

02. Opportunities & Constraints

This chapter addresses the built and environmental context of the study area and provides the method for establishing a flexible development framework for the revitalization of the study area as markets evolve over time. The analysis involved a close scrutiny of the opportunities and constraints of the existing environment, including the existing economic conditions, land use and related regulations, infrastructure conditions, environmental issues, and the motorized, pedestrian, and bike transportation systems. The following sections summarize our findings.

2.1 ECONOMICS & MARKET FORCES

Demographics & Employment

Billings is Montana's most populous city and is larger than any city in a 500-mile radius. Population and employment have grown at an annual rate of just over 1% for the last 20 years. Population and employment in the City of Billings have grown consistently, slightly outpacing the state of Montana or the U.S. between the years 2000 and 2007. It is reasonable to assume that Billings will see growth over the next 20 years at about the rate it has seen over the last 20 years.

Recently, the largest job growth sectors have been retail and construction. The unemployment rate in the Billings Metropolitan Statistical Area shows seasonal variation, but has generally moved downward. At 3.2% in 2008, it is very low relative to national averages.

For the last seven years, Billings has averaged about 500 new dwelling units per year. New construction in Billings has slowed since 2003.

Redevelopment Potential

Figure 2.1-1 illustrates the edge conditions of the study area and its central context within the City. A 1% growth rate in population suggests that roughly 1,000 new people will be added in Billings per year, or roughly 450 dwelling units per year at about 2.2 people per dwelling unit. Employment growth (the number of new employees) is estimated to be about 75% of population growth (750 new employees per year). Some of this growth can be captured within the study area depending on: (1) how much growth there is in other areas of the City, and (2) changes that occur within the EBURD to help attract growth to this area. The share of growth that locates within the study area depends on several supply and demand factors and investments the City, BSEDA, or the EBURD might make to increase the value of the study area as a location for development. Appendix A, Economics, Market Forces, and Funding, is an assessment of the District's attributes including:

- Strong location between the CBD and MetraPark, as well as proximity to Downtown and the airport.
- Great access to regional transportation networks (State Routes 87 and 212 and Interstates 90 and 94 and the airport).

- Good physical characteristics for development (flat with minimal grade change) and an excellent street-grid pattern.
- Stormwater facilities are insufficient in eastern study area.
- Potential for environmentally contaminated sites by historic industrial uses.
- Generally, the size of and diversity of parcel types and locations in the EBURD provide numerous opportunities for all types of development.
- Lot size and ownership is varied (550 tax lots and many different owners), which creates a need to assemble land for many types of office, commercial, and residential projects.
- Market studies indicate the EBURD could capture between 5% and 10% of the commercial/industrial development in Billings over the next 10 years (25,000 to 50,000 square feet of new built space per year) (Tamerica 2006). Housing development will be difficult to attain, which would help capture retail. Commercial and industrial would be the strongest markets. There also could be a possible market for lodging in the study area.

The considerations above were discussed as part of the creation of a development concept for the EBURD and strongly influenced the development concept proposed in Chapter 3.

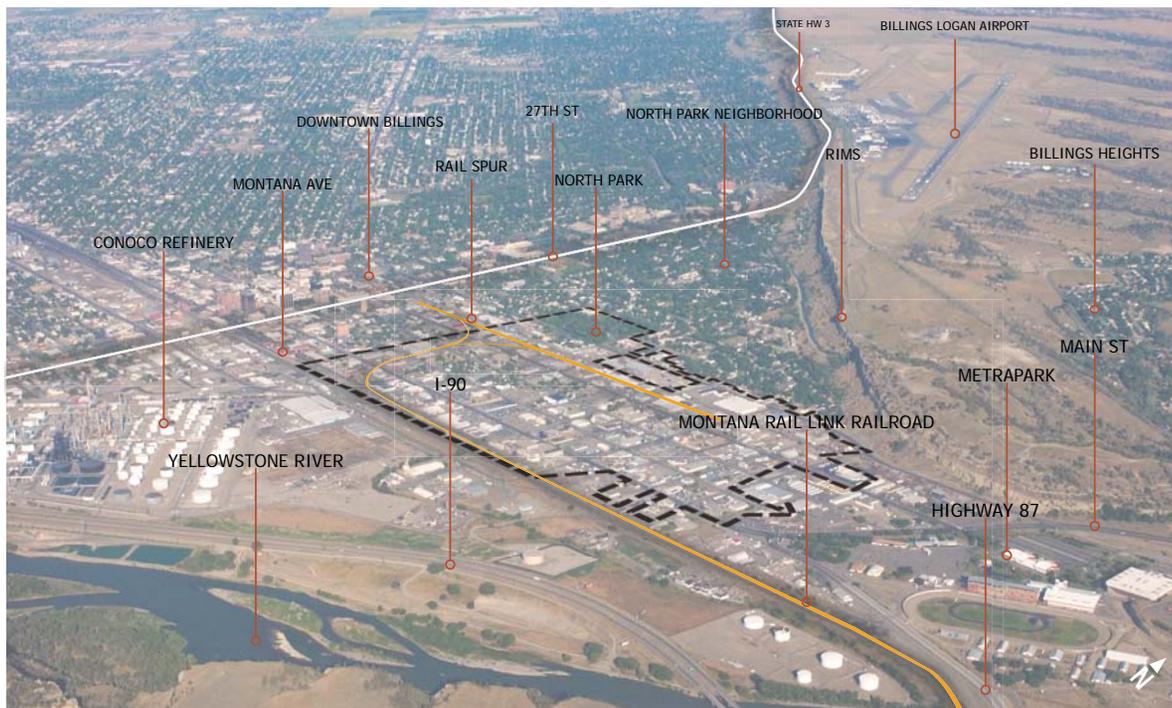


Figure 2.1-1 Edge Conditions & Community Context

visual back-drops for the low-intensity commercial, residential, and manufacturing uses.

Edge conditions consist of lower density residential housing and sporadic businesses to the east, the North Park residential neighborhood to the north, MetraPark to the west, and the Burlington Northern Railroad (BNRR) and Conoco oil refineries to the south. According to the Framework Plan and other recent planning efforts, one of the major goals of the City is to establish pedestrian and bike connections between the Downtown and MetraPark, and ultimately the Yellowstone River, through the study area. MetraPark is a County-owned 10,000-seat expo-entertainment center and major tourist destination located just off Interstate 90 that sits on 185 acres along the Yellowstone River. MetraPark began its existence early in the last century as a fairground and is still the site of the state's largest event, the Montana Fair, each August.

2.2 LAND USE

Located adjacent to the east of the Central Business District (CBD, or Downtown Billings), the study area extends approximately 1.5 miles to MetraPark and encompasses mostly private commercial and industrial land uses. Most of the study area falls within the City, although private lands located between the EBURD and MetraPark are within Yellowstone County jurisdiction (Figure 2.2-1 City / County Jurisdiction). In all, the study area is approximately 485 acres.

The study area sits at the southern base of one of the substantial rimrock land features that frame the entire City as well as at the northern edge of significant refinery structures that light up the landscape in the evening hours (Figure 2.1-1). Both provide dramatic

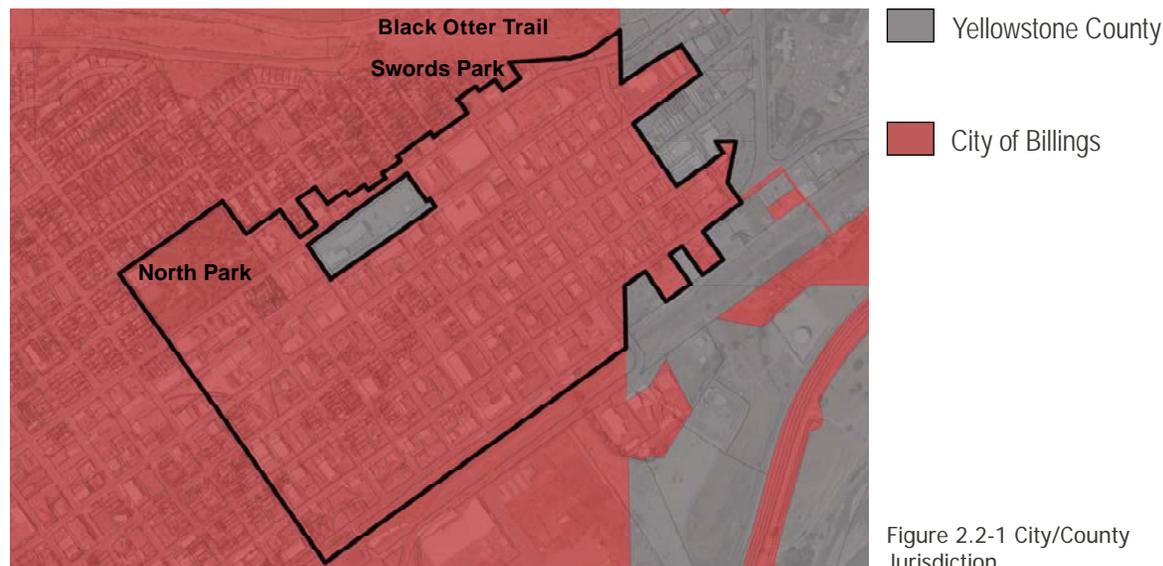


Figure 2.2-1 City/County Jurisdiction

The site itself is generally situated within a traditional grid pattern of 300-foot blocks and streets with 80-foot rights-of-way (ROW) (Figure 2.2-2 Existing Land Use). Streetscapes lack landscaping or trees, and there is very little buffer between sidewalks and high volumes of one-way traffic. The study area is not considered “pedestrian-friendly” for reasons further described in the transportation section. In addition, the EBURD has been designated as an officially “blighted” area for reasons cited in the 2006 East Billings Urban Renewal Plan, including:

- “substantial physical dilapidation... [of structures and a significant number of vacancies]”
- “inappropriate or mixed uses of land or buildings... [due to housing in disrepair and zoning controls]”
- “defective or inadequate street layout... [due to number of one-way streets]”
- “faulty lot layout in relation to size, adequacy, accessibility, or usefulness”
- “unsanitary or unsafe conditions [due to underdeveloped utilities and contamination]”

The 2009 Billings Montana City Code (BMCC) currently provides the regulatory direction for development within the EBURD, with the exception of County parcels (Figure 2.2-3 Zoning). Controlled Industrial (CI) is the primary zone within the EBURD, which allows most light manufacturing uses with restrictions on residential development. Heavy Industrial (HI), Highway Commercial (HC), Community Commercial (CC), Neighborhood Commercial (NC), Residential 6,000 (R60), and Public (P) zones are also sporadically located along the neighborhood edges. The CI zone permits development up to heights of 70 feet, lot

coverage of a maximum 75%, and a minimum front yard set-back of 20 feet. Generally, development can be situated up to the side and rear yard lot lines, except where a minimum 10-foot setback is required adjacent to the street.

With the exception of housing, the CI zone allows a tremendous amount of flexibility with regard to intensity of development and use. So much so, in fact, that there is very little predictability of what use, scale, form, or character of development would present itself in the future. This can be seen as encouraging for market-driven development as well as a challenge for achieving a specific neighborhood “vision” and quality development.

2.3 INFRASTRUCTURE

Overview

The study area consists of an area that is part of the original plat of the Town of Billings. This plat dates back to June of 1882 and was originally filed under Custer County jurisdiction. The area was re-filed in June of 1909 when Yellowstone County was established. A portion of the south and east end of the study area was created by the East Industrial Plat, which was originally filed in 1948 by the Pierce Packing Company. Much of the area has been developed around these original plats and their grid concept with the extension of water in the streets and sewer in the alleys. Private utilities including power, communication, and cable were run on overhead lines while gas is underground.

Essentially no vacant, undeveloped properties exist in the EBURD. Hence, the area has been crisscrossed over the years with several vintages of water, sewer, and storm drainage lines. With very little exception, all of the lines have been upgraded at one time or another to cast iron, reinforced concrete (RCP), or polyvinyl chloride (PVC).

Water

Water mains are typically located in the public rights-of-way along the frontage of the businesses (Figure 2.3-1 Sewer and Water Mains). With the exception of the east end of the study area, a grid of water mains of varying sizes exists. This is more sporadic at the east end of the EBURD because of the County parcels located there and some of the larger users that occupy multiple blocks and do not have need for water at all of their facilities. Although there has been some upgrade to the main trunks in the area, several areas within the EBURD are still served by small six- and eight-inch water mains. This is not unusual in older developed areas, but it does typically mean that although domestic water service is available and operating pressures are adequate, required fire flow requirements cannot be met. This is the case in the study area.

Upgrades to water mains in the EBURD are not contemplated in the City’s current five-year Capital Improvements Plan (CIP). Improvements would be made on an as-needed basis and would be driven by owner/developer needs or other project-related requirements. The 2008 estimate for bringing the area up to required standards is \$1.5 million (Sanderson Stewart 2009).

Sewer

Sanitary sewer mains collect effluent through eight-inch lines that are typically located in the alley, with trunk mains creating a backbone system that run in the frontage rights-of-way (Figure 2.3-1). The sewage treatment plant is located just east of the MetraPark facilities, so a number of large capacity trunks run through the EBURD.

Some areas have been identified that lack direct sanitary sewer service because of County property interfaces or because of large parcel development

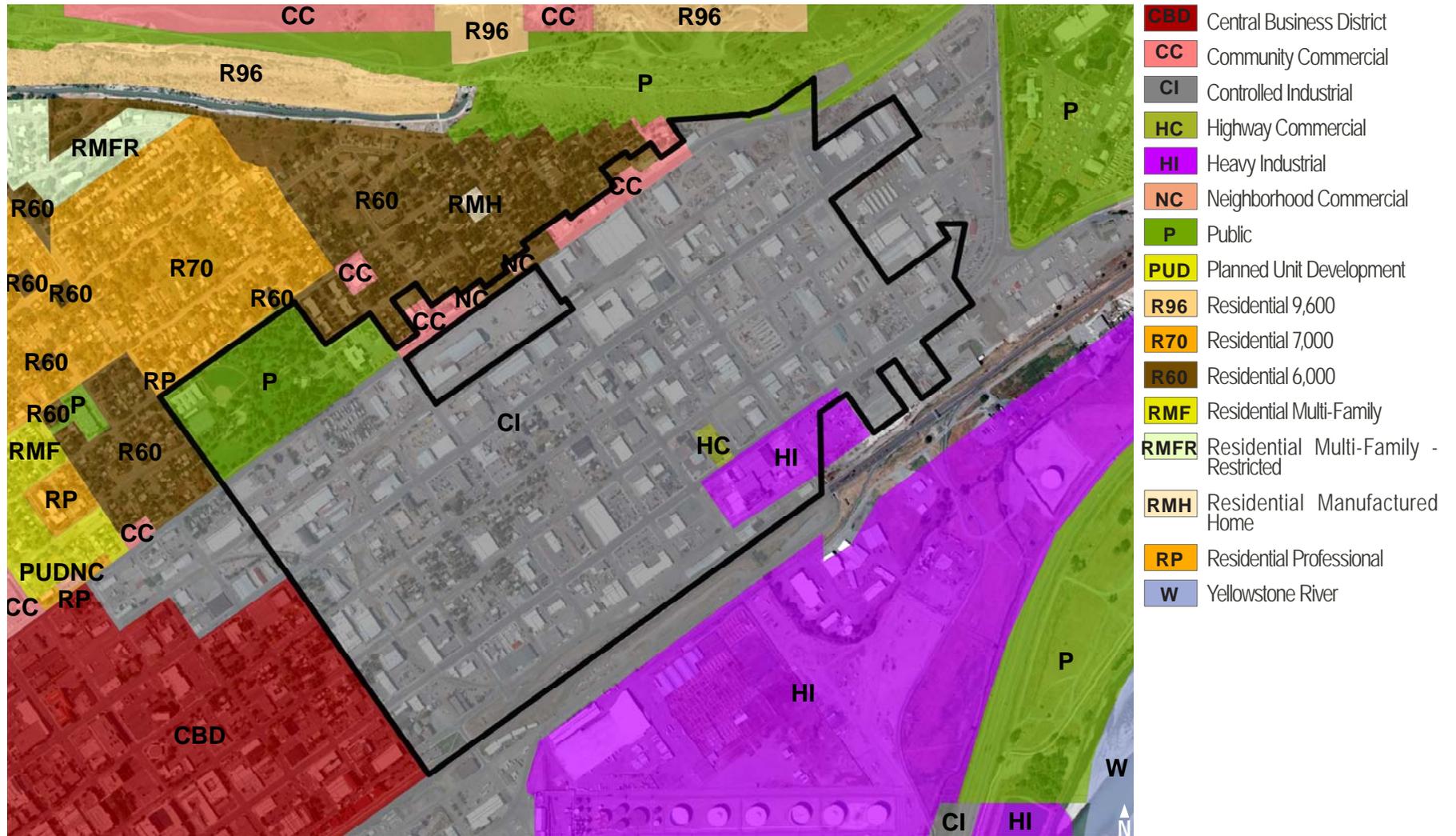


Figure 2.2-3 Zoning

that negated the need for service to all parcels within the study area. Upgrades or replacement of sanitary sewer mains in the EBURD is not contemplated in the current five-year CIP. Improvements would be made on an as-needed basis and would be driven by owner/developer needs or other project-related requirements. The 2008 estimate for bringing the area up to required standards is \$605,400 (Sanderson Stewart 2009).

Stormwater

Probably the most notable deficiency in the area – and the most costly to fix – is the lack of or undersized condition of the storm drain system (Figure 2.3-2 Stormwater and Fiber Optics). The area continues to experience backup and surface ponding due to the capacity limitations of trunk mains in 4th Avenue N, 6th Avenue N, and N 15th Street. These lines exist in the lower end of a large collection basin of nearly 2,812 acres. Three major lines (72-inch, 42-inch, and 36-inch) enter the N 15th Street trunk from the west in addition to the smaller area lines that enter from other adjacent streets. The main line is undersized for the required flows and is further constricted at the crossings of the railroad and Minnesota Avenue. This creates a stormwater backup especially problematic along 4th Avenue N. Multiple studies have been conducted regarding this issue, and installation of new parallel lines and upsizing of other mains have been recommended. The City has, however, not been able to move these needs into a priority position on the five-year Capital Improvements Plan.

The other area of drainage concern lies at the east end of the district. The system for this area collects and carries storm drainage to the north and east through the MetraPark grounds, eventually discharging to the Five Mile Creek drainage just upstream from its confluence with the Yellowstone River. Although not specifically

reviewed for corrective action, there continues to be a significant backup of stormwater at the intersection of Exposition Drive and 1st Avenue N. In addition, the east end of the district suffers from a high degree of surface ponding, even during minor events. Although some of this is compounded by the lack of storm drain lines in the area where large parcels have been developed in the past, it is believed that much of this could be resolved by the completion or upgrade of curb, gutter, and street improvements. This would help channel and control the area runoff and aid in directing it to inlets for collection.

As an older part of town, the EBURD developed prior to any regulations for on-site detention or mitigation of stormwater runoff, and much of the ponding in the eastern portion of the site has been additionally exacerbated by an inadequate regional stormwater system. The City has not been able to allocate dollars to this need and has not included anything in the five-year Capital Improvements Plan for it. The 2008 estimate for bringing the area up to required standards is \$2.8 million (Sanderson Stewart 2009).

Streets

Although the streets are functional throughout the study area, their structural integrity and serviceability vary greatly from west to east. Most of the western streets are well constructed, with wide curb alignments that will lend to fairly easy complete street implementations. The easterly part of the study area is in need of substantially more improvement because of the nature of the large industrial users. In these cases, many of the users did not complete full street improvements or drainage installations. Much of this area will need to be constructed from scratch when owners/developers choose to undertake changes in use of their facilities. None of this work has been included in the City's five-

year Capital Improvements Plan. The 2008 estimate for bringing these streets up to required standards is \$1.9 million (Sanderson Stewart 2009).

Total Area Costs

As a summary, the cost to bring water, sewer, storm drain, and streets up to current design standards in the study area based on 2008 estimates totals \$6.8 million.

Private Utilities & Fiber Optics

Electrical power is provided by Northwestern Energy, which has a main substation in the area rated at 60 megawatts (Figure 2.3-2 Stormwater and Fiber Optics). Major feeds from this substation primarily follow 4th Avenue N and 6th Avenue N. An additional corridor is located in the alley between Montana Avenue and 1st Avenue N, which runs to N 15th Street. Local service is predominately provided through overhead lines located in the alleys. Natural gas is provided by Montana Dakota Utilities (MDU). The area is well covered by service due to its age and history.

Both Bresnan Communications and Qwest Communications have fiber optic trunks passing through the district. Bresnan's main lines run along 1st Avenue N and in the alley between 1st Avenue N and Montana Avenue as well as the N 13th Street corridor. Qwest runs the length of 2nd Avenue N. Both entities plan new expansions in the area to serve projects like the First Interstate Bank facility and the Food Bank project. These main trunk extensions will most likely follow a N 18th Street and 6th Avenue N alignment. As with cable television, installation of these extensions will be owner/developer driven.

In addition, there is an AT&T fiber optics line that runs along the railroad right-of-way. This line is referred to as



Figure 2.3-1 Sewer and Water Mains

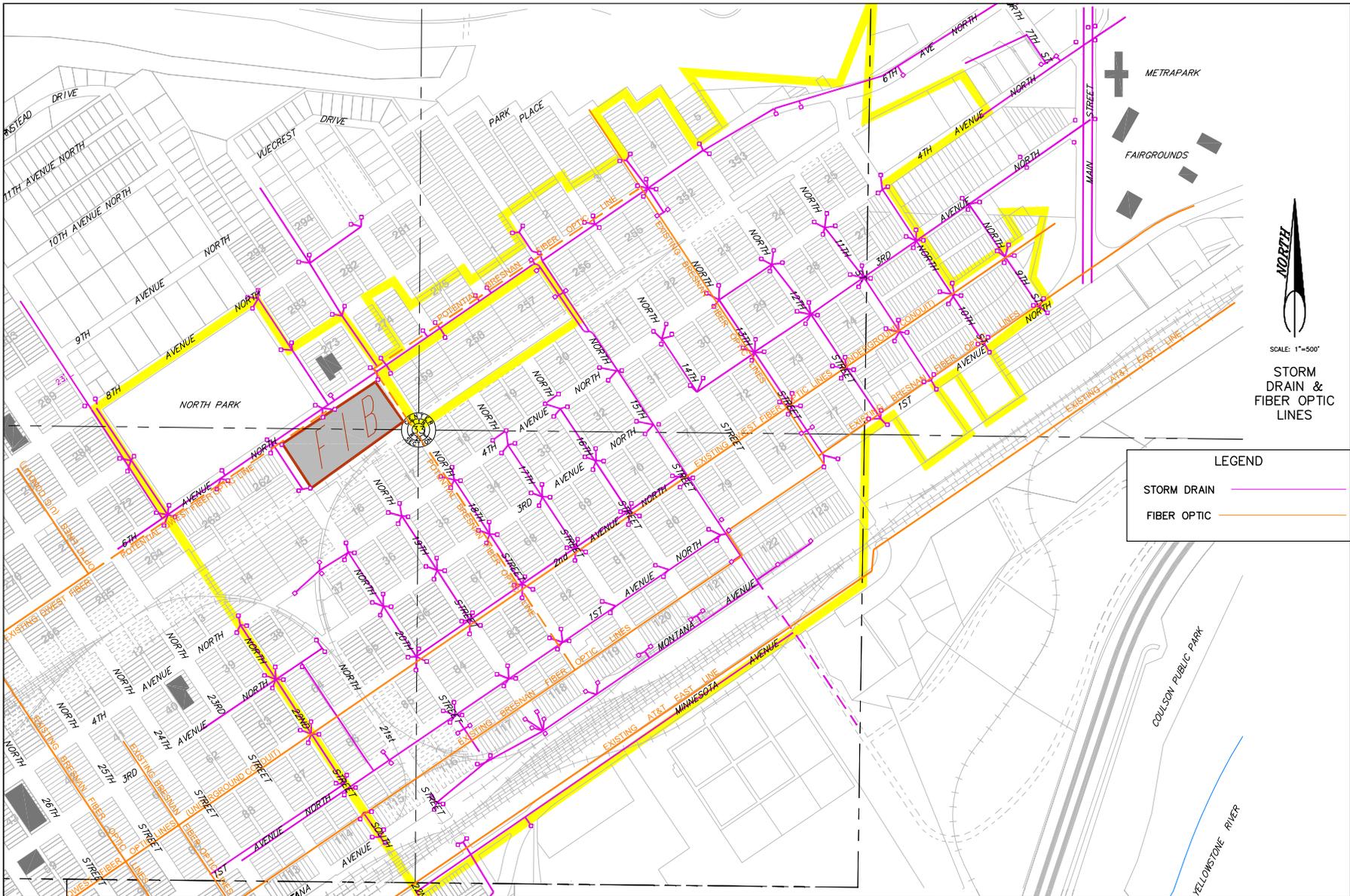


Figure 2.3-2 Stormwater and Fiber Optics

the AT&T East Line and is a major continental trunk line. It is our understanding that no local service is currently planned from this trunk unless a major distribution hub were installed.



2.4 ENVIRONMENT

The study area is a flat, industrial area with approximately 95 percent impervious surfaces that slopes approximately 20 feet from its northwest corner to its southeast corner. The majority of this elevation difference lies in the span of about two blocks from 6th Avenue N to 4th Avenue N. The area has minimal grade change from west to east, which is only several feet in magnitude. The study area and MetraPark are the stormwater drainage endpoints for a regional water collection basin of nearly 2,812 acres that eventually drain into the Yellowstone River. The study area itself lies outside of the 100-year floodplain but it is within roughly a quarter-mile of the river system.

Relative to the North Park neighborhood to the north and CBD to the west, the study area contains little vegetation or continuity in tree-lined streets. The trees located within the site are primarily found on the north-south streets in the central portion of the EBURD and consist of ash and elm tree species.

The study area has in the past been home to a meat-packing plant, an oil and gas company, and other past and existing industrial and commercial enterprises that may have used or generated petroleum and hazardous substance contamination. The extent and level of contaminated soils and water on these potential “brownfield” sites were not fully understood as this master plan was being developed. However, BSEDA is currently conducting a study funded by the federal Environmental Protection Agency (EPA) Brownfields Assessment Grant program to address both hazardous substance and petroleum contamination within the EBURD. The study will identify the nature and severity of contamination on eligible brownfield properties and allow for the planning and selection of cleanup remedies. The overall goals of the program are to remove the environmental uncertainties associated with these properties through the completion of environmental assessments and cleanup of contaminated sites to bring about more sustainable and beneficial development to the study area. This study will extend through July 2011 and is seen as a critical step toward revitalization of the study area.

2.5 TRANSPORTATION

This section presents an overview of the existing transportation conditions in the study area, including transit service, traffic conditions, street classifications and directionality, bicycle and pedestrian amenities, and freight traffic.

Existing Transit Service

Met Transit operates fixed route and paratransit bus service in the City of Billings. Within the EBURD, transit service is provided along 1st Avenue/Main Street, 4th Avenue N, N 13th Street, and 6th Avenue N. Most routes travel on east-west avenues between the Central

Business District and Main Street, on the eastern end of the district. Peak-hour only service is provided along 1st Avenue/Main Street (15P, 16P, 17P), 4th Avenue N (14P, 16P, 17P), N 13th Street (15P), and 6th Avenue N (14P, 15P). Mid-day only service is provided on 1st Avenue/Main Street and 4th Avenue N (18M). No routes serving the district operate the entire day. The Downtown Transfer Center, where transfers can be made throughout the system, is located at N 26th Street and 3rd Avenue N, just four blocks west of the EBURD’s west boundary.

Traffic & Streets

A considerable amount of traffic travels through the EBURD; most of the traffic coming into the district is pass-through traffic or is headed to the east end of the study area or beyond. Figure 2.5-1, Traffic Count and Street Classifications, illustrates the street hierarchy within the study area. The busiest locations with respect to vehicular traffic are to the east, near MetraPark. In particular, Main Street at 3rd Avenue N has the highest traffic levels in the area with 39,440 vehicles during a 24-hour period. This area can become a bottleneck when there are large events at the fairgrounds, resulting in considerable congestion in and around the study area. There is also significant traffic on 6th Avenue N at N 22nd Street, 1st Avenue N at N 14th Street, and 4th Avenue N at N 21st Street.

In the EBURD, north-south streets are primarily two-way, whereas east-west avenues are one-way. One-way streets tend to promote higher travel speeds and limit local circulation, thereby encouraging pass-through traffic. This may be appropriate on the higher volume 4th/6th Avenues N couplet, but is unnecessary on 2nd and 3rd Avenues N, which also act as a couplet. Figure 2.5-1 shows additional detail concerning traffic counts, street directionality, and street classifications.

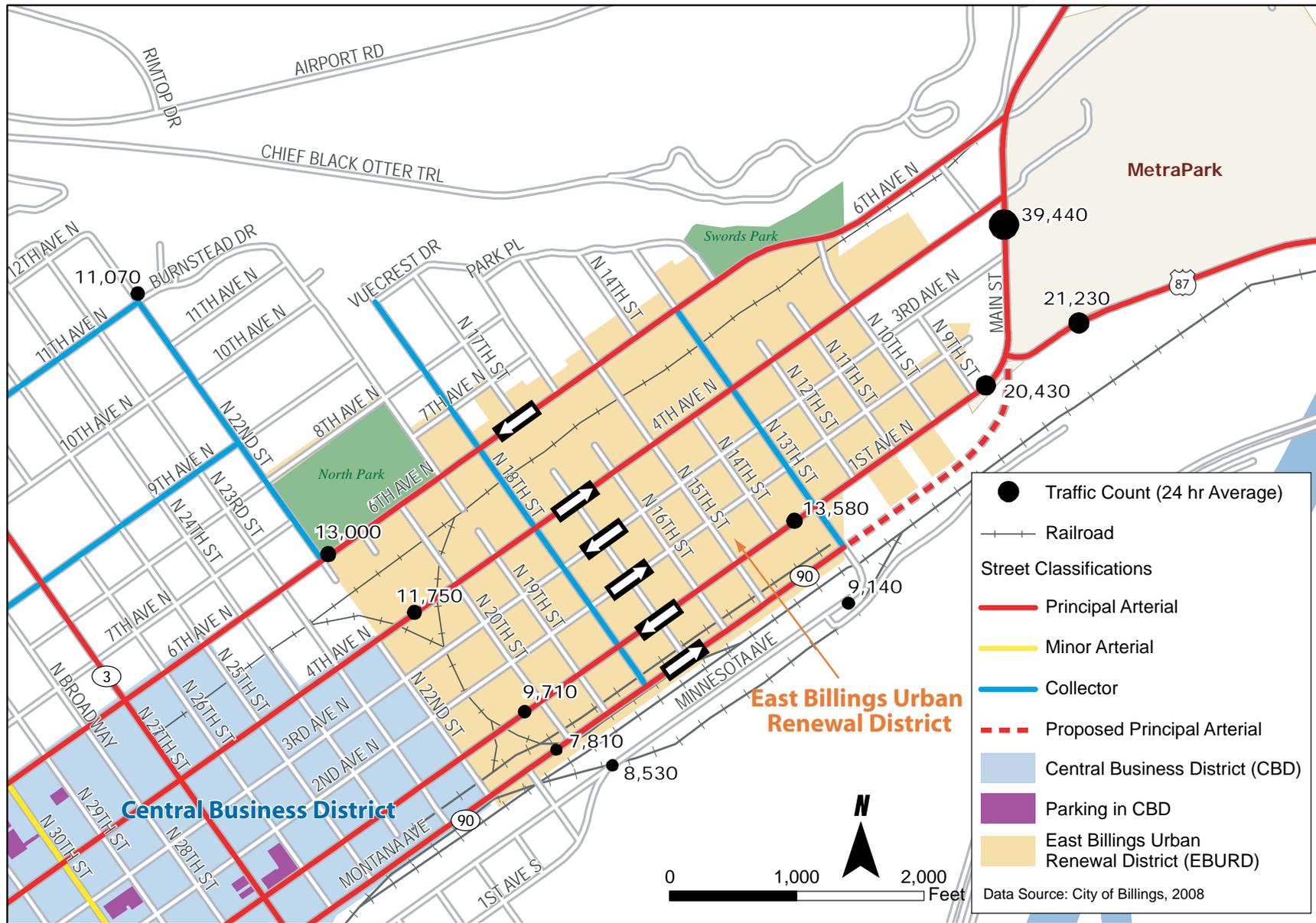
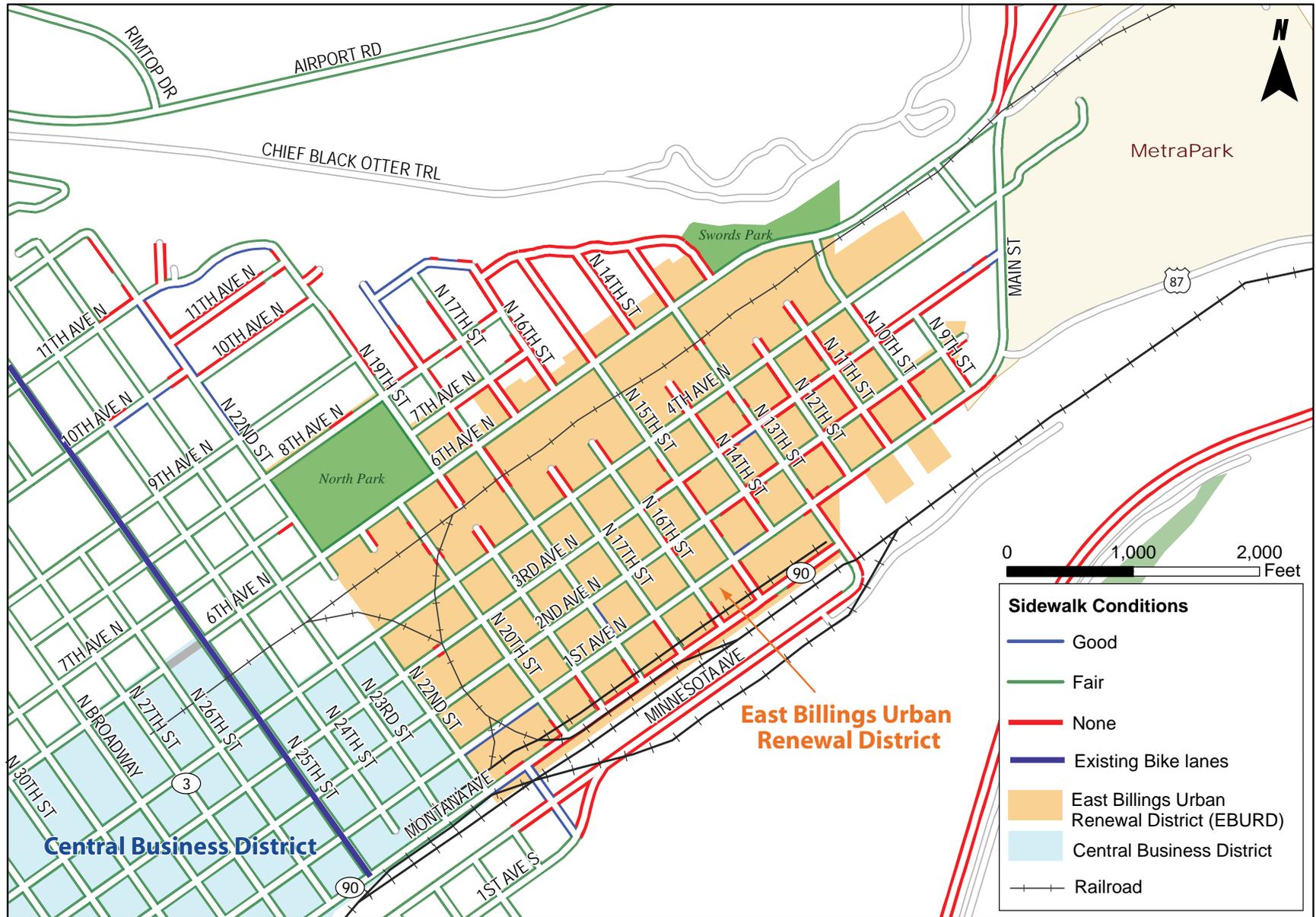


Figure 2.5-1 Traffic Count & Street Classifications



GIS Data Source: Montana State GIS Library



Figure 2.5-2 Pedestrian & Bicycle Environment

Bicycle & Pedestrian Environment

The EBURD has numerous limitations with respect to its bicycle and pedestrian environment. As described above, through-traffic and one-way streets promote a highway-like atmosphere throughout the district. Higher traffic speeds and wide lanes discourage convenient and safe pedestrian crossings.

Currently, the district has a poor environment for pedestrians and bicyclists. There are no established bikeways through the district, and sidewalks are either non-existent or in poor condition. In addition, pedestrian amenities, such as signage, lighting, crosswalks, and benches, are limited. There is no established pedestrian link between the CBD and MetraPark. The fairground is particularly difficult to access given the barrier that is created by Main Street (I-90) and parking that surrounds the facility. Figure 2.5-2, Pedestrian and Bicycle Environment, graphically presents this information.

Freight & Rail Conditions

An active freight mainline is located between Minnesota and Montana Avenues, along the southern boundary of the district. A rail spur travels north along N 20th Street and continues east and west between 4th and 6th Avenues N, becoming the 5th Avenue N Corridor. The spur is in moderate use by local businesses for delivery purposes. There is no passenger rail service in Billings.