CITY OF BILLINGS
CITY COUNCIL WORK SESSION SUMMARY
May 19, 2026 – 5:30 PM
Council Chambers – City Hall, 316 N. 26th St., Billings, Montana

Council Present:
Councilmember Nicholson
Councilmember Neese
Councilmember Pitman
Councilmember Aguirre
Councilmember Kennedy
Councilmember Aspenlieder
Councilmember Lindley
Councilmember Boyett
Councilmember O'Donnell
Mayor Nelson

Absent/Excused:
Councilmember Shaw

Staff Present:
Chris Kukulski, City Administrator
Kevin Iffland, Assistant City Administrator
Andy Zoeller, Finance Director
Wyeth Friday, Planning and Community Services Director
Anna Vickers, Planning Manager
Brenda Beckett, Community Services Manager
Jeff Roach, Aviation and Transit Director
Rusty Logan, Transit Manager

PUBLIC COMMENT (Agenda and Non-Agenda Items)

None

AGENDA ITEM #1 – FY2027 Departmental Budget Presentations

- **Planning, Community Development and Code Enforcement**

Wyeth Friday, Planning and Community Services Director; Anna Vickers, Planning Manager and Brenda Beckett, Community Services Manager presented the FY2027 budget overview for Planning, Community Development and Code Enforcement.

Key Points: Department budget overview and strategic priorities reviewed. Implementation of the Montana Land Use Planning Act will continue in FY2027. Heights Neighborhood Plan and West Billings Neighborhood Plan nearing completion. Continued implementation of CPTED strategies and public art policy. CityView software for project management and application processing recently launched. Proposed addition of a second commercial code enforcement officer discussed. Community Development staffing challenges reviewed due to reliance on federal HUD funding. Long-range planning funding and future neighborhood plan updates discussed. TIP Coordinator position approved for FY2027 to support Urban Renewal District administration.

Council Discussion: Commercial code enforcement staffing needs, timing of hiring, and budget implications associated with adding a second officer. First-time homebuyer program outreach, education efforts, and opportunities for more proactive engagement with potential homebuyers. HomeFront housing project funding timelines, project delays, and expenditure deadlines associated with federal housing funds. Federal CDBG and HOME funding requirements, expenditure deadlines, and risks associated with potential recapture of unspent funds. Traffic Tech position responsibilities, MPO coordination, and management of traffic count data and traffic impact studies. Use and management of traffic study data, technology systems, and opportunities for improved data integration between departments. Urban renewal property maintenance, long-term vacancy concerns, and status of city-owned properties available for sale. Community development staffing limitations associated with reliance on federal funding sources. Coordination with HRDC and homebuyer education providers regarding first-time homebuyer training and certification programs.

Council Direction Highlights: Council requested continued monitoring of HomeFront project deadlines and contingency planning for alternative housing projects. Council discussed delaying activation of the second commercial code enforcement position pending confirmation of available revenues. Staff directed to continue pursuing housing funding expenditure timelines to avoid loss of federal funds.

Recess at 6:30 P.M. Reconvene at 6:39 P.M.

- **Aviation and Transit**

Jeff Roach, Director of Aviation and Transit, presented the FY2027 Aviation budget overview.

Key Points: Airport passenger traffic exceeded one million passengers during calendar year 2025. Additional airline seats and route expansions reviewed. Air cargo volumes declined due to FedEx operational changes and loss of USPS contract hub status. Concession revenues continue to exceed prior-year levels. Ticket counter and inline baggage system construction scheduled to begin in June 2026. Airport Master Plan update nearing completion. Parking structure planning and future shuttle parking lot discussed.

Council Discussion: Parking demand, overflow parking conditions, and future parking structure planning and shuttle parking operations. Airline passenger trends, fuel cost impacts, airfare pricing trends, and changing passenger booking patterns. Human remains shipping limitations through Billings Logan International Airport and efforts to improve airline cooperation on transportation options. Airline leakage to Bozeman and regional airport competition related to routes and nonstop flight availability. Airport fuel surcharge increases and long-term operational funding strategies. Airport ranking among Montana airports for passengers and cargo and future opportunities for additional growth. Noise abatement procedures and commercial flight operations. Future airline service development opportunities and coordination with state and federal partners.

Rusty Logan, Transit Manager, presented the FY2027 Transit budget overview.

Key Points: Transit ridership continues to increase following the 2023 route system overhaul. Calendar year ridership exceeded 600,000 rides for the first time since 2014–2015. Fuel and fleet maintenance costs significantly increased. Operating budget projected to require reserve fund usage. Multiple capital projects planned, including bus stop improvements, transfer center amenities and equipment replacement. Long-term funding stabilization strategies reviewed. Future transit expansion and additional fixed-route service areas discussed.

Council Discussion: Electric bus operational performance, software issues, maintenance costs, and fuel savings compared to diesel buses. Expansion pressures related to annexation and growth west of Billings and impacts on fixed-route and paratransit service demand. Transit reserve projections, long-term replacement funding needs, and future federal grant match requirements. Potential future funding options including impact fees, parking districts, and other local revenue strategies. Long-term transit facility planning, bus stop improvements, and transfer center enhancements. Service expansion priorities and balancing operational costs with increased ridership demand.

- **Urban Renewal Districts / TIF Budgets**

Andy Zoeller, Finance Director, presented FY2027 budget overviews for the Downtown Revolving Loan Fund and the East, Downtown and South Urban Renewal Districts.

Key Points: Downtown Revolving Loan Fund currently maintains approximately $2 million in cash reserves. East Urban Renewal District budget includes development project incentives and operating costs. Downtown Urban Renewal District budget includes cooperative safety funding, façade grants and development incentives. South Urban Renewal District budget includes funding for South Park Pool and development projects. Taxable value growth trends reviewed for all districts. South Urban Renewal District continues to experience the largest percentage of taxable value growth.

Council Discussion: Downtown TIF district taxable value growth, centrally assessed property impacts, and long-term district performance. Future redevelopment opportunities, vacant property activation, and importance of downtown economic development. Pipeline of downtown development projects and challenges associated with project financing and redevelopment timing. Relationship between downtown growth, taxable value increases, and citywide economic vitality. South Park Pool design and construction timeline, funding structure, and project delivery considerations. Urban renewal district project prioritization, debt obligations, and future funding capacity. Downtown vacancy trends, business recruitment efforts, and redevelopment of underutilized properties. Cooperative safety programs, downtown beautification efforts, and maintenance activities funded through the districts.

- **Budget Wrap-Up**

Key Points: FY2027 proposed budget totals approximately $465 million in revenues and $447 million in expenditures. Major capital projects include landfill improvements, transportation projects, airport projects and South Park Pool. Proposed budget includes 19 new FTE positions citywide. Property tax projections and utility rate increases reviewed. Budget adoption scheduled for June 8, 2026.

Council Discussion: General fund reserve levels and internal borrowing trends. Long-term sustainability of reserve balances. Budget amendment deadlines and upcoming Budget and Finance Committee discussions.

Highlight Upcoming Agenda Items of Council Interest.

Council Discussion.

PUBLIC COMMENT – “NON-AGENDA ITEMS”

None

ADJOURN: 8:09 P.M.