



2019 City Council Candidate Questionnaire

The Missoula Organization of REALTORS® is the voice of the Missoula real estate industry. Our more than 700 members would like to know your thoughts on important issues that affect them. We thank you for completing the survey.

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 MOR Board of Directors.

Please return the questionnaire by **Friday, July 26** to Dwight Easton at deaston@missoularealestate.com.

BACKGROUND

Name: Heidi West

Office You Are Seeking: City Council, Ward 1, Incumbent

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CAMPAIGN ORGANIZATION

Treasurer's Name, Address and Phone Number: Heidi West for Ward 1, Erika Voss Hickey, Treasurer, 4230 Placer Lane, Missoula, MT 59802

Will you accept PAC contributions? Yes - assuming there is continuity between my values and those the PAC represents

ISSUES

- 1) Between 2014 and 2018 the median home price in the Missoula urban area increased 28.9% from \$225,000 to \$290,000. Over that same period, the median income for a four-person household in Missoula increased 8.6%, from \$64,800 to \$70,400; however, the affordability index declined from 122 to 93. 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. The City of Missoula Office of Housing and Community Development recently presented a city housing policy. The policy outlines several private and public sector

regulatory reform and development incentives. **As a member of the City Council which specific policy changes would you support?**

For the past two years, at the North-Missoula Community Development Corporation (NMCDC), I worked on a single affordable home ownership project, Lee Gordon Place, which brought seven units reserved for low-moderate income households, to market in May of 2019. This project is one of four developments in the NMCDC's Community Land Trust. I support for expanding the use of **Community Land Trusts** as a way to preserve an affordable housing stock within our community, but since this is what I do for work, I would like to focus on other parts of the housing policy Lee Gordon Place was initiated with a very generous land donation in 2015 and took time, hard work, many dedicated people, and funding sources to bring to fruition. While 7 homes have a huge impact for the 7 households that now call them home, it does not meet the need for safe, affordable housing options, even when placed in the context of all the work being done by public and private partners on this issue. We need additional tools to produce and preserve the number of affordable homes needed in Missoula.

The current policy sets a framework and intention, but much of the actionable and critical policy details, are still to come. It is vital that in this process we intentionally expand on the inclusion of people directly impacted by the lack of affordable housing options. I support the housing policy as it stands, but also believe that it isn't perfect, that there is always room for improvement, and there is room to be daring when dealing with an issue of this scale. I support the creation of a **Housing Trust Fund** that is supported by a variety of funding sources. Relying solely on Federal and State funding sources as to develop affordable housing comes with risk, competition and unpredictability. The almost annual suggestion by Congress to cut HOME and CDBG funds, or the state level allocation of 9% tax credit funds to communities outside of Missoula does not reflect the reality of Missoula's housing needs. Having a local funding source, with less bureaucratic hurdles, and more predictability would make affordable housing development quicker, less costly to the developer, and more responsive to immediate needs. In the short term, I support the creation of a **Landlord Liaison Position** within our community who would be a resource to existing landlords and support them if they choose to rent to housing voucher holders. This should be paired with a **Risk Mitigation Fund** to be able to intervene on behalf of the property, the renter and the owner. I strongly support the inclusion and expansion of the relationship between the **Missoula Redevelopment Agency** (MRA), developers and the City to address affordable housing. The MRA has partnered with the NMCDC, Homewood and the Missoula Housing Authority to build affordable homeownership and rental options. Finally, the housing policy essentially suggests a **Voluntary Inclusionary Zoning** framework. It is imperative that the resulting development is tracked and evaluated to determine if it is meeting overall community goals.

While I know the existing policy deals, well, with housing, there are three main issues that should continually be voiced in this context:

1. Low Wages
2. The high cost of childcare
3. The cost or ability to access Healthcare

For a significant portion of our population there is also a fourth looming issue: student debt. While the solutions that can be written into the Missoula Zoning Code, will not be able to address these, it is important to continue to highlight the complexity of housing attainability.

- 2) Inclusionary zoning (IZ) 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 be offered at below market price for lower income consumers. In some cases, the developer may be granted a density bonus or other regulatory incentives in return. Proponents argue that market-based incentives are not effective in creating affordable housing units and cities must mandate IZ to increase stocks. Critics say that while IZ may create affordable housing units for a few, the cost of these affordable units is transferred to consumers of market rate housing. Consequently, in the eyes of its critics, IZ may not help or may even worsen the housing affordability issue it was designed to address. **What is your opinion of inclusionary zoning and is it an appropriate policy tool for addressing Missoula's lack of housing affordability?**

Inclusionary Zoning Policies are tailored to each community, and there is no one size fits all policy that Missoula could copy and adopt. I support Inclusionary Zoning, and think that Missoula can learn from many other communities that have put these policies into place and use their experience to create a more advanced reiteration of IZ informed by the shortcomings of existing policies, but is defined by our unique development patterns, by our unique community pressures, and is creatively incentivised. In this way - everyone can be a part of providing housing for all Missoulians.

- 3) Physical and regulatory constraints on developable land including flood hazards, the Airport Influence Area, slopes greater than 25%, farmland of importance, public land, land under conservation easement, managed land, and developed land, leaves approximately 6% of land in and around the city that is suitable and capable for residential development. Providing over 60,000 jobs, Missoula is an employment anchor in western Montana, but a quarter of Missoula's workforce lives outside Missoula County. Having a large percentage of Missoula's workforce that commutes causes monetary and social costs. These costs include fuel and vehicle maintenance, road maintenance and replacement, congestion, pollution, long commute times, quality of life and community character, health and environmental concerns, and worker productivity. Further, it is estimated that the lost property tax from commuters who live outside of the county is approximately \$6.6 million per year. **As a member of the City Council, which specific policy changes, if any, would you support to increase development in Missoula?**

There are many reasons that households may choose to live in the county and commute into Missoula to work and these choices may not be altered by increased development within the city limits. When I consider the spectrum of choices my personal friends have made in locating in the county over the city the availability of affordable housing in Missoula is not always a factor and the individual situations are often complex: situations where one spouse works in Missoula and the other in a neighboring community; the ability to have large livestock such as

horses and pigs; to space to run agricultural side businesses; or the proximity to public land. It is important to consider why people choose to live in the county to best determine how Missoula as a city can address development that effectively encourages those that want to be located within the city to make that shift.

However, I do agree that having a large percentage of Missoula's workforce that commutes causes monetary and social costs and that these costs include fuel and vehicle maintenance, road maintenance and replacement, congestion, pollution, long commute times, quality of life and community character, health and environmental concerns, and worker productivity and that these commuters (or tourists for that matter) do not contribute to our local infrastructure in proportion with their use. Not all of these issues should be or can be addressed through development alone, for example solutions could include a more robust commuter system, a shift to telecommuting, etc. .

However, regulatory constraints on the development of floodplains and steep slopes exist to protect both people and property and the health and wellbeing of our citizens and fragile ecosystems needs to be protected within the development framework. In to the future, building within the floodplain should continue to be highly regulated, however, building on steeper slopes could be a and option for development if the supporting infrastructure can be installed, operated and maintained safely to serve homes built on a steep site. Access to open space and the protection of prime agricultural soils is also a needed component of having a resilient and sustainable future as a community.

All of these needs and realities need to be balanced and considered as a part of the process of development. It is needs to be recognized that not all development is equal, that each development process is unique, and that the long term quality, sustainability of a product is important to solving our community needs now and into the future.

- 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 and recently Missoulians have expressed surprise at increases in property tax assessment values by the Department of Revenue. 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?**

We purchased our home shortly after the economic downturn, from an acquaintance who took a gamble on a first and second mortgage during the (former) peek of the Missoula bubble, and wanted out of a precarious financial situation. At the time, my family qualified for food stamps, WIC and the Low Income Energy Assistance Program, but we also had the privilege of having access to intergenerational "wealth" in the form of a gifted down-payment that allowed us to purchase a reasonably priced, fixer upper, on the Northside of Missoula. (I use the term intergenerational wealth in the context of someone having just enough money to invest in someone else's future, not in the context of being wealthy.) For the first few years that we owned our home we qualified for the Property Tax Assistance Program. Through patience, planning, saving, sweat equity and a touch of desperation we are in the process of remodeling and improving the small fixer upper we initially bought. These improvements, as well as higher property valuations issued by the State of Montana Department of Revenue, have resulted in a significant increase of my property taxes. Just like many, when I opened the envelope this spring, I was initially shocked. However, property taxes are not money that I pay for nothing, they are a multitude of things that I and my family benefit from - they are the parks and trails, the

schools my kids attend, jobs in our community, our city streets, the first responders that come when we need them most, and many supportive services that have allowed us to thrive in this place we have chosen to be home.

The annual city budget is a hard process. We are a growing city, in a desirable location, with aging infrastructure. Every year there are parks and trails that don't receive adequate maintenance funding, or positions that should be created and get postponed to the future, and asks that never even make it before the city council body. The phrase - "right balance" between funding city government and the cost to "city taxpayers" because it infers that there is a defined right that we are working toward or that taxpayers only pay city taxes and that those who pay taxes are more valued in our community. The relationship between households and the increased property valuations is unique to each individual - for example - the increased valuation of my property has allowed me to take advantage of that equity to take out a substantial Home Equity Line of Credit for home improvements which has had a positive outcome on my overall living condition, while the same increase of value can be very challenging for a retired individual on a fixed income. While there are tax relief programs available on the state level, we are an equal taxation state, and that does not allow city governments to alter the impact of the property tax burden on a local level. As individuals representing our constituency we are all aware of the challenges of our system, but as a council we are tasked with providing services to and protecting the health and safety of all of our citizenry. We spend months debating specific items and asks and voting on individual line items. By the time the final budget comes to the Monday night vote. As an individual, I am not always 100% happy with what items did or did not get included in the budget, but am also a 100% confident that the council as a whole has deliberated the validity of and the responsible use of taxpayer funds for the items up for the final vote.

Last year, we were in the council chambers, long past midnight listening to public comments on the city budget. People voiced valid anger, concerns, and fears. They all spoke a truths about their own lives and lived experiences that spoke to huge problems present in our society - the cost of housing, the cost of healthcare, the burden of debt, the unfair competition of local wages in a national market, the loss of access to mental health services - it was a long and hard night - but a simple solution based in property taxes does not exist. Property taxes, and voter approved bonds, are the only sources of funding a local government has, and the only way we can provide essential health and safety services for our citizens, and especially when funding of services are cut on the state and federal level, local municipalities not only bear additional financial costs, but also bear witness to the increasing challenges born by individual people.

- 5) City Council recently passed a resolution in support of Missoula County's federal BUILD grant application to help fund streets and infrastructure west of Reserve Street between Mullan and Broadway. Support for the resolution, at the committee level, was not unanimous and there was discussion regarding where development infrastructure should be targeted. **What is our opinion of the BUILD grant request and how much involvement do you believe the council should take in coordinating growth policy with the County?**

Funding sources and opportunities for large infrastructure projects are limited. While competing on a national scale to fund individual projects through competitive grant applications may not be the ideal way to secure funding, it is one of the few options local governments have to bring outside funds to a project. Operating within this reality, it is to the benefit of both City and County residents, that these overlapping jurisdictions work together to pursue opportunities as they arise. The short deadlines of the granting cycle, require that project ideas are put together quickly.

The area West of Reserve, between Mullan and Broadway, is lacking in infrastructure and has been an issue that is raised by the neighborhood repeatedly in committee meetings over my time on council in the context of the proposed Costco relocation, and a variety of residential projects that have come before the body for a variety of reasons. The lack of infrastructure is a reality for this neighborhood and needs to be addressed. It is also important that the quality of life, infrastructure, and delivery of services within the checkerboard of city and county is comparable and contiguous. This requires the collaboration of the city and county in meeting the goals of Missoula's Growth Policy as well as the County's Land Use goals.

While the BUILD application may not have been perfect, it was a solid proposal created within the time and ability allowed by the proposal process. Should this proposal be funded, additional time, resources and community involvement on both the county and city level can define the microlevel details of a macro level vision.