

CERTIFICATE AS TO ORDINANCE AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Missoula, Montana (the "City"), hereby certify that the attached ordinance is a true copy of an Ordinance entitled: "ORDINANCE AMENDING THE URBAN RENEWAL DISTRICT III PLAN FOR URBAN RENEWAL DISTRICT III TO INCLUDE ADDITIONAL PROPERTY IN THE DISTRICT, INCORPORATING THE NEEDS ASSESSMENT REPORT INTO THE URBAN RENWAL PLAN, AND APPROVING PROJECTS AS URBAN RENEWAL PROJECTS FOR THE DISTRICT" (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 Council of the City at a regular meeting on October 26, 2015 and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Ordinance has not as of the date hereof been amended or repealed.

WITNESS my hand and seal officially this 26th day of October, 2015.

(SEAL)



/s/ Martha L. Rehbein

City Clerk

I further certify that the Ordinance was duly adopted by the City Council of the City at a regular meeting on November 9, 2015, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Ordinance has not as of the date hereof been amended or repealed.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 Council members voted in favor thereof: Emily Bentley, Ed Childers, Jordan Hess, Marilyn Marler, Mike O'Herron, Alex Taft, Bryan von Lossberg; voted against the same: Patrick Weasel Head, Jason Wiener, Jon Wilkins; abstained from voting thereon: Adam Hertz; or were absent: Annelise Hedahl.

WITNESS my hand and seal officially this 9th day of November, 2015.

(SEAL)

/s/ Martha L. Rehbein

City Clerk



ORDINANCE NO. 3557

ORDINANCE AMENDING THE URBAN RENEWAL DISTRICT III
PLAN FOR URBAN RENEWAL DISTRICT III TO INCLUDE
ADDITIONAL PROPERTY IN THE DISTRICT, INCORPORATING
THE NEEDS ASSESSMENT REPORT INTO THE URBAN RENWAL
PLAN, AND APPROVING PROJECTS AS URBAN RENEWAL
PROJECTS FOR THE DISTRICT

BE IT ORDAINED by the City Council (the “Council”) of the City of Missoula, Montana (the “City”) as follows:

Section 1. Recitals.

1.01. On July 29, 2015, the Council directed the Missoula Redevelopment Authority (the “MRA”) to conduct a study to determine if conditions of blight exist or warrant prevention at the Southgate Mall located generally at 2901 Brooks Street, Missoula, Montana (the “Mall Property”) and within the five blocks west of Eaton Street between Livingston and Agnes Avenues, including the Mary Avenue right-of-way ending at Reserve Street (collectively with the Mall Property, the “Property”), as described on Exhibit A hereto.

1.02. The MRA conducted a study and prepared a Statement of Blight dated October 16, 2015 to document the existence of blight within the Property and found that blight (as defined in Section 7-15-4206(2) of the Act (as hereinafter defined)) exists within the Property. The MRA also found that the Property is at risk for future blight conditions, including physical dilapidation, unsanitary or unsafe conditions, and deterioration if the Property were to fall into decline.

1.03. The MRA found that the redevelopment of the Property addresses and meets the goals laid out in the Urban Renewal Plan with respect to transportation, community and public facilities, commercial development and residential development.

1.04. The Council, pursuant to Resolution No. 8013 adopted on October 26, 2015, confirmed the findings of the MRA and declared that blight exists within the Property and the Property is at risk for future blight conditions under the definition contained in Section 7-15-4206(2) of the Act and that the rehabilitation and redevelopment, or combination thereof, of the Property in accordance with Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”), is necessary, desirable and in the interest of the public health, safety and welfare of the residents of the City.

1.05. On October 26, 2015, the Council declared its intention to modify the District boundaries to include the Property within the District, and has given notice and conducted a public hearing with respect thereto. The Act provides that a municipality may amend an urban renewal plan by ordinance for purposes of amending the boundaries of the District pursuant to the procedures set forth in Sections 7-15-4212 through 7-15-4219 of the Act.

Section 2. Finding of Blight. The Council hereby confirms the findings in Resolution No. 8013 adopted on October 26, 2015, that the Property is blighted within the meaning of Section 7-15-4206(2) of the Act and that the rehabilitation and redevelopment, or combination

thereof, of that general area in accordance with the Act is necessary, desirable and in the interest of the public health, safety and welfare of the residents of the City. The Council also confirms the findings in Resolution No. 8013 that the Property is at risk for future blight conditions if the Property were to fall into decline.

Section 3. Modification of the District Boundaries. The Council hereby modifies the boundaries of the District as defined by the Ordinance to include the Property in the District.

Section 4. Conformity with the Urban Renewal Plan. For redevelopment purposes, the Property is comparable to adjacent contiguous land within the boundaries of the original District, and the redevelopment of the Property is consistent with the Urban Renewal Plan and the City's growth policy and is zoned for use in accordance therewith. All goals, objectives and statements within the Urban Renewal Plan (as heretofore or hereafter amended) regarding the District shall hereinafter include the Property.

Section 5. Tax Increment Authorization. The Urban Renewal Plan contains a provision for the use of tax increment financing for the District. The provision for the use of tax increment financing for the District shall be expanded to include the Property and be administered pursuant to Section 7-15-4282 through 7-15-4292 of the Act.

Section 6. Needs Assessment Report and Urban Renewal Projects. The *Curb & Sidewalk Needs Assessment and Probable Cost of Construction Report* attached hereto as Exhibit A (the "Needs Assessment Report") was prepared in accordance with the Urban Renewal Plan and is a detailed study of the transportation deficiencies in the District. The Needs Assessment Report identifies and recommends certain public infrastructure projects for the District, consisting primarily of curb, gutter, sidewalk and transportation network improvements (the "District Projects"), in order to improve the transportation system in the District. The goal of the District Projects is to encourage private investment and redevelopment in the District.

Southgate Mall Associates (the "Developer") has proposed to undertake a multi-phase redevelopment of the Southgate Mall located generally at 2901 Brooks Street, Missoula, Montana. The redevelopment is intended to create a mixed-use, walkable neighborhood center, including housing, retail, entertainment and other services (the "Mall Project"). The Developer also requests that the City pay for or reimburse costs of the Mall Project that are eligible for tax increment financing under Section 7-15-4288 of the Act (the "Infrastructure Improvements"). Such Infrastructure Improvements include, but are not limited to, construction of public streets (including sidewalks, traffic signals and related improvements), multi-use pedestrian and bicycle trails, public parks, parking improvements, utility improvements, façade improvements, landscape improvements, acquisition of public right-of-ways, and related demolition work, all in accordance with the Act.

On October 26, 2015, the Council declared its intention to modify the Urban Renewal Plan to incorporate the Needs Assessment Report, approve the District Projects as urban renewal projects for the District, and approve the Mall Project as an urban renewal project for the District, and has given notice and conducted a public hearing with respect thereto.

Section 7. Findings. The Council hereby finds as follows:

(a) no persons will be displaced from their housing by the District Projects or the Mall Project;

(b) the Urban Renewal Plan, as modified to include the Needs Assessment Report, the District Projects and the Mall Project, conforms to the City's growth policy;

(c) the Urban Renewal Plan, as modified to incorporate the Needs Assessment Report, the District Projects and the Mall Project, will afford maximum opportunity, consistent with the needs of the City as a whole, for the rehabilitation or redevelopment in the District by private enterprise; and

(d) sound and adequate financial programs will exist for the District Projects and the Infrastructure Improvements using tax increment of the District, taking into account the tax increment revenue of the District expected to be received by the City and available to pay debt service.

Section 8. Modification of Urban Renewal Plan. The Council hereby approves, ratifies and confirms modification of the Urban Renewal Plan to incorporate the Needs Assessment Report in its entirety into the Urban Renewal Plan and to designate the District Projects and the Mall Project as urban renewal projects within, and under, and to be undertaken pursuant to the Urban Renewal Plan. All actions of the Council heretofore taken with respect to the District Projects and the Mall Project, to the extent not inconsistent herewith, are hereby ratified and confirmed.

Section 9. Conflict with Other Ordinances and Resolutions. All parts of ordinances and resolutions in conflict herewith are hereby repealed.

Section 10. Codification. This Ordinance is not to be codified in the Missoula Municipal Code.

Section 11. Effective Date. The effective date is thirty (30) days after final adoption of this Ordinance on second reading. This Ordinance shall be in full force and effect on December 9, 2015.

ADOPTED this 9th day of November, 2015.

/s/ John Engen

Mayor

Attest: /s/ Martha L. Rehbein
City Clerk



STATE OF MONTANA
COUNTY OF MISSOULA
CITY OF MISSOULA }
} ss

I hereby certify that the above and foregoing instrument is
a true and correct copy of Ordinance 3557
as the same appears upon the records of my office as City
Clerk for the City of Missoula, Montana.

Date:

12/1/15
Deputy City Clerk
City of Missoula

EXHIBIT A TO ORDINANCE
PROPERTY TO BE INCLUDED IN THE DISTRICT

Area 1:

THE AREA BOUNDED BY THE SOUTH RIGHT-OF-WAY LINE OF LIVINGSTON AVENUE, THE WEST RIGHT-OF-WAY LINE OF EATON STREET, THE NORTH RIGHT-OF-WAY LINE OF AGNES AVENUE, AND THE WEST RIGHT-OF-WAY LINE OF CLARK STREET, INCLUDING THE FULL RIGHT-OF-WAY OF MARY STREET BETWEEN CLARK STREET AND RESERVE STREET, AND THE EXTENSION OF THE NORTH RIGHT-OF-WAY LINE AND THE SOUTH RIGHT-OF-WAY LINE OF MARY STREET TO THE WEST RIGHT-OF-WAY LINE OF RESERVE STREET, ALL LOCATED IN THE NORTH HALF OF SECTION 32 TOWNSHIP 13 NORTH, RANGE 19 WEST, PRINCIPAL MERIDIAN, MONTANA.

Area 2:

AMENDED TRACT 1 AND TRACT 1-A OF SOUTH GATE MALL NO. 1 AMENDED PLAT OF TRACT "1"; AND TRACTS 2 AND 3 OF SOUTHGATE MALL NO. 1; ALL ON FILE AND OF RECORD IN MISSOULA COUNTY, MONTANA, LOCATED IN NORTH HALF OF SECTION 32 TOWNSHIP 13 NORTH, RANGE 19 WEST, PRINCIPAL MERIDIAN, MONTANA, CONTAINING 48.6 ACRES MORE OR LESS.

EXHIBIT B TO ORDINANCE
NEEDS ASSESSMENT REPORT