

VIII. APPLYING AND ANALYZING THE FINDINGS

Findings related to demographic trends

- According to the Economic and Trend Analysis prepared by the O'Connor Center for the Rocky Mountain West, and projections from the Montana Department of Labor and Industry, the sectors producing the most new jobs between 2001 and 2012 have been non-industrial uses such as Health Care Services, Accommodations & Food Services, and Retail Trade, Professional Scientific, and Technical Services. Please refer to the spreadsheet at the end of this section labelled **Comparative Target Sector Analyses** to see how these projections relate to other target industry projections.
- Today manufacturing generates about one-third the labor earnings it once generated at its peak in 1979. Manufacturing's share of total labor earnings in the county has shrunk from almost 18% in 1977 to only about 3% in 2012.

Findings related to zoning

- There are 3,773.53 acres of County land with industrial zoning and 812.91 acres of City land with industrial zoning. This excludes unzoned lands and special districts.
- There are two County industrial zoning districts; C-I1 (Light Industry), and C-12 (Heavy Industry). The City of Missoula has three industrial zoning districts; two are similar to the County districts, M1 (Limited Industrial) and M2 (Heavy Industrial), in addition the City has a M1R (Limited Industrial-Residential).
- The County's use of "Euclidian" zoning has less flexibility and requires that only permitted industrial uses are possible on the property. The City's use of "Pyramidal" zoning allows many less intensive uses to be accommodated in industrial zones.
- As a result of this difference in style of zoning it appears that there is more opportunity in the City to develop industrial zoned lands with non-manufacturing uses that are in sectors of the economy that are creating the most new jobs.

- Conversely, as a result of this difference in style of zoning it appears that there is less opportunity in the County to develop industrial zoned lands with non-manufacturing uses that are in sectors of the economy that are creating the most new jobs.

Findings related to infrastructure

- By analyzing the range of properties in the Matrix, it becomes clear that some properties would be classified as “Decision Ready” such as those in the Missoula Development Park and at the other extreme of the spectrum would be classified as “Industrial Reserve” such as those lands southwest of the airport, which is entirely lacking in transportation, water, sewer, and power infrastructure. In between those two extremes are properties that may have reasonable transportation access, but require capital improvements such as extension of sewer or water.
- The blocks that appear to be the most “Decision Ready” appear to be the Missoula Development Park (Block 16); The Bonner Mill Site (Blocks 67 & 68); the portion of the Frenchtown Mill Site that is relatively free of environmental liabilities (Block 72); and areas along the Wye that are adjacent to the Hwy. 12 corridor (Blocks 3,4,6,8-12).

Findings related to absorption rate

- As of March 20, 2015 there were 27 listings with an average market time of 859 days (2.35 years). In order to calculate the absorption rate we took the sales rate of 0.277 (5/18) and multiply it by 27 resulting in an absorption rate of 7.5 years if the number of listings remain consistent.
- There are also 18 lots in the Missoula Development Park which are not included in this list. If one were to include those as well there would be 45 listings. If the absorption rate recalculated to use 45 listings it would be 12.5 years.

TARGET INDUSTRIES SUITABILITY ANALYSIS

Large Scale Heavy Manufacturing >5 acres

- Bonner (w/o large sewage treatment requirement)
- Frenchtown
- Wye (w/o large water requirement)

Small Scale Manufacturing

- Bonner (w/o large sewage treatment requirement)
- Frenchtown
- Wye (w/o large sewage treatment requirement)
- N Reserve/ Scott St. (White Pine)
- Air/DPark
- Urban Core
- Central Reserve
- South Reserve
- Lolo

Retail Trade

- Wye areas zoned C-C2
- Air/DPark
- North Reserve/Scott St.
- Central Reserve
- South Reserve
- Urban Core
- Lolo

Information Technologies

- Wye areas zoned C-C2
- Air/DPark
- N Reserve/Scott St.
- Central Reserve
- South Reserve
- Urban Core

Transportation and Warehousing

- Wye
- Bonner
- North Reserve/Scott St.

Wholesale Trade

- Wye areas zoned C-C2
- North Reserve/Scott St.
- Central Reserve
- South Reserve
- Urban Core
- Lolo

Health Care & Social Assistance

- North Reserve/Scott St.
- Central Reserve
- South Reserve
- Urban Core
- Lolo

Leisure and Hospitality

- North Reserve/Scott St.
- Central Reserve
- South Reserve
- Urban Core
- Lolo

Creative Professional Services

- North Reserve Scott St.
- Central Reserve
- South Reserve
- Urban Core
- Lolo

CONCLUSIONS

- Based on current absorption rates as described in the Industrial Lands Absorption Analysis, Missoula has enough industrial land to last 50 years.
- Currently, the businesses that are projected to create the most jobs are not permitted in much of the County land currently zoned industrial.
- Bonner and Frenchtown Mill are the two areas most Decision Ready for large scale heavy industrial uses.
- Scott Street West is the most Decision Ready for light industrial (mixed) use.
- The Wye area has potential for increased light industrial use, but needs water and road improvements to be fully Decision Ready.
- Lolo has three areas designated as light industrial but two of them are outside of the Lolo Water and Sewer District and the site that is in the district is next to Lolo School which makes these areas less Decision Ready than other County industrial lands.
- Seeley Lake has a timber mill and could accommodate more heavy industrial uses but needs a municipal sewer system to be fully Decision Ready. The Seeley Lake Sewer District is active in analyzing need and researching the most feasible approach. Missoula County Public Works is actively working with the sewer district in planning and obtaining funding.
- Clinton has two areas with land use designations of light and heavy industrial. However, the absence of access to sewer and water makes these sites less Decision Ready than other County industrial lands.
- The cost and timeline of extending infrastructure, if warranted, is going to be dependent on the demonstrated need for extending that infrastructure, and also dependent on funding sources to pay for the projects. There are sufficient industrial sites available that do not need significant infrastructure improvement.
- The lack of municipal sewer in the Bonner industrial areas has not deterred development although municipal sewer to the area may simplify development for Heavy Industrial uses while also solving the water quality problems in Bonner and West Riverside. Missoula County Public Works has received grant funding to begin a feasibility study.

RECOMMENDATIONS

- Before extending infrastructure, locate new industrial uses on existing industrial zoned and designated lands which have the necessary infrastructure in place and are identified as Decision Ready in the Matrix Analysis for the most efficient utilization of County industrial lands and infrastructure. The existing industrial areas that are Decision Ready or close to Decision Ready without significant infrastructure improvements provide sufficient sites for industrial development in Missoula County.
- Deliver an Open Access Broadband business plan and operations strategy that will increase competition and reduce rates with the goal to deliver improved and affordable high speed/high capacity broadband for the benefit of economic development in the region. This is currently in process.
- Consider other potential sites that may be good locations for rail/truck transloader facilities, such as the Northside MRL property lying to the east of Bitterroot Lumber, or a number of sites near the Wye.
- Certain types of industry thrive better when they are located in proximity to other related businesses. Consider applying the clustering model to the Technology zoned area of the Missoula Development Park where 12 vacant lots existing next to Direct TV.
- Consider developing criteria for site certification. This would allow Missoula County to assess industrial site readiness. It also reduces risk for potential developers. Missoula could be the first community in the state of Montana to establish such a program.
- Missoula County should consider some form of pyramidal zoning to allow more variety of uses in light industrial zoned land.
- The City of Missoula should consider limiting pyramidal zoning to create buffers from heavy industrial zoning when it is adjacent to commercial zoning.