

**South Billings Urban Renewal Association
Board Meeting
Tuesday, April 5, 2022
7:00pm
Conducted Via Zoom Conferencing**

Call to Order: Dick Zier, SBURA Board Chair at 7 pm.

Courtesies: Welcome Visitors

Dick Zier, Jim Tevlin, Carolyn Ruckstad, Jeff Muri, Scott Hanser, Mike Mayott, Mike Boyette, Jeb Brees, Bennett Snyder, Chase, Moore, Wyeth Friday, Afton Perry Andrew Houlihan, Kevin Nelson, Shawn Seedhouse, Denise Joy, Danny Chorki, Pam Purington, Tom Rupis, Andrew Coleman, Frank Furman, Afton Perry

Meeting Protocol: Visitors wishing to be recognized should raise their hand. Unrecognized outbursts will not be acknowledged. Those wishing to offer public comment will be limited to three minutes.

Agenda Additions/Deletions – Dick Zier

Agenda Items:

1. Approval of Minutes for March 1, 2022 meeting – Dick (Action)

Jeff Muri moved; Scott Hansen seconded to approve the minutes **APPROVED.**

2. TPA Group LLC Application – Jim (Information/Action)

Jeb Brees and Bennett Snyder presented the TPA Group's vision for development in the District on the South Frontage Road in area SBURA moved to have annexed to the City for development.

TPA Group is a private real estate investment developer based in Atlanta. They have projects throughout the U.S.. Presently have 22 million square feet in use and 22 million in production.

Billings is the heart of the distribution network of the upper west.

E-commerce has exhausted their growth in major markets and are now moving to the smaller markets like Billings and need a distribution center that TPA is developing.

Users are looking for projects such as TPA wants to develop in Billings.

2 Buildings, 195,000 square feet total, semi parking as well as car and small truck parking.

Construction of concrete panels and large glass in front of the building. Height is 32' high to the column line.

Goal is to attract e-commerce and local firms that need distribution centers.

TPA is already lining up tenants for the project.

Projected job count is 80-250 typical range.

Jim Tevlin presented the proposed expenses from TPA totaling project of \$38 million. MT Code 7-15-4233 (soft cost) expenses total \$236,393; MT Code 7-15-4288 (hard cost) total \$1.3 million. Approximately \$300k annual tax increment. At \$300k per year with full hard cost financing payback would be 4.5 years.

Public Comment

Kevin Nelson – Concerned Southside Billings is subsidizing national companies.

Andrew Coleman – How many building are vacant. Jeb answered very few. Most developments are fully rented prior to development.
What is typical lease? -- Typically 5-7 year leases.

Wyeth Friday – How is the flood plain fringe being addressed? How is the trail development being addressed.

Jeb – Flood plain – will work with the City to meet the city's plans. The initial plan had a trail on the south side of the building. Tevlin asked for that removed and be fluid to the placement of the trail during the development.

Bennet Snyder stated the base level flood elevation is quite high for the structures. TPA is working with the site contractor to limit the impacts.

Board Discussion

Mike Mayott – New distribution terminal on S. Frontage road toward Laurel and Is the anticipated tax increment in the cash flow statement?

Increment is not in cash flow.

Jeb vacancy is .5 to 1.5% so there is plenty of need for the center.

Scott Hanser – when is anticipated completion? Jeb – April 2023. Break ground April 2022.

Jeff Muri – Permits are in hand? Jeb – Drawings are completed and being submitted.
Weyth Friday – City is working with TPA for lot line adjustments and trail.

Jeff Muri – Allowable costs – project is at \$1.4 mil; what is the actual request? Jim Tevlin stated the ask is \$1.6 mil.

Jeff Muri – Thanked TPA for investing in Billings. Are there potential customers in line for the lease. Jeb believes most of the building will be local companies due to classic product and availability. A selling point is the clearance height. Building on a speculative basis in Billings.

Andrew Houlihan – The investment is appropriate of the TIF and the City. The data points TPA presenting are in line with what Andrew is seeing in his business.

Scott Hanser – excited to have a tax increment of \$300k a year. What is going to happen with increased traffic.

Jim Tevlin – Good project that will continue to pay back over the years.

Scott Hanser – it takes almost three years to get a project off the ground so this is a good payback to continue to help the TIF.

Carolyn Ruckstad – very impressed with the building, good numbers, the amount is breath taking; can we go over the numbers a bit.

Dick Zier – Do not want to cut anyone short; but thinks it is a great project.

Mike Mayott motion for \$1million to TPA. Jeff Muri seconded.
Discussion **APPROVED**

3. SBURA Board Vacancy – Jim

(Information/Action)

Jim Tevlin reported that the interview committee interviewed six applicants. The committee recommended Kelphen Tokar

Public Comment

Frank Furman – Does she resides on the south side and a member of Newman PTA.

Board Discussion

Carolyn Ruckstad moved and Scott Hanser seconded appointing Kelphen Tokar to a 3 year term as a resident of the TIF. APPROVED.

Reports – Jim

(Information)

Note: These reports will not be read aloud. Interested parties can view these reports at the Association's website: www.southbillings.org.

South Billings Recreation Center - Open forum for Rec Center is slated for May 10, 4-7pm at Billings Library.

4.

Public Works Report

Public Comment

Board Discussion

5. Public Comment on Non-Agenda Items

Frank Furman – Asked when SBURA meetings will go back to in person.

Carolyn Ruckstad – How to do something about the graphatti on Calhoun Councilperson Pam Purington asked Wyeth Friday how to attack the graphatti. Purington stated she will speak with Police Chief about it. Some of the area is Montana Department of Transportation and have asked them to paint murals to defeat the graphatti.

Kevin Nelson – Commented on the graphatti and thinks the board should spend more time in the south side. Wants SBURA meet in public. Taco Johns closed the location by Perkins and SBURA should claw back some of the TIF award.

Afton Perry – the mural painter used several coats of anti-graphatti coatings to protect. Graphatti is a city problem, not just on the South Side.

6. Adjourn

Scott Hanser moved and Carolyn Ruckstad APPROVED