

RESOLUTION NO. 3491

RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1;
PRELIMINARY LEVY OF SPECIAL ASSESSMENTS ON PROPERTY
WITHIN THE DISTRICT FOR THE PURPOSE OF FINANCING THE COST
OF CERTAIN LOCAL IMPROVEMENTS

BE IT RESOLVED by the City Council of the City of Red Lodge, Montana (the "City"), as follows:

Section 1. The District; the Improvements. The City has created a special improvement district pursuant to Montana Code Annotated, Title 7, Chapter 12, Parts 41 and 42, as amended (the "Act"), denominated Special Improvement District No. 1 (the "District"), and undertaken certain local improvements in the District (collectively, the "Improvements") to benefit property located therein.

Section 2. The Bonds. Pursuant to the Act, the City will issue its special improvement district bonds drawn on the District, denominated "Special Improvement District No. 1 Bond, Series 2018," in the original aggregate principal amount of \$969,000 (the "Bond"), to finance a portion of the costs, including incidental costs, of the Improvements. The Bond is payable primarily from special assessments to be levied against property in the District.

Section 3. Methods of Assessment. Pursuant to Resolution No. 3468, adopted by this Council on April 24, 2018, and which constitutes the resolution of intention to create the District, this Council determined to levy special assessments to pay the costs of the Improvements on the basis or bases therein provided as authorized by the Act.

This Council hereby ratifies and confirms that the assessment of costs of the specific Improvements against the properties benefited thereby as prescribed by such resolution of intention are equitable and in proportion to and not exceeding the special benefits derived from the Improvements by the lots, tracts and parcels to be assessed therefor within the District, and the special assessments authorized by this resolution are in accordance with the methods and do not exceed the amounts prescribed by the resolution of intention.

Section 4. Proposed Levy of Assessments. (a) The special assessments for the costs of the Improvements shall be levied and assessed against properties in the District in accordance with the methods of assessments referred to in Section 3. Such assessments shall be payable over a term not exceeding 10 years, each in substantially equal semiannual payments of principal and interest. Property owners shall have the right to prepay the special assessments as provided by law.

(b) As required by Section 7-12-4189, M.C.A., the special assessments shall bear interest from the date of delivery of the Bond until paid at a rate equal to 3.72% per annum, which is equal to the sum of (i) 3.22% (the interest rate payable on the Bond), plus (ii) one-half of one percent (0.50%) per annum.

(c) Exhibit A to this Resolution (which is hereby incorporated herein and made a part hereof) contains a description of each lot, tract, parcel and unit of land in the District to be assessed, the name of the owner, if known, the total amount of the special assessment levied against each lot, tract or parcel, the amount of each partial payment of the special assessment, and the day when each such partial payment shall become delinquent (the "Assessment Roll").

(d) The Assessment Roll is preliminary and is subject to consideration by this Council of the objections, if any, from owners of property in the District following the public hearing provided for in Section 7.

Section 5. Filing of Resolution. This resolution shall be kept on file in the office of the City Clerk-Treasurer and shall be open to public inspection.

Section 6. Notice of Proposed Levy of Assessments. The City Clerk-Treasurer is hereby authorized and directed to cause a copy of the notice of the passage of this resolution, substantially in the form of Exhibit B hereto (which is hereby incorporated herein and made a part hereof), (i) to be published twice in a newspaper meeting the requirements of Montana Code Annotated, Section 7-1-4127, with not less than six days between each publication, (ii) to be mailed to the owner of each lot, tract or parcel of land to be assessed (to be determined from the last completed assessment roll for state, county, and school district taxes); and (iii) to be mailed to such other persons or entities known by the City Clerk-Treasurer to have an ownership interest in such lots, tracts or parcels (including, without limitation, mortgagees and vendees under contracts of deed). The time for the public hearing may not be less than ten days after the final publication and the mailing of the notice.

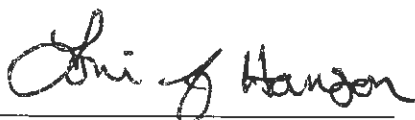
Section 7. Public Hearing; Objections. This Council shall meet on Tuesday, September 11, 2018, at 7:00 p.m., in at City Hall, 1 Platt Ave N, in Red Lodge, Montana, for the purpose of conducting a public hearing on the levying and assessment of the special assessments in the Districts and considering the objections, if any, of the property owners to the levying and assessment of the special assessments.

ADOPTED by the City Council of the City of Red Lodge, Montana, this 14th day of August, 2018.



Mayor

Attest:



City Clerk-Treasurer

EXHIBIT A

EXHIBIT B

NOTICE OF PROPOSED LEVY OF SPECIAL ASSESSMENTS IN
SPECIAL IMPROVEMENT DISTRICT NO. 1

CITY OF RED LODGE, MONTANA

NOTICE IS HEREBY GIVEN that on August 14, 2018, the City Council of the City of Red Lodge, Montana (the "City"), adopted a resolution proposing to levy and assess special assessments against benefited property in Special Improvement District No. 1 in the City for the purpose of financing the costs of certain local improvements and paying costs incidental thereto.

A complete copy of the resolution, which includes the proposed assessment rolls for the district and the principal amount of each special assessment, is on file with the City Clerk-Treasurer and is available for public inspection.

On September 11, 2018, at 7:00 p.m., at City Hall, 1 Platt Ave N, in Red Lodge, Montana, the City Council will conduct a public hearing and pass upon all objections, whether made orally or in writing, to the proposed levy of the special assessments.

Further information regarding the special assessments or other matters in respect thereof may be obtained from the City Clerk-Treasurer at City Hall, 1 Platt Ave N, in Red Lodge, Montana or by telephone at 406-446-1606.

Dated: August 14, 2018.

BY ORDER OF THE CITY COUNCIL
OF THE CITY OF RED LODGE, MONTANA

City Clerk-Treasurer

(Publication Dates: August 23, 2018 and August 30, 2018)

(Mailing Date: August 23, 2018)