

## INTERNAL MEMORANDUM

**Date:** March 30, 2023  
**To:** SBURA Board  
**From:** Jim Tevlin  
**Subject:** Consultant's Report

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The following is a brief update on noteworthy activities in the South Billings Boulevard Urban Renewal District ("the District") as of April 4, 2023 (the reader is urged to view prior reports posted on the website [www.southbillings.org](http://www.southbillings.org) for context):

### **Unimproved Streets**

No updates

### **Sewers**

No updates

### **Community Enhancements**

No updates

### **Billings Housing Authority ("Billings Homefront")**

Billings Homefront recently purchased a large property at the northeast corner of King Ave East and Orchard Lane. They intend to develop this parcel into affordable worker housing units. At their Development Committee meeting in March, I discussed how tax increment funding could assist with their efforts.

### **South Billings Recreation Center**

On March 31, the Billings City Council along with City Staff held a half day retreat primarily to discuss the progress of an ad hoc group consisting of Council members, City Staff and Billings Chamber representatives on the next steps with respect to:

- The adopted Multi-Generational Recreation Center Master Plan
- How to address the upcoming loss of Parks District 1 (PD1) funding
- Bonding for various Parks & Recreation projects.

The attendees at the retreat used a discussion group exercise to achieve a consensus (at least temporarily) on the action steps (i.e., amount & timing) to be taken with respect to replacing PD1 funding and bonding for the Recreation Center and various Parks & Recreation projects.

The ad hoc Council/Staff group engaged FM3 Research Inc to administer a City-wide survey to gain insight on how Billings residents viewed Parks & Recreation, the need for additional parks

vs. a recreation center and how much additional taxes residents could realistically be able to tolerate.

During the retreat the Council came to the consensus to defer public funding for a recreation center to at least 2024. They did believe that, based on the results of the survey (summarized below), taxpayers were more interested in parks than a recreation center. Additionally, they came to the consensus to go to the public to replace the current PD1 levy (approximately \$51.65 per median taxpayer) and add an undetermined amount to the PD1 replacement for park improvements, staffing, operation, and maintenance etc. Lastly, they believe that taxpayers would not tolerate additional taxes greater than \$150 per the median taxpayer. Taken together, the initial plan would be to go to the taxpayers for a combination of levy and bonding not to exceed \$150 per median taxpayer. It is uncertain if the balloting for the above would occur in single or multiple ballots.

The bonded projects that had priority over the recreation center were:

- Castle Rock (\$12 million)
- Coulson Park (\$12 million)
- Downtown 5<sup>th</sup> Ave Corridor (\$3 million)
- South Park Pool Renovation (\$16.5 million)
- West End Water Reservoir (\$7 million)
- Zimmerman & North Park (\$7.5 million)

## **Survey Summary**

1. Number of respondents: 404
2. Data Collection: telephone and online interviews
3. Survey Structure:  
The respondents evaluated two potential issues (1) a bond to construct new facilities and (2) a levy to operate and maintain new and existing facilities.
4. The respondents were asked whether they would vote for both, just one, or against both throughout the survey as they learned more about them.
5. Billings voters have a 75%, 56% and 48% favorable view of Parks & Rec, the Chamber of Commerce and City Council, respectively.
6. 58% of the respondents see a need for additional funding for parks, recreation and trails.
7. Descriptions of bonding & voting measures

### **Bonding**

- Develop up to eight parks & trails.
- Build a multi-generational recreation center.
- \$158 million in bonds
- Additional taxes: \$155 per \$200k home

### **Levy**

- Levy would replace and expand current parks funding

--Additional taxes: \$107 per \$200k home

**Response:**

	<u>Yes</u>	<u>No</u>
<b>Bond Vote</b>	49%	50%
<b>Levy Vote</b>	50%	48%

Voters newer to the city and with children at home were more likely to support both the bonding and levy.

8. Putting the bonds and levy on same ballot could reduce support for both

9. How much voters are willing to pay

	<u>For</u>	<u>Against</u>
<b>\$250/year</b>	39%	58%
<b>\$200/year</b>	42%	56%
<b>\$150/year</b>	46%	52%
<b>\$100/year</b>	53%	45%

10. Voter priorities focus on creating eligibility for outside funds and maintaining existing parks.

11. Lesser priorities are unfinished parks, senior programs, and after-school programs.

12. The value of long-run investments in maintenance and activities for children are compelling messages

13. Most common reasons for opposition to any measures

--**Property taxes too high**

--**Heading into a recession**

--**Other priorities**

--**Won't Use**

--**Trust (i.e., the city already has plenty of money)**

--**No Need**

14. Conclusions

--Measures to invest in a recreation center would require a significant public awareness campaign.

--There are indications that voters are willing to close a funding gap to take care of parks, trails and facilities that already exist.

--Billings voters have favorable views of their local Parks & Recreation Department.