%.
- Since 2015, 23 market-rate multifamily developments have added 2,304 units, or 29% of Billings' total market-rate multifamily units.
- Market-rate units are distributed throughout Billings, with a large concentration of older, smaller developments near the downtown.
- Newer market-rate developments tend to have more units and are located toward the edges of the city.



Source: City of Billings, CoDIR, May 2025; Orphan & Wakefield (2023, 2025); SB Friedman
SB Friedman Development Advisors, LLC

BILLINGS RESIDENTIAL SALE TRENDS

The median home sales price in Billings has increased by over \$163,000 since 2015

- In 2015, the median home sales price in Billings was \$216,500. The median price increased to \$379,900 by 2024 (75% growth since 2015). Most of the recent increase in median home sales price occurred between 2020 and 2024.
- Between 2020 and 2024, the median number of days on the market ranged from 5 to 19 days. The shorter time on market coincided with sharp increases in median sales prices.
- From 2016 to 2020, the number of sales closed increased each year, reaching a high of 2,733 in 2020. From 2020 to 2023, the number of sales closed decreased each year, reaching 1,953 in 2023. In 2024, the number of sales closed increased to 1,979.

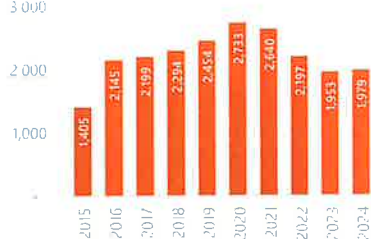
BILLINGS MEDIAN RESIDENTIAL SALES PRICE, 2015-2024



MEDIAN DAYS ON MARKET



RESIDENTIAL SALES CLOSED



Source: Billings Association of Realtors (2025) NB Friedman
SB Friedman Development Advisors, LLC

AFFORDABLE MULTIFAMILY SUPPLY IN BILLINGS

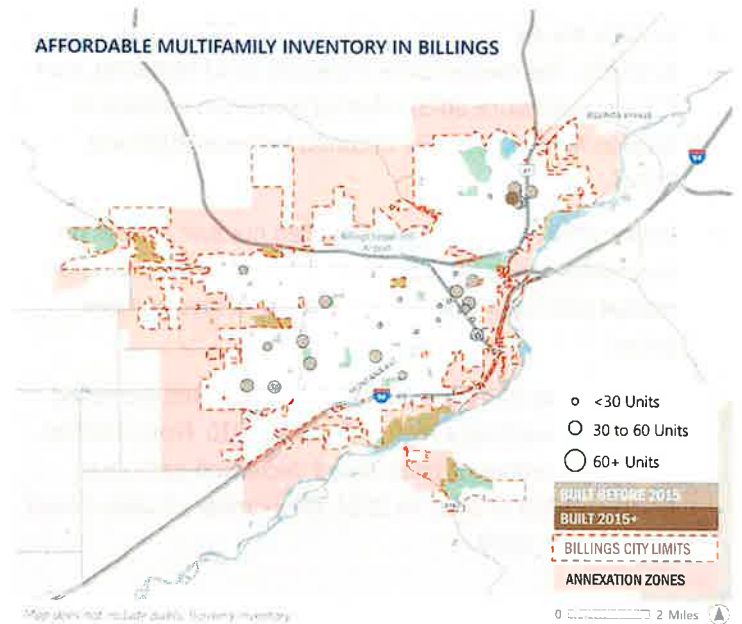
Several affordable multifamily developments have been completed in Billings since 2015

- According to Homefront, Billings has 2,013 legally-restricted affordable multifamily rental units. This figure is inclusive of 216 public housing units operated by Homefront.
- Clusters of affordable developments are concentrated in the northeast portion of Billings and near the downtown.
- Six affordable multifamily developments (254 units) have been built since 2015, according to Homefront.

2,013
TOTAL AFFORDABLE
UNITS

254
AFFORDABLE UNITS
BUILT SINCE 2015

5.5%
AFFORDABLE
VACANCY RATE



Source: City of Billings, CoS in July 2025, Homefront, SB Friedman, SB Friedman Development Advisors, LLC

HOUSING ANALYSIS CONCLUSIONS

Home sale prices and rents have increased over the last decade; affordability is a growing concern

- Housing affordability remains a challenge in Billings. From 2015 to 2025, the median home sales price grew at a CAGR of 6.4%, increasing by over \$163,000. Multifamily rents have also increased from 2015 to 2024, albeit at a more moderate CAGR of 2.7%.
- Amidst housing affordability concerns, several recent studies identified infill residential development as a potential avenue to increasing the supply of housing attainable to Billings residents.
- Planning for a diversity of housing types, including single-family detached homes, townhomes, affordable and market-rate multifamily or condominium homes, would help ensure that there are housing options for people and households at different stages of life and with varying needs.

Market-Rate Multifamily Units	7,894
<i>Built Since 2015</i>	2,444
Vacancy	7.7%
Average Rent/SF	\$1.57
Affordable Multifamily Units	1,748
<i>Built Since 2015</i>	136
Vacancy	5.5%
Average Rent/SF	\$1.34
Single-Family Owner-Occupied Units [1]	29,772
<i>Closed Sales 2015-2024</i>	21,999
2024 Median Days on Market	19
2024 Median Sales Price	\$379,900

Source: Billings Association of Realtors, 2025; CoStar, July 2025; SB Friedman
SB Friedman Development Advisors, LLC

HISTORIC & PROJECTED MAJOR ECONOMIC CLUSTER GROWTH

Eight of ten largest traded clusters in the county are projected to grow between 2024 and 2034

- Hospitality and Tourism has remained the largest employment cluster in Yellowstone County since 2014. Given projected job increases, there is likely to be greater demand for hotels, event spaces and tourist activities going forward.
- Health Care has remained the second-largest cluster in the county since 2014.

TOP TEN TRADED EMPLOYMENT CLUSTERS IN YELLOWSTONE COUNTY, 2014-2034

	Employment, 2014	Employment, 2024	Projected Employment, 2034	Employment CAGR, 2014-2024	Employment CAGR, 2024-2034	Average Wage, 2024
Hospitality and Tourism	10,671	12,599	13,556	1.7%	0.7%	\$30,000
Health Care	6,388	7,985	8,871	2.3%	1.1%	\$110,800
Distribution and Electronic Commerce	2,612	2,696	2,814	0.3%	0.4%	\$97,700
Transportation and Logistics [1]	2,041	1,862	1,749	-0.9%	-0.6%	\$84,800
Business Services	1,725	1,853	1,582	0.7%	-1.6%	\$95,700
Oil and Gas Production & Transportation	1,495	1,569	1,677	0.5%	0.7%	\$212,500
Education and Knowledge Production	1,581	1,552	1,661	-0.2%	0.7%	\$41,400
Engineering Services	952	1,157	1,346	2.0%	1.5%	\$139,800
Construction Products and Services	855	780	852	-0.9%	0.9%	\$108,100
Agricultural Inputs and Services	499	775	1,006	4.5%	2.6%	\$43,900

[1] The decrease in Transportation and Logistics employment appears to be a product of how traded and local clusters are defined and organized. The traded Transportation and Logistics sector lost approximately 180 jobs, largely due to decreases in long distance freight trucking and freight transportation arrangement, however jobs in local logistics services grew by 1800 jobs, largely by increases in express delivery services. Local cluster employment is shown on page 26.

Source: Logitcast (2025); SB Friedman

SB Friedman Development Advisors, LLC

HISTORIC & PROJECTED ECONOMIC CLUSTER GROWTH

Yellowstone County is projected to gain over 5,800 jobs from 2024 to 2034

- From 2014 to 2024, Yellowstone County employment grew at a CAGR of 1.0%.
- Yellowstone County is projected to gain 5,861 jobs from 2024 to 2034, bringing total employment to 95,159. Total employment is projected to grow at a CAGR of 0.6%, which is slightly slower than the prior ten-year period.

EMPLOYMENT IN YELLOWSTONE COUNTY, 2014-2034

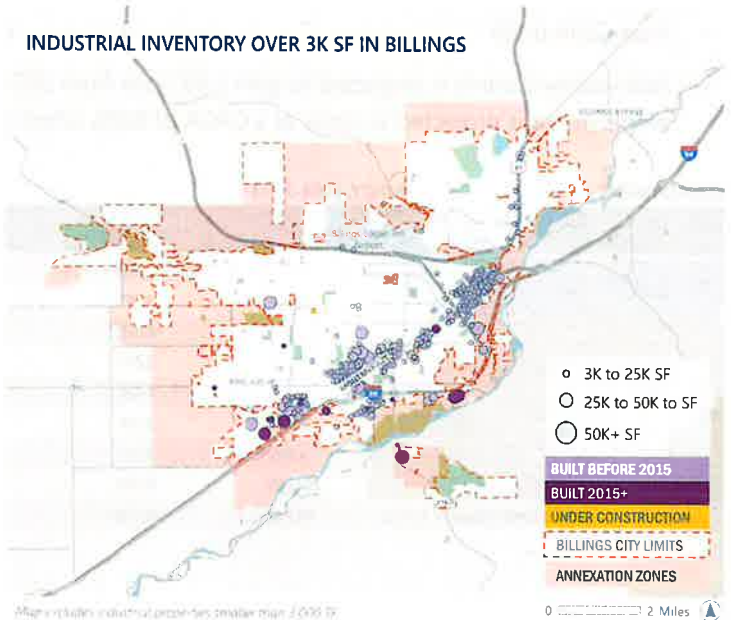
	Employment, 2014	Employment, 2024	Projected Employment, 2034	Employment CAGR, 2014-2024	Employment CAGR, 2024-2034	Weighted Average Wage, 2024
Ten Largest Traded Clusters	28,820	32,830	35,114	1.3%	0.7%	\$77,327
All Other Traded Clusters	5,061	4,781	5,289	-0.6%	1.0%	\$93,950
Real Estate, Construction & Development	6,583	8,055	8,698	2.0%	0.8%	\$80,435
Local Health Services	4,757	5,241	5,924	1.0%	1.2%	\$73,519
Local Motor Vehicle Products & Services	4,145	4,426	4,526	0.7%	0.2%	\$71,793
Local Education and Training	3,593	3,913	3,994	0.9%	0.2%	\$65,455
Local Commercial Services	3,466	3,561	3,601	0.3%	0.1%	\$57,468
All Other Local Clusters	24,423	26,491	28,012	0.8%	0.6%	\$67,613
YELLOWSTONE COUNTY TOTAL	80,848	89,298	95,159	1.0%	0.6%	

Source: Lintcast (2023), SB Friedman
 SB Friedman Development Advisors, LLC

INDUSTRIAL SUPPLY IN BILLINGS

Industrial developments are densely concentrated along Montana Ave and I-90

- The overall industrial vacancy rate is 4.6% which indicates a healthy market; the U.S. average is 6.2%.
- Approximately 719,000 SF of industrial space has been built since 2015, which accounts for 9.4% of Billings' existing inventory.
- While the city has more than four times as much industrial supply as the annexation zones, development since 2015 in the two geographies has been comparable.
- Per the City, as of February 2026 subdivision applications encompassing nearly 450 acres of land for proposed commercial uses have been submitted.



Source: City of Billings, CoSIP, May 2025; O'Brien & Gere, Inc. (2025); SB Friedman & SB Friedman Development Advisors, LLC

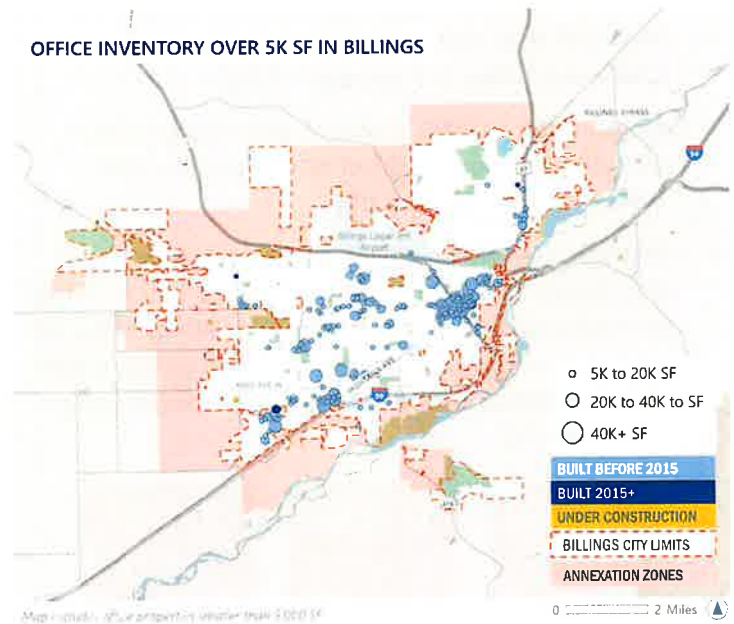
OFFICE SUPPLY IN BILLINGS

Less than 2% of the 6.3 million SF of office space in Billings was built since 2015

- The office vacancy rate (3.5%) indicates a constrained market, as the U.S. average is 19.9%, per Cushman & Wakefield.
- However, some of the office properties may be leased, but not fully occupied due to remote or hybrid work policies.
- Approximately 101,000 SF of office space has been built since 2015; therefore, 98.4% of the city's existing office inventory was built before 2015.



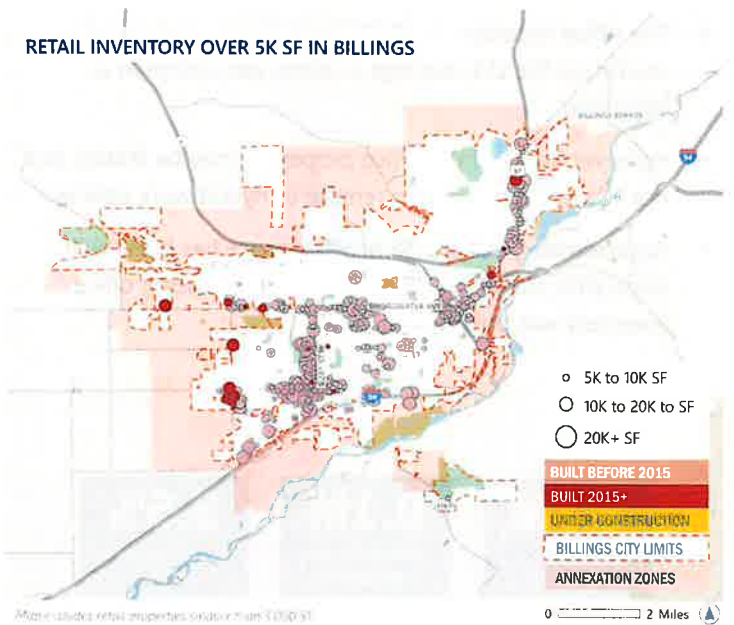
Source: City of Billings, CoStar (May 2025), Cushman & Wakefield (Q3 2025), SB Friedman Development Advisors, LLC



RETAIL SUPPLY IN BILLINGS

Less than 5% of the 10.6 million SF of retail space in Billings was built since 2015

- The overall retail vacancy rate is 2.1%, which indicates a constrained market (U.S. average is 5.3%).
- Approximately 447,000 SF of retail space has been built since 2015; therefore, 95.8% of Billings' existing retail inventory was built before 2015.
- Although there has been limited new retail space built in Billings since 2015, the city remains an important retail hub for the county, region and state. In 2025, Billings had a \$1.5 billion surplus of retail sales, indicating that the city's retail market captures significant spending from people living outside the city.



[1] Retail properties and square footage estimates account for ground-floor retail space in mixed-use buildings. Source: City of Billings, CaPrin, May 2025; City of Billings & Wakefield, July 2025; SB Friedman. © SB Friedman Development Advisors, LLC

ECONOMIC DEVELOPMENT CONCLUSIONS

Billings has experienced limited office and retail development; industrial is the strongest product type

- The 2024 Yellowstone County workforce consists of 88,924 people. Eight of the ten largest traded employment clusters in Yellowstone County are projected to grow from 2024 to 2034.
- Industrial is the strongest commercial product type in Billings. Approximately 9.4% of the city's industrial inventory has been built since 2015.
- Aligned with national post-COVID trends, Billings' office market has experienced limited growth recently. Less than 2% of existing office space has been built since 2015.
- Only 447,000 SF of retail space has been built since 2015, which accounts for only 4.2% of the overall inventory. Despite limited recent retail development, Billings remains an important retail hub for the county, region and state.

	Billings	Annexation Zones
Total Industrial SF	7,912,300	1,710,800
<i>Built Since 2015</i>	<i>730,000</i>	<i>648,200</i>
Vacancy	4.6%	
Average Rent/SF	\$8.79	
Total Office SF	6,273,100	66,100
<i>Built Since 2015</i>	<i>100,800</i>	<i>--</i>
Vacancy	3.5%	
Average Rent/SF	\$20.40	
Total Retail SF	10,608,100	435,500
<i>Built Since 2015</i>	<i>447,200</i>	<i>27,100</i>
Vacancy	2.1%	
Average Rent/SF	\$10.95	

BILLINGS GROWTH PROJECTIONS

The population of Billings is projected to grow to 153,800 by 2045

- SB Friedman developed population and growth projections based on historic trends and anticipated future needs, which will inform future planning efforts and land use policy.

BILLINGS GROWTH PROJECTIONS, 2025-2045

	2025 (Estimated)	2045 (Projected)	2025-2045 Proj. Change	2025-2045 CAGR
Population	123,500	153,800	+30,300	1.11%
Housing Units	55,300	71,500	+16,200	1.29%
Jobs	84,900	106,600	+22,700	1.21%
Industrial SF	7,912,300	10,169,000	+2,256,700	1.26%
Office SF	6,273,100	7,357,000	+1,083,900	0.80%
Retail SF	10,608,100	12,397,500	+1,789,400	0.78%

Source: ProStar (May 2027), Lightcast_0023, Montana Department of Commerce, SB Friedman

MARKET ANALYSIS CONCLUSIONS

Projected population growth drives demand for additional residential and commercial development



HOUSING	INDUSTRIAL	OFFICE	RETAIL
<p>Billings is projected to continue growing through 2045. To accommodate that growth, the city will need to plan for new housing. Planning for a diversity of housing types would help ensure that there are housing options for people and households at different stages of life and with varying needs.</p>	<p>Industrial is the strongest product type currently. Most recent industrial development has been located on the edges of Billings, or within annexation zones. Given land constraints in the city, we project that these locations will accommodate most of the future industrial development.</p>	<p>The office market is relatively weak. Most future office development is likely to be smaller-scale space for professional users like dentists, lawyers or accountants. Conversely, there will likely be less demand for corporate office space.</p>	<p>As the population and employment in Billings grows, demand for additional retail space will also increase, albeit at a slower rate given ongoing market trends. Most future retail development will likely be needed to meet the daily needs of new residents and workers, particularly in areas where population grows the most.</p>



70 W Madison St, Suite 3700
Chicago, IL 60602
312-424-4250 | sbfriedman.com

VISION | ECONOMICS
MARKET ANALYSIS AND REAL ESTATE ECONOMICS

STRATEGY
DEVELOPMENT STRATEGY AND PLANNING

FINANCE | IMPLEMENTATION
PUBLIC-PRIVATE PARTNERSHIPS AND IMPLEMENTATION