



MRA Project Summary

May 11, 2023

Urban Renewal District: URD III

City Council Ward: 6

Neighborhood: Franklin to the Fort

Name of Project: Emergency Winter Shelter – Request for Funding

Project Location: 1919 North Avenue West

TIF Investment: \$ 55,836.35

Project Description: The City had to make safety improvements to the building at 1919 North Avenue West in order to use it as an Emergency Winter Shelter. MRA has been asked to reimburse the City for those expenditures in order to preserve funding needed to provide emergency and crisis intervention programs in FY 24.

Cost Breakdown of TIF/CCP/CRLP Funds:

TIF Funds - \$55,836.35

Unique Public Purpose or Benefit: This use of TIF funds allows MRA to assist in providing critical services needed for Missoula's vulnerable populations.

Tax Increment Investment: MRA will reimburse the City for improvements to the Emergency Winter Shelter and help facilitate the partnership with the Poverello Center to provide these services.

District Sunset Date: 2040



TO: MRA Board of Commissioners

FROM: Ellen Buchanan, Director *EB*

DATE: May 5, 2023

SUBJECT: Emergency Winter Shelter – 1919 North Avenue West (URD III/Ward 6) – TIF Request for Reimbursement

The City partners with the Poverello Center to provide shelter for people without a home during the winter months. The shelter is in one of the buildings located on the property that the City, through the issuance of TIF Revenue Bonds, purchased from Montana Rail Link in 2018. Improvements to the building were necessary for it to be used for the Emergency Winter Shelter. These improvements consisted of rectifying life safety and fire safety code deficiencies including replacing the sprinkler heads and the installation of an air exchange system. The City was able to provide the emergency funding with the anticipation that the costs could be covered through funding that would not impact the General Fund. The operating costs for the shelter were able to be funded through the Federal dollars that the City and County received through the American Rescue Plan Act (ARPA). The hope was that the Missoula County Crisis Services levy would provide funds to continue providing services for our unhoused population and those in our community who are in crisis. The November ballot initiative failed, and the City is now faced with how to continue to fund important services such as the Emergency Winter Shelter, the Crisis Intervention Team and the Mobile Support Team, among others. The City has enough ARPA funding left to fund some of these programs in FY24 and, even though the expenditures for the shelter improvements are eligible to be paid for with ARPA funds, it is important to preserve as much of that funding as possible to continue to support operations for those in our community who are without housing or in crisis.

The City Administration is requesting that MRA approve the use of \$55,836.35 in TIF funds from URD III to reimburse the City for the building safety improvements for the shelter. The funding was used to pay for a number of items including the review fees for the improvements needed to accommodate the increasing number of individuals without housing. A life safety code evaluation, in consultation with the Fire Department, resulted in the need to upgrade some of the systems in the building. Encompass Design was engaged to participate in the evaluation and provide architectural and engineering services. All of the sprinkler heads were required to be replaced and an air exchange system had to be installed in the building. This is a modest investment in the building in light of the important function it has

served in our community over the past several winters and the number of lives that have likely been saved by providing safe shelter space, particularly this past winter.

The breakdown is as follows:

• Building Department review fees	\$ 1,101.00
• Encompass Design A/E fees	\$10,715.00
• Sprinkler head replacement	\$11,786.35
• Installation of air exchange units	<u>\$32,234.00</u>
Total	\$55,836.35

The use of TIF funds for this purpose is allowable since this is a publicly owned building. There is ample unobligated funding available in URD III to cover this cost with no adverse impact on any future projects. As of MRA's last budget report, there was almost \$5M in contingency funds in that district. Challenges with people who are unhoused, suffering from mental issues and victims of addiction are increasing in Missoula. What used to be perceived as a "downtown" situation is now occurring in other parts of the city and Midtown is no exception. There are virtually no resources available to address this holistically or even piecemeal. MRA and the City have invested millions of dollars in our urban renewal districts improving the quality of life for those who live, work and recreate there. Any TIF funding that can be legitimately directed to address these impacts not only is the right thing to do but is a way of protecting the investments that we have been making over the last four and a half decades.

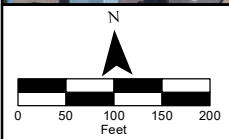
City of Missoula Strategic Plan

Reimbursing the City for expenses needed to provide safe shelter for unhoused individuals meets the Strategic Plan Goals as follows:

Safety and Wellness

1. Provide lifesaving services for Missoula's vulnerable populations.
 - Partner with community organizations to ensure adequate shelter for people without a home during the winter months.

Recommendation: Staff recommends that the MRA Board approve the request from City Administration to reimburse the City for life safety improvements to the Emergency Winter Shelter at 1919 North Avenue West in an amount not to exceed \$55,836.35 and authorize staff to transfer the funds from the unobligated contingency in URD III.



Missoula Redevelopment Agency
Date: May 10, 2023
Prepared By: Tod Gass

URD III Johnson Street Triangle

City of Missoula Redevelopment Agency
140 W. Pine St. Missoula, MT 59802

Note: The information on this map has not been field verified.



Area Map For: