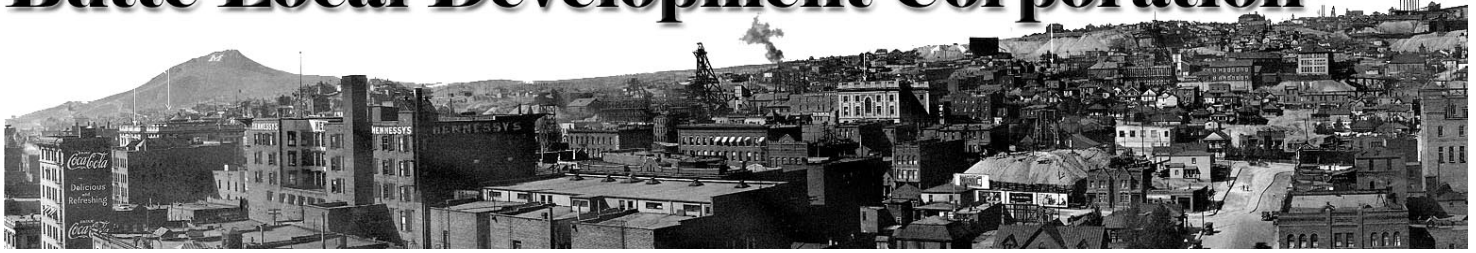


# Butte Local Development Corporation



WINTER 2008

## New Life For Old Building

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Steve Huntington—The St James  
Healthcare  
Foundation

The historic Sears Building is about to reclaim its former glory as a hub of activity in the heart of Uptown Butte. Kujawa Developers, in partnership with the BLDC and Butte Urban Revitalization Agency (URA) aim to revitalize the historic neighborhood by bringing back a mix of urban housing and retail space to this early 1900's five-story brick building.

The completely renovated building will include 34 residential apartments with modern amenities. The one, two and three bedroom apartments will include hardwood floors, high ceilings and modern open kitchens with high quality appliances and finish work. The building's design celebrates its place in Butte with balconies on the south facing units featuring rare panoramic city views with mountain backdrops. The building will feature scenic rooftop decks accessed via four penthouse apartments.

Consistent with the downtown master plan, the ground floor will be leased as commercial retail space. The Science Mine, a non-profit hands-on science museum, similar to the Exploratorium in San Francisco, is set to occupy the basement level.

In 2006 the City issued its most ambitious developers bid packet ever, seeking proposals to redevelop the Sears Building. Amidst nationwide competition, Kujawa Development LLC of Butte, headed by Nick Kujawa won the opportunity to redevelop the historic building.

The project was awarded various grants and loans from local agencies

including the BLDC and URA. Federal tax credit programs came into play with the U.S. Park Service's National Historical Preservation program and more recently with the federal New Markets Tax Credit program. Montana Community Development corporation (MCDC) helped to secure the new market tax credits.

MCDC and the building's owners worked with Glacier Bank to put the tax credits to work for the \$8.3 million Sears Building project.

The New Markets Tax Credit program is a federal credit tool that provides incentives for private investment in building projects that help revitalize low-income areas. The program allows MCDC to sell federal tax credits to private investors in order to generate very low-cost financing for eligible building projects with high community impacts.

The historic Sears Building is scheduled to open in the fall of 2010.

*The BLDC would like to welcome  
new Board Members:*

*Jim Bennett,*

*Larry Curran,*

*Janel Madrazo,*

*and*

*Steve Huntington*



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## 2009 Year End Overview by Executive Director, Jim Smitham

I would like to give an overview of the economic development activities that have taken place during the past year.

During the year the BLDC worked on 38 different economic development projects with 12 considered to be still active. We worked on 14 loan applications, closing on eight of them. Through these loans the BLDC dispersed \$690,000 of its funds which were combined with \$3.9 million in other bank financing to help put a total of \$4,590,000 to work strengthening Butte's economy.

There were other significant events that took place during the year that will pay great dividends for Butte in the future.

The Butte AeroTec Rocket & Jet Engine Test Facility began operation at the Rhodia site west of Butte. Space Propulsion Group (SPG) successfully performed four rounds of tests on their 11 inch rocket motor. With the completion of a new upgraded rocket test facility scheduled for spring 2010, SPG will be able to test their 24 inch rocket motor next summer.

Rocky Mountain Supercomputing Center opened. The BLDC worked closely with the Governor's Office, the Department of Commerce and MERDI to locate the State of Montana's supercomputer in the

Thornton Building's Data Center. This asset will greatly enhance Butte's ability to attract technology companies to our community.

The BLDC became a Satellite Center for the Procurement Technical Assistance (PTAC) program. The BLDC staff can now work with local businesses to determine if they would like to pursue federal and state government contracting. The BLDC will assist them in getting registered and show them various means they can search for government contracting opportunities.

The new Army Reserve Center is under construction in the South Butte Industrial Park on South Parkmont St. This Project is estimated to cost more than \$10 million dollars. The BLDC previously owned the property on which the new facility is located.

Butte-Silver Bow applied for and received a Foreign Trade Zone designation. This program offers companies who import or export products deferment or elimination of customs duties. This designation should bring additional business through the Port of Montana and also attract companies to locate in Butte.

The BLDC and Headwaters RC&D are spearheading an effort to survey all local businesses in Butte-Silver Bow and the six surrounding counties. The data gathered from the survey will help determine what products

and services are being produced in the area. This information will be used in establishing a "Business 2 Business" buy local program. To take the survey go to [www.swmtbiz.org](http://www.swmtbiz.org). The survey takes 5-10 minutes to complete. This type of program will help strengthen the local economy and help keep more business dollars circulating locally.

BLDC continues to work with the Governor's Office of Economic Development and Butte-Silver Bow local government to establish a wind turbine assembly plant in Butte for Chafin/Fuhrlander. This company headquartered in Germany produces wind turbines throughout the world. The project is estimated to be approximately \$29 million and employ 125-150 employees.

There are several significant economic development projects that will be constructed or opening for business in the coming year. These projects include; SeaCast of Montana, the Sears Building, and the Port of Montana expansion.

The BLDC appreciates the support the community has given during 2009 and looks forward to another good year moving Butte forward.

*Happy Holidays*  
*from the staff of the*  
*Butte Local Development Corporation.*