

City of Lewistown
Application
Lewistown TED District (TED)

Targeted Economic Development District (TED) is a governmental financing tool that the City of Lewistown uses to attract industry, grow population, and revitalize commercial and residential areas of town through development of infrastructure. TED assistance in Lewistown should be used as needed, to help the viability of individual projects.

TED Goals and Strategies

Goals:

1. Address Infrastructure deficiencies and make public improvements in the Targeted Economic Development District

- Consider the construction of paved streets, curbs, and gutters on public roads.
- Improve lighting throughout the District to ensure safety.
- Address the need for the construction of improvements or expansion to water and sewer services.
- Ensure utilities such as electrical, gas and broadband services are available. Business Development

2. Encourage private investment in Targeted Economic Development District:

- Work to attract businesses to establish facilities in the District.
- Work with private providers to Improve telecommunications infrastructure- increase bandwidth and improve dependability.
- Provide planning assistance to businesses interested in locating within the District.

3. Promote the advantages of locating a business within the Targeted Economic Development District.

- Promote area as a desirable location for business start-ups and relocations.
- Use the availability of a TED as a marketing tool.
- Provide a variety of online and paper marketing materials for the various sites where development is viable including clear documentation of where utilities are located, lot sizes, zoning regulations, etc. to address questions potential developers may have.

Strategies:

1. Invest TED revenues in a diverse portfolio that works towards the accomplishments of the goals.
2. When possible, an annual TED budget should be adopted directing 10% of TED revenues towards private development incentives.
3. When possible, an annual TED budget should be adopted directing 65% of TED revenues towards infrastructure needs in the TED district.
4. When possible, an annual TED budget should be adopted directing 15% of TED revenue towards discretionary projects and management.
5. When possible, an annual TED budget should be adopted directing 10% of TED revenue toward the TED reserve fund.
6. No obligation will be issued that goes beyond the life of any of the TED districts.

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7. When possible, the board may direct any reserve money to create a revolving loan fund, consistent with the TED District goals and strategies.

TED Assistance Approval Process

1. A TED Assistance Proposal submitted to the Lewistown TED District board must include the following:
 - a. Scope of project, detailing the specific improvements and if applicable, construction or marketing plans.
 - b. Location of the project, specific addresses.
 - c. Ownership of the property and if a purchase agreement or option to purchase has been executed.
 - d. Amount of TED funding requested.
 - e. Project timeline, specifically start and completion dates.
 - f. A general statement of how the project is consistent with TED Investment Plan Goals
2. The Lewistown TED District Board will accept applications for funding throughout the year but it is the intent of the board to disperse money during March and April. The Board also reserves the right to award funds at any time during the year.

TED Grant Assistance Policies – All Developments

1. All applicants that are awarded funds must follow all applicable local and state regulations and laws.
2. Grants – The city may consider grants to developers for property improvements including, but not limited to, infrastructure and building rehabilitation. A grant amount may not exceed 50% of a projects' eligible cost and the maximum grant amount is \$10,000. Public projects that benefit the entire community will be looked at on a case-by-case basis and may not be subject to these limits.
3. Land Assembly Costs – The city may also consider acquisition of land, demolition of buildings, site preparation and site improvements. The City of Lewistown is not obligated to provide TED assistance for land costs, whether purchased or optioned. Developer shall provide all such studies or reports to the City at the time of application.
4. Environmental Remediation – The City may consider the cost to remediate environmentally contaminated property when it exceeds the reasonable cost experienced on typical redevelopment projects. However, the City shall not provide TED assistance that eliminates a responsible party's obligation to remediate contaminated property.

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5. Infrastructure Costs – The City may consider the cost for public improvements such as sewer and water lines, sidewalks, curbs and gutters, street lights, signage, street and alley reconstruction and resurfacing and related public infrastructure attributed to redevelopment project.
6. Operating Costs - including, but not limited to, lease-up reserves or working capital are not eligible TED expenses.
7. Equity Greater or Equal to TED - TED assistance shall not exceed the amount of equity provided by the developer. Equity is defined as cash, un-leveraged or unencumbered funds in land or buildings that is available to secure financing. Donated developer or construction management fees shall not be considered as equity.
8. No Rent or Sales Price Write-Downs - TED assistance will be limited to the amount of necessary funds to make a project competitive with other similar projects in the Lewistown market area. The intent is not to provide below-market sales prices or rent subsidies to assisted projects, except as applied to assist affordable housing.
9. Self-Supporting Projects - More consideration will be given to a project that demonstrates sufficient tax increment to cover or repay both the TED contribution to the project and any public infrastructure costs associated with the project.
10. No Mortgage Guarantees - The city will not provide mortgage guarantees.
11. Real Estate Taxes - Projects assisted with TED shall pay real estate taxes. Accepting tax abatement may affect eligibility for TED funding. City requires applicant to notify TED of any awarded tax abatements on properties where TED funds were awarded
12. Developers utilizing TED funds are required to comply with Montana Code 18-2-403(2), MCA, regarding Prevailing Wage Rates. Developers utilizing TED funds are responsible for determination of the applicability of the Prevailing Wage Act 18-2-403(2), MCA. If Prevailing Wage applies the developer is responsible for payments in accordance with the Prevailing Wage Act and all required reporting.
13. Non-Discrimination - Developer utilizing TED funds shall not discriminate against any applicant, employee or tenant because of age, color, creed, national origin, race, religion, marital status, sex, physical disability, or familial status. Developer shall ensure that applicants, employees, and tenants are considered and are treated with regard to their age, color, creed, national origin, race, religion, marital status, sex, sexual orientation, physical disability, or familial status.

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14. Private Development Projects Used or Leased to Government Units - The city may provide TED assistance to a private development project wherein a unit of government leases space when the project addresses all of the following situations:
 - a. Satisfies all other underwriting policies for TED assistance to private development projects.
 - b. Maintains or expands existing employment or reuses a blighted, underutilized or vacant property.
 - c. Provides an anchor for an overall development plan that will include other commercial office, housing or mixed uses.
 - d. Advances a development in an already-established targeted economic development district.
 - e. Private development projects assisted under the policy will be required to provide a full reimbursement of the City's financial assistance and expenses for the project in the event the project is removed from the tax roll.
 - f. Projects will be funded under this policy with sources other than general obligation debt to the maximum possible extent, in accordance with the general policy of the City's use of TED.
15. The City reserves the right to recapture up to 100% of funds awarded by the TED if the property is sold within 5 years. See Schedule below for payback schedule:
 - i. Year 1 – 80%
 - ii. Year 2 – 60%
 - iii. Year 3 – 40%
 - iv. Year 4 – 20%
16. Exceptions could be made for high priority/impact projects.

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IMPORTANT: Lewistown TIF District Program grant or loan funds may not be awarded once an applicant's project is complete.

The Lewistown TIF District manages several different programs that utilize tax increment funds for assistance in redevelopment or rehabilitation of properties within urban renewal districts. Information on these programs is available at www.cityoflewistown.com. Each program targets various conditions and has different criteria for qualifying that will be addressed through supplemental information to accompany this application. The following is a summary of the LTD Program funding application and approval process.

1. Initial Contact: Contact the City of Lewistown, 305 West Watson Street, telephone 406-535-1760 or Snowy Mountain Development Corporation (SMDC), 507 West Main Street, telephone 406-535-2591 to discuss the project and determine eligibility for assistance under any LTD redevelopment programs. Applications can be found at www.cityoflewistown.com or at the SMDC office.
2. Complete a Written Application: The applicant must complete the written application for each project requesting program assistance. The LTD Board can assist the applicant in: identifying which programs the project is eligible for, preparing a formal application and determining what, if any supplemental information will be needed. Pro forma is only required if applying for a loan.
3. Submission of Application: Completed applications can be submitted to the TIF administrator at: SMDC Office, 507 West Main Street, Lewistown, MT 59457; or via email to majerus@snowymountaindevelopment.com or the TIF Chair at: Lewistown Insurance, 520 W Main Street, Lewistown, MT 59457; or via email to scsolberg@lewistowninsurance.com Applications need to be received by the 1st of the month for review at that month's meeting.
4. Board Review: Upon submittal of all necessary information, the LTD Board will review the merits of the project and the need for funding at the regularly scheduled monthly meetings. At any point in the review process the Board may request more information of the Applicant or solicit comments on the project from other public agencies. After review the LTD Board will issue an approval/denial of the funding request or any part thereof, and any special terms of LTD program assistance, and pass along their decision to the next City Commission meeting.
5. City Commission Review: The Lewistown City Commission will review the project and with consideration of the LTD Board decision, issue an approval/denial of the funding request.
6. Development Agreement: If approved, The LTD and applicant must execute a legally binding Development Agreement which establishes the terms and conditions of the program assistance. Among the terms and conditions, the Agreement shall specify the schedule for the start and completion of the project and may require the Applicant to guarantee repayment of program assistance if the terms of the Agreement are violated by the Applicant.
7. Payments to Developer: Payment to the developer will generally be made as reimbursements to the developer upon completion of the project and satisfactory evidence that the work has been paid for, usually in the form of invoices, check copies and/or lien waiver from the contractor.
8. Please note that additional information such as profit/loss statements, balance sheets and personal guarantees may be required.

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Project Name: _____ **Date Submitted:** _____

A) Applicant Information:

Name: _____

Address: _____

City/ST/Zip: _____

Telephone Number(s): _____

Email: _____

If the applicant is not an individual doing business under his/her own name, the applicant has the status indicated below and is organized or operating under the laws of:

- A Corporation
- A nonprofit or charitable institution or corporation
- A partnership known as _____
- Other (explain) _____

B) Project Information:

Building Address: _____

Legal Description: _____

Lot & Block Location: _____

Existing/Proposed Business: _____

Business Description:

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Property Ownership:

Do you own the property or are you currently purchasing it? Y N

Property Owner (If property is not owned by Applicant, list leasehold interests)

Name of Owner(s): _____

Address: _____

City/ST/Zip: _____

Telephone Number(s): _____

Email: _____

Property Owner Signature: _____

Project Architectural Firm: _____

Address: _____

City/ST/Zip: _____

Telephone Number(s): _____

Email: _____

Project Contractor(s): _____

Address: _____

City/ST/Zip: _____

Telephone Number(s): _____

Email: _____

Project Financial Lending Institution: _____

Address: _____

City/ST/Zip: _____

Telephone Number(s): _____

Email: _____

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Job Creation: Will there be any new permanent or part-time jobs created as a result of this project excluding construction jobs associated with the development of the project? If so, how many? _____

Project Completion: What is the expected completion date of the project?

Property Taxes:

How much are the annual property taxes including any improvements? _____

Are the taxes current? _____

Do you intend to apply for tax abatement? _____

Has tax abatement been awarded on the property prior to your ownership? _____

Project Financing: Briefly describe how the project will be financed:

Description of Project: Please provide a full written description of your project, including type of use, square footage, number of stories, number of parking spaces, general building materials, etc. (Attach to application)

Project Renderings: Please submit design schematic and/or site and landscaping plans for the project. (Attach to application)

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Eligible Improvements Cost Worksheet Under TIF Program

List eligible items that pertain to the project that falls under TIF Program Policies (list beginning on page 1). If in doubt about an item's eligibility, include it, the board will review items and help determine eligibility. Please include formal contractor bids to establish costs. *There is no guarantee that additional costs beyond what is listed here will be covered.*

1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____
4. _____	\$ _____
5. _____	\$ _____
6. _____	\$ _____
7. _____	\$ _____
8. _____	\$ _____
9. _____	\$ _____
10. _____	\$ _____
11. _____	\$ _____
12. _____	\$ _____
13. Permitting Fees _____	\$ _____
14. Other Fees _____	\$ _____
Total Lewistown TED District Program Request	\$ _____

TED District Program Award *(to be filled out by TIF Administrator)* \$ _____

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct. The signature attests to my having read, understand and agree to all terms in the Lewistown Tax Increment Financing District Investment Plan.

Signature of Applicant: _____

Date: _____

Signature of TIF Board Chair: _____

Date: _____