



EAST BILLINGS URBAN RENEWAL DISTRICT MASTER PLAN

Prepared For:
Big Sky Economic
Development Authority



07.02.09

ACKNOWLEDGEMENTS

Major contributors to this master plan include the following individuals, as well as members from the community who participated in the numerous public meetings associated with its progress.

Master Plan Steering Committee

Chairman, Gordon Tryan, President, BIRD, Inc.
Matt McDonnell, Board Member, BIRD, Inc.
Ken Kunkel, Board Member, BIRD, Inc.
Don Stanaway, Secretary/Treasurer, BIRD, Inc.
Marty Connell, BIRD, Inc.
Jim Markel, BIRD, Inc.
Jim Gallup, BIRD, Inc.
Jim Reno, Chairman, Yellowstone County Commissioners
Steve Arveschoug, Big Sky Economic Development Authority Executive Director
Peggie Gaghen, Billings City Council
Wyeth Friday, City of Billings Planning Division Manager
David Mumford, Director, City of Billings Public Works
Bill Dutcher, Manager, MetraPark
Lucy Brown, Executive Director, Housing Authority of Billings
Jeannette Vieg, Secretary, North Park Neighborhood Task Force
Emily Shaffer, North Park Neighborhood Task Force

Big Sky Economic Development Authority

Steve Arveschoug, Executive Director
Patty Nordlund, Community Development Director
Rebekah Wales, Project Manager, Community Development
Dianne Lehm, Community Development
Steve Zeier, Community Development



Consultant Team

EDAW | AECOM

Brian Scott
Sandy Fischer
Nancy Bird
Rob Lloyd
Alexa Braun
Lauren Hauck
Noriko Marshall
Newton Breiter
Claire Bonham-Carter
Deb Vreeland, AECOM Billings
Peter Carr

ECONorthwest

ECONOMICS • FINANCE • PLANNING

Terry Moore
Susan Davis
Abe Farkas

Nelson Nygaard consulting associates

Tom Brennan
Alison Coleman

SANDERSON STEWART

Rick Leuthold

David Groshens

Jim Collins

00. Executive Summary & Contents

THE VISION

Imagine living, working, and recreating in downtown Billings in the revitalized EBURD urban neighborhood – an economically vibrant place that attracts diverse residents and businesses and receives national notoriety for sustainable products and practices. Just east of the City of Billings, Montana's vibrant Central Business District is a new Rail Spur Village. Here students mix with seniors on a small but vibrant urban campus and a new Downtown green space. This large park is active year round, hosting markets and performances in the summer and skating in the winter. Throughout the day, the parks and surrounding streets are active with people of all ages convening at diners, attending classes, conducting business, working in community gardens, collecting children from childcare, or meeting at the new library. The green space is surrounded by diverse housing designed for students, singles, retirees, families, and seniors.

Most classrooms are located on upper floors of new mixed-use buildings where students attend business classes, elder hostel programs, and tech-ed classes. There are programs to train youth and displaced workers in new fields of wind technology, weatherization, solar installation, medical technology, and infomatics. Many retrained workers and graduates find work in downtown Billings. Some decide to start their own business with support of the nearby businesses and a business incubator located in the Green Workforce Center District. Eventually, these retrained workers and business owners become first-time home buyers. They find they can live downtown without owning a car.



Neighborhood services are nearby, and the MET transit buses carry them across town and to the medical district, malls, and golf courses.

Nearby, in the Central Works Neighborhood District, is an auto service center that repairs transmissions, distributes tires, changes oil, and does auto body work. Rental cars make it possible to escape to the mountains and nearby national parks for a weekend of skiing, horseback riding, fishing, or hiking. Traversing the neighborhood, visitors and residents encounter unique, new, and long-established local businesses that manufacture and distribute a range of products, including luggage, western hats, cowboy boots, construction materials, solar panels, and agricultural and office supplies.

The City of Billings and EBURD are nationally recognized for their stellar waste management, which includes both a local and a regional byproducts exchange network that relies on the

district's rail for transport. As an example, there is a small plant in the Central Works Neighborhood District that manufactures medical gloves used by both local hospitals. Scraps from the processes are reprocessed to create tire stops purchased by local contractors. Similar to today, millions of dollars worth of recycled steel and industrial byproducts and materials are shipped by rail to larger cities and overseas.

Visitors attending trade shows, business expositions, or the County Fair park their vehicles once, yet are able to enjoy the event at MetraPark as well as trips downtown to a jazz festival on Montana Avenue, a show at the Alberta Bair Theater, a festival at the new city green space, the Saturday Farmers Market on Broadway, and retail shopping on 2nd Avenue N. A circulating street car collects them at the stop near their hotel in the Exposition Gateway District. Returning to their hotel, they discover that the walk along 2nd Avenue N is only a mile and a half long. The variety of businesses they encounter along the way makes the walk entertaining and worthwhile. Dining in a new restaurant in the Exposition Gateway District, they learn that bicycles can be rented near the streetcar station, and the visitors cycle west and discover the 5-mile long trail that runs parallel to the Yellowstone River, under Main Street and across the top of the Rims, past Yellowstone Kelly's gravesite and several other scenic and historic sites. Bicyclists and pedestrians then gather to watch the sunset over the scenic Yellowstone River Valley. The bright lights of the fairground midway at MetraPark draw them back to town and an evening of entertainment.

THE OPPORTUNITIES AND CHALLENGES

The previous narrative captures a vision for the properties east of downtown known as EBURD, the East Billings Urban Renewal District. This document,



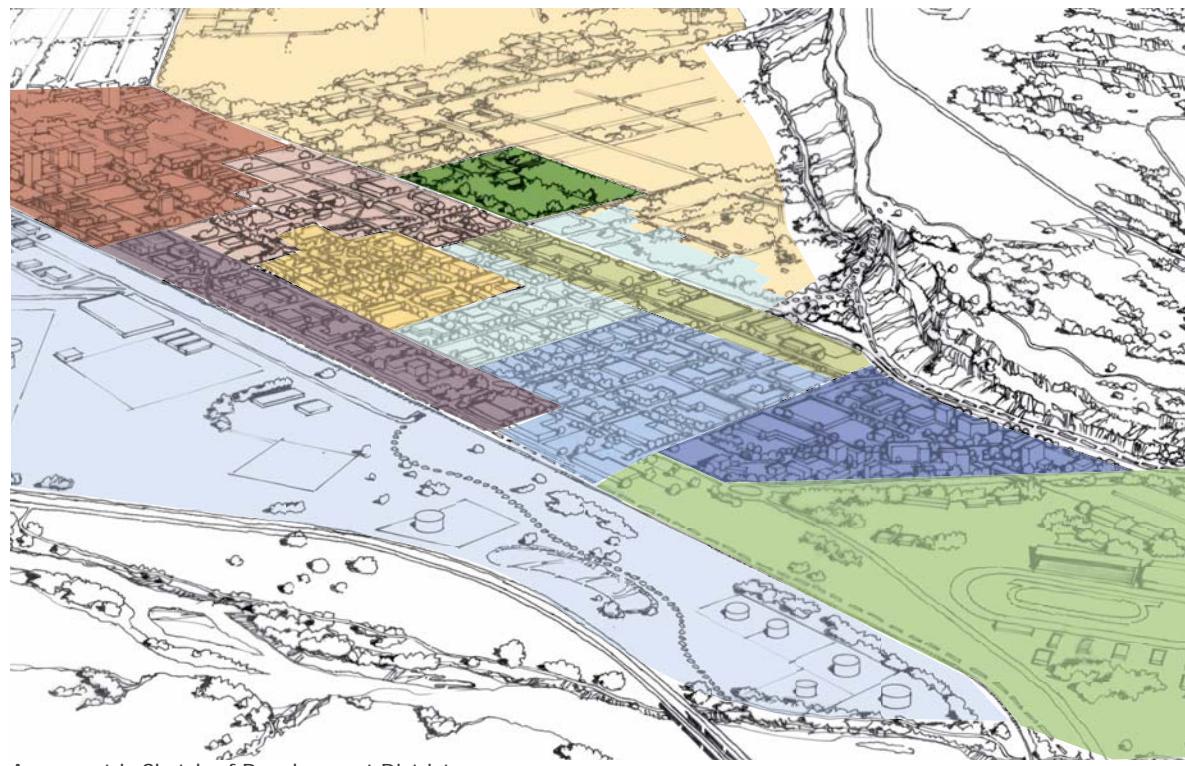
the East Billings Urban Renewal District Master Plan, was prepared by EDAW AECOM and guided by several spirited, engaged Steering Committee and community members who see the opportunities. These stakeholders and the Steering Committee, comprised of property owners, community members, representatives of Billings Industrial Revitalization District (BIRD), the City of Billings, Yellowstone County, and the Big Sky Economic Development Authority (BSEDA), also understand the challenges. This already-developed district of downtown Billings can continue as it has, with limited growth and modest investment and no clear direction. Or:

The neighborhood and community leaders can continue their efforts and leverage momentum to position this area as the region's top-tier opportunity for clean industry, urban revitalization, and eclectic urban renewal.

Renewal efforts can focus on implementing the necessary infrastructure improvements comparable to other regenerating industrial and mixed-use urban centers in the region. Alternatively, revitalization efforts can stretch and strive to achieve regional or national stature by creating a distinct place and a model of sustainable and green practices. Trends suggest there will be federal and state grants to communities that strive for the latter alternative and include alternative and renewable energy, housing affordability, job creation and workforce training, materials recycling, environmental remediation, and multimodal transportation solutions in their plans.

PLANNING CONTEXT

The revitalization planning process was initiated by property owners in 2006. Assisted by the BSEDA and the City of Billings, a tax increment finance (TIF) district was formed. BSEDA secured federal funds from the Economic Development Administration (EDA) and the U.S. Environmental Protection Agency (EPA) for economic development and environmental remediation studies. This East Billings Urban Renewal District Master Plan was funded by EDA, BSEDA, BSEDC, the City, and downtown business and property owners. Leveraging the past federal commitment, a solid plan, and the community's demonstrated commitment to downtown revitalization makes it possible to realize the far-reaching vision described in this planning report.



Axonometric Sketch of Development Districts

Chapter 1, Neighborhood Vision, describes the genesis of this study, the plan development and stakeholder engagement process, and most importantly the guiding principles that have shaped the vision. Guiding principles address economic growth, vibrant centers, housing affordability, choice and diversity, environmental stewardship, quality of life, sense of place, and connections to parks, trails, the Yellowstone River, and Rims.

Chapter 2, Opportunities and Constraints, describes existing conditions, market forces, demographics, employment, land use, and environmental assets and challenges. The chapter summarizes the challenges and highlights the opportunities, concluding that with reinvestment, this area will be poised to capture a fair

share of the city's and region's growth over the next 20 to 30 years.

Chapter 3, Development Framework, lays out the neighborhood framework and describes opportunities to improve the vitality, connectivity, character, identity, and servicing. The following eight distinct districts are proposed:

East Montana Avenue

The district extends the vibrancy and character of Montana Avenue, incorporating an enhanced streetscape and encouraging infill and rehabilitation and adaptive reuse of warehouse and industrial structures.

East Downtown

Continuing the pattern of mixed-use infill with an emphasis on office and employment is recommended.

Rail Spur Village

A catalyst project that will assemble land and develop a site master plan for a mixed-use residential village associated with a major downtown park and campus is recommended for this largely underutilized area.

The 6th Avenue Find

This district will capture auto-oriented commercial, home improvement businesses, construction supply, or industrial retail activity benefiting from the high traffic volumes. An enhanced streetscape with well-defined and safe pedestrian crossings at 4th and 6th Avenues N will connect this district to others in the neighborhood.

The Green Workforce Center

This mixed-use neighborhood will retain existing light industrial, manufacturing, and wholesale uses and be marketed and further developed as an employment center. Potentially, this area could include a business incubator associated with training centers in or near the Rail Spur Village.

Central Works Neighborhood

This district is home to many significant commercial and industrial businesses including agricultural and ranch supply, saddle production, scrap yards, and auto services. Many of these uses will continue to evolve; others will adapt, innovate, and capture new markets. A large amount of underutilized land is allocated for used car sales.

Rail Recycling Hub

The rail will be maintained with the existing recycling hub remaining and perhaps evolving into a regional recycling hub and center of local and regional byproduct exchange network.

Exposition Gateway

Annexation and coordinated development of this important gateway to the city and the neighborhood is recommended as a prime location for hospitality, indoor sports, and entertainment uses to capitalize on and complement MetraPark events and visitation.

Implementation

The East Billings Urban Renewal District Master Plan provides a framework that will guide decision-making related to public and private investment in the area. The plan will be realized over time through policy changes, programs, and catalyst public and private projects. Partnerships facilitated by a strong organization responsible for stewardship of the plan as well as organizational alliances with other downtown community economic development are crucial to the successful implementation of the plan.

This report includes several Implementation chapters, organized to provide both long-term and short-term guidance related to the successful implementation of the EBURD Master Plan.

Chapter 4, Implementation Strategies, provides an overview of plan implementation, highlighting key revitalization principles and providing general long-term guidance. BIRD, BSEDA, and City leaders and staff are encouraged to realize the potential of the district to provide a mix of uses (diverse housing, employment, job, and training opportunities), green and sustainable infrastructure, and community amenities. The opportunities to partner with industry, government, businesses, and the rail and transport industries are highlighted.

Chapter 5, Institutional Organization and Funding, focuses on organizational structure, capacity building and funding strategies, emphasizing that successful implementation will require strong and sustained organization, individual leadership, and successful partnerships among the property and business owners, public agencies, local government, and downtown and economic development interests.

Chapter 6, Spatial and Regulatory Framework, describes the spatial and regulatory frameworks in greater detail, providing guidance on creative regulatory tools including form code, green and complete street policies, shared parking policy, distinct street classifications, and design standards.

Chapter 7, Action Plan, provides a detailed action plan, describing the policy, programs, and priority projects to be initiated and in many cases completed within a 3-year timeframe. The Rail Spur Village and the Exposition Gateway District are highlighted as areas where site master plans and detailed redevelopment strategies should be developed in close consultation with property owners and other stakeholders.

Chapter 8, Sustainable Strategies, Opportunities, and Policy Options, describes in detail the range of sustainable planning, design, and management

strategies that are possible in this district including potential certification by the U.S. Green Building Council (USGBC) as a Leadership in Energy and Environmental Design – Neighborhood Development (LEED-ND) project. If several of the strategies described are embraced, EBURD could become a distinct and a global model of eco-industrial ecology and a demonstration project for material recycling, water reuse, and water sensitive urban design, as well as creative and renewable energy systems.

Appendices A and B include additional information on funding sources, case studies, and economic market analysis, and proposed code revisions.

NEXT STEPS

The vision is well formed, the framework is documented, and the action plan defined. This flexible master plan will guide decisions, and the vision will be realized over time by strong and consistent leadership, and through creative partnerships and alliances. Building upon the momentum and successes to date, leaders are encouraged to take small steps, calculated risks, and bold actions. Along the way, celebrate and publicize small and large successes. Collective efforts and sustained commitment and leadership will build this distinct neighborhood. East Billings in a remarkable place. EBURD will better serve the existing community and sustain future generations who live, work, learn, and play in the Yellowstone Valley.



Artist's Sketch of Revitalized District

00. Table of Contents

00 EXECUTIVE SUMMARY.....	00- i
TABLE OF CONTENTS	00- vi
01 NEIGHBORHOOD VISION	01- 1
1.1 Introduction	01- 1
1.2 Public and Stakeholder Engagement	01- 3
1.3 Guiding Principles	01- 5
1.4 Neighborhood Vision	01- 7
02 OPPORTUNITIES AND CONSTRAINTS	02- 1
2.1 Economics And Market Forces	02- 1
2.2 Land Use	02- 2
2.3 Infrastructure	02- 3
2.4 Environment	02- 9
2.5 Transportation	02- 9
03 DEVELOPMENT FRAMEWORK	03- 1
3.1 Creating a Neighborhood Development Framework for Evolving Markets	03- 1
3.2 Development Concept & District Character	03- 1
3.3 Redevelopment Plan	03- 7
3.4 Regulatory Strategy	03- 17
3.5 Incremental Development over Time	03- 18
04 IMPLEMENTATION	04- 1
4.1 Green and Sustainable as an Identity and Brand	04- 1
4.2 Priority Districts	04- 2
4.3 Transportation, Utilities, Parking, and Energy Infrastructure	04- 2
4.4 Public Investment in Urban Green Space and Amenities	04- 3
4.5 Housing	04- 4
4.6 Standards and Guidelines	04- 4
4.7 Opportunities, Investments, and Equity	04- 4
05 INSTITUTIONAL ORGANIZATION & FUNDING	05- 1
5.1 Introduction	05- 1
5.2 Existing Downtown Advocacy and Economic Development Organizations	05- 2
5.3 Building Organizational Capacity	05- 4
5.4 Implementation Funding	05- 8
5.5 Next Steps-Action Plan	05- 10
06 SPATIAL & REGULATORY FRAMEWORK	06- 1
6.1 Access and Circulation Strategies	06- 1
6.2 Parking Policy and Management Strategies	06- 6
6.3 Form-Based Code	06- 8
6.4 Regulatory Plan / Zoning Map	06- 9
6.5 General Standards by Zone	06- 9
6.6 Public Realm / Streetscape Standards	06- 12
6.7 Policies, Programs, and Incentives for Proposed Development	06- 13
6.8 Complete Street Policies and Incentives	06- 15
07 ACTION PLAN	07- 1
7.1 Recommended Policy Actions	07- 1
7.2 Recommended Programs	07- 5
7.3 Recommended Projects	07- 8

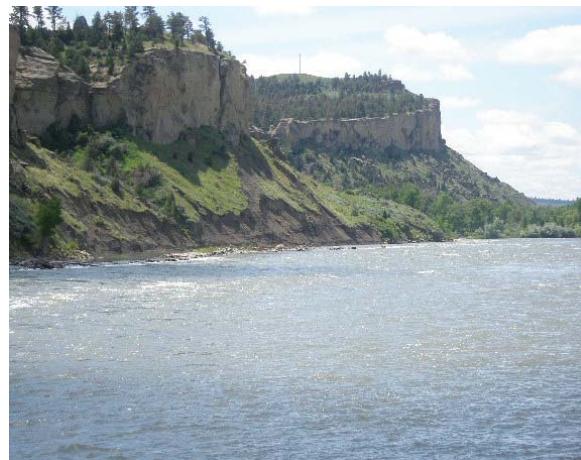
08 SUSTAINABLE STRATEGIES, OPPORTUNITIES, & POLICY OPTIONS	08- 1
8.1 Introduction	08- 1
8.2 Approach and Benefits	08- 2
8.3 Action Plan	08- 2
8.4 Outcomes	08- 3
8.5 Specific Opportunities	08- 3
APPENDIX A ECONOMICS, MARKET FORCES, & FUNDING	A - 1
APPENDIX B PROPOSED CODE INCLUSIONS	B - 1

01. Neighborhood Vision

1.1 INTRODUCTION

Overview

The industrial lands east of the downtown central business district have for years been an economic engine for the City of Billings, providing jobs and services, manufacturing durable and unique products, and shipping goods and recycled steel to coastal cities in the United States and abroad. The 1997 Downtown Billings Framework recommended revitalization of the district. In 2007, property owners in the district formed the Billings Industrial Revitalization District (BIRD, Inc.). With the support of property owners, Big Sky Economic Development Authority (BSEDA) and the City of Billings established the East Billings Urban Renewal District (EBURD), and a Tax Increment Finance District was created, with the goal of retaining vital businesses and industrial land uses and attracting reinvestment through



revitalization efforts. The EBURD was intended to proactively address economic stagnation issues as well as implement the Framework Plan, which identified the area as the "East Transition Zone" and a logical area for the expansion and continued revival of Downtown Billings.

The EBURD is guided by the 2006 East Billings Urban Renewal Plan (the Urban Renewal Plan), an overarching document that guides future development in the EBURD. Among other things, the plan laid the foundation for categorizing the area as "blight," set the boundaries for a Tax Increment Finance (TIF) District, and called for the development of a more detailed development plan, design standards, and an implementation strategy. Since 2006, BSEDA has collaborated with the BIRD, Inc. and the City to secure a grant from the U.S. Economic Development Administration (EDA) to prepare this master plan for the EBURD. The purpose of this master plan report is to provide the detailed development plan and implementation strategy called for in the Urban Renewal Plan.

Study Area Location

The approximately 500-acre EBURD study area extends southwest to northeast from the edge of the Downtown Central Business District (CBD) along N 22nd Street to Yellowstone County's MetraPark Arena and Exhibition Center Campus (MetraPark), and north-south from approximately North Park and N 6th Street to Montana Boulevard (Figure 1.1-1 Study Area). The study area is mostly located within the City, but also includes



key Yellowstone County (County) parcels between the EBURD and MetraPark seen as vital to the successful revitalization of the study area.

In other areas of this report, an "extended" study area is described that includes additional industrial uses and potential mixed-use properties adjacent to and primarily south of the study area within the City and the County. Strategies that are targeted for the extended study area are addressed in later chapters of this master plan.

Project Background

The study area is a historical industrial area defined by traditional auto-oriented industrial uses such as rail-oriented distribution facilities, building supplies, automobile service centers, and low-end housing. As of 2009, limited development activity is occurring just outside of the Downtown, at the west end of this study area. However, most of the recent commercial development outside of Downtown has been in the "West End" of the City near the new interchange, or in

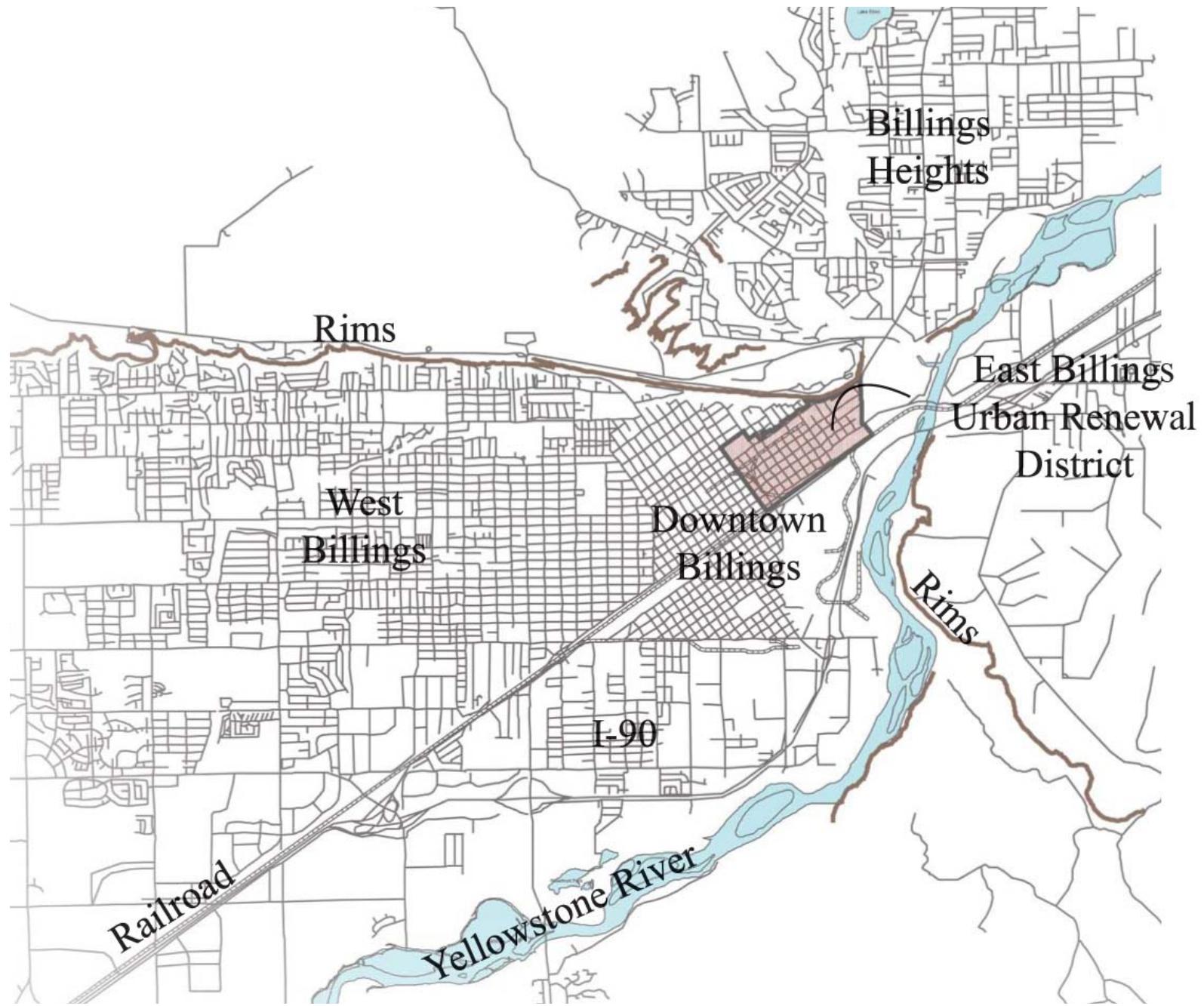


Figure 1.1-1 Study Area (From the CTA Urban Renewal Plan)



the Heights farther east of the study area. Even so, the study area has a number of strengths that can be seen as positive attributes, such as:

1. Optimal and central location to serve all of Billings and the surrounding communities; highly visible, well serviced by regional transportation including highways, interstate, major arterials, rail and bikeways.
2. It enjoys reasonably good infrastructure (with the notable exception of storm drainage).
3. It is near Downtown, the airport, and the established North Park Neighborhood.
4. It is in a strategic location, between Downtown and MetraPark.
5. It provides excellent access to the regional transportation network.

Concerned about the future of the study area, local business and property owners created the BIRD, Inc. and encouraged BSEDA and the City to create the urban renewal district.

Just as this master planning process was getting underway (mid 2008), First Interstate Bank (FIB) decided to locate its new operations center in the study area, redeveloping two blocks of highly blighted, older manufactured housing. The potential for new buildings for medical administration and federal offices appears similarly promising. Initial community meetings were well attended and engaging. Local optimism for the revitalization of the study area was fueled by the FIB investment, while at the same time a number of existing industrial land owners expressed concern over potential future displacement of their businesses and gentrification driven by a growing Downtown.

Because of the differing opportunities for growth within the study area, the decisions regarding the future of the EBURD will be framed within the context of the area's historic and physical context, as well as in applicable plans, policies, and regulations. This master plan report proposes a vision, guiding principles, a development framework, and implementation strategy consistent with the following key policy documents of the City of Billings and Yellowstone County:

- 2008 Yellowstone County – City of Billings Growth Policy Update (Yellowstone County and City of Billings)
- 1997 Framework - Downtown Billings (City of Billings)
- 2006 East Billings Urban Renewal Plan (BSEDA; City of Billings)
- 2008 North Park Neighborhood Plan (City of Billings)

The development concept proposed in the following chapters also considers the land, environment, and social conditions of the community.



1.2 PUBLIC AND STAKEHOLDER ENGAGEMENT

BSEDA and the EDAW Consultant Team (consultant team) established a Steering Committee and a strong community and stakeholder engagement process to guide the development of the master plan at the onset of the project in the fall of 2008. From the beginning, it was clear that the most vested stakeholders were property owners in the study area represented mostly by the BIRD, Inc., the BSEDA board and staff, and the City. The consultant team conducted one-on-one



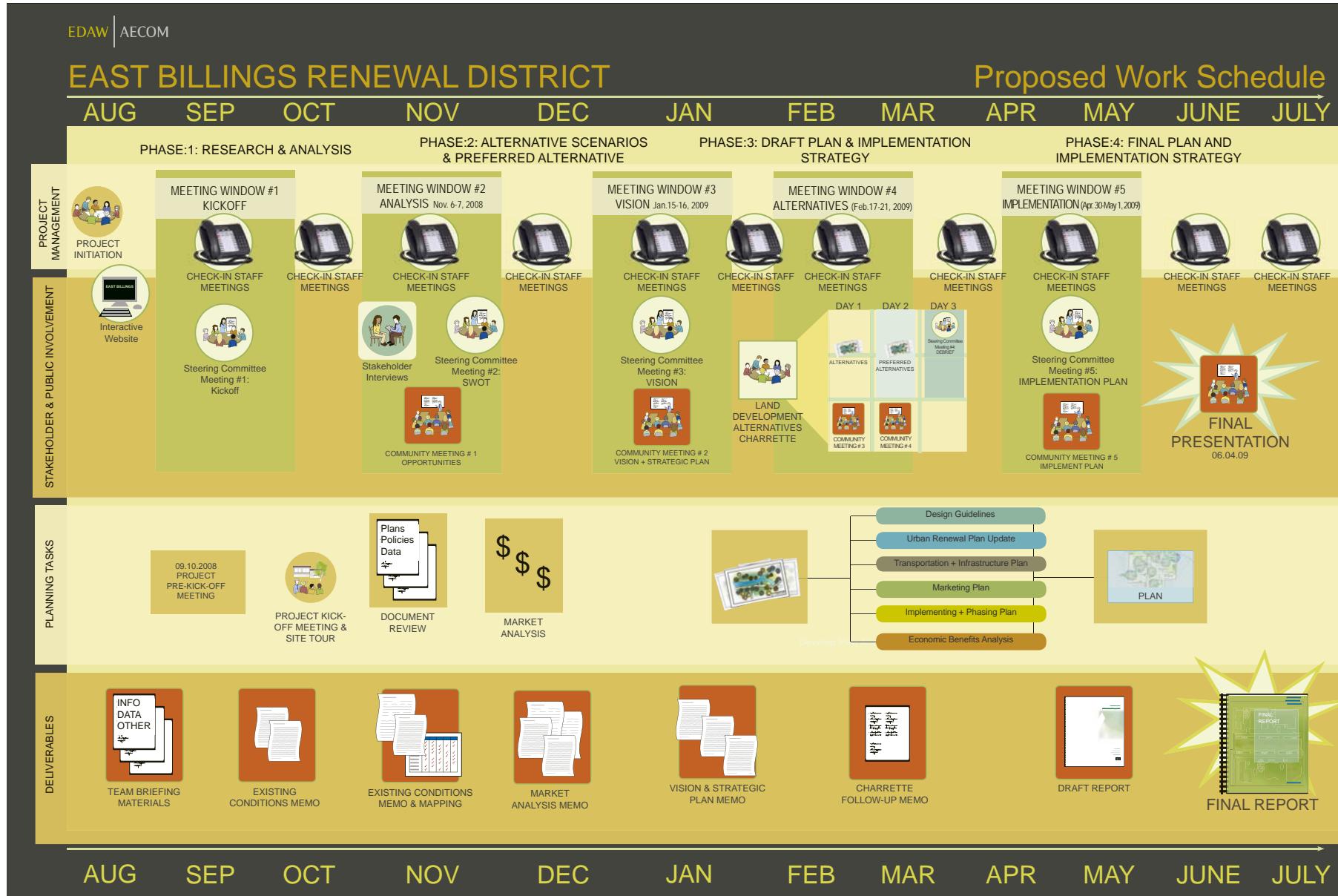


Figure 1.2-1 Public Process Diagram



Figure 1.2-2 Graphic Recording

or small group interviews with each of these groups, Yellowstone County elected officials and staff, and a variety of potential investors in the City. These individual discussions were augmented by widely publicized public meetings held in easily accessible and visible locations at MetraPark. Public meetings featured the following sequential elements: Project Kickoff, Vision, Alternatives for Development, Preferred Development Concept, Implementation Strategies, and a Final Presentation.

The public process diagram on the previous page (Figure 1.2-1) illustrates the master planning process, including public meetings, planning tasks, Steering Committee guidance, and planning products. Minutes for the various meetings and attendance lists, as well as the graphic recordings of public and Steering Committee meetings similar to that illustrated in Figure 1.2-2, are available from BSEDA upon request.

Through a series of community meetings in late 2008 and early 2009, a set of guiding principles was developed for the study area.

1.3 GUIDING PRINCIPLES

The following guiding principles are the foundation for everything that follows – from master plan concepts to street character descriptions; from development standards to development incentives. The guiding principles for the neighborhood include:

- Economic Growth:** Foster economic growth in the District & surrounding region.
- Centers:** Foster distinct mixed use, industrial, and hospitality centers with a strong sense of place and character.
- Affordable Housing:** Create affordable housing opportunities and choices for the Billings workforce, seniors, families, and students.
- Industrial Uses:** Ensure existing industrial uses can continue to operate as desired.
- Trees & Open Space:** Improve the natural beauty of the District by reintroducing trees and environmental features.
- River Connections:** Extend non-motorized connections from the Billings Core to MetraPark, the Yellowstone River, and the Heights.
- Edges:** Integrate the edges of the District with the North Park Neighborhood, the Downtown Core, the Medical Corridor, and the University.
- Transportation:** Provide a variety of transportation connections and choices throughout the District and surrounding areas.
- Infrastructure:** Complete the sewer and stormwater infrastructure and encourage methods for treating stormwater on site.
- Environmental Risks:** Understand and reduce historic environmental risks, while encouraging future high environmental quality in air, water, and soil; and

01 Neighborhood Vision



Figure 1.4-1 Artist's Rendering

11. Environmental Consciousness:

Encourage environmental consciousness, green development, clean technology, and healthy living.

12. Collaboration: Encourage community and stakeholder collaboration.**13. Predictable Choice:** Make development decisions predictable, fair, and cost effective.

1.4 NEIGHBORHOOD VISION

The following vision statement, debated and confirmed by the community through the aforementioned public process, captures a general vision for how the neighborhood will transform over the next 20 years:

“The East Billings Neighborhood is an economically and culturally vibrant neighborhood that provides opportunities for housing, clean technology, and pioneering ‘green’ industries along the City’s historic rail yards. Serving also as a gateway to the City and Yellowstone River, residents, businesses, and tourists alike can enjoy a variety of amenities within eclectic but pedestrian-friendly mixed-use centers.”

The City, BSEDA, and stakeholders seek a future for the 500 acres of industrial properties historically run by hard-working local residents that creates jobs for Billings residents, offers opportunities for close-in affordable urban living, establishes a gateway to central Billings from the Heights and Interstate 90 (I-90), celebrates Billings’ agricultural heritage, and acts as a model for its future as an intellectual center of green industry. In short, this neighborhood is at a crossroads. It can continue as is with limited growth and modest investments over time and be an adequate location for some and a lost opportunity for others. Or, neighborhood leadership can continue their efforts to position the study area as Billings’ top-tier opportunity for clean industry, urban revitalization, and eclectic renewal. This vision will require leadership, strategic investments, and the immediate seizing of catalytic opportunities. The area’s property owners, BSEDA, and the City of Billings are ready for this challenge and intend to form a management consortium, capitalize on tax increment opportunities, make important public improvements, and promote real estate decisions that deliver this vision as conceptually illustrated in this artist’s illustration (Figure 1.4-1) for the wellbeing of future generations.

02. Opportunities & Constraints

This chapter addresses the built and environmental context of the study area and provides the method for establishing a flexible development framework for the revitalization of the study area as markets evolve over time. The analysis involved a close scrutiny of the opportunities and constraints of the existing environment, including the existing economic conditions, land use and related regulations, infrastructure conditions, environmental issues, and the motorized, pedestrian, and bike transportation systems. The following sections summarize our findings.

2.1 ECONOMICS & MARKET FORCES

Demographics & Employment

Billings is Montana's most populous city and is larger than any city in a 500-mile radius. Population and employment have grown at an annual rate of just over 1% for the last 20 years. Population and employment in the City of Billings have grown consistently, slightly outpacing the state of Montana or the U.S. between the years 2000 and 2007. It is reasonable to assume that Billings will see growth over the next 20 years at about the rate it has seen over the last 20 years.

Recently, the largest job growth sectors have been retail and construction. The unemployment rate in the Billings Metropolitan Statistical Area shows seasonal variation, but has generally moved downward. At 3.2% in 2008, it is very low relative to national averages.

For the last seven years, Billings has averaged about 500 new dwelling units per year. New construction in Billings has slowed since 2003.

Redevelopment Potential

Figure 2.1-1 illustrates the edge conditions of the study area and its central context within the City. A 1% growth rate in population suggests that roughly 1,000 new people will be added in Billings per year, or roughly 450 dwelling units per year at about 2.2 people per dwelling unit. Employment growth (the number of new employees) is estimated to be about 75% of population growth (750 new employees per year). Some of this growth can be captured within the study area depending on: (1) how much growth there is in other areas of the City, and (2) changes that occur within the EBURD to help attract growth to this area. The share of growth that locates within the study area depends on several supply and demand factors and investments the City, BSEDA, or the EBURD might make to increase the value of the study area as a location for development. Appendix A, Economics, Market Forces, and Funding, is an assessment of the District's attributes including:

- Strong location between the CBD and MetraPark, as well as proximity to Downtown and the airport.
- Great access to regional transportation networks (State Routes 87 and 212 and Interstates 90 and 94 and the airport).

- Good physical characteristics for development (flat with minimal grade change) and an excellent street-grid pattern.
- Stormwater facilities are insufficient in eastern study area.
- Potential for environmentally contaminated sites by historic industrial uses.
- Generally, the size of and diversity of parcel types and locations in the EBURD provide numerous opportunities for all types of development.
- Lot size and ownership is varied (550 tax lots and many different owners), which creates a need to assemble land for many types of office, commercial, and residential projects.
- Market studies indicate the EBURD could capture between 5% and 10% of the commercial/industrial development in Billings over the next 10 years (25,000 to 50,000 square feet of new built space per year) (Taimerica 2006). Housing development will be difficult to attain, which would help capture retail. Commercial and industrial would be the strongest markets. There also could be a possible market for lodging in the study area.

The considerations above were discussed as part of the creation of a development concept for the EBURD and strongly influenced the development concept proposed in Chapter 3.

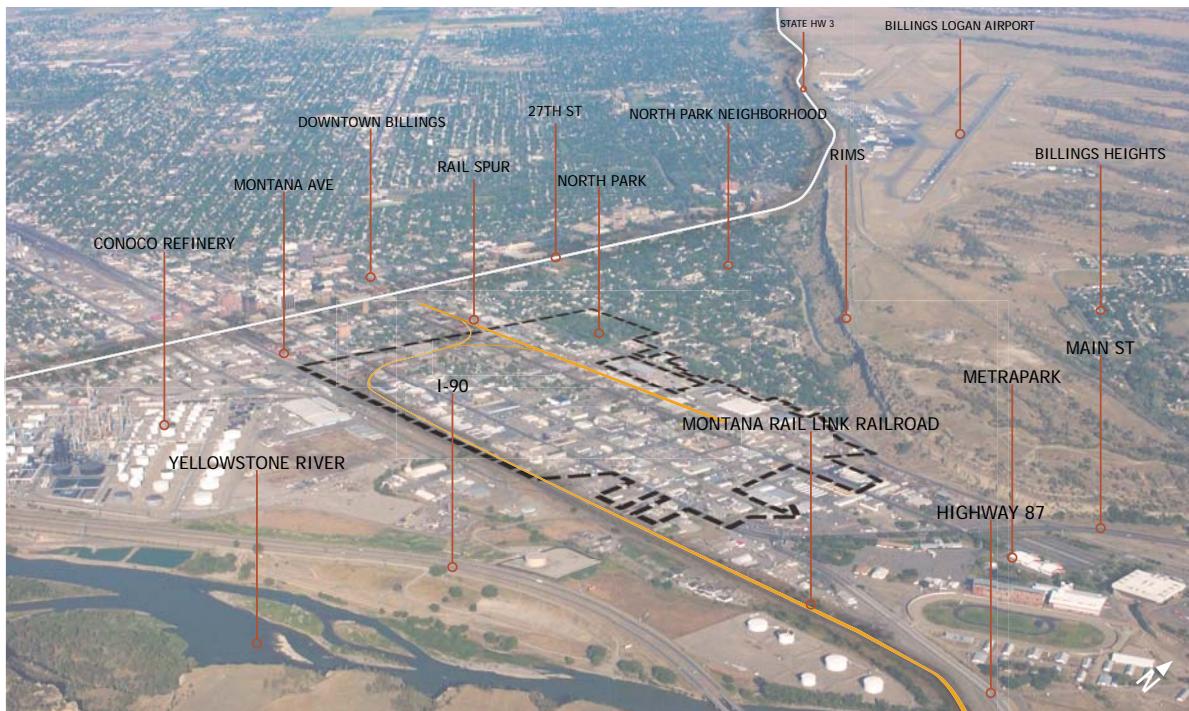


Figure 2.1-1 Edge Conditions & Community Context

2.2 LAND USE

Located adjacent to the east of the Central Business District (CBD, or Downtown Billings), the study area extends approximately 1.5 miles to MetraPark and encompasses mostly private commercial and industrial land uses. Most of the study area falls within the City, although private lands located between the EBURD and MetraPark are within Yellowstone County jurisdiction (Figure 2.2-1 City / County Jurisdiction). In all, the study area is approximately 485 acres.

The study area sits at the southern base of one of the substantial rimrock land features that frame the entire City as well as at the northern edge of significant refinery structures that light up the landscape in the evening hours (Figure 2.1-1). Both provide dramatic

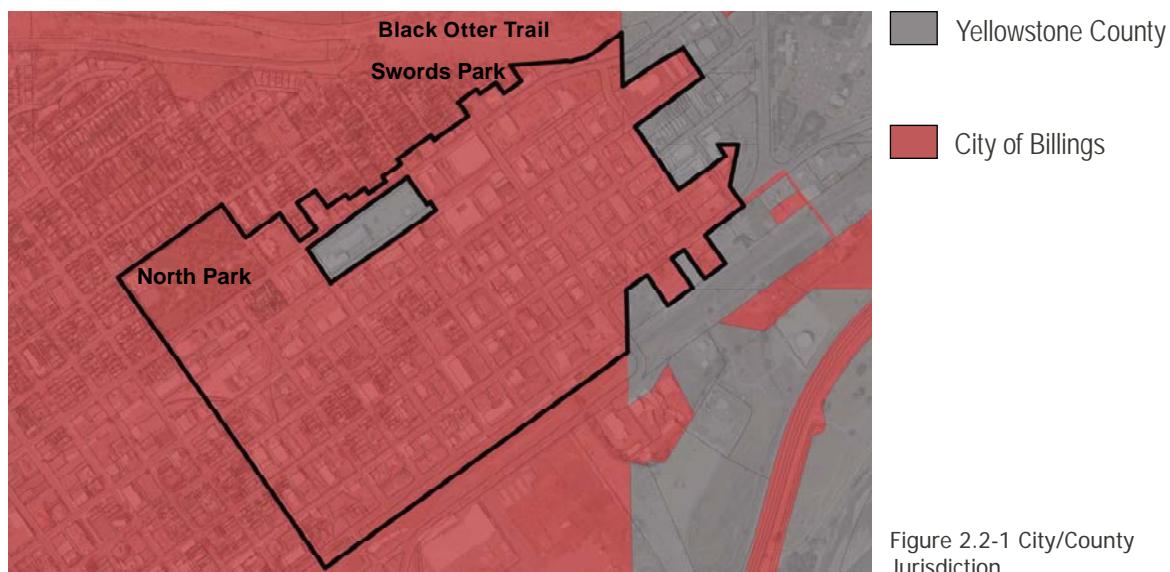


Figure 2.2-1 City/County Jurisdiction

visual back-drops for the low-intensity commercial, residential, and manufacturing uses.

Edge conditions consist of lower density residential housing and sporadic businesses to the east, the North Park residential neighborhood to the north, MetraPark to the west, and the Burlington Northern Railroad (BNRR) and Conoco oil refineries to the south. According to the Framework Plan and other recent planning efforts, one of the major goals of the City is to establish pedestrian and bike connections between the Downtown and MetraPark, and ultimately the Yellowstone River, through the study area. MetraPark is a County-owned 10,000-seat expo-entertainment center and major tourist destination located just off Interstate 90 that sits on 185 acres along the Yellowstone River. MetraPark began its existence early in the last century as a fairground and is still the site of the state's largest event, the Montana Fair, each August.

The site itself is generally situated within a traditional grid pattern of 300-foot blocks and streets with 80-foot rights-of-way (ROW) (Figure 2.2-2 Existing Land Use). Streetscapes lack landscaping or trees, and there is very little buffer between sidewalks and high volumes of one-way traffic. The study area is not considered "pedestrian-friendly" for reasons further described in the transportation section. In addition, the EBURD has been designated as an officially "blighted" area for reasons cited in the 2006 East Billings Urban Renewal Plan, including:

- "substantial physical dilapidation... [of structures and a significant number of vacancies]"
- "inappropriate or mixed uses of land or buildings... [due to housing in disrepair and zoning controls]"
- "defective or inadequate street layout... [due to number of one-way streets]"
- "faulty lot layout in relation to size, adequacy, accessibility, or usefulness"
- "unsanitary or unsafe conditions [due to underdeveloped utilities and contamination]"

The 2009 Billings Montana City Code (BMCC) currently provides the regulatory direction for development within the EBURD, with the exception of County parcels (Figure 2.2-3 Zoning). Controlled Industrial (CI) is the primary zone within the EBURD, which allows most light manufacturing uses with restrictions on residential development. Heavy Industrial (HI), Highway Commercial (HC), Community Commercial (CC), Neighborhood Commercial (NC), Residential 6,000 (R60), and Public (P) zones are also sporadically located along the neighborhood edges. The CI zone permits development up to heights of 70 feet, lot

coverage of a maximum 75%, and a minimum front yard set-back of 20 feet. Generally, development can be situated up to the side and rear yard lot lines, except where a minimum 10-foot setback is required adjacent to the street.

With the exception of housing, the CI zone allows a tremendous amount of flexibility with regard to intensity of development and use. So much so, in fact, that there is very little predictability of what use, scale, form, or character of development would present itself in the future. This can be seen as encouraging for market-driven development as well as a challenge for achieving a specific neighborhood "vision" and quality development.

2.3 INFRASTRUCTURE

Overview

The study area consists of an area that is part of the original plat of the Town of Billings. This plat dates back to June of 1882 and was originally filed under Custer County jurisdiction. The area was re-filed in June of 1909 when Yellowstone County was established. A portion of the south and east end of the study area was created by the East Industrial Plat, which was originally filed in 1948 by the Pierce Packing Company. Much of the area has been developed around these original plats and their grid concept with the extension of water in the streets and sewer in the alleys. Private utilities including power, communication, and cable were run on overhead lines while gas is underground.

Essentially no vacant, undeveloped properties exist in the EBURD. Hence, the area has been crisscrossed over the years with several vintages of water, sewer, and storm drainage lines. With very little exception, all of the lines have been upgraded at one time or another to cast iron, reinforced concrete (RCP), or polyvinyl chloride (PVC).

Water

Water mains are typically located in the public rights-of-way along the frontage of the businesses (Figure 2.3-1 Sewer and Water Mains). With the exception of the east end of the study area, a grid of water mains of varying sizes exists. This is more sporadic at the east end of the EBURD because of the County parcels located there and some of the larger users that occupy multiple blocks and do not have need for water at all of their facilities. Although there has been some upgrade to the main trunks in the area, several areas within the EBURD are still served by small six- and eight-inch water mains. This is not unusual in older developed areas, but it does typically mean that although domestic water service is available and operating pressures are adequate, required fire flow requirements cannot be met. This is the case in the study area.

Upgrades to water mains in the EBURD are not contemplated in the City's current five-year Capital Improvements Plan (CIP). Improvements would be made on an as-needed basis and would be driven by owner/developer needs or other project-related requirements. The 2008 estimate for bringing the area up to required standards is \$1.5 million (Sanderson Stewart 2009).

Sewer

Sanitary sewer mains collect effluent through eight-inch lines that are typically located in the alley, with trunk mains creating a backbone system that run in the frontage rights-of-way (Figure 2.3-1). The sewage treatment plant is located just east of the MetraPark facilities, so a number of large capacity trunks run through the EBURD.

Some areas have been identified that lack direct sanitary sewer service because of County property interfaces or because of large parcel development



Figure 2.2-2 Existing Land Use

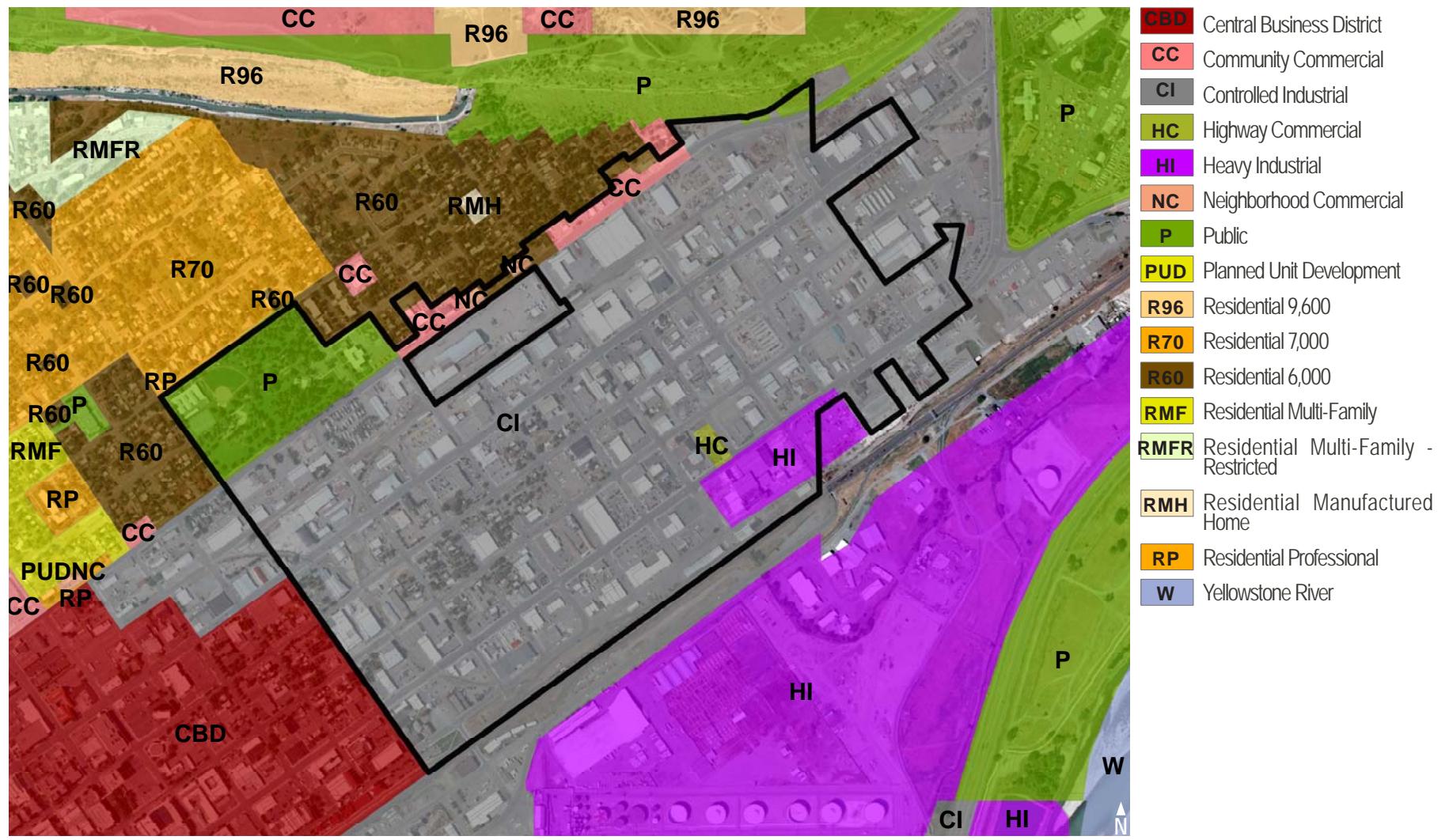


Figure 2.2-3 Zoning

that negated the need for service to all parcels within the study area. Upgrades or replacement of sanitary sewer mains in the EBURD is not contemplated in the current five-year CIP. Improvements would be made on an as-needed basis and would be driven by owner/developer needs or other project-related requirements. The 2008 estimate for bringing the area up to required standards is \$605,400 (Sanderson Stewart 2009).

Stormwater

Probably the most notable deficiency in the area – and the most costly to fix – is the lack of or undersized condition of the storm drain system (Figure 2.3-2 Stormwater and Fiber Optics). The area continues to experience backup and surface ponding due to the capacity limitations of trunk mains in 4th Avenue N, 6th Avenue N, and N 15th Street. These lines exist in the lower end of a large collection basin of nearly 2,812 acres. Three major lines (72-inch, 42-inch, and 36-inch) enter the N 15th Street trunk from the west in addition to the smaller area lines that enter from other adjacent streets. The main line is undersized for the required flows and is further constricted at the crossings of the railroad and Minnesota Avenue. This creates a stormwater backup especially problematic along 4th Avenue N. Multiple studies have been conducted regarding this issue, and installation of new parallel lines and upsizing of other mains have been recommended. The City has, however, not been able to move these needs into a priority position on the five-year Capital Improvements Plan.

The other area of drainage concern lies at the east end of the district. The system for this area collects and carries storm drainage to the north and east through the MetraPark grounds, eventually discharging to the Alkali Creek drainage just upstream from its confluence with the Yellowstone River. Although not specifically

reviewed for corrective action, there continues to be a significant backup of stormwater at the intersection of Exposition Drive and 1st Avenue N. In addition, the east end of the district suffers from a high degree of surface ponding, even during minor events. Although some of this is compounded by the lack of storm drain lines in the area where large parcels have been developed in the past, it is believed that much of this could be resolved by the completion or upgrade of curb, gutter, and street improvements. This would help channel and control the area runoff and aid in directing it to inlets for collection.

As an older part of town, the EBURD developed prior to any regulations for on-site detention or mitigation of stormwater runoff, and much of the ponding in the eastern portion of the site has been additionally exacerbated by an inadequate regional stormwater system. The City has not been able to allocate dollars to this need and has not included anything in the five-year Capital Improvements Plan for it. The 2008 estimate for bringing the area up to required standards is \$2.8 million (Sanderson Stewart 2009).

Streets

Although the streets are functional throughout the study area, their structural integrity and serviceability vary greatly from west to east. Most of the western streets are well constructed, with wide curb alignments that will lend to fairly easy complete street implementations. The easterly part of the study area is in need of substantially more improvement because of the nature of the large industrial users. In these cases, many of the users did not complete full street improvements or drainage installations. Much of this area will need to be constructed from scratch when owners/developers choose to undertake changes in use of their facilities. None of this work has been included in the City's five-

year Capital Improvements Plan. The 2008 estimate for bringing these streets up to required standards is \$1.9 million (Sanderson Stewart 2009).

Total Area Costs

As a summary, the cost to bring water, sewer, storm drain, and streets up to current design standards in the study area based on 2008 estimates totals \$6.8 million.

Private Utilities & Fiber Optics

Electrical power is provided by Northwestern Energy, which has a main substation in the area rated at 60 megawatts (Figure 2.3-2 Stormwater and Fiber Optics). Major feeds from this substation primarily follow 4th Avenue N and 6th Avenue N. An additional corridor is located in the alley between Montana Avenue and 1st Avenue N, which runs to N 15th Street. Local service is predominately provided through overhead lines located in the alleys. Natural gas is provided by Montana Dakota Utilities (MDU). The area is well covered by service due to its age and history.

Both Bresnan Communications and Qwest Communications have fiber optic trunks passing through the district. Bresnan's main lines run along 1st Avenue N and in the alley between 1st Avenue N and Montana Avenue as well as the N 13th Street corridor. Qwest runs the length of 2nd Avenue N. Both entities plan new expansions in the area to serve projects like the First Interstate Bank facility and the Food Bank project. These main trunk extensions will most likely follow a N 18th Street and 6th Avenue N alignment. As with cable television, installation of these extensions will be owner/developer driven.

In addition, there is an AT&T fiber optics line that runs along the railroad right-of-way. This line is referred to as

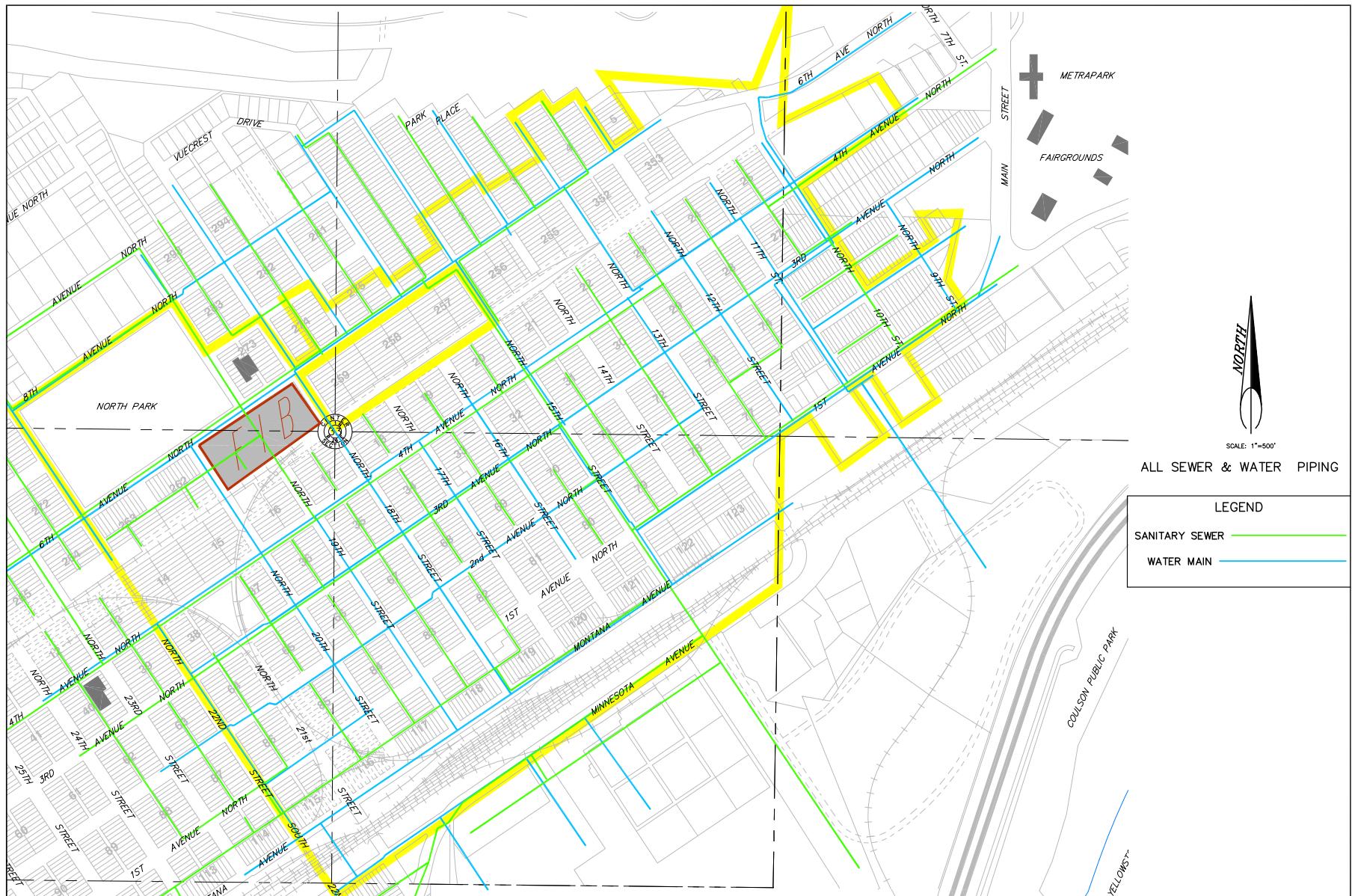


Figure 2.3-1 Sewer and Water Mains

02 Opportunities & Constraints

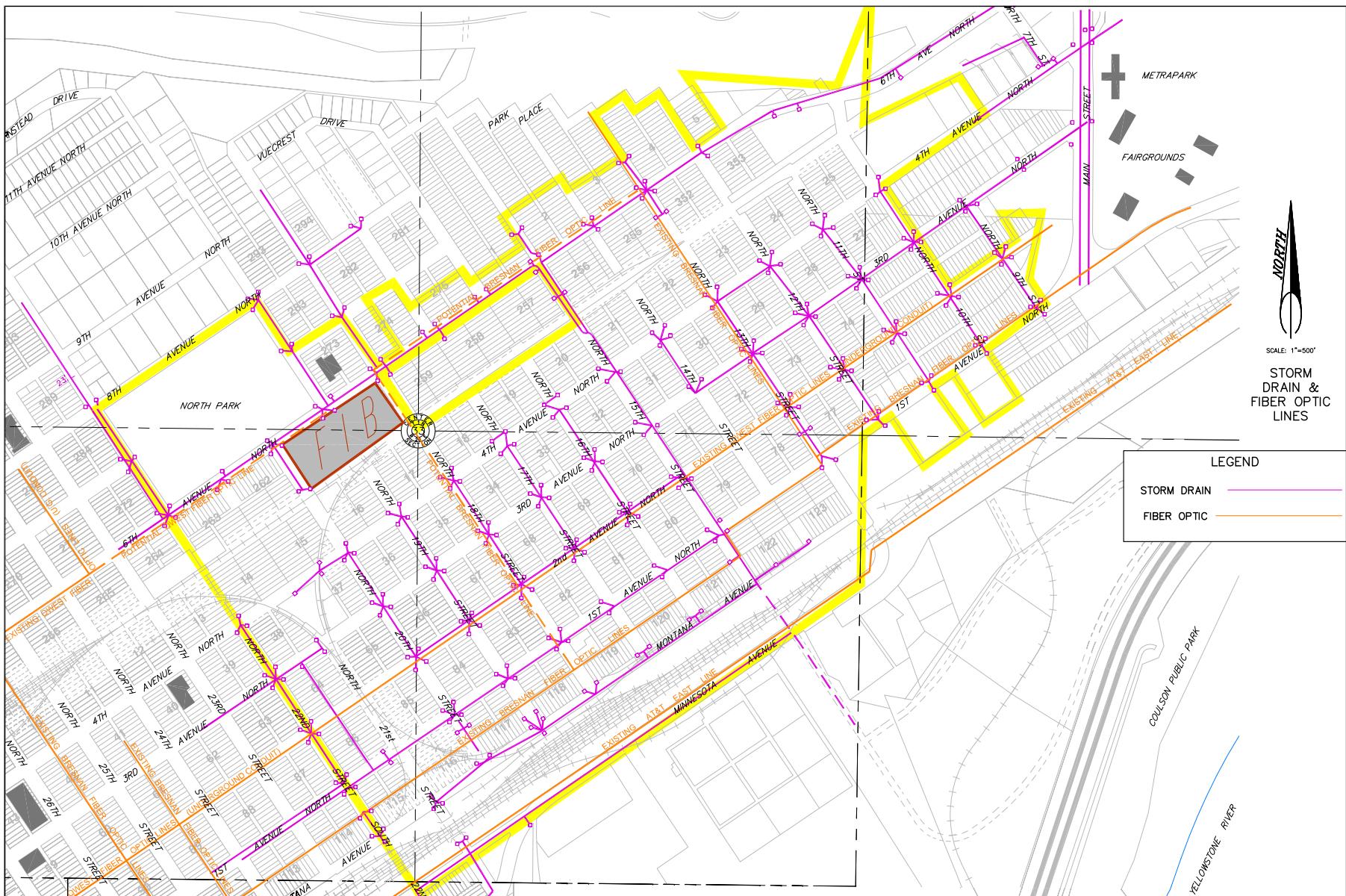


Figure 2.3-2 Stormwater and Fiber Optics

the AT&T East Line and is a major continental trunk line. It is our understanding that no local service is currently planned from this trunk unless a major distribution hub were installed.



2.4 ENVIRONMENT

The study area is a flat, industrial area with approximately 95 percent impervious surfaces that slopes approximately 20 feet from its northwest corner to its southeast corner. The majority of this elevation difference lies in the span of about two blocks from 6th Avenue N to 4th Avenue N. The area has minimal grade change from west to east, which is only several feet in magnitude. The study area and MetraPark are the stormwater drainage endpoints for a regional water collection basin of nearly 2,812 acres that eventually drain into the Yellowstone River. The study area itself lies outside of the 100-year floodplain but is within roughly a quarter-mile of the river system.

Relative to the North Park neighborhood to the north and CBD to the west, the study area contains little vegetation or continuity in tree-lined streets. The trees located within the site are primarily found on the north-south streets in the central portion of the EBURD and consist of ash and elm tree species.

The study area has in the past been home to a meatpacking plant, an oil and gas company, and other past and existing industrial and commercial enterprises that may have used or generated petroleum and hazardous substance contamination. The extent and level of contaminated soils and water on these potential "brownfield" sites were not fully understood as this master plan was being developed. However, BSEDA is currently conducting a study funded by the federal Environmental Protection Agency (EPA) Brownfields Assessment Grant program to address both hazardous substance and petroleum contamination within the EBURD. The study will identify the nature and severity of contamination on eligible brownfield properties and allow for the planning and selection of cleanup remedies. The overall goals of the program are to remove the environmental uncertainties associated with these properties through the completion of environmental assessments and cleanup of contaminated sites to bring about more sustainable and beneficial development to the study area. This study will extend through July 2011 and is seen as a critical step toward revitalization of the study area.

2.5 TRANSPORTATION

This section presents an overview of the existing transportation conditions in the study area, including transit service, traffic conditions, street classifications and directionality, bicycle and pedestrian amenities, and freight traffic.

Existing Transit Service

Met Transit operates fixed route and paratransit bus service in the City of Billings. Within the EBURD, transit service is provided along 1st Avenue/Main Street, 4th Avenue N, N 13th Street, and 6th Avenue N. Most routes travel on east-west avenues between the Central

Business District and Main Street, on the eastern end of the district. Peak-hour only service is provided along 1st Avenue/Main Street (15P, 16P, 17P), 4th Avenue N (14P, 16P, 17P), N 13th Street (15P), and 6th Avenue N (14P, 15P). Mid-day only service is provided on 1st Avenue/Main Street and 4th Avenue N (18M). No routes serving the district operate the entire day. The Downtown Transfer Center, where transfers can be made throughout the system, is located at N 26th Street and 3rd Avenue N, just four blocks west of the EBURD's west boundary.

Traffic & Streets

A considerable amount of traffic travels through the EBURD; most of the traffic coming into the district is pass-through traffic or is headed to the east end of the study area or beyond. Figure 2.5-1, Traffic Count and Street Classifications, illustrates the street hierarchy within the study area. The busiest locations with respect to vehicular traffic are to the east, near MetraPark. In particular, Main Street at 3rd Avenue N has the highest traffic levels in the area with 39,440 vehicles during a 24-hour period. This area can become a bottleneck when there are large events at the fairgrounds, resulting in considerable congestion in and around the study area. There is also significant traffic on 6th Avenue N at N 22nd Street, 1st Avenue N at N 14th Street, and 4th Avenue N at N 21st Street.

In the EBURD, north-south streets are primarily two-way, whereas east-west avenues are one-way. One-way streets tend to promote higher travel speeds and limit local circulation, thereby encouraging pass-through traffic. This may be appropriate on the higher volume 4th/6th Avenues N couplet, but is unnecessary on 2nd and 3rd Avenues N, which also act as a couplet. Figure 2.5-1 shows additional detail concerning traffic counts, street directionality, and street classifications.

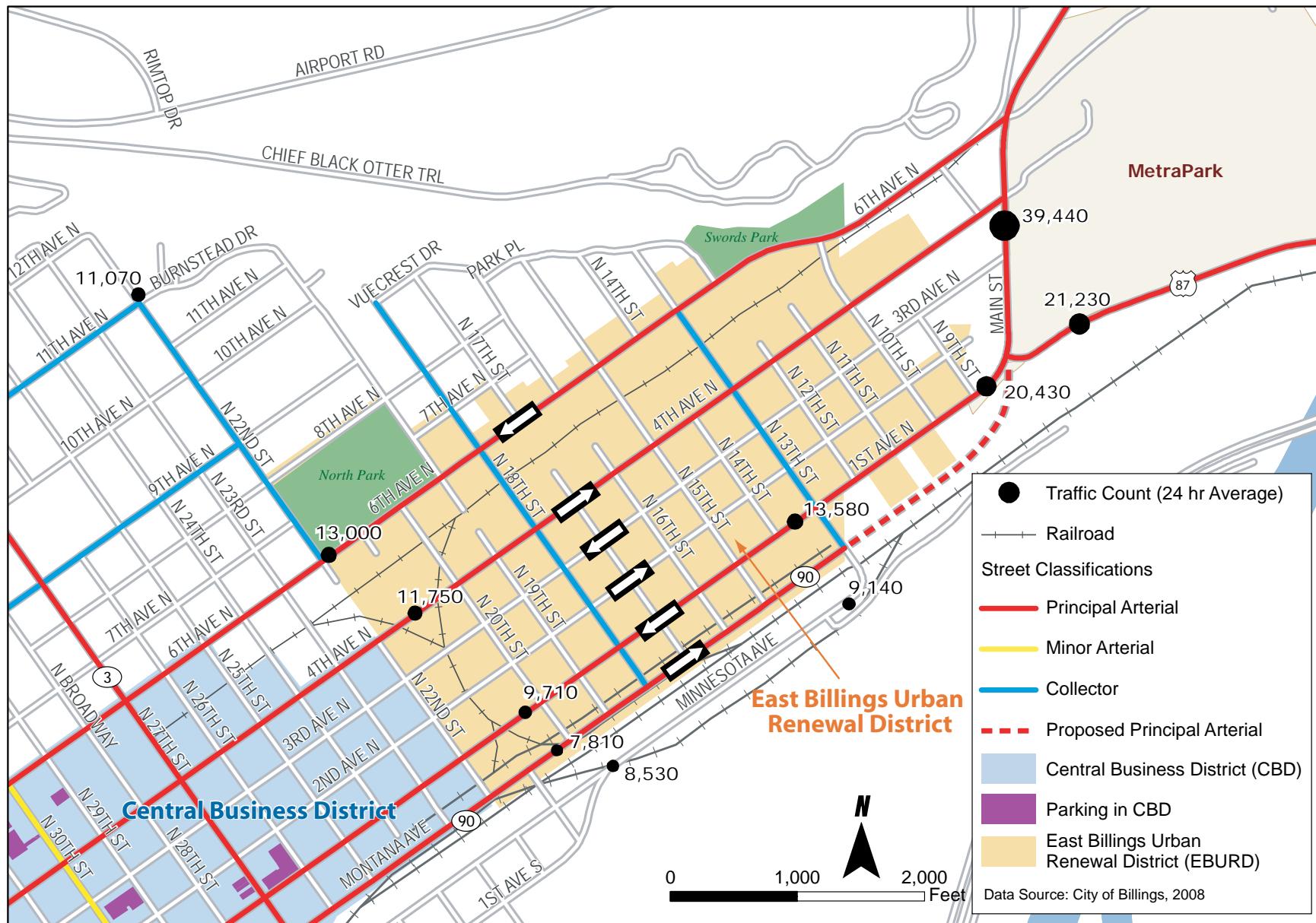
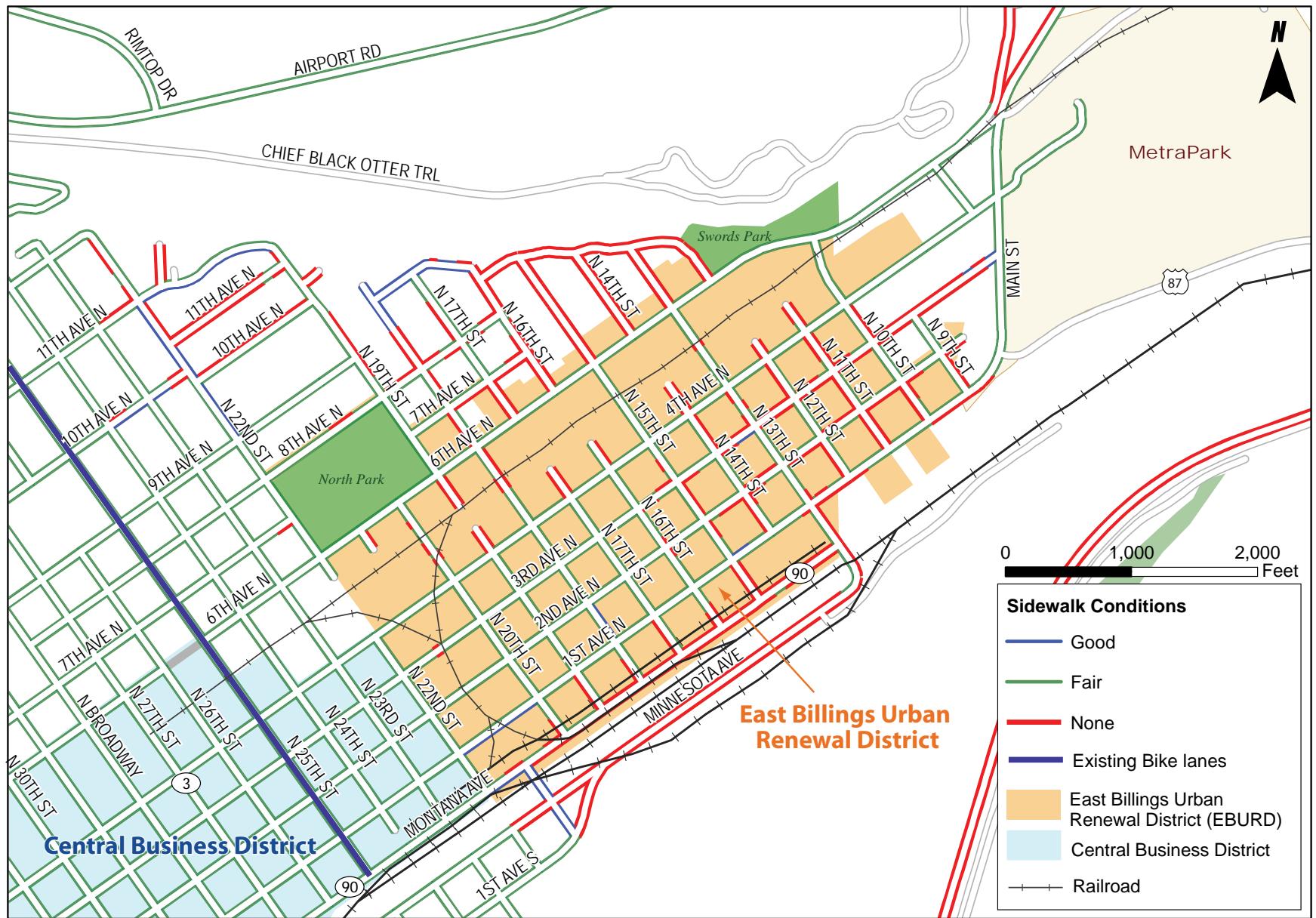


Figure 2.5-1 Traffic Count & Street Classifications



Bicycle & Pedestrian Environment

The EBURD has numerous limitations with respect to its bicycle and pedestrian environment. As described above, through-traffic and one-way streets promote a highway-like atmosphere throughout the district. Higher traffic speeds and wide lanes discourage convenient and safe pedestrian crossings.

Currently, the district has a poor environment for pedestrians and bicyclists. There are no established bikeways through the district, and sidewalks are either non-existent or in poor condition. In addition, pedestrian amenities, such as signage, lighting, crosswalks, and benches, are limited. There is no established pedestrian link between the CBD and MetraPark. The fairground is particularly difficult to access given the barrier that is created by Main Street (I-90) and parking that surrounds the facility. Figure 2.5-2, Pedestrian and Bicycle Environment, graphically presents this information.

Freight & Rail Conditions

An active freight mainline is located between Minnesota and Montana Avenues, along the southern boundary of the district. A rail spur travels north along N 20th Street and continues east and west between 4th and 6th Avenues N, becoming the 5th Avenue N Corridor. The spur is in moderate use by local businesses for delivery purposes. There is no passenger rail service in Billings.

03. Development Framework

This chapter lays out a conceptual development framework for East Billings. This concept is further detailed in the following chapter with specific implementation strategies that will help this framework evolve into reality.

3.1 CREATING A NEIGHBORHOOD DEVELOPMENT FRAMEWORK FOR EVOLVING MARKETS

In creating a development framework for the study area, Big Sky Economic Development Authority, the City, the consultant team, and its public and private stakeholders (the Team) considered not only the study area, but adjacent neighborhoods and the overall Billings region. The Team was mindful that redevelopment of the site must serve today's residents as well as future generations in a technologically evolving global market. In doing so, the Team balanced the need to grow the Billings economy for future job creation and business enterprise, as well as to establish livable neighborhood centers. To this end, several guiding "districts" with differing but compatible opportunities for land uses, a development concept, and a new form-based code zoning strategy are envisioned to establish a flexible framework for evolving residential, industrial, and hospitality markets.

At almost 500 acres, the East Billings Neighborhood area is too large to be treated as one unified whole, but must rather be considered in pieces. For the purposes of this plan, the following definitions apply:

Study Area. In approaching East Billings, the Team considered the official Urban Renewal District and adjacent areas that share physical and economic characteristics with the urban renewal area.

Districts. Districts are areas that share a particular development concept to be encouraged through incentives, priorities for investment, and branding strategies, but not limited in terms of use or even design guidelines.

Zones. Zones are clusters of districts that are intended to share a general physical character, which will help the community begin to differentiate between various parts of the larger East Billings area. Specific regulatory zones will shape physical characteristics while allowing flexibility in land use.

3.2 DEVELOPMENT CONCEPT & DISTRICT CHARACTER

This section outlines an overall development concept based on existing patterns of development and economic opportunities, followed by a more fine-grained concept of district character as well as implementation priorities.

With a long history, and little development guidance from fairly flexible zoning regulations, the neighborhood today is an eclectic mixture of uses and building styles that gives it an indistinct physical character. To give shape to districts and zones within it, the Team used a figure ground study and a development suitability analysis.

A figure ground study is a fairly simple mapping technique in which buildings are shown as black, with everything else shown in white. This creates a bold image of current development patterns – large buildings; small buildings; undeveloped areas; and so forth (see Figure 3.2-1 Existing Figure Ground).

The development suitability analysis applied in this case is an educated but subjective analysis of which properties are likely to undergo significant change in the next generation. For instance, an area with few substantial buildings or high value economic uses is likely to change, while an area with venerable buildings and/or high-value uses is less likely to change. Figure 3.2-2 Figure Ground & Development Suitability Analysis shows an overlay of the figure ground and development suitability maps.

Development Theory Redevelopment & Infill

The area along the southern edge of the study area – especially along Montana Avenue – features many substantial masonry buildings originally built to service the adjacent rail line. These buildings give this area a distinctive character that lends itself to rehabilitation of major older buildings and in-fill development between them. Given the recent revitalization of Montana Avenue to the west, it is easy to imagine that character moving east through the study area.



Figure 3.2-1 Existing Figure Ground



Figure 3.2-2 Figure Ground & Development Suitability Analysis

■ Venerable buildings and/or high-value uses - less likely to change

■ Existing Figure Ground

Selective In-Fill Opportunities

The western edge of the study area is adjacent to the CBD. Land in this area is largely underutilized and is beginning to infill with new commercial and office uses. This area is poised for growth and infill. Land in this area is less expensive than land in the CBD; however, parking codes have much greater requirement;

Connections & Long-Term Transitions

The area along the north edge of the study area between 4th and 6th Avenues N is dominated by automobile-oriented uses and heavy industrial businesses that are likely to eventually seek lower-priced locations farther from the center of town. As such, this area can be seen as one of connections and long-term transitions.

Redevelopment

The area in the west-center of the study area, roughly between N 16th and N 20th Streets, contains a significant concentration of older houses in sub-standard condition, as well as undeveloped properties. As such, these may offer the study area's best opportunity for substantial redevelopment – perhaps as a more complete residential neighborhood or as a public or private campus of some sort.

Evolving Industrial

The area in the east-center of the study area is Billings' hard-working historical industrial core. Many of the businesses in this area are doing just fine as they are as agricultural supply, small-scale manufacturing, and automotive services. Consequently, this area is not a logical target for near-term major changes. At the same time, it could use improvements to the public realm, and industry is always changing (today toward greener and cleaner technologies). In sum, this might best be seen as an evolving industrial area.

Infrastructure & Redevelopment

Finally, the area at the eastern edge of the study area adjacent to MetraPark is highly underdeveloped and deficient in stormwater infrastructure. It is also the first area one encounters when heading to central Billings from the Heights or from Interstate-90 from the east. This area represents a substantial opportunity for infrastructure improvements and large-scale redevelopment, perhaps aimed at the hospitality industry in support of MetraPark.

Redevelopment Districts

Taking this concept to a somewhat finer grain, the Team defined eight distinct districts (Figures 3.2-3 and 3.2-4) – each with a distinct character – and with general boundaries defined by the conceptual bubbles, by existing land uses, and by issues of adjacency and buffers between incompatible uses. These districts are non-regulatory, describing compatible uses and character. Figure 3.4-1 (later in the chapter) illustrates proposed zoning,

1. Montana East – One of the most celebrated assets of Downtown Billings is the successful revitalization of the Montana Avenue corridor in the CBD. Building on this success, adaptive reuse of historic brick buildings and warehouses into mixed office, residential, and retail uses and strong streetscape features should continue east along this corridor.

2. Downtown East – Residential and office infill is occurring at a slow but steady pace west of N 22nd Street, or the nexus of the CBD and the EBURD. A new transit station, a federal court house, and other significant developments are in progress to the west that will likely spur additional desired mixed-use infill that spills over into the study area. This should be accepted and encouraged as a primary economic opportunity to capture tax increment revenues.

3. Rail Spur Village – The central portion of the neighborhood contains a large number of underutilized, substandard, and vacant housing, as well as commercial and industrial properties in deteriorated condition. Assembling land in this area for a mixed-use residential village for workers associated with adjacent industrial uses or a health / educational campus with a research and development focus would catalyze redevelopment in the larger study area. Civic uses such as a public library, central public green, or recreational facilities could anchor the village, and pedestrian- and bike-friendly connections would extend to nearby destinations.

4. The 6th Avenue Find – This district is envisioned to capture auto-oriented commercial or industrial retail activity that would be generated by the high level of traffic flowing from the Heights Neighborhood and I-90 through the study area. Tile stores, home-improvement centers, and retail uses that accommodate industrial businesses within the neighborhood are envisioned.

5. Green Workforce Center – Throughout the master planning process, stakeholders have expressed interest in a "green" mixed-use neighborhood that would retain industrial and manufacturing uses and attract re-investment and create jobs. Initial discussions for the industrial portion of the plan focused on recycling land uses and encouraging businesses that endorse sustainable values or manufacture green products. Opportunities include water-sensitive urban design, solid waste recycling, alternative energy district heating, combined heat and power distribution, and "green-collar" job creation. Locating the green-collar and labor-intensity portions of this concept between the Rail Spur Village and the more industrial and recycling uses to the east creates a nice buffer.

Note: District names are preliminary. Final names and identity should be addressed in the context of branding and marketing. Coordinate closely with the Chamber of Commerce on "Trailhead" theme.

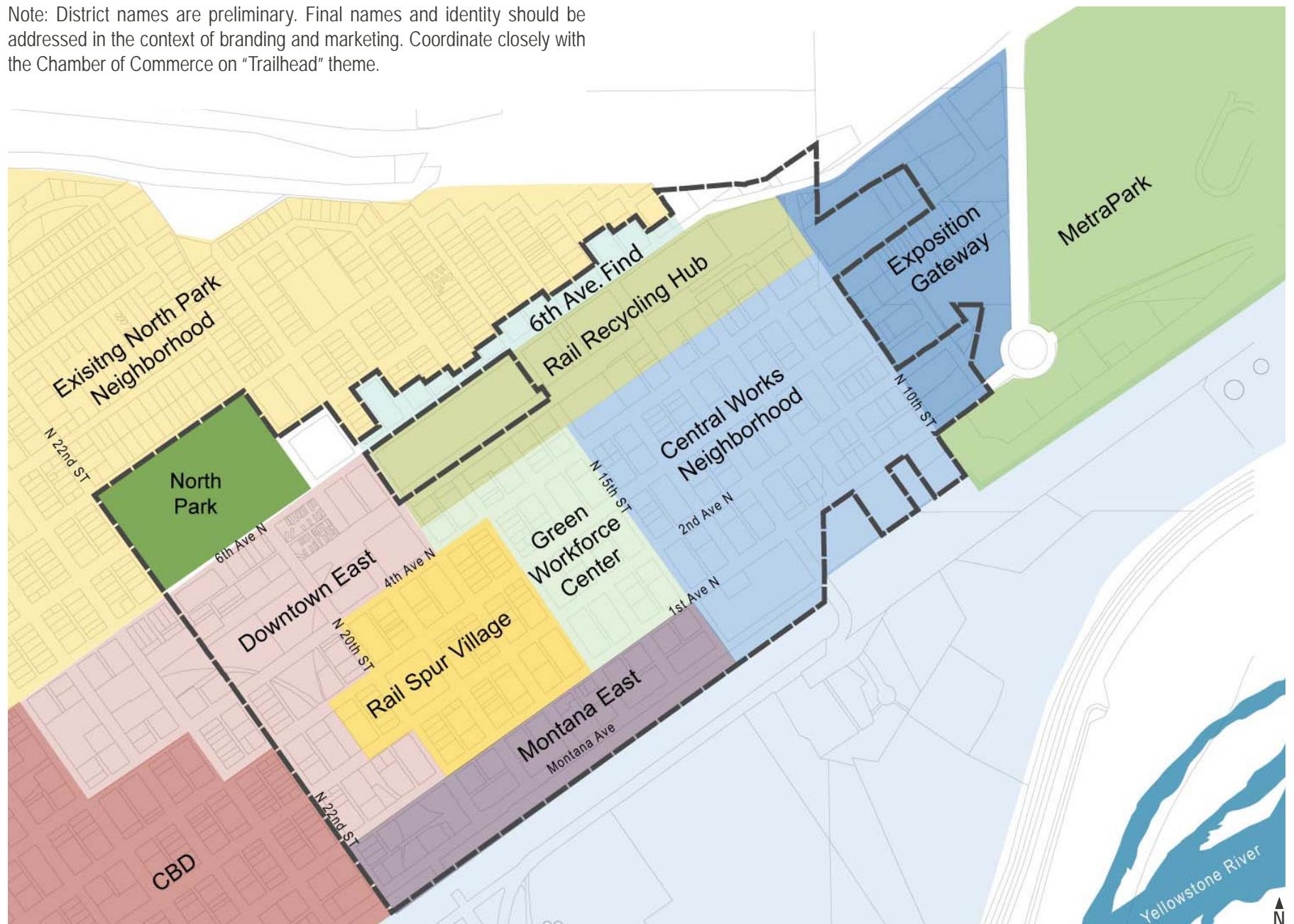


Figure 3.2-3 Development Districts

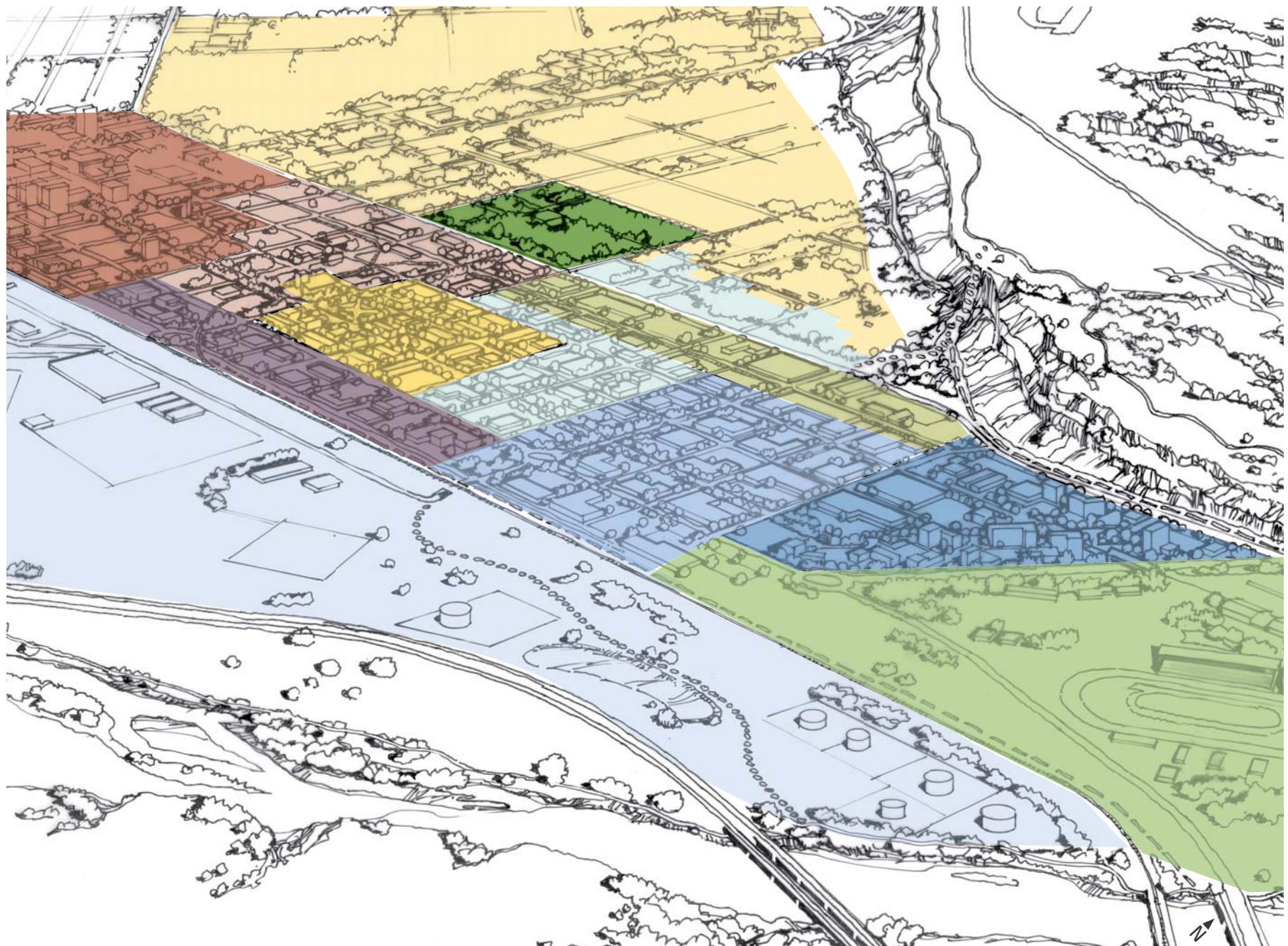


Figure 3.2-4 Axonometric Sketch of the Development Districts

6. Central Works Neighborhood – Rooted in a hard-working history, the Billings industrial core is home to many regionally significant commercial industrial uses, such as agricultural supply, saddle production, scrap yards, and automobile servicing and retail. Many of these uses will continue over time, while others may choose to adapt and innovate to capture new markets in distribution, manufacturing, or research and development. This district is intended to allow existing uses to prosper while offering incentives to new enterprises by providing modern infrastructure.

7. Rail Recycling Hub – By maintaining the existing rail spur as an asset for future industrial uses, this district can capitalize on the rail line to service a regional recycling center for heavy metals, glass, plastic, building materials, or other recyclables. The rail line could bring in recycled materials from other parts of Montana and the region to process anew in the recycling hub and fill an existing gap in statewide demand for recycling services.

8. Exposition Gateway – The east end of the study area, outside of the existing Tax Increment Financing District in County jurisdiction and adjacent to MetraPark, is envisioned as a prime location for hospitality uses that could serve tourists and locals attending MetraPark events. Restaurants, hotels, and a significant gateway feature (such as a gateway park) would provide a visual anchor and welcome visitors to the east gateway of the City. This district also offers central Billings its strongest opportunity for a real connection to the Yellowstone River south of MetraPark. Implementing this district in a cohesive manner can be best accomplished through a master planning exercise, rather than an incremental approach as in other parts of the study area.

These districts are one part of the guiding framework for evolving development. They are not envisioned as regulatory or to preclude property owners /

entrepreneurs from realizing specific land uses where opportunities emerge.

3.3 REDEVELOPMENT PLAN

With the concept for development districts presented above, a framework can be created for urban design, streetscape design, and infrastructure to bring these districts alive. Figure 3.3-1 Development Concept is an overall concept of one way this redevelopment plan might emerge in the generation ahead; however, how this plan is actually implemented will have more to do with seizing the right opportunities when they appear than with having much control about which opportunities emerge. Taking advantage of opportunities and shaping them as they move forward will require that East Billings leadership understand the urban design, streetscape, and infrastructure concepts outlined here.

Urban Design

Each of the eight districts described above should convey its own character and identity. At the same time, stakeholders and Billings' leadership agree that whatever guidance is given for these districts should also offer flexibility to property owners and potential investors. Therefore, this plan recommends a form-based rather than use-based zoning code, and that priority for incentives be given to projects that meet the spirit of the urban design concepts described below.

1. Montana East – The Montana East District should take its urban design cues from the existing revitalized section of Montana Avenue between N Broadway and N 22nd Street. Rehabilitation of older masonry buildings should be encouraged. In-fill buildings should face Montana Avenue adjacent to the sidewalk and contiguous to existing buildings whenever possible. Streetscape improvements compatible with Montana

Avenue improvements to the west should be encouraged.

2. Downtown East – In-fill development opportunities should be sought throughout the Downtown East District. Especially desirable in this area are office and commercial uses that support the Central Business District, such as back office and operations facilities for downtown and medical corridor facilities, both in the public and private sectors. Buildings should be oriented toward major streets; density and height should be encouraged.

3. Rail Spur Village – The proximity of several blocks of underdeveloped property in the Rail Spur Village District offers a major opportunity for substantial redevelopment. This, in turn, allows the creation of a unique environment, characterized by landscaping, public spaces, civic uses, interior courtyards, and mid-rise development, giving it the feel of a residential or a campus village (Figure 3.3-2).

4. The 6th Avenue Find – 6th and 4th Avenues N are automobile oriented and will continue to be in the future. As such, opportunities should be sought for businesses that can take advantage of the district's excellent automobile access. These may include home improvement stores, movie theaters, and others that capture district traffic between downtown Billings, the Heights, and Interstate-90. Streetscape improvements should focus on softening the environment both for pedestrians and drivers. Street trees and parking lot landscaping should be encouraged.

5. Green Workforce Center – The Green Workforce Center District has two distinct and compatible objectives – first, to create a center for developing clean industries that can support each other and the Billings workforce; and second to provide a transitional buffer between the Rail Spur Village District and the heavier industrial uses in the Central Works Neighborhood

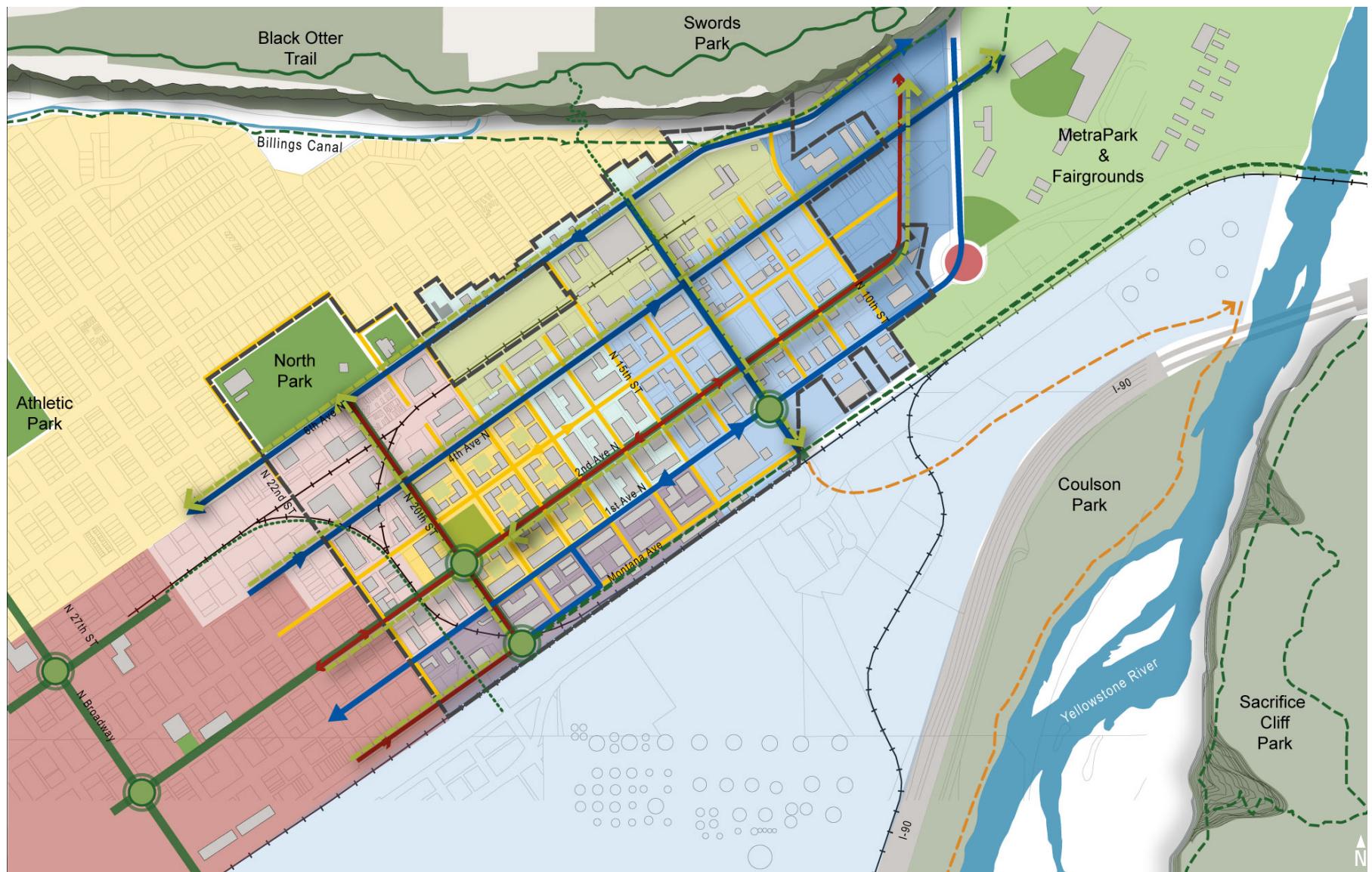


Figure 3.3-1 Development Concept

KEY

- Existing North Park Neighborhood
- Rail Spur Village
- CBD
- Downtown East
- Montana East
- 6th Avenue Find
- Rail Recycling Hub
- Green Workforce Center
- Central Works Neighborhood
- Exposition Gateway
- Oil Refineries
- Parks & Green Space
- Enhanced Intersection in Public Right-Of Way
- Enhanced Streetscape
- Arterial Roads
- Main Streets
- Local Streets
- Bicycle
- Multi-use Path
- Planned Trail
- Proposed Trail
- Existing Trail
- Gateway Feature



Figure 3.3-2 Rail Spur Village Concept

and Rail Recycling Hub Districts. Incentives should be used to attract and grow clean manufacturing and service businesses. Buildings should be oriented toward major streets when possible, and softening landscaping should be encouraged.

6. Central Works Neighborhood – The Central Works Neighborhood District is working well now. Existing businesses should be encouraged to remain. Uses that are not so compatible with industry (residential, for example) should be discouraged. Infrastructure improvements – especially stormwater – are the top priority in this district. When opportunities arise, landscaping and street orientation for buildings should be encouraged.

7. **Rail Recycling Hub** – The Rail Recycling Hub is all about taking advantage of the existing rail spur to connect existing and new recycling businesses with Montana's increased needs for such services. Cutting-edge recycling activities should be encouraged, and these uses should be protected from uses that might be put off by noise and odors.

8. Exposition Gateway – The Exposition Gateway District is a major opportunity for full-scale redevelopment. Infrastructure improvements and a comprehensive planned development can create a pleasant, pedestrian-oriented collection of hotels, restaurants, and other hospitality businesses serving MetraPark and the rest of the community as a

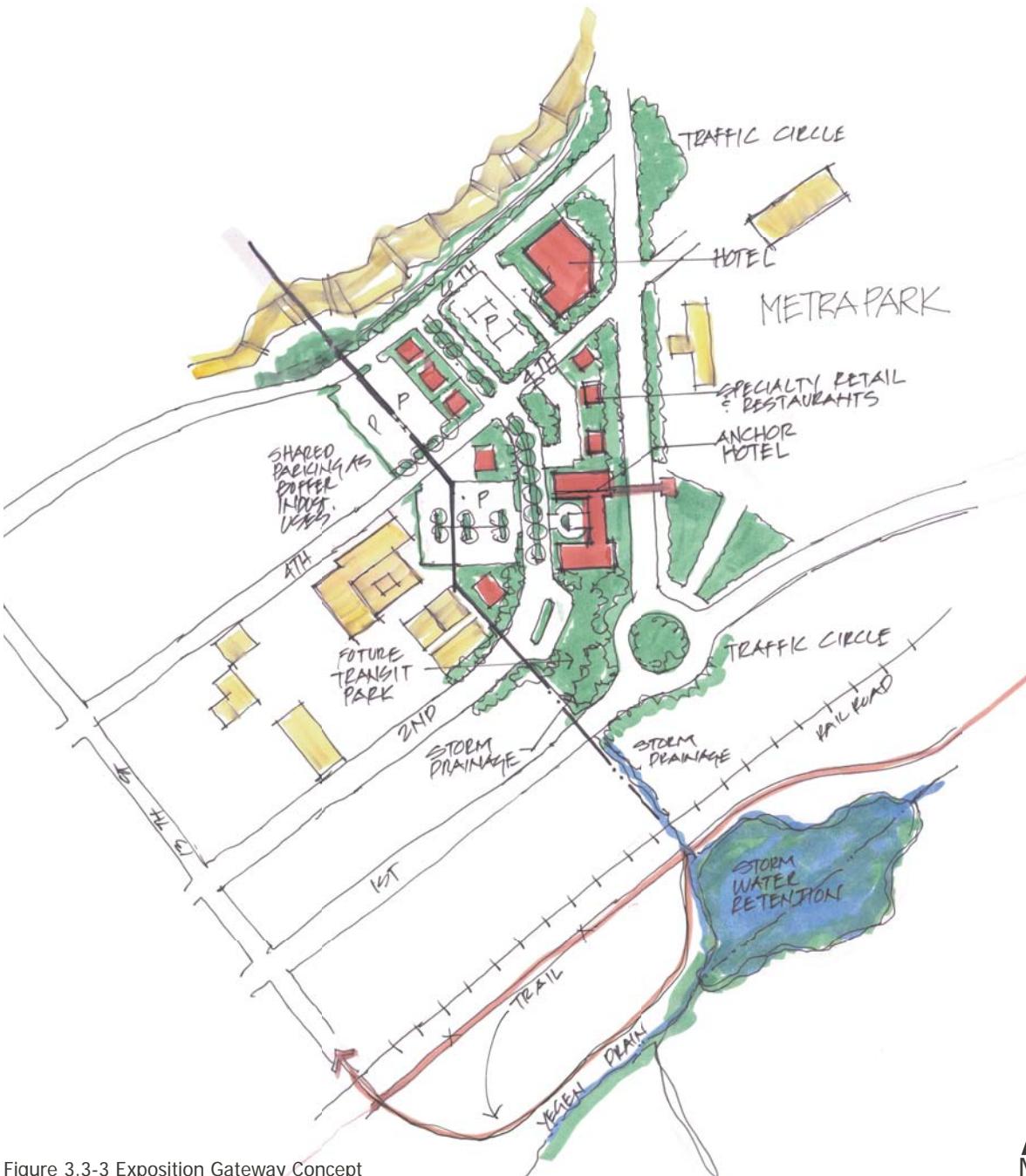


Figure 3.3-3 Exposition Gateway Concept

welcoming gateway from Interstate-90, the Heights, and the rest of Billings. Landmark landscaping should be used to create a real sense of arrival from the Interstate and from the Heights. Realizing this vision will require two major planning moves: first, the area between the City limits and MetraPark should be annexed into the City and the Urban Renewal District. Efforts have already begun on this behalf. Second, the entire district should be master planned, allowing for land assembly, road realignment, and unified design themes throughout (Figure 3.3-3).

At the same time each of the districts is developing a distinct look and feel, the whole study area shares a number of interconnected issues related to open space, transportation, and infrastructure. These include creating a "main street" along 2nd Avenue N, with building orientation, landscaping, and other improvements to the public realm to create a unique character and pleasant passage through the district for pedestrians, cyclists, and motorists alike. Additionally, a network of bicycle connections through the area with connections to the Central Business District, the Rims, and the Yellowstone River will complete several important pieces of Billings' bicycling master plan. Also, seeking opportunities for public and/or shared parking will act as incentives for businesses to locate in the district.

Green & Open Space Network

One distinguishing but unfortunate feature of the study area is the absence of landscaping and open space. As such, the development concept described in the previous section should be complemented with a network of green spaces to soften the district and serve important cooling, air quality, and stormwater retention functions. Figure 3.3-4 illustrates this green and open space network. Key features include a "main street" and "green street" concept on 2nd Avenue N.

In addition, N 20th Street and N 13 Street are seen as "green streets." Main streets and green streets are further described in the following section. Key to the open space network presented here is concentrating landscaping investments to create a density of green to make an impression on passers-by.

The green and open space network also envisions several enhanced intersections with major landscaping features at the intersections of main streets and green streets, as well as a major gateway feature at the southwest corner of MetraPark, near 1st Avenue N. This intersection might include a highly landscaped roundabout with significant public art in a "Welcome to Billings" motif.

In addition, the Rail Spur Village District in the center of the EBURD might contain a network of smaller green spaces and a major public green in support of residential and/or campus uses. Finally, the Billings trails network should be enhanced through the district, with connections along key streets as well as the BNSF line to the riverfront, the rail spur to the Downtown area, and N 13th Street to the Rims and the Black Otter Trail.

Complete Streets

One of the guiding principles for this master plan is to provide a variety of transportation connections and choices throughout the study area and surrounding areas. Developing multi-modal transportation options is critical for supporting the neighborhood's economic development efforts and will enhance quality of life and transportation choices. Figure 3.3-5 Transportation Network shows the transportation elements of the overall development concept.

Table 3.3-1 lists Complete Streets strategies for pedestrian, bicycle, transit, and motorized transportation modes.

Pedestrian	Bicycle	Transit	Motorized
Identify missing and damaged sidewalks	Identify missing segments of bicycle lanes	Construct enhancements and include passenger amenities at bus stops (signage, lighting, shelter, bench, bike parking)	Reconstruct roadways to support multi-occupant vehicle use
Ensure continuous pedestrian connections	Ensure that bicycle lanes are designed to be wide enough and differentiated from neighboring lanes (striping and colored pavement)	Build curb bulbs at intersections with transit stops	Optimize signal coordinates and address intersection bottlenecks
Install or upgrade wayfinding	Construct underpass or underpass at high volume locations	Optimize stop placement	Implement efficiency and safety improvements
Add enhanced pedestrian crossings and signals	Install sufficient bike parking at transit facilities		Design roadways that accommodate safe bike and pedestrian travel
Improve lighting where necessary			
Make pedestrian improvements at key transit stops and other prioritized areas			
Mandate that pedestrian-oriented design be considered in development review		.	

Table 3.3-1 Complete Streets Design Strategies

The Complete Streets model has become a common way of moving the use of our streets away from auto-domination and balancing the need for bicycle and pedestrian movement. Complete Streets are "designed and operated to enable safe access for all users. Pedestrians, bicyclists, motorists and bus riders of all ages and abilities are able to safely move along a Complete Street" (Nelson\Nygaard 2009).

At the same time, the area also offers the opportunity to create streets that are both "Complete" and "Green," with attention to indigenous landscaping, alternative stormwater management, and microclimate enhancements for humans and wildlife.

Complete Streets have the following characteristics:

- Offer a full range of travel choices
- Connect to a network that offers choices



Figure 3.3-4 Open Space Network

Key

Existing Park	New Urban Green
Special Use Park	Private Open Space
Existing Urban Park	Enhanced Intersections in Public Right-Of-Way

- Enhanced Streetscapes (priority)
- Existing Trail
- - - Planned Trails
- Proposed Trails

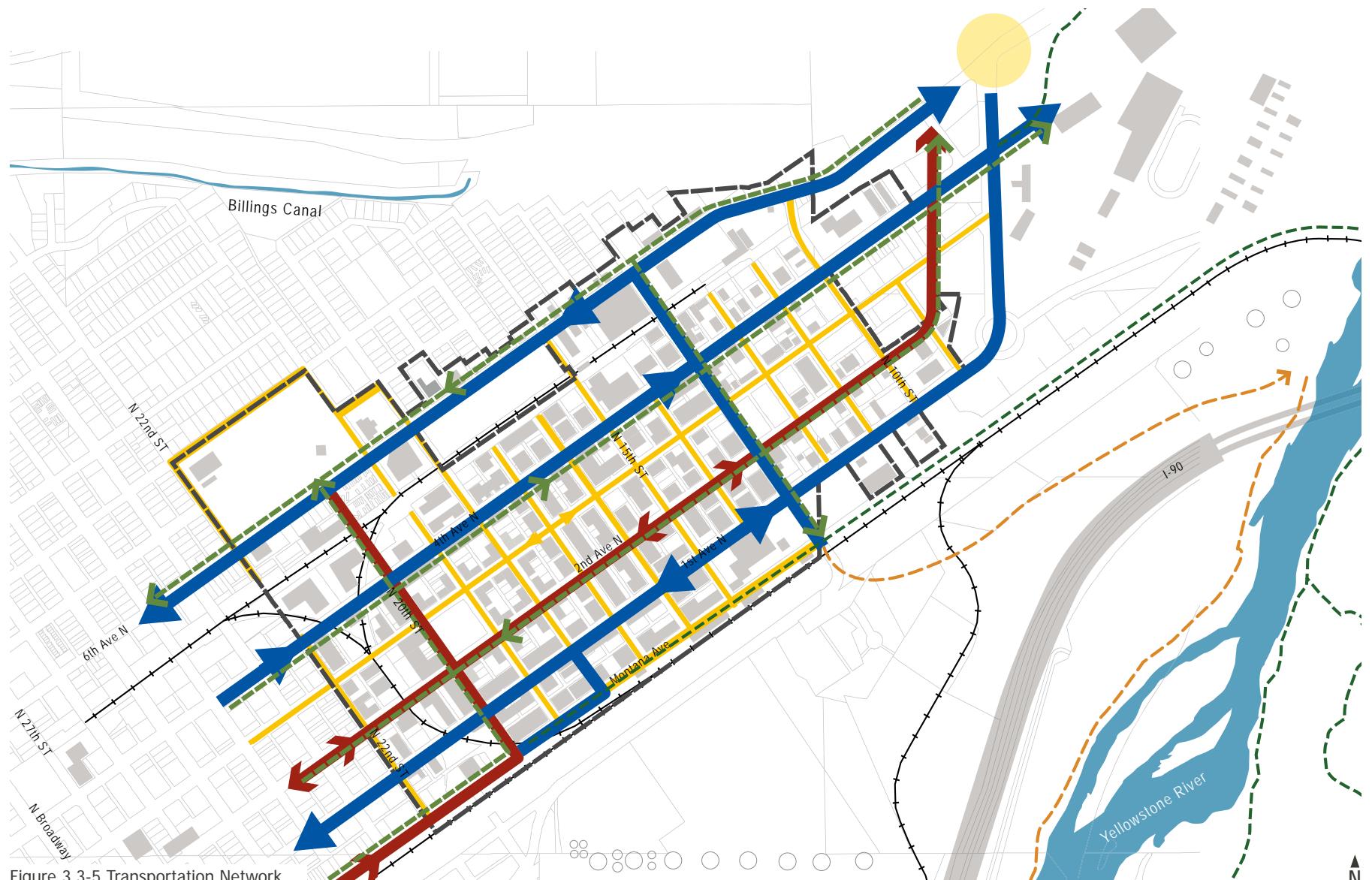


Figure 3.3-5 Transportation Network

Key

Arterial Roads	Bicycle
Main Streets	Multi-use Path
Local Streets	Planned Redesign

- Are fully accessible to all: children, older adults, and people with disabilities
- Support and contribute to life in pleasant, convenient neighborhoods

The approach will help to increase safety for all users, especially bicyclists and pedestrians; increase transportation options; improve access for the non-driving population; reduce vehicle miles traveled over time, thereby lowering CO₂ emissions; and raise physical activity levels.

Complete Streets can support economic development efforts as they provide accessible and efficient connections between many key destinations such as residences, schools, parks, public transportation, workplaces, and retail. In this respect, the approach recognizes the importance of tying EBURD to neighboring commercial, residential, and activity centers throughout the community. Research shows that Complete Streets can bolster the economy, increase property values, and lead to job growth. Without a network of surrounding Complete Streets, it is difficult for employers to attract and retain employees. Street designs that promote multi-modal transportation options improve conditions for existing businesses and help to revitalize neighborhoods and attract new development.

The guiding principles identified in Chapter 1 stress the importance of improving access to the district by public transportation. While a number of transit routes pass through the district today, it is not a transit-friendly destination due largely to the poor quality of the pedestrian environment and lack of passenger facilities. Complete Streets are important for transit because the pedestrian network serves as the connective tissue of the transit system. Poorly planned access to bus stops can be a significant barrier for disabled travelers as well as a psychological barrier for other travelers.

Complete Streets Design

The following objectives should be kept in mind when designing Complete Streets:

- Accommodate all modes of travel on local, collector, and arterial streets or in specific districts.
- Implement flexible level of service (LOS) policy that allows consideration of a variety of transportation goals. This may be more challenging on arterial streets such as 1st, 4th, and 6th Avenues N, which serve a key role in moving vehicles through the district between other parts of Billings. However, most other district streets are for local circulation and making short connections; their future success should not be measured by traditional traffic LOS standards, but by their ability to catalyze and support new development in the district.
- Create flexible roadway design options based on land use context and modal function. Fairly specific street design standards are developed for EBURD; however, as the district develops, these should be considered design guidelines and serve as a starting point.
- Flexible lane width options based on land use context and modal function. Close coordination with City Public Works and Fire Departments is recommended.

Green Streets

The Green Streets approach is a method of street design that seeks to incorporate the street into a larger "green" infrastructure and adopts a watershed approach to improving the region's water quality. A key component of this approach involves the design

of innovative stormwater treatments within the street right-of-way, which minimize the amount of water that travels directly to streams and rivers and blends with the aesthetics of the community. This approach also uses street tree coverage for stormwater interception as well as temperature mitigation and air quality improvement. While the term "Green Street" connotes a lush, wet environment, it can be applied in arid climates as well using native vegetation and tailored practices.

The Green Streets approach complements the development of multi-modal streets and can be compatible with the Complete Streets model. Both involve rethinking the way that streets function to incorporate a variety of uses, promote connectivity, and require more integrated decision making. Likewise, they require rethinking the conventional street hierarchy and functional classification system.

The purpose of Green Streets is :

- **Maintain and restore natural processes:** Green Streets address shortcomings of streets that were designed for automobiles only. This approach considers the impact of streets on stormwater filtration, stream corridors, tree canopy coverage, and the life of nearby communities.
- **Conserve, protect, and restore habitat quantity and quality:** Protection and enhancement of natural resources improve habitat for wildlife and have a significant effect on quality of life for people.
- **Improve water quality:** New development, including roads, must reduce impervious surfaces, allowing rain to infiltrate as near as possible to where it falls ("ubiquitous infiltration").

- **Provide permittable, cost-effective solutions:** Green Streets and infrastructure design solutions should be permittable and cost-effective in terms of initial construction, maintenance, and long-term replacement.
- **Foster unique and attractive streetscapes that protect and enhance neighborhood livability:** A streetscape design with multiple functions that incorporates the natural elements in urban landscapes can create a unique identity for a community. There are opportunities to incorporate public art into stormwater treatments.

At the same time, the unique geography and economy of this district require that attention be paid to the need for through-district travel, as well as the distinct needs of the manufacturing, agricultural, industrial, and hospitality businesses in the area. Specific actions include:

- Retain sufficient capacity for east-west traffic connections.
- Maintain large truck access and circulation.
- Connect Downtown through the district to MetraPark.
- Connect the district to adjacent bicycle trail networks.
- Create trailer storage within the district.

Implementation Challenges

Billings has a history of incremental redevelopment of streets, utilities, and walks. This approach makes it more challenging to implement Green and Complete Street concepts. The plan recommends reallocation of right-of-way and complete redevelopment of 2nd Avenue as the most complete and multi-modal street. The District

and City should look for funds or design new policies to facilitate full-scale implementation of Complete Street concepts in this corridor. Other corridors should place priority focus on pedestrian connectivity and stormwater management. A corridor-by-corridor assessment of incremental retrofit may be required if reconstruction programs and funding are not available for constructing in minimum one-block increments.

Bike Paths

The first non-motorized transportation plan for Billings was adopted in 1995. Over the past ten years, the community built several miles of attractive pathways and trails including a multiple use path along the Yellowstone River. The Heritage Trail Plan recommends extension of the trail into Downtown, a concept that has been strongly supported throughout the EBURD planning process. The proposed alignment is for the trail to follow the Yegen Drain from the Yellowstone River to N 15th Street, where the trail will cross under the rail and run parallel to the tracks on the north side. Assuming that right-of-way can be acquired and safe street and rail crossings developed, a sidewalk will run north from N 20th Street following the alignment of the active rail spur west to the current site of City offices. A very preliminary estimate of costs has been developed. Construction and engineering are estimated to cost \$2.8 million. Assuming \$4 per square foot of land, the land value and acquisition costs would be \$1.2 million, for a total project cost of \$4 million. The rail underpass should be developed in coordination with storm drainage improvements or improvements to the N 13th Street underpass. A more complete cost and feasibility study should be prepared.

Infrastructure

As described in Chapter 2, the EBURD is plagued by a stormwater system that is undersized and in places non-

existent. Addressing these problems requires a series of improvements throughout the district and beyond, as illustrated in Figure 3.3-6 Stormwater System.

The first place to start with any stormwater system is uphill. The EBURD actually drains much of the hillsides to the north and west of the district. Much of this water enters the district at or around North Park. As such, the City of Billings should reshape some of the very flat ground in North Park and landscape it to slow the water as it enters the district during rainstorm events.

Several stormwater mains converge at the southeast end of the district; the water must go somewhere, preferably not directly into the Yellowstone River. The City of Billings should build a regional stormwater detention pond in the area north of Interstate-90 and the Yegen Drain.

To minimize demand on stormwater facilities downstream, it is also desirable to catch and slow stormwater within the neighborhoods, allowing it to percolate into the ground before reaching the underground stormwater system. A series of storm inlets and catch basins should be built in the public rights-of-way to capture some of the stormwater and allow it to percolate and infiltrate into the ground below, or to enter the piped system more slowly (Figure 3.3-7 Storm Inlet & Catch Basin). Additionally, parking lots and public rights-of-way should be landscaped with bioswales (a ditch that is engineered to move water slowly, allowing it to percolate/infiltrate) and indigenous plantings. This provides both natural irrigation and stormwater management (Figure 3.3-8 Landscaped Bioswales). The most efficient solution will result from an integrated plan that looks at stormwater management for parks, rights-of-way, and private land.

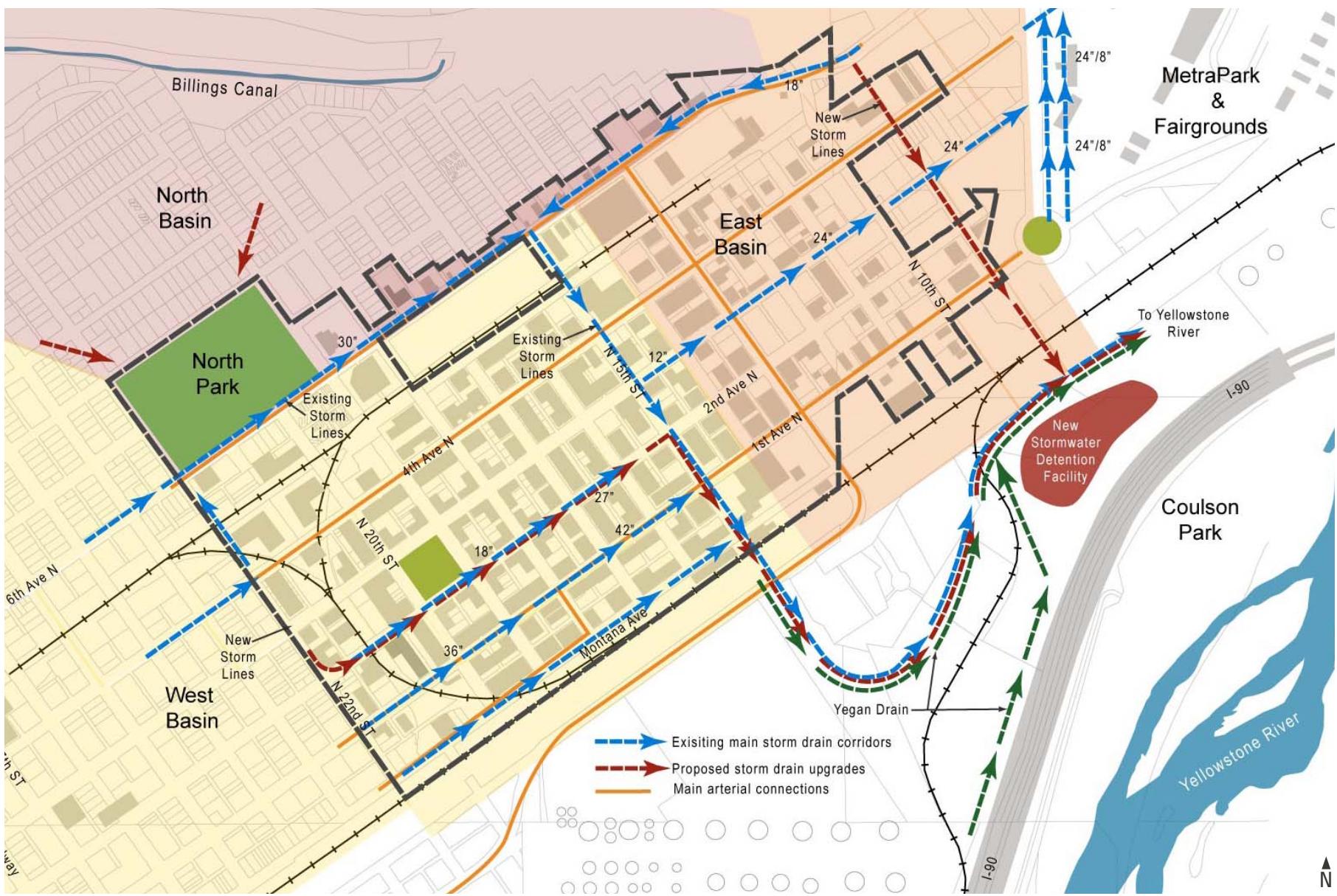


Figure 3.3-6 Stormwater System

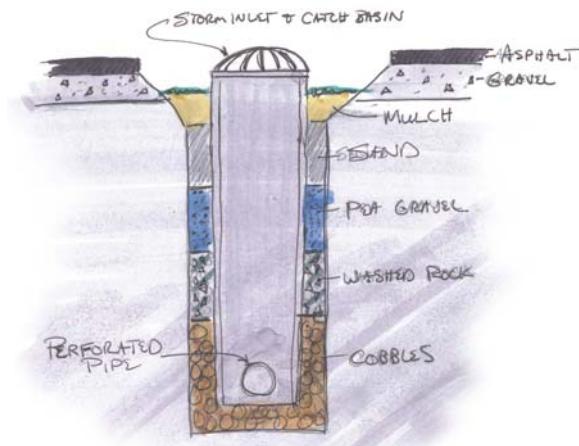


Figure 3.3-7 Storm Inlet & Catch Basin

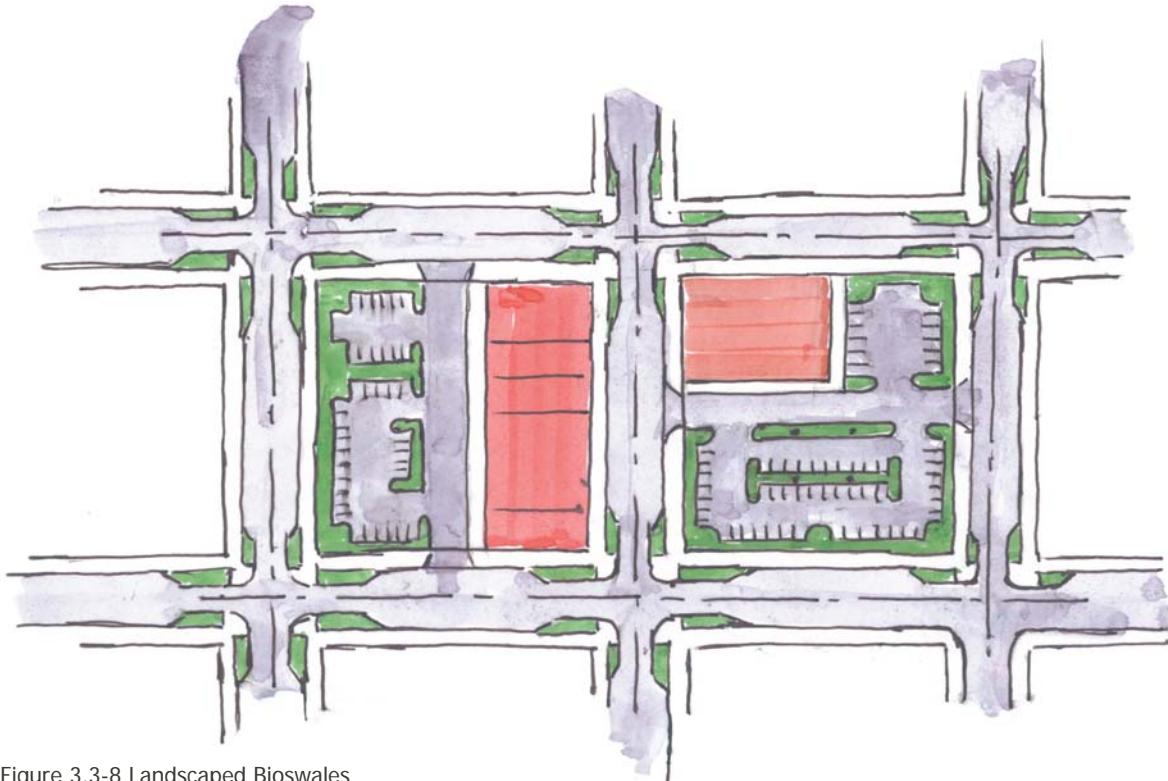


Figure 3.3-8 Landscaped Bioswales

3.4 REGULATORY STRATEGY

During the master plan public engagement process, community stakeholders and property owners were especially interested in maintaining land use flexibility within the neighborhood while improving upon the development character and aesthetics of the overall neighborhood. As such, the Team recommended regulating development by intensity and character rather than by use through the application of three new zones that would encourage quality development and neighborhood character while allowing for land use flexibility (refer to Figure 3.4-1 Proposed Zones).

The 500-acre study area is currently governed primarily by CI zoning (refer to Figure 2.2-3 Zoning) and requirements set forth in the Billings Montana City Code (BMCC). This zone allows tremendous land use flexibility, except for restrictions on residential development. While single-family housing is permitted under special review, a rezone would be required to achieve mixed-use residential development. As identified during the public process and articulated in the 2006 Urban Renewal Plan, "housing should be a part of the [District] but should be configured and designed in a way that better addresses... surrounding functions." For livability and health purposes, the Team recognized that residential uses should be limited in areas where heavy manufacturing is underway and at the same time, mixed-use residential/office/light industrial can co-locate. A "form-based" zoning code and performance standards were suggested to address the intensity rather than the use of development, livability standards for various land uses, and the character of the public and private realm. Table 3.4-1 provides an overview of these features.

A Form-Based Code (FBC) is a method of regulating development to achieve a specific urban form, with a lesser focus on land use, through City or County

	Zone 1: Mixed-Use Livability	Zone 2: Industrial Sanctuary	Zone 3: Exposition Gateway
Common Features	<ul style="list-style-type: none"> Allows land use flexibility Encourages livability and district character Provides incentives for redevelopment and investment Encourages green industries, buildings, and healthy environments Provides predictability in permitting; streamlines regulatory process 		
Variations	Protects livability of residential areas while also allowing industry use (provides noise, air, and parking standards for new development)	Protects manufacturing uses (provides noise, air, and parking standards appropriate for industrial use)	Protects gateway image of the City of Billings (adopts process for Planned Unit Development)
	Provides incentives for compact development and public amenities	Provides incentives for manufacturing and heavy industry associated with green industries (e.g. recycling hub)	Provides incentives land assembly and public amenities

Table 3.4-1 Overview Features of Proposed Zones

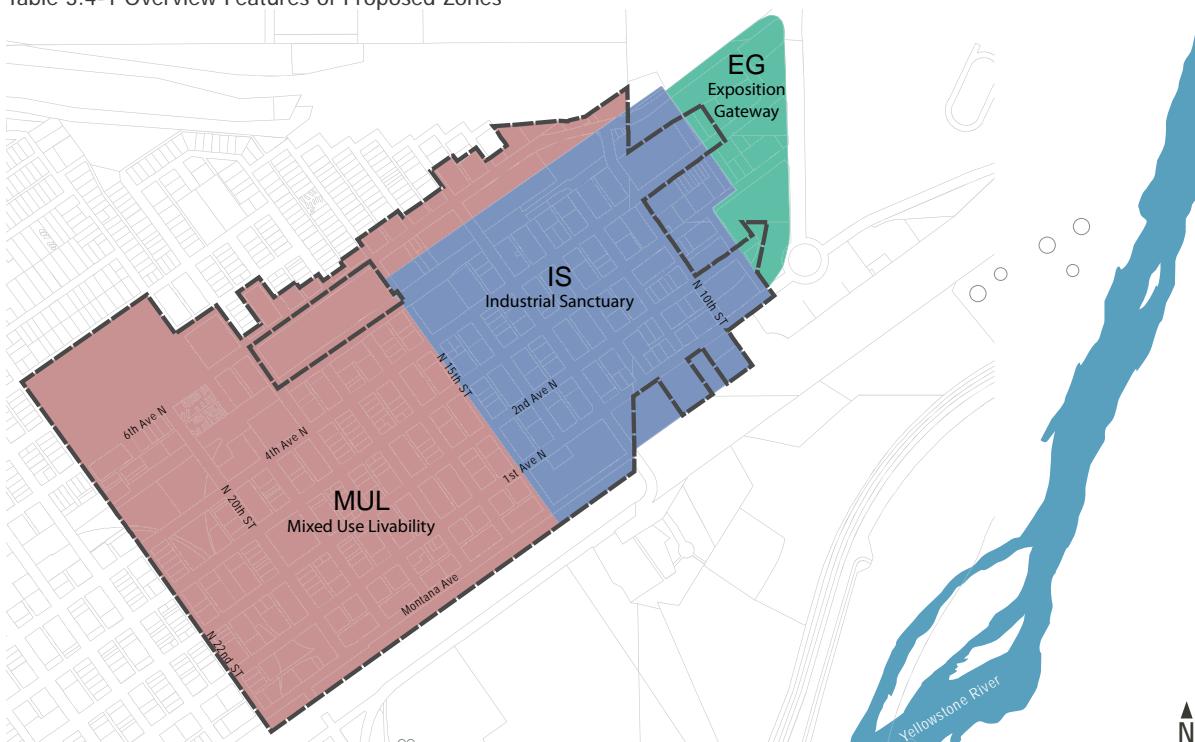


Figure 3.4-1 Proposed Zones

regulations. Non-professionals find FBCs easier to use than conventional zoning documents because they are much shorter, more concise, and organized for visual access and readability. This feature makes it easier for nonplanners to determine whether compliance has been achieved.

Depending upon the extent of direction provided by FBCs, the need for design guidelines is significantly reduced or potentially nullified. Design guidelines can be difficult to apply consistently, offer too much room for subjective interpretation, and can be difficult to enforce. They also require less oversight by discretionary review bodies, fostering a less politicized planning process that could deliver huge savings in time and money and reduce the risk of takings challenges.

3.5 INCREMENTAL DEVELOPMENT OVER TIME

The EBURD is a big district, there is significant competition for development from the west end of town and from the adjacent Central Business District, and Billings' overall growth rate is expected to remain at a modest 1% per year on average. Together, these factors mean that development in the EBURD will be incremental over a long time. The development concept illustrated in Figure 3.3-1 will take decades to realize. Nevertheless, EBURD leadership needs to have a clear grasp of the development concept and its urban design, transportation, and infrastructure objectives to ensure that each opportunity or catalytic development project builds on the last, bringing the district over time toward the overall vision of an economically and culturally vibrant neighborhood, providing multi-faceted opportunities for residents and serving as a gateway to the community and the river.

Figure 3.5-1: Incremental Development illustrates how development might proceed over time in a representative portion of the EBURD. The point here is not to predict exactly what will get built when, but to show that buildings are oriented toward key streets, entry locations favor priority main streets, and how street improvements could evolve. At the same time, public sector investments into priority streetscapes should be developed in similar incremental fashion as funds become available. In this way, one investment will build on the last, ultimately creating a whole that is much more cohesive than just the sum of arbitrary and piecemeal developments.



Figure 3.5-1 Incremental Development

04. Implementation Strategies

(Strategic Approach, Priorities, And General Guidance)

The following narrative describes the recommended long range approach to implementation of the plan, emphasizing key principles of successful revitalization and generally outlining how these principles apply to the East Billings Urban Renewal District and adjacent lands. A more detailed description of the Institutional Organization, Recommended Spatial and Regulatory Framework, and an Action Plan are included in Chapters 5, 6, and 7, respectively, all of which build upon the overall strategic approach. The proposed approach to revitalization and redevelopment within the study area, which relies heavily on incremental infill, requires a long-term perspective and assumes that the community vision will be achieved over a 20 to 30-year period. The following narrative describes the overall concepts that should guide long-term redevelopment in the study area, which include the following:

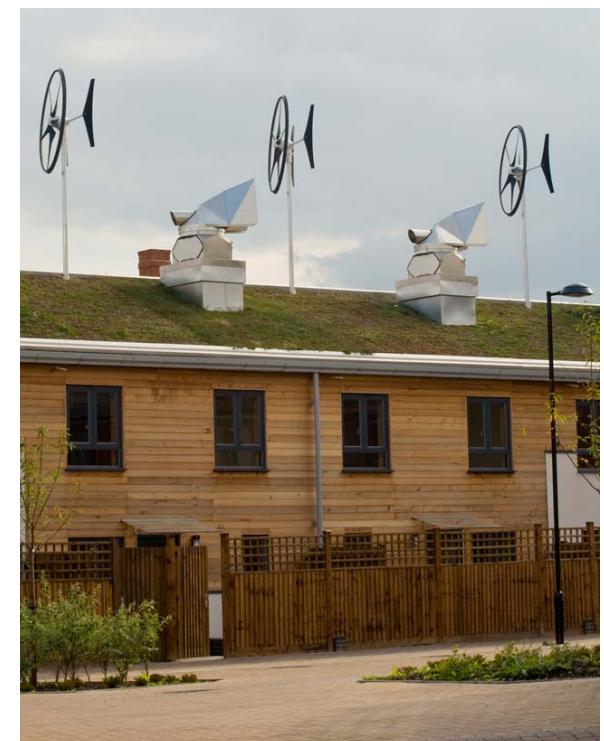
- Green and Sustainable as Identity and Brand
- Priority Districts
- Transportation, Utilities, Parking, and Energy Infrastructure
- Public Investment in Green Spaces and Amenities
- Housing
- Standards and Guidelines
- Opportunities, Investments, and Equity

4.1 GREEN AND SUSTAINABLE AS AN IDENTITY AND BRAND

Progressive green and sustainable strategies may serve to differentiate the EBURD neighborhood from other places in the city and region, as well as provide distinct identity with branding and marketing opportunities. The more comprehensive the approach to sustainable planning, design, and operation of the district, the more attractive and appealing this neighborhood will be to a certain sector of businesses and people. The EBURD planning process has unveiled several opportunities to promote green strategies including:

- A service hub and/or supply center focused on attracting environmental technology companies and companies that manufacture or distribute green products.
- Districts, neighborhoods, or perhaps a larger study area, designed around renewable energy (wind, solar, ground source heat, and/or combined heat and power) with environmentally friendly infrastructure or/or construction practices.
- Locating training and job incubator centers that focus on green collar work force training and green technologies.

- A recycling business cluster, possibly including byproduct exchanges within the neighborhood and/or creating and participating in a local or regional network of exchanges.
- A designated area with environmentally friendly infrastructure or construction practices, perhaps requiring or incentivizing building to green standards such as USGBC LEED.



Businesses may be willing to pay more to be in a district that promotes sustainable values and thereby provides heightened identity. The redevelopment consortium (described in Chapter 5) should explore incentives to encourage green building and defray added costs. During the planning process, preliminary discussions related to green strategies focused on landscaping and water-sensitive urban design. Later in the process, ideas on green enterprises emerged, such as solid waste recycling, alternative energy, district heating, and combined heat and power distribution. A review of the current trends and research of eco-industrial parks and sustainable development policy revealed that principles of industrial ecology may allow the district to capitalize on the synergy between the existing and proposed land uses and resources. A number of federal grants and programs encourage more sustainable approaches to the integration of urban planning and environmental quality. EBURD's location and physical configuration make this neighborhood a prime candidate for federal grants and potential certification by the USGBC as a LEED-ND Neighborhood. The commitment and interest of the property owners and City regulators in moving these concepts forward need to be further explored, perhaps in a series of workshops.

4.2 PRIORITY DISTRICTS

Focus on east/west neighborhood edges. The west end of the study area is adjacent to the downtown Central Business District, North Park neighborhood, and North Park Community Park, and close to the medical and university campuses. The west edge encompasses the western portion of the Rail Spur Village, as well as the Downtown East and Montana East Districts. The logical and desired development here is commercial and mixed use (with housing, office, and neighborhood retail services). Housing should be a mix of market-rate, workforce, and affordable. MSU

Billings has an increasing presence in downtown. As the demand for more retail increases in the CBD, it may be feasible to locate MSU-B activities, outreach, and extension programs to a planned campus near the west edge, perhaps with student and workforce housing. Partnerships with business, technical, and vocational training schools and colleges should also be pursued.

The east end should develop as an attractive gateway to Billings, reinforcing and supporting the economic driver provided by MetraPark. Lodging and catering services are obvious possibilities. Other options include a specialized retail environment that ties together food services, outdoor space, complementary recreation, entertainment, and connections to MetraPark. Standard strip commercial development, especially if it cuts off connections to the east-west avenues that connect MetraPark and downtown, should be avoided. Over the long term, the MetraPark's frontage on the Yellowstone River has the potential to develop as the city's urban waterfront. Connections to and through MetraPark and the river trail should be priorities.

4.3 TRANSPORTATION, UTILITIES, PARKING, AND ENERGY INFRASTRUCTURE

Good places come from good bones. Get the infrastructure right, especially streets, the rail line, drainage, energy, and telecommunications.

Streets

Streets are the visible skeleton, providing the above and underground right-of-way for all other services. Streets are important for access to and circulation through the neighborhood for cars, buses, and trucks, but they are also used by other modes and, if designed properly, can provide services beyond through-vehicle



travel capacity and local access. The transportation recommendations of the EBURD Master Plan focus on creating a distinct, human-scale place, a walkable neighborhood with enhanced transit and bicycle connections. Recommendations address the character and the utilitarian potential of streets.

Rail

The rail line, including the main line and rail spur, is another important component of infrastructure that services the existing businesses and may be an incentive for new or expanding businesses to be located here. Rail will become increasingly important as petroleum-based transportation and shipping costs rise. Were this neighborhood to become part of a regional byproduct exchange network, the rail will provide a cost-effective transport link to the region. Extending the rail and developing a shared shipping and receiving dock, accessible to all businesses in the neighborhood, may also be advantageous. Likewise, public investment in land for community services and shared parking should be addressed sooner rather than later.

Drainage

Streets provide the right-of-way for drainage, which is important in the southeast part of the study area. The sizable existing storm drains carry a large volume of water but lack the capacity to handle major storm events. Drainage solutions should reduce upstream flows, perhaps detaining some of the water in new and existing parks, curb extensions, roofs, and private green spaces. Water is a resource. The storm system should be designed using principles of water-sensitive urban design – capturing, infiltrating, and reusing storm and gray water. As streets are reconstructed, storage of water in underground cisterns located in street rights-of-way should be explored. Likewise, water can be

detained and stored in open space, under parking lots, on roofs, and in parks.

Energy

The costs of energy and the environmental consequences of fossil fuel dependence will continue to rise. Businesses may be attracted to the district if renewable energy sources are provided. Planning for energy in this district should incorporate solar and wind renewable energy and explore the feasibility of cogeneration or local combined heat and power systems. The central location of the existing substation in the neighborhood would allow new developments to feed excess energy back into the grid. As design guidelines and codes are finalized, give careful consideration to impacts of landscape and building codes on solar and wind access.

4.4 PUBLIC INVESTMENT IN URBAN GREEN SPACE AND AMENITIES

Parks, open space, and public amenities are essential to urban structure. A large downtown park in the CBD was a recommendation of the Billings Framework Plan that has not been realized because of limited land and high land costs. Development policies of the master plan must include public parks, and private and public open space elements. Investment in public amenities should not be set aside for later because money is needed for new utilities or buildings. Currently, land costs are low, and acquisition of land for a major downtown green space in the west end of the study area is highly recommended. A major, well-programmed downtown green space will draw people from throughout the community, provide a focus for development, and provide amenities to residents and businesses.



4.5 HOUSING

Encourage diverse downtown housing. Housing has numerous advantages beyond shelter; it creates a market for retail, and it creates more pedestrian and downtown activity, which adds to neighborhood attraction and security. Downtown housing can reduce auto dependency and travel costs, support nearby employment centers, and provide workforce housing. Challenges to developing housing within EBURD include an older industrial environment with some industrial uses that are incompatible with residences, as well as the high cost of developing urban-type housing in mixed-use projects. TIF district and other grants can help. Less expensive but high-quality ways to build housing are proposed, such as prefab and modular units that can be stacked. These are being built elsewhere to LEED standards for hard costs of \$80-\$90 per square foot. Thoughtfully designed, these can look just like stick-built three-four story structures. The creation of a residential neighborhood with a distinct identity will require the redevelopment of blocks versus individual sites. This will require up-front initiative to consolidate properties. The master plan proposes housing on the west end of the district associated with office employment, retail, and services that support residences, a major downtown green space, and perhaps an educational campus.

4.6 STANDARDS AND GUIDELINES

Encourage a mixture of uses and develop design standards. This plan proposes a new regulatory framework that requires new standards for building form and public realm elements. Form-based coding (FBC) is described in greater detail in later sections of this master plan. Understandably, property owners are concerned about over-regulation. In the longer run, development and design standards, if they are

consistently applied, deliver more value and return on investment. This plan avoids the temptation to waive standards as part of a deal to attract new development. Instead, the plan advocates for adhering to reasonable design standards that will enhance value over time. This plan includes fairly detailed guidance on recommended code revisions. The recommended regulations should be refined in consultation with the community with active involvement of those who will be responsible for administering them. Codes require certain performance standards, whereas guidelines provide guidance and clarity on how vision can be achieved.

4.7 OPPORTUNITIES, INVESTMENTS, AND EQUITY

Develop opportunistically. Implementation is complex and involves numerous components - dozens of elements to accomplish, and hundreds of ways they could be organized. The City of Billings and stakeholders should stay flexible within the boundaries of the master plan. Limited resources can be leveraged to build momentum. For example, a federal office building is looking for an appropriate location within the city to meet its goals and objectives for operation. Recruiting this project to the neighborhood would be an enormous catalyst for other types of development in the vicinity. There will not be many comparable opportunities – the EBURD is a logical location, and the BIRD resources should be put forward to realize this opportunity.

Retain, recruit, and expand existing businesses. The study area and the greater downtown is home to several stable and successful businesses. The City and organizations responsible for stewardship of the EBURD Master Plan should proactively work to retain them and encourage reinvestment. It is possible that banks, hospitals, or other downtown businesses could locate

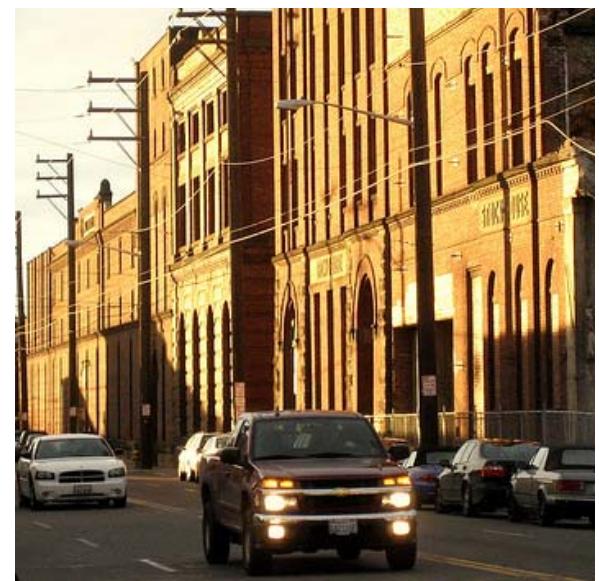


less public functions in the district such as back office service functions and administration or maintenance functions. In the past, the Downtown Billings Partnership has administered several grant, loan, and technical assistance programs. Begin planning now, and when TIF district funds become available, institute programs to retain and attract investment.

The importance of retaining existing businesses and encouraging the expansion of existing downtown businesses in this district is an important strategy. Federal, State, County, and City offices may be relocated or need space to expand. Begin discussions now. The activity and visitation associated with government offices would increase visibility and attraction of the district. The presence of a downtown library would complement a new neighborhood, student housing, or expansion of colleges or universities downtown.

Find a balance between focused investments and equity. Ultimately, the limited availability of funding for public sector improvements is a challenge to the EBURD. Other sections of this master plan describe some possibilities for financing projects, such as TIF districts, special improvement districts, standard City sources, and possible outside grants. However, the likely funding relative to what needs to be invested in the public infrastructure (i.e., not counting the buildings, which will be constructed almost entirely by the private sector) is large, as is the study area itself. Therefore, if the limited funds are spread equally each year over the entire study area, little will be accomplished. Some of the investment must be focused. One way to accomplish this is with a catalyst project, or investment in something that is expected to stimulate other development or investment by the private sector. Consistent with previous points, the logical locations for such catalyst projects are at the west and east edges. These are also the areas most at risk for unplanned development. This

master plan proposes several catalytic projects that can help jump-start redevelopment within the neighborhood and specifically these neighborhood edges.



05. Institutional Organization & Funding

5.1 INTRODUCTION

The East Billings Urban Renewal Plan included a diagram reproduced here (Figure 5.1-1), depicting how projects benefiting from Tax Increment funds would be developed, reviewed, and acted upon. Although the City Council has ultimate authority, BIRD will retain a significant advisory role. The recommended redevelopment organization structure respects this process and further describes the interrelationships between the City Council, BIRD, the Downtown Alliance, and the shared management organization. BIRD members will make recommendations directly to City Council and will also have positions on the BID board to allow them to direct any BID funds collected in the district.

Organization and funding are crucial to the successful implementation of the EBURD Master Plan. Recognizing that strong and consistent leadership coupled with community engagement and support are central to revitalizing and sustaining successful downtowns, the property owners and the City have already taken steps to organize, prepare an urban renewal plan, create a TIF district and East Billings Urban Renewal District, and contract for management support with Downtown Billings Partnership. BSEDA has supported these efforts by successfully securing federal grants from EDA and EPA for planning and brownfield assessment. The City, land owners, and businesses have donated to the preparation of the EBURD Master Plan. As a result of a planning process that engaged a range of stakeholders, the urban design vision for the district is well formed

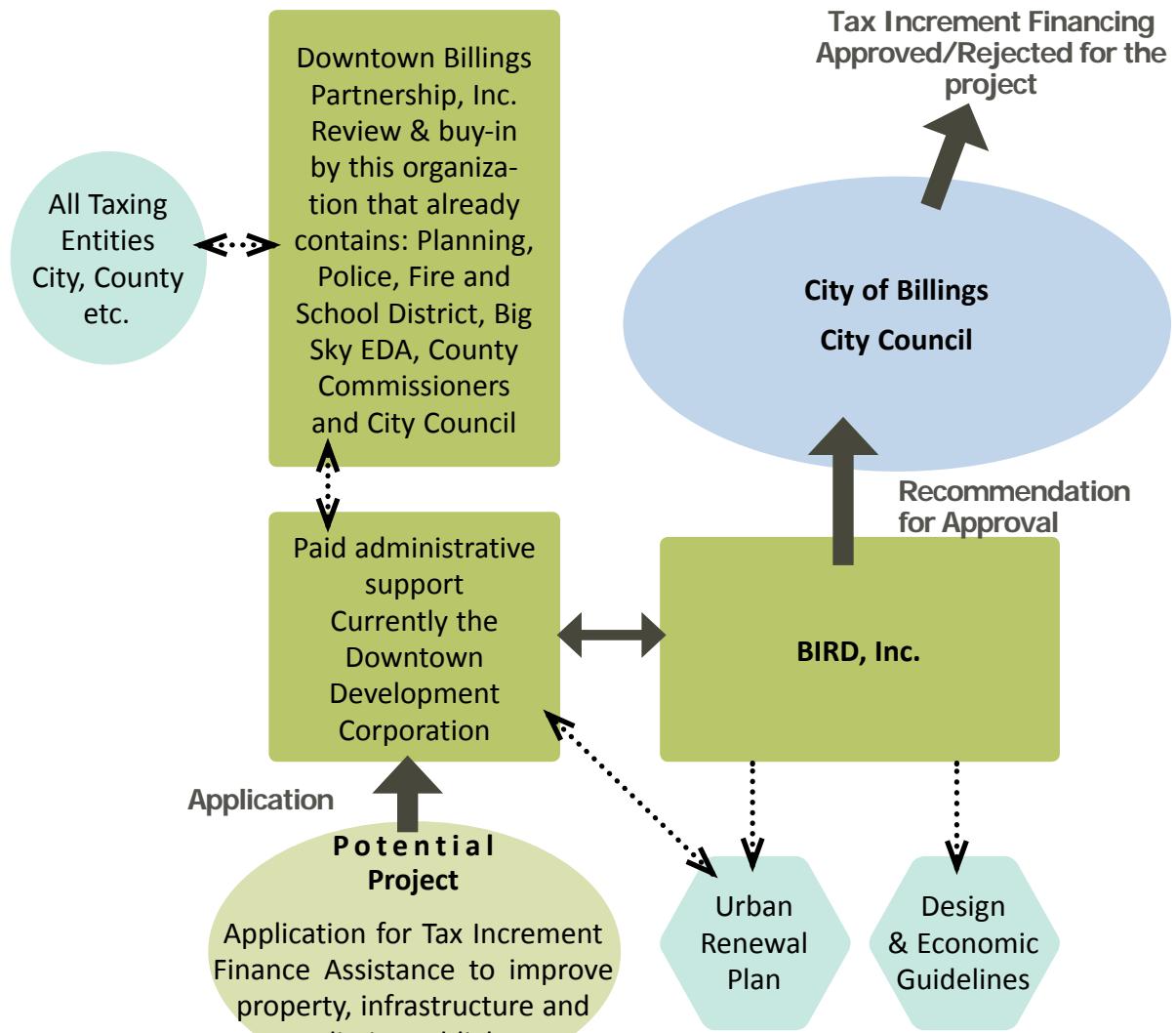


Figure 5.1-1 Decision Process for Tax Increment Funded Projects

and documented, and it is time to move forward with implementation and refinement. The organizational structure and funding sources and strategies are described in this chapter. A strong organization is needed to implement the core revitalization strategies illustrated in Figure 5.1-2 and described throughout this report.

5.2 EXISTING DOWNTOWN ADVOCACY & ECONOMIC DEVELOPMENT ORGANIZATIONS

BIRD, Inc.-Billings Industrial Revitalization District Incorporated

The BIRD, Inc is a 501C (6) organization comprised of a group of volunteer property owners within the EBURD district involved in the management of EBURD. As a non-profit membership organization, it has the ability to act as an organization to promote development. In this capacity, the active members have supported planning and creation of the urban renewal district and TIF district.

Big Sky EDA and Big Sky EDC

The mission of the Big Sky Economic Development Authority (EDA) and Big Sky Economic Development Corporation (EDC) is to facilitate the development of business that supports the greater Billings community and quality of life. BSEDA and EDC help grow, expand, and diversify the economy of the Billings region and Yellowstone County by offering business plan consulting, financial analysis, loan packaging, training, funding, marketing, tax incentives, business recruitment, retention, community re-development, grant seeking, project planning, marketing goods and services to the government, and manufacturing expertise.

Big Sky EDA, the public agency, evolved from the Montana TradePort Authority, launched in 1989 by the Yellowstone County Board of Commissioners. Big Sky EDC, the private business side, was started in 2002. EDC has 100 member investor companies involved in recruitment, retention, legislative issues, and finance.

Big Sky EDA and EDC Programs

BSEDA and BSEDC are committed to building a vibrant and healthy economy. They offer a range of programs that are briefly described below.

Business Recruitment

The organizations work to recruit businesses to Yellowstone County, Billings, and Downtown Billings.

Business Retention & Expansion (BEAR)

BSEDC works with regional banks to offer an array of financing incentives: SBA 504; revolving loan fund; Montana Board of Investment Infrastructure Loans; and more. Their job is to make it easier for the borrowers and the lenders to borrow and lend.

Small Business Development Center (SBDC)

The Small Business Development Center offers confidential one-on-one business consulting at no cost, and affordable management training. When businesses ask for assistance, they have access to a statewide network of ten centers, and over 1,200 national SBDC service centers.

Montana Procurement Technical Assistance Center (Montana PTAC)

Montana PTAC provided the bridge between government agencies and the Montana companies that want to sell their goods and services to the world's largest buyer. Montana PTAC helps to determine if government contracting is a good opportunity for a

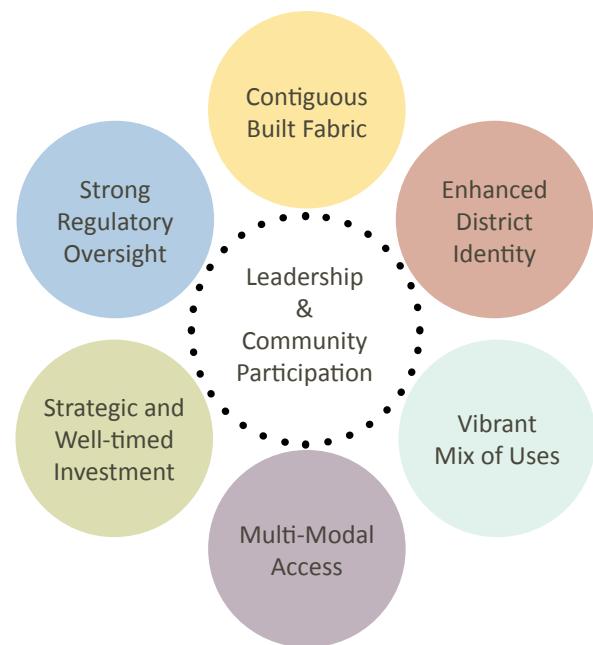


Figure 5.1-2 Approach to Revitalization

business and shows businesses how to navigate the process. Services are provided confidential and at no charge.

Montana Manufacturing Extension Center (MMEC)

The MMEC is a statewide manufacturing outreach and assistance center staffed by engineers with extensive experience in manufacturing who will assess business operations including plant layout, automation, equipment, assistance with ISO auditor training, product costing, marketing, and more.

Community Development (CD)

Sustaining a vibrant and healthy community is a major component of the organization work. The Community Development Department seeks funding on behalf of the County agencies and other nonprofit organizations,

administers grants, and facilitates certain projects that result from their efforts. Project focus includes health and public safety, emergency planning, a homeowner program, and fee for service grant writing for non-profits. Free monthly grant training workshops are offered.

Downtown Billings Partnership (DBP)

The Downtown Billings Partnership is a broad-based constituency organization made up of public entities including City, County, planning, police, fire, and school districts, all taxing authorities. The Partnership also includes interested professional and business owners within the downtown area. The Partnership board reviews applications for TIF funds and designs relative to potential projects in the central district (the Core, as defined in the Billings Framework Plan). The role of this group is advisory, with City Council having ultimate authority regarding use of TIF funds. DBP and the Downtown Billings Association (DBA) share offices and administrative and management staff.

The Partnership was established as an outcome of the Downtown Billings Framework Plan, largely funded by a TIF district that expired in 2008. A new TIF district was approved by City Council in 2009. This district is not generating revenue yet. The DBP has continued to be funded by reserves from the initial TIF district, DBA, and Business Improvement District (BID) funds.

DBP will be launching the Certified Crime Prevention Business Program. The purpose of the program is to prevent participating businesses from being victimized. This is accomplished by raising awareness and knowledge through written policies and training, implementing recommended security applications, and by increased communication and cooperation between businesses themselves, and between the business community and the Police Department.

The Downtown Billings Association (DBA)

DBA is a private not-for-profit entity with more than 20 years of experience of leading the way for positive change and growth for retailers, professionals, residents, visitors, and friends of downtown Billings. The Association accomplishes much by its volunteer-driven Board of Directors and supportive membership, but also has a dedicated staff who works daily to advocate and represent business interests, and cultivate economic vitality for downtown Billings.

The focus of the DBA, as a member-driven organization, is to provide leadership in the promotion, advocacy, and support of downtown Billings as the vital center of our community. DBA sponsors a number of downtown events including Strawberry Festival, Alive After Five, Night at the Mustangs, Harvest Festival, Holiday Parade, Christmas Stroll, and After 5 Mixer. Additionally, DBA manages fundamental programs like Park and Shop, the Downtown Billings Gift Card, and the Downtown Directory. DBA has recently introduced the Downtown Recycling Program. The DBA is funded largely through donations and memberships, receiving some operating revenue from the many activities and events.

Downtown Billings Alliance

The Downtown Billings Alliance, which is comprised of the Downtown Billings Association, the Downtown Billings Partnership, and the Business Improvement District, is the leader in strengthening our downtown community, by addressing revitalization, clean and safe program, urban growth, culture, infrastructure, outreach, entertainment, branding, beautification, urban housing, real estate, innovation, parking, retention and recruitment.

Billings Cultural Partners (BCP)

BCP was formed in 1997 through the grassroots efforts of local residents who wanted to express unique aspects of local heritage and culture in ways that recognize their economic and cultural importance to Billings. Since then, BCP has helped to define Billings' unique character and appeal. Comprised of 25 nonprofit arts, historical organizations, and local government representatives, BCP serves as a collaborative vehicle to address cooperation and funding opportunities, thus improving access to arts and culture, supporting art educational opportunities. The new Billings Cultural Partners' website boasts Billings' most comprehensive cultural and entertainment calendar.

The Billings Chamber of Commerce/Convention and Visitors Bureau

The mission of this organization is to develop a strong business climate and vibrant economy by serving the community in a leadership role, thereby enhancing the quality of life. The Billings Chamber of Commerce/Convention and Visitors Bureau works within the city limits and primarily focuses on tourism and retail-related attraction. The organization helps to create and promote an environment where businesses can flourish through networking, government affairs, advertising, and events.

Business Improvement District (BID)

The Billings Business Improvement District (BID) is dedicated to improving the cleanliness, appearance, and perception of safety in downtown Billings to further enhance and make Billings a vibrant destination for visitors, residents, owners, employees, and students. BID is a public – private partnership in which businesses in a defined area elect to pay an additional tax to fund improvements to the district's public realm and trading

environment. The BID is operated by the Downtown Billings Association and a BID Board of Directors.

Within the existing downtown BID, two benefit districts exist and a third is proposed. A business improvement district is a reasonable and recommended means to fund administrative support to the EBURD District. BIRD could create their own BID or choose to be included within the existing district. The latter alternative would be less costly, less administratively intensive, and would allow BIRD to capitalize on the institutional knowledge and experience of the existing BID.

Once EBURD is included in the BID, property and business owners could choose to establish the TIF district as a new zone, and voluntarily assess themselves. Money collected in a specific zone must be spent in the zone where it is collected. Property owners in the EBURD District could choose the level of assessment and through representation on the BID board, direct expenditure of the funds.

BIDs are geographically defined districts that have one or more assessment zone in which property owners vote to impose self-taxes or assessments. Property owners in the benefit zones choose the additional services they want to invest in. Once a measure is enacted, all members of the BID, or tenants, are obliged to contribute. Like a property tax, assessment is levied on the commercial property owners who can, if the property lease allows, pass it on to their tenants. A challenge in downtown Billings is the amount of land owned by the railroad and their historic disinterest in participating.

5.3 BUILDING ORGANIZATIONAL CAPACITY

History

Strong downtown organizations manage programs, events and promotions, projects, and economic development activities. A paid director helps to keep consistent focus and timely responses to emerging opportunities. Support from a broad base of volunteers and alliances with related organizations expands capacity. Historically, DBP and the DBA, with support from the more recently formed Downtown Alliance and Cultural Partners, have led the downtown redevelopment efforts. The City and BSEDA have made substantial contributions to overall revitalization and hold positions on the DBP board.

Staffing

Ideally, the EBURD District would have a full-time dedicated director and staff support to recruit, promote, and manage the district. BIRD currently contracts for TIF district management functions with the existing Downtown Billings Association. Although some concern has been expressed about the lack of autonomy or potential conflict of interest of being closely aligned with the Downtown Alliance, ultimately a majority of BIRD board members have agreed to contract for management services through the Downtown Partnership. This has the advantage of shared administrative and overhead costs, access to institutional knowledge, ability to capitalize on established relationships and partnerships with community and governmental stakeholders, and providing a single downtown organization.

Organizational Structure

Figures 5.3-1 and 5.3-2 illustrate a Recommended Redevelopment Organization Structure and an Alternative Redevelopment Organization Structure. The diagrams show the relationship of BIRD and other downtown organizations to City Council as well as each organization's role in relationship to TIF and BID funds. Although the downtown organizations provide recommendations, City Council has the ultimate authority for decisions related to TIF district funds. It is important to note that there are two TIF districts, and funds from each must be spent in the district they are generated in. Unlike TIF funds, the expenditure of BID funds is directed by the BID board members who are property owners.

Both alternatives were reviewed during the planning process, with a general consensus that the more integrated structure with shared management is recommended.

Formation of an EBURD Development Partnership comprised of BIRD, Big Sky EDA-EDC, the DBP, and the City is recommended. Table 5.3-1 illustrates the range of tasks this entity would undertake. Roles and responsibilities as discussed to date are illustrated. "Lead" indicates a leadership role and in most cases decision-making authority. "Advise" indicates member groups who are in an advisory role, "Support" indicates advisory and technical support, and "Staff Support" suggests a retainer agreement between BIRD and an entity.

Organizational Funding

With City Council approval, TIF district funds may be used to fund district management; however, the district is not expected to generate enough funding in the near term to make this a viable option. Furthermore, it is

LEGEND
 L = Lead
 S = Support
 SS = Staff Support
 A = Advise
 NA = Not Applicable

EBURD DEVELOPMENT CONSORTIUM		REVITALIZATION ACTIVITIES																
BIRD		A	A	A	A	L	L	A	S/L	A	A	A	S	L	A	L	A	
BSEDA		A	L	L	A	A	S	NA	L/S	A	A	S	S	A/S	S	A	S	
BSEDC		A	A	S	NA	A	L	NA	S	A	A	A	L	A/S	L	NA	S	
CITY		L	L	SS	L	A	SS	NA	L/S	L	L	L	S	NA	S	NA	NA	
BID Bd. w/ District Representatives		NA	NA	NA	NA	L	NA	L	NA	S*	S/L*	NA	NA	NA	A	NA	NA	
DBP		A	A	A	A	SS	SS	SS	S	S*	SS	A	S	SS	S	SS	L	

Table 5.3-1 EBURD Development Consortium

Note: this diagram is intended to provide guidance and facilitate discussions between participating entities. Tasks and responsibilities represent a range of activities associated with revitalization effort and reasonable allocation of roles and responsibilities based on the mission of various organizations, roles to date, and ideas expressed during the planning process.

Figure 5.3-1 Existing & Recommended EBURD Redevelopment Organizational Structure

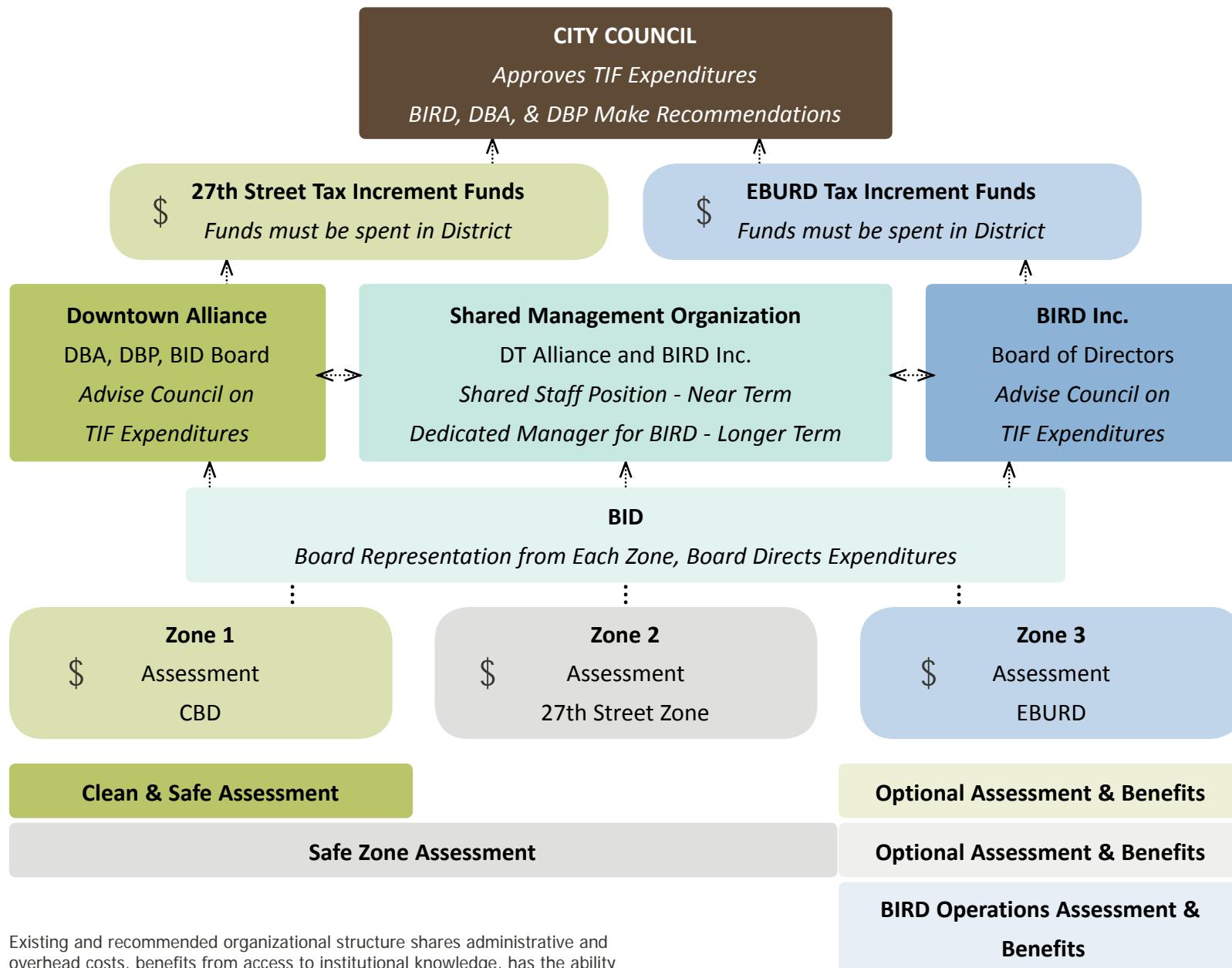
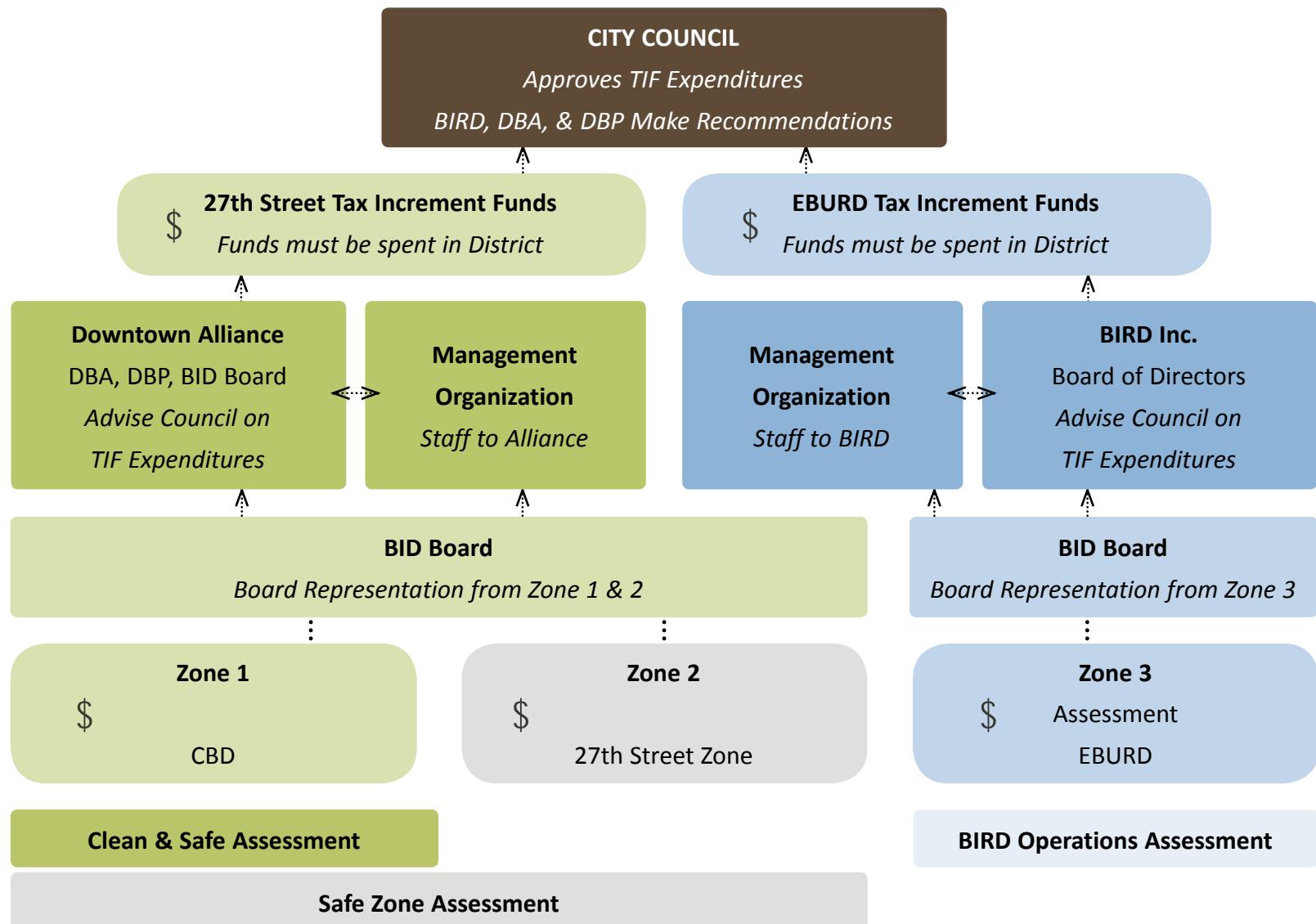


Figure 5.3-2 Alternative EBURD Redevelopment Organizational Structure



Alternative organizational structure may provide more autonomy for BIRD, Inc. with added administration and operational costs and without the advantage of shared staff, organizational capacity or benefits of established relationships, partnerships and a single organization.

anticipated that much of the TIF district funds will be used to meet infrastructure needs and as incentives to reinvestment and development of the district.

5.4 IMPLEMENTATION FUNDING

Introduction

Public funds will be needed in the study area to help pay for the cost of upgrading and improving infrastructure, such as water, sewer, stormwater, and street facilities. With the exception of the infrastructure needs identified in Chapter 2, specific projects and their costs have not yet been identified. Infrastructure in EBURD is inadequate, and a significant amount of funds will need to be spent to make physical improvements that will stimulate redevelopment over the next 15 years. The City's Capital Improvement Plan (Public Works, Roads and Storm Sewer, Water and Waste Water sections) does not include significant expenditures for infrastructure within EBURD in the near term (5 years). These improvements may be funded primarily with tax revenues generated in the district and financed with Tax Increment Financing. Historically, the City has relied on property owner approved special assessment (SID) matched with grants, TIF district funds, and maintenance funds.

Tax Increment Funds

EBURD TIF District

The EBURD TIF district was established in 2006, at which time the City and Big Sky EDA created an Urban Renewal Plan for the district. Taimerica developed an economic analysis, evaluated the TIF district, and concluded that EBURD would likely experience private investment similar to that seen in the downtown TIF district and assumed that EBURD would attract new

housing, retail, office, and entertainment uses. With City Council approval, TIF district funds may be used to fund district management; however, the district is not expected to generate enough funding in the near term to make this a viable option. Furthermore, it is anticipated that much of the TIF district funds will be used to meet infrastructure needs and as incentives to reinvestment and development of the district.

Tax-increment financing is the primary funding tool used within tax-increment financing districts (TIF districts). The tax-increment revenue is generated within a TIF district when a designated area is established and the normal property taxes within that area are frozen (often called the frozen base). Any new taxes generated within that area, through either property appreciation or new taxable development, become the increment. Taxing jurisdictions continue to collect tax income from the frozen base but agree to release assessed value above the frozen base into the TIF district. The TIF district can then issue bonds to pay for identified public improvements and/or investments in private projects that are in the public interest. The tax increment is used to pay off the bonds.

Appendix A, Economics, Market Forces, and Funding, describes in detail how tax increment financing works and illustrates how much tax increment would be generated per \$1 million in new investment (along with bonding capability). It then compares the estimated increment with our previous estimates of the type and amount of new development can be reasonably expected in the EBURD over the next 10 years.

In summary, if tax increment revenues are pledged as payments against a bonded obligation, then every \$1 million dollars of new (increment) value in the EBURD would give it the ability to spend about \$125,000. In other words, divide the increased property value from new development by 8 to get a quick, rough estimate

of how much new money EBURD will have to work with as a result of that new development. In addition, as the EBURD grows and improves, the value of other properties will increase even if they have no improvements (the "rising tide" effect).

The purpose of urban renewal is to capture and invest tax dollars within an area to stimulate redevelopment in that area. Strategic investments in infrastructure typically help to stimulate redevelopment. The following points should be considered as the City and stakeholders prioritize what projects receive limited tax increment within the neighborhood:

- There are about \$6.8 million in infrastructure costs identified in City plans that the City is not planning to fund through traditional means (e.g., through its Capital Improvement Plan). [This is likely more than \$6.8 million and will be needed to pay for other infrastructure improvements not included in that estimate: streetscape upgrades, bicycle lanes, sidewalks, planter strips, "green" amenities (swales) trail connections etc.]
- The EBURD needs about \$40 million in new development to have increment to support the bonding of \$5 million of infrastructure improvements. Using estimated capture rates, that amount of development might happen in 4 – 8 years. The federal courthouse offices alone could be a \$20 million project, which, if done as a private development and lease-back, would be taxable value and would generate tax increment revenue. Clearly, other sources of funding are needed to accelerate revitalization efforts.

- First Interstate Bank is the only project in EBURD so far and will generate \$1 to \$2 million in increment, of which up to 45% could be granted to that site, leaving less available for other projects in the EBURD to stimulate redevelopment.

SID—Special Improvement and Maintenance Districts

Special Improvement Districts (SIDs) are property owner approved property tax assessment funded with bonds and paid back over 15 to 20 years. Most of the SID assessments in Billings have been on a square foot basis. SID-Special improvement and Maintenance Districts have been used extensively in Billings. The City and the property owners should be encouraged to invest in infrastructure improvements. Many of the improvements in the CBD have been accomplished with a combination of CMAQ, CTEP, and CDBG grants (described below), matched with funds from City utility and storm drainage and maintenance funds and SID voluntary property owner tax assessments. Investment will help to retain businesses, attract new businesses, retain property values, and thereby increase the increment available to reinvest.

Developer Pay-in-lieu Program

The establishment of a pay-in-lieu program would provide maximum flexibility as to the timing and location of the improvements. All new developments within the neighborhood would be required to pay into the program for all required improvements along the length of street frontage they seek to develop. The City of Billings would then be responsible for making the improvements and deciding the appropriate timing of implementation. In cases where a developer seeks to develop an entire block or other

significant portion of street frontage, the City could require the developer to make all required street improvements at the time of development.

Other Funding Sources

The list of funding sources below can be used in addition to TIF, SIDs, and City funds and traditional private equity for developing and maintaining the area inside the EBURD. While most of these programs would be in addition to TIF, those that offer property tax abatement can work against TIF collection for limited time periods.

- Park maintenance assessments are used in the City of Billings to fund ongoing maintenance of landscape and streetscape improvements.
- Sole source systems development charges/impact fees (keeping impact fees collected from an area in that area for infrastructure).
- HUD Section 108 loans (borrowing against future Community Development Block Grant allocations for low-interest loans to stimulate economic development projects such as office buildings).
- Parking revenue bonds (can be taxable or tax exempt and used for public parking garages where fees can be charged to service debt).
- 63-20 non-profit bonds (for a range of non-profit improvements, freestanding or mixed-use, including educational buildings, parking structures, and recreational facilities; projects must be able to service debt).
- State grants (infrastructure/transportation systems) Montana Department of Transportation (MDT) administers Community Transportation Enhancement Program (CTEP) grants. Funds are passed to the planning department and applications reviewed annually or bi-annually. Applications must be sponsored by a public entity.
- CMAQ-Congestion Mitigation Air Quality Funds are administered by MDT. These funds have in the past been used for street and streetscape improvements in the CBD.
- Federal grants (primarily for infrastructure/transportation systems such as streetcar, possibly the treatment plant).
- American Recovery and Reinvestment Act federal stimulus money.
- Low-income housing tax credits (for affordable housing).
- Historic tax credits (if there are potentially eligible buildings such as older warehouses that can be converted, etc.).
- New market tax credits (if this is an eligible census tract).
- HUD 221(d)(4) housing finance guarantee program (offer guarantees by the federal government that enable up to 90% financing for market rate apartments that meet HUD standards).
- Energy tax credits (energy-efficient commercial, mixed-use projects and some utilities) (as applicable for and available in Montana, based on future research).

- Home-owner fees (provided by property owners for the maintenance of public spaces).
- Past Downtown Partnership Programs, funded with TIF and City funds, have included professional technical assistance bank, low interest revolving loan funds, and small grants for façade improvements.
- Grant sources for larger capital projects have included Community Development Block Grants, EDA grants, transportation enhancement grants matched by SID-voluntary property owner City utility enterprise, and maintenance funds.
- Refer to the Parks 2020 Comprehensive Park Recreation and Open Space Plan Appendices for a list of land acquisition and funding strategies.

5.5 NEXT STEPS – ACTION PLAN

Actions required relative to the organizational development and decision-making described in this chapter are summarized in the following matrix (Table 5.5-1). The recommended actions needed to implement the programs and policies are described in Chapter 7. In combination, these matrices provide a solid basis for a 3-year implementation work plan.

Table 5.5-1 Organizational Work Plan

ORGANIZATIONAL DEVELOPMENT		2009	2010	2011	2012
1.1	Clarify BIRD, City, and BSEDA Priorities				
1.2	Establish EBURD Development Consortium and Clarify Roles & Responsibilities				
1.3	Formalize Downtown Organizational Structure Operational Procedures				
1.4	Develop BIRD 1, 3 and 5 year Operations Budget & Funding				
1.5	BID evaluation - promotion and creation				
1.6	Maximize participation of BIRD member in committees				
	Identify all opportunities / committees for BIRD participation				
	DBA, BSEDA, DBP, City Boards & Commissions				
	Recruit participation and membership				
1.7	Strengthen and/or Form Partnerships				
	Existing Property Owners & Businesses				
	Local Government-City & County				
	Banks				
	Department of Transportation				
	Housing Authority				
	Colleges, Universities, School District, Head Start				
	Local Developers				
	MetraPark				
	Major Industries- Rail, Refineries, Recycling				
1.8	Design/Develop/Promote Planning Funding & Technical Assistance Programs				
	Facade & Streetscape Improvements Grants				
	Revolving Loan Funds				

06. Spatial & Regulatory Framework

Based on the strategic overview developed in Chapter 4, this chapter presents more detailed information and guidance on spatial components of the master plan, as well as the regulatory framework under which the redevelopment would occur. The intent of the chapter is to provide specific guidance on creative regulatory tools addressing access and circulation strategies in the study area; parking policies and strategies; form-based code and zoning; overall streetscape standards; recommended policies, programs, and incentives for new development; Complete Street policies and incentives; and phasing and financing. Additional information on form-based code is presented in Appendix B.

6.1 ACCESS AND CIRCULATION STRATEGIES

As summarized in Chapter 4, the transportation recommendations of the master plan focus on creating a distinct, human-scale place – a walkable neighborhood with enhanced transit and bicycle connections. To achieve this, access and circulation strategies will include establishing a street hierarchy with street design standards, a well-designed bicycle system, and convenient transit with connectivity.

Street Hierarchy and Street Design Standards

The establishment of a successful street network hierarchy in the neighborhood will require multiple

street types working in unison to provide excellent access to and circulation within the district by auto, foot, and bicycle. Furthermore, street types are designed to support the land use and development framework set forth in this plan.

Figures 6.1-1 through 6.1-5 illustrate the street types proposed for the study area; these street types are described in more detail in the following sections.

Arterials

Major arterial streets surround the study area on three sides, providing excellent access by automobile. Arterial streets also carry all the transit services that operate through and provide access to the study area. The plan proposes that these street designations be maintained, but that improvements be made to calm traffic and create streets that pedestrians feel comfortable walking along and crossing. Arterial streets in the study area include:

- 1st Avenue N
- Main Street/Exposition Drive N
- 4th Avenue N
- 6th Avenue N
- Montana Avenue is a State Highway and classified as an arterial in the Billings Transportation Plan. The proposal is to continue the existing main street typology character along this arterial street.

Improvements on 1st Avenue N and Main Street/Exposition Drive should target the pedestrian realm, including the provision of sidewalks, lighting, planter strips, and curb parking (where possible) to create a buffer from high traffic volumes on these roadways. See Figure 6.1-2 (Arterial One-Way).

Improvements on 4th Avenue N and 6th Avenue N should include a reduction in lanes, as the current four-lane configuration encourages high-speed traffic and is unnecessary given the 10,000 to 15,000 daily vehicle trips, which could easily be accommodated with two or three lanes. Additionally, the sidewalk network should be completed and curb-bulbs and zebra crossings should be constructed at all signalized intersections and at other intersections with transit stops. Pedestrian improvements on these two streets are perhaps the most important short-term improvements for enhancing transit access, as transit passengers need to start or finish their trip on foot. See Figure 6.1-3 (Arterial Two-Way).

Main Street Typology

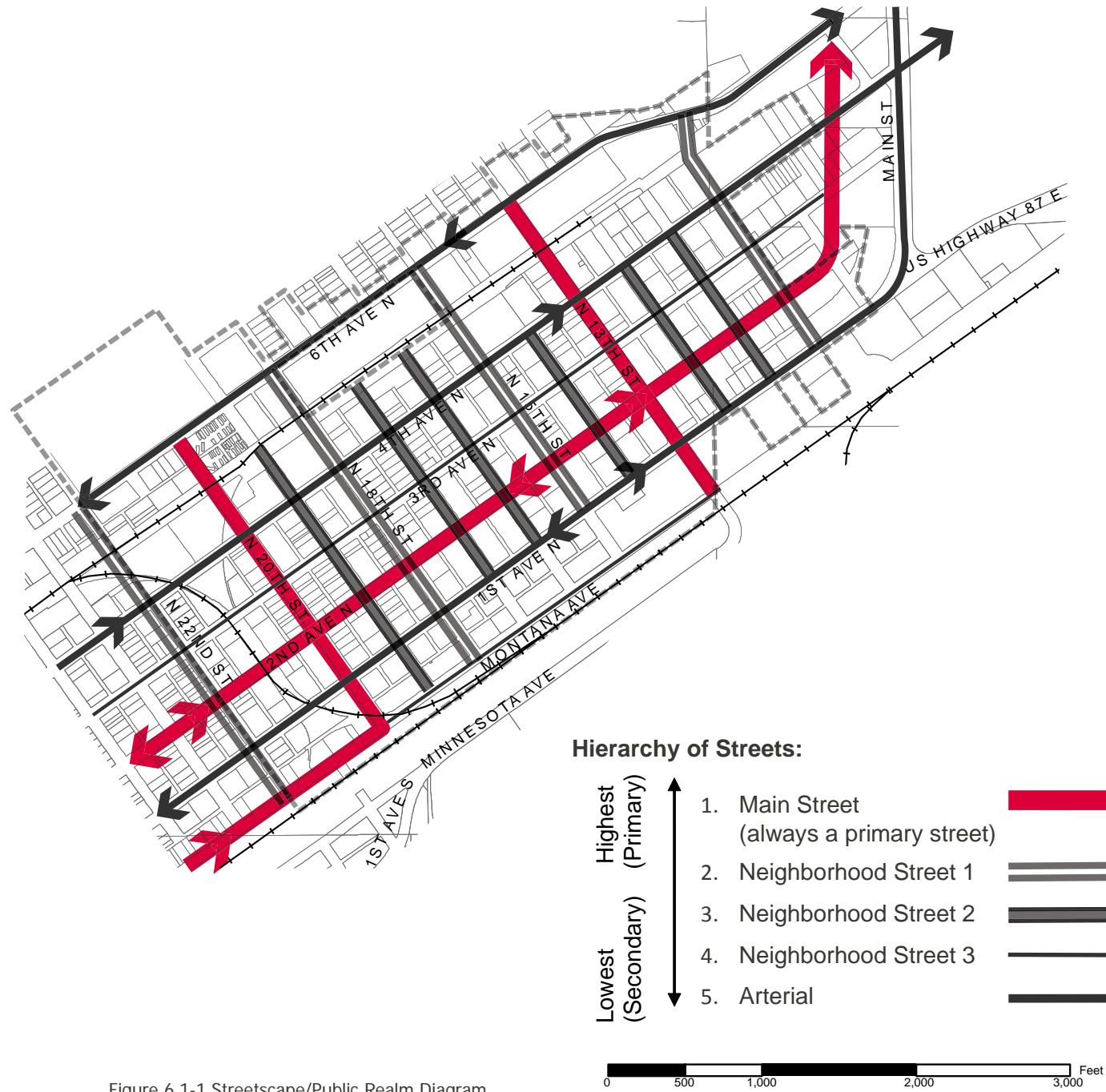
Traditional main streets are centers for local business activity as well as primary thoroughfares for all modes of travel. A main street is ultimately a street for business and should be the place where a restaurant owner would look to locate a sidewalk café, or a shop owner would hope to open a small retail business. Within the study area, the main street designation refers to a corridor that would be designed to accommodate street-facing buildings with ground-floor retail or service businesses, creating an interesting and active walking

Hierarchy of Streetscape Elements

Development under this Code is regulated in part by street type. The various street types are related to each other in a hierarchical manner. Where two streets intersect within the neighborhood, the “primary street” is defined as the street intended to provide a higher level of pedestrian experience. The primary street is where front entrances are located and priority is given to signage, window transparency, etc. The “secondary street” provides a lesser degree of pedestrian-oriented elements.



Example: This building is located at the intersection of Main Street and Neighborhood 2 Street types. Main Street is higher than Neighborhood 2 in the hierarchy of street types. Therefore, the building should follow “primary street” requirements along Main and “secondary street” requirements along Neighborhood 2 Street types.



environment. In support of these uses, the street should have well-maintained sidewalks with continuous connections, on-street parking for short-term visitors and customers, access for all users including cyclists and pedestrians, and low-speed auto travel in both directions (main streets are two-way streets). See Figure 6.1-4 (Main Street).

Streets that are given the main street designation include:

2nd Avenue N

2nd Avenue N is an extension of the CBD primary retail street. 2nd Avenue N was selected to act as the primary commercial street in the neighborhood because of the nature of business activities it supports in the downtown today. Eventually, the extension of 3rd Avenue N between the CBD and the study area should be developed to similar standards to strengthen the connection between the proposed redeveloped mixed-use neighborhoods. Should the Downtown Trolley route be expanded, 2nd Avenue N is the proposed street.

N 20th Street

N 20th Street provides a strong connection between the EBURD District and the North Park neighborhood. The wide right-of-way would accommodate proposed streetscape and pedestrian enhancements. N 20th Street is intended to provide a north-south connection with a main street character between Montana Avenue and North Park.

N 13th Street

N 13th Street provides a strong north-south linkage and includes a rail underpass and connection to the South Billings Neighborhood. Improvements to N 13th Street require reconstruction of the N 13th Street rail underpass, which has very low clearance, is narrow, and lacks bike and pedestrian accommodations.

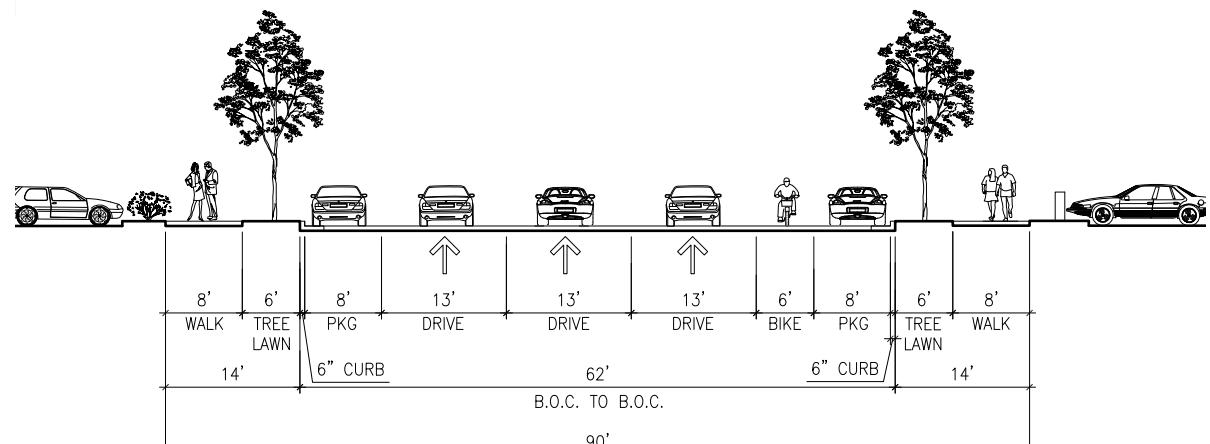


Figure 6.1-2 Arterial One-Way

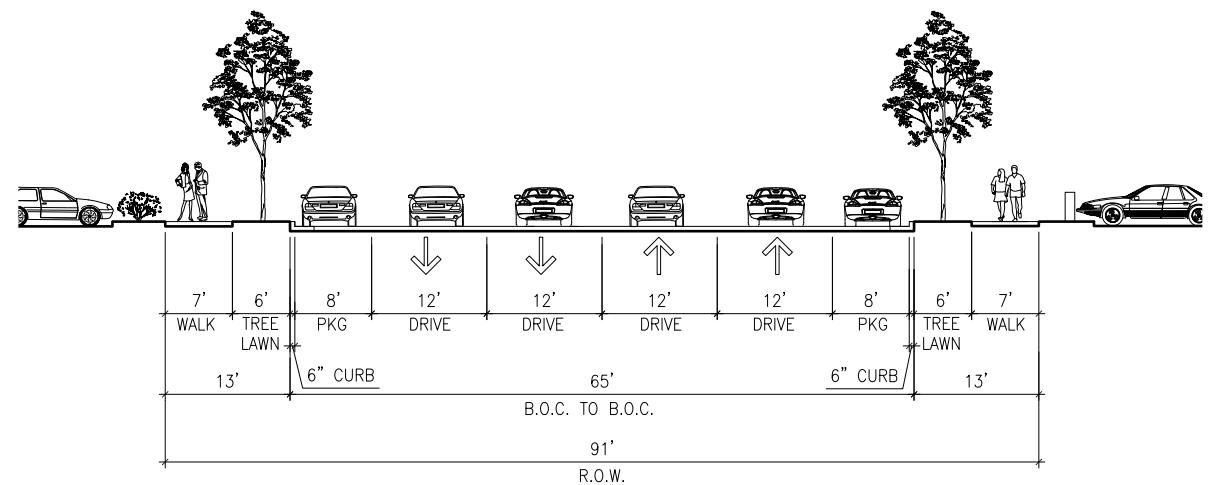


Figure 6.1-3 Arterial Two-Way

Extension of Montana Avenue to N 20th Street

While technically an arterial and a State Highway 90 bypass, Montana Avenue east of the study area has been developed with a traditional main street character. The streetscape of Montana Avenue from N 30th to N 23rd Streets (west of the study area) includes many pedestrian amenities and traffic-calming features - street trees, curb extensions, decorative crosswalks, and furniture. These public realm improvements have been instrumental in revitalization of the historic district. Similar improvements (of main street character) should be extended to at least N 20th Street and perhaps beyond as the study area regenerates.

Local Streets

Local (or neighborhood) streets provide access to local businesses and residences by automobile, bicycle, and foot. These streets should be designed to carry slow-moving two-way traffic, accommodate and maximize on-street parking on both sides of the street, and include fully developed pedestrian systems with complete and connected sidewalks and crossing enhancements. The majority of the north – south streets in the study area should be designated as local streets, since there is limited demand for north-south travel because of local geography and the rail line.

Local streets in the neighborhood include the following (see Figure 6.1-5):

3rd Avenue N

From N 20th Street to Exposition Drive, 3rd Avenue N will be developed as a local street. Eventually, the short section of this local street between N 27th Street and N 20th Street section between the CBD and proposed Rail Spur Village District should be designed with main street character to provide stronger pedestrian connections between the study area and the CBD.

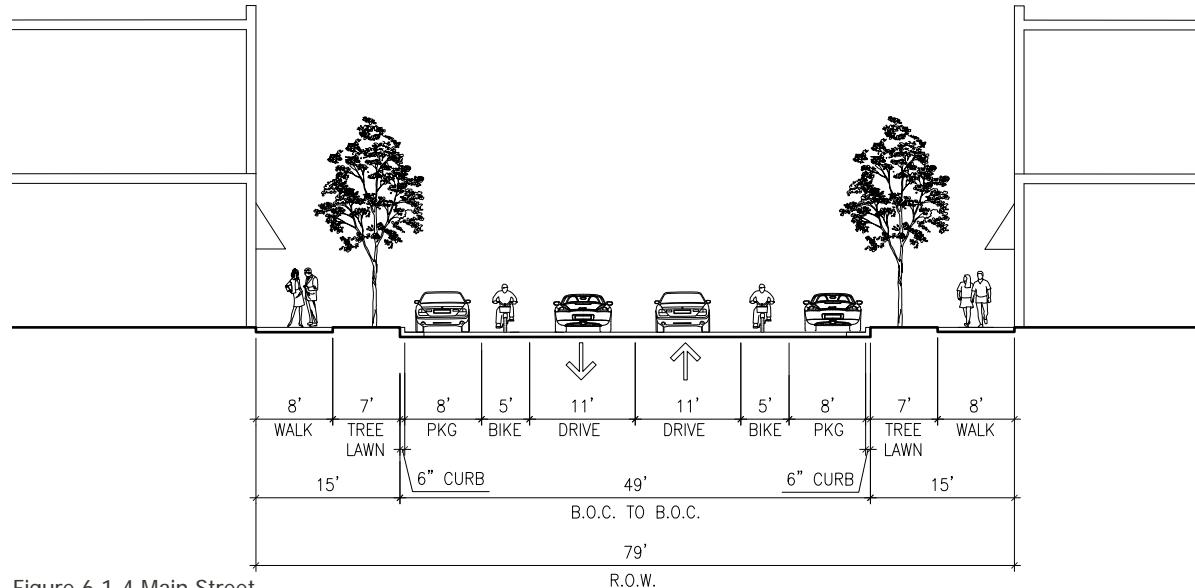


Figure 6.1-4 Main Street

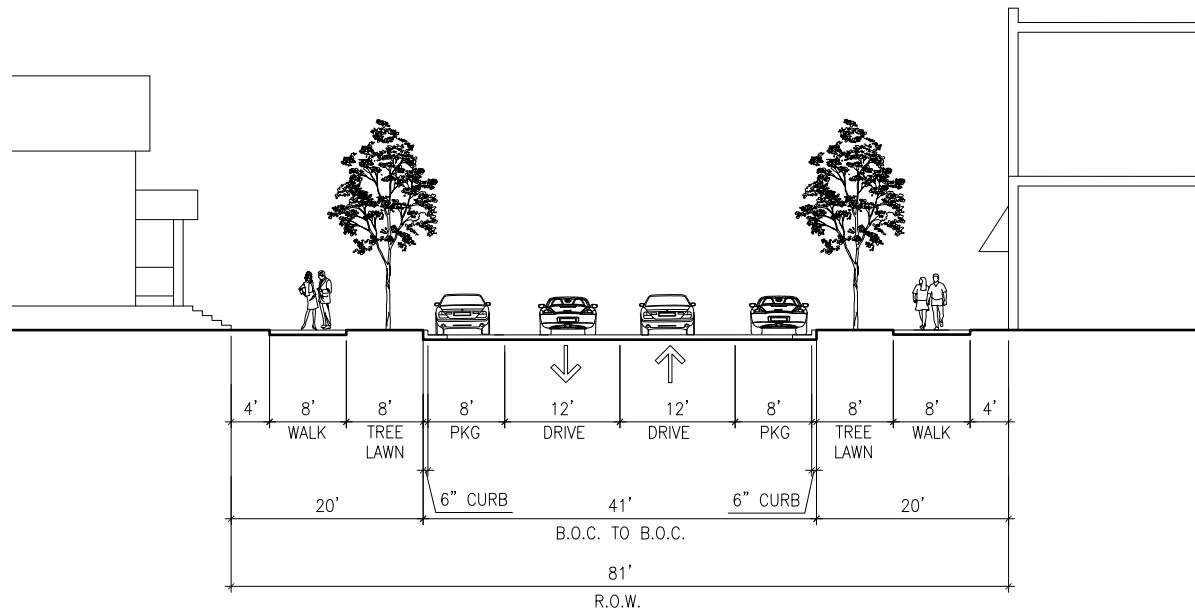


Figure 6.1-5 Local Street

All North-South Streets, with the Exception of N 20th and N 13th Streets (Main Streets)

These streets are subject to special review within the proposed Industrial Sanctuary (IS) zone. Local/neighborhood streets may be approved for abandonment to accommodate uses that require larger parcels.

Bicycle System

Billings is recognized for its well-developed off-street trail system, which provides a wealth of bicycle recreation opportunities. Furthermore, the City is investing in new and existing arterial streets to make bicycling safer and more attractive. The EBURD provides an opportunity to build on this success, recognizing bicycling as an important travel and access mode in the future, but also as a mechanism for bringing people to downtown neighborhoods. The EBURD circulation plan recognizes that there are many types of cyclists with different needs and levels of comfort riding with traffic. Regular commuters and more advanced recreational riders often wish to travel on arterial streets where they can take advantage of street designs that allow faster travel. To accommodate these users, on-street bicycle lanes are proposed on 4th and 6th Avenues N and on N 13th Street. However, many cyclists prefer to ride where traffic volumes are lower. This group likely includes people using their bicycles to go shopping, taking a leisurely weekend ride around town, or riding to the Yellowstone River trail. The main street designations, 2nd Avenue N and N 20th Street, include on-street bicycle lanes in both directions that meet the needs of less-aggressive commuters and leisure riders.

Connections to the regional trail system should be a priority, as building these connections will bring more people to and through the study area. There are already informal connections to the Heritage

Trail system along the Yellowstone River through the parking lot north of MetraPark. This connection could be enhanced or signed to connect to proposed bicycle facility improvements on 2nd, 4th, and 6th Avenues N. An additional trail segment is proposed from N 13th Street south of the railroad underpass to the Heritage Trail, as illustrated in Figures 3.3-4 and 3.3-5. This would provide a direct connection to the study area and make the EBURD a hub for cyclists traveling through Billings to the multi-use trail that runs parallel to the Yellowstone River from Billings Heights to Coulsen Park, particularly if proposed bicycle lane improvements could be continued west through downtown.

Transit and Connectivity

A number of local transit bus routes operate on 1st, 4th, and 6th Avenues N today. For the near future, these routes will continue to provide the primary access to transit in the study area. Therefore, pedestrian access and safety improvements targeted for bus stop locations should be considered the most critical short-term improvements to transit access. Given the low density and predominance of light industrial uses in the study area today, it will be a number of years before the study area will merit consideration of a local circulation system. In the meantime, a number of steps could be taken to create a district where a local circulator is viable and can be operated cost effectively:

1. Employ the Complete Streets model (as described in Chapter 3) so that all streets are pedestrian friendly and are well connected within the study area and with adjacent neighborhoods.
2. Orient dense, mixed-use development and uses with higher visitation to the 2nd Avenue N main street. Good transit responds to markets that have high



demands for travel throughout the day. Mixing residential, office, and retail uses helps to create a transit market with demand for use throughout the day and evening, not just at peak times.

3. Create a strong eastern anchor as the Exposition Gateway District develops. While MetraPark may provide high demand for services when events occur, a good circulator needs strong anchors with high demand for service at all times. A retail, hotel, and conference center development could be an excellent future anchor for a circulator that serves downtown, the EBURD, and MetraPark at event times.
4. Design curbs to accommodate bus loading, particularly by creating curb-bulbs that allow buses to load without pulling over or out of traffic. This design can conflict with bicycle lanes as proposed on 2nd Avenue N. Therefore, the City should consider this step a potential future phase of the street design, at which point it may make sense to relocate bicycle lanes to 3rd Avenue N. Alternatively, a future local transit circulator could travel on 3rd Avenue N.

6.2 PARKING POLICY AND MANAGEMENT STRATEGIES

Parking management and pricing policies can be effective methods for influencing travel behavior, promoting multi-modal transportation, and supporting economic development policies. Traditional parking codes have been shown to discourage mixed-use, pedestrian-friendly urban development of the type

proposed in the EBURD Master Plan. A flexible and smart parking strategy for the study area will be integral to its success. Done correctly, a parking strategy can also provide future opportunities to generate funds for neighborhood transportation improvements and to address the need for an adequate supply of parking.

The Billings City Code establishes off-street parking minimums for a variety of land uses¹, with the exception of downtown, which has no required parking minimums. Today, the EBURD is subject to the code's minimum parking requirements and does not have metered on-street or structured parking, as is found downtown. The study area has an abundance of free on-street and private off-street parking. Even in recent years, off-street parking requirements have been cited as a challenge for businesses looking to locate in the study area, particularly those retrofitting existing uses.

The following parking strategies are proposed to support planned growth in the study area and a walkable urban fabric. Since parking supply will not be a significant concern at early development phases, parking strategies suggest land banking and in-lieu fee options that effectively meet demand at later phases, when parking demand will increase because of the successful development program. A key principle is to provide supply responsive to the growing demand of a successful neighborhood, not allowing supply requirements to limit growth. Suggested parking strategies are summarized as follows.



Elimination of Minimum Parking Requirements

Minimum parking requirements, which are commonplace throughout the country, have been found to worsen traffic congestion and prevent dense mixed-use

¹Article 6-1200. Site Developments

development patterns. Many cities are deciding that minimum parking requirements are no longer needed and that developers do a better job of anticipating the parking market at their developments than zoning codes can. If needed, residential permit programs can be used to prevent spillover of proposed development projects in adjacent neighborhoods. The City of Billings has no minimum parking requirements in the downtown CBD zone and understands the benefits of this policy in attracting urban uses to its core areas.

Develop an In-Lieu Parking Policy and Fee

An alternative to mandating minimum parking requirements is implementing in lieu options that allow developers to pay a fee in lieu of providing off-street parking. The fee is used to finance public parking spaces to replace the private parking spaces the developers would have needed to provide. The programs have been found to reduce the cost of development, encourage shared parking, and improve urban design. The fee could be combined with a general transportation fee that would also fund street improvements or be kept separate. This strategy should be combined with the following shared parking/land banking strategy to create a neighborhood parking program that is responsive to demand over time.

Purchase and Bank Land for Public Parking

Targeted investments in land for public parking should be considered for the EBURD. Land purchased in strategic locations could initially serve as shared surface public parking, leased to employers or available at a low cost to public parkers. As the neighborhood develops, the land would allow the City or the EBURD to develop structured parking facilities that would support private and public uses. These could be funded with a combination of urban renewal fees, in-lieu fees,

downtown parking district fees, and private contributions from developers. Several locations are proposed to support future “park-once” access to the study area. These lands may be surface lots in the short term - although as the district densifies, structured parking could be added. Lands used for surface parking could also be used for construction of public or community facilities.

Develop a Shared Parking Strategy

Shared parking refers to parking spaces that are shared by more than one user, which allows parking facilities to be used more efficiently. It takes advantage of the fact that most parking spaces are only used part of the time by a particular group, and many parking facilities have a significant portion of unused spaces. Stalls used by employees during the daytime could also supply parking for residents attending evening movies at a nearby cinema. Shared parking can be encouraged or required. For example, in Arlington County, VA, the parking strategy encourages sharing spaces by setting a limit on the number of reserved parking spaces allowed, while placing no limit on the amount of shared parking allowed on site. Shared parking reduces the total combined parking requirements when multiple forms of building use share one or more established parking spaces.

Consider Parking Maximums

Parking maximums restrict the total number of spaces that can be constructed. They can be introduced anywhere where there are or could be measures in place to combat overspill (for example, a neighborhood permit program in the North Park). Parking maximums have been adopted in Portland, OR; Seattle, WA; Gresham, OR; Helena, MT; Redmond, WA; and San Antonio, TX. Parking maximums could be implemented



within the western portion of the study area to ensure that there is not an excess of parking, undermining attempts to build a financially viable public parking system, that urban form is not compromised by excessive street-facing parking, and to promote walkability by reducing the need for driveways. This strategy is immediately applicable to the east and west ends of the district but may not initially be viable for the more vehicular-oriented industrial and manufacturing districts.

Evaluate Future Parking Pricing

The availability of short-term parking is critical for businesses and essential for economic development efforts. A primary interest of customers is accessible parking in proximity to their final destination. Pricing, management, and enforcement of on-street parking should be aligned to ensure that at least 15% of on-street stalls are available at any time. This improves the customer experience and reduces extra circulation and congestion related to the search for parking. A number of communities (such as Redwood City, CA) have moved to demand-based pricing of on-street (and in some cases off-street) parking. This is beneficial for businesses as it promotes turnover; but is also good for the environment in congested areas as it reduces miles driven searching for parking. In addition, pricing parking appropriately tends to increase the demand for transit service, which can result in a 20-25% increase in transit ridership. While the neighborhood won't need to price on-street parking in the immediate future, it should conduct a parking study to set triggers for implementation of pricing and to determine the use of future parking revenue.

Consider Residential Parking Unbundling

Most housing arrangements provide parking as part of the lease or purchase cost. Unbundling this relationship by requiring that parking be purchased or leased separately may lead to reduced housing costs and makes clearer the cost of owning and storing a car. Households looking for a transit-oriented lifestyle are more likely to self-select into denser, mixed-use districts or on transit corridors when they do not have to buy more parking than they need. This strategy is also effective in providing developers with added financial incentive not to build parking for which there is not a paying market. Municipalities should require that developers "unbundle" the cost of parking from the cost of housing, particularly in rental units and multifamily condos.

6.3 FORM-BASED CODE

It is proposed that the City of Billings depart from the existing traditional zoning pattern and implement a "form-based code" (FBC), as discussed during community forums. This EBURD Master Plan provides guidance for a proposed new regulatory framework for the neighborhood using an FBC approach. The FBC addresses urban form (bulk, scale, setbacks, and heights) and elements of the "public realm" (signage, street furniture, pedestrian environment). A well-crafted FBC is the most effective form of development regulation for shaping pedestrian-scaled, mixed-use, and fine-grained urbanism. However, stakeholder input into proposed standards is advisable to ensure that it reflects specific community intentions. Furthermore, additional study is needed to develop procedures for code administration and to guarantee that applicable policies and regulations that control development on the same property are efficiently coordinated. Stakeholder involvement and additional funding are needed to fully develop the proposed FBC. The guidance presented



herein should inform this effort. Additional information on form-based code is included in Appendix B.

The existing zoning of the study area, primarily CI-Commercial Industrial, allows a tremendous amount of flexibility with regard to intensity of development and use and has not been identified so much as an “obstacle” to development, but rather an obstacle to quality neighborhood character and land use efficiency. Currently, there is very little predictability of what use, scale, form, or character of development would present itself in the future. In addition, the existing traditional zoning does little to build a cohesive vision or to create predictability in terms of how future development will reinforce current investment. In implementing an FBC, construction of new building projects will slowly evolve into an attractive, well-connected, and pedestrian-friendly environment that will attract reinvestment over time.

According to the FBC Institute, a FBC is “a method of regulating development to achieve a specific urban form. Form-based codes create a predictable public realm primarily by controlling physical form, with a lesser focus on land use, through City or County regulations.” Said another way, FBCs focus less on how a property is used and more on the physical form of how it is developed. There are many advantages to FBCs:

- FBCs are prescriptive – they state what you want rather than what you don’t want. FBCs can achieve a more predictable physical result. The elements controlled by FBCs are those that are most important to the shaping of a high-quality built environment.

- FBCs regulate development at the scale of an individual building or lot, encouraging independent development by multiple property owners. This reduces the need for large land assemblies and the megaprojects that are frequently proposed for such parcels.
- An FBC helps with evolving character over time when dealing with a large number of individual property owners. The built results of FBCs often reflect a diversity of architecture, materials, uses, and ownership that can only come from the actions of many independent players operating within a communally agreed-upon vision and legal framework.
- FBCs are often deemed easier to use than conventional zoning documents because they are much shorter, more concise, and organized for visual access and readability. This feature makes it easier for all involved to determine whether compliance has been achieved.
- FBCs also reduce the need for design guidelines, which are difficult to apply consistently, offer too much room for subjective interpretation, and can be difficult to enforce. They require less oversight by discretionary review bodies, fostering a less politicized planning process that could deliver huge savings in time and money and reduce the risk of takings challenges.

6.4 REGULATORY PLAN / ZONING MAP

This section and the following (Section 6.5) present proposed regulatory plans; street, site, and building placement requirements; and building standards for the study area. Recognizing that administrative guidelines

and clear terminology are critical components of the success of FBC implementation, these elements should be crafted through the final process of code development.

FBC regulatory plans are, in of themselves, an act of urban design. A primary goal of the proposed regulatory plans created for the neighborhood, which include the proposed zoning map (refer to Figure 3.4-1 [Proposed Zones] and Figure 6.1-1 [Streetscape/Public Realm Diagram]), is to establish development “nodes” along key streets. In doing so, the FBC will assist in the development of smaller, compact districts as envisioned in Chapter 3, without stating a premature outcome of their evolving character or style (as design guidelines often do).

The Proposed Zones Map and the Streetscape/Public Realm Diagram are keyed to general zone standards. These standards specify the configuration and location of structures and their relationship to the street. The standards also address the bulk and scale of development, and provide incentives for more compact development. Public realm / street design standards are defined for each street typology. The following sections provide detailed guidance for these standards.

The proposed Exposition Gateway (EG) zone is not included as it is not located in the study area boundary, the TIF district, or within the City limits. This recommended district would accommodate lodging, hospitality-related services and retail, and civic amenities that serve as a “gateway” function to the City of Billings, MetraPark, and Yellowstone River.

6.5 GENERAL STANDARDS BY ZONE

General zone standards have the primary role in defining the physical form of the built environment. The proposed standards for the study area are organized

by Mixed Use Livability (MUL) and Industrial Sanctuary (IS) zones. These standards provide a preliminary framework that would require further development to establish appropriate development incentives to achieve intended public benefits. The following sections illustrate potential standards and incentives that could be applied to the study area.

Intent - Mixed - Use Livability

The primary intent of this zone is to protect the livability and ensure the quality of residential development while also providing for mixed-use employment centers within the neighborhood.

Table 6.5-1 Mixed Use Livability (MUL) General Standards

Building Placement	
Setback (Distance from Property Line)	
Front Setback-Primary St. ROW	0' minimum, 10' maximum
Side Setback –Street ROW	0' minimum, 10' maximum
Side Setback-Interior	No minimum
Rear Setback – Interior	20' minimum
Rear Setback – Alley	12' minimum from alley ROW centerline
Height	
Maximum Height	70' (after incentives and setbacks)
Upper Level Setbacks	10' of additional setback from street and alley ROW required for each 20' of building height above 36'
Minimum Height	2 Habitable stories
Ground Floor Height	Main Street Typology (2nd Ave) - 15' minimum; Neighborhood and Community Flow Streets - 12' minimum (9' minimum for ground-floor residential)
Building Form	
Maximum Building Width	80' without modulation. 8' deep x 10' wide modulation required for every 80' of frontage
Maximum Lot Coverage	75%; 80% for projects that meet incentive criteria
Open Space	Minimum dimensions for open space associated with housing need to be developed or referenced to other applicable residential development standards
Street Facing Entry	Required on all primary street facades
Entry Spacing	Minimum of one functional entry per 80' of primary street frontage
Façade Transparency	35% minimum transparency for all commercial and retail uses and all other facades facing primary streets

Intent - Industrial Sanctuary

The primary intent of this zone is to protect commercial, research and development, and light and heavy industrial uses while also providing high-quality mixed use employment centers within the neighborhood. Alternatives to proposed street designs within the IS zone should be subject to special review. Local/neighborhood streets may be approved for abandonment to accommodate industrial uses that require larger parcels.

Table 6.5-2 Industrial Sanctuary (IS) General Standards

Building Placement	
Setback (Distance from Property Line)	
Front Setback	0' minimum, 10' maximum
Side Setback –Street	0' minimum, 10' maximum
Side Setback-Interior	No minimum
Rear Setback	20' minimum
Alley Setback	12' minimum from center alley ROW line
Height	
Maximum Height	70' (after incentives and setbacks)
Upper Level Setbacks	10' of additional setback from street and alley ROW required for each 20' of building height above 36'
Minimum Height	No minimum
Ground Floor Height	12' minimum
Building Form	
Maximum Building Width	No maximum
Lot Coverage	75%; 80% for projects that meet incentive criteria
Open Space	None
Street Facing Entry	Required on primary street facades
Entry Spacing	Minimum of one functional entry per 80' of main street (typology) frontage. Landscaped area or public art may be considered as alternative to second entry
Facade Transparency	35% transparency on all building facades fronting main streets (typology)

6.6 PUBLIC REALM / STREETSCAPE STANDARDS

The proposed street type standards described in Section 6.1 are intended to help define and differentiate the character of the street network. Working within the existing right-of-way, the proposed standards would create a stronger pedestrian environment along key streets (main street typology) that are targeted for pedestrian-oriented retail, residential, and commercial activities.

Figures 6.1-2 through 6.1-5 detail the proposed street types and configuration of all roads within the neighborhood and are keyed to the street hierarchy identified in Figure 6.1-1 (Streetscape/Public Realm Diagram). Key provisions include on-street parking, widened sidewalks, street trees, and bicycle lanes. Other critical street improvements should include the provision for stormwater mitigation through the use of curbs, gutters, rain gardens, or bioswales on public and private properties. This is a critical intervention, particularly in the eastern portion of the neighborhood where flooding is common during and after rain events. Additional standards for the street hierarchy are listed in Tables 6.6-1 through 6.6-3.

Table 6.6-1 Main Street Standards

Application	
Direction	Two-way
Design Speed	25-30 mph
Dimensioning	
Right-of-Way Width *	79'
Curb Face to Curb Face Width	49'
Traffic Lanes	2 Lanes, 11' each
Parking Lanes	Both sides, 8' parallel
Bicycle Lanes	Yes, 2 Lanes, 5'
Curb Radius	15'
Pedestrian Zone	
Curb Type	Square
Walkway Type	Both sides, Detached, 8'
Lighting	Street and Pedestrian scale
Planter Sizing	7' continuous
Landscape Type	Street trees, evenly spaced at 40' o.c.

Note: * Dependent on actual right-of-way

Table 6.6-2 Local/Neighborhood Street Standards

Application	
Direction	Two-way
Design Speed	25-30 mph
Dimensioning	
Right-of-Way Width *	81'
Curb Face to Curb Face Width	41'
Traffic Lanes	2 Lanes, 12' each
Parking Lanes	Both sides, 8' parallel
Bicycle Lanes	No
Curb Radius	15'
Pedestrian Zone	
Curb Type	Square
Walkway Type	Both sides, Detached, 8'
Lighting	Street and Pedestrian scale
Planter Sizing	8' continuous
Landscape Type	Street trees, evenly spaced at 40' o.c.

Note: * Dependent on actual right-of-way

Local/neighborhood streets would be subject to special review within the Industrial Sanctuary zone to accommodate uses that may require large industrial parcels and could be approved for abandonment.

Table 6.6-3 Arterial Street Standards

Arterial Streets	One-Way Streets	Two-Way Streets
Application		
Direction	One-way	Two-way
Design Speed	35 mph and above	36 mph and above
Dimensioning		
Right-of-Way Width *	90'	91'
Curb Face to Curb Face Width	62'	65'
Traffic Lanes	3 Lanes, 13' each	4 Lanes, 12' each
Parking Lanes	Both sides, 8' parallel	Both sides, 8' parallel
Bicycle Lanes	Yes, 1 Lane, 6'	No
Curb Radius	15'	15'
Pedestrian Zone	One-Way Streets	Two-Way Streets
Curb Type	Square	Square
Walkway Type	Both sides, Detached, 8'	Both sides, Detached, 7'
Lighting	Street lighting only	Street lighting only
Planter Sizing	6' continuous	6' continuous
Landscape Type	Street trees, evenly spaced at 40' o.c.	Street trees, evenly spaced at 40' o.c.

Note: * Dependent on actual right-of-way

6.7 POLICIES, PROGRAMS, AND INCENTIVES FOR PROPOSED DEVELOPMENT

Options for Developer Incentives

Well-designed incentives can provide a “win-win” scenario to both the private developer and the community at large. Incentives help developers make decisions that reach public goals while also improving their bottom line. In this way, developers can positively contribute to a number of community goals within the neighborhood, such as sustainable building practices,

contributions to quality neighborhood character, improved pedestrian access and comfort, shared and efficient use of infrastructure, and increases in tree canopy and habitat, to name just a few. The following developer incentives (higher returns through maximizing development height to 70 feet and cost-saving flexible landscaping requirements) are proposed for consideration.

Maximum Height Incentives

Maximum Height Limit - Public Benefit Provision

- Contributes to planned public amenities (parks, streetscape improvements, etc.)
- Achieves LEED certification; graduated bonuses for different levels of LEED
- Contains activities and functions that will be a significant asset for the City
- Conveys the sense of an urban village, in its siting of structures, massing, scale, use of open space incorporating pedestrian-friendly uses, and architectural character
- Provides for a mix of uses in same development
- Provides for residential, community entertainment, or non-franchise retail uses
- Provides for research / development uses
- Land assembly / master planning
- Provides open space or other public amenities on the same development site
- Contributes toward public parking facilities and/or other parking solutions

Landscaping Incentives

Reduce Required Landscape Area - Public Benefit Provision

- Aggregation of non-built area into larger usable spaces by reducing total required landscape area for developments that provide coherent usable open space

Table 6.7-1 Modifications to Existing Standards

Public Infrastructure	Method
Cost sharing of required infrastructure upgrades	<ol style="list-style-type: none"> 1. Master plan for utility upgrades necessary for desired level of development 2. Identify specific or district-wide upgrade priorities 3. Reduce developer cost charges for exemplary development proposals. This will require further definition and metrics
Fire Test	<ol style="list-style-type: none"> 1. Map existing level of service throughout district 2. Identify priority areas for upgrading 3. Look for cost sharing opportunities for upgrades which would open up nodes for denser redevelopment
Water and Wastewater	Similar method to fire test described above
Stormwater	<ol style="list-style-type: none"> 1. Master plan for district, identifying major deficiencies 2. Look for potential retention areas in existing ROW, parks, other publicly owned land, or underutilized private lands 3. Allow for trading of stormwater capacity between sites, public and private 4. Create checkerboard of protected open space which functions as surface stormwater treatment network 5. Permit/incentivize on-site methods of stormwater management such as green roofs as an alternative to contributing to infrastructure upgrades
Streetscape Improvements	Waive fees for sidewalk or ROW improvements in exchange for exceeding other development standards

Fire and Safety	Method
Increase Flexibility in Emergency Access Requirements	<ol style="list-style-type: none"> 1. Allow for shared access between development sites 2. Allow for flexible solutions in meeting fire-safety needs
Lighting	Method
Increase Flexibility in Site and Street Lighting Requirements (often a reduction)	Allow for lighting which meets actual needs of development proposal rather than universal minimum lighting level standard (this reflects light pollution reduction and energy efficiency goals of LEED)
Process	Method
Lessen Risk to Developers	<ol style="list-style-type: none"> 1. Increased transparency of process, expectations 2. Map and quantify expectations, requirements for sites throughout district 3. Provide predevelopment conference option to outline approvals path 4. Foster culture and perception that innovation and quality will be rewarded through incentives and shortened approvals process 5. Waivers: Permit or other administrative fees

Flexibility in Landscape Requirements - Public Benefit Provision

- Allows developer to choose from a menu of several landscaped requirements, such as:
 - green roofs
 - drought-tolerant landscapes
 - landscapes visible to passersby
 - permeable paving
 - vertical green walls
 - rainwater collection / cistern use / low water usage
 - mature tree and vegetation plantings
 - larger tree species

Parking Incentives

Reduce Required On-Site Parking - Public Benefit Provision

- Refers to parking policy and management strategies

Options for Streamlining the Development Process

Similar to incentives, streamlining the regulatory process will help provide a developer-friendly atmosphere without compromising environmental integrity or quality. By reviewing and modifying existing standards related to utilities and the permitting process, the City of Billings could remove significant cost barriers to development through the following elements in Table 6.7-1 (Modifications to Existing Standards).

6.8 COMPLETE STREET POLICIES AND INCENTIVES

Creating Complete Streets (as described in Chapter 3) will involve modifying existing City code and the practices of City agencies. An effective Complete Streets policy for EBURD will:

- Formulate a vision for how and why the community wants to create Complete Streets and require that all users, including pedestrians, bicyclists, public transportation, and automobiles, be accommodated on every project.
- Promote street connectivity and aim to create a comprehensive and integrated network for all transportation modes.
- Set performance standards and measurable outcomes that apply to new and retrofit projects, and include design, planning, maintenance, and operations.
- Providing incentives and technical support can be an effective way to encourage the development of Complete Streets elements. Some incentive-based programs that can work to this end include:
 - Only spend TIF district funds on street improvements that comply with Complete Street design standards.
 - Rather than promoting piecemeal development of streets, structure an in-lieu fee program that allows developers to pay into a fund that will build comprehensive street improvements in compliance with proposed standards. This approach helps to streamline the development application process.
- Fund Complete Street retrofit projects independent of new development or redevelopment. Specifically, the western two to three blocks of the 2nd Avenue N main street project should be considered as a key catalyst project for the neighborhood. This project would extend the retail energy of the downtown segment of 2nd Avenue N and demonstrate quality future street design and amenities planned for the study area.
- Include priority Complete Street improvements in policy and capital facility planning.
- Provide technical assistance for Complete Street design and give credit for well-designed, complete streets toward open space or landscape requirements.
- Create incentives for developers to provide pedestrian and bus stop amenities.

The phased implementation of all proposed street improvements could be financed through three distinct programs: (1) Developer pay-in-lieu programs; (2) Targeted TIF district funds for prioritized projects; and (3) Special Improvement Districts (SIDs), as described in more detail in Chapter 5.

7.0 Action Plan

This section of the master plan expands upon recommendations included in previous chapters and describes specific short-term actions to stimulate reinvestment and regeneration. The actions are organized around three defined types of actions: policies, programs, and projects. The included recommendations should guide activities over the next 3 to 5 years. The matrix included at the end of this chapter includes a suggested schedule and timeframe. This is included as a useful tool to guide preparation of annual work plans of various entities responsible for implementations. As with any strategic plan, new ideas and opportunities, will emerge. This action plan in combination with the overall vision and guiding principles should be considered guidance for investment decision-making and work plan priorities. Although a lead organization is shown, it is assumed the consortium will support all efforts.

Table 7.1-1 Recommend Policy Actions

7.1 POLICIES		Priority*	Lead Organization
1.1	City Council & Co. Commission Adoption of EBURD Master Plan	1.0	City
1.2	Green Strategies Workshop	1.5	BSEDA
1.3	Revise Parking Code	1.0	City
1.4	Revise Zoning & Development Code (form based)	1.0	City
1.5	TIF District Expansion and Annexation Program - County Lands	1.0	City
1.6	Integrate EBURD Master Plan w/ Adopted Plans & Policies	1.5	City
1.7	Confirm Compliance w/ Engineering & Site development Stds	1.0	City
1.8	Coordination with MET Transit	3.0	City

* 1.0 = highest priority

7.1 RECOMMENDED POLICY ACTIONS

Billings City Council and Yellowstone County Commission Adoption of EBURD Master Plan

Discussion

Adoption of this plan by elected leaders is essential. Formal acceptance for the EBURD Master Plan demonstrates the elected leaders' commitment, provides direction to City staff, informs annual work programs, and makes recommended projects eligible for capital funds. Furthermore, adoption by government increases the eligibility for grants and loans.



Actions

- Stakeholders should collectively shepherd the EBURD Master Plan through the review and approval process to have it formally adopted by the City Council and County Commissioners.
- Seek support and recommendations (and perhaps citizen positions) from all relevant boards, commissions, and committees including the planning commission, zoning commission, parking advisory board, park board, transportation advisory committee, public utilities board, energy and conservation commission, development process advisory review board, and policy coordinating commission.
- Engage the property and business owners, BIRD, BSEDA, the Steering Committee, and the Downtown Billings Association in the approval process.
- Actively participate in the annual budgeting process to ensure that EBURD projects are included in the annual work plans and 5-year Capital Facilities Plan (CFP).

Sustainability and Green Strategies**Community Workshop****Discussion**

Throughout the planning process, stakeholders have expressed interest in a “green” mixed-use neighborhood that would retain industrial and manufacturing uses, attract re-investment, create jobs, and provide mixed-income and affordable housing. Initial discussions for the industrial portion of the plan focused on recycling land uses and attracting businesses that manufacture or distribute green products to locate in the district.

Affordable housing, transportation choices, and bicycle connections to the river, Rims, CBD, and MetraPark were stated as priorities. During the design charrette in February 2009, these ideas were expanded to include preliminary discussions of water-sensitive urban design, solid waste recycling, alternative energy, and district heating concepts, including combined heat and power distribution, and “green-collar” job creation. A review of emerging trends and existing and planned eco-industrial parks revealed that a broader palette of sustainable planning strategies and policies should be evaluated. Principles of industrial ecology may allow the area to capitalize on the synergy of the existing and proposed land uses and resources. Because this more expansive concept of sustainable and green strategies emerged late in the process, a workshop focused specifically on these opportunities, strategies, and policies is recommended. It is also recommended that an educational work session occur prior to finalizing regulatory changes, as the outcomes may affect policy and development regulations. A more detailed description of Sustainable Strategies, Opportunities, and Policy Options is presented in Chapter 8.

Actions

- Conduct stakeholder outreach and education to further explore opportunities and determine interest in the sustainable strategies described throughout this master plan (and in greater detail in Chapter 8).
- Identify public and private partners and resources and conduct a workshop.
- Conduct further research and analysis to assess the financial feasibility of a range of identified options.

Revise Parking Codes**Discussion**

The current parking code is a disincentive to reinvestment in the district. Recommended revisions to parking codes are described in detail in Section 6.2 of this report.

Actions

- Revise the parking code. BIRD, BSEDA, and the Downtown Billings Association should request that City County Planning revise the parking code and participate in this effort by reviewing proposals and supporting the required public outreach and education process.
- Conduct a parking study that includes an analysis of future parking pricing, development of a park-once district, parking requirements for development, and the development of a Parking Benefit District (PBD). This would provide a forum to begin a conversation with business leaders about the tradeoffs of parking pricing and the benefits of a PBD, which could provide a mechanism to fund enhancements to the public realm. The study could also help to refine a number of the other proposed programs listed below.
- Establish in-lieu fees program: Establishing an in-lieu program would promote flexibility in coordinating and timing improvements. It could provide an alternative to developers or land owners who must provide required parking and allow them to contribute to public parking facilities. Under such a program, developers and employers would be given the opportunity to reduce parking demand rather than increase

the parking supply. Credit could also be given to those that develop bicycle, pedestrian, or transit facilities. Acquiring land or entering into an agreement with the private land owner is required.

- Eliminate minimum parking requirements and implement parking maximums: Less restrictive parking policies can help to create financial incentives for developers to introduce denser, mixed-use building types. This would require creating an exception to City code (Article 6-1200 Site Developments) for the neighborhood.
- Identify location and plan for future structured parking facilities that will form a Park-Once program for the neighborhood: Locations need to be identified for structured parking facilities in the study area. Developing structured parking will free up parking lots for development and allow visitors to park during their visit. This program should be closely coordinated with the Downtown Billings Association and the City-managed Parking District.
- Encourage shared parking: Provide incentives and support for shared parking programs. Possibilities include using a Transportation Management Association or local planning agency to provide shared parking matching and rewrite City code. Anticipate potential spillover problems, and respond with appropriate regulations and enforcement programs. Rewrite City code or structure developer agreements to provide incentives for developers to build or participate in shared parking. The parking agreement with First Interstate Bank (FIB) wherein a partial rebate of TIF district funds is provided in exchange for public use of parking built by FIB.
- Require builders to unbundle the cost of parking: The cost of parking should be unbundled from residential units so that people have a choice to not purchase parking when buying a condominium or renting an apartment. This strategy can improve housing affordability and improve financial pro forma for developers.
- Promote multi-modal transportation options: Encouraging a full range of transportation options within the study area—such as bicycling, walking, and transit use—will reduce parking demand.

Revise Zoning and Development Codes

Discussion

Recommended changes to the zoning and development code are discussed in Sections 6.1 through 6.5. BSEDA, BIRD, property owners, and DBA should actively participate in this process and assist with education and outreach activities to garner support for zoning and regulatory changes. The intent is to create new districts that complement versus compete with the CBD.

Actions

- Develop Form-Based Code per guidance in Section 6.3 and Appendix B.
- Revise the regulatory plan and zoning map to create Mixed-Use Livability (MUL) and Industrial Sanctuary (IS) zones, per guidance in Section 6.4.
- Revise standards for Mixed-Use Livability (MUL) and Industrial Sanctuary (IS) zones, per guidance in Section 6.5.

EBURD TIF District Expansion and Annexation Program

Discussion

Several parcels of County-owned land are adjacent to the rail line and east edges of the EBURD District. All landowners should be approached and encouraged to be annexed into the City and become part of the EBURD TIF district.

An Exposition Gateway Zoning District (EG) is proposed for lands west of MetraPark. These lands are highly visible with great access from Billings Heights via Main Street and 305, Lockwood via Interstate 90, and Highway 87. Traveling from the west end of Billings, the CBD, or South Billings, these lands are conveniently accessed from Montana Avenue / State Highway 87 and 4th and 1st Avenues N, both major arterials. Much of the land in this proposed district is still located in the County and, as a result, is not serviced by City utilities included in the TIF district.

Actions

- Form a committee to annex County lands. Establish clear roles, responsibility, and schedule.
- Conduct outreach, education, and information meetings with land owners individually and as a group. Assure land owners that the City, BSEDA, and BIRD are not proposing to assemble lands through condemnation. Clearly communicate that the purpose of the site master planning study is to add value, provide services, and achieve coordinated development and an attractive gateway.

- Coordinate with the City and County to define the annexation process considering efficiency, cost, and incentives.
- Conduct a planning workshop to develop an Exposition Gateway District site master plan with the participation of property owners, BIRD, BSEDA, MetraPark, County and City elected officials, and public works and planning staff. See the expanded discussion below under Exposition Gateway Site Master Plan and Redevelopment Strategy.

Integrate EBURD Master Plan with Adopted Plans

Discussion

The Yellowstone County and City of Billings 2003 Growth Policy Plan (Growth Policy) and adopted plans serve as the basis for planning, capital expenditures, and annual work plans in the City and Yellowstone County. The Comprehensive Plan is continually updated to incorporate policy changes and findings of new studies. It is not unusual to see discrepancies between documents; however, it is in the community's best interest for these to be minimal and for plans to be aligned.

Actions

- EBURD stakeholders would be wise to push for stronger language in the Growth Policy, supporting infill and redevelopment of already developed lands.
- Similarly, infrastructure financing and maintenance policies should be reviewed and amended to provide incentives for reinvestment versus green field development.

- Ensure consistency with all elements of the Growth Policy and associated plans, including the Heritage Trail Plan, Transportation Plan, STIP, TIP, Utility Plans, and Capital Facility and Improvement Plans.
- Engage and seek positions on City/County boards and commissions. These positions are advisory to the City Council, who ultimately determine City funding priorities and approve how all TIF district funds are spent.

Confirm Compliance with Public Works, Engineering, and Site Development Standards or Seek Approval as Demonstration Project

Discussion

Coordinated Infrastructure Planning, Policy, and Investment

A number of standard and non-conventional parking, street, transit, landscape, and utility improvements are proposed in this master plan. Coordinate the capital planning of public utilities, streets, sidewalks, and drainage improvements closely with the Public Works Director. It will be most cost effective to implement improvements as cohesive projects. Much of the streetscape, roadway, and underground utility improvement work in the CBD has been accomplished with property owners contributing a percentage of the overall costs, with remaining funding coming from Community Transportation Enhancement and Air Quality Mitigation grants, tax increment funds, utility maintenance funds, and Community Development Block Grants.

Actions

- Explore with property owners their willingness to participate in Special Improvement Districts, whereby property owners contribute to projects through volunteer tax assessments.
- Work with City Engineer and Public Works Director on possible matches from City funds and grants as well as other creative funding approaches and utility policies.
- Include infrastructure improvements in City capital and planning budgets and annual work plans.

Coordination with MET Transit

Discussion

2nd and possibly 3rd Avenue N are discussed in this plan as desirable transit routes. The plan also recommends a future circulator. Although this is long term, be certain MET Transit is aware of this recommendation and that street design standards and turning radii will accommodate these desired connections in the future

Actions

- Coordinate long-term transit plans and connections through the district with MET Transit.
- Coordinate final street design standards with MET Transit to ensure that safe, functional, and attractive bus stops are developed in the district.

7.2 RECOMMENDED PROGRAMS

Business Retention - Retaining Existing Businesses and Encouraging Expansion

Discussion

The study area is home to a number of successful and unique businesses. Collectively, they reflect the agrarian heritage as well as the more cosmopolitan character of the community. As examples, there are boot and hat makers, luggage manufacturers who distribute globally, as well as long-term suppliers of ranch and farm supplies, equipment, and clothing.

Pay attention to the needs of these businesses and business owners for basic infrastructure improvements, and remember that they have been paying utility fees for years. Access to information is critical to the success and support of the master plan. Employ alternative outreach methods to engage the hard-to-reach and those who are unable or unwilling to attend meetings. The Linen District in Boise, ID, is a good example of an eclectic mix of uses that have created a distinct identity, and is now a destination.

Actions

- Create a brand and identity for the study area/ neighborhood.
- Create a neighborhood directory, map, and coordinated marketing programs to promote, grow, and retain existing businesses.
- Develop infrastructure replacement programs for existing businesses and provide incentives to invest, such as low interest loans, matching funds provided through grants, and utility maintenance funds and programs.

Table 7.2-1 Recommend Programs

7.2 PROGRAMS		Priority*	Lead Organization
2.1	Business Retention	1.0	BESDA
	Infrastructure Upgrades	1.0	BIRD / BSEDA / City
	Promotion & Outreach	1.5	BIRD / DBP
	Assistance Programs	1.0	BSEDA
2.2	Business and Developer Recruitment	1.0	BIRD / DBP
	Federal Building	1.0	
	Colleges-MSU and Technology	2.0	
	Medical Expansion-Billings Clinic	1.0	
	Green Industries	2.0	
	Workforce and Student Housing	2.0	
2.3	Expansion of DT businesses and industries	1.0	
	Pursue Planning and Capital Grants	1.0	BSEDA / City
	Economic Development & Job Creation	1.0	
	Housing	2.0	
	Energy, Air Quality	2.0	
	Flood Management / Storm Drainage	1.0	
2.4	Transportation & Transportaion Enhancement	1.0	
	Branding and Promotion of District	2.0	BIRD / DBP
	Simple Business Directory & Map	2.0	
	Hone the Message & Vision	2.0	
	Visibility on Websites-DBA, Chamber, Others	1.5	
	Outreach Tool Kit(s)- PPT and handouts	1.0	
2.5	Green Strategies	1.5	
	Phase 1 Assessments of Priority Acquisition Sites		BSEDA
	Design Incentive and Assistance Programs	1.0	
	Communications and Outreach Program	1.5	

* 1.0 = highest priority

- Improve communications, perhaps through distribution of a newsletter, by providing an interactive website, conducting an on-line survey, or hosting an interactive website with discussion features.
- Create supportive programs with organizational support to retain, expand, and enhance both businesses and facilities.

Business and Developer Recruitment – Attracting New Businesses

Discussion

Potential businesses and institutions who are looking for space downtown have been identified, including a new Federal Office Building and expansion of Billings Clinic maintenance operations. As Billings grows, a number of businesses and institutions will need to or plan to expand. These opportunities and others that can be identified or emerge should be actively recruited. Concurrently, out-of-town recruitment should continue.

Actions

- Aggressively pursue existing opportunities. A new Federal Office building is a prime candidate. Billings Clinic has expressed interest as well. Make someone responsible for pursuing these leads in a timely manner.
- Proactively recruit in-town expansions of business, industry, institutions, and government. A number of businesses and institutions within the greater downtown may be short on space, and could possibly locate some of their administrative, maintenance, or office functions into the district. Identify potential businesses and approach them. Be prepared to speak about the vision, costs, and

benefits. Possible candidates include hospital and medical facilities, MSU-B programs or student housing, City offices and maintenance operations, federal and state offices, the larger industries, non-profits, and business incubators. As parts of the CBD, medical corridor, or N 27th Street districts redevelop, pay attention to what businesses may be displaced and recruit them into the district. Approach successful west end businesses who could benefit from a downtown presence.

- Proactively recruit out-of-town candidates. To recruit new businesses from out of town, the BIRD should work with the Chamber, BSEDA, and the Downtown Billings Association on a promotional strategy and materials. Be prepared to address basic incentives before they ask and have a quick response team in place to support them through the process.
- Identify and target appropriate business sectors and recruit. Define what is distinctive. For instance, the district could decide to extend the rail line, develop a shared rail loading platform, facilitate local or regional waste exchange, pursue LEED-ND certifications, or commit to renewable energy. Each of these provides a distinct market advantage. Promote to the segments that will respond to these differentiators.
- Inventory available property and businesses; focus on current ownership, improvements, conditions, and use. Many development agencies use students or interns to complete the GIS-based inventory after data fields are defined by professionals. It is important to understand and easily access the relative stability and value of properties and be able

to connect property and business owners with those seeking opportunities in the district.

Pursue Planning and Capital Grants

Discussion

The appendices include information on potential funding sources. BSEDA has been very successful in obtaining planning grants for this project and infrastructure grants for other projects. Build on the momentum to date and seek additional federal and state loans and grants. There are a number of new and emerging programs.

Actions

- BIRD, perhaps through BID or allocation of TID funds, should fund research of all potential sources and retain BSEDA to apply for and secure funding.
- Property owner approved SIDs can serve as matches for these grants.

Branding and Promotion of the District

Discussion

EBURD is a large district with the capacity and desire to support an eclectic mix of new and existing land uses. The EBURD Master Plan accommodates the mix of uses and suggests which uses are most appropriate in each district. Much can be learned by reviewing the planning, marketing, and build-out of the Homestead Business Park in the West End, as well as the evolution of the Linen District in Boise. Identifying distinctions and putting in place enough (but not too many) regulations to provide a desired element of certainty and identity are important elements. Branding and promoting this evolving district as a diverse, affordable, forward looking, and distinct place should be pursued, and a marketing and information campaign developed.

Actions

- Coordinate closely with the Chamber of Commerce on branding and promotion.
- Prepare a simple map and directory of the existing businesses and properties. The community, BIRD, BSEDA, and other stakeholders will have a better understanding of who is located here. Businesses may benefit from increased visibility and a more organized approach to promotion to residents and visitors.
- Hone the message & vision and the supporting guidance and regulations. Do not try to be all things to all people in all locations. People locating and located here desire an element of certainty. Other sectors will be attracted by elements of distinction.
- Increase district visibility on maps, websites, and publications. Partner with BSEDA, Downtown Billings Association, chamber and visitors bureau, and others to be identified.
- Develop an outreach tool kit, a speakers bureau, and materials to support grant and funding applications. Begin promoting the district and educating the community about the existing district and what is planned. Local service and business clubs are good initial local targets. The materials should also be suitable to support grant applications and communicate with legislators and prospective new businesses and developers.
- Commit to green strategies. Explore and decide on the level of green strategies to be pursued and decide if LEED-ND certification is desired. Located near the existing

downtown, EBURD is well positioned to obtain certification. The recommendations on land use regulation, drainage, streets, and transportation will support this, as will the brownfields assessment initiative currently underway.

Phase 1 Assessments of Priority Land Acquisition Sites

Discussion

BSEDA, supported by a grant from EPA, is sponsoring a program to conduct brownfield assessments. The EBURD Master Plan identifies several projects that will require land acquisitions for parks, parking, infrastructure, or redevelopment.

Actions

- Target outreach and communications to owners of properties that may eventually be sold for redevelopment, public parking, or a downtown green space.

7.3 RECOMMENDED PROJECTS

Develop Sustainability Strategies for the District

Discussion

Enduring and vibrant cities emerge where the citizens are guided by well-informed spatial plans, innovative programs and creative, sustainable urban renewal and environmental protection and restoration policies. Throughout the world, comprehensive, integrated, and sustainable approach to urban and environmental planning is guiding growth and transforming existing and shaping new communities. The importance of more closely integrating urban and natural resource planning has emerged as an important strategy to address complex challenges of rapid global urbanization, climate change, and increasing infrastructure demands in an era of declining natural and human capital.

Action

- Review the opportunities outlined in Chapter 8.
- Conduct a community workshop facilitated by sustainability experts. The workshop should be designed to inform and explore a full range of options.
- Develop a strategy and incorporate it into marketing and branding strategies.
- Determine if and what level of certification of the Neighborhoods and Buildings by USGBC is desired.
- Reward green investment through programs, development policy, awards, and recognition.

Table 7.3-1 Recommend Projects

7.3 PROJECTS & PLANNING		Priority*	Lead Organization
3.1	Further Development of Sustainability Strategies	1.5	BSEDA
	Information Workshop, Research Grants and Partners	1.5	BSEDA
	Explore LEED ND Certification	1.5	City
3.2	Stormwater Plan	1.5	City
	Plan and Funding	1.5	
	Implementation	1.5	
3.3	Master Plan for Exposition Gateway District	2.0	BSEDA / City / BIRD
3.4	Land Acquisition & Consolidation Strategies	2.0	BSEDA / City / BIRD
	Green Space	3.0	BSEDA
	Land for Shared Public Parking-Fee in Lieu Program	1.0	BSEDA / City
	Land to implement LID Strategies	2.0	City
3.5	Stormwater Improvements	2.0	City
3.6	Green Space	3.0	BSEDA / City
3.7	Freight Improvements / Rail Extention	3.0	BSEDA
3.8	2nd Avenue Streetscape Improvements	3.0	DBP / BIRD
	Design & Funding (Explore SID with match from City and Grant)	2.0	
	Phase 1 Construction (Broadway to West Edge of District)	3.0	
3.9	Street Improvement Projects	2.0	City
3.10	Utility Improvement Projects	2.0	City
3.11	Parking Plan and Implementations	2.0	City
3.12	Bike Path Extension	2.0	City

* 1.0 = highest priority

Storm Drainage Master Plan and Improvements

Discussion

A master stormwater management plan needs to be prepared/updated for the EBURD, with an emphasis on addressing existing issues and flooding. As further development of stormwater design concepts described in Chapter 3, stormwater planning could incorporate more water-sensitive urban design including offloading of water upstream and in appropriate locations to cisterns and reuse for irrigation or industrial processes. Through application of water-sensitive urban design strategies, much can be done within the study area to mitigate flooding caused by runoff and to reduce usage of potable water. Techniques include rain gardens, green roofs and rain water collection systems, cisterns, pervious surfacing techniques, and bio-filtration swales.

Although these would help to mitigate long-term runoff issues in the study area, the construction of the two main trunk projects identified in the City's Storm Water Master Plan should be pursued immediately by placing them on the City's Five-Year Capital Improvement Plan so that funding can be secured.

Actions

- Develop a comprehensive stormwater master plan and work with City Public Works Director to gain approval of a broad range of water-sensitive urban design strategies. Prepare a water budget and cost-benefit analysis to illustrate the economic viability of green strategies. Seek grant and demonstration funds for their implementation.

- Explore the feasibility of land acquisition south of the railroad tracks to implement the drainage and trail project.
- Include priority projects in the near term CIP; improvements are anticipated to include upgrades on N 15th Street and N 9th Street and their associated railroad crossings. Include more reuse and harvesting of stormwater in the final project, perhaps including cisterns in rights-of-way.
- Integrate planning of utilities, street improvements, streetscape enhancements, and landscaping and bike paths.
- Revise City stormwater policies and regulations to support drainage concepts described in this plan or provide a mechanism for these strategies to be a demonstration pilot project.
- Work on the new stormwater detention basin and 2nd Avenue N can be done later in conjunction with broader project scopes, although land acquisition for the detention basin should be pursued now.

Exposition Gateway Site Master Plan and Redevelopment Strategy

Discussion

Land in the recommended Exposition Gateway District is well suited for hospitality and entertainment uses that complement MetraPark facilities, possibly including hotels, restaurant, and indoor recreation facilities. This district is proposed to be the terminus of 2nd Avenue N, a street proposed to be developed with the character and qualities of a traditional main street. Redevelopment may offer opportunities for an architectural, grade-separated overpass that improves pedestrian and

perhaps bicycle connections to MetraPark.

Without a site master plan, individual properties on the east side of Exposition Drive will redevelop in an uncoordinated manner as strip commercial with multiple access points and inefficient egress to properties. This will increase traffic congestion and result in an even-more unwelcoming pedestrian environment for visitors to the City and distracting from the unity of the streetscape. Alternatively, site master planning may allow the creation of an attractive gateway, coordinated and shared access, and a cohesive image created through street and landscape standards.

The illustration included in this master plan (Figure 3.3-3) is intended only to convey the recommendation that a site master plan be developed and to illustrate opportunities such as shared parking, attractive gateway, access consolidation, transit access, and connections to MetraPark.

Actions (to be coordinated with annexation and servicing actions described above under the EBURD TIF District Expansion and Annexation Program subsection)

- Property owners within the EG zone should be approached and encouraged to participate in a site master planning effort that looks at opportunities that might be realized through annexation, expansion of the EBURD tax increment district, and a comprehensive look at the properties.
- Explore with land owners how a site master plan could add to land value and create a more attractive entryway and possibly be realized through a series of minor land exchanges, easements, property owner initiated partnerships or land consolidations,

- or participation in a more comprehensive redevelopment consortium.
- Work with land owners on a site master plan and assess the feasibility of land exchanges, shared accesses, and / or voluntary assemblage of land exchanges to achieve a vision.
- Work with local developers and realtors to attract anchor tenants. Provide incentive programs including financing of infrastructure improvements through the City SIDs. Benefits include lower interest rates than conventional financing.
- Improve the public realm, including streetscape, landscape, and non-motorized connections. This district would be an appropriate location for a bus/transit stop, oversized vehicle parking, or park development that includes stormwater management. The design details should be addressed in the site master plan process.

Land Acquisition and Consolidation Strategies

Discussion

A number of land acquisition and consolidation strategies are discussed in the master plan, including acquisitions of land for additional rights-of-way, for public shared parking, for future institutional and civic sites, a major Downtown green space, to implement drainage strategies, and land to be consolidated for major redevelopment projects.

Actions

- Begin to explore ownership, feasibility, strategies, and partners. This effort will help to focus priorities and opportunities.
- The Parks 2020 Plan outlines several strategies. The Trust for Public Land should be sought as a partner.
- Seek to include potential land acquisitions in the current Brownfield Phase 1 Assessment program and engage BIRD members in promoting the program.

Stormwater Plan & Improvements

Discussion

As pointed out in earlier sections of the plan, areas of the study area (particularly the west end) are deficient in stormwater improvements. To retain existing and recruit new businesses, these needs must be addressed. Ideally, the drainage improvements are planned and implemented in coordination with other infrastructure improvements including streets, other utilities, and landscape improvements. This plan describes both conventional drainage and alternative drainage strategies. An integrated and sustainable approach to stormwater management views stormwater as a resource that can be harvested for use as irrigation water, potentially reused in industrial processes, and managed in a manner that cleanses, recharges, and creates other beneficial landscape features. It is anticipated that there will be new infrastructure funding programs and grants to encourage low-impact approaches to stormwater management.

Actions

- Coordinate integrated sustainability strategies and stormwater master plan.

- Develop engineering plans and budgets for all required improvements.
- Include projects in the City's Capital Facilities Plan (CFP).
- Explore funding sources, including grants and SID.

Rail Spur Village Site Master Plan and Redevelopment Strategy

Discussion

A review of properties in the study area revealed that the west end of the EBURD offers the greatest opportunity for redevelopment and creation of a distinct new downtown neighborhood. Many of the properties are underdeveloped, in poor condition, or poorly maintained; however, the utility infrastructure is in good condition. Creating a new mixed-use district that includes some neighborhood commercial and a mix of housing is proposed. The centerpiece of the new district is a new downtown green space, perhaps anchored by a site for a significant public or institutional building. Opportunities discussed during the planning process include exploring the feasibility of locating the City library and office to this new neighborhood, a satellite campus for the College of Technology or MSU-B, as well as recruitment of a business or technical school with an associated business incubator. Mixed-use buildings with ground-floor retail are envisioned along the perimeter of the new neighborhood along 4th Avenue N, 1st Avenue N, and the streets with highest traffic volume. 2nd Avenue N provides a logical extension of the main retail corridor. Retail in the Rail Spur Village District is envisioned as businesses that service the neighborhood. The upper floors would accommodate housing, offices, or perhaps classrooms.

The proposed village would be connected to the CBD, North Park, and the industrial sector by a grid of streets. Streetscapes along 2nd and 3rd Avenues N between the CBD and this proposed district would be developed with a main street character, similar to that of the CBD. The 2nd Avenue N main street character will eventually extend the length of the study area. The site master planning process should support outreach initiatives, including attracting a housing development partner as well as institutional or government anchor, as addressed in the actions listed in Section 7.2.

Actions

- Prior to further refinement of the site master plan, land owners within or nearby the proposed Rail Spur Village District should be identified and contacted to assess the feasibility and methods of assembling land for the proposed village. Coordinate with actions listed above for Business and Developer Recruitment.
- Conduct a detailed inventory of the uses, ownership, and stability and refinement of a site master plan that responds to the findings and development programs of potential tenants. This could be accomplished in coordination with the actions listed above for Business and Developer Recruitment.
- Explore the feasibility of a land acquisition that in the short term can be used for shared parking and in the long term serve as a development site for an anchor tenant and structured parking. Coordinate with the actions listed in Downtown Park Planning and Land Acquisitions.
- The site master plan should respond to and engage potential partners with educational

institutions and housing and economic development authorities. Student, workforce, and affordable housing are appropriate uses in this district. A green jobs incubator associated with university, trade, or technical colleges should be encouraged. Coordinate this action with recruitment efforts recommended in Section 7.2. Work with local developers and realtors to attract anchor tenants and use the site master planning process to assist in recruitment, as described in Section 7.2.

- Improve the public realm including streetscape, landscape, and non-motorized connections. This district would be an appropriate location for a bus/transit stop, oversized vehicle parking, or park development that includes stormwater management.

Actions

- Research and target parkland acquisition; in the short term, this land may be used for shared parking, thereby generating revenue.
- Develop a funding strategy whereby new development pays only a portion of the cost through park fee in-lieu contributions.
- Explore grant funding sources and partnerships with organizations such as the Trust for Public Lands.
- Coordinate transit planning and oversized vehicle parking. In the short term, parking of oversized vehicles may need to be accommodated near downtown until a bus connection between MetraPark and downtown is realized. In the long term, an agreement to park oversized vehicles with trailers should be reached with MetraPark or a property owner in the industrial zone near or at MetraPark, providing bus connections between the east and west ends of the study area.

Downtown Green Space Planning and Land Acquisition

Discussion

Parks, open spaces, and public amenities are essential to urban vitality. They raise land values and stimulate reinvestment. A large downtown park in the CBD was a recommendation of the Billings Framework Plan that has not been realized because of limited land and high land costs. Investments in public amenities should not be set aside for later because money is needed for new utilities or buildings. Currently, land costs are low, and acquisition of land for a major downtown green space in the west end of the study area is highly recommended. A major, well-programmed downtown green space can serve as an economic engine. A great public park will draw people from throughout the community to downtown, provide a focus for development, provide amenities to residents and businesses, and stimulate reinvestment.

Freight Improvements / Rail Extension

Discussion

The value of rail for freight and recycling shipping and deliveries is recognized in this plan. To maximize use, potentially the rail could be extended to service a few more properties to the west, or a shared loading facility could be developed. BIRD members have also discussed a larger container transfer hub south of downtown.

Actions

- Planning for shared access, rail extension, and/or a container hub should be coordinated with BSEDA economic development efforts, and these activities should be coordinated.

2nd Avenue N Streetscape Improvements

Discussion

2nd Avenue N has been identified as the primary pedestrian corridor to be developed as a main street typology, connecting the existing 2nd Avenue N CBD retail district to the proposed Rail Spur Village District; and continuing east with a connection to the proposed Exposition Gateway District.

Actions

- Work with the Downtown Partnership to program the extension of the existing streetscape improvements from N 27th Street to the new district. These improvements will provide a signal to developers that 2nd Avenue N will be a future hub of neighborhood retail activity and provide connectivity with downtown.

Circulation and Streetscape Improvements

Discussion

The EBURD is linked by a traditional street grid network that provides good internal and external circulation opportunities. The street pattern ties directly to the downtown grid on the west edge of the neighborhood, providing an opportunity to tie the western area of the study area to downtown commercial and business activities and at the same time provide improved connections to MetraPark on the east end of the

neighborhood. This adjacency of the west edge to the CBD is a guiding element in priority phasing of street improvements. Within the study area, the street dimensions are generous, but the current facilities are in poor condition; many streets lack sidewalks, curbs and gutters, adequate drainage, or bicycle and pedestrian amenities. Public investment in fixing substandard streets and utilities will demonstrate to owners that the City is committed to sustaining and regenerating the study area. For years, property owners have contributed to utility enterprise funds.

Actions

- Implementation of the circulation plan will be somewhat dependent on how the study area develops. Several small street and circulation improvement projects could be considered as catalysts to spur new development. In part, these projects would send the signal that the study area is poised to support new investment with high-quality street design, efficient circulation, excellent access, and a walkable neighborhood environment. Specific projects to be considered for near-term implementation are listed as follows:
 - Design and build the first two or three blocks of 2nd Avenue N within the district. This will require working with City and property owners to convert 2nd and 3rd Avenues N to two-way streets within the district and extending to (and possibly beyond) N 27th Street.
 - Implement bicycle connections through the neighborhood. Building on the recent successes of the City and Yellowstone County in creating an excellent bicycle system, proposed bicycle enhancements and connections to the Heritage Multi-Use

Trail system should be prioritized. Increasing activity in the study area will help to attract attention to the changes taking place.

- Restripe and construct pedestrian and transit improvements on 4th and 6th Avenues N. Currently, tens of thousands of vehicles speed past EBURD every day on this couplet. Restriping the street to calm traffic and accommodate bicycles and implementing pedestrian crossing improvements would help to signal that there is a place there! Furthermore, over time, these investments will encourage people to use transit, bike, or walk from adjacent neighborhoods to access the study area.

Planning and Implementation for Utility Enhancements

Discussion

Although water, sanitary sewer, stormwater, and private utilities exist throughout most of the study area, some significant upgrades will be required to achieve proper long-term servicing. Improvements can be made in conjunction with the City of Billings Site Development Ordinance or through broader area-wide improvement projects that are in harmony with the district character. Prompt attention to deficiencies in these primary infrastructure facilities must be addressed in the near term. Stormwater system improvements are addressed in the Storm Drainage Master Plan and Improvements section.

Actions

- Immediately, facilitate discussion between the City and property owners and arrive at an achievable and comprehensive strategy and plan for improving the infrastructure in the

neighborhood. Failure to do this may result in loss of businesses to other areas of the City and a decreasing rather than increasing tax base. These discussions should address green and Complete Streets strategies (as outlined in Section 4.3) as well as water-sensitive urban design strategies and the full range of green strategies described in Chapter 8.

- Plan to address basic water, sanitary sewer, and stormwater management systems as well as energy, communications (e.g., fiber optics, WIFI, and state-of-the-art internet services), as well as renewable, clean, and sustainable energy district-wide systems.
- Explore financing alternatives with property owners, the BSEDA, City public works, and energy companies.
- Coordinate the planning of utility, street, streetscape, transit, and bicycle improvements to avoid several disruptions to the neighborhood. If all improvements cannot be installed at once, address logical phasing.
- Address severe undersizing of the main trunks in N 15th Street from 1st Avenue N to the south side of the railroad tracks and lack of sufficient service to the east end of the study area. Many of these blocks in the east end have no surface improvements, such as curb and gutter, little or no grade to promote channeling of runoff, and very limited collection systems.

Conduct a Parking Study, Implement Parking Strategies, and Invest in Public Shared Parking

Discussion

Historically and in the CBD, the City parking district has led the effort to develop public parking structures. There are a few examples, such as Montana Avenue, where effective public/private partnerships were forged. In this instance, a private developer built, paid for, and operated parking lots on public land, agreeing to sell the improvements back to the City as the Depot site and historic district redeveloped. As the district became more vital, it also became more pedestrian friendly, requiring fewer parking spaces per square foot of development.

Actions

- Implement the parking strategies described in the Revise Parking Codes subsection.
- Purchase land for public parking.
- Eliminate the minimum parking requirements.
- Develop an in-lieu parking policy and fee.
- Purchase and bank land for public parking.
- Develop a shared parking strategy.
- Consider parking maximums.
- Evaluate future parking pricing.
- Consider residential parking unbundling.
- Maximize on-street parking on north-south streets.

Bike Trail Extension

Discussion

Community connections to the Yellowstone River are listed as priorities in several community plans included the Growth Plan and the Heritage Trail Plan. Extending the trail from the river to downtown is addressed in the Heritage Trail Non-motorized Transportation Plan. Implementing this extension would benefit the entire downtown. The proposed alignment is south of the rail line from the river to 13th Street, and paralleling the tracks along the north side into the CBD. The feasibility of following the active rail spur west into the CBD should be pursued

Actions

- Complete a trail alignment and feasibility study. Work with City, Chamber, and BikeNet Citizens group to determine right-of-way needs and costs and construction costs. Apply for CTEP and other grants to implement.
- Explore full range of land acquisition strategies. Consider including requirements or incentives to preserve a corridor adjacent to the rail lands through development agreements, purchase or negotiation of recreational use rights-of-way, and land owner donations.

EAST BILLINGS URBAN RENEWAL DISTRICT WORK PLAN

Table 7.3-2 EBURD Work Plan

7.1 POLICIES		2009	2010	2011	2012
1.1	City Council & Co. Commission Adoption of EBURD Master Plan				
1.2	Green Strategies Workshop				
1.3	Revise Parking Code				
1.4	Revise Zoning & Development Code (form based)				
1.5	TIF District Expansion and Annexation Program - County Lands				
1.6	Integrate EBURD Master Plan w/ Adopted Plans & Policies including				
1.7	Confirm Compliance w/ Engineering & Site Development Stds				
1.8	Coordination with MET Transit				
1.9	Incorporate Priority Projects into City CFP and CIP				

Table 7.3-2 EBURD Work Plan

7.2 PROGRAMS		2009	2010	2011	2012
2.1	Business Retention				
	Infrastructure Upgrades				
	Promotion & Outreach				
	Assistance Programs				
2.2	Business and Developer Recruitment				
	Federal Building				
	Colleges-MSU and Technology				
	Medical Expansion-Billings Clinic				
	Green Industries				
	Workforce and Student Housing				
	Expansion of DT businesses and industries				
2.3	Pursue Planning and Capital Grants				
	Economic Development & Job Creation				
	Housing				
	Energy, Air Quality				
	Flood Management / Storm Drainage				
	Transportation & Transportaion Enhancement				
2.4	Branding and Promotion of District				
	Simple Business Directory & Map				
	Hone the Message & Vision				
	Visibility on Websites-DBA, Chamber, Others				
	Outreach Tool Kit(s)- PPT and handouts				
	Green Strategies				
2.5	Phase 1 Assessments of Priority Acquisition Sites				
	Design Incentive and Assistance Programs				
	Communications and Outreach Program				

Table 7.3-2 EBURD Work Plan

7.3 PROJECTS & PLANNING		2009	2010	2011	2012
3.1	Further Development of Sustainability Strategies				
	Information Workshop, Research Grants and Partners				
	Explore LEED ND Certification				
3.2	Stormwater Plan				
	Plan and Funding				
	Implementation				
3.3	Master Plan for Riverfront Gateway District				
3.4	Land Acquisition & Consolidation Strategies				
	Green Space				
	Land for Shared Public Parking-Fee in Lieu Program				
	Land to implement LID Strategies				
3.5	Stormwater Improvements				
3.6	Green Space				
3.7	Freight Improvements / Rail Extention				
3.8	Second Avenue Streetscape Improvements				
	Design & Funding (Explore SID with match from City and Grant)				
	Phase 1 Construction (Broadway to West Edge of District)				
3.9	Street Improvement Projects				
3.10	Utility Improvement Projects				
3.11	Parking Plan and Implementations				
3.12	Bike Path Extension				

08. Sustainable Strategies, Opportunities, & Policy Options

8.1 INTRODUCTION

Throughout the planning process, stakeholders have expressed interest in a “green” mixed-use neighborhood that would retain industrial and manufacturing uses, attract re-investment, create jobs, and provide mixed-income and affordable housing. Initial discussions for the industrial portion of the plan focused on recycling land uses and encouraging businesses that endorse sustainable values or manufacture of green products to locate in the east end. Affordable housing, transportation choices, and bicycle connections to the river, Rims, CBD, and MetraPark were stated priorities. During the design charrette, these ideas were expanded to include preliminary discussions of water-sensitive urban design, solid waste recycling, alternative energy and district heating concepts (including cogeneration of heat and power), and green-collar job creation. Review of emerging trends and research of eco-industrial parks and sustainable planning case studies reveal a broad range of sustainable planning strategies and principles of industrial ecology that could be applied to the area to capitalize on the synergy of the existing and proposed land uses and resources.

The following sections provide integrated sustainability strategies that may provide a **distinct identity and unique market niche** for the neighborhood using a systems approach that will offer advantages not found elsewhere in the City of Billings or region.

Green strategies may include some or all of the following:

- Attracting businesses who manufacture or sell green products.
- Locating training and job incubator centers that focus on green collar and green technologies.
- Building to green standards such as USGBC LEED.
- Designing and managing the district to employ state-of-the-art strategies.

The more comprehensive the green and sustainable strategies are for this neighborhood, the stronger the branding will be and the greater the attraction. It is possible that businesses will actually pay more to be in a center that promotes sustainable values, thereby providing heightened identity and an address.

State-of-the-art strategies may include the use of renewable energy technologies, combined heat and power, recycled water, byproduct exchange (BPX) and/or an exchange network, as well as shared facilities for rail access, shipping and receiving, loading, transporting, and parking. An example of one type of green strategy could include “industrial symbiosis,” in which companies in a region or expanded study area collaborate to utilize each other’s byproducts and otherwise share resources. For example, an industrial



symbiosis network in Kalundborg, Denmark, links a 1,500 MW coal-fired power plant with the community and other companies. Surplus heat from this power plant is used to heat 3,500 local homes in addition to a nearby fish farm, whose sludge is then sold as fertilizer. Steam from the power plant is sold to a pharmaceutical and enzyme manufacturer, in addition to a Statoil plant. This reuse of heat reduces the amount of thermal pollution discharged to a nearby fjord. Additionally, a byproduct from the power plant's sulfur dioxide scrubber contains gypsum, which is then sold to a wallboard manufacturer. Almost all of the manufacturer's gypsum needs are met this way, reducing the amount of open-pit mining needed. Furthermore, fly ash and clinker from the power plant are utilized for road building and cement production.

The EBURD study area contains prominent industrial uses (e.g., oil refineries, waste water treatment plants, scrap metal yards, utilities, industrial agricultural uses, automobile shops, etc.) that could be coordinated in a similar manner to capitalize on the synergy of existing uses while also attracting progressive businesses interested in sustainable manufacturing or other uses. The distinction of being the region's only green mixed-use neighborhood and/or eco-industrial park would likely attract both public and private reinvestment.

8.2 APPROACH AND BENEFITS

The study area and surrounding industrial and public lands could be planned, designed, and built employing a holistic systems approach, in which infrastructure and building designs and operations are integrated to address multiple objectives. By working together, the City of Billings and businesses within the study area may realize a collective benefit from this approach that is greater than the sum of individual benefits. Sustainable infrastructure planning should address

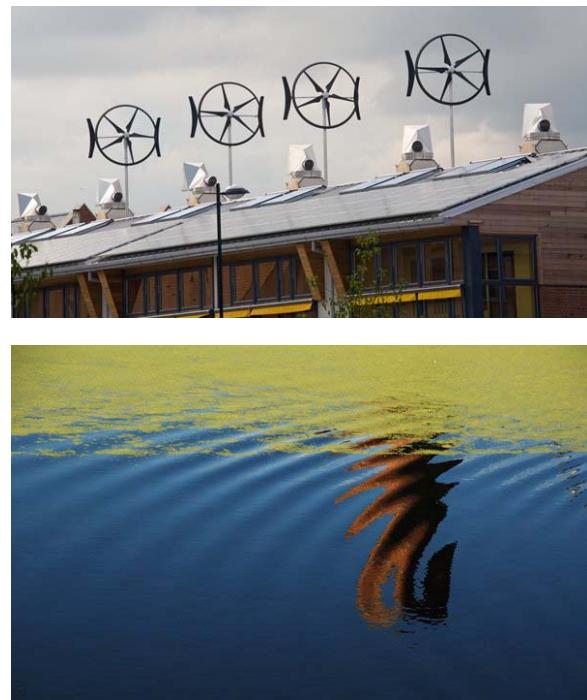
water, energy, ecological, and waste systems considering efficiency, durability, function, and aesthetics.

The study area has the potential to be a model for emerging practices of sustainable community design and industrial ecology in a manner consistent with the community's vision, values, and goals for the area. Ideally, sustainable planning for energy, water, and waste management systems would extend beyond the study area to include the City's wastewater treatment plant, nearby refineries, MetraPark, state-owned lands and open lands south of the study area, and the main line of the railroad to take advantage of the synergy of these uses.

Currently, the County is exploring wind power at MetraPark, and the City is exploring pumping water from the wastewater treatment plant to the refineries with the goal of reducing the amount of water removed from the Yellowstone River. In addition, the Conoco refinery already recycles or reprocesses byproducts including gypsum and other materials. A green neighborhood could build upon and integrate these processes and explorations into a larger plan for the east side of Billings, from the Rims to the Yellowstone River, including the south side industries. It is possible that the expanded study area could attract new businesses by offering green power, renewable energy, recycled water, and a waste management and BPX network.

8.3 ACTION PLAN

The feasibility of an expanded mixed-use study area with an eco-industrial focus should be explored in partnership with the community, EBURD property owners, the City of Billings, Yellowstone County, Conoco, and other adjacent industries as a new model of industrial and infrastructure efficiency, cooperation,



and environmental responsibility. The expanded eco-industrial park (or eco park) concept and methods would enable real estate developers, industrialists, policy makers, regulators, investors, and communities to collaborate in the vital search for local sustainable development. Following recruitment of partners, a critical next step will be mapping and conducting an inventory of energy, water, and waste materials to characterize flows.

In nearly all the case studies of sustainable neighborhoods or eco-industrial sites reviewed, the role of the community and a robust public involvement program were central to success. Although in several communities local government, businesses, and/or consultants have played a more central role, those projects that involved citizens early in the process have been able to rally the community around a common objective -- creating jobs, protecting the environment, and preserving community social values. In general, however, communities lack the technical expertise or resources needed to develop their site's industrial ecology, design their baseline study, attract businesses, and successfully manage all components. For this reason, they have looked to federal, state, and local resources to help launch their projects.

8.4 OUTCOMES

Member businesses might realize enhanced environmental, economic, and social performance through collaboration in managing environmental and resource issues. Investment in sustainable strategies may serve as a stimulus for economic diversification in the community or region. Anchor tenants, such as product manufacturers or waste-to-energy facilities, may attract complementary businesses as suppliers, scavengers/recyclers, service providers, downstream users, and other businesses that could benefit from eco-industrial strategies.

The eco park, informed by eco-industrial park (EIP) planning principles, could be planned, designed, and built in such a way to make it easier for businesses to cooperate, resulting in a more financially sound, environmentally friendly project for the landowners and community. Based on the concepts of industrial ecology, collaborative strategies not only include byproduct synergy ("waste-to-feed" exchanges), but can also take the form of wastewater cascading, shared logistics and shipping & receiving facilities, shared parking, green technology purchasing blocks, multi-partner green building retrofit, district energy systems, and local education & resource centers.

8.5 SPECIFIC OPPORTUNITIES

The EBURD master planning process and the consultant team's research have revealed several potential opportunities including:

- A recycling business cluster.
- A collection of environmental technology companies.
- A collection of companies making green products.
- A designated area for green workforce training, service hub, and/or supply center.
- An industrial park designed around renewable energy (wind, solar, and/or combined heat and power).
- A designated area with environmentally friendly infrastructure or construction.
- A mixed-use area with complementary industrial, commercial, and new residential neighborhood or campus.



- A single BPX or facilitating the creation of a local or regional network of exchanges.

Specific opportunities are summarized below for water, energy, transportation, waste management/flow, land conservation, district management, construction, and community integration.

Water

Design water flows to conserve resources and reduce pollution through cascading uses at different quality levels. EBURD opportunities may include:

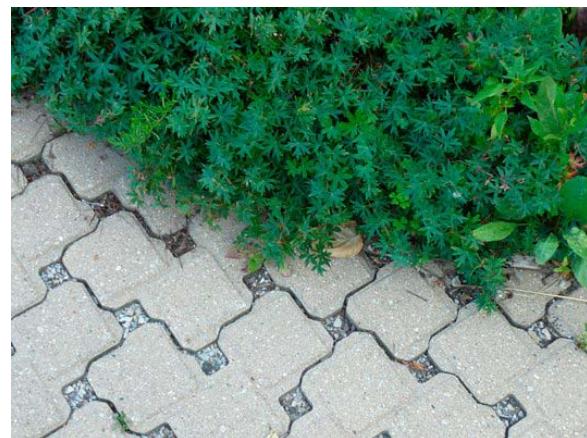
- Reuse and distribution of waste water or stormwater from City waste water treatment plant or main storm drains for irrigation, industrial processes, or uses such as vehicle washing.
- Capture and store stormwater for irrigation on open lands or in below-grade cisterns.
- Provide for groundwater recharge.
- Recycle gray water from building irrigation and industrial processes.
- Install green roofs to reduce stormwater runoff, improve air quality, reduce heat island effect, etc.
- Reduce stormwater by managing upstream, in new and existing parks, green spaces, and streetscapes or though policies that require more on-site retention for longer periods of time.
- Stormwater and gray water are resources; identify sources and policies for their redistribution in the expanded study area.

Next steps:

- Undertake a water balance study of the area (and its surroundings) to determine all water flows in and out of the system. This will enable appropriate planning to minimize potable water requirements and maximize the potential for rainwater or stormwater diversion, collection, and storage; consider the potential for gray water collection and reuse and determine treatment volumes. Water balance studies can often lead to a reduction in water-related infrastructure costs.
- Using the results of the water balance study, create a water-stormwater master plan for the area, incorporating stormwater and gray water uses and creative harvesting, retention, and detention strategies.
- Consider further development/expansion of water-sensitive urban design techniques incorporated thoroughly within the streetscape of the expanded study area to ensure that water running off hard surfaces, particularly from those areas where water is likely to pick up contaminants, is appropriately cleaned before entering other water courses, such as the river or Yegen Drain.
- Adopt policies that support the reuse of storm and gray water, perhaps even allowing businesses to harvest from the large drain in N 15th Street.

Energy /Power

Maximize energy efficiency through facility design or refurbishment, high-efficiency plant co-generation¹, energy cascading,² and other means. Use renewable



¹ CO-GENERATION IS THE CAPTURING AND USING OF OTHERWISE "WASTED" HEAT FROM THE ELECTRICAL GENERATING PROCESS.

² ENERGY CASCADING IS USING RESIDUAL HEAT IN LIQUIDS OR STEAM FROM A PRIMARY PROCESS TO PROVIDE HEATING OR COOLING TO A LATER PROCESS. FOR EXAMPLE, EXCESS STEAM FROM A POWER PLANT OR REFINERY MAY BE USED IN A FOOD PROCESSING PLANT OR GREENHOUSE.

sources extensively. EBURD opportunities may include:

- District heating networks using waste heat from adjacent industrial processes such as the refinery or recycling facilities.
- District heating networks using co-generation plant connecting complementary heat uses in the expanded study area and building complexes, providing highly efficient (and therefore lower running cost) heat and power. A centralized plant also provides flexibility in the future regarding fuel supply. Excess heat generated in the summer can be used to provide chilled water for cooling in the summer if required (heat is used to drive absorption chillers).
- Generation of heat and/or power from locally produced manure as fuel within an anaerobic digestion plant. This might also seasonally be used to manage waste from the fairground activities.
- Wind generators on roofs of public or private buildings or on open lands owned by County, state, or adjacent industries. Building integrated renewables could supply the buildings directly, with excess power going to the grid. Free-standing renewables such as wind turbines could be linked to buildings or be directly connected to the grid. As an example, the Oregon Department of Transportation has installed photovoltaic cells in the interstate right-of-way.
- Ensure that codes and development standards do not preclude the use of renewable energy technologies.
- Geothermal options should be explored.

Next steps:

- Carry out a heat mapping exercise to identify if there are significant waste sources of heat in locations of appropriate proximity to existing or proposed users of heat. Buildings with complementary heat loads (e.g., a daytime user adjacent to a nighttime user) should be co-located to maximize the potential for use of technology such as a combined heat and power (CHP) plant (which ideally runs for a minimum of 4,000 hours a year to make it economically viable). Examples of ideal anchor heat load building types for a CHP include a hospital maintenance facility, leisure center, or hotel facilities, linked up with office and/or residential blocks which have daytime and morning/evening energy requirements, respectively.
- Explore the feasibility of setting up an energy services company to build, operate, and maintain the district energy network including or providing renewable energy services to the expanded study area.
- Investigate whether the refinery is discharging heat into the river or atmosphere that could be usefully harnessed to heat homes or offices. Investigate the underpasses as potential routing for a district heating pipeline.
- Carry out a wind study to identify whether local wind speeds are sufficient to make either urban scale or larger scale turbines viable.



- Carry out a study of existing and future planned area of roof space for potential installation sites for photovoltaic panels and solar water heating panels, considering, for example, structural loading of existing roofs and shading.
- Investigate the potential for requiring a minimum percentage of renewable energy generation to be incorporated into all new development in the expanded study area.
- Investigate the potential for requiring a percent energy efficiency performance increase over local energy code requirements (or national ASHRAE 90.1: 2004 or updated/current version).
- Quantify the amount of manure produced in the stockyards south of the railway and the fairgrounds as a potential fuel source for a local biodigester plant.
- Mobilize educational resources to help the community's businesses and government operations increase energy efficiency and prevent pollution.

Transportation

Provide and enhance transportation alternatives for people and freight. Preserve access to industrial lands, highways, and existing rail capacity. EBURD opportunities may include:

- Preservation, enhancement, and extension of the rail spur to support existing and new businesses.

- Shared public parking for new and proposed uses, particularly near the west end of the study area.
- Shared rail loading dock(s).
- Expanded transit, pedestrian, and non-motorized connections from the study area to the Rims, river, downtown neighborhoods, and CBD (as proposed in other sections of this plan).
- Design junctions to prioritize the bicycle over the car in most of the study area (as proposed in other sections of this plan).
- Design attractive public realm of connecting streets (e.g., street trees, wide pavements, cycle lanes) to encourage journeys by foot or bicycle (as proposed in other sections of this plan).

Next steps:

- Require new development to incorporate significant bicycle storage facilities.
- Encourage new development to develop a green travel plan for employees and visitors.
- Identify and acquire land for shared public parking, rail shipping, receiving, and loading.

Materials Flows and “Waste” Management for the Whole Site

Emphasize cleaner production and pollution prevention, especially with toxic substances. Seek maximum re-use and recycling of materials among area businesses. Reduce toxic materials risks through materials substitutions and integrated site-level waste treatment. Link the tenants to companies in the surrounding region



as consumers and generators of usable byproducts via resource exchanges and recycling networks. Quantify industrial and manufacturing byproducts of existing uses and seek to utilize rather than disposing of them. EBURD opportunities may include:

- Establishing Billings as a national model for waste recycling and BPX by organizing formal exchange programs.

Next steps:

- Highlight and map existing exchanges of byproducts and potential opportunities for new or existing businesses to use waste products produced by another.
- Gather data on resource flows of companies that are interested in or are committed to the BPX.
- Identify companies that could process selected materials, provide collection services for specific byproducts, or otherwise support the operation of the BPX.
- Provide training, tools, and support to the development process and data gathering and analysis.

Land and Resource Conservation

Minimize local environmental impacts by integrating the redevelopment into the local landscape, hydrologic setting, and ecosystem (as proposed in other sections of this plan). EBURD opportunities may include:

- Manage storm drainage on open lands in and south of the study area in a manner that enhances habitat, visual character, and hydrological connections including harvesting, filtration, and infiltration of water.

This landscape might also add visual and interpretive interest to the expanded trail system.

- Integrate planning of water to manage flooding, provide a complete and functional storm drainage system, and provide dependable supply of non-potable water for landscape irrigation. This may be achieved by diverting water from storm mains into cisterns and managing upstream flows, perhaps in North Park, new parks and greenways, and/or underground cisterns.

Next steps:

- Explore the feasibility and acceptance of these techniques with City Engineering and public works and incorporate into infrastructure engineering plans.

Eco Park Management

In addition to standard business park recruitment, management, and maintenance functions, address recycling and reuse programs. Actively recruit green businesses or clusters of businesses who will use each others' byproducts. As companies change over time, support and award improvement in environmental performance for individual companies and the district as a whole, operating a site-wide information system that supports inter-company communications, informing members of local environmental conditions, and providing feedback on performance.



EBURD opportunities and next steps may include:

- Support from BSEDA, Downtown Billings Partnership, City of Billings Public Works Department, Yellowstone County, major industries, and EBURD property owners in the promotion, recruitment, business retention, and maintenance functions.
- Appealing to major industries and employers.
- Distinctive regional branding.
- Directory of businesses in the study area and branding / naming of study area or districts.
- Encouraging / facilitating new development and major refurbishment to pursue LEED certification of neighborhoods and buildings, providing the potential for the eco park to have all LEED certified buildings.

Construction/Rehabilitation

With new construction or rehabilitation of existing buildings, follow best environmental practices in materials selection and building technology. These include recycling or reuse of materials and consideration of lifecycle environmental implications of materials and technologies. EBURD opportunities may include:

- Renovation or remodeling and adaptive reuse of existing structures for new uses with supportive building and development codes.
- Financial, technical support, or infrastructure incentives for reinvestment in the area.
- Encourage and reward the use of LEED CI (commercial interiors) and LEED NC (new construction) for major refurbishment projects.

Integration into the Host Community

Seek to benefit the local economy and social systems through training and education programs, community business development, building of employee housing, and collaborative urban planning. Eco park strategies will be more likely to succeed if part of broader community initiatives. EBURD opportunities may include:

- Public outreach to engage and educate stakeholders and the community of opportunities and benefits.
- Creation of a strategic plan for reducing the total waste stream (residential, commercial, public, and industrial).
- Development of a highly effective regional BPX, providing markets for materials currently considered waste.
- Strengthening economic development planning to encourage businesses that fit the recruitment profile of the expanded study area or that turn wasted resources into products and jobs.
- Reducing greenhouse gas emissions through a project demonstration site.
- Financing of some development costs through public/private partnerships.
- Market-based instruments, such as in the use of taxes, low interest loans, subsidies, and other such methods, to provide financial incentives for environmentally beneficial decisions.



Next Steps for Green Strategy Implementation

1. Mobilize and organize support through outreach, education, and partnerships.
2. Identify public and private partners including government industries and businesses and property owners.
3. Planning and analysis to assess financial feasibility.
4. Inventory energy, water, waste materials, and byproducts of uses and businesses.
5. Create a network to link up existing businesses and recruit synergistic businesses.

Appendix A Economics, Market Forces, & Funding

Appendix A **Economics, Market Forces, and Funding**

A.1 INTRODUCTION

A.1.1 BACKGROUND

The City of Billings established the East Billings Urban Renewal District (EBURD) in 2006 to address development issues in an area near downtown (then called the East Transition Zone). The previously adopted downtown Framework Plan had already identified the East Transition Zone as a logical area for the expansion and continued revival of downtown Billings. The City of Billings, in partnership with Big Sky Economic Development Agency (BSEDA) developed an Urban Renewal Plan and a tax increment finance district to manage and fund the EBURD.

The Urban Renewal Plan is an overarching document that guides future development in the EBURD. Among other things, that plan called for the development of a more detailed development plan, design guidelines, and other implementation measures.

To conduct that next level of work, BSEDA, on behalf of EBURD and the Billings Industrial Revitalization District, Inc. (BIRD), hired EDAW. Work began in August of 2008 and is scheduled to be complete in July 2009. ECONorthwest (ECO) is part of the EDAW team and responsible for the part of the plan that deals with markets and financing. This appendix is ECO's primary product: its principal findings are summarized in the main report in Chapters 2 (Economic and Market Analysis) and 3 (Funding).

A.1.2 METHODS

ECO's analysis addresses (1) market factors that influence development in EBURD and (2) a conceptual finance plan that describes broadly some of the costs and options available. To develop this analysis, ECO took the following steps:

- **Review of data and documents.** ECO reviewed and analyzed available economic data related to Billings, which includes information about the market value of land, land use, vacant lands, and property size. In addition, ECO reviewed City of Billings and statewide policies.

- **Baseline forecast.** ECO described forecast of potential development in Billings based on historical population and employment growth trends, and available forecasts of population and employment in the Billings region.
- **Interviews with industry experts (brokers, land owners, developers).** The project team interviewed several industry experts in Billings to better understand the opportunities and barriers to development and to get ideas about actions that the public and private sectors could take to improve development opportunities.
- **Site visit.** ECO visited EBURD and collected information on existing land use, transportation, and development activity.
- **Community charrette.** ECO attended a community charrette to discuss development alternatives for EBURD.
- **Discussion with the team.** Staff at ECO and EDAW met to discuss their respective draft findings. ECO used that discussion to support and revise its recommendations.

More work on markets and finance could obviously be done. For example, ECO's work does not include a full evaluation of the impacts on development in EBURD of competition from surrounding areas. Nonetheless, the analysis presented here is consistent with ECO's scope and budget, and with the purpose, audience, level of detail, and size of EDAW's final report. It provides an appropriate level of detail to give direction to an implementation strategy for EBURD.

A.1.3 ORGANIZATION OF THIS APPENDIX

This appendix is organized into the following sections:

- **Section A.2, Economic Context** focuses on factors that affect potential future development of EBURD. Its purpose is to give an idea of what kind of development to expect in the absence of the incentives generated by the EBURD, and how that might increase in response to public policies and investments that the EBURD might implement.
- **Section A.3, Redevelopment Potential in EBURD** discusses the many factors that will influence development in the EBURD (grouped roughly as locational, site, market, and policy factors), and uses that information to draw conclusions about the type and amount of development that might occur in EBURD in the next 5-10 years.

- *Section A.4, Funding* discusses various ways that improvements for public facilities (e.g., streetscape, parking, storm drainage, parks) might be funded to help stimulate development in EBURD.

A.2 ECONOMIC CONTEXT

A.2.1 HISTORICAL ECONOMIC TRENDS

Billings is Montana's most populous city. It is located in Yellowstone County, Montana's most populous county. Billings is larger than any city in a 500-mile radius, making it a center for commercial, educational, medical, and transportation services. Billings' primary trade area consists of Yellowstone County and 14 surrounding counties, including approximately 250,000 people from Montana, Wyoming, South Dakota, and North Dakota. Billings has three colleges, two hospitals, two oil refineries, and an airport.

Exhibit A-1 shows population in Montana, Yellowstone County, and Billings in 1990, 2000, and 2007. In 2007, Billings had 96,588 residents, 10% of Montana's total and 69% of Yellowstone County's total. Over the seventeen-year period, Billings grew at just over 1% annually, at about the same rate as the state during the same period.

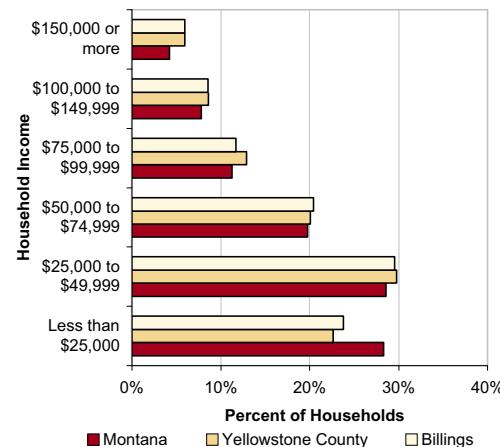
Exhibit A-1. Population in Montana, Yellowstone County, and Billings, 1990, 2000, and 2007

	1990	2000	2007	Change 1990-2007		
				Number	Percent	AAGR
Montana	799,065	902,195	957,861	158,796	20%	1.07%
Yellowstone County	113,419	129,352	139,936	26,517	23%	1.24%
Billings	81,151	89,847	96,588	15,437	19%	1.03%

Source: U.S. Census 1990 Summary File 1, P001, <http://factfinder.census.gov/>
 U.S. Census 2000 Summary File 1, P1, <http://factfinder.census.gov/>
 American Community Survey 2007, B01003, <http://factfinder.census.gov/>

Exhibit A-2 shows household income in Montana, Yellowstone County, and Billings in 2007. Billings and Yellowstone County have similar income distributions, with 24% of Billings residents and 23% of county households making less than \$25,000, compared to 28% of statewide households. Similarly, 14% of Billings households made \$100,000 or more, compared to 15% of county households and 12% of statewide households.

Exhibit A-2. Household income in Montana, Yellowstone County, and Billings, 2007



Source: American Community Survey 2007, B19001, <http://factfinder.census.gov/>

A report, *Socio-Economic Profile for the Billings Market Area* (Headwaters Economics, April 2007) defined a Billings Market Area (a larger area than the City of Billings) and estimated it had 252,437 residents in 2004. Job growth in the Billings Market Area outpaced the state and the nation since 1970. The most rapid growth in the area came in the construction and agriculture sectors. Income growth kept pace with the nation and outgrew the state since 1970.

Exhibit A-3 shows employment by industrial sector, by size, in the Billings Market Area in 2004. Retail trade (1,435 firms) and construction (1,267) were the sectors with the highest number of firms. The distribution of employees across firms suggests the sectors with the greatest number of employees were retail trade, accommodation and food services, and health care and social services.

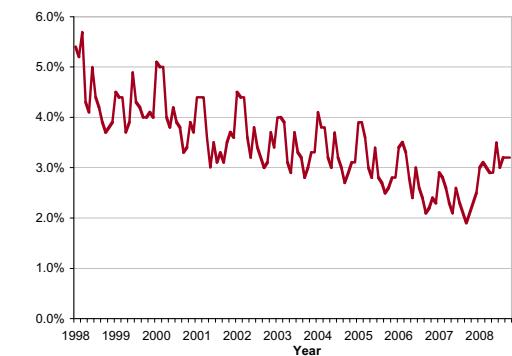
Exhibit A-4 shows the unemployment rate in the Billings Metropolitan Statistical Area (MSA includes Yellowstone and Carbon Counties) from 1998-2008. The unemployment rate shows seasonal variation, but it generally moved downward. After hitting a low of 1.9% in September 2007, the rate rose back to 3.2% in October 2008. The most recent rate is low relative to national averages.

Exhibit A-3. Employment by size and sector in Billings Market Area, 2004

Sector	Total	1-4	5-9	10-20	20-49	50-99	100 or more
Forestry, fishing, hunting, & agriculture	46	36	5	5	-	-	-
Mining	129	72	24	12	10	5	6
Utilities	58	36	5	8	6	2	1
Construction	1,267	888	211	113	44	9	2
Manufacturing	329	159	63	55	33	11	8
Wholesale trade	482	247	91	80	45	14	5
Retail trade	1,435	696	357	214	121	29	18
Transportation & warehousing	337	195	47	41	36	12	6
Information	161	79	32	30	14	4	2
Finance & insurance	482	298	94	37	39	10	4
Real estate, rental, & leasing	403	326	45	21	10	1	-
Professional, scientific, & technical serv.	865	626	134	70	24	7	4
Mgmt of companies and enterprises	36	16	11	5	3	1	-
Admin, support, waste mgmt, remed. serv.	413	278	62	35	26	11	1
Educational serv.	59	36	11	3	4	2	3
Health care & social assistance	783	386	196	103	45	30	23
Arts, entertainment, & recreation	289	176	47	35	24	4	3
Accommodation and food serv.	845	305	164	175	164	27	10
Other services	865	580	178	78	26	2	1
Unclassified establishments	53	51	-	2	-	-	-
Total	9,337	5,486	1,777	1,122	674	181	97

Source: SocioEconomic Profile: Billings Market Area, Headwaters Economics, page 17
Accessed: www.bigskeyeda-edc.org/pdf/Billings-Market-Area.pdf

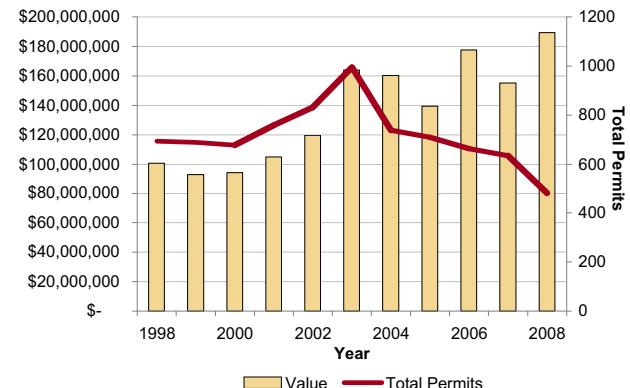
Exhibit A-4. Unemployment rate in Billings MSA, 1998-2008



Source: Bureau of Labor Statistics, series LAUMT30137403, <http://data.bls.gov>

Exhibit A-5 shows the total number of building permits and valuation per year between 1998 and 2008 for *all new construction*, including single-family dwellings, duplexes, multi-family dwellings, hotel/motels, commercial uses, and garages. The total number of building permits issued declined from 995 in 2003 to 482 in 2008.

Exhibit A-5. Building Permits and Valuation in Billings, All Types, 1998-2008



Source: Monthly Building Permit Reports, City of Billings
Accessed: <http://bil.ci.billings.mt.us/buildinginspection/default.aspx>

Exhibit A-6 shows the number of dwelling units in the City of Billings in 2000 and 2007. The number of housing units within the City of Billings increased by 3,590 units between 2000 and 2007. Exhibit A-6 summarizes the increase in units for single-family (detached and attached), multi-family (including duplex), and mobile homes.

Exhibit A-6. Dwelling Units in the City of Billings, 2000, 2007.

Year	2000		2007	
	Number	Percent	Number	Percent
Single Family, detached	24,221	62%	27,176	64%
Single Family, attached	1,811	5%	2,183	5%
Multifamily	10,254	26%	10,517	25%
Mobile Home	2,865	7%	2,462	6%
Total	39,151	100%	42,338	100%

Source: U.S. Census 2000, Summary File 3, H30, <http://factfinder.census.gov>
American Community Survey 2007, B25024, <http://factfinder.census.gov>

Note: multi-family includes duplexes

Single-family homes made up about two-thirds of all dwelling units in Billings in 2000 and 2007. Multi-family units made up about one quarter of dwelling units. The number of single-family dwelling units increased by 3,327 between 2000 and 2007, which is an average net addition of 475 units per year. Multi-family units increased by 263 in that timeframe (average of 38 units per year). The number of mobile homes declined by 403 units.

A.2.2 FORECASTS

The Montana Economic and Demographic Databook prepared by Montana State University Billings forecasts population and employment in Montana Counties up to 2030. Exhibit A-7 shows Yellowstone County is projected to grow from nearly 144,000 people in 2010 to over 171,000 in 2030, a change of 27,360 people, an average annual growth rate of 0.87%.

Exhibit A-7. Population forecast in Yellowstone County, 2010-2030

Year	Population	Change
2010	143,940	--
2012	146,600	2,660
2014	149,230	2,630
2016	151,840	2,610
2018	154,440	2,600
2020	157,110	2,670
2030	171,300	14,190
Change 2010-2030		
Number	27,360	
Percent	19%	
AAGR	0.87%	

Source: Montana Economic and Demographic Databook, page 340
Accessed: http://housing.mt.gov/Includes/CP/Docs&Rpts/CP_Databook-Powderriver_yellowstone.pdf

Exhibit A-8 shows an employment forecast for Yellowstone County from 2010 to 2030. Yellowstone County is projected to grow from about 107,000 workers in 2010 to about 132,000 in 2030, a change of 24,750 workers, or an average annual growth rate of 1.04%.

Exhibit A-8. Employment forecast in Yellowstone County, 2010-2030

Year	Employment	Change
2010	107,670	--
2012	111,690	4,020
2014	114,820	3,130
2016	117,810	2,990
2018	120,140	2,330
2020	122,400	2,260
2030	132,420	10,020
Change 2010-2030		
Number	24,750	
Percent	23%	
AAGR	1.04%	

Source: Montana Economic and Demographic Databook, page 337
Accessed: http://housing.mt.gov/Includes/CP/Docs&Rpts/CP_Databook-Powderriver_yellowstone.pdf

A.2.3 IMPLICATIONS FOR DEVELOPMENT IN EBURD

Population and employment in the City of Billings have grown consistently historically. Population and employment in Billings grew slightly faster than Montana or the U.S. from 2000-2007.

Montana has the largest coal reserves in the nation with about 120 billion tons, mostly throughout the central and eastern portions of Montana.¹ Alberta, Canada, directly north of Montana, has tar sands deposits that allow Canada to be ranked second in the world (after Saudi Arabia) in petroleum reserves – Billings has a pipeline coming from those fields, is the nexus for several oil and gas pipelines, and has two refineries. Growth in the energy industries will help drive economic growth over the next decade. Billings is likely to continue to grow at rates similar to or slightly greater than Montana and the nation both in terms of population and employment. The State's long-run forecast is for continued growth in Billings at about the same rate.²

The main implication for the EBURD planning is that there is likely to be growth in the Billings area that it can capture a share of. What happens in EBURD depends on (1) how much growth there is in the Billings area, and (2) what share of that growth EBURD captures.

Regarding the first point, it seems reasonable to assume that after the current recession plays out, Billings will see growth over the next 20 years at about the rate it has seen historically over the last 20 years. That is what all the long-run forecasts are currently saying. In rough terms, the long-term prospects for Billings are for growth in population and employment at a rate of around 1% per year. For population, that means, in rough and round terms, an increase of about 1,000 people per year in Billings; at about 2.2 people per dwelling unit, that is about 450 dwelling units per year; for the last seven years, Billings has averaged about 500 new dwelling units per year, so those numbers are consistent. The number of employees is typically a little over half of the number of people in a large region, but in Yellowstone County the estimates in Exhibits A-7 and A-8 show the estimated growth in employment to be 90% of the estimated growth in population.³ For the purpose of this calculation, we assume that there are

¹ Montana DEQ: <http://www.deq.mt.gov/ClimateChange/Energy/EnergySupply/SScoal.asp>

²A fundamental assumption here is that US and world economies recover from the current recession in a year or two (i.e., that the recession is part of a business cycle, not the leading edge of a longer period of economic decline).

³ Implying that most of the people moving to the County are workers – that there are few children or retirees. That number seems high.

now about 70,000 employees in the City of Billings (75% of the population). Depending on the type of employment, employees may use anywhere from 250 (dense office space) to 2000 (warehousing space) square feet of gross built space per employee. Assume that the average space per employee is 625 square feet.⁴ If employees grow at 1% per year, needed space would start at about 440,000 square feet per year. These rough estimates put the demand for new commercial and industrial space (combined) at around 0.5 million square feet per year.

Regarding the second point, the share of growth that EBURD experiences depends on several demand and supply factors (including the ultimate plan, its policies, and any investments the City might make to increase the value of the district as a location for development). We address those in the next section.

A.3 REDEVELOPMENT POTENTIAL IN EBURD

A.3.1 FACTORS THAT INFLUENCE DEVELOPMENT IN EBURD

While local governments and service districts cannot control the short-term real estate market, their actions can influence the market: policy decisions about land use regulation (zoning and development code), infrastructure development (location, capacity, and funding), and redevelopment policy (urban renewal), can shape future development types and can sometimes influence expectations about pricing for land in the market.

This analysis focuses on the mid- to long-term market in EBURD. It looks more at longer-term fundamentals than current market prices and volumes – more at the longer trends than at the business cycles. Our assessment of available demographic information and growth projections for the Billings area leads us to conclude that the character of today's real estate market is not a likely predictor of market demand in the 10-15 year planning horizon. In a longer planning horizon, physical and regulatory characteristics may give EBURD some advantages relative to other areas for development in the Billings region, if not overall, then for a particular development type. Each sub-area of the Billings market has somewhat different combinations of advantages and disadvantages that affect development potential: land, location, natural resources, infrastructure, and public services.

⁴ Three-quarters of new employment in commercial/institutional (office / retail) at an average of 500 sf per employee; one-quarter in industrial/warehousing at an average of 1000 sf per employee.

While evaluating property development usually requires a comparison: "how does this property compare to other properties?" it also requires some notion of net value – of the property attributes relative to the price. Good site and location attributes do not mean a property will develop quickly if it is priced way beyond what the market will pay for those attributes.

A distinction often made in property evaluation is between *location* and *site* characteristics. Location characteristics are about all the things around a property; site characteristics are those of the property itself.

For EBURD we are not evaluating a single site, but a large grouping of sites in an area of almost a square mile. At a regional level, all of the sites have similar locational characteristics: they are flat, have public services (except for some that lack drainage or fully improved streets), and are close to the downtown and all the services and amenities it has to offer. But at the neighborhood level, the properties have different locational characteristics: for example, some are closer to the downtown, some are closer to MetraPark. The distinction between locational and site characteristics gets blurred: for example, is access to the rail spur a locational characteristic or a site characteristic?

Thus, in this analysis we do not worry about the distinction between site and locational characteristics, nor does our analysis look at particular sites (properties). Rather, we provide an overview of development potential of the EBURD area by looking at three broad categories of factors: physical, market, and policy factors.

A.3.1.1 Location

EBURD has several important locational advantages relative to other areas in Billings:

- **Proximity to downtown.** EBURD 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.** MetraPark is a county owned multi-function facility that has an indoor arena, rodeo grounds, a horse track, open space and other facilities.
- **Proximity to the airport.** EBURD is closer to the 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.** EBURD is in close proximity to commercial areas downtown and in Billings Heights, which is a commercial and residential hub to the north. There is a large grocery store (Albertson's) located at 27th Street and 6th Avenue, within walking distance of the east end of the study area. In addition, EBURD is located near an established residential neighborhood to the north (North Park).
- **Proximity to regional highways.** Especially the intersection of 212, I-90, and I-94.

The key comparative advantage for EBURD is its central location *between* downtown and MetraPark (and between the West End and the Heights) on flat land with urban services. It is an obvious location for urban development.

A.3.1.2 Access and Transportation

Access is critical to successful redevelopment of an area. Access applies both regionally and locally. It is an advantage to be connected to areas outside Billings for freight, market penetration, and tourism. Locally, it is an advantage to get people into and through an area efficiently, making it easy for people to stop (park) and participate in activities (work, shop, recreate).

The EBURD study area has relatively convenient motor-vehicle access to and from other areas in Billings. The study area is centrally located near downtown and in close proximity to major transportation routes, including State Routes 87, 212 and Interstates 90 and 94.

While access to and from the study area and circulation *through* the study area, is relatively convenient, circulation *within* the area and access to individual locations within the boundaries is less convenient. Many close-in transitioning industrial areas in other cities experience issues similar to those facing EBURD. There are tradeoffs between through traffic and local traffic; between convenient access and speed; and between safety and speed. Transportation systems in areas like EBURD have often developed in ways that have had negative impacts on businesses and quality of life. Bypasses, couplets, and one-way streets can negatively affect an area by increasing travel speeds, limiting local circulation, encouraging through traffic, and hindering the pedestrian environment. This applies, to some extent, to EBURD: the east-west streets are primarily one-way and 2nd/3rd Avenues act as a couplet. Most traffic

going into the study area is pass-through traffic or is traveling to a destination in the east end of the study area.⁵ While this provides relatively convenient access *through* the area, it does not always help to promote safe and convenient circulation *within* the area, in particular for pedestrians and bicyclists.

Met Transit operates mid-day and peak hour bus service within the study area. The downtown Transfer Center is located in close proximity to EBURD's western boundary.

Bicycle and pedestrian access is limited due to relatively high traffic speeds, which contribute to a "highway-like" atmosphere throughout the study area. There are limited bicycle lanes through the district, as well as limited sidewalks and other pedestrian amenities (lighting, crosswalks, benches etc). There is no established pedestrian link between downtown and the Central Business District.

An active freight mainline is located within the study area (between Minnesota and Montana Avenues, along the southern boundary of the study area. A spur traverses east/west through the study area along 5th Avenue. The spur is used intermittently for deliveries to local businesses.

The overall evaluation of the relative transportation advantages or disadvantages of EBURD depend on the scale and on the users being evaluated. At a regional level, EBURD scores well: good highway access, ample local street capacity for through traffic, heavy rail for freight, close to the airport, and close to the interstate. For industrial and commercial users these are all positives. At the neighborhood level, the area has a good street grid and, with the kinds of improvements suggested in the main report, the street system should be able to offer good access to all properties.

A.3.1.3 Physical characteristics and infrastructure

Urban growth and redevelopment requires certain physical characteristics and types and levels of infrastructure to support its growth: paved streets, public water, sewer / stormwater facilities. The EBURD study area is relatively flat, with minimal grade change. With the exception of stormwater drainage facilities, the study area is furnished with adequate urban level infrastructure in most places.

⁵ Internal memorandum: "Existing Transportation Conditions and Opportunities for EBURD." Nelson Nygaard. 2008.

There area is currently served with water and sanitary sewer facilities. A grid of water mains serves the majority of the area, with the exception of the eastern portion of the study area, which is characterized by larger lots that occupy multiple blocks and parcels that are not within the City limits. The existing water system is adequate to meet domestic water needs, but may not meet required fire flow requirements in the short-run. The sanitary sewer system is deemed adequate for the short-run planning period (five years), although there are some areas in the study area that are not served. The sewage treatment plant is located east of the MetraPark facilities.

Upgrades to the water and sanitary sewer systems are not contemplated in the City's Capital Improvements Plan (CIP). Improvements would need to be made as needed and would likely be driven by owner or developer needs. The estimate to bring the water and sanitary sewer systems up to standards is approximately \$1.4 million for the water system and \$0.6 million for the sanitary system.

The most notable deficiency in the area is the stormwater drainage system. The area experiences significant backup and surface ponding in a few locations due to capacity limitations of the mains and lack of curb and gutter improvements. The current estimate to bring the stormwater drainage system up to standards is approximately \$2.8 million. The City has not allocated funding for this in the CIP.⁶

The total estimate for water, sanitary sewer and stormwater drainage upgrades is approximately \$5 million.

Although the transportation system is discussed in the previous section, transportation infrastructure itself is an important factor to consider, as improvements to the streetscape can add additional costs to development. Many of the existing streets in the study area lack bicycle lanes, sidewalks, landscaping, planter strips, and other pedestrian and bicycle amenities (such as crosswalks and lights). There are many opportunities to improve conditions for motor – vehicles, pedestrians and bicyclists throughout the district, although there is considerable amount of work (and expense) required to make such improvements.

⁶ Technical information about the water, sewer, and storm drainage system provided by Engineering, Inc. internal memorandum entitled "Existing Conditions and Needs - Public and Private Utility Infrastructure" 2008

A.3.1.4 Existing uses / compatibility

Existing uses in the area can have an impact on the likely location of redevelopment projects as well as the likely timing of redevelopment.

What businesses and developers judge to be compatible uses depends on what they want to develop. Surrounding industrial uses will be less risky for most industrial redevelopment than surrounding residential uses. But compatibility is not absolute and is traded-off against relative prices. Thus, one finds pioneering redevelopment of commercial and residential space in industrial areas because land prices are low relative to other properties and to the locational characteristics.

Vacant lots are typically considered more attractive as opportunities for redevelopment in the short-term because they present fewer barriers and costs, such as relocation of existing businesses and demolition of existing structures. Established businesses or residential areas are sometimes considered less likely to redevelop while there are other, more attractive sites in the area.

Existing land uses in EBURD include a mixture of light industrial, manufacturing, and commercial uses. The industrial uses include service and wholesale distribution businesses that cater to automotive, manufacturing, construction, agricultural trades or businesses. Larger industrial uses are located primarily on the north, east, and south edges of the study area. Smaller commercial uses and vacant lots are interspersed through the middle of the area. There are some residential uses in the western part of the study area.⁷ The East Billings Urban Renewal Plan indicates that there are many vacant lots and vacant buildings in the study area, many of which have deteriorated and will require significant reinvestment to rehabilitate or redevelop them.

In general, the size of and diversity of parcel types and locations in the EBURD provide numerous of opportunities for all types of development.

A.3.1.5 Lot size and ownership

Land ownership patterns are a challenge to redevelopment when existing parcels are small and owned by many different owners. Any large-scale development will require assembly of smaller parcels into one larger site. When these parcels are owned by a variety of people who may or may not be willing to sell, land assembly can be an impediment.

⁷ East Billings Urban Renewal District Plan, 2006. Section F.1, Existing Conditions

The EBURD study area has about 550 tax lots; there are obviously many different owners. Some of the lots are small. This situation can create a need to assemble land for many types of office, commercial and residential projects. If these parcels were all held by different owners, land assembly for larger projects could be a challenge. This is not entirely the case in EBURD, however, as there are some larger parcels, or groups of parcels under common ownership. These include half-block configurations or full blocks under consolidated ownership, such as the Golden Steel & Recycling site (approximately 3-4 acres), the former Chevy dealership site, and a few other full block sites.

A.3.1.6 Historical economic, market, and development activity

The scope of work for this project did not envision a detailed market analysis. Nonetheless, any forecast of future development activity in EBURD requires some reference to what kind of development has occurred in EBURD and Billings, and some assumptions about what the future market might be like for various types of development. This section gives an overview for broad categories of development: industrial, commercial (office and retail, with a breakout of the lodging component of retail), and residential.

Section A.2.3, *Implications for development in EBURD*, above establishes some broad boundaries for likely growth in the Billings area. It shows information to justify an assumption that post-recession development in Billings will be on the order of 400-500 dwelling units per year, and 0.3 to 1.5 million square feet of commercial and industrial space (employment space).

In March 2006, Taimerica prepared an economic analysis of EBURD for BSEDA. That report provided the kind economic information that is standard for establishing an urban renewal district. We use that information as a base.

The EBURD is has almost 360 total acres, almost 60% of which make up about 550 taxlots (most of the remainder is in right-of-way). Of the developed or developable land, only about 5% is residential: it is mainly industrial and commercial.

Taimerica forecasted commercial absorption (its definition of "commercial" includes "industrial") for the Billings MSA (including Yellowstone County) at 7.7 million square feet over a 10-year period (table, page 10), which would be an average of about 0.8 million square

feet per year over that period. The MSA is obviously bigger than the City of Billings. If we scale back the estimate, commercial development in the City of Billings might average about 0.5 million square feet per year, which is in the range of the estimate we got using other methods.

A further cross-check is the new First Interstate Bank building, which will have on the order of 50,000 square feet. That would be 10% of the annual Billings allocation. The Taimerica analysis goes on to conclude that the total increase in assessed value from new buildings in the EBURD could be about \$140 million over 10 years, an average of \$14 million per year. This estimate is also in the ballpark of the value of First Interstate Bank.

The viability of the EBURD for industrial uses is obvious: it is zoned for that use, has compatible development, and has good highway and rail access. A potential obstacle to industrial redevelopment will be the expectations (with reason) that land in the EBURD could develop commercially, with those expectations translating into higher land prices that make industrial development more difficult.

Various businesses and institutions have taken notice of the locational and site characteristics in EBURD and have expressed potential interest in developing office space. Both the hospitals and the University have expressed interest in moving some administrative operations from their more crowded campuses to a back office operation in EBURD. The federal government plans to put 100,000 square feet of new office space somewhere in central Billings: EBURD is a possibility. Montana Avenue and 3rd Avenue are logical extensions for downtown office and retail activity into the EBURD.

For the purposes of the estimates in this report, given all the previous information on the factors that will affect development in EBURD and the Taimerica estimates, it does not seem unreasonable to assume that the EBURD might capture up to 5% to 10% of the commercial / industrial development in Billings over the next 10 years. Given previous estimates, that would mean an average on the order of 25,000 to 50,000 square feet of new built space per year. That development will be a mix of commercial and industrial development. The commercial development is more likely to be office development than retail, though retail has potential at the western and eastern edges of the district, where it can serve other developed areas: the estimated amount of other new commercial development in EBURD in the next 10 years is not sufficient to support much retail on its own.

Developing the retailing component of commercial will probably be harder than developing the office component. The most likely retail opportunities are all at the edges: on the west, tied to the downtown and Montana Avenue; on the east, tied to Main Street and MetraPark; and on the north, as strip commercial tied to 6th Avenue. Retail would be helped by proximate housing, but we describe some of the problems for housing below. The best chance for retail is probably by incorporating it into mixed-use development at the west end (driven by office uses) and east end (driven by lodging, and as a higher-end variant of a retail power center).

Because of the location of MetraPark, its interest in lodging, the suitability of sites across from MetraPark for lodging, and the Taimerica assumption that a part of the future development in EBURD would be lodging, we looked market information for lodging in more detail. Through MetraPark we were given access to data from Smith Travel Research, the industry standard for lodging. We looked at occupancy and rate data since 2004.

Our assessment is that the current occupancy rate is at about what has been historical what industry analysts call "the natural occupancy rate." That average annual rate across all reporting lodging establishments (most of the ones in Billings) is around 63%. That means historically, when occupancies are at that level, there is not strong upwards or downward pressure on room rates. This level is where the market drives itself to in the long run either by new properties opening or old ones closing. When a market is running at the natural occupancy rate (as measured over the entire year), profit margins in the industry are adequate. If the current occupancy rate were much higher than the natural occupancy rate, lodging developers are more likely to build more lodging.⁸

Thus, there does not appear to be much *current* demand for new lodging. Moreover, the current market is uncharacteristically depressed. But all the forecasts are long-run growth of population and employment in Billings. Lodging demand should increase at more or less the same rate, other things being equal.⁹ Smith Travel Research reports about 4,000

⁸ In general, the more expensive the property (more upscale) the higher the occupancy rate has to be so to make a fair rate of return. Thus, if the natural occupancy rate overall is 63%, it might be 72% for an upscale hotel and 55% for a budget motel in the same city. The same is so for full-service versus limited service (the difference being having a restaurant in the hotel).

⁹ An example of one thing that might not be equal and would have a disproportionately depressing effect on lodging: large increases in prices for fuel for motor vehicles.

available rooms in Billings. Elsewhere we have provided evidence to support 1% as a reasonable annual growth rate for population, employment, and the Billings economy in general. Taking 1% of 4,000 yields 40 rooms per year.

These numbers suggest that over the next 10 years it is likely that three to five new hotels will be built in Billings. Is EBURD competitive as a location for some of that new lodging? We think it is. With the proper planning, public cooperation, and public-private partnership, the land just west of MetraPark across main is available and suitable for lodging.¹⁰ That land is at the eastern gateway to the City. MetraPark is across the street, has a long history of successful operation (850,000 to 1 million visitors per year, with 30% coming from over 100 miles away¹¹), and provides opportunities for complementary meeting space and catering facilities. As a caution, however, since an upscale hotel generally needs a higher occupancy rate, it will need to be reasonably occupied throughout the week and throughout the seasons. Business related to MetraPark, by itself, will not be sufficient: the hotel will need to attract different demand segments. Commercial and business travelers are an obvious target and would help level off the swings in demand from MetraPark. But, being close to MetraPark means being distant from the downtown, which is where non-MetraPark guests are more likely to want to be.

Ultimately it will be primarily private money that develops the hotel, and the developers will be considering these types of tradeoffs. EBURD should definitely market and consider proposals for lodging in the district, and should consider the use of *some* TIF revenue to help make it happen. This can be good use of TIF if the proportions are right and the TIF has some security in the project

Regarding housing, Exhibit A-6 shows that the market for new housing in Billings has been and continues to be predominantly for single-family housing, and suggests that the total market for all new housing in Billings might average around 400 to 500 units per year over the next 10 years (less, if one factors in the lean years that will accompany the current recession). That leaves a relatively thin market for multifamily housing in all of Billings, and EBURD is a small part of Billings.

¹⁰ This land is not in the EBURD boundary, but next to it. It was left out because it is not in the City. In our opinion, it should be in all parties' interests to look into annexing that land and bringing it the district.

¹¹ Per Sandra Hawke, MetraPark, February 2009.

A few numbers and some assessment of buyer and renter options and preferences give an idea of the challenge for urban-style housing development in the EBURD:¹²

- Single-family detached units are not likely or appropriate in the EBURD. Making them work would take a lot of investment in amenity, and the return on that investment would be small because of the relatively low density.
- Thus, our conclusion is that one must be looking at some type of attached residential product: either horizontal (townhouses) or vertical (apartments or condominiums). High-rise construction (steel and concrete) will require costs that almost certainly will not work in EBURD over the next 10 years. Thus, the vertical market is probably for two- to three-story or podium construction.
- Even that cheaper type of construction may have all-in costs (land, soft cost, hard cost) of \$100 to \$120 per square for basic units. Higher quality units with more amenity might run at \$200 per square foot. These numbers suggest that rental units, to be financially feasible without subsidy, might have to rent in the range of \$1.00 to \$1.50 per square foot per month. An average two-bedroom apartment might have 800 – 1,000 square feet (say 900). Average (mean and median) rents for two-bedroom apartments in the Billings area in early 2009 were around \$620 per month. That yields rents of just under \$0.70 per square foot per month. Of course, these are mainly used units, but it is the market within which new units have to compete. Rents have been rising in recent years, but they are still low relative to the substantially increased cost of building new housing.
- The Downtown, after South Billings, has the lowest median sales prices in the Billings area.
- Comparing average sales price to average square footage for single-family homes in 2008 in Yellowstone County: the mean is \$88 per square foot; the median is \$84 per square. That is the market in which new housing in the downtown must compete, and it almost certainly cannot deliver square footage at that cost. Thus, buyers have to decide that the location in the EBURD is worth the premium. A better comparison would be to *new* housing (not average sales for all types of housing), but we don't have the details

of the numbers. From work elsewhere we can say, however, that the cost per square foot of building new urban-type housing as infill is typically higher than building multifamily housing in more suburban locations.

- If construction types similar to those used in more suburban locations are used for housing in the EBURD (e.g., traditional, woodframe, 2-3 story apartments with carports), then construction costs might be similar for the dwelling units. But suburban products in the EBURD will not create the kind of urban feel that is desired, at least at the west end of the district.

The previous analysis is not meant to dispute the *desirability* of having housing in and around the downtown: the evidence on the desirability of that housing is overwhelming. Rather, we are pointing out that despite its desirability from a social perspective, it will be tough to deliver from a market perspective. There are some things, however, that could help to bridge the gap. Because new housing in the EBURD competes with the entire housing stock in the Billings area, anything that changes relative prices of the *full bundle of housing services* in favor of EBURD will be helpful. Some examples:

- Increases in the cost land at the urban fringe, perhaps because of the increasing cost of extending infrastructure and public facilities. That could come about by government policies that restrict that development (e.g., a requirement that suburban development have full urban services, be annexed to Billings as the urban service provider, and pay a full or higher share of the costs of providing the services).
- Increases in the price of fuel. Part of housing's bundle of services is access to work, shopping, and recreation. If consumers deem that access better in central locations, they may pay a premium for those locations (or less for distant locations).
- It is typical for urban renewal district to use tax increment to publicly finance certain aspects of development. That public finance, other things being equal, reduces the costs to private sector developers. Some of that public money can go to housing to reduce the cost and the rents required to make a rate of return that will allow development to occur. The problem, of course, is that urban renewal districts are by definition areas with some blight, which means there is usually a backlog of expensive infrastructure, clean-up, and basic-services issues that need attention and funding.

¹² We are grateful to Howard Sumner for sharing with us his extensive information (The Sumner Source) on the residential housing market in Billings.

- There are outside sources for housing assistance. Section A.4, Funding (below), describes some of those. Some of those programs target affordable housing for households whose incomes are substantially below estimated averages. They should be a component of the housing in EBURD, but should not be the entire neighborhood – the emphasis should be on market-rate and workforce housing, which will generate support for retail, help create a new image for the area, and support an office environment.

A.3.1.7 Public policy

There are not obvious and major barriers to redevelopment created by public policy. A case can be made that the opposite is true:

- EBURD is an urban renewal area: it now has tools available for redevelopment that are not available in other places (e.g. funding, financing, and land assembly).
- EBURD has been subject of policy plans focusing on the future vision for the area. This document and earlier plans lay the groundwork for development and show public commitment for successful redevelopment.
- There appear to be no big regulatory or political barriers to redevelopment in EBURD.

A.3.2 IMPLICATIONS FOR DEVELOPMENT IN EBURD

The considerations above were discussed as part of the creation of a development concept for the EBURD area and strongly influenced the concept recommended in the main report. It is not a coincidence that the conclusion here potentially feasible redevelopment supports the recommended concept for redevelopment.

In this section we take a long-run perspective: redevelopment in EBURD will probably be a least a 20-year process, and probably longer. The development pattern we describe is not one that will be attained quickly. It is our assessment, from an economic and market perspective, of what EBURD could aspire to and have some reasonable hope of achieving over the long run. The main points:

- **Pay attention to the edges.** Our analysis above suggests some clear direction. The west end is adjacent to the downtown and North Park, and close to the medical and university campuses. The logical development here is commercial, and mixed use (with housing and retail) would be ideal if the market will provide it. Housing should

be a mix of market-rate, workforce, and affordable. The east end should develop in ways consistent with providing an gateway to Billings, and reinforcing the economic driver that MetraPark provides. Lodging is an obvious possibility, but there are other options (e.g., a specialized retail environment that ties together food services, outdoor space, and connections to MetraPark). What should be avoided is standard strip commercial, especially if it cuts off the connections to the east-west avenues that connect MetraPark and the downtown.

- **Good places build from good bones: get the infrastructure right.** Streets are the visible skeleton, and they provide the above and underground right-of-way for all other services. Streets are important for cars and trucks, but they are also used by other modes and, if designed properly, can provide services beyond through-travel capacity and local access. The transportation element of the plan makes that point and shows how it might be implemented. Streets also provide right of way for drainage, which is important in the southeast part of the district. Another piece of important infrastructure is the rail line. Parks and open spaces are also part of the essential urban structure. We are not proposing the details of an implementation plan here: we are simply noting that any plan must include these elements in a logical way, and not set them aside for later because money is needed for new buildings. Infrastructure will provide the backbone to support a lot of future building.
- **Get housing into (or close to) the district.** Housing has a lot of advantages beyond shelter: it creates a market for retail, it creates more activity which adds to amenity and security, it can reduce travel costs. We noted above the problems for EBURD: an older industrial environment that is not a good residential neighborhood, and the high cost of developing urban-type housing in mixed-use projects. The TIF and other grants can help. EBURD should also consider finding less expensive but quality ways to build housing: e.g., prefab and modular units that can be stacked. These are being built elsewhere in the Northwest to LEED standards and can look just like stick built three-four story structures for hard costs of \$80-\$90 per square foot.
- **Develop and stick with standards for mix of uses and design.** Part of the plan that this appendix supports includes design standards. There will always be complaints about any level of standards; and, yes, they will probably increase costs. But in the longer run, they can deliver a lot more value and return on investment if they are

consistently applied. Avoid the temptation to waive standards as part of a deal to land new development: make the case on why the standards will enhance value.

- **Develop opportunistically.** There are a lot of pieces to implementation. There are dozens of things that need to get done and hundreds of ways they could be organized. Do not get stuck on specifics – stay flexible within the boundaries of the big picture. Like judo: use your limited resources to leverage your opponents momentum. One example: the potential federal office building – That would be a big deal for EBURD; there will not be many comparable opportunities; EBURD is a logical location; the BIRD should be paying a lot of attention to this opportunity.
- **Find a balance between focused investment and providing something for everyone.** Ultimately, what EBURD can do for development is limited by funding. The next section describes some of the possibilities: tax-increment financing, standard City sources, and possibilities for outside grants. But the likely funding relative to what needs to be done just on the public / infrastructure side (i.e., not counting the buildings, which will be constructed almost entirely by the private sector) is large, and the district is large. If the limited funds are spread equally each year over the entire district, little more could be done than adding street furniture, flower pots, and banners. Some of the investment must be focused. One way to do that is with a *catalyst project*: something that is expected to stimulate other development by the private sector. Consistent with the previous points, the logical locations for such catalyst projects are at the west and east edges: those are the areas that need to be protected and are the areas with the most potential for development.

A.4 FUNDING

A.4.1 OVERVIEW

Public funds will likely be needed in EBURD to help pay for the cost of upgrading and improving infrastructure, such as water, sewer, storm water, and street facilities. With the exception of the infrastructure needs identified in section A.3, specific projects and their costs have not yet been identified. We do know, however, that infrastructure in EBURD is inadequate and that a significant amount of funds will need to be spent in order to make the kind of physical improvements that will help stimulate redevelopment over the next 15 years. The City's Capital Improvement Plan (Public Works, Roads and Storm Sewer, Water and Waste Water

sections) does not appear to include significant expenditures for infrastructure within EBURD in the near future (5 years). Funding for these improvements will probably be funded primarily with tax revenues generated in the district and financed with Tax Increment Financing.

This section describes how tax increment financing works and illustrates how much tax increment will be generated per \$1 million in new investment (along with bonding capability). It compares the estimated increment with our previous estimates the type and amount of new development can be reasonably expected in EBURD over the next 10 years.

A.4.1.1 Introduction to Tax-Increment Financing

Tax-Increment Financing (TIF) is one method cities can use to finance the cost of public infrastructure and stimulate private development within designated urban renewal areas. It is a widely used mechanism for economic development. According to the Council of Development Finance Agencies, it is used in 49 states and the District of Columbia; annually, TIF legislation is responsible for catalyzing financing for hundreds of public and private sector development projects.¹³

Urban renewal is a state-sanctioned program that can be adopted by cities, towns, counties, or city-county consolidated governments in Montana to help them, through partnerships with the private sector, implement adopted plans that revitalize specified areas within their jurisdiction. Urban renewal, through the provision of tax-increment financing, can provide for capital improvements such as parks, streets, parking garages, and transit systems that stimulate private investment and attract new businesses, jobs, and residents. It can also be used to assist with development activities that are approved in an Urban Renewal Plan such as financing for affordable housing or mixed-use transit oriented development.

In Montana and most other states, urban renewal areas may only be formed within contiguous boundaries surrounding areas deemed "blighted." The Montana Code Annotated states that blighted areas, among other characteristics, impair the economic growth of

¹³ 2008 TIF State-By-State Report. Council of Development Finance Agencies. December 2008.

municipalities, restrict the provision of housing accommodations, aggravate traffic problems, or place public health and safety at risk.¹⁴

Tax-increment financing is the primary funding tool used within tax-increment financing districts (TIFD). The tax-increment revenue is generated within a TIFD when a designated area is established and the normal property taxes within that area are frozen (often called the *frozen base*). Any new taxes generated within that area, through either property appreciation or new taxable development becomes the *increment*. Taxing jurisdictions continue to collect tax income from the frozen base but agree to release assessed value above the frozen base into the TIFD. The TIFD can then issue bonds to pay for identified public improvements and/or investments in private projects that are in the public interest. The tax increment is used to pay off the bonds.

In Montana, qualified TIFD projects eligible for TIF are residential, commercial, industrial, and mixed-use. Any cost that is incurred in connection with a qualified urban renewal project may be covered by TIF, including: streets, sidewalks, parking lots, sewer infrastructure, land acquisition, and utility infrastructure.

A.4.1.2 TIF in Billings and EBURD

The City of Billings has previous experience with urban renewal and tax-increment financing districts. The Billings Downtown Core TIFD was established in the 1970s and expired in March of 2008. During its life, tax increment funds were leveraged for a variety of renewal projects, including storefront improvements, housing grants, building rehabilitation, streetscape improvements, and other projects. It is estimated that private owners invested approximately \$40 million in improvements between 1998 and 2008 in the downtown district.

The EBURD TIFD was established in 2006, at which time the City and Big Sky EDA created an Urban Renewal Plan for the district. In addition, Taimerica developed an economic analysis (referred to in section 3.1.6).¹⁵ Taimerica evaluated the TIFD and concluded that EBURD would likely experience private investment similar to that seen in the Downtown TIFD and assumed that EBURD would attract new housing, retail, office, and

¹⁴ See Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43. http://data.oli.state.mt.us/bills/MCA_toc/7_15.htm.

¹⁵ Economic Analysis of a New Tax Increment Zone in Billings, Taimerica. 2006

entertainment uses. That study includes a development scenario for EBURD that includes a new 130,000-square foot hotel and conference center, 350 residential units, and about 500,000 square feet of commercial uses (retail/office/theater). It was estimated that these new uses would add approximately \$140 million to the tax base over a ten-year period and generate approximately \$2.5 million per year in tax increment (at 2006 millage rates).

Since the EBURD Urban Renewal Plan and economic analysis were completed, one significant project has been developed within the EBURD TIFD. This project, the First Interstate Bank, is an office facility for the bank's back office functions. This project is estimated to have a value of approximately \$7 - \$12 million, which could generate about \$120,000 to \$200,000 of increment per year (from taxes on both real property and equipment).¹⁶ Over 11 years, this is approximately \$1.2 to \$2.2 of million of tax increment, which could be used to pay off bonds (if bonds were issued) or which a portion could be granted to projects in the district.¹⁷ It is our understanding that some of the increment generated by the First Interstate Bank will be granted to improvements to that site.

A.4.1.3 Estimating TIF

The calculation depends heavily on the prevailing property tax statutes that govern each state, as well as the particular county that the TIFD happens to fall in. This section shows generally how TIF revenues would be calculated in for parcels within the EBURD boundary.

The first step in TIF calculation is determining the value of the frozen base. This is simply the assessed value of the parcels within EBURD at the time of its adoption. The TIF is then calculated based on the increase in assessed value over the frozen base. In Montana, properties are appraised every six years. The value is assessed by subtracting the new appraised value from the previous old value. The difference is then "phased-in" at 16.66% per year over the next six years until the property is reappraised again.¹⁸ This method for assessing the value of properties affects how much TIF revenue a TIFD can generate from year to year since assessed

¹⁶ Value estimates were provided to ECONorthwest by the Downtown Billings.

¹⁷ The grant amount cannot exceed 45% of the total increment generated over the life of the district.

¹⁸ For instance, assume that a property formerly appraised at \$100 is reappraised at \$200. Therefore, in year 1 after the reappraisal, the assessed value is \$116.66. In year 2, it is \$133.33; year 3 it is \$150.00, and so on until it is assessed at \$200.00 in year six and reappraised once more. The difference between the new appraisal and \$200 is calculated and the cycle repeats.

value does not increase at the same rate that the appraised (real market) value does.

After the assessed value is calculated, the taxable value is estimated by using state and local exemptions. The taxable value is multiplied by the mill levy to reach the real property tax. Roughly the same process is used to estimate the private property (e.g., machinery, equipment, vehicles) tax. Exhibit 4-1 below uses a hypothetical scenario to show how tax increment is calculated for \$1 million in real property value.

Exhibit 4-1. Hypothetical TIF revenue estimate for \$1 million new real property value

TIF Calculation	Value	Comments
Real Property		
Assessed Value	\$ 1,000,000	Real property increment only; phase-in of appraised value
Comstead Exemption	\$ 150,000	Montana DOR exemption; 15% for commercial (Comstead), 34% for residential (Homestead)
Subtotal	\$ 850,000	Assessed value minus exemption
Taxable Value	\$ 255,850	Equals 30.1% of subtotal above, per DOR exemption for every property
Mill Levy	61.8	Estimated; tax per \$1,000 in taxable value
Real Property Tax	\$ 15,812	Taxable value multiplied by mill levy

Source of calculations, including rates of exemption and estimated mill levy: Downtown Billings Partnership, Development Director.

Exhibit 4-1 estimates that an assessed real property value increment of \$1 million over the frozen base would generate roughly \$16,000 in TIF revenues for EBURD. That is, the tax increment generated is roughly 1.5% of every \$1 million invested in new construction.¹⁹

EBURD can use the increment from real property to cover more than \$1 million in costs. The City can leverage that amount by issuing bonds to cover the cost of urban renewal projects over the TIF district's 15-year life.²⁰ Exhibit 4-2 below takes the hypothetical TIF revenue above and estimates the amount of revenue that it can leverage for EBURD.

¹⁹ This estimate does not include the value of personal property (equipment etc), which could add to the increment generated. The amount depends on the value of the property.

²⁰ The initial life of a TIF district is 15 years. A city may sell bonds at any time during the span of the district, which allows the termination date of the district to coincide with the final payment date of the bonds issued.

Exhibit 4-2. Hypothetical bond value calculation, using TIF revenues from Exhibit 4-1 above.

Bond Calculation	Value	Comments
Total Annual Increment	\$ 15,812	Real property increment plus private property increment
Contingency	\$ 11,068	Coverage ratio of 30%; bond issuers require to cover for contingencies
Bond Rate	6.00%	Estimated interest rate
Bond Years	20	Life of bond
Total Bond Amount	\$ 126,950	Amount leveraged from TIF revenues

Source of calculation, contingency, bond rate and bond years: Downtown Development Partnership, Development Director.

Exhibit 4-2 indicates that the roughly \$16,000 in TIF revenue could be leveraged into \$127,000 in bonds to be paid back over 20 years.

We can simplify all these calculations by jumping from the top line to the bottom line. If tax increment revenues are pledged as payments against a bonded obligation, then every \$1 million dollars of new (increment) value in the EBURD will give it the ability to spend about \$125,000. In other words, divide the increased property value from new development by 8 to get a quick, rough estimate of how much new money EBURD will have to work with as a result of that new development. In addition, as the EBURD grows and improves, the value of other properties will increase even if they have no improvements (the "rising tide" effect).

A.4.1.4 Implications

The purpose of urban renewal is to capture and invest tax dollars within a district to help stimulate redevelopment in that district. Strategic investments in infrastructure typically help to stimulate redevelopment. Here is one way to think about the needs for that increment in EBURD:

- There are about \$5 million in infrastructure costs identified that the City is not planning to fund through traditional means (e.g., through its Capital Improvement Plan). We recognize that it is likely that more than \$5 million will be needed to pay for other infrastructure improvements not included in that estimate: streetscape upgrades, bicycle lanes, sidewalks, planter strips, "green" amenities (swales) trail connections etc.
- First National Bank is the only project in EBURD so far and will generate \$1 to \$2 million in increment, of which up to 45% could be granted to that site, leaving less available for other projects in the district to help stimulate redevelopment.
- Using our "rule of 8," EBURD would need about \$40 million in new development to have tax increment revenues to support the bonding of \$5 million of infrastructure improvements. Using our estimated capture rates, that amount of development might happen

in 4 – 8 years. The federal courthouse offices alone could be a \$20 million project, which, if done as a private development and lease-back, would be taxable value and would therefore generate tax increment revenue.

A.4.2 OTHER FUNDING SOURCES AND FINANCING STRATEGIES

The list of funding sources below can be used in addition to TIF and traditional private equity for developing and maintaining the area inside EBURD. While most of these programs would be in addition TIF, those that offer property tax abatement can work against TIF collection for limited time periods.

- Local Improvement Districts (for infrastructure)
- Sole source Systems Development Charges/Impact Fees (keeping impact fees collected from an area in that area for infrastructure)
- HUD Section 108 loans (borrowing against future Community Development Block Grant allocations for low interest loans to stimulate economic development projects such as office buildings)
- Parking revenue bonds (can be taxable or tax exempt and used for public parking garages where fees can be charged to service debt)
- 63-20 non-profit bonds (for a range of non-profit improvements, free standing or mixed-use, including educational buildings, parking structures and recreational facilities but projects must be able to service debt)
- State grants (infrastructure/transportation systems)
- Federal grants (primarily for infrastructure/transportation systems such as streetcar, possibly the treatment plant)
- Federal Stimulus money
- Affordable housing tax credits (for affordable housing)
- Historic Tax credits (if there are potentially eligible buildings such as older warehouses that can be converted, etc)
- New Market tax credits (if this is an eligible census tract)
- Affordable housing bonds issued by the state
- Multi-family vertical housing partial property tax abatement(Oregon tool, don't know if Mont has it)

- HUD 221(d)(4) housing finance guarantee program (offer guarantees by the federal government that enable up to 90 percent financing for market rate apartments that meet HUD standards)
- Energy tax credits (energy efficient commercial, mixed-use projects and some utilities)(this is particular to Oregon and a few other states – not sure Montana has these)
- Business Improvement District (a city sanctioned self imposed assessment to be used for programming and marketing business areas; supplemental public safe enforcement, etc)
- Home-owner fees (provided by property owners for maintenance of public spaces)

Appendix B Proposed Code Inclusions

General zone standards have the primary role in defining the physical form of the built environment. The proposed standards for the study area are organized by Mixed Use Livability (MUL) and Industrial Sanctuary (IS) zones. These standards provide a preliminary framework that would require further development to establish appropriate development incentives to achieve intended public benefits. The following sections illustrate potential standards and incentives that could be applied to the study area.

PROPOSED REGULATORY CODE REQUIREMENTS - ZONE 1

Mixed Use Livability (MUL) General Standards

Intent

The primary intent of this zone is to protect the livability and ensure the quality of residential development while also providing for mixed-use employment centers within the neighborhood.

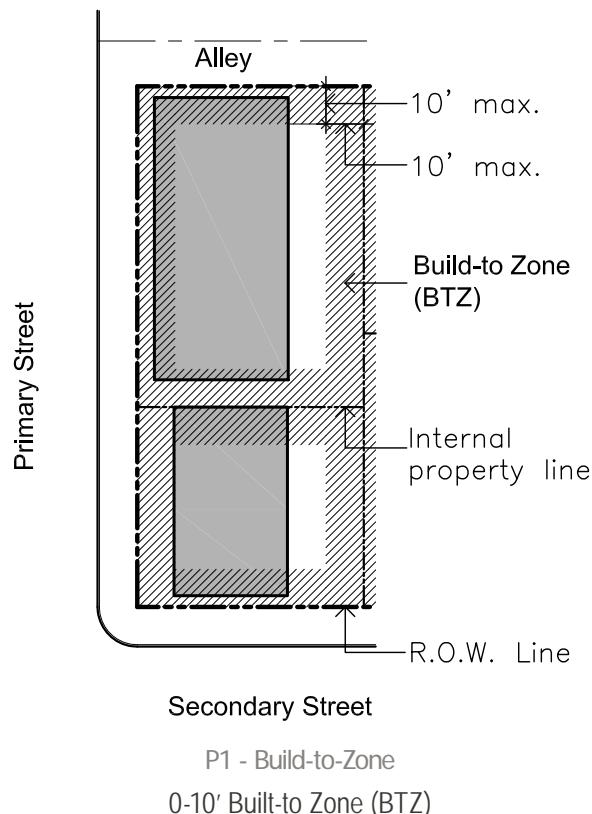
Building Form

A building's form directly impacts the experience of the street traveler. Building placement, setbacks, height, entry locations, facades, lot coverage, and open space affect the feel of a streetscape. With specific guidelines, a consistency will be created to improve the streetscape experience.

Table B-1 Mixed Use Livability (MUL) General Standards

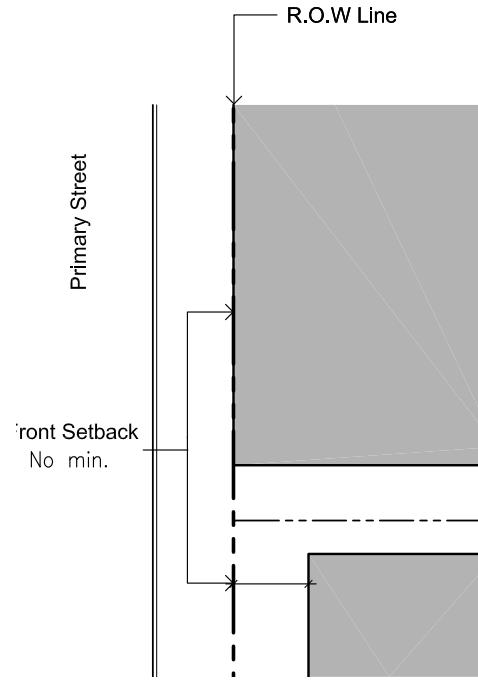
Building Placement	Figure
Setback (Distance from Property Line)	
Front Setback-Primary St. ROW	P1
Side Setback –Street ROW	P1
Side Setback-Interior	P1
Rear Setback – Interior	P1
Rear Setback – Alley	P1
Height	
Maximum Height	H1
Upper Level Setbacks	H1
Minimum Height	
Ground Floor Height	H2
Building Form	
Maximum Building Width	F1
Maximum Lot Coverage	
Open Space	
Street Facing Entry	F2
Entry Spacing	F3MUL
Façade Transparency	

B Proposed Code Inclusions



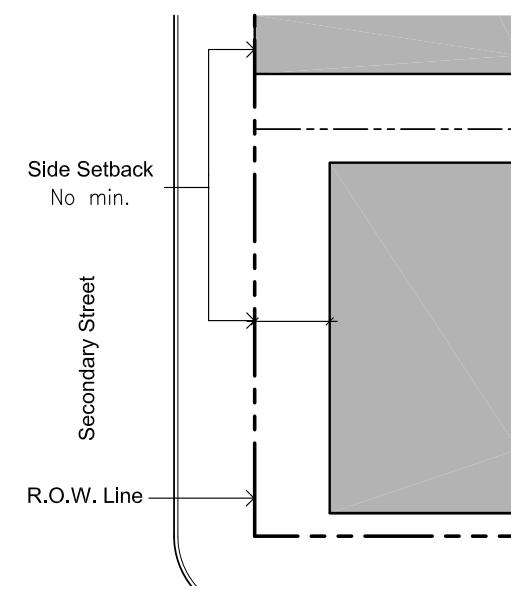
P1 - Build-to-Zone

A Built-to-Zone (BTZ) prescribes a consistent area where the facade of a building should reside. Using a BTZ creates a well-proportioned, pedestrian-oriented and comfortable streetscape. The BTZ gives property owners a range of zero to 10 feet from the street right-of-way or internal property line to locate their building facade.

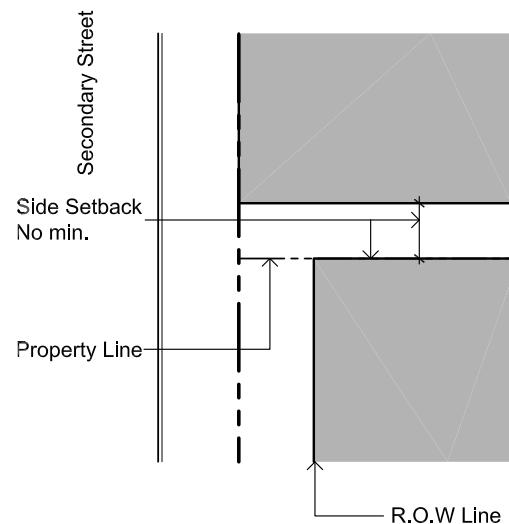


P2 - Front Setback

Building front setbacks also influence the streetscape perception. The front setback regulations prescribe that there is no minimum setback from the primary street's ROW. Having no minimum front setback reinforces the BTZ, in that a building facade must be set within the BTZ which allows a zero foot setback.

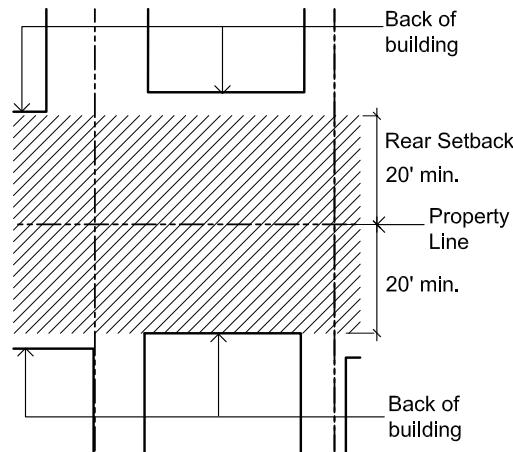


A regulated side setback influences the feeling of the streetscape along the secondary street. Having no minimum secondary setback complies with the BTZ, in that a building's side facade must be set within the BTZ which allows a zero foot setback.



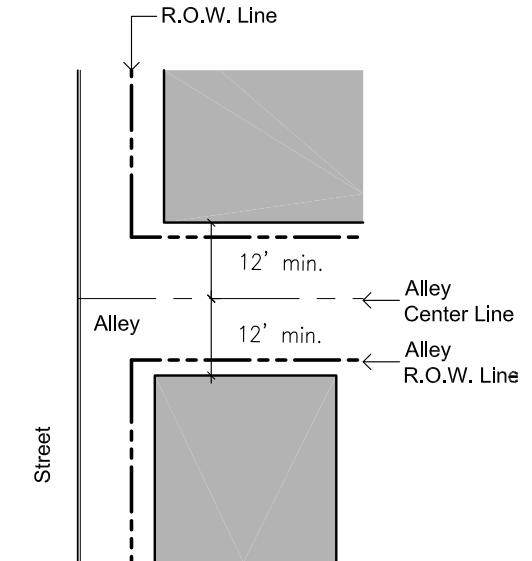
P4 - Side Setback - Interior
No minimum

A regulated side setback between the internal property line influences the feeling of the streetscape by regulating the spacing or gaps between structures along the street. Having no minimum side setback allows for buildings to be built right up against one another creating a consistent building wall to the street.



P5 - Rear Setback - 20'
No minimum

A regulated rear setback influences the feeling of the streetscape along the secondary street. A minimum setback from the rear property line creates, at a minimum, a 40' view from a secondary street. The combination of this code with P1-P4 would force a large building to orient closer the primary or secondary street right of ways.

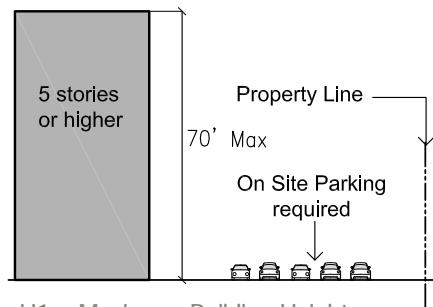


P6 - Alley Setback
12' from center of alley

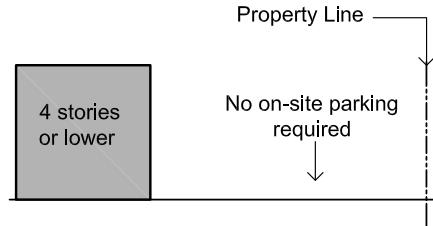
Alleys are also places for people and cars, this requirement fosters a comfortable alley that has, a moderately consistent building wall since many will build up to the minimum established by this requirement. Where an alley exists, a 12 foot minimum offset for a building, is required from the alley center line.

Building Height

By regulating minimum and maximum heights, ground floor height, and width, the code ensures the proper proportion of the adjacent public spaces and suggests the appropriate size range for the intent of the area.

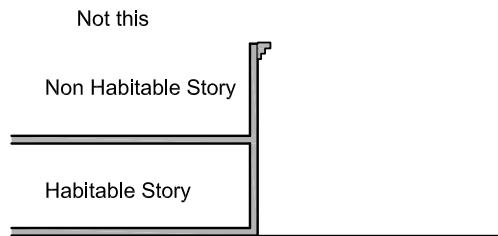
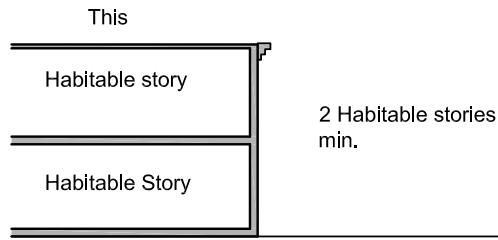


H1 - Maximum Building Height
70' w/ Parking on Property



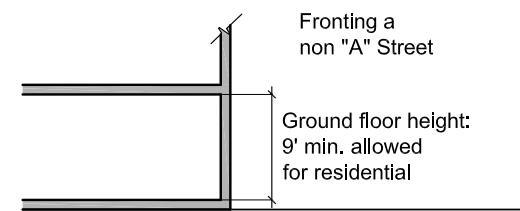
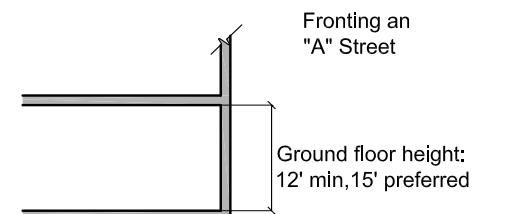
H2 - Maximum Building Height
4 Stories w/ no on-site parking requirement

A building may reach a maximum height of 70 feet if on-site parking is provided. If no on-site parking is provided then a building may reach 4 stories maximum since a 4 story building can achieve parking requirements off-site through exemplary design.



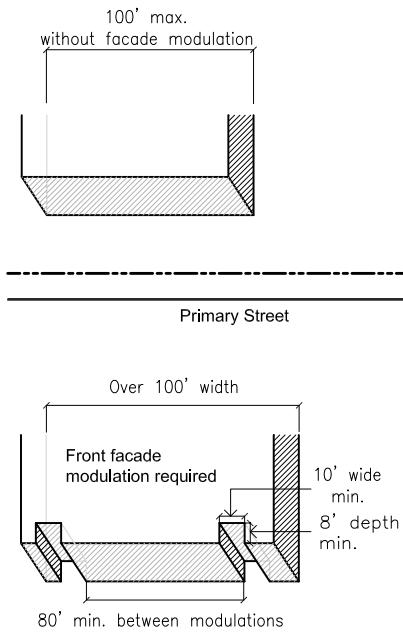
H3 - Minimum Building Height
Two habitable stories

A building must have a minimum of two habitable stories. A first habitable floor with a 2 story facade will not meet the requirement of this regulation. Requiring two habitable stories ensures a certain level of perceived activity from adjacent public spaces. The combination of minimum and maximum building heights prescribes an appropriate range for building uses and appropriate streetscape ratios.



H4 - Ground Floor Height
12' min, 15' preferred on "A" Street.
9' min for residential non "A" street

The Ground Floor Height (GFH) is the distance between the finished floor and the ceiling of the first floor of a building. A regulated GFH will force new development to be built in scale with existing structures while allowing for retail spaces to be adequately visible. Twelve feet is the minimum GFH for all uses fronting an "A" street, although 15 feet is preferred. A residential buildings on a non-"A" street has a minimum GFH requirement of 9 feet.

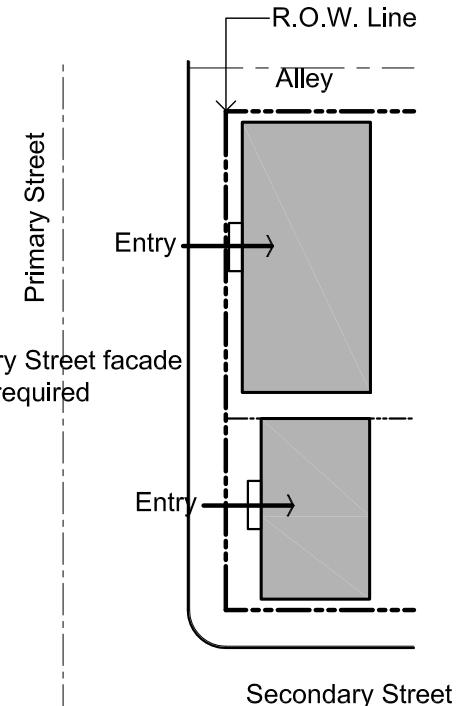


H5 - Maximum Building Width
100' without modulation. 8' depth x 10' width modulation required over 100'.

By requiring an 8' deep by 10' wide modulation on building fronts wider than 100 feet, new buildings will be appropriately scaled to the desired urban form. This requirement will ensure that even large lot development keeps in scale with the neighborhood vision.

Facades & Entries

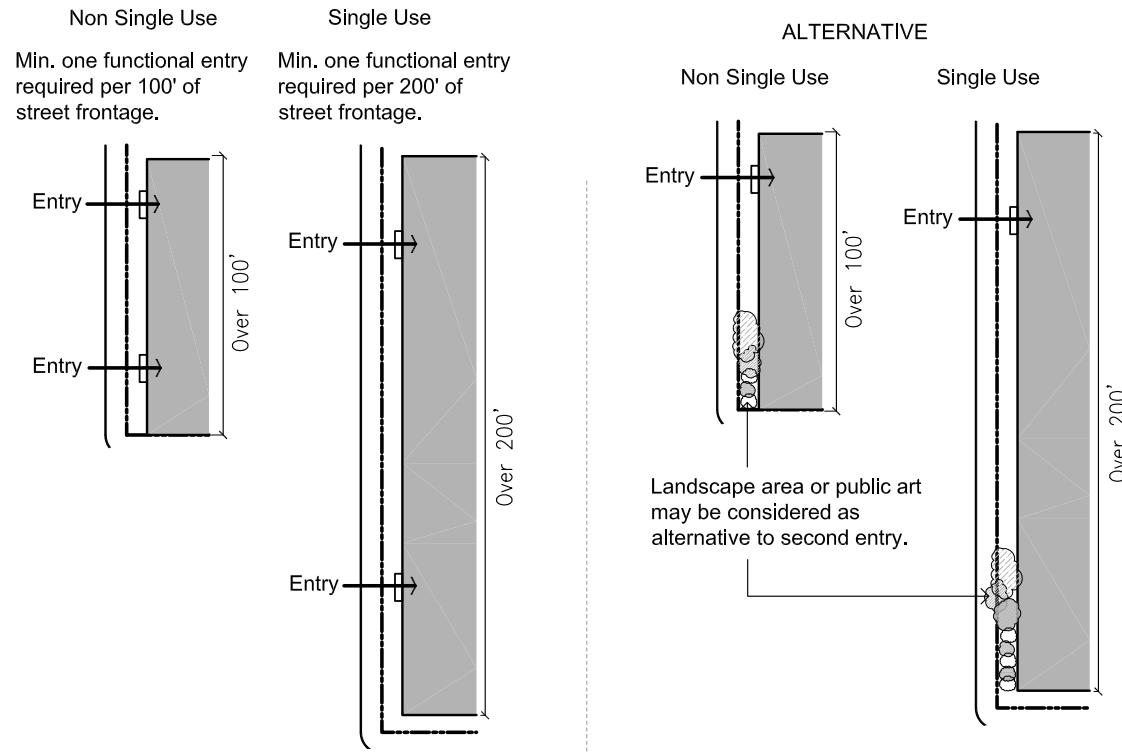
A building's facade and entrances are the transitions between public and private spaces, providing the basis for the street's character. The regulations in this section seek to ensure that the public spaces are activated and addressed according to the intent of the building.



FE1 - Maximum Building Width
Required on Primary Street Facades

All buildings must have an entrance on the primary street's facade. Entrances give a sense of porosity to a building, improving the street experience. Entrance also give the primary street a proper sense of hierarchy.

B Proposed Code Inclusions



FE2 - Maximum Building Width

Min. 1 functional entry per 100' of street frontage.
For longer single use buildings, 200 sf.

A building must have a minimum of one functional entry per 100' of street frontage. A longer single use building must have a minimum of 1 functional entry per 200' of street frontage.

As building width increases and more entries are required, the owner may substitute planting for the additional entries.

The goal of this requirement is to break up the face of a building with entrances or planting. As the building facade becomes more segmented the public space feels more comfortable to the user.

PROPOSED REGULATORY CODE REQUIREMENTS - ZONE 2

Intent

The primary intent of this zone is to protect commercial, research and development, and light and heavy industrial uses while also providing high-quality mixed use employment centers within the neighborhood.

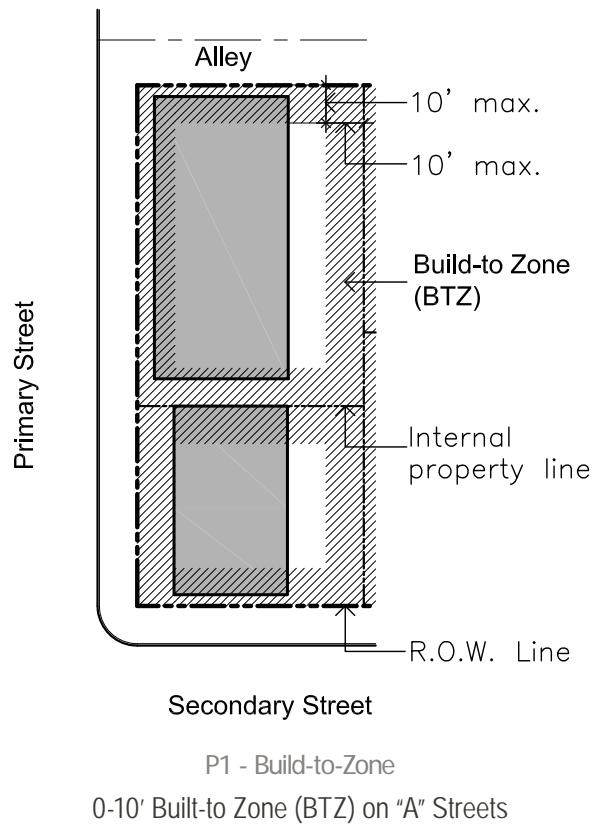
Building Form

A building's form directly impacts the experience of the street traveler. Building placement, setbacks, height, entry locations, facades, lot coverage, and open space affect the feel of a streetscape. With specific guidelines, a consistency will be created to improve the streetscape experience.

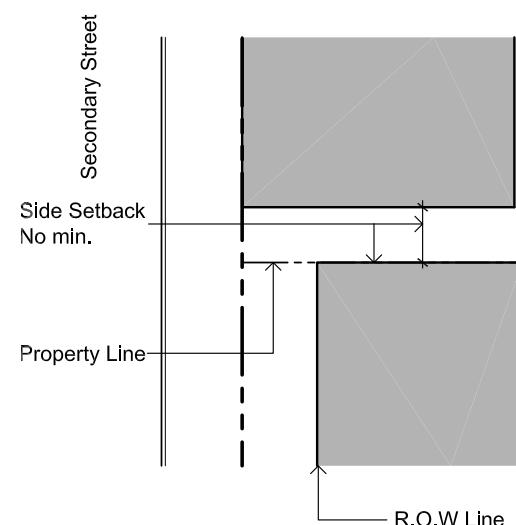
Table B-2 Industrial Sanctuary (IS) General Standards

Building Placement		Figure
Setback (Distance from Property Line)		
Front Setback	0' minimum, 10' maximum	P1
Side Setback -Street	0' minimum, 10' maximum	P1
Side Setback-Interior	No minimum	P1
Rear Setback	20' minimum	P1
Alley Setback	12' minimum from center alley ROW line	P1
Height		
Maximum Height	70' (after incentives and setbacks)	H1
Upper Level Setbacks	10' of additional setback from street and alley ROW required for each 20' of building height above 36'	H1
Minimum Height	No minimum	
Ground Floor Height	12' minimum	H2
Building Form		
Maximum Building Width	No maximum	F1
Lot Coverage	75%; 80% for projects that meet incentive criteria	
Open Space	None	
Street Facing Entry	Required on primary street facades	F2
Entry Spacing	Minimum of one functional entry per 80' of main street (typology) frontage. Landscaped area or public art may be considered as alternative to second entry	F3IS
Facade Transparency	35% transparency on all building facades fronting main streets (typology)	

Alternatives to proposed street designs within the IS zone should be subject to special review. Local/neighborhood streets may be approved for abandonment to accommodate industrial uses that require larger parcels.



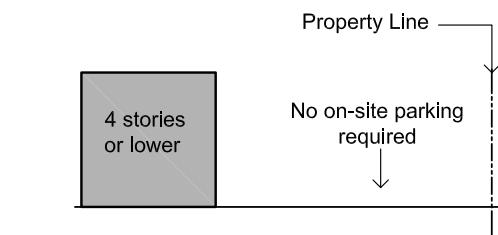
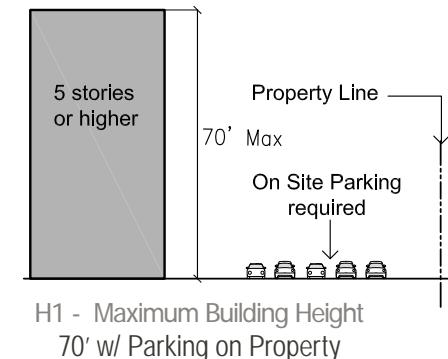
A Built-to-Zone (BTZ) prescribes a constant area where the facade of a building should reside. Using a BTZ will create a well-proportioned, pedestrian-oriented and comfortable streetscape. The BTZ gives property owners a range of zero to 10 feet from the street right-of-way or property line, along an "A" street to locate their building facade.



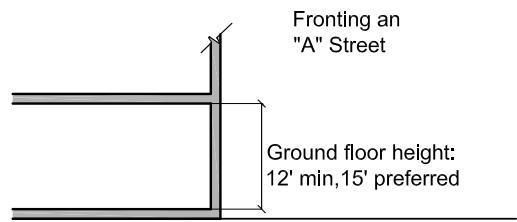
Refer to building codes for fire protection or separation requirements

Building Height

By regulating minimum and maximum heights, ground floor height, and width, the code ensures the proper proportion of the adjacent public spaces and suggests the appropriate size range for the intent of the area.

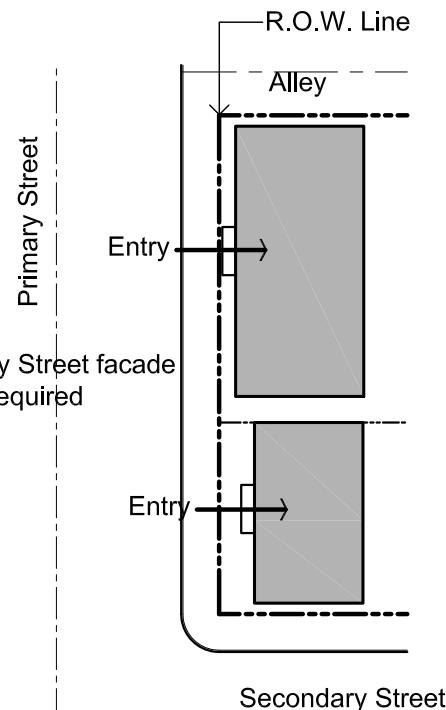


A building may reach a maximum height of 70 feet if on-site parking is provided. If no on-site parking is provided then a building may reach 4 stories maximum since a 4 story building can achieve parking requirements off-site through exemplary design.



H4 - Ground Floor Height
12' min,

The Ground Floor Height (GFH) is the distance between the finished floor and the ceiling of the first floor of a building. Twelve feet is the minimum GFH for all uses.

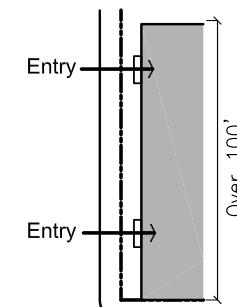


FE1 - Maximum Building Width

Required on Primary Street Facades on "A" St

All buildings must have an entrance on the primary street's facade. Entrances give a sense of porosity to a building, improving the street experience. Entrance also give the primary street a proper sense of heigharchy.

Non Single Use
Min. one functional entry required per 100' of street frontage.



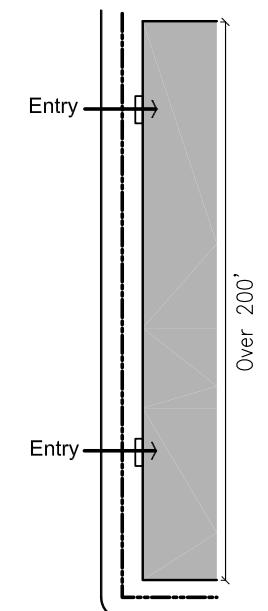
FE2 - Maximum Building Width
Min. 1 functional entry per 100' of street frontage.
For longer single use buildings, 200 sf.

A building must have a minimum of one functional entry per 100' of street frontage. A longer single use building must have a minimum of 1 functional entry per 200' of street frontage.

As building width increases and more entries are required, the owner may substitute planting for the additional entries.

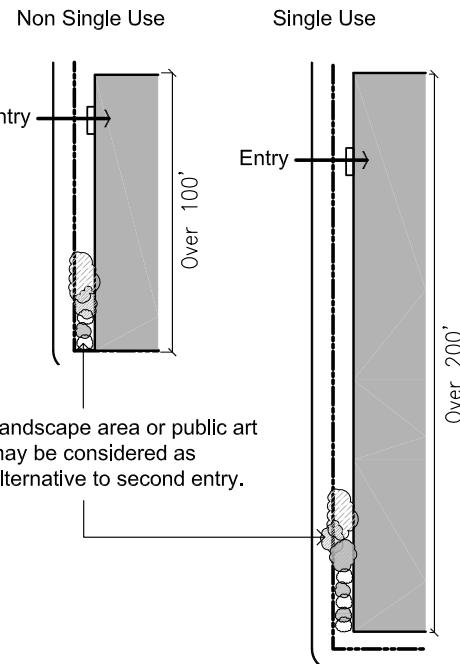
The goal of this requirement is to break up the face of a building with entrances or planting. As the building

Single Use
Min. one functional entry required per 200' of street frontage.



B Proposed Code Inclusions

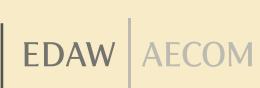
ALTERNATIVE



facade becomes more segmented the public space feels more comfortable to the user.



Second Avenue
Suite 1000
Seattle, WA 98104
T 206.622.1176
F 206.343.9809
www.edaw.com



Second Avenue
Suite 1000
Seattle, WA 98104
T 206.622.1176
F 206.343.9809
www.edaw.com