



**City of Missoula, Montana
City Council Committee Agenda item**

Committee: Public Safety, Health and Operations
Item: Resolution Regarding Proposed Creation of a Missoula Local Government Building Special District
Date: August 24, 2022
Sponsor(s): John Adams
Prepared by: John Adams
Ward(s) Affected:
 Ward 1 Ward 4
 Ward 2 Ward 5
 Ward 3 Ward 6
 All Wards N/A

Action Required:
Consider a Resolution Regarding Proposed Creation of a Missoula Local Government Building Special District

Timeline and Recommended Motions:
Committee discussion: August 31, 2022
Council sets public hearing: September 12, 2022
 Recommended motion: Set a public hearing on September 26, 2022 to consider a resolution regarding proposed creation of a Missoula Local Government Building Special District.
Public Hearing: September 26, 2022
 Recommended motion: Adopt a resolution regarding proposed creation of a Missoula Local Government Building Special District to provide for the acquisition, ownership, improvement, maintenance, operation and administration of the Federal Building located at 200 East Broadway.
Deadline: September 26, 2022

Background and Alternatives Explored:
The City of Missoula and Missoula County expect to receive title to the Missoula Federal Building in winter of 2022-23. The historic Federal Building, 200 East Broadway, is one of Missoula’s most important landmarks and a critical part of Missoula’s Downtown. The property has been declared surplus to federal requirements and will go to auction unless acquired by the City of Missoula and Missoula County. The City and County seek to:

- 1) Acquire the building at no cost;
- 2) Rehabilitate the building to house City Hall and County central services;
- 3) Protect the building in perpetuity.

The City urgently needs additional space to better provide public service and to house Municipal Court. Acquiring the Federal Building would allow the City to address this need more cost effectively than any available alternative, improve public service through the co-location of City

and County services and staff, and permanently protect one of the most important historic buildings in Missoula.

In July, 2021, Council approved City application to the National Park Service (NPS) and the General Services Administration (GSA) to receive the Federal Building via the federal Historic Surplus Property Program. (GSA requires application from a single government; the City applied but will ultimately transfer ownership to a joint City-County entity.) Under that program the City will receive the building free of cost and, in return, commit to the preservation of the building in perpetuity. NPS has approved the City's application and plan for preservation and use of the building. We await formal notice from GSA that the City and County will receive the building; staff have not identified any potential barriers to that outcome.

GSA requires that a single local government entity receive and hold title to historic surplus properties, but the City and County desire to co-own the Federal Building. To meet both objectives, the City and County propose to jointly create a Special District which can own and manage the Federal Building. The proposed Missoula Local Government Building Special District will encompass only the single currently-federal property at 200 East Broadway. Thus, it will not be a tool for levying assessments on other property owners, but rather a mechanism enabling the City and County to jointly own and operate the site and building.

Montana code governing the creation and administration of Special Districts is found at MCA Title 7 Chapter 11. In accordance with that process, the proposed resolution would establish September 26 as the date for the first Special District public hearing and direct staff to provide public notice of the hearing.

Financial Implications:

No direct financial implications.

Links to external websites: