

## RESOLUTION 23-11171

### A RESOLUTION REPEALING 04-18204 AND ADOPTING GENERAL GUIDELINES AND STANDARD PROCEDURES FOR SPECIAL IMPROVEMENT DISTRICTS FOR CITY STREETS

WHEREAS, the City of Billings adopted "City of Billings Policy For Roadway Special Improvement Districts" in Resolution 04-18204 which requires repeal and replacement to perpetuate equitable and consistent application and assessments for completion of incomplete streets; and

WHEREAS, the Montana Code Annotated (MCA) allows municipalities to assess adjacent property owners for the construction or reconstruction of street improvements including street, curb and gutter, sidewalk, and appurtenances; and

WHEREAS, for the purpose of this resolution, residential properties are defined as lots or parcels with single family or duplex dwelling units on them. Non-residential properties are defined as lots or parcels with commercial buildings on them and lots or parcels with three (3) or more residential dwelling units on them.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA:

1. That Resolution 04-18204 adopting "City of Billings Policy for Roadway Special Improvement Districts" is repealed in its entirety and is replaced, as follows:

#### **CITY OF BILLINGS POLICY FOR Special Improvement Districts**

**Purpose:** The City of Billings is establishing a consistent Policy for the development of Special Improvement Districts. The Policy shall address the physical items to be assessed, properties eligible for assessment, and responsibilities for tasks. The Policy is in conformance with Billings City Council Resolution No. 05-18234 and Title 7, Chapter 12, Part 41, MCA.

#### **Policy:**

#### **General Guidelines:**

- The establishment of all Special Improvement Districts (SID) will conform to the policies and practices established in Resolution No. 05-18234 of the City of Billings and Title 7, Chapter 12, Part 41, MCA.
- The maximum street improvements a property contained in an SID could be

assessed for would be the half (1/2) street standard as defined in the Subdivision Regulations for the City of Billings. This standard includes asphalt and base, sidewalk or equivalent multiuse path, curb and gutter, and appurtenant facilities.

- The SID costs will include but not be limited to financial services charges, bond fees, design, project administration, and construction.
- The scheduling of SID projects will be subject to City Council approval in the Capital Improvement Program (CIP) and capital funding availability.

### **NEW STREETS AND GRAVEL STREETS**

- If the street is new or existing as a gravel street, the adjacent property owners will be responsible for the cost of developing to the street standards as described in the General Guidelines.
- For residential corner lots, improvements along the addressed side of the lot and private property specific improvements (i.e., drive approaches) along the non-addressed side serving the property will be assessed to the adjacent property owners. All other improvements along the non-addressed side of the lot will be paid by the City.
- For non-residential lots with multiple street frontages, improvements along all sides will be assessed to the property owner.

### **EXISTING STREET**

- The adjacent property owner will be responsible for the development of the street section that is not complete in accordance with Billings City Council Resolution No. 18-10719.

### **General Procedures for Special Improvement Districts**

<b>Phase</b>	<b>Responsible Agency</b>	<b>Brief Description</b>
Initialization	Public Works Dept.	This phase covers the initialization of the SID from inception to development of request for creation.
Creation	Public Works Dept.	Development of preliminary SID data, notification of property owners, preliminary cost estimate, and creation of SID documents.
Council Approval	Public Works Dept. Legal Dept Administrative Services	Creation of Council Resolution and City Council approval of SID creation.
Design	Public Works Dept.	Development of construction plans, final cost estimate, bid documents.

Phase	Responsible Agency	Brief Description
SID Bonds	Administrative Services	Award of bonds, printing of bonds, registering of bonds and final closing of bond sale.
Bid SID	Public Works Dept.	Bid and select contractor.
Construction	Public Works Dept.	Construction phase of project.
SID Principal Spread	Administrative Services	Spreading of principal based on on bids and notifying taxpayers of payment amounts.
Spreading	Administrative Services	Determination of cash flow requirements, spreading principal and interest charges and merging of the per bid assessments with the SID assessment file.

PASSED and ADOPTED by the City Council of the City of Billings, Montana, on the 23rd day of October, 2023.



ATTEST:

By: Denise R. Bohlman  
Denise R. Bohlman, City Clerk

CITY OF BILLINGS

By: William A. Cole  
William A. Cole, Mayor

Res. 23-11171 Item 1 J. K.

COUNCIL ACTION	Approved 10-0
Neese Absent	Excused
OCT 23 2023	
db	
CITY CLERK	

## City Council Regular

Date: 10/23/2023  
Title: Resolution for Special Improvement District Policy  
Presented by: Debi Meling  
Department: Public Works  
Presentation: No  
Legal Review: Yes  
Project Number: N/A

## RECOMMENDATION

Staff recommends that City Council approve the resolution defining the policy for special improvement districts.

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

In 2004, City Council adopted a policy regarding special improvement districts for roadways (04-18204). In 2018, City Council adopted a policy regarding the installation and repair of street improvements in existing neighborhoods (18-10719). There is an inconsistency between the two policies as far as assessments for adjacent property owners. In the 2004 Resolution, all properties are assessed for the improvements on the addressed side of the property only and the City funds all improvements on non-addressed sides. In the 2018 resolution, residential corner properties are assessed for general street improvements on the addressed side and private benefit improvements (i.e. drive approaches) on the non-addressed side. Commercial and industrial corner properties are assessed for improvements on both frontages of a corner lot. This inconsistency should be addressed to ensure property owners are funding the same improvements regardless of the project development mechanism. When staff reviewed the 2004 SID policy to correct the aforementioned inconsistency, it was determined that a couple of other changes would be beneficial. Specifically, instead of defining the dimensions of a street, it was decided that referring to the subdivision street standards is better so if and when street standards change in City Code, the resolution will still be consistent with the standards. Also, for existing streets, the resolution refers to the 2018 resolution instead of addressing the same issue in two different resolutions.

## ALTERNATIVES

City Council may:

- Approve the resolution; or,
- Not Approve the resolution. If the resolution is not approved, special improvement districts will continue to be created in accordance with the existing policy which is inconsistent with assessment policies for other methods of road construction.

## FISCAL EFFECTS

If the new special improvement district policy is approved, commercial and industrial properties will be assessed for both sides of their property when an SID is created versus just the addressed side. Residential properties will still be assessed for public benefit facilities only the addressed side of their property which is consistent with the policy in place now. The City contribution for SIDs that encompass commercial/industrial lots will be reduced if commercial/industrial corner lots are addressed to the non-addressed side.

## Attachments

SID Resolution  
Resolution 04-18204  
Resolution 18-10719

RESOLUTION NO. 04-18204

A RESOLUTION OF THE BILLINGS, MONTANA CITY COUNCIL  
ADOPTING GENERAL GUIDELINES AND STANDARD  
PROCEDURES FOR SPECIAL IMPROVEMENT DISTRICTS FOR  
CITY STREETS

WHEREAS, the City Council has heard testimony, on a case by case basis, from affected citizens that the City's policies regarding the creation and terms of Special Improvement Districts for roadway construction and reconstruction are inequitable and are inconsistently applied; and

WHEREAS, the Council formed a Special Improvement District Subcommittee in July of 2004 to review current procedures and develop a consistent policy for future SIDs; and

WHEREAS, the Special Improvement District Subcommittee has met several times and has examined possible methods to resolve citizen concerns about equity and consistency, and the Subcommittee has proposed standard procedures for Special Improvement Districts, to include General Guidelines, a policy for residential and collector street Special Improvement Districts, and a policy for arterial street Special Improvement Districts; and

WHEREAS, adoption of this policy will effectively address the concerns raised by the testimony the Council has heard concerning equity and consistency in City Special Improvement District procedures.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA, AS FOLLOWS:

That the procedures proposed by the City Council Subcommittee on Special Improvement Districts, now makes and adopts the following

**City of Billings**  
**Policy for**

**Roadway Special Improvement Districts**

**Purpose:**

The City of Billings is establishing a consistent Policy for the development of Special Improvement Districts. The Policy shall address the physical items to be assessed, properties eligible for assessment, and responsibilities for tasks. The Policy is in conformance with Billings City Council Resolution 87-15592 and M.C.A. 7-12-4102.

**Policy:**

**General Guidelines:**

- The establishment of all Special Improvement Districts (SID) will conform to the policies and practices established in Resolution No. 87-15592 of the City of Billings.
- Only those properties that are physically addressed to the street being improved would be assessed for the SID costs.
- The maximum street improvements a property contained in an SID could be assessed for would be the half (1/2) street standard as defined in the Subdivision Regulations, Chapter 23-601 for the length of the property. Commercial and residential property will be assessed by the following improvements;
- The residential half street standard:
  - 16.5 feet of asphalt and base
  - concrete curb and gutter
  - 5 foot concrete sidewalk or the equivalent cost of a multi - use trail
- The Commercial half street standard:
  - 22 feet of asphalt and base
  - concrete curb and gutter

- 5 foot concrete sidewalk or the equivalent cost of a multi – use trail
- The SID costs will include but not limited to financial services charges, bond fees, design, project administration, and construction.
- The scheduling of Special Improvement District projects will be subject to City Council approval in the Capital Improvement Program and capital funding availability.

### **Residential & Collector Streets SID Policy**

- **New streets:** If the **residential or collector** street is new, the adjacent property owners will be responsible for the cost of developing to the residential street standards as described in the General Guidelines.
- **Existing street:** The adjacent property owner will be responsible for the development of the residential street section that is not complete. (Example: if the street does not have curb gutter and sidewalk, the adjacent property owner would be responsible for these improvements. The adjacent property owner would not be responsible for the construction of the asphalt surface if it exists.)

### **Arterial Streets SID Policy**

- **New streets:** If the **arterial** street is new, the adjacent property owners will be responsible for the cost of developing to the residential street standards as described in the General Guidelines.
- **Existing street:** The adjacent property owner will be responsible for the development of the residential street section that is not complete. (Example: if the street does not have curb gutter and sidewalk, the adjacent property owner would be responsible for these improvements. The adjacent property owner would not be responsible for the construction of the asphalt surface if it exists.)
- **Reconstruction of existing streets:** If the street currently exists to City standards, the City of Billings will fund all improvement costs for reconstruction and / or widening of the facility.

### **General Procedures for Special Improvement Districts**

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Construction	Public Works Dept.	Construction phase of project.
SID Principal Spread	Administrative Services Dept. Public Works Dept.	Spreading of principal based on bids and notifying taxpayers of payment amounts.
Spreading principal and interest charges.	Administrative Services Dept.	Determination of cash flow requirements, spreading principal and interest charges and merging the per bib assessments with the SID assessment file.

APPROVED AND PASSED by the City Council of the City of Billings, this 12th day of October, 2004.



THE CITY OF BILLINGS:

BY: Charles F. Tooley  
Charles F. Tooley MAYOR

ATTEST:

BY: Marita Herold  
Marita Herold, CMC CITY CLERK  
*Deputy City Clerk*

## **RESOLUTION 18-10719**

### **A RESOLUTION REPEALING 99-17447 AND 04-18137 AND ADOPTING THE CITY OF BILLINGS POLICY FOR CONSTRUCTION AND REPAIR OF CURB, GUTTER AND SIDEWALKS**

WHEREAS, the City of Billings desires to construct and maintain a safe and efficient street network, including the installation and maintenance of curb, gutter, and sidewalk, and

WHEREAS, the safety of pedestrians is a concern properly addressed by the City of Billings, and

WHEREAS, streets within the City of Billings not previously constructed to a full maintainable standard, including the installation of curb, gutter, and sidewalk should be upgraded on an ongoing basis, and

WHEREAS, curb, gutter, and sidewalk improvements, once installed, need to be subject to a regular maintenance program;

WHEREAS, for the purpose of this resolution, residential properties are defined as lots or parcels with single family or duplex dwelling units on it. Non-residential properties are defined as lots or parcels with commercial buildings on it and lots or parcels with 3 or more residential dwelling units on it.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA:

#### **Installation of New or Missing Curb, Gutter, and Sidewalk Improvements in Established Neighborhoods**

For this program, curb, gutter, and sidewalk, together with or without corresponding street improvements are completed within those areas of the city where the work has not previously been addressed.

1. The City Engineer's office shall periodically recommend infill improvements to the City Council based on one or more of the following:
  - a. Citizen request.
  - b. Staff recommendations.
  - c. Coordination with other projects.
  - d. Along school walking routes.
  - e. Other public interest.
2. Improvements are to be assessed to fronting property owners.



3. For residential corner lots, improvements along the addressed side of the lot and private property specific improvements (i.e. drive approaches) along the non-addressed side serving the property will be assessed to the property owner. All other improvements along the non-addressed side of the lot will be paid by the City.
4. For non-residential corner lots, improvements along both sides will be assessed to the property owner.

### **Repair and Maintenance of Existing Curb, Gutter and Sidewalk Improvements**

These projects provide for the ongoing maintenance of curb, gutter and sidewalk previously constructed. The general policy for repair and maintenance programs is as follows:

1. The City Engineer's office shall periodically recommend repair and maintenance programs based upon:
  - a. Complaints.
  - b. Staff recommendations.
  - c. Property owner requests.
2. The City Engineer's office has developed a policy statement for defective sidewalk, curb, and gutter and driveways which shall be used as a baseline for the inventory of work recommended for repair, followed by discussions with individual property owners.
3. The following construction costs are assessed to the fronting property owners as follows:
  - a. Sidewalk repair or replacement.
  - b. Landscaping necessary for sidewalk repair or replacement.
  - c. Tree removal necessary to repair sidewalk.
  - d. Drive approaches and driveway repair or replacement.
  - e. Adjacent asphalt to assessed improvements
4. Curb and gutter repair or replacement, storm drain improvements, and adjacent asphalt will be paid for by the City of Billings.
5. For residential corner lots, improvements along the addressed side of the lot and drive approaches along the non-addressed side serving the property will be assessed to the property owner. All other improvements along the non-addressed side of the lot will be paid by the City.

6. For non-residential corner lots, improvements along both sides will be assessed to the property owner.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, this 14<sup>th</sup> day of May 2018.



ATTEST:

By: *Toni Keehner*  
Toni Keehner, Deputy City Clerk

CITY OF BILLINGS

By: *William A. Cole*  
William A. Cole, Mayor