

COUNTY COMMISSIONER AND CITY COUNCIL – JOINT MEETING
MARCH 29, 2006

The Public Meeting was called to order by Chairman Bill Carey and Councilman Jerry Ballas. Also present were Commissioner Barbara Evans, Commissioner Jean Curtiss. Present for the City Council; were Alderwomen Kendall, Marler and Rye and Aldermen, Haines, Hendrickson, Nicholson, Strohmaier and Wilkins. Also present were City Attorney Nugent and City Clerk Rehbein. Mayor Engen, Aldermen Childers, Jaffe, Reidy, Bruce Bender, Brentt Ramharter were absent.

Pledge of Allegiance

Alderman Ballas said, we'll start the meeting off; first of all I want to recognize Gary Bakke. It's great to see him back from all of his trials and tribulations, all of our prayers went out to you, Gary, and it's good to see you back in the public realm. Our first order of business is to open the meeting up to public comment for items that are not on our agenda, so is there any public comment on items not on our agenda?

Charlie Brown stated that over the past few months several members of the community have gotten together about contributions that have been made by JTL Corporation, which have not been acknowledged because they have made the contributions quietly. They would like to start acknowledging those who contribute to the community without asking for reimbursement. JTL has made many contributions without expecting any reimbursement. He read the resolution, which stated that JTL Corporation has been instrumental in the beautification of the property adjacent to the interstate and located at the west entrance of the City of Missoula. JTL donated 85.6 acres of land to the City of Missoula for use as open space and development of a public park, and as part of the donation have provided millions of dollars of work in construction of soccer fields to be located at Fort Missoula. JTL has donated 8 acres of riverfront access located near the Tower Street Project to the City of Missoula for the purpose of open space and providing access to the river. JTL donated equipment, materials and labor worth over \$1 million to the construction of the Tower Street Park in exchange for gravel extraction rights. JTL donated equipment, materials and labor to build a trail system for public use at the equestrian park after Sue Matthewson had written a grant, located at Target Range at no cost to the public. JTL has provided free sand in many public parks for recreation and playground areas, included the parks located in Linda Vista, which I was personally involved in. JTL has strived and succeeded in a desire to help our community in participation and donation of equipment, labor and monies for many community projects, including, for example, the Ronald McDonald House, Watson Children's Home, Rocky Mountain Elk Foundation, Brennan's Wave, and many of the veteran memorials that are in Rose Park. Let it be resolved to issue a Certificate of Recognition on behalf of the citizens of the City of Missoula and Missoula County to JTL in recognition for their dedicated efforts and significant contributions in helping to make our community a better place to live. There are several people here to speak to this proposition.

Sue Matthewson is the Vice President of the County Park Board. She also thanked JTL for their contributions to parks and other important projects in the community.

Bill Dahlgren lives at 2008 37th Avenue, in Target Range. He was asked to speak on behalf of JTL several years ago when they wanted to extract gravel near Mullan Road. He still appreciates their contributions. They contributed to West Side Little League, handicapped accessibility trail system, among other contributions. A plaque of appreciation will be presented to JTL. They helped with the perimeter trail of the Big Sky Park, gravel excavation, with no charge for labor. He'd like to thank them on behalf of the Big Sky Park Stewardship Committee. He'd like to thank them on behalf of the late Dale Dahlgren, he is also on the committee of the development of the fields of the American Legion Baseball Complex.

Fran Albrecht is the Executive Director of Watson Children's Shelter. She also thanked JTL on behalf of the children who reside at Watson's Children's Shelter. Some of the construction of the shelter was contributed by JTL Group; thousands of dollars worth.

Jeff Brotherton is the Vice President of Development of the Rocky Mountain Elk Foundation. The Rocky Mountain Elk Foundation publicly acknowledged and thanked the JTL Group. Their gifts will make it possible for Missoula to be home for the RMEF for at least the next century.

Horace Brown has worked with JTL Corporation. JTL always stepped up to the plate and did what they said they were going to do. He supports the gestures of thanks being made.

Jack Baumgartner thanked JTL on behalf of the Equestrian Park for everything they've done.

Donna Gaukler is the Director of Parks and Recreation Board and Open Space Advisory Board would also like to thank JTL Corporation for their contribution to helping them realize the vision of a 246-acre park. They were instrumental in the initial landscaping and in extending the open space system along the Clark Fork River. They are an excellent example of a private-public partnership that enhances the quality of life of the community.

Barbara Wicke is the Executive Director of the Ronald McDonald House. She also thanked JTL. The House will be open in about two weeks. They have greatly assisted in accomplishing the House. There are eight family suites in the Ronald McDonald House.

Commissioner Curtiss moved – I imagine that we have to do this in two motions – so I would move that the Board of County Commissioners sign the resolution that was presented today. Commissioner Evens seconded the motion. The motion carried on a vote 3-0.

Alderman Ballas said, on behalf of the City Council, I believe our procedures would require us to return this to run this through a committee. We have a requirement to provide public notice, and we haven't had the chance since that's been presented at public comment at the meetings, so I think our only option is to refer this to committee. I'll refer it back to the A&F Committee and we will process it expeditiously.

Commissioner Evans said, I'd like to say for the benefit for all of our community, I hope this only the first of many times that we will recognize the benefits that people give to our community without ever asking or expecting anything in return.

Alderwoman Rye said, as the chairwoman of Administration and Finance for the City Council, we'll take this up as soon as possible and hopefully get it to the Council for either—it would probably be April 10. Thank you everyone for coming and thanks to JTL for all they do for the community of Missoula.

Alderman Ballas said, is there any other public comment on any items not on our agenda? Any other public comment? We'll close the public comment for non-agenda items and open up our hearing for the update of the County growth policy. I would ask the staff to present their staff report.

PUBLIC HEARINGS

- Update of the County Growth Policy.

Alderman Ballas opened the public hearing.

Nancy Heil said, we wanted to run through a short summary of the changes in the update. I believe that the Council and the Commissioners have the hard copies of the respective staff reports on there. What Mike and I would like to cover today, are basically the purpose and the scope of the update, the sources for the update, the Growth Policy survey, and briefly what the revisions are that are proposed to the Growth Policy. The purpose of the Growth Policy update has been discussed with the governing bodies during the scoping process was to fulfill a commitment from the 2002 process when the City and the County first adopted the Growth Policy. At that time, both the Council and the Board of the County Commissioners stated that a full review would be preformed within three years; this update serves that process. The second purpose is to update factual information regarding existing conditions, trends and changes in the legal framework that have occurred. A third, is to affirm and refine community wide goals and objectives. One of the main tools that Mike will be talking about for that was use of a survey. Also, to update implementation strategies to gather public input regarding implementation priorities and also to generally continue establish a foundation for more detailed planning and implementation in the County or on a regional level. What the Growth Policy does not do or include are any new detailed analyses or land use recommendations for specific regions in the County or neighborhoods. This type of analysis is done with regional vicinity and topical issue plans. Some of the sources for the update were comments that were received during the 2002 process, an annual form that the Planning Board held in 2003, the Growth Policy Survey, which was conducted in 2005, various data sources such as the census, Fish, Wildlife and

Parks, there was a full round of agency review and Planning Board held three public hearings. Mike's going to talk for just a minute about the survey and some of the findings that came from the survey as they relate to some of the various chapters in the Growth Policy.

Mike Barton said, the OPG was formally administered by a planning policy committee. I think it's a body with which most of you are familiar. It consisted of the Mayor and a council representative along with two County Commissioners and a representative of the Planning Board. It was this group that discussed how the public process involved with this Growth Policy update would be initiated. What Planning Policy Committee instructed staff to do was to conduct through the Bureau of Business and Economic Research at the University of Montana a county-wide attitude survey that was geared to discover if the attitudes and values reflected in the Growth Policy that was adopted in 2002, were essentially the same. As I said, a contract was entered into the Bureau of Business and Economic Research. The bureau conducted this survey in August and September of 2005. In general what I would say is that the data that came out of that survey pretty much reaffirmed the values that most of us would readily recognize. As you look at the first table – we have several examples of tables taken from the Growth Policy survey. I should add that a survey summary is included as part of the Growth Policy and all the tables of survey results are available electronically through our website. As I suspect – you all expect – our natural environment, our physical environment, is a very high priority among Missoula residents. As well, again, I don't think that many of these are surprises to you. Housing for low and moderate income people, the affordability of our housing is an important issue for folks, streets and roads, our economy, neighborhood character; these are all things that Missoulians value highly, similarly, with actions that your constituents would support to achieve those goals. They would support you taking action to maintain and improve water quality, air quality as well, the river and stream corridors are clearly a high priority for us; wildlife, scenic views. Again, we're not offering any surprises here. What the survey did was reaffirmed notions that are fairly widely held. Problems caused by growth, obviously; high housing costs, traffic congestion. As you go down you may discover – some of you might be surprised that some things that you thought were problems aren't rated that highly. Clearly the housing costs and the traffic are things that rate significantly up into the 80th percentile. In terms of growth management tools that the constituencies would like you to consider. Protecting your sensitive lands ranks very highly. Infrastructure planning is also right up there. Land use objective, we want to make sure that the public is able to get to and use open space. We want to encourage reservation and reuse of historic structures. Again, none of these are surprises. We also discovered – again, I don't think this will come as a shock to anybody – that there also areas that we find where we are not of one mind. For instance, when we ask whether housing should be added in the city to reduce sprawl; as a community, we're divided on that question – more closely divided in the City than in the County. County-wide zoning standards – this was a surprise to many of us. Because while there's clearly support in the City for County-wide regulations of this type, we also found that in each of the nine planning regions in the County, there was a majority of support for adopting County-wide zoning standards. I'll let Nancy go on with the other revisions. That survey information, as some of you know and you participated in the decision to conduct the survey, the idea was to gage the public feeling on the policy statements that are in here. What I think you found was that in general, the attitudes of the community have not changed considerably since this was adopted in 2002. As a result the Planning Policy committee had us go forward, continue to make factual updates in the Growth Policy document and forward it on for the Planning Board review as well as reviewed by staff and other agencies.

Nancy Heil said, I'm going to talk about some of the proposed revisions. There's a summary attached to your respective staff reports that goes page by page and chapter by chapter where each of the changes occur. You also have the full document available to you. The revisions occurred in several main areas. One was factual updates to existing conditions and trends; this is primarily in Chapter 2. A summary of legislative changes; there was a legislative session between 2002 and now. Changes in local policy that either governing body had adopted in the intervening period and changes to goals and implementation strategies based on public process to date. And then some general editing and proof reading. I'm not going to get into a lot of detail about these but just to give you an idea. When terms of existing conditions and trends in Chapter 2, you'll see updated information on population. We're continuing to grow. Obviously, the most recent number that we've got in our office is by July 2005, there were over 100,000 people in the County. The project for 2020 is over 125,000. We updated a lot of our data about resources and land ownership in the County. I'm just going to show a couple of examples. This shows some of the land ownership. The areas in gray and in the pinkish color are private land. One of the things that you'll notice is that the grayish land, which is the non-corporate private land comprises about 25% of the over land in the County. Plum Creek land is about another 25%. There is additional

information in Chapter 2 about recent subdivision activity. In the Missoula Valley planning region, that area accounted for about 46% of the overall acres that were subdivided and about 83% of the lots that were created. As part of this update process, had discussions with various other agencies and got more recent information about various County resources including big game winter range, some of our wildlife linkage zones. This type of map isn't actually in the Growth Policy, its information that we have available to us in our office. The maps that you see in the Growth Policy for purposes of being about to reproduce it are on 8 ½ x 11 on black and white. We also compiled more information about agricultural soils. There was a more agricultural land survey that was available to us as well as our conservation easements. As I stated, none of the land use designations that are shown in various of the regional or neighborhood plans are proposed to be changed. This is just a graphic illustration of lands in the County that have some zoning designation at all and it is less than 10% county-wide. We also, in Chapter 2, updated quite a bit of other information on economic trends, housing trends, one of the things that again stands out is that housing costs increase more than five times the rate of income growth in the County between 1990 and 2000. Also information that was updated on a factual level in the plan were various growth management implementation tools, that primarily the City Council worked with. The Growth Policy reflects the fact that there had been some changes to density bonuses and PNCs and how those are used. Landscaping and multifamily standards were added. Plans adopted since 2002 are noted in the growth policy. Facilities plans, the Growth Policy reflects that the City has adopted impact fees and the County has begun a building code enforcement program. And also lists some other efforts that have been ongoing such as the Open Lands Task Force, the Milltown Redevelopment Group and the Community Food and Agriculture Coalition. In response to some of the comments from 2002, there were suggestions to add more information in certain areas such as places where coordinated planning efforts are occurring either between the City and the County or between Missoula County and other Counties. What current annexation practices are; some information about what's happening with respect to the university growth, Plum Creek land divestiture, and the current status of sewer extension. Again, your summary sheets indicate the places where changes have been made or facts have been added in those areas. The main legislative change that's indicated in the Growth Policy has to do with the 2000 legislature's passage of Senate Bill 326, which provides that a governing body may not withhold, deny, or impose conditions on any land use approval based solely on compliance with the Growth Policy. As you folks know, have been making land use decision since passage of this bill, that's had a big impact on how the Growth Policy has been used. The other change that occurred in 2003 had to do with whether building permits could be required outside of the city limits with the 4 ½ mile jurisdiction. That was some of the impetus for the City developing its building code enforcement program. One of the main local policy changes that are reported in the Growth Policy is the change to the interlocal and the disbanding of the planning policy and the reorganization of OPG. Chapter 3 includes community goals and objectives. A couple of changes that were suggested from 2002, one had to do with adding home ownership as a community goal and another had to do with adding more specific objectives for cultural and historic resources and you'll see those in Chapter 3. Chapter 4, which is the implementation chapter, is set up in two parts. The first part lists and describes the universe of tools that could be used by local governments to address growth. The second part lists the strategies that have been adopted in the Growth Policy and various of its other plans to carry those out. There were two changes in the preliminary draft. One had to do with the addition of a new tool for financing Urban Renewal Districts. The other one was the deletion of a renal licensing programming due to a change in state law. There's also a number of general editing and proofreading comments throughout which you'll see in the redline strikeout version of the full preliminary draft. The Planning Board held three public hearings on the Growth Policy and took public comment on that. You'll see that public comment in the Planning Board minutes, which are parts of your packets and written testimony that's on file and available to you. A lot of the public comment centered on implementation tools and suggestions for which implementation tools might be priorities on inclusionary zoning or some means to address affordable housing was one that came up several times. The Planning Board suggested changes in several areas. There's a second attachment to your staff report, which lists all Planning Board's suggested changes. One of the main ones that they have passed on has to do with the addition of the executive summary. In that executive summary, which is attached to that same document with their changes, Planning Board identified what it found to be its key significant public policy issues and suggested tools to address them. There are three of them. The first is growth outpacing the community's ability to address its impacts. It suggests county-wide zoning standards addressing density and use, conducting detailed infrastructure planning and lobbying for state law changes where appropriate. The second states that Missoula housing stock is critically lacking units affordable to low and moderate income residents and suggests developing adopting inclusionary zoning and subdivision requirements for affordable housing as well as pursuing a economic development strategy. The third is

acknowledging that natural resources are threatened by development and suggests subdivision and zoning compliance regulations to protect the aquifer and other water quality resources, implementing stream side setbacks and being sure to consider issues of air quality, wildlife and wild land urban interface areas during a county-wide zoning process, as well as developing standards for fire safe defensible space on structures in forested areas in the county. Those were the main changes – suggestions in the executive summary that Planning Board added. They also made changes in a couple of other areas. One was to add some additional factual information in Chapter 2 on the ground water section. In Chapter 3, adding more specific water quality goals and objectives; I'm not going to read those right now but they're in your summary sheet. And then making changes to the wording of some of the tools in Chapter 4. One had to do with removing any link between eminent domain use and affordable housing. The second had to do with adding a specific tool to lobby for legislative change where needed. A third, more specifically calls out county-wide zoning. They also suggested wording changes in a couple areas. One related to alternative transportation, another related to how human resources are called or described. Since Planning Board's wrapping of its work and before this public hearing we've received an additional written comment in support of county-wide zoning and inclusionary zoning that's been forwarded to the City Clerks and with the County Commissioners and the governing bodies. There are two additional changes that the Commissioners have asked to be considered. One has to do with Planning Board revisions and suggesting that there be some headings added to that executive summary to make more clear where the various of the statements that are in the executive – summary come from. In other words, there were things from the data or survey results or from Planning Board suggestions. I'll pass those down. The second was a change that the Commissioners have asked for some language for their consideration that has to do with Chapter 9, which addresses the Growth Policy amendment and revision process. The 2002 document includes a provision for an annual forum by the public and planning staff, which the Planning Board held in 2003. The suggestion is to delete that paragraph, an annual Forum could still occur but wouldn't necessarily obligate staff resources for that. The revisions to the document address the purpose in the scope that were set forth by the governing bodies. The Commissioners have before them a Resolution of Intention to adopt. The City Council, which follows a slightly different process, has been for it, it's Resolution to adopt. Mike do you want to say something about this.

Mike Barton said, only this. Much of the comment that the Planning Board heard and we received has not so much to do with the adoption of this Growth Policy but instead focuses on implementation of goals and objectives that exist in your planning documents. We've stressed throughout that the Growth Policy itself, this update, does not suggest any change in policy or indirection. I suspect that much of the testimony that you will hear today and in any future public process will have much more to do with what the citizenry expects the governing bodies to do with the information that's in the Growth Policy. I think that's probably where the most significant public process in community-wide discussion will occur, not so much in the very comprehensive planning document that this is. In the actual implementation tools and strategies the two governing bodies adopt pursuant to this policy.

Alderman Ballas said, does that conclude staff report?

Nancy Heil said, yes, it does. Thank you.

Alderman Ballas said, are there quick questions from Council or Commissioners on the staff report? Just for the audience, I believe that it is the intent of the City Council, at least, to refer this back to committee. So we will continue public discussion on this item. Mike, I have a question. Since the City and the County may go about a little bit different adoption policies, what happens if we don't adopt the same specific language?

Mike Barton said, we'll see. As you correctly discerned, it is possible that the Growth Policy is intended to be applied to the entire area – the jurisdictional area of your Planning Board, which in this case is county-wide. The document will be applies county-wide but it is possible per the last legislature that you could adopt – either governing body could adopt a different policy from the other. We haven't confronted that situation. You have that ability but we suspect that we haven't yet discussed a possible situation or application where differences in language might present a problem. While we've certainly discussed that possibility, we aren't sure what issues it would raise for the governing bodies, should it occur. I suspect, or at least I would encourage you, to coordinate your efforts. Again, some of the discussion has been relative to the County wanting to adopt in an expedited fashion and the City possibly taking more time

with a public process. I certainly think that if Council adopted a document that was significantly different from what the County Commissioners adopted, the County Commissioners would at least take note of any action that the City may have taken. In the same way pursuant to staff discussions with the Commissioners, the Commissioners have made a couple suggestions for changes in the document as you heard Nancy describe. I suspect the Council will want to take those into account as well. We're certainly not suggesting a process or even an outcome where we have antagonistic documents. I suspect that the governing bodies will see to cooperate and coordinate their efforts as much as possible.

Alderman Ballas said, thank you. For that I will leave that question up to the Mayor's office and the administration to coordinate with the Commissioner's office. The Council will have its own discussion on where we want to go. With that, I guess it's time to open the meeting up to public comment on the Growth Policy. I'll invite the public to step up and give your name, rank and serial number and tell us what you think about the Growth Policy.

Judy Smith said, I have three handouts that I would like to ask if maybe Mike would make those available.

Commissioner Curtiss said, Jerry, do we want to offer the public the extra copies of these?

Alderman Ballas said, yeah, okay. There are extra copies of the information that was handed out.

Judy Smith said, thank you. First of all, I would like to say, I really appreciated the work that the Planning Board did with this round of the Growth Policy. Having participated in the first round where we didn't see much discussion or change go on with just a gathering together of documents. I really appreciated that the Planning Board, in many ways, struggled with how to take us a step forward. In my mind, the executive summary actually did that. I would urge your interest in and endorsement of particularly the focus on the executive summary which took the information that were the updates and actually put them in some capacity to do some action around them. Being somewhat of an action oriented person, I was really appreciative of that. As the staff has told you, by pulling out what we would say that would be some of the major impacts of growth, I think they added some urgency to looking at the tools and particularly certain tools that I'm going to point out to you as well. I'm going to mention two of them although there are other tools in here that I would certainly be supportive of. In my role today, I want to mention two; that's county-wide zoning and the lack of affordable housing stock. First on county-wide zoning, I want to mention to you that this is not the only county that's looking at this question. I know Lewis and Clark and Gallatin Counties are in the midst of also asking about county-wide zoning and basing it on a development standard approach. I am really appreciative that that's what's here in the recommendation from the Planning Board and would urge the Commissioners to take a look at that at a very intensive manner and quickly. I think that would give you a regulatory tool that you could begin to use right away. I know the County has been very interested in going and doing what I would consider more of a neighborhood planning approach in different communities. I would urge you to think about how you could do this county-wide approach at least parallel with how you're working with your neighborhood to neighborhood approach. I think once you get that county-wide approach in, you can certainly go in and do the detail, whether it's in Seeley Lake or other places. Let me urge you to take a look at this particular idea of county-wide zoning based on development standards that's in here, in the executive summary, to put it on your work plans and try to get it done as soon as you possibly can so you'll have a regulatory tool to really manage growth. Right now, having talked to several of you, I know that that's something that would be of interest. (END OF TAPE 1, SIDE A) The second issue is going to be the affordable housing stock and that's where my handouts are coming into play. Again, the staff covered some of the things that I have in my first handout just to say that the growth policy survey itself, to me, was very encouraging as someone who has done work over many of years on affordable housing. I was really pleased to see that folks are aware when the survey was done that the top growth related problem was the high cost of housing and they want something done about that. Sometimes we get so paralyzed by the cost of housing that we don't realize that yes there is something we can do. Again, a very high priority by the people who responded to the survey of actually doing something about affordable housing and choosing two implementation tools, which I think are very important ones that I will talk about more as I go. One of them is what is called "inclusionary zoning" and folks can call it what they would like to but it's basically requiring new developments to provide housing for low and moderate incomes. You see here that a large majority of folks supported that. Using voter approved money to purchase land for affordable housing, again, a large number of folks agreed with that. I want to do a quick conversation with you about inclusionary zoning. It's a complex topic. I have a handout here and I also gave you a couple articles to

read. Hopefully you had a chance to look at those. I'll walk through these pages with you, shortly and I am glad to answer any questions as we go along. I think the most important thing to me is someone who does non-profit housing development. What we're doing in inclusionary zoning is we're actually saying that we have to rely on the market builder to help us solve the problem. I'm going to give you some examples of where I think folks like myself can work very hard and produce as many units as possible and we can never, never solve the affordable housing problem ourselves. We have to engage the market sector in that. That's what an inclusionary zoning tool does. It basically goes to the market sector and says, "Anytime you're doing new development –" this is a conversation that you set the details. I'm not going to suggest the details today, this is just the concept – "Anytime you build something new over a certain size, we're going to ask you to dedicate a certain percentage of that to affordable housing. And we will give you some incentives to offset the cost to you to do that." That's the basic model. Different communities do different tweaks with the size and the percentage and what the incentives are but the basic idea is, when you live somewhere where the cost of land is so high and there's rapid growth, you can't really rely on organizations like HomeWORD to go and do small projects and solve it. It's going to have to be everybody in it together. One of the real advantages of inclusionary zoning is every time you see a large development going in you know that a certain percentage of that is going to be affordable. You know the land will be used effectively for affordable housing. You won't have to build a large amount of new capacity because existing builders will be doing it. In our community now, where there is so many design standard questions, the other thing I think that's really helpful about inclusionary zoning is that the design of the affordable units are the same as the design of the other units. So you don't have what some people perceive as a negative impact of affordable housing on market rate housing. Most studies show that that isn't really happening except in some extreme examples anyway but I want to point out to you, with inclusionary zoning it doesn't happen. Basically, you have the same design standards throughout the whole development. I also want to mention to you that within the executive summary, the idea there is that would be deed restricted affordability. We're talking about long term affordability accomplished by the market as a way of actually getting us through this affordable housing crisis. Who's using the tool? I listed some places, some states, and some communities. Also interestingly, Whitefish and Bozeman are particularly looking at this concept with us. We're going to be trying to have some conversations with them to see how they are approaching it and if we can all learn with each other, how best to do this particular thing. You'll notice that Whitefish and Bozeman the way they are similar to us is that they are rapidly growing and the cost of land is very high. So that service providers, nurses, teachers, police people, they can afford to live in the town anymore. That's one of the things that this really helps us develop and deal with. If you look at lessons learned on the back side, again, what we have been able to discern because people have been using this tool other places for a number of years is it doesn't dampen private housing development. In fact there's a large increase as soon as we see some inclusionary zoning going in, in many areas. The unfortunate thing, perhaps, is that voluntary programs that were started out with didn't work. Voluntary programs don't produce units. I give you an example from California where there were 107 jurisdictions using it; 101 are mandatory because the 6 voluntary just didn't produce units. As you talk about inclusionary zoning, you have to make it, incentivize it but it has to be something that folks are required to do. Another thing that is important to note is that builders who have worked in inclusionary zoning area will say that it's something that they can support because it goes along with be able to do housing and those kinds of markets. A number of them will say that the kind of incentives that are there actually do make the difference for them; that includes such things as fee waivers, fast tract permits and density bonuses in some occasions. The other thing I want to mention is that there has not been any study that has found a negative impact on market rate housing. Misconceptions, very quickly, inclusionary zoning does not constitute a takings; that's been a conversation that's gone on many times, many places. Even though the national builders have said that it's not a taking because there's actually economic use for the land – some people would say – as intense an economic return but certainly an adequate one. There's also no evidence from many studies that it promotes congestion. What's happening is its existing developments and just a certain percentage of that becomes affordable. My point here is that we need all the tools that the non-profit sector can't do it alone. We have to turn to the market sector. I appreciate that in the executive summary it also has questions around a housing trust fund and partnerships with non-profit developers. I know there are other non-profit developers here that will probably address some of that a little more than I am. My last sheet, I would like to do quickly with you. It's some thing that several council folks have asked about and I will be brief. If you have more questions I am glad to stay and talk more about it. This is just a possibility. Let's say that we agree that we want to do something about affordable housing and we want to ask the subsidized housing market to take care of it. If we take a look at the consolidated plans and building permits and some organizational experience, we can find that basically we're building somewhere around

800 units in the urban area a year. This is estimates and we can come back and talk about these in another way. Let's just agree that we want to take 40% of this and make them affordable; that's 320 units a year. We know that we have a 2 to 1 rental situation so we'll take 2 times rentals as homeownership. We also know that the City subsidizes CHDO's, which is what HomeWORD is, the non-profit developers, to build units. Here's the amount that we tend to get subsidize, \$10,000 per rental unit and \$25,000 per homeownership unit. Take a look at the subsidy that you all would need to be able to give us just from the City coffers to do this kind of building. For rentals it's over \$2,130,000 – right in that area. For homeownership opportunity it's \$2,675,000 for a total of \$4,805,000 per year and that doesn't even include the matching funds because we only use your money for a small percentage of what we actually use to build these. Just talking about you all subsidizing, which is great and we encourage you to continue to do it because it's a very important program, we cannot begin to build those 320 houses that we would need to take a significant bite out of the affordable housing. Right now, the CHDO capacity, I would say that we are building 50-60 units a year. We'd have to really ramp up to do 300 + so you would have to build our capacity as well as give a subsidy to make it work. I'm not going to talk over the last part of this sheet. When I ran it by several of my colleagues it puzzled them so I'm not going to run it by you. I'm just going to say that if you want to address the already burdened households, that adds a whole other level of subsidy. The top part is new units; the bottom part is already burdened households. I'll conclude by saying that the whole thing that I think that myself and others who are concerned about affordable housing will tell you, we have to have implementation tools to use. We have to have a variety of them. There's no one answer. That inclusionary zoning, in some ways, is very efficient because that building is already going on. It makes good use of land when we have a very limited amount of land. And it actually disperses the housing around the community and make it compatible to the area that it's going into. I think it's a very effective and efficient tool and I would urge your interest in it. I thank you for really moving this forward. I would hope that we could get this done soon. Thanks.

Bob Oaks said, I'm Executive Director of the North Missoula Community Development Corporation. My organization is a CHDO, Community Housing Development Organization. I'll try not to be too reiterative of what Judy just testified. She's done her usual thorough job. You are about to build a foundation with the Growth Policy as the staff outlined earlier. I think it's very important to make that foundation broad enough, large enough and strong enough to support some of the tools that we need down the line; one of those being a particular inclusionary zoning. There isn't an option often with inclusionary zoning (inaudible) in lieu of contribution and frequently in places where there is inclusionary zoning where land prices have become extraordinarily expensive that a developer of a very upscale project will choose instead of making a percentage of the units affordable to low and moderate income people contribute to a housing trust fund that can be used in other areas for low and moderate income. I know that it's not necessarily desirable to insist that there be low and moderate income housing in some very upscale developments. There often not close enough to services, public transportation and so on. We've heard frequently that Brown Field Development is good for the City and we should concentrate on that area but we don't really have money at hand to do the subsidized housing that's necessary for that. In lieu of inclusionary zoning could be a way to get the money necessary to contribute to the subsidization of that kind of development. On a different note, I'd like to make comment on the signing of the current state legislation on Growth Policy. I think this is very important to understand. There is, in current legislation, some gray areas of potential conflict. One clause says that there must be substantial compliance with the Growth Policy; another clause says that important land use decisions should not be based solely on the Growth Policy. Currently there is – just recently there's a Supreme Court decision that was handed down about the Gateway Proposal Development, the Safeway Expansion. It's very interesting reading. I encourage you all to read that decision if you haven't. The State Supreme Court notes those areas of potential conflict and says that since that current case did not deal specifically with that conflict that trying to understand that the requirement that land use decisions not be based solely on Growth Policy can be a battle for another day is the way they termed it. They did say that the conditions that were imposed by City Council on that development made it sufficiently compliant in order for the local judges ruling to stand. What you're actually seeing there is the Supreme Court using the Growth Policy in order to endorse what had happened with that development to make it a better development. If we make a presumption, I hear this frequently, we can't use our Growth Policy effectively because we can't base land use decisions solely on it. If you put that into your document and you stress that, it's like putting a land mine in there that will come back and explode on you eventually. Why would a community want to disempower itself so much as to focus on that when there is absolutely is no case law that would premise decisions being made? Oh, well, we can't use the Growth Policy because of that clause. I would actually

urge you to require that you put in that document specific language that states that that clause has not been defined by case law yet. Thanks a lot.

Alex Taft said, I'm interested in the transportation aspects of the Growth Policy. I wanted to point out to you what I think is somewhat of a conflict between the Growth Policy and the Transportation Plan Update, which is the preview of the Transportation Planning Coordinating Community, TPCC. On page 3-6 of the Growth Policy under local services and facilities goals and objectives, under the transportation objections; the first one says to improve rather than extend the present transportation system network for the conservation of natural resources and energy and public funds, which I think is very good. It does emphasize using our existing resources to their maximum not to be sprawling out new roads, which may not be need for many future years. Number 3, however, says just provide accommodations for alternative modes of transportation including public transit, bicycle and pedestrian facilities. To merely just say to provide accommodation of those facilities, I think, is where the conflict is. The long range transportation plan update uses the word in its overriding thing prioritize the use of transit, bicycle and pedestrian. I would urge you to resolve that conflict if you could in the objective section. And then there's also, under the implementation section in adopting development standards and growth management tools, Item D, says design standards that support non-motorized and public transportation network such as bicycle parking requirements. In that section, once again, it's somewhat neutral, it's saying to support those standards as you would support standards for other modes of transportation. I would urge you to emphasize the alternative modes of transportation and perhaps use the word "prioritize" in that instance. Thank you very much.

Michael Speraza said, I just wanted to make a few general comments and address a comment that Mike Barton made. The most controversial parts of this document are the implementation aspects of it. Because they state a number of implementation tools that have already been thrown out by Missoula City Council. They state and offer implementation tools that are very dangerous for our residents including eminent domain. I don't think any of us really want the thought that somebody can come in and say that your house or your property is more useful doing something else and take it away to build something that may either generate more taxes, provides affordable housing and displaces you from the property. I would suggest that the plan should be just a plan and say, "What are the goals that we want to achieve in the County and the City?" And leave the implementation to further discussion. Take all of those implementation tools out of this document because implementation tools aren't really a plan, they're starting to authorize those tools. Even Judy Smith just mentioned that the way that some of these tools start to get the process going. Well the process of how we actually meet the objective of a plan is a different discussion. That's really not what we should be talking about here. My suggestion would be to take the implementation tools out, you relieve a lot of the controversy and then the rest of it has a lot of merit. The one thing I think that this plan is missing is a requirement on the OPG to do impact studies. We can talk about all these great plans that we want to do this and that and we can achieve that goal by putting in this tool. But if never know what the impact of that tool is then how can we actually judge the effectiveness of it. I'm not saying that an impact study always hits it right on and tells us what the impact of that tool is. We saw the hard way with the implementation and density bonuses and PNCs and boundary line relocations what the impact can be and it can be devastating. If you want to take it on a more economic sense because we talk about the affordable housing throughout this document, which is an important aspect, but look at the impact that those tools had on affordable housing. Housing prices continued to sore through the late '90s into the early years of 2000. Then they stagnated right around April or May of 2003. Why? Did the economy around the country change? No, because other housing markets continued to boom. The difference was, particularly in the existing neighborhoods, built up areas, university, south side, slant street, McCormick and others, on May 5, 2003, City Council put a stop to boundary line relocations. If you look at the housing prices, they stagnated. Housing sales slumped, the prices didn't fall but they stopped growing at the pace that they had been prior to it. It is just coincidental, if you want to take coincidence, I think it's more factual, that the implementation parts of this program or our plans have a major impact on the housing market. In that case, boundary line relocations artificially supported housing prices and actually pushed them up higher than they should have been. I can say that. I get hurt from it. I live in one of those areas. If the housing prices didn't shoot up that much, I would not benefit from it but that's not the goal of a long range plan. We have to look beyond those individual particular needs like that and my desire to have a more expensive house and make large capital gains and say, we need to put in plans that provide affordable housing without shooting up the value of the land in the established areas. Impact studies, which are where this comment was going from, are very important. As a matter of fact, if a professional planner knows that you don't put out a plan

without looking and assessing the impacts of that. Unfortunately, a number of people at the OPG, I'm going to pick on anyone in particular, have mentioned in public meetings that they do not do impact studies. Personally, I think it's a load of – you can add the words – because we have to impact studies. Everything we do impacts the community. The decisions of the County Commissioners impact what goes on in the City. The decisions of the City impact what goes on in the County. We have to work these things together and look at those impacts back and forth in how a decision like inclusionary zoning impacts existing neighborhoods versus brown space versus green space development. It's all very important. My take on it is include impact study requirements on the part of any of these tools and take the tools out of the planning document because all they do is create aggravation on the parts of most of the people here and other parts that that are constituencies and we will have to deal with each of those on an individual basis once we have a reasonable view of what the goal is that that tool is going to achieve and what the impact on our City and County will be. Thank you.

Commissioner Curtiss said, in defense of the Office of Planning and Grants there's staff, we set the policy, they do what we direct, so let's blame us and not them.

Michael Speraza said, that's why I'm saying to put the impact study requirement in.

Pete Talbot said, 1501 Dickinson. There was an editorial in the Missoulian the other day that basically said that we could not have open space and affordable housing. I am hoping that this is not true. If it is, we're all screwed. As a matter of fact, I know it isn't true. There are other communities in the west that are working hard on this and having success in both acquiring open space and having affordable housing. If we do not look at this, first of all, the open space issue we will have an unlivable community. If we don't look at the affordable housing issue, we will end up as another Aspen Colorado or Jackson Wyoming where the service worker has to commute from 50, 60, 70 miles away. I would urge the Council and the Commissioners to adopt the plan and implement it. I think in my business, if I were to have a plan and did not implement it I would be in big trouble. Finally, please move forward on the plan. I think there have been some great advances in the last couple of years and good luck to you.

Alderman Ballas said, if you don't mind, I'm going to ask to take a break. We've been sitting here for an hour and a half and I think that would be appropriate that we take a period break. Recess for five minutes.

(BREAK)

Alderman Ballas said, can I ask how many people are interested in speaking today? If you would want to look around, I would ask if you could make your comments concise and if you're repeating something that someone else said, you can say that you agree. There's going to be lots and lots of opportunities to continue to talk about this but in light of the time, give us some consideration. Your comments are still important. Tim, you're up.

Tim Lovely said, I live at 606 Simons Drive. I just wanted to respond or actually offer you factual data. Two speakers ago there was a fellow who talked about the real estate market in Missoula and how growth tools have impacted prices. My personal experience was opposite to what he presented. In June 2003, I sold a piece of property on East Spruce Street that I had owned for 25 years. I sold it – a realtor brought the buyer, it was never listed but a separate reality firm did a market analysis on the property and essentially what it amounts to an appraisal and came up with a price. That price was around \$140,000. A different realtor brought a buyer quite soon when he found out that I was intending to sell it and I sold it to the buyer for that price. One year later I discovered that the buyer had the property back on the market – this is in 2004, less than a year later – for \$198,500. I thought that was astonishing. I certainly didn't believe that he was going to get that price for that piece of property but he did and it didn't take six months, it probably took six weeks. Having learned about that, I then asked myself, was I crazy? Why did I price this property so low? Well, actually in conversations with realtors and folks who are close to the business and trade, found out that there had been indeed a serious price spike – spike in prices during that 12 months period. You can talk all about trends and what might impact the market but my experience was that those prices rose significantly after May of 2003 and continued to rise maybe leveling out now. I invite Robert Doore to address you about those issues. Here's a man who knows what's going on in the business. Thank you very much.

Lindsey Dalen said, I am a resident of the northwestern Missoula area. I want to speak on behalf on my personal and professional experience. I am a community service provider here in town. I coordinate a financial education program and I also do counseling. I had the hardest time trying to find a home. It was incredible difficult on my own. I have a master's degree and I love my job and thought that that would be enough to enable me to buy a home. On my own – on our own, my family and I, even with the help of OPG – we couldn't even get into condos. I just want to put a face on all the folks out there; there are thousands and thousands of us, who would really love the stability of homeownership. Actually, I'm lucky to be a homeowner now due to the help of family, which not everyone has. I also want to speak on behalf of lots of people that I work with every day who have homeownership as quite a lofty goal and struggle every day to be able to make ends meet and pay really, really high rents. I do financial education classes and work with them on budgets to try and figure out how they're going to be able to save for a down payment some day. I really want to emphasize that affordability is something that people are concerned about and see it as a problem. It's really time for action. Inclusionary zoning is something that has a proven track record as success for making that possible. So as someone who would directly benefit from that and all the people that I see everyday at my work as well as personally, I really urge you to put that into action and include it in the Growth Policy, all the implementation tools that have been recommended. Thank you.

Bob Giordano said, I live in the middle Rattlesnake. A few comments on this, there is one section that says, "reduced vehicle miles traveled," which I agree with when ever we can but there should also be a reference to reducing vibrations and noise associated with our transportation system. For instance, I-90 and that project coming up, if we could point to something that said this is a value or guiding part of our Growth Policy that would be good. Something else that I didn't see addressed in here might be along the lines of protecting and enhancing all citizens' access to public right-of-ways; for instance, streets, trails and parks. Another part of this document says, under the heading, natural resources are threatened by development. It has "protect water quality," but further down it has "address air quality." I really think – that might have been an oversight. Let's protect air quality, not just say we addressed it or we thought about it. there's a VMT section that really outlines a couple of paragraphs of how our vehicle miles traveled are climbing, climbing, climbing and then some other data. Let's see if we can get the same type of data about bicycle and pedestrian systems. There are counts that are going on in the City. if we are going to look to move forward then let's collect the data together. Finally, if there could be some more discussion about renewable energy and moving away from fossil fuels, if we can, or just how do we grow as a community and look at sustainability in the areas of renewable energy and how we share that as a community. Thank you.

Brian Walter said, I live at 1380 Starwood Drive. You're considering a Growth Policy document prepared by OPG staff and tweaked by the Planning Board. In my opinion, this document proposes a number of policies that have not been thoroughly researched and glosses over some of the most serious problems we are facing relating to growth. The authors have cherry picked the results of the survey and highlighted only those matching the view point of the authors. Other points identified by the public are very important such as stop high density development, stop or control growth and allowing too much growth to quickly have been swept under the rug and not addressed in this policy. Furthermore, it has been unduly influenced by careers special interest groups who's employees are paid to lobby almost full time for their objectives and by government funded employees of members of committees and boards, some of whom have conflicts of interests bedded on growth policy decisions. I think you will agree that the tax paying general public working for a living is at a serious disadvantage here. They must look to you, their elected officials, to represent their interests and not yield to pressure from special interests businesses. So this mess has been dumped on the laps of the Council and the Commissioners to straighten out. Ladies and gentleman, the time has come for plain speaking and hard decisions whether or not politically popular. The problems are too great to continue to trust in vague policies, pipe dreams and studies without accountability or achieving the necessary results. The future of this land is in your hands. It is time to stop ignoring the problems, time to stop hiding the unpleasant facts or refusing to define them for fear of the outcome. You must determine, our growth must be managed to save Montana for future generations and how infrastructure can be provided without bankrupting your constituents. In all probability, growth must be restrained with (inaudible) objectives and you must determine how this is to be done. I would suggest that you would consider a moratorium on new subdivision approvals and slowing of individual building permits until you have a handle on this Growth Policy complete with an achievable growth matching infrastructure implementation program correlated to an acceptable rate of growth. This might seem like a drastic measure but it will certainly focus action rather than allowing the problem to continue

to wander under a vague policy document. You must determine how much the tax payers can afford and willing to spend to subsidize housing including indirect subsidization like the proposed inclusionary zoning. You must decide if it's realistic and in the best interest of the City and the County to attempt to solve the affordability problem to the degree proposed. Or is now a fact of life that everyone will not be able to afford their own home without saving for a much longer period. You must consider that subsidized housing will continue to be filled from the inexhaustible reservoir of people who want to move from large metropolitan areas to the west. There will never be enough low-cost housing. Are we just kidding ourselves to think we can afford to maintain this effort indefinitely? Can we do this without over crowding our land and creating an even more insurmountable infrastructure deficit? You must decide whether to honor our zoning or continue to interject overlay tools thrust upon the people from above without recourse other than litigation. Litigation, it will be as you have learned from the problems caused by such tools over the past 3 or 4 years. We do not want you to spend any more of your time and our money creating such overlay tools with the obvious outcome of more and more litigation. People want the right to consider zoning changes that affect their area on a case by case basis. On January 8th, I submitted written testimony to the Planning Board listing 10 areas of concern with the proposed inclusionary zoning. I'm sure you can think of many more, not the least of which is the bureaucracy that would be required to sustain the administration of such a program. Who would pay for it? In the interest of time I would ask that the testimony be entered into the record for this afternoon and to take time to read it. They're after to either drop that tool from the Growth Policy or undertake the necessary research to quantify all the costs and indirect impacts of such a policy for the public's consideration and possibly a referendum. I'm sure that most of you on the City Council and the County Commissioners are well aware of the very serious bind that we are in for funds to keep up with the transportation system requirements. In fact, we are probably at least several years behind on the road and other infrastructure programs; motorized and non-motorized. Sadly, the criticality of the situation has not been shared with the public in general. In fact, perhaps in fear of the results, the real magnitude of the infrastructure deficit has not been quantified and despite hundreds of thousands of dollars expended on transportation planning, an implementation plan does not exist for recovering the transportation or other infrastructure deficits. But subdivision approvals and building permits still continue to be issued without restraint or any idea of how or when the matching infrastructure requirements can be met. This goes on even though the public has clearly indicated in the surveys that infrastructure must match growth. For the past year I have been preaching without much success to the Transportation Policy Committee, Planning Board and the City and County Government Study Commissions about the need to strengthen our infrastructure management organization and systems. Quite simply, we've seen to outgrow the ability of our historic committee planning and public work mechanisms to achieve the required results. We now see the tip of the iceberg of a gigantic problem coming up. Something must be done to handle this situation. Performance has not been adequate and sticking with business as usual is likely to fail. While the costs have not been identified, it is possible that millions of public funds are being wasted due to the lack of professional project management. In December of last year, I prepared a detail critique and recommendations for improving infrastructure management. The City Study Commission dropped it like a hot potato, not even bothering to interview the Public Works Department and opted to play, what I would call, trivial pursuit in comparison to our infrastructure problem. The County Government Study Commission asked for a point-by-point response to my critique from the City and County. I submitted a paragraph to the Planning Board for inclusion of the Growth Policy. The Planning Board in turn deferred action on my suggestion pending the City and County response. Responses are still pending. I would like to enter in today's record a copy of my January 7th recommendations to the Planning Board for your consideration for inclusion in the Growth Policy. You can read on page three of the Growth Policy Executive Summary what I consider to be a grossly inadequate provision for infrastructure planning. I'm also placing on record for your reference my infrastructure management recommendations dated December 26, 2005. Thank you.

Alderman Ballas said, thank you, Mr. Walters.

Patty Kent said, I'm the Director of Housing and Development for the Western Montana Mental Health Center. I'm here to talk about and echo Mike's statement that we're really interested in implementing the recommendations and find the tools to develop affordable housing in the community. I think the important message here today is we need some tools that are mandatory. The non-profit housing developers that have spoken to you today only serve people who earn 0-80% of median income and that does take subsidy. But what doesn't take subsidy and what hasn't been happening in this town is providing home ownership for the essential personnel who serve us as policeman, teachers, nurses, ambulance drivers,

you name it, there isn't a house in this town that they can afford to buy. They are generally earning 80-120% of median. I can't help them, HomeWORD can't and NCDC can't but the private sector can and it's going to take a backbone in the community to say, "It's time, if you want to do business and develop a housing project of a certain size then you too will include housing for the people that work here and the people that serve us." Whether you want to call it inclusionary zoning or work force housing, take your pick, come up with something new, just do it because we can't serve them and the private sector can. We all know what it costs to put together projects. We do some of the most complex projects in this town because of the nature of the folks that we serve who have very little money. When construction costs go up, we can't pass those costs on. We're always juggling to meet a budget, to be able to serve those folks under 80%. What is important here is that you understand the private sector needs to participate and they can participate for those folks who are working in this community that need to be able to live in this community. Affordable housing in this community will affect the transportation issues as well that need to be, I would agree, a greater part of this Growth Policy. Both for low and moderate income folks, if you have to have a car to drive to work that is a huge part of your income. If we can somehow increase public transportation, provide affordable housing near the work place. We're going to take a big expense out of that family's income by requiring them to have a car to get to work. I would encourage you to look at the tools that have been suggested and make that a priority as well. Transportation and affordable housing. It can be done and I know we can do it.

Ellie Seagrist said, I live and work here in Missoula. First, I want to thank the Planning Board for working very hard to create policy for good growth in the Missoula area. Thanking the Commissioners and City Council for having this hearing. I've been teaching first-time home buyer classes for seven years here in Missoula and it used to be that we said the most common barrier to homeownership was finding the down payment money. However, in the past 3-4 years, I would say that I heard most often from the participants in the class is that the biggest barrier to homeownership is finding a home in my price range. I hear that over and over again. The average income of families who take the class and purchase the home in 2005 is \$28,000. They would be able to afford \$120,000 to buy a house. The median price right now for buying a house is \$190,000 or something. For the gap between that, can't be filled by financing a loan. The financing assistance that we get is needed and it is great to have that. I have one single mom in the class that I'm teaching right now and she's thinking that it is not possible to buy a house for another couple of years yet because she needs to save more money. Certainly by that time housing will probably be even more out of reach for her if we continue with the same rate. Another woman, a 55-year-old woman, who never thought she could buy a house; she recently was able to make it happen because she received some of the financing assistance here through Human Resource Council. And also the developer at Windsor Park was willing to sell the house at a more affordable price. Even though she says it is a stretch for her and she will probably have to find a second job, she's thrilled to be in that house. It took the combination of a couple of tools to make that affordable for her; the financing assistance and a developer willing to sell at a more affordable price. I urge you to view the complexity of this issue of affordable housing and know that even though we would love to say that there's one simple answer to take care of it, there's really not. It's too complex for that. We need a combination of tools to address the issue and I think we're on a good track of some of the ideas that are presented here; the inclusionary zoning, continuing the financing assistance that we've had. It's going to narrow the gap and make the homeownership more possible for the citizens and the County. As a citizen and not speaking from my experience at work, I don't necessarily like to see a lot of the growth that's happening in Missoula but it's going to happen and I know that. I want to see good, smart decisions where we use quality design standards so that it can fit in to our environment. The growth that's going to happen can include affordable homes so that the people who live here now can continue to live here and be able to buy homes. Thank you.

Jessica Letke said, 5th Street here in Missoula. I'm also a realtor for Portico Real Estate and have helped a lot with the NMCDs project at Clark Fork commons. We get a lot of phone calls of people who don't quite fit into that mold at the non-profit housing sectors able to fill. I also get a lot of my friends who work for non-profits, do great work and work very hard but don't make enough money to own a home. Other friends in service sectors in these kinds of fields that work very hard in Missoula and provide a great service to us but can't afford to own a home. I would encourage you to please consider such things as inclusionary zoning. I've done a lot of research and reading some of the policies that have happened in other parts of the country. They see me working; they see me stopping the urban sprawl, which is another issue – more of an environmental issue. I want to ask you to please consider such things as

inclusionary zoning and some of the other plans mentioned today to help bring Missoula some more affordable housing for those people who don't fit into the mold for such projects as Clark Fork commons.

Lee Clementon said, I serve on the City Board of Adjustments and have learned a great deal about zoning and some of the difficulties that are going on in Missoula. This entire issue has tweaked my interests because over the last few years there's been quite an uproar over a number of the tools that have been used and then challenged in court and then thrown out by judges. So I'm very cautious about given implements of tools for these processes. First of all, I'd like to bring up the fact that the one survey that we used is the one that was put on by the City of Missoula and that was the one that was used by OPG. Interestingly enough they didn't bother to look at this large survey that was done for the study commission. This one that was by Mr. DeBirg from Phoenix. He didn't have any local pressures on him. So you got a very reasoned result. I want to take a look at this because I looked at it last night – I said, wait a minute – growth management, 34% concern. These were top issues facing Missoula. Traffic congestion – 33%. Streets, sidewalks, lighting and maintenance – 15%. Economic employment development – 16%. Crime, prevention, law enforcement – 11%. Government, access and quality – 6%. Environment and conservation – 6%. Public education; more and better schools – 4%. Social services; housing, homeless, family assistance – 3%. City services – 2%. Preserving historical places and sense of community – 1%. Can't think of anything – 11%. I think it's interesting to play this in to the one survey that was done within the City. You're going to have a different effect. The question I have is; how many people are really putting affordable housing at the top of the list? I'm not sure that when you look through this survey that that comes through. It is a concern but there are other issues that are higher on the list. Since it was put together by somebody who wasn't affected by any interest within the City it's quite different. That brings us to one of the issues of affordable housing and it's got to be economic development. You've got to have decent jobs for people to be able to afford houses. If you're going to pay a mortgage, you've got to have a reasonable income. I taught – I was born and raised here – in California for 30 years. I've seen inclusionary zoning and it doesn't work. It's been dismissed almost summarily by the various communities that tried it. It was very ineffective. Sometimes whole communities tried to do it and at best they get six houses built. Their lowest income was \$60,000; that was considered low income. Wherever you go, you've got to assess; what is your affordability, what are the jobs, what can we bring to people so that they can actually afford them? The implementation is also tied to a very heavy political agenda. If it is pushed forward in a hurry it means that they can get it through for candidates for office, for the state, and also there's a determination that these growth policies will be made mandatory. I think it's very dangerous to take a document that hasn't been totally crafted out and make it mandatory. For example, if you've got density bonuses, which we've ruled illegal; PNCs, which are in the mix right now; expedited permitting; fast tracking permitting; you're going to immediately have litigation. There's no question about it because it comes back to the simple statement of the Montana Constitution. This is all political power vested in and derived from the people. All government of right originates with the people is founded upon their will only and is instituted solely of the good of the whole. Go back to inclusionary zoning, if you do inclusionary zoning, if you say 10% of the houses have to have affordable housing that means 90% are not going to be affordable. In fact, they're going to go up in price relative to the affordable units. Therefore, you're going to make it harder on 90% of the people to buy houses. It's a very simple mathematical issue. If you say that the developers can now put it in cash in lieu, they don't actually have to build affordable housing. That's going to go into a large slush fund. Who is going to make sure that that is used equitably, that that gets to the poor and isn't used by organizations that see it as an area where they can sustain themselves. This is very complex. Take your time. Please go out to the community, make several of these forms where they're Neighborhood Councils or Homeowners groups or heaven only knows where they are. But go out and talk to the people. When Billings did this, they had dozens upon dozens of meetings with the public. You don't have to rush through it. It doesn't have to be passed until next October. Take your time. Do it right. Make sure that the document you get is one that is actually going to work. Some of the folks here have vested interests and they do good work but we can't let the whole policy be driven by one special interest group. It has to reflect those other folks – that other 90% - who are going to try and buy a house. Thank you.

Celeste River said, I live at 304 Westview Drive. I don't have big comments. I haven't been studying this very much because I have a plate full that I'm trying to understand and help with besides this Growth Policy. Community Forum, Mike Barton came and gave us a presentation and I've been hearing it about a little bit. Something that has been of interest to me – I go to some of the Planning Board meetings and they've talked several times among themselves in the past year in reference to the Public Forum that they

held in December 2003. I see that it's referred to as their annual Public Forum of the Missoula Consolidated Planning Board. As far as I know, that's the last one – the most recent one that was had was in December of 2003. If it's an annual Forum, 2004 is missing and 2005 and now it's 2006. I have suggested to them several times to go ahead and have another Forum like that. It was a packed City Council chamber. You had to open the back end of the City Council chamber to add extra chairs and seats. It gave an opportunity for a wide range of concerns of the consciences of the community to be expressed in the Public Forum and not just over one issue or one subject like this Growth Policy but about anything that was on people's minds that they want to communicate. It was a good thing. I think I heard today that this Growth Policy, which I haven't read the whole package, someone was saying that there was something in there about deleting the paragraph calling for the annual Forum of the Planning Board. If that's deleted from the plan, even though it hasn't been held in the past two years, that's probably less likely to be held if it's deleted from your policy. The other thing I would like to say – one person referred to that boundary line relocation stuff occurring in May of 2003. I just know that it was May of 2004 because I didn't start going to meetings until the Planning Board Public Forum in December 2003. Just to correct that in the record. Also, something troubles me – Bob Oaks was saying that having that negative attitude that Growth Policy or plans don't have any teeth, it's a negative way to start. I do know that in something that I learned a lot about, the Hillside Design Standards, which is a zoning ordinance. The objectives that are listed at the beginning of those standards – my husband and I were told directly, face to face, that those words are merely fluff. They have no meaning. They're just nice thoughts. Those are clearly stated as the objectives of the Hillside Design Standards. I'm not sure if goals and objects are parallel, they sound pretty similar to me. It just troubles me to think that goals and objectives that people take a lot of time to think out and figure out how to state being merely fluff is – there is no substandard there then. I don't know what to do about that. Please help give roots and foundation to what it is you're planning. Thank you.

Linda Smith said, I was very fortunate to move here in the 70s when I could purchase a home and pay it off over a number of years on a working person's salary. And then in the 90s I participated in the citizen's growth management process that educated a bunch of us, about 50 of us, about growth management tools. I learned a lot about the importance of zoning as the basic tool that protect sensitive lands and provides direction for development. In the 2005 Growth Policy Survey that was commissioned as part of local government's commitment to update the Growth Policy, both City and County residents stated their belief that growth issues can be managed by local government and expressed the range of implementation tools; including protecting sensitive lands by regulation and adopting county-wide zoning standards. As a result of hearings and forums held by the Planning Board there were recommendations in order to prevent growth from outpacing the community's ability to address its impacts. A couple of them that I would single out; one, was adopting county-wide zoning standards that at a minimum addressed density and use; two, design districts recognizing differences among city urban edge and rural areas that will require different standards. All of the public comment referred to in the survey has strongly and consistently supported the identification and the implementation tools to mitigate the most urgent problems related to growth. Inclusionary zoning is the tool that specifically addresses the critical lack of affordable housing. It means a lot to know that our local officials are taking the lead in providing a small percentage of affordable housing in every development over a certain size, being approved once inclusionary zoning is in place. It reassures me that our leaders are helping this process roll on in some fashion. Hopefully we will be able to develop more ideas of that nature that we can add in but to get started now is the critical thing so the problems don't get worse. It is a commitment to ensuring the kind community that you want to see Missoula be in the future or families of all income levels are provided for. To do so, we want our elected officials to adopt and implement inclusionary zoning and county-wide zoning right away. Thanks.

Roberta Manis said, I wasn't going to speak but I bring you another personal example – I live in the city, in the university area. During the time in question about the price of the inflationary aspect of some of the infill tools that were referred to earlier by two other speakers. I have my own story to tell. My mother lived in another neighborhood and she had to go to a nursing home so it was necessary for me to sell her home. I called a couple realtors to come over to get some idea of what I could expect and they nearly salivated because it was not only a large lot it was on a corner. That is worth an extra \$70,000. I said, "Not to me." I ended up keeping it off the market until I had a buyer who understood what neighborhoods were about, what backyards are about and how fragile they are. I came out financially just fine as it turned out but I didn't want to contribute to something that I think has been so destructive in this community. Thank you. It was during the same time period that the gentleman spoke about earlier.

Robert Doore said, I wasn't going to do this but I feel that I have to. I'm with public affairs Director for the Missoula Organization Realtors. We do have a lot of information on housing numbers, specific issues. Last year, for example, we have in the housing report, which is on our website at Missoularealstate.com, new home construction about 501 in the area served. Instead of taking Mr. Lovely's bait and addressing some of the specific issues, we do have information that we would love to provide, sit down and talk to you about. The realtors don't salivate about a number of homes but we support affordable housing and protecting private property rights. We're very interested in education of these issues and getting public involvement. I want to say, "Thank you," to Ms. Kendall and some of the members of the City Council and OPG. We sat down and talked about public involvement and how we can educate on just a lot of times we're too close to things. The general community doesn't really understand what inclusionary zoning is. If you are walking down the street and asked what inclusionary zoning is, a large majority is probably not going to be able to answer. They're not here and not going to testify on what the Growth Policy is. We're really into the education of what these policies are and some of the tools. Instead of getting specific on for or against a specific tool, we do feel that the opportunity is there to work together on addressing housing for our children. Our report, the data shows that the housing is coming from within. It's not coming from out of state rich individuals, although, that warrants further investigation. The data we have shows the growth is coming from within. The article in today's paper by Bobby Struckman reiterates that fact in his interview with Larry Swanson. People want to live here. That's what we come to know. Change is constant. The "G" word or some people refer to it as "Growth" is here and now and there are tools out there available to us that we need to look at. We can tap into our resources as realtors. Some mandatory tools that are mentioned in the Growth Policy, the cost will be passed on to the buyer. I don't speak for the builders but we work closely with the builders and the developers and some of their concerns are that some of the tools, if they're implemented and mandatory, will eventually be passed on to the customer, which is our community. We need to seek alternative maybe incentives, credits, whatever you want to call them so that the private sector, we do step forward and sit at the table and offer these incentives and come up with the community-wide solution. We don't have the answers; we have data but we don't have the answers and we don't pretend to provide the data. I appreciate your time and thank you.

Alderman Ballas said, any other public comment? Seeing none. Bill, with your concurrence, I would like to call the public meeting to an end.

Alderman Ballas closed the public hearing.

Alderman Ballas said, I'll open it up, first of all, to City Council as to what you want to do. Don.

Alderman Nicholson said, thank you, Jerry. I've been one of the leading persons to say, "Let's not hurry and let's have plenty of meetings and let's understand this." Heidi's been very supportive of that and we have had meetings. I've taken the time and the trouble to get copies of the three public hearings that were held for the Planning Board. While they're personified and there were indeed three public meetings. At the first one, there were three people testifying. At the second one, there were five. At the third one, there were eight. The same person testified in all three of those meetings in one case about inclusionary zoning. We've heard more about inclusionary zoning than any other single subject. Today was no exception. I thought, well, and I said this – (inaudible) walked down the street and asked people, "What is inclusionary zoning." So I tried that. I walked down the street; I asked a sampling of people, "Do you know what inclusionary zoning is?" I got blank stares and not anybody knew what that was. So I said, "Well how about transferable development rights?" Same response. 100% of the people I asked didn't know what either one of those were. Until we can educate the public and I don't care how many meetings we have until we can get some kind of educated response to those kinds of critical questions to my mind, we have not done the job good enough because those are – well, they're not mandated in the Growth Policy but they certainly are suggested. They're new ideas that are posed. Perhaps there will be wonderful things to do but until people really understand it, I for one, am not prepared to move ahead. So I'm glad that Jerry has said that we'll take this back to Council for more discussions. I have probably 20 or 30 questions on points like these that I want to have clarified. Thank you.

Alderman Ballas said, Don, I'll take that as the Council's motion to return this to committee.

Alderman Nicholson said, oh, I thought you did already?

Alderman Ballas said, no, I was just stating a fact. I was looking for action from Council.

Alderman Nicholson said, yes, that's my motion.

MOTION

To send this back to PAZ Committee.

Alderman Nicholson moved to send this back to PAZ Committee.

Alderman Ballas said, is there any other discussion that the Council wants to have at this time? Then Council action is that we will take this back to committee and continue our discussion and community discussion. Then the Council meeting is closed as our order of business has ended.

Chairman Bill Carey said, the Board of County Commissioners will continue to meet. We'll give you a few minutes to pack up if you'd like. Thanks for coming. Don, I heard a term the other day that might help. They referred to it as an affordability bonus for the developer. Include a couple of affordable homes; we'll give you a bonus of a couple of homes.

(BREAK)

Chairman Bill Carey: At this point now, in the Board of County Commissioners meeting, we offer the opportunity for public comment? I'm following the agenda I have here. According to Mike Sehestedt we have to ask – the City needed to ask for public comment and we need to ask for public comment.

Commissioner Curtiss: I thought that was the public comment –the second public comment would follow that completion of your action today on the Growth Policy.

Commissioner Evans: I think that's correct.

Chairman Bill Carey: Okay, so we just didn't have that in there.

Commissioner Curtiss: Because our attorney was tied up in a federal court case today, I asked that if we adopt this – our system of doing things is different than the City's. We adopt an intent to adopt then a resolution of intent to adopt and then we have a period of time and then we finally adopt. My question was, can we do some small amendments in the meantime and we believe we can.

Chairman Bill Carey: Right. Is there a motion then – or further discussion? Did you want to say a few things?

Commissioner Evans: The major thing that I want to say on the record is that this is not a regulatory document. It is a guiding document. There may be amendments made in the future. Someone mentioned Hillside Regulations and we adopted those with the full intention of fixing them up after we adopted them and we never fixed them up. I hesitate to adopt anything up front with the idea that we'll fix it later because that doesn't always happen. This is simply a guiding document and I think we've spent a fair amount of time on it. Many of the suggestions that were made today are not legal. So certainly I wouldn't consider those. In regards to the inclusionary zoning, Bill has a word called "affordability bonus" that I think the City Council is familiar with because you've done density bonuses and had quite a reaction to that. I'm willing to look at it. It is included in the document as inclusionary zoning to be looked at. I'm willing to look at it but I want it clear on the record that it is not a regulatory document and that I'm not supporting it at this time as a regulation.

Chairman Bill Carey: Thank you, Commissioner. Commissioner Curtiss?

Commissioner Curtiss: I too want to reiterate that it is a guiding document and we've been told, and the state law says, we can't use it as a regulatory document. The County, I think, is going to move our system forward a lot faster than the City just because our staff that is working on this is one of our Rural Initiative Staff, Nancy. We have some priorities there. we feel because it is a guiding document as long as we've covered all the tools that people think are necessary, implementing them will be a whole other

process but it's not a priority for us to continue to bat it around and word smith it. I think we'll move forward a lot quicker. One of the people today mentioned moratorium. We had the opportunity to attend a workshop in Colorado put on by the Sonoran Institute dealing with growth. The one thing they said about a moratorium is that you can have a moratorium if you've identified some things that need to happen but only if you can fix them or if you put the effort forward to fix them at the same time. Some of the things like the transportation; we all know how much it costs to fix the transportation issue. We could only put a moratorium on it if we were really going to pour some money and energy into fixing that. I think a moratorium is probably not as practical as some might think. I think that having an inclusionary zoning in here as a tool is a good thing to have. It doesn't make it mandatory. If we decide that that is a tool that we want to make mandatory then there a whole other process to go through where people would have plenty of input. The Growth Policy can't cover everything. People even talked about the noise of vibration as they work on the highway, I don't think the Growth Policy is the place to deal with that. I also wanted to state that the survey that was referred to and used by staff, was not a City survey, it was a survey that was requested by the planning policy committee, which had representatives of the City and the County as well as the Planning Board. It was done by the University of Montana the Bureau of Business and Economic Research, is that right? Using questions – the City and the County got to look at it, both governing bodies at the questions. We tried to make the questions as open-ended and nonbiased as possible. It has a statistical validity and probably asked questions in a totally different way than the ones that the Study Commission did. It wasn't something that the City was pushing. On that note, unless somebody else wants to make comment, I'm ready to make a motion.

Chairman Bill Carey: Fine.

Commissioner Curtiss moved that the Missoula County Board of County Commissioners adopt a Resolution of Intention to adopt the Missoula County Growth Policy 2005 Update as amended by the Planning Board and as amended by the Board of County Commissioners today, which the two things that we had requested and Nancy put out earlier, which was to add some headings to the Executive summary to make them more clear and to delete that one paragraph that was in the 2002 Growth Policy that talked about having an annual Forum. I'll speak to my motion when I'm done so I can explain that. And then with additional appropriate factual corrections understanding as determined by the Board of County Commissioners can happen between now and the time we finally adopt. Commissioner Evans seconded the motion. The motion carried on a vote 3-0.

Commissioner Curtiss: Just to clarify, the reason we were taking that paragraph out is that we have limited staff, we have reorganized OPG so that we can make sure that we have all the staff needed working on the current planning subdivisions and zoning but the people who end up working on the Growth Policy and staffing some of the things the Planning Board does would be our Rural Initiative Staff. We just want to have a little bit more say about how much staff time would be taken by doing that. The Planning Board can always have a Forum and I think it's probably a good idea.

Chairman Bill Carey: Thank you. Now I can ask for public comment on anything that's not on today's agenda? Seeing no one step forward. We'll go to Routine and Administrative Actions total of claims lists approved, \$108,755.48.

Commissioner Evans move to approve. Commissioner Curtiss seconded the motion. The motion carried on a vote 3-0.

Chairman Bill Carey: Any other business to come before the Board. We're in recess.

Recess 3:47 p.m.