

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.



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