

RESOLUTION NO. 07-18636

RESOLUTION RELATING TO CITY OF BILLINGS
DOWNTOWN URBAN RENEWAL DISTRICT; PROVIDING FOR
TERMINATION OF TAX INCREMENT FINANCING; AND
ALLOCATING FUNDS.

BE IT RESOLVED by the City Council of the City of Billings, Montana (the "City"), as follows:

SECTION I: RECITALS

1.01. Pursuant to Title 9, Chapter 14, Part 43, (the "Act") and Resolution No.12303, (the "Resolution") the City, on December 20, 1976, established its Downtown Urban Renewal District (the "District"), approved an Urban Renewal Plan and elected to use tax increment financing to implement the goals of the Plan.

1.02. Pursuant to Section 7-15-4292 of the Act, the tax increment financing for the District is to terminate on the later of (a) fifteen years from the date of its adoption or (b) the date on which any bonds issued under the Act secured by the tax increment from the District are fully paid or discharged. Pursuant to the Act, the Tax Increment Financing provision for the District shall terminate on March 1, 2008, which is the date on which the last remaining bonds of the District issued by the City in the amount of \$1,345,000 and payable from tax increment derived in the District will be discharged.

1.03. Pursuant to the Act, for the fiscal year beginning July 1, 2008 the taxes levied against the incremental taxable revenues of the District will be allocated to all taxing jurisdictions based on the respective number of mills levied and no additional funds from taxes levied after July 1, 2008 against properties located in the District shall be deposited in the Tax Increment Fund. The taxing jurisdictions levying mills against the property in the District are: the City of Billings, Yellowstone County, School District 2, the Big Sky Economic Development Authority and the State of Montana (the "Taxing Jurisdictions").

1.04. Pursuant to 7-15-4292 of the Act, upon termination of a tax increment district, a municipality may retain and use in accordance with the provisions of the urban renewal plan any tax increment remaining in the Tax Increment Fund related to a binding loan commitment, construction contract or development agreement for an approved urban renewal project that a municipality entered into before the termination of a tax increment provision.

**SECTION II: FINDINGS, DETERMINATION, ALLOCATING FUND FOR PROJECTS
AND PROVIDING FOR THE REMITTANCE OF EXCESS TAX INCREMENT REVENUE**

2.01. The City has approved and allocated tax increment funds for the projects in the District as shown on Schedule 1 (the "Projects") and costs associated with administering those Projects through completion.

2.02. The City has entered into a development agreement with the Downtown Billings Partnership (the "DBP") to complete each of the Projects. It is anticipated that some but not all of the Projects will be completed by July 1, 2008.

2.03. Pursuant to Section 7-15-4292 of the Act and under authority of this Resolution, the City shall retain on July 1, 2008 tax increment revenues on hand for the completion of each of the Projects shown in Schedule 1, administrative costs related thereto and administrative costs of closing out the District, and effective June 30, 2008, such funds shall be transferred to a Projects and Close Out Account to be maintained by the City.

2.04. If upon completion of any of the Projects, there is a contingency amount remaining and if any other Project currently under contract not yet complete requires additional money to complete, the City may authorize the use of such excess money for such Project. Upon completion of the Projects and the payment in full of all costs of the Projects, including the costs of all administrative activities associated with the Projects and closing out the District, any unexpended money shall be remitted to

**I certify that this is a true
and correct copy of the
original
on file in my office.**

the Yellowstone County Treasurer for distribution to the Taxing Jurisdictions in accordance with the law.

SECTION III: TERMINATION OF DISTRICT AND PLAN

3.01. Upon completion of the Projects herein described and the close out of all District accounts and business, the DBP shall notify the City that the work of the Partnership with respect to the District is complete. The City shall certify the amounts, if any, then on hand in the Project and Close Out Account, which shall then be transferred to the County Treasurer as provided in Section 2.04.

3.02. As of that date, the District and the Plan shall no longer be in effect and neither the City nor the DBP shall have any obligation with respect to the implementation of the Plan in the District.

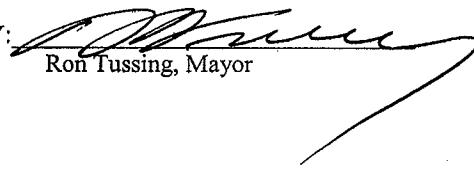
3.03. Nothing herein shall preclude the City from including in other tax increment districts as may be authorized by law or transferring to other duly created districts land that was originally included in the District as long as such land meets the requirements for inclusion in a new or existing tax increment district.

SECTION IV: EFFECTIVE DATE

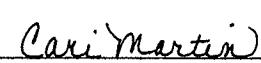
4.01. This Resolution shall become effective on the date of adoption hereof.

Passed by the City Council of the City of Billings, Montana, this 13th day of November, 2007.

CITY OF BILLINGS

BY: 
Ron Tussing, Mayor

ATTEST:

BY: 
Cari Martin, City Clerk



SCHEDULE 1
Resolution No. 07-18636

PROJECT	COST EST.	COMPLETION SCHEDULE
GSA land assemblage	\$1,968,000	December 31, 2007 – December 31, 2009
County parking lot construction	\$237,000 - \$567,500	December 31, 2009
Railroad quiet zone	\$1,000,000	December 31, 2009
One-way street conversion	\$500,000/intersection	December 31, 2009

