



City of Missoula, Montana
Item to be Referred to City Council Committee

Committee: Public Works

Item: A Resolution and an Ordinance Establishing the Sxwtpqyen Area Transportation Special Impact Fee

Date: January 27, 2021

Sponsor(s): Jeremy Keene

Prepared by: Katie Emery

Ward(s) Affected:

| | |
|--|---------------------------------|
| <input type="checkbox"/> Ward 1 | <input type="checkbox"/> Ward 4 |
| <input checked="" type="checkbox"/> Ward 2 | <input type="checkbox"/> Ward 5 |
| <input type="checkbox"/> Ward 3 | <input type="checkbox"/> Ward 6 |
| <input type="checkbox"/> All Wards | <input type="checkbox"/> N/A |

Action Required:

Adopt a resolution and an ordinance, creating Chapter 15.70 of the Missoula Municipal Code entitled "Sxwtpqyen Area Transportation Special Impact Fee," to establish impact fees for new development in accordance with the results of an official impact fee study commissioned by the City of Missoula for the Mullan BUILD Project.

Recommended Motion(s):

I move the City Council: **Motion for February 3, 2021:** [First reading and preliminary adoption] I move the City Council set a public hearing on February 22, 2021 and preliminarily adopt an ordinance creating chapter 15.70 Missoula Municipal Code entitled "Sxwtpqyen Area Transportation Special Impact Fee" to establish impact fees for new development in accordance with the results of an official impact fee study commissioned by the City of Missoula for the Mullan BUILD Project. I move the City Council set a public hearing on February 22, 2021, on a resolution generally establishing Sxwtpqyen Area Special Transportation Impact Fees as proposed by Missoula Public Works and Mobility Department effective March 31, 2021.

Timeline:

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|-----------------------------------|-------------------|
| Referral to committee: | February 1, 2021 |
| Committee discussion: | February 3, 2021 |
| Council action (or sets hearing): | February 8, 2021 |
| Public Hearing: | February 22, 2021 |
| Final Consideration: | March 1, 2021 |

Background and Alternatives Explored:

The City of Missoula, in partnership with Missoula County, intends to construct transportation improvements and public utility improvements with a federal BUILD Grant and other local funding sources included in the Mullan BUILD Project.

The federal BUILD Grant and other existing local funding sources will cover approximately 50% of the cost of the Project. The City intends to fund the remainder of the cost of the Project through transportation impact fees and utility development fees applied to new development in the Sxwtpqyen Area (Soo-tup-kane) Area, generally the Mullan Road area west of Reserve Street and south of Broadway, which benefits from the Mullan BUILD Project.

The proposed fees will equitably assess the cost of infrastructure necessary to support the high-quality, sustainable development envisioned in the Sxwtpqyen Area Master Plan. New roads and utilities are typically constructed by developers. The BUILD grant allows the City and County to construct key infrastructure improvements ahead of development, and lowers the overall cost to developers. Since the BUILD grant did not cover the entire cost, the new fees will be used to make up the difference. By proactively constructing new roads and utilities, the City and County can better plan for growth, avoid piecemeal construction, reduce overall costs, and mitigate the impacts of development on existing residents.

This proposed resolution and ordinance establishes the transportation special impact fees. A separate referral will be made for consideration for the utility development fees.

Financial Implications:

The City's financial obligations for the Mullan BUILD Project in the Sxwtpqyen Area were established in the FY21 CIP.

Links to external websites:

<https://www.mullanbuild.com/>

Attachments:

- Sxwtpqyen Area Transportation Special Impact Fee Resolution
- Sxwtpqyen Area Transportation Special Impact Fee Ordinance
- Sxwtpqyen Area Transportation Special Impact Fee Study
- Sxwtpqyen Area Transportation Special Impact Fee Presentation