

Meeting Date: Friday, November 20, 2020, 7:30 am

Location: Remotely via Zoom

RE: Kibler & Kirch, LLC TIFD Assistance

Proposal:

Kibler & Kirch is a design and retail store of more than 30 years. The retail store was in Red Lodge until September of 2019 when the business decided to relocate to Billings. The Design portion of the business has been in the Stapleton building for six years. Since the closure of the Red Lodge store, the business has surveyed its clientele and considered its options in terms of most suitable spaces in Billings. Not only is it exciting that Kibler & Kirch is relocating to Billings but also, it is relocating to Downtown, Billings, in the Historic Stapleton Building. While there has been major private investment in rehabilitating the building over the course of many years, which produced several thriving and quality businesses, there's an underutilized abandoned space that is planned to capture a new vision of the retail store. The vision is to work within the architectural spirit of the building to create a unique metropolitan retail store of nearly 6,000 square feet.

Kibler & Kirch will occupy a long-vacant, 2nd floor space as well as ground floor storefront between Rockets Gourmet Wraps and Le Fournil French Bakery. Inside that small footprint (and difficult space to use), they will recreate the building's original stairway to exacting detail; install an elevator shrouded by decorative ironwork and connect two floors via a large opening. By creating access to this 2nd floor space, they intend to make the space architecturally interesting adding more vibrancy and life to the street level - both for pedestrians and traffic on 1st Avenue North. The new entrance will have new lighting, signage, awnings, and other storefront elements.

If their experience of drawing customers from a large geographical area holds true as they make a new store in Billings, they anticipate adding to the retail foot traffic of Downtown. They anticipate Kibler & Kirch to be a regional and national destination and shopping experience. By bolstering their professional design services, they foresee creating well-paying retail jobs. Other neighboring retail and restaurants will also benefit from the visitors they bring. The Stapleton Building was once an epicenter of shopping and they hope to continue that spirit. Finally, this sizable investment will generate a healthy increase in the tax value of the building. Because Kibler & Kirch has a long history of quality design and home furnishings, they hope to help in creating opportunities of growth by enriching their surroundings while being passionate and dedicated to the history of the building.

Kibler & Kirch has requested TIFD assistance in the amount of 143,927 dollars on a 5:1 matching basis. The total project is projected at \$861,838. However, the Committee approved a grant of \$79,940 on a 5:1 matching basis off the total of qualified expenses of \$478,681. The reasoning behind it is that while most improvements are qualified, access to it will be for the business and its clients. Elimination of blight and the vacancy is valid but access to the public is minimal. If approved, this TIFD assistance request will be subject to available Fund 203 cash and will only be applied to qualified expenditures.

Financial Breakdown Details

Private Investment	TIF Request	Ratio %
Total Project = \$861,838	\$79,940	9%
QE = \$478,681		

Financials

If approved, reimbursement funds are available in the fiscal year following the year of project completion.

DBP Development Committee recommends approval of this project by the Board of Directors with the following contingencies:

1. The Applicant shall sign a development contract with the City of Billings and DBP within 90 days of City Council's approval.
2. This TIFD reimbursement is the maximum that can be received pending satisfactory submission of all paid invoices showing the completion of expenditures related to this project.
3. If funds are not available, reimbursement can be carried over to the next fiscal year.

DBP board of directors has authority to approve, modify and approve, or disapprove the recommendation prepared by the Development Committee.

Motion to approve: I make a motion to approve the recommendation of the Development Committee to award this applicant a reimbursement grant not to exceed \$79,940 so long conditions above are met.

Motion to disapprove: I make a motion to disapprove the recommendation of the Development Committee in awarding this applicant a reimbursement grant of up to \$79,940.

Motion to Modify: I make a motion to modify the Committee's recommendation...

