

RESOLUTION NO. 4069

A RESOLUTION APPROVING AN APPLICATION FOR TAX EXEMPTION AND REDUCTION FOR REMODELING, RECONSTRUCTION OR EXPANSION OF EXISTING COMMERCIAL BUILDINGS OR STRUCTURES FOR DNJ, LLC.

WHEREAS, DNJ, LLC has applied for a tax exemption and reduction for remodeling, reconstruction, or expansion of existing commercial buildings or structures for certain renovations made to property located within the City of Miles City;

AND WHEREAS, the City finds that approving said application encourages development within the City, particularly as to buildings and areas which are in a state of disrepair or non-use;

NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:

1. The "Application for Tax Exemption and Reduction for the Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures," attached hereto as Exhibit "A," is hereby approved and adopted by the Council.
2. The Mayor of the City of Miles City is hereby authorized to execute said Application and mark the same as "Approved" and return to the Montana Department of Revenue for processing.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 27TH DAY OF JUNE, 2017.


John Hollowell, Mayor

ATTEST:



Lorrie Pearce, City Clerk



**Application for Tax Exemption and Reduction for the Remodeling,
Reconstruction or Expansion of Existing Commercial Buildings or Structures**

This application must be submitted to the appropriate local governing body or bodies by the property owner of record or his agent. The decision of the local governing body or bodies must be mailed to the Department of Revenue before April 1 of the tax year for which the benefits are sought.

I, DNJ, LLC whose mailing address is
Name of Applicant - Please Print
PO Box 1783, Miles City, MT 59301
Please Print

do hereby make application for tax exemption and reduction for the remodeling, reconstruction or expansion of existing commercial building(s) or structure(s), in accordance with 15-24-1502, MCA, on the following described lands. (Please attach an additional page if the legal description does not fit within this space). Legal Description: (see attached)

- ◆ I submit the following information in support of this application:
- ◆ Date that the remodeling, reconstruction or expansion will start 2/22/2016
- ◆ Date that the remodeling, reconstruction, or expansion will be completed 8/1/2016
- ◆ Date that the earliest building permit was received. 2/22/16
- ◆ (The construction period for a specific project may not exceed 12 months.)
- ◆ Estimated cost of the remodeling, reconstruction or expansion \$ 848,000.00
- ◆ Please supply a brief description and diagram of the remodeling, reconstruction or expansion. If additional space is required, please attach additional pages.
- ◆ The commercial building or structures has not been used in a business for 16 months.
- ◆ Property taxes on the building or structures are delinquent yes no.

Under penalty for perjury, I hereby certify the facts herein stated are true. I further acknowledge by my signature that I have reviewed the information on the reverse side of this form and understand its meaning.

[Signature] Date June 12, Year 2017
Signature of Property Owner or Agent
Date _____ Year _____
Signature of Property Owner or Agent

For County Government Purposes Only

Application received by county governing body on _____ year _____. This application for exemption and reduction for remodeling, reconstruction or expansion of existing commercial buildings or structures is hereby:
_____ Approved _____ Disapproved

By _____, Chairman-County Commission on _____, year _____

For City Government Purposes Only

Application received by city governing body on June 27 year 2017. This application for exemption and reduction for remodeling, reconstruction or expansion of existing commercial buildings or structures is hereby:
 Approved _____ Disapproved

By [Signature], Authorized Agent of City Government on 6-30, year 2017

For Department of Revenue Purposes Only

- ◆ Application received by Department of Revenue governing body on _____ year _____.
- ◆ The remodeling, reconstruction or expansion of the existing commercial building or structure increases the taxable value of that structure or building by at least 5% yes no.
- ◆ This application for tax exemption and reduction for the remodeling, reconstruction, or expansion of existing commercial buildings or structures is hereby _____ Approved _____ Disapproved
- ◆ If approved, the appropriate tax benefits will be granted for the _____ tax year.

By _____, County Appraiser on _____, year _____

**Application for Tax Exemption and Reduction for
the Remodeling, Reconstruction, or Expansion of
Existing Commercial Buildings or Structures**

Acknowledgment of Application Procedures and Criteria

A. I acknowledge the following:

- i. Failure to make application prior to completion of a building permit or prior to commencement of construction will result in the waiver of the construction period tax exemption and reduction. Additionally, all subsequent tax exemption and reduction, if approved, will be calculated as of the date the building permit was completed or as of the date construction began, whichever is earlier.
 - ii. If the remodeling, reconstruction or expansion of the existing commercial building or structure does not increase the taxable value of that structure or building by at least 5%, the application will be automatically denied.
 - iii. "Construction period" means a period of time that commences with the issuance of a building permit and which concludes when the local DOR office determines that the structure is substantially completed, not to exceed 12 months. If more than one building permit is issued, the date on the earliest building permit issued will constitute the commencement of the construction period. In those cases where building permits are not issued, the commencement of the construction period is that time determined by the local DOR office to be the start of construction. That determination will coincide with the date the contract is let, the date the application is approved by the governing body, or when site work begins, whichever occurs first. For purposes of determining the eligibility for tax benefits, the construction period for a specific project may not exceed 12 months.
 - iv. The computation of the tax exemption and reduction will be dependent upon the approval of the application by all affected governing bodies.
 - v. For projects which are entirely physically located outside the boundaries of incorporated cities or towns, the governing body of the affected county has sole authority to approve the tax benefits for the project.
 - vi. If the project is entirely physically located within an incorporated city or town, both the governing body of the affected county and the governing body of the incorporated city or town must approve the application by resolution before the tax exemption and reduction may be extended to the project. If the city alone approves the application, the exemption and reduction will apply only to the number of mills levied and assessed by the incorporated city or town. The number of mills levied and assessed by the county governing body will not be affected nor will any tax exemption and reduction be extended by the county to the project.
 - vii. Only additional value created after an application has been filed may be considered for tax exemption and reduction.
 - viii. I do hereby consent to having a representative of the Department of Revenue reappraise and revalue my structure for purposes of ad valorem taxation.
- B. It is the responsibility of the applicant to ensure the application is delivered to all affected levels of local government for their review. Further, it is the responsibility of the applicant to ensure the completed application is forwarded to the Department of Revenue prior to April 1 of the tax year for which the benefits are sought.

ALTA 6-17-06 OWNER'S POLICY

LEGAL DESCRIPTION EXHIBIT "A"

Agent #: MT1001

Order #: WLT-4203

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF CUSTER, STATE OF MONTANA, AND IS DESCRIBED AS FOLLOWS:

Township 8 North, Range 47 East. M.P.M.

Section 33: Tract "C", being a Tract of land located within the Burlington Northern and Santa Fe Railway Company's (formerly Northern Pacific Railway Company) 400.0 foot wide Charter Right of Way granted to the Northern Pacific Railroad Company under Act of Congress approved July 2, 1864, being 200.0 feet wide on each side of said Railway Company's Main Track centerline, as now located and constructed over and across Government Lot 5 in said Section 33, according to Certificate of Survey, filed for record on August 13, 2001, at 1:45 P.M., as Document No. 118477, in Envelope No. 372B of the Plat Cabinet in the office of the County Clerk and Recorder in and for Custer County, Montana.

Tract "D", being a Tract of land located within the Burlington Northern and Santa Fe Railway Company's (formerly Northern Pacific Railway Company) 400.0 foot wide Charter Right of Way granted to the Northern Pacific Railroad Company under Act of Congress approved July 2, 1864, being 200.0 feet wide on each side of said Railway Company's Main Track centerline, as now located and constructed over and across Government Lot 5 in said Section 33, according to Certificate of Survey, filed for record on December 14, 2001, at 9:50 A.M., as Document No. 119503, in Envelope No. 378B of the Plat Cabinet in the office of the County Clerk and Recorder in and for Custer County, Montana.

DNJ, LLC

The interior of the building at 420 Pacific, Miles City, MT was gutted and extensively renovated into a brewery, restaurant and casino.

The exterior was resided and reroofed. An outdoor patio with a fireplace was added along with landscaping.

Please see attached pictures (before & after).