

DOWNTOWN BILLINGS PARTNERSHIP
DOWNTOWN (N 27TH STREET) URBAN RENEWAL DISTRICT
**TAX INCREMENT FINANCING FUND
APPLICATION**



THE NEW BURGER DIVE PROJECT

LOCATED AT:
2712 MINNESOTA AVENUE
BILLINGS, MONTANA

BY:

HALSTEN HOLDINGS, LLC

ANDI & BRAD HALSTEN
909 EDGEHILL VISTA DRIVE
BILLINGS, MONTANA

WITH:

HIGH PLAINS ARCHITECTS, P.C.
2720 MINNESOTA AVENUE
BILLINGS, MONTANA

AND

T.W. CLARK CONSTRUCTION, LLC
609 CHARLES STREET
BILLINGS, MONTANA

DATE:

OCTOBER 15, 2020



**DOWNTOWN (N 27TH STREET) URBAN RENEWAL DISTRICT
N27URD**

Tax Increment Financing Fund Application

APPLICANT INFORMATION

Name:

Address:

City/State/Zip

Phone: E-mail:

If the applicant is not an individual doing business under his/her own name, the applicant has the status indicated below and is organized or operating under the laws of:

A corporation/LLC: A non-profit or charitable institution or corporation A partnership: Other:
Known as:

Date of Organization:

PROJECT INFORMATION

Building Address:

City: State: ZIP Code:

Legal Description:

Property Owner (if property is not owned by the Applicant, list leasehold interests and attach evidentiary materials)

Property Owner (name or entity):

Property Owner Contact Name: Contact Phone:

Lessor's Address:

City: State: ZIP Code:

PROJECT ARCHITECTURAL FIRM

Firm Name:

Address:

Representative:

Phone: E-mail:

PROJECT CONTRACTOR (OR PARTY RESPONSIBLE FOR CONSTRUCTION)

Name/Representative:

Address:

Phone: E-mail:

PROJECT FINANCIAL LENDING INSTITUTION (leave blank if not applicable)

Name/Representative:

Address:

Phone: E-mail:

PROJECT INFORMATION

Description of Project:

Attach a narrative explanation and any other design information. Use this section to pitch your project and explain how it will eliminate blight and/or benefit the public.

Rehabilitation Plans:

Attach schematic design drawings and/or completed construction document plans - including site, landscaping, and other engineering design information.

Project Schedule:

Attach a timeline or schedule through completion.

PROJECT FINANCING

See attached Pro forma and financial analysis.

Please complete Sources of Funds detail and summarize below.

Applicant Equity

Cash Invested	\$ _____
Land & Buildings	\$ _____
Other (Specify) _____	\$ _____
Subtotal	\$ _____

If land & building value is more than the State of Montana valuation, a current appraisal must be submitted (within 3 years)

Lender Commitments (Attach evidence i.e. Letters of Credit or other documentation)

Lender	Loan Amount	Interest Term	Payment/Period
_____	\$ _____	____ % ____ yrs	\$ _____/Month
_____	\$ _____	____ % ____ yrs	\$ _____/Month
Total Loan Amount			\$ _____

TIF Request

Eligible Improvements

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Subtotal of TIF Funds Requested \$ _____

Sources of Funds Summary (Post totals from above)

Applicant Equity	\$ _____
Lender Commitments	\$ _____
TIF Funds Request	\$ _____
Other Funds (Specify) _____	\$ _____

Total Project Cost

\$ _____

See attached Pro forma and financial analysis.

To receive maximum funding all applications must be submitted to the DBP and approved by the CITY prior to the start of the relevant phase of construction.

CERTIFICATION

I (we), Andrea Halsten (please print), the APPLICANT, certify that the statements and estimates within this Application as well as any and all documentation submitted as attachments to this Application or under separate cover, are true and correct to the best of my (our) knowledge and belief.

Signature Andrea Halsten

Signature [Signature]

Title member LLC

Title Member LLC

Address 909 Edgemoor Vista Dr.
Billings, MT 59101

Address 909 Edgemoor Vista
Billings, MT 59101

Date 10-14-20

Date 10-14-20

URD TIF GRANT PROGRAMS – Governing Body: City of Billings, City Council

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TAX INCREMENT FINANCING FUND APPLICATION**

THE NEW BURGER DIVE PROJECT

2712 MINNESOTA AVENUE
BILLINGS, MONTANA
OCTOBER, 2020

PROJECT INFORMATION

Description of Project:

Andi and Brad Halsten (Applicant) of the Burger Dive, have engaged High Plains Architects, P.C., for their New Burger Dive Project. High Plains Architects worked with the Applicant in preparing the following project narrative, design plans, financial pro forma analysis, and other related attachments.

The Burger Dive is a Billings culinary institution with over 10-years of experience feeding Downtown Billings some of the best burgers in the country out of their little “hole in the wall” at 114 N. 27th Street. The award-winning burgers are known nationally, and the ‘Dive’ has become a local favorite for not just gourmet burgers and fries but also their real, handmade milkshakes. Andi and Brad Halsten look to further grow their business, expand their offerings and hours, and plan to move the Burger Dive to the old Western and Wheel Bars located at 2712/2714 Minnesota Avenue, still in Downtown Billings. The move will increase their seating and service capacity more than 2-½ times, expand their kitchen, add a retail shop and outdoor dining area, with plans for a “speak easy-like” basement bar and event space. Additionally, a new commercial tenant space is planned for the front half of the old Wheel Bar (2714 Minnesota Ave.), providing new retail space in Downtown Billings. Above the Burger Dive, in the Western, the old boarding house rooms will be repurposed and combined into six new, energy efficient residential apartments. Two new apartments will be built in a new, second-story addition above the old Wheel for a total of eight new workforce apartments as part of the project.

The Western Bar—or Collins Building as it was known when it was built in 1894—is a two-story brick building located at the heart of the Billings Old Town Historic District, and part of the 2700 block of Minnesota Avenue, the oldest block in Billings. East of the Western, and also part of the project, are two, single-story brick buildings that make up 2710 and 2710 ½ Minnesota Avenue—both formally cigar factories, barber shops, radio and hobby supplies stores before falling into disrepair. These three buildings are prime candidates for rehabilitation and due to their historic nature are also candidates for the Historic Tax Credit program administered by the National Park Service and the Department of the Interior. This project will pursue those credits as a critical component of project financing and to continue the effort of restoring Billings’s historic buildings to the highest of standards.

This project eliminates blight in Downtown by rehabilitating four buildings that have come under serious disrepair, addressing concerns of dilapidation, unsanitary conditions, and a deteriorating site. The buildings have been vacant for several years (to decades), and this project will fill four empty storefronts along a main downtown street and increase the density of activity, visitation, and aesthetic appeal of the downtown. The building facades will receive a complete overhaul, removing old stucco, repairing the brick, rehabilitating and improving existing windows, and restoring the overall historic character. The Burger Dive is a destination and with new façade improvements, signage, and streetscape improvements—including street trees—the restaurant will only become more so, effectively filling the underutilized diagonal and parallel parking in the neighborhood. By regularly filling parking space in the neighborhood, the street feels narrower to drivers which is a proven traffic calming strategy for reducing speeds and increasing pedestrian safety. The south-facing patio space has one-of-a-kind potential with no space quite like it in Downtown, and with the right application of greenery, lighting, and art the patio will become a true amenity for not just the restaurant but also the alley. Bringing public eyes, lighting, and public art/murals to the shared boundary with the alley are part of a system of strategies aimed at reducing crime through the built environment—also referred to Crime Prevention Through Environmental Design (CPTED).

The Burger Dive is a job creator, and with expanded service and hours, additional staff are expected to be hired to cover the demand. Additionally, the project is incorporating a leasable commercial space to provide space for synergistic retail business, increasing business development in downtown and on Minnesota Avenue. Not only will the project increase business revenue but will also reactivate underutilized

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TAX INCREMENT FINANCING FUND APPLICATION**

taxable properties leading to increased value for the buildings and their neighbors, and revenue to the City. The upper stories will provide additional housing opportunities in downtown with a mixture of studio, one-, and two-bedroom units that people can afford to live in—both in terms of rent and operations costs. These apartments will benefit not only from rehabilitated historic windows with new, efficient double-glazing, wall and ceiling insulation, and LED lighting, but also the high-performance mechanical and ventilation systems planned for the restaurant that include innovative new ideas for waste-heat reclaim and redistribution.

The projected budget at Schematic Design is \$2.3 million for building construction including contingency and contractor overhead and profit. Soft costs for the project are budgeted around \$532,500 (see attached 'Financial Pro Forma Analysis' for additional details) and includes architectural and engineering fees, building acquisition costs and taxes, legal fees, and a building reserve. With the building purchase costs the total project budget is approximately \$3,119,500. As mentioned above, the applicants are pursuing Historic Tax Credits, which could yield up to \$678,400 of equity available to the project. Taking into consideration a Large Project Grant 1:5-match (=16.67% of project costs) of approximately \$466,373, and favorable bank financing, the project is extremely viable accounting for income from rents alone. Using standard leasable rates for the commercial spaces and competitive rates for the residential units, the buildings' projected annual income is over \$208,000, and with conservative annual operating expenses and debt service, net annual income is expected between \$40,000 and \$50,000.

The Burger Dive has a tried and true business model that, even in these uncertain times, continues to thrive. Their project on Minnesota Avenue is a prime example of supporting economic revitalization and stabilization to a neighborhood in need. The Burger Dive has a stable and growing clientele that will only continue to grow and provide benefits to the community with their move to Minnesota Avenue. Rehabilitating the buildings will help generate additional property taxes—both their own and neighboring properties—and the Applicant's mixture of private investment, public grant matches and tax credits can serve as a useful model for other development ventures in Downtown. Finally, the neighborhood is excited to have them! A renaissance is underway along Minnesota Avenue and the Burger Dive project is a signal of what good has happened and provides a much-desired catalyst for future projects working to restore our historic downtown buildings.

ATTACHMENTS:

Project Timeline (1 page)

Rehabilitation Plans (4 pages) provided by High Plains Architects

1. Historic Western Bar Photo, ca. 1940
2. First Floor Plan – Burger Dive restaurant, retail, office, and patio space; 1500 SF of commercial lease space
3. Basement Plan – “Speak-easy” bar, event space, storage and mechanical
4. Second Floor Plan – Eight residential apartments

Project Financing (11 pages)

1. Financial Pro Forma Analysis provided by High Plains Architects
 - 1) *Remodel Costs*
 - 2) *Tax Credits and Grants*
 - 3) *Sources of Cash*
 - 4) *Income/Expenses*
 - 5) *2-Year Cash Flow Analysis (2 pages)*
 - 6) *10+-Year Income/Cash Flow*
 - 7) *Projected Income Worksheet (2 pages)*
2. “Burger Dive 1st Budget 10.5.20” provided by T.W. Clark Construction (2 pages)
3. Qualifying Expenditures (QE) Continuation Sheet (2 pages)

Application Scorecard (2 pages)

**DOWNTOWN BILLINGS PARTNERSHIP
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TAX INCREMENT FINANCING FUND APPLICATION**

THE NEW BURGER DIVE PROJECT

2712 MINNESOTA AVENUE
BILLINGS, MONTANA
OCTOBER, 2020

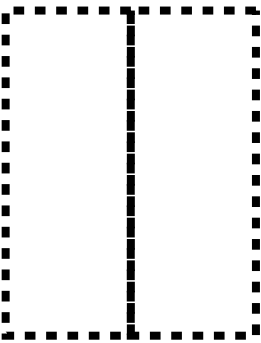
PROJECT TIMELINE

- Building Purchase: November 1, 2020
- Design Development: October – December 2020
- Construction Documents (Phased): October 2020 – March 2021
- Construction Sequence One: January 2021 (three months)
 - Selective interior demolition, structural repairs, façade rehabilitation, roof and window repair. Includes work on 2710, 2710 ½, and 2712 Minnesota Ave.
- Construction Sequence Two: April 2021 (four months)
 - Burger Dive Restaurant fit out: main kitchen, prep kitchen, seating areas, new entrance, retail space, restrooms, storerooms, mechanical, and accessible lift.
 - Patio, landscape and streetscape improvements.
 - Some preparatory work, MEP, for upper level apartments.
 - Begin new restaurant operations by August 2021.
- Construction Sequence Three: August 2021 (three months)
 - Apartment renovations and additions. Commercial space prep or fit out for tenant.
 - Open to leasing by November 2021.
- Project Completion: November 2021



Historic "Western Bar" ca. 1940
2712 Minnesota Ave, Billings, MT

THE NEW BURGER DIVE
2712 MINNESOTA AVENUE
BILLINGS, MT
FACADE DESIGN SKETCH
1/4" = 1'-0" 11/9/20



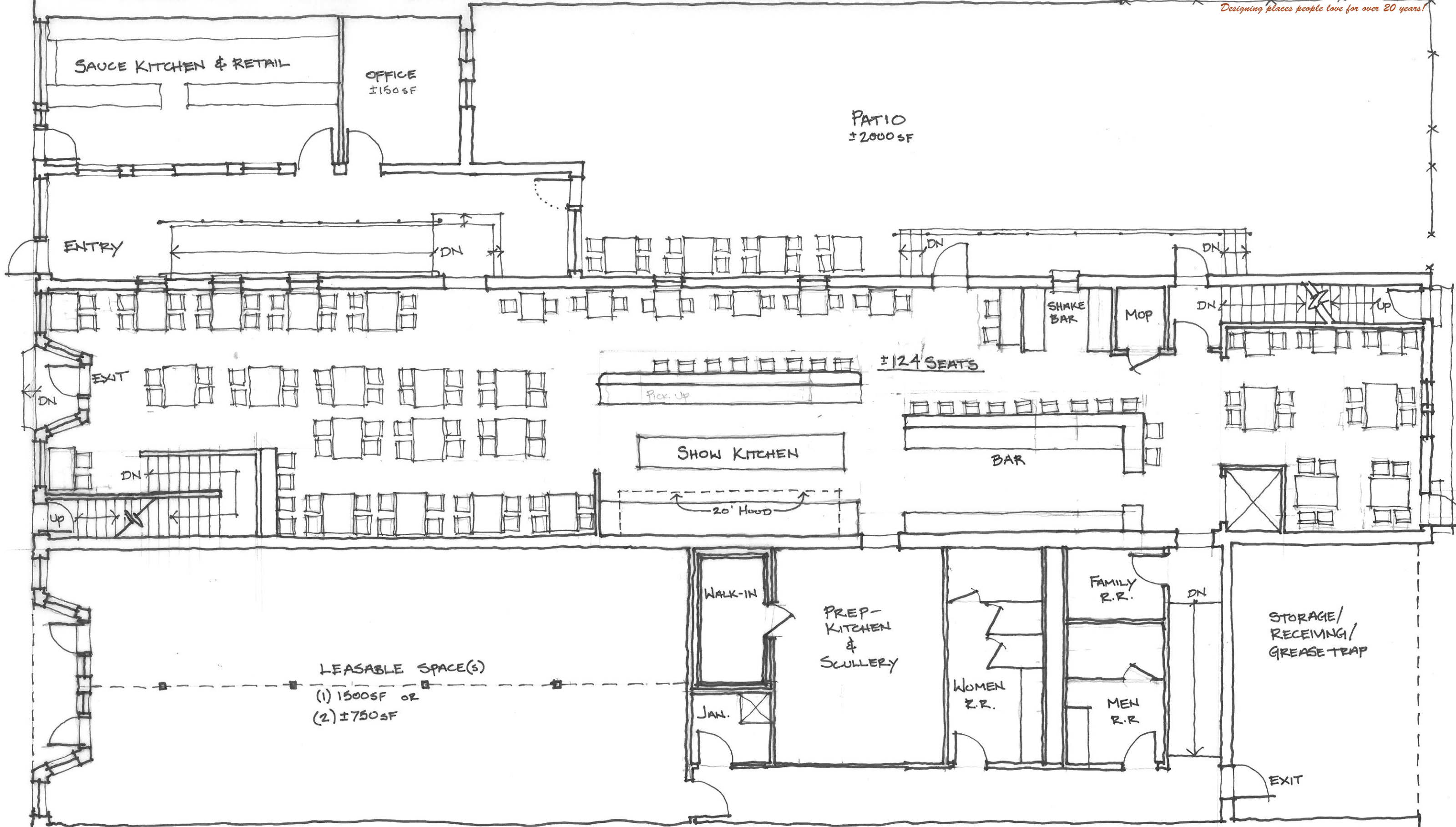
New two-story, infill facade
designed in historically
respectful manner

2710

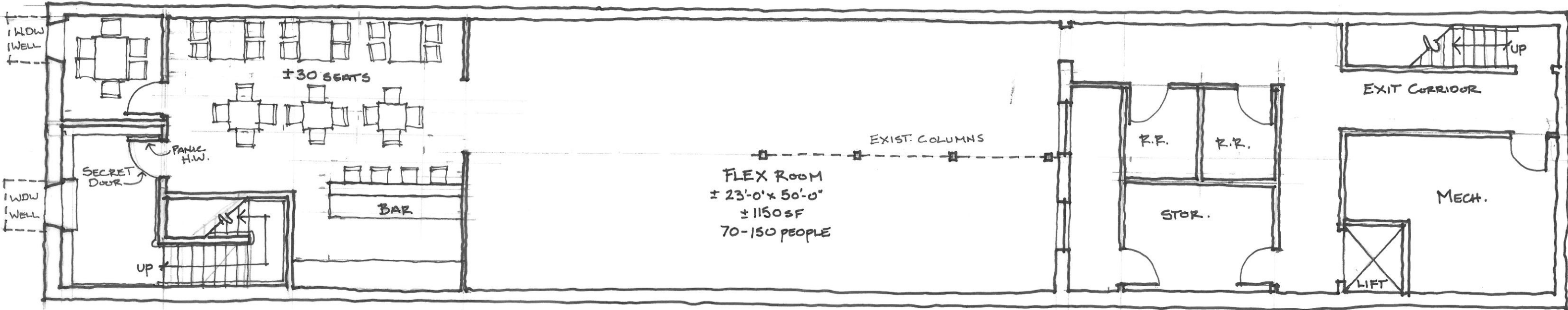
2710½

2712 ("Western Bar")

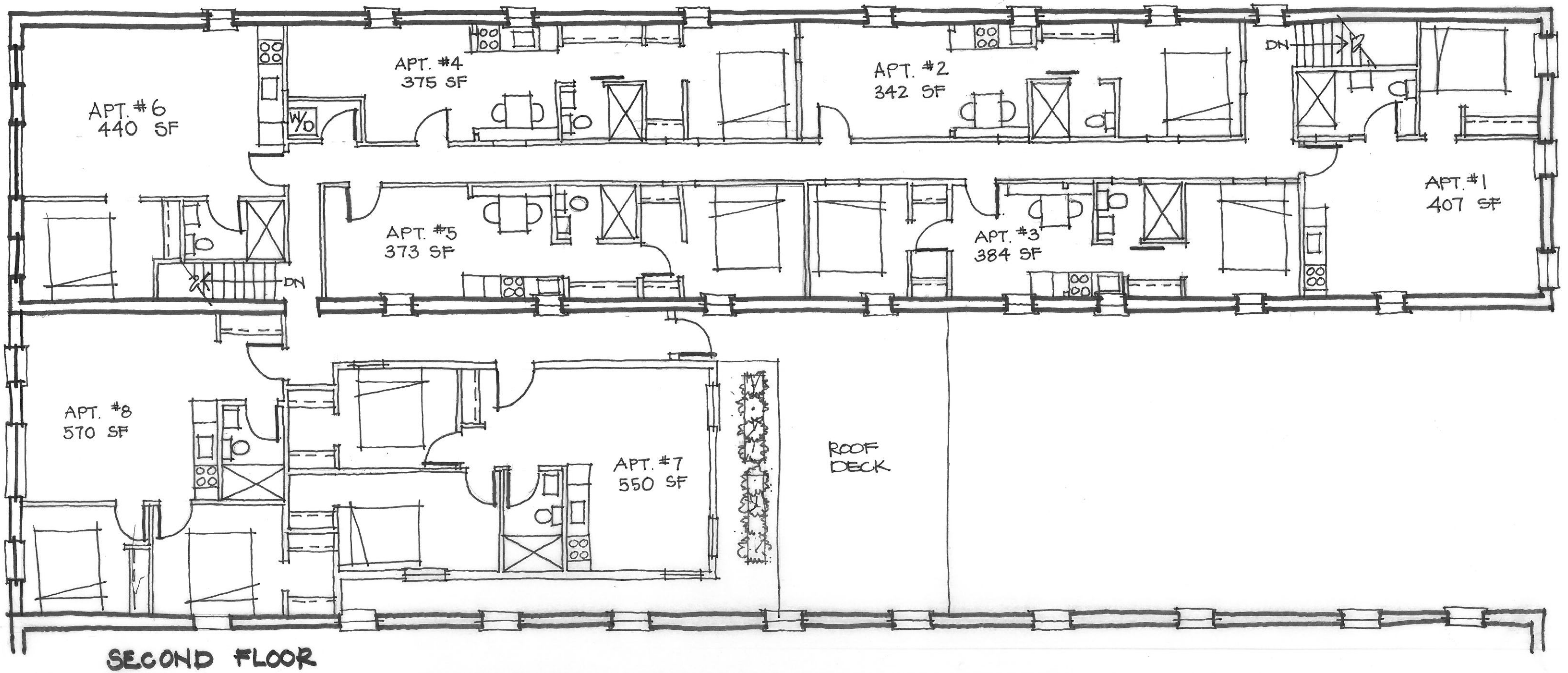
2714 ("Wheel Bar")



FIRST FLOOR PLAN



BASEMENT PLAN



THE NEW BURGER DIVE PROJECT

2712 MINNESOTA AVENUE
BILLINGS, MONTANA
OCTOBER, 2020

FINANCIAL PRO FORMA ANALYSIS

1. REMODEL COSTS

	Amount	Unit	\$/Unit	Subtotal	QE? (y/n)	QE Value	Notes
BUILDING PURCHASE	1	EA	\$ 290,000	\$ 290,000	n	\$ -	QE=Qualifying Expenditure
Less Earnest Money	2	EA	\$ 1,000	\$ (2,000)			
				\$ 288,000		\$ -	
HARD COSTS							
	Amount	Unit	\$/Unit	Subtotal			
Construction	1	EA	\$ 1,990,000	\$ 1,990,000	y	*	
Construction Contingency	9.7%	of	Construction	\$ 192,000	y	*	
SUBTOTAL				\$ 2,182,000			Subtotal
Contractor O+P	5.5%	of	\$ 2,182,000	\$ 118,000	n	\$ -	
				\$ 2,300,000		\$ 2,101,513	* Approx. value from TW Clark Const. See attached Continuation Sheet
Const. Cost Total							
SOFT COSTS							
	Amount	Unit	\$/Unit	Subtotal			Notes
Design Fee	11.3%	of	\$ 2,300,000	\$ 260,130	y	\$ 260,130	Architectural + Engineering as % of Const. Cost Total
Reimbursable Expenses ±	3.0%	of	\$ 260,130	\$ 7,804	n	\$ -	estimate
Supplementary Services	1	EA	\$ 15,000	\$ 15,000	y	\$ 15,000	Acoustic engineering, Commissioning
Supplemental services - Historic Tax Credit application	1	EA	\$ 30,000	\$ 30,000	y	\$ 30,000	
Supplemental services - LEED documentation	0	EA	\$ -	\$ -	n	\$ -	
Developer Fee (UFDS)	1	EA	\$ 10,000	\$ 10,000	n	\$ -	Placeholder, if needed
Wisneff Hist. Tax Credit Legal Services	1	EA	\$ 50,000	\$ 50,000	y	\$ 50,000	Fee for setting up syndication of tax credits, assuming development team finds local buyer
Appraisal	1	EA	\$ 8,000	\$ 8,000	y	\$ 8,000	
Closing Costs	1.1%	of	\$ 2,963,000	\$ 32,593	y	\$ 32,593	from set aside for Commercial Loan
Insurance (bldr's risk and liability)	1	EA	\$ 8,000	\$ 8,000	y	\$ 8,000	Could be included with Construction Cost
Property Taxes, until occupancy	1	EA	\$ 4,970	\$ 4,970	n	\$ -	1 year estimate
Legal	1	EA	\$ 5,000	\$ 5,000	y	\$ 5,000	Placeholder, if needed
Interest during construction	1	EA	\$ 50,000	\$ 50,000	n	\$ -	from set aside in Sources of Cash
Building Reserve	1	EA	\$ 50,000	\$ 50,000	n	\$ -	
				\$ 531,497		\$ 408,723	
TOTAL PROJECT COSTS (PURCHASE, SOFT + HARD COSTS)				\$ 3,119,497		\$ 2,510,236	Total Large Project Grant Qualifying Expenditures

1.A ADDITIONAL COSTS

(Other Financing)

FF&E	Amount	Unit	\$/Unit	Subtotal
Kitchen Equipment	10%	of	\$ 1,990,000	\$ 199,000
Furniture and Fixtures	6%	of	\$ 1,990,000	\$ 119,400
SUBTOTAL				\$ 318,400
Interior Design Fee	10%	of	\$ 318,400	\$ 31,840
FF&E Total				\$ 350,240

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2712 MINNESOTA AVENUE

BILLINGS, MONTANA

OCTOBER, 2020

FINANCIAL PRO FORMA ANALYSIS

2. TAX CREDITS and GRANTS

Historic Tax Credit

QRE (Qualified Rehabilitation Expenditures - soft costs + est. 75% of hard costs)			\$	2,621,997
IRS Allowed Developer Fee @	15%		\$	393,299
Total QRE			\$	3,015,296

Federal Tax Credit @	20%	of QRE	\$	603,059
State of Montana Tax Credit @	5%	of QRE	\$	150,765
Total Fed + State Hist. Tax Credits			\$	753,824

Portion of Tax Credits available for Equity @: 90% \$ 678,442

Other Credits

	kW	\$/kW		
PV array cost	6	\$ 2,500	\$	15,000
Renewable Energy Tax Credit	22%		\$	3,300

Total Renewable Tax Credits \$ 3,300

Total Grants

Downtown TIF Large Project Grant	16.67%	of QE Const. Costs & Purchase Price	\$	466,373	1:5 Match
			\$	466,373	

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THE NEW BURGER DIVE PROJECT

2712 MINNESOTA AVENUE
BILLINGS, MONTANA
OCTOBER, 2020

Project Financing - Qualifying Expenditures (QE) Continuation Sheet

	A	B	C	D	E
1	The following is based on "Burger Dive 1st Budget 10.5.20" provided by TW Clark				
2	Construction (attached)				
3	DIVISION	DESCRIPTION	Budget Value	QE? (y/n)	QE Value
4	1	General Conditions	\$ 163,800	y	\$ 163,800
5		Final Cleaning	\$ 15,300	y	\$ 15,300
6		Performance / Payment Bond	\$ -	n	\$ -
7		Insurance (Builders Risk / General Liability)	\$ 18,543	y	\$ 18,543
8		Plan Review Fee / Permits (No system development fees)	\$ 9,950	y	\$ 9,950
9	2	Demolition (Buildings)	\$ 64,978	y	\$ 64,978
10		Basement			
11		Main Floor			
12		2nd Floor			
13		East Buildings			
14		Elevated Concrete Slab (Burger Dive South)			
15	2.1	Excavation	\$ 27,853	y	\$ 27,853
16		Hand Dig in Basement (South End)			
17		Clear / Grub Patio Area			
18		East Building Prep for New Concrete Slab			
19	2.2	Site Concrete (Ramps and Stairs)	\$ 15,750	y	\$ 15,750
20		Patio Hardscape Allowance	\$ 19,350	y	\$ 19,350
21	2.3	Landscaping	\$ 4,500	y	\$ 4,500
22	2.5	Utilities			
23		New Fire Service	\$ 13,200	y	\$ 13,200
24		Street patch / concrete patch / traffic control	\$ 8,500	y	\$ 8,500
25	3	Slab on Grade (east building)	\$ 14,400	y	\$ 14,400
26		Slab on Grade Basement (South Burger Dive)	\$ 11,520	y	\$ 11,520
27		Footings / Pads in Basement	\$ 4,600	y	\$ 4,600
28	4	Masonry			
29		Brick on 2nd Floor Addition North Side	\$ 16,800	n	\$ -
30		Restoration Street Side	\$ 35,000	y	\$ 35,000
31		Tuck Point East / West / South	\$ 8,500	y	\$ 8,500
32		CMU at patio area	\$ 11,880	y	\$ 11,880
33	5	Misc. Steel (lintels, columns, beams, etc)	\$ 13,060	y	\$ 13,060
34		Railings at ramps / stairs	\$ 9,012	y	\$ 9,012
35	6	Rough Carpentry			
36		New Stairs / Landings	\$ 29,200	y	\$ 29,200
37		Elevated Floor (lease space)	\$ 8,757	y	\$ 8,757
38		New Floor System at Elevated Slab Removal (Burger Dive South)	\$ 12,560	y	\$ 12,560
39		New Interior Walls	\$ 51,940	y	\$ 51,940
40		Dye walls	\$ 2,300	y	\$ 2,300
41		New Roof Structure (east building)	\$ 15,072	y	\$ 15,072
42		New Floor System 2nd floor addition	\$ 25,120	y	\$ 25,120
43		Rework / New Roof Structure (south lease building)	\$ 12,330	y	\$ 12,330
44		Nail Base 2nd floor apartments	\$ 18,924	y	\$ 18,924
45		Floor / Roof Framing for kitchen hood	\$ 3,768	y	\$ 3,768
46	6.1	Finish Carpentry			
47		Wood Base / Base	\$ 22,221	n	\$ -
48		Kitchen Cabinets (Apts)	\$ 17,434	y	\$ 17,434
49		Vanities	\$ 3,256	y	\$ 3,256
50		Wood Case / Misc Trim	\$ 18,929	n	\$ -
51	6.2	Refinish Wood Flooring 2nd Floor	\$ 40,300	y	\$ 40,300
52	6.3	Plastic Fabrication (Exterior Façade)	\$ 15,860	y	\$ 15,860

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53	7	Batt Insulation	\$	11,200	y	\$	11,200
54		Close off / Seal stacks	\$	2,412	y	\$	2,412
55		Siding at new Addition	\$	7,000	y	\$	7,000
56		EPDM Roofing	\$	114,600	y	\$	114,600
57		Caulking / Foam Sealant	\$	14,080	y	\$	14,080
58	8	New Front Entry Windows / Galzing	\$	38,700	y	\$	38,700
59		New Entry Doors	\$	12,628	y	\$	12,628
60		New Windows	\$	15,120	y	\$	15,120
61		Refurbish Existing Windows	\$	21,744	y	\$	21,744
62		New Interior Doors	\$	30,700	y	\$	30,700
63		Barn Doors at Restrooms (Apts)	\$	9,632	n	\$	-
64		Skylights	\$	15,000	n	\$	-
65	9	Gypsum	\$	65,835	y	\$	65,835
66		Flooring	\$	47,950	n	\$	-
67		Wall Paneling Public restrooms	\$	7,200	y	\$	7,200
68		Paint	\$	42,075	y	\$	42,075
69	10	Specialties (toilet partitions / Accessories, FE / Cabinets, Signage)	\$	5,156	y	\$	5,156
70	12	Kitchen Equipment			n	\$	-
71		Furnishings			n	\$	-
72		Window Treatments	\$	6,500	n	\$	-
73	21	Fire Suppression	\$	55,845	y	\$	55,845
74	22	Plumbing	\$	121,300	y	\$	121,300
75	23	HVAC	\$	344,250	y	\$	344,250
76	26	Electrical	\$	191,250	y	\$	191,250
77	99	Contingency	\$	191,700	y	\$	191,700
78		Profit / Overhead	\$	117,150	n	\$	-
79		Total Budget	\$	2,273,494		\$	2,019,312
80							89%
81		Items not Included in Total Budget Above			n	\$	-
82	1	Builders Risk Insurance	\$	7,709	n	\$	-
83	2	Performance / Payment Bond	\$	19,480	n	\$	-
84	3	Replace Sewer to Alley	\$	10,000	y	\$	10,000.00
85	4	New Water Service (doesn't include meter)	\$	13,200	y	\$	13,200.00
86	5	Asbestos abatement allowance	\$	20,000	y	\$	20,000.00
87	6	Relocate Existing Bars (Burger Dive)	\$	4,248	n	\$	-
88	7	Two Stop Lift	\$	39,000	y	\$	39,000.00
89	8	Kitchen Equipment	\$	20,000	n	\$	-
90	9	Landlord Items Lease Space	\$	30,000	n	\$	-
91	10	FF&E (By Owner)	\$	114,452	n	\$	-
92			\$	2,551,583		\$	2,101,513

82%

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

Location: Remotely via Zoom

RE: Halsten Holdings, LLC TIFD Assistance

Proposal:

Halsten Holding, LLC is pursuing to own and revitalize the Western & Wheel Bars Building, which is located at 2712/2714 Minnesota Avenue. Andi & Brad Halsten own and operate the award-winning Burger Dive, a nationally known and reputable local favorite gourmet burgers, fries, and milkshakes establishment. After 10 years of service, they look to further grow their business as well as expand their offerings and hours by moving from their current location to their new permanent home. The new capacity will increase their seating by 2 & ½ times, expand their kitchen, add a retail shop, outdoor dining area, “speakeasy-like” basement bar, and event space. Additionally, there will be commercial space for a tenant to offer more business or retail at the street level. Above the Burger Dive, the old boarding house rooms will be repurposed and combined into six new, energy efficient residential apartments. Furthermore, two new apartments will be built in a new, second-story addition above the old Wheel building making it a total of eight new workforce apartments as part of the project.

This project eliminates blight by rehabilitating four buildings that have come under serious disrepair, addressing concerns of dilapidation, unsanitary conditions, and a deteriorating site. The buildings have been vacant for several years to decades and this project will fill four empty storefronts. This will increase the density of activity, visitation, and aesthetic appeal of the downtown. The building facades will receive a complete overhaul, removing old stucco, repairing the brick, rehabilitating and improving existing windows, and restoring the overall historic character. This project will also reactivate underutilized taxable properties leading to increased value for the buildings and their neighbors and ultimately, revenue for the City.

The Burger Dive is a destination and with the new facade improvements, signage, and streetscape improvements - including street trees - the restaurant will only become more so, effectively filling the underutilized diagonal and parallel parking in the neighborhood. By regularly filling parking spaces, the street feels narrower for drivers which is a proven traffic calming strategy for reducing speeds and increasing pedestrian safety. The South-facing patio space has one-of-a-kind potential with the right application of greenery, lighting, and art, the patio will become a true amenity for not just the restaurant but also the alley. Bringing public eyes, lighting, and public art are CPTED approved strategies. The Burger Dive is also a job creator, and with the expanded services and hours of operation, additional staff is expected to be hired to cover the demand. Not to mention the leasable commercial space that the project is incorporating to provide room for synergistic retail business to further energize business development downtown and on Minnesota Avenue.

Halsten Holdings, LLC is requesting TIFD assistance in the amount of \$466,373 dollars on a 5:1 matching basis. The total project is projected at \$3,119,497. 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 %
Property Acquisition = \$239,579		
Construction = \$2,879,918		
Total = \$3,119,497	\$466,373	15%

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 \$466,373 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 \$466,373.

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



Historic "Western Bar" ca. 1940
2712 Minnesota Ave, Billings, MT