

City of Missoula
Mayor Andrea Davis
435 Ryman St.
Missoula, MT 59802

September 16, 2025

Letter of Intent for Roseburg Annexation

Mayor Davis:

This letter of intent constitutes an expression of Roseburg Forest Products Co.'s and Roseburg Resources Co.'s (collectively "Roseburg") and the City of Missoula's interest in annexing real property comprising the former Roseburg particle board site that is the subject of Roseburg's Petition for Annexation to City (the "Petition") dated October 11, 2024 and containing approximately 235 acres (the "Roseburg Property").

Following an initial hearing on the Petition in January 2025, and by mutual agreement of the parties, further consideration of the Petition was delayed pending potential legislative impacts from bills introduced during the 2025 Montana Legislative Session. Now that the Session has concluded, the parties desire to proceed with the annexation process pursuant to the understanding set forth in this Letter of Intent.

The City of Missoula and Roseburg recognize the annexation of the Roseburg Property has long been sought by the City, in part due to goals set forth in the City's various planning documents to provide cross-connections between the Northside neighborhood and North Reserve Street area for vehicular traffic and bicycle and pedestrian trails. In addition, the largely undeveloped site provides opportunities to meet the City's goals for infill development of commercial and residential land uses adjacent to the City's urban core. Similarly, Roseburg stands to benefit from annexation as a means of transitioning the former industrial site to lands appropriate for mixed use development, while also assisting the City in meeting its goals. The parties' recognize that to best accomplish each parties' goals, cooperation and public and private investment will be required.

To that end, and to set forth the parties' expectations in proceeding with the annexation process, the parties agree as follows:

1. Phasing. The annexation request shall proceed in phases. The first phase shall proceed as soon as practical and shall constitute parcels on the western side of the site as generally shown on Exhibit A. As soon as practical after annexation of the first phase, the City shall initiate and carry out an update to the North Reserve - Scott Street ("NRSS") Urban Renewal District Plan to include the Roseburg Property. It is anticipated that the remaining Roseburg Property would be annexed in one additional phase following the completion of the plan update, though other options may be considered based on the outcome of the planning process.
2. Conditions of Approval. The initial recommended conditions of approval for the annexation included a condition requiring all new buildings and structures on the site to connect

to municipal water and sewer and be responsible for the water, sewer, and stormwater improvements necessary for service as determined by Public Works & Mobility. The parties recognize that public and private funding for infrastructure at the site may take longer to materialize than originally expected and that some use of the site may be prudent in the interim and may need to proceed without municipal water and sewer and associated improvements. To that end, the parties acknowledge that it is appropriate to modify the recommended conditions of approval to allow development of the site in accordance with Montana Department of Environmental Quality requirements without a mandate to connect to municipal water and sewer.

In recognition of the possibility that some forms of site development could impact the NRSS planning effort if not undertaken in a manner that recognizes and accommodates a likely pattern of future development (particularly with respect to site infrastructure and intensity levels necessary to support such infrastructure), the parties further agree:

- a. New development occurring in Phase 1 can use existing Roseburg infrastructure or connect to City utilities in Howard Raser Drive until additional backbone City utility infrastructure is constructed.
- b. For property located in Phase 2, prior to new development occurring, Roseburg and the Mayor agree to discuss to ensure the type and intensity of the proposed new development is in harmony with the goals of this Letter of Intent. It shall be a rebuttable presumption that the land uses set forth on the attached Exhibit B are permitted and will be allowed to be developed consistent with Montana DEQ requirements until backbone City utility infrastructure is constructed.

Notwithstanding these provisions, which are made in recognition that site infrastructure may take longer to be constructed than anticipated, the parties are committed to identifying appropriate zoning for the Roseburg property through the NRSS Master Plan process, which will inform expectations regarding utility infrastructure and refinement of a utility infrastructure phasing plan. The dedication of easements for cross-connector roads and a commuter trail will remain a condition of approval for the annexation and help ensure any development that occurs is done in a manner that respects and accommodates such future infrastructure.

3. Maximum Acreage of Dedication. The parties acknowledge that despite the size of the Roseburg Property, existing easements, site constraints, and cross-connection easements required by the recommended conditions of approval consume a significant portion of the site and leave substantially fewer acres available for future development. The remaining amount of developable property will inherently be further reduced due to additional easements necessary for local roads and other customary infrastructure. Public and private investment in any given site only occurs where sufficient developable lands exist to recoup the costs of the infrastructure necessary to support the desired development. To that end, the parties acknowledge the proposed easement dedications set forth in the recommended conditions shall be sufficient to permit annexation to occur while recognizing that the location of such vehicular and trail easements are intentionally flexible and dependent upon the Urban Renewal District planning process and Roseburg's plans for the Property. It is also acknowledged that each additional required dedication of non-developable land may have a material impact on the ability to meet both parties' goals because the costs of necessary infrastructure may ultimately exceed the ability to recoup those costs via

development of the Property. The parties recognize that after annexation, additional dedications to meet local street requirements, possible parkland dedications, and similar items, may be required in accordance with existing state and local regulations applicable to all development within the City.

4. **Infrastructure Funding.** The parties acknowledge that developing the Roseburg Property in a manner which meets both parties' goals will require a combination of private and public investment. As part of the annexation, future planning efforts, and future development work, the City agrees to prioritize grant funding opportunities for regional infrastructure, such as sewer, water, storm water, collector roads and trails, when appropriate grant opportunities arise. In turn, Roseburg agrees to support the City's efforts to seek such grant funding, such as providing letters of support and related outreach, and similar actions as may be appropriate in each instance.

The parties acknowledge this Letter of Intent includes the parties' agreement to proceed with annexation, but does not constitute a binding contractual agreement. It is expressly acknowledged that annexation and future planning efforts require consideration and approval by the Missoula City Council following public participation efforts and neither party is guaranteed any particular outcome with respect to this Letter of Intent. In the event the annexation process does not proceed in accordance with the expression of intent included in this Letter, either party may decline to proceed with the annexation and terminate the Petition for Annexation. This Letter of Intent automatically expires upon the completion of annexation of Phase 2 or its earlier termination by the parties.

Sincerely,

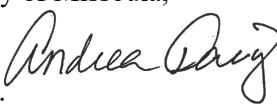


Ellen Porter
Authorized Representative of Roseburg Forest Products Co.
And Roseburg Resources Co.

18

Sept.

Agreed and Accepted this _____ day of _____, 2025
City of Missoula,

By: 
Andrea Davis, Mayor

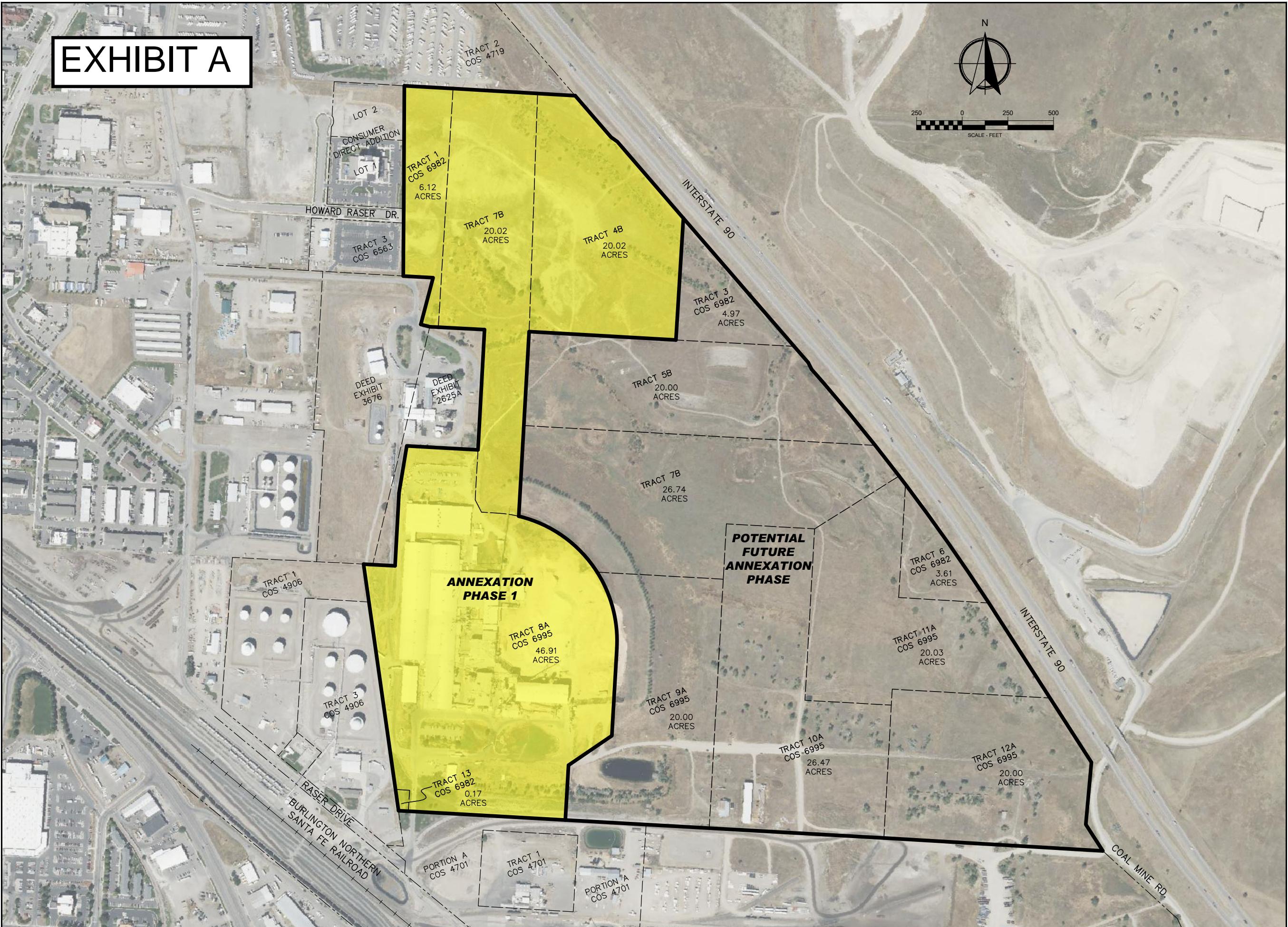
Attest: Claire Trimble (Sep 18, 2025 12:50:12 MDT)
City Clerk



PRELIMINARY

PLOTTED: 9/16/25
SAVED: 9/16/25

ANNEXATION EXHIBIT
ROSEBURG PROPERTY
MISSOULA, MONTANA



REVISIONS:
NO. DESCRIPTION DATE

PROJECT: 23-12-08
LAYOUT: ANNEX
SURVEYED: --
DESIGN: --
DRAFT: CEG
APPROVE: JRS
DATE: SEPTEMBER 2025

FILE: W:\Projects\231208\20\Dynamic\AD02\ExhibitA\231208_annexepr\tracts-3.dwg

1 OF 1

EXHIBIT B – LAND USE TYPES

RESIDENTIAL

- Household Living
 - Vertical Mixed-use Building
 - Single-purpose Residential Building
 - Mixed-use Building
- Group Living

PUBLIC/CIVIC

- Hospital

COMMERCIAL

- Artist Work or Sales Space
- Building Maintenance Service
- Business Equipment Sales and Service
- Business Support Service
- Communication Service Establishments
- Day Labor Employment Agency
- Eating and Drinking Establishments
 - Restaurant
 - Tavern or Nightclub
- Enterprise Commercial Use
- Entertainment and Spectator Sports
- Financial Services
- Food and Beverage Retail Sales
- Lodging
- Office
- Repair or Laundry Service, Consumer
- Research Service
- Retail Sales
- Sports and Recreation, Participant
- Vehicle Sales and Service

INDUSTRIAL

- Cidery
- Manufacturing, Production and Industrial Service
 - Artisan
 - Limited
- Microbrewery/Microdistillery
- Winery

OTHER

- Wireless Communication Facility
 - Ground-Mounted support structure
 - Roof-mounted and Structure-mounted structures

Roseburg-City of Missoula_AnnexationLOI_9-16-2025

Final Audit Report

2025-09-18

Created:	2025-09-17
By:	Lesley Pugh (pughl@ci.missoula.mt.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAAdH-HqEqKzkfO9Sb4L GhgF3i1j76WDK25

"Roseburg-City of Missoula_AnnexationLOI_9-16-2025" History

-  Document created by Lesley Pugh (pughl@ci.missoula.mt.us)
2025-09-17 - 3:58:28 PM GMT- IP address: 209.137.251.46
-  Document emailed to Ryan Sudbury (sudburyr@ci.missoula.mt.us) for approval
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-  Email viewed by Ryan Sudbury (sudburyr@ci.missoula.mt.us)
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-  Document approved by Ryan Sudbury (sudburyr@ci.missoula.mt.us)
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-  Document emailed to Andrea Davis (DavisA@ci.missoula.mt.us) for signature
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-  Document e-signed by Andrea Davis (DavisA@ci.missoula.mt.us)
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✉ Document emailed to Claire Trimble (trimblec@ci.missoula.mt.us) for signature

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✉ Document e-signed by Claire Trimble (trimblec@ci.missoula.mt.us)

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✓ Agreement completed.

2025-09-18 - 6:50:12 PM GMT



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