

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

A0523201904

I, the undersigned, being the duly qualified and acting recording officer of Missoula County, Montana (the "County"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION RELATING TO FINANCING OF A CERTAIN PROPOSED OPEN SPACE PROJECT; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE" (the "Resolution"), on file in the original records of the County in my legal custody; that the Resolution was duly adopted by the Board of County Commissioners of the County at a meeting on May 23, 2019 and that the meeting was duly held by the Board of County Commissioners and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Commissioners voted in favor

thereof: Nicole Rowley, Josh Slotnick

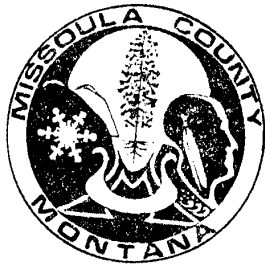
\_\_\_\_\_ ; voted against the

same: N/A ; abstained from voting

thereon: N/A ; or were

absent: David Strohmaier

WITNESS my hand officially this 23 day of May, 2019.



Tyler R. Gernant  
County Clerk and Recorder/Treasurer

RESOLUTION NO. 2019-081

RESOLUTION RELATING TO FINANCING OF A CERTAIN  
PROPOSED OPEN SPACE PROJECT; ESTABLISHING  
COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS  
UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the Board of County Commissioners of Missoula County, Montana (the "County"), as follows:

1. Recitals.

(a) The United States Department of Treasury has promulgated final regulations governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the County for project expenditures paid by the County prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the "Regulations") require that the County adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds within 18 months (or three years, if the reimbursement bond issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) after the later of (i) the date the expenditure is paid or (ii) the date the project is placed in service or abandoned, but (unless the issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) in no event more than three years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the bonds.

(b) The County desires to comply with requirements of the Regulations with respect to the certain project hereinafter identified.

2. Official Intent Declaration.

(a) The County proposes to undertake a certain project, which project and the estimated costs thereof are generally described on Exhibit A hereto, which is hereby incorporated herein and made a part hereof (the "Project").

(b) Other than (i) expenditures to be paid or reimbursed from sources other than the Bonds (as hereinafter defined), (ii) expenditures permitted to be reimbursed under the transitional provision contained in Section 1.150-2(j)(2) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for the Project have heretofore been paid by the County and no expenditures will be paid by the County until after the date of this Resolution.

(c) The County reasonably expects to reimburse the expenditures made for costs of the Project out of the proceeds of debt in an estimated maximum aggregate principal amount of \$450,000 (the "Bonds") after the date of payment of all or a portion of the costs of the Project. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the Bonds or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations.


3. Budgetary Matters. As of the date hereof, there are no County funds reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term

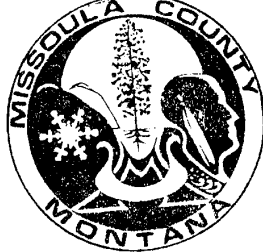
basis or otherwise set aside) to provide permanent financing for the expenditures related to the Project, other than pursuant to the issuance of the Bonds. The statement of intent contained in this resolution, therefore, is determined to be consistent with the County's budgetary and financial circumstances as they exist or are reasonably foreseeable on the date hereof.

4. Reimbursement Allocations. The County's Chief Financial Officer shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the County to make prior payment of the costs of the Project. Each allocation shall be evidenced by an entry on the official books and records of the County maintained for the Bonds or the Project and shall specifically identify the actual original expenditure being reimbursed.

Adopted this 23 day of May, 2019.

ATTEST:

  
Tyler R. Gernant, Clerk and Recorder



BOARD OF COUNTY COMMISSIONERS

MISSOULA COUNTY

  
Nicole Rowley, Chair

  
Josh Slotnick, Commissioner

NOT AVAILABLE FOR SIGNATURE

David Strohmaier, Commissioner

## EXHIBIT A

### Bluebird – North Hills Project

<u>Description of Project</u>	<u>Estimated Cost</u>
<p>This project proposes to use \$450,000 of 2006 Open Space bond funding toward the City's fee acquisition of the approximately 124-acre Bluebird-North Hills property in Missoula's North Hills. The project will include recreational trails, a new public trailhead and a public access easement from Grant Creek Road.</p> <p>The project will provide significant recreational and scenic value and builds on decades of conservation work in the North Hills. The property provides habitat for grassland species, including the endemic Missoula phlox, bitterroot, elk, birds of prey, and bluebirds. The property is highly visible in the North Hills, which form the scenic backdrop of the Missoula community and visually connect residents to state and federal lands and the extensive Wilderness areas of the Northern Continental Divide Ecosystem beyond. Together with the adjacent 304-acre Allied Waste conservation easement, the Bluebird acquisition will open 428 acres of newly accessible natural lands to the Missoula Community.</p> <p>The acquisition will serve the purposes of the 2006 Open Space Bond by protecting wildlife habitat, providing open space and scenic landscape; managing for growth; providing recreational trails; and paying non-personnel related transaction costs and other project related costs.</p> <p>The project qualifies for funding as outlined in Article IV, Section 4.1 of the Interlocal Agreement Between the City of Missoula and the County of Missoula Related to Open Space Acquisition and Use of Open Space Bond Proceeds dated April 5<sup>th</sup>, 2007.</p>	<p>\$450,000</p>

Document: County Qualifying Resolution/Reimbursement Resolution Background  
Project: Bluebird – North Hills Open Space Acquisition  
Date: May 13, 2019

## **2006 Open Space Bond Project Background:**

### **Bluebird-North Hills**

#### **Summary**

The Bluebird-North Hills project would provide a new trailhead to the North Hills for residents living in the Reserve Street area, North Side, and Grant Creek while protecting plant and wildlife habitat and scenic values for Missoula area residents. The Bluebird-North Hills project consists of 124 acres that Five Valleys Land Trust (Five Valleys) acquired in fee as an interim owner, as well as, a public access and parking right-of-way across the Montana Snowbowl property adjacent to Grant Creek Road. Five Valleys proposes to transfer the property and right-of-way to the City of Missoula for incorporation into the Conservation Lands system.

#### **Public Benefits**

The Bluebird-North Hills project would allow the City of Missoula to open a new trailhead for residents in the rapidly growing area west of Reserve Street, which is underserved by the Conservation Lands system. A loop trail could be built on the Bluebird property and later expanded onto the North Hills-Allied Waste conservation easement. The City and County are planning for thousands of additional homes to be built in the region to address significant affordable housing needs. The Bluebird Trailhead would help ensure that these developments provide good places to live, where people have a place to get exercise and connect with each other and the natural world.

Providing significant recreational and scenic values, the Bluebird-North Hills project builds on decades of conservation work in the North Hills. The property also provides habitat for grassland species, include the endemic Missoula phlox, bitterroot, elk, birds of prey, and bluebirds. The highly visible property is located in the North Hills which form the scenic backdrop of the Missoula community and visually connect residents to the extensive Wilderness Areas of the Northern Continental Divide Ecosystem beyond.

At 124 acres of gently sloping ground, the Bluebird-North Hills property is large enough to accommodate a loop trail for one or two hour-long excursions. In the future the trail can be extended onto the adjacent North Hills-Allied Waste conservation easement property. Allied Waste, now Republic Services, granted public access across their 304-acre property in the 2010 conservation easement, even though the property was not accessible to the public at the time. The Bluebird-North Hills acquisition would finally provide the public with access to the North Hills-Allied Waste property. Over the next year Five Valleys will work with Republic Services and the City of Missoula to define public access details which will include a pedestrian trail across the property and will likely be seasonal in nature to balance recreational use with wildlife winter-range protection. Together the Bluebird acquisition and the Allied Waste conservation

easement will open nearly 428 acres of newly accessible natural lands to the Missoula community.

The acquisition will serve the purposes of the 2006 Open Space Bond by protecting wildlife habitat, providing open space and scenic landscape; managing for growth; providing recreational trails; and paying non-personnel related transaction costs and other project related costs. The project received a unanimous recommendation from the City's Open Space Advisory Committee (OSAC) for funding up to \$450,000

The request is to "qualify" the project for possible funding from the City's portion of the 2006 Open Space Bonds. Formal approval of bond expenditures cannot occur until the Commissioners conduct a public hearing on the proposal. Article II, Section 2.1 of the April 5, 2007 Interlocal Agreement between the City of Missoula and the County of Missoula Related to Open Space Acquisition and Use of Open Space Bond Proceeds (Interlocal Agreement) establishes the general purposes of the open space bond.

The project accomplishes a number of those established purposes. The project will carry out the purposes of the Bonds by protecting wildlife habitat, providing open space and scenic landscape; managing for growth; providing recreational trails; and paying non-personnel related transaction costs and other project related costs.

#### **Budget**

Five Valleys is requesting \$450,000 in Open Space Bond funds for the 124-acre Five Valleys-owned fee property and the public access and parking right-of-way across the adjoining Montana Snowbowl property. Five Valleys would match this Open Space Bond expenditure with an in-kind landowner contribution of \$210,000.

<b>Bluebird-North Hills Budget</b>	
Open Space Bond request	\$450,000
Landowner contribution (in-kind)	\$210,000
Appraised Fair Market Value of Property	\$660,000

#### *Price Per Acre*

Bluebird-North Hills = \$3,629

Average for City 2006 Open Space Bond = \$2,190

Range for City 2006 Open Space Bond (outside of trail segments) = \$80 - \$69,565