

**ORDINANCE NO. 1628**

**AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF BOZEMAN, MONTANA, EXTENDING THE LIFE OF THE TAX INCREMENT FINANCING DISTRICT ESTABLISHED UNDER URBAN RENEWAL PLAN DATED NOVEMBER 1995.**

**WHEREAS**, on the 20th day of November 1995 the City Commission adopted Ordinance No. 1409, adopting by reference an Urban Renewal Plan for portions of the downtown area; and

**WHEREAS**, under the section entitled "FINANCE" of the Urban Renewal Plan, tax increment payments made to the tax increment district shall terminate after the eleventh year of payments; and

**WHEREAS**, Section 7-15-4221, Montana Code Annotated, allows for modification of the Urban Renewal Plan; and

**WHEREAS**, on the 23rd day of August 2004 the City Commission adopted Commission Resolution No. 3718, setting a public hearing on its intent to extend the life of the tax increment financing district under the Urban Renewal Plan to terminate after the fifteenth year of payments for the 20th day of September 2004; and

**WHEREAS**, no public comment was received at the public hearing held on the 20th day of September 2004; and

**WHEREAS**, following the public hearing, the City Commission found that extending the life of the tax increment financing district was in the public interest.

**NOW, THEREFORE, BE IT ORDAINED** by the City Commission of the City of Bozeman, Montana:

**Section 1**

That the second to the last paragraph under the section entitled "Finance", as contained on Page 25 of the *Urban Renewal Plan* adopted in November 1995, be amended to read:

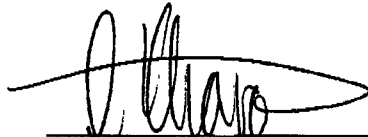
"In addition, notwithstanding the provisions of Title VII, Chapter 15, Part 42, Sections 4282-4292 and 4301-4324, M.C.A., tax increment payments made to the Tax Increment District after the ~~4th~~ 15th year of payments or after the annual tax increment reaches an inflation adjusted \$750,000, whichever occurs first, shall be returned to the taxing bodies as such payments would normally accrue to those bodies with the exception that those payments which are pledged to the payment of principal and interest of any outstanding tax increment bond shall remain with the Tax Increment District for the payment of such principal and interest. The cap of \$750,000 shall be increased for inflation by a percentage equal to the percentage increase in the Consumer Price Index for all urban Consumers - All Items (Source:

U.S. Department of Labor, Bureau of Labor Statistics) from July 1995 to July in the year under consideration. The Board shall not issue any tax increment bonds later than the year following either the 14th 15th year of payment or after the tax increment reaches an inflation adjusted \$750,000, whichever occurs first. The provisions of this paragraph shall be accomplished by separate interlocal agreement between the City, County, and School District."

**Section 2**


The effective date is thirty days after final adoption of this ordinance on second reading.

**PASSED** by the City Commission of the City of Bozeman, Montana on first reading at a regular session thereof held on the 7th day of March 2005.



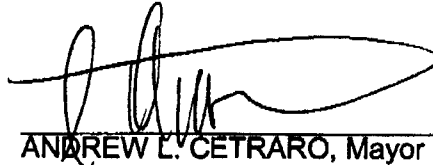
ANDREW L. CETRARO, Mayor

ATTEST:



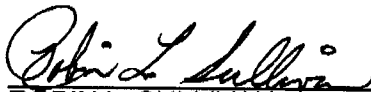
ROBIN L. SULLIVAN  
Clerk of the Commission

**PASSED, ADOPTED AND APPROVED** by the City Commission of the City of Bozeman, Montana, on second reading at a regular session thereof held on the 21st day of March 2005.



ANDREW L. CETRARO, Mayor

ATTEST:



ROBIN L. SULLIVAN  
Clerk of the Commission

APPROVED AS TO FORM:



TIMOTHY A. COOPER  
Acting City Attorney