

downtown *Billings*

JUNE 16, 2023

Disposition of Municipal Real Estate Sale and Development of Park 1 – Ground Level Retail

Proposal submitted to:
Matt Robertson, SIOR
NAI Business Properties



Presented To
City of Billings

Presented by
Downtown Billings Partnership

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About the Downtown Billings Alliance

The Downtown Billings Alliance (DBA) is composed of four separate nonprofits that work independently and collectively on behalf of downtown Billings businesses & property owners. The mutual goal of each branch of the DBA is to continually enhance the downtown Billings experience for visitors, residents, and the local community. Together they strive to promote economic growth, community, innovation, and improvement, making downtown Billings a place for businesses to thrive and visitors to enjoy.

Downtown Billings Partnership (DBP)

This economic development and redevelopment arm of the organization was developed in 1998. The DBP assists the City of Billings by managing the Tax Increment Financing (TIF) investment within the Central Business District. The DBP also manages the Urban Renewal District to further assist property owners with development and expansion, pursues opportunities for new and in-fill development, and offers aid for business recruitment and retention.

Downtown Billings Association (DBA)

The DBA is a merchant/membership non-profit organization created in 1985 to promote and advocate for a vibrant city center through marketing efforts, programmatic and place-making elements, cultural and diversity programs, public art, and green space development. The DBA communicates downtown happenings with the community.

Business Improvement District (BID)

The BID is a property-owner funded organization developed in 2005. The BID street team manages street clean up duties in the 18 block district, including trash and litter removal, graffiti removal, pressure washing, snow removal, planter and flower basket maintenance, bike rack installations, event management, downtown Christmas decoration installation, and more. The BID coordinates a number of large street vendor festivals, holiday parades, and weekly summer outdoor concerts. The BID also includes a cooperative safety program that employs three Billings Police Department (BPD) downtown resource officers. These officers provide additional support specifically to the downtown community over and above what is already provided by the BPD. The downtown resource officers are stationed inside the DBA office.

Community Innovations (CI)

Developed in 2014, CI was established to address the issues of chronic inebriation, an increase in street disorder, and transiency affecting the city, and in particular, downtown Billings. The CI team draws on leadership from the business community, the social service sector, city government, tribal leaders, law enforcement, and the faith community to drive change. CI oversees the implementation of a comprehensive downtown policing program that includes a continuum of care where the cornerstone is cultural awareness and sensitivity in counseling and treatment. CI employs a full-time Resource Outreach Coordinator (ROC) to offer treatment and counseling as an alternative to jail time to individuals on the streets of downtown Billings.



June 16, 2023

Matt Robertson, SIOR
NAI Business Properties

Request for Proposals
For Disposition of Municipal Real Estate
Sale and Development of Park 1 – Ground Level Retail

To Whom it May Concern,

Please accept this letter of commitment on behalf of the Boards of Directors of the Downtown Billings Partnership, the Downtown Billings Business Improvement District, and the Downtown Billings Association for the proposed purchase and development of the properties described within.

The Downtown Billings Alliance (DBA) has a mission to nurture downtown Billings' identity to assure we are viewed as an inclusive, inviting, and distinct destination where the city comes together to create and celebrate community. At the DBA we work to support the growth of downtown to ensure it remains a diverse economic engine that attracts investment, creating a vibrant nucleus of connected culture, business, entertainment, and downtown living. This work is accomplished through management of local economic development tools, supporting our local business owners through shared marketing efforts, and creating a lively and engaging event program that attracts thousands to downtown Billings each year. A great deal of time, energy, and passion goes into these projects, and it is work the entire DBA team loves to do for Billings. The opportunity to purchase and develop a shared office space in the two described properties offers a permanent future for the vision and work of this downtown collective.

Development of the future Downtown Billings Alliance headquarters supports the DBA's dedication and promise to our community to prioritize public safety through partnerships with City leadership, encourage and facilitate infill development of residential units and retail, recruit new business to our urban core, retain and develop our existing businesses, attract a talented workforce to Billings, and create and nurture a beautiful and inviting downtown experience. This specific location will catalyze the development of the long dreamed of "Pocket-Park" in the adjacent 29th Street Alley, creating an event-friendly, activated space for our entire community.

We acknowledge that our proposal may not be the highest bid for these important properties, but we feel strongly that the long-term benefits of this development proposal will far exceed the initial financial cost. A permanent location for the Downtown Billings Alliance will provide stability for the non-profit organizations and demonstrate a commitment to our community that the DBA is fully invested in our downtown's growth and vision. We respectfully request your consideration of this proposal and are available for questions, concerns, and references.

Sincerely,

Handwritten signature of Sean Lynch in black ink.

Sean Lynch
Downtown Billings Partnership

Handwritten signature of Blake Wahrlich in black ink.

Blake Wahrlich
Downtown Billings BID

Handwritten signature of Matt Blakeslee in black ink.

Matt Blakeslee
Downtown Billings Association

Downtown Billings Partnership Board of Directors



Sean Lynch
President



Jock West
Vice President



Dave Fishbaugh
Secretary/Treas.



Steve Wahrlich
Member at Large



Mary Walks Over Ice
Member at Large



Steve Tostenrud
Member at Large



Meri McGlone
Member at Large



Ethan Kanning
Member at Large



Chris Montague
Member at Large



Andy Patton
Member at Large



Matt Blakeslee
DBA Board Chair



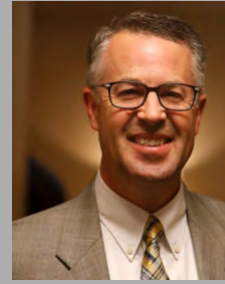
Blake Wahrlich
BID Board Chair



Steve Arveschough
Big Sky Economic Dev.



Brandon Scala
Billings Parking Board



Chris Kukulski
City of Billings



Jana Hafer
School District 2

Proposed Project Properties

Project Address	Suite Size (sf)
214 N. 29th St	1,677
216 N. 29th St	2,100
TOTAL	3,777



The Downtown Billings Alliance proposes to combine 214 N 29th Street and 216 N 29th Street to create a single, multi-functional space. The adjacent alley will be programmed daily as an active park space. This redeveloped space will be the permanent home of Downtown Billings Partnership, Downtown Billings BID, Downtown Billings Association, and Community Innovations

Pricing Proposal

Property Address	Purchase Price	Earnest Money	Financing Requirements	Closing Costs
214 N 29th St	\$1.00	\$1.00	\$0	Carried by DBP
216 N 29th St	\$1.00	\$1.00	\$0	Carried by DBP

The Downtown Billings Partnership proposes to purchase the properties described above for a total price of \$1 per property. While the properties are recognized to be valued at a higher cost (approximately \$61/sf), the Downtown Billings Partnership, along with their partner agencies, understand the value of this change of ownership and development to be at a much higher value to the community and Central Business District.

Though all four arms of the Downtown Billings Alliance are non-profit organizations, the Downtown Billings Partnership will pay property taxes, BID assessments, and any other tax related levies associated with the property. This investment into our community is important to the stability and infrastructure of Billings and the Central Business District.

Additionally, the Downtown Billings Partnership is contracted by the City of Billings for management of the Tax Increment Financing District and Urban Renewal District. One significant component of the management fee paid to the DBP is the cost of rent, approximately \$15,000 annually. Creating an opportunity for ownership of this property, and the ability to generate lease agreements with the Alliance partners will not only eliminate the rent line item of the DBP management fee, but potentially generate revenues that will further reduce the DBP management fee. Rents paid by the BID and Association would potentially be reduced, allowing for increased programming as part of the work plans of these organizations. Programming might include added public art installations, public safety initiatives, wayfinding projects, business recruitment and marketing plans, and new events scheduled.

Consideration of this offer should be made based on the long term value of the mission of the Downtown Billings Alliance, a collective of non-profit organizations, working to improve the downtown Billings core and surrounding community.

Proposed Timeline



The Downtown Billings Alliance is prepared to move ahead with execution of a Development Agreement, property closing, and construction as soon as possible.

The DBA is currently engaged in a lease at 116 N 29th St through March of 2024. While remaining in the current agreement is acceptable, the DBA is prepared to identify a new lease-holder to assume the remainder of the lease.

Construction of the proposed development is estimated to take 60-90 days upon property closing.



Proposed Use

The Downtown Billings Alliance will redevelop 214 N 29th and 216 N 29th into one, 3,777 square foot, multi-use office space. The Downtown Billings Alliance office will be owned by the Downtown Billings Partnership and shared with the Association, Business Improvement District, and Community Innovations through mutually beneficial lease agreements. Programs that will be housed in this lively space include the downtown BPD Resource Officers, the Homeless Outreach Team, event coordination, City of Billings parking passes, downtown gift cards, ArtWalk gallery, City of Billings urban renewal programs, public art facilitation, shared marketing programs, DBA administration, and all staff offices.



The DBA office redevelopment project will consist of removing the demising wall between 214 and 216, creating an open concept office space. Office space will include meeting space, staff work stations, 1-3 private offices, reception/gallery space, kitchenette, restrooms, event storage, holiday decoration storage, BID shop space, police officer work area, H.O.T. program meeting room, and bike storage.

The DBA office redevelopment project will add storefront windows and doors to the south wall of the property. This addition will add natural light to the office space and allow for daily programming of the adjacent alley. Activation of this space will include seating, games, live music and events, additional public art installations, dog friendly amenities, all working to create a vibrant, pedestrian friendly, and safe place for all to enjoy.



Proposed Use

Programming of the 29th Street Alley by the Downtown Billings Alliance. CPTED components will be added to the area as part of the development of the DBA office; these elements include lighting, visible entryways opening to the alley, public art, increased foot traffic generated by events and office programs, and BPD officers co-located in the DBA office.



Rendering of the 29th Street Alley by Cushing Terrell. Several plans for development of the 29th Street Alley have been donated by local architects and designers. The ability to make these design plans a reality will be possible with the development of the DBA office.

Proposed Use

Signage at Alley entrance creates community ownership of this inviting space.



Directional signage added to the skybridge invites downtown visitors to enter the alley pocket-park

DOWNTOWN BILLINGS POCKET PARK CONCEPT #1
N 29th STREET, WEST SIDE BETWEEN 2nd AND 3rd AVENUES N

The concept for this pocket park revolves around 4 particular sets of goals – to sit, relax, play, gather, explore. With this being the start of the pocket park movement, it is important that the execution of this project is as Luca Harnett connects, of the “first major” and – street and alley for instant gratification. The quickest and potentially cheapest way to make a difference is with a POC (pop-of-color). It is envisioned that this first park would showcase some bright color to set off many of its elements – murals, benches, bike racks, etc. – and to guide your way to the park and eventually from park to park (with bike paths on the vehicle for emergency). A strong color choice is desirable for as many of the parks as possible – not necessarily the same color, but a color would become a defining characteristic for a number of reasons (to be revisited on within this presentation). Along with color, a sense of design, organization and functionality are key to the success and perpetuity of the pocket park movement. This first alley will transform from a under-used, back-alley space for a unique public pocket space in downtown Billings.

As there is a lack of funds for this first installation, the proposal is to maximize what we can from DGA (storage brackets, wall brackets, etc.), utilize volunteer labor and talents, and seek out material donations for a few key items. The vision for this pocket park is that it is up and running quickly, however the hope is that there will be later phases that add layers to the space including – lighting, plantings, art work, more seating, weather protection, bike racks, etc.

This first pocket park will incorporate all three “grassroot” committees that the DGA is promoting – bike paths, public art, and pocket parks. Refer to the photos below for conceptual visual examples and the phased breakdown of this park to see the potential of this project. Future pocket park ideas and themes have also been included to give direction to future projects.

1 **Artwork** - the idea is to use services already in the DGA, and place their designs in the alley, ideally we would like to have them. The cost of these is zero.

2 **Live Music** - the venue shown in the picture would be the street side rocks, but having like rocks in downtown, especially in one of these parks is important.

3/4 **Flow Square and Hip section** - place on the ground and there you have a fully urban space that would be fun to play and sit.

5 **Street Furniture** - a lot of our work will need to be done in a very cheap and wide application. We just pick the design.

6 **Street of Lights** - using wall brackets that the DGA has in excess, and attaching them in alternating locations on either side of the alley the idea is that lights could function as a way to illuminate the alley and create a sense of safety and security. The brackets could be used in other ways as well – hanging flower baskets, decorations, etc.

7 **QR Code** - The idea is to have QR codes on the alley that would be used to visit with smart phones to connect to some Billings information - the DGA website, Billings Chamber, Parks, local Facebook page, etc.

8 **Seating** - this infographic graphic is in lesson for the program take on how better issues in the form of public art, this at creates an example of the use of “art” art we could encourage in this and other pocket parks.

9 **Tables and Chairs** - A few ideas have been designed for this type of seating - (benches, stools, high seating, and really) chairs.

10 **Native Grasses** - incorporating some maintenance friendly in order to space on the pocket park and give it a natural feel. The idea is to use native grasses and give it a natural feel. The idea is to use native grasses and give it a natural feel. The idea is to use native grasses and give it a natural feel.

11 **Concession Stand** - convert the building located at the west end of the alley into a storage space and convert “concession” stand to be used for various types of vendors or art projects (including food trucks).

12 **Play** - another opportunity to utilize art, ideas, and creativity in the alley.

CONCEPT PHOTOS | CONCEPT PHOTOS

FUTURE POCKET PARK CONCEPTS

Rendering of the 29th Street Alley by a local architect.

<p>Intended Use</p>	<p>The property will be owned by Downtown Billings Partnership and leased to Downtown Billings BID, Downtown Billings Association, and Community Innovations. The downtown Police Officers and H.O.T. Team will be located in the DBA office.</p>
<p>Redevelopment</p>	<p>Modifications of the DBA office will include storefront improvements and additions, facade improvements, signage, interior demolition, and improved interior finishes. The DBA will open the office to the adjacent alley for activation and community programming.</p>
<p>Benefits to City of Billings and Central Business District</p>	<p>The investment in this project by the DBA signifies a long term presence of community-minded organizations, working toward the ongoing development, beautification, and safety of downtown Billings.</p>
<p>Tax Base Increase</p>	<p>Downtown properties of equal size (3,777sf) submit tax payments between \$2,300 and \$11,000 annually. Additionally, these properties contribute to the Business Improvement District up to \$1,500 annually.</p>
<p>Timing of Opening</p>	<p>Operations will begin 60-90 days upon closing of property</p>
<p>Reduction of Crime</p>	<p>Public Safety will be greatly improved by the redevelopment of the DBA office in this location. In addition to the added programming of the adjacent alley, the presence of the downtown Resource Officers and H.O.T. programs at this site will have added benefit to Parking Garage 1 and the surrounding neighborhood. The DBA subscribes to all Crime Prevention Through Environmental best practices and will redevelop this property to these standards.</p>
<p>Beautification</p>	<p>Improvements to interior finishes, signage, flowers and seasonal landscaping, and public art will create a welcoming neighborhood experience.</p>
<p>Use of Tax Increment Financing</p>	<p>Tax Increment Financing will be requested for facade improvements and signage and will be matched by equal contributions by each organization.</p>
<p>Local and Regional Employment</p>	<p>The DBA will hire a local architect and local contractors.</p>

Attachments:

- Attachment A - Validation Questions for Proposer
 - References
- Attachment B - Price Matrix
- Attachment C - Conditions and Non-Collusion Form
- Attachment F - Proposer Contact Information



ATTACHMENT A

VALIDATION QUESTIONS FOR PROPOSER

GENERAL INFORMATION

- 1) Company Name: **Downtown Billings Partnership**
Address: **116 N. 29th Street, Billings, MT 59101**
Contact Name: **Katy Easton, CEO**
Contact Phone: **406-294-5060**
Contact Email: **keaston@downtownbillings.com**
Website/URL: **www.downtownbillings.com**
- 2) How many years has your company been doing business under this name? **25 years**
- 3) References - Please attach a Word[®] document with all contact information for at least the following three references:
 - a) New Company (started doing business with them in the past 12 months)
 - b) Retained Company (have been doing business with them for 3 + years)
 - c) Former Company (contract terminated in the past 2 years)

LEGAL ISSUES

- 1) Are there any pending lawsuits against your company? **No** If yes, please explain:

References:

a) New Company (New Board Member & Board President)

1. Blake Wahrlich
Business Improvement District
Board of Directors
President/Board Chair
Blake@bwclocktowerinn.com

b) Retained Company (Accounting/Bookkeeping Contractor)

1. SS Accounting Services
Shannon and Scott Schmidt
PO Box 20766
Billings, MT 59104
406-696-3131
shannonschmidtmt@gmail.com

c) Former Company (Former Board Member, Downtown Billings Partnership)

1. Marguerite Jodry
Former At-Large Board Member
Zest Kitchen Store, Owner
marguerite.jodry@gmail.com



ATTACHMENT B

PRICE MATRIX

(to be sent with proposal in a separate, sealed envelope – see instructions in Section 1)

<u>Property</u>	<u>Price</u>
214 N. 29th Street	\$1.00
216 N. 29th Street	\$1.00

I/We acknowledge # 0 addenda

Downtown Billings Partnership
Company Name

6-16-2023
Date

Katy Easton
Contact Name (please print)

CEO
Title

Katy Easton
Signature of Contact Position

By signing the above, I certify that I am authorized by the Company named above to respond to this request.



ATTACHMENT C

CONDITIONS AND NON-COLLUSION FORM

To receive consideration, this form must be signed in full by a responsible, authorized agent, officer, employee or representative of your firm.

CONDITIONS AND NON-COLLUSION AGREEMENT

We have read and agree to the conditions and stipulations contained herein and to all terms included as part of this RFP.

We further agree to furnish the services specified at the prices stated herein, to be delivered to the location and on that date set forth herein.

In signing this proposal, you also certify that you have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a proposal; that this proposal has been independently arrived at without collusion with any other Proposer, competitor or potential competitor; that this proposal has not been knowingly disclosed prior to the due date and time to any other Proposer or competitor; that the above statement is accurate under penalty of perjury.

<u>Downtown Billings Partnership</u>	<u><i>Katy Easton</i></u>
Legal Name of Firm/Corporation	Authorized Signature
<u>116 N. 29th Street</u>	<u>Katy Easton</u>
Address	Printed Name
<u>Billings, MT 59101</u>	<u>CEO</u>
City/State/Zip	Title
<u>6-16-2023</u>	<u>406-294-5060</u>
Date	Telephone Number

210 North 27th Street P.O. Box 1178, Billings, MT 59101



ATTACHMENT F

PROPOSER CONTACT INFORMATION

A. Company Contacts

Primary Contact Person (Name):	Katy Easton
Title/Function:	CEO
Address	116 N. 29th Street, Billings, MT 59101
Business Hours Phone:	406-294-5060
Fax:	
Internet E-mail Address:	keaston@downtownbillings.com
Name of Person Responding to Request:	Katy Easton
Title/Function:	CEO
Address:	116 N. 29th Street, Billings, MT 59101
Phone:	406-294-5060
Fax:	
Internet E-mail Address:	keaston@downtownbillings.com

B. General Company and Financial Information

Company Name:	Downtown Billings Partnership
Headquarters Address:	116 N. 29th Street
City, State, ZIP	Billings, MT 59101
Headquarters Phone:	406-294-5060
Headquarters FAX:	
Company Owned By:	N/A
Percent % Ownership:	
Years In Business	25
Name of CIO	N/A
Name of CEO/President:	Katy Easton, CEO Sean Lynch, Board President

210 North 27th Street P.O. Box 1178, Billings, MT 59101