

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION RELATING TO A LEASE-PURCHASE FINANCING; APPROVING THE TERMS AND CONDITIONS OF THE FINANCING AND AUTHORIZING THE EXECUTION OF DOCUMENTATION RELATING THERETO" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a meeting on August 14, 2006 , and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof: unanimous
_____;
voted against the same: none; abstained from voting thereon:
none; or were absent: none.

WITNESS my hand and seal officially this 14th day of August, 2006.

(SEAL)

City Clerk

RESOLUTION NO. 06-18470

RESOLUTION RELATING TO A LEASE-PURCHASE FINANCING; APPROVING THE TERMS AND CONDITIONS OF THE FINANCING AND AUTHORIZING THE EXECUTION OF DOCUMENTATION RELATING THERETO

BE IT RESOLVED by the City Council (the “Council”) of the City of Billings, Montana (the “City”), as follows:

Section 1. Authorization.

1.01. The City is authorized by Title 7, Chapter 14, Part 45, M.C.A. to acquire by lease, gift, or purchase lots or lands for use as parking areas for motor vehicles and to construct and maintain therefore suitable parking facilities for the use of the public.

1.02. The City is further authorized by Title 7, Chapter 14, Part 45, M.C.A. to pledge the revenues derived from the parking facilities to the repayment of obligations issued to finance the parking facilities.

1.03. This Council has previously determined to expand the Park II parking garage which would provide a drive thru for Wells Fargo and an additional 238 public parking spaces for the City (the “Park II Facility”). The City has available and plans to use the following sources of funds for the Park II Facility:

Parking Reserves – For Construction	\$1,700,000
Parking Reserves – For First Debt Service Payment	\$ 500,000

In order to pay the remainder of the Park II Facility costs, this Council determined that it is necessary and desirable and in the best interests of the City to finance such costs through a lease-purchase agreement in the principal amount of \$5,930,00 over a term of twenty (20) years at an annual rate of interest of 5.480%.

1.04. The City has determined that there will be adequate parking revenues to be generated by the City’s Parking Operations to provide net parking revenues in an amount sufficient to make the annual lease payments for the Park II Facility in the annual amount of \$495,400, all as more specifically provided in the documents described herein.

1.05. All acts, conditions and things which are required by the Constitution and laws of the State of Montana to be done prior to the execution of the lease-purchase agreement having been done, existing and having happened, it is necessary for this Council to establish the terms thereof, to approve the execution of documentation relating thereto and to direct the execution of the lease-purchase agreement forthwith.

Section 2. Documentation; Execution and Delivery; Terms.

2.01. There have been prepared and presented to this Council copies of the following documents, all of which are now and/or shall be placed on file in the office of the City Clerk:

- a) Ground Lease Agreement dated as of September 1, 2006 (the “Ground Lease”), by and between the City and the Purchaser; and
- b) Lease-Purchase Agreement dated as of September 1, 2006 (the “Lease”), by and between the City and the Purchaser; and
- c) Escrow Agreement dated as of September 1, 2006 (the “Escrow Agreement”), among and between the City, the Purchaser and Bank of New York Trust Company, a national banking association with a corporate trust office in St. Louis, Missouri, as escrow agent.

The forms of such documents are approved, with such variations, insertions and additions as are deemed appropriate by the parties and approved by the City Attorney.

2.02. Upon finalization of the Leases and Escrow Agreement and the execution thereof by the other parties thereto, the Mayor, City Administrator and Financial Services Manager shall execute and deliver the Ground Lease, Lease and Escrow Agreement on behalf of the City. The Mayor, City Administrator and Financial Services Manager shall execute on behalf of the City such other contracts, certifications, documents or instruments as Dorsey & Whitney LLP, bond counsel to the City, shall require, and all certifications, recitals, warranties and representations therein shall constitute the certifications, recitals, warranties and representations of the City. Execution of any instrument or document by one or more appropriate officers of the City shall constitute and shall be deemed conclusive evidence of the approval and authorization by the City and this Council of the instrument or document so executed.

2.03. The City’s payment obligations under the Lease shall be payable in equal annual installments, due each September 1, commencing September 1, 2007 and ending on September 1, 2026.

Section 3. Not a General Obligation. The City’s payment obligations under the Lease are payable solely from the Net Revenues of the City’s Parking Operations as more particularly described in the foregoing documents. The Lease Payments shall not constitute a general obligation of the City and shall not constitute a debt of the City within the meaning of the statutory debt limit.

Passed by the City Council of the City of Billings, Montana, this 14th day of August, 2006.

THE CITY OF BILLINGS:

Ron Tussing, Mayor

ATTEST: _____
Marita Herold, CMC/AAE City Clerk