

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 Authorizing the Issuance and Sale of \$9,800,000 Principal Amount of Tax Increment Senior-Subordinate Urban Renewal Revenue Bonds (North Reserve – Scott Street Urban Renewal District), Consisting of \$4,202,000 Series 2024A and \$5,598,000 Series 2024B, in Connection With the Ravara Project; Prescribing the Form and Terms Thereof and the Security Therefor; Approving a Development Agreement and Disbursement Agreement in Connection Therewith; and Amending Resolution No. 8031**" (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 on June 10, 2024, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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 and seal officially this 10th day of June, 2024.

(SEAL)

City Clerk

RESOLUTION NO. _____

Resolution Authorizing the Issuance and Sale of \$9,800,000 Principal Amount of Tax Increment Senior-Subordinate Urban Renewal Revenue Bonds (North Reserve – Scott Street Urban Renewal District), Consisting of \$4,202,000 Series 2024A and \$5,598,000 Series 2024B, in Connection With the Ravara Project; Prescribing the Form and Terms Thereof and the Security Therefor; Approving a Development Agreement and Disbursement Agreement in Connection Therewith; and Amending Resolution No. 8031

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

Section 1. Recitals; Authorization; Previous Approvals.

1.01. Authorization. Under Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”), the City is authorized to create urban renewal areas, prepare and adopt an urban renewal plan therefor and amendments thereto, undertake urban renewal projects therein, provide for the segregation and collection of tax increment with respect to property taxes collected in such areas, issue its bonds to pay the costs of such projects and to refund bonds previously issued under the Act and pledge to the repayment of the bonds the tax increment and other revenues derived from projects undertaken within the urban renewal area. Infrastructure costs, including costs of workforce housing, are eligible to be paid from tax increment or proceeds of tax increment revenue bonds.

1.02. Prior City Actions. Pursuant to the Act and Ordinance No. 3534, adopted by the Council on August 24, 2014, as amended by Ordinance Nos. 3550, 3556 and 3698, adopted by the Council on July 20, 2015, November 2, 2015 and May 23, 2022, respectively, the City has created the City of Missoula North Reserve – Scott Street Urban Renewal District as an urban renewal area (the “District”) and has approved the City of Missoula North Reserve – Scott Street Urban Renewal Plan (the “Plan”) as an urban renewal plan. The Plan provides for the segregation and collection of tax increment revenues with respect to the District in accordance with the provisions of the Act.

Pursuant to the Act and Resolution No. 8031, adopted by the Council on December 14, 2015 (the “Original Resolution”), as amended and supplemented by Resolution Nos. 8229 and 8443, adopted by the Council on December 11, 2017 and August 3, 2020, respectively, the City has issued its Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2015, in the maximum principal amount of \$1,364,400 (the “Series 2015 Bond”), its Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve—Scott Street Urban Renewal District), Series 2017, in the maximum principal amount of \$723,514 (the “Series 2017 Bond”), and its \$6,604,000 Tax Increment Senior-Subordinate Urban Renewal Revenue Bonds (North Reserve - Scott Street Urban Renewal District), consisting of \$3,302,000 Series 2020A and \$3,302,000 Taxable Series 2020B (together, the “Series 2020 Bonds”). The Original Resolution, as previously amended and supplemented and as further amended and supplemented by this resolution, is collectively

referred to herein as the “Resolution.” Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Resolution.

1.03. The Ravara Project. The Plan states that goals for the District include promoting economic development and achieving urban density mixed land uses, including by preparing properties for redevelopment by facilitating land assemblage and property transfer, supporting rehabilitation and upgrading of commercial and industrial properties to increase expansion of mixed-use opportunities, and supporting development of affordable housing opportunities.

The City previously purchased approximately 19 acres of property located along the west side of Scott Street and adjacent to the current City Shops property, the eastern portion of which has been subdivided in preparation for redevelopment into: Tract 1, 1.88 acres of public right-of-way for Charlo and Shakespeare Streets; Tract 2, an approximately 3-acre parcel to be used for the development of income-qualified and market housing; and Tract 3, a 5.16 acre parcel to be developed for mixed uses including market-rate housing.

In February 2021, the City and Ravara Development, LLC (the “Developer”) executed a letter of intent relating to the development of the eastern portion of the Scott Street Property, and the City and the Developer have engaged in an extensive public process for input on neighborhood needs and priorities. On March 4, 2024, the Council approved a development agreement with the Developer, setting forth the parties’ expectations that Tract 2 will be developed as follows:

- Tract 2 (the “Land”) will be donated to a community land trust and developed by the Developer into resident-owned housing, with an expected 89 units in a mix of condominiums and townhomes, some of which are expected to be permanently restricted for sale to income qualified purchasers (the “Ravara Project”).

The redevelopment of Tract 2 and the subsequent redevelopment of Tract 3 require infrastructure improvements as well, including street construction and related improvements, landscaping in the right-of-way, sidewalks, street lighting, a new bus stop and cycle track on Scott Street, extension of water and sewer mains, storm water improvements, compaction of non-structural soil on Tract 2, removal of unsuitable soils, and related improvements (collectively, the “Infrastructure Improvements”). The Ravara Project will also necessitate additional improvements in the neighborhood, including acquisition and/or improvement of parks and green space and improvements to transportation connectivity in the area.

The income-qualified units in the Ravara Project will constitute attainable workforce housing, within the meaning of Section 90-6-143, M.C.A. Pursuant to Sections 7-15-4283 and 7-15-4288 of the Act, workforce housing is infrastructure, the costs of which are a permissible use of tax increment and tax increment financing.

1.04. Senior-Subordinate Bonds. The City has reserved the right under Section 4.02 of the Original Resolution to issue additional Bonds to pay costs of Projects upon compliance with the provisions of Sections 4.01 and 4.02 of the Original Resolution, as amended. There are no other bonds or other obligations of the City payable from the Tax Increment, other than the Series 2015 Bond, Series 2017 Bond and Series 2020 Bonds, all of which were issued as Senior-

Subordinate Bonds. The City proposes to issue its Tax Increment Senior-Subordinate Urban Renewal Revenue Bonds (North Reserve—Scott Street Urban Renewal District), Series 2024A and Series 2024B (as more particularly described below, the “Series 2024 Bonds”) as Senior-Subordinate Bonds, payable from and secured by, equally and ratably with the Series 2015 Bond, Series 2017 Bond, Series 2020 Bonds and any other Senior-Subordinate Bonds that may be issued hereafter, Tax Increment and all other moneys from time to time in the Tax Increment Accounts, on a second lien basis, subordinate to all Senior Bonds in the manner and to the extent provided in Section 5 of the Original Resolution.

1.05. Estimated Costs; Use of Proceeds. Proceeds of the Series 2024 Bonds are expected to be used as follows (totals may not foot due to rounding):

	Series 2024A Bond	Series 2024B Bond	Total
Infrastructure Improvements	\$ 4,018,638	\$ 588,496	\$ 4,607,134
Ravara Project		3,250,000	3,250,000
Parks and/or Transportation		1,527,343	1,527,343
BOI Reserve Subaccount	127,225		127,225
Impact Fees		164,357	164,357
Costs of Issuance and rounding	56,137	67,804	123,941
Total	\$ 4,202,000	\$ 5,598,000	\$ 9,800,000

1.06. Estimate of Tax Increment. Based on Tax Increment in the amount of \$1,916,660 received by the City in Fiscal Year 2023, the City estimates that the Tax Increment will be at least \$1,916,660 per year. As set forth on Exhibit A hereto, the maximum annual principal and interest payable on the Series 2015 Bond, the Series 2017 Bond, the Series 2020 Bonds and the Series 2024 Bonds is \$1,375,697. There are no other obligations of the City payable from Tax Increment. Accordingly, the estimated Tax Increment to be received each year by the City will be sufficient to pay the maximum annual principal and interest payable on the Series 2015 Bond, the Series 2017 Bond, the Series 2020 Bonds, and the Series 2024 Bonds.

In addition, the Tax Increment received by the City in Fiscal Year 2023 (\$1,916,660) was equal to at least 110% of the estimated maximum Principal and Interest Requirements for any future calendar year ($\$1,375,697 \times 110\% = \$1,513,266.70$) with respect to the Series 2015 Bond, the Series 2017 Bond, the Series 2020 Bonds and the Series 2024 Bonds. The Tax Increment received by the City in Fiscal Year 2023 (\$1,916,660) and the Tax Increment to be received in each of the next succeeding three Fiscal Years (\$1,916,660) (as adjusted in accordance with Section 4.02 of the Original Resolution, as amended) is estimated to be equal to at least 110% of the maximum Principal and Interest Requirements for any future calendar year with respect to the Series 2015 Bond, the Series 2017 Bond, the Series 2020 Bonds and the Series 2024 Bonds.

1.07. Findings. It is hereby found, determined and declared by this Council as follows:

(a) no persons will be displaced from their housing by the Ravara Project, the Infrastructure Improvements or related parks and transportation improvements;

(b) the Plan, the Ravara Project, the Infrastructure Improvements and related parks and transportation improvements conform to the City’s growth policy;

(c) the Ravara Project, the Infrastructure Improvements and related parks and transportation improvements are authorized as urban renewal projects pursuant to the Act and the Plan;

(d) the Plan, the Ravara Project, the Infrastructure Improvements and related parks and transportation improvements 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;

(e) a sound and adequate financial program exists for the Ravara Project, the Infrastructure Improvements and related parks and transportation improvements; and

(f) the Ravara Project, the Infrastructure Improvements, the related parks and transportation improvements and the issuance and sale by the City of its Series 2024 Bonds to finance the costs thereof and the costs of issuance of the Series 2024 Bonds are in the best interests of the City.

The City set forth its expectation in the Plan to use tax increment revenues to finance urban renewal projects, and this Council hereby determines the Ravara Project, the Infrastructure Improvements and related parks and transportation improvements are urban renewal projects within the meaning of the Act and the Plan.

In addition, the City hereby finds and determines that the income-qualified units in the Ravara Project are a means to provide safe, sanitary and healthful workforce housing, which constitutes a public purpose and a public use for which tax increment funds may be spent.

1.08. House Bill 819 and Related Findings. House Bill 819, enacted by the 2023 Legislature (“HB 819”), authorized the Montana Board of Investments (“BOI”) to purchase up to 50% of a bond or other security issued by an eligible government unit to cover all or a portion of the costs of expanding or extending water, wastewater, storm water, street road, curb, gutter and sidewalk infrastructure to serve new or rehabilitated residential development at a below-market interest rate. For the costs of an infrastructure project to be eligible to be paid by proceeds of bonds or other securities purchased by BOI under HB 819, the infrastructure project must provide for residential development at a minimum gross density of 10 units for each acre. In addition, under HB 819, BOI must require that the eligible government waive impact fees for the developer and require that housing built using infrastructure funded in part by a security purchased by BOI provide for provisions to preserve long-term affordability of the housing that runs with the property for the term of the security.

The City applied to BOI to purchase 50% of the Series 2024A Bond, as further described herein, and on February 6, 2024, BOI approved purchasing 50% of the Series 2024A Bond. In connection with the purchase by BOI of 50% of the Series 2024A Bond, the City hereby finds and declares as follows:

- The Infrastructure Improvements will provide for residential development at a gross density in excess of 10 units per acre;

- The City will waive impact fees for the Developer with respect to the Ravara Project and will instead pay the impact fees related to the Ravara Project from proceeds of the Series 2024B Bond; and
- The costs of the Infrastructure Improvements paid from proceeds of the Series 2024A Bond support the Ravara Project. The transfer of Tract 2 to a community land trust will result in removing the cost of the underlying land from the costs of the Ravara Project housing units, which will preserve the long-term affordability of the Ravara Project housing units for a term not shorter than the term of the Series 2024A Bond.

1.09. Authorization and Sale of Series 2024 Bonds. This Council hereby determines that it is in the best interests of the City to sell the Series 2024 Bonds in a negotiated sale to First Security Bank of Missoula, a Division of Glacier Bank (the “Original Purchaser”), as authorized by Section 7-15-4322(1)(a) of the Act. The Original Purchaser has agreed to purchase the Series 2024 Bonds, and BOI has agreed to participate in the purchase of the Series 2024A Bond, as further described herein. Proceeds of the Series 2024A Bond shall be used to pay or reimburse the Developer for costs of the Infrastructure Improvements, to fund a deposit to the BOI Reserve Subaccount (as defined herein) and to pay costs of issuance of the Series 2024A Bond, as set forth in Section 1.05. Proceeds of the Series 2024B Bond shall be used to pay or reimburse the City or the Developer for costs of the Infrastructure Improvements that are not eligible for BOI participation under HB 819, to pay or reimburse the Developer for a portion of the costs of the income-qualified units of the Ravara Project, to pay impact fees related to the Ravara Project, to pay the costs of related parks and/or transportation improvements, and to pay costs of issuance of the Series 2024B Bond. The Mayor, City Finance Director and City Clerk are hereby authorized and directed to issue and deliver on behalf of the City, the Series 2024 Bonds.

1.10. Determinations. All acts, conditions and things required by the Constitution and laws of the State, including the Act, in order to pledge the Tax Increment to the payment of the Series 2024 Bonds, to make the Series 2024 Bonds valid and binding special, limited obligations of the City in accordance with their terms and in accordance with the terms of this Resolution have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required.

Section 2. The Series 2024 Bonds.

2.01. Title, Principal Amount, Interest Rates and Stated Maturities.

(a) The Series 2024A Bond. The Series 2024A Bond to be issued hereunder shall be denominated “Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2024A” and shall be issued in the principal amount of \$4,202,000. The Series 2024A Bond shall mature, subject to prior redemption as hereinafter provided, on January 1, 2044.

The Original Purchaser will purchase and be the registered Owner of the Series 2024A Bond; however, pursuant to and in accordance with HB 819, BOI will participate by purchasing 50% of the Series 2024A Bond (the “BOI Portion”) from the Original Purchaser and the Original Purchaser will hold the remaining 50% of the Series 2024A

Bond (the “FSB Portion”). The BOI Portion of the Series 2024A Bond will bear interest at an interest rate of 1.71% per annum and the FSB Portion of the Series 2024A Bond will bear interest at an interest rate of 6.85% per annum, on the Outstanding principal amount from the date of original issue, or from such later date to which interest has been paid or duly provided for, until paid or discharged.

The principal of and interest on the Series 2024A Bond shall be payable in the amounts and on the respective dates reflected in the Debt Service Schedule attached as Schedule I to the Series 2024A Bond.

The BOI Portion of the Series 2024A Bond is secured by amounts on hand in the BOI Reserve Subaccount, as further described in Section 3.04 herein. The FSB Portion of the Series 2024A Bond is not secured by amounts on hand in the Reserve Account or in the BOI Reserve Subaccount.

(b) The Series 2024B Bond. The Series 2024B Bond to be issued hereunder shall be denominated “Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2024B” and shall be issued in the principal amount of \$5,598,000. The Series 2024B Bond shall mature, subject to prior redemption as hereinafter provided, on January 1, 2049. The Series 2024B Bond shall bear interest on the Outstanding principal amount from the date of original issue, or from such later date to which interest has been paid or duly provided for, until paid or discharged at the rate of 6.95% per annum. The principal of and interest on the Series 2024B Bond shall be payable in the amounts and on the respective dates reflected in the Debt Service Schedule attached as Schedule I to the Series 2024B Bond.

(c) Principal of and interest on the Series 2024 Bonds shall be payable by check or draft of the Registrar mailed to the Owner as such appears in the Bond Register as of the close of business on the 15th day (whether or not a Business Day) of the month immediately preceding each payment date; *provided* that the final installment of principal (whether at maturity or earlier redemption) shall be paid by the Registrar only upon presentation and surrender of the Series 2024 Bonds at the principal office of the Registrar. The Registrar shall note in the Bond Register each principal payment on the Series 2024 Bonds. Unless the Series 2024A Bond is transferred in accordance with Section 2.02(b) and (e) hereof, the City shall make all payments with respect to the Series 2024A Bond to the Original Purchaser, at its address as it appears in the Bond Register, and the Original Purchaser shall be responsible for making payments to BOI relating to the BOI Portion in accordance with the terms of a participation agreement between BOI and the Original Purchaser.

2.02. System of Registration. The City hereby appoints the City Finance Director to act as bond registrar, transfer agent and paying agent for the Series 2024 Bonds (the “Registrar”). The City reserves the right to appoint a bank, trust company or fiscal company as successor bond registrar, transfer agent or paying agent, as authorized by the Model Public Obligations Registration Act of Montana (the “Registration Act”), and the City agrees to pay the reasonable and customary charges of the Registrar for the services performed. This Section 2.02 shall establish a system of registration for the Series 2024 Bonds as defined in

the Registration Act. The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Bond Register. The Registrar shall keep at its principal office a bond register in which the Registrar shall provide for the registration of ownership of the Series 2024 Bonds and the registration of transfers and exchanges of the Series 2024 Bonds entitled to be registered, transferred or exchanged.

(b) Transfer. Upon surrender to the Registrar for transfer of any Series 2024 Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, a new Series 2024 Bond of a like aggregate principal amount, interest rate and maturity. The Registrar may, however, close the books for registration of transfer of the Series 2024 Bonds or portion thereof selected or called for redemption. **The Series 2024A Bond can only be transferred with the prior written consent of the City and BOI. The Series 2024B Bond can only be transferred with the prior written consent of the City.**

(c) Exchange. Whenever any Series 2024 Bond is surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver a new Series 2024 Bond of a like aggregate principal amount, interest rate and maturity, as requested by the registered owner or the owner's attorney duly authorized in writing.

(d) Cancellation. Any Series 2024 Bond surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Series 2024 Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Series 2024 Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized. **The Series 2024A Bond can only be transferred with the prior written consent of the City and BOI. The Series 2024B Bond can only be transferred with the prior written consent of the City.**

(f) Persons Deemed Owner. The City and the Registrar may treat the person in whose name any Series 2024 Bond is at any time registered on the Bond Register as the absolute owner of such Series 2024 Bond, whether such Series 2024 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Series 2024 Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the City upon such Series 2024 Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer of a Series 2024 Bond or exchange of a Series 2024 Bond (except for an exchange upon the partial redemption of a Series 2024 Bond), the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bond. In case any Series 2024 Bond shall become mutilated or be lost, stolen or destroyed, the Registrar shall deliver a new Series 2024 Bond of like aggregate principal amount, interest rate and maturity in exchange and substitution for and upon cancellation of any such mutilated Series 2024 Bond or in lieu of and in substitution for any such Series 2024 Bond lost, stolen or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Series 2024 Bond lost, stolen or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Series 2024 Bond was lost, stolen or destroyed, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. Any Series 2024 Bond so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen or destroyed Series 2024 Bond has already matured or such Series 2024 Bond has been called for redemption in accordance with its terms, it shall not be necessary to issue a new Series 2024 Bond prior to payment.

2.03. Redemption.

(a) Optional Redemption of Series 2024 Bonds. The Series 2024 Bonds, or either of them, shall be subject to redemption at the option of the City, at any time and from time to time, in whole or in part, at a price equal to the principal amount thereof to be redeemed plus interest accrued to the Redemption Date, without premium; provided that any partial redemption or prepayment must be in an amount of at least \$250,000. If the Series 2024 Bonds, or either one of them, are prepaid in part, the Owner of the Series 2024A Bond and/or Series 2024B Bond, as applicable, will reamortize the principal remaining upon redemption and prepayment at the applicable interest rate over the then-remaining term in equal or substantially equal semiannual payments of principal and interest or in such other manner as the parties may agree. Upon partial redemption and prepayment there shall be no need to exchange a new Series 2024A Bond or Series 2024B Bond, as applicable, for the unredeemed portion of the existing Series 2024A Bond or Series 2024B Bond, as applicable; provided that the amortization schedule attached as Schedule I to the form of the Series 2024A Bond or Series 2024B Bond, as applicable, shall be replaced by an amortization schedule reflecting the reamortization of the principal then outstanding in the manner described above. Any partial prepayment of the Series 2024A Bond shall be applied equally and ratably to the principal amounts Outstanding with respect to the BOI Portion and the FSB Portion, except as described in Section 2.03(b).

(b) Mandatory Redemption of Series 2024A Bond. In the Original Resolution, the City reserved the right, under certain conditions, to issue Senior Bonds

with a lien on the Tax Increment senior to that of the Senior-Subordinate Bonds. In the event that the City determines to issue one or more Senior Bond(s) while the Series 2024A Bond is Outstanding and the BOI Portion is held by BOI, the City must either redeem the BOI Portion of the Series 2024A Bond prior to the issuance of the Senior Bond(s) or obtain the written consent of BOI prior to the issuance of the Senior Bond(s).

(c) Notice of Redemption. The Redemption Date and the principal amount of the Series 2024 Bonds, or either of them, to be redeemed shall be fixed by the City, which, if the Registrar is other than a City official, shall give notice thereof to the Registrar at least 45 days prior to the Redemption Date or such lesser period as the Registrar accepts. The Registrar, at least 20 days prior to the designated Redemption Date, shall cause notice of redemption to be mailed, by first class mail to the Owner of each Series 2024 Bond to be redeemed at its address as it appears on the Bond Register, but no defect in or failure to give such mailed notice shall affect the validity of proceedings for the redemption of any Series 2024 Bonds not affected by such defect or failure. The notice of redemption shall specify the Redemption Date, Redemption Price, the numbers and interest rate and the place at which the Series 2024 Bonds, or either of them, are to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Series 2024 Bonds, or either of them, or portion thereof so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified and from and after such date (unless the City shall default in the payment of the Redemption Price) such Series 2024 Bonds, or either of them, or portion thereof shall cease to bear interest.

2.04. Execution and Delivery of Series 2024 Bonds. The Series 2024 Bonds shall be forthwith prepared for execution under the direction of the City Clerk and shall be executed on behalf of the City by the signatures of the Mayor, the City Finance Director and the City Clerk, provided that said signatures may be printed, engraved or lithographed facsimiles thereof. The seal of the City need not be imprinted on or affixed to the Series 2024 Bonds. In case any officer whose signature or a facsimile of whose signature shall appear on the Series 2024 Bonds shall cease to be such officer before the delivery thereof, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Series 2024 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Series 2024 Bond has been duly executed by the manual signature of the Registrar or an authorized representative of the Registrar. Certificates of authentication on different Series 2024 Bond need not be signed by the same representative. The executed certificate of authentication on each Series 2024 Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Series 2024 Bonds have been fully executed and authenticated, they shall be delivered by the Registrar to the Original Purchaser upon payment of the purchase price, and the Original Purchaser shall not be obligated to see to the application of the purchase price.

2.05. Forms of Series 2024 Bonds. The Series 2024A Bond shall be in substantially the form set forth in Exhibit B hereto (which is hereby incorporated herein and made a part hereof), with such appropriate variations, omissions and insertions as are permitted or required by the Resolution. The Series 2024B Bond shall be in substantially the form set forth in Exhibit C

hereto (which is hereby incorporated herein and made a part hereof), with such appropriate variations, omissions and insertions as are permitted or required by the Resolution.

2.06. Disbursement of Proceeds.

(a) Proceeds of the Series 2024A Bond in the amount of \$4,185,000 (comprised of the purchase price of \$4,202,000 less an origination fee of \$15,000 and bank counsel fees of \$2,000 retained by FSB) shall be advanced to the City at closing, of which:

- i. \$127,225 shall be deposited in the BOI Reserve Account;
- ii. \$39,137 shall be deposited in the Tax Increment Project Account and used to pay costs of issuance;
- iii. \$316,228 shall be advanced to the MRA to reimburse it for costs of the Infrastructure Improvements; and
- iv. \$3,702,410 shall be deposited in the 2024A Disbursement Account held with FSB and disbursed in accordance with the Disbursement Agreement (defined below).

(b) Proceeds of the Series 2024B Bond in the amount of \$5,581,000 (comprised of the purchase price of \$5,598,000 less an origination fee of \$15,000 and bank counsel fees of \$2,000 retained by FSB) shall be disbursed to the City at closing, of which:

- i. \$50,804 shall be deposited in the Tax Increment Project Account and used to pay costs of issuance;
- ii. \$226,160 shall be advanced to the MRA to reimburse it for costs of the Infrastructure Improvements not eligible for BOI participation under HB 819;
- iii. \$164,357 shall be used to pay or reimburse MRA for impact fees related to the Ravara Project;
- iv. \$1,527,343 shall be deposited in the Tax Increment Project Account to be used for related parks and/or transportation improvements; and
- v. \$3,612,336 shall be deposited in the 2024B Disbursement Account and disbursed in accordance with the Disbursement Agreement (defined below).

2.07. Development Agreement and Disbursement Agreement. The MRA and the Developer have negotiated a development agreement, substantially in the form attached hereto as Exhibit D (the “Development Agreement”), providing additional detail regarding the

Infrastructure Improvements and the Ravara Project. In addition, the City, the MRA, the Developer and FSB have negotiated a disbursement agreement, substantially in the form attached to the form of the Development Agreement (the “Disbursement Agreement”), pursuant to which FSB, acting as the City’s disbursement agent, will (i) disburse the proceeds of the Series 2024A Bond from the 2024A Disbursement Account to pay costs of the Infrastructure Improvements that are eligible for financing under HB 819, and (ii) disburse the proceeds of the Series 2024B Bond from the 2024B Disbursement Account to pay any costs of the Infrastructure Improvements that are ineligible for financing under HB 819 and to pay costs of the Ravara Project. The Development Agreement and the Disbursement Agreement are each hereby approved with such changes as may be appropriate or desirable, and as are approved by all parties thereto, with the approval of the City conclusively established by the execution of such agreements by appropriate City officers. The Mayor and City Clerk (or in the event of the absence or inability of either, their designees) are authorized and directed to execute and deliver the Development Agreement and Disbursement Agreement on behalf of the City, and the Executive Director of the MRA and the Chair of the Board of Commissioners of the MRA (or in the event of the absence or inability of either, their designees) are authorized and directed to execute and deliver the Development Agreement and Disbursement Agreement on behalf of the MRA.

2.08. Transcript Certification. The officers of the City are directed to furnish to the Original Purchaser of the Series 2024 Bonds and to Bond Counsel certified copies of all proceedings and information in their official records relevant to the authorization, sale and issuance of the Series 2024 Bonds, and such certificates and affidavits as to other matters appearing in their official records or otherwise known to them as may be reasonably required to evidence the validity and security of the Series 2024 Bonds, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations and recitals of the City as to the correctness of all facts stated therein and the completion of all proceedings stated therein to have been taken.

Section 3. Amendments to the Original Resolution.

3.01. Authorization. In Section 8 of the Original Resolution, the City reserved the right to amend the Resolution with the consent of the Owners of a majority in principal amount of Outstanding Bonds affected thereby. FSB is the owner of all Bonds Outstanding under the Resolution, and has consented in writing to the amendments contained in this Supplemental Resolution.

3.02. Section 1.01. Section 1.01 of the Original Resolution is hereby amended to add the following definitions thereto:

“BOI” shall mean the Montana Board of Investments.

“BOI Portion” shall mean the portion of any Bond held by or participated in by BOI.

“BOI Reserve Requirement” shall mean, as of the date of calculation, an amount equal to the maximum Principal and Interest Requirements on the BOI Portion of any Bonds for any future calendar year.

“BOI Reserve Subaccount” shall mean the subaccount by that name established within the Senior-Subordinate Bond Account.

3.03. Section 5.02. Section 5.02 of the Original Resolution is hereby amended as follows (underlining indicates additions; strikethroughs, deletions):

“5.02 Tax Increment Receipts. All Tax Increment received by the City and credited to the Tax Increment Debt Service Account, as required in Section 5.01, shall be credited as received as follows: (a) first, to the Senior Interest Account, until the balance on hand is at least equal to all interest on Senior Bonds due and payable therefrom within the next twelve full calendar months; (b) second, to the Senior Principal Account, until the balance on hand is at least equal to all principal of and premium, if any, on Senior Bonds due and payable therefrom within the next twelve full calendar months; (c) third, to the Reserve Account until the balance on hand in the Reserve Account is equal to the Reserve Requirement; (d) fourth, to the Senior-Subordinate Interest Account, until the balance on hand is at least equal to all interest on Senior-Subordinate Bonds due and payable therefrom within the next twelve full calendar months; (e) fifth, to the Senior-Subordinate Principal Account, until the balance on hand is at least equal to all principal of and premium, if any, on Senior-Subordinate Bonds due and payable therefrom within the next twelve full calendar months; (f) sixth, to the BOI Reserve Subaccount until the balance on hand in the BOI Reserve Subaccount is equal to the BOI Reserve Requirement; and ~~(f) sixth~~ (g) seventh, after all credits required by the preceding clauses, to the Tax Increment Development Account.”

3.04. Section 5.06. Section 5.06 of the Original Resolution is hereby amended to read as follows in its entirety:

“5.06. Senior-Subordinate Bond Account. The Senior-Subordinate Bond Account is hereby established as a special account within the Tax Increment Debt Service Account. There are hereby established within the Senior-Subordinate Bond Account three separate subaccounts, designated as the Senior-Subordinate Interest Account, the Senior-Subordinate Principal Account, and the BOI Reserve Subaccount.

(a) Senior-Subordinate Interest Account. There shall be credited to the Senior-Subordinate Interest Account the following amounts: (i) the amount specified in Section 1.05 to pay capitalized interest on the Series 2015 Bonds; (ii) any amount specified in any Supplemental Resolution to be credited to the Senior-Subordinate Interest Account; and (iii) from the Tax Increment as received by the City, the amount specified in clause (d) of Section 5.02.

Amounts on hand in the Senior-Subordinate Interest Account shall be used on any Interest Payment Date or Principal Payment Date to make up a deficiency in the Senior Bond Account, if and to the extent required by Section 5.04.

On or before each Interest Payment Date for Outstanding Senior-Subordinate Bonds, the City shall withdraw from the Senior-Subordinate Interest Account an amount sufficient to pay the interest due on the Senior-Subordinate Bonds on such Interest

Payment Date, and shall use such amount to pay, or make provision with the Registrar for the payment of, interest on Senior-Subordinate Bonds on such Interest Payment Date.

If on any Interest Payment Date the balance in the Senior-Subordinate Interest Account is not sufficient to pay the total amount of interest due on Senior-Subordinate Bonds on such Interest Payment Date, the City shall transfer any money then on hand in the Tax Increment Development Account or the Senior-Subordinate Principal Account, or, but solely with respect to any deficiency relating to the BOI Portion of any Senior-Subordinate Bonds, the BOI Reserve Subaccount, to such account, in the order listed and in an amount equal to such deficiency. Amounts in the BOI Reserve Subaccount shall be applied only to interest payment delinquencies with respect to BOI Portions of Senior-Subordinate Bonds secured by the BOI Reserve Subaccount.

All income derived from the investment of amounts in the Senior-Subordinate Interest Account shall be credited as received to the Senior-Subordinate Interest Account.

(b) Senior-Subordinate Principal Account. There shall be credited to the Senior-Subordinate Principal Account the following amounts: (i) any amount specified in a Supplemental Resolution to be credited to the Senior-Subordinate Principal Account; and (ii) from the Tax Increment as received by the City, the amount specified in clause (e) of Section 5.02.

Amounts on hand in the Senior-Subordinate Principal Account shall be used on any Interest Payment Date or Principal Payment Date to make up a deficiency in the Senior Bond Account, if and to the extent required by Section 5.04.

On or before each Principal Payment Date for Outstanding Senior-Subordinate Bonds, the City shall withdraw from the Senior-Subordinate Principal Account an amount sufficient to pay the principal due on the Senior-Subordinate Bonds on such Principal Payment Date, and shall use such amount to pay, or make provision with the Registrar for the payment of, principal of the Senior-Subordinate Bonds on such Principal Payment Date.

If on any Principal Payment Date the balance in the Senior-Subordinate Principal Account is not sufficient to pay the total amount of principal due on the Senior-Subordinate Bonds on such Principal Payment Date, the City shall transfer any money then on hand in the Tax Increment Development Account or, but solely with respect to any deficiency relating to the BOI Portion of any Senior-Subordinate Bonds, the BOI Reserve Subaccount, to such account an amount equal to such deficiency. Amounts in the BOI Reserve Subaccount shall be applied only to principal payment delinquencies with respect to the BOI Portion or Portions of Senior-Subordinate Bonds secured by the BOI Reserve Subaccount.

All income derived from the investment of amounts in the Senior-Subordinate Principal Account shall be credited as received to the Senior-Subordinate Principal Account.

(c) BOI Reserve Subaccount. The BOI Reserve Subaccount shall secure the BOI Portion of the Series 2024 Bonds and the BOI Portion of any other Senior-Subordinate Bonds that may be issued under the Resolution. There shall be credited to the BOI Reserve Subaccount the following amounts: (i) any amount specified in a Supplemental Resolution to be credited to the BOI Reserve Subaccount, and (ii) from Tax Increment as received by the City, the amount specified in clause (f) of Section 5.02.

If on any Interest Payment Date or on any Principal Payment Date there shall exist, after the transfers thereto of any money then on hand in the Tax Increment Development Fund, a deficiency in the Senior-Subordinate Interest Account or Senior-Subordinate Principal Account, the City shall transfer from the BOI Reserve Subaccount to such account an amount equal to such deficiency with respect to all BOI Portions of Senior-Subordinate Bonds secured by the BOI Reserve Subaccount.

Money in the BOI Reserve Subaccount shall be used only to pay when due principal of, premium, if any, and interest on the BOI Portion of Outstanding Bonds when the balance on hand in the Senior-Subordinate Interest Account or Senior-Subordinate Principal Account is insufficient therefor; provided that on any date when the balance then on hand in the Senior-Subordinate Interest Account or Senior-Subordinate Principal Account allocable to the BOI Portion of a series of Bonds, plus the balance then on hand in the BOI Reserve Subaccount allocable to the BOI Portion of such series of Bonds, is sufficient with other money available to pay or discharge all of the BOI Portion of such Outstanding Bonds of that series and the interest accrued thereon in full, and the balance thereafter on hand in the BOI Reserve Subaccount will be at least equal to the BOI Reserve Requirement for the BOI Portion all Outstanding Bonds not to be discharged, it may be used for that purpose.

The City shall maintain a balance in the BOI Reserve Subaccount equal to the Reserve Requirement. All income derived from the investment of amounts in the BOI Reserve Subaccount shall be credited as received to the BOI Reserve Subaccount. If at any time the balance in the BOI Reserve Subaccount exceeds the BOI Reserve Requirement, the City shall transfer such excess to the Senior-Subordinate Principal Account and apply it to pay debt service on the BOI Portion of Outstanding Bonds.”

3.05. Effect of Amendment. The Original Resolution shall be amended and supplemented by the above provisions of this Section 3 as of the date of this Supplemental Resolution, and shall continue in full force and effect as so amended and supplemented.

Section 4. Tax Covenants and Certifications.

4.01. Security for the Series 2024 Bonds. The City shall not enter into any lease, use or other agreement or arrangement with any non-governmental Person relating to the security for the payment of the Series 2024 Bonds which might cause the Series 2024 Bonds to be considered “private activity bonds” or “private loan bonds” within the meaning of Section 141 of the Code. No “impermissible agreement” as defined in Regulations, Section 1.141-4(e)(4)(ii), has been or will be entered into by the City in respect of the Tax Increment or otherwise to secure the Series 2024 Bonds.

4.02. General Covenant. The City covenants and agrees with the Owners from time to time of the Series 2024 Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Series 2024 Bonds to become includable in gross income for federal income tax purposes under the Code and applicable Regulations, and covenants to take any and all actions within its powers to ensure that the interest on the Series 2024 Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

4.03. Arbitrage Certification. The City Finance Director, being among the officers of the City charged with the responsibility for issuing the Series 2024 Bonds pursuant to this Resolution, is authorized and directed to execute and deliver to FSB and BOI a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Series 2024 Bonds, it is reasonably expected that the proceeds of the Series 2024 Bonds will not be used in a manner that would cause the Series 2024 Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and the Regulations.

4.04. Arbitrage Rebate. The City acknowledges that the Series 2024 Bonds are subject to the rebate requirements of Section 148(f) of the Code. The City covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Series 2024 Bonds from gross income for federal income tax purposes, unless the Series 2024 Bonds qualify for the exception from the rebate requirement under Section 148(f)(4)(B) of the Code and no “gross proceeds” of the Series 2024 Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the sale proceeds thereof. In furtherance of the foregoing, the City Finance Director is hereby authorized and directed to execute a tax certificate, substantially in the form to be prepared by Bond Counsel, and the City hereby covenants and agrees to observe and perform the covenants and agreements contained therein, unless amended or terminated in accordance with the provisions thereof.

4.05. Information Reporting. The City shall file with the Secretary of the Treasury, not later than August 15, 2024, a statement concerning the Series 2024 Bonds containing the information required by Section 149(e) of the Code.

Section 5. Effective Date. This Resolution shall take effect immediately upon its passage and adoption by this Council.

PASSED AND APPROVED by the City Council of the City of Missoula, Montana, this 10th day of June, 2024.

Mayor

Attest: _____

City Clerk

EXHIBIT A

AGGREGATE DEBT SERVICE SCHEDULE

City of Missoula, Montana

Urban Renewal Tax Increment Revenue Bonds

North Reserve Scott Street Urban Renewal District

Debt Service Coverage

Fiscal Year	TIF Revenues	State Entitlement & Reimbursements	2015 Bond	2017 Bonds	2020A Bonds	Taxable 2020B Bonds	Series 2024A Bonds	Series 2024B Bonds	Remaining TIF Revenue	District Debt Coverage
2023	1,893,853.98	22,805.81	113,124.23	30,695.66	206,018.13	221,538.28	-	-	1,345,283.49	3.3544615x
2024	2,097,152.00	22,805.81	113,124.24	30,695.66	206,018.13	221,538.28	-	-	1,548,581.50	3.7102655x
2025	2,097,152.00	22,805.81	113,124.24	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.68	1.5410062x
2026	2,097,152.00	22,805.81	113,124.22	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.70	1.5410062x
2027	2,097,152.00	22,805.81	113,124.25	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.67	1.5410062x
2028	2,097,152.00	22,805.81	113,124.25	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.67	1.5410062x
2029	2,097,152.00	22,805.81	113,124.26	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.66	1.5410062x
2030	2,097,152.00	22,805.81	113,124.24	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.68	1.5410062x
2031	2,097,152.00	22,805.81	113,124.24	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.68	1.5410062x
2032	2,097,152.00	22,805.81	113,123.59	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,261.33	1.5410069x
2033	2,097,152.00	22,805.81	113,124.29	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.63	1.5410061x
2034	2,097,152.00	22,805.81	113,124.27	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.65	1.5410062x
2035	2,097,152.00	22,805.81	113,124.29	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	744,260.63	1.5410061x
2036	2,097,152.00	22,805.81	-	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	857,384.92	1.6790776x
2037	2,097,152.00	22,805.81	-	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	857,384.92	1.6790776x
2038	2,097,152.00	22,805.81	-	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	857,384.92	1.6790776x
2039	2,097,152.00	22,805.81	-	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	857,384.92	1.6790776x
2040	2,097,152.00	22,805.81	-	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	857,384.92	1.6790776x
2041	2,097,152.00	22,805.81	-	30,695.66	206,018.13	221,538.28	324,477.86	479,842.96	857,384.92	1.6790776x
2042	2,097,152.00	22,805.81	-	30,695.76	206,018.13	221,538.28	324,477.86	479,842.96	857,384.82	1.6790774x
2043	2,097,152.00	22,805.81	-	-	206,018.13	221,538.28	324,477.86	479,842.96	888,080.58	1.7209165x
2044	2,097,152.00	22,805.81	-	-	206,018.13	221,538.28	162,239.26	479,842.96	1,050,319.18	1.9819383x
2045	2,097,152.00	22,805.81	-	-	206,018.23	221,538.65	-	479,842.96	1,212,557.97	2.3362995x
2046	2,097,152.00	22,805.81	-	-	-	-	-	479,842.96	1,640,114.85	4.4180242x
2047	2,097,152.00	22,805.81	-	-	-	-	-	479,842.96	1,640,114.85	4.4180242x
2048	2,097,152.00	22,805.81	-	-	-	-	-	479,842.96	1,640,114.85	4.4180242x
2049	2,097,152.00	22,805.81	-	-	-	-	-	239,920.86	1,880,036.95	8.8360712x
Total	\$56,419,805.98	\$615,756.87	\$1,470,614.61	\$613,913.30	\$4,738,417.09	\$5,095,380.81	\$6,327,318.60	\$11,756,151.90	\$27,033,766.54	

Max FY Debt Service	\$1,375,697.18
TIF Revenues & State Entitlements	\$1,916,659.79
Min. Coverage	1.3932280x

EXHIBIT B

UNITED STATES OF AMERICA
STATE OF MONTANA
COUNTY OF MISSOULA

CITY OF MISSOULA, MONTANA

TAX INCREMENT SENIOR-SUBORDINATE URBAN RENEWAL REVENUE BOND
(NORTH RESERVE – SCOTT STREET URBAN RENEWAL DISTRICT), SERIES 2024A

No. R-1 \$4,202,000.00

<u>FSB Portion Interest Rate</u>	<u>BOI Portion Interest Rate</u>	<u>Final Maturity Date</u>	<u>Date of Original Issue</u>
6.85%	1.71%	January 1, 2044	June 20, 2024

REGISTERED OWNER: First Security Bank of Missoula, a Division of Glacier Bank

PRINCIPAL AMOUNT: FOUR MILLION TWO HUNDRED TWO THOUSAND NO/100
DOLLARS

FOR VALUE RECEIVED, THE CITY OF MISSOULA, MONTANA (the “City”), a duly organized municipal corporation, acknowledges itself to be specially indebted and hereby promises to pay to the registered owner specified above or permitted assigns (the “Owner”), solely from the Tax Increment received by the City from Taxable Property in the District which has been pledged and appropriated on a second lien basis, and on a parity with outstanding Senior-Subordinate Bonds, for the payment hereof as stated below, the principal amount specified above, together with interest thereon. The Owner will be the registered Owner of the Series 2024A Bond; however, pursuant to and in accordance with House Bill 819, enacted by the 2023 Montana State Legislature, the Montana Board of Investments (“BOI”) will participate by purchasing 50% of this Series 2024A Bond (the “BOI Portion”) from the Owner and the Owner will hold the remaining 50% of this Series 2024A Bond (the “FSB Portion”). The BOI Portion of this Series 2024A Bond bears interest at an interest rate of 1.71% per annum and the FSB Portion of this Series 2024A Bond bears interest at an interest rate of 6.85% per annum, from the date of original issue, or from such later date to which interest has been paid or duly provided for, until paid or discharged. Interest on this Series 2024A Bond shall be calculated on the basis of a year of 360 days composed of twelve 30-day months. The principal of and interest on this Series 2024A Bond shall be payable in the amounts and on the respective dates reflected in the Debt Service Schedule attached as Schedule I to this Series 2024A Bond, subject to earlier redemption and prepayment.

Principal of and interest on this Series 2024A Bond shall be payable by check or draft of the Registrar mailed to the Owner hereof as such appears in the Bond Register as of the close of business on the 15th day (whether or not a Business Day) of the month immediately preceding each payment date; *provided* that the final installment of principal (whether at maturity or earlier

redemption) shall be drawn on the Registrar only upon presentation and surrender of this Series 2024A Bond at the principal office of the Registrar. Principal and interest on this Series 2024A Bond are payable in lawful money of the United States of America.

This Series 2024A Bond is a duly authorized issue of the City designated as “Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2024A” (the “Series 2024A Bond”), issued under Resolution No. 8034, adopted by the City Council on December 14, 2015 (the “Original Resolution”), as amended and supplemented by Resolution Nos. 8229, 8443 and [_____], adopted by the City Council on December 11, 2017, August 3, 2020, and June 10, 2024, respectively (the Original Resolution, as so amended and supplemented, the “Resolution”), to which Resolution (copies of which are on file with the City) reference is hereby made for a description of the nature and extent of the security, the respective rights thereunder of the Owner of this Series 2024A Bond and the City and the terms upon which this Series 2024A Bond is issued and delivered. Capitalized terms used herein but not otherwise defined shall have the respective meanings given such terms in the Resolution. This Series 2024A Bond is issued by the City for the purpose of financing the costs of an urban renewal project within the City of Missoula North-Reserve – Scott Street Urban Renewal District (the “District”), thereby assisting activities in the public interest and for the public welfare of the City, and paying costs of issuing this Series 2024A Bond. **This Series 2024A Bond is a Senior-Subordinate Bond and is payable and secured ratably and equally and on a parity with the City’s Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2015; Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve—Scott Street Urban Renewal District), Series 2017, Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve—Scott Street Urban Renewal District), Series 2020A, Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve—Scott Street Urban Renewal District), Taxable Series 2020B, Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve—Scott Street Urban Renewal District), Series 2024B (which is issued simultaneously herewith), and any additional Senior-Subordinate Bonds hereafter issued pursuant to the Resolution, on a second lien basis, subordinate to all Senior Bonds in the manner and to the extent provided in the Resolution.**

This Series 2024A Bond is issued pursuant to and in full compliance with the Constitution and laws of the State of Montana, particularly Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”), and pursuant to the Resolution. This Series 2024A Bond is payable solely from Tax Increment received by the City and resulting from the extension of ad valorem taxes levied by certain Taxing Bodies against the incremental taxable value of Taxable Property within the District pursuant to the Act, except that under certain conditions as described in the Resolution, this Series 2024A Bond may be payable from replacement revenues, if any, provided in the event of the abolition or substantial elimination of property taxation in Montana.

This Series 2024A Bond is not a general obligation of the City and the City’s general credit and taxing powers are not pledged to the payment of this Series 2024A Bond or the interest hereon. This Series 2024A Bond shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitations or restrictions.

This Series 2024A Bond shall be subject to redemption at the option of the City, at any time and from time to time, in whole or in part, and if in part then in inverse order of principal installments, at a price equal to the principal amount thereof to be redeemed plus interest accrued to the Redemption Date, without premium; provided that any partial redemption or prepayment must be in an amount of at least \$250,000. If this Series 2024A Bond is prepaid in part, the Owner of the Series 2024A Bond will reamortize the principal remaining upon redemption and prepayment at the applicable interest rate over the then-remaining term in equal or substantially equal semiannual payments of principal and interest or in such other manner as the parties may agree. Upon partial redemption and prepayment there shall be no need to exchange a new Series 2024A Bond for the unredeemed portion of the existing Series 2024A Bond; provided that the amortization schedule attached as Schedule I hereto shall be replaced by an amortization schedule reflecting the reamortization of the principal then outstanding in the manner described above.

The Redemption Date and the principal amount of this Series 2024A Bond to be redeemed shall be fixed by the City, which, if the Registrar is other than an officer of the City, shall give notice thereof to the Registrar at least 45 days prior to the Redemption Date or such lesser period as the Registrar accepts. The Registrar, at least 20 days prior to the designated Redemption Date, shall cause notice of redemption to be mailed, by first class mail to the registered owner of this Series 2024A Bond at its address as it appears on the Bond Register. The notice of redemption shall specify the Redemption Date, Redemption Price, the numbers and interest rates and the place at which the Series 2024A Bond is to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Series 2024A Bond or portion thereof so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified and from and after such date (unless the City shall default in the payment of the Redemption Price) such Series 2024A Bond or portion thereof shall cease to bear interest.

The registered owner of this Series 2024A Bond shall have no right to enforce the provisions of the Resolution, or to institute action to enforce the covenants therein or take any action with respect to a default under the Resolution or to institute, appear in or defend any suit or other procedure with respect thereto except as provided in the Resolution.

As provided in the Resolution and subject to certain limitations set forth therein, this Series 2024A Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney; and may also be surrendered in exchange for another Series 2024A Bond of a like aggregate principal amount, interest rate and maturity; provided that this Series 2024A Bond is only transferrable with the prior written consent of the City and BOI. Upon such transfer or exchange, the City will cause a new Series 2024A Bond to be issued in the name of the transferee or registered owner, of the same outstanding aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the Person in whose name this Series 2024A Bond is registered as the absolute owner hereof, whether this Series 2024A Bond is overdue or

not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Montana and ordinances and resolutions of the City to be done, to exist, to happen and to be performed in order to make this Series 2024A Bond a valid and binding special, limited obligation of the City in accordance with its terms have been done, do exist, have happened and have been performed as so required; that this Series 2024A Bond has been issued by the City in connection with an urban renewal project (as defined in the Act); that the City, in and by the Resolution, has validly made and entered into covenants and agreements with and for the benefit of the registered owners from time to time of all Bonds issued thereunder, including covenants that it will pledge, appropriate and credit the Tax Increment to the Tax Increment Debt Service Account of the City; that all provisions for the security of the registered owners of the Bonds as set forth in the Resolution will be punctually and faithfully performed as therein stipulated; and that the issuance of this Series 2024A Bond does not cause the obligations of the City to exceed any constitutional or statutory limitation of indebtedness.

This Series 2024A Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by the manual signature of an authorized representative.

IN WITNESS WHEREOF, the City of Missoula, Montana, by its City Council, has caused this Series 2024A Bond to be executed by the facsimile signatures of the Mayor, the City Finance Director, and the City Clerk.

CITY OF MISSOULA, MONTANA

(Facsimile Signature)
Mayor

(SEAL)

(Facsimile Signature)
City Finance Director

(Facsimile Signature)
City Clerk

Dated: _____

CERTIFICATE OF AUTHENTICATION

This Bond is the Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2024A delivered pursuant to the Resolution mentioned within.

CITY FINANCE DIRECTOR, CITY OF
MISSOULA, MONTANA
as Registrar, Transfer Agent,
and Paying Agent

By _____
City Finance Director

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants
in common

UTMA.....Custodian.....
(Cust) (Minor)

TEN ENT -- as tenants
by the entirities

JT TEN -- as joint tenants
with right of
survivorship and
not as tenants in
common

under Uniform Gifts to
Minor Act.....
(State)

Additional abbreviations may also be used.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____
_____ the within Bond and all rights thereunder, and hereby
irrevocably constitutes and appoints _____ attorney to transfer the within
Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

PLEASE INSERT SOCIAL SECURITY
OR OTHER IDENTIFYING NUMBER
OF ASSIGNEE:

NOTICE: The signature to this assignment
must correspond with the name as it appears
upon the face of the within Bond in every
particular, without alteration, enlargement
or any change whatsoever.

SIGNATURE GUARANTEED

Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guaranty program" as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

SCHEDULE I

\$4,202,000 City of Missoula, Montana

Tax Increment Senior-Subordinate Urban Renewal Revenue Bond
(North Reserve - Scott Street Urban Renewal District), Series 2024A

Aggregate Debt Service

Date	Principal	Interest	Total P+I	Fiscal Total
06/20/2024	-	-	-	-
01/01/2025	66,820.85	95,418.08	162,238.93	-
07/01/2025	73,459.77	88,779.16	162,238.93	324,477.86
01/01/2026	74,792.80	87,446.13	162,238.93	-
07/01/2026	76,161.37	86,077.56	162,238.93	324,477.86
01/01/2027	77,566.62	84,672.31	162,238.93	-
07/01/2027	79,009.69	83,229.24	162,238.93	324,477.86
01/01/2028	80,491.83	81,747.10	162,238.93	-
07/01/2028	82,014.26	80,224.67	162,238.93	324,477.86
01/01/2029	83,578.28	78,660.65	162,238.93	-
07/01/2029	85,185.22	77,053.71	162,238.93	324,477.86
01/01/2030	86,836.46	75,402.47	162,238.93	-
07/01/2030	88,533.44	73,705.49	162,238.93	324,477.86
01/01/2031	90,277.61	71,961.32	162,238.93	-
07/01/2031	92,070.52	70,168.41	162,238.93	324,477.86
01/01/2032	93,913.71	68,325.22	162,238.93	-
07/01/2032	95,808.84	66,430.09	162,238.93	324,477.86
01/01/2033	97,757.58	64,481.35	162,238.93	-
07/01/2033	99,761.66	62,477.27	162,238.93	324,477.86
01/01/2034	101,822.89	60,416.04	162,238.93	-
07/01/2034	103,943.13	58,295.80	162,238.93	324,477.86
01/01/2035	106,124.30	56,114.63	162,238.93	-
07/01/2035	108,368.38	53,870.55	162,238.93	324,477.86
01/01/2036	110,677.44	51,561.49	162,238.93	-
07/01/2036	113,053.59	49,185.34	162,238.93	324,477.86
01/01/2037	115,499.02	46,739.91	162,238.93	-
07/01/2037	118,016.01	44,222.92	162,238.93	324,477.86
01/01/2038	120,606.91	41,632.02	162,238.93	-
07/01/2038	123,274.14	38,964.79	162,238.93	324,477.86
01/01/2039	126,020.21	36,218.72	162,238.93	-
07/01/2039	128,847.71	33,391.22	162,238.93	324,477.86
01/01/2040	131,759.32	30,479.61	162,238.93	-
07/01/2040	134,757.82	27,481.11	162,238.93	324,477.86
01/01/2041	137,846.08	24,392.85	162,238.93	-
07/01/2041	141,027.04	21,211.89	162,238.93	324,477.86
01/01/2042	144,303.79	17,935.14	162,238.93	-
07/01/2042	147,679.49	14,559.44	162,238.93	324,477.86
01/01/2043	151,157.40	11,081.53	162,238.93	-
07/01/2043	154,740.93	7,498.00	162,238.93	324,477.86
01/01/2044	158,433.89	3,805.37	162,239.26	-
07/01/2044	-	-	-	162,239.26
-	\$4,202,000.00	\$2,125,318.60	\$6,327,318.60	-

Par Amounts Of Selected Issues

Series 2024A - FSB	2,101,000.00
Series 2024A - BOI	2,101,000.00
TOTAL	4,202,000.00

Aggregate | 5/29/2024 | 6:03 PM

Baker Tilly Municipal Advisors, LLC

\$2,101,000 City of Missoula, Montana

Tax Increment Senior-Subordinate Urban Renewal Revenue Bond
(North Reserve - Scott Street Urban Renewal District), Series 2024A - FSB

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/20/2024	-	-	-	-	-
01/01/2025	22,269.56	6.850%	76,356.76	98,626.32	-
07/01/2025	27,429.80	6.850%	71,196.52	98,626.32	197,252.64
01/01/2026	28,369.27	6.850%	70,257.05	98,626.32	-
07/01/2026	29,340.92	6.850%	69,285.40	98,626.32	197,252.64
01/01/2027	30,345.85	6.850%	68,280.47	98,626.32	-
07/01/2027	31,385.19	6.850%	67,241.13	98,626.32	197,252.64
01/01/2028	32,460.14	6.850%	66,166.18	98,626.32	-
07/01/2028	33,571.90	6.850%	65,054.42	98,626.32	197,252.64
01/01/2029	34,721.73	6.850%	63,904.59	98,626.32	-
07/01/2029	35,910.95	6.850%	62,715.37	98,626.32	197,252.64
01/01/2030	37,140.90	6.850%	61,485.42	98,626.32	-
07/01/2030	38,412.98	6.850%	60,213.34	98,626.32	197,252.64
01/01/2031	39,728.62	6.850%	58,897.70	98,626.32	-
07/01/2031	41,089.33	6.850%	57,536.99	98,626.32	197,252.64
01/01/2032	42,496.64	6.850%	56,129.68	98,626.32	-
07/01/2032	43,952.15	6.850%	54,674.17	98,626.32	197,252.64
01/01/2033	45,457.51	6.850%	53,168.81	98,626.32	-
07/01/2033	47,014.43	6.850%	51,611.89	98,626.32	197,252.64
01/01/2034	48,624.67	6.850%	50,001.65	98,626.32	-
07/01/2034	50,290.07	6.850%	48,336.25	98,626.32	197,252.64
01/01/2035	52,012.50	6.850%	46,613.82	98,626.32	-
07/01/2035	53,793.93	6.850%	44,832.39	98,626.32	197,252.64
01/01/2036	55,636.37	6.850%	42,989.95	98,626.32	-
07/01/2036	57,541.92	6.850%	41,084.40	98,626.32	197,252.64
01/01/2037	59,512.73	6.850%	39,113.59	98,626.32	-
07/01/2037	61,551.04	6.850%	37,075.28	98,626.32	197,252.64
01/01/2038	63,659.16	6.850%	34,967.16	98,626.32	-
07/01/2038	65,839.49	6.850%	32,786.83	98,626.32	197,252.64
01/01/2039	68,094.49	6.850%	30,531.83	98,626.32	-
07/01/2039	70,426.73	6.850%	28,199.59	98,626.32	197,252.64
01/01/2040	72,838.84	6.850%	25,787.48	98,626.32	-
07/01/2040	75,333.57	6.850%	23,292.75	98,626.32	197,252.64
01/01/2041	77,913.75	6.850%	20,712.57	98,626.32	-
07/01/2041	80,582.29	6.850%	18,044.03	98,626.32	197,252.64
01/01/2042	83,342.24	6.850%	15,284.08	98,626.32	-
07/01/2042	86,196.71	6.850%	12,429.61	98,626.32	197,252.64
01/01/2043	89,148.95	6.850%	9,477.37	98,626.32	-
07/01/2043	92,202.30	6.850%	6,424.02	98,626.32	197,252.64
01/01/2044	95,360.38	6.850%	3,266.09	98,626.47	-
07/01/2044	-	-	-	-	98,626.47
Total	\$2,101,000.00	-	\$1,745,426.63	\$3,846,426.63	-

\$2,101,000 City of Missoula, Montana

Tax Increment Senior-Subordinate Urban Renewal Revenue Bond

(North Reserve - Scott Street Urban Renewal District), Series 2024A - BOI

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/20/2024	-	-	-	-	-
01/01/2025	44,551.29	1.710%	19,061.32	63,612.61	-
07/01/2025	46,029.97	1.710%	17,582.64	63,612.61	127,225.22
01/01/2026	46,423.53	1.710%	17,189.08	63,612.61	-
07/01/2026	46,820.45	1.710%	16,792.16	63,612.61	127,225.22
01/01/2027	47,220.77	1.710%	16,391.84	63,612.61	-
07/01/2027	47,624.50	1.710%	15,988.11	63,612.61	127,225.22
01/01/2028	48,031.69	1.710%	15,580.92	63,612.61	-
07/01/2028	48,442.36	1.710%	15,170.25	63,612.61	127,225.22
01/01/2029	48,856.55	1.710%	14,756.06	63,612.61	-
07/01/2029	49,274.27	1.710%	14,338.34	63,612.61	127,225.22
01/01/2030	49,695.56	1.710%	13,917.05	63,612.61	-
07/01/2030	50,120.46	1.710%	13,492.15	63,612.61	127,225.22
01/01/2031	50,548.99	1.710%	13,063.62	63,612.61	-
07/01/2031	50,981.19	1.710%	12,631.42	63,612.61	127,225.22
01/01/2032	51,417.07	1.710%	12,195.54	63,612.61	-
07/01/2032	51,856.69	1.710%	11,755.92	63,612.61	127,225.22
01/01/2033	52,300.07	1.710%	11,312.54	63,612.61	-
07/01/2033	52,747.23	1.710%	10,865.38	63,612.61	127,225.22
01/01/2034	53,198.22	1.710%	10,414.39	63,612.61	-
07/01/2034	53,653.06	1.710%	9,959.55	63,612.61	127,225.22
01/01/2035	54,111.80	1.710%	9,500.81	63,612.61	-
07/01/2035	54,574.45	1.710%	9,038.16	63,612.61	127,225.22
01/01/2036	55,041.07	1.710%	8,571.54	63,612.61	-
07/01/2036	55,511.67	1.710%	8,100.94	63,612.61	127,225.22
01/01/2037	55,986.29	1.710%	7,626.32	63,612.61	-
07/01/2037	56,464.97	1.710%	7,147.64	63,612.61	127,225.22
01/01/2038	56,947.75	1.710%	6,664.86	63,612.61	-
07/01/2038	57,434.65	1.710%	6,177.96	63,612.61	127,225.22
01/01/2039	57,925.72	1.710%	5,686.89	63,612.61	-
07/01/2039	58,420.98	1.710%	5,191.63	63,612.61	127,225.22
01/01/2040	58,920.48	1.710%	4,692.13	63,612.61	-
07/01/2040	59,424.25	1.710%	4,188.36	63,612.61	127,225.22
01/01/2041	59,932.33	1.710%	3,680.28	63,612.61	-
07/01/2041	60,444.75	1.710%	3,167.86	63,612.61	127,225.22
01/01/2042	60,961.55	1.710%	2,651.06	63,612.61	-
07/01/2042	61,482.78	1.710%	2,129.83	63,612.61	127,225.22
01/01/2043	62,008.45	1.710%	1,604.16	63,612.61	-
07/01/2043	62,538.63	1.710%	1,073.98	63,612.61	127,225.22
01/01/2044	63,073.51	1.710%	539.28	63,612.79	-
07/01/2044	-	-	-	-	63,612.79
Total	\$2,101,000.00	-	\$379,891.97	\$2,480,891.97	-

EXHIBIT C

UNITED STATES OF AMERICA
STATE OF MONTANA
COUNTY OF MISSOULA

CITY OF MISSOULA, MONTANA

TAX INCREMENT SENIOR-SUBORDINATE URBAN RENEWAL REVENUE BOND
(NORTH RESERVE – SCOTT STREET URBAN RENEWAL DISTRICT),
SERIES 2024B

No. R-1 \$5,598,000.00

<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Date of Original Issue</u>
6.95%	January 1, 2049	June 20, 2024

REGISTERED OWNER: First Security Bank of Missoula, a Division of Glacier Bank

PRINCIPAL AMOUNT: FIVE MILLION FIVE HUNDRED NINETY EIGHT
THOUSAND AND NO/100 DOLLARS

FOR VALUE RECEIVED, THE CITY OF MISSOULA, MONTANA (the “City”), a duly organized municipal corporation, acknowledges itself to be specially indebted and hereby promises to pay to the registered owner specified above or registered assigns, solely from the Tax Increment received by the City from Taxable Property in the District which has been pledged and appropriated on a second lien basis and on a parity with outstanding Senior-Subordinate Bonds, for the payment hereof as stated below, the principal amount specified above, together with interest thereon. The principal of and interest on this Series 2024B Bond shall be payable in the amounts and on the respective dates reflected in the Debt Service Schedule attached as Schedule I to this Series 2024B Bond, subject to earlier redemption and prepayment. This Series 2024B Bond bears interest on the Outstanding principal amount from the date of original issue specified above, or from such later date to which interest has been paid or duly provided for, until paid or discharged at the rate per annum specified above. Interest on this Series 2024B Bond shall be calculated on the basis of a year of 360 days composed of twelve 30-day months. Principal of and interest on this Series 2024B Bond shall be payable by check or draft of the Registrar mailed to the registered owner hereof as such appears in the Bond Register as of the close of business on the 15th day (whether or not a Business Day) of the month immediately preceding each payment date; *provided* that the final installment of principal (whether at maturity or earlier redemption) shall be drawn on the Registrar only upon presentation and surrender of this Series 2024B Bond at the principal office of the Registrar. Principal and interest on this Series 2024B Bond are payable in lawful money of the United States of America.

This Series 2024B Bond is a duly authorized issue of the City designated as “Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2024B” (the “Series 2024B Bond”) issued under a resolution adopted by the City Council on December 14, 2015 (the “Original Resolution”), as amended and supplemented by Resolution Nos. 8229, 8443 and [____], adopted by the City Council on December 11, 2017, August 3, 2020, and June 10, 2024, respectively (the Original Resolution, as so amended and supplemented, the “Resolution”), to which Resolution (copies of which are on file with the City) reference is hereby made for a description of the nature and extent of the security, the respective rights thereunder of the registered owner of this Series 2024B Bond and the City and the terms upon which this Series 2024B Bond is issued and delivered. Capitalized terms used herein but not otherwise defined shall have the respective meanings given such terms in the Resolution. This Series 2024B Bond is issued by the City for the purpose of financing a portion of the cost of urban renewal projects within the City of Missoula North-Reserve – Scott Street Urban Renewal District (the “District”), thereby assisting activities in the public interest and for the public welfare of the City, and paying costs of issuing this Series 2024B Bond. **This Series 2024B Bond is a Senior-Subordinate Bond and is payable and secured ratably and equally and on a parity with the City’s Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2015, Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve—Scott Street Urban Renewal District), Series 2017, Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve—Scott Street Urban Renewal District), Series 2020A, Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve—Scott Street Urban Renewal District), Taxable Series 2020B, Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve—Scott Street Urban Renewal District), Series 2024A (which is issued simultaneously herewith), and any additional Senior-Subordinate Bonds hereafter issued pursuant to the Resolution, on a second lien basis, subordinate to all Senior Bonds in the manner and to the extent provided in the Resolution.**

This Series 2024B Bond is issued pursuant to and in full compliance with the Constitution and laws of the State of Montana, particularly Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”), and pursuant to the Resolution. This Series 2024B Bond is payable solely from Tax Increment received by the City and resulting from the extension of ad valorem taxes levied by certain Taxing Bodies against the incremental taxable value of Taxable Property within the District pursuant to the Act, except that under certain conditions as described in the Resolution, this Series 2024B Bond may be payable from replacement revenues, if any, provided in the event of the abolition or substantial elimination of property taxation in Montana.

This Series 2024B Bond is not a general obligation of the City and the City’s general credit and taxing powers are not pledged to the payment of this Series 2024B Bond or the interest hereon. This Series 2024B Bond shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitations.

This Series 2024B Bond shall be subject to redemption at the option of the City, at any time and from time to time, in whole or in part, and if in part then in inverse order of principal installments, at a price equal to the principal amount thereof to be redeemed plus interest accrued to the Redemption Date, without premium; provided that any partial redemption or prepayment must be in an amount of at least \$250,000. If this Series 2024B Bond is prepaid in part, the Owner

of the Series 2024B Bond will reamortize the principal remaining upon redemption and prepayment at the applicable interest rate over the then-remaining term in equal or substantially equal semiannual payments of principal and interest or in such other manner as the parties may agree. Upon partial redemption and prepayment there shall be no need to exchange a new Series 2024B Bond for the unredeemed portion of the existing Series 2024B Bond; provided that the amortization schedule attached as Schedule I hereto shall be replaced by an amortization schedule reflecting the reamortization of the principal then outstanding in the manner described above.

The Redemption Date and the principal amount of this Series 2024B Bond to be redeemed shall be fixed by the City which, if the Registrar is other than an officer of the City, shall give notice thereof to the Registrar at least 45 days prior to the Redemption Date or such lesser period as the Registrar accepts. The Registrar, at least 20 days prior to the designated Redemption Date, shall cause notice of redemption to be mailed, by first class mail to the registered owner of this Series 2024B Bond at its address as it appears on the Bond Register. The notice of redemption shall specify the Redemption Date, Redemption Price, the numbers and interest rates and the place at which the Series 2024B Bond is to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Series 2024B Bond or portion thereof so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified and from and after such date (unless the City shall default in the payment of the Redemption Price) such Series 2024B Bond or portion thereof shall cease to bear interest.

The registered owner of this Series 2024B Bond shall have no right to enforce the provisions of the Resolution, or to institute action to enforce the covenants therein or take any action with respect to a default under the Resolution or to institute, appear in or defend any suit or other procedure with respect thereto except as provided in the Resolution.

As provided in the Resolution and subject to certain limitations set forth therein, this Series 2024B Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by its attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney; and may also be surrendered in exchange for another Series 2024B Bond of a like aggregate principal amount, interest rate and maturity; provided that this Series 2024B Bond is only transferrable with the prior written consent of the City. Upon such transfer or exchange, the City will cause a new Series 2024B Bond to be issued in the name of the transferee or registered owner, of the same outstanding aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the Person in whose name this Series 2024B Bond is registered as the absolute owner hereof, whether this Series 2024B Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Montana and ordinances and resolutions of the City to be done, to exist, to happen and to be performed in order to make this Series 2024B Bond a valid

and binding special, limited obligation of the City in accordance with its terms have been done, do exist, have happened and have been performed as so required; that this Series 2024B Bond has been issued by the City in connection with an urban renewal project (as defined in the Act); that the City, in and by the Resolution, has validly made and entered into covenants and agreements with and for the benefit of the registered owners from time to time of all Bonds issued thereunder, including covenants that it will pledge, appropriate and credit the Tax Increment to the Tax Increment Debt Service Account of the City; that all provisions for the security of the registered owners of the Bonds as set forth in the Resolution will be punctually and faithfully performed as therein stipulated; and that the issuance of this Series 2024B Bond does not cause the obligations of the City to exceed any constitutional or statutory limitation of indebtedness.

This Series 2024B Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by the manual signature of an authorized representative.

IN WITNESS WHEREOF, the City of Missoula, Montana, by its City Council, has caused this Series 2024B Bond to be executed by the facsimile signatures of the Mayor, the City Finance Director, and the City Clerk.

CITY OF MISSOULA, MONTANA

(Facsimile Signature)
Mayor

(SEAL)

(Facsimile Signature)
City Finance Director

(Facsimile Signature)
City Clerk

Dated: _____

CERTIFICATE OF AUTHENTICATION

This Bond is the Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2024B delivered pursuant to the Resolution mentioned within.

CITY FINANCE DIRECTOR, CITY OF
MISSOULA, MONTANA
as Registrar, Transfer Agent,
and Paying Agent

By _____
City Finance Director

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants
in common

UTMA.....Custodian.....
(Cust) (Minor)

TEN ENT -- as tenants
by the entireties

JT TEN -- as joint tenants
with right of
survivorship and
not as tenants in
common

under Uniform Gifts to
Minor Act.....
(State)

Additional abbreviations may also be used.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____
_____ the within Bond and all rights thereunder, and hereby
irrevocably constitutes and appoints _____ attorney to transfer the within
Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

PLEASE INSERT SOCIAL SECURITY
OR OTHER IDENTIFYING NUMBER
OF ASSIGNEE:

NOTICE: The signature to this assignment
must correspond with the name as it appears
upon the face of the within Bond in every
particular, without alteration, enlargement
or any change whatsoever.

SIGNATURE GUARANTEED

Signature(s) must be guaranteed by an "eligible
guarantor institution" meeting the requirements of the
Registrar, which requirements include membership or
participation in STAMP or such other "signature
guaranty program" as may be determined by the
Registrar in addition to or in substitution for STAMP,
all in accordance with the Securities Exchange Act of
1934, as amended.

SCHEDULE I

\$5,598,000 City of Missoula, Montana

Tax Increment Senior-Subordinate Urban Renewal Revenue Bond

(North Reserve - Scott Street Urban Renewal District), Series 2024B - FSB

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/20/2024	-	-	-	-	-
01/01/2025	33,503.00	6.950%	206,418.48	239,921.48	-
07/01/2025	46,555.21	6.950%	193,366.27	239,921.48	479,842.96
01/01/2026	48,173.00	6.950%	191,748.48	239,921.48	-
07/01/2026	49,847.01	6.950%	190,074.47	239,921.48	479,842.96
01/01/2027	51,579.20	6.950%	188,342.28	239,921.48	-
07/01/2027	53,371.58	6.950%	186,549.90	239,921.48	479,842.96
01/01/2028	55,226.24	6.950%	184,695.24	239,921.48	-
07/01/2028	57,145.35	6.950%	182,776.13	239,921.48	479,842.96
01/01/2029	59,131.15	6.950%	180,790.33	239,921.48	-
07/01/2029	61,185.96	6.950%	178,735.52	239,921.48	479,842.96
01/01/2030	63,312.17	6.950%	176,609.31	239,921.48	-
07/01/2030	65,512.27	6.950%	174,409.21	239,921.48	479,842.96
01/01/2031	67,788.82	6.950%	172,132.66	239,921.48	-
07/01/2031	70,144.48	6.950%	169,777.00	239,921.48	479,842.96
01/01/2032	72,582.00	6.950%	167,339.48	239,921.48	-
07/01/2032	75,104.23	6.950%	164,817.25	239,921.48	479,842.96
01/01/2033	77,714.10	6.950%	162,207.38	239,921.48	-
07/01/2033	80,414.66	6.950%	159,506.82	239,921.48	479,842.96
01/01/2034	83,209.07	6.950%	156,712.41	239,921.48	-
07/01/2034	86,100.59	6.950%	153,820.89	239,921.48	479,842.96
01/01/2035	89,092.58	6.950%	150,828.90	239,921.48	-
07/01/2035	92,188.55	6.950%	147,732.93	239,921.48	479,842.96
01/01/2036	95,392.10	6.950%	144,529.38	239,921.48	-
07/01/2036	98,706.98	6.950%	141,214.50	239,921.48	479,842.96
01/01/2037	102,137.05	6.950%	137,784.43	239,921.48	-
07/01/2037	105,686.31	6.950%	134,235.17	239,921.48	479,842.96
01/01/2038	109,358.91	6.950%	130,562.57	239,921.48	-
07/01/2038	113,159.13	6.950%	126,762.35	239,921.48	479,842.96
01/01/2039	117,091.41	6.950%	122,830.07	239,921.48	-
07/01/2039	121,160.34	6.950%	118,761.14	239,921.48	479,842.96
01/01/2040	125,370.66	6.950%	114,550.82	239,921.48	-
07/01/2040	129,727.29	6.950%	110,194.19	239,921.48	479,842.96
01/01/2041	134,235.31	6.950%	105,686.17	239,921.48	-
07/01/2041	138,899.99	6.950%	101,021.49	239,921.48	479,842.96
01/01/2042	143,726.76	6.950%	96,194.72	239,921.48	-
07/01/2042	148,721.27	6.950%	91,200.21	239,921.48	479,842.96
01/01/2043	153,889.33	6.950%	86,032.15	239,921.48	-
07/01/2043	159,236.99	6.950%	80,684.49	239,921.48	479,842.96
01/01/2044	164,770.47	6.950%	75,151.01	239,921.48	-
07/01/2044	170,496.25	6.950%	69,425.23	239,921.48	479,842.96
01/01/2045	176,420.99	6.950%	63,500.49	239,921.48	-
07/01/2045	182,551.62	6.950%	57,369.86	239,921.48	479,842.96
01/01/2046	188,895.29	6.950%	51,026.19	239,921.48	-
07/01/2046	195,459.40	6.950%	44,462.08	239,921.48	479,842.96
01/01/2047	202,251.61	6.950%	37,669.87	239,921.48	-
07/01/2047	209,279.86	6.950%	30,641.62	239,921.48	479,842.96
01/01/2048	216,552.33	6.950%	23,369.15	239,921.48	-
07/01/2048	224,077.53	6.950%	15,843.95	239,921.48	479,842.96
01/01/2049	231,863.60	6.950%	8,057.26	239,920.86	-
07/01/2049	-	-	-	-	239,920.86
Total	\$5,598,000.00	-	\$6,158,151.90	\$11,756,151.90	-

EXHIBIT D

[Form of Development Agreement, with form of Disbursement Agreement attached]

DEVELOPMENT AGREEMENT
(Ravara Project)

This DEVELOPMENT AGREEMENT (this “Agreement”) is dated as of June 20, 2024, by and between RAVARA DEVELOPMENT, LLC, a Montana limited liability company (the “Developer”), the CITY OF MISSOULA, MONTANA, a municipal corporation of the State of Montana (the “City”), and the MISSOULA REDEVELOPMENT AGENCY, a component part of the City (the “MRA”). The Developer, the City and the MRA are each individually referred to herein as a “Party” and collectively as the “Parties.”

RECITALS:

WHEREAS, under the provisions of Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”), the City is authorized to create urban renewal areas, prepare and adopt an urban renewal plan therefor and amendments thereto, undertake urban renewal projects therein, provide for the segregation and collection of tax increment with respect to property taxes collected in such areas, issue its bonds to pay the costs of such projects and pledge to the repayment of the bonds all or a portion of the tax increment and other revenues derived from projects undertaken within the urban renewal area; and

WHEREAS, pursuant to the Act and Ordinance No. 3534, adopted by the City Council of the City (the “Council”) on August 24, 2014, as amended by Ordinance Nos. 3550, 3556 and 3698, adopted by the Council on July 20, 2015, November 2, 2015 and May 23, 2022, respectively, the City has created the City of Missoula North Reserve – Scott Street Urban Renewal District as an urban renewal area (the “District”) and has approved the City of Missoula North Reserve – Scott Street Urban Renewal Plan (the “Plan”) as an urban renewal plan. The Plan provides for the segregation and collection of tax increment revenues with respect to the District in accordance with the provisions of the Act; and

WHEREAS, the City previously purchased approximately 19 acres of property located along the west side of Scott Street and adjacent to the current City Shops property, the eastern portion of which has been subdivided in preparation for redevelopment into: Tract 1, 1.88 acres of public right-of-way for Charlo and Shakespeare Streets; Tract 2, an approximately 3-acre parcel to be used for the development of affordable housing for resident ownership (“Tract 2”); Tract 3, a 5.16 acre parcel to be developed for mixed uses including market-rate housing; and Tract 4 a 9.14 acre parcel which has been reserved for future uses; and

WHEREAS, in February 2021, the City and the Developer executed a letter of intent relating to the development of Tract 2, and the City and the Developer have engaged in an extensive public process for input on neighborhood needs and priorities; and

WHEREAS, on [_____], the City and the Developer entered into a development agreement, attached hereto as Exhibit A (the “City Development Agreement”), setting forth the parties’ expectations that Tract 2 will be developed as follows:

- Tract 2 (as legally described on Exhibit B hereto, the “Land”) will be conveyed to NMCDC Pine & Sash, LLC, a Montana limited liability company (“NMCDC Pine & Sash”) and wholly owned subsidiary of the North Missoula Community Development Corporation, a Montana non-profit corporation which acts as a community land trust, and developed by the Developer into resident-owned housing, with an expected 89 units in a mix of condominiums and townhomes, some of which are expected to be permanently restricted for sale to income-qualified purchasers through a ground lease (the “Ravara Project”); and

WHEREAS, the redevelopment of Tract 2, along with a subsequent redevelopment project tied to Tract 3, require infrastructure improvements as well, including street construction and related improvements, landscaping in the right-of-way, sidewalks, street lighting, a new bus stop and cycle track on Scott Street, extension of water and sewer mains, compaction of non-structural soil on Tract 2, removal of unsuitable soils, and related improvements (collectively, the “Infrastructure Improvements”); and

WHEREAS, the Ravara Project will be completed in two phases, as described in Exhibit A to the City Development Agreement; and

WHEREAS, under the Act, permissible uses of tax increment and tax increment financing include the acquisition, construction and improvement of public improvements or infrastructure, with “infrastructure” defined to include “workforce housing;” and

WHEREAS, although “workforce housing” is not defined in the Act, Section 90-6-143, Montana Code Annotated, defines “attainable workforce housing” as housing of a cost that a household earning between 60% and 140% of median household income would spend no more than 30% of gross monthly income to attain; and

WHEREAS, the income-qualified residential units in the Ravara Project (the “Workforce Housing Units”) will constitute attainable workforce housing, within the meaning of Section 90-6-143, Montana Code Annotated. Pursuant to Sections 7-15-4283 and 7-15-4288 of the Act, workforce housing is infrastructure, the costs of which are a permissible use of tax increment and tax increment financing; and

WHEREAS, as housing units constructed as part of the Ravara Project are completed and sold, the purchaser of each Workforce Housing Unit will enter into a ground lease with NMCDC Pine & Sash, and the ground leases with respect to Workforce Housing Units will include provisions for the ongoing affordability of the Workforce Housing Units, including restrictions on resale prices; and

WHEREAS, the MRA board approved using tax increment and/or tax increment financing to pay costs of the Infrastructure Improvements and a portion of the costs of the Workforce Housing Units, as well as to pay the impact fees associated with the Ravara Project, in exchange for a total of 47, or 53%, of the units being Workforce Housing Units; and

WHEREAS, pursuant to Resolution No. [_____] adopted on June 10, 2024 (the “Supplemental Resolution”), the City Council authorized the issuance of the Series 2024 Bonds (as defined herein) to pay, among other things, costs of the Infrastructure Improvements, a

portion of the costs of the Workforce Housing Units, and associated financing costs, as further described in the Supplemental Resolution; and

WHEREAS, the Parties have entered into a Disbursement Agreement, attached hereto as Exhibit C, regarding disbursement of the proceeds of the Series 2024 Bonds; and

WHEREAS, the Parties desire to enter into this Agreement which sets forth the obligations and commitments of the Parties with respect to the Infrastructure Improvements, the Ravara Project and the proceeds of the Series 2024 Bonds.

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

Section 6. Definitions; Rules of Interpretation; Exhibits.

6.01. 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 given such terms in the Recitals, in the Supplemental Resolution, or as follows:

“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 land use, zoning, and stormwater control regulations as well as all regulations promulgated by a regulatory body pursuant to any statute, code, law, ordinance, regulation, requirement or rule.

“Indemnified Parties” has the meaning given to it in Section 6.1.

“Infrastructure Improvements” has the meaning given to it in the recitals 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 Land or the Ravara Project.

“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.

“Ravara Project” has the meaning given in the recitals hereto.

“State” means the State of Montana.

“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, pandemics, epidemics, labor shortages, unusually inclement weather 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.

“Workforce Housing Units” has the meaning given to it in the recitals hereto.

6.02. 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 of its particular sections or subdivisions.

(b) References to any particular section or subdivision hereof are to the section or subdivision of this Agreement in its original signed form, unless otherwise indicated.

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

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

Exhibit A: City Development Agreement

Exhibit B: Land

Exhibit C: Disbursement Agreement

Exhibit D: Non-Discrimination and Affirmative Action Policies

Section 7. Representations.

7.01. City and MRA Representations. The City and MRA hereby represent as follows:

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

(b) Pursuant to the Supplemental Resolution, the City has duly authorized the execution and delivery of this Agreement, the Disbursement Agreement, and the Series 2024 Bonds.

(c) The City has found and determined that the Workforce Housing Units of the Ravara Project are a means to provide safe, sanitary and healthful workforce housing, which constitutes a public purpose and a public use for which tax increment funds may be spent.

7.02. Developer Representations. The Developer hereby represents as follows:

(a) The Developer is a Montana limited liability company, duly formed, validly existing, in good standing and duly qualified to do business in the State of Montana. The Developer 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 Developer has the financial capability or commitments to complete the Infrastructure Improvements and the Ravara Project, taking into account the proceeds of the Series 2024 Bonds.

(c) The Developer is not aware of any facts the existence of which would cause the Developer to be in violation in any material respect of any Environmental Laws and Regulations applicable to the Ravara Project or the Infrastructure Improvements. The Developer has not received from any local, state or federal official any notice or communication indicating that the activities of the Developer have been, may be or will be in violation of any Environmental Laws and Regulations applicable to the Ravara Project or the Infrastructure Improvements.

(d) 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 hereof is prohibited or limited by, conflicts with or results in a breach of the terms, conditions or provisions of the certificate of formation, partnership agreement or operating agreement of the Developer or any evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(e) There is no action, suit, investigation or proceeding now pending or, to the knowledge of the Developer, threatened against or affecting the Developer or its business, 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, that could, individually or in the aggregate, materially and adversely affect the ability of the Developer to complete the Infrastructure Improvements and the Ravara Project.

Section 8. Developer Undertakings.

8.01. Construction of Infrastructure Improvements and Ravara Project. The Developer hereby agrees and commits to the MRA that it will diligently undertake and complete the construction of the Infrastructure Improvements in accordance with the provisions of the Infrastructure Agreement, and that it will diligently undertake and complete the construction of the Ravara Project (including the Workforce Housing Units) in accordance with the City Development Agreement. In each case, the Developer shall, and shall cause its contractors to, act in accordance with all applicable federal, State and local laws, rules, regulations, ordinances and plans relating to or governing the development or use of the Infrastructure Improvements or the Ravara Project, including applicable Land Use Regulations and Environmental Laws and Regulations. Subject to Unavoidable Delays, the Developer agrees and commits to the MRA that construction of the Infrastructure Improvements will be substantially completed by November 30, 2024, with landscaping completed in 2025; the first phase of the Ravara Project will be substantially completed by November 30, 2025; and the second phase of the Ravara Project will be substantially completed by November 30,

2027, subject to availability of acceptable financing. If the Developer determines that the Infrastructure Improvements or either phase of the Ravara Project cannot be completed or satisfied by the corresponding date set forth above, the Developer shall submit to the Director of the MRA a request for an extension and provide supporting documentation, and the Director of the MRA has authority under this Agreement to grant such an extension or extensions. Requests for an extension shall not be unreasonably denied.

The Developer agrees to permit the MRA and any of its officers, employees or agents access to the Land for the purpose of inspection of all work being performed in connection with the Infrastructure Improvements and the Ravara Project; provided, however, that the MRA shall have no obligation to inspect such work.

8.02. Prevailing Wage Rates. The Developer understands that the City and the MRA are obligated to follow certain laws, including with respect to Prevailing Wage Rates, with respect to the expenditure of public funds, which includes tax increment. The Developer agrees that through its contract(s) with its contractor(s), it will require its general contractor/construction manager to pay the Prevailing Wage Rates on contracts related to the Infrastructure Improvements and those portions of the Ravara Project financed with proceeds of the Series 2024 Bonds. The Developer will provide to the City or the MRA all documentation requested to verify the compliance of the Developer and its general contractor/construction manager with the foregoing requirement.

8.03. Utilities. The Developer shall not 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 shall be subject to approval of the City and any utility provider involved. The Developer at its own expense shall replace any public facilities or utilities damaged during the Infrastructure Improvements or the Ravara Project by the Developer or its agents or by others acting on behalf of or under their direction or control of the Developer.

8.04. Permits and Compliance With Laws. The Developer will obtain, in a timely manner, all required permits, licenses and approvals, and will meet all requirements of all local, state and federal laws, rules and regulations which must be obtained or met in connection with the acquisition and construction of the Ravara Project and the Infrastructure Improvements. Without limiting the foregoing, the Developer will request and seek to obtain from the City or other appropriate governmental authority all necessary land use, zoning, and building permits. The Developer will comply in all material respects with all Environmental Laws and Regulations applicable to the construction, acquisition, and operation of the Ravara Project and the Infrastructure Improvements, will obtain any and all necessary environmental reviews, licenses or clearances under, and will comply in all material respects with, Environmental Laws and Regulations. In addition, the Developer shall comply fully with all applicable state and federal laws, regulations, and municipal ordinances related to worker safety including but not limited to the Occupational Safety and Health Act (OSHA), the safety rules, codes, and provisions of the Montana Safety Act in Title 50, Chapter 71, MCA, all applicable City, County, and State building and electrical codes, and the Americans with Disabilities Act.

8.05. Nondiscrimination. The Developer agrees to require its contractor(s) to be in compliance with the City's Non-Discrimination and Affirmative Action Policies attached hereto as Exhibit D, as well as Montana Code Annotated, Title 49, regarding activities related to the Ravara Project and the Infrastructure Improvements.

8.06. Worker's Compensation Insurance. The Developer shall provide in its construction contracts related to the Ravara Project with all of its respective contractors that such contractors are to be covered by a Worker's Compensation insurance program with the State, a private insurance carrier, or an approved self-insurance plan in accordance with State law.

Section 9. Workforce Housing Units. The Developer will meet with representatives of the MRA and the City throughout construction of the Ravara Project, and the parties will meet between the completion of phase I and the commencement of phase II to determine whether the IQ Goal (as defined in the City Development Agreement) can be met or needs to be adjusted, all as further described in Exhibit A to the City Development Agreement. The Developer shall provide to the City and MRA any information that the City and MRA may reasonably request in connection with all determinations relating to the number and types of units designated as Workforce Housing Units. To the extent it appears that there will be fewer than 47 Workforce Housing Units, the Developer will meet with the MRA board to explain why fewer Workforce Housing Units were constructed. The Developer recognizes that the City and MRA require that all proceeds of the Series 2024B Bond contributed to the construction of the Ravara Project are allocated to the Workforce Housing Units; provided that such allocation will not be finalized until phase II of the Ravara Project is complete and all costs and the number of Workforce Housing Units have been identified. At a minimum, the number of units equal to \$3,250,000 divided by the total cost of the Ravara Project, multiplied by the total number of units constructed and rounded to the nearest whole number¹ will be designated as “workforce housing” affordable to households earning between 60% and 140% area median income (AMI), as further described in the MRA workforce housing policy. If phase II of the Ravara Project is not feasible or the Developer determines not to undertake phase II of the Ravara Project, the “total cost of the Ravara Project” shall mean the total cost of phase I of the Ravara Project. The Developer covenants to work cooperatively with NMCDC Pine & Sash with respect to the marketing of the Workforce Housing Units and to provide all information reasonably necessary to enable NMCDC Pine & Sash to enter into appropriate ground leases with respect to each unit as such unit is marketed and sold.

Section 10. Covenants to Pay Taxes. So long as the Developer is the owner of the Ravara Project, the Developer shall pay or cause to be paid when due and prior to the imposition of penalty all Taxes and all installments of any special assessments payable with respect to the Ravara Project (or the portions thereof that it owns) and any improvements thereto or extension thereof, if any.

Section 11. Indemnification and Insurance.

11.01. Indemnification.² The Developer releases the MRA and all MRA board members, officers, agents and employees of the MRA (the “Indemnified Parties”) from, and covenants and agrees that the Indemnified Parties shall not be liable for, and agrees to indemnify, defend and hold harmless the Indemnified Parties against, any loss, damage, cost (including reasonable attorneys’ fees), claim, demand, suit, action or other proceeding whatsoever (i) arising or purportedly arising out of, or resulting or purportedly resulting from, the acquisition and construction of the Ravara Project and the Infrastructure Improvements, or any violation by the Developer of any agreement, condition or covenant of this Agreement;

¹ As an example: if the total costs of the Ravara Project are \$30,000,000: $\$3,250,000/\$30,000,000 = 10.8\%$, $10.8\% \times 89 \text{ units} = 9.6$; therefore a minimum of 10 units would need to be affordable to households earning between 60% and 140% AMI.

² Under review by Developer.

or (ii) which is proximately caused by the Developer or its officers, agents, contractors, consultants or employees.

11.02. Insurance.³ Developer shall keep and maintain the Ravara Project at all times insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with facilities of the type and size comparable to the Ravara Project, and the Developer shall carry and maintain, or cause to be carried and maintained, and pay or cause to be paid 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" shall include the actual replacement cost of the Ravara Project, exclusive of foundations and footings, without deduction for architectural, engineering, legal or administrative fees or for depreciation. The policies required by this Section 6.2 shall be subject to a no coinsurance clause or contain an agreed amount clause, and must contain a deductibility provision not exceeding \$100,000.

(a) Subject to the terms of any mortgage relating to the Ravara Project, policies of insurance required by this Section 6.2 shall name the City as a loss payee in the amount of its contribution to the construction of the Workforce Housing Units. The MRA shall be furnished certificates showing the existence of such insurance.

(b) During construction of the Ravara Project, any and all of the foregoing insurance policies may be maintained by the Developer's contractor. Once the Ravara Project is placed into service, and before units are sold to individual unit owners, the Developer shall maintain the foregoing insurance policies; provided that as each unit is sold, the Developer's obligation to insure such unit terminates and the terms of the ground leases and/or the condominium and townhome declaration relating to the Ravara Project will set forth the applicable insurance requirements.

(c) In addition to and independent of the above, the Developer shall at the Developer's expense secure liability insurance through an insurance company or companies duly licensed and authorized to conduct insurance business in Montana. The insurance shall not contain any exclusion for liabilities specifically assumed by the Developer in this Section. The insurance shall cover and apply to all claims, demands, suits, damages, losses, and expenses that may be asserted or claimed against, recovered from, or suffered by the MRA in relation to construction of the Ravara Project and the Infrastructure Improvements without limit and without regard to the cause therefore. The

³ Under review and subject to adjustment.

Developer must furnish to the MRA an accompanying certificate of insurance and accompanying endorsements in amounts not less than as follows:

(d) Commercial General Liability - \$1,000,000 per occurrence;
\$2,000,000 annual aggregate

(e) The above amounts shall be exclusive of defense costs. The City, the MRA, its officers, agents, and employees, shall be endorsed as an additional or named insured on a primary non-contributory basis on the Commercial General Liability policy. The insurance and required endorsements must be in a form suitable to MRA and shall include no less than a thirty (30) day notice of cancellation or non-renewal. Developer must notify the MRA within two (2) business days of Developer's receipt of notice that any required insurance coverage will be terminated or Developer's decision to terminate any required insurance coverage for any reason.

Section 12. General Provisions.

12.01. Conflicts of Interest; MRA's Representatives Not Individually Liable. The Developer represents that it does not employ, retain, or contract with an officer or employee of the MRA and that no member, officer or employee of the MRA has a personal or financial interest, direct or indirect, in this Agreement or in the Ravara Project, or a financial interest in the Infrastructure Improvements. No member, officer or employee of the MRA shall be personally liable to Developer in the event of any default under or breach of this Agreement by the MRA, or for any amount that may become due to Developer for any obligation issued under or arising from the terms of this Agreement.

12.02. Rights Cumulative. The rights and remedies of the Parties of this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by any Party hereto of any one or more of such remedies shall 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 subject to the limitation of remedies provided herein. No waiver made by such Party with respect to the performance or the manner or time thereof, of any obligation under this Agreement, shall 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 shall not be deemed a waiver of any rights hereunder.

12.03. Term of Agreement. This Agreement shall remain in effect until such time as the Infrastructure Improvements are completed, the Ravara Project is completed and placed in service and all units are sold; provided that Section 4 of this Agreement shall remain in effect until the Series 2024 Bonds are no longer outstanding and Sections 6.1, 7.1 and 7.4 of this Agreement shall in all events survive the termination of this Agreement.

12.04. Limitation on City and MRA Liability. No agreements or provisions contained in this Agreement nor any agreement, covenant or undertaking by the MRA

contained in any document in connection with the Ravara Project or the Infrastructure Improvements shall give rise to any pecuniary liability of the MRA or a charge against its general credit or taxing powers, or shall obligate the City or the MRA financially in any way except with respect to then-available Tax Increment. No failure of the City or the MRA to comply with any term, condition, covenant or agreement herein shall subject the City or the MRA 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 then-available Tax Increment; and no execution on any claim, demand, cause of action or judgment shall be levied upon or collected from the general credit, general funds or taxing powers of the City (except as such constitute then-available Tax Increment). The MRA has no taxing powers. Nothing herein shall preclude a proper party in interest from seeking and obtaining specific performance against the City or the MRA for any failure to comply with any term, condition, covenant or agreement herein; provided that no costs, expenses or other monetary relief shall be recoverable from the City or the MRA except as may be payable from then-available Tax Increment. This Agreement shall not constitute or be construed to give rise to a debt of the City.

- 12.05. Assignment. This Agreement is unique among the City, MRA and the Developer and the Developer may not assign any rights or privileges, or delegate any duties or obligations under this Agreement, without first obtaining the written consent of the MRA (on behalf of itself and the City). The Parties acknowledge and agree that following completion of the Ravara Project and the sale of all units, the Developer expects to assign and delegate its rights and privileges, and delegate its duties or obligations under this Agreement to the condominium association or homeowners association formed by the condominium and townhome declaration with respect to the Ravara Project, and/or to NMCDC Pine & Sash, and the MRA's consent to an assignment and delegation in accordance with this paragraph shall not be unreasonably withheld.
- 12.06. Successors Bound By Agreement; No Third-Party Beneficiary; No Property Interest. Subject to compliance with Section 7.5, this Agreement will inure to the benefit of and be binding upon the Parties to this Agreement and their respective successors in interest and permitted assignees. This Agreement is for the exclusive benefit of the Parties, does not constitute a third-party beneficiary agreement, and may not be relied upon or enforced by a third party. This Agreement, by itself, does not create or give rise to a property interest in the Land or the Ravara Project.
- 12.07. Amendments, Changes and Modifications. This Agreement may be amended and any of its terms may be modified only by written amendment authorized and signed by the Parties hereto.
- 12.08. Headings. The headings of articles and sections in this Agreement are inserted for convenience of reference only and do not limit or amplify the terms and provisions of the Agreement in any manner. The headings will be ignored and will not affect the construction of any provisions of this Agreement.
- 12.09. Notice. Any formal notice, demand or communication required or permitted by the terms of this Agreement to be given to the MRA or the Developer will be in writing and will be

delivered to such Party either: (i) by personal hand-delivery; (ii) by depositing the same with a nationally recognized overnight delivery service; or (iii) with respect to notice to the Developer or MRA, by email (in which case the notice shall be effective as of the date of confirmed delivery). Notice will be deemed complete upon receipt of the notice pursuant to any of the foregoing methods of notice. Notices and communications to the parties must be addressed to and delivered at the following addresses:

If to MRA:

Missoula Redevelopment Agency
140 West Pine
Missoula, Montana 59802
Attention: Director
[EMAIL]

If to Developer:

Ravara Development, LLC
129 Alder Street
Missoula, Montana 59802
Attention: [_____]
[EMAIL]

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

12.10. Severability. If any provision of this Agreement is declared void or held invalid, such provision will be deemed severed from this Agreement and the remaining provisions of this Agreement will otherwise remain in full force and effect.

12.11. Place of Performance. The place of performance of this Agreement will be in the City of Missoula, Missoula County, Montana.

12.12. 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.

12.13. Further Assurances and Corrective Instruments. The Parties 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 Ravara Project, the Infrastructure Improvements or for carrying out the expressed intention of this Agreement.

12.14. 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. Electronic and emailed signatures shall be valid in all respects and treated as if they were originals.

IN WITNESS WHEREOF, the Parties hereto have caused this Development Agreement to be executed as of the date first set forth above.

MISSOULA REDEVELOPMENT AGENCY

By: _____
Printed Name: _____
Title: Board Chair

By: _____
Printed Name: _____
Title: Director

[Signature Page to Development Agreement]

RAVARA DEVELOPMENT, LLC

By: _____
Printed Name:
Title:

[Signature Page to Development Agreement]

EXHIBIT A
CITY DEVELOPMENT AGREEMENT

[to come]

EXHIBIT B

LAND

TRACT 2 OF AMENDED PLAT OF SCOTT STREET LOTS, LOT 3, LOCATED IN THE NORTH HALF OF SECTION 16, TOWNSHIP 13 NORTH, RANGE 19 WEST, PRINCIPAL MERIDIAN, MONTANA; CONTAINING 2.97 ACRES, MORE OR LESS; ON FILE IN THE RECORDS OF MISSOULA COUNTY, MONTANA, AT BOOK 39 OF PLATS, PAGE 58.

EXHIBIT C

DISBURSEMENT AGREEMENT

DRAFT 05/30/2024

DISBURSEMENT AGREEMENT

Among

CITY OF MISSOULA, MONTANA,

MISSOULA REDEVELOPMENT AGENCY,

RAVARA DEVELOPMENT, LLC,

and

FIRST SECURITY BANK OF MISSOULA, DIVISION OF GLACIER BANK

Dated as of June 20, 2024

DISBURSEMENT AGREEMENT

THIS DISBURSEMENT AGREEMENT, dated as of June 20, 2024 (the “Disbursement Agreement”), by and among City of Missoula, Montana (the “City”), Missoula Redevelopment Agency (the “MRA”), Ravara Development, LLC (the “Developer”), and First Security Bank of Missoula, Division of Glacier Bank (the “Bank”).

W I T N E S S E T H:

WHEREAS, pursuant to Resolution No. [____], adopted by the City Council of the City on June 10, 2024 (the “Supplemental Resolution”), the City has authorized and determined to issue its Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2024A, in the principal amount of \$4,202,000 (the “Series 2024A Bond”) and its Tax Increment Senior-Subordinate Urban Renewal Revenue Bond (North Reserve – Scott Street Urban Renewal District), Series 2024B, in the principal amount of \$5,598,000 (the “Series 2024B Bond” and, together with the Series 2024A Bond, the “Series 2024 Bonds”); and

WHEREAS, the MRA and the Developer have entered into an agreement, dated as of February 14, 2022, as amended on November 22, 2022 and January 24, 2024, relating to the Infrastructure Improvements (collectively, the “Infrastructure Agreement”) and the City, the MRA and the Developer have entered into a Development Agreement, dated as of June 20, 2024 (the “MRA Development Agreement”); and

WHEREAS, the proceeds of the Series 2024A Bond will be used (i) to finance or to reimburse costs of the 2024A Infrastructure Improvements; (ii) to fund a deposit to the BOI Reserve Subaccount; and (iii) to pay expenses incurred in connection with the issuance of the Series 2024A Bond; and

WHEREAS, the proceeds of the Series 2024B Bond will be used (i) to finance or reimburse costs of the 2024B Infrastructure Improvements; (ii) pay a portion of the costs of the Workforce Housing Units in the Ravara Project; (iii) pay or reimburse impact fees related to the Ravara Project; (iv) pay costs of related park and transportation improvements; and (v) to pay expenses incurred in connection with the issuance of the Series 2024B Bond; and

WHEREAS, the City and the Developer desire to have the Bank disburse a portion of the proceeds of the Series 2024 Bonds to the Developer in accordance with this Disbursement Agreement, the Supplemental Resolution, the Infrastructure Agreement and the Development Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants set forth, the parties hereto agree as follows:

Section 13. SECTION I

Section 14. DEFINITIONS

1.1. Capitalized terms used in this Disbursement Agreement and not otherwise defined herein shall have the respective meanings given such terms in the Supplemental Resolution. In addition, the following terms shall, when used herein with initial capital letters, have the following meanings:

“Bond Resolution” means Resolution No. 8031, adopted by the Council on December 14, 2015, as amended and supplemented by Resolution Nos. 8229 and 8443, adopted by the Council on December 11, 2017 and August 3, 2020, and as further amended and supplemented by the Supplemental Resolution.

“Disbursing Agent” means Insured Titles, LLC.

“Financing Agreements” means the following documents:

- (a) the Series 2024 Bonds;
- (b) the Bond Resolution;
- (c) the MRA Development Agreement;
- (d) the Infrastructure Agreement; and
- (e) this Disbursement Agreement.

“General Construction Contract” means any contract of the Developer providing for the acquisition, construction, equipping, furnishing or installation of the Ravara Project.

“General Contractor” means Headwaters Construction Co., or a successor entity that undertakes to provide material or labor to perform a service or other work pursuant to the General Construction Contract with the Developer.

“Infrastructure Engineer” means WGM Group, or a successor entity overseeing construction of the Infrastructure Improvements.

“Infrastructure Improvements” means the infrastructure improvements related to the Ravara Project, including street construction and related improvements, landscaping in the right-of-way, sidewalks, street lighting, a new bus stop and cycle track on Scott Street, extension of water and sewer mains, storm water improvements, compaction of non-structural soil on Tract 2, removal of unsuitable soils, and related improvements.

“Land” means the property legally described on Exhibit B hereto.

“Ravara Project” means the development by Developer of resident-owned housing, consisting of 89 units in a mix of condominiums and townhomes, some of which are expected to be permanently restricted for sale to income qualified purchasers.

“2024A Disbursement Account” the account established with the Bank and owned by the City, in which proceeds of the Series 2024A Bond will be deposited as described in Section 2.1 hereof and from which proceeds of the Series 2024A Bond will be disbursed in accordance with this Disbursement Agreement.

“2024A Infrastructure Improvements” means that portion of the Infrastructure Improvements occurring in the public right-of-way and eligible for financing with proceeds of the Series 2024A Bond pursuant to House Bill 819, enacted by the 2023 state legislature.

“2024B Disbursement Account” the account established with the Bank and owned by the City, in which proceeds of the Series 2024B Bond will be deposited as described in Section 2.1 hereof and from which proceeds of the Series 2024B Bond will be disbursed in accordance with this Disbursement Agreement.

“2024B Infrastructure Improvements” means that portion of the Infrastructure Improvements constituting gas and electric main line extensions in the public right-of-way, and earthwork and other improvements occurring outside of the public right-of-way.

SECTION 2

DISBURSEMENTS

2.1. On the date hereof, the City has deposited proceeds of the Series 2024A Bond in the amount of \$3,702,410 into the 2024A Disbursement Account, and has deposited proceeds of the Series 2024B Bond in the amount of \$3,612,336 into the 2024B Disbursement Account. The Bank agrees to hold the 2024A Disbursement Account and the 2024B Disbursement Account and the amounts therein as special, segregated accounts, owned by the City and disbursed in accordance with this Disbursement Agreement.

2.2. The City hereby directs the Bank to advance the proceeds of the Series 2024 Bonds to the Developer as set forth herein, and the Bank hereby agrees to make advances to the Developer, upon satisfaction of the conditions set forth in this Disbursement Agreement. The City and MRA agree to pay the Disbursing Agent’s fee, expected to be \$[_____], of which \$[_____] shall be from proceeds of the Series 2024A Bond and \$[_____] shall be from proceeds of the Series 2024B Bond.

2.3. Disbursements will be made pursuant to the following process:

(a) the Developer shall submit to the MRA and the Bank the following (collectively, the “Draw Documentation”):

(1) A draw request and certification, signed by the Developer and the Infrastructure Engineer and/or General Contractor, as applicable, and dated not more than thirty (30) days prior to the date of the receipt thereof by the MRA and the Bank, in substantially the form attached as Exhibit A hereto (the “Draw Request”), which shall describe the costs being paid; delineate as needed among costs that are eligible to be paid from the Series 2024 Bonds and any costs that are to be paid from another source; categorize costs as costs of the 2024A

Infrastructure Improvements payable from the 2024A Disbursement Account, costs of the 2024B Infrastructure Improvements payable from the 2024B Disbursement Account or costs of the Ravara Project payable from the 2024B Disbursement Account, and attaching relevant invoices.

(2) If the Draw Request relates to Infrastructure Improvements, the Developer shall furnish a written certification of the Infrastructure Engineer, in form and substance acceptable to the MRA, (i) describing the costs being paid and (ii) certifying as to the progress of the Infrastructure Improvements. If the Draw Request relates to the Ravara Project, the Developer shall furnish a written certification of the General Contractor, in form and substance acceptable to the MRA, (i) describing the costs being paid and (ii) certifying as to the progress of the Ravara Project.

(3) Conditional mechanic's and materialmen's lien waivers from the general contractor(s) with respect to the Infrastructure Improvements and from the General Contractor for work done or materials supplied relating to the Draw Request being submitted, together with unconditional mechanic's and materialmen's lien waivers for work done or material supplied and paid from prior Draw Requests no later than 60 days following such payment.

(b) Within [ten (10)] Business Days following its receipt of the Draw Documentation, MRA will provide to the Developer and to the Bank its written approval, disapproval or any requests for further information. If additional information is requested, the MRA shall have an additional [five (5)] Business Days from the date it receives full and complete Draw Documentation to provide its approval or disapproval of such Draw Request to the Developer and the Bank. The parties acknowledge and agree that the MRA review is focused on the accuracy of the allocation of the costs to the 2024A Disbursement Account and 2024B Disbursement Account. The MRA and the Developer have been working on a detailed spreadsheet to be used to track costs and the parties expect to use that spreadsheet for purposes of tracking costs of the Infrastructure Improvements and Ravara Project.

(c) Within [four (4)] Business Days following its receipt of MRA approval of the Draw Documentation, the Bank shall provide the Draw Documentation and its preliminary approval thereof to the Disbursing Agent, and shall deposit with Disbursing Agent from the 2024A Disbursement Account and/or the 2024B Disbursement Account, as applicable, an amount sufficient to pay the amount of the Draw Request (or the approved amount, if less). The parties acknowledge that, prior to making any disbursement, the Disbursing Agent will order a search of the real property records of Missoula County, Montana, with respect to the Land. At the cost of the Developer, and at the option of the Bank, on the date of each disbursement, the Disbursing Agent shall provide the Bank with an endorsement to the title policy with respect to the Land, amending the effective date of such title policy to a date no earlier than the date of the disbursement; provided that receipt of such endorsement shall not be a condition to disbursement.

2.4. Advances will be made by the Bank through the Disbursing Agent to the Developer or to the payee(s) as reflected in the Draw Request within [six (6)] Business Days of receipt by the Bank of the MRA approval of the Draw Documentation. Unless otherwise agreed by the Bank, the Developer may not submit more than two (2) Draw Requests in any calendar month. Unless otherwise agreed by the Bank, each disbursement shall be in an amount not less than [\$100,000] or the amounts remaining in the 2024A Disbursement Account and/or 2024B Disbursement Account, as applicable, to be advanced, if less than [\$100,000].

2.5. All work typically done at the stage of construction for which a disbursement is requested shall have been done in a good and workmanlike manner and all materials and fixtures typically furnished and installed at such stage of construction shall have been furnished and installed in all material respects, all in substantial compliance with the plans and specifications approved for the portion of the Infrastructure Improvements and/or portion of the Ravara Project to which such Draw Request relates.

2.6. Once the amount on hand in the 2024A Disbursement Account has been advanced, the Developer is not entitled to further disbursements of proceeds of the Series 2024A Bonds, and once the amount on hand in the 2024B Disbursement Account has been advanced, the Developer is not entitled to further disbursements of proceeds of the Series 2024B Bonds.

2.7. The Developer shall be responsible for obtaining mechanics' and material persons' lien waivers for work done and of materials supplied under any engineering or construction contract for the Infrastructure Improvements and the Ravara Project. When, after a disbursement, a subsequent title search reveals an encumbrance on the Land over which the Disbursing Agent is unwilling to insure, the MRA, the Bank and Disbursing Agent may discontinue making disbursements until the encumbrance has been disposed of to the MRA's and the Bank's reasonable satisfaction.

SECTION 3

CONDITIONS PRECEDENT TO ADVANCE

3.1. The following events shall be conditions precedent to each disbursement under this Disbursement Agreement:

- (a) The Developer shall deliver to the Bank all Draw Documentation.
- (b) The MRA shall provide its written approval as described under 2.3(b) hereof.
- (c) No Event of Default exists and is continuing under this Disbursement Agreement and no "event of default" exists or is continuing under any other Financing Agreement (as such term may be defined therein).
- (d) The Developer has not applied advances of proceeds of the Series 2024 Bonds for purposes other than those authorized by the Financing Agreements.

Section 15. SECTION 4

**COVENANTS, WARRANTIES, REPRESENTATIONS
AND AGREEMENTS OF DEVELOPER**

The Developer covenants, warrants, represents and agrees:

4.1. To keep, perform, enforce and maintain in full force and effect all of the terms, covenants, conditions and requirements of the Financing Agreements as set forth therein.

4.2. Not to assign this Disbursement Agreement or any interest herein or all or any part of any disbursements to be made hereunder except as herein expressly set forth.

4.3. That, upon 24 hours' written notice or 24 hours after the submission of a Draw Request, the Bank, the City, the MRA and their respective representatives shall have the right during Developer's normal business hours (i) to inspect, examine and copy all books and records of the Developer relating to the Infrastructure Improvements and the Ravara Project and (ii) in compliance with applicable security and safety requirements imposed by the Developer, its contractors or subcontractors and in accordance with applicable laws and regulations, to enter the Land and the Ravara Project and to inspect all work done, labor performed and material furnished in or about the Land related to the Infrastructure Improvements and the Ravara Project. The Bank expects to monitor the progress of the Ravara Project in relation to disbursements hereunder, as agent for the City hereunder, and the City and/or MRA expect to monitor the progress of the Infrastructure Improvements in relation to disbursement hereunder. Notwithstanding the foregoing, the Developer shall be responsible for making inspections of the Project during the course of construction and shall determine that the work done or materials supplied by its contractors and all subcontractors have been properly supplied in accordance with the applicable construction contracts and that the Infrastructure Improvements are completed to the City's requirements and that the Ravara Project is completed to the Developer's satisfaction. Upon request of the City and/or the Bank, the Developer shall furnish a written certification of the General Contractor regarding the progress of the Ravara Project.

SECTION 5

DEFAULT AND REMEDIES

5.1. The occurrence of any of the following events shall constitute an "Event of Default" under this Disbursement Agreement:

(a) The Developer abandons a phase of the Ravara Project or unreasonably delays or ceases work on a phase of the Ravara Project for a period of [30/45] days after written notice from the Bank;

(b) This Disbursement Agreement or any of the other Financing Agreements shall fail to be in full force or effect; or

(c) An "event of default" occurs and is continuing under any of the other Financing Agreements (as such term may be defined therein).

5.2. In the event of the occurrence and continuation of an Event of Default, the City, at its option, in addition to any other remedies to which the City might by law be entitled, shall have the right:

(a) To require the Bank to refrain from making any disbursement under this Disbursement Agreement; provided that the determination of the City to allow the Bank to make disbursements after the happening of any such event does not thereby waive the City's right to require the Bank to refrain from making other or further disbursements or to exercise any of the other rights or remedies the City may have;

(b) To perform such other acts as may be reasonably necessary to cure any Event of Default hereunder or any "event of default" under the other Financing Agreements and undertake any right or remedy available under this Disbursement Agreement or the other Financing Agreements; and

(d) To bring appropriate action to enforce such performance and the correction of such Event of Default.

Any actions to be taken by the City under this Section 5.2 may be delegated to MRA.

5.3. No right or remedy by this Disbursement Agreement conferred upon or reserved to the City shall be or is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy now or hereafter existing at law or in equity or by statute.

5.4. Except as the City may hereafter otherwise agree in writing, no waiver by the City of any Event of Default or any obligation, agreement or covenant of the Developer under this Disbursement Agreement shall be deemed to be a waiver of any subsequent Event of Default or breach of the same, or waiver of any other obligation, agreement or covenant, nor shall any forbearance by the City to seek a remedy for such Event of Default or breach be deemed a waiver of the City's rights and remedies with respect to such Event of Default or breach, nor shall the City be deemed to have waived any of the City's rights and remedies unless such waiver be in writing and executed with the same formality as this Disbursement Agreement.

SECTION 6

MISCELLANEOUS

6.1. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when sent by electronic mail to each party at its e-mail address(es) set forth below or, for notices relating to Events of Default, addressed as follows:

To the City: City of Missoula
435 Ryman Street
Missoula, Montana 59802
Attention: City Attorney
E-mail: SudburyR@ci.missoula.mt.us

To the MRA: Missoula Redevelopment Agency
140 W. Pine St.
Missoula, Montana 59802
Attention: Annie Gorski and Jil Dunn
E-mail: gorskia@ci.missoula.mt.us; dunnj@ci.missoula.mt.us

To the Developer: Ravara Development, LLC
129 Alder Street
Missoula, Montana 59802
Attention: []
E-mail:

To the Bank: First Security Bank of Missoula, Division of Glacier Bank
1704 Dearborn Avenue
Missoula, Montana 59801
Attention: Joe Westenberg
E-mail: jwestenberg@fsbmsla.com

Each party may, from time to time, by giving written notice to the other, designate another address to which notices, certificates or other communications hereunder shall be given.

6.2. This Disbursement Agreement and the rights and obligations of the parties hereunder shall be governed by and construed and enforced in accordance with, the laws of the State of Montana without giving effect to the conflicts-of-law principles thereof.

6.3. In case any one or more of the provisions contained in this Disbursement Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

6.4. To the extent permitted by law, the City and MRA shall hold the Bank harmless from any loss, liability, damages, causes of action or claims arising out of or in connection with the performance of this Disbursement Agreement, except for any loss, liability, damages, causes of action or claims caused by the Bank's gross negligence or willful misconduct.

6.5. This Disbursement Agreement may be executed in several counterparts, each of which may be deemed an original, and all of such counterparts together will constitute one and the same Disbursement Agreement. Electronic and emailed signatures shall be valid in all respects and treated as if they were originals.

IN WITNESS WHEREOF, the parties hereto have executed this Disbursement Agreement as of the day and year first above written.

CITY OF MISSOULA, MONTANA

By _____
Its Mayor

Attest: _____
Its City Clerk

[Signature page to Disbursement Agreement]

MISSOULA REDEVELOPMENT AGENCY

By _____
Its Chair

By _____
Its Executive Director

[Signature page to Disbursement Agreement]

RAVARA DEVELOPMENT, LLC

By _____
Its []

[Signature page to Disbursement Agreement]

FIRST SECURITY BANK OF MISSOULA,
DIVISION OF GLACIER BANK

By _____
Its Senior Vice President

[Signature page to Disbursement Agreement]

EXHIBIT A

Draw Request No: _____

Date: _____

REQUEST FOR DISBURSEMENT

To: First Security Bank of Missoula, Division of Glacier Bank
1704 Dearborn Avenue
Missoula, Montana 59801
Attention: Joe Westenberg
Email: jwestenberg@fsbmsla.com

Missoula Redevelopment Agency
140 W. Pine St.
Missoula, Montana 59802
Attention: Annie Gorski and Jil Dunn
E-mail: gorskia@ci.missoula.mt.us; dunnj@ci.missoula.mt.us

Ladies and Gentlemen:

Pursuant to the provisions of the Disbursement Agreement dated as of June 20, 2024, among the City of Missoula, Montana, the Missoula Redevelopment Agency, Ravara Development, LLC (the “Developer”) and First Security Bank of Missoula, Division of Glacier Bank (“Bank”), the Developer hereby requests that Bank make a disbursement of proceeds of the Series 2024A Bond from the 2024A Disbursement Account and of proceeds of the Series 2024B Bond from the 2024B Disbursement Account in the respective amount or amounts set forth below to the order of the payee or payees named below. Capitalized terms used herein are used with the meanings given to them in the Disbursement Agreement:

<u>Name and Address of Payee</u>	<u>Description of Project Cost</u>	<u>Amount from 2024A Disbursement Account</u>	<u>Amount from 2024B Disbursement Account</u>
--------------------------------------	------------------------------------	---	---

The undersigned hereby states and certifies that:

(a) The amounts set forth above have been paid or incurred and were necessary for the acquisition, construction, installation or equipping of the Infrastructure Improvements and/or the Ravara Project. Related invoices [and documentation specifically identifying the eligibility of the cost and the allocation of the request to the 2024A Disbursement Account and 2024B Disbursement Account] are attached hereto.

(b) None of the costs set forth above was included in any prior Draw Request. The persons listed on this Draw Request are entitled to payment or, in the case of reimbursement to the Developer, have been paid, in the amount listed.

(c) No default by the Developer has occurred and is continuing under the Financing Agreements, and all representations and warranties made by the Developer in the Financing Agreements are true and correct on and as of the date of this Draw Request with the same effect as if made on such date.

(d) Attached hereto are conditional mechanic's and materialmen's lien waivers for work done or materials supplied relating to this Draw Request, together with unconditional mechanic's and materialmen's lien waivers for work done or material supplied and paid from prior Draw Requests no later than 60 days following such payment.

(e) To date, the following amounts have been disbursed under the Disbursement Agreement:

	<u>Amount from 2024A Disbursement Account</u>	<u>Amount from 2024B Disbursement Account</u>
Amount paid from previous Draw Requests		
Amount of this Draw Request		
Total paid to date (including this Draw Request)		

RAVARA DEVELOPMENT, LLC

By _____
Its _____

[WGM GROUP, as Infrastructure Engineer

By _____
Its _____]

[HEADWATERS CONSTRUCTION, as General
Contractor

By _____
Its _____]

EXHIBIT B

TRACT 2 OF AMENDED PLAT OF SCOTT STREET LOTS, LOT 3, LOCATED IN THE NORTH HALF OF SECTION 16, TOWNSHIP 13 NORTH, RANGE 19 WEST, PRINCIPAL MERIDIAN, MONTANA; CONTAINING 2.97 ACRES, MORE OR LESS; ON FILE IN THE RECORDS OF MISSOULA COUNTY, MONTANA, AT BOOK 39 OF PLATS, PAGE 58.

EXHIBIT D

CITY'S NON-DISCRIMINATION AND AFFIRMATIVE ACTION POLICIES

NON-DISCRIMINATION. All hiring shall be on the basis of merit and qualification and there shall be no discrimination in employment on the basis race, ancestry, color, physical or mental disability, religion, national origin, sex, age, marital or familial status, creed, ex-offender status, physical condition, political belief, public assistance status or sexual orientation, or gender identity or expression, except where these criteria are reasonable bona fide occupational qualifications.

AFFIRMATIVE ACTION POLICY. Contractors, subcontractors, sub grantees, and other firms doing business with the City of Missoula must be in compliance with the City of Missoula's Affirmative Action Plan, and Title 49 Montana Codes Annotated, entitled "Human Rights" or forfeit the right to continue such business dealings.

The City's Affirmative Action Policy Statement is:

The Mayor of the City of Missoula or the Mayor's designee may adopt an affirmative action plan to provide all persons equal opportunity for employment without regard to race, ancestry, color, handicap, religion, creed, national origin, sex, age, marital status or familial status, creed, ex-offender status, physical condition, political belief, public assistance status or sexual orientation, or gender identity or expression. In keeping with this commitment, we are assigning to all department heads and their staff the responsibility to actively facilitate equal employment opportunity for all present employees, applicants, and trainees. This responsibility shall include assurance that employment decisions are based on furthering the principle of equal employment opportunity by imposing only valid requirements for employment and assuring that all human resource actions are administered on the basis of job necessity.

Specific responsibility for developing, implementing, monitoring and reporting are assigned to the City Personnel staff under the supervision and direction of the Chief Administrative Officer and the Mayor.

It is the policy of the City of Missoula to eliminate any practice or procedure that discriminates illegally or has an adverse impact on an "affected" class. Equal opportunity shall be provided for all City employees during their terms of employment. All applicants for City employment shall be employed on the basis of their qualifications and abilities.

The City of Missoula, where practical, shall utilize minority owned enterprises and shall ensure that subcontractors and vendors comply with this policy. Failure of subcontractors and vendors to comply with this policy statement shall jeopardize initial, continued, or renewed funds.

Our commitment is intended to promote equal opportunity in all employment practices and provide a positive program of affirmative action for the City of Missoula, its employees, program participants, trainees and applicants.