

City of Billings  
Revolving Loan Fund Application

Project Name: Old Billings Hardware Building Date Submitted: \_\_\_\_\_

Applicant Information

Name: Old Billings Hardware Development Venture, LP

Address: P O Box 2203

City/State/Zip: Billings, MT 59103

Phone: 406-896-0250 (office)

Email: rhafer@highplainsarchitects.com

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/LC                   | Nonprofit or charitable institution/corporation | Partnership<br><br>Montana Limited Partnership | Other |
| Date of organization: 07/10/2019 |   |  |       |

Project Information

Building name (if applicable): Old Billings Hardware Building

Address: 2802 Montana Ave

City/State/Zip: Billings, MT 59101

Legal Description (obtained from Orion via County records:

ALCOR SUBDIVISION, S03, T01, R26E, Block1, Lot 1, GEOCODE 03-0927-03-2-29-03-0000

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

Property Owner (name or entity): Owned by Applicant

Property owner contact: \_\_\_\_\_

Lessor's Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Employment

Existing FTEs: NA

New permanent FTEs created by the project: Unknown, 20,000 sf of new commercial space to be created

Construction FTEs: +/- 18 FTE

Architectural Firm

Firm name: High Plains Architects

Address: 2720 Minnesota Ave

City/State/Zip: Billings, MT 59103

Phone: 406-896-0250

Email: rhafer@highplainsarchitects.com

Contractor

Business Name: T W Ridley Construction

Address: 609 Charles St

City/State/Zip: Billings, MT 59101

Phone: 406-545-0826

Email: Shane Ridley [SRidley@twridley.com](mailto:SRidley@twridley.com)

Financial lending institution

Business name: First Interstate Bank

Address: 830 Shiloh Crossing Blvd

City/State/Zip: Billings/MT/59102

Phone: 406-255-5858

Email: tyler.crennen@fib.com

## 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.

**\_\_The Old Billings Hardware Building is currently vacant and unoccupiable and has been since the mid-90s. Old Billings Hardware Development Venture, LP was formed (just -re-Covid) to own, redevelop, and operate the building. The building contains 45,000 sf of area spread equally over the basement and three floors above grade. The proposed redevelopment plan calls for the upper two floors to be converted to 25 apartments (13 on the second floor and 12 on the third floor). The ground floor and basement will be redeveloped for a variety of commercial uses (approximately 20,000 sf of useable area on the two levels). Approximately 13 parking spaces will be created on the south side of the building between the building and the tracks. Several new street trees will be planted to comply with the current downtown zoning.**

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### Rehabilitation Plans:

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

**\_The following plans are included with this application: \_\_A1.1, A2.B, A2.1, A2.2, A2.3, A4.1, A4.2, A5.1, A5.2, A5.3**

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### Project Schedule:

Attach a timeline or schedule through completion.

**\_\_add a schedule**

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Project Detail

Land and site improvements (itemized)

|    |   |          |
|----|---|----------|
| 1. | <b>See attached cost estimate from TW Ridley Construction</b> | \$ _____ |
| 2. | _____   | \$ _____ |
| 3. | _____   | \$ _____ |
| 4. | _____   | \$ _____ |
|    | Subtotal  | \$ _____ |

Construction/rehabilitation costs (use general construction trade divisions)

|    |   |          |
|----|---|----------|
| 1. | <b>See attached cost estimate from TW Ridley Construction</b> | \$ _____ |
| 2. | _____   | \$ _____ |
| 3. | _____   | \$ _____ |
| 4. | _____   | \$ _____ |
| 5. | _____   | \$ _____ |
| 6. | _____   | \$ _____ |
| 7. | _____   | \$ _____ |
| 8. | _____   | \$ _____ |
|    | Subtotal  | \$ _____ |

Fees

|    |                           |          |
|----|---------------------------|----------|
| 1. | Architectural/engineering | \$ _____ |
| 2. | Permits                   | \$ _____ |
| 3. | _____                     | \$ _____ |
|    | Subtotal                  | \$ _____ |

Total Project Development Costs \$ \_\_\_\_\_  
Project Financing

a. Applicant equity

**Please see attached proforma for all uses and sources (including debt)**

b. Cash invested \$ 500,000

Land & buildings (if applicable) \$ 460,000

*(If value is more than State of Montana Valuation, a current appraisal must be submitted)*

Other \$ \_\_\_\_\_



# OLD BILLINGS HARDWARE DEVELOPMENT VENTURE, LP

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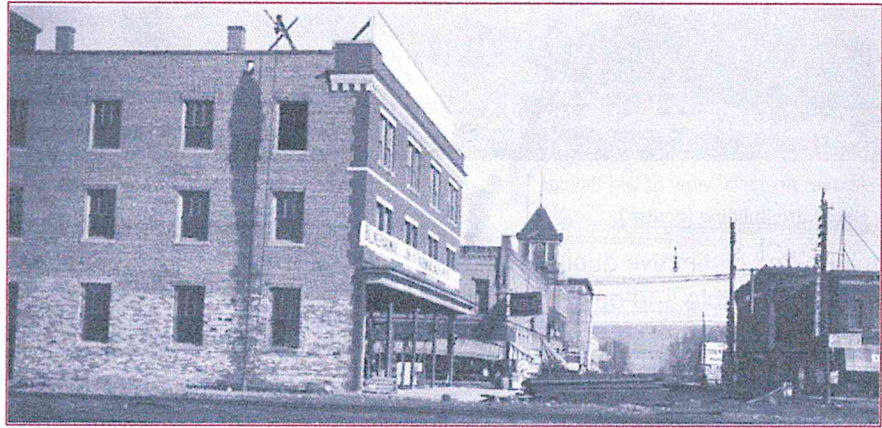
JULY 2019

## DEVELOPMENT OUTLINE

### HISTORY OF THE BUILDING

The Old Billings Hardware Building is listed on the National Register of Historic Places as a contributing structure in the Billings Old Town Historic District. This Historic District encompasses the historic properties in downtown Billings that reflect the growth and development of the city in its early years. The buildings included in the Historic District – built between 1882 and 1950 – helped the city take advantage of an extensive railroad network and put itself on the map as a major trade and transportation center. The Old Town Historic District showcases the city's growth from its beginnings as a rough 1880's railroad town to its emergence as the prosperous regional center it is today.

The Old Billings Hardware Building (OBHB) established itself early on as a Montana institution, becoming one of the leading commercial endeavors in Billings. Its history can be traced back to Albert L. Babcock, who first opened his hardware store on Montana Avenue in 1882. William Selvidge purchased A.L. Babcock Hardware in 1902 and organized the Billings Hardware



Above: The Old Billings Hardware Building in its early years (at left), the railroad tracks in the foreground.

Company. Selvidge broke ground for this building in late 1908 and opened for business in 1909. Billings Hardware was moved to a new building in the mid-1950's, after which Scheel's Hardware was the building's occupant. Colburn School Supply (Sandborn maps role directories) Although the building has been vacant for many years and has suffered some deterioration, it retains a high level of integrity, reflecting its 1909 origins.

### CONDITION OF THE BUILDING

Billings Hardware is three stories high and built of red brick exterior walls with heavy timber interior frame. While all openings today are boarded over, the east storefront (facing N Broadway) spans the entire wall and appears to be a later 1940 addition. A second similar storefront is located on the far west end of the north (Montana Ave) side. Both upper facades exhibit pairs of window openings (all boarded over), defined by contrasting white brick flat heads and sills. The floors are divided with a narrow belt course of cream brick. The building is finished with a corbelled and denticulate cornice of white brick at the top. The interior of the first and second floors retains historic metal ceilings and square supporting columns. In short, the building is a prime candidate for rehabilitation.

## REDEVELOPMENT STRATEGIES

High Plains Architects, P.C has addressed the building's existing architectural and structural conditions, outlined a strategy for redevelopment, explored both preliminary costs and projected incomes, and discussed financial assistance opportunities. A successful redevelopment of the Old Billings Hardware Building would not only turn a vacant and unused structure into an income generating entity, but it would also provide diverse and unique housing options to downtown Billings.



Above: An aerial view of Old Billings Hardware Building (center).

## REDEVELOPMENT PLAN

The proposed redevelopment of the Old Billings Hardware Building will include commercial spaces on the first floor and basement levels. A variety of programmatic uses on these two floors would benefit this area and provide continuous engagement with the community and the building within. Twenty-five high efficiency loft style apartments are proposed for the second and third floors (fourteen per level).

Although sizes and configurations of the living units will vary, they will all share the

unique and distinctive qualities of contemporary open-concept loft apartments with "industrial-light" finishes, skylights, flexible and open living/dining spaces, and creative space saving design. Refinished existing wood floors, original pressed tin ceilings, and refurbished historic elements also contribute to the distinctive feel of these unique living spaces.

This building qualifies for Federal Historic Tax Credits in exchange for maintaining the building's historic character. Preserving and giving the building new purpose will create opportunities for economic and community growth in downtown Billings.

The refurbishment of the Old Billings Hardware building will be done in a manner that not only restores and repurposes its beautiful historic beauty, but also brings it into the 21<sup>st</sup> Century by incorporating an array of sustainable, high-performance systems and materials. We will be pursuing LEED Platinum certification for the building.

## REDEVELOPMENT FEASIBILITY

The redevelopment of the Old Billings Hardware Building is an excellent opportunity to bring new life to a historic building while creating new residential and commercial spaces in Billings. We see the OBHB's potential to contribute the revitalization of downtown Billings. Increasing the supply of desirable, competitively priced housing in the downtown area will support economic growth and vitality within the community. Rental rates will be affordable for downtown workers (80-90% AMI). Demand for housing downtown is already high and will continue to grow. As a rehabilitation project and as an investment opportunity, the redevelopment of the OBHB is a sound venture.

## REDEVELOPMENT TEAM

The team for the Old Billings Hardware Building redevelopment is comprised of: High Plains Architects (architect), IMEG (engineer), TW Clark (contractor) and Urban Frontier Development Services (developer), and the Old Billings Hardware Development Venture, LP (owner), including General Partners Randy Hafer and LaFever Properties, LLC. More information on the General Partners is included.

