

RESOLUTION _____

A resolution of the Missoula City Council setting Missoula Redevelopment Agency policy.

WHEREAS, the Missoula Redevelopment Agency (MRA) is a public agency created in 1978 in accordance with the laws of the State of Montana;

WHEREAS, MRA is authorized by State and local law to partner with private and public entities to revitalize Missoula's Urban Renewal Districts (URD) by improving economic vitality, creating jobs and encouraging investment in the Districts;

WHEREAS, MRA's purpose is to foster redevelopment and new development within Missoula's Urban Renewal Districts by furthering the community goals and objectives identified in the Districts' Urban Renewal Plans and the City's Strategic Framework;

WHEREAS, the MRA uses Tax Increment Financing (TIF), whereby property tax dollars which accrue from new development within an Urban Renewal District are directed back into the District, to invest in public infrastructure and other activities as permitted under laws of the State of Montana to support community and economic development activities to further this mission;

WHEREAS, the MRA operates under the Growth Policy established by the City of Missoula in 2015, as well as Urban Renewal District Plans specific to each Urban Renewal District;

WHEREAS, the MRA is authorized to exercise powers to perform such duties as the local governing body may direct so as to make the necessary arrangements for the exercise of the powers and performance of the duties and responsibilities entrusted to the local governing body, pursuant to City of Missoula Resolution Number 3779;

WHEREAS, the City Council of the City of Missoula desires to appropriately balance the resources available in tax increment districts with the resources available outside tax increment districts in order to meet the challenges of affordable housing issues and growth related pressures;

WHEREAS, the City Council acknowledges that the MRA staff and Board have discretion to determine the merit of projects, as many successful MRA projects are initiated by the private sector and cannot be dictated by MRA staff;

WHEREAS, the input from local jurisdictions within tax increment districts would be valuable for MRA staff and Board in determining the merits of projects;

WHEREAS, City Council acknowledges that the success of the MRA program hinges on the concept that during the life cycle of an Urban Renewal District, different priorities must take precedence during different phases; the beginning of the life cycle of an Urban Renewal District focuses on partnerships with the private sector, to create the tax base which later in the lifecycle of the district can then finance projects for the benefit of the community that will not necessarily increase the tax base;

WHEREAS, as, the City of Missoula recognizes the acute community needs in the areas of affordable housing, child care and infrastructure, and supports using TIF as a tool to address these issues, while acknowledging that the life cycle of a URD necessarily must prioritize other investments in order to create the tax base to ultimately finance affordable housing, child care and infrastructure investments.

WHEREAS, by articulating priorities which will be part of the analysis of applications for MRA dollars, the community will then have a better understanding of the benefit of MRA, and the private sector will also then better understand how to align with the articulated priorities in their applications for projects to MRA.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MISSOULA, MONTANA:

SECTION 1:

- A. It is the City's policy not to have the cumulative total incremental taxable value of all urban renewal districts in the City exceed 9.0% of the total taxable value of the City. In the event that the cumulative incremental taxable value of the City's urban renewal districts exceeds 9.0% of the total taxable value of the City in any fiscal year, based on certified values received from the Department of Revenue applicable for such fiscal year, the City intends to remit tax increment revenues in the dollar amount of such excess to be divided among the taxing jurisdictions pursuant to the proportional share of each jurisdiction's total mills levies as specified in MCA 7-15-4291. MRA shall have discretion to determine, as among the urban renewal districts, the source(s) of funds for the remittance, taking into account factors it deems appropriate, including without limitation, the tax increment revenues, debt service requirements, bond covenants and priority projects in each urban renewal district. MRA shall distribute any required remittance by March 31 following the receipt of certified values from the Department of Revenue based on the current fiscal year mill levies.
- B. The City's intention to remit tax increment revenues as described in this resolution is subordinate in all respects to the City's covenants and obligations with respect to its tax increment revenue bonds, and shall not be taken into account for purposes of additional debt tests. Without limiting the meaning of the preceding sentence, in all cases, tax increment revenue bonds, notes, other debt instruments of the City and additional tax increment revenue bonds proposed to be issued by the City shall have a lien on and claim to tax increment revenues that is superior and prior to any obligation of the City to remit tax increment revenues under this resolution.

SECTION 2:

- A. MRA Board Composition:
 - 1. The Administration and Finance Chair of City Council, one County Commissioner, and one designee from Missoula County Public Schools Administration shall sit on the MRA Board in ex-officio non-voting status, in order to facilitate communication as stakeholders in the community, and to enhance community benefit of TIF investment by providing a broader perspective of community needs.
 - 2.

SECTION 3:

- A. MRA Strategic Plan:
 - 1. The City and MRA will adopt a joint strategic plan that will be consistent with and support the goals of the overall the City of Missoula's Strategic Plan and Growth Policy to the extent feasible given the life cycles of URDs. The priorities of these plans include a focus on affordable housing, infrastructure development and child care. As the City of Missoula grows and changes, there should be periodic reviews at regular intervals of MRA policies and their interaction with, and support of, City of Missoula policies and plans.

Passed and adopted this ____ day of _____, 2021.

ATTEST:

APPROVED:

Martha L. Rehbein
Legislative Services Director/City Clerk

John Engen
Mayor