

CERTIFICATE AS TO RESOLUTION 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 resolution is a true copy of Resolution No. _____ entitled: **“Resolution relating to Missoula Local Government Building Special District; Declaring it to be the intention of the City Council to create a special district to provide for the acquisition, ownership, improvement, maintenance, operation and administration of the Federal Building located at 200 East Broadway”** (the “Resolution”), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a meeting on September 26, 2022 and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council members voted in favor thereof: _____

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

WITNESS my hand officially this 26th day of September, 2022.

Martha L. Rehbein
City Clerk

RESOLUTION NO. _____

Resolution relating to Missoula Local Government Building Special District; Declaring it to be the intention of the City Council to create a special district to provide for the acquisition, ownership, improvement, maintenance, operation and administration of the Federal Building located at 200 East Broadway

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

Section 1. Authorization. Pursuant to Montana Code Annotated, Title 7, Chapter 11, Part 10, as amended (the “Act”), local governments are authorized to create special districts whenever the public convenience and necessity may require, and a combination of local governments are authorized to create special districts together, to be administered by interlocal agreement. Under the Act, a “special district” may be authorized by law to perform a single function or a limited number of functions. The Act further authorizes the entity administering a special district to, among other things, implement a program and order improvements designed to fulfill the purposes of the special district, and to borrow money by the issuance of general obligation bonds or revenue bonds for the lease, purchase, improvement and maintenance of land, facilities and buildings and the funding of projects. The governing body of a local government creating a special district is required by the Act to make assessments or impose fees for the costs of the special district, and to levy such assessments against the benefited lots or parcels of land within the special district.

Section 2. Necessity of Proposed Special District. The City and Missoula County, Montana (the “County”) are each in need of additional office, administrative and operational space. In addition, the City and County believe that co-locating City and County services will improve public services as well as provide various cost efficiencies.

The Missoula Federal Building, located at 200 E. Broadway, Missoula, Montana (the “Federal Building”), is an important landmark in the City and the County and was listed in the National Register of Historic Places in 1979. In 2020, the U.S. General Services Administration (“GSA”) published a Notice of Surplus Determination announcing its intention to dispose of the Missoula Federal Building and the City and County submitted a joint letter of interest in acquiring the property under 40 U.S.C. 550(h), the Historic Surplus Property Program.

In early 2020, the City and County did extensive diligence to determine the condition of the Federal Building and the costs and benefits of acquiring and redeveloping the Federal Building as compared to constructing new City and County buildings or, for the City, ad hoc leasing or attempting to renovate the existing City Hall. The City and County each concluded that rehabilitation of the Federal Building would be a more desirable and cost-effective choice than any alternative.

Following such determination, the City applied on behalf of the City and the County to GSA and National Parks Service (“NPS”) to receive the Federal Building as a historic monument

transfer, and have entered into an interlocal agreement to pursue joint ownership of the Federal Building and to begin designing the rehabilitation of the Federal Building. GSA and NPS currently expect to transfer title of the Federal Building in late 2022. Under the federal regulations pertaining to historic monument transfer, the City and the County must designate a single legal entity to receive title to the Federal Building. Therefore, to provide for the acquisition, ownership, improvement, maintenance, operation and administration of the Federal Building (after transfer of ownership, to be referred to as the “Missoula Local Government Building”), the City finds it necessary and desirable to, jointly with the County, create a special district under the Act.

Section 3. Intention To Create Special District. Pursuant to Section 7-11-1007 of the Act, and following an initial public hearing held on September 27, 2022 to consider the creation of the District, this City Council hereby states its intention to create and establish in the City a special district (the “District”) under the Act for the purpose of providing a single legal entity to acquire and own the Missoula Local Government Building, and to provide a means of financing the improvement, maintenance, operation and administration of the Missoula Local Government Building, and to pay costs incidental thereto, including costs associated with the sale and security of special district bonds to benefit the District that may be issued in one or more series and issued at one time or from time to time (the “Bonds”).

Section 4. Name of District; Boundaries. The District, if the same shall be created and established, shall be known and designated as the “Missoula Local Government Building Special District.” The limits and boundaries of the District are depicted on the map attached as Exhibit A hereto, and would be coterminous with the boundaries of the land on which the Missoula Local Government Building is situated. The legal description of the boundaries of the District are set forth at the bottom of the map on Exhibit A hereto. Currently the United States of America is the only owner of real property included within the proposed District. Following transfer of title of the Missoula Local Government Building from the United States of America to the District, the District will be the owner of all real property included within the proposed District.

Section 5. Governance; Duration. In accordance with Section 7-11-1022 of the Act, the District will be administered according to an interlocal agreement between the City and the County (the “Interlocal Agreement”), substantially in the form attached hereto as Exhibit B. Pursuant to and as set forth in the Interlocal Agreement, the administrative body of the District (as further described in the Interlocal Agreement, the “Administrative Body”) will consist of representatives of each of the City and the County. The duration of the District shall be perpetual, provided that, if no Bonds are outstanding and the City Council determines that it is in the best interest of the City’s inhabitants or that the purpose of the District has been fulfilled, the Board of County Commissioners of the County and City Council may dissolve the District in accordance with the Act and the Interlocal Agreement.

Section 6. General Character of Improvements; Location of Proposed Improvements. The City and the County expect to improve the Missoula Local Government Building in phases over time. The general character of the first phase of improvements generally consists of renovating and rehabilitating the Missoula Local Government Building for use as a co-located City Hall and County administration building and related improvements and costs. Additional

phases of improvements may be undertaken from time to time in accordance with the Act and the Interlocal Agreement.

All improvements and programs undertaken in connection with the District will be located at or around the Missoula Local Government Building.

Section 7. Method of Financing; Assessment Methodology. The City and the County expect that the District may issue Bonds as revenue bonds under the Act and in accordance with the provisions of Title 7, Chapter 7, Part 25 and Title 7, Chapter 7, Part 44, M.C.A., to fund all or a portion of the costs of improvements to the Missoula Local Government Building and any associated costs. The City and County may finance improvements in other ways as well, including using grant funds, lease-purchase financing, general obligation bonds, and any other lawful means of financing. The City and County expect that the District will include in its annual budget ongoing costs of operation and routine maintenance of the Missoula Local Government Building; however, the City and the County may make other arrangements for costs associated with the Missoula Local Government Building.

Bonds, if issued, and ongoing costs of operation and routine maintenance of the Missoula Local Government Building that are included in the annual budget of the District, shall be payable from assessments to be levied against the property in the District. Each year, the Administrative Body shall propose a budget for the District, which shall include those items set forth in the Interlocal Agreement. Based on the budget proposed by the Administrative Body, the County shall levy assessments against property in the District each year for the costs and expenses of the District. The costs of the District shall be assessed equally to each lot or parcel within the District. The City and County may determine to pay costs of operation and routine maintenance of the District through this annual budget and assessment process for the District, or may determine to pay such costs in other ways. If Bonds are issued, debt service with respect to such Bonds would be included in the District's annual budget and assessed against the property in the District.

Upon transfer of title from GSA and NPS, the District will be the only owner of real property in the District. The costs of any assessments levied against the real property of the District will be allocated between the City and the County as set forth in the Interlocal Agreement. The City will pay any assessments allocated to it with respect to the District from revenues derived from its levy of mills across taxable property in the City, subject to the limitation set forth in Montana Code Annotated, Section 15-10-420, as amended, and/or such other sources of revenues as the City may identify. No assessments shall be levied with respect to the District unless and until the United States of America transfers title to the Missoula Federal Building to the District.

Section 8. Maximum Rate or Amount of Initial Assessments. The initial assessments are expected to be levied in the maximum amount of \$700,000, which is expected to be allocated 50% to the City and 50% to the County. The Administrative Body may adjust subsequent assessments, to include adjustments that cause assessments to be greater or less than the maximum amount of the initial assessments.

Section 9. Notice of Passage of Resolution of Intention. The City Clerk is hereby authorized and directed to publish or cause to be published a copy of a notice of the passage of this resolution in the *Missoulian*, a newspaper of general circulation in the County, on October 2 and October 9, 2022, substantially in the form attached hereto as Exhibit C. In addition, the City will mail or cause to be mailed a copy of such notice together with a protest form, substantially in the form attached hereto as Exhibit D, to each owner or purchaser under contract for deed of the properties subject to potential assessment, fees, or taxation within the proposed District, on September 30, 2022.

Section 10. Public Hearing; Protests. At any time within sixty (60) days from either the date of the first publication of the notice of passage of the Resolution of Intention or the date the protest form was sent to property owners, whichever is later, any owner or purchaser under contract for deed of the properties subject to potential assessment, fees, or taxation within the proposed District may make and file with the County Clerk and Recorder/Treasurer of the County until 5:00 p.m., M.T., on the expiration date of said 60-day period (December 1, 2022), written protest against the proposed creation or the District.

This City Council will, at a duly called public hearing, proceed to hear all such protests so made and filed; which said public hearing will be held on December 5, 2022 at 6:00 p.m., in person in the City Council chambers at 140 West Pine Street or virtually, with instructions to join the meeting by computer or phone available on the agenda published on the City's website. Following the public hearing, the City Council will pass upon the protests, and, if the protests are insufficient, the City Council is expected to create the District.

PASSED AND ADOPTED by the City Council of the City of Missoula, Montana, this
26th day of September, 2022.

Jordan Hess
Mayor

Attest:

Martha L. Rehbein
City Clerk

EXHIBIT A

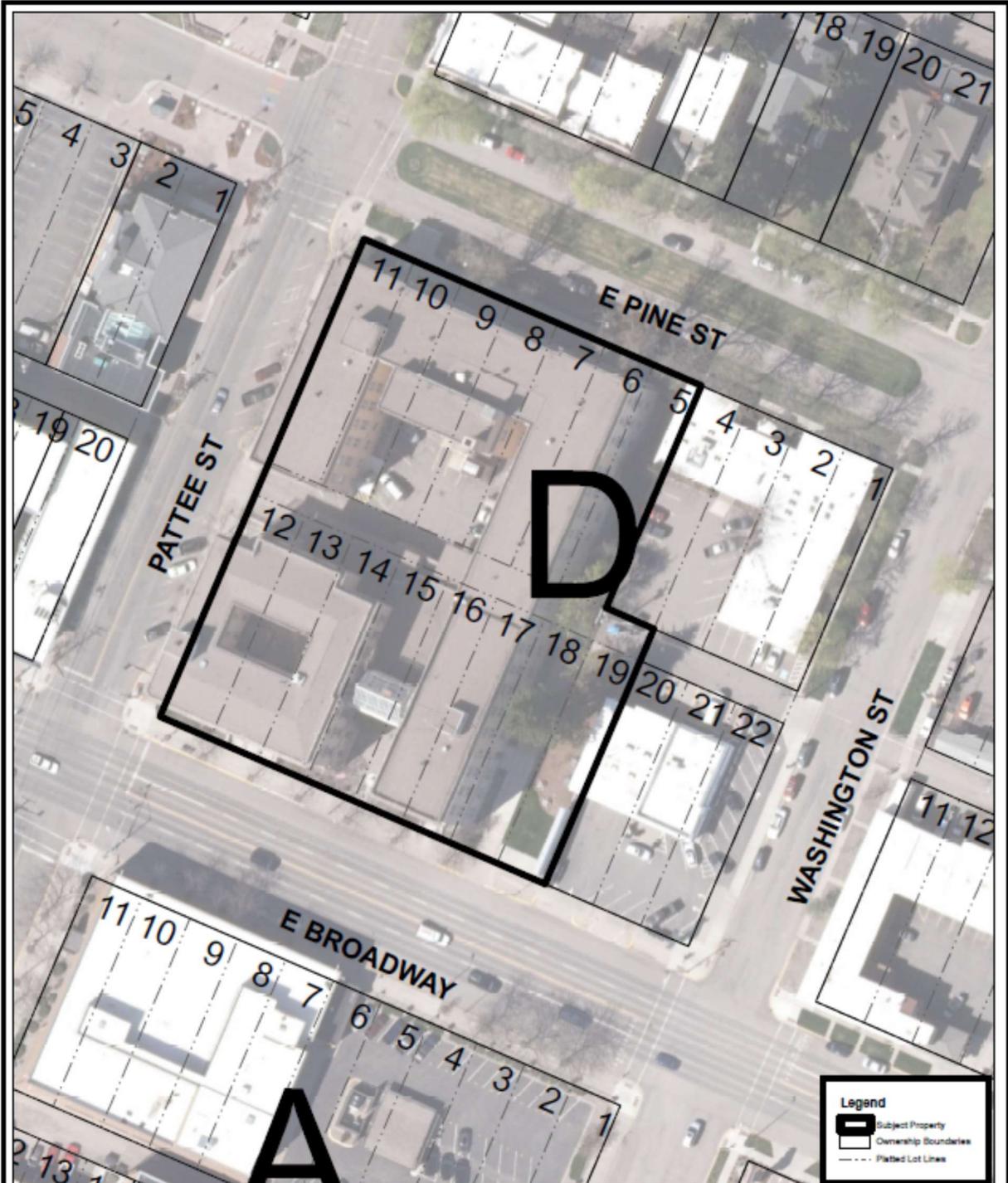
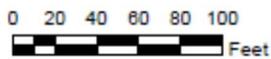


EXHIBIT "A"



Lots 5-19 Block D C.P. Higgins Addition
Section 22, T.13 N., R.19 W., P.M.M.



EXHIBIT B

[Form of Interlocal Agreement]

Interlocal Agreement for the Administration of the Missoula Local Government Building Special District

THIS AGREEMENT is made and entered into by and between the **CITY OF MISSOULA, MONTANA**, a municipal corporation organized and existing under the laws of the State of Montana, 435 Ryman Street, Missoula, Montana 59802, hereinafter referred to as “City,” and **MISSOULA COUNTY, MONTANA**, 200 W. Broadway Avenue, Missoula, Montana 59802, hereinafter referred to as “County,” collectively referred to as “Parties.”

RECITALS

1. On or about June 28, 2021, the City, on behalf of the Parties, applied to the National Park Service (“NPS”) and General Services Administration (“GSA”) to receive the Missoula Federal Building located at 200 East Broadway Street (“Federal Building”) as a historic monument transfer; and
2. Pursuant to NPS and GSA regulations governing historic monument transfers, the City and County must designate a single legal entity to receive title to the building; and
3. The Parties desire to create a Special District pursuant to 7-11-1001, et seq., Montana Code Annotated (“MCA”), that will serve as the single legal entity to receive and hold title to the Federal Building (the Special District is hereinafter referred to as the “Missoula Local Government Building Special District”) and which may undertake such activities as the improvement, maintenance, operation and administration of the Missoula Local Government Building; and
4. The Parties now wish to enter into a joint Interlocal Agreement to outline rights, duties, obligations, and responsibilities of the Parties with respect to the Missoula Local Government Building Special District.

AGREEMENT

Pursuant to the authority granted by 7-11-104, MCA and 7-11-1022, MCA, the parties hereto agree as follows:

1. **Purpose:** The purpose of this Agreement is to establish the rights, duties, obligations, and responsibilities of each party to this Agreement with respect to the Missoula Local Government Building Special District.

2. **Effective Date:** This Agreement will become effective with respect to Missoula Local Government Building Special District upon the action by the governing bodies of each Party to pass a resolution ordering the creation of the Special District encompassing the Federal Building property; however, Sections 6, 7, 8, 10, 11, 18 and 19 shall not become effective until fee title ownership of the Federal Building is transferred to the Missoula Local Government Building Special District. In the event that fee title ownership of the Federal Building is not transferred by NPS and GSA to the Missoula Local Government Building Special District within 1 year of the creation of the Missoula Local Government Building Special District, the Parties may terminate this Agreement by resolution of the City Council and Board of County Commissioners.
3. **Duration:** This Agreement will remain in place until such time as it is amended, terminated in accordance with Section 2, or upon the dissolution of the Missoula Local Government Building Special District in accordance with this Agreement and state law.
4. **Special District:** This Agreement applies to the following described property:

Lots 5-19 and the adjacent vacated alley, Block D, C.P. Higgins Addition to the City of Missoula, Missoula County, Montana, according to the official plat thereof on file and of record in the Missoula County Clerk and Recorder's Office. ("the Property" or "Federal Building Property").

The unit of local government created by the resolution creating the Missoula Local Government Building Special District and administered pursuant to this Agreement shall be a Special District, governed by the provisions of Part 10, Chapter 11, Title 7, MCA.

5. **Administrative Body of the Special District:** The Missoula Local Government Building Special District shall be administered and operated by one representative of each governing jurisdiction. Unless otherwise directed by resolution of that Party's governing body, the representatives shall be the Chief Administrative Officer of the City and the Chief Administrative Officer of the County, referred to herein as the "Administrative Body". The Administrative Body shall have all powers and duties with respect to the Local Government Building Special District as described in Part 10, Chapter 11, Title 7, MCA.
6. **Fiscal Agent:** The County will be the fiscal agent with respect to the Local Government Building Special District and will provide all the necessary administrative and accounting services. The Missoula Local Government Building Special District financial information will be audited at the same time as the fiscal agent undergoes its regular audits. The Fiscal Agent shall reflect and charge the district's budget the reasonable costs for work performed for the special district.

7. Financing and Budget:

- a. *Budget Components:* The budget for the administration of the Missoula Local Government Building Special District will consist of the following:
 - i. Maintenance and operation of the Property, including any insurance coverage purchased by the Missoula Local Government Building Special District;
 - ii. Legal and other professional fees related to the Missoula Local Government Building Special District;
 - iii. Payment of debt service and any other amounts owing with respect to any indebtedness or contractual obligations of the Missoula Local Government Building Special District;
 - iv. Such additional appropriations as approved by the City Council and Board of County Commissioners from time to time;
 - v. Any revenue which is derived from operation of the building, such as leases.

- b. *Budget Approval:* Each year, the Administrative Body shall present the proposed budget for approval by the City Council and the Board of County Commissioners. The budget may be adopted at a joint City-County public meeting, or it may be approved by each Party separately. The proposed budget presentation for the Missoula Local Government Building Special District must include the following (if applicable):
 - i. The rental fees derived from the Property.
 - ii. Provision for payment of debt service and any other amounts owing with respect to indebtedness or other contractual obligations of the Missoula Local Government Building Special District.
 - iii. Changes to the square footage allocations for the Federal Building.
 - iv. Proposed maintenance and improvement projects.
 - v. Proposed acquisitions of tangible property.
 - vi. Recommended budget priorities.
 - vii. Recommended financing for each proposed project or acquisition.
 - viii. Proposed policies and procedures for operation of the Missoula Local Government Building Special District.

- c. *Assessments:* Following approval of the budget by the City Council and Board of County Commissioners, the County shall levy assessments, or, if applicable, impose fees, for the costs and expenses of the Missoula Local Government Building Special District, based on the approved budget. Costs shall be assessed equally against each lot or parcel of land within the Missoula Local Government Building Special District. The Missoula Local Government Building Special District is the only owner of property within the Missoula Local Government Building Special District, and, except as described under (e)(ii) below, all assessments against the Missoula Local Government Building Special District will be paid by the Parties based on the Allocation of Costs (as hereinafter defined).

- d. *Budget Amendments:* All mid-year budget amendments are subject to approval by the City Council and the Board of County Commissioners.

 - e. *Loan Financing:*
 - i. The Administrative Body will seek approval from Missoula City Council and the Board of County Commissioners for any financing benefiting the joint areas of the Property.
 - ii. If any project or purchase proposed is by one Party, and that project or purchase is recommended to be financed through a loan or other financing mechanism, the Administrative Body will determine which Party will be responsible for repayment of the loan based on the benefit provided by the project/purchase. Assessments levied against the Missoula Local Government Building Special District to make such loan payments will be allocated to the Party responsible for the loan, unless an alternative arrangement is reached by the Administrative Body. The Property cannot be used to secure any such loan; however, this restriction shall not be construed to prevent lease purchase financing.
- 8. Allocation of Costs:** Each Party will pay an annually allocated share of ongoing joint building-related costs and of the assessments to be levied against the Missoula Local Government Building Special District as described in Section 7 based upon their respective square footage of separate office area as it relates to the combined square footage of both separate office areas, with the County's share at 50 percent and the City's share at 50 percent (hereinafter referred to as the "Allocation of Costs") unless and until the Administrative Body shall make a different determination. This Allocation of Costs governs each Party's share of the costs of shared or common space on the Property. In the event of disagreement whether a cost is attributable to the separate office area costs outlined below, or included in the joint-building related costs, a third party with expertise in architectural design shall be commissioned by the Administrative Body to make a recommendation to the Administrative Body.
- 9. Contractual Agreements:** The Administrative Body will enter into any contractual agreements necessary for joint operation, administration, maintenance, or improvement of the Federal Building following the procurement process adopted by the Administrative Body. All bid awards are subject to approval by the Administrative Body. Unless otherwise agreed to in writing by the City and County, all contract costs shall be allocated based upon the Allocation of Costs.
- 10. Leases to Third Parties:** The Administrative Body may recommend leasing such portion of the Federal Building as may be appropriate to third parties. All leases must be in writing and approved by the Administrative Body before any portion of the Federal Building may be leased. All lease agreements must contain provisions with respect to the tenant's rights and responsibilities regarding leasehold improvements. Revenue from leases must be applied to building operations, maintenance, repair, redevelopment, historic preservation

or capital improvements. Any revenues from joint areas of the building will be applied to costs of owning and operating the building prior to and without regard for Allocation of Costs. Any revenues from areas allocated to either the City or County separately shall be credited to the costs allocated to that party. Any Party seeking to lease a portion of their separate office area shall first offer the space to the other Party for their operational use prior to offering it to non-Parties. If tax-exempt financing has been utilized with respect to the Missoula Local Government Building Special District, the Administrative Body will consult with Bond Counsel prior to leasing any portion of the Federal Building to any third party.

11. Insurance: Each Party shall provide insurance coverage for official actions or inactions of their officers, employees, or agents, as well as the personal property of each Party within the building. Liability insurance shall be procured by the Missoula Local Government Building Special District to protect the entity from any and all claims for bodily injury, including death, and property damage arising out of the use or operation of the Federal Building. This liability insurance policy shall be primary and not seek contribution from insurance held by the City or County. The policy shall name the City and County as loss payee's. The Missoula Local Government Building Special District must also obtain fire, casualty, and extended coverage insurance for the building and any fixtures attached thereto in an amount not less than the estimated replacement cost of the building and the fixtures, and the insurance shall name the City and County as loss payee's. Insurance premiums will be paid out of the Missoula Local Government Building Special District budget and shall be assessed to each Party based on the Allocation of Costs.

12. Indemnification: County shall defend, indemnify and hold harmless the City, its employees and agents, from all claims, liabilities, demands, causes of action or judgments, including costs and attorney fees, asserted by or awarded to third parties as a result of any negligent action or omission or willful misconduct of County, its employees or agents, occasioned, growing out of, or in any way arising from the Parties participation in this Agreement.

City shall defend, indemnify and hold harmless County, its employees and agents, from all claims, liabilities, demands, causes of action or judgments, including costs and attorney fees, asserted by or awarded to third parties as a result of any negligent action or omission or willful misconduct of the City, its employees or agents, occasioned, growing out of, or in any way arising from the Parties participation in this Agreement.

13. Records Access and Retention: Parties agree to provide to each other access to any records created, obtained, or maintained by the Parties with respect to the Properties.

14. Supersedes all Prior Agreements: This Agreement replaces and supersedes any and all prior agreements between the Parties with respect to the Property.

15. Dispute Resolution: In the event the Administrative Body is unable to resolve any

disagreement concerning the operation and management of the Missoula Local Government Building Special District, or the interpretation of this Agreement, the Administrative Body shall cause the matter to be heard by each Parties' Governing Body, which shall attempt to finally resolve the matter. In the event the Governing Bodies are unable to informally resolve the matter, the Parties shall submit to binding mediation, to be conducted by a mediator jointly selected by the Parties.

16. No Assignment, Transfer, or Delegation: Neither Party may assign, transfer, or delegate, their rights, duties, or obligations pursuant to this Agreement without prior express written consent of the other Party.

17. Amendments in Writing: All amendments to this Agreement must be in writing and executed by all parties to this Agreement and are subject to approval by the City Council and the Board of County Commissioners.

18. Dissolution of the Missoula Local Government Building Special District: Either party may initiate dissolution of the Missoula Local Government Building Special District after first providing 180 days written notice of such intent to the other party. Such notice shall include a record of the governing body's decision to pursue dissolution, and shall be provided by post to the governing body of the other party. Dissolution of the Missoula Local Government Building Special District must be pursuant to § 7-11-1029, MCA, as amended, and any other applicable state law. The dissolution of the Missoula Local Government Building Special District may not relieve the Parties from the assessment and payment of a sufficient amount to liquidate all charges and indebtedness existing against the Missoula Local Government Building Special District prior to the date of dissolution.

a. Negotiated Separation. At the time a party gives notice of an intent to dissolve, the parties shall attempt to negotiate an amicable separation that addresses: ongoing ownership of the Property; outstanding debts of the Missoula Local Government Building Special District; any payments needing to be made; and any other issues necessary to resolve and wind up the Special District. If both parties agree that it is beneficial to keep the Special District intact, the party desiring to dissolve could instead negotiate the sale of its interest in the Federal Building pursuant to the process laid out in this Section, with that Party remaining as a member of the Special District but with its allocation of costs and share of the benefits and burdens reduced to zero, or some other mutually agreed upon figure, along with other necessary amendments to this Interlocal as mutually agreed to.

b. Accounting of Contributions. In the event the parties are unable to come to an amicable separation, the parties shall engage a third-party accounting firm that shall be charged with identifying each party's capital contributions to the Missoula Local Government Building Special District as best as can reasonably be determined according to Generally Accepted Accounting Principles ("GAAP"). During any such process, no value shall be associated with the building or the Property itself (as it was acquired for nominal consideration), only the contributions made by the parties to the improvement and rehabilitation of the Property shall be considered

fiscal contributions, net of depreciation calculated in accordance with GAAP. A party may not initiate dissolution under § 7-11-1029, MCA, as amended, until the value of the dissolving party's capital contribution to the Missoula Local Government Building Special District has been determined. The capital contributions identified through this effort shall be deemed to provide the value of each party's interest in the Property. In conducting this effort, the following understandings shall control the accounting process:

- i. The third-party accounting firm shall make all judgments relative to the materiality threshold of any errors or omissions using the GAAP definition of materiality.
 - ii. The third-party accounting firm shall utilize the straight-line method to calculate depreciation.
 - iii. The third-party accounting firm shall determine the useful life of assets based on Appendix B of IRS Publication 946: How to Depreciate Property.
 - iv. The parties shall annually exchange capital investment schedules pertinent to the Federal Building.
- c. Payment of Dissolving Party's Interest. Subject to the authority and procedures in § 7-8-101, MCA, as amended, a party who passes a resolution dissolving the Missoula Local Government Building Special District is entitled to the full value of that Party's depreciated capital contribution to the Property, as determined in above, that must be paid in annual installments over a period of years to be set the discretion of the non-dissolving party according to a long-term financing instrument, which shall be subject to appropriations, but in no event shall the payment period be longer than 21 years. The parties shall execute a settlement agreement containing the payment terms identified herein. Upon execution of the settlement agreement and making the initial (first year) cash payment 90 days after the dissolution resolution, the dissolving party must quit claim its interest in the Property to the other party.
- d. Sale of the Federal Building Property. In the event the non-dissolving party determines it is unwilling or unable to make the payment(s) outlined above, the parties shall endeavor to sell the Property prior to dissolving the Missoula Local Government Building Special District. Such a sale may occur using any means available in state law, but the sale must comply with any applicable restrictions imposed by the National Park Service or any other restrictions imposed by federal law. Upon sale of the Property, proceeds of the sale will be split according to the value of each party's interest as determined above. If tax-exempt financing has been utilized with respect to the Missoula Local Government Building Special District, the Parties will consult with Bond Counsel prior to selling any portion of the Federal Building to any third party.

19. Termination of Agreement: So long as the Property is owned by the Missoula Local Government Building Special District, this Agreement can only be terminated upon the written agreement of both Parties.

20. Governing Law and Venue: This Agreement and any extensions hereof shall be governed and construed in accordance with the laws of the State of Montana. If a dispute arises, the proper venue for the hearing of the case is the District Court of the Fourth Judicial District of the State of Montana, in and for Missoula County.

21. Headings: The section headings contained in this Agreement are for reference purposes only and do not affect the meaning or interpretation of the Agreement.

22. Severability: If any term or provision of this Agreement is held to be illegal, void or in conflict with any Montana law, the validity of the remaining terms and conditions shall not be affected. The rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the part held to be invalid.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above written.

FOR THE CITY OF MISSOULA:

By: _____
Jordan Hess, Mayor

ATTEST:

APPROVED AS TO FORM:

By: _____
Martha L. Rehbein, CMC

By: _____
Jim Nugent, City Attorney

FOR MISSOULA COUNTY:

_____ Date: _____
Josh Slotnick, Commissioner

_____ Date: _____
David Strohmaier, Commissioner

_____ Date: _____
Juanita Vero, Commissioner

EXHIBIT C

[Form of Notice to be Published]

NOTICE OF PASSAGE OF RESOLUTION OF INTENTION TO CREATE A SPECIAL DISTRICT TO PROVIDE FOR THE ACQUISITION, OWNERSHIP, IMPROVEMENT, MAINTENANCE, OPERATION AND ADMINISTRATION OF THE FEDERAL BUILDING LOCATED AT 200 EAST BROADWAY

CITY OF MISSOULA, MONTANA AND MISSOULA COUNTY, MONTANA

NOTICE IS HEREBY GIVEN that on September 26, 2022 and September 27, 2022, the City Council of the City of Missoula, Montana (the “City”) and the Board of County Commissioners of Missoula County, Montana (the “County”), respectively, in each case following an initial public hearing, each adopted a Resolution of Intention to create a special district to be called the Missoula Local Government Building Special District (the “District”) to provide for the acquisition, ownership, improvement, maintenance, operation and administration of the Missoula Federal Building, located at 200 East Broadway in the City (following transfer of title to the District, the “Missoula Local Government Building”).

A complete copy of the City’s resolution of intention is on file with the City Clerk and a complete copy of the County’s resolution of intention is on file with County Clerk and Recorder/Treasurer. The resolutions more specifically describe the necessity of creating the District, the governance for the District, the general character of proposed improvements, method of financing costs of the improvements and other related matters. The boundaries of the District will be coterminous with the property boundaries of the land on which the Missoula Local Government Building is situated. The initial assessments are expected to be levied in the maximum amount of \$3,000,000, which is expected to be allocated 50% to the City and 50% to the County. No assessments shall be levied with respect to the District unless and until title to the Missoula Federal Building is transferred to the District.

The City and County will each hold a public hearing on the proposed creation of the District.

The City’s public hearing will be held on December 5, 2022 at 6:00 p.m., in person at 140 West Pine Street or virtually, with instructions to join the meeting by computer or phone available on the agenda published on the City’s website.

The County’s public hearing will be held on December 8, 2022 at 2:00 p.m., in person in the Sophie Moiese Room of the Missoula County Courthouse or virtually, with instructions to join the meeting by computer or phone available on the agenda published on the County’s website.

A written protest against the creation of the District may be made only by an owner of the property to be included in the District and must be made in accordance with Section 7-11-1008, Montana Code Annotated. Such protest must be delivered to the [County Clerk and

Recorder/Treasurer, Missoula County, 200 W Broadway, Missoula, MT 59802] not later than 5:00 p.m., M.T., on December 1, 2022.

Further information regarding the proposed District may be obtained from John Adams at 435 Ryman Street, Missoula, MT 59802, or by telephone at (406) 552-6397, or Mel Fisher at 200 W. Broadway, Missoula, MT 59802, or by telephone at (406) 258-3399.

BY ORDER OF THE CITY COUNCIL OF THE CITY OF MISSOULA AND THE BOARD OF COUNTY COMMISSIONERS OF MISSOULA COUNTY, MONTANA

Publish: *Missoulian*, October 2 and October 9, 2022.

EXHIBIT D

[Form of Notice and Protest Form to be Mailed]

NOTICE OF PASSAGE OF RESOLUTION OF INTENTION TO CREATE A SPECIAL DISTRICT TO PROVIDE FOR THE ACQUISITION, OWNERSHIP, IMPROVEMENT, MAINTENANCE, OPERATION AND ADMINISTRATION OF THE FEDERAL BUILDING LOCATED AT 200 EAST BROADWAY

CITY OF MISSOULA, MONTANA AND MISSOULA COUNTY, MONTANA

NOTICE IS HEREBY GIVEN that on September 26, 2022 and September 27, 2022, the City Council of the City of Missoula, Montana (the “City”) and the Board of County Commissioners of Missoula County, Montana (the “County”), respectively, in each case following an initial public hearing, each adopted a Resolution of Intention to create a special district to be called the Missoula Local Government Building Special District (the “District”) to provide for the acquisition, ownership, improvement, maintenance, operation and administration of the Missoula Federal Building, located at 200 East Broadway in the City (following transfer of title to the District, the “Missoula Local Government Building”).

A complete copy of the City’s resolution of intention is on file with the City Clerk and a complete copy of the County’s resolution of intention is on file with County Clerk and Recorder/Treasurer. The resolutions more specifically describe the necessity of creating the District, the governance for the District, the general character of proposed improvements, method of financing costs of the improvements and other related matters. The boundaries of the District will be coterminous with the property boundaries of the land on which the Missoula Local Government Building is situated. The initial assessments are expected to be levied in the maximum amount of \$3,000,000, which is expected to be allocated 50% to the City and 50% to the County. No assessments shall be levied with respect to the District unless and until title to the Missoula Federal Building is transferred to the District.

The City and County will each hold a public hearing on the proposed creation of the District.

The City’s public hearing will be held on December 5, 2022 at 6:00 p.m., in person at 140 West Pine Street or virtually, with instructions to join the meeting by computer or phone available on the agenda published on the City’s website.

The County’s public hearing will be held on December 8, 2022 at 2:00 p.m., in person in the Sophie Moiese Room of the Missoula County Courthouse or virtually, with instructions to join the meeting by computer or phone available on the agenda published on the County’s website.

Any written protest against the creation of the District must be made in accordance with Section 7-11-1008, Montana Code Annotated, and may be in the form set forth below:

I, _____, am the owner of the property:

(i) located at _____

[address of property]

Or

(ii) the legal description of which is _____

[legal description of property].

I support / oppose the creation of the District described above.

Signed:

[Any protest must be signed by a majority of the owners of the property the protest relates to.]

Such protest must be delivered to the County Clerk and Recorder/Treasurer, Missoula County, 200 W Broadway, Missoula, MT 59802 not later than 5:00 p.m., M.T., on December 1, 2022.

Further information regarding the proposed District may be obtained from John Adams at 435 Ryman Street, Missoula, MT 59802, or by telephone at (406) 552-6397, or Mel Fisher at 200 W. Broadway, Missoula, MT 59802, or by telephone at (406) 258-3399.

BY ORDER OF THE CITY COUNCIL OF THE CITY OF MISSOULA AND THE BOARD OF COUNTY COMMISSIONERS OF MISSOULA COUNTY, MONTANA

Mail: September 30, 2022