

INTERNAL MEMORANDUM

Date: May 31, 2023
To: SBURA Board
From: Jim Tevlin
Subject: Consultant's Report

The following is a brief update on noteworthy activities in the South Billings Boulevard Urban Renewal District ("the District") as of June 6, 2023 (the reader is urged to view prior reports posted on the website www.southbillings.org for context):

Administrative

The SBURA board terms for Dick Zier and Andrew Houlihan expire on August 1, 2023. Dick and Andrew are currently SBURA's President and Secretary/Treasurer, respectively. Dick is an at-large director. Andrew is a resident director.

Unimproved Streets-Phase II

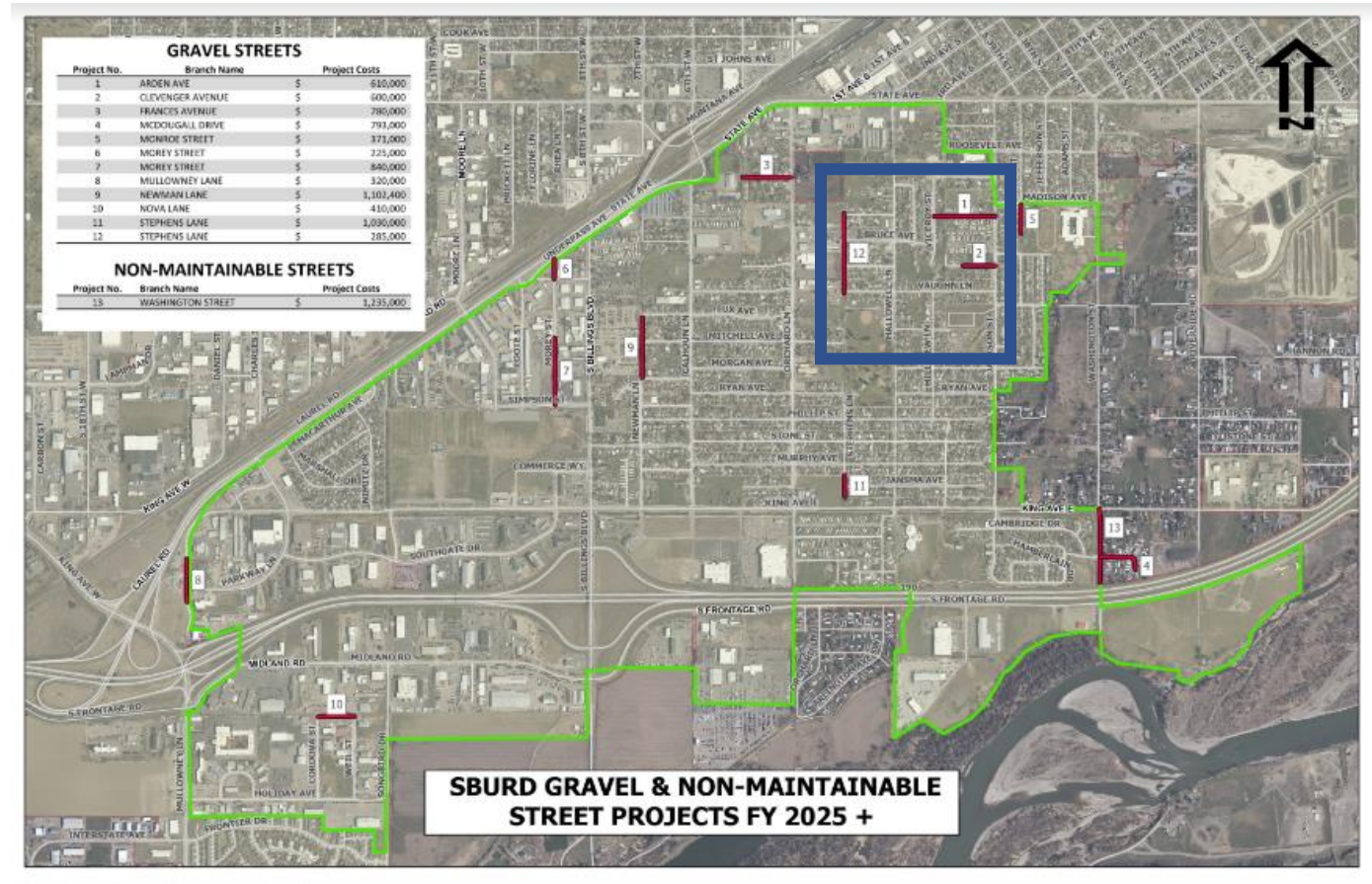
Public Works has secured bids for improvements for Phase II of the unimproved streets program (Morgan Ave, Ryan Ave & Stephens Ln) and will be seeking contract approval at the July 10 City Council meeting. The construction cost for these streets is estimated at \$2.45 million with an additional \$160k of project management costs. Public Works anticipates Stephens Lane to be complete in 2023. Construction will begin on Morgan Ave during 2023 with completion by mid-2024. Construction on Ryan will commence in early 2024 with completion by mid-2024.

Unimproved Streets-Phase III

Below is a map of unimproved streets in the District. I met with Public Works (Tyler Westrope and Mac Fogelson) to get their recommendations for Phase III of the unimproved streets program. The streets highlighted in red are either gravel or non-maintainable streets. Tyler and Mac recommended the streets in the blue box (Arden Ave, Clevenger Ave and Stephens Lane) for the next phase of street improvements. The estimated cost to improve these streets are:

Arden Ave	\$478,850
Clevenger Ave	\$471,000
Stephens Lane	\$223,725

Per Mac Fogelson, the above roads need not be “bundled” as a single contract similar to Hillview, Vaughn and Mitchell. Consequently, SBURA has the flexibility to schedule these street improvements in its Capital Improvement Plan at their discretion.

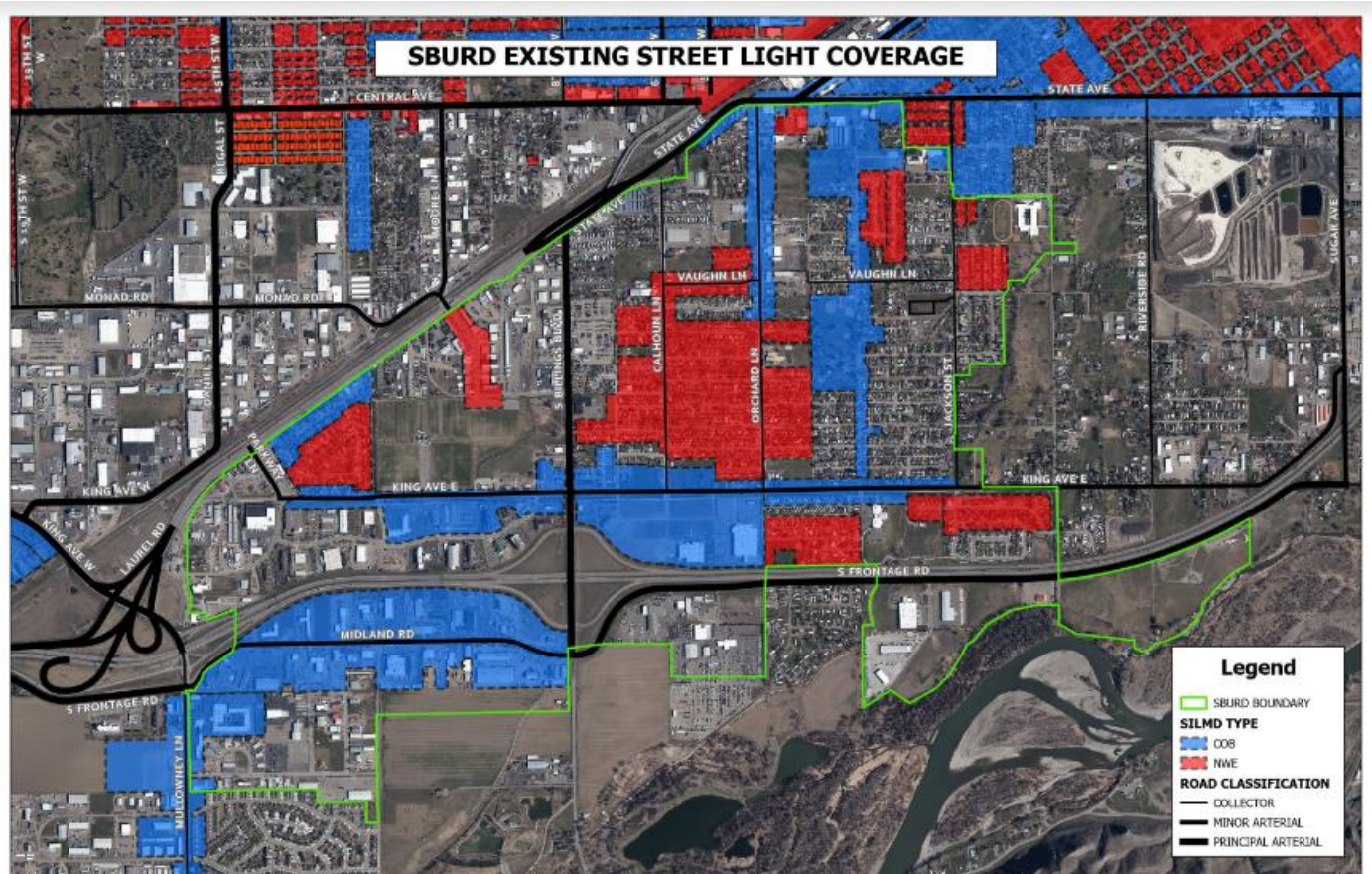


Neighborhood Lighting

Below is a map of the existing light coverage in the District. Areas highlighted in blue indicate City of Billings-installed lighting. The areas highlighted in red indicate Northwestern Energy-installed lighting. It is important to understand that City of Billings lighting is where the City has purchased streetlights and is responsible for their upkeep. Northwestern Energy (NWE) lighting is where NWE has installed streetlights and is responsible for their upkeep. The difference between City and NWE lighting is that City lighting requires the property owners approve a Special Improvement District (SID) for the cost of the lights. In comparison, NWE lighting pays for the streetlights. Consequently, property owners pay a higher monthly utility charge for NWE lighting as compared to City lighting.

For purposes of crime prevention, Public Works suggested SBURA obtain a detailed crime map from the Billings Police Department to help identify areas where lighting may deter crime.

Per Public Works, residential property owners are highly unlikely to approve an SID for streetlights. As a result, TIF funds would be required for the streetlight purchase. Conversely, commercial areas, such as along Southgate Dr, are more apt to approve an SID.



Billings Logistics Center One

TPA Group LLC plans to finish both buildings by the end of August. The first building should be standing prior to the end of May. The second building should be erected by mid-June. They have tenant interest and are expecting more once both buildings are standing. SBURA and the City should consider some form of ribbon cutting ceremony upon completion.

A drone flight of their project is at: https://www.youtube.com/watch?v=Rrfw_VCoBf0.

Jackson Court

Note the following from Gene Leuwer, GL Development:

Jackson Court is progressing well. We will have a couple of months' delay from our originally anticipated completion. I expect the project will be mostly complete in July with two exceptions. There is a long delay in the delivery of electrical panels/meters (chip shortage). At this point we expect those panels and meters to be delivered in late August. The delivery date has recently slipped from late June of this year, so they show up when they show up. About 30 days after arrival, the contractor will have them installed and have tested all the electrical components and appliances in the units. I expect to be able to put people into units at Jackson Court in September.

The other issue that is delaying final completion is delivery of the playground equipment. This may impact the TIF final completion. We've ordered the equipment and again expect delivery in late September. The contractor is ready to install the equipment and mat as soon as it is available.

In September we will have a ribbon cutting for the project. I'll be sure to get you an invitation and I hope you are able to join us. I appreciate the assistance and cooperation we've received from the various City departments and from SBURA on the Jackson Court project. I hope I'm able to do another.

Torgerson Property

Note the following from Matt Robertson, NAI Properties

Torgerson is currently working with the city to assess the walking path location as it may be limiting to his development. If we can find a solution to this problem, I believe he will kick off his project. High level, the project will consist of 50,000+ SF of Class A warehouse space with approximately 10 acres of yard space. Brion Torgerson is working with Studio 4 Architects as well as Bauer Construction to put together a cost estimate that we can use to draft our TIF application. I hope we will see something here in the next couple of weeks.

Mobile-Stor Property

Per Tim Compton, owner of Mobile-Stor, construction has begun on a new Mobil-Stor facility and other rental properties. The foundation is completed, and the steel supports are currently being installed. Tim expects construction to be complete in November.