

Meeting Date: Friday, June 18, 2021, 7:30 am

Location: Pub Station

RE: The Monte Bar and Casino TIFD Assistance

DBP Board recommends approval of this project to the City Council with the following contingencies:

- 1. The Applicant shall sign a development contract with the City of Billings and DBP within 150 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.**

Proposal

The Monte Bar and Casino is one of downtown Billings' oldest bars and its largest casino. It is initiating a remodel project of its exterior to bring it up to speed in terms of functionality and appearance. The project includes complete removal of the outdated, low-hanging brown awning and the stone/deteriorating stucco cladding at the primary facades on 1st Ave N and N 29th Street. These elements will be replaced with materials to emulate the appearance of the historic building character in the 1930s and 40s. The existing storefront with dark tinted glass will also be removed and replaced with a new assembly with clear glazing that will allow greater transparency into and out of the building, all of which will improve the building's connection with the streetscapes.

The proposed renovation will also reintroduce the historic chamfered corner entry at N 29th Street and add new pedestrian-oriented signage and lighting elements. This reconfiguration alters circulation into the building and will allow for the removal of the dysfunctional entrance at the south end of N 29th Street facade by the addition of a new glass storefront. This new corner entry will embrace and complement the City's efforts in implementing two-way traffic at this corner and contribute to the revitalization of N 29th Street.

The transformation of this street corner will also include the addition of new street trees, planters, and informal seating (e.g. boulders) on N 29th Street - coordinated with the joint City-MDT streetscape improvements on 1st Ave N - to further make the building more attractive and inviting.

The overhaul to the exterior facade presents an opportunity to also upgrade the outdated and inefficient mechanical and electrical systems that have been altered in an ad hoc manner during different remodeling campaigns over the past few decades. New rooftop mechanical units will be installed and a replacement roof with improved additional insulation will be included in the scope of work to address problematic leaks. These important building maintenance upgrades will extend the life of the building and the businesses within it and also improve energy efficiency of the building envelope.

The secondary east facing alley wall will also be repaired and updated. A large public art mural is planned to be installed at this location after facade repairs are completed. It will be designed and painted in collaboration with local artists and it will be done in memory of a close friend and long-time patron of The Monte. This mural will be visible to west bound vehicles and pedestrians on 1st Ave N, further adding character to this overlooking part of downtown. Exterior lighting upgrades to the alley and rear parking lot area are also planned in order to improve public safety.

The long-term goals for The Monte are to continue to actively engage with the greater community of people living and working downtown and to continue to diversify the Monte’s customers base while maintaining the long-time regulars that are a part of the Monte Family.

Financials

The Monte is requesting TIFD assistance in the amount of \$113,997 dollars on a 5:1 matching basis. Their private investment is \$784,968, which includes personal cash and two loans. The total project will cost \$898,965 and below is a breakdown of TIF eligible expenses. The DBP Board recommends approval.

If approved, this TIFD assistance request will be subject to available Fund 203 cash and will only be applied to qualified expenditures such as architectural/engineering/permits/appraisals, concrete demo/removal/replacement, structural steel, removal/replacement of stucco and membrane roofing, doors/windows, HVAC, foundational framing, and electrical. Below is a breakdown of expenses.

Eligible Public Improvements	Actual	Percentage	Recommended	MCA Statute
Permits	\$24,655	16.7%	\$4,117	7-15-4233 (m) (n)
Concrete demo	\$4,652	7%	\$345	7-15-4288 (2)
Structural steel	\$24,675	16.7%	\$4,121	7-15-4233 (i)
Foundational framing	\$18,750	16.7%	\$3,131	7-15-4233 (i)
Stucco/roof demo	\$206,950	16.7%	\$34,561	7-15-4233 (i) (m)
Exterior doors/windows	\$79,100	16.7%	\$13,210	7-15-4233 (i) (m)
HVAC	\$142,000	16.7%	\$23,714	7-15-4288 (12)
Electrical	\$22,250	16.7%	\$3,716	7-15-4288 (4)
Contingency	\$70,716	16.7%	\$11,810	7-15-4233 (m) (n)
Architectural Design	\$91,448	16.7%	\$15,272	7-15-4233 (m) (n)
Engineering appraisals	\$17,200	0%		

Taxes, interest, & other expenses	\$12,443	0%		
General Conditions	\$74,577	0%		
Door hardware	\$4,904	0%		
Finishes	\$55,308	0%		
Profit/overhead	\$49,337	0%		
Total	\$898,965	13%	\$113,997	

If approved, reimbursement funds are available for reimbursement starting in the fiscal year following the fiscal year in which the project is completed.