

**South Billings Urban Renewal Association
Board Meeting
Tuesday, October 5, 2021
7:00pm
Conducted Via Zoom Conferencing**

Call to Order: Dick Zier, SBURA Board Chair

Courtesies: Welcome Visitors

Debbie Keller, James Tevlin, Beki Brandborg, Mike Boyett, Kevin Nelson, Tim Compton, Jeff Muri, Andrew Houlihan, Scott Hanser, Mike Mayott, Beki Brandborg, Kevin Nelson, Damien Varela, Gene Leuwer, Wyeth Friday, Logan Anderson, Seana Rau, Denise Joy, Frank Furman, Bill Haynes, Carolyn Ruskstad

Agenda Additions/Deletions – Dick Zier

Agenda Items:

1. **Approval of Minutes for September 8, 2021 meeting – Dick** (Action)
- Approval of Minutes for September 15, 2021 Special Meeting – Dick** (Action)
- Approval of Minutes for July 29, 2021 meeting – Dick** (Action)

Scott Hanser moved, Carolyn Ruskstad seconded to approve minutes **APPROVED**

2. **Application for Tax Increment Assistance - Jim** (Action)
 Tim Compton – Developer

Tim Compton presented the development his company is doing on property that was annexed to the City and the TIF district. Compton will develop some of the property for his business and sell lots to other businesses.

Potential of \$33 million in building investment.

Public Comment

Frank Furman – Compton has five lots will retain two and sell the other three for Compton profit.

Kevin Nelson – against it as it is not the City’s purpose to fix the purchaser’s project.

Board Discussion

Wyeth Friday – The property has not yet been subdivided.
Land purchase and utilities the City typically does not approve.

Jeff Muri – \$33 million potential investor – what type of business? Going to be one of the larger projects that have occurred in Billings. It will be state of the Art building.

Mike Mayott – Development of water and sewer would benefit future annexation of County property to the City.

Wyeth Friday – Getting water and sewer structure gets the whole segment in the city system.

Dick Zier – when someone who hooks into the line is there a pay back to the original developer? The City has some programs but Wyeth would have to dig into more.

Andrew Houlihan – Is there a mechanism for ROI for SBURA directly or the City? Wyeth is not certain and will have to look into it. The City program is typically with the developer.

Clarification of the ROI; 14 years; is that based on the whole development plan or just your piece? Just Compton piece.

Carolyn Ruskstad – Should the TIF be paying for those? Jim Tevlin suggested a motion be made to remove the fees.

Jeff Muri stated policy to not pay fees.

Mike Mayott moved recommend \$713,386 and seconded by Debbie Keller. Based upon Water main, Approaches/road, and Meshing/Piers. **APPROVED.**

3. Application for Tax Increment Assistance - Jim Damien Varela, Pentex Restaurant Group (Action)

Damien Varel CFO of Ole Rentals LLC that operates taco john's and HuHuts. Pentex Restaurant Group operates in 6 states with 4 in Billings.

Purchased taco johns in 2014. Reinvested over \$500,00 since 2015
Adding taco john at 4720 King Ave.

Requesting funds for sidewalks, landscaping. EI

Total assistance eligible for is \$182,281.

Public Comment

Frank Furman – TIF fund was set up for the residences of the South side. Corporations should not benefit.

Kevin Nelson – Showing up late wanting to capture money. Sewer and water have been paid for with TIF funds. Recommends denying application.

Wyeth Friday – Must be clear to the Council what has been done and what has not been done. Can only fund what has not been done.

Board Discussion

Mike Mayott – Curb and gutter and sidewalks. Mr. Nelson does not speak for SBURA.

Carolyn Ruskstad – In favor of the landscaping.

Jeff Muri – All expenses as stated on spreadsheet are allowable by law.

Andrew Houlihan – What is the order of operations for the TIF application.

Jim Tevlin provided clarification on City policy. All requests for funding should be submitted before start of construction. Damien Varela stated the application was submitted in August and construction started until September. Curb, gutter and landscaping has not been started.

Jeff Muri moved \$123,898, Scott Hanser seconded for curb, gutter and landscaping.
APPROVED.

4. **Application for Tax Increment Assistance - Jim Gene Leuer & Beki Brandbourg, GL Development Inc** **(Action)**

Gene Leuwer and Beki Brandbourg presented on behalf of GI Development Inc. Propose is 38 unit project at 510 Jackson Street, Jackson Court Apartments. Presently a vacant lot.

Series of 7 attractive apartments with 38 homes in a Garden Townhouse Concept.

Income and rent assisted affordable housing.

Located on 36 acres of land on a bus route.

Requesting \$547,304 in assistance.

Public Comment

Frank Furman – went from 32 units to 38 units.
They are a for profit company that could take out a loan for the development.

Wyeth Friday – Public park space needs to be reinforced the public access to the park.
This project may be in the next fiscal year.

Board Discussion

Mike Mayott – extend pathway with lights to connect to existing walkways. They are aware of the possibility of connecting to the existing pathway.

Andrew Houlihan – Recuses from the property due to employment conflict. Andrew lives in the area and concerns with the development of the path that is unsightly. Encourages the beautification.

Jim Tevlin has a meeting with City Public Works on October 6, 2021 to see what the ideas are as it pertains to this project.

Debbie Keller – what purpose is the ditch for? Andrew stated it is one of the city ditches that is legacy irrigation. Debbie is concerned about low lighting to deter derelict persons.

Andrew Houlihan – Ask for what lessons learned in other communities. Gene Leuwer stated he did 7 or 8 of similar projects as a lead of a non profit. Has done another 7 or 8 on his own. The reception is typically the same; government is excited for lower income housing. The neighborhoods are initially against the project with reservations. Selling the tax credit to a local bank and the local government will annually inspect the project to ensure its upkeep. It is important to the developer the project is a positive impact to the community.

Mike Mayott moved \$529,765 for extend for water main, vehicle access at Jackson Street, and Jackson Green Park. Scott Hanser seconded.

Discussion – Debbie Keller asked about lighting in the parks area. There are ten light poles on the property plan that is not in the project.

APPROVED. Andrew Houlihan did not vote to recused from the vote as he had a potential conflict of interest.

Due to the late hour and duration of the meeting agenda items 5, 6, 7 and 8 were dispensed with as written reports were provided to the public and board prior to the meeting.

5. Hallowell Lane/Gravel Roads Report – Jim (Information)

Public Comment Board Discussion

6. Bond Issuance for Gravel Roads – Jim (Information/Action)

Public Comment Board Discussion

7. South Billings Recreation Center Report – Jim (Information)

Public Comment Board Discussion

8. Public Comment on Non-Agenda Items

Kevin Nelson – Meeting held on 9/15/2021 without posting the agenda. Pool of funds sets aside for street lights. Is there a digital format saved? Gravel streets who is responsible for Blvd section. Where lights added to CIP?

9. Adjourn – Meeting was adjourned at 9 pm.