

Resolution 2026-121

**Resolution to Update Development Impact Fee Procedures and
Requirements and Repeal Resolution 2026-050**

WHEREAS, the Missoula Board of County Commissioners passed Resolution 2026-104 on August 13, 2026, adopting impact fees for Missoula Rural Fire District pursuant to MCA 7-6-1602; and

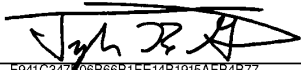
WHEREAS, Missoula County updated impact fees on July 1, 2026, to reflect the annual inflationary adjustment, in accordance with state law and this resolution; and

WHEREAS, Resolution 2026-050, requires updates to incorporate these changes;

NOW THEREFORE BE IT RESOLVED, that Resolution 2026-050 is repealed and replaced by this resolution and the collection, monitoring and expenditure of impact fees shall be governed as described in Exhibit A, which includes an updated impact fee schedule.

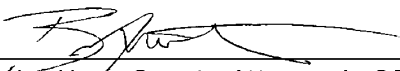
Dated this 22nd day of September 2026.

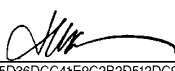
Attest:


F941C347406B86B1FE14B1915AFB4B77 ready
Tyler Gernant
Clerk and Recorder


13D51ED89FA2241FFA409545EBDD56F ready
Josh Slotnick
Chair

Approved as to form:


6150C144E616C0B5B140F74A15500F ready
John Hart, County Attorney's Office


6F45D36DCC4158C2B2D512DC93A576B2 ready
Juanita Vero
Commissioner



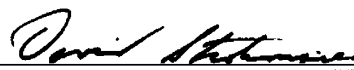

A6A2F081E2605A3A08967E7EBB8C312 ready
Dave Stronmaier
Commissioner

Exhibit A

IMPACT FEE PROCEDURES AND REQUIREMENTS

SECTIONS:

- A. DEFINITIONS
- B. APPLICABILITY
- C. PROCEDURES FOR IMPOSITION, CALCULATION AND COLLECTION OF IMPACT FEES
- D. ESTABLISHMENT OF IMPACT FEE ACCOUNTS; APPROPRIATION OF IMPACT FEE FUNDS AND REFUNDS
- E. ANNUAL REVIEW AND ADJUSTMENTS
- F. APPEALS
- G. IMPACT FEE ADVISORY COMMITTEE
- H. SEVERABILITY
- I. SHERIFF OFFICE IMPACT FEE SCHEDULE
- J. EMERGENCY MANAGEMENT IMPACT FEE SCHEDULE
- K. TRANSPORTATION -SHARED USE PATH IMPACT FEE SCHEDULE
- L. FRENCHTOWN FIRE DISTRICT IMPACT FEE SCHEDULE
- M. LOLO SEWER AND WATER IMPACT FEE SCHEDULE
- N. MISSOULA RURAL FIRE DISTRICT IMPACT FEE SCHEDULE
- O. IMPACT FEE SERVICE AREAS MAP FOR TRANSPORTATION- SHARED USE PATHS IMPACT FEES

SECTION A.- DEFINITIONS

In this resolution, unless otherwise indicated below, words and terms shall have the meaning prescribed in the Missoula County Zoning Regulations and Missoula County Building Code:

1. **Applicant:** any person, most generally the property owner or agent authorized by the owner, who files an application with the County or City, for a building permit to undertake new development within the county.
2. **Appropriation or to appropriate:** an action by the County to identify specific public facilities for which development impact fee funds may be used. Appropriation shall include but shall not necessarily be limited to: inclusion of a public facility in the adopted County budget or Capital Improvements Program; execution of a contract or other legal encumbrance for construction of a public facility using development impact fee funds in whole or in part; and/or actual expenditure of development impact fee funds through payments made from a development impact fee account.
3. **Capital Improvement Program:** the schedule of public facility improvements to be undertaken by the County as set forth in the capital budget, the County of Missoula Capital Improvement Program, or an adopted public facility plan, consistent with the requirements of Montana Code Annotated Section 7-6-1602.
4. **Chief Financial Officer:** the director of the Missoula County Finance Office or their designee.
5. **City:** City of Missoula, Montana.
6. **County:** County of Missoula, Montana
7. **Commercial/Retail:** establishments primarily selling merchandise, eating/drinking places and services. Examples include retail uses: shopping centers, supermarkets, pharmacies, restaurants, bars, nightclubs, automobile dealerships. Services examples include movie theaters, repair, health clubs, beauty, hotels and motels. Corresponds to Institute of Transportation Engineers ITE (11th Edition) land uses 300-320, 810-971.
8. **Development Impact Fee:** a fee imposed on new development on a pro rata basis in connection with and as a condition of the issuance of a building permit, or a land use and zoning compliance permit in cases where a building permit is not required, and which is calculated to defray all or a portion of the costs of the public facilities required to accommodate new development at County or Community Level - designated level of service (LOS) standards and which benefits the new development and is proportionate in amount to actual impact of new development on the public facilities to be funded with impact fee funds.
9. **Director of Planning, Development and Sustainability:** the director of the County Department of Planning, Development and Sustainability or their designee.
10. **Chief Public Works Officer:** the Chief Public Works Department or their designee.

11. **Emergency Management Impact Fee:** a development impact fee imposed on residential and nonresidential development to fund the proportionate share of the costs generated by new development for facility space and digital communication system.
12. **Equivalent Dwelling Unit (EDU):** The equivalent measure of sewer or water service needed to serve non-residential customers.
13. **Frenchtown Rural Fire Impact Fee:** a development impact fee imposed on residential and nonresidential development to fund the proportionate share of the costs generated by new development for fire and emergency services stations and apparatuses within the Frenchtown Rural Fire District.
14. **General Government Impact Fee:** a development impact fee imposed on residential and nonresidential development to fund the proportionate share of the costs generated by new development for general government facilities. General Government Impact Fees will not be collected after September 30, 2025; however, appropriation of previously collected fees will follow this resolution.
15. **Industrial:** establishments primarily engaged in the production, transportation or storage of goods. Examples include manufacturing plants, distribution warehouses, long term storage, trucking, and logistics. Also includes construction, utility, power generation facilities and telecommunications buildings. Corresponds to ITE (11th Edition) land uses 100-180.
16. **Institutional:** establishments providing education and healthcare services. Examples include universities, nursing homes, daycare facilities and hospitals. Corresponds to ITE (11th Edition) land uses 520-650.
17. **Lolo Sewer Impact Fee:** a development impact fee imposed on new development to fund the proportionate share of the costs generated by new development for public sewer system facilities needed to serve them.
18. **Lolo Water Impact Fee:** a development impact fee imposed on new development to fund the proportionate share of the costs generated by new development for public water system facilities needed to serve them.
19. **Methodology Reports:** reports prepared in support of adopted impact fees, which sets forth the methodology and rational basis for the calculation of the impact of new development and the proper and proportional amount of the development impact fee to be assessed against new development.
20. **Missoula Rural Fire Impact Fee:** a development impact fee imposed on residential and nonresidential development to fund the proportionate share of the costs generated by new development for fire and emergency services stations and apparatuses within the Missoula Rural Fire District.
21. **Multiple Home Residential** (Same as multifamily residential from the impact fee study.)
 - a. **Two-plus units (duplexes and apartments)** are units in structures containing two or more housing units further categorized as units in structures with 2, 3 or 4, 5 to 9, 10 to 19, 20 to 49 and 50 or more units.

22. **New Development:** any new construction, reconstruction, redevelopment, rehabilitation, structural alteration, structural enlargement, structural extension or new use within the County or City that requires a building permit (or land use and zoning compliance permit in cases where a building permit is not required), including any change in use of an existing building, structure or lot, which increases the demand for one (1) or more public facilities; except as otherwise provided.
23. **Non-Residential Development:** any building, structure, use or development designed, intended or used for purposes other than those of a dwelling or its accessory buildings. Categories of non-residential development include commercial/retail, industrial, office and institutional.
24. **Office:** establishments providing management, administrative, professional or business services. Examples include medical/dental offices and business offices. Corresponds to ITE (11th Edition) land uses 700-731.
25. **Offset:** a waiver of all or a portion of certain required development impact fees, pursuant to this resolution.
26. **Parks and Recreation Impact Fee:** a development impact fee imposed on new residential development to fund the proportionate share of the costs generated by new residential development for park improvements for regional parks in the county and for community/neighborhood parks in each service area. Parks and Recreation Impact Fees will not be collected after September 30, 2025; however, appropriation of previously collected fees will follow this resolution.
27. **Public Facility:** public capital improvements, buildings, vehicles, apparatus, equipment, land acquisitions and facilities with a useful life of ten (10) years or more that increase or improve the service capacity of a public facility such as park improvements, shared-use paths, fire and emergency medical service facilities, emergency management facilities and communication systems, law enforcement facilities, general government facilities, and community services facilities included in the calculation of development impact fees in the methodology report and included in the County's Capital Improvement Program.
28. **Residential:** any building, structure use or development designed, intended or used as a dwelling unit or its accessory buildings, or that results in the expansion of a dwelling unit or units.
29. **Service Areas:** established to calculate the levels of service for a local population base instead of a countywide facility. Service areas are used for parks and recreation and shared-use paths impact fees. A map of the service areas is included in Section O of this resolution.
30. **Transportation - Shared-Use Paths Impact Fee:** a development impact fee imposed on new residential development to fund the proportionate share of the costs generated by new residential development for new and expanded shared-use paths in each service area.
31. **Sheriff Office Impact Fee:** a development impact fee imposed on new residential and nonresidential development to fund the proportionate share of the costs for public facilities, including station space and detention center

space generated by new development.

32. **Shopping Center:** commercial development containing 30,000 or more square feet of gross floor area within one building and may include additional buildings on a parcel or a project site. Malls, strip development centers and big-box commercial are examples of traditional enterprise commercial development. Under these regulations, enterprise commercial development may include a mix of uses (e.g., retail, office, eating and drinking establishment). See also Enterprise Commercial in the Missoula County Zoning Regulations.
33. **Single-Home Residential** (same as single family residential from the impact fee study.)
 - a. **Single-home detached** is a one-unit structure detached from any other house, that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A one-unit house that contains a business is considered detached as long as the building has open space on all four sides.
 - b. **Single-home attached (townhouse)** is a one-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In townhouses (sometimes called rowhouses), twinhouses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.
 - c. **Mobile home** includes both occupied and vacant mobile homes, to which no permanent rooms have been added, are counted in this category. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer's lot, at the factory or in storage are not counted in the housing inventory.
34. **Warehousing:** a use engaged in bulk storage of wholesale or distribution materials, inventory, equipment, supplies, goods, wares, merchandise, substances, articles or other materials not stored for immediate, on-site retail sale.
35. **Zoning Officer:** the Director of the Planning, Development and Sustainability Department or their designee.

SECTION B - APPLICABILITY

1. **Term.** This resolution and the procedures established herein shall remain in effect unless and until repealed, amended or modified by the county commissioners in accordance with applicable state law.
2. **Affected Area.** Development impact fees shall be imposed on new development proposed within the boundaries of Missoula County, and where applicable in the City of Missoula through an intergovernmental agreement/interlocal agreement. Development impact fees shall be imposed on new development proposed within the boundaries of the Frenchtown Rural Fire District and Missoula Rural Fire District through intergovernmental agreement/interlocal agreements. Development impact

fees for Lolo Sewer and Water shall be imposed on new development proposed to connect to or require expanded service from Lolo sewer and water systems.

3. **Type of Development Affected.** This resolution shall apply to all new development and in the case of Lolo Sewer and Water impact fees will apply to all new and/or expanded connections to the Lolo sewer and/or water systems.
4. **Type of Development Not Affected.** This resolution shall not apply to:
 - a. **Complete Building Permits.** No impact fee shall be imposed on new development for which a building permit application (or land use zoning compliance permit in cases when a building permit is not required) has been determined to be complete prior to its effective date.
 - b. **No Net Increase in Square Footage.** No impact fee shall be imposed on any new development that does not result in the creation of an increase in gross floor area, unless it requires additional demand for Lolo sewer and water services.
 - c. **No Increase in Demand.** No impact fee shall be imposed on new development, whether or not a building permit is required, that does not result in an increase in the demand for public facilities. Such development may include, but is not limited to, porches, decks, fences, signs, retaining walls, residential garages, agricultural accessory buildings (unless determined to be a qualifying non-residential use such as a farm store), residential storage sheds, and hallways, breezeways and stairwells exterior to multiple home residential units.
 - d. **Accessory dwelling unit.** No impact fee may be assessed for an accessory dwelling unit in areas zoned under the Missoula County Zoning Resolution.
5. **Effect of Payment of Impact Fees on Other Applicable County Land Use, Zoning, Platting, Subdivision or Development Regulations.**
 - a. The payment of development impact fees shall not entitle the applicant to a building permit unless all applicable land use, zoning, planning, dedication, platting, subdivision, floodplain, shoreline, sanitation or other related requirements, standards and conditions of applicable Montana law and the County of Missoula ordinances and resolutions have been met. Such other requirements, standards and conditions are independent of the requirement for payment of a development impact fee.
 - b. This resolution shall not affect, in any manner, the permissible use of property, density/intensity of development, design and improvements, standards, or other applicable standards or requirements of the Buildings and Construction Code, the Missoula County Health Code, the Missoula County Zoning Regulations, a Citizen Zoning District, the Missoula County Floodplain Regulations, or the Missoula County Shoreline Regulations, which shall be

operative and remain in full force and effect without limitation.

6. **Amendments.**

- a. This resolution adopting administrative procedures for impact fees may be amended from time to time by the Missoula Board of County Commissioners in a public meeting.
- b. The resolution adopting impact fees for any particular public facility pursuant to this resolution, may be amended from time to time by the Missoula Board of County Commissioners; provided, however, that no such amendment shall be adopted without a written report detailing the reasons and need for the impact fee revision nor without proper notice and public hearing as required by state law, except for the annual adjustment as outlined in Section E of this resolution.

SECTION C. PROCEDURES FOR IMPOSITION, CALCULATION AND COLLECTION OF IMPACT FEES.

1. **General.** An applicant shall be notified by the County of the applicable development impact fee requirements, including applicable service charges such as credit card fees, at the time of application for a building permit, or land use zoning compliance permit in cases where a building permit is not required. When applying for a city building permit, the City will notify an applicant of the development impact fees requirements, including applicable service charges at the time of building permit. Preliminary development impact fees shall be calculated by the Director of Planning, Development and Sustainability at the time of application for a building permit. The final development impact fees shall be paid by the applicant prior to the issuance of a building permit or land use zoning compliance permit in cases where a building permit is not required. In lieu of payment prior to permit issuance, an applicant may provide a Certificate of Deposit payable to the County, Letter of Credit issued by a financial institution in favor of the County, or other reasonable security in an amount equal to the development impact fee calculated to be due, in a form satisfactory to the County Attorney and the Chief Financial Officer, and redeemed or paid in full upon completion of the final inspection by the building official.
2. **Calculation.**
 - a. Missoula County, Missoula Rural Fire District and Frenchtown Rural Fire District Impact Fees
 - i. Upon receipt of an application for a building permit (or land use zoning compliance permit in cases where a building permit is not required), the Director of Planning, Development and Sustainability shall determine (i) whether it is a residential or nonresidential use; (ii) the specific category of residential or nonresidential development. At the completion of plans examination, the Director of Planning, Development and Sustainability shall determine the square footage of gross floor area of the proposed use, or additional square footage of gross

floor area for any expansion.

- ii. Upon receipt of an application for a building permit, the Director of Planning, Development and Sustainability shall determine whether the development proposed involves a change in or expansion in area of use. In such cases, the impact fee due shall be based only on the incremental increase in the fee for the increase in the public facility capacity created by the proposed change in use and/or gross floor area, as determined at the time of plans examination.
- iii. After making these determinations, the Director of Planning, Development and Sustainability shall calculate the demand for the public facility created by the new development for each public facility category for which an impact fee is being imposed and shall calculate the applicable impact fee by multiplying the demand added by the new development by the amount of the applicable impact fee per unit of development, incorporating any applicable offset as discussed in subsection (5) below.
- iv. If the type of land use proposed for new development is not expressly listed in the particular impact fee resolution and schedule, the Director of Planning, Development and Sustainability, in consultation with the Director of Public Works, as necessary, shall:
 - identify the most similar land use type listed and calculate the impact fee based on the development impact fee for the land use identified;
 - identify the broader land use category within which the specified land use would apply and calculate the impact fee based on the development impact fee for that land use category; or
 - as appropriate, determine the basis used to calculate the fee pursuant to an independent impact analysis pursuant to subsection (3) below.
- v. The calculation of impact fees due from a multiple-use new development shall be based upon the aggregated demand for each public facility generated by each land use type in the new development.
- vi. The calculation of impact fees due from a phased new development shall be based upon the demand generated by each specific land use within the phase of development for which a separate building permit is requested.
- vii. For any impact fees determined by impact fee service areas, in the event that the property is divided by an impact fee service area the county will apply the impact fee for the service area covering the majority of the property.

viii. I
mpact fees shall be calculated based on the impact fee amount in effect at the time of submittal of a complete application for a building permit or land use zoning compliance permit in cases where a building permit is not required.

b. Lolo Sewer and Water Impact Fees

- i. Upon receipt of an application for a building permit (or land use zoning compliance permit in cases where a building permit is not required), the applicant shall provide the size of the new service line for sewer and/or water or the size of the current service line and the new service line if additional demand for sewer and/or water service is requested, subject to approval by the Chief Public Works Officer.
- ii. After making these determinations, the Chief Public Works Officer shall calculate the applicable impact fee(s) based on the size of the new service line or the difference in service line size between current and proposed service lines for Lolo sewer and/or water incorporating any applicable offset as discussed in subsection (5) below. The Chief Public Works Officer may provide an appropriate discount for new service lines to properties within Rural Special Improvement District 901 that have not been receiving sewer and/or water services.
- iii. The calculation of impact fees due from a phased new development shall be based upon the demand generated by each specific land use within the phase of development for which a separate building permit is requested.
- iv. Impact fees shall be calculated based on the impact fee amount in effect at the time of submittal of a complete application for a building permit or land use zoning compliance permit in cases where a building permit is not required.

3. **Independent Impact Analysis.** The following provisions shall apply to any independent impact analysis:

- a. The applicant shall be responsible, at their sole expense, for preparing the independent impact analysis, which shall be reviewed for approval by the Director of Planning, Development and Sustainability, Chief Financial Officer and, as appropriate, other County staff or officials, prior to payment of the fee.
- b. The independent impact analysis shall measure the impact that the proposed new development will have on the particular public facility at issue, shall be based on the same methodologies used in the impact fee study, and shall be supported by professionally acceptable data and assumptions.
- c. Within thirty (30) days of submittal of the independent impact fee analysis, the Director of Planning, Development and Sustainability shall provide written notice to the applicant as to whether the independent impact analysis is accepted or rejected based on the

provisions of this section. If the independent impact analysis is rejected, the written notice shall provide an explanation of the insufficiencies of the analysis.

- d. The final decision of the Director of Planning, Development and Sustainability may be appealed pursuant to Section of F of this Resolution.

4. Development Impact Fee Estimates.

- a. Non-binding estimate. An applicant may request a non-binding estimate of impact fees due for a particular new development at any time by filing a request on a form provided for such purpose by the County; provided, however, that such estimate may be subject to change when a final application for a building permit for new development is made. Such non-binding estimate is solely for the benefit of the prospective applicant and shall in no way bind the County nor preclude it from making amendments or revisions to any provisions of this resolution or the specific development impact fee implementing resolutions.
- b. Binding Pre-Determination. An applicant may request a pre-determination of impact fees due for a particular new development at any time by filing a request on a form provided for such purpose by the County. The pre-determination shall be binding for a period not to exceed ninety (90) days provided; however, that no change has occurred: (i) for Missoula County, Missoula Rural Fire District and Frenchtown Rural Fire District impact fees, in the square footage and use of the proposed development as presented in a final application for a building permit for the new development; (ii) for Lolo sewer and water that the new service line size or difference between current and new line has not changed; or, (iii) in the schedule of fees as presented in adopted resolution and modified by annual adjustments. Such binding pre-determination shall not preclude the County from making amendments or revisions to any provisions of this Resolution or the specific development impact fee implementing resolutions.

5. Offsets.

- a. Offsets against the amount of an impact fee due from a new development shall be provided for contributions made or to be made in the future by the affected property owner in cash, or by dedication of land, or by actual construction of all or part of a public facility or public facilities identified in an adopted Capital Improvements Program, or land-use or facilities master plan, or impact fee methodology report and meeting or exceeding the demand generated by the new development. The contribution must be a reasonable substitute for the cost and level of service of public facilities included in the County Capital Improvements Program, or County-adopted land-use or facilities master plan, or impact fee methodology report, as determined by the Director of Planning, Development and Sustainability, the Chief Financial Officer and representatives of potentially affected departments.

- b. The amount of any excess contribution shall be determined by the Director of Planning, Development and Sustainability and the Chief Financial Officer upon receipt of a written request for an offset that meets the requirements of this section; provided, however, that (i) the County will make no reimbursement for excess contributions unless and until the particular development impact fee account has sufficient revenue to make the reimbursement without overdrawing the account or jeopardizing the continuity of the County's Capital Improvements Program; and (ii) the excess contribution may not be transferred or credited to any other types of development impact fees calculated to be due from that development for other types of public facilities. The determination of the eligibility for and the amount of the offset shall be made by the Director of Planning, Development and Sustainability and the Chief Financial Officer, based on the fair market value of the proposed dedication, construction or contribution, as established by appraisals and construction receipts or construction bids, as applicable. If the applicant contends that any aspect of the County's decision constitutes an abuse of discretion, the applicant shall be entitled to appeal as outlined in Section F of this resolution.
- c. No offset shall be allowed unless the County has clearly documented the need for the dedication or construction, pursuant to Montana Code Annotated Section 7-6-1602, has approved the contribution or expenditure before it is made, in accordance with the provisions of this subsection, and has determined that any proposed land dedication is appropriate for the proposed use by the County.
- d. Offsets for dedication of land or provision of public facilities shall be applicable only as to impact fees imposed for the same types of public facilities that are proposed to be dedicated or provided. Even if the value of the dedication of land or provision of a public facility exceeds the development impact fee due for the type of public facility, the excess value may not be transferred to development impact fees calculated to be due from the applicant for other types of public facilities for which development impact fees may be imposed. Offsets for excess capacity may, however, be transferred to the same applicant or to other applicants for new development that creates a demand for the same type of public facility and which development impact fees are due pursuant to this Resolution.
- e. Any offset or reimbursement shall be pursuant to a duly executed agreement between the County and an applicant.
- f. No offsets shall be given for the construction of local on-site facilities, structures, improvements or other project improvements required by zoning, subdivision or other county regulations unless the improvement is identified in the Capital Improvement Program, or impact fee methodology report, or there is a finding that the proposed improvements meet the same need as improvements identified in the Capital Improvements Program or impact fee methodology report.

6. **Waivers and Fee Reductions for Affordable Housing.** On a case-by-case basis, the County may provide a waiver or reduction of impact fees for projects that include housing that will be permanently affordable. Permanently affordable should be defined consistently. Permanently affordable will include deed-restricted dwelling(s) that serve individuals or families earning less than 60% of the area median income and for projects that meet the definitions to make them eligible to apply for Federal Low Income Housing Tax Credits. The County will seek to use another funding source to cover any waivers and fee reductions.
7. **Collection.** The County shall collect all impact fees and any applicable service charges, such as credit card fees, in the amounts set forth in this chapter and shall issue a receipt to the applicant for such payment. The City of Missoula may collect impact fees on behalf of the County of Missoula when an intergovernmental/interlocal agreement is in place. The terms of that agreement shall specify how the fees are collected and when they are remitted to the County. Impact fees shall be collected unless:
 - a. The applicant is entitled to a full offset;
 - b. The applicant is not otherwise subject to the payment of a development impact fee;
 - c. The applicant has filed an appeal as required by this resolution and has filed a bond or other surety in the amount of the impact fee as calculated by the County and approved by the Chief Financial Officer and County Attorney.

SECTION D. ESTABLISHMENT OF IMPACT FEE ACCOUNTS; APPROPRIATION OF IMPACT FEE FUNDS; AND REFUNDS.

1. **Development Impact Fee Accounts.** The County shall establish an impact fee account for each category of public facility for which development impact fees are imposed. Such account shall clearly identify the category, account or fund for which the development impact fee has been imposed. Sub-accounts may be established for individual impact fee service areas. All impact fees collected by the County shall be deposited into the appropriate development impact fee account. Unless otherwise prohibited by law, all interest earned on monies deposited to such account shall be credited to and shall be considered funds of the account. The funds of each such account shall be capable of being accounted for separately from all other County funds. The County shall establish and implement necessary accounting controls to ensure that the impact fee funds are properly deposited, accounted for and appropriated in accordance with this resolution and any other applicable legal requirements.
2. **Appropriation of Development Impact Fee Funds.**
 - a. **Use of Funds.** All appropriations from impact fee accounts shall be detailed in a report and filed with the County's Finance Department. Impact fee funds may be used only for:
 - i. expenditures on public facilities as outlined in this resolution, Resolution 2023-044, Resolution 2026-014 and Resolution 2026-

104;

- ii. the payment of principal, interest and other financing costs on contracts, bonds, notes or other obligations issued by or on behalf of the County to finance public facilities;
 - iii. financing of offsets as set forth in this resolution;
 - iv. recouperation of costs of excess capacity in existing capital facilities, when the excess capacity has been provided in anticipate of the needs of new development, by requiring impact fees for that portion of the facilities constructed for future users; or
 - v. financing the costs of updating impact fee studies.
- b. **Restrictions on Use.** Impact fee appropriations shall be reasonably related to the benefits accruing to new development subject to the provisions of this resolution and shall not be appropriated for repair or maintenance of public facilities, for operational or personnel expenses associated with the provision of public facilities, to correct an existing deficiency, or for any facility that provides capacity for development other than new development. Additionally, development impact fees shall be appropriated only:
- i. for the particular public facility for which they were imposed, calculated and collected; and
 - ii. within six (6) years of the beginning of the County's fiscal year immediately succeeding the date of collection, unless such time period is extended as provided herein.
- c. **Appropriation of Impact Fee Funds beyond Six (6) Years of Collection.** Notwithstanding the provisions of subsection (2)(b) above, impact fee funds may be appropriated beyond six (6) years from the beginning of the County's fiscal year immediately succeeding the date of collection, if the appropriation is for a public facility that requires more than six (6) years to plan, design, finance and construct. Funds held over must be specifically identified and described in the impact fee annual financial report. The County shall document compliance with the provisions of this paragraph.

3. **Procedure for Appropriation of Impact Fee Funds.**

- a. Each year the County shall identify public facility projects anticipated to be funded in whole or in part with impact fees. Public facility expenditures shall be based upon the development impact fee annual review set forth in this resolution, the methodology report, the County Capital Improvement Program and such other information as may be relevant and shall be part of the County's annual budget and capital improvements programming process.
- b. The recommendations shall be consistent with the provisions of this resolution, the methodology report, particular public facility development impact fee resolutions, other applicable legal requirements and any guidelines adopted by the County

Commissioners. The recommendations shall be presented to the Impact Fee Advisory Committee per Montana Code Annotated Section 7-6-1604.

- c. The County Commission may include public facilities funded with impact fees in the County's annual budget and capital improvements program. If included, the description of the public facility shall specify the nature of the public facility, the location of the public facility, the capacity to be added by the public facility, the service area of the public facility, the need/demand for the public facility and the anticipated timing of completion of the public facility.
- d. The County Commission may authorize public facilities funded by impact fees at such other times, as they deem necessary and appropriate by a majority vote of the County Commission.
- e. The County Commission shall verify that adequate impact fee funds are or will be available from the appropriate development impact fee account for the particular public facility.
- f. Impact fee funds shall be spent on a first in/first out basis.

4. Refunds.

- a. Eligibility.
 - i. Expiration or Revocation of Building Permit. An applicant who has paid an impact fee for a new development for which the necessary building permit (or land use zoning compliance permit in cases where a building permit is not required) has expired or for which the building permit has been revoked prior to construction may apply for a refund of impact fees paid. Refunds made pursuant to this subparagraph shall be made payable to the owner of the property upon which the development was to occur.
 - ii. Processing of Applications for a Refund. Applications for a refund shall be made on a form provided by the County for such purposes. Upon receipt of a complete application for a refund, the Chief Financial Officer shall review the application and documentary evidence submitted by the applicant, as well as such other information and evidence as may be deemed relevant and determine whether a refund is due. Refunds by direct payment shall be made following an affirmative determination by the Chief Financial Officer.
 - iii. Due to Expiration or Revocation. Applications for refunds due to expiration or revocation of a building permit shall be made within sixty (60) days following expiration or revocation of the building permit. The applicant shall submit: (a) evidence that the person applying for the refund was the initial applicant who paid the fee, or the duly designated agent of the initial applicant; (b) the amount of the impact fees paid by public facility category and receipts evidencing such payments; and (c) documentation evidencing the expiration or revocation of

the building permit. Failure to apply for a refund within sixty (60) days following expiration or revocation of the building permit shall constitute a waiver of entitlement to a refund. No interest shall be paid by the County in calculating the amount of the refunds.

- iv. Due to Timeliness. Applications for refunds due to the failure of the County to appropriate impact fees collected from the applicant within the time limits established in subsection (2)(c) above shall be made on forms provided by the Finance Office and shall be made within one (1) year following the expiration of such time limit. The applicant shall submit: (a) evidence that the applicant is the property owner or the duly designated agent of the property owner; (b) the amount of the impact fees paid by public facility category and receipts evidencing such payments; and (c) description and documentation of the County's failure to appropriate impact fee funds for relevant public facilities. Interest shall be paid by the County in calculating the amount of the refunds based upon actual interest earned.

SECTION E. ANNUAL REVIEW AND ADJUSTMENTS

1. Annual Review.

- a. No later than October 1 of each year, beginning October 1, 2026, the Chief Financial Officer, in coordination with the Director of Planning, Development and Sustainability, shall coordinate the preparation and submission of an annual report to the Impact Fee Advisory Committee, Chief Administrative Officer and the County Commissioners about impact fees. The annual report shall recap results of the most recently completed fiscal year, and disclose any annual adjustments made.
- b. In addition to the requirements of Montana Code Annotated Section 7-6-1602(1), the annual report may include any or all of the following:
 - i. recommendations for amendments, if appropriate, to these procedures or to specific resolutions adopting impact fees for particular public facilities;
 - ii. proposed changes to any applicable resolution or policy, including the identification of additional public facility projects anticipated to be funded wholly or partially with impact fees;
 - iii. creation or amendment of impact fee service areas, as necessary;
 - iv. proposed changes to impact fee schedules as set forth in the resolutions imposing and setting development impact fees for particular public facilities;

- v. proposed changes to level of service standards for particular public facilities;
 - vi. proposed changes to any impact fee calculation methodology;
 - vii. proposed changes to the population, housing, land use, persons per household or nonresidential development projections included in the methodology report and upon which the impact fee amounts have been determined; or
 - viii. other data, analyses or recommendations as the Chief Financial Officer or appropriate designee may deem appropriate, or as may be requested by the Chief Administrative Officer and County Commission.
- c. The annual report may additionally include any of the following background data:
- i. number of building permits issued by type of residential or nonresidential development;
 - ii. gross floor area of new development by type;
 - iii. total amount of impact fees collected, by public facility and by land use type;
 - iv. the amount of expenditure made from the impact fee account or sub-accounts and the purpose for which the expenditure was made, i.e., the description, type and location of the public facility project;
 - v. when the public facility project was or will be initiated and completed;
 - vi. whether additional impact fee funds will be appropriated for the same project in the future;
 - vii. whether supplemental non-development impact fee funds have been used for the public facility project and, if so, how much;
 - viii. the service area of the public facility project;
 - ix. the total estimated cost of the project and the portion funded with impact fees;
 - x. whether the public facility project is in the County's current Annual Budget or Capital Improvements Program;
 - xi. the estimated useful life of the project; or
 - xii. such other facts as may be deemed relevant by the Chief Administrative Officer and County Commission.
- d. The Chief Financial Officer shall submit the annual report to the Chief Administrative Officer and County Commission, which shall receive the annual report and may take such actions as deemed appropriate, including, but not limited to, requesting additional data

or analyses and holding public workshops and/or public hearings.

- e. Except for the annual adjustment identified in this resolution, no increase in development impact fees will be enacted before completion and County Commission approval of a new methodology report that ties any impact fees to the County Capital Improvement Program, and a public hearing.

2. Annual Adjustments.

- a. On July 1, 2026, and on July 1 of each year thereafter in which this resolution is in effect, the amount of any impact fee shall be adjusted to account for inflationary changes in the cost of providing public facilities utilizing the producer price index by commodity, all commodities, using the 1982-84 base of 100 as published by the bureau of labor statistics of the United States department of labor. The inflation rate must be determined by comparing the most recently published month producer price index by commodity, all commodities, compared to the same month in the prior year.
- b. The Chief Financial Officer shall make the annual adjustment.
- c. Nothing herein shall prevent the County Commission from electing to retain existing impact fees or from electing to waive the inflation adjustment for any given fiscal year.

SECTION F. APPEALS

1. Initiation.

- c. An appeal from any decision of a County officer pursuant to this Resolution shall be made within fifteen (15) working days of notice of the decision. The appeal shall be provided to the Chief Financial Officer, who shall refer it immediately to an Appeals Committee consisting of the Chief Administrative Officer, Chief Financial Officer, and Director of Planning, Development and Sustainability. When filing an appeal, the fee payer shall submit a letter providing a full explanation of the request, the reason for the appeal, as well as all supporting documentation and an administrative fee of five percent (5%) of the impact fee, not to exceed two-hundred dollars (\$200). In the event the appeal is successful, the County Commission may direct a refund of all or a portion of the administrative fee to the payer.
- d. Upon review and consideration of information presented by the appellant, the Appeals Committee shall formulate a recommended action and forward it for consideration to the Missoula Board of County Commissioners. Such appeal shall be based on the record and on other such written argument which appellant has filed with the appeal and the staff response to such argument.
- e. The filing of an appeal shall not stay the imposition or the collection of the development impact fee as calculated by the County unless a Certificate of Deposit payable to the County, Letter of Credit issued

by a financial institution in favor of the County, or other sufficient surety has been provided.

- f. If the notice of appeal is accompanied by a cash bond or letter of credit in a form satisfactory to the County Attorney and the Chief Financial Officer in an amount equal to the development impact fee calculated to be due, a building permit (or land use zoning compliance permit in cases where a building permit is not required) may be issued to the new development.

2. **Contents.** The notice of appeal shall be in writing and detail the specific grounds therefore and all other relevant information and shall be filed with the Finance Office.

SECTION G. MISSOULA COUNTY IMPACT FEE ADVISORY COMMITTEE

1. **Authority.** Section 7-6-1604 of the Montana Code Annotated provides for the establishment of an impact fee advisory committee that serves in an advisory capacity to the governing body.
2. **Membership.**
 - a. The Impact Fee Advisory Committee shall consist of seven (7) voting members who shall be appointed by the County Commissioners. Up to two (2) alternates may be appointed by the County Commission. A county commissioner may serve as an ex officio member.
 - b. In accordance with Montana Code Annotated Section 7-6-1604 the Committee membership shall include at least one (1) representative of the development community.
3. **Term.** Each member shall serve a three (3) year term and no member shall serve more than three (3) consecutive full terms.
4. **Purpose.** The Impact Fee Advisory Committee shall review and monitor the process of calculating, assessing and spending of impact fees and advise the County Commissioners with respect to impact fees as provided by Montana state law.

SECTION H. SEVERABILITY

If any section, subsection, sentence, clause, phrase or word of this resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The Commission hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase and words thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or words have been declared invalid or unconstitutional, and if for any reason this resolution should be declared invalid or unconstitutional, then the remaining ordinance provisions will be in full force and effect.

SECTION I. SHERIFF IMPACT FEE SCHEDULE

Residential sq. ft	Fee
<750	\$181
751 to 1,000	\$250
1,001 to 1,250	\$303
1,251 to 1,500	\$350
1,501 to 1,750	\$385
1,751 to 2,000	\$418
2,001 to 2,250	\$447
2,251 to 2,500	\$472
2,501 to 2,750	\$496
2,751 to 3000	\$516
3,001 to 3,250	\$535
3,251 to 3,500	\$553
3,501 to 3,750	\$572
3,751 to 4,000	\$586
4,001+	\$601
Nonresidential	Per 1,000 square feet
Industrial	\$229
Institutional	\$494
Retail	\$1,323
Office	\$450

SECTION J. EMERGENCY MANAGEMENT IMPACT FEE SCHEDULE

Residential sq. ft	Fee
<750	\$82
751 to 1,000	\$112
1,001 to 1,250	\$136
1,251 to 1,500	\$156
1,501 to 1,750	\$173
1,751 to 2,000	\$188
2,001 to 2,250	\$200
2,251 to 2,500	\$211
2,501 to 2,750	\$223
2,751 to 3000	\$231
3,001 to 3,250	\$240
3,251 to 3,500	\$248
3,501 to 3,750	\$257
3,751 to 4,000	\$263
4,001+	\$269
Nonresidential	Per 1,000 square feet
Industrial	\$121
Institutional	\$262
Retail	\$700
Office	\$238

SECTION K. TRANSPORTATION - SHARED USE PATH IMPACT FEE SCHEDULE

Residential sq. ft	Central	Seeley	Bonner	Frenchtown	Lolo
<750	\$106	\$297	\$357	\$447	\$459
751 to 1,000	\$146	\$409	\$493	\$616	\$633
1,001 to 1,250	\$177	\$497	\$599	\$750	\$769
1,251 to 1,500	\$205	\$572	\$690	\$862	\$885
1,501 to 1,750	\$225	\$631	\$760	\$951	\$975
1,751 to 2,000	\$244	\$684	\$825	\$1,032	\$1,058
2,001 to 2,250	\$262	\$732	\$883	\$1,104	\$1,133
2,251 to 2,500	\$276	\$772	\$932	\$1,164	\$1,195
2,501 to 2,750	\$291	\$812	\$980	\$1,225	\$1,258
2,751 to 3,000	\$301	\$844	\$1,019	\$1,273	\$1,306
3,001 to 3,250	\$313	\$877	\$1,057	\$1,321	\$1,350
3,251 to 3,500	\$323	\$905	\$1,093	\$1,366	\$1,402
3,501 to 3,750	\$334	\$935	\$1,128	\$1,410	\$1,447
3,751 to 4,000	\$342	\$960	\$1,157	\$1,446	\$1,484
4,001+	\$351	\$983	\$1,186	\$1,482	\$1,522
<i>Non-residential properties do not pay these impact fees</i>					

SECTION L. FRENCHTOWN FIRE IMPACT FEE SCHEDULE

Residential sq. ft	Fee
<750	\$956
751 to 1,000	\$1,319
1,001 to 1,250	\$1,603
1,251 to 1,500	1,845
1,501 to 1,750	\$2,035
1,751 to 2,000	\$2,206
2,001 to 2,250	\$2,362
2,251 to 2,500	\$2,492
2,501 to 2,750	\$2,621
2,751 to 3000	\$2,724
3,001 to 3,250	\$2,828
3,251 to 3,500	\$2,922
3,501 to 3,750	\$3,018
3,751 to 4,000	\$3,095
4,001+	3,172
Nonresidential	Fee per 1,000 square feet
Industrial	\$707
Institutional	\$1,529
Retail	\$4,092
Office	\$1,389

SECTION M. LOLO SEWER AND WATER IMPACT FEES

Lolo Sewer Impact Fees		
Service Line Size	Equivalency Factor	Impact Fee
Single Family	N/A	\$7,888
.75"	1.0	\$7,888
1"	1.0	\$7,888
1.25"	1.8	\$14,185
1.5"	2.9	\$22,913
2"	6.19	\$48,829

Lolo Water Impact Fees		
Service Line Size	Equivalency Factor	Impact Fee
Single Family	N/A	\$9,629
.75"	1.0	\$9,629
1"	1.0	\$9,629
1.25"	1.8	\$17,316
1.5"	2.9	\$27,970
2"	6.19	\$59,605

SECTION N. MISSOULA RURAL FIRE IMPACT FEE SCHEDULE

Residential sq. ft	Fee
<750	\$518
751 to 1,000	\$680
1,001 to 1,250	\$971
1,251 to 1,500	\$1,198
1,501 to 1,750	\$1,392
1,751 to 2,000	\$1,554
2,001 to 2,250	\$1,700
2,251 to 2,500	\$1,829
2,501 to 2,750	\$1,943
2,751 to 3000	\$2,040
3,001 to 3,250	\$2,137
3,251 to 3,500	\$2,218
3,501 to 3,750	\$2,315
3,751 to 4,000	\$2,380
4,001+	\$2,445
Nonresidential	Fee per 1,000 square feet
Industrial	\$372
Institutional	\$1,328
Retail	\$1,506
Office	\$923

SECTION O. IMPACT FEE SERVICE AREAS FOR SHARED USE PATHS (details can be found in the County's impact fee service area GIS layer)

