RED LODGE URBAN RENEWAL AGENCY
APPLICATION FORM

PROGRAM OBJECTIVES

The primary objective of the TIF (Tax Increment Financing) assistance program is to encourage investment in development and redevelopment of commercial and mixed-use property within the District in accordance with the provisions of the Montana Urban Renewal Law (7-15-4209, 7-15-4233, and 7-15-4288, M.C.A.). Legal conformance to Montana Urban renewal Law is required. Additional District objectives are to:

- Encourage private investment in commercial property in the District through the use of public incentives;
- Expand the property tax base in the District through private investment in income producing properties;
- Stimulate economic and business development within the District; and
- Reduce blighting influences in the District

The grants are awarded at the discretion of the Red Lodge City Council, based upon recommendation of the URA (Urban Renewal Agency) review of the Applicant's compliance with program objectives, eligibility requirements, and eligible construction activities. In addition to Montana Urban Renewal Law, an application may be denied for not adhering to Chapters 4 and 5 of the URP (Urban Renewal Plan). To better understand Priorities and Goals of the URD (Urban Renewal District), please review the URP to ensure your project qualifies for a grant.
https://www.cityofredlodge.net/sites/default/files/fileattachments/community_development/page/11287/urban_renewal_plan_final.pdf

IMPORTANT: **Costs to be paid with URA Program funds may <u>not</u> be incurred by the Applicant prior to funding approval and the satisfaction of any conditions of such approval.**

The URA manages programs that utilize tax increment funds for assistance in redevelopment or rehabilitation of properties within the urban renewal district. Information on these programs is available at the City of Red Lodge website (https://www.cityofredlodge.net/com-dev/page/north-community-entrance-urd). Each program targets various conditions and has different criteria that must be addressed through this application and required communication with the URA or staff. The following is a summary of the URA Program funding application and approval process.
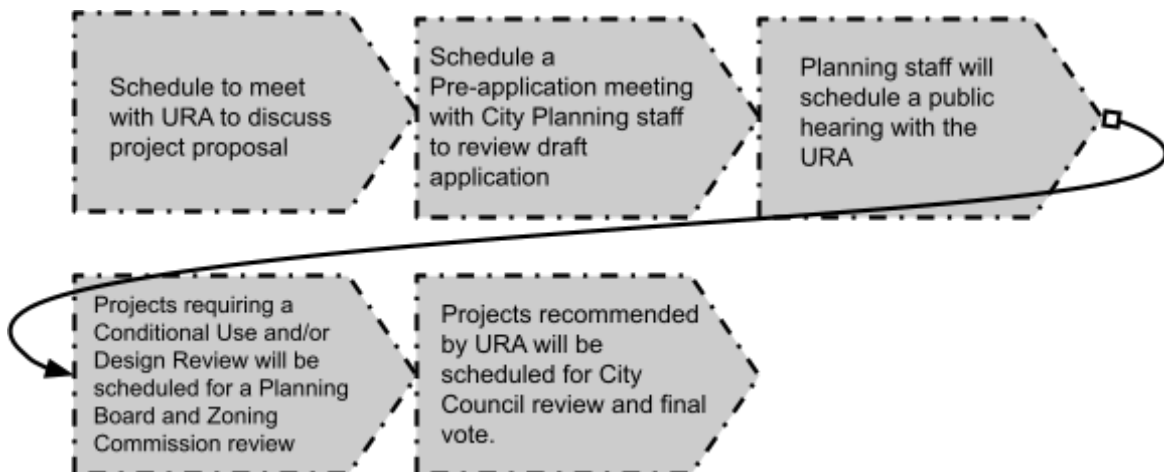
1. <u>Initial Contact</u>. Contact the City of Red Lodge Planning Division. Phone 406-446-1606. Staff must be assigned to your project prior to submitting your application. Staff will require a pre-application meeting with the URA, the recommending body to the City Council, for new

buildings and other large projects.

2. <u>Prepare a Written Application</u>. Following the specific program narrative, the Applicant must prepare a written application requesting program assistance. Staff will assist the developer in identifying which programs the project is eligible for, preparing a formal application, and determining what supplemental information will be needed.

3. <u>URA Review.</u> Upon submittal of all information, the URA will review the project pursuant to the criteria in the program narratives. At any point the staff or URA **Chairperson** may request more information of the Applicant or solicit comment on the project from other public agencies. If required, personal or business financial documentation will not be subject to public review, presentation, or comment by other agencies.

4. <u>URA Review and Approval</u>. At a public meeting, the URA will review the project and staff recommendations and will recommend approval or disapproval of the funding request or any part thereof, along with special terms or conditions of URA program assistance. The URA will solicit and consider information and comment from the public in its decision. If approved, a Development Agreement or Participation Agreement will be executed.

5. <u>Binding Agreement</u>. The URA and the Applicant must execute a legally binding Development Agreement (TIF Program) or Participation Agreement (Façade Improvement Program) which details the terms and conditions of the program assistance.

6. <u>Reimbursement to Successful Applicant.</u> Payment to the successful Applicant is typically made as a reimbursement to the developer upon completion of the project and satisfactory evidence that the work has been paid for, usually in the form of a payment lien waiver from the contractor.

URA PROGRAM APPLICATION CHECKLIST

☐ Project Description ☐ Project Cost Worksheet
☐ Project Renderings ☐ Cost of Eligible Improvements
☐ Application Form ☐ Project Financing Worksheet

Schedule to meet with URA to discuss project proposal

Schedule a Pre-application meeting with City Planning staff to review draft application

Planning staff will schedule a public hearing with the URA

Projects requiring a Conditional Use and/or Design Review will be scheduled for a Planning Board and Zoning Commission review

Projects recommended by URA will be scheduled for City Council review and final vote.

URA PROGRAM APPLICATION

Project Name:_____Date Submitted: _____

Programs Within this Application: _____

APPLICANT INFORMATION

1. Name: _____

2. Address: _____

3. City/St/Zip: _____

4. Telephone Number(s): _____

5. Email: _____

If the applicant is not an individual doing business under his/her own name, the applicant has the status indicated below (add the State under which the entity is organized or operating:

_____   A corporation

_____   A nonprofit or charitable institution or corporation

_____   A partnership known as _____

_____   Other (explain)_____

PROJECT INFORMATION

1. Project Address: _____

2. Legal Description: _ _____

3. Property Owner: (If property is not owned by the Applicant, include owner's written permission to carry out the project and lease or other materials.)

    Property Owner Name: _____

    Address:_____

    Telephone Number:_____

    Email: _____

4. **Project Design Firm:** _____

    Address:_____

    Representative Name: _____

    Telephone Number and Email: _____

5. **Project Financial Lending Institution/Entity:** _____

   Address:_____

   Representative Name: _____

   Telephone Number and E-mail: _____

6. **Project General Contractor:** _____

   Address:_____

   Representative Name: _____

   Telephone Number and E-mail: _____

   ** Contractors must be licensed to do business in Montana and City of Red Lodge.

7. **Past URA Involvement.** Please identify a few, if any, other projects the Applicant or the applicant's architect/engineer/developer has undertaken in Red Lodge, particularly any that might have had URA involvement. _____

8. **Existing/Proposed Businesses(s).** _____
   Description of Business(s): _____

9. **Project Completion.** What is the expected completion date of the project? _____

10. **Property Taxes.** How much are the annual property taxes including any improvements? Property taxes are available at co.carbon.mt.us/departments/treasurer. Is the payment of taxes current?_____

PROJECT NARRATIVES SECTION:
Attach narrative on a separate page.

1. **Description of Project.** Provide a written description of the project, including type of use, square footage, number of stories, number of parking spaces, general building materials, number and types of jobs to be created, etc.
   a. Address the criteria in the Program Narrative(s) including the applicant's vision on how the project benefits the neighborhood, URD, and community, as well as how the project meets a current community market need.
   b. If existing tenants are to be dislocated as a result of the project, provide a separate narrative describing how they have been or will be appropriately relocated.

2. **Design Excellence.** All projects assisted by URA must complete the required Design Review associated with City Zoning <u>or and</u>, if applicable, Conditional Use application. If it is not subject to

zoning review, provide a brief narrative as to how the design successfully meets the intent of the Red Lodge Design Guidelines. Either document shall describe the exterior materials and architectural features to be used in accordance with Program Narratives.

3. **Demolition/Deconstruction/Other Unwanted Material**. If the project request includes removal of structures, it must be done in accordance with Building Department regulations.

4. **Project Renderings**. Submit project schematic, site and landscaping plans. Façade Improvement Program applicants must submit a current picture(s) and rendering(s) of what the project would look like with URA assistance. Renderings may be on paper but should also be in a common digital format for use in presentations by the URA.

PROJECT COST AND FINANCING SECTION

1. **Total Cost of the Project.** On Page 5, summarize the project costs on the Project Cost Worksheet. Use general categories and include items that are in the assistance request. The total cost should include land costs and "soft costs" such as zoning processes, surveys, and permits to enable the URA to evaluate the entire private investment.

2. **Cost of Program Eligible Items.** Using general categories, on Page 6 summarize the cost of program eligible items as described in the program narrative(s). If applying for assistance under more than one program, note which program the item is intended. See Program Narratives for eligibility guidance.

3. **Project Financing.** Briefly describe how the project will be financed on Page 7. Note both construction and final or "take-out" financing. Include equity and other investments into the project. The total cost of the project should match the lender and equity financing committed to the project. If financing commitment is contingent on grants or URA commitment to the project, has multiple sources, or other complex factors, prepare a brief narrative.

   NOTE: The URA or staff may require additional information to help illustrate the project's benefit to the district and community, and how it will remain viable into the foreseeable future.

   NOTE: URA reimburses approved costs at the close of construction. Project financing must carry the cost of approved TIF items until the entire project is complete. Evidence of completion is a Certificate of Occupancy issued by the City of Red Lodge Building Official. Upon approval of staff, a Temporary Certificate of Occupancy may be acceptable.

   NOTE: *The award of TIF assistance funds is subject to the Applicant entering into a grant agreement with the City. The grant agreement will include requirements that the grantee comply with (i) applicable State of Montana procurement regulations related to bidding, hiring, and prevailing wages; (ii) the City's nondiscrimination policy; and (iii) State of Montana public records laws. The grant agreement will include such additional terms as the District in its sole discretion determines are prudent or necessary to fulfill the goals of the TIF assistance program as outlined in the URP.*

Construction/Rehabilitation Costs (use general construction trade divisions)

1._____   \$_____

2._____   \$_____

3._____   \$_____

4._____   \$_____

5._____   \$_____

6._____   \$_____

7._____   \$_____

8._____   \$_____

9._____   \$_____

10._____   \$_____

Subtotal .... \$_____

Design and Permitting Costs

1. Architectural Design/Supervision   \$_____

2. Permit Fees_____   \$_____

4. Other fees/costs_____   \$_____

_____   \$_____

Subtotal   .... \$_____

Additional Developer Investment in Property & Improvements

Cash Invested in recent improvements (5 years) \$_____

Land & Buildings if recently purchased (5 years) \$_____

Other (Specify)_____\$_____

Total Developer Additional/Equity Investment .... \$_____

TOTAL OF PROJECT DEVELOPMENT COSTS* .... \$_____

COST OF ELIGIBLE IMPROVEMENTS

List eligible items for each program you are applying for (see applicable program narratives for a description of eligible items). Use the "Project Cost Worksheet" to fill out the information below. If in doubt about an item's eligibility, include it. Staff will review the items and determine eligibility.

ITEM: COST: PROGRAM:

1._____ $_____   _____

2._____ $_____   _____

3._____ $_____   _____

4._____ $_____   _____

5._____ $_____   _____

6._____ $_____   _____

7._____ $_____   _____

8._____ $_____   _____

9._____ $_____   _____

10._____ $_____   _____

11._____ $_____   _____

12._____ $_____   _____

TOTAL REQUEST FOR EACH PROGRAM: **TIF Program: $_____**

                                             FIP Program: $_____

PROJECT FINANCING WORKSHEET

Lender Commitments (attach evidence i.e. letter of commitment or other documentation.)

Lender	**Loan Amount**
	$_____
	$_____

Total Lender Commitments .... $_____

Developer Investment

Total Developer Investment/Equity................................... $_____

Other Funding Sources – (list all) _____

Other Investment/Equity................................... $_____

URA Request for Eligible items (from page 6) $_____

TOTAL PROJECT FINANCING*........... .... $_____

* Project Cost and Financing should be equal.

Signature of Applicant:

Information in the above application is true and accurate as of the date of submittal:

Name and Date:

Title: