Comments Received on Draft Options Paper
Funding for Growth Policies
as of July 10, 2000

MONTANA ASSOCIATION
OF REALTORS®

REALTOR® *The Voice for Real Estate™ in Montana*

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July 10, 2000

RECEIVED
JUL 10 2000
ENVIRONMENTAL
QUALITY COUNCIL

Mary Vandenbosch
Legislative Environmental Policy Office
P.O. Box 201704
Helena, Montana 59620-1704

Re: Funding for Growth Policies

Dear Mary,

On behalf of the Montana Association of Realtors® (MAR), I'd like to thank you for the opportunity to comment on the Draft Options Paper entitled "Funding for Growth Policies". We appreciate the work you, and the members of the Subcommittee have done to address this important issue.

STATE FUNDING

As you know, our Association believes that growth planning is best accomplished at the local level. We recognize growth planning does have an associated cost, and that local governments may not always be in a position to bear the entire expense.

However, we approach the concept of having the state play a larger role in funding local growth planning with some caution. While there are always exceptions, it has been our experience that whether it be federal money flowing to the state, or state money flowing to the local level, ultimately there is a risk of having strings attached to those funds. We would not be comfortable with creating a situation whereby more state funding became the vehicle for more state regulatory requirements. Regardless of the funding source, any language directing an increase in state appropriations would need to clearly establish the state's intent to defer to local governments with regard to growth planning.

As to the lodging facility use tax, MAR neither supports nor opposes its use as a source of funding for growth planning.

The public does benefit from a well-planned community. The public should also share in the costs of that planning. Although the Subcommittee has not proposed imposing a realty transfer tax for purposes of funding local growth planning, our Association would like to affirm our opposition to such a tax. We do not believe it is fair for either the homebuyer or the seller to bear the costs of a program that benefits the entire community.

GRANTS

If additional state funding were provided in the form of competitive grants to cities, towns and counties in a manner that recognizes the need to be flexible at the local level, encourages partnerships and allows limited public resources to be better leveraged, we believe the concept merits more discussion. The drawback is that not all communities have the expertise or resources to complete in that process. It may be an appropriate role for the state to consider not only what it should provide in terms of funding, but also what additional resources it can offer in terms of shared expertise.

LOCAL FUNDING

MAR does support local option taxing authority on the condition that these taxes are approved by the voters, have definite sunset provisions, and are designated for a very specific purpose.

In closing, let me again express our appreciation for the Subcommittee's efforts to date. We look forward to discussing these and other issues with you in the future.

Sincerely,

Peggy Olson Trenk

Peggy Olson Trenk
Government Affairs Director
Montana Association of Realtors

Vandenbosch, Mary

From: Candi Beaudry [sgplanning@mcn.net]
Sent: Friday, July 07, 2000 1:46 PM
To: Mary Vandenbosch
Subject: Funding for Growth Policies

In response to the questions on page 22:

D1: 40% of our total budget is spent on long-range planning ~$29,600. Would like to see at least $25,000 per county (Class 5 and 6) available per year. Counties should be identified by class because it relates to total revenue.

D2: 50% is too low. Amounts to a token gesture. Up to $50,000 or 75%, whichever is less.

D3: No change

D4: Both Growth Policies and Implementation should be eligible. Implementation activities would qualify if they have been clearly identified in Growth Policy. Planning doesn't stop with the plan, we need to fund revisions of regulations, preparation of guidelines, and manuals. None of which are eligible under any other program (I don't think).

D5: I've yet to hear of a Growth Policy being completed in one year, two years is more the average. Why make it hard on the grant recipient. Keep it simple and realistic. Change the timeframe to two years with a one year extension.

Thanks for the opportunity to comment.

One other thing. In Sweet Grass County we are including as a implementation strategy to lobby for a realty transfer tax. We see this as a way to address upfront impacts related to subdivisions and development. A one time tax would be equivalent to an impact fee. The state could skim off some and the rest should be used for capital improvements, equipment and long-range planning.

Best regards,
Candi Beaudry

MONTANA TOURISM COALITION

July 10, 2000

Mary Vandenbosch
Legislative Environmental Policy Office
P.O. Box 201704
Helena, MT 59620-1704

Dear Ms. Vandenbosch:

To put it plain and simple, the Montana Tourism Coalition opposes the use of Bed Tax dollars to fund local growth policies.

As an industry we understand the need for planning. Travel Montana and individual tourism businesses are constantly preparing marketing plans to predict what will work in the years ahead. Communities are also charged with making sure they are planning for their future and taking care of their citizens in the here and now. Unfortunately, many communities have fallen behind in this task and are now faced with problems which, no doubt, led to SB 407 and current discussions of the Land Use/Environmental Trends Subcommittee of the EQC.

Growth or lack of growth in communities occur for a myriad of reasons with tourism not necessarily being involved. Bed Tax dollars bring nonresident money into communities for their economic benefit, we do our part in this way. The industry also contributes through business taxes and in ways that are often overlooked. For example, tourists pay approximately 35 percent of Montana's gas tax. These tax dollars are used in a variety of ways to pay for services we all use.

MTC feels that using Bed Tax dollars for local growth policies presents an unreasonable burden on the tourism industry and clearly does not meet statutory criteria. In reading the subcommittee's proposal we see too many similarities to SB 407 and we, again, see a lack of effort on the subcommittee's part to include the tourism industry in your preliminary discussions. Based on the above reasons and our opposition to SB 407, we would likely oppose similar legislation in the upcoming session.

Sincerely,

Amy Sullivan
Executive Director

Post-it® Fax Note 7671
To Mary Vandenbosch
Co./Dept.
Phone #
Fax #
Date 7/10/00
# of pages ▶ 2
From Amy Sullivan
Co.
Phone # 443-7838
Fax # 449-9618

Department of Commerce response on *Funding for Growth Policies*

The goals of the Land Use/Environmental Trends Subcommittee are commendable. Local governments in Montana are facing a challenge in planning for growth and land use policies in our communities. The Department recognizes that this issue is of importance, and that a stable funding mechanism needs to be found for these activities. Our comments are addressed at the suggested funding methods, and specifically on the use of the Lodging Facility Use Tax to finance this proposal.

The purpose of the Lodging Facility Use Tax, as adopted by the 1987 legislature and reviewed by each subsequent legislature was to promote Montana as a vacation destination and a location for filming. The rationale for creating the tax was to generate a stable non-general funding mechanism to allow the state and local tourism regions to promote our attributes to non-resident guests. Montana in the mid 1980s was facing dramatic budget deficits and a decline in virtually every major sector of our economy. The 1987 "Bed Tax" legislation was developed in partnership with the tourism industry to address a specific need (promotion) in order to have a positive impact on our overall economy.

In a nutshell, it worked! Non-resident travel has grown to be the 2nd largest sector of our economy, and the only basic industry in Montana that has seen sustained steady growth through the past decade. Through targeted and well focused marketing efforts, the state has been able to get its message out as a desirable vacation destination. There has been a significant increase in the number of jobs created, construction of facilities, improvements to our transportation infrastructure, etc. either partly financed or a result of this increased visitation. During the early to mid 1990s, Montana saw a reversal of our population trends, and we began to experience an in-migration.

While there is no doubt that some of our new residents first visited our state as "tourists", there were numerous other factors at work that caused our population to grow, and, especially in the western part of the state, our communities to sprawl. To tie our population growth and our challenges in dealing with land use issues as a result of tourism promotional efforts is overly simplistic. There have been numerous factors at work in this regard. Some are do to the fact that inadequate planning and zoning was in place when the economy did turn around, allowing for expansion to occur in ways that many had not envisioned. An analysis of people moving to Montana by the University of Montana shows that many of the "non-residents" moving into the state were actually Montanans who had left, and were returning home.

Collections from the Lodging Facility Use Tax have grown steadily since its inception. Proceeds will exceed $11 million by FY02. These funds, distributed through a formula in the law, are used by numerous organizations for promoting the state. With the changes that have been made in the legislation and the program that invest funds in tourism related infrastructure, the state has seen it's position decline in regards to our promotional efforts. In 1992 we ranked #15 out of all the states for funding tourism promotion. In 1999 we had slipped to #32. While the casual observer may feel that $1-2 million from the bed tax would not be missed, it would result in a dramatic shifting of programs and priorities for the Department. Our promotional efforts would need to be cut back, our community development programs curtailed, as well has other changes that could produce undesired results for our citizens, our communities, and have a potential impact on the general fund.

While it is understandable for the committee to look at the Lodging Facility Use tax as a potential funding mechanism, it is clearly the wrong source. An equally compelling case could be made for a real estate transfer tax, as the majority of growth and sprawl would not occur unless property changed hands. This is an issue with statewide significance and impact. While it may be politically difficult to accomplish, the general fund is the most logical source to fund this initiative. The coal trust within a trust also seems to be logical, and meets the spirit of why the coal tax was implemented in the first place.

We also find it curious that numerous constituencies were contacted by the EQC about consideration of funding sources in January of this year, but input was not solicited from the tourism industry at that time. Given the opposition to this funding source in the 1999 Legislative session, it would have been useful to understand their thoughts and receive input at an earlier stage in the process.

The Department opposed SB407 based on it's funding source. If it is the intention of the committee to reintroduce the legislation in a similar manner, we anticipate that we would need to oppose the proposal.

BILLINGS
AREA CHAMBER OF COMMERCE®

July 7, 2000

RECEIVED
JUL 0 7 2000
ENVIRONMENTAL
QUALITY COUNCIL

Ms. Mary Vandenbosch
Legislative Environmental Policy Officer
P.O. Box 201704
Helena, MT 59620-1704

Dear Ms. Vandenbosch,

The Billings Area Chamber of Commerce has recently reviewed the Draft Options Paper developed by the Land Use/Environmental Trends Subcommittee of the Environmental Quality Council. According to the agenda contained in the work plan segment of this piece, interested parties may submit written comments by Monday, July 10. As this organization is a recipient of Lodging Facility Use Tax (Bed Tax) revenue, we have a bonafide interest in these draft options papers. We have opted to respond to your request for public input and have taken an official position to oppose them.

As a recipient of Bed Tax revenue, the Billings Area Chamber of Commerce has effectively used this revenue to respond to hundreds of tourism-related requests. This revenue also allows us to produce tourism pieces such as the Billings Vacation Guide, which gives this audience detailed and useful information on the area. Additionally, this revenue is used to attract conventions, groups and major events such as fifteen thousand Honda Goldwing Road Riders Association members and the American Bowling Congress to the Billings area, to name a few.

We estimate, together with Travel and Promotion for the state of Montana, that the Chamber will receive approximately $138,923.00 in Bed Tax revenue for the coming year. Last year, we estimate that approximately 1.45 million non-resident visitors injected $214 million dollar into the local economy on items such as food and beverages, retail items, gasoline and transportation, accommodations and other purchases. In addition, we estimate that conventions have contributed another $61.8 million to the Billings economy. Is this money being used effectively and is there a return on bed tax dollars that are being spent? Our estimates tell us that the answer is yes to both of these questions.

According to the Draft Options Papers, letters were sent to the following organizations:

Montana Building Industry Association
Montana Association of Counties
Montana Association of Realtors
Montana League of Cities and Towns
Montana Smart Growth Coalition

After further reviewing the Draft Options Papers, at no time has the Billings Area Chamber of Commerce, or it appears any other designated Bed Tax Recipient, ever received an invitation to participate in this process, until now. It occurs to me that the Land Use/Environmental Trends Subcommittee has not done their due diligence in exploring the ramifications/impacts their decisions will have on tourism, Montana's number two industry. The changes to the Bed Tax proposed in the Draft Options Paper will affect all of the businesses that support this industry, as well as organizations, such as the Chamber, that rely on these funds to market Montana to tourists. Clearly, this has not been done, nor has any apparent attempt been made to do so.

815 So. 27th St. • P.O. Box 31177 • Billings, MT 59107-1177 • (406) 245-4111 • FAX (406) 245-7333

We agree with the Land Use/Environmental Trends Subcommittee that an intelligent, efficient and cost-effective planning process is the proper approach to development. Billings, like other communities around the state of Montana, is no exception. However, redirecting bed tax revenue for a purpose that it was never intended, is not the answer.

The cities and towns around Montana should be given maximum flexibility to determine what is best for their respective communities. Upon review of the draft, the Chamber feels that this is not the case with this Draft Options Paper.

For these and other reasons, the Chamber will not support the erosion of local planning authority. Further, the Chamber has serious concerns about some of the funding mechanisms discussed in the Draft Options Paper put forth by the Land Use/Environmental Trends Subcommittee.

A copy of this letter has also been sent to Representative Kim Gillan, who sites on the Environmental Quality Council, and Senator Barry "Spook" Stang, who sites on the Land Use/Environmental Trends Subcommittee.

Thank You,

Kent Coe
Vice President
Billings Area Chamber of Commerce

MONTANA INN KEEPERS ASSOCIATION

* Facsimile Letter - 444-3971 *

July 10, 2000

Mary Vandenbosch
Legislative Environmental Policy Office
PO Box 201704
Helena, MT 59620

Dear Mary Vandenbosch;

Thank you for contacting the Montana Innkeepers Association Office during the last few weeks to request input on the proposal by the Land Use/Environment Trends Subcommittee to use a portion of the Bed Tax for planning and land use policies. Unfortunately, we were not included when the subcommittee considered funding sources at the January meeting.

Specifically, the Montana Innkeepers Association opposed Senate Bill 407 in the last session and therefore we remain opposed to using bed tax revenue for funding similar programs. As stated in previous legislative forums, the Bed Tax was initiated in 1987 for the specific purpose of providing a steady funding source to promote and bring tourist to Montana. The idea has worked and now tourism is the number two industry in our economy providing many benefits for our citizens, including jobs and new tax revenue. For example, each new lodging development constructed since 1987 has worked to provided hundreds of temporary construction jobs, and many new ongoing jobs for individuals who continue to work at these facilities. In addition, new developments are working to generate new tax dollars for local governments each year when the lodging facility owner remits their property tax payments. Redirecting the Bed Tax away from promotion may well mean fewer new jobs and a slowing in new tax revenue.

We suggest the Bed Tax is not the best funding source for consideration by the Land Use/Environmental Trends Subcommittee. Rather, issues relating to growth and land use planning are brought about by a variety of statewide factors, not just the growth in tourism. As a result the best and fairest funding source would seem to be the State's General Fund.

Thank you for the opportunity to provide this input.

Sincerely,

Stuart Doggett
Executive Director

9

Funding For Growth Policies
Land/Use Environmental Trends Subcommittee of the
Environmental Quality Council

Comments from the Montana Taxpayers Association
July 10, 2000

The Montana Taxpayers Association would like to thank the committee for the opportunity to provide input on the proposed local funding mechanisms for planning. While our association believes there is a level of planning necessary for growth we believe there is a balance. We want to be assured the taxpayers are only being charged for those planning activities deemed necessary and that this level is consistent statewide.

Since this is the first input our association has made to this committee, it is difficult to understand all the deliberations that have taken place up to this point. We do have a few concerns about the three proposed local funding options, but look forward to hearing more of the discussion that will take place at the subcommittee hearing on July 27.

C1, C2. Local option sales tax, Local option bed tax. Our Association has opposed local option taxes in past sessions. Local option taxes tend to create disparities among localities, particularly in rural states such as Montana where the retail base is not evenly distributed. The Local Government Funding and Structure Committee is also reviewing Local Option Sales Taxes. The item will be discussed at their July 11 meeting in Helena.

C3. Increased planning mill levy with exemption from property tax limits. Although we appreciate the desire to find secure funding for planning, we would oppose proposals to exclude mill levies from the limits imposed under 15-10-420,MCA. The voters should authorize increases in mills.

The committee might also want to review the appropriateness of utilizing maximum mill levies and tying those mill levies to county classifications. Recent changes in tax law have affected the tax base of local governments, which lowered many of the counties' classifications. For example, the drop in the business equipment, telecommunication and electric generation tax rates dropped many counties from one classification to another. Also, the use of the maximum mill levies does not always generate meaningful budgets depending on the relative wealth of the jurisdiction's tax base.

If the committee determines ranges of budgets for jurisdictions based on population growth or other appropriate factors, our association might support a modified form of C3 for local funding of planning.

Thank you again for giving us the opportunity for input.

Mary Whittinghill
President, Montana Taxpayers Association

MONTANA
DEPARTMENT OF COMMERCE

Local Government Assistance Division

FAX: (406) 444-4482
TDD: (406) 444-2978

1424 9th Avenue PO Box 200523
Helena, MT 59620-0523

Mary Vandenbosch, Resource Policy Analyst
Environmental Quality Council
P.O. Box 201704
Helena, MT 59620-1704
Deadhead

Mary,

Here are the Department of Commerce's comments regarding the grant program proposed in the draft options paper, *Funding for Growth Policies* from the EQC.

Our comments are based on the following assumptions:

1. The Department of Commerce Community Technical Assistance Program (CTAP) would be required to draft and adopt rules governing grant applications, procedures for awarding grants and monitoring the use of granted funds..

2. The proposal will significantly increase CTAP's workload. I have enclosed a copy of the fiscal note that was prepared for Senate Bill 407 during the 1999 Legislative session. We will assume that the same initial fiscal impacts will need to be provided for.

Our comments beginning with page 22 of the funding options paper:

D1) The Department feels it would not be necessary to set aside separate funds for rural communities. We feel that the grant application process can be structured so that rural communities can be competitive in the grant process. In addition, we are concerned that only rural counties have been identified for a set aside eligibility. To be fair all counties and municipalities must be eligible for the grants. A set aside for rural counties only would unnecessarily complicate the fairness issue.

The creation of a set aside would require separate application and ranking processes. This would increase the program workload and may require additional staff.

A set aside may also create the unintentional consequence of not having enough funding where there is the most need. At times the available funding in one category may exceed the demand while demand may exceed funding in the other category. The grant program should be flexible enough to get funding where it is most needed.

D2) This would be acceptable for most jurisdictions. The committee may want to consider that for many rural jurisdictions providing a 50% match for $50,000 maybe difficult. A "*financial hardship demonstration*" article could be adopted that would lower the required match in those cases.

D3) Under Montana statute only Planning Boards may create growth policies. In addition, a growth policy must identify any implementation tools that will be used to meet the goals and objectives of the growth policy. Therefore, we feel that planning boards should make the grant application and that the application contain a resolution of support from the governing body.

D4) The Department agrees. However, it would make sense to allow grants for implementation tools only after the applicant has adopted a compliant growth policy. Only those implementation tools that have been identified in the applicant's growth policy should be eligible.

D5) The development of a growth policy requires extensive public involvement. Typically that process takes a minimum of two years. The Department would rather see a 2-year limit with a 1-year extension available for developing a growth policy. The 1-year limit and extension could be applied for implementation tool grants.

Please call me if you have any questions.

Sincerely,

Gavin Anderson

Gavin Anderson, Program Manager
Community Technical Assistance Program

FISCAL NOTE

Bill #: SB 0407

Title:

Primary Sponsor: **Senator Cocchiarella**

Status: **introduced**

Sponsor signature	Date	Dave Lewis, Budget Director	Date

Fiscal Summary

	FY2000 Difference	**FY2001 Difference**
Expenditures:		
General Fund		
State Special Revenue	$1,000,000	$1,000,000
Federal Special Revenue		
Other		
Revenue:	**0**	**0**
General Fund		
State Special Revenue		
Federal Special Revenue		
Other		
Net Impact on General Fund Balance:	**o**	**0**

Yes	No		Yes	No	
	x	Significant Local Gov. Impact			Technical Concerns
	x	Included in the Executive Budget		x	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. The Department of Commerce Community Technical Assistance Program (CTAP) will be required to draft and adopt rules governing grant applications, procedures for awarding grants and monitoring the use of granted funds.

2. The proposal will significantly increase CTAPs workload. Currently CTAP has 2.75 FTEs. Only 2 FTEs are full time professional planners. The proposal allocates $1,000,000 annually to be made available to local governments for the development and implementation of growth policies. Each grant is capped at $25,000 with a 50% match from the local government.
3. The proposal presents a potential for the program to allocate and monitor/administer 40 or more grants per year. Communities must complete the growth policy or implementation activity within one year of the award of the grant. CTAP would be authorized to grant a one-year extension under certain circumstances. Thus, the administration of these grants may carry over into the following year's application cycle. There is the possibility that the program could be involved with 80 or more different grants at any one time.
4. In addition to its normal functions, it is assumed that CTAP will be required to provide an increased level of technical assistance to those communities participating in the grant program as they proceed with their planning projects. It is further assumed that CTAP will be required to review all finished products of the grants for compliance with state statute and the terms of the grant contract.

FISCAL IMPACT:

	FY2000 Difference	FY2001 Difference
FTE	1.00	1.00
Expenditures:		
Personal Services	$34,234	$34,234
Operating Expenses	$24,500	$24,500
Equipment	$2,750	0
Transfers		
TOTAL	$61,484	$58,734
Funding:		
General Fund (01)		
State Special Revenue (02)	$1,000,000	$1,000,000
Federal Special Revenue (03)		
Other		
TOTAL		
Revenues:		
General Fund (01)	0	0
State Special Revenue (02)	0	0
Federal Special Revenue (03)	0	0
Other	0	0

Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01)		
State Special Revenue (02)	$1,000,000	$1,000,000
Federal Special Revenue (03)		
Other		

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:
Local governments will be required to provide a 50% match of the grant amount either cash or in-kind services.

LONG-RANGE IMPACTS:

TECHNICAL NOTES:
1.
2.

Fiscal Note Prepared by: Gavin Anderson
Agency: Department of Commerce
Phone Number: 444-4476

Vandenbosch, Mary

From:	Bollman, Jeff [BollmanJ@ci.billings.mt.us]
Sent:	Sunday, July 16, 2000 3:23 PM
To:	'Vandenbosch, Mary'
Cc:	Taylor, Dennis
Subject:	Comments Draft EQC Options paper

Mary,

I know that these comments are late, but I hope that the subcommittee will still take them. I think that it is imperative for the state to provide some type of additional funding to help cities and counties to develop Growth Policies and to help with implementation measures. I did get a chance to read the Draft report, however, I did not write down any specific comments at the time. However, I think it is appropriate to allow for the opportunity for local option funding sources to potentially supplement mill levy monies or state grants. I like the idea of a grant program from the state and hope that this idea will survive the subcommittee.

As an example of costs that the City of Billings and Yellowstone County incurred, just for the completion of a Neighborhood Plan for Billings West End, we have paid a consultant $40,000 and are getting local approval to extend the contract for an additional $20,000 to allow for its completion. To date the consultant has estimated that they have put in over $87,000 into this Neighborhood Plan. Granted that this project really is closer to a sub-area plan than a neighborhood plan, but it has given us some estimates on what our growth policy will cost, probably in the $250-450,000 range.

Luckily, we do have some other funding sources, such as MPO funds, but these will only supplement our costs to development of a growth policy. Some type of funding formula based on population and land area may be appropriate for urban or large counties where the proposed $50,000 will only be a small portion of the total growth policy cost. One other alternative would be to allow a jurisdiction a one-time "large" grant that could exceed the $50,000 limit. Of course many of these options are dependent on State funding and it would not be appropriate to give larger grants if it would cause smaller jurisdictions to suffer.

I hope that this subcommittee and ultimately EQC is able to recommend to the legislature some type of funding proposal. I also hope that the legislature will understand how critically important this funding is to allow local governments to develop and implement a sound growth policy that will ultimately provide for appropriate development patterns and economic development opportunities.

Thank You,
Jeff Bollman, AICP

Jeff Bollman, AICP
Acting Planning Director
City of Billings-Yellowstone County Planning Dept.
510 North Broadway, 4th Floor
Billings, MT 59101
(406) 657-8247
(406) 657-8252 [FAX]

MEMO
July 17, 2000
TO: Mary Vandenbosh, EQC
CC: Gavin Anderson, Commerce
FROM: Jon Sesso, Butte-Silver Bow Planning
RE: Feedback on report – *Funding for Growth Policies*

I have read the draft and here are some comments.

Chapter 2 – Montana Communities Develop Growth Policies

If you wish, you can include Butte-Silver Bow in the narrative on Page 9 and on the roster (pages 9 and10). We first adopted our Master Plan in 1987, and formally updated (from a policy prospective) in 1996. We spent about $50,000 of internal resources among the four of us who worked on the update. We also did a technical data update in 1999. From our view, the updated document meets all the "requirements" listed in SB 97.

We also agree strongly with the statement – page 6 – that we prefer to continue referring to the document as our Comprehensive Plan, given that the term "Growth Policy" does not accurately describe the planning objectives of the document. As for the list of objectives as to why develop a policy, we would add the following:

"Manage development on land that have been reclaimed under RCRA and CERCLA"

(This goal would apply in Butte, Anaconda, and other cities along the Clark Fork River.)

Chapter 6 – Draft Recommendations and Options

I think the basic recommendation (i.e. to provide more funding) is sound, but I think the guidance is less effective without some indication of which funding option is recommended (i.e. most viable) as well. It's easy to say more money; it's harder to take a position on where the money should come from. We need to take a position.

If taking a position on funding options is warranted, I think the best option is revising how the County Land Planning Funds are allocated. This is an established funding mechanism created specifically for planning needs. I submit it will be easier to tinker with an existing product then create a new funding option. I think all the other options are fraught with political peril and "planning" needs simply will not fly.

Amend the law to increase the allocation from the coal severance tax, say to $600,000, off the top, per biennium. Discontinue the current allocations and direct that the money be used for the grants to county governments exclusively for development of growth policies. Maximize grants @ $40,000; do 15 counties per biennium per year; all 56 counties in eight years, then start over. No county could get a second grant until all 56 counties have received their first. Exclude cities – make them work with their county entity.

GREAT FALLS CITY-COUNTY PLANNING BOARD
Serving Cascade County and the City of Great Falls, Montana

Land Use/Environmental Trends Subcommittee
Environmental Quality Council
P.O. Box 201704
Helena, MT 59620

VIA FAX

Dear Subcommittee Members:

I am writing to lend the support of the Great Falls City-County Planning Board in your efforts to seek a funding mechanism to producc local Growth Policies.

We adopted our City-County Comprehensive Plan in November, 1999. This plan sets forth a broad body of public policy that will guide us through a series of more detailed and focused community planning projects. We have already begun to revise our regulations to bring them into compliance with the plan, and within the next year we will be starting on projects such as a Missouri River Corridor Master Plan and a Downtown Revitalization and Marketing Plan. A grant program such as described in the ***Funding for Growth Policies*** paper would help us to carry on with this important work. Further, we are aware that there are many Montana towns and counties that would benefit from community-based comprehensive planning, but do not have the resources to properly conduct a growth policy process. Such a program would help them as well.

We appreciate the efforts of the EQC to bring comprehensive planning, growth management, and responsible economic development to the forefront in Montana. Thank you for the opportunity to comment.

Sincerely,

Jon K. Rein

Jon K. Rein, President
Great Falls City-County Planning Board

CIVIC CENTER, P.O. BOX 5021, GREAT FALLS, MT 59403-5021 (406)771-1180, FAX (406)452-6256

Sharon A. Haugen
Director
Phone: 406/447-8342

City- County Building
316 N. Park /Box 1725
Helena , Montana 59624

LEWIS AND CLARK COUNTY

Community Development and Planning

July 18, 2000

Ms. Mary Vandenbosch
Legislative Environmental Policy Office
PO Box 201704
Helena, MT 59620-1704

Dear Mary:

I apologize for not sending these comments by the established deadline. However, I understand that you may still be looking for some ideas on the "Funding for Growth Policies" draft. The funding for the development of growth policies is a very important issue to Montana cities and counties. Funding the implementation of any growth policy is as challenging. Both require a long term commitment on the behalf of local government. If the State is willing to help local governments in this process that would show a long term commitment to planning for the State. The idea of providing grants to local jurisdictions is one I can support. Another option that might be worth considering is to use the money to help pay for staff or consultants who could provide technical expertise to local jurisdictions in writing their growth policy or developing implementation tools. This would also serve the purpose of building local capacity for any ongoing efforts.

While an increase in tourism, in part, results in an increased need for comprehensive planning in the community, many other needs are associated with that increase in activity. If the lodging tax is not being spent appropriately, then it may be time to look at how it is currently being spent for all activities. Beyond funding needs for growth policy and implementation, other infrastructure needs exist in the communities that are home to the tourist attractions. Many of these needs are not addressed through other available funding mechanisms (ie local streets and roads). If the State is committed to working with local governments to plan the future growth in this state, then perhaps the general fund is the most appropriate source of funding.

Probably the most difficult issue facing local jurisdiction, their planning departments and planning boards is lack of funding for staff and for any projects. For example, as Lewis and Clark County moves forward with our Comprehensive Plan, one implementation tool that has garnered the most favor is the development of neighborhood plans. One of the most important considerations to make when using this implementation strategy is finding the staff and time to complete this task. For Lewis and Clark County, it means not only completing two or three neighborhood plans, but working with many neighborhoods. This, besides the normal workload of doing subdivision review, zoning cases and other associated items, will stretch the staff to its very limits. Other jurisdictions also have similar problems with limited resources. Exploring different avenues to help local government pay for all ongoing planning efforts is the key to the real success of the growth policy legislation. The more flexibility local government can have for funding such activities, the better they can provide the level of service the public expects. This is true whether it is local option tax, an increase in the special mill levy or other funding mechanisms yet to be explored.

Thank you for this opportunity to comment. If you have any questions, please do not hesitate to contact my office.

Sincerely,

Sharon Haugen, Director
Community Development and Planning