AN ORDINANCE RELATING TO THE Central Montana Agricultural and Technology Park TAX INCREMENT INDUSTRIAL INFRASTRUCTURE DISTRICT; PROVIDING FOR DEFINITION OF TERMS; ESTABLISHING THE COSTS WHICH MAY BE PAID BY TAX INCREMENT FINANCING; CREATING AND APPROVING THE Central Montana Agricultural and Technology Park; ESTABLISHING THE BOUNDARIES THEREOF; ESTABLISHING JANUARY 1, 2005 AS THE BASE TAXABLE YEAR; PROVIDING FOR REPEAL OF ALL PARTS OF ORDINANCES AND RESOLUTIONS IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.

BE IT ORDAINED BY THE CITY COMMISSION (THE “COMMISSION”) OF THE CITY OF GREAT FALLS (THE “CITY”), MONTANA AS FOLLOWS:

Section 1. Definitions. In this Ordinance the following terms have the meanings indicated below:

"Actual taxable value" means the taxable value of taxable property at any time, as calculated from the assessment roll last equalized.

"Base taxable value" means the actual taxable value of all taxable property within a tax increment financing industrial district prior to the effective date of a tax increment financing provision. This value may be adjusted as provided in Sections 7-15-4287 or 7-15-4293, MCA.

"Central Montana Agricultural and Technology Park" means the tax increment industrial infrastructure district created by this Ordinance.

"Incremental taxable value" means the amount, if any, by which the actual taxable value at any time exceeds the base taxable value of all property within a tax increment financing industrial district.

"Tax increment" means the collections realized from extending the tax levies, expressed in mills, of all taxing bodies which the tax increment financing industrial district or a part thereof is located, against the incremental taxable value.

"Taxes" means all taxes levied by a taxing body against property on an ad valorem basis.

Section 2. Findings. Based on representations made to this Commission to date and taken into consideration, all comments received, including those made at a public hearing duly held on May 17, 2005, after Notice was given, the Commission hereby makes findings, determinations and declarations, as follows:

(a) the property to be included in the Agricultural and Technology Park consists of a continuous area with an accurately described boundary;
(b) the property is zoned Second Industrial Use, "D" Area District zoning classification in accordance with the Official Code of the City of Great Falls, Title 17, Zoning;

(c) the Agricultural and Technology Park does not contain property included within an existing urban renewal area;

(d) the area to be included in the Agricultural and Technology Park Tax Increment Financing District is deficient in public infrastructure improvements for industrial development and will likely not be developed to its potential without the provision of public infrastructure improvements;

and

(e) the Company's malt production project is a secondary value-adding industry;

(f) the acquisition of rail spur improvements providing delivery of materials to the district is an eligible infrastructure project within the meaning of the Act; and

(g) tax increment financing for acquisition of a rail spur from International Malting Corporation by the City of Great Falls will ensure that future developments in the Agricultural and Technology Park will have adequate access to rail infrastructure for the delivery and shipping of products. Access to said infrastructure will encourage development of the Agriculture and Technology Park, create job opportunities and thereby increase the tax base of the City and other taxing jurisdictions.

(h) the Act requires that prior to final adoption of the Ordinance, the Commission hold a public hearing on the creation of the proposed district and anticipated public improvements. Pursuant to such authority, notice of a public hearing in substantially the form presented in Exhibit "A" is called to be held on May 17, 2005, at 7:00 p.m., in the Commission Chambers in the Civic Center Building, Great Falls, Montana.

Section 3. Establishment of the Agricultural and Technology Park. The Great Falls Agricultural and Technology Industrial Infrastructure District (the Agricultural and Technology Park) is hereby established.

Section 4. Boundaries. The legal description of the property constituting the Agricultural and Technology Park is described and the boundaries are depicted on the map identified and attached hereto as Exhibit "B".

Section 5. Base Year. For the purpose of calculating the incremental taxable value each year for the life of the Agricultural and Technology Park, the base taxable value shall be calculated as the taxable value of all real and personal property within the Agricultural and Technology Park as of January 1, 2005.

Section 6. Tax Increment Provision. The City is hereby authorized to segregate as received the tax increment derived in the Agricultural and Technology Park, and use and deposit such
increment into its Agricultural and Technology District Tax Increment Fund for use as authorized by the Act and as authorized herein or by the Commission from time to time.

Section 7. Costs That May be Paid From Tax Increments. The tax increments received from the Agricultural and Technology Park may be used to directly pay costs of approved infrastructure projects, or to pay debt service on bonds issued to finance infrastructure improvements as defined under the Act as may from time to time be approved by the Commission. The Commission hereby authorizes the use of tax increment in the Agricultural and Technology Park to be used to pay debt service on internal and bank financed loans issued to finance all or a portion of the costs of eligible Improvements in compliance with the Act, and subject to any limitations imposed by the Montana Constitution.

Section 8. Term of the Tax Increment Financing. The tax increment provision of the Agricultural and Technology Park will terminate upon the earlier of:

(a) the fifteenth year following the creation of the industrial district; or

(b) the payment or provision for payment in full or discharge of all loans, and the payment of interest thereon, for which the tax increment has been pledged.

After termination of the tax increment provision, all taxes shall continue to be levied upon the actual taxable value of the taxable property in the industrial district, but shall be paid into funds of the taxing bodies levying taxes within the industrial district.

Section 9. Effect of Industrial Infrastructure District. The creation of an Industrial Infrastructure Project or the approval of an Industrial Infrastructure Project does not affect, abrogate or supersede any rules, ordinances, or regulations of the City relating to zoning, building permits, or any other matters.

Section 10. Effective Date. This Ordinance shall be in full force and effect upon passage and adoption by the Commission.

Section 11. Conflict with Other Ordinance and Resolutions. All parts of Ordinances and Resolutions in conflict herewith are hereby repealed.
PASSED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA,
this 17th Day of May, 2005

Randall H. Gray, Mayor

ATTEST:

Carolyn Horst, Deputy City Clerk

(SEAL OF CITY)

APPROVED AS TO FORM; City Attorney
I, Carolyn M. Horst, Deputy City Clerk of the City of Great Falls, Montana, do hereby certify that the forgoing Ordinance No. 2911 was placed on its final passage and passed by the Commission of the City of Great Falls, Montana, at a meeting thereof on the 17th day of May, 2005, and approved by the Mayor of said City on the 17 day of May, 2005.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said City on the 17th day of May, 2005.

Carolyn M. Horst, Deputy City Clerk

(SEAL OF CITY)
EXHIBIT A

CITY OF GREAT FALLS, MONTANA
NOTICE OF PUBLIC HEARING

NOTICE OF A PUBLIC HEARING ON THE ADOPTION OF AN ORDINANCE ESTABLISHING A TAX INCREMENT INDUSTRIAL INFRASTRUCTURE DISTRICT AND APPROVING CERTAIN INDUSTRIAL INFRASTRUCTURE IMPROVEMENTS TO BE FINANCED THEREIN UNDER TITLE 7, CHAPTER 15, PART 42, MONTANA CODE ANNOTATED.

NOTICE IS HEREBY GIVEN that City of Commission of the City of Great Falls, Montana (the “City”), will meet on May 17, 2005, at 7:00 p.m., in the Commission Chambers of the Civic Center Building, Great Falls, Montana, for the purpose of holding a public hearing on the adoption of an ordinance establishing the Agricultural and Technology Tax Increment District (the “District”) for the purpose of encouraging industrial growth by providing a financial mechanism to acquire the necessary infrastructure. The proposed District includes Lots 2 and 4, Block 1, International Malting Company, LLC Addition, located in Section 30, Township 21 North, Range 4 East, P.M.M., Cascade County, Montana. Said lots contain 45.457 acres.

The City is authorized by Title 7, Chapter 15, Part 42, Montana Code Annotated (the “Act”), to establish a tax increment industrial infrastructure district and to use the tax increment generated within the district to finance the costs of certain infrastructure improvements in order to encourage growth, and retention of secondary value-adding industries. The City is acquiring a rail spur from International Malting Company to ensure continued growth in the area for $2 million.

Copies of the proposed ordinance creating the District, which contains a description of the proposed acquisition, the estimated costs thereof, the legal description of the district and a map of the proposed district can be obtained at the Great Falls City Manager’s Office, Civic Center Building, Great Falls, Montana 59401.

All persons interested may appear and be heard at said time and place of may file written comment with the City Clerk prior to the date of the hearing set forth above.

BY ORDER OF THE COMMISSION

Carolyn M. Horst, Deputy City Clerk

PUBLICATION DATES: May 4 and 8, 2005
EXHIBIT “B” (continued)

Mates and bounds description for proposed IMC Industrial/Agricultural Tax Increment Financing District.

Property situated in Section 30, Township 21 North, Range 4 East, of the Principle Meridian Montana, Cascade County, Montana, described as follows:

Commencing at the East Quarter Corner of said Section 30; thence N89°28’41”W along the east-west mid-section line of said Section 30, a distance of 453.39 feet to the Northwest Corner of the First Broadway Addition to North Great Falls according to the official map on file in the records of Cascade County and Point of Beginning of the industrial tax increment district herein described: thence S00°37’48”W along the west line of said First Broadway Addition to North Great Falls, a distance of 1325.50 feet; thence N89°35’17”W, a distance of 1321.42 feet; thence N00°40’34”E, a distance of 1228.04 feet; thence N89°28’41”W, a distance of 1766.61 feet to the southeasterly right-of-way of US Highway 87, Project Number FAP 149-F(3), according to the as-built right-of-way plans on file in the records of the Montana Department of Transportation; thence N26°35’47”E along said southeasterly right-of-way, a distance of 339.89 feet; thence S63°24’13”E, a distance of 467.08 feet; thence S89°28’41”E, a distance of 2,518.28 feet to the Point of Beginning, containing in all 45.457 acres.

The above described area is platted as Lots 2 and 4, Block 1, International Malting Company, LLC Addition.