

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

(As allowed under Yellowstone County Resolution 02-66, City Council Resolutions 05-18377 and 05-18378 and 15-24-1501, 15-24-1502 or 15-24-1601 MCA)

1. Name of business: Jefferson Partners L.P. dba Jefferson Lines

2. XXXXX Building Remodel or Reconstruction: Start of construction (date) May 2015
End of construction (date) July 2015

3. _____ Building Expansion: Start of construction (date) _____
End of construction (date) _____

4. Address of business: 1802 & 1820 4th Avenue North, Billings, MT

Actual location of business: 1802 & 1820 4th Avenue North, Billings, MT

- Tax Code: A00179

- Within city limits of Billings YES NO

5. Person representing business and responsible for application:
Name: Steven Woelfel Title: President
Address: 2100 E 26th Street, Mpls, MN 55404 Telephone: 612-359-3422

6. Amount of capital investment for Expansion, Remodel or Reconstruction in Billings / Yellowstone County: \$750,000-\$850,000 (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:
\$ 1,330,000 appraisal 11-11-14

8. Explain business activity – what business does: Jefferson Lines provides motorcoach transportation services with an emphasis on intercity fixed route routes serving Montana and neighboring states. The Billings bus depot is considered a gateway for Montana intercity bus service and provides departing, arriving, and transfer facilities for an estimated 75,000 passengers per year.

9. How long has this business been located in Billings and/or Yellowstone County? Greyhound, Powder River, and Rimrock Trailways have provided intercity bus services in Billings for many decades. Jefferson Lines has expanded its service territory into Billings beginning in 2009 as these companies have left the marketplace and recently made a significant private investment in a facility to support the Billings and Montana markets.

10. As of the date of this application, how many employees does the business have:

10 Full-time 6 Part-time

*Excludes 3 F/T employees currently in training
Excludes 3 F/T employees based out of Missoula and traveling into Billings
Excludes all non-Montana based employees*

11. How many employees will the applicant have within 2 years after completion of construction:
18-19

 Full-time 9-10 Part-time

Excludes all non-Billings based employees to be consistent with response 10 and assumes labor pool is sufficient to hire motorcoach operators.

12. Describe job skills required for all new employees both full and part-time:
Jefferson Lines expects to hire within several areas and all employees are required to be reliable, trustworthy, and demonstrate good customer service skills.

***Motorcoach Operators** require CDL license with demonstrated good safety record. .
Customer Service/Bus terminal employees require good customer service skills as would be expected with typical retail establishments.*

***Diesel technicians** need to have training, education/certifications and experience as a diesel mechanic.*

***Operations Manager** – Industry experience managing drivers, depot operations, etc.*

***Business Development** – Proven experience developing relationships and building brand and sales within a given territory*

***Baggage Handlers/Coach Servicers** – physical lifting and ability to stand, sit, lift, bend, etc.*

13. What is the hourly pay scale of both full and part-time employees to include benefits (new employees only): Base pay ranges are expected to be from \$10-12/hour for terminal employees and baggage handlers to \$35,000-\$60,000 annual pay for other positions. In addition, Jefferson Lines provides a comprehensive benefits package for eligible employees that is valued at an additional 30% of base pay.

14. Other Economic impacts of capital investment: This facility provides services to approximately 75,000 annual passengers that are arriving, departing, or connecting in Billings. The Motorcoach industry continues to show strength as one of the most flexible, cost-effective, and environmentally efficient modes of transportation with nationally 605 million passenger trips during 2013, compared to 743 million (domestic and international) enplanements on domestic air carriers and 32 million passengers for Amtrak.

15. Planned hiring schedule: Motorcoach Operators – we have just recently hired 3 operators that are currently in our training program. We desire to hire a minimum of 5 additional drivers as soon as we are able to find qualified candidates.

***Operations Manager** – prior to end of 3Q 2015*

***Business Development** – 2016*

***Terminal employees, handlers, servicers, and technicians** – tbd based upon success of hiring and retaining motorcoach operators. We currently project that we have a need for 9 FTE's.*

16. List other property tax benefits business currently receives or has applied for: Jefferson Lines is considering applying for a Montana Department of Commerce Big Sky Economic Development Trust Fund Category II grant for planning projects.

17. Building permit (attach copy or explain absence): Architectural/Construction drawings will be completed in the next few weeks at which time we will request bids for the construction project.

Upon awarding the construction contract, a building permit will be acquired.

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.

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: Jefferson Partner L.P. dba Jefferson Lines

Mailing Address: 2100 East 26th Street, Minneapolis, MN 55404

Legal description of affected property: 1802 4th Avenue North, Billings, MT

Date construction permit issued: To be issued upon awarding of construction contract

(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

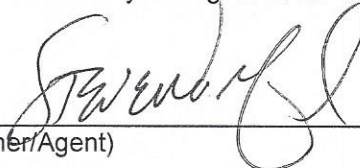
The statutory \$500,000 investment requirement for expansion or modernization has been met.
_____ Yes _____ No

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 9th day of August 2002. 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 9<sup>th</sup> day of August 2002.

\_\_\_\_\_  
Name Title

Name

Title

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Name

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Title