PROJECT FEASIBILITY

Trailhead Commerce Park is a collaborative project between Weave Management Group and MCL Holdings who collectively have over 600 acres of contiguous land in the Lockwood area of Billings, Montana. The developers have formed a partnership to develop a light industrial park that integrates rail transloading with commodities warehousing and light industrial properties integrated with conservation areas and greenspace. The development of this property offers significant economic and community benefit as it lies adjacent to the existing Montana Rail Link (MRL) line, Interstate 90, Interstate 94 and is within the proposed Billings Bypass corridor for Northern Montana and borders the Yellowstone River.

INTENT:
The intent of this feasibility study is to identify opportunities and constraints of the study area in an effort to define if and what development is allowable. This feasibility study looked at six primary issues:
- Yellowstone River Floodplain Restrictions
- Billings Bypass Corridor
- Rail Transloading
- Commodities/Commercial Warehousing
- Services/Utilities
- Conservation

YELLOWSTONE RIVER FLOODPLAIN RESTRICTIONS:
Yellowstone County is currently undergoing a floodplain redesignation by the Federal Emergency Management Agency (FEMA) which is due to take effect November 2013. Based on review of the existing Yellowstone County Floodplain Regulations (Fifth Revision dated Nov. 29, 2005) and the anticipated revisions to the floodway designations, +/-180 acres of the site is designated floodway which is non-developable with the remaining +/-420 acres deemed floodway fringe which is developable with required permitting. Allowable development on this +/-420 acres is consistent with the developer’s vision for the Trailhead Commerce Park.

Sources:
http://www.co.yellowstone.mt.gov/mapping/des.asp
http://www.co.yellowstone.mt.gov/floodplain/AdoptedRegulations.pdf
http://svc.mt.gov/msl/mtcadastral/

BILLINGS BYPASS CORRIDOR:
The study area includes the proposed Billings Bypass currently being planned by the Montana Department of Transportation (MDT). The Billings Bypass will provide improved access and connectivity between Interstate 90 (I-90) and Highway 312 with the intent to improve mobility in the eastern area of Billings while providing improved connectivity between Lockwood and Billings. The planning of the Trailhead Commerce Park is critical at this time to ensure integration of the Billings Bypass providing greater community benefit.

Sources:
http://www.billingsbypass.com
RAIL TRANSLOADING:
One of the primary goals of Trailhead Commerce Park is to provide rail transloading opportunities to state and local business and industry. Ongoing conversations with MRL have indicated positive potential for a transloading facility within Trailhead Commerce Park. MRL recognizes that, at present, there is no commercial size transload facility in the Billings area, much less one that includes a commercial warehousing component. Of course, continued plan development is necessary to further these conversations.

COMMERCIAL/COMMODITIES WAREHOUSING:
A complimentary goal of Trailhead Commerce Park is to provide commodities and commercial warehousing opportunities to state and local business and industry. The development of warehousing facilities in tandem with the transload facility will amplify the value and usefulness of Trailhead Commerce Park as a transportation hub for the Northwest Region as a whole. Due to the flood fringe issue, there will be design considerations that need to be addressed. However, these considerations are not uncommon and easily provided for under the current flood fringe development regime.

SERVICES/UTILITIES:
Preliminary conversations with the Lockwood Water and Sewer District and the Billings Sewer and Water District have taken place regarding providing water and sewer to the site. The site is adjacent to the proposed Lockwood Water and Sewer District Phase 2 Boundary. Both Parties have expressed favorable support for the development of utilities in the proposed area. Continued plan development is necessary to further these discussions.

Sources:
http://www.lockwoodwater.com/

CONSERVATION:
Wildlife and land conservation is of great importance to both Weave Management Group and MCL Holdings. The Trailhead Commerce Park includes nearly 180-acres of land which lies within the newly designated 100 yr. Floodway (FEMA). Restrictions prevent this land from being developed as a light industrial park. It is the intent of the development to hold this land out in Conservation allowing passive use recreation and river access which is consistent to work currently being done across the Yellowstone River on Dover Park.

CONCLUSION:
The Trailhead Commerce Park's vision of integrating transportation, industry and conservation in a gateway location for Lockwood and Billings offers significant local and regional economic and community benefits. There is no question Trailhead Commerce Park is feasible and with proper planning and design its potential positive impact on the greater Billings area can be profound.

Project Background
Vu Pham of the Weave Management Group approached Land Design, Inc. with the vision of a light industrial development/transloading facility on roughly 190 acres that the group currently owns. Additional interest by MCL Holdings, an adjacent property owner (+/-410 acres), with a similar desire to develop the area has allowed Land Design, Inc. to review a total of 600 acres within the study area. The study area as it lies is within the proposed Billings Bypass corridor and is adjacent to existing rail service, Interstates 90 and 94 and the Yellowstone River.
Along with Weave Management Group and MCL Holdings, other entities such as the Lockwood Community, the greater Billings area, MRL, and MDT all stand to have interest in this project.

Some of the primary issues of feasibility that have been researched and reviewed are:

- Impact of the pending Yellowstone River floodplain re-designation from FEMA which goes into effect November 2013
- Impact of the proposed Billings Bypass
- Feasibility of a rail transloading facility
- Availability of services/utilities

**Project and Community Context**

The study area lies adjacent to Interstates 90 and 94 inside the proposed Billings Bypass corridor creating the opportunity for a gateway into the City of Billings. The main rail service into and through Billings runs along the eastern boundary of the property. Due to the adjacency of three major transportation routes, this project is primed for both economic development and community benefit.

The local and regional benefits Trailhead Commerce Park offers extend far beyond the developments area. Economically the residents of Lockwood and Billings will benefit from an increase in job opportunities. MRL will benefit economically from the much needed transloading facility. MDT, Lockwood and Billings will all benefit from the development of an aesthetically pleasing entry into the area. Weave Management Group and MCL Holdings are interested in providing the area with a new conservation area that will result from land restricted from light industrial development due to the floodplain put forth by FEMA. Weave Management Group and MCL Holdings are also interested in creating Codes, Covenants & Restrictions (CC&R’s) to help create a balance between the industrial development and conserving the natural beauty of the area.
Site Constraints

There are five primary site issues for the Trailhead Commerce Park study area:

- Yellowstone River Floodplain Restrictions
- Billings Bypass Corridor
- Rail Transloading
- City Services
- Conservation

Yellowstone River Floodplain Restrictions:

- +/-180 acres within the FEMA designated 100 yr Floodway, new construction of any residential dwelling, commercial or industrial buildings is prohibited in this area, resulting in this area being designated for conservation.
- +/-379 acres lie in the FEMA designated 100 yr Floodway Fringe, new construction, alteration, and substantial improvement of commercial and industrial buildings may be constructed with proper permitting
- +/-41 acres lie outside the FEMA designated floodplain

Billings Bypass Corridor:

Coordination with MDT on the preferred location of the corridor and development constraints along this corridor is critical. Access and crossings along the bypass are major points the developers will need to coordinate with MDT, construction sequencing and scheduling will be another critical point of discussion. The integration of the Billings Bypass and Trailhead Commerce Park to create a gateway into the city offers a great opportunity for our community.
**RAIL TRANSLOADING:**
Communications with the owners of the rail service, MRL, are currently taking place and will continue throughout the process. Further, given the fact that the areas contemplated are either unzoned or zoned industrial, the development of a transload facility in this area is well suited. The feasibility of the development of a transloading facility to accommodate local businesses and industry on this site looks to be very favorable.

**CITY SERVICES:**
Preliminary conversations with the Lockwood Water and Sewer District have taken place regarding providing water and sewer to the site. Continued plan development is necessary to further these discussions.

**CONSERVATION:**
Wildlife and land conservation is of great importance to both Weave Management Group and MCL Holdings. The Trailhead Commerce Park includes nearly 180 acres of land which lies within the newly designated 100 yr. Floodway. Federal restrictions prevent this land from being an industrial development. It is the intent of the development to hold this land out in Conservation allowing passive use recreation and river access.

This vision is consistent with work currently being done directly across the Yellowstone River by Yellowstone River Parks Association (YRPA) on Dover Park, a 300-acre regional park currently under phase one construction. The opportunity exists for a pedestrian connection across the river by way of the Billings Bypass that could combine Dover Park with the proposed conservation area within the Trailhead Commerce Park. This creates an important opportunity to enhance the aesthetics of Trailhead Commerce Park while helping create a wonderful gateway into the Billings Community tying the project to the Yellowstone County and City of Billings Parks System.

**Statement of Viability**

Through our research of the Trailhead Commerce Park’s vision of integrating transportation, industry and conservation in a gateway location for Lockwood and Billings, it is our opinion that the project is not only viable and feasible but will also offer significant local and regional benefits. Continued planning and coordination with the City of Billings, Lockwood, MDT, and MRL is vital in the process of this project moving forward in a positive direction.