



2017 City Council Candidate Questionnaire

The Missoula Organization of REALTORS® is the voice of the Missoula real estate industry. Our more than 600 members would like to know your thoughts on important issues that affect them. We thank you for being specific in your responses.

MOR has endorsed candidates in past elections, and may do so in these elections. If we consider an endorsement in your race, we may ask you and your opponent(s) to each meet with us for candidate interviews. Endorsement decisions are made by the Board of Directors.

Please return the questionnaire by **Friday, July 28** to Sam Sill at ssill@missoularealestate.com.

BACKGROUND

Name: Jordan Hess
Office You Are Seeking: Missoula City Council, Ward 2
Mailing Address: 834 Sherwood St.
City & Zip Code: Missoula, MT 59802
Phone: (406) 552-4050 *Email:* jordan@jordanhess.com

CAMPAIGN ORGANIZATION

Treasurer's Name, Address and Phone Number:

Katherine Painter
834 Sherwood St.
Missoula, MT 59802
(406) 546-9526

Will you accept PAC contributions?

On a case-by-case basis, yes.

ISSUES

- 1) *The median home price in the Missoula urban area increased from \$209,700 in 2012 to \$255,000 in 2016. Over that same period, the median income for a four-person family in Missoula decreased from \$62,800 to \$61,600. As a result, homeownership is increasingly out of reach for many Missoula families. This rapid increase in home prices is primarily because of a shortage of homes in affordable price ranges. This shortage is due in part to increasing costs of land, lot development, infrastructure, and building*

*costs. To address this lack of affordability, the City of Missoula formed the Office of Housing and Community Development and intends to formulate a city housing policy. For this policy to be successful, it must be arrived at through private and public sector collaboration, and focus on both regulatory reform and development incentives. **As a member of the City Council, which specific policy changes, if any, would you support to help increase the affordability of housing?***

As one of only two renters on the City Council, I'm acutely aware of the costs of housing. I struggle, with a professional job and a Council stipend, to afford home ownership, and I recognize my position of relative privilege. We need to increase housing stock and encourage wage growth to address this problem.

Our process of developing a comprehensive housing policy will inform my specific policy objectives. In creating the Office of Housing and Community Development, the City took the necessary first step to crafting a housing policy: devoting money and staff resources to studying the issue, identifying partners, and identifying best practices. It is impossible to make sound policy decisions absent a wealth of good information, and the Office of Housing and Community Development is rapidly assembling that knowledge base.

I'll support a collaborative approach to creating a comprehensive housing policy that consults with and involves private and non-profit developers, housing advocacy groups, realtors, transportation professionals, property managers, social service providers, and others.

I'll reserve judgement on specific policies until we have a larger body of research and ideas, but I do think that a housing policy will include a mix of incentives and regulations. It will necessarily alter how we spend impact fees, gas tax, and tax increment financing; how we regulate development through Title 20; how we allocate Community Development Block Grants (CDBG) and HOME Investment Partnership (HOME) funds; and more.

- 2) *How to best preserve agricultural land continues to be a subject of debate. In 2016, Missoula County Commissioners unanimously rejected a proposal to require developers of lands with soils designated as important to agriculture to pay a per-acre mitigation fee or set aside one acre of similar land for each acre developed. A coalition of the development community, business community, farm families, and a conservation group opposed the proposal because it would create an undesirable development pattern, hurt farm families, worsen housing affordability, and jeopardize voluntary conservation of agricultural land. Consider how such a policy would fit the urban fringe area where we have already invested in schools, parks, trails, roads, sewer, and other infrastructure. **Should the City of Missoula adopt regulations similar to what was proposed for the county in order to preserve agricultural land? Or should the city focus on supporting voluntary conservation efforts?***

The correct approach lies somewhere between the County's proposal and the status quo. As a community, we must come up with tools to protect agricultural lands and promote infill development.

First, we need to actively pursue voluntary conservation efforts, supported by non-profit partners and open space bond funds. In recent months, we've had several successes in preserving working agricultural lands through voluntary measures.

Second, we need to continue to promote and incentivize responsible, attractive, livable infill development. While I'm very supportive of efforts to increase density, we need to make sure we do so in a manner that preserves the character of existing neighborhoods.

We also need to plan for and accommodate a reasonable amount of greenfield development, but we should make sure this development does not strain existing infrastructure.

- 3) *Inclusionary zoning is a controversial policy tool some local governments have used to try to increase the supply of affordable housing. Essentially, a jurisdiction changes its zoning to require that a certain percentage of housing units within a proposed development are affordable for lower income consumers. In some cases, the developer may be granted a density bonus or other regulatory incentives in return. Critics say that while inclusionary zoning may create affordable housing units for a few, the cost of these affordable units is passed on to consumers of market rate housing. Consequently, in the eyes of its critics, inclusionary zoning may not help or may even worsen the housing affordability issue it was designed to address. **Is inclusionary zoning an appropriate policy tool for addressing Missoula's lack of housing affordability?***

Inclusionary zoning has become a loaded term. There are many zoning tools that fall under the umbrella of inclusionary zoning and the success and applicability of these tools vary widely. In general, I recognize the need for a mix of regulations and incentives. Some of these tools will certainly be regulatory in nature, and these may include some degree of inclusionary zoning as permitted by state law. More likely, there will be a mix of incentives, tax increment financing, and other tools applied:

- All projects that rely on tax increment financing should contain a substantial affordability component to create a public good.
- We can reduce NIMBYism by creating high-quality multifamily design standards. People rarely complain about living next to a Homewood development because their projects are attractive and integrate well into existing neighborhoods.
- Density bonuses, waivers of plan reviews costs, and other tools should be explored to incentivize affordable housing development.
- We need to support and incentivize community land trusts and other mechanisms for permanent affordability.

- 4) *Property taxes are the primary source of funding for Montana cities. The City of Missoula's property tax rate has steadily increased since the end of the recession. Consider the balance between providing services and infrastructure and city taxpayers' ability to pay. **In your opinion, has the City of Missoula struck the right balance?***

I believe, unequivocally, that the City of Missoula provides a high level of service at exceptional value to its residents.

The City of Missoula, like nearly all cities and towns in Montana, is stuck with one revenue source: property taxes. Two factors have been constants throughout my tenure on the City Council—people continually request higher levels of services and people ask for relief from increasing property taxes. The bottom line is that we cannot provide an adequate level of service and maintain low property taxes. This situation is not confined to Missoula. Counties and municipalities around Montana struggle with this issue.

Apart from reducing the level of services provided, most alternatives to property taxes must come from the Montana Legislature through additional state assistance and a diversification of revenue sources available to municipalities. According to Census data, 46% of Missoula County employees do not live within Missoula County. These employees are drawn to our jobs, use our roads and services, and create impacts that must be mitigated through local tax revenue. Additionally, millions of tourists visit our state each year and make discretionary purchases at local establishments. We need to find a mechanism to capture revenue from visitors and commuters to reduce our dependence on property taxes.

While we have not struck the right balance with property taxes, we need to focus on diversifying municipal revenue streams. In 2017, an unlikely coalition of infrastructure advocates shepherded an increase to the state's gasoline tax through the Legislature. I hope that in the next session, cities and towns can successfully advocate for a local option tax or other reforms to our revenue options.