

downtown *Billings*

City of Billings Expanded North 27th Street Urban Renewal District

Tax Increment Financing Assistance
Information & Application

Updated 2/25/2022

**Applications must be submitted to the DBP and
approved by the City prior to the start of
construction**

Downtown Billings Partnership, Inc.
116 N. 29th St, Billings, MT 59101 - Tel. 406-294-5060
www.downtownbillings.com

Large Project Incentive Grant

Purpose:

The purpose of this program is to provide financial and practical assistance to develop or redevelop buildings within the boundaries of the Expanded North 27th Street Urban Renewal District (URD) in downtown Billings. This program will:

- 1) Assist in the economic revitalization and stabilization of the URD;
- 2) Attract and retain a stable clientele population within the URD;
- 3) Stimulate private investment within the URD;
- 4) Generate additional property tax revenues within the URD; and
- 5) Encourage and facilitate the remodeling and restoration of historically significant structures within the URD.

Large projects **must support** the goals of the [Downtown Billings Strategic Plan](#) and the [Urban Renewal Plan of the North 27th St. TIFD](#). Applicants are encouraged to consider the design aesthetic of the surrounding neighborhood when submitting a design for review.

Applicants are reminded that grant awards made by the Downtown Billings Partnership (DBP) are discretionary in nature and should not be considered an entitlement by the applicant. All grant criteria contained herein are guidelines for awards and successful applicants may receive any amount up to the maximum award. Should an applicant meet all grant criteria, a grant may or may not be awarded at the DBP and Billings City Council's discretion due to funding limitation, competing applications, and/or competing priorities of the DBP.

Eligible Expenses:

Section One: All public governments as well as public corporations (501c3) inherently have a public benefit purpose. Even though public business normally is not subject to property tax, if their projects, programs, or activities can show blight remediation, as defined by the Urban Renewal Plan, they qualify for up to 100% TIFD assistance. [MCA 35-1-1402 Definitions](#).

Section Two: Pursuant to [MCA 7-15-4208](#), private enterprise and private projects are encouraged and enabled to receive TIFD support for qualified expenditures/costs.

Section Three: Qualified Expenditures - [MCA 7-15-4282](#) through [7-15-4294](#). Ordinance [08-5483](#).

- a. Remediation or diminishing blight {[MCA 7-15-4206\(2\)](#)} affecting buildings and structures that negatively impact the residents of the city due to:
 - i. Substantial deterioration especially roofs in serious need of repair or replacement
 - ii. Obsolete uses that require a change of use
 - iii. Defective and lack of compliance with current Building and Fire Codes
 1. Electrical service upgrades
 2. plumbing upgrades
 - iv. Unsanitary and/or unsafe structures
 - v. Vacant and unused spaces

- b. Relocation of displaced people and/or businesses
- c. Enhancement of infrastructure, public or private, that improve the pedestrian experience
 - i. Streetlights, sidewalks, curbs, gutters, wayfinding, and placemaking
 - ii. Repair and stabilization of vault caps in the public right of way
 - iii. Building and business signage
 - iv. Facade stabilization and/or improvement
 - v. Outdoor patios
 - vi. Landscaping
 - vii. Green spaces
- d. Mixed use redevelopment containing
 - i. Parking
 - ii. Conference facilities
 - iii. Housing
 - 1. Market rate
 - 2. Workforce
 - iv. Street level retail and dining
- e. Improvements that lead to stabilized and/or increased taxable valuation
- f. Relocation of utility wires, inefficient land use, and/or problems of access and circulation
- g. Increased use of public transit
- h. Increased Crime Prevention and Public Safety
 - i. Increased energy efficiencies
 - i. Exterior windows, and doors
 - ii. HVAC upgrades
- j. Change of ownership through property acquisition

Section Four: Qualified Expenditures - [MCA 7-15-4282](#) through [7-15-4294](#). Ordinance [12-5590](#).

- k. Remediation or diminishing blight {MCA 7-15-4206(2)} at sidewalk/street level that negatively impacts the residents of the city due to:
 - i. Vacant storefronts
 - 1. Business Retention and Recruitment projects
 - a. Business plan program/contest (e.g. Battle of the Plans)
 - b. Retail coordinator staff or consultant
 - c. Strategic planning
 - d. Marketing and promotion
 - e. Commercial rent assistance
 - f. Public art
 - g. Pocket parks

Timeframe and application process:

Applications will be accepted and reviewed quarterly. Applications must be received by the 15th day of the first month of each quarter. Each complete application will be reviewed by the DBP staff, Development Committee, and the DBP Board of Directors and, if recommended, will go to the Billings City Council for final approval within each quarterly grant cycle.

Application Due to DBP	Application Reviewed by Development Committee and DBP Board	Application Presented to City Council for Final Approval
July 1	2 nd Thursday of July – Dev. Com 4 th Friday of August – DBP Board	September Council Business Meeting
October 1	2 nd Thursday of October – Dev. Com 4 th Friday of November – DBP Board	December Council Business Meeting
January 1	2 nd Thursday of January – Dev. Com 4 th Friday of February – DBP Board	March Council Business Meeting
April 1	2 nd Thursday of April – Dev. Com 4 th Friday of May – DBP Board	June Council Business Meeting
Every effort will be made to facilitate every complete application through the entire process within each quarterly grant cycle. Incomplete applications may extend the process		

Grading Criteria:

<p>The purpose of this program is to provide financial and practical assistance to develop or redevelop buildings within the boundaries of the Expanded North 27th Street Urban Renewal District (URD) in downtown Billings. This program will:</p> <ul style="list-style-type: none"> - Assist in the economic revitalization and stabilization of the URD; - Attract and retain a stable clientele population within the URD; - Stimulate private investment within the URD; - Generate additional property tax revenues within the URD; and - Encourage and facilitate the remodeling and restoration of historically significant structures within the URD. 	<p>Grant adjustment based upon contributions to the Downtown Billings Strategic Plan; project must score 12 points or more to receive maximum funding;</p> <p>maximum grant is reduced 10% for each point less than 12;</p> <p>Projects receiving 0 or 1 point do not qualify for a grant</p>
<p>All applications are considered at the sole discretion of the DBP & Council per URD’s priorities/objectives/availability of funds</p> <p>Current priorities primarily encourage mixed-use developments with housing and street level business activity - priorities are reviewed annually and may evolve depending on the landscape</p>	

Tier 1		
Does it eliminate blight?	Blight may include but is not limited to conditions which represent a risk to public health, morals, safety, and welfare in its present condition. Examples range from physical dilapidation to improper or inefficient layout. For a more complete list of factors, refer to MCA 7-15-4206.	3 points Y/N
Does it add/keep/improve housing?	Construction or rehabilitation of housing is a priority in the downtown area. Quantity, quality, and projected rental or sale rates of units are to be considered.	3 points Y/N
Does it improve the overall design/aesthetic (facade, signage, historic preservation, alleyscapes)?	Structural restoration, wayfinding, activation of alleys, and celebration of downtown's historical character are priorities as well as indicators of a strong town/city.	3 points Y/N
Does it promote economic growth (increasing taxable value, maximizing opportunities for shoppers & visitors)?	Activating vacant buildings or improving its operations in terms of safety contribute positively to the taxable value. Eliminating vacancies and adding density of populations enhance the vitality, vibrancy, resiliency, and connectivity of the neighborhood.	3 points Y/N
Is it energy efficient (environmentally and/or sustainably)?	Obtaining LEED certification, rehabilitating an existing building, and maintaining up-to-date utilities not only ensure the safety of tenants but also enhance their health while keeping costs low.	3 points Y/N

Tier 2		
Does it add/maintain/enhance landscaping (trees, boulevards, nativescaping)?	City Centers are often places of gatherings for cultural events, musical concerts, and artisan eateries and shopping in addition to being a place to work, live, and play. Greenery is essential in maintaining a healthy positive environment where inhabitants have access to natural elements.	2 points Y/N
Does it activate an inactive building/space (abandoned, empty, unoccupied)?	Vacancies lead to stagnating or declining taxable value. They also tend to be dark, which attracts undesired activities, which impacts the perception of safety.	2 points Y/N
Does it provide an improved pedestrian experience (seasonal decor, ambiance lighting, sidewalk activations)?	Robust storefronts and sidewalk furniture/amenities engage with pedestrians and offer a compelling invitation to continue exploring businesses.	2 points Y/N

Does it add public art?	Public art can be a mural, storefront paint, signalbox wraps, sculptures, artistic installations of benches and bike racks.	2 points Y/N
Does it promote creation of jobs?	New businesses or business growth often mean new jobs and/or more human presence, which contribute to the economy and safety.	2 points Y/N
Tier 3		
Does it connect/improve walkways and/or parks?	Colorful walkways, pavement, or cobblestones that are ADA compliant and well lit.	1 point Y/N
Does it encourage business development (recruitment, retention, diversification)?	Businesses offer jobs as well as a place for the community to come to as a destination. Businesses provide natural surveillance with eyes on the street. Businesses contribute to our local economy.	1 point Y/N
Does it offer/maintain off-street parking?	Parking can be convenient for those who own vehicles and for visitors who live elsewhere or from out of town/state.	1 point Y/N
Does it support public safety (Crime Prevention Through Environmental Design)?	Active spaces, well lit environments, and densely populated neighborhoods.	1 point Y/N
Does it reinforce safe pedestrian crossings?	ADA entrances, exits, sidewalks, bulbouts, signage.	1 point Y/N

Tier 4 - Bonus		
Does it provide a new or improved green/public space?	Whether it's a dog park, pocket park, playground, or a picnic haven, greenery contributes positively to the livelihood or residents.	3 point Y/N
Does it drive visitations?	Catalyst or one-of-a-kind attractions, activities, or anchor businesses increase visitations from other parts of the City or State.	3 point Y/N
Does it pave the way to the creation of a convention/conference center or facility?	Convention centers bring in events, tourism, professional conferences, all of which contributes to the local business and economy.	3 point Y/N
Does it promote traffic calming?	Sidewalk widening or parklets that slow car traffic.	3 point Y/N

Tier 5 - Disadvantage		
Does it demolish a historically significant landmark	Historical artifacts showcase architectural marvels and characteristics of the neighborhood's identity.	Minus 6 Y/N
Does it demolish a structure that could otherwise be salvaged?	Salvaging a building may not contribute to historical significance but it promotes longevity of energy efficiency practices and may create interesting architectural marvels when mixing the old with the new.	Minus 3 Y/N

At the sole discretion of the DBP Board of Directors, applicants are required to seek endorsement from the TIF Development Committee, which shall consist of design professionals, business or property owners, community members with an interest in downtown vitality, and members of the DBP Board. Applications will be reviewed by the DBP staff under supervision of the Development Committee. The DBP shall review applications on a first come, first served basis for the duration of funding availability. Quarterly, all projects that are recommended for approval by the Committee shall be submitted to the DBP Board of Directors for recommendation to Billings City Council for final approval or disapproval of funding the project.

All applicants will be apprised of the status of their application by written communication from the DBP staff. Award recipients shall receive a Development Agreement indicating the amount of the incentive funds awarded and any conditions deemed necessary by the DBP Board for receipt of the award. Applicants are required to return a signed copy of the Development Agreement to the DBP staff before funds will be committed to the project.

Release of Funds:

It is the responsibility of the award recipient to maintain proper documentation of funds expended in the course of completing the project. Release of funds is subject to submission of this documentation to the DBP by the award recipient. The project must be completed essentially as presented to the Committee and DBP Board in order to receive payment.

Incentive funds will be paid out according to the following criteria:

1. Applicants must submit copies of all required building permits.
2. Payment documentation must be submitted to the DBP office at 116 N 29th St.
3. Incentive awards will be paid upon **completion** of the project.

Acceptable documentation is defined as PAID invoices, statements, or schedule of values from vendors, contractors, or consultants clearly detailing the work completed for the project

Encumbrance Policy:

Applicants receiving funding under this program during the course of a given fiscal year (July 1 through June 30) are eligible to carry forward/encumber unexpended funds for a **maximum of one additional fiscal year** if all effort has been made to begin the project in the initial year; and/or when circumstances related to weather, construction season, etc. prohibit the completion of the project. Applicants must advise the DBP by June 1st if they will be requesting an extension of their project schedule.

Disclaimer:

The Downtown Billings Partnership, Inc., its committees, partners and or affiliates are not responsible for the planning, design, or construction of improvements to property that is owned by the applicant. No warranties or guarantees are expressed or implied by the description of, application for, or participation in the Urban Renewal Project Program. The applicant is advised to consult with licensed architects, engineers, or building contractors before proceeding with final plans or construction.

downtown Billings

Expanded North 27th Street Urban Renewal District TIF Application

Project Name: _____ Date Submitted: _____

Applicant Information

Name: _____

Address: _____

City/State/Zip: _____

Phone: _____

Email: _____

If the applicant is not an individual conducting business under their own name, the applicant has the status indicated below and is organized or operating under the law of:

Corporation/LLC	Nonprofit or charitable institution/corporation	Partnership	Other
Date of organization:			

Project Information

Building name (if applicable): _____

Address: _____

City/State/Zip: _____

Legal Description (obtained from Orion via County records):

Property owner (if property is not owned by the applicant)

Property Owner (name or entity): _____

Property owner contact: _____

Lessor's Address: _____

City/State/Zip: _____

Phone: _____

Email: _____

Employment

Existing FTEs: _____

New permanent FTEs created by the project: _____

Construction FTEs: _____

Architectural Firm

Firm name: _____

Address: _____

City/State/Zip: _____

Phone: _____

Email: _____

Contractor

Business Name: _____

Address: _____

City/State/Zip: _____

Phone: _____

Email: _____

Financial lending institution

Business name: _____

Address: _____

City/State/Zip: _____

Phone: _____

Email: _____

Project Information

Description of Project:

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

Land and site improvements (itemized)

1.	_____	\$ _____
2.	_____	\$ _____
3.	_____	\$ _____
4.	_____	\$ _____
	Subtotal	\$ _____

Construction/rehabilitation costs (use general construction trade divisions)

1.	_____	\$ _____
2.	_____	\$ _____
3.	_____	\$ _____
4.	_____	\$ _____
5.	_____	\$ _____
6.	_____	\$ _____
7.	_____	\$ _____
8.	_____	\$ _____
	Subtotal	\$ _____

Fees

1.	Architectural/engineering	\$ _____
2.	Permits	\$ _____
3.	_____	\$ _____
	Subtotal	\$ _____
	Total Project Development Costs	\$ _____

D. Other sources of funding
_____ \$ _____
_____ \$ _____

Sources of funds summary (post totals from above)

A. Applicant equity \$ _____
B. Lender commitments \$ _____
C. TIF assistance \$ _____
D. Other funds \$ _____
Total Project financing \$ _____

Certification

I (we), _____ (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 are true and correct to the
best of my (our) knowledge and belief.

Signature: Jami Shank

Title: _____

Address: _____

Date: _____

Signature: [Signature]

Title: _____

Address: _____

Date: _____

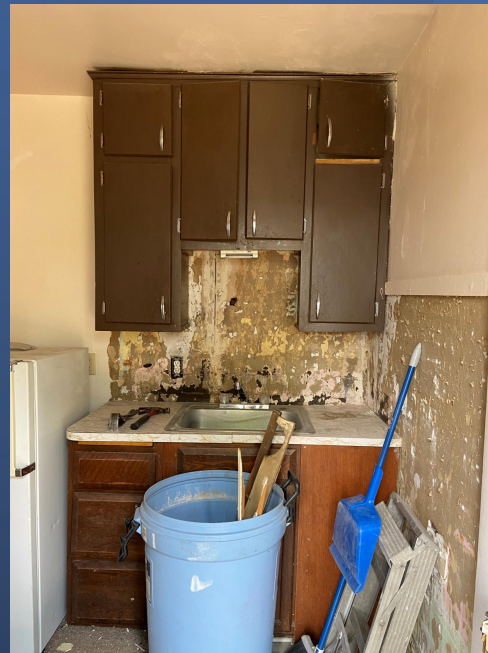
122 & 124 N 22nd St Renovation Project

Mason & Jami Shanks

Map of Properties



Address	Tax ID	Type	Units
124 N 22nd St	A00579	Up/Down	2
124 N 22nd St	A00579	6 Plex	6
122 N 22nd St	A00578	Yellow Duplex	2
122 N 22nd St	A00578	Studio	1
122 N 22nd St	A00578	Side/Side Duplex	2
			13



Scope of Project

Our intention is to beautify these corner properties located in our downtown by providing 13 units of housing to our residents. This rehab project is a relatively fast and nimble project that is expected to provide affordable market rate housing by April 1st, 2023.

- Heavy cosmetic upgrades to reduce blight
- Extensive site work for beautification of the corner
- 50% of the units are currently uninhabitable and attract additional safety issues to the area
- Projected market rents once completed are between \$650-\$950

SITE	\$ 14,500
HARD	\$ 167,700
GC Fee	\$ -
<u>SOFT</u>	\$ 2,500
TOTAL	\$ 184,700
Acq	\$ 960,000
TOTAL	\$ 1,144,700
TIF Eligible	\$ 110,200
TIF	16.67%
TIF Ratio Amount	\$ 190,821

* See attached provided document with detailed cost breakdown

ITEM SITE	WHO	TOTAL	TIF	Notes
Fencing	NA	\$ 2,500	\$ 2,500	
Driveway	NA	\$ 2,000	\$ 2,000	
Landscaping		\$ 10,000	\$ 10,000	
Site Work Contingency	NA	\$ -	\$ -	0%
SUBTOTAL		\$ 14,500	\$ 14,500	

HARD

	Item	Sub	TOTAL	TIF
Electrical		High Tech Electric	\$ 13,500	\$ 13,500
	<i>Up/Down - 124</i>		\$ -	
	<i>6 Plex</i>		\$ -	
	<i>Yellow</i>		\$ 5,500	
	<i>Studio</i>		\$ 2,500	
	<i>Side/Side</i>		\$ 5,500	
Plumbing		Good & Tight Plumbing	\$ 29,500	\$ 29,500
	<i>Up/Down - 124</i>		\$ -	
	<i>6 Plex</i>		\$ 15,000	
	<i>Yellow</i>		\$ 6,000	
	<i>Studio</i>		\$ 2,500	
	<i>Side/Side</i>		\$ 6,000	
Siding/Window/Gutters		LJ Construction	\$ 14,700	\$ 14,700
	<i>Up/Down - 124</i>		\$ -	
	<i>6 Plex</i>		\$ -	
	<i>Yellow</i>		\$ 7,700	
	<i>Studio</i>		\$ 3,500	
	<i>Side/Side</i>		\$ 3,500	
Roofing		US Roof	\$ 25,500	\$ 25,500
	<i>Up/Down - 124</i>		\$ -	
	<i>6 Plex</i>		\$ -	
	<i>Yellow</i>		\$ 15,000	
	<i>Studio</i>		\$ 4,000	
	<i>Side/Side</i>		\$ 6,500	
Painting			\$ 30,000	\$ -
Structural		Jamie Clements	\$ 12,500	\$ 12,500
	<i>Up/Down - 124</i>		\$ -	
	<i>6 Plex</i>		\$ -	
	<i>Yellow</i>		\$ 3,500	
	<i>Studio</i>		\$ 2,500	
	<i>Side/Side</i>		\$ 6,500	
Rehab/Remodel Interior		LJ Construction	\$ 42,000	
	<i>Up/Down - 124</i>		\$ -	
	<i>6 Plex</i>		\$ 5,000	

<i>Yellow</i>	\$	13,000	
<i>Studio</i>	\$	8,000	
<i>Side/Side</i>	\$	16,000	

Other
Other
Other
Other

	\$	-	\$	-	0%
SUBTOTAL	\$	167,700	\$	110,200	

SOFT

Architect	None	\$	-	
Permits	City of Billings	\$	2,500	
MEP	None	\$	-	
Soft Cost Contingency		\$	-	0%
		\$	2,500.00	

SITE	\$	14,500	
HARD	\$	167,700	
GC Fee	\$	-	0%
<u>SOFT</u>	\$	2,500	
TOTAL	\$	184,700	

Acq	\$	960,000
TOTAL	\$	1,144,700
TIF Eligible	\$	110,200

TIF	16.67%
TIF Ratio Amount	\$ 190,821