

**APPLICATION FORM FOR TAX REDUCTION
BUILDING REMODEL, EXPANSION OR RECONSTRUCTION**

(As allowed under Yellowstone County Resolution 89-56, City Council Resolution and 15-24-1501,
15-24-1502 or 15-24-1601 MCA)

- 1. Name of business: Mercedes-Benz of Billings

- 2. Building Remodel or Reconstruction: Start of construction (date) 5-1-2010
End of construction (date) 9-1-2010

- 3. Building Expansion: Start of construction (date) 5-1-2010
End of construction (date) 9-1-2010

- 4. Address of business: 3045 KING AVE BILLINGS MT 59102
Actual location of business: 3045 KING AVE BILLINGS MT 59102
Tax Code: 2711 72124

- Within city limits of Billings YES NO

- 5. Person representing business and responsible for application:
Name: STEVE ZABAWA Title: OWNER
JASON Blair Title: CONSULTANT
Address: 3045 KING AVE, BILLINGS Telephone: 406-670-8100
253-670-3080

- 6. Amount of capital investment for Expansion, Remodel or Reconstruction in Billings / Yellowstone County: \$ 1,500,000 (attach detailed costs of materials and labor and dates of construction. County Commissioners and/or City Council may request further information, such as financial statements, business references, or other documents prior to acting on this request).

- 7. Approximate market value of building prior to remodel, reconstruction, or expansion:
\$ 2,150,000

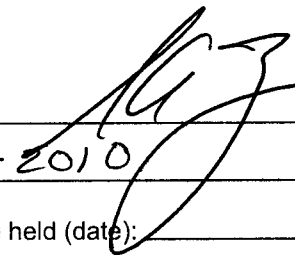
- 8. Explain business activity – what business does: Selling, distributing, financing,
and servicing Mercedes-Benz new + used
vehicles throughout the midwest.

- 9. How long has this business been located in Billings and/or Yellowstone County?
2010 (EST - 3 MONTHS)

- 10. As of the date of this application, how many employees does the business have:
3 Full-time _____ Part-time

- 11. How many employees will the applicant have within 2 years after completion of construction:
25+ Full-time _____ Part-time

12. Describe job skills required for all new employees both full and part-time: See BUSINESS Plan
-
13. What is the hourly pay scale of both full and part-time employees to include benefits (new employees only): See BUSINESS Plan
14. Other Economic impacts of capital investment: See BUSINESS Plan
-
15. Planned hiring schedule: See BUSINESS Plan
-
16. List other property tax benefits business currently receives or has applied for: NONE
-
- 17. Building permit (attach copy or explain absence): TO BE ISSUED IN APRIL 2010.
-
- 18. A non-refundable fee of \$500 must accompany this application to cover the cost of application administration. Make checks payable to the Big Sky Economic Development Authority.
19. All items on this application must be addressed. Upon completion and accompanied by the application fee, the original can be submitted to the Big Sky Economic Development Authority, 222 N. 32nd Street, Suite 200, Billings, Montana 59101 (telephone 256-6871). If the application is complete, a duly advertised public hearing will be scheduled, after which the Commissioners and/or City Council, in their discretion, will decide whether to approve or deny the application. The applicant, or a representative of the applicant, must appear in person at the public hearings.
20. The application to the Department of Revenue, which is part of this application, must also be completed and signed by the applicant.
21. The Board of County Commissioners and/or City Council may review this applicant's tax incentive program at any time and terminate further reductions at their discretion if they find the provisions of Resolution are not being met.
- * 22. If application is approved, applicant will comply with the following provisions. Failure to comply may lead to the previously approved tax abatement being rescinded:
- i. Provide copy of Occupancy Certificate and/or Certificate of Substantial Completion
 - ii. Annual Survey to be completed and returned to Big Sky EDA by June 30 of each year
 - iii. Remain current on all property taxes on the subject property
 - iv. Notify Big Sky EDA of any ownership changes or change of use of the facility
 - v. Comply with any other provisions set by the Board of County Commissioners and/or City Council
23. In order for this incentive program to apply to the applicant's current year taxes, Yellowstone County must receive the properly completed application by March of the year in which the reduction is desired. If within the city of Billings, City Council must approve the application by March of the year in which the reduction is desired.

24. Signature of applicant/representative:  STEPHON A. ZMORA
25. Date of application: 3-23-2010
26. County Commissioner's Public hearing held (date): _____
27. City Council's Public hearing held (date): _____

Recommendation by the Big Sky Economic Development Authority:

____ Approve ____ Deny Signature: _____ Date: _____

County Board of Planning or Laurel-Yellowstone City-County Planning Board certifies that business conforms to zoning regulations:

Signature: _____ Date: _____

If a non-public water or sewer system is used (i.e., septic tank and water well) County Health Department certifies that system conforms to acceptable standard, or will do so on completion of construction:

Signature: _____ Date: _____

County Treasurer's Office certifies that City and County taxes have been paid in full or otherwise satisfied:

Signature: _____ Date: _____

City Finance office certifies that the business has applied for the appropriate City business license:

Signature: _____ Date: _____

Action by Board of County Commissioners:

Date: _____

____ Approve ____ Deny Chair: _____ Date: _____

Member: _____ Date: _____

Member: _____ Date: _____

Action by Billings City Council (if applicable – project within City limits):

____ Approve ____ Deny

Date: _____

CITY OF BILLINGS

By: _____

ATTEST:

By: _____

Sq footage estimate	1000	\$ 85.00	\$ 85,000.00	6.04%
High speed roll up doors	3	\$ 20,000.00	\$ 60,000.00	4.26%
Sq footage estimate	2000	\$ 80.00	\$ 160,000.00	11.37%
shell, w/epoxy floor				
Autostone Tile	6000	\$ 7.00	\$ 42,000.00	2.98%
Scissor Lifts ?	6	\$ 5,000.00	\$ 30,000.00	2.13%
Lease other Automotive equipment			\$ 250,000.00	17.76%
Exterior Site Renovations:			\$ 25,000.00	1.78%
Signage			\$ 50,000.00	3.55%
Demo majority of work to be completed by Rimrock			\$ 5,000.00	0.36%
Showroom				
Tile:	6000	\$ 12.00	\$ 72,000.00	5.11%
Ceiling Treatments:	6000	\$ 5.00	\$ 30,000.00	2.13%
Wall finishing's			\$ 20,000.00	1.42%
Millwork				
Parts Center:			\$ 25,000.00	1.78%
café/reception center/work stations			\$ 30,000.00	2.13%
Waiting area			\$ 10,000.00	0.71%
Fireplace in waiting area				0.00%
Hall and bathroom areas downstairs:			\$ 30,360.00	2.16%
Stairway			\$ 25,000.00	1.78%
HVAC			\$ 45,000.00	3.20%
Electrical			\$ 40,000.00	2.84%
Light Fixture upgrades			\$ 15,000.00	1.07%
Plumbing			\$ 35,000.00	2.49%
Upstairs Demo				0.00%
Upstairs remodel (Br Rimrock)			\$ -	0.00%
Mercedes Furniture Component			\$ 100,000.00	7.10%
			<u>\$ 1,184,360.00</u>	
Hard Costs used for professional fees:			<u>\$ 1,004,360.00</u>	
Contingency:	3%	\$ 30,130.80		2.14%
Permitting:		\$ 7,500.00		0.53%
Architectural:	7%	\$ 70,305.20		4.99%
Engineering Fees:		\$ 15,000.00		1.07%
General Contractor:	10%	\$ 100,436.00		7.13%
Preliminary Budget:			<u>\$ 1,407,732.00</u>	100.00%

(These estimates have increased)

TAX CODE: A29033

TAX YEAR 2009

LEGAL DESCRIPTION
 SECTION 12, TOWN 01 S, RANGE 25 E
 LOT:003 BLOCK:16A
 LAMPMAN SUBD
 LAMPMAN SUBD
 812, S12, T01 S, R25 E, BLOCK
 16A, Lot 003, LTS 3 & 5 AMND LT 1 BLK
 16A (04 COMBO)
 Acres: 1.43

BILLING DATE 10/31/2009
 DISTRICT(s):
 2 BILLINGS

RIMROCK II, LLC
 2540 PHYLLIS LN
 BILLINGS MT 59102-5614

PROPERTY LOCATION			YEAR	AMOUNT
ASSESSED VALUATION	MARKET VALUE	TAXABLE VALUE		
Real Property	352,162	10,318		
Buildings and Improvements	517,066	15,150		
Personal Property	0	0		
TOTAL ASSESSED VALUATION	869,228	25,468		
			TOTAL	Interest computed through
			Payments on another date will affect amount due. Call (406) 256-2802 for an exact amount	

Yellowstone County Treasurer PO Box 35010 Billings, MT 59107-5010 (406) 256-2802 www.co.yellowstone.mt.gov/treasurer/

			LAST YEAR'S AMOUNT	AMOUNT CHANGE	
Levy District: 2 BILLINGS					
Permissive Medical Levy	11.050	140.71	140.71	332.52	-51.10
School Tax	241.850	3,079.74	3,079.73	7,086.94	-927.47
State Tax (Education)	102.500	1,305.23	1,305.23	3,002.94	-392.48
County Tax	94.910	1,208.58	1,208.57	2,756.84	-339.69
City Tax	169.440	2,157.65	2,157.65	4,797.68	-482.38
Big Sky Economic Development	3.050	38.84	38.84	88.48	-10.80
County Weed Tax	0.930	11.84	11.84	26.96	-3.28
TOTAL GENERAL TAXES	623.730	7,942.59	7,942.57	18,092.36	-2,207.20
OTHER CHARGES					
	District				
BLGS IMPROVEMENTS	1356	5,719.88	5,622.56	11,710.02	-367.58
BLGS ARTERIAL CONST FEE	BACF	301.68	301.68	603.36	0.00
BLGS FIRE HYD REAL	BFHS	161.85	161.85	372.36	-48.66
BILLINGS GARBAGE	BLGB	277.00	277.00	611.82	-57.82
BILLINGS STORM SEWER	BLSW	271.10	271.10	542.20	0.00
BLGS STREET MAINT #2	BS#2	199.44	199.44	398.88	0.00
0278 BLGS LIGHT MAINT	L278	330.34	330.34	635.26	25.42
SOIL CONSERVATION	SOIL	6.75	6.75	13.48	0.02

Due Date

11/30/2009

05/31/2010

Comparison Only

APPLICATION TO THE DEPARTMENT OF REVENUE
BUILDING REMODEL, RECONSTRUCTION OR EXPANSION
(Title 15- Chapter 24 - Part 14 MCA)

To: Assessor
Yellowstone County

Name of Applicant: Mercedes-Benz of Billings.

Mailing Address: 3045 KING AVE BILLINGS MT 59102

Legal description of affected property: Section 12, TOWN 01 S, Range 25 E / LOT: 003

Block: 16A LAMOMAN SUBD / 812, 512, T01 S, R25 E, Block 16A, LOT 003,
LTS 3 Bnd 5 AMD LT 1 / BK 16A (04 Combo) Acres 1.43

Date construction permit issued: _____
(If no permit is required, specify the date when certificate in lieu of building permit was issued).

This application covers the (expansion/new) construction of the _____ plant.
A public hearing on this matter of Building Expansion, Remodel, or Reconstruction was held at the
Yellowstone County Courthouse at _____ (am/pm) on the _____ day of _____, 20____
Due notice as defined in 76-15-103 was given. True and exact copies of said notices are attached to this
application. _____ Yes _____ No

The statutory \$500,000 investment requirement for expansion or modernization has been met.
_____ Yes _____ No

The statutory 2.5% increase in value requirement for new improvements has been met.
_____ Yes _____ No

The statutory 5% increase in value requirement for new improvements has been met.
_____ Yes _____ No

* The qualifying property consists of the following: _____
(Attach site plats, construction prints, and detailed equipment list identifying the qualifying property.)

This application is made under the provisions of 15-24-1501 or 1601 MCA, and by resolution adopted by
the Commissioners of Yellowstone County, on the 29th day of August 1989. A copy of the same is
attached.

(Owner/Agent)

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We, the undersigned, Commissioners of Yellowstone County, (approve/disapprove) this application for  
\_\_\_\_\_. We find that it (does/does not) conform to the criteria  
as set forth in the resolution adopted by this Board on the 29<sup>th</sup> day of August 1989.

|       |       |
|-------|-------|
| _____ | _____ |
| Name  | Title |
| _____ | _____ |
| Name  | Title |
| _____ | _____ |
| Name  | Title |