



- Items:** Resolution 10117 - Resolution of Intention to Approve an Industrial Development Project (Great Falls AgriTech Park Project)
- Ordinance 3134 - Ordinance Approving an Industrial Development Project (Great Falls AgriTech Park Project) and Associated Infrastructure Improvements in the East Industrial Park Tax Increment Financing Industrial District and Authorizing Financing the Infrastructure Improvements with Tax Increment Revenue
- From:** Jennifer Reichelt, Deputy City Manager
Melissa Kinzler, Fiscal Services Director
Craig Raymond, Planning & Community Development Director
- Initiated By:** Brett Doney, Great Falls Development Authority Director
- Presented By:** Jennifer Reichelt, Deputy City Manager
- Actions Requested:** Adopt or Deny Resolution of Intention 10117, conduct the first reading of Ordinance 3134 and set a public hearing for July 21, 2015.
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Suggested Motions:

1. Commissioner moves:

“I move the City Commission (adopt/deny) Resolution of Intent 10117.”

And

“I move the City Commission accept Ordinance No. 3134 on first reading and set the public hearing for July 21, 2015.”

2. Mayor calls for a second, discussion, public comment, and calls the vote.
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Staff Recommendation: Adopt Resolution 10117, a Resolution of Intention to approve an industrial development project, Great Falls AgriTech Park Project (Project), and all associated infrastructure improvements in the East Industrial Park Tax Increment Financial Industrial District and to authorize the financing of certain infrastructure improvements with tax increment revenue and set a public hearing for July 21, 2015.

Background: Tax increment financing (TIF) is a mechanism that allows communities to use new tax dollars resulting from increasing taxable value for reinvestment within the geographic area in which they are derived for a period of 15 years, or up to 40 years if the incremental taxes were pledged to the repayment of a bond. The City of Great Falls currently has five TIF districts.

The City Commission established the East Industrial Park Tax Increment Financing District (District) in 2013. The City Commission adopted Resolution 10014 on March 5, 2013, which documented the existence of infrastructure deficiencies and established the boundaries for the industrial area. On May 7, 2013, the Commission adopted Ordinance 3105, which adopted an East Industrial Park Tax Increment Financing District Comprehensive Development Plan (Plan), which included a TIF provision.

The District is generally located north of 18th Avenue North, both east and west of 67th Street North and is approximately 395+ acres in size. The base year of the District is 2013 and the East Industrial TIF will be in effect until 2028 (15 years) unless the District's life is extended (through debt issuance against the District which would involve Commission action).

The Great Falls AgriTech Park, LLC, a for-profit Montana limited liability company (Developer), proposes to develop a 196-acre, multi-tenant, rail served, heavy industrial park within the District.

The project site is comprised of ten individual lots, which the Developer has an exclusive option to purchase. Currently, the Developer has purchased lots 1 and 2 and resold them to Pacific Steel & Recycling and Montana Specialty Mills, respectively.

The Developer has formed the Great Falls AgriTech Owners Association, LLC, a for-profit Montana limited liability company (Association), whose members include the Developer and the owners of record of the ten individual lots comprising the project site (Property Owners).

Great Falls AgriTech Park, LLC TIF Application

The Developer and the Association submitted a TIF Application requesting to receive tax increment financing assistance with respect to certain infrastructure improvements associated with the Project, consisting of road, water, sewer and rail improvements at a total cost not to exceed \$6,789,867, including interest.

The Developer and the Association propose that the Developer and certain current and future property owners finance the infrastructure improvements, the costs of which will be reimbursed by the City to the Association from tax increment revenues generated by the Project.

The City Commission has an approved *Tax Increment Application Process* for considering funding requests from the private and public sectors for tax increment assistance from TIF Districts. Upon receipt of an application, City staff is assigned the responsibility of reviewing the funding request and making a recommendation to the Planning Advisory Board (PAB). The PAB then considers the application, and makes a recommendation to the City Commission. The PAB is scheduled to consider the AgriTech TIF Application on July 14, 2015.

For final action, the City Commission considers the PAB recommendation and approves or rejects the funding request, along with any special terms of approval. A TIF industrial development project (of this value), requires the Commission to conduct a public hearing and make certain findings as set forth in State Law (MCA 7-15-4217).

Staff from Fiscal Services, Planning and Community Development, Park and Recreation, Public Works as well as the Deputy City Manager, with advice from Dorsey & Whitney, LLP, bond counsel to the City, jointly reviewed and evaluated the Project and the infrastructure improvements and determined:

- The Project and the infrastructure improvements would be beneficial to the public and would result in the rehabilitation and redevelopment of the District.
- The infrastructure improvements (including the rail improvements) are eligible for tax increment financing in accordance with State Law and the purpose and goals of the District and Plan.
- The City should enter into a development agreement with the Developer and the Association with respect to the Project and the infrastructure improvements.

Infrastructure Improvements & Reimbursement Obligation

The Developer and the Association propose to install the infrastructure improvements in three phases. The City will not accrue or pay interest until specific performance based tax increment levels are reached during each phase of the project.

The Developer will be reimbursed through the available tax increment. The Developer will receive 85% of the tax increment revenues received by the City each year from the Project.

Interest will accrue and begin being paid at a rate of 4% per year, once the Project Site has reached its performance based market value for each phase of the project. The taxable property market value must be certified by the Department of Revenue (phase 1 - \$35.7 million, phase 2 - \$46.4 million, phase 3 - \$71.4 million). Interest will not accrue on the Reimbursement Obligations until such milestones are achieved.

The City's reimbursement obligation shall not begin until the infrastructure improvements are complete and accepted by the City. The City is also required to approve the costs of all infrastructure improvements before reimbursement.

It is proposed that the City reimburse the Association for the costs of the infrastructure improvements from available tax increment (Reimbursement Obligation) as follows:

- *Costs of the Phase 1 infrastructure improvements* – The City will reimburse the Developer an amount up to \$4,635,922. Interest payments will begin once the Project Site has a market value of at least \$35.7 million* and is generating tax increment of at least \$671,000 annually.
- *Costs of the Phase 2 infrastructure improvements* – The City will reimburse the Developer an amount up to \$570,566. Interest payments will begin once the Project

Site has a market value of at least \$46.4 million* and is generating tax increment of at least \$860,110 annually.

- *Costs of the Phase 3 infrastructure improvements* – The City will reimburse the Developer an amount up to \$1,583,379. Interest payments will begin once the Project Site has a market value of at least \$71.4 million* and is generating tax increment of at least \$1.2 million annually.

**As certified by the Department of Revenue*

Rail Improvements

Burlington Northern Santa Fe (BNSF) owns and operates over 3,000 miles of rail lines spanning the State of Montana (State) and which run south of and parallel to 18th Avenue North in the City. The BNSF rail lines constitute the sole means of rail transportation in and out of the City, linking the City with the rest of the State and much of the rest of the United States.

Given the proximity of the District to the BNSF rail lines, the Plan identifies the development of rail as an important infrastructure component within the District that will help encourage secondary value-adding industries that take advantage of the agricultural resources of the surrounding area.

In order to develop the District in accordance with the Plan, a rail line needs to be extended northeasterly from the BNSF rail lines through the Project Site, reconnecting to the BNSF rail lines east of 67th Street North (Rail Improvements). As set forth in State Law, tax increment revenues may be used to pay for, among other things, the costs of rail lines and to provide direct assistance to secondary value-adding industries to assist in meeting their infrastructure and land needs within the District.

Highlights of the Rail Improvements include:

- The Association shall own the Rail Improvements, and shall not merge, consolidate or sell, assign, convey, transfer, lease, or otherwise dispose of the Rail Improvements without the prior written consent of the City.
- The Association shall not apply for tax-exempt status under State or federal law.
- Prior to commencing construction of the Rail Improvements, each Property Owner shall grant to the Association, for the benefit of the Association, each Property Owner, other rail users that are not Property Owners and the City, a perpetual, exclusive easement for railroad purposes upon which the Rail Improvements will be built (Rail Easement).
- The Association shall allow other rail users that are not Property Owners to construct switches and rail extensions that connect to the Rail Improvements and to use the Rail Improvements, subject to use and fee arrangements similar to those of the other Property Owners.
- The Association will be responsible for all maintenance and repair of the Rail Easement. The Association will also insure and keep the Rail Easement parcel and any future

expansion of the line in good repair and condition at its own expense and in accordance with all applicable local, State and federal laws and regulations.

- If the Association, the Developer or any Property Owner shall default in the performance of any of its obligations with respect to the Rail Improvements or if bankruptcy proceeds are commenced by or against the Association, then the City may declare a reversion to the City of the Rail Improvements, the connections and all agreements permitting the connection of the Rail Improvements to the BNSF rail line.

Preliminary Findings

City staff and legal counsel from Dorsey & Whitney, LLP have met extensively over the past six months to review the Project, TIF Application and Development Agreement as well as the proposed infrastructure improvements and financing plan. The City Commission has also had three separate Work Sessions on the topic (April 7, 2015, April 29, 2015 and May 7, 2015).

After thorough review and evaluation of the Project and infrastructure improvements City staff has determined:

- No persons will be displaced from their housing by the Project or the infrastructure improvements.
- The Project and the infrastructure improvements substantially satisfy the review criteria of the funding application process and meet the purpose and goals of State Law, the District and Plan.
- The Plan, as modified to include the Project and the infrastructure improvements, conforms to the comprehensive plan (or parts thereof) for the City as a whole.
- The infrastructure improvements (including the Rail Improvements) constitute public improvements in accordance with State Law.
- The Plan, as modified to include the Project and the infrastructure improvements, will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation or redevelopment of the District by private enterprise.
- A sound and adequate financial program exists for the financing of the infrastructure improvements.

Concurrences: Representatives from Planning and Community Development Department, Fiscal Services, Park and Recreation, Public Works and the Manager's Office concur on approving the TIF Application for funding and associated development agreement.

This report will be going before the PAB for review and recommendation on July 14, 2015.

Fiscal Impact: The City's Reimbursement Obligation shall not arise with respect to any phase of infrastructure improvements until completion and acceptance by the City of such phase of infrastructure improvements and approval of the costs by the City and interest shall not accrue on the City's Reimbursement Obligation with respect to any phase of Infrastructure improvements until the taxable property in the Project Site has achieved a specified minimum market value.

The Reimbursement Obligation shall be a limited obligation of the City payable solely from the available tax increment. No other City funds will be available or used to pay the Reimbursement Obligation. The Reimbursement Obligation, including interest, shall terminate on December 31, 2028 and any unreimbursed costs of the Infrastructure Improvements, including interest, shall no longer be payable by the City.

The City shall be under no obligation to extend the sunset date of the District and in the event the City elects to extend the sunset date of the District, the City shall be under no obligation to extend such termination date regardless of whether any costs of the infrastructure improvements, including interest, remain unpaid.

Alternatives: The City Commission could choose not to adopt Resolution 10117 and not move forward with the Great Falls AgriTech Park Project request.

Attachments/Exhibits:

1. Certificate as to Resolution and Adopting Vote
2. Resolution 10117 – Resolution of Intent
3. Ordinance 3134 – Approving Industrial Development Project
4. AgriTech Park Development Agreement
5. Great Falls AgriTech Park Tax Increment Financing Application
6. City of Great Falls TIF Review Criteria
7. Montana Code Annotated 7-15-4288 - Costs that may be paid by Tax Increment Financing

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Great Falls, Montana (the “City”), hereby certify that the attached resolution is a true copy of Resolution No. 10117, entitled: “RESOLUTION OF INTENTION TO APPROVE AN INDUSTRIAL DEVELOPMENT PROJECT (GREAT FALLS AGRITECH PARK PROJECT) AND ASSOCIATED INFRASTRUCTURE IMPROVEMENTS IN THE EAST INDUSTRIAL PARK TAX INCREMENT FINANCING INDUSTRIAL DISTRICT AND TO AUTHORIZE FINANCING CERTAIN INFRASTRUCTURE IMPROVEMENTS WITH TAX INCREMENT REVENUE; AND CALLING FOR A PUBLIC HEARING THEREON” (the “Resolution”), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Commission of the City at a regular meeting on July 7, 2015, and that the meeting was duly held by the City Commission 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 Commissioners voted in favor thereof: _____

_____ ; voted against the same: _____
_____ ; abstained from voting thereon: _____
_____ ; or were absent: _____.

WITNESS my hand officially this 7th day of July, 2015.

City Clerk

RESOLUTION 10117

RESOLUTION OF INTENTION TO APPROVE AN INDUSTRIAL DEVELOPMENT PROJECT (GREAT FALLS AGRITECH PARK PROJECT) AND ASSOCIATED INFRASTRUCTURE IMPROVEMENTS IN THE EAST INDUSTRIAL PARK TAX INCREMENT FINANCING INDUSTRIAL DISTRICT AND TO AUTHORIZE FINANCING CERTAIN INFRASTRUCTURE IMPROVEMENTS WITH TAX INCREMENT REVENUE; AND CALLING FOR A PUBLIC HEARING THEREON

BE IT RESOLVED by the City Commission of the City of Great Falls, Montana (the “City”), as follows:

Section 1. Recitals.

1.01. In accordance with Title 7, Chapter 15, Parts 42 and 43 (the “Act”), on May 7, 2013, the Great Falls City Commission (the “Commission”) adopted Ordinance No. 3105 to create and approve the East Industrial Park Tax Increment Financing Industrial District (the “District”) and the East Industrial Park Comprehensive Development Plan (the “Plan”), which contains a tax increment financing provision.

1.02. Great Falls AgriTech Park, LLC, a for-profit Montana limited liability company (the “Developer”), proposes to develop a 196-acre, multi-tenant, rail served, heavy industrial park (the “Project”), to be located in the District in the 5700 - 6300 blocks of 18th Avenue North (the “Project Site”). The Project Site is comprised of ten individual lots, which the Developer has an exclusive option to purchase. As of the date hereof, the Developer has purchased lots 1 and 2 and resold such lots to Pacific Steel & Recycling and Montana Specialty Mills, respectively.

1.03. The Developer has formed the Great Falls AgriTech Owners Association, LLC, a for-profit Montana limited liability company (the “Association”), whose members include the Developer and the owners of record of the ten individual lots comprising the Project Site (the “Property Owners”).

1.04. The Developer and the Association have submitted an application for tax increment financing assistance with respect to certain infrastructure improvements associated with the Project, consisting of road, water, sewer and rail improvements (the “Infrastructure Improvements”) at a total cost not to exceed \$6,789,867, together with interest thereon. The Developer and the Association propose that the Developer and certain current and future Property Owners finance the Infrastructure Improvements, the costs of which will be reimbursed by the City to the Association from tax increment revenues generated by the Project.

1.05. The City’s Fiscal Services, Planning, Community Development, Park and Recreation and Public Works department heads and the Deputy City Manager (the “City Staff”) have jointly reviewed and evaluated the Project and the Infrastructure Improvements and made a report and recommendation (the “City Staff Report”) to the effect that the Project and the

Infrastructure Improvements would be beneficial to the public and would result in the rehabilitation and redevelopment of the District, that the Infrastructure Improvements are eligible for tax increment financing in accordance with the Act and the purpose and goals of the District and Plan, and that the City enter into a Development Agreement with the Developer and the Association with respect to the Project and the Infrastructure Improvements (the “Development Agreement”).

1.06. Prior to the approval of an industrial development project, the Commission is required to conduct a public hearing and make certain findings as set forth in Montana Code Annotated, Section 7-15-4217.

Section 2. Project and Infrastructure Improvements.

2.01. The Developer and the Association propose to install the Infrastructure Improvements in three phases as reflected on Exhibit A hereto, and it is proposed that the City reimburse the Association for the costs of the Infrastructure Improvements from Available Tax Increment (the “Reimbursement Obligation”) substantially as follows:

(a) costs of the Phase 1 Infrastructure Improvements in an amount equal to the lesser of \$4,635,922 and the actual amount of the Phase 1 Infrastructure Improvements, with interest accruing thereon from the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, of at least \$35.7 million and is generating tax increment of at least \$671,000 annually;

(b) costs of the Phase 2 Infrastructure Improvements in an amount equal to the lesser of \$570,566 and the actual amount of the Phase 2 Infrastructure Improvements, with interest accruing thereon from the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, of at least \$46.4 million and is generating tax increment of at least \$860,110 annually; and

(c) costs of the Phase 3 Infrastructure Improvements in an amount equal to the lesser of \$1,583,379 and the actual amount of the Phase 3 Infrastructure Improvements, with interest accruing thereon from the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, of at least \$71.4 million and is generating tax increment of at least \$1.2 million annually.

As used herein, “Available Tax Increment means” tax increment revenues generated by the Project in an amount equal to 85% of the tax increment revenues received by the City each year from the Project. The City’s Reimbursement Obligation shall not arise with respect to any phase of Infrastructure Improvements until completion and acceptance by the City of such phase of Infrastructure Improvements and approval of the costs thereof by the City. With respect to each phase of the Infrastructure Improvements, interest shall accrue at the rate of 4.00% per annum on the corresponding portion of the Reimbursement Obligation described above beginning on the date the taxable property in the Project Site has a market value, as certified by the Department of Revenue, in the corresponding amount described above.

2.02. Rail Improvements. Burlington Northern Santa Fe (“BNSF”) owns and operates over 3,000 miles of rail lines spanning the State of Montana (the “State”) and which run south of and parallel to 18th Avenue North in the City. The BNSF rail lines constitute the sole means of rail transportation in and out of the City, linking the City with the rest of the State and much of the rest of the United States. Given the proximity of the District to the BNSF rail lines, the Plan identifies the development of rail as an important infrastructure component within the District that will help encourage secondary value-adding industries that take advantage of the agricultural resources of the surrounding area. In order to develop the District in accordance with the Plan, a rail line needs to be extended northeasterly from the BNSF rail lines through the Project Site, reconnecting to the BNSF rail lines east of 67th Street North (the “Rail Improvements”). As set forth in the Act, tax increment revenues may be used to pay for, among other things, the costs of rail lines and to provide direct assistance to secondary value-adding industries to assist in meeting their infrastructure and land needs within the district.

It is proposed that the Association own the Rail Improvements; provided that:

(a) the Association shall own the Rail Improvements and shall not merge with or into, or consolidate with, or wind up into or undergo an arrangement with (whether or not the Association is the surviving entity), or sell, assign, convey, transfer, lease, encumber or otherwise dispose of the Rail Improvements, in one or more related transactions, without the prior written consent of the City;

(b) the Association shall not apply for tax-exempt status under State or federal law;

(c) prior to commencing construction of the Rail Improvements, each Property Owner shall grant to the Association, for the benefit of the Association, each other Property Owner, other rail users that are not Property Owners (the “Other Rail Users”) and the City, a perpetual, exclusive easement for railroad purposes upon which the Rail Improvements will be built (the “Rail Easements”);

(d) the Association shall allow other rail users that are not Property Owners (“Other Rail Users”) to construct switches and rail extensions that connect to the Rail Improvements and to use the Rail Improvements, subject to use and fee arrangements similar to those applicable to the Property Owners;

(e) the Association will maintain, insure, repair and keep the Rail Easement parcel, and any expansion thereof, and the Rail Improvements and any connections thereto, and the appurtenances and every part and parcel thereof, in good repair and condition at its own expense and in accordance with all applicable local, State and federal laws and regulations; and

(f) if the Association, the Developer or any Property Owner shall default in the performance of any of its obligations with respect to the Rail Improvements or if bankruptcy proceeds are commenced by or against the Association, then the City may declare a reversion to the City of the Rail Improvements, the connections thereto and all agreements permitting the connection of the Rail Improvements to the BNSF rail line.

Section 3. Preliminary Findings.

3.01. Findings with Respect to the Project and the Infrastructure Improvements. Based on the forgoing representations and subject to the recommendation of the Project by the City Planning Board and the public hearing called for herein, the Commission hereby finds, with respect to the Project and the Infrastructure Improvements, as follows:

- (a) no persons will be displaced from their housing by the Project or the Infrastructure Improvements;
- (b) the Project and the Infrastructure Improvements substantially satisfy the review criteria of the funding application process and meet the purpose and goals of the Act, the District and Plan;
- (c) the Plan, as modified to include the Project and the Infrastructure Improvements, conforms to the comprehensive plan or parts thereof for the City as a whole;
- (d) the Infrastructure Improvements (including the Rail Improvements which shall be subject to the terms and conditions set forth in Section 2.02 hereof) constitute public improvements in accordance with the Act;
- (e) the Plan, as modified to include the Project and the Infrastructure Improvements, will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation or redevelopment of the District by private enterprise; and
- (f) a sound and adequate financial program exists for the financing of the Infrastructure Improvements, as more particularly described in Section 4 hereof.

Section 4. Plan of Financing. As described in Section 2.01 hereof, (i) the City's Reimbursement Obligation shall not arise with respect to any phase of Infrastructure Improvements until completion and acceptance by the City of such phase of Infrastructure Improvements and approval of the costs thereof by the City and (ii) interest shall not accrue on the City's Reimbursement Obligation with respect to any phase of Infrastructure Improvements until the taxable property in the Project Site has achieved a specified minimum market value. The Reimbursement Obligation shall be a limited obligation of the City payable solely from the Available Tax Increment. No other City funds will be available or used to pay the Reimbursement Obligation. The Reimbursement Obligation will not constitute a general obligation of the City and neither the general credit nor the taxing power of the City, Cascade County or the State shall be pledged to the payment of the Reimbursement Obligation or the interest, if any, thereon. The Reimbursement Obligation, including interest thereon, shall terminate on December 31, 2028 and any unreimbursed costs of the Infrastructure Improvements, including interest thereon, shall no longer be payable by the City. The City shall be under no obligation to extend the sunset date of the District and in the event the City elects to extend the sunset date of the District, the City shall be under no obligation to extend such termination date regardless of whether any costs of the Infrastructure Improvements, including interest thereon, remain unpaid.

Based on representations and estimates of the Developer and the Association regarding the market value of the Project, the timing for the development thereof and the Available Tax Increment to be generated thereby, the City expects that there will be sufficient Available Tax Increment to repay the Reimbursement Obligation, including interest thereon. Exhibit B hereto reflects the estimates of the Developer and the Association with respect to the repayment of the Reimbursement Obligation, including interest thereon. Notwithstanding anything herein to the contrary, the City has no control over the market value of the Project, the timing for the development thereof and the Available Tax Increment generated thereby and makes no representation with respect thereto.

Section 5. Conditional Approval. The findings and representations in this Resolution are preliminary and subject to testimony presented at the public hearing. In adopting the Resolution and making the preliminary findings contained herein, the City in no way assumes any liability or responsibility for the construction and financing of the Infrastructure Improvements or any other of the public infrastructure required to develop the Project.

Section 6. Public Hearing. A public hearing is hereby called and shall be held on July 21, 2015 at 7:00 p.m. in the Commission Chambers at 2 Park Drive South, Great Falls, Montana regarding the Project and the use of Available Tax Increment to finance the costs of the Infrastructure Improvements.

Section 7. Notice. Notice of the public hearing shall be published in the *Great Falls Tribune* on July 12 and July 19, 2015, in substantially the form attached as Exhibit C hereto (which is incorporated by reference and made a part hereof).

Section 8. Reading of Ordinance. The first reading of the Ordinance substantially in the form attached as Exhibit D hereto (the "Ordinance") shall occur at the Commission's regular meeting on July 7, 2015 and the second reading of the Ordinance shall occur at the Commission's regular meeting on July 21, 2015, and it is the Commission's intention that the Ordinance will be voted upon conclusion of such meeting.

Passed and adopted by the City Commission of the City of Great Falls, Montana, on this 7th day of July, 2015.

Michael J. Winters, Mayor

Attest:

Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT:

Sara R. Sexe, City Attorney

EXHIBIT A

INFRASTRUCTURE IMPROVEMENTS

Agritech Industrial Park - Summary of TIF Related Construction Costs

<u>Work Description</u>	<u>Public Improvements</u>	<u>Fees</u>	<u>Total Estimated Construction Cost</u>
<i>Infrastructure Necessary for Lots 1-5A (No Rail)</i>			
Overlay 18th Ave North from 52nd St to end of Lot 5A	\$272,614	\$35,416	\$308,030.00
Extend Water from Existing Termination to end of Lot 5A	\$130,202	\$19,530	\$149,732.00
Extend Gravity Sewer and Force Main to end of Lot 5A	\$158,125	\$26,881	\$185,006.00
Stormwater Pond and 18th Ave Ditch Reconstruction	\$167,401	\$31,806	\$199,207.00
Private Utility Extensions to serve Lots 1 thru 10	\$129,030	\$0	<u>\$129,030.00</u>
Subtotal			\$971,005.00
 Construct Rail to Serve Lots 1 thru 8 except Lot 5A	 \$3,079,588	 \$585,329	 \$3,664,917.00
 <i>Infrastructure Necessary for Lot 6</i>			
Overlay 18th Ave North from end of Lot 5A to end of Lot 6	\$29,101	\$4,947	\$34,048.00
Water Main Extension from end of Lot 5A to end of Lot 6	\$83,026	\$14,114	\$97,140.00
Extend Gravity Sewer and Force Main to end of Lot 6	\$56,913	\$14,797	\$71,710.00
Wastewater Lift Station	\$291,800	\$75,868	\$367,668.00
Subtotal			\$570,566.00
 <i>Infrastructure Necessary for Lots 7-10 including Rail Improvements</i>			
Reconstruct 67th St N for Lots 7 thru 10	\$567,812	\$77,429	\$645,241.00
Water Main Extension for Lots 7 thru 10	\$106,260	\$26,565	\$132,825.00
Extend Gravity Sewer Main to serve Lots 7 thru 10	\$107,943	\$14,720	\$122,663.00
Construct Rail to Serve Lots 9 - 10	\$638,250	\$44,400	<u>\$682,650.00</u>
Subtotal			\$1,583,379.00
Total			\$6,789,867.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Overlay 18th Ave North from 52nd St to end of Lot 5A

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	5,000.00	5,000.00
102	2" TH Asphalt Overlay	21005	SY	10.40	218,452.00
103	Tack Coat	2521	GAL	4.00	10,084.00
104	Traffic Control	1	LS	7,000.00	7,000.00
105	Striping - White Paint	3467	SF	0.75	2,600.00
106	Striping - Yellow Paint	3437	SF	0.75	2,577.75
107	Stop Bar	2	EA	80.00	160.00
108	RR Crossing Symbol	2	EA	300.00	600.00
109	Helmeted Bicyclist Symbol	8	EA	40.00	320.00
110	Directional Arrow	8	EA	40.00	320.00
111	Signs - Sheet Alum Refl Sht IV	33	SF	60.00	1,980.00
112	Poles - Treated Timber Class 4	64	LF	55.00	3,520.00
113	Miscellaneous Work	20000	EA	1.00	<u>20,000.00</u>
				Subtotal	\$272,614.00
				Construction Engineering (4%)	10,905.00
				City Inspection (4%)	10,905.00
				Contingency (5%)	<u>13,631.00</u>
				Total Estimated Construction Cost	\$308,060.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Extend Water from Existing Termination to End of Lot 5A

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
104	16-Inch PVC Water Main	978	LF	60.00	58,680.00
106	16-Inch Valve and Valve Box	1	EA	4,500.00	4,500.00
107	Fire Hydrant Assembly	6	EA	4,500.00	27,000.00
108	Fittings	1090	LB	8.00	8,720.00
109	Type 2 Pipe Bedding	100	CY	25.00	2,500.00
110	Extend Open Cut 24" Encasement Pipe	30	LF	350.00	10,500.00
112	Connect to Existing Water Main	1	LS	5,000.00	5,000.00
114	Surface Restoration	895	LF	2.00	1,790.00
115	Miscellaneous Work	6512	EA	1.00	<u>6,512.00</u>
				Subtotal	\$130,202.00
				Construction Engineering (5%)	6,510.00
				City Inspection (5%)	6,510.00
				Contingency (5%)	<u>6,510.00</u>
				Total Estimated Construction Cost	\$149,732.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Extend Gravity Sewer and Force Main to end of Lot 5A

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>ESTIMATED QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>ESTIMATED TOTAL PRICE</u>
101	Mobilization	1	LS	5,000.00	5,000.00
102	8-Inch Sanitary Sewer Main	1017	LF	50.00	50,850.00
104	Sewer Force Main Pipe Bend	3	EA	800.00	2,400.00
105	48" Sanitary Sewer Manhole	3	EA	3,200.00	9,600.00
106	Sewer Force Main Slipped into Existing	1221	LF	25.00	30,525.00
107	Sewer Force Main	1017	LF	50.00	50,850.00
108	Type 2 Pipe Bedding	30	CY	30.00	900.00
137	Miscellaneous Work	1	LS	8,000.00	<u>8,000.00</u>
				Subtotal	\$158,125.00
				Construction Engineering (5%)	7,906.00
				City Inspection (5%)	7,906.00
				Contingency (7%)	<u>11,069.00</u>
				Total Estimated Construction Cost	\$185,006.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Lot 10 and 18th Ave N Storm Water Facilities

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Mobilization and Permits	1	LS	10,000.00	10,000.00
18th Ave Ditch Grading	1800	LF	11.00	19,800.00
18th Ave Ditch Check Dams	1030	LF	13.50	13,905.00
Pond Excavation and Embankment	3200	CY	12.00	38,400.00
24" RCP Culvert	72	LF	58.00	4,176.00
Drainage Swale w/ Check Dams	320	LF	30.00	9,600.00
Hydraulic Structures	2	EA	14,000.00	28,000.00
Access Road from 67th St	350	LF	44.00	15,400.00
Salvage and Replace Topsoil	850	CY	12.00	10,200.00
Seeding and Fertilizing	2.1	AC	5,200.00	10,920.00
Miscellaneous Work	7,000	EA	1.00	<u>7,000.00</u>
			Subtotal	\$167,401.00
			Design Engineering (6%)	10,044.00
			Construction Engineering (7%)	11,718.00
			Contingency (6%)	<u>10,044.00</u>
			Total Estimated Construction Cost	\$199,207.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Private Utility Extensions to serve Lots 1 thru 10

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Communications (3 Rivers - Quote for Fiber)	1	LS	\$28,500.00	\$28,500.00
Natural Gas (Energy West)	1	LS	\$38,700.00	\$38,700.00
Electricity (Northwestern Energy)	1	LS	\$15,000.00	\$15,000.00
Communications (Optimum and Century Link to provide quotes)	1	LS	\$30,000.00	<u>\$30,000.00</u>
			Subtotal	\$112,200.00
			Contingency (15%)	<u>\$16,830.00</u>
			Total Estimated Construction Cost	\$129,030.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Rail Serving Lots 1- 6 same cost as Lots 1- 8 (except Lot 5A)

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Mobilization	1	LS	\$30,000	\$30,000.00
Earthwork to Reroute Existing Track at Mainline Connection	1,400	LF	\$46	\$64,400.00
Relocate 16" Water Main at Track Realignment	500	LF	\$60	\$30,000.00
Extend Water Main Encasement Pipe	35	LF	\$350	\$12,250.00
Track (115 lb track)	6,350	LF	\$200	\$1,270,000.00
Runaround siding (2,000 LF capacity)	2,268	LF	\$200	\$453,600.00
No. 9-115 lb turnout (runaround, crossover switches)	4	EA	\$65,000	\$260,000.00
Road Crossing Surface	2	EA	\$72,000	\$144,000.00
Crossing Signals	1	EA	\$270,000	\$270,000.00
Double Switch Point Derail	1	EA	\$30,000	\$30,000.00
Culverts, Seeding	1	LS	\$18,000	\$18,000.00
Miscellaneous Work	1	LS	\$80,000	\$80,000.00
			Subtotal	\$2,662,250.00
				\$18,000.00
			Signal Design and Inspection	\$133,113.00
			Engineering (5%)	<u>\$266,225.00</u>
			Contingency (10%)	
			Subtotal	\$3,079,588.00

Sole Source BNSF Railway Costs - Lots 1 thru 8 (except Lot 5A)

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
BNSF Mainline Switch	1	LS	\$185,005	\$185,005.00
Mainline Switch Heater and Power	1	LS	\$62,000	\$62,000.00
BNSF Reroute of Existing Mainline at Connection	1,400	LF	\$242	<u>\$338,324.00</u>
			BNSF Subtotal	\$585,329.00
			Total	\$3,664,917.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Overlay 18th Ave North for Lot 6

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	2" TH Asphalt Overlay	2002	SY	10.80	21,621.60
102	Tack Coat	240	GAL	7.00	1,680.00
103	Striping - White Paint	213	SF	0.75	159.75
104	Striping - Yellow Paint	213	SF	0.75	159.75
105	Stop Bar	1	EA	80.00	80.00
106	Helmeted Bicyclist Symbol	2	EA	40.00	80.00
107	Directional Arrow	2	EA	40.00	80.00
105	Stop Bar	1	EA	80.00	80.00
106	Helmeted Bicyclist Symbol	2	EA	40.00	80.00
107	Directional Arrow	2	EA	40.00	80.00
108	Miscellaneous Work	1	LS	5,000.00	<u>5,000.00</u>
				Rounded Subtotal	29,101.00
				Construction Engineering (5%)	1,455.00
				City Inspection (5%)	1,455.00
				Contingency (7%)	<u>2,037.00</u>
				Total Estimated Construction Cost	\$34,048.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Water Main Extensions for Lot 6

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	10,000.00	10,000.00
103	12-Inch PVC Water Main	120	LF	54.00	6,480.00
104	16-Inch PVC Water Main	335	LF	65.00	21,775.00
105	12-Inch Valve and Valve Box	1	EA	3,400.00	3,400.00
106	16-Inch Valve and Valve Box	1	EA	4,800.00	4,800.00
107	Fire Hydrant Assembly	2	EA	5,600.00	11,200.00
108	Fittings	1162	LB	8.00	9,296.00
109	Type 2 Pipe Bedding	30	CY	30.00	900.00
114	Surface Restoration	455	LF	5.00	2,275.00
115	Miscellaneous Work	12000	EA	1.00	<u>12,000.00</u>
				Subtotal	83,026.00
				Construction Engineering (5%)	4,151.00
				City Inspection (5%)	4,151.00
				Contingency (7%)	<u>5,812.00</u>
				Total Estimated Construction Cost	\$97,140.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Wastewater Lift Station and Lot 6 Sanitary Sewer Main Extension

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	20,000.00	20,000.00
102	8-Inch Sanitary Sewer Main	379	LF	55.00	20,845.00
103	48" Sanitary Sewer Manhole	1	EA	3,200.00	3,200.00
104	Sewer Force Main	360	LF	55.00	19,800.00
105	Type 2 Pipe Bedding	50	CY	30.00	1,500.00
106	Trench Surface Restoration	1	LS	1,500.00	1,500.00
107	Trench Plugs	3	EA	70.00	210.00
108	Trench Insulation	328	LF	6.00	1,968.00
109	Submersible Lift Station Equipment & Installation	1	LS	32,000.00	32,000.00
110	2" Sch 80 PVC Drain Pipe	12	LF	80.00	960.00
111	2" Curb Stop with Box	1	EA	460.00	460.00
112	9' Diameter Concrete Wet-Well	1	EA	24,000.00	24,000.00
113	Lift Station & Valve Vault Excavation	1	LS	32,000.00	32,000.00
114	Lift Station & Valve Vault Backfill	1	LS	8,500.00	8,500.00
115	4" Ductile Iron Pipe	1	LS	5,000.00	5,000.00
116	6" Ductile Iron Discharge Pipe & Fittings	48	LF	70.00	3,360.00
117	8" Ductile Iron Forcemain Pipe & Fittings	5	LF	180.00	900.00
118	4" Plug Valve	1	EA	1,500.00	1,500.00
119	6" Plug Valve	2	EA	2,000.00	4,000.00
120	6" Check Valve	2	EA	2,800.00	5,600.00
121	Pre-cast Concrete Valve Vault	1	EA	16,000.00	16,000.00
122	Miscellaneous Pipe Supports	1	LS	4,500.00	4,500.00
123	Aluminum Hatch	1	EA	3,200.00	3,200.00
124	Lift Station Site Grading & Restoration	1	LS	5,500.00	5,500.00
125	14" Gravel Access Road and Parking	480	SY	30.00	14,400.00
126	Geotextile Separation Fabric	400	SY	2.00	800.00
127	Bollard	3	EA	700.00	2,100.00
128	Electrical Service, Panels & Installation	1	LS	32,000.00	32,000.00
129	Lift Station Controls & Communication	1	LS	36,000.00	36,000.00
130	Miscellaneous Work	1	LS	50,000.00	50,000.00
Subtotal					\$351,803.00
Construction Engineering (6%)					21,108.00
City Inspection (10%)					35,180.00
Contingency (10%)					<u>35,180.00</u>
Total Estimated Construction Cost					\$443,271.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Reconstruct 67th St N for Lots 7 thru 10

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	8,000.00	8,000.00
102	Excavation and Embankment	3500	CY	14.00	49,000.00
103	Topsoil	700	CY	16.00	11,200.00
104	Special Borrow	3600	CY	32.00	115,200.00
105	Gravel Base Course	800	CY	38.00	30,400.00
106	Geotextile Fabric	8340	SY	2.00	16,680.00
107	5" Asphalt Surfacing	2350	TN	110.00	258,500.00
108	Striping - White Paint	2,900	SF	0.75	2,175.00
109	Striping - Yellow Paint	1,450	SF	0.75	1,087.50
110	Helmeted Bicyclist Symbol	4	EA	40.00	160.00
111	Directional Arrow	4	EA	40.00	160.00
112	Sign Panel - Aluminum Type IV	22	SF	60.00	1,320.00
113	Sign Post - 4" Timber	42	LF	55.00	2,310.00
114	Miscellaneous Work	1	LS	20,000.00	<u>20,000.00</u>
				Subtotal	\$516,192.50
				Contingency (10%)	51,619.00
				Construction Engineering (15%)	<u>77,429.00</u>
				Total Estimated Construction Cost	<u>\$645,241.00</u>

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Water Main Extensions for Lots 7 thru 10

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
102	6-Inch PVC Water Main	5	LF	32.00	160.00
103	12-Inch PVC Water Main	1200	LF	52.00	62,400.00
104	12-Inch Valve and Valve Box	2	EA	3,400.00	6,800.00
105	Fire Hydrant Assembly	3	EA	5,500.00	16,500.00
106	Fittings	500	LB	8.00	4,000.00
107	Type 2 Pipe Bedding	40	CY	25.00	1,000.00
108	Surface Restoration	1200	LF	2.00	2,400.00
109	Miscellaneous Work	8000	EA	1.00	<u>8,000.00</u>
				Subtotal	106,260.00
				Contingency (10%)	10,626.00
				Engineering and City Inspection (15%)	<u>15,939.00</u>
				Total Estimated Construction Cost	\$132,825.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Extend Gravity Sewer Main to serve Lots 7 thru 10

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
102	8-Inch Sanitary Sewer Main	1171	LF	55.00	64,405.00
103	48" Sanitary Sewer Manhole	3	EA	3,800.00	11,400.00
104	6" Sewer Service	4	EA	3,500.00	14,000.00
105	Type 2 Pipe Bedding	40	CY	30.00	1,200.00
106	Trench Surface Restoration	1	LS	3,500.00	3,500.00
107	Miscellaneous Work	1	EA	8,438.00	<u>8,438.00</u>
				Subtotal	\$107,943.00
				Engineering and City Inspection (8.5%)	9,323.00
				Contingency (5%)	<u>5,397.00</u>
				Total Estimated Construction Cost	\$122,663.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE
Rail Serving Lots 9-10

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
<u>Construct Rail to Serve Lots 9 and 10</u>				
Track (115 lb track)	2,050	LF	200.00	410,000.00
Earthwork	1	LS	20,000.00	20,000.00
Road Crossing Surface	1	EA	65,000.00	65,000.00
Double switch point Derail	1	EA	30,000.00	30,000.00
Miscellaneous Work	1	LS	30,000.00	<u>30,000.00</u>
			Subtotal	\$555,000.00
			Construction Engineering (8%)	\$44,400.00
			Contingency (15%)	<u>\$83,250.00</u>
			Total	\$682,650.00

EXHIBIT B

Estimated tax increment revenues and principal and interest payments.

	Total Improvements	Phase 1	Principal Payment	Interest Payment (Once \$671,110 in yrly revenue reached)*	Phase 2	Principal Payment	Interest Payment (Once \$860,110 in yrly revenue reached)**	Phase 3	Principal Payment	Interest Payment (Once \$1,238,610 in yrly revenue reached)***
2015	\$4,635,922	\$4,635,922								
2016	\$5,170,453	\$4,599,887	\$36,035		\$570,566	\$2,606				
2017	\$6,638,887	\$4,499,961	\$99,927		\$555,547	\$12,413		\$1,583,379	\$27,213	
2018	\$6,298,183	\$4,314,541	\$185,420	\$87,694	\$521,622	\$33,925		\$1,462,020	\$94,146	
2019	\$5,827,737	\$4,041,973	\$272,568	\$170,456	\$476,460	\$45,162	\$9,868	\$1,309,305	\$152,716	
2020	\$5,137,865	\$3,593,685	\$448,288	\$158,784	\$419,737	\$56,722	\$18,686	\$1,124,443	\$184,862	\$24,403
2021	\$4,282,604	\$3,015,328	\$578,357	\$138,079	\$346,819	\$72,918	\$16,075	\$920,456	\$203,987	\$42,978
2022	\$3,352,627	\$2,386,265	\$629,063	\$114,714	\$267,559	\$79,260	\$13,129	\$698,804	\$221,653	\$34,737
2023	\$2,344,121	\$1,703,904	\$682,361	\$88,757	\$181,632	\$85,926	\$9,859	\$458,585	\$240,219	\$25,595
2024	\$1,295,071	\$994,123	\$709,780	\$61,338	\$92,250	\$89,382	\$6,403	\$208,697	\$249,887	\$15,927
2025	\$255,519	\$255,519	\$738,604	\$32,515	\$0	\$92,250	\$2,777	\$0	\$208,697	\$5,795
2026	\$0	\$0	\$255,519	\$5,152						
	\$7,873,589		\$4,635,922	\$857,489		\$570,566	\$76,797		\$1,583,379	\$149,436
Principal	\$6,789,867									
Interest	\$1,083,722									

*GFDA and the Association expect that the Project will produce \$671,110 of increment in fiscal year 2018.

**GFDA and the Association expect that the Project will produce \$860,110 of increment in fiscal year 2019.

***GFDA and the Association expect that the Project will produce \$1,238,610 of increment in fiscal year 2020.

EXHIBIT C

NOTICE OF PUBLIC HEARING ON MODIFICATION OF GREAT FALLS EAST INDUSTRIAL PARK COMPREHENSIVE DEVELOPMENT PLAN TO APPROVE A PROJECT AS AN INDUSTRIAL DEVELOPMENT PROJECT

NOTICE IS HEREBY GIVEN that the City Commission (the “Commission”) of the City of Great Falls, Montana (the “City”) will hold a public hearing regarding approval of a development project proposed by Great Falls AgriTech Park, LLC (the “Developer”) and the Great Falls AgriTech Owners Association, LLC (the “Association”) and associated infrastructure improvements as an industrial development project and the financing of the infrastructure improvements with certain tax increment revenues on July 21, 2015 at 7:00 p.m. in the City Commission Chambers at 2 Park Drive South, Great Falls, Montana.

The Great Falls AgriTech Park Project as proposed by the Developer and the Association consists of a 196-acre, multi-tenant, rail served, heavy industrial park to be located in the East Industrial Park Tax Increment Financing District in the 5700 through 6300 blocks of 18th Avenue North. The Developer and the Association have identified certain infrastructure improvements to be constructed and undertaken with respect to the Great Falls AgriTech Park Project and have requested that tax increment revenues be made available to finance all or a portion of the costs of those infrastructure improvements.

The Commission has preliminarily determined that the infrastructure improvements associated with the Great Falls AgriTech Park Project, consisting of road, water, sewer and rail improvements, may be financed from tax increment revenues in an amount not to exceed \$6,789,867, together with interest thereon. It is proposed that the Association will own the rail component of the infrastructure improvements, subject to terms and conditions for the benefit of the public, including easements thereupon for the benefit of other future rail users and a right of reversion thereof to the City.

Any interested persons may appear and will be heard or may file written comments with the Clerk of the Commission prior to such hearing.

Dated: July 7, 2015.

Lisa Kunz, City Clerk

Publication Dates: July 12, 2015
July 19, 2015

EXHIBIT D

CERTIFICATE AS TO ORDINANCE AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Great Falls, Montana (the "City"), hereby certify that the attached ordinance is a true copy of an ordinance entitled: "ORDINANCE APPROVING AN INDUSTRIAL DEVELOPMENT PROJECT (GREAT FALLS AGRITECH PARK PROJECT) AND ASSOCIATED INFRASTRUCTURE IMPROVEMENTS IN THE EAST INDUSTRIAL PARK TAX INCREMENT FINANCING INDUSTRIAL DISTRICT AND AUTHORIZING FINANCING THE INFRASTRUCTURE IMPROVEMENTS WITH TAX INCREMENT REVENUE" (the "Ordinance"), on file in the original records of the City in my legal custody; that the Ordinance was duly presented for first reading by the City Commission of the City at a regular meeting on July 7, 2015, and that the meeting was duly held by the City Commission and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Ordinance has not as of the date hereof been amended or repealed.

WITNESS my hand and seal officially this 7th day of July, 2015.

(SEAL)

Lisa Kunz, City Clerk

I further certify that the Ordinance was duly adopted on second reading by the City Commission of the City at a regular meeting on July 21, 2015, and that the meeting was duly held by the City Commission and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Ordinance has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Ordinance at said meeting, the following Commission members voted in favor thereof: _____; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand and seal officially this 21st day of July, 2015.

(SEAL)

Lisa Kunz, City Clerk

ORDINANCE 3134

ORDINANCE APPROVING AN INDUSTRIAL DEVELOPMENT PROJECT (GREAT FALLS AGRITECH PARK PROJECT) AND ASSOCIATED INFRASTRUCTURE IMPROVEMENTS IN THE EAST INDUSTRIAL PARK TAX INCREMENT FINANCING INDUSTRIAL DISTRICT AND AUTHORIZING FINANCING THE INFRASTRUCTURE IMPROVEMENTS WITH TAX INCREMENT REVENUE

BE IT ORDAINED by the City Commission (the “Commission”) of the City of Great Falls, Montana (the “City”), as follows:

Section 1. Recitals.

1.01. The Commission, pursuant to Ordinance No. 3105 (the “Ordinance”) adopted on May 7, 2013, created its East Industrial Park Tax Increment Financing Industrial District (the “District”) and adopted the East Industrial Park Comprehensive Development Plan for the District (the “Plan”). The Plan, as adopted, contains a tax increment financing provision all as set forth in the Ordinance in accordance with Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”).

1.01. In accordance with Title 7, Chapter 15, Parts 42 and 43 (the “Act”), on May 7, 2013, the Great Falls City Commission (the “Commission”) adopted Ordinance No. 3105 to create and approve the East Industrial Park Tax Increment Financing Industrial District (the “District”) and the East Industrial Park Comprehensive Development Plan (the “Plan”), which contains a tax increment financing provision.

1.02. Great Falls AgriTech Park, LLC, a for-profit Montana limited liability company (the “Developer”), proposes to develop a 196-acre, multi-tenant, rail served, heavy industrial park (the “Project”), to be located in the District in the 5700 - 6300 blocks of 18th Avenue North (the “Project Site”). The Project Site is comprised of ten individual lots, which the Developer has an exclusive option to purchase.

1.03. The Developer has formed the Great Falls AgriTech Owners Association, LLC, a for-profit Montana limited liability company (the “Association”), whose members include the Developer and the owners of record of the ten individual lots comprising the Project Site (the “Property Owners”).

1.04. The Developer and the Association have submitted an application for tax increment financing assistance with respect to certain infrastructure improvements associated with the Project, consisting of road, water, sewer and rail improvements (the “Infrastructure Improvements”) at a total cost not to exceed \$6,789,867, together with interest thereon. The Developer and the Association propose that the Developer and certain current and future Property Owners finance the Infrastructure Improvements, the costs of which will be reimbursed by the City to the Association from tax increment revenues generated by the Project.

1.05. Pursuant to the Act and Resolution No. 10117, adopted July 7, 2015, the City set forth its intention to designate and approve the Project and the Infrastructure Improvements as an industrial development project.

Section 2. Findings. The Commission hereby finds, with respect to the Project and the Infrastructure Improvements as follows:

- (a) no persons will be displaced from their housing by the Project or the Infrastructure Improvements;
- (b) the Plan, as modified to include the Project and the Infrastructure Improvements, conforms to the comprehensive plan or parts thereof for the City as a whole;
- (c) the Plan, as modified to include the Project and the Infrastructure Improvements, will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation or redevelopment of the District by private enterprise;
- (d) a sound and adequate financial program exists for the financing of the Infrastructure Improvements, as more particularly described in the Resolution.

Section 3. Modification of Plan. This Commission hereby approves, ratifies and confirms modification of the Plan to designate the Project and the Infrastructure Improvements as an industrial development project within and under the Plan. All actions of this Commission heretofore taken with respect to the Project and the Infrastructure Improvements, to the extent not inconsistent herewith, are hereby ratified and confirmed.

Section 4. Modification of Project and Infrastructure Improvements. The Project and/or Infrastructure Improvements may be modified by the Commission if it determines by Resolution that an adjustment to the Project and/or Infrastructure Improvements is required and in the best interest of the City.

Section 5. Effect. This Ordinance shall take effect 30 days after second reading and final adoption by the City Commission.

Passed and adopted by the City Commission of the City of Great Falls, Montana, on this 21st day of July, 2015.

Michael J. Winters, Mayor

Attest:

Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT:

Sara R. Sexe, City Attorney

ORDINANCE 3134

ORDINANCE APPROVING AN INDUSTRIAL DEVELOPMENT PROJECT (GREAT FALLS AGRITECH PARK PROJECT) AND ASSOCIATED INFRASTRUCTURE IMPROVEMENTS IN THE EAST INDUSTRIAL PARK TAX INCREMENT FINANCING INDUSTRIAL DISTRICT AND AUTHORIZING FINANCING THE INFRASTRUCTURE IMPROVEMENTS WITH TAX INCREMENT REVENUE

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1.01. In accordance with Title 7, Chapter 15, Parts 42 and 43 (the “Act”), on May 7, 2013, the Great Falls City Commission (the “Commission”) adopted Ordinance No. 3105 to create and approve the East Industrial Park Tax Increment Financing Industrial District (the “District”) and the East Industrial Park Comprehensive Development Plan (the “Plan”), which contains a tax increment financing provision.

1.02. Great Falls AgriTech Park, LLC, a for-profit Montana limited liability company (the “Developer”), proposes to develop a 196-acre, multi-tenant, rail served, heavy industrial park (the “Project”), to be located in the District in the 5700 - 6300 blocks of 18th Avenue North (the “Project Site”). The Project Site is comprised of ten individual lots, which the Developer has an exclusive option to purchase.

1.03. The Developer has formed the Great Falls AgriTech Owners Association, LLC, a for-profit Montana limited liability company (the “Association”), whose members include the Developer and the owners of record of the ten individual lots comprising the Project Site (the “Property Owners”).

1.04. The Developer and the Association have submitted an application for tax increment financing assistance with respect to certain infrastructure improvements associated with the Project, consisting of road, water, sewer and rail improvements (the “Infrastructure Improvements”) at a total cost not to exceed \$6,789,867, together with interest thereon. The Developer and the Association propose that the Developer and certain current and future Property Owners finance the Infrastructure Improvements, the costs of which will be reimbursed by the City to the Association from tax increment revenues generated by the Project.

1.05. Pursuant to the Act and Resolution No. 10117, adopted July 7, 2015, the City set forth its intention to designate and approve the Project and the Infrastructure Improvements as an industrial development project.

Section 2. Findings. The Commission hereby finds, with respect to the Project and the Infrastructure Improvements as follows:

- (a) no persons will be displaced from their housing by the Project or the Infrastructure Improvements;
- (b) the Plan, as modified to include the Project and the Infrastructure Improvements, conforms to the comprehensive plan or parts thereof for the City as a whole;
- (c) the Plan, as modified to include the Project and the Infrastructure Improvements, will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation or redevelopment of the District by private enterprise;
- (d) a sound and adequate financial program exists for the financing of the Infrastructure Improvements, as more particularly described in the Resolution.

Section 3. Modification of Plan. This Commission hereby approves, ratifies and confirms modification of the Plan to designate the Project and the Infrastructure Improvements as an industrial development project within and under the Plan. All actions of this Commission heretofore taken with respect to the Project and the Infrastructure Improvements, to the extent not inconsistent herewith, are hereby ratified and confirmed.

Section 4. Modification of Project and Infrastructure Improvements. The Project and/or Infrastructure Improvements may be modified by the Commission if it determines by Resolution that an adjustment to the Project and/or Infrastructure Improvements is required and in the best interest of the City.

Section 5. Effect. This Ordinance shall take effect 30 days after second reading and final adoption by the City Commission.

Passed and adopted by the City Commission of the City of Great Falls, Montana, on this 21st day of July, 2015.

Michael J. Winters, Mayor

Attest:

Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT:

Sara R. Sexe, City Attorney

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is dated as of [____], 2015 (this “**Agreement**”), among the CITY OF GREAT FALLS, a municipal corporation of the State of Montana (the “**City**”), GREAT FALLS AGRITECH PARK, LLC, a Montana limited liability company (the “**Developer**”) and GREAT FALLS AGRITECH OWNERS ASSOCIATION, LLC a Montana limited liability company (the “**Association**”).

WITNESSETH:

WHEREAS, under the provisions of the Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “**Act**”), an industrial district may be established so that an issuer of bonds may undertake industrial infrastructure projects therein, provide for the segregation and collection of tax increment with respect to taxes collected in such district, issue its bonds to pay the costs of such projects or redeem such bonds that paid the costs of such projects, and pledge to the repayment of the bonds all or a portion of the tax increment derived from the industrial district; and

WHEREAS, the City Commission, pursuant to Ordinance No. 3105, duly adopted on May 7, 2013, after a duly called and noticed public hearing thereon, created an industrial district known as the East Industrial Park Tax Increment Financing Industrial District (the “**District**”) and adopted the East Industrial Park Comprehensive Development Plan (the “**Plan**”) containing a tax increment financing provision; and

WHEREAS, the Developer plans to develop a 196-acre, multi-tenant, rail served, heavy industrial park in the District known as the Great Falls AgriTech Park (the “**Project**”) as depicted on the map included on Exhibit A hereto; and

WHEREAS, the Developer has formed the Association, the members of which shall consist of the Developer and each Property Owner (as hereinafter defined), which shall own, operate and maintain the Rail Improvements (as hereinafter defined) pursuant to the terms and conditions of this Agreement; and

WHEREAS, the Developer and the Association submitted an application for tax increment financing assistance with respect to certain infrastructure improvements associated with the Project, consisting of road, water, sewer and rail improvements as more particularly described on Exhibit B hereto (the “**Infrastructure Improvements**”); and

WHEREAS, the City has determined that it is appropriate to reimburse the Association for the costs of the Infrastructure Improvements with Available Tax Increment (as hereinafter defined), subject to the terms and conditions set forth in this Agreement; and

WHEREAS, the City Commission, pursuant to Ordinance No. [____], duly adopted on July 21, 2015, after a duly called and noticed public hearing thereon (together with Ordinance No. 3105, as either may be amended and supplemented from time to time, the “**Ordinance**”), approved the Project and the Infrastructure Improvements as an industrial development project and authorized the City to enter into this Agreement which sets forth the obligations and

commitments of the City, the Developer and the Association with respect to the Project, the Infrastructure Improvements and the Available Tax Increment (as hereinafter defined).

NOW THEREFORE, the City, the Developer and the Association, each in consideration of the representations, covenants and agreements of the other, as set forth herein, mutually represent, covenant and agree as follows:

Section 1. Definitions; Rules of Interpretation; Exhibits.

1.1. Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context clearly requires otherwise, the following terms have the meanings assigned to them, respectively:

“**Act**” has the meaning given to it in the recitals.

“**Actual Taxable Value**” means the taxable value (as defined in the Act) of the Taxable Property as shown on or calculated from the assessment roll last equalized before the date of reference.

“**Agreement**” means this Development Agreement, including any amendment hereof or supplement hereto entered into in accordance with the provisions hereof.

“**Association**” has the meaning given to it in the preamble.

“**Available Tax Increment**” means 85% of the Tax Increment received by the City each year from the Taxable Property.

“**Base Taxable Value**” means the Actual Taxable Value as of January 1, 2013, as such value is adjusted from time to time in accordance with the Act.

“**BNSF Rail Line**” has the meaning given to it in Section 3.2 hereof.

“**Commission**” means the City Commission or any successor governing body of the City, however denominated by statute.

“**Developer**” has the meaning given to it in the preamble.

“**District**” has the meaning given to it in the recitals.

“**Environmental Laws and Regulations**” means and includes the Federal Comprehensive Environmental Compensation Response and Liability Act (“CERCLA” or the “Federal Superfund Act”) as amended by the Superfund Amendments and Reauthorization Act of 1986 (“SARA”), 42 U.S.C. §§ 9601 et seq.; the Federal Resource Conservation and Recovery Act of 1976 (“RCRA”), 42 U.S.C. §§ 6901 et seq.; the Clean Water Act, 33 U.S.C. § 1321 et seq.; and the Clean Air Act, 42 U.S.C. §§ 7401 et seq., all as the same may be from time to time amended, and any other federal, State, county, municipal, local or other statute, code, law, ordinance, regulation, requirement or rule which may relate to or deal with human health or the

environment including without limitation all regulations promulgated by a regulatory body pursuant to any such statute, code, law or ordinance.

“Fiscal Year” means the period commencing on the first day of July of any year and ending on the last day of June of the next calendar year, or any other twelve-month period authorized by law and specified by the Commission as the City’s fiscal year.

“Incremental Taxable Value” means the amount, if any, by which the Actual Taxable Value, as of the date of reference, exceeds the Base Taxable Value.

“Indemnified Parties” has the meaning given to it in Section 7 hereof.

“Infrastructure Improvements” means the Phase 1 Infrastructure Improvements, the Phase 2 Infrastructure Improvements and the Phase 3 Infrastructure Improvements.

“Land” means the real property and interests in real property described in Exhibit A hereto.

“Land Use Regulations” means all federal, State and local laws, rules, regulations, ordinances and plans relating to or governing the development or use of the Project Site or the Project.

“Ordinance” has the meaning given to it in the recitals.

“Payment Date” has the meaning given to it in Section 5.2 hereof.

“Person” means any individual, corporation, partnership, joint venture, association, committee, limited liability company, limited liability partnership, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

“Phase 1 Infrastructure Improvements” means those improvements in the District described as the Phase 1 Infrastructure Improvements on Exhibit B hereto.

“Phase 2 Infrastructure Improvements” means those improvements described on as the Phase 2 Infrastructure Improvements Exhibit B hereto.

“Phase 3 Infrastructure Improvements” means those improvements described as the Phase 3 Infrastructure Improvements on Exhibit B hereto.

“Plan” has the meaning given to it in the recitals.

“Prevailing Wage Rates” means the Montana Prevailing Wage Rate for public works projects as published from time to time by and available from the Montana Department of Labor and Industry, Research and Analysis Bureau, P.O. Box 1728, Helena, Montana 59624, telephone number (800) 541-3904.

“Project” has the meaning given to it in the recitals.

“Project Site” means the Land, which represents only a portion of the real property in the District.

“Property Owners” means the owners of record of the lots in the Project Site.

“Rail Easement” has the meaning given to it in Section 4.1 hereof.

“Rail Easement Parcel” has the meaning given to it in Section 4.1 hereof.

“Rail Improvements” means the rail infrastructure constituting part of the Infrastructure Improvements.

“Reimbursement Obligation” has the meaning given to it in Section 5.1 hereof.

“Right of Reversion” has the meaning given to it in Section 4.3 hereof.

“Secondary Industries” means those industries that use mechanical or chemical processes to transform materials or substances into new products in the manner defined as manufacturing in the North American Industry Classification System Manual.

“Seller” has the meaning given to it in Section 2.2(b) hereof.

“State” means the State of Montana.

“Tax Increment” means the amount received by the City pursuant to the Act from the extension of levies of Taxes against the Incremental Taxable Value of the Taxable Property and will include all payments in lieu of Taxes or beneficial use taxes attributable to the Incremental Taxable Value. If for a Fiscal Year the actual taxable value (as defined in the Act) of the District is less than the base taxable value (as defined in the Act) of the District, the amount of Tax Increment may be reduced accordingly.

“Taxable Property” means all real and personal property located in the Project Site and subject to Taxes, including the Project and the Rail Improvements.

“Taxes” means all taxes levied on an ad valorem basis by any Taxing Jurisdiction against the Taxable Property and includes all payments in lieu of taxes or beneficial use taxes received by the City with respect to the Incremental Taxable Value of the Taxable Property.

“Taxing Jurisdiction” means the State, the City, any school district, local government, municipal corporation, political subdivision or other government entity that levies, during any Fiscal Year during which the tax increment provision of the District is effective under the Act, ad valorem taxes against real or personal property in the District.

“Termination Date” has the meaning given to it in Section 8.4 hereof.

“Unavoidable Delay” means a delay resulting from a cause over which the party required to perform does not have control and which cannot or could not have been avoided by the exercise of reasonable care, including but not limited to acts of God, accidents, war, civil

unrest, embargoes, strikes, unavailability of raw materials or manufactured goods, litigation and the delays of the other party or its contractors, agents or employees in the performance of their duties under or incident to this Agreement.

1.2. Rules of Interpretation.

(a) The words “herein,” “hereof” and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than to any particular section or subdivision hereof.

(b) References herein to any particular section or subdivision hereof are to the section or subdivision of this Agreement as originally executed unless otherwise indicated.

(c) “Or” is not exclusive but is intended to contemplate or encompass one, more or all of the alternatives conjoined.

1.3. Exhibits. The following Exhibits are attached to and by reference made a part of this Agreement:

Exhibit A—Legal Description of the Land and Map Thereof;

Exhibit B—Infrastructure Improvements; and

Exhibit C—Form of Reimbursement Certificate.

Section 2. Representations.

2.1. City Representations. The City hereby represents as follows:

(a) Pursuant to the Act, and after public hearing duly called and held, the City by the Ordinance has duly created the District.

(b) The City is authorized by law to enter into this Agreement and to carry out its obligations hereunder.

(c) Pursuant to the Act, and after a public hearing duly called and held, the City by Ordinance No. [] approved the use of Available Tax Increment to reimburse the Association for the costs of the Infrastructure Improvements in an aggregate amount not to exceed \$6,789,867, together with interest thereon, subject to the terms and conditions set forth in this Agreement.

(d) The State Department of Revenue has advised the City that as of January 1, 2013 the Base Taxable Value of the District was \$2,322 and the Base Taxable Value of the Project Site was \$1,048.

(e) Based on the representations of the Developer and the Association:

(i) the Project is projected to have a market value of at least \$35.7 million and will generate Tax Increment of at least \$671,000 by tax year 2018;

(ii) the Project is projected to have a market value of at least \$46.4 million and will generate Tax Increment of at least \$860,110 by tax year 2020; and

(iii) the Project is projected to have a market value of at least \$71.4 million and will generate Tax Increment of at least \$1.3 million by tax year 2022 and thereafter.

The City makes no representation for the benefit of the Developer or the Association as to the amount of Tax Increment the Project or any phase thereof will generate.

2.2. Developer and Association Representations. Each of the Developer and the Association hereby represents as follows:

(a) Each of the Developer and the Association is a Montana limited liability company, duly formed, validly existing and in good standing under the laws of the State and is duly qualified to do business in the State. Each of the Developer and the Association has the power to enter into this Agreement and by all necessary corporate action has duly authorized the execution and delivery of this Agreement.

(b) The Project Site is depicted on the map included on Exhibit A hereto and consists of ten lots. As of the date hereof, Pacific Hide and Fur Depot is the Property Owner with respect to lot 1 in the Project Site, MSM Properties, LLC is the Property Owner with respect to lot 2 in the Project Site, and the John R. Loy Trust B is the Property Owner with respect to lots 3 through 10 in the Project Site (the “**Seller**”). The Developer has an exclusive and enforceable option to purchase from the Seller lots 3 through 10 in the Project Site.

(c) Neither the Developer nor the Association is aware of any license, consent, approval or permit of any local, State or federal agency or other governmental body that must be obtained before constructing the Project or the Infrastructure Improvements that cannot be obtained in due course and in a timely fashion.

(d) Neither the Developer nor the Association is aware of any facts the existence of which would cause the Developer, the Association or any Property Owner to be in violation of any Environmental Laws and Regulations applicable to the Project or the Infrastructure Improvements. Neither the Developer nor the Association has received from any local, State or federal official any notice or communication indicating that the activities of the Developer, the Association or any Property Owner may be or will be in violation of any Environmental Laws and Regulations applicable to the Project or the Infrastructure Improvements.

(e) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prohibited or limited by, conflicts with or results in a breach of the terms, conditions or provisions of the certificate of formation or operating agreement of the Developer or the Association or any evidence of indebtedness, agreement or instrument of whatever nature to which the Developer or the Association is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(f) There is no action, suit, investigation or proceeding now pending or, to the knowledge of the Developer and the Association, threatened against or affecting the Developer

or the Association or their respective businesses, operations, properties or condition (financial or otherwise) before or by any governmental department, commission, board, authority, or agency, or any court, arbitrator, mediator or grand jury, which could, individually or in the aggregate, materially and adversely affect the business, operations, properties, or condition (financial or otherwise) of the Developer or the Association.

(g) Each of the Developer and the Association acknowledges that the estimates of Tax Increment set forth in Section 2.1 hereof are estimates only and are based on variables and assumptions that the City has no control over, including the taxable value of the Taxable Property.

Section 3. Developer's Undertakings.

3.1. Undertaking of Project. The Developer hereby agrees and commits to the City that it will diligently undertake the Project, including the sale of the lots in the Project Site, in accordance with this Agreement, the site plan submitted to the City and all applicable federal, State and local laws, rules, regulations, ordinances and plans relating to or governing the development or use of the Project, including applicable Land Use Regulations and Environmental Laws and Regulations. In furtherance of the purpose of the District, the Developer will actively seek the growth and retention of Secondary Industries at the Project Site. The Developer will regularly update City officials with respect to the development of the Project Site, including the Developer's efforts to promote the Project to Persons engaged in Secondary Industries. At all times during the term of this Agreement, the Association will, and the Association will cause each Property Owner to, operate and maintain, preserve and keep the Project, and with the appurtenances and every part and parcel thereof, in good repair and condition. The Association will, and the Association will cause each Property Owner to, permit the City and any of its officers, employees or agents access to the Project Site for the purpose of inspection of all work being performed in connection with the Project; provided, however, that the City will have no obligation to inspect such work and shall bear no responsibility or liability resulting from any inspection that it may conduct if it chooses to inspect.

3.2. Construction of the Infrastructure Improvements. The Developer will cause the Infrastructure Improvements to be installed, constructed or otherwise provided. Each of the Developer and the Association acknowledges and agrees that the City is not responsible for installing, constructing or otherwise providing the Infrastructure Improvements. If there is an increase in the costs of the Infrastructure Improvements from that shown on Exhibit B hereto that cannot be covered by a contingency amount, the Association will notify the City of the increase and submit additional evidence in a form acceptable to the City that the Association and/or the relevant Property Owners have the financial capacity or commitments to cover such additional costs and complete the Infrastructure Improvements. The Association will, and the Association will cause each Property Owner to, obtain all licenses, consents, approvals and permits from all local, State or federal agency or other governmental body that must be obtained before constructing the Infrastructure Improvements. The Association has all licenses, consents, approvals, permits, easements and access agreements necessary for the acquisition, construction and use of the Rail Improvements, including agreements permitting the connection of the Rail Improvements to the existing Burlington Northern Santa Fe rail line (the "BNSF Rail Line").

3.3. Prevailing Wage Rates. Each of the Developer and the Association understands that the City is obligated to follow certain laws with respect to the expenditure of public funds, which includes Tax Increment. Each of the Developer and the Association agrees, and will cause each Property Owner to agree, that in the awarding of contracts for the Infrastructure Improvements that (i) it will, and it will cause its contractor to, competitively bid contracts for each component of the Infrastructure Improvements; (ii) it will, and it will cause its contractor to, pay the Prevailing Wage Rates on such contracts related to the Infrastructure Improvements; (iii) it will, and it will cause its contractor to, give preference to the employment of bona fide residents of the State, as required by Montana Code Annotated Section 18-2-403 and as such term is defined by Montana Code Annotated Section 18-2-401(1) and the Administrative Rules of the State, including but not limited to A.R.M. 24.17.147, obliging the Developer, the Association, each Property Owner and their respective contractors to hire 50% bona fide Montana residents with respect to the installation and construction of the Infrastructure Improvements; and (iv) when making assignments of work, it will, and it will cause its contractor to, use workers both skilled in their trade and specialized in their field of work for all work to which they are assigned. Each of the Developer and the Association will provide to the City all documentation requested to verify the compliance of the Developer, the Association, each Property Owner, and their respective contractors with the foregoing requirements. Failure of the Developer, the Association, each Property Owner and their respective contractors to pay the Prevailing Wage Rates on the Infrastructure Improvements will be considered a breach of this Agreement and the City will be entitled to exercise any and all measures to assure compliance and retroactive compensation plus interest to employees not paid in accordance with this Agreement, and recovery of any penalty or fine assessed by the State attributed to any failure to pay the Prevailing Wage Rates. Additionally, each of the Developer and the Association acknowledges that a violation of these requirements will result in the City not being able to pay or reimburse the Association for costs of the Infrastructure Improvements.

3.4. Utilities. Neither the Developer, the Association nor any Property Owner will interfere with, or construct any improvements over, any public street or utility easement without the prior written approval of the City. All connections to public utility lines and facilities will be subject to approval of the City and any private utility company involved. The Association at its own expense will replace any public facilities or utilities damaged during the Project by the Developer, the Association, any Property Owner or their respective agents or by others acting on behalf of or under the direction or control of the Developer, the Association or any Property Owner.

3.5. Easements. To the extent that the Infrastructure Improvements are located on the Project Site, the Association will, and the Association will cause each Property Owner to, at the request of the City, grant to the City and/or to third parties such easements, rights-of-way and similar licenses with respect to the Infrastructure Improvements as are reasonable.

3.6. Permits; Environmental Laws. Each of the Developer and the Association will, and each of the Developer and the Association will cause each Property Owner to, obtain in a timely manner all required permits, licenses and approvals, and will meet all requirements of all local, State and federal laws and regulations which must be obtained or met in connection with the acquisition and construction of the Infrastructure Improvements. Without limiting the foregoing, each of the Developer and the Association will, and each of the Developer and the

Association will cause each Property Owner to, request and obtain from the City or other appropriate governmental authority all necessary variances, conditional use permits and zoning changes with respect to the Infrastructure Improvements. Each of the Developer and the Association will, and each of the Developer and the Association will cause each Property Owner to, comply in all material respects with all Environmental Laws and Regulations applicable to the construction, acquisition and operation of the Infrastructure Improvements, obtain any and all necessary environmental reviews, licenses or clearances under, and comply in all material respects with, Environmental Laws and Regulations.

3.7. Nondiscrimination. Each of the Developer and the Association agrees that all hiring by the Developer, the Association and their respective contractors and persons performing this Agreement will be on the basis of merit and qualification and will not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, national origin, or other class protected by State and/or federal law.

Section 4. Rail Improvements.

4.1. Construction, Ownership and Public Purpose. The Association will own directly the Rail Improvements and shall not merge with or into, or consolidate with, or wind up into or undergo an arrangement with (whether or not the Association is the surviving entity), or sell, assign, convey, transfer, lease, encumber or otherwise dispose of the Rail Improvements, in one or more related transactions, without the prior written consent of the City. The Association shall not apply for tax-exempt status under State or federal law. Prior to commencing construction of the Rail Improvements, each of the Property Owners whose property includes a portion of the real property on which the Rail Improvements will be constructed (the “**Rail Easement Parcel**”) shall grant to the Association, for the benefit of the Association, each other Property Owner, the Other Rail Users (as hereinafter defined) and the City, a perpetual, exclusive easement for railroad purposes with respect to its respective portion of the Rail Easement Parcel, (each, a “**Rail Easement**” and collectively, the “**Rail Easements**”). Such Rail Easements shall be subject to the prior review and approval of the City. The Association shall cause the Rail Easements (which shall also reference the Right of Reversion (as hereinafter defined)) to be filed with the Clerk and Recorder for Cascade County prior to commencing construction of the Rail Improvements. The Association shall allow other rail users that are not Property Owners (“**Other Rail Users**”) to construct switches and rail extensions that connect to the Rail Improvements (provided that no Property Owner shall be required to grant additional access easements over such Property Owner’s lot for such purposes) and to use the Rail Improvements, subject to use and fee arrangements similar to those applicable to the Property Owners. All such connections shall be constructed and maintained at the sole expense of the Other Rail Users. None of the Developer, the Association or any Property Owner shall block access of such Other Rail Users to the Rail Improvements. The Association will enter into such further agreements and instruments requested by the City in order to permit access by such Other Rail Users to, over and across the Rail Improvements. The Association agrees that this Section 4.1 is enforceable by the City on behalf of the public and any private party meeting the requirements set forth above desiring such access.

4.2. Maintenance and Repair. The Association will maintain, repair and keep the Rail Easement Parcel, and any expansion thereof, and the Rail Improvements and any connections

thereto, and the appurtenances and every part and parcel thereof, in good repair and condition at its own expense and in accordance with all applicable local, State and federal laws and regulations. Each of the Developer and the Association acknowledges and agrees that the City is not responsible for the maintenance, repair or replacement of the Rail Improvements or any connections thereto. The Association will acquire and maintain, at its own expense, all agreements permitting the connection of the Rail Improvements, or any connections thereto, to the BNSF Rail Line.

4.3. Right of Reversion. Notwithstanding anything herein to the contrary, if:

(a) the Association, the Developer or any Property Owner shall default in the performance of any representation, warranty, covenant or obligation set forth in this Section 4, and fail to cure such default within sixty (60) days after receipt of notice of default from the City;

(b) the Association shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to the Association or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Association or any substantial part of the property of the Association, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against the Association, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due; or

(c) an involuntary case or other proceeding shall be commenced against the Association seeking liquidation, reorganization or other relief with respect to the Association or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Association or any substantial part of the property of the Association, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) consecutive days.

Then the City may, at any time after the expiration of such 60-day period declare a reversion to the City (the “**Right of Reversion**”) of the Rail Improvements, the connections thereto and all agreements permitting the connection of the Rail Improvements to the BNSF Rail Line, in which event the Association shall promptly transfer and convey to the City, by documents prepared by the City, without further consideration, all of the Association’s right, title and interest in the Rail Improvements.

4.4. Insurance of Rail Improvements. The Association will keep and maintain the Rail Improvements at all times insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with comparable infrastructure and the Association will carry and maintain and pay timely the premiums for direct damage insurance covering all risks of loss, including, but not limited to, the following:

1. fire
2. extended coverage perils
3. vandalism and malicious mischief

on a replacement cost basis in an amount equivalent to the full insurable value of the Rail Improvements. "Full insurable value" includes the actual replacement cost of the Rail Improvements, without deduction for architectural, engineering, legal or administrative fees or for depreciation.

In addition, the Association will keep and maintain comprehensive general public liability insurance, including personal injury liability (with employee exclusion deleted), against liability for injuries to persons and/or property, in the minimum amount for each occurrence and for each year of \$2,000,000. The Association will also keep and maintain workers' compensation insurance respecting all employees of the Association, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Association may be self-insured with respect to all or any part of its liability for workers' compensation.

The foregoing policies shall be taken out and maintained in responsible insurance companies selected by the Association that are authorized under the laws of the State to assume the risks covered thereby. The Association will deposit annually with the City policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. All such policies (other than workers' compensation) will name the City as an additional insured, will be subject to a no coinsurance clause or contain an agreed amount clause, and may contain a deductibility provision not exceeding \$50,000. Each policy shall contain a provision that the insurer shall not cancel nor modify it in such a way as to reduce the coverage provided below the amounts required herein without giving written notice to the Association and the City at least 30 days before the cancellation or modification becomes effective. In lieu of separate policies, the Association may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Association shall deposit with the City a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Rail Improvements.

During construction of the Rail Improvements, any and all of the foregoing insurance policies may be maintained by the applicable contractor; provided that once any portion of the Rail Improvements is placed into service, the Association will keep and maintain all of the foregoing insurance policies with respect thereto. During construction of the Rail Improvements, the applicable contractor shall also maintain builder's risk insurance written on an "all-risk" or equivalent policy form. Such insurance shall include the interests of the Association, the City, the contractor and subcontractors therein. The Association shall pay all costs not covered because of a deductible. The City will be furnished certificates and additional insured endorsements showing the existence of such insurance.

Section 5. Reimbursement of Infrastructure Improvements.

5.1. Reimbursement Obligation. Subject to the terms and conditions of this Section 5, the City has agreed to reimburse the Association for the costs of the Infrastructure Improvements (the "**Reimbursement Obligation**"), as follows:

(a) costs of the Phase 1 Infrastructure Improvements in an amount equal to the *lesser* of \$4,635,922 and the actual amount of the Phase 1 Infrastructure Improvements, with interest accruing thereon from the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, of at least \$35.7 million and is generating Tax Increment of at least \$671,000 annually;

(b) costs of the Phase 2 Infrastructure Improvements in an amount equal to the *lesser* of \$570,566 and the actual amount of the Phase 2 Infrastructure Improvements, with interest accruing thereon from the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, of at least \$46.4 million and is generating Tax Increment of at least \$860,110 annually; and

(c) costs of the Phase 3 Infrastructure Improvements in an amount equal to the *lesser* of \$1,583,379 and the actual amount of the Phase 3 Infrastructure Improvements, with interest accruing thereon from the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, of at least \$71.4 million and is generating Tax Increment of at least \$1.2 million annually.

The City's Reimbursement Obligation shall not arise with respect to any phase of Infrastructure Improvements until completion and acceptance by the City of such phase of Infrastructure Improvements and approval of the costs thereof pursuant to this Section 5.1. The City's Reimbursement Obligation with respect to any phase of Infrastructure Improvements will be based on actual paid invoices for incurred costs provided by the Association, and the City may reject any invoice amounts to the extent not related to such phase of Infrastructure Improvements. A certificate signed by the Association in substantially the form attached as Exhibit C hereto will accompany any invoices submitted to the City.

5.2. Interest. With respect to each phase of the Infrastructure Improvements, interest shall accrue at the rate of 4.00% per annum on the corresponding portion of the Reimbursement Obligation described in Section 5.1 hereof beginning on the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, in the corresponding amount described in Section 5.1 hereof. Such interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

5.3. Payment. On January 1 and July 1 of each year (each, a "**Payment Date**"), the City shall pay by check to the Association the Available Tax Increment received by the City as of such Payment Date; provided that all representations of the Developer and the Association set forth in Section 2.2 hereof are true and correct on such Payment Date and neither the Developer nor the Association is in breach of any covenant or undertaking as set forth in Section 3 or 4 hereof on such Payment Date. The City may at any time and from time to time prepay the Reimbursement Obligation, in whole or in part, at a prepayment price equal to the principal amount so prepaid and interest accrued and unpaid thereon to the date of payment, without premium. From and after the date of such prepayment, interest on the principal amount so prepaid shall cease to accrue. Amounts paid by the City with respect to the Reimbursement Obligation shall be applied first to accrued and unpaid interest and second to outstanding principal. Such amounts shall be allocated pro rata to the portion of the Reimbursement Obligation associated with each of phase of the Infrastructure Improvements based on the

original principal amount thereof. All amounts paid by the City with respect to the Reimbursement Obligation shall be made to the Association and the Association shall be responsible for distributing funds to the Developer or Property Owners, as the case may be. The City shall not be responsible for overseeing any such distributing of funds which is entirely the responsibility of the Association. The City will not have any obligation to issue bonds, notes or other obligations in order to finance the prepayment of the Reimbursement Obligation. The City Fiscal Services Director shall keep books and records with respect to the Reimbursement Obligation, including accrued interest thereon and payments thereof, which shall be conclusive.

5.4. Termination; Limited Obligations. The City's Reimbursement Obligation, including interest thereon, shall terminate on the earlier to occur of (i) the payment in full of the Reimbursement Obligation and (ii) the Termination Date (regardless of whether or not the City has paid in full the Reimbursement Obligation and interest thereon). Each of the Developer and the Association acknowledges that the Reimbursement Obligation is a limited obligation of the City payable solely from the Available Tax Increment. The Reimbursement Obligation is not a general obligation of the City and neither the general credit nor the taxing power of the City, Cascade County or the State is pledged to the payment of the Reimbursement Obligation, including accrued interest thereon. Neither the Ordinance, this Agreement nor any other agreements or obligations of the City contained herein or therein shall be construed to constitute an indebtedness of the City, Cascade County or the State within the meaning of any constitutional or statutory provisions whatsoever. Each of the Developer and the Association understands that the City has no control over the amount of Available Tax Increment that may be available to pay the Reimbursement Obligation and that no other City funds will be available or used to pay the Reimbursement Obligation.

Section 6. Taxes and Tax Increment.

6.1. Taxes. The Association will use reasonable efforts to cause each Property Owner to pay when due and prior to the imposition of penalty all Taxes and all installments of any special assessments payable with respect to its Taxable Property in the Project Site. The Association will pay when due and prior to the imposition of penalty all Taxes and all installments of any special assessments payable with respect to the Rail Improvements.

6.2. Maintenance of Project and Rail Improvements. Each of the Developer and the Association acknowledges the interest of the City that the Project and the Rail Improvements should be so maintained and operated so that the Incremental Taxable Value of the Project and the Rail Improvements will generate Tax Increment sufficient to pay the Reimbursement Obligation. Accordingly, each of the Developer and the Association will, and each of the Developer and the Association will cause each Property Owner to, use its commercially reasonable best efforts to maintain and operate the Project and the Rail Improvements so as to be able at all times to pay promptly and when due all property taxes levied with respect thereto.

6.3. City Not To Take Action To Reduce Tax Increment. The City agrees that it will take no action that would limit the amount of Tax Increment below the amount that would be generated absent such actions. In the event that at any time following the date hereof: (i) either (A) the Act is amended in such a manner as to reduce Tax Increment, or (B) Tax Increment is reduced as a result of changes in the law regarding the privilege of public entities to levy real

property taxes; and (ii) in lieu of such reduced Tax Increment, the City is authorized to receive and receives revenues in any form in substitution for the lost Tax Increment which additional revenues the City is authorized to spend for the same purposes and under the same conditions that apply to Tax Increment, then the share of such additional revenues attributable to the reduced Tax Increment will be deemed to be Tax Increment for all purposes of this Agreement.

Section 7. Release, Indemnification and Insurance.

7.1. Release and Indemnification Covenant.

(a) Each of the Developer and the Association releases the City and the Commission members, officers, agents, servants and employees thereof (the “**Indemnified Parties**”) from, and covenants and agrees that the Indemnified Parties will not be liable for and, jointly and severally, agrees to indemnify and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death of any person arising out of or resulting from the construction, installation, operation, ownership or maintenance of the Project Site, the Project or the Infrastructure Improvements by the Developer, the Association or any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person, or which is caused by any act or omission of the Developer, the Association or any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person; provided that the indemnity will not apply if and to the extent such loss or damage is caused by the gross negligence or willful misconduct of the City, its agents or employees.

(b) Each of the Developer and the Association, jointly and severally, agrees to protect, indemnify and defend the Indemnified Parties and further agrees to hold the Indemnified Parties harmless from and against, any loss, damage, cost (including reasonable attorneys’ fees), claim, demand, suit, action or other proceeding whatsoever initiated by any Person whatsoever and arising or purportedly arising out of (i) violation by the Developer, the Association or any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person, of any agreement or condition of this Agreement, (ii) the acquisition, construction, installation, ownership, maintenance and operation by the Developer, the Association or any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person, of the Project Site, the Project or the Infrastructure Improvements, or (iii) from the presence on any portion of the Project Site, of any dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances, as defined in or governed by the provisions of any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating thereto, and also including ureaformaldehyde, polychlorinated biphenyls, asbestos, asbestos containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject an owner of any portion of the Project Site to any damages, penalties, liabilities or expense of clean up under any applicable Environmental Laws and Regulations.

(c) The Indemnified Parties will not be liable for any damage or injury to the persons or property of the Developer, the Association, any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person; provided that such damage or

injury is not caused by the gross negligence or willful misconduct of the City, its agents or employees.

7.2. Insurance. The Association will use reasonable efforts to cause each Property Owner to keep and maintain their respective property, improvements and additions at the Project Site at all times insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with comparable facilities and the Association will use reasonable efforts to cause each Property Owner to carry and maintain and pay timely the premiums for direct damage insurance covering all risks of loss, including, but not limited to, the following:

1. fire
2. extended coverage perils
3. vandalism and malicious mischief
4. boiler explosion (but only if steam boilers are present)
5. collapse

on a replacement cost basis in an amount equivalent to the full insurable value thereof. "Full insurable value" includes the actual replacement cost of the each Property Owner's respective property, improvements and additions at the Project Site, without deduction for architectural, engineering, legal or administrative fees or for depreciation.

In addition, the Association will use reasonable efforts to cause each Property Owner to keep and maintain comprehensive general public liability insurance, including personal injury liability (with employee exclusion deleted), against liability for injuries to persons and/or property, in such amounts, with such deductible provisions, as are customary in connection with comparable companies.

Section 8. General Provisions.

8.1. Conflicts of Interest; City's Representatives Not Individually Liable. No member, officer or employee of the City will have any personal interest, direct or indirect, in this Agreement, the Project or the Infrastructure Improvements, nor will any such member, officer or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is, directly or indirectly, interested. No member, officer or employee of the City will be personally liable to the Developer, the Association or any Property Owner in the event of any default under or breach of this Agreement by the City, or for any amount which may become due to the Developer or the Association for any obligation issued under or arising from the terms of this Agreement, except for any fraudulent misrepresentation made by any such member, officer or employee in violation of the first sentence of this Section 8.1.

8.2. Rights Cumulative. The parties hereto agree that all rights and remedies with respect to this Agreement, whether provided by law or by this Agreement, will be available to the parties hereto and will be cumulative, and the exercise by either party of any one or more of such remedies will not preclude the exercise by such party, at the same or different times, of any other remedy for the same default or breach or of any of its remedies for any other default or

breach of the party. No waiver made by such party with respect to the performance or the manner or time thereof, of any obligation under this Agreement, will be considered a waiver with respect to the particular obligation of the other party or a condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver of any obligations of the other party. Delay by a party hereto instituting or prosecuting any cause of action or claim hereunder will not be deemed a waiver of any rights hereunder.

8.3. Injunction; Specific Performance. The parties hereto agree that, in the event of a breach of this Agreement by any party or its successors or assigns, the non-breaching party would suffer irreparable harm. Therefore, in the event any party or its successors or assigns fails to comply with the provisions of this Agreement, the parties hereto expressly agree that the non-breaching party may pursue any remedy at law or in equity, including without limitation, the remedies of injunction and specific performance.

8.4. Term of Agreement. This Agreement will remain in effect until December 31, 2028 (the “**Termination Date**”) or such earlier date upon which the obligations under this Agreement has been satisfied or discharged. The parties hereto agree that the City is under no obligation to extend the sunset date of the District and in the event the City elects to extend the sunset date of the District, the City is under no obligation to extend the Termination Date regardless of whether or not the Reimbursement Obligation has been paid in full. Notwithstanding anything in this Agreement to the contrary, Sections 4, 7 and 8 will in all events survive the termination of this Agreement.

8.5. Limitation on City Liability. No agreements or provisions contained in this Agreement nor any agreement, covenant or undertaking by the City contained in this Agreement or any other document executed by the City in connection with the Infrastructure Improvements will give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers, or will obligate the City financially in any way except with respect to the Available Tax Increment. No failure of the City to comply with any term, condition, covenant or agreement herein will subject the City to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from the Available Tax Increment; and no execution on any claim, demand, cause of action or judgment will be levied upon or collected from the general credit, general funds or taxing powers of the City (except as such constitute Available Tax Increment). Nothing herein will preclude a proper party in interest from seeking and obtaining specific performance against the City for any failure to comply with any term, condition, covenant or agreement herein; provided that no costs, expenses or other monetary relief will be recoverable from the City except as may be payable from the Available Tax Increment.

8.6. Notices. All notices, certificates or other communications required to be given to the City, the Developer or the Association hereunder will be sufficiently given and will be deemed given when delivered or deposited in the United States mail in certified form with postage fully prepaid and addressed as follows:

If to the City:

City of Great Falls
P.O. Box 5021

Great Falls, Montana 59403
Attn: Fiscal Services Director

If to the Developer:

Great Falls AgriTech Park LLC
300 Central Avenue, Suite 406
Great Falls, Montana 59401
Attn: Director, Great Falls Development Authority

If to the Association:

Great Falls AgriTech Owners Association, LLC
300 Central Avenue, Suite 406
Great Falls, Montana 59401
Attn: Director, Great Falls Development Authority

The City, the Developer and the Association, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications should be sent.

8.7. Assignment. This Agreement is unique between the City, the Developer and the Association and no party may assign any rights or privileges or delegate any duties or obligations under this Agreement without first obtaining the written consent of the other parties hereto.

8.8. Binding Effect. The right and obligations set forth in this Agreement will inure to the benefit of and will be binding upon the City, the Developer, the Association and their respective successors and assigns.

8.9. Severability. If any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

8.10. Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the City, the Developer and the Association.

8.11. Governing Law. This agreement and the legal relations between the parties hereto will be governed by and construed in accordance with the laws of the State of Montana, without giving effect to any choice of law statutes, rules, or principles.

8.12. Further Assurances and Corrective Instruments. The City, the Developer and the Association agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or the Infrastructure Improvements or for carrying out the expressed intention of this Agreement.

8.13. Execution Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute one and the same instrument.

8.14. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope of intent of any provisions or Sections of this Agreement.

[remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the ____ day of _____, 2015.

CITY OF GREAT FALLS, MONTANA

[SEAL]

By _____
City Manager

Attest:

City Clerk

APPROVED FOR LEGAL CONTENT:

Sara Sexe, City Attorney


STATE OF MONTANA)
 : ss.
County of Cascade)

This instrument was acknowledged before me on _____, 20__ by Gregory T. Doyon, Lisa Kunz and Sara Sexe, as the City Manager, City Clerk and City Attorney of the City of Great Falls, Montana, respectively.

(Notarial Seal)

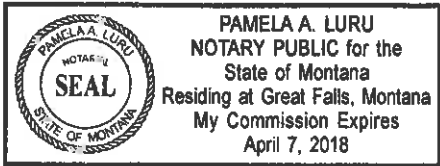
Printed Name: _____
Notary Public for the State of Montana
Residing at _____, Montana
My Commission Expires: _____

GREAT FALLS AGRITECH PARK, LLC



Name: Brett Doney
Title: PRESIDENT OF GFDA,
ITS, AUTHORIZED MEMBER

STATE OF MONTANA)
 : ss.
County of Cascade)

This instrument was acknowledged before me on JUNE 25, 2015 by BRETT DONEY of Great Falls AgriTech Park, LLC, on behalf of said limited liability company.



(Notarial Seal)

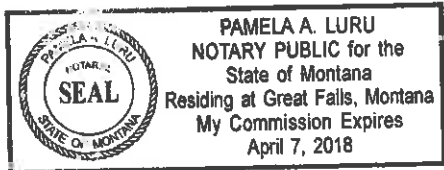

Printed Name: PAMELA A. LURU
Notary Public for the State of Montana
Residing at Great Falls, Montana
My Commission Expires: APRIL 7, 2018

GREAT FALLS AGRITECH OWNERS
ASSOCIATION, LLC

P. M. M. M.
Name: *BRETT DONEY*
Title: *AUTHORIZED MEMBER,
GREAT FALLS AGRITECH PARK, LLC*

STATE OF MONTANA)
 : ss.
County of Cascade)

This instrument was acknowledged before me on *JUNE 25*, 20*15* by
BRETT DONEY of Great Falls AgriTech Owners Association, LLC, on behalf of said
limited liability company.



(Notarial Seal)

Pamela A. Luru
Printed Name: *Pamela A. Luru*
Notary Public for the State of Montana
Residing at *Great Falls*, Montana
My Commission Expires: *April 7, 2018*

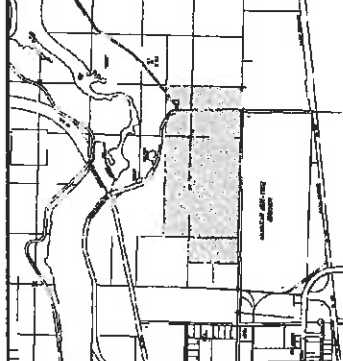
EXHIBIT A

LEGAL DESCRIPTION OF THE LAND AND MAP THEREOF

The real property and interests in such property located in the City of Great Falls, County of Cascade, State of Montana, and described as follows:

Lots 1-10 of the AgriTech Park Addition, to the City of Great Falls, Montana, as set forth on the Plat of the AgriTech Park addition, appearing on file with the Cascade County Clerk and Recorder at P-2013-0000008 PL.

PROPERTY LAYOUT
GREAT FALLS, MONTANA



DATE	11-20-03
DRAWN BY	J.M.
CHECKED BY	J.M.
DATE	11-20-03
SCALE	AS SHOWN

TD&H Engineering

VICINITY MAP
GREAT FALLS, MT

AGRITECH PARK ADDITION
A TRACT OF LAND LOCATED IN GOVERNMENT LOTS 8 & 9, THE
SW 1/4, AND THE SE 1/4 OF SECTION 34, T21N, R4E, P.M.M.,
CITY OF GREAT FALLS, CASCADE COUNTY, MONTANA

LEGEND

- SECTION BOUNDARY
- ROAD TIE-IN ~ ANCHORAGE
- FOUND CORNER
- FOUND QUARTER CORNER
- NOT FOUND QUARTER CORNER
- 50' IRON ROD & 1/4" ALUMINUM BUSH
- 50' IRON ROD & 1/4" ALUMINUM BUSH WITH PLATE
- SET PROPERTY MONUMENT
- 50' IRON ROD & 1/4" ALUMINUM BUSH WITH PLATE
- EXHIBIT UIC
- 27 LINE
- SECTION LINE
- FIELD MEASUREMENT
- PLANTED MEASUREMENT
- WYDS CORNER
- GENERAL LAND OFFICE (G.L.O.)

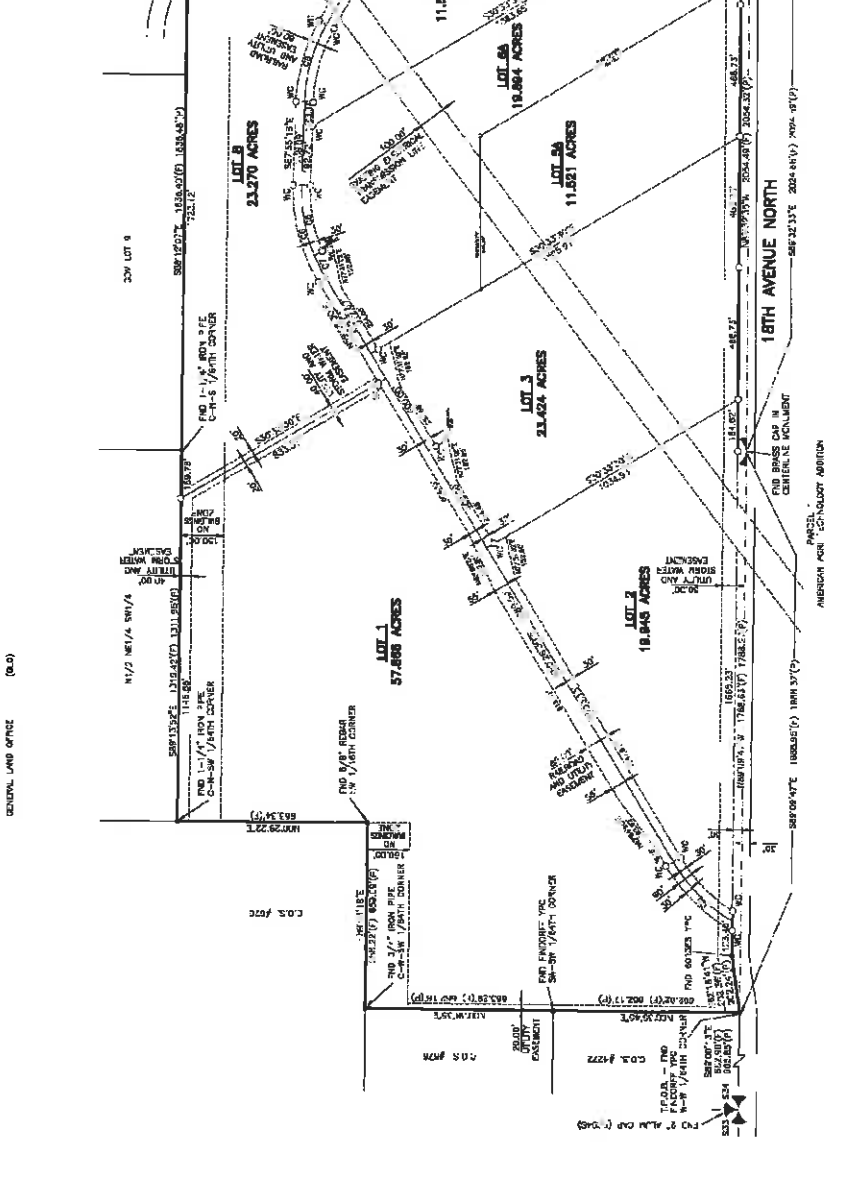
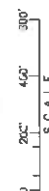


EXHIBIT B

INFRASTRUCTURE IMPROVEMENTS

Agritech Industrial Park - Summary of TIF Related Construction Costs

<u>Work Description</u>	<u>Public Improvements</u>	<u>Fees</u>	<u>Total Estimated Construction Cost</u>
<i>Infrastructure Necessary for Lots 1-5A (No Rail)</i>			
Overlay 18th Ave North from 52nd St to end of Lot 5A	\$272,614	\$35,416	\$308,030.00
Extend Water from Existing Termination to end of Lot 5A	\$130,202	\$19,530	\$149,732.00
Extend Gravity Sewer and Force Main to end of Lot 5A	\$158,125	\$26,881	\$185,006.00
Stormwater Pond and 18th Ave Ditch Reconstruction	\$167,401	\$31,806	\$199,207.00
Private Utility Extensions to serve Lots 1 thru 10	\$129,030	\$0	<u>\$129,030.00</u>
Subtotal			\$971,005.00
 Construct Rail to Serve Lots 1 thru 8 except Lot 5A	 \$3,079,588	 \$585,329	 \$3,664,917.00
 <i>Infrastructure Necessary for Lot 6</i>			
Overlay 18th Ave North from end of Lot 5A to end of Lot 6	\$29,101	\$4,947	\$34,048.00
Water Main Extension from end of Lot 5A to end of Lot 6	\$83,026	\$14,114	\$97,140.00
Extend Gravity Sewer and Force Main to end of Lot 6	\$56,913	\$14,797	\$71,710.00
Wastewater Lift Station	\$291,800	\$75,868	\$367,668.00
Subtotal			\$570,566.00
 <i>Infrastructure Necessary for Lots 7-10 including Rail Improvements</i>			
Reconstruct 67th St N for Lots 7 thru 10	\$567,812	\$77,429	\$645,241.00
Water Main Extension for Lots 7 thru 10	\$106,260	\$26,565	\$132,825.00
Extend Gravity Sewer Main to serve Lots 7 thru 10	\$107,943	\$14,720	\$122,663.00
Construct Rail to Serve Lots 9 - 10	\$638,250	\$44,400	<u>\$682,650.00</u>
Subtotal			\$1,583,379.00
Total			\$6,789,867.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Overlay 18th Ave North from 52nd St to end of Lot 5A

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	5,000.00	5,000.00
102	2" TH Asphalt Overlay	21005	SY	10.40	218,452.00
103	Tack Coat	2521	GAL	4.00	10,084.00
104	Traffic Control	1	LS	7,000.00	7,000.00
105	Striping - White Paint	3467	SF	0.75	2,600.00
106	Striping - Yellow Paint	3437	SF	0.75	2,577.75
107	Stop Bar	2	EA	80.00	160.00
108	RR Crossing Symbol	2	EA	300.00	600.00
109	Helmeted Bicyclist Symbol	8	EA	40.00	320.00
110	Directional Arrow	8	EA	40.00	320.00
111	Signs - Sheet Alum Refl Sht IV	33	SF	60.00	1,980.00
112	Poles - Treated Timber Class 4	64	LF	55.00	3,520.00
113	Miscellaneous Work	20000	EA	1.00	<u>20,000.00</u>
				Subtotal	\$272,614.00
				Construction Engineering (4%)	10,905.00
				City Inspection (4%)	10,905.00
				Contingency (5%)	<u>13,631.00</u>
				Total Estimated Construction Cost	\$308,060.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Extend Water from Existing Termination to End of Lot 5A

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
104	16-Inch PVC Water Main	978	LF	60.00	58,680.00
106	16-Inch Valve and Valve Box	1	EA	4,500.00	4,500.00
107	Fire Hydrant Assembly	6	EA	4,500.00	27,000.00
108	Fittings	1090	LB	8.00	8,720.00
109	Type 2 Pipe Bedding	100	CY	25.00	2,500.00
110	Extend Open Cut 24" Encasement Pipe	30	LF	350.00	10,500.00
112	Connect to Existing Water Main	1	LS	5,000.00	5,000.00
114	Surface Restoration	895	LF	2.00	1,790.00
115	Miscellaneous Work	6512	EA	1.00	<u>6,512.00</u>
				Subtotal	\$130,202.00
				Construction Engineering (5%)	6,510.00
				City Inspection (5%)	6,510.00
				Contingency (5%)	<u>6,510.00</u>
				Total Estimated Construction Cost	\$149,732.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Extend Gravity Sewer and Force Main to end of Lot 5A

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	5,000.00	5,000.00
102	8-Inch Sanitary Sewer Main	1017	LF	50.00	50,850.00
104	Sewer Force Main Pipe Bend	3	EA	800.00	2,400.00
105	48" Sanitary Sewer Manhole	3	EA	3,200.00	9,600.00
106	Sewer Force Main Slipped into Existing	1221	LF	25.00	30,525.00
107	Sewer Force Main	1017	LF	50.00	50,850.00
108	Type 2 Pipe Bedding	30	CY	30.00	900.00
137	Miscellaneous Work	1	LS	8,000.00	<u>8,000.00</u>
				Subtotal	\$158,125.00
				Construction Engineering (5%)	7,906.00
				City Inspection (5%)	7,906.00
				Contingency (7%)	<u>11,069.00</u>
				Total Estimated Construction Cost	\$185,006.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Lot 10 and 18th Ave N Storm Water Facilities

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Mobilization and Permits	1	LS	10,000.00	10,000.00
18th Ave Ditch Grading	1800	LF	11.00	19,800.00
18th Ave Ditch Check Dams	1030	LF	13.50	13,905.00
Pond Excavation and Embankment	3200	CY	12.00	38,400.00
24" RCP Culvert	72	LF	58.00	4,176.00
Drainage Swale w/ Check Dams	320	LF	30.00	9,600.00
Hydraulic Structures	2	EA	14,000.00	28,000.00
Access Road from 67th St	350	LF	44.00	15,400.00
Salvage and Replace Topsoil	850	CY	12.00	10,200.00
Seeding and Fertilizing	2.1	AC	5,200.00	10,920.00
Miscellaneous Work	7,000	EA	1.00	<u>7,000.00</u>
			Subtotal	\$167,401.00
			Design Engineering (6%)	10,044.00
			Construction Engineering (7%)	11,718.00
			Contingency (6%)	<u>10,044.00</u>
			Total Estimated Construction Cost	\$199,207.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Private Utility Extensions to serve Lots 1 thru 10

Work Item	Quantity	Units	Unit Cost	Total Cost
Communications (3 Rivers - Quote for Fiber)	1	LS	\$28,500.00	\$28,500.00
Natural Gas (Energy West)	1	LS	\$38,700.00	\$38,700.00
Electricity (Northwestern Energy)	1	LS	\$15,000.00	\$15,000.00
Communications (Optimum and Century Link to provide quotes)	1	LS	\$30,000.00	<u>\$30,000.00</u>
			Subtotal	\$112,200.00
			Contingency (15%)	<u>\$16,830.00</u>
			Total Estimated Construction Cost	<u>\$129,030.00</u>

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Rail Serving Lots 1- 6 same cost as Lots 1- 8 (except Lot 5A)

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Mobilization	1	LS	\$30,000	\$30,000.00
Earthwork to Reroute Existing Track at Mainline Connection	1,400	LF	\$46	\$64,400.00
Relocate 16" Water Main at Track Realignment	500	LF	\$60	\$30,000.00
Extend Water Main Encasement Pipe	35	LF	\$350	\$12,250.00
Track (115 lb track)	6,350	LF	\$200	\$1,270,000.00
Runaround siding (2,000 LF capacity)	2,268	LF	\$200	\$453,600.00
No. 9-115 lb turnout (runaround, crossover switches)	4	EA	\$65,000	\$260,000.00
Road Crossing Surface	2	EA	\$72,000	\$144,000.00
Crossing Signals	1	EA	\$270,000	\$270,000.00
Double Switch Point Derail	1	EA	\$30,000	\$30,000.00
Culverts, Seeding	1	LS	\$18,000	\$18,000.00
Miscellaneous Work	1	LS	\$80,000	\$80,000.00
			Subtotal	\$2,662,250.00
				\$18,000.00
			Signal Design and Inspection	
			Engineering (5%)	\$133,113.00
			Contingency (10%)	<u>\$266,225.00</u>
			Subtotal	\$3,079,588.00

Sole Source BNSF Railway Costs - Lots 1 thru 8 (except Lot 5A)

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
BNSF Mainline Switch	1	LS	\$185,005	\$185,005.00
Mainline Switch Heater and Power	1	LS	\$62,000	\$62,000.00
BNSF Reroute of Existing Mainline at Connection	1,400	LF	\$242	<u>\$338,324.00</u>
			BNSF Subtotal	\$585,329.00
			Total	\$3,664,917.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Overlay 18th Ave North for Lot 6

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	2" TH Asphalt Overlay	2002	SY	10.80	21,621.60
102	Tack Coat	240	GAL	7.00	1,680.00
103	Striping - White Paint	213	SF	0.75	159.75
104	Striping - Yellow Paint	213	SF	0.75	159.75
105	Stop Bar	1	EA	80.00	80.00
106	Helmeted Bicyclist Symbol	2	EA	40.00	80.00
107	Directional Arrow	2	EA	40.00	80.00
105	Stop Bar	1	EA	80.00	80.00
106	Helmeted Bicyclist Symbol	2	EA	40.00	80.00
107	Directional Arrow	2	EA	40.00	80.00
108	Miscellaneous Work	1	LS	5,000.00	<u>5,000.00</u>
				Rounded Subtotal	29,101.00
				Construction Engineering (5%)	1,455.00
				City Inspection (5%)	1,455.00
				Contingency (7%)	<u>2,037.00</u>
				Total Estimated Construction Cost	<u>\$34,048.00</u>

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Water Main Extensions for Lot 6

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	10,000.00	10,000.00
103	12-Inch PVC Water Main	120	LF	54.00	6,480.00
104	16-Inch PVC Water Main	335	LF	65.00	21,775.00
105	12-Inch Valve and Valve Box	1	EA	3,400.00	3,400.00
106	16-Inch Valve and Valve Box	1	EA	4,800.00	4,800.00
107	Fire Hydrant Assembly	2	EA	5,600.00	11,200.00
108	Fittings	1162	LB	8.00	9,296.00
109	Type 2 Pipe Bedding	30	CY	30.00	900.00
114	Surface Restoration	455	LF	5.00	2,275.00
115	Miscellaneous Work	12000	EA	1.00	<u>12,000.00</u>
				Subtotal	83,026.00
				Construction Engineering (5%)	4,151.00
				City Inspection (5%)	4,151.00
				Contingency (7%)	<u>5,812.00</u>
				Total Estimated Construction Cost	<u>\$97,140.00</u>

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Wastewater Lift Station and Lot 6 Sanitary Sewer Main Extension

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	20,000.00	20,000.00
102	8-Inch Sanitary Sewer Main	379	LF	55.00	20,845.00
103	48" Sanitary Sewer Manhole	1	EA	3,200.00	3,200.00
104	Sewer Force Main	360	LF	55.00	19,800.00
105	Type 2 Pipe Bedding	50	CY	30.00	1,500.00
106	Trench Surface Restoration	1	LS	1,500.00	1,500.00
107	Trench Plugs	3	EA	70.00	210.00
108	Trench Insulation	328	LF	6.00	1,968.00
109	Submersible Lift Station Equipment & Installation	1	LS	32,000.00	32,000.00
110	2" Sch 80 PVC Drain Pipe	12	LF	80.00	960.00
111	2" Curb Stop with Box	1	EA	460.00	460.00
112	9' Diameter Concrete Wet-Well	1	EA	24,000.00	24,000.00
113	Lift Station & Valve Vault Excavation	1	LS	32,000.00	32,000.00
114	Lift Station & Valve Vault Backfill	1	LS	8,500.00	8,500.00
115	4" Ductile Iron Pipe	1	LS	5,000.00	5,000.00
116	6" Ductile Iron Discharge Pipe & Fittings	48	LF	70.00	3,360.00
117	8" Ductile Iron Forcemain Pipe & Fittings	5	LF	180.00	900.00
118	4" Plug Valve	1	EA	1,500.00	1,500.00
119	6" Plug Valve	2	EA	2,000.00	4,000.00
120	6" Check Valve	2	EA	2,800.00	5,600.00
121	Pre-cast Concrete Valve Vault	1	EA	16,000.00	16,000.00
122	Miscellaneous Pipe Supports	1	LS	4,500.00	4,500.00
123	Aluminum Hatch	1	EA	3,200.00	3,200.00
124	Lift Station Site Grading & Restoration	1	LS	5,500.00	5,500.00
125	14" Gravel Access Road and Parking	480	SY	30.00	14,400.00
126	Geotextile Separation Fabric	400	SY	2.00	800.00
127	Bollard	3	EA	700.00	2,100.00
128	Electrical Service, Panels & Installation	1	LS	32,000.00	32,000.00
129	Lift Station Controls & Communication	1	LS	36,000.00	36,000.00
130	Miscellaneous Work	1	LS	50,000.00	50,000.00
Subtotal					\$351,803.00
Construction Engineering (6%)					21,108.00
City Inspection (10%)					35,180.00
Contingency (10%)					<u>35,180.00</u>
Total Estimated Construction Cost					\$443,271.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Reconstruct 67th St N for Lots 7 thru 10

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	8,000.00	8,000.00
102	Excavation and Embankment	3500	CY	14.00	49,000.00
103	Topsoil	700	CY	16.00	11,200.00
104	Special Borrow	3600	CY	32.00	115,200.00
105	Gravel Base Course	800	CY	38.00	30,400.00
106	Geotextile Fabric	8340	SY	2.00	16,680.00
107	5" Asphalt Surfacing	2350	TN	110.00	258,500.00
108	Striping - White Paint	2,900	SF	0.75	2,175.00
109	Striping - Yellow Paint	1,450	SF	0.75	1,087.50
110	Helmeted Bicyclist Symbol	4	EA	40.00	160.00
111	Directional Arrow	4	EA	40.00	160.00
112	Sign Panel - Aluminum Type IV	22	SF	60.00	1,320.00
113	Sign Post - 4" Timber	42	LF	55.00	2,310.00
114	Miscellaneous Work	1	LS	20,000.00	<u>20,000.00</u>
				Subtotal	\$516,192.50
				Contingency (10%)	51,819.00
				Construction Engineering (15%)	<u>77,429.00</u>
				Total Estimated Construction Cost	\$645,241.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Water Main Extensions for Lots 7 thru 10

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>ESTIMATED QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>ESTIMATED TOTAL PRICE</u>
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
102	6-Inch PVC Water Main	5	LF	32.00	160.00
103	12-Inch PVC Water Main	1200	LF	52.00	62,400.00
104	12-Inch Valve and Valve Box	2	EA	3,400.00	6,800.00
105	Fire Hydrant Assembly	3	EA	5,500.00	16,500.00
106	Fittings	500	LB	8.00	4,000.00
107	Type 2 Pipe Bedding	40	CY	25.00	1,000.00
108	Surface Restoration	1200	LF	2.00	2,400.00
109	Miscellaneous Work	8000	EA	1.00	<u>8,000.00</u>
				Subtotal	106,260.00
				Contingency (10%)	10,626.00
				Engineering and City Inspection (15%)	<u>15,939.00</u>
				Total Estimated Construction Cost	\$132,825.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Extend Gravity Sewer Main to serve Lots 7 thru 10

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>ESTIMATED QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>ESTIMATED TOTAL PRICE</u>
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
102	8-Inch Sanitary Sewer Main	1171	LF	55.00	64,405.00
103	48" Sanitary Sewer Manhole	3	EA	3,800.00	11,400.00
104	6" Sewer Service	4	EA	3,500.00	14,000.00
105	Type 2 Pipe Bedding	40	CY	30.00	1,200.00
106	Trench Surface Restoration	1	LS	3,500.00	3,500.00
107	Miscellaneous Work	1	EA	8,438.00	<u>8,438.00</u>
				Subtotal	\$107,943.00
				Engineering and City Inspection (8.5%)	9,323.00
				Contingency (5%)	<u>5,397.00</u>
				Total Estimated Construction Cost	\$122,663.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE
Rail Serving Lots 9-10

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
<u>Construct Rail to Serve Lots 9 and 10</u>				
Track (115 lb track)	2,050	LF	200.00	410,000.00
Earthwork	1	LS	20,000.00	20,000.00
Road Crossing Surface	1	EA	65,000.00	65,000.00
Double switch point Derail	1	EA	30,000.00	30,000.00
Miscellaneous Work	1	LS	30,000.00	<u>30,000.00</u>
			Subtotal	\$555,000.00
			Construction Engineering (8%)	\$44,400.00
			Contingency (15%)	<u>\$83,250.00</u>
			Total	\$682,650.00

EXHIBIT C

FORM OF REIMBURSEMENT CERTIFICATE

TO: City of Great Falls, Montana (the "City")
FROM: Great Falls AgriTech Owners Association, LLC (the "Association")
SUBJECT: Reimbursements for Infrastructure Improvements

This represents Developer Certificate No. _____ in the total amount of \$ _____ for payment of the Infrastructure Improvements.

The undersigned, as Authorized Developer Representative, intends that this certificate will satisfy the requirements of Section 5.1 of the Development Agreement, dated as of [____], 2015 among the City, Great Falls AgriTech Park, LLC (the "Developer") and the Association (the "Agreement"), and does hereby certify on behalf of the Association that:

- (a) the expenditures for which reimbursement is requested are listed in summary form in the attached schedule;
- (b) the amounts requested have been paid by the Association for property or to contractors, subcontractors, materialmen, engineers, architects or other persons who will perform or have performed necessary or appropriate services or will supply or have supplied necessary or appropriate materials for the acquisition, construction, renovation, equipping and installation of the Infrastructure Improvements, as the case may be, and that, to the best of my knowledge, the fair value of such property, services, or materials is not exceeded by the amounts requested to be paid;
- (c) the cost of work to be reimbursed has been competitively bid and the contractor or subcontractor has paid the Montana prevailing wage for such work;
- (d) no part of the several amounts requested to be reimbursed, as stated in such certificate, has been or is the basis for the reimbursement of any money in any previous or pending request; and
- (e) the reimbursement of the amounts requested will not result in a breach of any of the covenants of the Developer or the Association contained in the Agreement.

Dated: _____, 20__

GREAT FALLS AGRITECH OWNERS
ASSOCIATION, LLC

By: _____
Authorized Developer Representative

Schedule to Developer Certificate No. _____

Payee

Purpose

Amount

CITY OF GREAT FALLS



**TAX INCREMENT FINANCING
(TIF)**

APPLICATION FOR FUNDS

**CITY OF GREAT FALLS
TAX INCREMENT FINANCING (TIF)
APPLICATION FOR FUNDS**

Project Name: Great Falls AgriTech Park

Date Submitted: 12/14/14

Name of TIF District: East Industrial Park Tax Increment Financing

APPLICANT INFORMATION

Name: Great Falls AgriTech Park LLC
Attn: Brett Doney, Great Falls Development Authority

Address: 300 Central Avenue, Suite 406, Great Falls, MT 59401

Telephone: 1-406-750-2119

DEVELOPMENT INFORMATION

1. Building Address: Lot 1 – 5701 18th Ave N; Lot 2 – 5901 18th Ave N; Lot 3- 6201 18th Ave N; Lot 4 – 6301 18th Ave N

2. Legal Description: AgriTech Park Addition, located in the SE1/4 of Section 34, T21N, R4E, Pmm. City of Great Falls, Montana

3. Ownership: Lot 1 – Pacific Steel & Recycling; Lot 2 – Montana Specialty Mills; Lots 3-10 John R. Loy Trust B

Address Pacific Steel & Recycling 1401 3rd St. NW, Great Falls MT 59404; Montana Specialty Mills 701 2nd Street S. Great Falls MT 59405; John R Loy Trust c/o Roger Doney, 1830 Lacey Lane, Whitefish, Montana 59937

4. If property is not owned by the Applicant, list leasehold interest: *(Attach evidentiary materials).*

Name: Option Agreement

Address: _____

5. Existing/Proposed Businesses: Lot 1 – Pacific Steel Sales and Recycling; Lot 2 – Montana Specialty Mills – Agri-Processing; Lots 3-10 currently farmed, land is for sale.

Business Description: Multi-tenant industrial park

6. Employment: Existing FTE Jobs: Farming operations require less than one FTE.

New Permanent FTE Jobs created by project: 100+ new jobs estimated at a minimum for build out of the lots Construction FTE jobs: Construction of the infrastructure will provide approximately 24 jobs during the various construction projects plus two to four construction management jobs. Construction of the tenant facilities will create far more construction jobs.

7. Architectural/Engineering Firm: TD&H Engineering

Address: 1800 River Drive North, Great Falls MT 59401

Representative: John Juras, P.E.

CITY OF GREAT FALLS

TAX INCREMENT FINANCING (TIF) APPLICATION FOR FUNDS

8. Please provide a description of the Total Project Development (attach a narrative explanation).

These infrastructure improvements will serve Lots 1 - 10 of the Agritech Addition. The specific improvements planned are those required to meet the terms of the Annexation Agreement and to provide shovel ready, rail served industrial lots for businesses. Development of the infrastructure required for AgriTech Owners Association Stormwater Improvements will be completed using separate funding than what is anticipated for this TIF Application.

Specific projects anticipated to be completed using TIF funds are listed below.

- a. O.F. 1591.3 Overlay 18th Ave North - Overlay existing 3" thick asphalt with 2 additional inches from 52nd Street N to the end of Lot 4. Install striping, signing and associated work.
- b. O.F. 1591.3 Overlay 18th Ave North - Overlay existing 3" thick asphalt with 2 additional inches from the end of Lot 4 to 67th Street. Install striping, signing and associated work.
- c. O.F. 1591.4 Reconstruct 67th Street N for lots 7 – 10. Complete reconstruction of gravel road to meet City Standards.
- d. Municipal Water Main Loop - Extend municipal water main loop and fire hydrants into Lots 1 and 2.
- e. O.F. 1591.1 Water Main Extensions – Extend main to the end of Lot 4, install fire hydrants.
- f. O.F. 1591.1 Water Main Extensions – Extend main for Lots 5 and 6, install fire hydrants.
- g. O.F. 1591.1 Water Main Extensions – Extend main for Lots 7 thru 10, install fire hydrants.
- h. O.F. 1591.2 Sewer Main Extensions – Extend gravity and force sewer mains from the east end of Lot 3 to the east end of Lot 4.
- i. O.F. 1591.2 Sewer Main Extensions – Construct wastewater lift station and extend gravity and force sewer mains to serve lots 5 and 6.
- j. O.F. 1591.2 Sewer Main Extensions – Extend gravity sewer mains to serve lots 7 thru 10.
- k. O.F. 1591.5 Agritech Park Railway – Connect to existing BNSF track just east of 52nd Street N and extend industrial track eastward to serve Lots 1-6 of the Agritech Addition. Pay BNSF connection fee, install 18th Ave N crossing, flashers, extend rail sleeve and associated rail improvements.
- l. O.F. 1591.5 Agritech Park Railway – Extend industrial track eastward to serve Lots 7 thru 10 of the Agritech Addition.
- m. Extension of private communications, natural gas, and electric utilities to Lots 1 – 10.

It is intended that these improvements will be constructed in phases to meet the requirements detailed in the Annexation Agreement for the issuance of building permits on each lot. The first phase will include at improvements required for at least lots 1-4. The developer is currently in discussions with companies interested in purchasing lots 3-7. To facilitate securing commitments from these and future companies interested in investing in new facilities in Great Falls, the developer would prefer a master Tax Increment Financing agreement for lots 1-10.

9. Please provide rehabilitation/construction plans (attach schematics, site and landscaping plans).

See attached map (Figure One – TIF Projects Layout) of the project area showing locations of

public improvements. Available construction plans are on file with City Engineering.

10. What is the development schedule or estimated completion date for the Total Project Development? The Total Project Development is best defined as the entire development, not just the TIF improvements (please include project phasing if appropriate).
The total project will be completed in phases. Improvements projects for Lots 1-4 are planned for construction in 2015. Subsequent projects to complete the development of Lots 5-10 will be completed as the remaining lots are sold. Lot sale dates cannot be predicted with certainty.
11. Do you plan on asking for any other tax abatements, grants, tax credits or other forms of relief? If so, what type?
No, except for the possibility that future Park tenants may ask the City to utilize the Montana Board of Investments Economic Development Infrastructure Loan Program. Purchase and Sale Agreements for lots in the Park prohibit tenants from seeking property tax abatements from the City.

12. Please describe your funding needs and the anticipated timing schedule for your identified Eligible TIF Activities (example: *I will be fronting the costs of all identified TIF improvements and would like to be reimbursed incrementally as TIF funds become available; I am interested in utilizing bond financing to complete the identified project improvements and would like to be reimbursed with TIF funds as they become available, I need TIF funds immediately to complete the identified TIF improvements, etc.*)
Developer and Park tenants propose to pay for all improvements covered by the Tax Increment Financing Agreement and be reimbursed by the City when, and only if, tax increment is generated by the project. We propose entering into a loan agreement with the City similar to that structure utilized for the Staybridge Hotel project. Pacific Steel & Recycling will construct the rail line to serve lots 1-4 and Montana Specialty Mills will provide the funds for the developer to construct the road, water, sewer improvements, and private utility improvements for lots 1-4. The improvements will be constructed in 2015. Both companies intend to start construction of new facilities on lots 1 and 2 in 2015. Construction of infrastructure to serve lots 5-10 will take place as the developer and future Park tenants arrange financing. We would prefer a TIF Agreement that covers all 10 lots.

13. Please indicate the amount of Public Infrastructure Need and the amount of Public Infrastructure being requested to be financed by the TIF District.
The TIF District is being requested to reimburse 100% of the cost of public infrastructure needed to serve Lots 1-10 as required in the Annexation Agreement as detailed above. TIF reimbursement of project costs includes remaining engineering, administration, construction, construction management, and construction inspection.

TOTAL PROJECT DEVELOPMENT COSTS

The total project development cost is the cost to develop the entire project/site,

	from TIF	Funds
1.	_____	_____

Demolition & Removal of Structures

1.	_____	_____
2.	_____	_____
3.	_____	_____
Subtotal	_____	_____

Relocation of Occupants

1.	_____	_____
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Public Improvements

(acquisitions, construction and improvement of infrastructure which includes streets, roads, curbs, gutters, sidewalks, pedestrian malls, alleys, parking lots and off-street parking facilities, sewers, sewer lines, storm sewers, etc.)

a) Overlay 18th Ave North from 52nd St to end of Lot 4	\$248,626	\$248,626	As available
b) Overlay 18th Ave North for Lots 5 and 6	\$65,943	\$65,943	As available
c) Reconstruct 67th St N for Lots 7 thru 10	\$567,812	\$567,812	As available
d) Extend Municipal Water Main Loop to serve Lots 1 and 2	\$237,600	\$237,600	As available
e) Extend Water from Existing Termination to end of Lot 4	\$108,383	\$108,383	As available
f) Water Main Extension for Lots 5 and 6	\$128,034	\$128,034	As available
g) Water Main Extension for Lots 7 thru 10	\$116,886	\$116,886	As available
h) Extend Gravity Sewer and Force Main to end of Lot 4	\$66,573	\$66,573	As available
i) Wastewater Lift Station and Lots 5 and 6 Sewer Main Extension	\$465,480	\$465,480	As available
j) Extend Gravity Sewer Main to serve Lots 7 thru 10	\$107,943	\$107,943	As available
k) Construct Rail to Serve Lots 1 thru 6	\$2,362,740	\$2,362,740	As available
l) Construct Rail to Serve Lots 7 - 10	\$638,250	\$638,250	As available
m) Private Utility Extensions to serve Lots 1 thru 10	\$131,675	\$131,675	As available
Subtotal	\$5,245,945	\$5,245,945	


Fees (associated with eligible activities)

(A&E design/supervision, permits & other fees)

a) Overlay 18th Ave North from 52nd St to end of Lot 4	\$18,944	\$18,944	As available
b) Overlay 18th Ave North for Lots 5 and 6	\$6,162	\$6,162	As available

CERTIFICATION

I (we), Great Falls AgriTech Park LLC, Brett Doney, President of its Member (please print), certify that the statements and estimates within this Application as well as any and all documentation submitted as attachments to this Application or under separate cover are true and correct to the best of my (our) knowledge and belief.

Signature 

Title President of its Member

Address 300 Central Avenue, Suite 406, Great Falls, MT 59401

Date 12/14/14

Signature _____

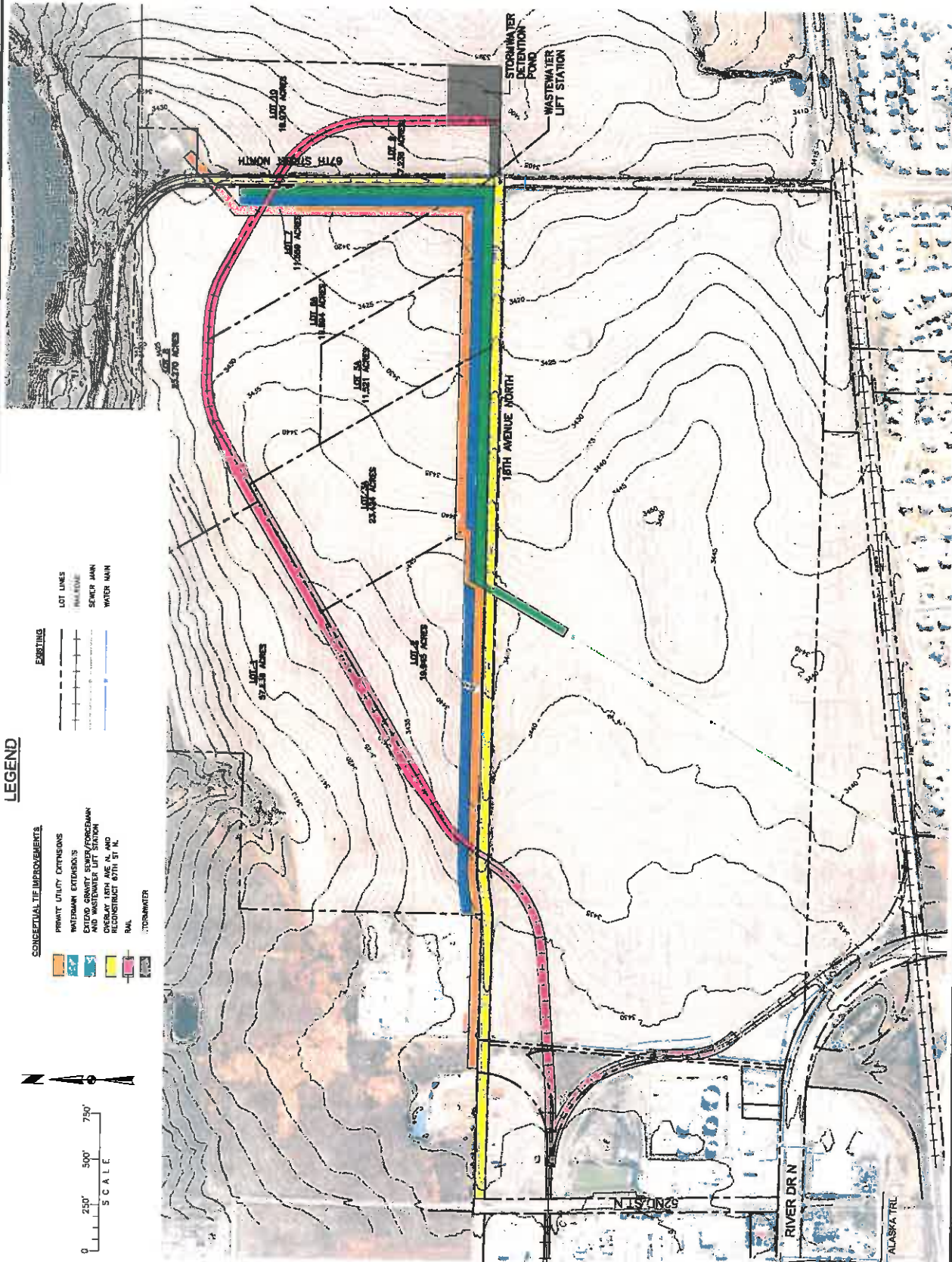
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Address _____

Date _____



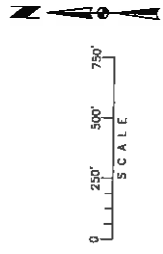
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CHECKED BY: [Name]
DATE: [Date]
JOB NO. [Number]
SHEET NO. [Number]



LEGEND

- CONCEPTUAL TIF IMPROVEMENTS**
- Watermain Extensions
 - Extended Gravity Sewer/Forcemain
 - Overlays 18th Ave N. and Reconstruct 67th St N.
 - R/W
 - Townwater

- EXISTING**
- Lot Lines
 - Watermain
 - Sewer Main
 - Water Main



Agritech Industrial Park - Summary of TIF Related Construction Costs

<u>Work Description</u>	<u>Public Improvements</u>	<u>Fees</u>	<u>Total Estimated Construction Cost</u>
<i><u>Infrastructure Necessary for Lots 1-5A (No Rail)</u></i>			
Overlay 18th Ave North from 52nd St to end of Lot 5A	\$272,614	\$35,416	\$308,030.00
Extend Water from Existing Termination to end of Lot 5A	\$130,202	\$19,530	\$149,732.00
Extend Gravity Sewer and Force Main to end of Lot 5A	\$158,125	\$26,881	\$185,006.00
Stormwater Pond and 18th Ave Ditch Reconstruction	\$167,401	\$31,806	\$199,207.00
Private Utility Extensions to serve Lots 1 thru 10	\$129,030	\$0	<u>\$129,030.00</u>
Subtotal			\$971,005.00
Construct Rail to Serve Lots 1 thru 8 except Lot 5A	\$3,079,588	\$585,329	\$3,664,917.00
<i><u>Infrastructure Necessary for Lot 6</u></i>			
Overlay 18th Ave North from end of Lot 5A to end of Lot 6	\$29,101	\$4,947	\$34,048.00
Water Main Extension from end of Lot 5A to end of Lot 6	\$83,026	\$14,114	\$97,140.00
Extend Gravity Sewer and Force Main to end of Lot 6	\$56,913	\$14,797	\$71,710.00
Wastewater Lift Station	\$291,800	\$75,868	\$367,668.00
Subtotal			\$570,566.00
<i><u>Infrastructure Necessary for Lots 7-10 including Rail Improvements</u></i>			
Reconstruct 67th St N for Lots 7 thru 10	\$567,812	\$77,429	\$645,241.00
Water Main Extension for Lots 7 thru 10	\$106,260	\$26,565	\$132,825.00
Extend Gravity Sewer Main to serve Lots 7 thru 10	\$107,943	\$14,720	\$122,663.00
Construct Rail to Serve Lots 9 - 10	\$638,250	\$44,400	<u>\$682,650.00</u>
Subtotal			\$1,583,379.00
Total			\$6,789,867.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Overlay 18th Ave North from 52nd St to end of Lot 5A

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	5,000.00	5,000.00
102	2" TH Asphalt Overlay	21005	SY	10.40	218,452.00
103	Tack Coat	2521	GAL	4.00	10,084.00
104	Traffic Control	1	LS	7,000.00	7,000.00
105	Striping - White Paint	3467	SF	0.75	2,600.00
106	Striping - Yellow Paint	3437	SF	0.75	2,577.75
107	Stop Bar	2	EA	80.00	160.00
108	RR Crossing Symbol	2	EA	300.00	600.00
109	Helmeted Bicyclist Symbol	8	EA	40.00	320.00
110	Directional Arrow	8	EA	40.00	320.00
111	Signs - Sheet Alum Refl Sht IV	33	SF	60.00	1,980.00
112	Poles - Treated Timber Class 4	64	LF	55.00	3,520.00
113	Miscellaneous Work	20000	EA	1.00	<u>20,000.00</u>
				Subtotal	\$272,614.00
				Construction Engineering (4%)	10,905.00
				City Inspection (4%)	10,905.00
				Contingency (5%)	<u>13,631.00</u>
				Total Estimated Construction Cost	\$308,060.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Extend Water from Existing Termination to End of Lot 5A

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
104	16-Inch PVC Water Main	978	LF	60.00	58,680.00
106	16-Inch Valve and Valve Box	1	EA	4,500.00	4,500.00
107	Fire Hydrant Assembly	6	EA	4,500.00	27,000.00
108	Fittings	1090	LB	8.00	8,720.00
109	Type 2 Pipe Bedding	100	CY	25.00	2,500.00
110	Extend Open Cut 24" Encasement Pipe	30	LF	350.00	10,500.00
112	Connect to Existing Water Main	1	LS	5,000.00	5,000.00
114	Surface Restoration	895	LF	2.00	1,790.00
115	Miscellaneous Work	6512	EA	1.00	<u>6,512.00</u>
				Subtotal	\$130,202.00
				Construction Engineering (5%)	6,510.00
				City Inspection (5%)	6,510.00
				Contingency (5%)	<u>6,510.00</u>
				Total Estimated Construction Cost	\$149,732.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Extend Gravity Sewer and Force Main to end of Lot 5A

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>ESTIMATED QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>ESTIMATED TOTAL PRICE</u>
101	Mobilization	1	LS	5,000.00	5,000.00
102	8-Inch Sanitary Sewer Main	1017	LF	50.00	50,850.00
104	Sewer Force Main Pipe Bend	3	EA	800.00	2,400.00
105	48" Sanitary Sewer Manhole	3	EA	3,200.00	9,600.00
106	Sewer Force Main Slipped into Existing	1221	LF	25.00	30,525.00
107	Sewer Force Main	1017	LF	50.00	50,850.00
108	Type 2 Pipe Bedding	30	CY	30.00	900.00
137	Miscellaneous Work	1	LS	8,000.00	<u>8,000.00</u>
				Subtotal	\$158,125.00
				Construction Engineering (5%)	7,906.00
				City Inspection (5%)	7,906.00
				Contingency (7%)	<u>11,069.00</u>
				Total Estimated Construction Cost	\$185,006.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Lot 10 and 18th Ave N Storm Water Facilities

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Mobilization and Permits	1	LS	10,000.00	10,000.00
18th Ave Ditch Grading	1800	LF	11.00	19,800.00
18th Ave Ditch Check Dams	1030	LF	13.50	13,905.00
Pond Excavation and Embankment	3200	CY	12.00	38,400.00
24" RCP Culvert	72	LF	58.00	4,176.00
Drainage Swale w/ Check Dams	320	LF	30.00	9,600.00
Hydraulic Structures	2	EA	14,000.00	28,000.00
Access Road from 67th St	350	LF	44.00	15,400.00
Salvage and Replace Topsoil	850	CY	12.00	10,200.00
Seeding and Fertilizing	2.1	AC	5,200.00	10,920.00
Miscellaneous Work	7,000	EA	1.00	<u>7,000.00</u>
			Subtotal	\$167,401.00
			Design Engineering (6%)	10,044.00
			Construction Engineering (7%)	11,718.00
			Contingency (6%)	<u>10,044.00</u>
			Total Estimated Construction Cost	\$199,207.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Private Utility Extensions to serve Lots 1 thru 10

Work Item	Quantity	Units	Unit Cost	Total Cost
Communications (3 Rivers - Quote for Fiber)	1	LS	\$28,500.00	\$28,500.00
Natural Gas (Energy West)	1	LS	\$38,700.00	\$38,700.00
Electricity (Northwestern Energy)	1	LS	\$15,000.00	\$15,000.00
Communications (Optimum and Century Link to provide quotes)	1	LS	\$30,000.00	<u>\$30,000.00</u>
			Subtotal	\$112,200.00
			Contingency (15%)	<u>\$16,830.00</u>
			Total Estimated Construction Cost	<u>\$129,030.00</u>

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Rail Serving Lots 1- 6 same cost as Lots 1- 8 (except Lot 5A)

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Mobilization	1	LS	\$30,000	\$30,000.00
Earthwork to Reroute Existing Track at Mainline Connection	1,400	LF	\$46	\$64,400.00
Relocate 16" Water Main at Track Realignment	500	LF	\$60	\$30,000.00
Extend Water Main Encasement Pipe	35	LF	\$350	\$12,250.00
Track (115 lb track)	6,350	LF	\$200	\$1,270,000.00
Runaround siding (2,000 LF capacity)	2,268	LF	\$200	\$453,600.00
No. 9-115 lb turnout (runaround, crossover switches)	4	EA	\$65,000	\$260,000.00
Road Crossing Surface	2	EA	\$72,000	\$144,000.00
Crossing Signals	1	EA	\$270,000	\$270,000.00
Double Switch Point Derail	1	EA	\$30,000	\$30,000.00
Culverts, Seeding	1	LS	\$18,000	\$18,000.00
Miscellaneous Work	1	LS	\$80,000	\$80,000.00
			Subtotal	\$2,662,250.00
				\$18,000.00
		Signal Design and Inspection		\$133,113.00
		Engineering (5%)		<u>\$266,225.00</u>
		Contingency (10%)		
			Subtotal	\$3,079,588.00

Sole Source BNSF Railway Costs - Lots 1 thru 8 (except Lot 5A)

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
BNSF Mainline Switch	1	LS	\$185,005	\$185,005.00
Mainline Switch Heater and Power	1	LS	\$62,000	\$62,000.00
BNSF Reroute of Existing Mainline at Connection	1,400	LF	\$242	<u>\$338,324.00</u>
			BNSF Subtotal	\$585,329.00
			Total	\$3,664,917.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Overlay 18th Ave North for Lot 6

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	2" TH Asphalt Overlay	2002	SY	10.80	21,621.60
102	Tack Coat	240	GAL	7.00	1,680.00
103	Striping - White Paint	213	SF	0.75	159.75
104	Striping - Yellow Paint	213	SF	0.75	159.75
105	Stop Bar	1	EA	80.00	80.00
106	Helmeted Bicyclist Symbol	2	EA	40.00	80.00
107	Directional Arrow	2	EA	40.00	80.00
105	Stop Bar	1	EA	80.00	80.00
106	Helmeted Bicyclist Symbol	2	EA	40.00	80.00
107	Directional Arrow	2	EA	40.00	80.00
108	Miscellaneous Work	1	LS	5,000.00	<u>5,000.00</u>
				Rounded Subtotal	29,101.00
				Construction Engineering (5%)	1,455.00
				City Inspection (5%)	1,455.00
				Contingency (7%)	<u>2,037.00</u>
				Total Estimated Construction Cost	<u>\$34,048.00</u>

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Water Main Extensions for Lot 6

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	10,000.00	10,000.00
103	12-Inch PVC Water Main	120	LF	54.00	6,480.00
104	16-Inch PVC Water Main	335	LF	65.00	21,775.00
105	12-Inch Valve and Valve Box	1	EA	3,400.00	3,400.00
106	16-Inch Valve and Valve Box	1	EA	4,800.00	4,800.00
107	Fire Hydrant Assembly	2	EA	5,600.00	11,200.00
108	Fittings	1162	LB	8.00	9,296.00
109	Type 2 Pipe Bedding	30	CY	30.00	900.00
114	Surface Restoration	455	LF	5.00	2,275.00
115	Miscellaneous Work	12000	EA	1.00	<u>12,000.00</u>
				Subtotal	83,026.00
				Construction Engineering (5%)	4,151.00
				City Inspection (5%)	4,151.00
				Contingency (7%)	<u>5,812.00</u>
				Total Estimated Construction Cost	\$97,140.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Wastewater Lift Station and Lot 6 Sanitary Sewer Main Extension

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	20,000.00	20,000.00
102	8-Inch Sanitary Sewer Main	379	LF	55.00	20,845.00
103	48" Sanitary Sewer Manhole	1	EA	3,200.00	3,200.00
104	Sewer Force Main	360	LF	55.00	19,800.00
105	Type 2 Pipe Bedding	50	CY	30.00	1,500.00
106	Trench Surface Restoration	1	LS	1,500.00	1,500.00
107	Trench Plugs	3	EA	70.00	210.00
108	Trench Insulation	328	LF	6.00	1,968.00
109	Submersible Lift Station Equipment & Installation	1	LS	32,000.00	32,000.00
110	2" Sch 80 PVC Drain Pipe	12	LF	80.00	960.00
111	2" Curb Stop with Box	1	EA	460.00	460.00
112	9' Diameter Concrete Wet-Well	1	EA	24,000.00	24,000.00
113	Lift Station & Valve Vault Excavation	1	LS	32,000.00	32,000.00
114	Lift Station & Valve Vault Backfill	1	LS	8,500.00	8,500.00
115	4" Ductile Iron Pipe	1	LS	5,000.00	5,000.00
116	6" Ductile Iron Discharge Pipe & Fittings	48	LF	70.00	3,360.00
117	8" Ductile Iron Forcemain Pipe & Fittings	5	LF	180.00	900.00
118	4" Plug Valve	1	EA	1,500.00	1,500.00
119	6" Plug Valve	2	EA	2,000.00	4,000.00
120	6" Check Valve	2	EA	2,800.00	5,600.00
121	Pre-cast Concrete Valve Vault	1	EA	16,000.00	16,000.00
122	Miscellaneous Pipe Supports	1	LS	4,500.00	4,500.00
123	Aluminum Hatch	1	EA	3,200.00	3,200.00
124	Lift Station Site Grading & Restoration	1	LS	5,500.00	5,500.00
125	14" Gravel Access Road and Parking	480	SY	30.00	14,400.00
126	Geotextile Separation Fabric	400	SY	2.00	800.00
127	Bollard	3	EA	700.00	2,100.00
128	Electrical Service, Panels & Installation	1	LS	32,000.00	32,000.00
129	Lift Station Controls & Communication	1	LS	36,000.00	36,000.00
130	Miscellaneous Work	1	LS	50,000.00	50,000.00

Subtotal \$351,803.00

Construction Engineering (6%) 21,108.00

City Inspection (10%) 35,180.00

Contingency (10%) 35,180.00

Total Estimated Construction Cost **\$443,271.00**

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Reconstruct 67th St N for Lots 7 thru 10

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	8,000.00	8,000.00
102	Excavation and Embankment	3500	CY	14.00	49,000.00
103	Topsoil	700	CY	16.00	11,200.00
104	Special Borrow	3600	CY	32.00	115,200.00
105	Gravel Base Course	800	CY	38.00	30,400.00
106	Geotextile Fabric	8340	SY	2.00	16,680.00
107	5" Asphalt Surfacing	2350	TN	110.00	258,500.00
108	Striping - White Paint	2,900	SF	0.75	2,175.00
109	Striping - Yellow Paint	1,450	SF	0.75	1,087.50
110	Helmeted Bicyclist Symbol	4	EA	40.00	160.00
111	Directional Arrow	4	EA	40.00	160.00
112	Sign Panel - Aluminum Type IV	22	SF	60.00	1,320.00
113	Sign Post - 4" Timber	42	LF	55.00	2,310.00
114	Miscellaneous Work	1	LS	20,000.00	<u>20,000.00</u>
				Subtotal	\$516,192.50
				Contingency (10%)	51,619.00
				Construction Engineering (15%)	<u>77,429.00</u>
				Total Estimated Construction Cost	\$645,241.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Water Main Extensions for Lots 7 thru 10

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
102	6-Inch PVC Water Main	5	LF	32.00	160.00
103	12-Inch PVC Water Main	1200	LF	52.00	62,400.00
104	12-Inch Valve and Valve Box	2	EA	3,400.00	6,800.00
105	Fire Hydrant Assembly	3	EA	5,500.00	16,500.00
106	Fittings	500	LB	8.00	4,000.00
107	Type 2 Pipe Bedding	40	CY	25.00	1,000.00
108	Surface Restoration	1200	LF	2.00	2,400.00
109	Miscellaneous Work	8000	EA	1.00	<u>8,000.00</u>
				Subtotal	106,260.00
				Contingency (10%)	10,626.00
				Engineering and City Inspection (15%)	<u>15,939.00</u>
				Total Estimated Construction Cost	<u>\$132,825.00</u>

AGRITECH PARK - CONSTRUCTION COST ESTIMATE

Extend Gravity Sewer Main to serve Lots 7 thru 10

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
102	8-Inch Sanitary Sewer Main	1171	LF	55.00	64,405.00
103	48" Sanitary Sewer Manhole	3	EA	3,800.00	11,400.00
104	6" Sewer Service	4	EA	3,500.00	14,000.00
105	Type 2 Pipe Bedding	40	CY	30.00	1,200.00
106	Trench Surface Restoration	1	LS	3,500.00	3,500.00
107	Miscellaneous Work	1	EA	8,438.00	<u>8,438.00</u>
				Subtotal	\$107,943.00
				Engineering and City Inspection (8.5%)	9,323.00
				Contingency (5%)	<u>5,397.00</u>
				Total Estimated Construction Cost	\$122,663.00

AGRITECH PARK - CONSTRUCTION COST ESTIMATE
Rail Serving Lots 9-10

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
<u>Construct Rail to Serve Lots 9 and 10</u>				
Track (115 lb track)	2,050	LF	200.00	410,000.00
Earthwork	1	LS	20,000.00	20,000.00
Road Crossing Surface	1	EA	65,000.00	65,000.00
Double switch point Derail	1	EA	30,000.00	30,000.00
Miscellaneous Work	1	LS	30,000.00	<u>30,000.00</u>
			Subtotal	\$555,000.00
			Construction Engineering (8%)	\$44,400.00
			Contingency (15%)	<u>\$83,250.00</u>
			Total	\$682,650.00



**CITY OF GREAT FALLS
TAX INCREMENT FINANCING APPLICATIONS
CRITERIA FOR REVIEW**

Materials contained in TIF applications are used to assess the merits of projects in relation to the goals and objectives of the appropriate district plan. To measure the public benefit derived from the project, the City evaluates projects based on the following criteria. Each district development is judged on its own merit; therefore, no weight is given to any of the criteria. The City Commission may establish additional criteria per district that would provide specific funding priorities.

1. Public Infrastructure Improvements – Public infrastructure improvements have the benefit of improving and impacting an entire district. Each district may have its own Capital Improvement Plan, which may include things such as roadway improvements, storm drains, sewer and water lines, railroads, etc.
2. Economic Stimulus – The amount of economic activity to be generated within the district through the development is assessed, as well as the leverage ratio of public to private investment. In general, the maximum limit of participation in any one development is 10% of the construction/rehabilitation costs, exclusive of acquisition cost.
3. Development projects clearly demonstrating extraordinary benefit to districts or the community may, at the discretion of the City Commission, receive additional TIF assistance for eligible items. All applications should contain credible, measurable information substantiating the project’s economic stimulus in the district and the community.
4. Tax Generation – The increase in taxable value due to new district development, including construction/rehabilitation, as estimated by the County Assessor’s office to determine tax increment generation.
5. Employment Generation – Total employment generated by the district development as assessed in terms of new permanent and part-time jobs, and construction jobs.
6. Elimination of Blight (applies to Urban Renewal Districts) – The development’s direct and indirect impact on the physical and fiscal deterioration within the appropriate district and the community, as identified in the appropriate district plan.
7. Special or Unique Opportunities – The extent to which the district’s development represents a unique opportunity, meets a special need, or addresses specific district or community goals. The restoration of a historic property or the provision of an unmet community need is an example of special and unique opportunities.
8. Impact Assessment – The extent of both positive and negative environmental impacts, appropriateness of the development’s project design, and impact on existing businesses or residents.

9. Financial Assistance – Other forms of financing available to the Applicant. Lender participation, industrial development revenue bonds, and state and federal grant monies, for example, are examined to assess the need for TIF assistance.
10. Development's Feasibility – A determination of feasibility is made based on the strength of the Applicant's demonstration of market demand for the development in the district as contained primarily on the pro forma and financing commitments.
11. Developer Ability to Perform – An assessment of the Applicant's capability to undertake the relative complexities of the development based on past performance on similar projects.
12. Timely Completion – The feasibility of completing the development according to the Applicant's development schedule.
13. Payment of Taxes – All property taxes, special improvement district assessments, and other assessments on the project property must be paid to date.

Montana Code Annotated 2014

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7-15-4288. Costs that may be paid by tax increment financing. The tax increments may be used by the local government to pay the following costs of or incurred in connection with an urban renewal area or targeted economic development district as identified in the urban renewal plan or targeted economic development district comprehensive development plan:

- (1) land acquisition;
- (2) demolition and removal of structures;
- (3) relocation of occupants;
- (4) the acquisition, construction, and improvement of public improvements or infrastructure, including streets, roads, curbs, gutters, sidewalks, pedestrian malls, alleys, parking lots and offstreet parking facilities, sewers, sewer lines, sewage treatment facilities, storm sewers, waterlines, waterways, water treatment facilities, natural gas lines, electrical lines, telecommunications lines, rail lines, rail spurs, bridges, publicly owned buildings, and any public improvements authorized by Title 7, chapter 12, parts 41 through 45; Title 7, chapter 13, parts 42 and 43; and Title 7, chapter 14, part 47, and items of personal property to be used in connection with improvements for which the foregoing costs may be incurred;
- (5) costs incurred in connection with the redevelopment activities allowed under [7-15-4233](#);
- (6) acquisition of infrastructure-deficient areas or portions of areas;
- (7) administrative costs associated with the management of the urban renewal area or targeted economic development district;
- (8) assemblage of land for development or redevelopment by private enterprise or public agencies, including sale, initial leasing, or retention by the local government itself at its fair value;
- (9) the compilation and analysis of pertinent information required to adequately determine the needs of the urban renewal area or targeted economic development district;
- (10) the connection of the urban renewal area or targeted economic development district to existing infrastructure outside the area or district;
- (11) the provision of direct assistance to secondary value-adding industries to assist in meeting their infrastructure and land needs within the area or district; and
- (12) the acquisition, construction, or improvement of facilities or equipment for reducing, preventing, abating, or eliminating pollution.

History: En. 11-3921 by Sec. 1, Ch. 287, L. 1974; amd. Sec. 1, Ch. 452, L. 1975; amd. Sec. 2, Ch. 532, L. 1977; amd. Sec. 31, Ch. 566, L. 1977; R.C.M. 1947, 11-3921(part); amd. Sec. 1, Ch. 147, L. 1981; amd. Sec. 9, Ch. 712, L. 1989; amd. Sec. 1, Ch. 737, L. 1991; amd. Sec. 1, Ch. 500, L. 1993; amd. Sec. 2, Ch. 269, L. 1999; amd. Sec. 16, Ch. 114, L. 2003; amd. Sec. 7, Ch. 566, L. 2005; amd. Sec. 5, Ch. 394, L. 2009; amd. Sec. 11, Ch. 214, L. 2013.

Provided by Montana Legislative Services