

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. 9801, entitled: "RESOLUTION OF INTENTION TO APPROVE THE FEDERAL COURTHOUSE/4TH AVENUE NW PROJECT AS AN URBAN RENEWAL PROJECT AND TO AUTHORIZE FINANCING PUBLIC IMPROVEMENTS WITH TAX INCREMENT REVENUES 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 meeting on November 18, 2008, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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 Commission Members voted in favor thereof: _____
_____; voted against
the same: _____; abstained from voting thereon: _____
_____; or were absent: _____.

WITNESS my hand officially this _____ day of _____, 2008.

Lisa Kunz, City Clerk

RESOLUTION NO. 9801

RESOLUTION OF INTENTION TO APPROVE THE FEDERAL COURTHOUSE/4TH AVENUE NW PROJECT AS AN URBAN RENEWAL PROJECT AND TO AUTHORIZE FINANCING PUBLIC IMPROVEMENTS WITH TAX INCREMENT REVENUES 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 March 20, 2007, the Great Falls City Commission (the “Commission”) adopted Amended Ordinance 2967 to create and approve the West Bank Urban Renewal District (the “District”) and Plan (the “Plan”), which contains a tax increment financing provision to help fund rehabilitation and redevelopment projects within the District.

1.02. BC Development of Kansas City, Missouri (the “Developer”) is in the process of constructing a 64,133 square foot building which will be leased to the United States General Accounting Office (the “GAO”) for use as the Federal Courthouse (the “Federal Courthouse”). Construction of the Federal Courthouse is expected to be completed and available for occupancy in early summer 2009. The Developer and the GAO have entered into a lease which among other things provides that notwithstanding the federal government’s use of the Federal Courthouse, it will be subject to real and personal property tax which will be paid by the Developer as Lessor. The construction and installation of certain public improvements were necessary for the development of the Federal Courthouse, in particular the extension of the City’s water main to serve the Federal Courthouse and the reconstruction of 4th Ave NW as more particularly described below.

1.03. The Plan identified a number of projects that were needed in order to facilitate the development of the District in general including: undertaking a survey of the historical and cultural resources in the District to assure preservation and enhancements in the redevelopment of the District (the “Historical & Cultural Inventory Study”); various improvements to the City’s West Bank Park including various improvements to the City’s West Bank Park including improved access, parking lot, fire protection, landscaping, and rehabilitation of facilities; the 4th Avenue NW Reconstruction Project consisting of a track crossing and rail signals, realignment and reconstruction of 4th Avenue NW, including land acquisition; improvements to the intersection with 3rd Street NW; the extension and looping of the City’s water main to connect 3rd Street NW to Central Avenue West and the Federal Courthouse; relocation of existing utilities; and cleanup as necessary of contaminated soils (the “Brownfield Cleanup”) (collectively, the “Public Projects”) (together with the Federal Courthouse, the “Federal Courthouse / 4th Avenue NW Project”).

1.04. City Staff has determined that the Public Projects are eligible for tax increment financing in accordance with the Act and the purpose and goals of the District and Plan and should be approved as urban renewal projects and that tax increment revenues, to the extent available, be used to fund them.

1.05. The Commission desires to act on the recommendations of the City Staff to approve the Courthouse/4th Ave NW Project as an urban renewal project, to use tax increment financing to pay the costs of the Public Projects and to make certain preliminary findings with respect to the Federal Courthouse/4th Avenue NW Project.

Section 2. The Federal Courthouse and the Public Projects.

2.01. The estimated costs of completing the Federal Courthouse, exclusive of any costs of the Public Projects described in Section 1.04, is \$16,400,000.

2.02. The Public Projects. The City Staff has estimated that costs of designing, engineering, constructing and implementing the Public Projects is approximately \$2,214,291.

Section 3. Preliminary Findings.

The Commission hereby finds, with respect to the Courthouse/4th Ave NW Project, as follows:

- a) no persons will be displaced from their housing by the Courthouse/4th Ave NW Project;
- b) the Courthouse/4th Ave NW Project substantially meets the purpose and goals of the District and Plan;
- c) the Courthouse/4th Ave NW Project will be beneficial to the public and will result in the rehabilitation and redevelopment of the District;
- d) the Courthouse/4th Ave NW Project conforms to the City's Growth Policy;
- e) the Courthouse/4th Ave NW Project affords maximum opportunity consistent with the sound needs of the City as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise; and
- f) there is a feasible and workable plan of financing for the Courthouse/4th Ave NW Project as more particularly described in Section 4 hereof.

Section 4. Plan of Financing. It is necessary and desirable that the City proceed with the undertaking of the Public Projects so that certain improvements coincide with the development of the Federal Courthouse. City Staff working with D.A. Davidson, the City's underwriter, have projected based on the estimated costs of the Federal Courthouse, its estimated taxable value and the existing number of mills levied in the District, that the Federal Courthouse will generate tax increment revenues over the term of 25 years sufficient to amortize approximately \$2,000,000 of tax increment revenue bonds.

Section 5. City's Intention. It is the City's intention, subject to the information presented at the public hearing, to approve the Federal Courthouse/4th Avenue NW Project as an urban renewal project to issue tax increment revenue bonds of the District to pay the costs of the Public Projects in such amounts as can be supported by the increment anticipated to be generated by the Federal Courthouse. The bonds will be payable over a term of 25 years (the "Bonds") through a negotiated sale to D.A. Davidson. In the event all of the approved Public Projects cannot be funded from the proceeds of the Bonds, remaining projects will be funded from tax increment revenues as received.

Section 6. Public Hearing. A public hearing is hereby called and shall be held on December 2, 2008 at 7:00 p.m. in the City Commission Chambers at 2 Park Drive South, Great Falls, Montana regarding the Federal Courthouse/4th Avenue NW Project and the use of tax increment revenue to finance the costs of the Public Projects.

Section 7. Notice. Notice of the public hearing shall be published in the *Great Falls Tribune* on November 23 and November 30, 2008, in substantially the form attached as Exhibit A hereto (which is incorporated by reference and made a part hereof).

Passed by the City Commission of the City of Great Falls, Montana, this 18th day of November, 2008.

Dona R. Stebbins, Mayor

Attest: _____
Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT

City Attorney

EXHIBIT A

NOTICE OF PUBLIC HEARING ON WEST BANK URBAN RENEWAL PLAN
TO APPROVE A CERTAIN PROJECT AS AN URBAN RENEWAL 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 (the Courthouse/4th Ave NW Project) as an Urban Renewal Project in the West Bank Urban Renewal District (the “District”) and the financing of certain public projects with tax increment revenues on December 2, 2008 at 7:00 p.m. in the City Commission Chambers at 2 Park Drive South, Great Falls, Montana.

BC Development of Kansas City, Missouri (the “Developer”) is in the process of constructing a 64,133 square foot building which will be leased to the United States General Accounting Office (the “GAO”) for use as the Federal Courthouse (the “Federal Courthouse”). The city has identified certain public improvements and public projects that need to be undertaken by the City in order to facilitate the development of the Federal Courthouse and the redevelopment of the District as follows: undertaking a survey of the historical and cultural resources in the District to assure preservation and enhancements in the redevelopment of the District; various improvements to the City’s West Bank Park including various improvements to the City’s West Bank Park including improved access, parking lot, fire protection, landscaping, and rehabilitation of facilities; the 4th Avenue NW Reconstruction Project consisting of a track crossing and rail signals, realignment and reconstruction of 4th Avenue NW, including land acquisition; improvements to the intersection with 3rd Street NW; the extension and looping of the City’s water main to connect 3rd Street NW to Central Avenue West and the Federal Courthouse; relocation of existing utilities; and cleanup as necessary of contaminated soils (collectively, the “Public Projects”). The City in consultation with D.A. Davidson, its underwriter, has estimated, based on the estimated costs and taxable value of the Federal Courthouse and the number of mills levied in the District, that approximately \$2,000,000 of tax increment revenue bonds payable from tax increment revenues generated in the District payable over a term of 25 years can be issue to finance the Public Projects (the “Bonds”). The Commission has set forth its intention to issue Bonds to finance the Public Projects in the principal amount that can be supported by the tax increment. 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: November 18th, 2008.

Lisa Kunz, City Clerk

Publication Dates: November 23, 2008
 November 30, 2008