

INTERLOCAL AGREEMENT

THIS AGREEMENT is made and entered into by and between the following two public agencies within the meaning of the Interlocal Cooperation Act:

The City of Whitefish, hereinafter called the "City", and the Whitefish School District, hereinafter called the "School".

WITNESSETH:

WHEREAS, Title 7, Chapter 11, Part 1, M.C.A., known as the "Interlocal Cooperation Act", permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other local governmental units on a basis of mutual advantage and thereby to provide services and facilities in a manner that will promote maximum utilization of scarce local resources for the benefit of the community; and

WHEREAS, said Act provides that an Interlocal Agreement may be authorized and approved by the governing body of each party to said contract; and

WHEREAS Montana law encourages local units of government to cooperate in the provision and use of local facilities and provide for Interlocal Cooperation Agreements by and between units of local government for the most efficient and economical use of community resources; and

WHEREAS, it was not, nor is it, the intent of the City to hurt, debilitate, injure, undermine, or otherwise cause the School to suffer by adversely influencing the revenue raising potentials or act as a revenue raising authority of the School; and

WHEREAS, it is the intent of the City to work hand in hand in a complimentary working relationship between the City and the School. A working relationship which allows and encourages mutual growth, sharing of resource revenue, and facilities; and

WHEREAS, the City has implemented a Tax Incremental District as provided for in

Sections 7-15-4282 through 7-15-4292, M.C.A., for financing urban renewal projects; and

WHEREAS, the City and the School agree that it is the intent of the City to complement the School's role in building and maintaining a viable , progressive, responsive school system which also compliments the interests of the City of Whitefish in attracting and maintaining a viable business and residential community.

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS

Tax increment revenues on single-family residential properties and multi-unit residential buildings (apartment complexes, cluster homes, etc.) be transferred by the City to the School after receipt of these revenues by the City on a semi-annual basis, subordinate to and after payment of the City's Tax Increment bond and debt obligations. The school district would receive 100 percent of the tax revenues for these residential units that they would have received had there not been a tax incremental district on a semi-annual basis, subordinate to any of the City's current Tax Increment bond and debt obligations. All tax incremental revenues generated from commercial, industrial, or other non-residential construction would go entirely to the City of Whitefish, which would consider requests by the School and other organizations for these any funds remaining after the payment of the Tax Increment Bonds and debt obligations and the aforementioned payment to the school each year;

BE IT FURTHER AGREED, the City, through its City Manager, and the School, through its Superintendent of Schools, shall meet and confer to arrive at other ways that both the City and the School can compliment one another so as to promote, build, and maintain a better Whitefish;

BE IT FURTHER AGREED, that Section 7-15-4292, M.C.A., specifically addresses the duration of tax increment financing in any municipality that utilizes it as follows:

1. The tax increment provision shall terminate upon the latter of: (a) the 10th year following its adoption; or (b) if the tax increment provision was adopted prior to January 1, 1980, upon the 12<sup>th</sup> year following adoption; or (c) the payment or provision for payment in full or discharge of all bonds for which a tax increment has been pledged and the interest thereof. The tax increment financing was adopted May 4, 1987, by the City; and

BE IT FURTHER AGREED, this Agreement contains the entire agreement of the parties hereto, and supersedes any prior written or oral agreements between them concerning the subject matter contained herein.

IN WITNESS WHEREOF, the parties do execute this Agreement this 16<sup>th</sup> day of March, 2009.

CITY OF WHITEFISH

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
CITY CLERK

WHITEFISH SCHOOL DISTRICT #44

Jerry House

ATTEST:

David J. Riser

The foregoing Interlocal Agreement has been reviewed and determined to be in proper form and compatible with the laws of the State of Montana.

APPROVED this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

NO LONGER APPLICABLE

\_\_\_\_\_

Attorney General, State of Montana