

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. 96-17180, entitled: "RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1334; DECLARING IT TO BE THE INTENTION OF THE CITY COUNCIL TO CREATE THE DISTRICT FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City of Billings at a meeting on November 25, 1996, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Councilmembers voted in favor thereof: Regnier, Davis, Farmer, Michunovich, Creighton, Stone,
Ohnstad, Elison, Larson; voted against the same: Deisz
none; abstained from voting thereon: _____
_____; or were absent: none

_____.

WITNESS my hand officially this 25th day of November, 1996.

Marita Herold
Marita Herold, CMC CITY CLERK

A RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. **1334**; DECLARING IT TO BE THE INTENTION OF THE CITY COUNCIL TO CREATE THE DISTRICT FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND.

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

Section 1. Proposed Improvements; Intention To Create District. The City proposes to undertake certain local improvements (the "Improvements") to benefit certain property located in the City. The Improvements consist of **the reconstruction of curbs, gutters, sidewalks and street paving and the construction of storm drainage, landscaping, parking and street light wiring improvements**, as more particularly described in Section 5. The total estimated costs of the Improvements are **\$1,265,357.00**. The costs of the Improvements are to be paid from (1) **the Special Improvement District Bonds hereinafter described**; (2) **City of Billings Community Transportation Enhancement Program (CTEP) Funds, (\$188,357)**; (3) **City of Billings Community Development Block Grant (CDBG) Funds, (\$20,000)**; and (4) **City of Billings Downtown Tax Increment District Funds, (\$388,000)**. It is the intention of this Council to create and establish in the City under Montana Code Annotated, Title 7, Chapter 12, Parts 41 and 42, as amended, a special improvement district (the "District") for the purpose of financing a portion of costs of the Improvements and paying costs incidental thereto, including costs associated with the sale and the security of special improvement district bonds drawn on the District (the "Bonds"), the creation and administration of the District, the funding of a deposit to the City's Special Improvement District Revolving Fund (the "Revolving Fund"). The total estimated costs of the Improvements, including such incidental costs, to be financed by the Bonds are **\$669,000.00**. The Bonds are to be payable primarily from special assessments to be levied against property in the District, which property will be specially benefitted by the Improvements in an amount not less than **\$669,000.00**.

Section 2. Number of District. The District, if the same shall be created and established, shall be known and designated as Special Improvement District No. **1334** of the City of Billings, Montana.

Section 3. Boundaries of District. The limits and boundaries of the District are depicted on a map attached as "Exhibit A" hereto (which is hereby incorporated herein and made a part hereof) and more particularly described on "Exhibit B" hereto (which is hereby incorporated herein and made a part hereof), which boundaries are designated and confirmed as the boundaries of the District. A listing of each of the properties in the District is shown on "Exhibit A" hereto.

Section 4. Benefitted Property. The District and territory included within the limits and boundaries described in Section 3 and as shown on Exhibits "A" and "B" are hereby declared to be the special improvement district and the territory which will benefit and be benefitted by the Improvements and will be assessed for **a portion of the costs** of the Improvements as described in Section 1. The property included within said limits and boundaries is hereby declared to be the property benefitted by the Improvements.

Section 5. General Character of the Improvements. The general character of the Improvements is as follows: **the removal and replacement of curb, gutter, sidewalk, and street paving; construction of new storm drainage piping; installation of underground street light**

wiring; installation of street trees and landscaping and underground irrigation; installation of miscellaneous traffic control and parking improvements' and, construction of property owner requested curb, gutter and sidewalk repairs.

Section 6. Engineer and Estimated Cost. **Engineering, Inc., P.O. Box 81345, Billings, Montana 59108** shall be the engineer for the District. The Engineer has estimated that the costs of the Improvements, including all incidental costs, is **\$1,265,357.00.00.**

Section 7. Assessment Methods. Property To Be Assessed. All properties within the District are to be assessed for a portion of the costs of the Improvements, as specified herein. The costs of the Improvements shall be assessed against the property in the District benefitting from the Improvements, based on the assessable area and frontage methods of assessment described in Sections 7-12-4162 and 7-12-4163, M.C.A., as particularly applied and set forth in this Section 7.

7.1 Assessable Area. All properties in the District will be assessed for their proportionate share of the costs of the Improvements. For the purposes of equitably apportioning special benefit to each lot, tract or parcel of land in the District, the Engineer has assigned an "assessable area" to each lot, tract or parcel as set forth in Exhibit "C" hereto. the total estimated cost of the Improvements is \$746,853.91 and shall be assessed against each lot, tract or parcel of land in the District for that part of the costs of the Improvements that the assessable area of such lot, tract or parcel bears to the total assessable area of all lots, tracts or parcels of land in the District, exclusive of streets, avenues and alleys. The total assessable area of the District to be assessed is 536,504 square feet. The costs of the Improvements per square foot of assessable area shall not exceed \$1.39207519. The assessment for each lot, tract or parcel of land for the Improvements is shown on Exhibit "C" hereto.

Of this total assessment, \$127,895.08 represents the assessment attributable to the City of Billings, as the owner of tax code #C.O.B. (i.e. E97-10, E97-12, E97-14), (92,024 square feet). The City will pay this "assessment" as a direct contribution of the project. Therefore, the amount of assessments for which bonds will be sold is \$618,958.83.

7.2 Frontage. Twenty-two (22) of the parcels in the District shall also be assessed for the costs of curb, gutter, sidewalk, and street paving removal and replacement that is conducted along the frontage of the individual parcel. This work is to replace existing improvements because of safety issues or at the request of individual property owners. (NOTE: the curb, gutter, sidewalk, and street paving reconstruction that is being assessed in Section 7.1 represents work benefitting all property in the District. This work includes handicapped ramps, crosswalks, tree planters, planter wall seats, etc.).

The total cost of this Special Addition work is estimated to be \$94,239.35, and shall be assessed to each parcel for which improvements are constructed along the frontage of that individual parcel. The costs shall be assessed based on the lineal footage or square footage of work as shown below.

ITEM	QUANTITY	UNIT COST	TOTAL
Remove and replace			
4" concrete.....	5,214 sf	\$ 5.74/sf	\$29,928.36
Remove and replace			
6" concrete.....	2,268 sf	\$ 7.16/sf	\$16,954.88
Remove and replace			
Curb.....	1,066 lf	\$28.35/lf	\$30,221.10
Sawcut Curb.....	25 lf	\$ 6.75/lf	\$ 168.75
Sawcut Concrete.....	201.32 lf	\$ 6.75/lf	\$ 1,358.91

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Street Reconstruction.....1,051 lf \$14.85/lf \$15,607.35

The assessment for each lot, tract or parcel of land for the Special Addition Improvements is shown on Exhibit "C" hereto.

Of this total assessment, \$44,198.18 represents the assessment attributable to the City of Billings as the owner of tax code #C.O.B. (i.e. tax code numbers E-97-10, E97-12, E97-14). The City will pay this "assessment" as a direct contribution to the project. Therefore, the amount of assessments for which bonds will be sold is \$50,041.17.

Section 8. Payment of Assessments. The special assessments for the costs of the Improvements shall be payable over a term not exceeding **fifteen (15)** years, each in equal semiannual installments of principal, plus interest, or equal semiannual payments of principal and interest, as this Council shall prescribe in the resolution authorizing the issuance of the Bonds. Property owners have the right to prepay assessments as provided by law.

Section 9. Method of Financing; Pledge of Revolving Fund; Findings and Determinations. The City will issue the Bonds in an aggregate principal amount not to exceed **\$669,000.00** in order to finance the costs of the Improvements. Principal of and interest on the Bonds will be paid from special assessments levied against the property in the District. This Council further finds it is in the public interest, and in the best interest of the City and the District, to secure payment of principal of and interest on the Bonds by the Revolving Fund and hereby authorizes the City to enter into the undertakings and agreements authorized in Section 7-12-4225 in respect of the Bonds.

In determining to authorize such undertakings and agreements, this Council has taken into consideration the following factors:

(a) Estimated Market Value of Parcels. The estimated total market value of the lots, parcels or tracts in the District as of the date of adoption of this resolution, as estimated by the County Assessor, is \$3,861,187.00. The average market value is \$70,203.00, with a high of \$678,300.00, a low of \$2090.00, and a median of \$41,000.00. The total value of existing improvements to the parcels is an additional \$15,15,877.00. The special assessments to be levied against each lot, parcel, or tract is less than the increase in the estimated market value of the properties as a result of the construction of the Improvements.

(b) Diversity of Property Ownership. For the 48 total lots, parcels, or tracts in the District, there are 36 separate owners. One owner, Northern Pacific Railroad, owns four (4) parcels; Brewery Square Associates owns three (3) parcels, the City of Billings owns or is responsible for four (4) parcels; and four (4) separate parties own two (2) parcels each. Thus, seven (7) parties (15% of the total owners) own an aggregate total of nineteen (19) parcels (40% of the total parcels) in the District. Given the diversity of ownership, it is unlikely that financial difficulties would arise that would require a loan to be made from the Revolving Fund.

(c) Comparison of Special Assessments and Property Taxes and Market Value. Currently, there are five (5) different special assessments being levied against various parcels within the District as follows:

Payoff	# of Affected	Total Payoff	Avg. Payoff
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<u>SID #:</u>	<u>Date</u>	<u>Parcels</u>	<u>Amount</u>	<u>per Parcel</u>
8507	1997	1	\$ 136.50	\$ 136.50
8899	1999	6	\$ 152.98	\$ 25.50
8902	2000	3	\$3339.51	\$1113.17
8998	2000	11	\$ 628.14	\$ 57.10
9202	2003	1	\$4762.50	\$4762.50

Seventeen (17) separate parcels within the District carry one or more assessments from the five (5) previous special assessment projects. The total amount of outstanding principal levied against these parcels is \$9019.63, with an average payoff of \$530.57, a high of \$5237.26, and a low of \$12.76.

The total estimated assessment levied by this District will be \$669,000. For the seventeen (17) parcels carrying existing special assessments, the average assessment will be approximately \$11,996.10. With an average market value (real property only) of \$70,203.00, and an average yearly principal payment of \$800.00 (monthly principal of \$67.00), the amount of assessment in comparison to the value of the property would appear acceptable. As such, no unusual need for loans from the Revolving Fund would be expected.

(d) Delinquencies. For tax years 1990 through 1995, two (2) parcels show some amount of delinquency, as follows:

<u>Tax Code No.</u>	<u>SID Delinquency</u>	<u>City General</u>
A-800	\$ 0.00	\$4990.14
A-837	\$88.86	\$5237.74

This represents 4.2% of the total parcels within the District and compares favorably with the average City collection rate of 95%. Therefore, given the delinquency history of properties within the District, no unusual need for loans from the Revolving Fund would be expected.

(e) The Public Benefit of the Improvements. Improvements proposed as part of this District are expected to enhance the safety of vehicle and pedestrian traffic within the project area. This section of Montana Avenue comprises one of the original historic districts within the City of Billings. The streetscaping enhancements are expected to promote redevelopment of the area, making it an increasingly viable area for new and/or expanded business opportunities. This, in turn, will have a positive overall effect on the local economy and enhance the local tax base.

Section 10. Public Hearing; Protests. At any time within fifteen (15) days from and after the date of the first publication of the notice of the passage and approval of this resolution, any owner of real property within the District subject to assessment and taxation for the cost and expense of making the Improvements may make and file with the City Clerk until 5:00 p.m., M.T., on the expiration date of said 15-day period (**December 13, 1996**), written protest against the proposed Improvements, or against the extension or creation of the District or both, and this Council will at its next regular meeting after the expiration of the fifteen (15) days in which such protests in writing can be made and filed, proceed to hear all such protests so made and filed; which said regular meeting will be held on **Monday, December 16, 1996**, at 7:30 o'clock p.m., in the Council Chambers, located on the Second Floor of the Police Facility at 220 North 27th Street, in Billings, Montana.

Section 11. Notice of Passage of Resolution of Intention. The City Clerk is hereby authorized and directed to publish or cause to be published a copy of a Notice of the passage of this Resolution in the **Billings Times**, a newspaper of general circulation in the county on **November 28** and **December 5, 1996** in the form and manner prescribed by law, and to mail or cause to be mailed a copy of said Notice to every

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person, firm, corporation, or the agent of such person, firm, or corporation having real property within the District listed in his or her name upon the last completed assessment roll for state, county, and school district taxes, at his last-known address, on or before the same day such notice is first published.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, this 25th day of November, 1996.



THE CITY OF BILLINGS:

BY: Charles F. Tooley
Charles F. Tooley
MAYOR

ATTEST:

BY: Marita Herold
Marita Herold, CMC, CITY CLERK

ENGINEERING, INC.

CONSULTING ENGINEERS & LAND SURVEYORS



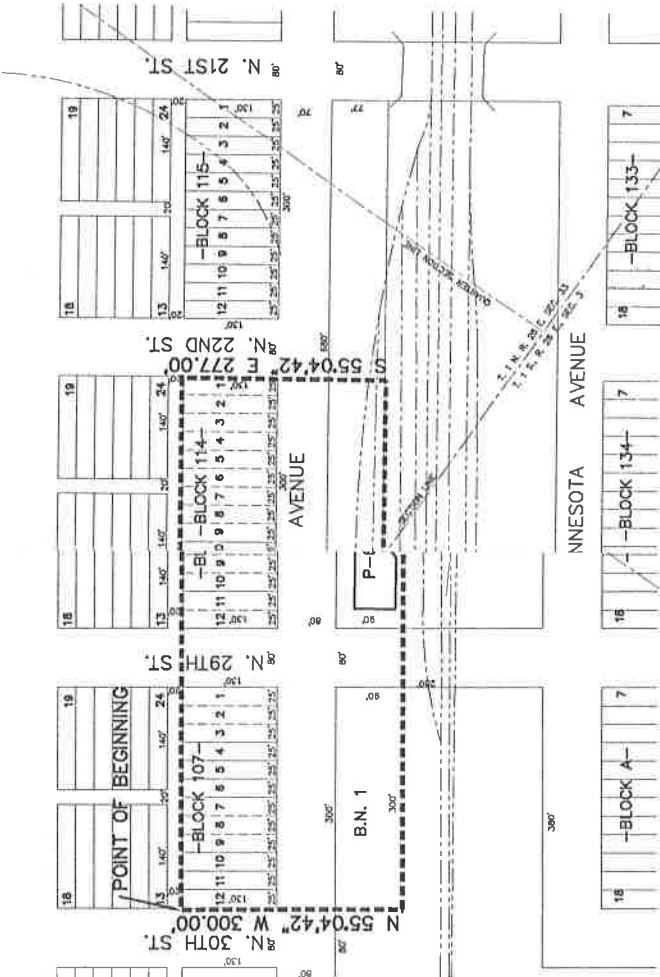
SUITE 200 CREEKSIDE
BILLINGS, MONTANA 59108-1345
406-838-5255

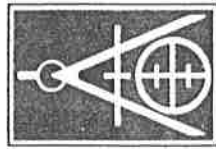
S.I.D. NO. 1334
BILLINGS TOWNSITE HISTORIC DISTRICT STREETSCAPE
MONTANA AVENUE - NORTH 22ND STREET TO NORTH 30TH STREET
BILLINGS, MONTANA

DISTRICT BOUNDARY MAP

EXHIBIT A

CODE	LOT AREA	ASSESSMENT AREA	MISC. CONCRETE	EST. COST
X0006	6,200 S.F.	6,500.00	0.00	9,545.49
X0007	3,250 S.F.	3,250.00	0.00	4,524.24
X0008	3,250 S.F.	3,250.00	0.00	4,524.24
X0009	3,250 S.F.	3,250.00	0.00	4,524.24
X0010	18,250 S.F.	18,250.00	854.10	23,519.32
X0011	6,500 S.F.	6,500.00	1,861.19	10,709.68
	36,000 S.F.	36,000.00 S.F.	\$2,715.29	\$27,055.25
X0817	3,250 S.F.	3,250.00	0.00	4,524.24
X0818	3,250 S.F.	3,250.00	328.51	4,852.75
X0819	3,250 S.F.	3,250.00	0.00	4,524.24
X0820	3,250 S.F.	3,250.00	0.00	4,524.24
X0821	3,250 S.F.	3,250.00	871.55	5,135.79
X0822	3,250 S.F.	3,250.00	1,086.75	5,610.99
X0823	3,250 S.F.	3,250.00	1,093.50	5,617.74
X0824	6,500 S.F.	6,500.00	0.00	8,048.48
	36,000 S.F.	36,000.00 S.F.	\$2,910.76	\$35,735.54
X0833	6,500 S.F.	6,500.00	1,867.20	10,655.89
X0834	13,000 S.F.	13,000.00	4,010.00	18,066.98
	36,000 S.F.	36,000.00 S.F.	\$5,877.20	\$43,813.87
X0837	26,250 S.F.	26,250.00	432.00	41,160.20
X0838	9,750 S.F.	9,750.00	2,418.44	15,992.17
	36,000 S.F.	36,000.00 S.F.	\$2,850.44	\$47,152.37
	27,000 S.F.	27,000.00 S.F.	\$17,883.75	\$65,036.12





ENGINEERING, INC.
Consulting Engineers and Land Surveyors

Robert L. Sanderson, P.E., L.S.
John S. Stewart, P.E.
Duane K. Loken, P.E.
Rick D. Leuthold, P.E.
Dennis D. Randall, P.E., L.S.
Peter B. Knapp, L.S.

EXHIBIT B

October 25, 1996
95106

DISTRICT BOUNDARY DESCRIPTION

PROPOSED SID NUMBER 1334

Billings Townsite Historic District Streetscape
Montana Avenue - North 22nd Street to North 30th Street

To Provide Streetscape Enhancement Improvements along
Montana Avenue from North 22nd Street to North 30th Street

The District Boundary encompasses 536,504 square feet of net assessable area in Blocks 108-115 of the Original Plat of the Town of Billings and portions of Montana Rail Link property. Said district being more particularly described as follows:

Beginning at the point which is the northeast corner of Lot 12, Block 107 of the Original Plat of the Town of Billings; thence, N 34°55'18" E a distance of 2960.00 feet to the northeast corner of Lot 1, Block 114 of the Original Plat of the Town of Billings; thence, S 55°04'42" E a distance of 277.00 feet; thence, S 35°03'45" W a distance of 1248.00 feet; thence, S 55°04'42" E a distance of 27.00 feet; thence, S 34°55'18" W a distance of 1712.00 feet; thence, N 55°04'42" W a distance of 300.00 feet to the northwest corner of Lot 12,

TAX I.D. NUMBER 6-13	AREA OF ASSMT. COST PER S.F. \$1.39207519 14-22	REMOVE AND REPLACE 4" CONC.				REMOVE AND REPLACE 6" CONC.				REMOVE AND REPLACE CURB				SAW CUT CONCRETE CURB				CONCRETE SAWCUT				STREET RESTORATION				TOTAL COST				
		CODE 23	QUANTITY 24-30	MEASURE 31-40	RATE 41-54	CODE 55	QUANTITY 24-30	MEASURE 31-40	RATE 73-86	CODE 55	QUANTITY 58-62	MEASURE 63-71	RATE 73-71	CODE 55	QUANTITY 58-62	MEASURE 63-71	RATE 73-86	CODE 55	QUANTITY 58-62	MEASURE 63-71	RATE 73-86	CODE 55	QUANTITY 58-62	MEASURE 63-71	RATE 73-86					
A-00810	16,250.0	0	140	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	14	LF	\$6.75	0	0	LF	\$14.85	\$23,519.32				
A-00811	6,500.0	0	0	SF	\$5.74	0	84	SF	\$7.16	0	20	LF	\$28.35	0	1	EA	\$6.75	0	28	LF	\$6.75	0	20	LF	\$14.85	\$10,709.68				
A-00817	3,250.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$4,524.24				
A-00818	3,250.0	0	49	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	7	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$4,852.75				
A-00819	3,250.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$4,524.24				
A-00819A	3,250.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$4,524.24				
A-00820	3,250.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	14	LF	\$28.35	0	1	EA	\$6.75	0	0	LF	\$6.75	0	14	LF	\$14.85	\$5,135.79				
A-00821	3,250.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	25	LF	\$28.35	0	1	EA	\$6.75	0	0	LF	\$6.75	0	25	LF	\$14.85	\$5,610.99				
A-00822	3,250.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	25	LF	\$28.35	0	1	EA	\$6.75	0	14	LF	\$6.75	0	25	LF	\$14.85	\$5,705.49				
A-00823	3,250.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	25	LF	\$28.35	0	2	EA	\$6.75	0	0	LF	\$6.75	0	25	LF	\$14.85	\$5,617.74				
A-00824	6,500.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$9,048.49				
A-00825	6,500.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$9,048.49				
A-00832	6,500.0	0	280	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$10,655.69				
A-00832A	6,500.0	0	700	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$13,068.49				
A-00833	13,000.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$18,096.98				
A-00834	13,000.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$18,096.98				
A-00837	29,250.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	15	LF	\$28.35	0	1	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$41,150.20				
A-00838	9,750.0	0	231	SF	\$5.74	0	0	SF	\$7.16	0	25	LF	\$28.35	0	2	EA	\$6.75	0	0	LF	\$6.75	0	25	LF	\$14.85	\$15,992.17				
BN-1	27,000.0	0	0	SF	\$5.74	0	1350	SF	\$7.16	0	190	LF	\$28.35	0	1	EA	\$6.75	0	16	LF	\$6.75	0	190	LF	\$14.85	\$55,574.78				
MRL-2	27,000.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$37,586.03				
MRL-3	27,000.0	0	0	SF	\$5.74	0	0	SF	\$7.16	0	0	LF	\$28.35	0	0	EA	\$6.75	0	0	LF	\$6.75	0	0	LF	\$14.85	\$37,586.03				
MRL-4	51,480.0	0	565	SF	\$5.74	0	0	SF	\$7.16	0	30	LF	\$28.35	0	2	EA	\$6.75	0	21	LF	\$6.75	0	30	LF	\$14.85	\$76,358.38				
C.O.B.	92,024.0	0	2555	SF	\$5.74	0	678	SF	\$7.16	0	565	LF	\$28.35	0	2	EA	\$6.75	0	38	LF	\$6.75	0	565	LF	\$14.85	\$172,304.67				
SUBTOTAL: PAGE2		364,254				4,520				2,112				934				21				131				919				\$ 589,289.89
TOTAL:		536,504				5,214				2,368				1,066				25				201				1,051				\$ 841,093.26