

RESOLUTION NO. 08-18766

A RESOLUTION RELATING TO THE MODIFICATION OF THE URBAN RENEWAL PLAN OF THE NORTH 27TH STREET URBAN RENEWAL AREA; CALLING A PUBLIC HEARING ON THE PROPOSED EXPANSION OF THE NORTH 27TH STREET URBAN RENEWAL AREA AND THE PROPOSED ADOPTION OF A MODIFIED URBAN RENEWAL PLAN INCLUDING A TAX INCREMENT PROVISION.

WHEREAS, under the provisions of Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the "Act"), the City of Billings, Montana (the "City") is authorized, among other things, to create urban renewal areas; to prepare, adopt and modify urban renewal plans; to undertake urban renewal projects therein; to provide in such plans for the segregation and collection of tax increment with respect to property taxes collected in such areas; to issue its bonds to pay all or a portion of the costs of such projects; and to pledge to repayment of the bonds the tax increment and other revenues derived from the urban renewal projects.

WHEREAS, this Council desires to conduct a public hearing on a proposal to modify the North 27th Street Plan by adopting the Urban Renewal Plan of the Expanded North 27th Street District Urban Renewal Area - 2008 ("Modified Plan"), and amending the boundaries of the North 27th Street District Urban Renewal Area (hereinafter the "2008 Expansion Property") and adding said 2008 Expansion Property to the North 27th Street District, thereby establishing a modified urban renewal area to be designated as the Expanded North 27th Street District Urban Renewal Area - 2008 (hereafter the "Expanded North 27th Street District - 2008" or "the District"), and to undertake urban renewal projects therein, all as authorized by the Act.

WHEREAS, an opportunity has been presented to the City that makes it desirable for the City to consider urban renewal projects within the Expanded North 27th Street District - 2008 consisting of demolishing certain blighted structures within the district; improving such properties with new construction, landscaping, utilities, and other similar improvements; and making the properties so improved available for private redevelopment in accordance with the Act (the "Projects"). Development proposals to be considered for funding will include mixed-use facilities. The Projects could also include building renovations and the construction or expansion of City owned parking structures within the District. The Projects may be financed in part from the proceeds of tax increment urban renewal bonds (the "Bonds").

WHEREAS, the District is legally described on the attached Exhibit A (which is hereby incorporated in this resolution and made a part hereof). In order to provide the public support deemed necessary to encourage the redevelopment of the District by private enterprise through the undertaking of Projects, which are proposed to be financed in part through tax increment generated from the District, it is necessary to add the 2008 Expansion Property to the North 27th Street District to establish a modified urban renewal area under the Act.

WHEREAS, as a condition to approving an Ordinance to add the 2008 Expansion Property to the North 27th Street District, the Act requires that a public hearing be held after appropriate notice to consider the proposed Ordinance, and this Council wishes to provide such notice by virtue of the present Resolution.

WHEREAS, the Modified Plan contains a tax increment provision and it is proposed that the tax increment derived from the District be segregated and applied to pay costs of Projects or be pledged to secure the Bonds that the City will issue to finance a portion of the costs of the Projects, as provided in Sections 7-15-4282 through 7-15-4293 of the Act.

NOW, THEREFORE, the City Council of the City of Billings, Montana, declares and resolves as follows:

1. Public Hearing. A public hearing is hereby called and shall be held on November 24, 2008 at 6:30 p.m. in the Council Chambers at 220 N. 27th Street, on the expansion and modification of the North 27th Street District to establish the Expanded North 27th Street District - 2008, the adoption of the Modified Plan, the undertaking of the Projects, and the issuance of the Bonds to finance a portion of the costs thereof.
2. Determination of blight. A requirement of the Act is to justify creating an urban renewal area through the determination of *blight*. *Blight* is defined as an area that is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime; substantially impairs or arrests the sound growth of the city or its environs; retards the provision of housing accommodation; or constitutes an economic or social liability or is detrimental or constitutes a menace to the public health, safety, welfare, and morals in its present condition and use, by reason of:

- a) the substantial physical dilapidation, deterioration, age obsolescence, or defective construction, material, and arrangement of buildings or improvements, whether residential or nonresidential;
- (b) inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality;
- (c) inappropriate or mixed uses of land or buildings;
- (d) high density of population and overcrowding;
- (e) defective or inadequate street layout;
- (f) faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (g) excessive land coverage;
- (h) unsanitary or unsafe conditions;
- (i) deterioration of site;
- (j) diversity of ownership;
- (k) tax or special assessment delinquency exceeding the fair value of the land;
- (l) defective or unusual conditions of title;
- (m) improper subdivision or obsolete platting;
- (n) the existence of conditions that endanger life or property by fire or other causes; or
- (o) any combination of the factors listed above

Much of the 2008 Expansion Property is blighted or contributes to blight in the area. Within the proposed District there is substantial building and public improvement deterioration, land vacancy or underutilization and obsolete platting. Some of the commercial buildings are vacant and/or deteriorated. Sidewalks and curbs need replacement and alleys are deteriorated. Public parking in areas that are most appropriate for redevelopment is inadequate. Most of the lots are 25' by 140' and are undersized for modern buildings. Diversity of ownership prevents cohesive and comprehensive redevelopment.

3. Intent to Create an Urban Renewal Area with Tax Increment Authority. Pursuant to the Act and considering the blighted conditions cited above, the City Council declares its intention to expand the N. 27th Street Tax Increment District and that public improvements that will stimulate private investment in the area may be financed in part through tax increment generated from the District, subject to a public hearing and adoption of the draft urban renewal plan by ordinance.

4. Form of Notice. The notice of the public hearing shall be in substantially the following form:
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council (the "Council") of the City of Billings, Montana (the "City") will hold a public hearing on November 24, at 6:30 p.m., M.S.T., at the City Council Chambers in the City Hall/Police Facility, 220 N. 27th Street, Billings, Montana, on the proposed addition of property to the existing North 27th Street District Urban Renewal Area to form the Expanded North 27th Street District Urban Renewal Area - 2008 (hereafter the "Expanded North 27th Street District - 2008"); the adoption of a modified urban renewal plan containing a tax increment provision; and the approval of urban renewal projects to encourage the private redevelopment of such property, to be financed in part by the issuance of urban renewal bonds of the City, all in accordance with Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the "Act").

In general terms the proposed Expanded North 27th Street District - 2008 would include downtown property and the district would have the following legal description:

Beginning at a point at the intersection of the centerlines of 6th Avenue North and North 31st St. proceeding east along the centerline of 6th Ave. North to a point at the intersection of the centerlines of 6th Avenue North and N. 22nd Street proceeding south along the centerline of North 22nd Street, crossing the centrally assessed Burlington Northern Railroad property, to a point at the intersection of South 22nd Street and Minnesota Avenue proceeding west along the centerline of Minnesota Avenue to a point at the intersection of Minnesota Avenue and South 23rd Street proceeding south along the centerline of South 23rd Street to a point at the intersection of South 23rd Street and 1st Avenue South proceeding west along the centerline of 1st Avenue South to a point at the intersection of the centerlines of 1st Avenue South and South 31st Street proceeding north along the centerline of South 31st Street, crossing the centrally assessed Burlington Northern Railroad property, to the starting point at the intersection North 31st Street and 6th Avenue North encompassing all parcels and tax codes therein.

Interested persons may appear and will be heard at the public hearing at the time and place stated above or they may file written comments with the City Clerk prior to the date of such hearing. Further information

regarding the proposal, including a draft of the modified urban renewal plan and the proposed adopting ordinance, is on file and available for public inspection in the office of the City Clerk at City Hall. Further information regarding the proposal may also be obtained from Assistant City Administrator Bruce McCandless by calling 406-657-8222 or emailing mccandlessb@ci.billings.mt.us.

Dated: November 10, 2008

Publication Dates: November 13, 2008
November 20, 2008

5. Publication and Mailing of Notice. The City Clerk is hereby authorized and directed to cause notice of the public hearing, substantially in the form set forth in Section 2, to be published in the *Billings Times* at least once a week for two consecutive weeks prior to the date set for the hearing, the first such notice being given at least ten (10) days before the date of the hearing, excluding the date of publication, and to mail notice of such hearing not less than 10 days prior to the date of the hearing to the persons whose names appear on the county treasurer's tax roll as the owners, reputed owners, or purchasers under contract for the deed of the Property, at the addresses shown on the tax roll.

APPROVED AND PASSED by the City Council of the City of Billings this 10th day of November, 2008.



CITY OF BILLINGS:

BY: _____

Ron Tussing, Mayor

ATTEST:

BY: _____

Cari Martin, City Clerk



EXHIBIT A