

ORDINANCE NO. 08-5484

AN ORDINANCE RELATING TO THE MODIFICATION OF THE SOUTH BILLINGS BOULEVARD URBAN RENEWAL AREA; AND ADOPTING A MODIFIED URBAN RENEWAL PLAN, INCLUDING A TAX INCREMENT PROVISION.

Recitals:

WHEREAS, this Council on November 24, 2008, conducted a public hearing on a proposal to modify an urban renewal area on specified property (as hereinafter defined, the "Property") to be designated "The South Billings Boulevard Urban Renewal Area", and to adopt a modified urban renewal plan, as authorized by Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the "Act").

WHEREAS, the Property is depicted on the attached Exhibit A and legally described on the attached Exhibit B (each of which is hereby incorporated herein and made a part hereof).

WHEREAS, opportunities have been presented to the City that make it desirable for the City to consider an urban renewal project within the District consisting of the acquisition of certain vacant or blighted properties, demolishing the blighted structures thereon, improving such properties with, landscaping, utilities, and other similar improvements, assembling such properties, and making the properties so improved available for private redevelopment in accordance with the Act.

WHEREAS, an urban renewal plan entitled the South Billings Boulevard Urban Renewal Plan is attached hereto as Exhibit C (which is hereby incorporated herein and made a part hereof) (the "Plan"). The Plan contains a tax increment provision and will govern the operation and administration of the District.

WHEREAS, the Plan has been reviewed and approved by the Yellowstone County Planning Board, as evidenced by the Board meeting minutes of November 12, 2008.

Ordinance:

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 property 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 South Billings Boulevard 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 finds 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 in the interest of the public, 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 area.

- b. No housing element or structure is disturbed by this District making no relocation necessary;
- c. The modified Plan conforms to the Growth Policy or parts thereof of the City for the municipality as a whole;
- 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;

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.

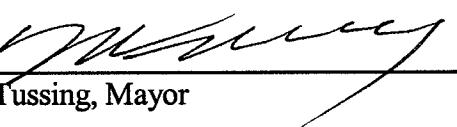
3. Effective Date. This Ordinance shall be in full force and effect from and after the date that is 30 calendar days after the date set forth below.

PASSED by the City Council on first reading November 24, 2008.

PASSED, ADOPTED AND APPROVED on second reading December 8, 2008.



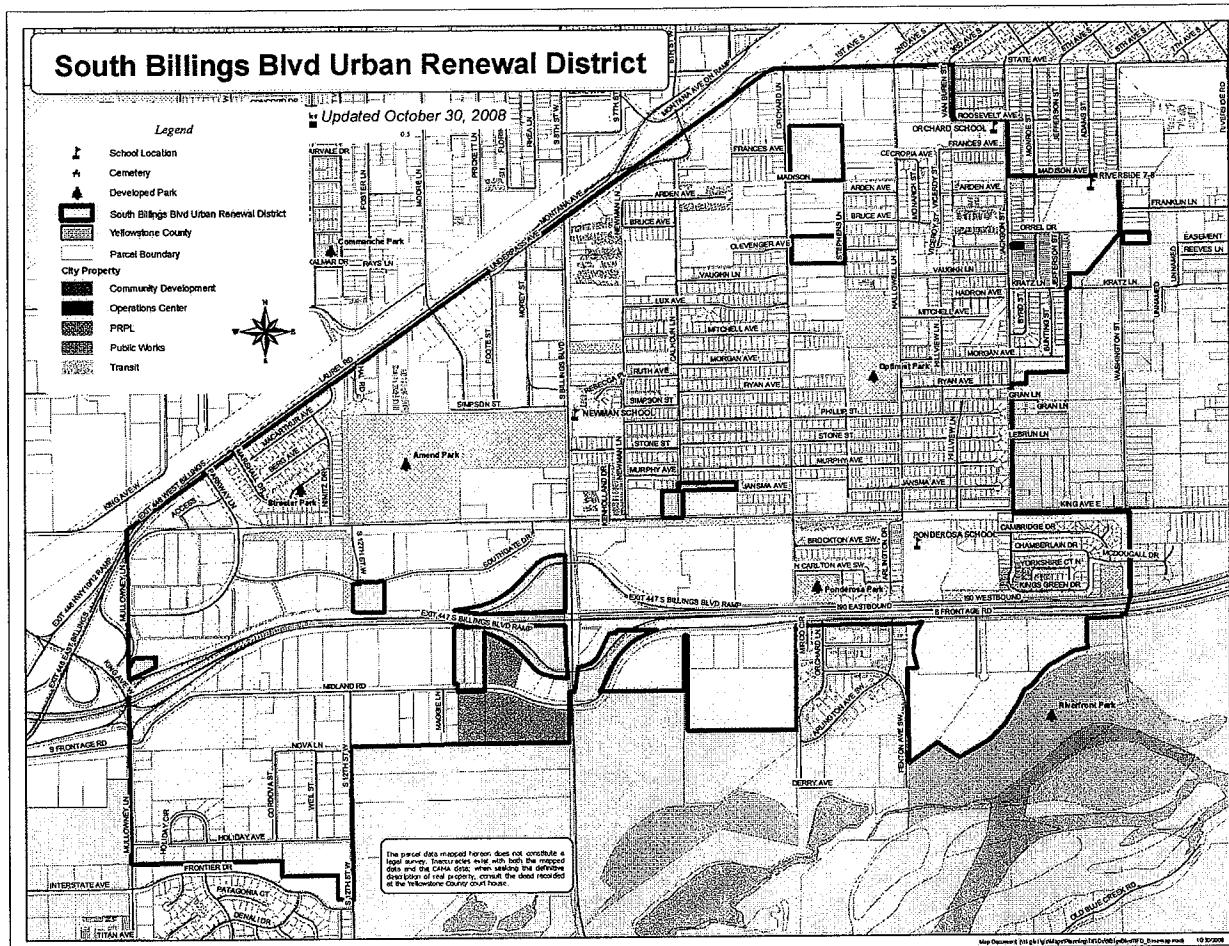
CITY OF BILLINGS:

BY:   
Ron Tussing, Mayor

ATTEST:

BY: Cari Martin  
Cari Martin, City Clerk

**EXHIBIT A**  
**MAP OF THE MODIFIED URBAN RENEWAL AREA**



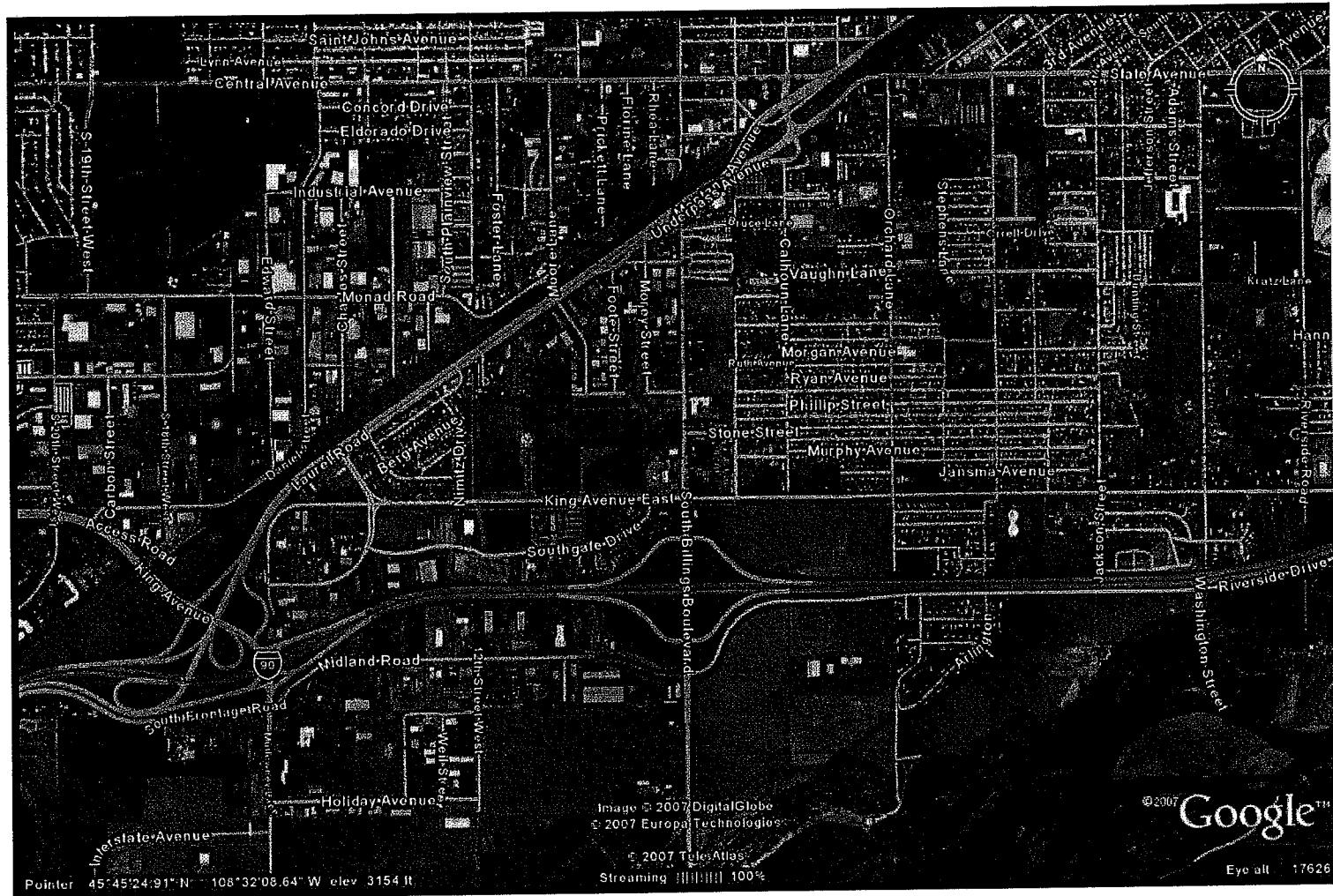
**EXHIBIT B**  
**LEGAL DESCRIPTION OF MODIFIED URBAN RENEWAL AREA**

**Starting at the intersection of State Avenue and Van Buren Street, extending south down the centerline of Van Buren Street to the intersection of Van Buren Street and Roosevelt Avenue, extending east down the centerline of Roosevelt Avenue to the intersection of Roosevelt Avenue and Jackson Street, extending south down the centerline of Jackson Street to the intersection of Jackson Street and Madison Avenue, extending east down the centerline of Madison Avenue to the intersection of Madison Avenue and Washington Street, extending south down the centerline of Washington Street to the intersection of the centerline of Washington Street and the extension of the northern boundary of Lot 7, Willis Subdivision, extending east along said boundary to the eastern boundary of said lot, extending south along said boundary to the southern boundary of said lot, extending westerly along said boundary and its extension to the centerline of Washington Street, extending north to the existing City of Billings city limit boundary, extending southerly and westerly along the existing city limit boundary to the intersection of Jackson Street and King Avenue East, extending east along the centerline of King Avenue East to the intersection of King Avenue East and Washington Street, extending south along the centerline of Washington Street and its projection across the Interstate 90 right-of-way, to its intersection with South Frontage Road, thence in a westerly direction following the south right-of-way boundary of the South Frontage Road to the intersection of an extension of the east boundary of Riverfront Business Park Subdivision, extending south along eastern boundary of said subdivision to the south boundary of said subdivision, extending southerly and westerly along said boundary to the west boundary of said subdivision, extending northerly and easterly along said boundary and its extension to the south right-of-way boundary of South Frontage Road, extending westerly to the northeast corner of Lot 1, Block 1, Willowbrook Subdivision, thence in a southerly and westerly direction following the existing city limit boundary to a point which intersects with the extension of the southern boundary of Tract 1, C/S 2834, then west 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, extending north along the centerline of Mullowney Lane and its projection to the centerline of Laurel Road, extending northeast along the centerline of Laurel Road to its intersection with State Avenue, extending northeast and east along the centerline of State Avenue to the ending point at the intersection of State Avenue and Van Buren Street. Excluding all nonincorporated land within the boundary.**

**EXHIBIT C**  
**MODIFIED SOUTH BILLINGS BOULEVARD URBAN RENEWAL PLAN**

# Modified Urban Renewal Plan

## South Billings Boulevard Urban Renewal Area



**Prepared by the Planning & Community Services Department**  
Adopted by the Billings City Council on November 24, 2008

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## Acknowledgements

### Participants and Stakeholders

#### City of Billings

- Ron Tussing, Mayor

#### City Council Members:

- Richard (Dick) Clark
- Mark Astle
- Peggy Denney Gaghen
- Jim Ronquillo
- Vince Ruegamer
- Chris "Shoots" Veis
- Ed Ulledalen
- Jani McCall
- Denis Pitman
- Larry Brewster

#### Planning and Community Services Department

#### Southwest Corridor Task Force Officers

- Tom Ruschkewicz, Chair
- Floyd Martin, Vice Chair
- Alan Ponrick, Treasurer
- Debbie Rowe, Secretary

#### Big Sky Economic Development Authority

#### Downtown Billings Partnership

#### Stakeholders

Alene Malloy	Casey Ryan	Edythe Davis
Allen Krenz	Charles Duenow	Eleanor Aukshun
Alta Dean	Cindy Linse	Elissa Linse
Arlene Bierwagen	Cindy Reid	Elsie Arntzen
Barbara Kipp	Clarence Perkins	Floyd Martin
Barbara Prewett	Clifton Burns	Gary Cooper
Barry Willson	Colleen Apps	Gary Tipton
Beth Kirkwood	Connie Wagner	Gene Frank
Betty Hofstad	Connie Wittman	Gerald Apps
Betty Kegley	Cris Ruckman	Gerogia Kembel
Beverly Bennetts	Dale Kiel	Glen Kibbee
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Brandy Porter	David Mora	Greg Sennett
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Bruce Burrows	Don Pett	James Låsater
Candice Reinschmidt	Dorothy Plouffe	Jay Hanson
Carl Howard	Doug Toomey	Jean Randall
Carol Atchley	Duane Bender	Jeannine Swoboda

## Stakeholders Continued

Carol Dale	Ed Gabbo	Jed Porter
Jerald Mohr	Kevin Nelson	Mary Ann Kraske
Jerry Driscoll	Larry Estill	Mary Duenow
Jimmie Frasch	Leonard Bierwagen	Maurice Muth
Joan Dosch	Linda Furlong	Mavis Schultz
JoAnne Mollet	Linda Hayworth	Mavis Wilkinson
Joe Morin	Linda Pettengill	Mel Maier
John Hoffmann	Linda Vansky	Michele Johnson
John Hurless	Loren Bice	Michelle Grasswick
Jon Gowan	Louis Plouffe	Mike Kenney
Jon Rupprecht	Lynn Toomey	Mike Vinton
Joyce Kenney	Marc Swoboda	Neal Armfield
Joyce Pirrie	Margaret Schantz	Nelda Reinschmidt
Judy Coles	Margo Allen	Paige Tipton
Judy Martin	Margo Smith	Partice Schuman
Julie Bender	Marian Leligdowicz	Pat Jensen
Karen Hergett	Marjorie Bishop	Pat Morin
Katherine Gowan	Marlene Anderson	Pat Newbury
Kathy Doty	Marlis Brodsack	Pat Perkins
Kathy Wilkinson	Marlis Bufford	Patsy Kahler
Kelly Handley	Martha Sheldon	Patty Nordlund
Kerri Tallerico	Marvin Forquer	Paul Hartman
Paul Hendershot	Rebekah Wales	Richard Deis
Richard Ruff	Rick Leuthold	Robbin Ostrum
Robert Neal	Robert Popelka	Robyn Rupprecht
Roger Mollett	Ron Hergett	Ron Kaneski
Ron Kirkwood	Ronald Schultz	Roy Linse
Sammy Handley	Sandra Fiscus	Shane Keehn
Shanna Fredrickson	Sharon Franks	Sharon Young

## **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 modification of the urban renewal plan will:

- Serve as a framework for the official urban renewal plan
- Fulfill Montana state law
- Update and define district boundaries
- Classify blight
- Set forth the protocol for its authorization, execution, and management
- Illustrate the development opportunities
- Document baseline taxable property values and potential areas for redevelopment

## **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 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 the subsection (2).

3. “Bonds” means any bonds, notes, or debentures (including refunding obligations) authorized to be issued pursuant to part 43 or this part.

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 of this part 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**

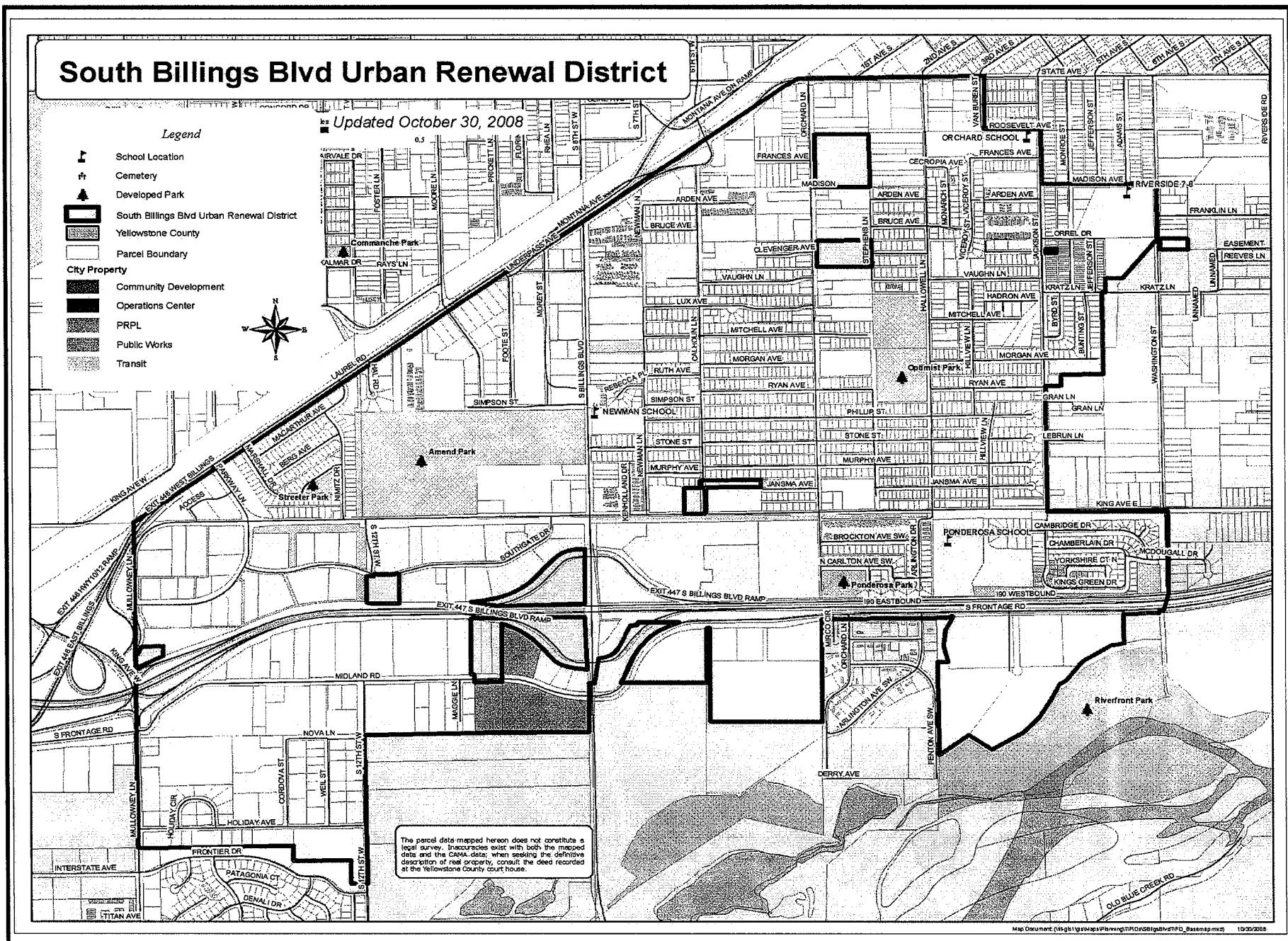
The South Billings Boulevard Urban Renewal District lies within city boundaries, is situated between major transportation routes, and stretches from the east side of the King Avenue Overpass east to Washington Street and from State Avenue South to the city limit boundaries. Located within the district is the I-90/94 Interstate and adjacent north is the major railway line through the city. Map 1 shows the boundaries of the SBBURD.

This 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. Since that time, the Task Force has become a more diverse body that handles many issues for the Southwest Billings community. Recent neighborhood issues include the re-opening of the Southgate Cop Shop and the development of Amend Park. 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 four schools. Some areas include unimproved streets, no sidewalk, curbs or gutters. In addition, many areas are not served by municipal water and sewer or there is 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.

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 – Proposed Boundaries of the District



## South Billings Blvd TIFD Existing Land Use

The parcel data mapped hereon does not constitute a legal survey. Inaccuracies exist with both the mapped data and the Montana Department of Revenue CAMA data; when seeking the definitive description of real property, consult the deed records at the Yellowstone County court house.

Land Uses are determined from CAMA property type values for residential and commercial properties, and may not be entirely consistent with actual ground conditions.

Yellowstone River extent is based on Yellowstone County tax parcel boundaries. These boundaries differ from the physical extent of the river due to changes over past decades.

### Legend

- South Billings Boulevard TIFD
- City Limits

#### City Owned Properties

- City Park
- Other City Property

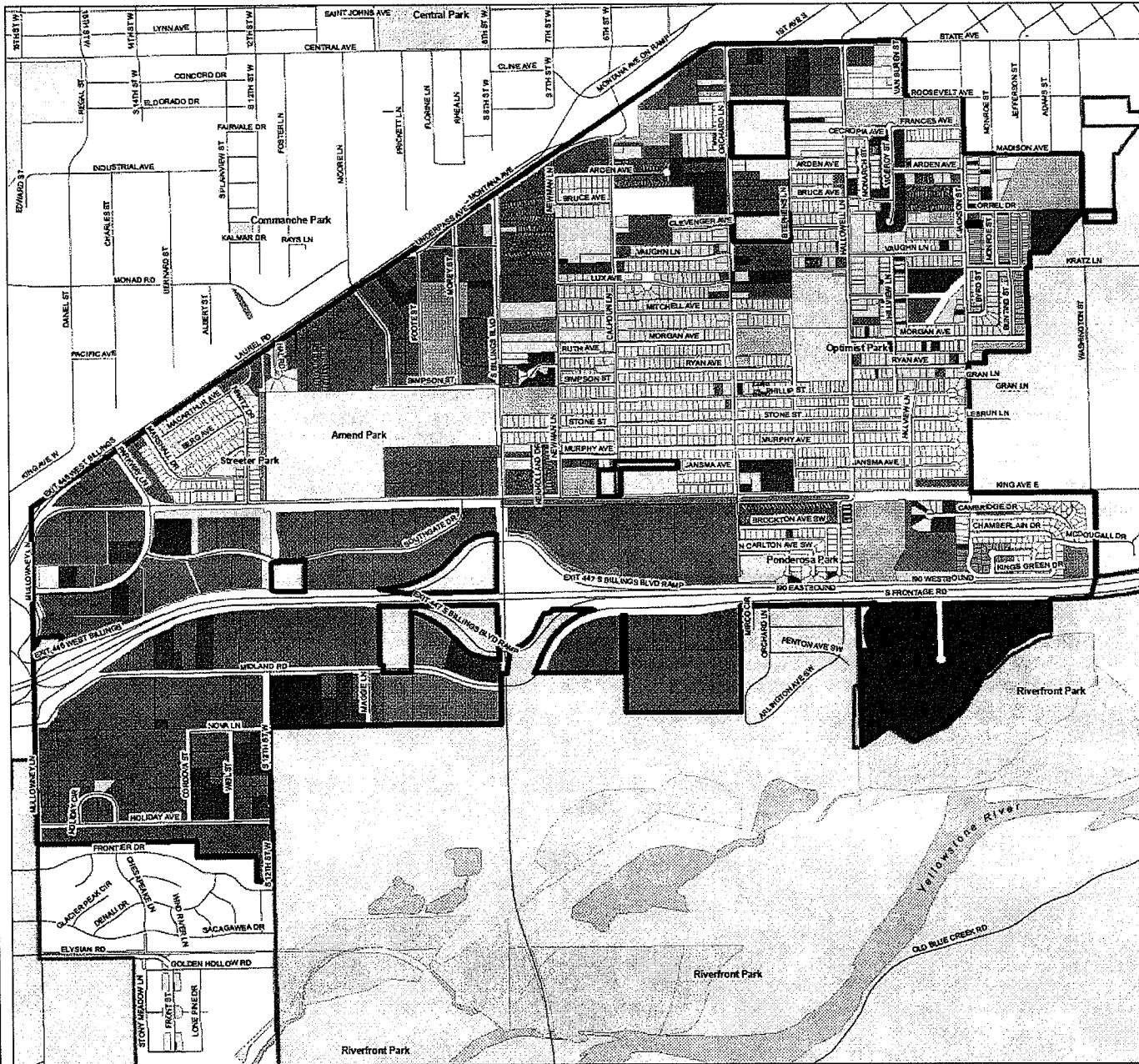
#### Property Type (Land Use)

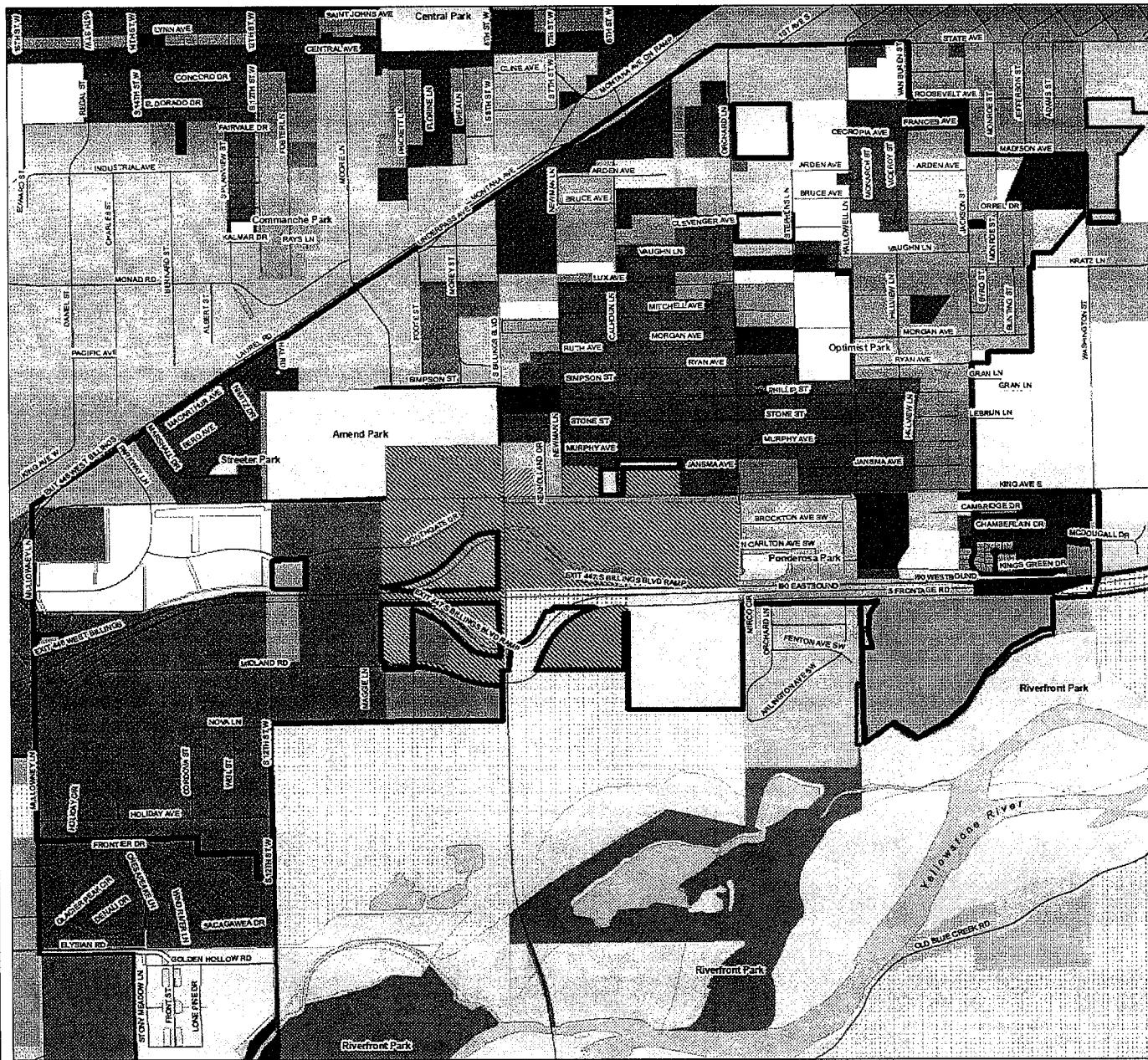
- Commercial
- Townhouse or Condominium
- Exempt Property
- Farmstead
- Industrial
- Non-valued Property
- Residential
- Vacant land



Scale in Miles  
0 0.25 0.5

Map Document (W:\gis\1\gis\maps\Planning\TIFD\2009\mygis\SouthBillingsBoulevardTIFD\_Landuse.mxd)  
11/2/2009





## **South Billings Blvd TIFD Zoning**

The parcel data mapped hereon does not constitute a legal survey. Inaccuracies exist with both the mapped data and the Montana Department of Revenue CAMA data. When seeking the definitive description of real property, consult the deed recorded at the Yellowstone County court house.

Zoning classifications are updated and maintained by the City-County Planning Department and Yellowstone County GIS.

### *Legend*

- City Limits
- South Billings Boulevard TIFD
- City Owned Properties**
  - City Park
  - Other City Property
- Zoning Classification**
  - Agricultural Open
  - Community Commercial
  - Controlled Industrial
  - Entryway General Commercial
  - Entryway Light Commercial
  - Highway Commercial
  - Neighborhood Commercial
  - Public
  - Planned Unit Development
  - Residential 15000
  - Residential 5000
  - Residential 6000
  - Residential 7000
  - Residential 9600
  - Residential Multi-Family
  - Residential Multi-Family Restricted
  - Residential Manufactured Home



Scale in Miles  
 0 0.25 0.5

## **Section 4 – Description of Blight**

A requirement of Montana Annotated Code 2005 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 or arrests 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 current infrastructure conditions within the district.