

Attachment D
Applicant Letter and Support Letters– SR #893

Prepare a written statement addressing what is intended to be done with the property, including new construction or change in the use of the property, and why the special review is being sought.

Intended Use: 4ZERO7 Loft Project

Jane W. Deschner and Jon D. Lodge propose to develop the property at 407 N. 24th Street in downtown Billings as a live/work space. The building is the former Central Sheet Metal Showroom and Shop built in 1949; it has been owned for several years by NA Thompson LLC and used as an office/storage/apartment space by Bob Honaker.

Jane and Jon are both well-established artists who are active in the community. Jane is a visual artist who works with found photographs and organizes projects, groups, etc.; Jon is an painter/drawer/collagist, jazz musician and general manager of Artcraft Printers. They initiated DIALOG, a group of artists of varying ages and stages in their careers who met monthly to talk about their work. When the member in whose studio they were meeting moved to Missoula, the group dissolved. They organized MIXX, a group of seven regional artists who have held short public art exhibits in unconventional spaces around Billings on an irregular basis for several years. They used their home to entertain visiting artists and for other art/music gatherings on a regular basis. For instance, after the memorial service for the artist Freeman Butts was held at the Yellowstone Art Museum, they invited everyone to their home for supper and reminiscing. When New York City artists Jeff Weiss and Zoë Sheehan Saldaña were visiting artists at Rocky Mountain College on their way to Ucross Foundation in Wyoming, Jon and Jane hosted a large gathering of artists and other art-interested people to meet and talk with them. The same thing occurred when NYC photographer Serge J.F. Levy was here giving talks at Rocky and MSU-B. These are the kinds of uses they wish to continue at 4ZERO7. Jon also plans to have small concerts and jam sessions.

Currently the building is a shell. Please see Illustrations A, B, C, D. Jon and Jane intend to remodel it for living space, a gallery where the store front was, and studio spaces for their art and music. Please see Illustrations W, X, Y, Z. They see it as a beautiful place for occasional exhibitions of their work, the MIXX group, others who want to have a small shows, etc. Art will be shown and it will be open to the public on an irregular, but ongoing, timetable. Exposure, dialogue, interaction, inspiration and camaraderie around art and music are their goals.

This Special Review is sought because a variance is needed to the current controlled industrial zoning to allow single family residential. Their project/idea for this building is not financially feasible for them unless it encompasses both their studio spaces and their home.

A. In what ways is your proposal consistent with the goals and policies of the adopted Growth Policy?

Land Use Element

1. ISSUE, GOAL: "...consistent with...preferred land use patterns identified in neighborhood plans."

4ZERO7 Loft Project: The Downtown Billings Framework Plan, North Park Neighborhood Plan and EBURD Plan all encourage mixed-use, infill, residential development at and around this location.

2. ISSUE, OBJECTIVE: "Maintain a high quality of life for new and existing residents."

4. ISSUE, OBJECTIVE: "Create attractive communities."

4ZERO7 Loft Project: Remodeling the building will greatly improve the value and appearance of the property. An adjacent property owner Nick Purchio, Farm Bureau Financial Services, writes, "Of all the options that could go into that location this is certainly one that would offer a WOW factor and encourage others to invest in the area and perhaps revitalize other older buildings." (See Letter of Support # 1)

6. ISSUE: "There is a desire for more mixed use neighborhoods."

OBJECTIVE: "Encourage more live-work environments."

4ZERO7 Loft Project: The property will be both home and studios for two artists.

Economic Development Element

5. ISSUE, GOAL: "An economically and culturally vibrant Downtown Billings."

4ZERO7 Loft Project: Developed as an artists' space, the building will enhance the neighborhood and downtown. For years in and around New York City, artists changed neighborhoods for the better when they move in to live and work (Soho, Chelsea, Williamsburg, Dumbo, etc.). They have been catalysts for remarkable and long lasting improvements.

6. ISSUE: "Safety in Downtown Billings is an important element."

4ZERO7 Loft Project: Having 24-hour residents in what is now a primarily daytime commercial area will add to the oversight and safety of neighbors. An adjacent property owner, Trisha Casey, TKC Photography, emailed, "Having people present during the evening, night and weekend should have a positive effect in crime prevention." (See Letter of Support #2)

Aesthetics Element

1. ISSUE, GOAL: Visually appealing communities."

4ZERO7 Loft Project: The appearance of the building and adjacent property will improve greatly with the significant financial input the new owners hope to make.

Transportation Element

12. ISSUE, GOAL: "Reduce carbon emissions from vehicles."

4ZERO7 Loft Project: A quote from the latest Good Earth Market newsletter read, "Everything is one thing, and as part of this wholeness, I always make a difference." Living downtown, one

walks to the Farmers' Market, restaurants, the Yellowstone Art Museum, etc. Even one or two people walking, not driving, helps.

Cultural and Historic Resources Element

2. ISSUE, GOAL: "Actively maintain existing cultural institutions in Billings and support additional venues and interest."

4ZERO7 Loft Project: Much of the use of the property will be cultural—art and music. Occasional art exhibitions and jam sessions will be open to the public.

B. Why is there a need for the intended use of the property at this location?

Greg A. Krueger, Executive Director of Downtown Billings Partnership, states, "The Downtown Billings Framework plan calls for mixed use development such as proposed by Ms. Deschner. This has been accepted by the Billings City Council and the Yellowstone County Commissioners. Further, the plan is a key part of urban renewal plan for this area." (Letter of Support #3)

The property lies within the boundaries of the North Park Neighborhood Task Force. The North Park Neighborhood Plan (2008) states, "Maintain a residential character; through the zoning process, develop transitional areas between surrounding commercial/industrial uses and residential areas." This property is in Study Area 2, though it falls two blocks to the west of the East Billings Urban Renewal District. The goal for the EBURD is "A vibrant and cohesive extension of the core downtown Billings area." The objective, "To create a destination place where people will want to repeatedly visit, maintain and enhance housing in the district, and updated utilities and infrastructure." Across the street from 407 N. 24th Street begins the Central Business District. The CBD plan encourages mixed-use development which includes more housing choices. A small, 4-square-block area containing 407 N. 24th Street falls in a "no-plans land" between the EBURD and CBD. Looking at the goals and objectives for the surrounding areas, it seems safe to assume that the same would be encouraged here. This project would definitely be a good transition between commercial and residential.

On the East Billings Urban Renewal Master Plan (07.02.09), 407 N. 24th Street falls into "East Downtown," an area which continues "the pattern of mixed use infill..." One goal is to increase residential development.

Artspace, a group whose mission is "To create, foster and preserve affordable space for artists and art organizations," and which hopes to bring artist live/work spaces to Billings, sees the value of and need for in this kind of development. A March 3, 2009, letter from Wendy Holmes, Vice President, Artspace, states, "We...feel confident that Billings can support a mixed-use live/work housing project in the 40-45 unit range."

On a personal level, Jane Deschner and Jon Lodge need to find a home and studios. Though this idea had not occurred to them before because a new home was not needed, it now seems the ideal place and way to live. They plan to stay at 4ZERO7 for many years.

C. How will the public interest be served if this application is approved?

There is great consensus in Billings (and beyond) that downtown should be preserved and revitalized. Taking into account all the elements, issues, goals and objectives explained in the Growth Policy, it makes sense to remodel an existing structure to initiate change in a neighborhood in the way the policy wants it to happen—infill, mixed-use. *When responsible individuals undertake a project that conforms with the hopes, laws and plans of the greater community, the public interest is served.*



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Nick Purchio, LUTCF, FSS
Agent
Financial Advisor
Registered Representative

July 19, 2011

To whom it may concern;

I own the building at 401 N 24th Street and have located my Insurance/Financial Services practice to this site. I purchased the building February 11, 2011 and have made extensive improvements to the inside. My plan is to stay at this location for years to come.

I chose to buy property and relocate my business to this area as I truly believe in the downtown concept and would love to see it continue to be revitalized. I have worked very hard to maintain the classic look of the old red brick building and plan to add traditional awnings that the building had in the past.

The character of the neighborhood and how it changes is very important to me. I have looked at the building at 407 N 24th Street as it is two doors down from me and is quite visible. Having heard what Jon Lodge & Jane Deschner have planned for it would seem to be a perfect fit for the block. Of all the options that could go into that location this is certainly one that would offer a WOW factor and encourage others to invest in the area and perhaps revitalize other older buildings. By living in the building it would also add a presence during non business hours that would be welcomed by me as a neighbor.

As a neighbor I have no problems with and support the zoning change they are requesting. Please feel free to call me with any questions.

Sincerely,

Nick Purchio LUTCF, FSS

Financial Advisor

From: **trisha casey** <tkcphoto@msn.com>
Date: Sun, Jul 31, 2011 at 8:32 PM
Subject: zoning
To: jwdjwd@gmail.com

I would like to voice my support for allowing 407 N 24th St to become zoned for a single family residence. It would be great to have the remodeling of buildings in the area improve the neighborhood, and help continue the growth nearby. Having people present during the evening, night, and weekend should have a positive effect in crime prevention.

Trisha Casey
TKC Photography
(406)208-7412
2319 4th Ave N
Billings, MT 59102



July 19, 2011

Jane Deschner
635 N. 26th St.
Billings, MT 59101

To Whom It May Concern:

I am writing this letter of support on behalf of the Urban Renewal Plan for the Expanded N. 27th Street Tax Increment Financing District and the Board of Directors of the Downtown Billings Partnership, Inc. We wish to make it know that we strongly support any and all zone changes and exceptions that would allow mixed use development in our district.

The project proposed for 407 N. 24th would fit nicely within our plan of redevelopment of our urban renewal district and should be approved. We intend to explore the possibility of expanding the Central Business District zoning to this area in the future and the proposed use would fit perfectly.

The Downtown Billings Framework plan calls for mixed use development such as proposed by Ms. Deschner. This has been accepted by the Billings City Council as well as the Yellowstone County Commissioners. Further, the plan is a key part of the urban renewal plan for this area. With that in mind, we urge you to approve this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg A. Krueger".

Greg A. Krueger
Executive Director
Downtown Billings Partnership, Inc.

July 29, 2011

The Billings City/County Planning Board
510 North Broadway
Billings, Montana 59101

Dear Members of the City/County Planning Board:

I am writing in support of the request by Jane Deschner and Jon D. Lodge to rezone the property at **407 N. 24th Street** into zoning that will allow for mixed use. Jane & Jon happen to be interested in a property that sits in sort of a "no-man's/no-plan land" and, from what I have learned, plan to remodel the building into a mixed use that will not only act as their place of business and home, but will go a long way in helping spur the re-development so many in the EBURD are working to promote. Both Jane & Jon have been serious community leaders and volunteers over the years, helping to promote cultural and community development in Billings. Billings and Montana as a whole has been very fortunate to have Jane serving over the last few years as a Governor appointee to the Montana Arts Council, and for them to step up to the plate in east downtown Billings and commit to this type of development after losing their home in a freak rock fall, is truly amazing.

Having served as Volunteer Project Facilitator for Billings Artspace Project over the last few years as well as being a real estate agent, I have found that one of the road blocks to increased development in the core downtown area (which this property is on the edge of) is the lack of not only affordable housing for those working in the downtown area, but also mixed use and business development like proposed by Jane & Jon. We all know that development of any kind does not happen overnight, but the willingness for communities to think outside the box when it comes to promoting infill and re-development like this in their community goes a long way in making things happen.

From a real estate and financial stand point, the subject property under its current zoning is not only hard to find comparables for in the real estate market, but also hard for financial institutions to make loans on without benefit of like properties to compare to. Jane & Jon have always been on the cutting edge when it comes to community involvement and their willingness to become "Stake Holders" in the re-development of the east downtown Billings area is just one more example of their commitment to this city. As someone who lives in the North Park area of Billings, I ask that you vote to change the zoning on this property to allow them to move forward with the purchase and remodeling of the building. It can only be a WIN – WIN for all involved and of course we all hope that it might spur other such development in the EBURD.

Thank you for your time and if you have any questions, please feel free to write or call me.

Respectfully,

Jack W. Nickels
943 North 19th Street
Billings, Mt. 59101
406-672-6936
E-Mail: jacknickels55@gmail.com



marty connell

Agricultural & Financial
Management, Inc.

July 26, 2011

City of Billings
Nicole Cromwell, Zoning Coordinator
510 N. Broadway 4th Floor
Billings, MT 59101

RE: Special Review for 407 N. 24th Street

VIA: 1st class and e-mailed

Dear Nicole,

I fully support the approval of the requested variance for 407 N. 24th Street.

This important area of downtown has been left out of both TIFD Districts.

The proposal by Jon Lodge and Jane Deschner makes logical and economic sense when viewed from the "work force housing" point of view. This will re-establish the needed density of people living in the area to make a more viable downtown.

Thank you for the opportunity to present my views.

Cordially Yours,



Martin R. Connell
President

Cc: Jon Lodge
Jane Deschner

August 30, 2011

Re: Special Review #893

Address: 407 N. 24th Street

To Whom it May Concern,

I am the current owner of the property at 407 N. 24th Street. A request has been made by the prospective buyers (Jon Lodge and Jane Deschner) for a variance on this single property to allow Single Family Residential. It is my wish to affirm, recommend and extend my full support to their effort. I believe their project once completed will provide a standard to which all other similar projects will aspire.

This property was on the open market for 6 months prior to the current agreement to purchase. In that time, many offers and much interest were shown. There was one recurring theme of the vast majority of those potential buyers. That theme was simply that minimal investment was needed in the infrastructure and appearance of the property to be “up and running”. They believed they could utilize the existing structure, appearance and zoning without a significant investment and still achieve their goal.

The facts are: The building was built in 1949 and has had no significant renovations since that time. This property needs a substantial infusion of funds and vision expended in order to be of any positive value to the surrounding community. Jon and Jane are willing to commit the financial resources, time and effort essential to achieve the property’s potential. The reason they are receiving so much support from the surrounding property owners is that the mutual benefit is obvious.

This is the last of 4 buildings I originally owned on this block and in my opinion it is the most important. The proposed project is definitely the most ambitious yet ventured in terms of renovation and will complete the transformation of the corner from what was once a group of run-down partially abandoned brick buildings (with a dilapidated dry cleaning business as an anchor) to a vibrant and beautiful piece of downtown Billings.

In my opinion, although breweries, storage facilities, auto repair shops, construction operations, pawn shops, etc. all fall within the current zoning parameters, NONE of these uses would be of much benefit to the area or downtown community.

I hope that you not only approve their request for a variance, but lend your support to that effort.

Respectfully,
Robert Honaker (NA Thompson LLC)