



## **QUESTIONS FOR CITY/COUNTY STATE OF MISSOULA ADDRESS**

**JANUARY 27, 2009**

**1. FACED WITH A ZERO RESERVE GROWTH OR EVEN A SHRINKING BUDGET, WHAT STEPS ARE BEING TAKEN BY LOCAL GOVERNMENT TO MAINTAIN A CONSTANT LEVEL OF ESSENTIAL SERVICES WHILE CONTROLLING PERSONNEL AND ADMINISTRATIVE COSTS?**

Missoula County: Because most new property tax revenue comes from the value of new construction, we have been positioning ourselves for the eventuality that growth would slow, although it has slowed much faster than we could have predicted. Over the past few years, we have committed ourselves to keeping our cash reserves at adequate levels to insure we have adequate resources should revenues decline in the short term. Additionally, we have taken great care to ensure that the growth in ongoing expenditures does not exceed the growth in ongoing revenues.

We have already taken steps to reduce expenditures in this fiscal year, especially in development related activities where revenues are expected to be less than projected. Positions have been eliminated and vacancies unfilled in Public Works, the Office of Planning and Grants, and the Clerk & Recorder's Office. We expect to start the FY2010 budget process in February (two months earlier than usual) in order to allow more time to prioritize activities since we expect the reduction in revenue growth to last for several years. We will need to continue to ensure that our ongoing expenditures do not exceed our ability to pay for them on an ongoing basis.

**2. WITH HOUSING COSTS BEYOND THE MEANS OF MANY MISSOULA'S WORKFORCE MEMBERS AND THE PRECIPITOUS DECLINE IN THE CONSTRUCTION INDUSTRY, HAS THERE BEEN ANY CONSIDERATION TO A TEMPORARY ABATEMENT OF IMPACT AND OTHER CONSTRUCTION FEES?**

Missoula County: The County has postponed its impact fee initiative since our Capital Improvement Program has been put on hold. As we continue to investigate our options for capital facilities to solve our space problems, we may reconsider impact fees if an appropriate project presents itself. The County intends to continue with its building code inspection fees, but it should be noted that these fees are only used to pay for the cost of the program. No indirect costs are allocated to the building code program.

**3. WHAT ARE YOUR THOUGHTS ON THE NEED FOR AND THE LOCATION OF A YEAR ROUND, ALL WEATHER EXPOSITION CENTER FOR MISSOULA?**

Missoula County: The County is supportive of considering an “exposition center” as part of the planning process for the Western Montana Fair. A facility like this could be an asset to the Fair as well as for the entire community. However, we need to ensure that any option being considered under this planning process contributes to solving our problem: that the Western Montana Fair is not financially sustainable. We commend the Chamber for taking this issue on as a priority and we look forward to participating in the process and the information gained in its feasibility study.

**4. ARE THERE INITIATIVES UNDERWAY TO ATTRACT NEW HIGH QUALITY JOBS TO MISSOULA? AND HOW IS THE NEED FOR COMMERCIAL SPACE BEING ASSESSED DURING THE ZONING AND URBAN FRINGE DEVELOPMENT AREA (UFDA) UPDATE / REVIEW PROCESS?**

Missoula County: The County’s development park has been very successful at creating the infrastructure needed for light industrial, commercial, and technology-based business and we will continue to try to recruit quality tenants for that park. The Urban Fringe Development Area growth policy update only dealt with residential growth. However, we will potentially look at commercial needs in the urban area for the next growth policy update.

**5. THE RUSSELL STREET PROJECT: CAN YOU GIVE US AN UPDATE AND A PREDICTION FOR WHERE IT GOES FROM HERE?**

Missoula County: Not Applicable