

Action Item

Agenda Item 6-a

Meeting Date: Friday, September 25, 2026, 7:30 am

Location: 316 N 29th St - City Hall | Emergency Operations Center on 5th Floor

RE: LDH Properties/Edward Jones TIFD Assistance

Background:

This project aims to redevelop 213 N Broadway to represent a transformational investment to rehabilitate and fully activate a historically significant building that has been neglected for decades. The project will eliminate vacancy, restore architectural character, increase employment and visitations, improve energy efficiency, generate new taxable value and strengthen connectivity downtown. A primary objective is to bring the occupancy of the building to 100% through increased employment and growth of a team. This will eliminate vacant offices, dark storefronts, and underutilized spaces. The facade of the building will restore architectural elements to reflect the historic fabric of downtown while incorporating modern functionality and accessibility. It will add more natural light and create a more inviting pedestrian atmosphere.

The project will include nearly a 1,000 square foot lobby and expanded entrance to provide a space for public programming, seasonal displays, charitable initiatives, and downtown events. The project upgrades the energy efficiency of the building while modernizing the infrastructure. This investment will reverse years of declining taxable value through substantial private enhancements in structural improvements, facade restoration, building systems, and interior modernization. Natural surveillance will contribute to the perception of public safety through improved lighting, increased transparency through new storefront windows, elimination of vacant spaces, and regular occupancy with multiple full-time employees and client visitations.

This project will grow a team from three to twenty two employees with a ten year lease and a projected growth of visitors from six hundred to up to ten thousand a year. Major investments have already begun in the installation of solar panels and battery back up as well as a full building length mural on the alley side.

Proposal:

LDH Properties, LLC is requesting \$585,092 or the equivalent of 16.37% of the total project. The project has \$1,593,405 in eligible expenditure. Below is a table of the eligible expenses along with the recommended percentages:

Eligible Public Improvements	Actual	Percentage	Recommended	MCA Statute
Interior demo	\$128,692	100%	\$128,692	7-15-4206 7-15-4283 7-15-4288
Exterior demo	\$25,226	100%	\$25,226	7-15-4206 7-15-4283 7-15-4288
Sidewalk and Streetscape restoration	\$18,664	100%	\$18,664	7-15-4206 7-15-4283 7-15-4288
Property-line staking and encroaching coordination	\$6,221	100%	\$6,221	7-15-4206 7-15-4283 7-15-4288
Fire suppression upgrades	\$34,726	100%	\$34,726	7-15-4206 7-15-4283 7-15-4288
Electrical upgrades	\$141,957	50%	\$70,978.5	7-15-4206 7-15-4283 7-15-4288
Plumbing upgrades	\$67,438	50%	\$33,719	7-15-4206 7-15-4283 7-15-4288
HVAC upgrades	\$154,430	50%	\$68,000	7-15-4206 7-15-4283 7-15-4288
Facade reconstruction	\$543,028	20%	\$108,605.60	7-15-4206 7-15-4283 7-15-4288
Structural foundations	\$473,023	19%	\$90,260	7-15-4206 7-15-4283 7-15-4288
Total TIF Eligible Expenses	\$1,593,405			
Other	\$1,980,607			
Total	\$3,574,012	16.37%	\$585,092	

Current assessed value	\$560,578
Estimated increase in taxable value (80% of project cost)	\$2,808,442
Commercial tax rate (1.89%)	\$53,080
Annual tax increment (699 mills)	\$37,103
ROI	15 Years

Financials:

If recommended/approved, reimbursements can begin in FY28 assuming the project is completed in FY27. Otherwise, disbursement would carry over to the subsequent fiscal year.

The Downtown Billings Partnership board and Downtown Urban Renewal Advisory Committee may recommend, modify and recommend, or not recommend this proposal.

Motion to recommend: I make a motion to recommend this project as drafted by staff.

Motion not to recommend: I make a motion not to recommend because/due to...

Motion to Modify: I make a substitute motion to...

