

**RESOLUTION 21-11012**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF BILLINGS, MONTANA, APPROVING TAX BENEFITS  
FOR COCA COLA BOTTLING HIGH COUNTRY**

WHEREAS, Resolution 05-18376 provides for granting tax incentives to a qualifying new or expanding industry pursuant to Sections 15-24-1401 and -1402, M.C.A., and establishes a procedure for applying for said tax incentives; and

WHEREAS, Messinger Company/Coca Cola Bottling High Country has set forth in its application (Exhibit A) certain information regarding the improvements made to its business which appear to qualify Messinger Company/Coca-Cola Bottling Company High Country for said tax benefits; and

WHEREAS, Section 15-24-1402(2), M.C.A. requires the governing body to give notice of a public hearing to hear comment. Said notice was published on September 17 and 24, 2021.

WHEREAS, The City Council of the City of Billings, Montana held a public hearing on September 27, 2021, and duly considered the application of Coca Cola Bottling High Country and has determined that said application meets all qualifications for the tax incentive and should be approved.

NOW THEREFORE BE IT RESOLVED BY THE BILLINGS, MONTANA CITY COUNCIL that the application (Exhibit A) for tax benefits made by Coca Cola Bottling High Country is APPROVED for a 50% tax abatement as permitted by Sec. 15-24-1402, MCA and City of Billings Resolution 05-18376. The property receiving the tax benefits is described as follows:

(5 lots) Parcel 11A COS 1391, Shackleford-Yellowstone, Block 3 Lots 1,2,3 and 4, all in S24 T01S R25E, Yellowstone County, Montana.

NOW THEREFORE BE IT FURTHER RESOLVED that said new or expanding industry classification tax benefits shall be made for Messinger Company/Coca-Cola Bottling Company High Country on the earliest tax bill allowed by law.

ADOPTED AND APPROVED by the Billings City Council on the 27th day of September, 2021.



CITY OF BILLINGS:

By: William A. Cole  
William A. Cole, Mayor

ATTEST:

By: Denise R. Bohlman  
Denise R. Bohlman, City Clerk

**APPLICATION FORM FOR NEW OR EXPANDING INDUSTRY  
TAX REDUCTION**

(As allowed under City of Billings Resolution 05-18376, Yellowstone County  
Resolution 94-92 and 15-24-1401 and 15-24-1402 MCA)

1. Name of Business: Messinger Company/Coca-Cola Bottling Company High Country

2. XX New Business: Start of construction (date): April 2022  
End of construction (date): November 2023

3. XX Expanding Business: Start of construction (date): April 2022  
End of construction (date): November 2023

4. Address of business: 2150 Coca-Cola Lane, Rapid City, SD 57702

Actual location of business: (current) 4147 S 1<sup>st</sup> Ave; (future) NHN Harnish Blvd

Tax Code: (current) 000D012530

Within city limits of Billings  YES (To be Annexed)  NO

5. Person representing business and responsible for application:

Name: Joe Easton Title: Director of Property Development

Address: 2150 Coca-Cola Lane, Rapid City SD 57702 Phone: 605-342-8222 x3344

6. Amount of capital investment for new or expanded industry in Billings / Yellowstone County: **\$ 50,000,000** (Attach detailed costs of new construction or expansion including land, materials, labor, equipment, and dates of construction. The County Commissioners and/or City Council may request further information, such as financial statements, business references, or other documents, prior to acting on this request.): The new facility will include distribution and warehouse space of approximately 100,000square feet, office and administrative space of up to 10,000 square feet, and manufacturing space of up to 30,000 square feet. The building is currently in initial design, with contractors and consultants engaged through the Fall and Winter of 2021. Detailed costs can and will be presented to BSEDA and the governing bodies when costs are more specific.

7. Describe the project relating to the capital investment: Located on 13 acres within the Harnish Business Park in Billings, the new facility will replace the current operation on South 1<sup>st</sup> Avenue. The facility will be approximately 130,000 square feet which includes the sales and distribution center, and beverage manufacturing facility. The facility will be built with tilt-up concrete walls on a steel frame.

8. Explain business activity - what business does: Coca-Cola High Country is a family owned, regional Coca-Cola Bottler founded in 1956 serving portions of Colorado, Minnesota, Montana, North Dakota, South Dakota, Utah, and Wyoming. The company distributes over 450 different varieties of sparkling soft drinks and still beverages including sports drinks, bottled waters, juices and juice drinks, teas, energy drinks and coffee. Currently in its 3rd generation of ownership by the Messinger family, the company's headquarters are in Rapid City, South Dakota and our only manufacturing currently is located in Bismarck, North Dakota. The company has grown since 2014 by adding 20 additional sales centers located across Montana, North Dakota, South Dakota, Minnesota, and Wyoming expanding their operations across 7 states, adding ~640 new employees and expanding their consumer base to over 2.3 million people.
9. How long has this business been located in Billings and/or Yellowstone County: Coca-Cola has had a presence in Billings and Montana for nearly 100 years. The current Coca-Cola sales center has been on South 1<sup>st</sup> since 1959. The Messinger Company has owned and operated in Billings since 2014.
10. At the time of application, how many employees does the business have:  
60 Full-time; \_\_\_\_\_ Part-time.
11. How many employees will the applicant have after completion of construction:  
110 Full-time; \_\_\_\_\_ Part-time.
12. Describe job skills required for all new employees, both full and part time:  
The 50 net additional jobs will be a mix of sales, distribution, merchandising and warehouse support. Those jobs will require physical capacity and service experience. The jobs associated with the manufacturing facility will require education and experience in manufacturing and processing, and administrative and managerial skills and experience.
13. What is hourly pay scale of both full and part-time employees to include benefits (new employees only): When the new sales distribution center and manufacturing facility is completed, ~50 new jobs are expected to be created. All full-time jobs will have medical and retirement benefits. There will be ~10 management positions with salaries ~\$100k/year with benefits and ~40 hourly positions at ~\$24/hr with benefits included.
14. Economic impact of capital investment:  
 \_\_\_\_\_ (to be provided by BSEDA)
15. Planned hiring schedule:  
All existing positions will be transferred to the new facility upon its completion. The new jobs will be hired in staggers throughout late-2023 to prepare for full operation of the sales center and the manufacturing facility in January of 2024.
16. List other property tax benefits business currently receives or has applied for:

None.

17. If applicant is transporting, wholesaling, providing services, warehousing, or distributing commercial products or materials, proof must be provided that fifty percent or more of the applicant's gross sales or receipts are earned from outside the State, or that fifty percent or more of applicant's annual gross income is from out-of state sales. (Include as attachment)

Does not apply to this application.

18. Building permit (attach copy or explain absence): Design of the new facility is underway, and expected to continue through 2021. The building permit will be sought and received during the first quarter of 2022.
19. City/County Planning Department or Laurel-Yellowstone City/County Planning Board certifies that the business conforms with zoning regulations: N/A
20. City/County Health Department certifies that if a non-public water or sewer system is used (i.e., septic tank and water well) that system conforms to acceptable standard, or will do so on the completion of construction: N/A
21. County Treasurer Office certifies that City and County taxes have been paid in full or otherwise satisfied:  
Taxes are current.
22. A non-refundable fee of \$500.00 must accompany this application to cover the cost of application administration. Make checks payable to the Big Sky Economic Development Authority.
23. All items on this application must be addressed. Upon completion and accompanied by the application fee, the original can be submitted to the Big Sky Economic Development Authority, Attn: Tax Abatement, 222 North 32nd Street, Suite 200, Billings, MT 59101 (Telephone 256-6871). If application is complete, a duly advertised public hearing will be scheduled, after which the County Commissioners and/or City Council will decide whether to approve, conditionally approve or deny the application. The applicant, or a representative of the applicant, must appear in person at the public hearing.
24. The application to Department of Revenue form, which is part of the application, must also be completed and signed by the applicant.
25. The Board of County Commissioners and/or City Council may review this applicant's tax incentive at any time and terminate further reductions at its discretion if it finds the provisions of County Resolution 94-92, City Resolutions or State Code are not being met.
26. In order for this incentive program to apply to the applicant's current year taxes, the application must be approved by the City Council and/or the County Commissioners by the second Wednesday in May of the year in which the reduction is desired.

27. If application is approved, applicant will comply with the following provisions. Failure to comply may lead to the previously approved tax abatement being rescinded:

- i. Provide copy of Occupancy Certificate and/or Certificate of Substantial Completion
- ii. Annual Survey to be completed and returned to Big Sky EDA by June 30 of each year
- iii. Remain current on all property taxes
- iv. Notify Big Sky EDA of any ownership changes or change of use of the facility
- v. Comply with any other provisions set by the Board of County Commissioners and/or City Council

28. Signature of applicant representative: \_\_\_\_\_

29. Date of application: August 10, 2021

**Recommendation by the Big Sky Economic Development Authority:**

\_\_\_\_\_ Approve \_\_\_\_\_ Deny

**Action by Board of County Commissioners:**

Public hearing of the Board of County Commissioners held (date): \_\_\_\_\_

\_\_\_\_\_ Approve \_\_\_\_\_ Deny

Date: \_\_\_\_\_

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

**Action by Billings City Council (if applicable – project within City limits):**

Public hearing of the Billing’s City Council held (date): \_\_\_\_\_

\_\_\_\_\_ Approve \_\_\_\_\_ Deny

Date: \_\_\_\_\_

CITY OF BILLINGS

By: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_