

**Missoula Economic Development
Forum
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Missoula Economic Development Forum

Summary

Missoula is experiencing similar trends as the nation and the Rocky Mountain region with an aging, more foot loose population. With a larger portion of income unearned, such as retirement and investment earnings, and professions being transportable in a telecommunications-based new economy, many people choose to live or continue to make Missoula home because of its high quality of life. The Forum participants had agreement and enthusiasm regarding Missoula's strengths—its natural environment, cultural and community values, and the University of Montana. There was also agreement that Missoula needs to create a focus, a community identity. However, the perceptions of the group suggest that Missoula has an identity around its natural environment, recreation, arts, culture and education, and strong civic character but needs to more fully articulate and “tie” these attributes together. There was also energy and enthusiasm for Missoula to capitalize on its strengths to overcome challenges such as low wages and poverty and the impacts of rapid population growth such as sprawl and traffic congestion. There is considerable momentum to share this information with the community and move forward to keep Missoula a great place to live, work and visit.

Introduction

In early September 2003, the City of Missoula, Missoula County, Missoula Economic Development Corporation, Missoula Area Economic Development Corporation, the University of Montana, and the O'Connor Center for the Rocky Mountain West invited approximately 110 Missoula business and community leaders to a one-day Economic Forum. The purpose of the Forum was to consider the rapid changes Missoula is undergoing and its economic future. The forum was well attended, reconfirming the need to address these important issues. Many of these issues stem from the fact that during the 1990s Missoula County's population grew rapidly, from 79,000 to 98,000. This rapid population growth is accompanied by a number of challenges to the community.

Mayor Kadas asked participants to consider a number of questions to be explored at the forum including:

- Do we understand the change that is occurring in our economy well enough to know how to take advantage of it?
- Do we know what future economic success in Missoula will require?
- Do we have a meaningful and encompassing vision of where we can go economically as a city and a region?
- Do we have the leadership base and organization within our city and region to move ourselves forward on important economic initiatives?
- Are we up for the challenge?

The forum included detailed presentations on Montana and Missoula's economies; two panel presentations—one a discussion by “Newer Montanans”, the other discussing “Taking Action based on the Economic Realities of Missoula in the 21st Century”. Each of the panel discussions was followed by breakout group work sessions. Approximately one week prior to the forum, invitees were sent a packet of background information and a questionnaire. The questionnaire asked participants to identify Missoula's strengths and weakness, future trends affecting the community, and types of actions the public and private sectors could do to meet these challenges. Participants individually gave their thoughts on these questions prior to the start of the Forum (blue survey form) as well as answering them as part of break out groups (yellow and pink survey forms). This report summarizes the economic background and panel information as well as the individual and group responses to the questionnaires.

Montana's Economy

While Montanans often speak of the “state's economy,” in reality, there is no such thing as a “Montana economy.” Montana is a large state with widely varying terrain, a widely dispersed population and many different area economies. These differences cut along lines “east” and “west,” as well as “urban” and “rural.” While Montana is sometimes thought of as being “two states,” one “East” and one “West,” it can more accurately be seen as three somewhat distinct regions:

Western Mountain - areas of the state west of the eastern front of the Rocky Mountains (21 counties)

Eastern Plains - areas of the state east of the Rockies extending from the far-flung Plains (21 counties)
Central Front - transition area where the Plains meet the Rocky Mountains (14 counties)

These three general regions can be defined by geography and terrain, but differences extend into climate, population density, and underlying economies. Vast differences also are evident in comparing largely “urban” areas in Montana with largely “rural” ones. Few Montanans think of the state as “urban,” but much of the state’s recent economic growth is urban in character, while much of the state’s ongoing economic contraction or decline is centered in largely rural areas. Analyzing the economic and demographic data on a statewide basis results in an “average” that does not depict an accurate story for any region of Montana.

Patterns of Net Migration in Montana

During the decade of the 1980s, 53,000 more people moved out of Montana than the number moving to Montana (Figure 1). However, this pattern of out migration dramatically reversed itself during the decade of the 1990s with nearly 51,000 more people moving to the state than away. While this migration shift is a dramatic reversal, not all areas of Montana are sharing evenly in this net migration. During the 80s all three regions experienced net out-migration. When the tide change of migration shifted in the 1990s, population growth in the Western Mountains surged from 23,303 in the 1980s to over 88,000 in the 1990s. Significant growth also returned in the Central Front region. However, population decline continues in the Eastern Plains, although at a lower level. In all likelihood, a similar pattern of regional population change will continue in Montana, at least for the next ten to fifteen years.

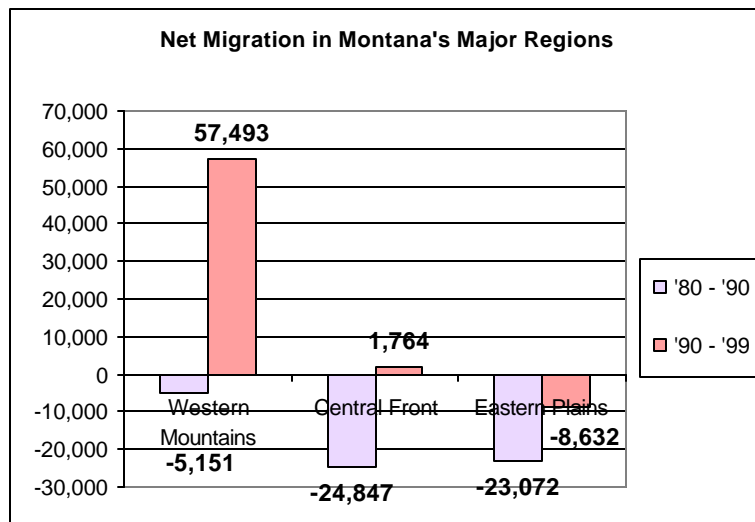


Figure 1.

Population Aging In Montana by Region – West-to-East

As Montana’s population has grown, it has also systematically aged, consistent with population aging nationwide in the U.S. Montana’s median age now exceeds the national median age, though the median age in Missoula is both younger than the nation and Montana, as well as its surrounding counties (Figure 2). Growth has been focused among person at ages between their late 30s and early 40s and late 50s. Population numbers have shrunk for persons in their early 20s to early 30s. Recent shifts in migration in the West reflect a number of trends including an aging U.S. population that is more prone to migrate and expansion of personal income from non-labor sources – more “transportable” income sources.

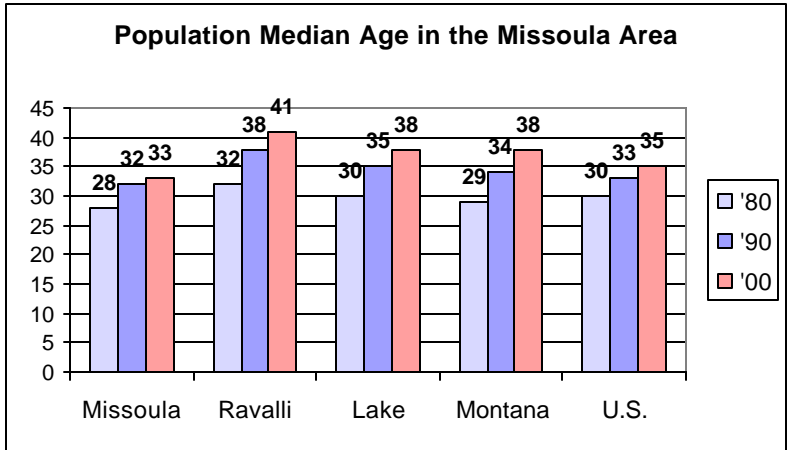


Figure 2.

Regional Differences in Income and Employment Growth

Just as population growth is concentrating in the state’s Western Mountain region, so is income and employment growth. In the last decade total personal income statewide grew by almost \$4 billion and about 73 percent in the income growth occurred in the Western Mountain region where personal income grew by almost \$2.9 billion (Figure 3). This rise in total personal income in the West represented a 250 percent increase over the gain of the previous decade. So, income growth in the Western Mountain region has greatly accelerated, following a similar pattern in population growth. Personal income grew by \$974 million in the Central Front region, an increase of 270 percent over the previous decade. The 21 counties in Montana’s Eastern Plains region accounted for only 2.5 percent of all income growth in the last decade.

During the 1990s, total employment in Montana grew by over 126,000 jobs, including both full- and part-time employment. Seventy-three percent of this job growth occurred in the Western Mountain region (Figure 4). Another 24 percent of the growth occurred in the Central Front. Quite clearly, all major measures of economic growth and expansion indicate that this growth is occurring overwhelmingly in the Western Mountain region. It is highly likely that income and employment growth are following in the footsteps of population expansion in the West, which is resulting from changes in the larger pattern of migration.

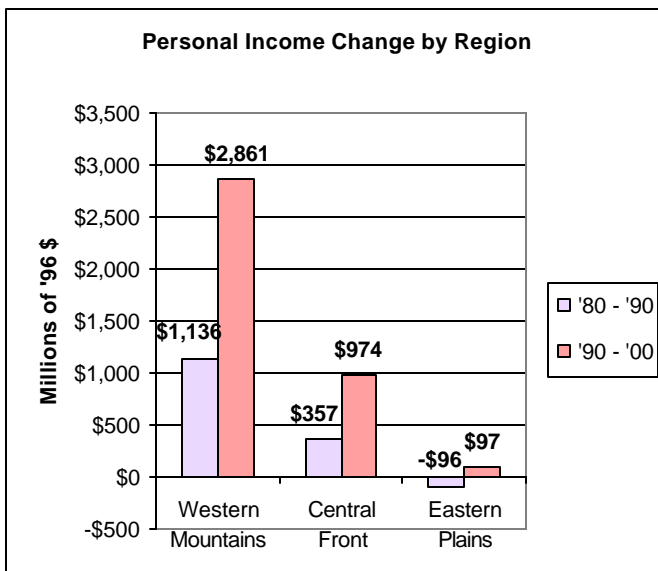


Figure 3.

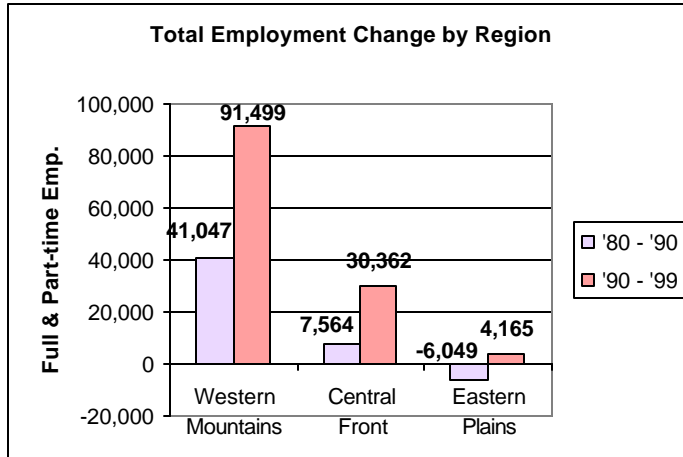


Figure 4.

Region Economic Restructuring: Greatest Growth and Greatest Decline

There are more than 70 different “sub-sectors” of the economy and the way in which the economy is ‘restructuring’ can be viewed by identifying where the “biggest gains” and “biggest losses” are occurring (Table 1). In Montana, the five fastest growing sub-sectors of the economy from the late 80s to the late 90s are health care services, F.I.R.E. non-depositories, special trade contractors, business services, and engineering and management services; all with gains of over \$100 million in labor earnings. Declining sub-sectors in Montana include production agriculture, lumber and wood products, railroads, trucking and warehousing, coal mining, and the U.S. military.

Table 1. Sub-Sector Change in Montana, 87 – 97

Fast-Growing Sub-Sectors (2000 dollars)

| | | |
|--------------------------------------|-----------------------|-------|
| #1 Health care services | + \$408 million | + 49% |
| #2 F.I.R.E., other than deposits | + \$223 million | + 96% |
| #3 Special trade contractors | + \$197 million | + 67% |
| #4 Business services | + \$177 million | + 85% |
| #5 Engineering & management services | + \$127 million | + 69% |
| #6 Eating & drinking places | + \$106 million | + 41% |
| #7 Auto dealers/service stations | + \$ 91 million | + 44% |
| #8 Social services | + \$ 90 million | +117% |
| #9 General building contractors | + \$ 78 million | + 54% |
| Total | + \$1.5 billion (64%) | |

Declining Sub-Sectors

| | | |
|-------------------------|--------------|-------|
| U.S. Military | - \$14 mil. | - 6% |
| Coal mining | - \$ 18 mil. | - 20% |
| Trucking & warehousing | - \$ 21 mil. | - 7% |
| Railroads | - \$ 28 mil. | - 13% |
| Lumber & wood prod. Mfg | - \$ 48 mil. | - 15% |
| Net farm income | - \$173 mil. | - 45% |

Urban/Rural Features of Population Growth in Montana

While Montana is not considered an “urban” state, most of the state’s population lives in or near one of the state’s seven principal population centers. Montana seven major population centers include Billings (Yellowstone), Missoula (Missoula), Great Falls (Cascade), Helena (Lewis and Clark), Butte (Silver Bow), Bozeman (Gallatin), and Kalispell/Whitefish (Flathead). Twenty-eight of Montana’s 56 counties are closely-linked to one of the state’s seven regional centers. The remaining 21 counties are more isolated rural areas, largely in the north central and eastern half of the state. While small by national standards, most of these cities and the city regions surrounding them are growing (Figure 5). As they do, they are achieving market area population thresholds necessary for sustained growth and economic diversification.

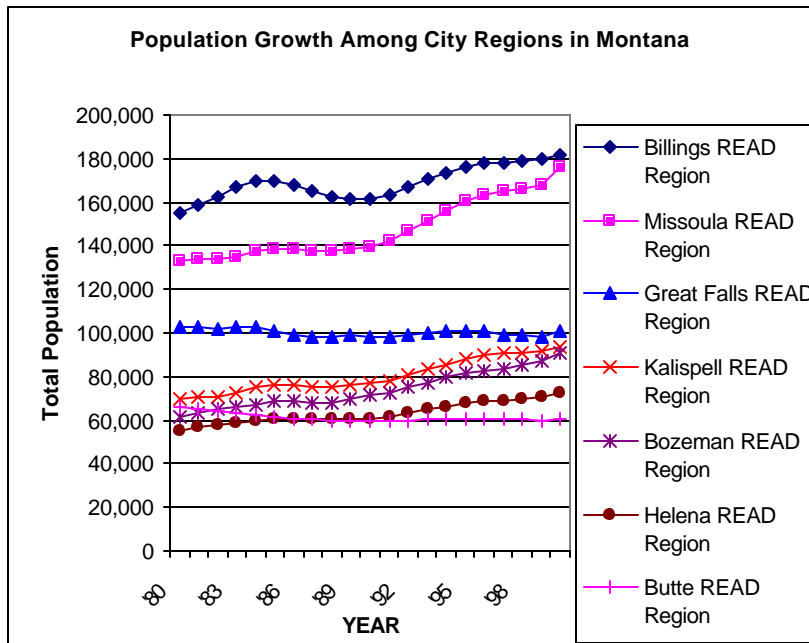


Figure 5.

Not only have these urban centers led population growth but they have also led job and labor income growth, especially in the fastest growing services sector (figure 6).

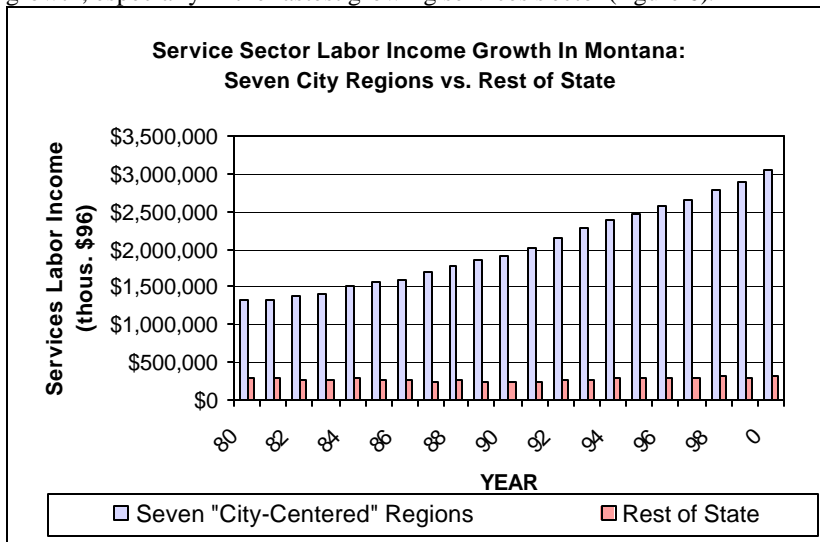


Figure 6.

Long-term Consolidation and Decline in the Region's Natural Resource Industries

For much of its history, Montana depended on three pillars of the economy—agriculture, mining, and wood products. Year-by-year earnings in agriculture have been erratic. Wood products earnings are flat or declining, as is the case with metals and non-metals mining and oil and gas. And while more coal is mined in Montana almost each year, it is usually done with fewer workers and labor earnings by these workers are flat or declining (Figure 7). The latter is consistent with mining income and employment statistics nationwide.

In spite of this decline or stagnation in the state's natural resource industries, the economy as a whole has continued to grow. What's more, growth in income and labor earnings has accelerated over the course of

the last decade. The state's resource industries continue to be important to Montana's overall economic prosperity. However, the state's narrow dependence on these industries is declining and future growth will largely occur in other segments of the economy. Some areas of Montana, particularly isolated rural areas in the East, will continue to be narrowly dependent on one or more of these resources industries.

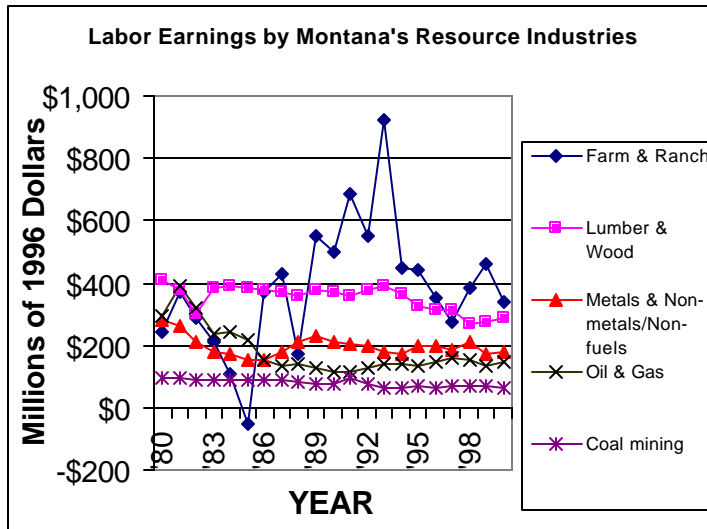


Figure 7.

Montana Tax Revenues as a Share of Income

Actual tax collections as a share of total personal income reflect the size of the state's tax burden in relation to the size of Montana's economy. Tax revenues as a share of income have steadily fallen from 10.24% in 1985 to 7.78% in 2002 (Table 8). State revenues are not growing as rapidly as are incomes.

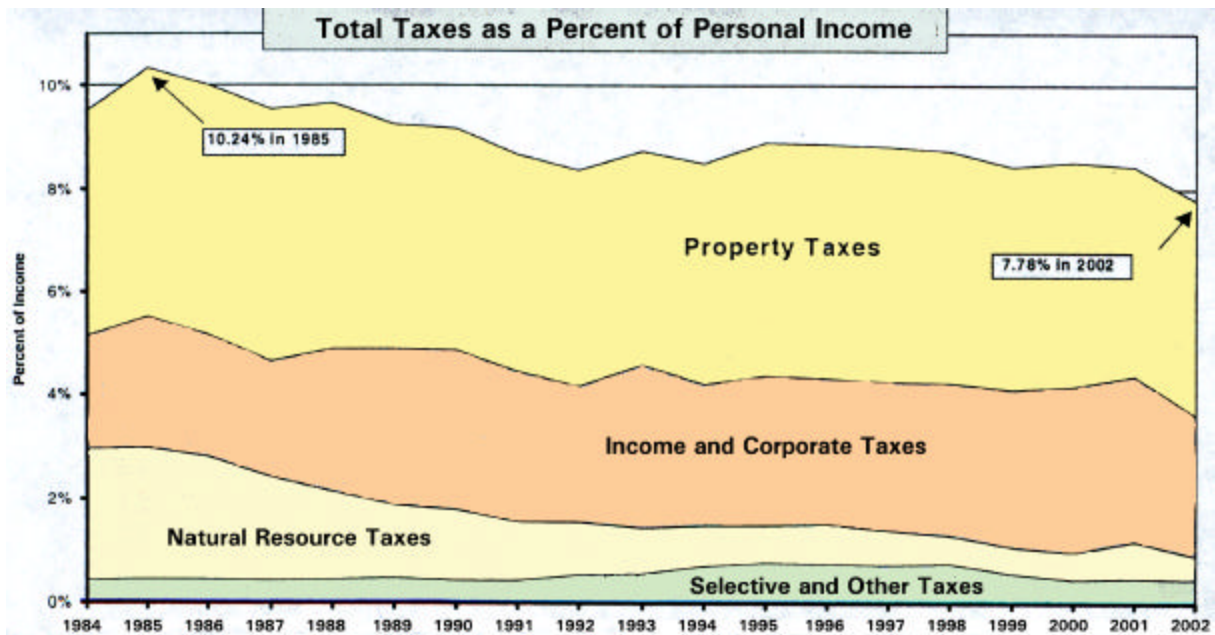


Figure 8.

Missoula's Changing Economy

Missoula is a city of around 60,000 people located in a county of over 96,000; the city serves as the regional center of a region of about 180,000. The city and surrounding smaller communities are located in valleys surrounded by foothills and mountains and large concentrations of public lands, including national

forest lands and wilderness areas. After only modest growth in the 80s, growth began to accelerate in the early 90s. At 1% to 1.5% annual growth in coming years, the county will reach 110 to 120 thousand people by 2015 (Figure 9). The greatest determinant of recent and future growth is migration (Figure 10). Migration did fall off considerably in 2000-2002. This may be influenced by the decline in the stock market and thus, the value of retirement portfolios as unearned income has become a significant factor in Missoula's economy.

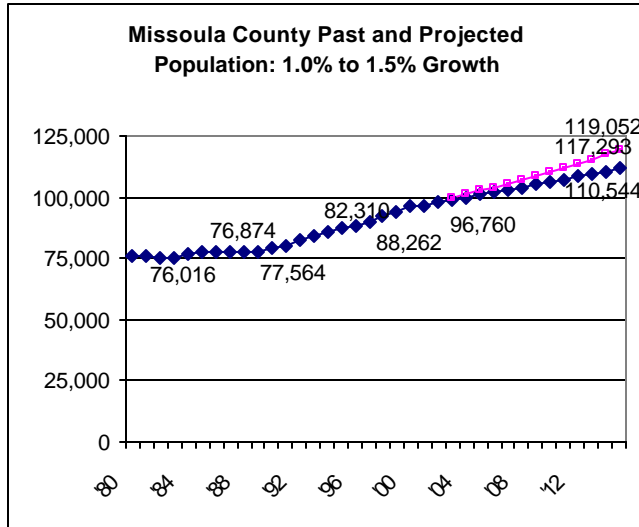


Figure 9.

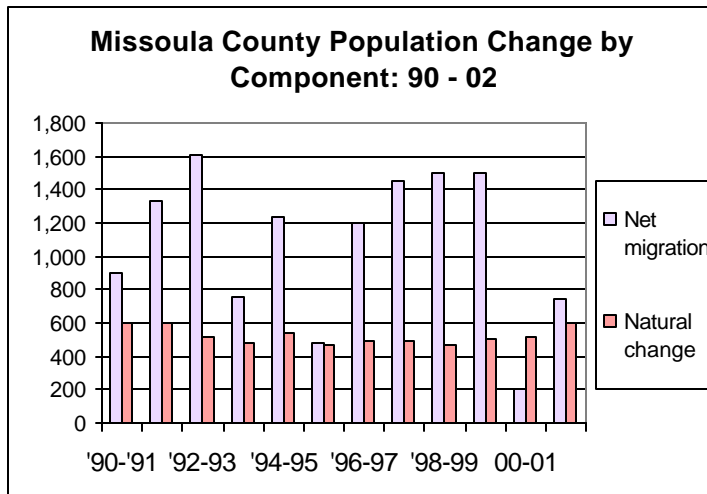


Figure 10.

Despite the recent growth in Missoula's population, 43% of the Missoula Economic Forum attendees have lived in Missoula for over 25 years. Another 34% have lived in Missoula for 10-24 years. Only 23% have lived in Missoula for less than 10 years; as a result, relatively few of the rash of 90s new comers to Missoula were at the Forum.

Recent Employment Trends in Missoula County

Employment change in Missoula County over the last 20 years reflects the pattern of employment change in the larger Rocky Mountain West and nation as a whole. Growth is heavily concentrated in services and retail trade (Figure 11). These two sectors alone accounted for nearly 70% of all job growth between 1990 and 2000. In the fast-growing Rockies, these two trade sectors now account for nearly 50% of all employment. In Missoula County, they account for 55%.

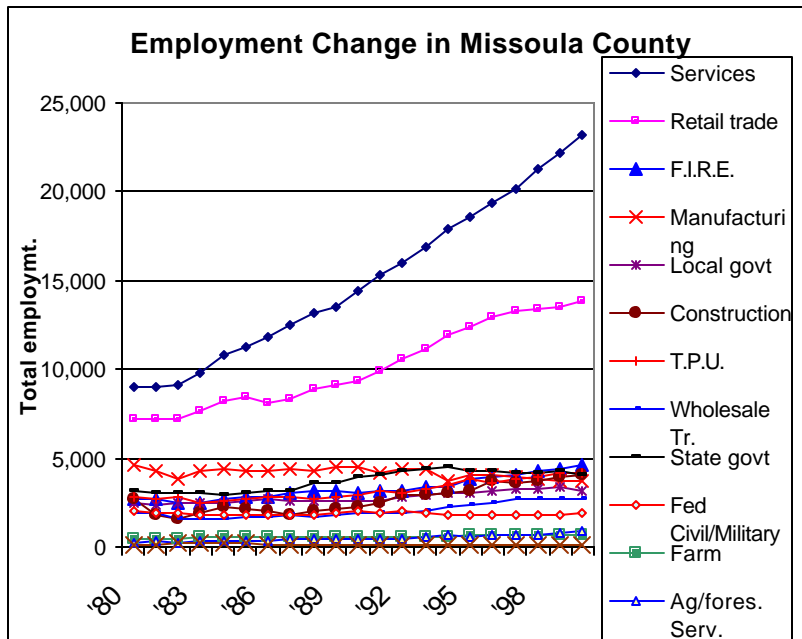


Figure 11.

Sector Labor Earnings Trends in Missoula County

Services accounted for 43% of all growth in employment earnings in Missoula County between 1990 and 2000 (Table 2). With this rapid growth, services now account for nearly one-third of all jobs and labor earnings. While services are expanding, manufacturing earnings and employment is contracting, with labor earnings by manufacturing workers falling from 18% of all labor earnings in the area in 1980 to 8% more recently.

The Missoula economy is undergoing constant restructuring and change with growth focused in many service, trade, financial, and construction sub-sectors and decline concentrated in traditional industries such as lumber and wood products manufacturing, other manufacturing, and agriculture. Many of these fast-growing sub-sectors can only grow and thrive in largely urban-based economies.

Table 2. Rapidly Growing and Declining Sub-Sectors in Missoula County
Sub-Sector Change in Missoula, 1990-2000

Fast-Growing Sub-Sectors (2000 dollars)

| | | |
|--------------------------------------|-----------------|--------|
| #1 Health care services | + \$100 million | + 72% |
| #2 Special trade contractors | + \$45 million | + 110% |
| #3 Business services | + \$43 million | + 165% |
| #4 Real estate | + \$32 million | + 569% |
| #5 Wholesale trade | + \$29 million | + 51% |
| #6 Engineering & management services | + \$29 million | + 120% |
| #7 Communications | + \$19 million | + 134% |
| #8 Insurance agents/brokers/services | + \$17 million | + 136% |
| #9 Auto repairs, services & parking | + \$15 million | + 100% |

Declining Sub-Sectors

| | | |
|-----------------------------------|----------------|--------|
| Chemical product manufacturing | - \$ 1 million | - 62% |
| Miscellaneous manufacturing | - \$ 1 million | - 17% |
| Furniture & fixture manufacturing | - \$ 1 million | - 26% |
| Net farm income | - \$ 4 million | - 680% |
| Lumber & wood prod. manufacturing | - \$18 million | - 25% |

Missoula's Strengths

When forum participants were asked why they live in Missoula, 87% responded **Quality of Life** reasons (Table 3). The respondents who have lived in Missoula the longest, more than 25 years, overwhelmingly (93%) choose to live in Missoula for these reasons. Only 23% of respondents indicated that they live in Missoula for job or career opportunities and these tend to be newer residents. Only 12% live in Missoula for reasons related to family; and none of those living in Missoula for less than 10 years cited family as the reason they live in Missoula. When asked if they had considered moving from Missoula, 43% of respondents answered yes, with economic conditions being the primary reason (82%).

The Newer Montanans panelists identified a number of strengths—Susan Estep, financial consultant, saw aesthetics, quality of life, schools and personal safety as key attributes. Frank Magid, a retired part-time resident who spends most of the year in Santa Barbara, California said he and others look for a bundle of attributes. Missoula possesses many of these amenities including recreation, beauty, accessibility, and quality health care. Steve Witz, CEO of St. Patrick's Hospital, sees the health care sector as a strong and positive player in Missoula but it is dependent upon what happens to employers, who are the primary providers of insurance coverage.

| Table 3. Summary of Blue Surveys Completed by Individuals Before Forum | | Number | Percent |
|--|--------------------|-----------|------------|
| People who completed questionnaires | | 65 | 100% |
| Question 1: How long have you lived in the Missoula area? | | | |
| | More than 25 years | 28 | 43% |
| | 10-24 years | 22 | 34% |
| | Less than 10 years | 15 | 23% |
| Question 2: Why do you live in the Missoula area? | | | |
| ▪ Responses related to quality of life | | 55 | 87% |
| | More than 25 years | 26 | 93% |
| | 10-24 years | 16 | 73% |
| | Less than 10 years | 13 | 87% |
| ▪ Responses related to job or career opportunities | | 15 | 23% |
| | More than 25 years | 3 | 11% |
| | 10-24 years | 6 | 27% |
| | Less than 10 years | 6 | 40% |
| ▪ Responses related to family | | 8 | 12% |
| | More than 25 years | 5 | 18% |
| | 10-24 years | 3 | 14% |
| | Less than 10 years | 0 | 0% |
| Question 3: Have you considered moving away from the Missoula Area? | | | |
| ▪ YES responses | | 28 | 43% |
| | More than 25 years | 11 | 39% |
| | 10-24 years | 10 | 45% |
| | Less than 10 years | 7 | 38% |
| ▪ YES responses related to economic conditions. | | 23 | 82% |
| | More than 25 years | 10 | 91% |
| | 10-24 years | 8 | 80% |
| | Less than 10 years | 5 | 71% |

The perceptions of forum participants are supported by the economic data. By nearly every measure, the quality of economic life in the Missoula area improved considerably over the last decade, after some setbacks in the 80s (Figure 12). This could explain why new residents identify job and career opportunities as having drawn them to Missoula and are the least likely to consider leaving for that reason.

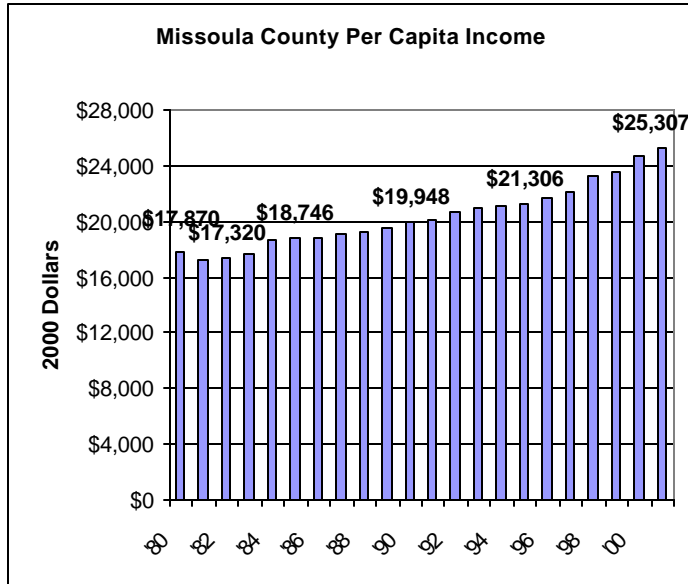


Figure 12.

When asked to identify Missoula’s three greatest strengths, forum participants strongly agree and this agreement generally carries over to the yellow survey responses of the breakout groups. Missoula’s **natural environment** and **cultural/community life** are clearly identified as top strengths, with the **University of Montana** as a strong second (Table 4). These strengths are uniformly identified across length of residency groups.

| Table 4. Question 4: What do you think are Missoula’s 3 greatest strengths as a community? | | | | |
|--|---|------------|--|-------------|
| Responses related to: | Blue Surveys Completed by 65 Individuals Before Forum | | Yellow Surveys Completed by 14 Individuals or Breakout Groups During Forum | |
| | Number | Percent | Number | Percent |
| ▪ natural resources, public lands, parks, open spaces, natural environment | 49 | 75% | 14 | 100% |
| More than 25 years | 24 | 86% | | |
| 10-24 years | 14 | 64% | | |
| Less than 10 years | 11 | 73% | | |
| ▪ culture, people, community involvement | 45 | 69% | 14 | 100% |
| More than 25 years | 21 | 75% | | |
| 10-24 years | 12 | 55% | | |
| Less than 10 years | 12 | 80% | | |
| ▪ the University of Montana | 31 | 48% | 10 | 71% |
| More than 25 years | 13 | 46% | | |
| 10-24 years | 9 | 41% | | |
| Less than 10 years | 9 | 60% | | |
| ▪ recreation opportunities | 13 | 20% | 2 | 14% |
| More than 25 years | 3 | 11% | | |
| 10-24 years | 7 | 32% | | |
| Less than 10 years | 3 | 20% | | |
| ▪ economic opportunities, regional commercial center | 8 | 12% | 2 | 14% |
| More than 25 years | 3 | 11% | | |
| 10-24 years | 3 | 14% | | |
| Less than 10 years | 2 | 13% | | |
| ▪ health care, medical facilities | 8 | 12% | 4 | 29% |
| More than 25 years | 3 | 11% | | |
| 10-24 years | 4 | 18% | | |
| Less than 10 years | 1 | 7% | | |

| | | | | | |
|----------------------------|--------------------|----------|-----------|----------|------------|
| ▪ good local school | | 0 | 0% | 4 | 29% |
| | More than 25 years | 0 | 0% | | |
| | 10-24 years | 0 | 0% | | |
| | Less than 10 years | 0 | 0% | | |

Missoula's Weaknesses

Forum participants show less agreement in identifying Missoula's weaknesses than in identifying its strengths (Table 5). The three most noted weaknesses on the individual surveys were political climate/lack of community unity, infrastructure/transportation and lack of economic diversity/opportunities. Individuals also identified land use planning/growth/zoning, cost of living/low wages/poverty, and lack of affordable housings as Missoula weaknesses. The results of the breakout groups (yellow surveys) were more in agreement with political climate/lack of community unity, transportation and land use planning/growth/zoning all receiving significant top marks reflecting more concern about rapid growth. The differences in the responses between the blue and yellow survey results may be the impact of the information presented, collective exchange of ideas, or potentially the influence of more dominant personalities in groups. There were also the differences in opinion expressed based on different lengths of residency in the Missoula area.

Panelists identified a number of weaknesses. Ms Estep saw poverty and low wages paid by retail sector as linked weaknesses. Frank Magid identified lack of identity or focus as Missoula's greatest weakness. Mr. Witz indicated that the lack of insurance medical coverage as a national problem that could undermine this otherwise strong economic sector.

| Table 5. Question 5: What do you think are Missoula's 3 greatest weaknesses as a community? | | | | | |
|---|---|---|------------|---|------------|
| Responses related to: | | Blue Surveys Completed by 65 Individuals Before Forum | | Yellow Surveys Completed by 14 Individuals or Breakout Groups During Forum | |
| | | Number | Percent | Number | Percent |
| ▪ | political climate, lack of community unity, NIMBYism | 36 | 55% | 8 | 57% |
| | More than 25 years | 16 | 57% | | |
| | 10-24 years | 16 | 73% | | |
| | Less than 10 years | 4 | 27% | | |
| ▪ | infrastructure and transportation | 26 | 40% | 9 | 64% |
| | More than 25 years | 11 | 39% | | |
| | 10-24 years | 9 | 41% | | |
| | Less than 10 years | 6 | 40% | | |
| ▪ | lack of economic diversity, opportunities | 23 | 35% | 3 | 21% |
| | More than 25 years | 9 | 32% | | |
| | 10-24 years | 6 | 27% | | |
| | Less than 10 years | 8 | 53% | | |
| ▪ | land use planning, growth, zoning | 18 | 28% | 9 | 64% |
| | More than 25 years | 10 | 36% | | |
| | 10-24 years | 5 | 23% | | |
| | Less than 10 years | 3 | 20% | | |
| ▪ | cost of living, low wages, poverty | 16 | 25% | 5 | 36% |
| | More than 25 years | 4 | 14% | | |
| | 10-24 years | 9 | 41% | | |
| | Less than 10 years | 3 | 20% | | |
| ▪ | lack of affordable housing | 12 | 18% | 0 | 0% |
| | More than 25 years | 4 | 14% | | |
| | 10-24 years | 6 | 27% | | |
| | Less than 10 years | 2 | 13% | | |

Substantiating participants' perceptions, Missoula poverty rates increased significantly in the 80s and are still above 1979 levels (Figure 13). The only age group with consistently declining poverty rates was persons over 65 years of age. The poverty rate for children and the population as a whole approaches 15% suggesting that not all persons/groups have benefited proportionally by Missoula's upward trend in rising per capita income.

It may be that Missoula's rapidly rising population levels, 49% during the 90s, outpaces the county's ability to provide high quality, higher paying jobs for this large population influx. The growth rate in per capita income was 24% slightly less than half the population growth rate of 49% (See the peer community information in Table 10 at the end of this report.). The economic conditions reflect many economic forum attendees' opinions that the rate of growth in population and the poverty rates are both unacceptably high.

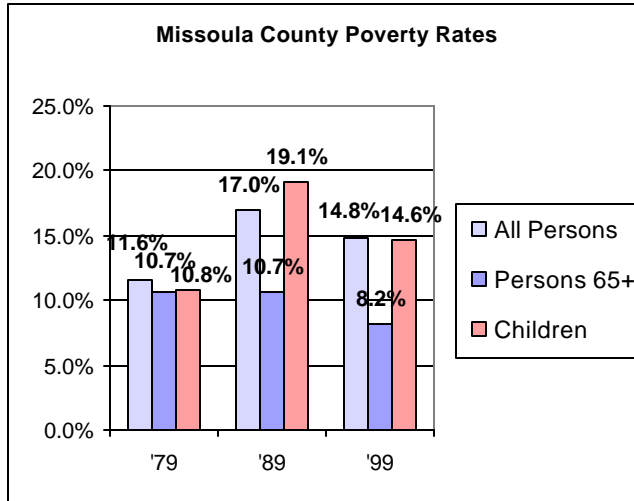


Figure 13.

Trends Shaping Missoula over the Next 20 Years

Participants were asked what they believe to be the three key trends mostly likely to shape Missoula over the next 20 years. Individual responses (blue surveys) most strongly identify population growth and changing economic conditions; sprawl and environmental pressures and aging and retirement were identified as two additional trends (Table 6). In contrast, the break out groups identified sprawl and environmental pressures, changing economic conditions and aging and retirement as the three most influential trends. Individual responses varied considerably depending on length of residency.

| Table 6. Question 6: What 3 key trends do you see shaping Missoula over the next 20 years? | | | | | |
|--|--------------------|---|------------|--|------------|
| Responses related to: | | Blue Surveys Completed by 65 Individuals Before Forum | | Yellow Surveys Completed by 14 Individuals or Breakout Groups During Forum | |
| | | Number | Percent | Number | Percent |
| ▪ population growth | | 44 | 68% | 8 | 57% |
| | More than 25 years | 23 | 82% | | |
| | 10-24 years | 15 | 68% | | |
| | Less than 10 years | 4 | 40% | | |
| ▪ changing economic conditions: globalization, information based, regional hub | | 32 | 49% | 10 | 71% |
| | More than 25 years | 14 | 50% | | |
| | 10-24 years | 13 | 59% | | |
| | Less than 10 years | 5 | 33% | | |
| ▪ sprawl and environmental pressures | | 17 | 26% | 11 | 79% |
| | More than 25 years | 9 | 32% | | |
| | 10-24 years | 5 | 23% | | |
| | Less than 10 years | 3 | 20% | | |

| | | | | | |
|---|--------------------|-----------|------------|----------|------------|
| aging and retirement | | 14 | 22% | 9 | 64% |
| | More than 25 years | 5 | 18% | | |
| | 10-24 years | 7 | 32% | | |
| | Less than 10 years | 2 | 13% | | |
| growth in the health care industry | | 10 | 15% | 1 | 7% |
| | More than 25 years | 3 | 11% | | |
| | 10-24 years | 6 | 27% | | |
| | Less than 10 years | 1 | 7% | | |
| recreation and tourism | | 2 | 3% | 2 | 14% |
| | More than 25 years | 1 | 4% | | |
| | 10-24 years | 0 | 0% | | |
| | Less than 10 years | 1 | 7% | | |

What would you like Missoula to look like in 20 years?

Forum participants' vision for Missoula is consistent with their perceptions of the community's strength and weaknesses but varies considerably depending on their length of residency. Overall, participants want good neighborhoods/less sprawl/clustered housing, open space/environmental protection/parks and a vibrant community with cultural and sports amenities and a diverse economy (Table 7). Quality educational opportunities and improved transportation were on the second tier of individual opinions with transportation improvements rising in importance with breakout groups. Breakout groups also want Missoula to remain the same in character despite growing larger.

| Table 7. Question 9: What would you like Missoula to look like in 20 years? | | | | | |
|---|--------------------|--|------------|---|------------|
| Responses related to: | | Blue Surveys Completed by 65 Individuals Before Forum | | Pink Surveys Completed by 45 Individuals or Breakout Groups During Forum | |
| | | Number | Percent | Number | Percent |
| good neighborhoods, less sprawl, clustered housing | | 22 | 34% | 16 | 36% |
| | More than 25 years | 11 | 39% | | |
| | 10-24 years | 7 | 32% | | |
| | Less than 10 years | 4 | 27% | | |
| open space, environmental protection, parks | | 21 | 32% | 15 | 33% |
| | More than 25 years | 10 | 36% | | |
| | 10-24 years | 4 | 18% | | |
| | Less than 10 years | 7 | 47% | | |
| vibrant community with cultural and sports amenities | | 18 | 28% | 14 | 31% |
| | More than 25 years | 7 | 25% | | |
| | 10-24 years | 6 | 27% | | |
| | Less than 10 years | 5 | 33% | | |
| vibrant, diverse economy with career opportunities | | 16 | 25% | 11 | 24% |
| | More than 25 years | 7 | 25% | | |
| | 10-24 years | 2 | 9% | | |
| | Less than 10 years | 7 | 47% | | |
| quality educational opportunities | | 11 | 17% | 6 | 13% |
| | More than 25 years | 6 | 21% | | |
| | 10-24 years | 1 | 5% | | |
| | Less than 10 years | 4 | 27% | | |
| improved transportation infrastructure | | 10 | 15% | 9 | 20% |
| | More than 25 years | 5 | 18% | | |
| | 10-24 years | 3 | 14% | | |
| | Less than 10 years | 2 | 13% | | |
| remaining the same in character, but growing larger | | 8 | 12% | 12 | 27% |
| | More than 25 years | 4 | 14% | | |
| | 10-24 years | 3 | 14% | | |
| | Less than 10 years | 1 | 7% | | |

Role of Public and Private Sectors

When asked what three basic actions the public and private sectors can do in the next five years to improve Missoula, individuals cited providing business incentives/partnering with the private sector, land use

planning/growth management/zoning and improving infrastructure/transportation as roles for the **public sector** (Table 8). The focus changed considerably with the breakout groups shifting more strongly to improving infrastructure/transportation, addressing taxes and regulations, and land use planning. Again, responses varied by length of participants' residency.

| Table 8. Question 7: What 3 basic actions can the public sector take over the next 5 years to improve Missoula? | | | | | |
|---|--------------------|---|------------|--|------------|
| Responses related to: | | Blue Surveys Completed by 65 Individuals Before Forum | | Pink Surveys Completed by 45 Individuals or Breakout Groups During Forum | |
| | | Number | Percent | Number | Percent |
| ▪ providing business incentives, partnering with private sector, supporting entrepreneurs | | 40 | 62% | 14 | 30% |
| | More than 25 years | 14 | 50% | | |
| | 10-24 years | 17 | 77% | | |
| | Less than 10 years | 9 | 60% | | |
| ▪ land use planning, growth management, zoning | | 34 | 52% | 12 | 26% |
| | More than 25 years | 15 | 54% | | |
| | 10-24 years | 10 | 45% | | |
| | Less than 10 years | 9 | 60% | | |
| ▪ improving infrastructure, transportation | | 27 | 42% | 28 | 61% |
| | More than 25 years | 14 | 50% | | |
| | 10-24 years | 6 | 27% | | |
| | Less than 10 years | 7 | 47% | | |
| ▪ providing leadership, community development | | 17 | 26% | 11 | 24% |
| | More than 25 years | 9 | 32% | | |
| | 10-24 years | 4 | 18% | | |
| | Less than 10 years | 4 | 27% | | |
| ▪ protecting open space, environment, and maintaining rural character | | 12 | 18% | 5 | 11% |
| | More than 25 years | 5 | 18% | | |
| | 10-24 years | 3 | 14% | | |
| | Less than 10 years | 4 | 27% | | |
| ▪ taxes and regulations | | 10 | 15% | 13 | 28% |
| | More than 25 years | 6 | 21% | | |
| | 10-24 years | 3 | 14% | | |
| | Less than 10 years | 1 | 7% | | |

Participants believe that the actions the **private sector** can take over the next five years to improve Missoula focus on promoting business/developing sources of capital/business incentives and partnerships with government and the University for business planning, development and promotion (Table 9). The breakout groups generally supported these same actions but also saw increasing community involvement as an important action of the private sector.

Panelist Rosalie Cates sees the need for additional entrepreneurial orientation and focus. This is something that Montanans do not have much experience with as a result of the old resource based economy. Public-private partnerships are needed to support these opportunities for younger entrepreneurs. Steve Witz agreed that the mechanism for developing angel capital funds and moving ideas from research to commercialization is critical for growing the new economy and jobs for young people so they can stay in Montana to work and live. Daniel Kemmis believes that there are many examples of leadership and problem solving at the local level. That the process gets weaker at the state and federal level. He identified a process for a series of forums in regional centers across the state to culminate in a statewide community agenda to support economic development.

Table 9. Question 8: What 3 basic actions can the private sector take over the next 5 years to improve Missoula?

| Responses related to: | | Blue Surveys Completed by 65 Individuals Before Forum | | Pink Surveys Completed by 45 Individuals or Breakout Groups During Forum | |
|--|--------------------|--|------------|---|------------|
| | | Number | Percent | Number | Percent |
| ▪ promoting business, developing sources of capital, business investments | | 29 | 45% | 26 | 58% |
| | More than 25 years | 13 | 46% | | |
| | 10-24 years | 9 | 41% | | |
| | Less than 10 years | 7 | 47% | | |
| ▪ partnerships with government and University for business planning, development, promotion | | 23 | 35% | 22 | 49% |
| | More than 25 years | 11 | 39% | | |
| | 10-24 years | 5 | 23% | | |
| | Less than 10 years | 7 | 47% | | |
| ▪ supporting or providing education and training | | 12 | 18% | 10 | 22% |
| | More than 25 years | 6 | 21% | | |
| | 10-24 years | 3 | 14% | | |
| | Less than 10 years | 3 | 20% | | |
| ▪ increasing employee wages and benefits | | 10 | 15% | 7 | 16% |
| | More than 25 years | 3 | 11% | | |
| | 10-24 years | 4 | 18% | | |
| | Less than 10 years | 3 | 20% | | |
| ▪ increasing community involvement | | 8 | 12% | 11 | 24% |
| | More than 25 years | 5 | 18% | | |
| | 10-24 years | 2 | 9% | | |
| | Less than 10 years | 1 | 7% | | |

What Next?

Of the 90 people who attended the Forum, 42 completed evaluation forms. One hundred percent said they would take part in an event like this again; ninety-five percent rated their ability to interact with presenters as good to excellent and ninety-eight percent indicated the information packet was good to excellent. These results suggest that participants valued the information and exchanges and believe the Forum was a productive use of their time.

When asked about next steps, over half responded that follow up action should occur either in the same format or by forming smaller groups to work on specific issues raised in the Forum. Another third believe that the results of the meeting should be reported and presented to the rest of the community. Some encouraged pursuing Daniel Kemmis' community agenda project. Others believe the Forum should form the basis for developing a community vision with participation of the City, County, University, hospitals and the US Forest Service.

Table 10.

| City Regions Peer Review: Personal Income Growth & Per Capita Income | | | | | | | |
|---|-------------------------|------------------------|---------|------|--------------------------------------|-------------------------|----------|
| Region Rankings | | Personal Income | | | Core County Per Capita Income | | |
| | <i>READ Region</i> | Growth | | | <i>READ Region</i> | | |
| | | '80-'90 | '90-'00 | | | 2000 | |
| #1 | Laredo, TX | 37% | 73% | | #1 | Casper, WY | \$33,301 |
| #2 | Bend, OR | 50% | 67% | | #2 | Sioux Falls, SD | \$32,445 |
| #3 | Grand Junction, CO | 16% | 65% | | #3 | Cheyenne, WY | \$28,547 |
| #4 | Bozeman, MT | 33% | 63% | | #4 | Bismarck, ND | \$27,586 |
| #5 | Kingman, AZ | 102% | 62% | VERY | #5 | Mankato, MN | \$26,784 |
| #6 | Farmington, NM | 18% | 55% | HIGH | #6 | Billings, MT | \$26,628 |
| #7 | Flagstaff, AZ | 49% | 54% | | #7 | Bend, OR | \$26,594 |
| #8 | Missoula, MT | 19% | 49% | | #8 | Rapid City, SD | \$26,577 |
| #9 | Bellingham, WA | 47% | 48% | | #9 | Victoria, TX | \$26,391 |
| #10 | Bryan, kTX | 35% | 47% | | #10 | Cape Girardeau, MO | \$25,850 |
| #11 | Sioux Falls, SD | 32% | 46% | | #11 | Dubuque, IA | \$25,826 |
| #12 | Kalispell, MT | 22% | 44% | | #12 | Minot, ND | \$25,685 |
| #13 | Jonesboro, AR | 22% | 43% | | #13 | Sioux City, IA | \$25,681 |
| #14 | Sherman, TX | 18% | 40% | | #14 | Wichita Falls, TX | \$25,331 |
| #15 | Yuma, AZ | 25% | 40% | HIGH | #15 | Ukiah, CA | \$25,301 |
| #16 | Lufkin-Nacogdoches, TX | 23% | 38% | | #16 | Bozeman, MT | \$25,139 |
| #17 | Cape Girardeau, MO | 23% | 36% | | #17 | Great Falls, MT | \$25,106 |
| #18 | Joplin, MO | 19% | 36% | | #18 | Grand Junction, CO | \$25,019 |
| #19 | Billings, MT | 10% | 35% | | #19 | Grand Forks, ND | \$24,943 |
| #20 | Casper, WY | -20% | 35% | | #20 | Waterloo, IA | \$24,770 |
| #21 | Port Angeles, WA | 38% | 33% | | #21 | Missoula, MT | \$24,696 |
| #22 | Victoria, TX | 14% | 33% | | #22 | Port Angeles, WA | \$24,553 |
| #23 | Bismarck, ND | 18% | 32% | | #23 | St. Joseph, MO | \$24,281 |
| #24 | Rapid City, SD | 22% | 32% | | #24 | San Angelo, TX | \$24,230 |
| #25 | Stillwater, OK | 18% | 32% | PEER | #25 | Enid, OK | \$23,896 |
| #26 | Cheyenne, WY | -2% | 29% | NORM | #26 | Kalispell, MT | \$23,859 |
| #27 | Lewiston-Pullman, ID/WA | 6% | 29% | | #27 | Manhattan, KS | \$23,732 |
| #28 | Mankato, MN | 16% | 28% | | #28 | Idaho Falls, ID | \$23,670 |
| #29 | Twin Falls, ID | 21% | 28% | | #29 | Bellingham, WA | \$23,567 |
| #30 | Sioux City, IA | 15% | 28% | | #30 | Sherman, TX | \$23,483 |
| #31 | Idaho Falls, ID | 27% | 27% | | #31 | Joplin, MO | \$23,394 |
| #32 | Ukiah, CA | 41% | 27% | | #32 | Eureka, CA | \$23,282 |
| #33 | Texarkana, TX | 24% | 27% | | #33 | Texarkana, TX | \$22,875 |
| #34 | Pocatello, ID | 9% | 27% | | #34 | Lewiston-Pullman, ID/WA | \$22,686 |
| #35 | Muskogee, OK | 20% | 27% | | #35 | Flagstaff, AZ | \$22,526 |
| #36 | San Angelo, TX | 21% | 26% | LOW | #36 | Coos Bay, OR | \$22,201 |
| #37 | St. Joseph, MO | 12% | 26% | | #37 | Aberdeen, WA | \$21,959 |
| #38 | Wichita Falls, TX | 7% | 25% | | #38 | Jonesboro, AR | \$21,952 |
| #39 | Dubuque, IA | 13% | 23% | | #39 | Lufkin-Nacogdoches, TX | \$21,674 |
| #40 | Waterloo, IA | -3% | 21% | | #40 | Twin Falls, ID | \$21,644 |
| #41 | Coos Bay, OR | 11% | 21% | | #41 | Lawton, OK | \$21,520 |
| #42 | Minot, ND | 19% | 20% | | #42 | Stillwater, OK | \$21,206 |
| #43 | Eureka, CA | 18% | 19% | | #43 | Pocatello, ID | \$21,081 |
| #44 | Roswell, NM | 7% | 18% | | #44 | Muskogee, OK | \$20,537 |
| #45 | Aberdeen, WA | 0% | 18% | | #45 | Bryan, kTX | \$20,429 |
| #46 | Grand Forks, ND | 19% | 18% | VERY | #46 | Roswell, NM | \$18,797 |
| #47 | Manhattan, KS | 20% | 14% | LOW | #47 | Kingman, AZ | \$18,688 |
| #48 | Great Falls, MT | 10% | 14% | | #48 | Farmington, NM | \$18,128 |
| #49 | Lawton, OK | 13% | 13% | | #49 | Yuma, AZ | \$15,820 |
| #50 | Enid, OK | -5% | 8% | | #50 | Laredo, TX | \$15,011 |

| City Regions Peer Review: Core County Poverty Rate | | | | | | | | |
|---|-------------------------|-------|-----|-------------------------|-------|-----|-------------------------|-------|
| Region Rankings | | | | | | | | |
| | READ Region | | | READ Region | | | READ Region | |
| | | '79 | | | '89 | | '99 | |
| #1 | Casper, WY | 5.8% | #1 | Sioux Falls, SD | 8.0% | #1 | Sioux Falls, SD | 7.5% |
| #2 | Bismarck, ND | 7.9% | #2 | Idaho Falls, ID | 9.9% | #2 | Dubuque, IA | 7.8% |
| #3 | Cheyenne, WY | 8.0% | #3 | Bismarck, ND | 10.0% | #3 | Bismarck, ND | 7.8% |
| #4 | Dubuque, IA | 8.3% | #4 | Dubuque, IA | 10.3% | #4 | Cheyenne, WY | 9.1% |
| #5 | Idaho Falls, ID | 8.5% | #5 | Cheyenne, WY | 10.6% | #5 | Bend, OR | 9.3% |
| #6 | Enid, OK | 8.5% | #6 | Bend, OR | 10.9% | #6 | Idaho Falls, ID | 10.1% |
| #7 | Sioux Falls, SD | 8.7% | #7 | Casper, WY | 11.6% | #7 | Grand Junction, CO | 10.2% |
| #8 | Waterloo, IA | 9.3% | #8 | Billings, MT | 12.1% | #8 | Sioux City, IA | 10.3% |
| #9 | Bend, OR | 9.3% | #9 | Bellingham, WA | 12.3% | #9 | Minot, ND | 10.8% |
| #10 | Billings, MT | 9.3% | #10 | Grand Forks, ND | 12.3% | #10 | Cape Girardeau, MO | 11.1% |
| #11 | Pocatello, ID | 9.4% | #11 | Port Angeles, WA | 12.5% | #11 | Billings, MT | 11.1% |
| #12 | Kalispell, MT | 9.4% | #12 | Minot, ND | 12.7% | #12 | Sherman, TX | 11.3% |
| #13 | Sherman, TX | 9.7% | #13 | Rapid City, SD | 12.9% | #13 | Rapid City, SD | 11.5% |
| #14 | Grand Junction, CO | 9.7% | #14 | Sioux City, IA | 13.4% | #14 | Casper, WY | 11.8% |
| #15 | Minot, ND | 10.1% | #15 | Twin Falls, ID | 13.6% | #15 | St. Joseph, MO | 12.2% |
| #16 | Port Angeles, WA | 10.2% | #16 | Great Falls, MT | 13.7% | #16 | Grand Forks, ND | 12.3% |
| #17 | Great Falls, MT | 10.3% | #17 | Pocatello, ID | 13.8% | #17 | Port Angeles, WA | 12.5% |
| #18 | Coos Bay, OR | 10.5% | #18 | Sherman, TX | 13.8% | #18 | Twin Falls, ID | 12.7% |
| #19 | Aberdeen, WA | 10.6% | #19 | Cape Girardeau, MO | 13.9% | #19 | Bozeman, MT | 12.8% |
| #20 | Grand Forks, ND | 11.0% | #20 | Enid, OK | 14.1% | #20 | Mankato, MN | 12.9% |
| #21 | Kingman, AZ | 11.2% | #21 | Kingman, AZ | 14.2% | #21 | Victoria, TX | 12.9% |
| #22 | St. Joseph, MO | 11.3% | #22 | Ukiah, CA | 14.2% | #22 | Kalispell, MT | 13.0% |
| #23 | Sioux City, IA | 11.4% | #23 | Kalispell, MT | 14.5% | #23 | Waterloo, IA | 13.1% |
| #24 | Missoula, MT | 11.6% | #24 | Grand Junction, CO | 15.1% | #24 | Wichita Falls, TX | 13.2% |
| #25 | Cape Girardeau, MO | 11.9% | #25 | Joplin, MO | 15.3% | #25 | Great Falls, MT | 13.5% |
| #26 | Twin Falls, ID | 12.0% | #26 | Waterloo, IA | 15.3% | #26 | Pocatello, ID | 13.9% |
| #27 | Rapid City, SD | 12.2% | #27 | St. Joseph, MO | 15.6% | #27 | Kingman, AZ | 13.9% |
| #28 | Wichita Falls, TX | 12.3% | #28 | Wichita Falls, TX | 15.9% | #28 | Enid, OK | 13.9% |
| #29 | Ukiah, CA | 12.3% | #29 | Lawton, OK | 15.9% | #29 | Bellingham, WA | 14.2% |
| #30 | San Angelo, TX | 12.5% | #30 | Aberdeen, WA | 16.4% | #30 | Joplin, MO | 14.5% |
| #31 | Mankato, MN | 13.0% | #31 | Coos Bay, OR | 16.5% | #31 | Missoula, MT | 14.8% |
| #32 | Victoria, TX | 13.1% | #32 | Missoula, MT | 17.0% | #32 | Coos Bay, OR | 15.0% |
| #33 | Bozeman, MT | 13.2% | #33 | Jonesboro, AR | 17.0% | #33 | San Angelo, TX | 15.2% |
| #34 | Bellingham, WA | 13.2% | #34 | Bozeman, MT | 17.1% | #34 | Jonesboro, AR | 15.4% |
| #35 | Joplin, MO | 13.4% | #35 | Texarkana, TX | 17.1% | #35 | Lawton, OK | 15.6% |
| #36 | Eureka, CA | 14.3% | #36 | San Angelo, TX | 17.3% | #36 | Ukiah, CA | 15.9% |
| #37 | Lawton, OK | 14.6% | #37 | Victoria, TX | 17.6% | #37 | Aberdeen, WA | 16.1% |
| #38 | Lewiston-Pullman, ID/WA | 14.9% | #38 | Eureka, CA | 17.6% | #38 | Texarkana, TX | 17.7% |
| #39 | Jonesboro, AR | 15.0% | #39 | Lewiston-Pullman, ID/WA | 18.0% | #39 | Muskogee, OK | 17.9% |
| #40 | Yuma, AZ | 16.0% | #40 | Mankato, MN | 18.5% | #40 | Flagstaff, AZ | 18.2% |
| #41 | Lufkin-Nacogdoches, TX | 16.0% | #41 | Yuma, AZ | 19.9% | #41 | Lewiston-Pullman, ID/WA | 18.7% |
| #42 | Texarkana, TX | 16.2% | #42 | Manhattan, KS | 21.2% | #42 | Lufkin-Nacogdoches, TX | 18.9% |
| #43 | Manhattan, KS | 16.5% | #43 | Lufkin-Nacogdoches, TX | 21.4% | #43 | Yuma, AZ | 19.2% |
| #44 | Stillwater, OK | 16.6% | #44 | Stillwater, OK | 21.7% | #44 | Eureka, CA | 19.5% |
| #45 | Muskogee, OK | 18.7% | #45 | Muskogee, OK | 21.9% | #45 | Stillwater, OK | 20.3% |
| #46 | Roswell, NM | 19.2% | #46 | Roswell, NM | 22.4% | #46 | Manhattan, KS | 20.6% |
| #47 | Flagstaff, AZ | 20.4% | #47 | Flagstaff, AZ | 23.1% | #47 | Roswell, NM | 21.3% |
| #48 | Farmington, NM | 20.9% | #48 | Bryan, kTX | 26.7% | #48 | Farmington, NM | 21.5% |
| #49 | Bryan, kTX | 22.3% | #49 | Farmington, NM | 28.3% | #49 | Bryan, kTX | 26.9% |
| #50 | Laredo, TX | 33.1% | #50 | Laredo, TX | 38.2% | #50 | Laredo, TX | 31.2% |

What can communities and regions do to improve their economies?

“Effective strategies for area economic improvement will not be based on traditional definitions of urban and rural, but on an understanding of the economic and social structure of a particular region, its links to the surrounding communities, and the particular problems and opportunities that these structures and interrelationships present. Local leaders must use this understanding to craft policy strategies and programs to build the capacities for taking advantage of new economic opportunities.”

- Path to Smarter Economic Development, National Academy for Public Administration (NAPA), 1996