



# Tri-County Housing Needs Assessment

Broadwater County, Jefferson County, Lewis and Clark County

10/30/18

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# Executive Summary

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In January, 2018, the Tri-County Housing Task Force commenced a series of focus groups to obtain input on housing issues and trends in the three county area of Broadwater County, Jefferson County, and Lewis and Clark County. The housing needs assessment process also included a community survey, a business survey, data analysis and mapping. This information is compiled in this report to document housing needs and to provide a basis for pursuing strategies to confront those needs. This needs assessment found that housing issues are multi-faceted and affect all income levels. Consequently, a coordinated response from public, private and non-profit partners is necessary to provide adequate and affordable housing for current and future populations in the region. Recommendations to address housing issues fall into the following categories:

1. Capacity Building, Outreach and Education
2. Funding, Financing and Partnerships
3. Promote Homeownership
4. Increase Rental Housing Supply and Address Renter Needs
5. Housing Needs of Seniors, Population with Disabilities/Health Conditions and Homeless Population
6. Planning, Land Use and Development

## Key Findings

### **1. Housing Demand is Outpacing Supply**

Population is projected to increase in all three counties due to positive in-migration. In Lewis and Clark County, new construction is insufficient to keep up with this growth. From 2017 to 2022, the number of households in the county is projected to increase at an annual rate of 549 new households. From 2010 through 2017, the annual number of single-family housing starts plus new multi-family units for the county averaged only 344 total dwelling units. Indicators of this growing housing shortage include low vacancy rates of less than 2% in all three counties for vacant owner units. Vacancy rates for rental units ranged from a low of 2.6% in Lewis and Clark County to just 4.4% in Jefferson County. The U.S. Dept. of Housing and Urban Development projects a tight housing market will continue for urban areas in the Rocky Mountain region. In the community survey, the most common issue among potential homebuyers in all three counties was the inability to find a house in their price range. Among survey respondents in Broadwater County, 81% indicated that there were too few rental places to choose from while in Jefferson County 70% of respondents answered similarly. One in five businesses reported that they had applicants turn down a job due to the inability to find adequate housing.

### **2. Affordability Gap**

Sale prices in all three counties have increased significantly. According to multiple listing data, the average sale prices for homes in Broadwater County increased from \$150,000 in 2012 to \$190,000 in

2017 while in Lewis and Clark County prices increased from \$191,095 to \$245,950 during this same period. Jefferson County had the most expensive housing prices with average sale prices increasing from \$250,750 in 2012 to \$309,950 in 2017. U.S. Census data indicates that median rents ranged from \$626 in Broadwater County, \$731 in Jefferson County and \$802 in Lewis and Clark County. These rents exceed the National Low-Income Housing Coalition estimates of an affordable rent that is based on average hourly wages. The U.S. Census defines a household having a cost burden when 30% or more of monthly household income is spent on monthly housing costs. In Lewis and Clark County, 42.5% of renters are experiencing a cost burden compared to 38.3% in Broadwater County and 32.7% in Jefferson County. Both the Helena Housing Authority and Rocky Mountain Development Council report that there are waiting list for subsidized rental units. Although the community and business surveys ranked housing affordability as the most important issue in the study area, there was less support for subsidized rental housing to address this need. This may indicate a need for community outreach to build support for such projects.

### **3. Aging Population and Housing Needs**

The median age in three counties is higher than the statewide median age. It is projected that by 2022, the cohort over age 65 will comprise 21% of the population in Lewis and Clark County and 25% of the population in both Broadwater and Jefferson Counties. As seniors age they are more likely to experience mobility issues and have other disabilities. This requires retrofits to existing homes and other supportive services to allow seniors to stay in their homes and “age in place”. The aging population is also creating a demand for additional assisted living and skilled care facilities. Another issue is that seniors on fixed incomes have difficulty affording the rising costs of rents, taxes, and property maintenance. While Helena Housing Authority and Rocky Mountain Development Council have subsidized senior rental units, there is often a waiting list for these units. The community survey indicated a high need for additional independent senior living facilities in Broadwater County and Jefferson County.

### **4. Special Needs Population and Housing Needs**

Special needs population includes people with disabilities/health conditions, veterans, homeless and at risk youth. While Helena Housing Authority and Rocky Mountain Development Council provide subsidized units for people with disabilities, a variety of non-profit providers provide group homes and shelter space. According to the Montana Point-In-Time survey, there were 333 individuals in the study area who were counted as meeting the definition of homeless. To aid this population, the Montana Board of Housing Consolidated Plan indicates a need for supportive services and permanent supportive housing. The community survey indicated strong support in Lewis and Clark County for projects and services for the homeless population.

### **5. Provide More Housing Choices**

The focus groups and community survey indicate an interest in exploring a wider range of housing types and ownership models to meet the demand for housing and to provide more options for homeownership. Although one in three homebuyers in Lewis and Clark County indicated they would consider purchasing a townhome, such units only comprise 13% of the housing stock and most of these

are rental units. Non-traditional homeownership models include housing land trust model, limited equity/deed restricted units, housing cooperatives, self-help/sweat equity and resident owned communities. There was also support for mixed-used developments, accessory units, micro-apartments small/tiny home developments and co-housing arrangements to meet housing demand.

#### **6. Land Development Issues**

The cost for new construction makes it difficult to offer an affordable home at market rates. It is estimated that the average cost for a new 1,500 square foot home including lot, financing, fees, sales commission and profit is around \$300,000. The business survey indicated that there was strong support for offering financial and regulatory incentives to offset the cost of building a home. These may include encouraging alternative building technologies to lower housing construction costs, public-private partnerships to fund infrastructure or revising development codes to remove barriers to affordable housing. Although focus groups indicated a need to rezone more land for increased density and multi-family units, it was noted that there is often neighborhood opposition to these developments. Engaging neighbors in the design process is one strategy to overcome concerns of nearby residents.

#### **7. Condition of Existing Housing Stock and Affordable Housing Preservation**

Typically, older homes represent a significant portion of the affordable housing supply. In Broadwater County and Lewis and Clark County, about one in five homes were constructed prior to 1960. Additionally, many of the projects operated by the Helena Housing Authority are over 60-years old. A concern with older homes and rental units is deferred maintenance, lack of weatherization features, lack of accessibility features, and the expense to upgrade homes to meet newer codes. Survey respondents indicate that affordable rental units are often in poor condition. According to the survey, the most common repair items include weatherization, flooring, painting and plumbing. Focus group participants also noted health/safety issues with toxins and meth contamination. The survey indicated strong support for home maintenance assistance for the elderly/disabled and for weatherization programs.

#### **8. Community Capacity and Funding**

Federal housing programs include U.S. Housing and Urban Development housing vouchers and public housing funds, U.S. Dept. of Agriculture rural development programs and U.S. Department of Commerce community development grants. Focus group participants noted that funding for these federal housing programs have either decreased or have stagnated and are not keeping up with demand. At the state level, legislation established a mechanism for a State Housing Fund but it has never received a budget allocation from the legislature. Due to funding shortfalls, more communities are establishing local mechanisms to fund housing programs. To pursue funding and other strategies identified in the needs assessment, it is essential to have a local task force, with staffing, to initiate projects and monitor progress toward housing goals. Outreach and education to build support for such programs is critical to success.

# I. Introduction

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## A. Purpose

The purpose of the housing needs assessment is to identify current housing needs as well as project the future needs of residents in Lewis and Clark County, Broadwater County and Jefferson County. The assessment includes an evaluation of strategies for financing, regulations, subsidies, and ownership models. It identifies opportunities for new development, redevelopment, neighborhood revitalization and projects to provide for special needs populations. The action plan provides a blueprint to build community capacity and to address challenges and opportunities in the area’s housing market.

## B. Tri-County Housing Task Force

A “Housing Task Force” was convened in 2017 to undertake the needs assessment process. A grant from the State of Montana Department Commerce - Community Development Block Grant program partially funded the project. The Task Force had representation from the following agencies.

- Lewis and Clark County
- Broadwater County
- Jefferson County
- City of Helena
- Rocky Mountain Development Council
- Helena Habitat for Humanity
- United Way of the Lewis and Clark Area
- Helena Chamber of Commerce
- Helena Building and Industry Association
- Helena Realtors Association
- Helena Housing Authority
- Mountain View Meadows

The housing needs assessment and implementation plan is based on extensive public input and data collection. The Task Force used the following process to complete this report.

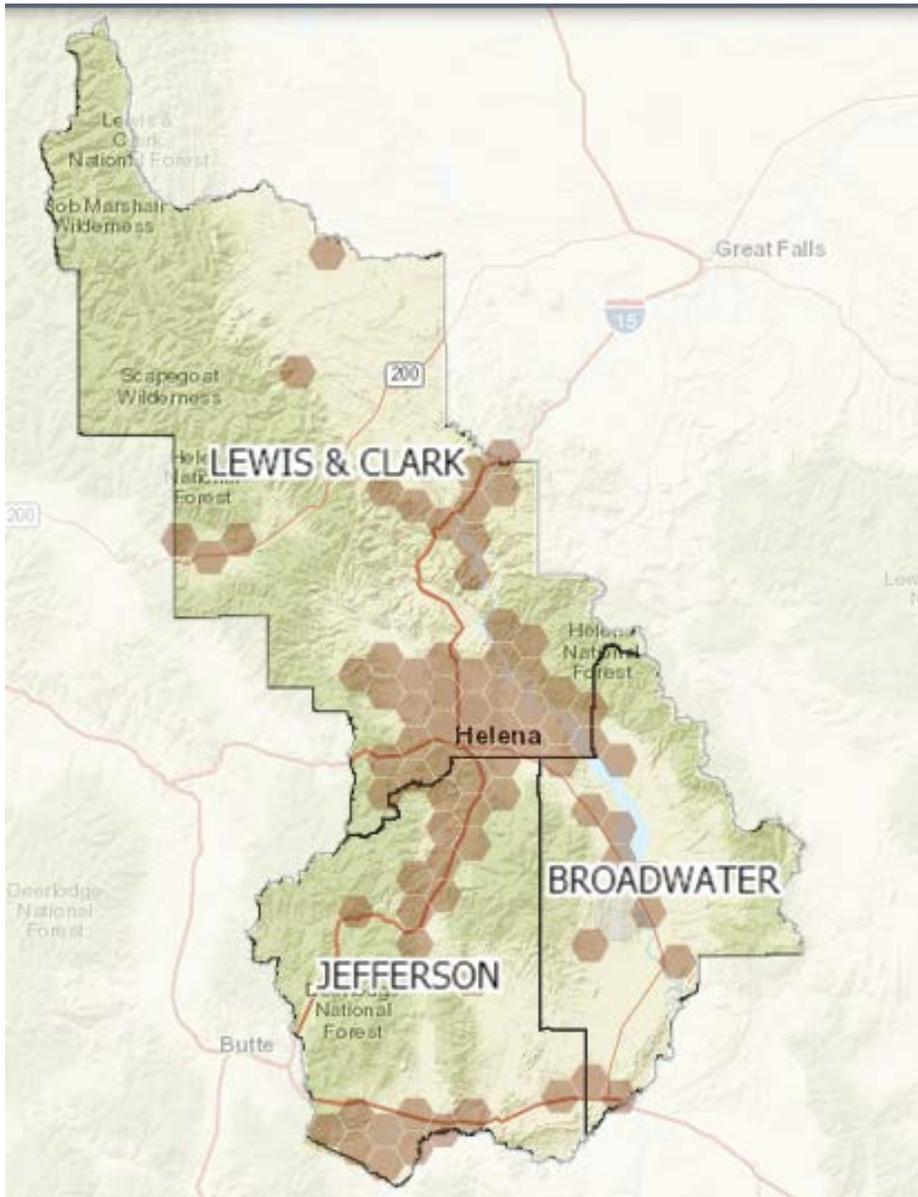
Figure 1: Housing Needs Assessment Process



## C. Study Area

The study area comprises all of Broadwater County, Jefferson County and Lewis and Clark County. As indicated on Map 1, however, the development in these counties is concentrated around the City of Helena and along major highways. Consequently, the focus of the housing needs assessment is in these developed areas.

Map 1: Study Area



**Notes:**

 = 50 or more Structures

Source: Montana Department of Revenue, Cadastral

Mapped Prepared by: Geodata Services - 2018

## II. Socio-Economic Trends

### A. Population Growth

In the tri-county region, Lewis and Clark County has experienced the fastest rate of growth since 2010. The population change of 4.1% from 2010 to 2016 exceeded the statewide average of 3.4% growth during this same period. East Helena has had the fastest rate of growth among the incorporated cities within the tri-county region followed by the City of Helena. Montana City, located in the northern part of Jefferson County, also experienced significant population growth over the last six years while Boulder and Whitehall, located in the southern portion of Jefferson County, lost population. In Broadwater County, growth in the county seat of Townsend outpaced the remainder of the county.

Table 1: Population Change – Lewis and Clark County

|                        | 2010   | 2017   | # Change | % Change | Linear Projection 2022* | Projected 2022 ESRI** |
|------------------------|--------|--------|----------|----------|-------------------------|-----------------------|
| Lewis and Clark County | 63,395 | 67,773 | 4,378    | 6.9%     | 71,183                  | 71,177                |
| Helena                 | 28,190 | 31,429 | 3,239    | 11.5%    | 34,094                  | 30,868                |
| East Helena            | 1,984  | 2,067  | 83       | 4.2%     | 2,130                   | 2,104                 |
| Remainder of County    | 33,221 | 34,277 | 1,056    | 3.2%     | 35,062                  | 38,205                |

Table 2: Population Change – Broadwater County

|                     | 2010  | 2017  | # Change | % Change | Linear Projection 2022* | Projected 2022 ESRI** |
|---------------------|-------|-------|----------|----------|-------------------------|-----------------------|
| Broadwater County   | 5,612 | 5,936 | 324      | 5.8%     | 6,185                   | 5,943                 |
| Townsend            | 1,878 | 2,045 | 167      | 8.9%     | 2,178                   | 2,188                 |
| Remainder of County | 3,734 | 3,891 | 157      | 4.2%     | 4,009                   | 3,755                 |

Table 3: Population Growth – Jefferson County

|                     | 2010   | 2017   | # Change | % Change | Linear Projection 2022* | Projected 2022 ESRI** |
|---------------------|--------|--------|----------|----------|-------------------------|-----------------------|
| Jefferson County    | 11,406 | 11,891 | 485      | 4.3%     | 12,257                  | 11,871                |
| Boulder             | 1,183  | 1,248  | 65       | 5.5%     | 1,298                   | 1,157                 |
| Montana City        | 2,715  | 2,878  | 163      | 6.0%     | 3,004                   | 3,010                 |
| Whitehall           | 1,038  | 1,122  | 84       | 8.1%     | 1,188                   | 1,016                 |
| Remainder of County | 6,470  | 6,643  | 173      | 2.7%     | 6,771                   | 6,688                 |

Source: U.S. Census Bureau, Census of the Population & American Community Survey (ACS)  
Projections:

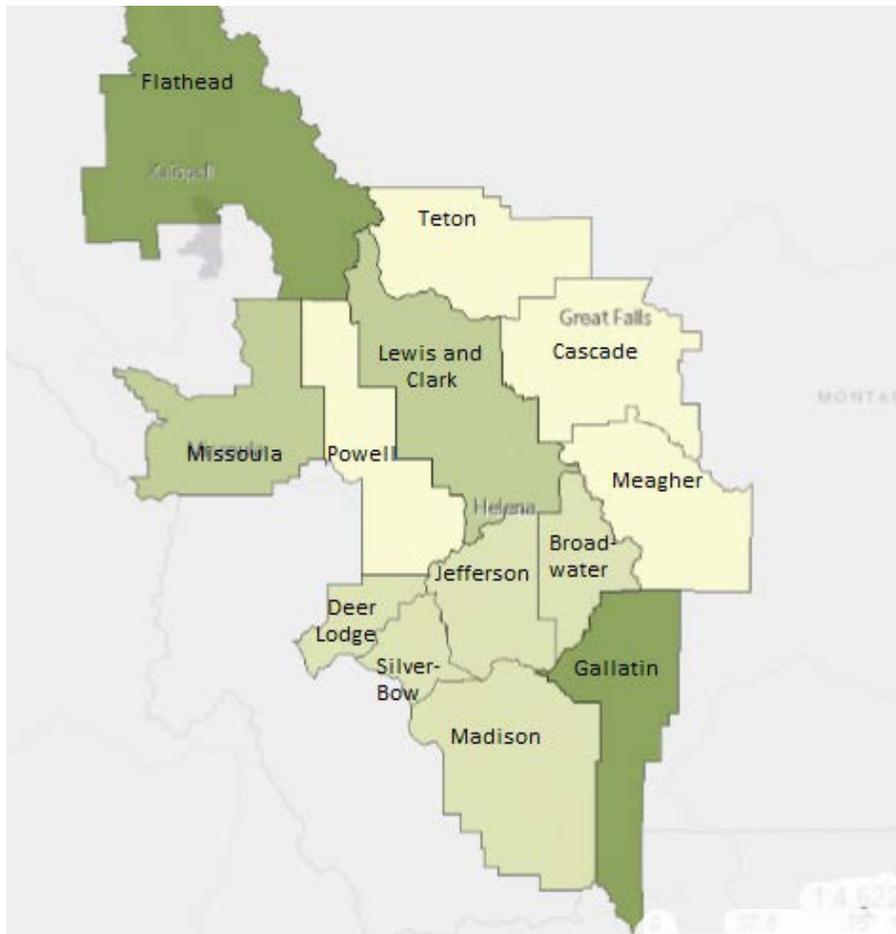
\* Linear projected based on average annual growth rate from 2010 through 2017

\*\*Montana Governor's Office of Economic Development, <http://business.mt.gov/Site-Selector-Home>

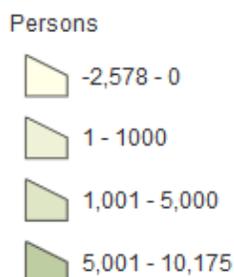
## B. Migration

Net migration is the difference between the number of people moving into the area and the number that have moved out of the county. A positive net migration number means more people entering the county than leaving it. As indicated by the map below, all three counties in the study area experienced positive net migration with Lewis and Clark experienced the highest net migration from 2010 through 2016. Compared to adjacent counties, Flathead and Gallatin counties had a higher volume of net migration while Cascade, Teton, Meagher, and Powell counties experienced negative net migration.

Map 2: Net Migration 2010 - 2016



Source: U.S. Census Bureau, American Community Survey



### C. Age

Median age in all three counties is higher than the statewide average with Jefferson County having the highest median age in the three-county region. As the baby boom generation ages, it is projected that the population over age 65 will increase dramatically over the next five years.

Table 4: Age Trends in Tri-County Region

|                        | <b>Median Age<br/>2016</b> | <b>2016<br/>% age 65 +</b> | <b>2022<br/>Projected #<br/>Age 65+</b> | <b>2022<br/>Projected %<br/>Age 65+</b> | <b>Projected #<br/>Increase - Age<br/>65+ in 2022</b> |
|------------------------|----------------------------|----------------------------|---|---|---|
| <b>Lewis and Clark</b> | 41.2                       | 16.1%                      | 15,221                                  | 21.4%                                   | 6464  |
| <b>Broadwater</b>      | 46.7                       | 20.5%                      | 1526                                    | 25.7%                                   | 2523  |
| <b>Jefferson</b>       | 47.9                       | 18.5%                      | 3055                                    | 25.7%                                   | 1400  |
| <b>Montana</b>         | 39.8                       | 16.7%                      | --                                      | --                                      | --  |

Source: U.S. Census Bureau, American Community Survey (ACS), 2010 Census of the Population

\*Montana Governor's Office of Economic Development, <http://business.mt.gov/Site-Selector-Home>

### D. Household Characteristics

The largest share of households is classified as "Family Households". Lewis and Clark County had the largest share of non-family households while Broadwater County had the largest percentage of households with individuals over age 65. The average household size was somewhat higher in Jefferson County which is representative of the higher percentage of family households in the county. Of note is that the average household size is significantly lower for households with individuals over age 65.

Table 5: Household Characteristics 2016

| <b>Household Characteristics</b>              | <b>Lewis and<br/>Clark</b> | <b>Broadwater</b> | <b>Jefferson</b> |
|---|----------------------------|-------------------|------------------|
| Total households                              | 26,694                     | 2,347             | 4,512            |
| Family households                             | 62.6%                      | 68.8%             | 73.2%            |
| Nonfamily households                          | 37.4%                      | 31.2%             | 26.8%            |
| Households with individuals under 18 years    | 28.8%                      | 27.5%             | 28.8%            |
| Households with individuals 65 years and over | 23.6%                      | 29.6%             | 25.0%            |
| Average household size                        | 2.30                       | 2.37              | 2.48             |
| Average family size                           | 2.87                       | 2.85              | 2.90             |
| Average household size with householder 65+*  | 1.50                       | 1.54              | 1.54             |

Source: U.S. Bureau of the Census, American Community Survey, 2012-2016

\* U.S. Bureau of the Census, Census of the Population 2010

## E. Homeownership

Homeownership rates are the highest in Jefferson County and the lowest in the City of Helena. Corresponding to the lower rates of homeownership in the city is the larger share of rental and multi-family dwelling units located within Helena. The homeownership rate in all three counties is higher than the statewide average.

Table 6: Housing Units by Tenure

|                               | # Housing Units | % Owner-Occupied | % Renter Occupied |
|-------------------------------|-----------------|------------------|-------------------|
| <b>Broadwater County</b>      | 2,691           | 80.9 %           | 19.1 %            |
| <b>Jefferson County</b>       | 5,042           | 84.5%            | 15.5%             |
| <b>Lewis and Clark County</b> | 30,646          | 69.1%            | 30.9%             |
| <b>Helena</b>                 | 14,169          | 54.7%            | 45.3%             |
| <b>Montana</b>                | 491,439         | 67.2%            | 32.8%             |

Source: U.S. Bureau of the Census, American Community Survey, 2012-2016

## F. Projected New Households

The following table is based on projected increase in number of households and factors such as homeowner rates and average household size. As indicated below, there is projected to be a significant demand for new housing over the next five years. Additionally, the percentage of households with persons age 65 and over will comprise one-third of the households in Lewis and Clark County and be equal to about 40% of the households in both Broadwater and Jefferson County.

Table 7: Projected increase in Households

|  | Lewis and Clark | Broadwater | Jefferson |
|--|-----------------|------------|-----------|
| Total Households – 2016*                       | 26,694          | 2,347      | 4,512     |
| Projected Households – 2022**                  | 29,992          | 2,526      | 4,707     |
| Projected Increase in Households (2016-2022)   | 3,298           | 179        | 195       |
| # Increase in Renter Households (2016-2022)*** | 1,019           | 34         | 30        |
| # Increase in Homeowners (2016-2022)***        | 2,279           | 145        | 165       |
| Total Households Age 65+ - 2016*               | 6,230           | 645        | 1,128     |
| Total Households Age 65+ - 2022****            | 10,147          | 990        | 1,951     |
| # Increase in Households Age 65+ (2016-2022)   | 3,917           | 345        | 823       |
| % Households with Persons Age 65+ (2022)       | 34%             | 39%        | 41%       |

**Notes:**

\* Source = U.S. Census Bureau, American Community Survey

\*\* - Montana Governor's Office of Economic Development

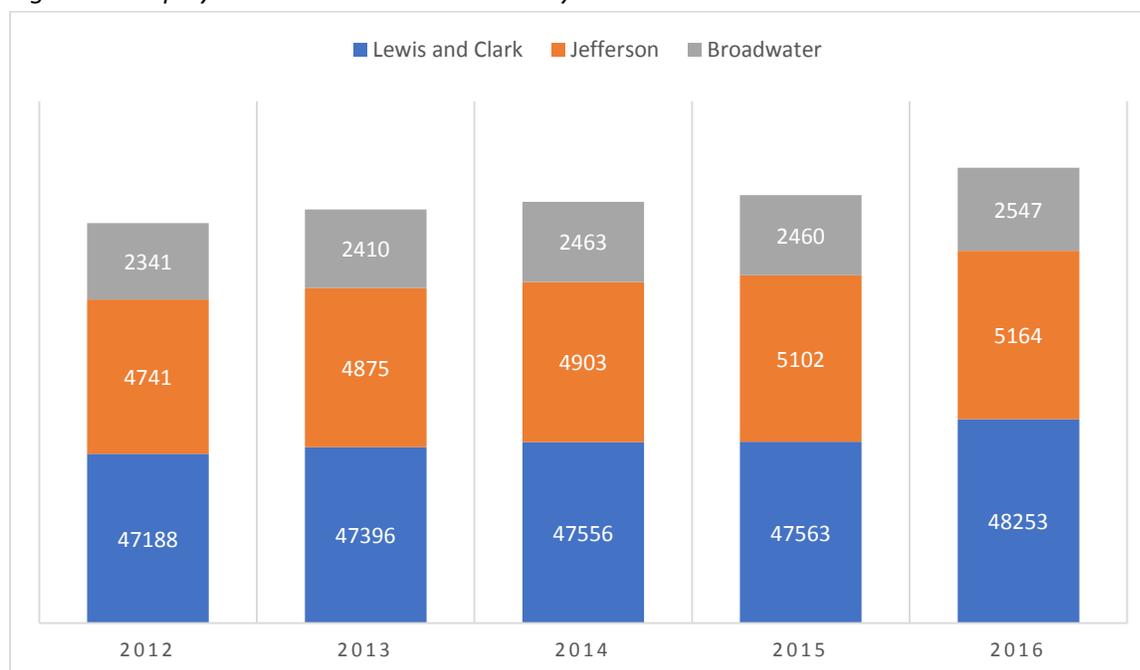
\*\*\* - Total increase in households multiplied by % of renters/homeowners per 2016 ACS data

\*\*\*\* - Projected population over age 65 divided by Average HH Size for householders over age 65

## G. Employment Statistics

As noted in the graph below, all three counties have experienced job growth over the last five years. As a result of recent job growth, unemployment rates are at historic lows. Lewis and Clark County has the lowest unemployment rate in the tri-county area and it is also lower than the statewide average. While Broadwater County has the highest unemployment rate in the tri-county region, it is still lower than historical averages for the county. The increase in jobs is a factor contributing to positive net migration.

Figure 2: Employment Growth in the Tri-County Area



Source: U.S. Bureau of Economic Affairs (BEA), Regional Facts, <https://apps.bea.gov/regional/>

Mean travel time to work is highest in Broadwater County. In Broadwater and Jefferson Counties, the percentage of the workforce that commutes to jobs outside of the county of residence far exceeds the statewide average.

Table 8: Employment Statistics

|                               | Unemployment Rate (July 2018) | Mean Travel Time to Work (Minutes) | % of Workforce that Works outside County of Residence |
|-------------------------------|-------------------------------|------------------------------------|---|
| <b>Broadwater County</b>      | 3.5%                          | 25.1                               | 41.6%   |
| <b>Jefferson County</b>       | 3.3%                          | 19.9                               | 60.3%   |
| <b>Lewis and Clark County</b> | 3.0%                          | 16.1                               | 3.7%  |
| <b>Montana</b>                | 3.7%                          | 17.9                               | 7.3%  |

Source: Montana Dept. of Labor & Industry, <http://lmi.mt.gov/Local-Area-Profiles> & U.S. Census Bureau, American Community Survey, 2012-2016 (Table B08130)

## H. Employment Base

Lewis and Clark County is the location of the state capital and consequently, government jobs (local, state and federal) represent the largest employment sector in the county. Government jobs also represent the largest employment sector in Jefferson County while in Broadwater County; manufacturing represents the largest employment sector. The health care, retail trade, accommodation/food service and construction industries also represent significant employment sectors in all three counties. Wages are generally higher in Lewis and Clark County due to higher cost of living.

Table 9: Employment by Industry - 2016

|                                  | Lewis and Clark County | Broadwater County | Jefferson County |
|----------------------------------|------------------------|-------------------|------------------|
| Accommodation & Food Service     | 3,220                  | 129               | 283              |
| Arts – Entertainment-Recreation  | 712                    | 14                | 30               |
| Construction                     | 1,337                  | 93                | 234              |
| Finance & Insurance              | 1,598                  | 49                | 63               |
| Health Care & Social Assistance  | 4,803                  | 120               | 318              |
| Manufacturing                    | 837                    | 319               | 143              |
| Professional & Technical Service | 2,006                  | 26                | 55               |
| Real Estate                      | 389                    | 3                 | 10               |
| Retail                           | 4,114                  | 136               | 158              |
| Other Services                   | 2,014                  | 31                | 53               |
| Government                       | 10,583                 | 248               | 735              |

Source: Montana Dept. of Labor & Industry, <http://lmi.mt.gov/Local-Area-Profiles>

Table 10: Weekly Wages by Industry - 2016

|                                  | Lewis and Clark County | Broadwater County | Jefferson County |
|----------------------------------|------------------------|-------------------|------------------|
| Accommodation & Food Service     | \$301                  | \$260             | \$224            |
| Arts – Entertainment-Recreation  | \$286                  | \$408             | \$237            |
| Construction                     | \$914                  | \$690             | \$716            |
| Finance & Insurance              | \$1,414                | \$1,033           | \$783            |
| Health Care & Social Assistance  | \$836                  | \$661             | \$503            |
| Manufacturing                    | \$924                  | \$670             | \$1,289          |
| Professional & Technical Service | \$1,237                | \$686             | \$980            |
| Real Estate                      | \$741                  | \$530             | \$595            |
| Retail                           | \$548                  | \$581             | \$364            |
| Other Services                   | \$667                  | \$639             | \$537            |
| Government                       | \$1,070                | \$766             | \$841            |

Source: Montana Dept. of Labor & Industry, <http://lmi.mt.gov/Local-Area-Profiles>

## I. Income

The median household income for all counties in the study area is higher than the statewide average of \$48,380 with Jefferson County having the highest median income of the three counties. Median family incomes also are higher family households which are often comprised of two-income earners. Incomes for homeowners were also higher than rental households. Households relying solely on social security income had the lowest income levels.

Figure 3: Income Statistics – Broadwater County

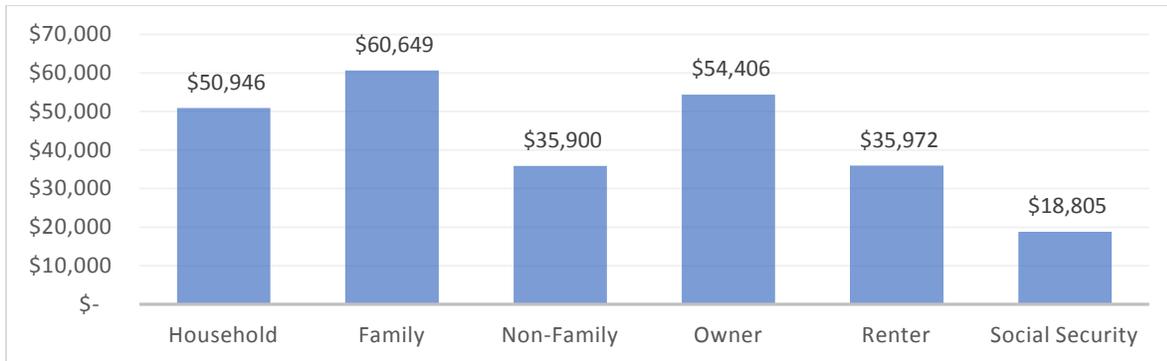


Figure 4: Income Statistics – Jefferson County

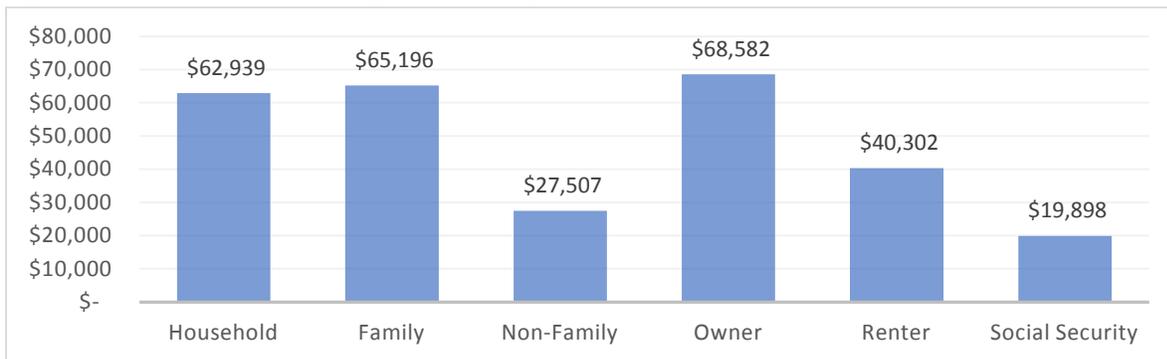
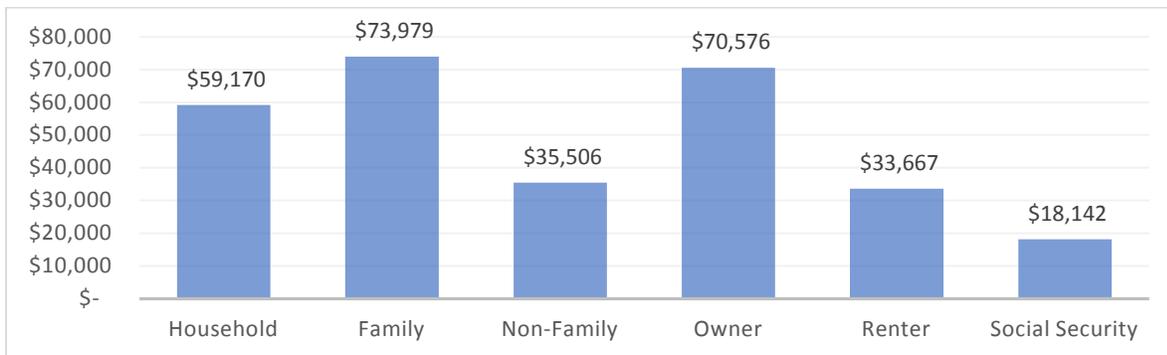


Figure 5: Income Statistics – Lewis and Clark County



Source: U.S. Bureau of the Census, American Community Survey, 2012-2016

(1) Incomes = Median incomes except for Social Security = Average income.

## J. Household Income

Broadwater County has the highest percentage of households making less than \$24,000 per year (18.2%) followed by Lewis and Clark County (18%). Jefferson County has the lowest percentage of lower income households with 14.4% making less than \$24,000 per year.

Table 11: Household income by County

|                       | <b>Broadwater</b> | <b>Jefferson</b> | <b>Lewis and Clark</b> |
|-----------------------|-------------------|------------------|------------------------|
| # of Households       | 2,417             | 4,468            | 26,765                 |
| Less than \$10,000    | 5.0%              | 4.7%             | 5.0%                   |
| \$10,000 - \$14,999   | 5.6%              | 2.9%             | 4.5%                   |
| \$15,000 - \$24,999   | 8.2%              | 6.8%             | 8.5%                   |
| \$25,000 - \$34,999   | 9.1%              | 9.8%             | 10.9%                  |
| \$35,000 - \$49,999   | 20.4%             | 14.6%            | 13.2%                  |
| \$50,000 - \$74,999   | 19.3%             | 19.3%            | 20.7%                  |
| \$75,000 - \$99,999   | 11.3%             | 15.5%            | 15.4%                  |
| \$100,000 - \$149,999 | 12.6%             | 16.7%            | 15.0%                  |
| \$150,000 - \$199,999 | 4.5%              | 4.9%             | 4.2%                   |
| \$200,000 or more     | 3.9%              | 4.8%             | 2.6%                   |

Source: U.S. Census Bureau, American Community Survey 2012-2016

## K. Poverty

Poverty status is defined by family; either everyone in the family is in poverty or no one in the family is in poverty. The characteristics of the family used to determine the poverty threshold are: number of people, number of related children under 18, and whether the primary householder is over age 65. Family income is then compared to the poverty threshold; if that family's income is below the threshold, the family is classified as being in poverty.

Each year the U.S. Census Bureau establishes thresholds to measure the number of people living below a certain income level. The numbers help formulate economic policy and distribute social service aid. The federal poverty level in 2017 for a single individual was \$12,060 and \$24,600 for a family of four.

According to the U.S. Census, the highest poverty levels in the tri-county region are in Helena. Children under age 18 are more likely to be living in poverty than any other group.

Table 12: Poverty Levels by County - 2016

|                        | <b>Overall</b> | <b>Families</b> | <b>Under age 18</b> | <b>Over Age 65</b> |
|------------------------|----------------|-----------------|---------------------|--------------------|
| <b>Broadwater</b>      | 8.3%           | 6.0%            | 5.0%                | 8.3%               |
| <b>Jefferson</b>       | 8.5%           | 6.1%            | 8.8%                | 3.7%               |
| <b>Lewis and Clark</b> | 12.1%          | 8.1%            | 12.1%               | 7.1%               |
| <b>Helena</b>          | 16.5%          | 9.5%            | 21.8%               | 8.7%               |
| <b>Montana</b>         | 14.9%          | 9.6%            | 18.6%               | 8.5%               |

Source: U.S. Census Bureau, American Community Survey 2012-2016

## L. Low and Moderate Income

The U.S. Department of Housing and Urban Development (HUD), U.S. Department of Agriculture (USDA) – Rural Development Program and the Montana Department of Commerce – Housing Division all administer various programs that determine eligibility based on income guidelines. Terms to define the various income levels include:

- **Area Median income (AMI)**

Household income limitations are determined based on the area's median gross income (AMGI) as determined by HUD. Each year, HUD adjusts the area's median household income based on a variety of factors such as the area economy and household growth. Income restrictions are determined on a Metropolitan Statistical Area (MSA) or county level and are determined for a household of four people.

- **Low Income**

A household whose income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than 80 percent of the median for the area median based on HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

- **Moderate Income**

Households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than 95 percent of the median for the area based on HUD's findings that such variations are necessary because of prevailing levels of construction costs, fair market rents, or unusually high or low family incomes. Other agencies may also establish different income ceilings depending on the goals of the programs. For example, the NeighborWorks Montana homeownership lending programs have an upward limit that is equivalent to 120% of AMI. (<https://www.nwmt.org/resources/income-guidelines.pdf>)

- **Very Low-Income**

Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of facility, college, or other training facility; prevailing levels of construction costs; or fair market rents.

- **Extremely Low-Income**

Households whose incomes do not exceed 30 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of facility, college, or other training facility; prevailing levels of construction costs; or fair market rents.

Table 13: HUD Area Media Income (AMI) – 2018

|                        | %           | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 Person | 7 Person | 8 Person |
|------------------------|-------------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>Broadwater</b>      | <b>30%</b>  | 14,010   | 16,020   | 18,030   | 20,010   | 21,630   | 23,220   | 24,840   | 26,430   |
|                        | <b>50%</b>  | 23,350   | 26,700   | 30,050   | 33,350   | 36,050   | 38,700   | 41,400   | 44,050   |
|                        | <b>80%</b>  | 37,360   | 42,720   | 48,080   | 53,360   | 57,680   | 61,920   | 66,240   | 70,480   |
|                        | <b>100%</b> | 46,700   | 53,400   | 60,100   | 66,700   | 72,100   | 77,400   | 82,800   | 88,100   |
| <b>Jefferson</b>       | <b>30%</b>  | 16,200   | 18,510   | 20,520   | 23,130   | 24,990   | 26,850   | 28,710   | 30,540   |
|                        | <b>50%</b>  | 27,000   | 30,850   | 34,700   | 38,550   | 41,650   | 44,750   | 47,850   | 50,900   |
|                        | <b>80%</b>  | 43,200   | 49,360   | 54,720   | 61,820   | 66,640   | 71,600   | 76,560   | 81,440   |
|                        | <b>100%</b> | 54,000   | 61,700   | 68,400   | 77,100   | 83,300   | 89,500   | 95,700   | 101,800  |
| <b>Lewis and Clark</b> | <b>30%</b>  | 15,960   | 18,240   | 20,520   | 22,800   | 24,600   | 26,460   | 28,290   | 30,120   |
|                        | <b>50%</b>  | 26,600   | 30,400   | 34,200   | 38,000   | 41,050   | 44,100   | 47,150   | 50,200   |
|                        | <b>80%</b>  | 42,560   | 48,640   | 54,720   | 60,800   | 65,600   | 70,560   | 75,440   | 80,320   |
|                        | <b>100%</b> | 53,200   | 60,800   | 68,400   | 76,000   | 82,000   | 88,200   | 94,300   | 100,400  |

Source: Montana Board of Housing, <http://housing.mt.gov/MFLimits>

## M. Disability

According to the census data, ambulatory and independent living disabilities are the most common types of disabilities in all three counties. Cognitive disabilities also represent a significant share of the population and include the developmentally disabled population as well as the persons with dementia. The percentage of seniors over age 75 experiencing a disability ranges from 41.9% in Broadwater County to 54.6% in Jefferson County. As the population ages, the demands for specialized housing to accommodate individuals with disabilities will increase.

Table 14: Disability Status by County

|   | Lewis and Clark | Broadwater | Jefferson |
|---|-----------------|------------|-----------|
| <b>Total Population with Disability</b>         | 8,924           | 923        | 1,627     |
| <b>% Population with a Disability</b>           | 13.7%           | 16.3%      | 14.2%     |
| <b>Hearing</b>                                  | 3,191           | 321        | 508       |
| <b>Vision</b>                                   | 1,159           | 119        | 261       |
| <b>Cognitive</b>                                | 3,049           | 267        | 428       |
| <b>Ambulatory</b>                               | 4,603           | 373        | 767       |
| <b>Self-Care</b>                                | 1,970           | 126        | 228       |
| <b>Independent Living</b>                       | 3,274           | 214        | 650       |
| <b>Population over Age 75 with a Disability</b> | 1,982           | 180        | 363       |
| <b>% over Age 75 with Disability</b>            | 48.9%           | 41.9%      | 54.6%     |

Source: U.S. Census Bureau – American Community Survey (2012-2016)

# III. Housing Inventory

## A. Housing Count

### 1. Lewis and Clark County

The majority of housing units in Lewis and Clark County are in Helena and the Helena Valley area. The largest share of housing units in the Helena Valley is in the west central and southeast Helena Valley areas. The majority of 2-4-plexes and multi-family units are in the City of Helena while the majority of mobile homes are located in the Helena Valley area.

Figure 6: Housing Units in Lewis and Clark County

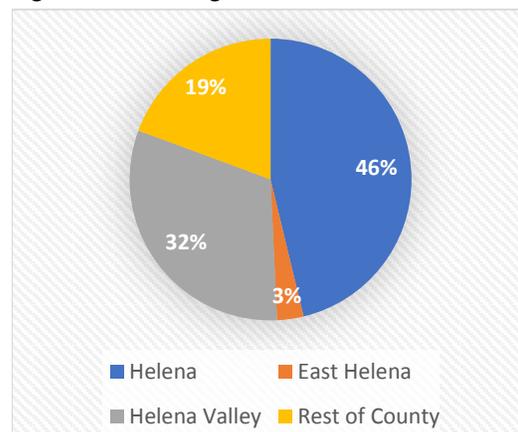


Table 15: Housing Units – Lewis and Clark County

|                        | Total HU | # SF   | % SF  | 2-4 plex | MF    | MH    |
|------------------------|----------|--------|-------|----------|-------|-------|
| Lewis and Clark County | 30,646   | 20,561 | 67.1% | 4,158    | 2,366 | 3,561 |
| Helena                 | 14,169   | 7,818  | 55.2% | 3,407    | 2,268 | 670   |
| East Helena            | 930      | 686    | 73.8% | 220      | 15    | 9     |
| Helena Valley Total    | 9,618    | 7,040  | 73.2% | 348      | 67    | 2,132 |
| Remainder              | 5,929    | 5,017  | 84.6% | 183      | 16    | 750   |

Source: U.S. Census Bureau, American Community Survey 2012-2016

### 2. Broadwater County

In Broadwater County, the majority of housing units are located in the unincorporated areas of the county. Broadwater County has a higher proportion of single-family homes than Lewis and Clark County. The number of mobile home units outnumbers the total number of units found in 2 – 4-plexes and multi-family buildings.

Figure 7: Housing Units in Broadwater County

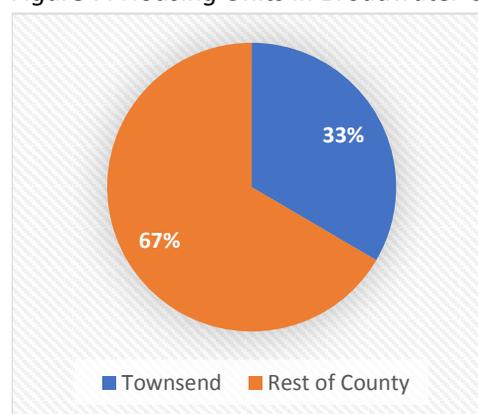


Table 16: Housing Units – Broadwater County

|                   | Total HU | # SF  | % SF  | 2-4 plex | MF | MH  |
|-------------------|----------|-------|-------|----------|----|-----|
| Broadwater County | 2,691    | 2,084 | 77.4% | 54       | 87 | 446 |
| Townsend          | 900      | 641   | 71.2% | 54       | 33 | 118 |
| Remainder         | 1791     | 1,443 | 80.6% | 0        | 54 | 328 |

Source: U.S. Census Bureau, American Community Survey 2012-2016

### 3. Jefferson County

The majority of housing in Jefferson County is located in the unincorporated area. Boulder is the county seat and Whitehall is an incorporated municipality but together they only account for 20% of the housing units in the county. The housing stock in Jefferson County is more predominantly single-family homes than the other two counties. The largest share of mobile homes is located in Boulder and the rural areas of the county. Montana City has the largest share of housing units of the unincorporated “Census Designated Places”.

Figure 8: Housing Units in Jefferson County

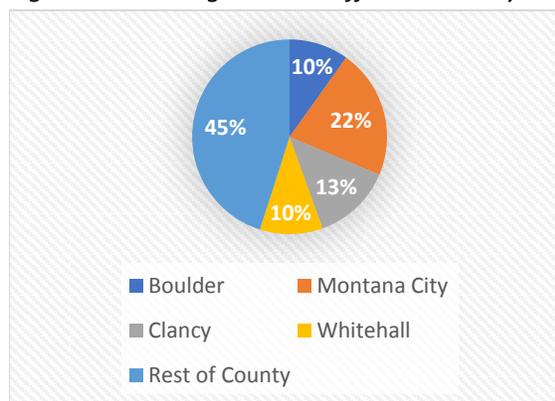


Table 17: Housing Units – Jefferson County

|                  | Total HU | # SF  | % SF  | Duplex | MF | MH  |
|------------------|----------|-------|-------|--------|----|-----|
| Jefferson County | 5,042    | 4,238 | 84.1% | 192    | 21 | 591 |
| Boulder          | 498      | 333   | 66.9% | 16     | 12 | 137 |
| Montana City     | 1,084    | 994   | 91.7% | 68     | 0  | 22  |
| Clancy           | 662      | 613   | 92.6% | 5      | 0  | 44  |
| Whitehall        | 526      | 400   | 76.0% | 53     | 9  | 54  |
| Remainder        | 2,272    | 1,898 | 83.5% | 50     | 0  | 334 |

Source: U.S. Census Bureau, American Community Survey 2012-2016

## B. Vacancy Rates

In the tri-county study area, Lewis and Clark County has the lowest vacancy rates. Vacancy for owner-occupied units is lower than for rental units. In Lewis and Clark County, the vacancy rate for owner occupied homes is less than 1%, signifying a severe shortage of available units. Compared to the rest of the state, all three counties have lower than average vacancy rates.

Table 18: Vacancy Rates by County

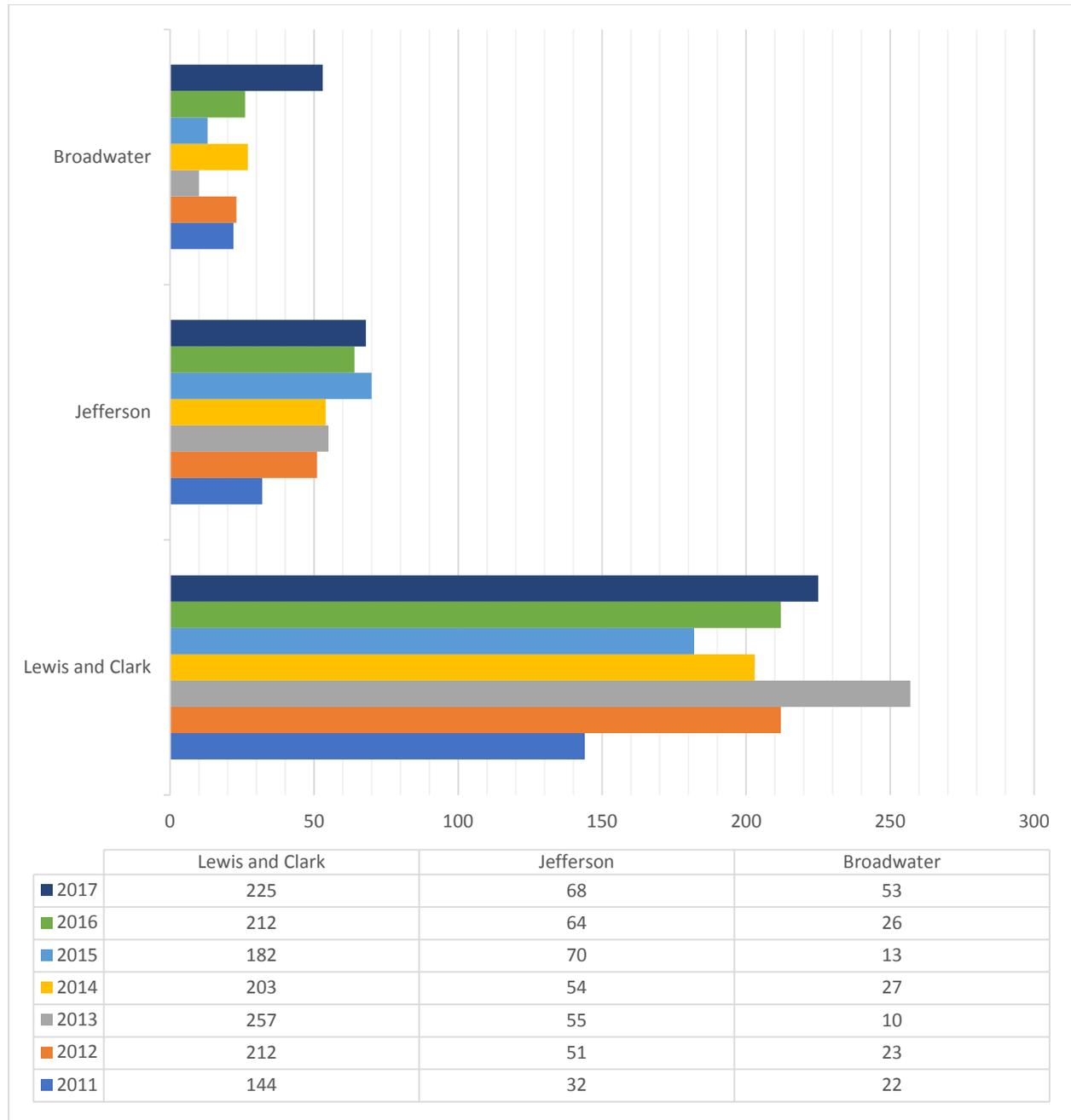
|                        | Housing Units | % Vacant Owner | % Vacant Rental |
|------------------------|---------------|----------------|-----------------|
| Broadwater County      | 2,691         | 1.8%           | 3.5%            |
| Jefferson County       | 5,042         | 1.4%           | 4.4%            |
| Lewis and Clark County | 30,646        | 0.5%           | 2.6%            |
| Helena                 | 14,169        | 0.9%           | 3.1%            |
| Montana                | 491,439       | 1.8%           | 6.0%            |

Source: U.S. Census Bureau, American Community Survey 2012-2016

### C. Construction Activity

The Montana Building Industry Association maintains data for single-family housing starts in Montana on a county-wide basis. Data is compiled primarily from electrical permit data for the unincorporated areas and from building permits for the City of Helena. According to this data, building activity fluctuates on an annual basis but has recovered from the economic recession that was still impacting the area in 2010. Housing starts in Broadwater County in 2017 exceed all previous years.

Figure 9 : Single Family Starts in the Tri-County Study Area



Source: Montana Building and Industry Association, <http://montanabia.com/housingStarts>

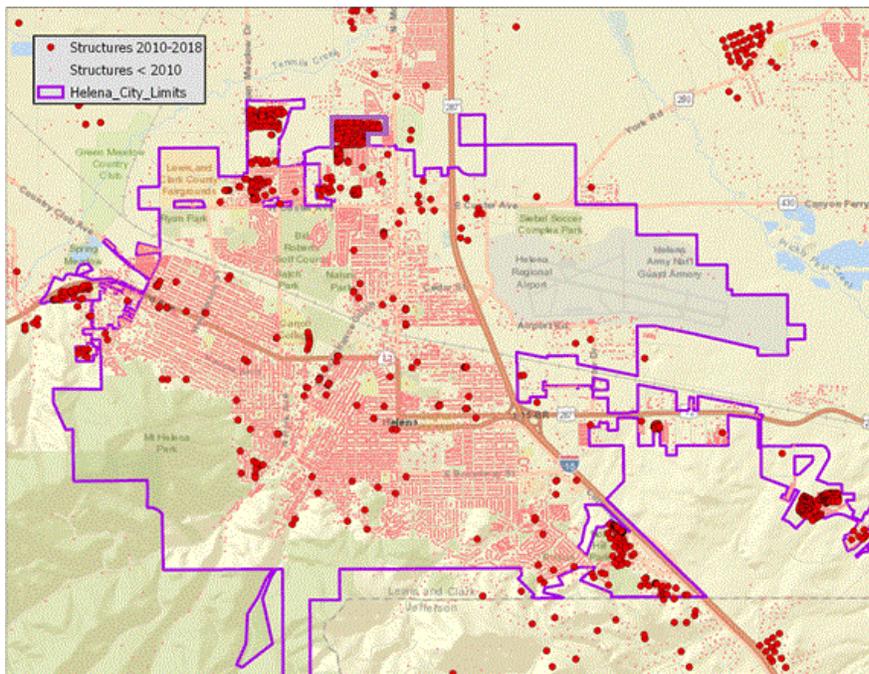
Within the City of Helena, the number of building permits for Helena for single-family units ranged between 40 and 70 units per year from 2012 through 2017. Permits for new multi-family units in Helena peaked in 2014. As indicated by the following maps, new development has primarily occurred on the city edge and in the unincorporated Helena Valley.

Table 15 : # of Dwelling Units Constructed in Helena –2012-2018

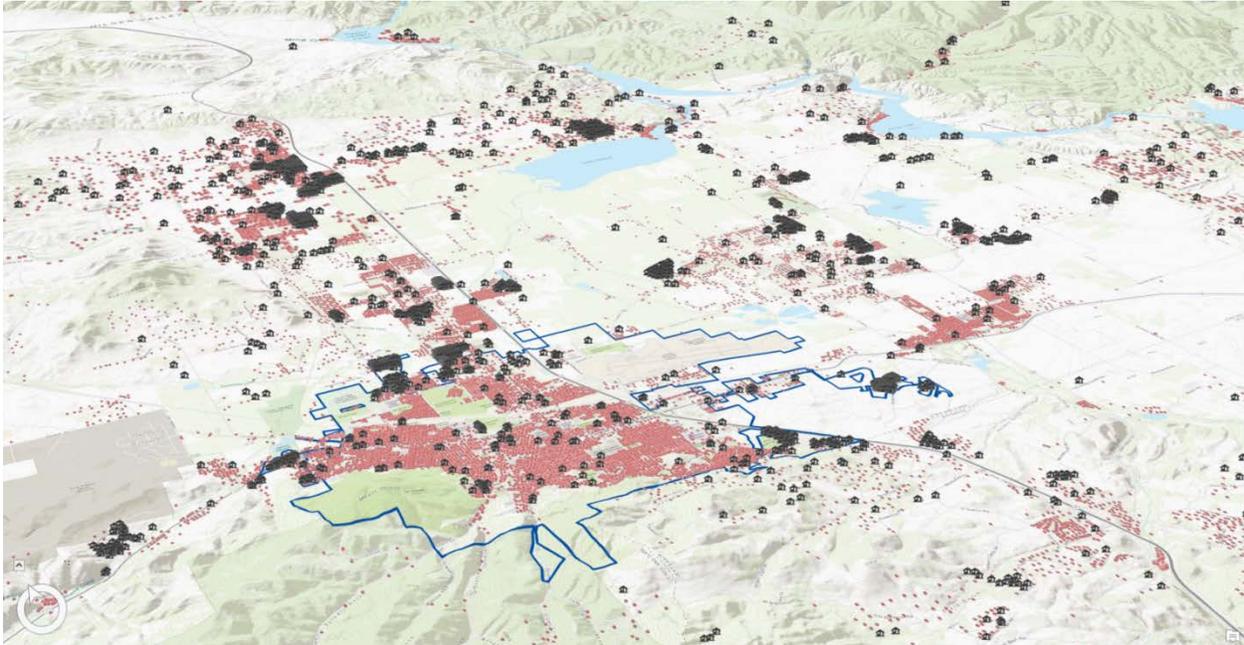
|                                 | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Single Family</b>            | 67          | 60          | 49          | 70          | 51          | 40          |
| <b>Duplex</b>                   | 30          | 34          | 22          | 32          | 4           | 16          |
| <b>Tri-Plex</b>                 | 30          | 6           | 3           | 6           | 12          | 24          |
| <b>Four-Plex</b>                | 36          | 32          | 44          | 52          | 60          | 120         |
| <b>5 or More unit buildings</b> | 0           | 0           | 210         | 5           | 48          | 6           |
| <b>Total Multi-Family</b>       | 96          | 72          | 279         | 95          | 124         | 166         |

Source: City of Helena Building Permit Data

Map 3: New Construction from 2010 – 2017, City of Helena



Map 4: New Construction from 2010 – 2017, Helena and surrounding Helena Valley



Source: Montana Dept. of Revenue Cadastral Database - Maps prepared by Geodata Services 2018

## D. Subsidized Housing

### 1. Helena Housing Authority

The Helena Housing Authority (HHA) is a non-profit agency established in 1938 by federal and state legislation to provide safe and affordable housing and related services to eligible, low-income families, the elderly, and the disabled. The Mayor of the City of Helena appoints a 7-member board to establish HHA policies and monitor HHA's financial and operational success. HHA operates public housing units and tax credit affordable housing units. The agency also administers several Housing Choice Voucher programs (formally Section 8). The Housing Choice Voucher is a federal program to assist very low-income families, the elderly, and the disabled in finding housing in the private market. Participants that qualify for vouchers choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. HHA properties and programs include:

#### Units Owned

- Public Housing (Stewart Homes, ME Anderson, Scattered Sites) = 366 units
- Tax Credits (Wilder & Roadrunner) = 47 units

#### Units Administered

- HHA Local Housing Choice Voucher = 381 vouchers
- State Housing Choice voucher = 255 vouchers
- State Veterans Administrative Supporting Housing (VASH) = 72 vouchers; HHA VASH = 5 vouchers
- State Mod Rehab Units = 35
- Permanent Supportive Housing Units = 36 units

According to the HHA data from July, 2018, the general wait time for being on the wait list is 16-months before entering low-rent public housing or the local Housing Choice Voucher program. Many people will drop off the list while waiting. The wait list for housing in July, 2018 was 480 households with 272 of those on the list for a one-bedroom unit, 50 waiting for a two-bedroom unit and 84 waiting for a three-bedroom unit. The ME Anderson building for seniors and the disabled has a separate wait list of 181 households. This wait list is comprised of 150 waiting for one-bedroom, 26 waiting for two-bedroom and five waiting for a three-bedroom. (Source: Helena Housing Authority)

HHA's 366 low rent public housing units are all older housing stock and are in need of major renovations or replacement in order to continue to serve the Helena community. HHA will be exploring all possible funding to modernize obsolete properties and/or replace them to create more physically accessible, energy efficient, and operationally sustainable units. HHA's commitment is to redevelop and modernize properties while maintaining rents affordable to local Helena community members with very low and extremely low incomes who HHA has historically served.

The Helena Housing Authority Stewart Homes campus, located just south of Helena High School, remains a priority for HHA's housing modernization efforts. Stewart Homes contains 132 units of low rent public housing. Built in two phases, in 1939 and 1952, the aging buildings need major renovations or need to be replaced. The Stewart Homes Master Redevelopment Plan created with the assistance of HHA residents and interested Helena community members offers a vision of new housing and public spaces integrated into the surrounding street grid that will serve Helena's housing and other community needs well into the future. The affordability of this comprehensive plan utilizing current available funding mechanisms may not be achievable and will need new additional resources to achieve. Major renovation of the units and or a combination of new and renovated units is also being considered as an alternative. This housing has become increasingly expensive to maintain due to outdated systems, and does not meet current community needs for greater physical accessibility and energy efficiency.

Figure 10: Stewart Homes Master Plan



## 2. Rocky Mountain Development Council

Rocky Mountain Development Council (RMDC) serves Lewis and Clark, Broadwater, and Jefferson Counties. It is one of ten agencies in Montana called Human Resource Development Councils (HRDCs). HRDCs are nonprofit, 501(c)(3) organizations established in 1965 by federal legislation. HRDCs administer programs to alleviate poverty and provide educational and training opportunities. RMDC owns and operates affordable tax credit rental units for income qualified households. RMDC properties include:

### **Helena**

- Eagles Manor Campus - 140 units for senior and persons with disabilities. One bedroom and efficiency. Campus includes Eagle Manor II, Eagle Manor III and Penkay Eagles
- Ptarmigan - 22 family units. One bedroom
- Pheasant Glen - 32 family units. One bedroom
- River Rock – 33 senior units. One and two bedroom
- Red Alder – Proposed ([www.rmdc.net/what-we-do/housing-services/red-alder-apartments.html](http://www.rmdc.net/what-we-do/housing-services/red-alder-apartments.html) )

### **Boulder**

- Big Boulder Residences – 36 family units. One and two bedroom

### **Augusta**

- Rocky Mountain Front Property – 8 family units. One bedroom

### **Townsend**

- Homestead Manor - 10 senior units.
- Townsend Housing Senior Apartments - 16

## 3. Multi-Family Tax Credits

The Housing Credit is Montana's main tool for creating and preserving affordable housing. The low-income housing tax credit is available under Section 42 of the Internal Revenue Code of 1986. The credit is a federal income tax credit for owners of qualifying rental housing which meets certain low-income occupancy and rent limitation requirements. The credit is taken as a reduction in participant's tax liability over a term of the loan. The credit can also be sold to investors to act as a financing source. The Montana Board of Housing (MBOH) is the state agency which allocates the tax credit for housing located in Montana.

The length of time a property is required to restrict rents to below market rates depends on the year the tax credits were awarded. In the 1990's, the minimum length of time for rent restrictions was 30 years. More recently, properties are required to meet low-income occupancy and rent requirements for a period of 46 years. Of the properties that were developed with tax credits in the study area, Shadow Mountain is the oldest. Tax credits were awarded in 1993 and the development was completed in 1996. The tax credit restrictions will expire in 2026. There is a process to extend the tax credits beyond the original term but according to the Montana Board of Housing, few properties in the state have requested such an extension.

Table 20 : Tax Credit Properties in Tri-County Study Area

| Name                 | Units | Location | Year Awarded | Ownership |
|----------------------|-------|----------|--------------|-----------|
| Big Boulder Apts.    | 36    | Boulder  | 2009         | RMDC      |
| Eagles Manor II      | 43    | Helena   | 2007         | RMDC      |
| Eagles Manor III     | 30    | Helena   | 2008         | RMDC      |
| East Park Villas     | 38    | Helena   | 1996         | Private   |
| Freedom Path         | 42    | Helena   | 2016         | Private   |
| Guardian Apartments  | 118   | Helena   | 2015         | Private   |
| Penkay Eagles        | 166   | Helena   | 2003         | RMDC      |
| Pheasant Glen        | 32    | Helena   | 2002         | RMDC      |
| Ptarmigan Residences | 22    | Helena   | 2000         | RMDC      |
| Queen City Estates   | 24    | Helena   | 1995         | Private   |
| River Rock           | 32    | Helena   | 2011         | RMDC      |
| Road Runner          | 16    | Helena   | 1998         | HHA       |
| Shadow Mountain      | 36    | Helena   | 1993         | Private   |
| Wilder Apts.         | 31    | Helena   | 2004         | HHA       |

<http://housing.mt.gov/HCPProperties#Additional-Information-313>

#### 4. Geographic Disbursement of Subsidized Housing

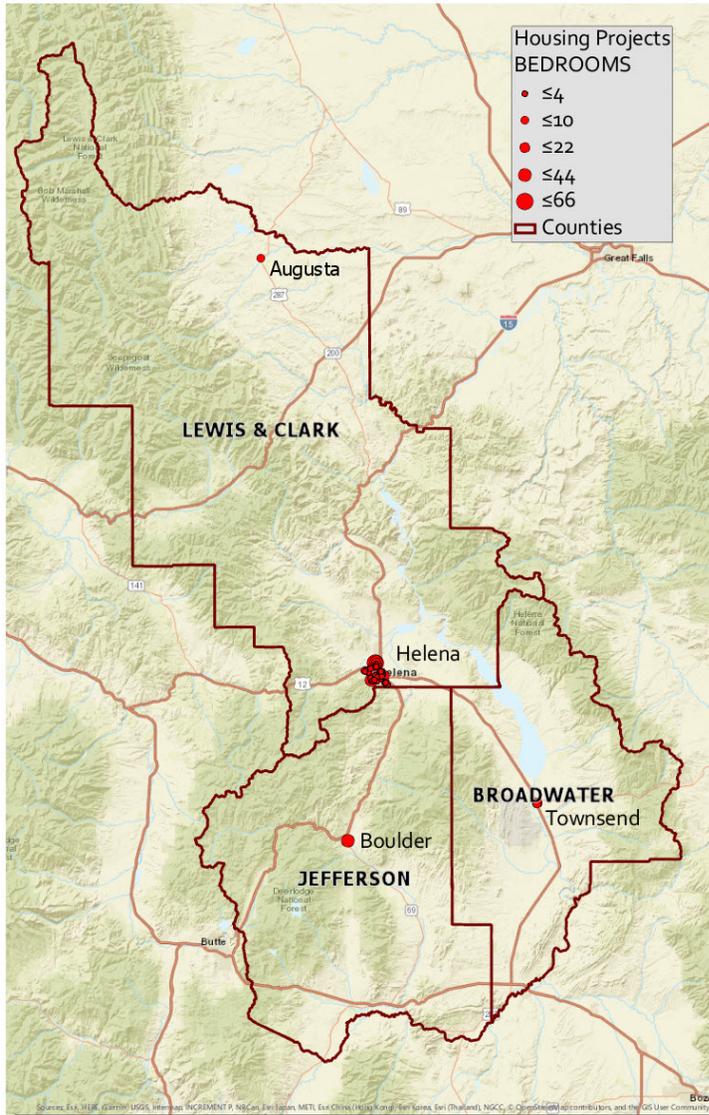
The “State of Montana Analysis of Impediments to Fair Housing” indicates concerns regarding the geographic distribution of subsidized, multifamily housing units. The report notes that such developments should have equitable access to employment, shopping, schools, health, and other services. Barriers for affordable housing development include land use policies that limits the availability of potential multi-family development sites, neighborhood objection to new developments, inadequate access to public transportation and lack of knowledge about fair housing laws and policies.

Another concern is that excessive clustering of such units in a few locations may contribute to negative perceptions for a neighborhood. The analysis of geographic distribution indicates that subsidized housing is most likely to be in urban areas along major transportation corridors.

(Source: <https://housing.mt.gov/Portals/93/shared/docs/Renters/FINALHUDAnalysisImpediments.pdf>)

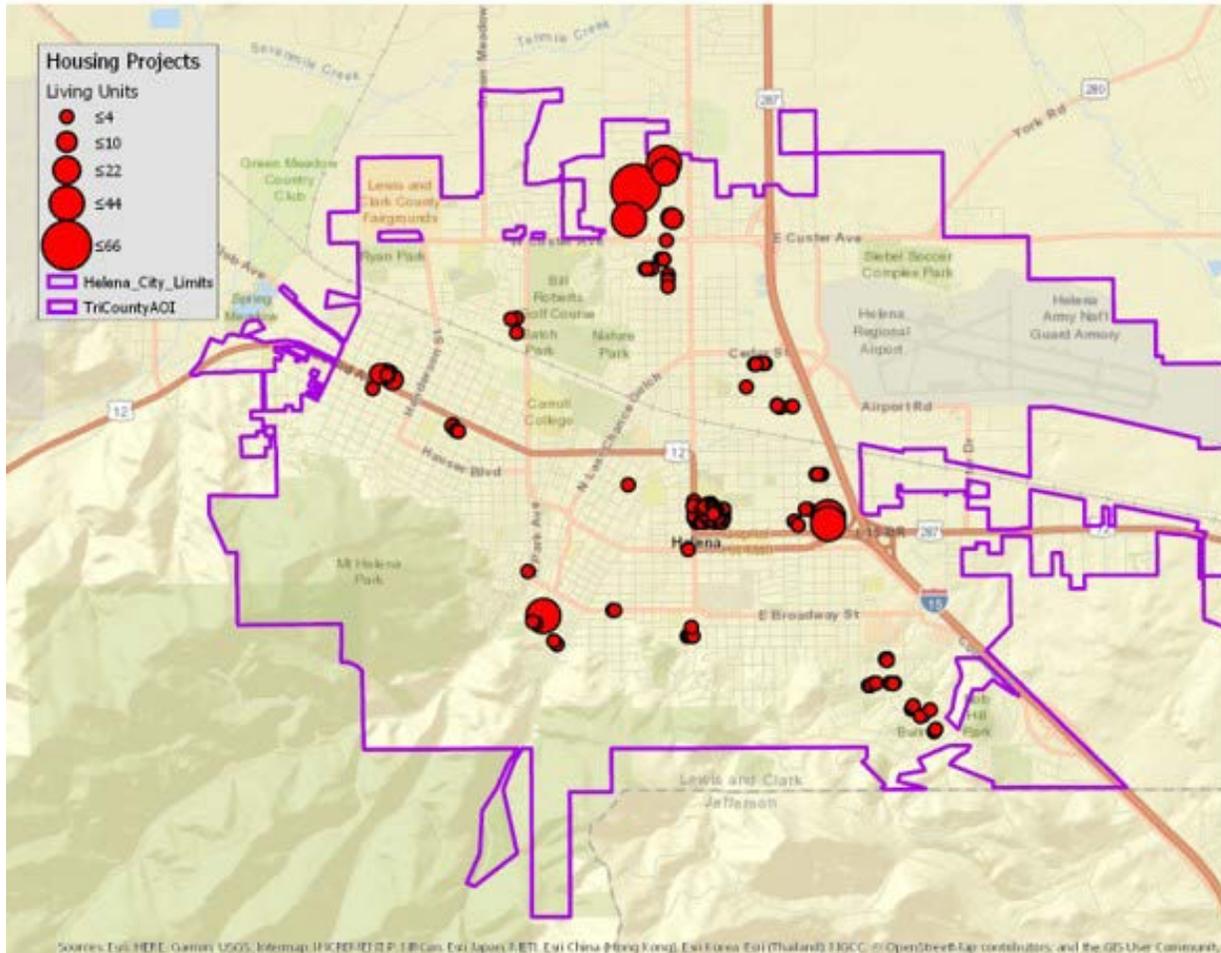
The following maps indicate that within the study area, subsidized units are concentrated in the population centers, primarily Helena. Within the City of Helena, distribution of subsidized housing units is spread throughout the various neighborhoods in the city.

Map 5: Geographic Distribution of Subsidized Housing Units in the Study Area



Prepared by: Geodata Services, 2018

Map 6: Geographic Distribution of Subsidized Units in Helena



Prepared by: Geodata Services, 2018

### E. Group Quarters & Special Needs Housing

The population in group quarters includes all people not living in households and includes those people residing in group quarters as of the date on which a particular survey was conducted. The Census Bureau recognizes two general categories of people in group quarters:

- 1) Institutionalized population - People under supervised care or custody in institutions (Correctional institutions, nursing homes....).
- 2) Non-institutionalized population - People who live in group quarters other than institutions (College dormitories, military quarters, and group homes).

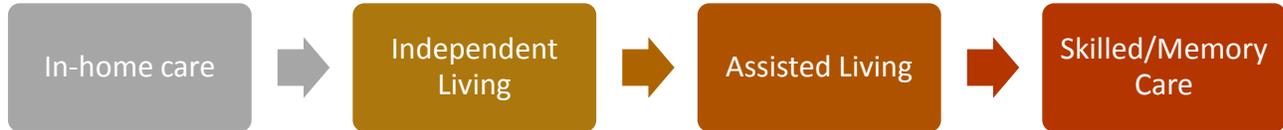
Table 21: Group Quarters Population

|  | Broadwater | Jefferson | Lewis and Clark |
|--|------------|-----------|-----------------|
| <b>Institutionalized population:</b>     | 52         | 161       | 496             |
| <b>Non-institutionalized population:</b> | 0          | 69        | 1,450           |
| <b>Total</b>                             | 52         | 230       | 1,946           |

Source: U.S. Census Bureau, Census of the Population 2010

As seniors age they require different levels of care to address declining health and mobility. There are a range of services in the study area providing these services. As the senior population grows, there will be more demand for these types of services.

Figure 11: Continuum of Senior Care



#### **Lewis and Clark County**

- Apple Rehab, 2555 Broadway Street, Helena
- Aspen Gardens, LLC, 11, 13, and 16 Bumblebee Court, Helena
- Big Sky Care Center, 2475 Winne, Helena
- Edgewood, 3207 Colonial Drive, Helena, MT
- Hunter’s Point Retirement Community, 2801 Colonial Dr., Helena
- Legacy Assisted Living, 624 Ptarmigan Ln., Helena
- Masonic Home of Montana, 2010 Masonic Home Road, Helena
- Our House, 2000 Winne, Helena
- Renaissance Senior Care, 525 Saddle Dr., & 3680 Travertine Way, Helena
- Rocky Mountain Health Care Community, 30 South Rodney, Helena
- Rosetta Assisted Living, 2530 Wildwood Ln., Helena
- Shelby House I & II, 2320 & 5750 Spokane Creek Road, East Helena
- Son Heaven I and II, 2510 Ferndale, Helena
- Touchmark Assisted Living, 915 Saddle Drive, Helena
- West Mont, 2708 Bozeman Ave., Helena

#### **Broadwater County**

- Broadwater Health Center – Long Term Care, 110 N. Oak Street Townsend
- Mountainview Medical Center Long Term Care, White Sulphur Springs
- Serenity Point 128 US Highway 12E, Townsend
- Silver Springs, 35 Carroll Dr., Townsend

#### **Jefferson County**

- Bear Grass Suites, 400 W. Thompson St., Boulder
- Country Life @ Montana City, 12 Bessler Rd., Clancy
- Elkhorn Health and Rehabilitation, 474 Highway 282 , Clancy
- Liberty Place 1, 1173 Hwy 55 Whitehall

Source: Rocky Mountain Development Council – Area IV Agency on Aging, “Senior Resource Guide”

#### 1. Group Homes

Group homes provide supportive services in a non-institutional residential home setting for groups of individuals. They are licensed by the Montana Department of Public Health and Human Services. Group homes may provide short-term or long-term housing and typically serve youth, disabled or populations with mental health issues. Group homes in the study area are listed below.

**Lewis and Clark County**

- Benchmark (4 group homes for people with disabilities)
- Florence Crittenton (1 maternal group home)
- Intermountain (4 youth group homes)
- Youth Homes of Montana (2 youth group homes)
- Spring Meadow (10 group homes for people with disabilities)
- WestMont (13 group homes for people with disabilities)
- Shodair (2 youth group homes)
- Youth Dynamics (1 youth group home)
- Center for Mental Health

**Jefferson County**

- Youth Dynamics (4 youth group homes)

Source: <https://dphhs.mt.gov/qad/licensure/lbcontact/residential-licensing-program>

**F. Homelessness – Transitional Shelters**

The Montana Point-In-Time survey is administered by the Montana Continuum of Care Coalition, local providers of homeless services, and volunteers who canvass areas where the homeless are often found (points of service such as food banks, transitional housing programs, shelters, streets, parks, campgrounds, etc.). Definitions of homelessness that are used to collect data are as follows:

- U.S. Department of Housing and Urban Development - Those who were sleeping on the streets (or other place not meant for human habitation), in an emergency shelter, in a motel paid by a voucher or in a transitional housing program.
- Other Homeless - Persons who were considered to be homeless by an interviewer, case manager or the respondent him or herself but were in a local jail, treatment facility, hospital, or staying with a friend or family or in a motel for different lengths of time.

Homeless data is compiled based on the Human Resource and Development Districts. Lewis and Clark County, Broadwater County and Jefferson County are located in District VIII. With Helena having the largest concentration of population and homeless services, the bulk of the homeless population included in the survey are located in Lewis and Clark County. As indicated in the table below, the homeless population has fluctuated between 210 people to 333 people.

Table 22: Homeless Population in District VIII

|                | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> |
|----------------|-------------|-------------|-------------|-------------|
| HUD Definition | 163         | 81          | 83          | 97          |
| Other Homeless | 47          | 219         | 165         | 236         |
| <b>Total</b>   | <b>210</b>  | <b>300</b>  | <b>248</b>  | <b>333</b>  |

Source: <http://mthomelessdata.com/>

### 1. Montana Continuum of Care

The Montana Continuum of Care Coalition for the Homeless is a statewide collaboration of diverse homeless service providers, nonprofit organizations, and local and state governments. The coalition was formed to address homelessness with very few resources to cover Montana's vast geographical area. The coalition includes representatives from local and state government, public housing authorities, regional HRDCs, and other nonprofit organizations representing the homeless, housing and service providers, emergency shelters, domestic abuse shelters, veterans' organizations, and mental health centers. The following agencies provide shelter and supportive services in Helena.

*Table 23 : Shelters and Supportive Services in Helena*

| <b>Name</b>                                       | <b>Type</b>          | <b>Target Pop</b>  | <b># of Beds</b> |
|---|----------------------|--------------------|------------------|
| <b>God's Love</b>                                 | Emergency            | Single Male/Female | 35               |
| <b>Youth Homes of Montana – Margaret Stewart</b>  | Emergency            | Youth - Boys       | 10               |
| <b>Friendship Center</b>                          | Emergency            | Family/Children    | 29               |
| <b>Gods Love</b>                                  | Transition           | Family             | 29               |
| <b>Fort Harrison Veteran's Housing (Proposed)</b> | Supportive           | Veteran            | 42               |
| <b>Montana Veteran Foundation – Willis Cruse</b>  | Transition           | Veteran            | 7                |
| <b>YWCA</b>                                       | Transition           | Women & Children   | 32               |
| <b>Coordinated Entry (United Way)</b>             | Supportive           | Adults             |                  |
| <b>Salvation Army</b>                             | Emergency/Supportive | Adult              |                  |
| <b>Family Promise</b>                             | Shelter              | Families/Children  |                  |

Source: Montana Continuum of Care, <https://montanacoc.org>

### 2. Permanent Supportive Housing

According to the Montana Board of Housing Consolidated Plan, "Non-homeless special needs populations in the state include the elderly and frail elderly, persons living with disabilities, persons with alcohol or other drug addiction, victims of domestic violence, and persons living with HIV and their families. These populations are not homeless but are at the risk of becoming homeless and therefore often require housing and service programs." The 2014 Housing and Community Development Needs Survey indicated the highest needs are for persons with severe mental illness, followed by veterans and the frail elderly. (<http://commerce.mt.gov/conplan/documents> )

These groups face unique housing challenges and require a variety of support services to achieve and maintain a suitable and stable living environment. The Permanent Supportive Housing (PSH) program was authorized by the Stewart B. McKinney Homeless Assistance Act and is designed to link rental assistance to supportive services for homeless persons with disabilities. Currently, Helena Housing Authority receives two grants that fund rental assistance vouchers for homeless and chronically homeless persons with mental illness and/or substance use disorders. HHA also administers a total of 77 VASH vouchers. These housing vouchers provided through HUD provide housing for homeless veterans and their families with supportive services provided through the Veteran's Administration. Supportive services are also provided by licensed local organizations. Partner supportive service agencies include Center for Mental Health, AWARE INC and Helena Indian Alliance.

## G. Housing Condition

According to the U.S. Census Bureau, Lewis and Clark County has the highest percentage of homes built since 2010. Statewide, an average of 28.5% of homes were built prior to 1960. In Jefferson County, just 9.5% of homes were built before 1960. Broadwater County and Lewis and Clark County were closer to the state average with 21.2% of homes in Broadwater County and 21.6% of homes in Lewis and Clark County being built prior to 1960. In Lewis and Clark County, the largest percentage of older homes are located in the City of Helena with 40% of the housing stock being built before 1960.

Table 24: Housing Units by Age

| <b>Year Built</b>      | <b>Structure</b> | <b>Broadwater</b> | <b>Jefferson</b> | <b>Lewis and Clark</b> | <b>Helena</b> |
|------------------------|------------------|-------------------|------------------|------------------------|---------------|
| <b>Total</b>           |                  | 2,417             | 4,468            | 26,765                 | 14,169        |
| <b>2010-2016</b>       |                  | 0.7%              | 2.2%             | 5.6%                   | 2.3%          |
| <b>2000-2009</b>       |                  | 27.9%             | 19.4%            | 17.6%                  | 10.8%         |
| <b>1980-1999</b>       |                  | 28.5%             | 41.0%            | 28.4%                  | 19.3%         |
| <b>1960-1979</b>       |                  | 21.8%             | 23.8%            | 26.8%                  | 28.5%         |
| <b>1940-1959</b>       |                  | 6.9%              | 5.1%             | 10.6%                  | 17.5%         |
| <b>1939 or earlier</b> |                  | 14.3%             | 8.4%             | 11.0%                  | 22.7%         |

Source: U.S. Census Bureau, American Community Survey, 2012-2016

A concern with older homes is deferred maintenance, lack of modern features, and high energy costs. Older homes are more likely to have faulty electricity, plumbing issues, kitchen inadequacies, roof leaks, heating/cooling deficiencies, failing septic systems and various upkeep concerns. The expense to upgrade such homes can be a deterrent to rehabilitation. Dwellings that require extensive repairs may fail to meet FHA home inspection requirements resulting in denial of a loan application.

Additionally, older homes generally lack accessibility features and often require remodeling to provide universal design retrofits that can accommodate seniors with mobility issues. Older adults may have difficulty paying for and accessing maintenance services. Lack of resources to maintain homes can result in life-safety issues. (<https://www.aarp.org/livable-communities/Plan/planning/info-12-2012/aging-in-place-a-toolkit-for-local-governments.html>)

Toxins in homes such as radon, mold, smoke, asbestos, and carbon monoxide are another health issue. Any residence built or painted before 1978 may have lead-based paint. Landlords have reported issues with methamphetamine contamination in rental units that require costly mitigation prior to leasing to a new tenant. Older mobile homes may have components with formaldehyde and typically lack weatherization features. Mobile home rehab is costly and often older units should be decommissioned. (<https://www.epa.gov/indoor-air-quality-iaq/protect-indoor-air-quality-your-home> & <http://www.lccountymt.gov/health/environmental-services.html> )

# IV. Housing Costs

## A. Housing Sales

### 1. Housing Sales & Prices

Although homes sales fluctuate from year-to-year, according to data from the Helena Association of REALTORS® Multiple Listing Service (MLS), all three counties had an overall higher number of homes sold from 2015-2017 than in the previous three years.

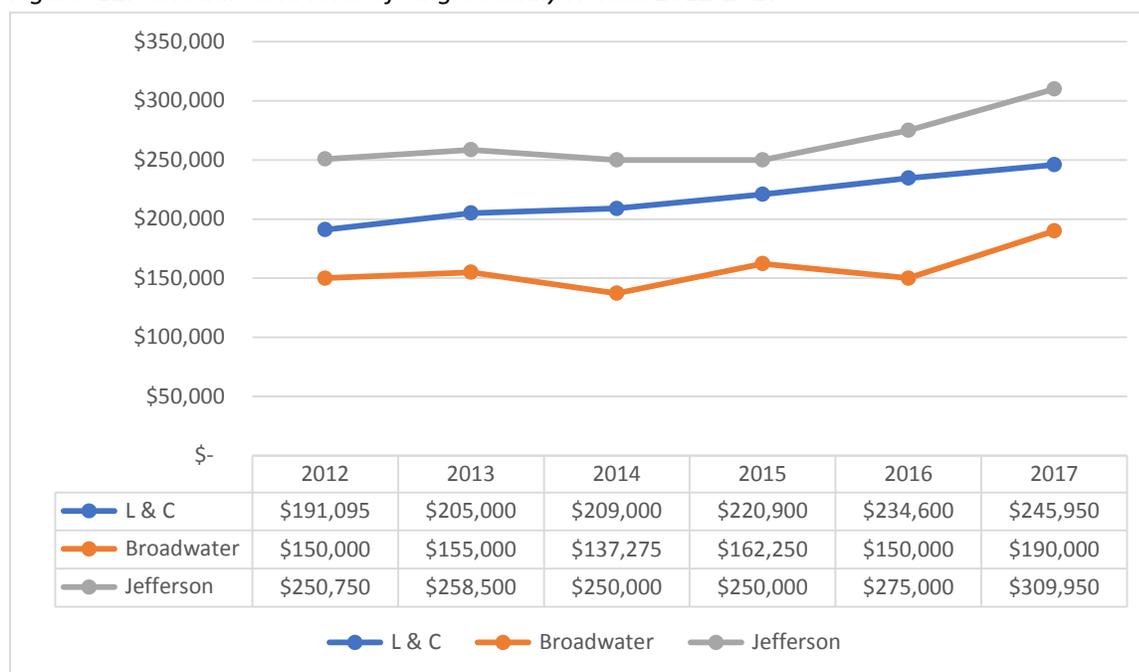
Table 25: Number of Single-Family Homes Sold – By Year

| Year                          | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------------------|------|------|------|------|------|------|
| <b>Lewis and Clark County</b> | 741  | 826  | 823  | 921  | 1011 | 986  |
| <b>Broadwater County</b>      | 55   | 28   | 52   | 92   | 65   | 81   |
| <b>Jefferson County</b>       | 80   | 95   | 105  | 111  | 117  | 110  |
| <b>Helena (City)</b>          | 289  | 322  | 311  | 355  | 388  | 380  |

Source: Helena Association of REALTORS® – Multiple Listing Data, 2012- 2017

MLS data also indicates that, from 2012 to 2017, the median price of homes sold has increased by an average of 4% to 5% per year. Lewis and Clark County had the highest rate of increase during this time period (28.7%) followed by Broadwater County (26.7%). Median home prices in Jefferson County are the highest in the three-county area and increased by 23.6% over the last six years.

Figure 12. Median Sold Price of Single-Family Homes 2012-2017



Source: Helena Association of REALTORS® – Multiple Listing Data, 2012 - 2017

## 2. Median Sales Price by Area

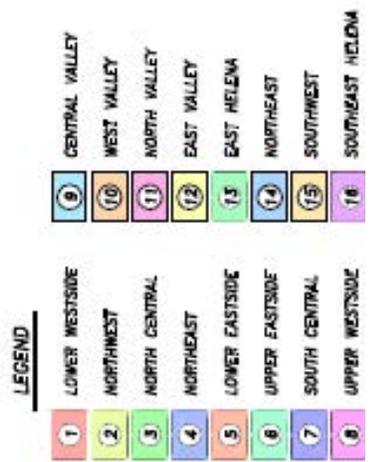
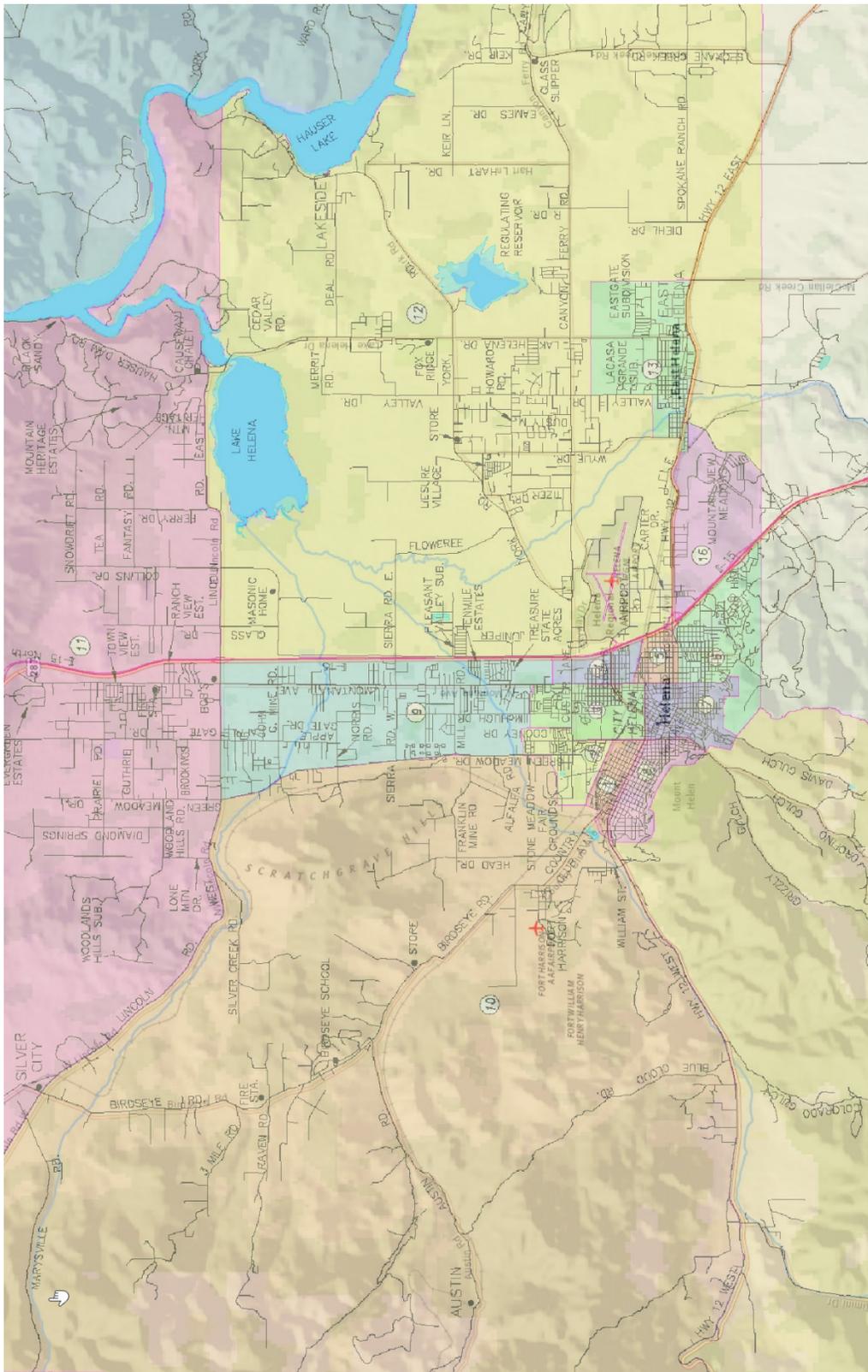
There is significant variation in median sales price between market areas located in the study area. According to MLS data, the median sales price of homes is highest in Jefferson County, in the Montana City and Clancy areas. In Lewis and Clark County, the west/southwest Helena Valley area and the east Helena Valley areas have home sales with the highest median price. In the City of Helena, the southwest area of town has the highest median sales price while the lower east/northeast side of town has the lowest median sales prices. Homes in East Helena and Broadwater County have lower median sales price compared to the other counties.

Table 26: Median Housing Prices by Area - 2017

| Area  | # Sold | Median Price |
|---|--------|--------------|
| <b>Lewis and Clark County (All)</b>         | 986    | \$254,950    |
| <b>Helena – In-Town (All)</b>               | 380    | \$239,650    |
| Helena – In-Town (Lower West)               | 38     | \$185,000    |
| Helena – In-Town (Northwest)                | 28     | \$260,000    |
| Helena – In-Town (North Central)            | 38     | \$237,000    |
| Helena – In-Town (Lower East and Northeast) | 26     | \$162,250    |
| Helena – In-Town (Upper East)               | 76     | \$268,950    |
| Helena – In-Town (South Central)            | 82     | \$215,250    |
| Helena – In-Town (Upper West)               | 65     | \$270,000    |
| Helena – In-Town (Southwest – MVM)          | 27     | \$284,000    |
|   |        |              |
| <b>Helena Valley All</b>                    | 448    | \$262,375    |
| Central Valley                              | 143    | \$244,900    |
| West Valley & Southwest                     | 70     | \$295,000    |
| North Valley                                | 124    | \$255,000    |
| East Valley                                 | 121    | \$296,000    |
|   |        |              |
| <b>East Helena</b>                          | 84     | \$201,250    |
|   |        |              |
| <b>Jefferson County (All)</b>               | 110    | \$309,950    |
| Boulder                                     | 23     | \$150,000    |
| Clancy                                      | 37     | \$345,000    |
| Montana City                                | 34     | \$385,000    |
|   |        |              |
| <b>Broadwater County (all)</b>              | 81     | \$190,000    |
| Townsend                                    | 69     | \$186,000    |

Source: Helena Association of REALTORS® – Multiple Listing Data 2012-2017

Map 7: MLS Boundaries



### 3. Median Sales Price – Condominiums

Condominiums are located primarily within the city limits of Helena. Similar to trends for single family homes, prices have increased an average of 4.7% per year over the last six years. The number of condominium sold peaked in 2014 and in 2017. A condominium is a type of real estate divided into several units that are each separately owned, surrounded by common areas jointly owned. Unlike apartments, which are leased by their tenants, condominium units are owned outright. Additionally, the owners of the individual units also collectively own the common areas of the property, such as hallways, walkways, laundry rooms, etc.; as well as common utilities and amenities, such as the HVAC system, elevators, and so on. The common areas, amenities and utilities are managed collectively by the owners through their association, such as a homeowner association.

Table 27: Condominium Prices by Year

| Year | Number Sold | Median Sold Price |
|------|-------------|-------------------|
| 2012 | 56          | \$155,450         |
| 2013 | 49          | \$130,000         |
| 2014 | 76          | \$154,450         |
| 2015 | 69          | \$167,000         |
| 2016 | 60          | \$179,900         |
| 2017 | 75          | \$200,000         |

Source: Helena Association of REALTORS® – Multiple Listing Data 2012 - 2017

## B. Land Sales

Vacant land represents building lots for single-family homes. The median price for a building lot has almost doubled since the last housing needs assessment was completed in 2010. The number of lots that sell in a 12-month period fluctuate from year to year and have ranged from 102 lots in the year 2012 to 187 lots in 2013.

Table 28: Vacant Land Prices by Year for Helena and Helena Valley

| Year | Number Sold | Median Sales Price |
|------|-------------|--------------------|
| 2010 | 153         | \$45,000           |
| 2011 | 133         | \$48,000           |
| 2012 | 102         | \$53,000           |
| 2013 | 187         | \$53,000           |
| 2014 | 156         | \$61,900           |
| 2015 | 138         | \$63,000           |
| 2016 | 179         | \$74,500           |
| 2017 | 131         | \$80,000           |

Source: Moore Appraisal Firm, Helena, MT

### C. Owner-Occupied Housing Values

According to the U.S. Census American Community Survey, housing values in Helena and Lewis and Clark County and Jefferson County are higher than the state average. Although Broadwater County has the lowest median home value of the three counties, median home values had the highest rate of change between 2010 and 2016 .

Table 24: Median Value for Owner-Occupied Units

| Location               | 2010 Median Value | 2016 Median Value | % Change |
|------------------------|-------------------|-------------------|----------|
| Lewis and Clark County | \$185,500         | \$212,600         | 14.6%    |
| Helena                 | \$185,500         | \$209,500         | 12.9%    |
| Broadwater County      | \$159,700         | \$192,400         | 20.5%    |
| Jefferson County       | 225,300           | \$247,900         | 10.3%    |
| Montana                | \$173,300         | \$199,700         | 13.5%    |

Source: U.S. Bureau of the Census, American Community Survey 2012-2016

### D. Owner-Occupied Housing Costs

The percentage of homeowners with a mortgage for Lewis and Clark County was slightly higher than the state average. Monthly housing costs for residents were highest in Jefferson County and lowest in Broadwater County. For households without a mortgage, however, housing costs in the city was highest in Lewis and Clark County. The U.S. Census defines housing costs as, "... the selected monthly owner costs are calculated from the sum of payment for mortgages, real estate taxes, various insurances, utilities, fuels, mobile home costs, and condominium fees."

Table 30: Owner Occupied Housing Costs for Owner-Occupied Units

| Location               | % of Homeowners With Mortgage | Median Monthly Housing Costs for Homeowners with Mortgage | Median Monthly Housing Cost for Homeowners Without Mortgage |
|------------------------|-------------------------------|---|---|
| Lewis and Clark County | 62.5%                         | \$1,352   | \$421   |
| Helena                 | 56.3%                         | \$1,342   | \$450   |
| Broadwater County      | 58.2%                         | \$1,249   | \$374   |
| Jefferson County       | 58.0%                         | \$1,441   | \$384   |
| Montana                | 56.8%                         | \$1,307   | \$392   |

Source: U.S. Bureau of the Census, American Community Survey, 2012-2016

## E. Rental Costs

### 1. Median Rents

Median rents are highest in Lewis and Clark County and lowest in Broadwater County. Rents in Lewis and Clark County are higher than the median rent for the state of Montana.

Table 31: Median Rent

| Location               | 2010  | 2016  | % Increase |
|------------------------|-------|-------|------------|
| Lewis and Clark County | \$658 | \$802 | 21.9%      |
| Helena                 | \$633 | \$784 | 23.9%      |
| Broadwater County      | \$626 | \$626 | 11.6%      |
| Jefferson County       | \$731 | \$731 | 14.8%      |
| Montana                | \$732 | \$732 | 16.4%      |

Source: U.S. Census Bureau, American Community Survey, 2012-2016

### 2. Fair Market Rents

Section 8 is a rental assistance program funded by the U.S. Department of Housing and Urban Development (HUD) and administered by the State of Montana Department of Commerce, Housing Division. This program allows very low-income families to pay a set amount toward rent and utilities based on their gross adjusted income and reimburse the landlord for the difference between the family's rent payment and fair market rent. Fair market rent is established periodically by HUD based on rent surveys in the county and represent the average rent in the area. Rents for Lewis and Clark County are lower than Gallatin and Missoula County but somewhat higher than adjoining counties.

Table 32 : Fair Market Rents— FY 2018

| County          | 0 BR  | 1 BR  | 2 BR  | 3 BR    | 4 BR    |
|-----------------|-------|-------|-------|---------|---------|
| Lewis and Clark | \$594 | \$700 | \$889 | \$1,293 | \$1,531 |
| Jefferson       | \$638 | \$679 | \$903 | \$1,132 | \$1,497 |
| Broadwater      | \$568 | \$605 | \$804 | \$1,008 | \$1,333 |

Source: Montana Dept. of Commerce, Housing Division,

<http://housing.mt.gov/Portals/93/shared/docs/Renters/FairMarketStandard.pdf>

## F. Cost Burden

### 1. Census Definition

The census defines a household having a cost burden when 30% or more of monthly household income is spent on monthly housing costs. As indicated below, renters are more likely to be experiencing a cost burden. Lewis and Clark County has the highest percentage of renters experiencing a cost burden in the tri-county area. Even though median home values are lower in Broadwater County, homeowners are more likely to be experiencing a cost burden compared to Jefferson and Lewis and Clark Counties. This is likely due to the median household income for homeowners in Broadwater County being \$54,406 compared to \$68,582 for Jefferson County and \$70,576 for Lewis and Clark County.

Table 33: % with Housing Cost Burden by Housing Tenure

|                                   | Broadwater | Jefferson | Lewis and Clark | Montana |
|-----------------------------------|------------|-----------|-----------------|---------|
| <b>Renters with Cost Burden</b>   | 38.3%      | 32.7%     | 42.6%           | 46.0%   |
| <b>Homeowner with a mortgage</b>  | 32.8%      | 25.4%     | 23.8%           | 30.1%   |
| <b>Homeowner with no mortgage</b> | 14.0%      | 9.5%      | 9.7%            | 12.3%   |

Source: U.S. Census, American Community Survey 2012-2016

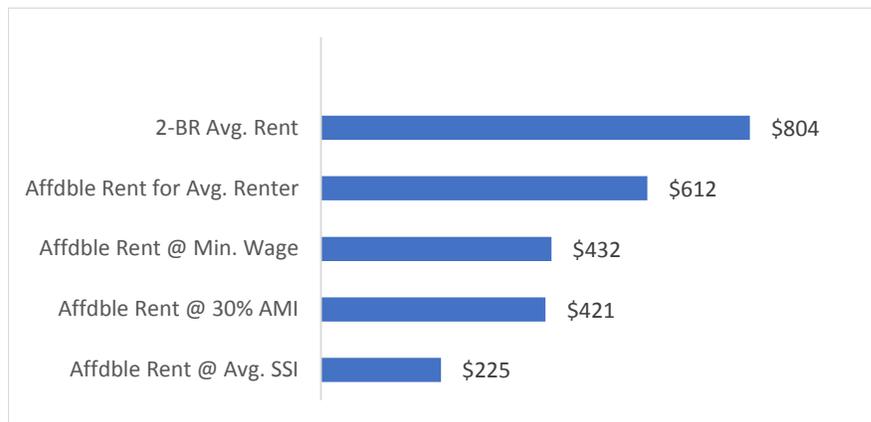
**2. National Low-Income Housing Coalition Data**

The National Low-Income Housing Coalition (NLIHC) calculates the affordability levels of rental costs based on the definition of that rent and utilities should not exceed 30% of income. Using fair market rent data and assuming a 40-hour work week for 52 weeks per year the NLIHC has determined the average hourly wage required for renters to afford the average fair market rent for a two-bedroom apartment ranges from \$15.46 to \$17.37. As noted in the charts below, the average hourly wage for renters in each of the counties is not sufficient to afford an average two-bedroom apartment.

**Broadwater County**

- Hourly wage needed to afford 2-bedroom unit (average fair market rent) = \$15.46
- Estimated hourly mean renter wage = \$11.78
- Annual Income needed to afford 2-bedroom unit (average fair market rent) = \$32,160
- Area Annual Median Income = \$56,100
- 30% of AMI = \$16,830

Figure 13: Affordable Rental Levels – Broadwater County – 2018

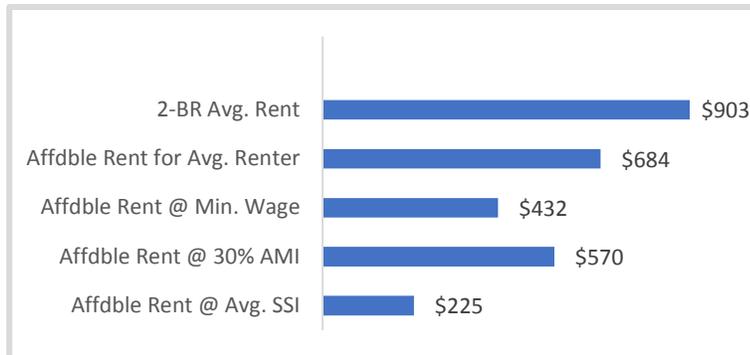


Source: <http://nlihc.org/oor/montana>

**Lewis and Clark County**

- Hourly wage needed to afford 2-bedroom unit (average fair market rent) = \$17.10
- Estimated hourly mean renter wage = \$11.19
- Annual Income needed to afford 2-bedroom unit (average fair market rent) = \$35,560
- Area Annual Median Income = \$76,000
- 30% of AMI = \$22,800

Figure 14: Affordable Rental Levels – Lewis and Clark County – 2018



Source: <http://nlihc.org/oor/montana>

**Jefferson County**

- Hourly wage needed to afford 2-bedroom unit (average fair market rent) = \$17.37
- Estimated hourly mean renter wage = \$13.16
- Annual Income needed to afford 2-bedroom unit (average fair market rent) = \$36,120
- Area Annual Median Income = \$77,100
- 30% of AMI = \$23,130

Figure 15: Affordable Rental Levels – Jefferson County - 2018



Source: <http://nlihc.org/oor/montana>

## G. Building Cost Breakdown

Understanding these dynamics will help communities evaluate the effectiveness of various strategies. These hypothetical examples demonstrate how different construction techniques, density, and cost of materials all affect the final cost of a home.

### 1. Single Family Building Cost – Custom Built Home

The following table is indicative of the cost to construct an affordable new home. Although data from Moore Appraisal firm indicates that the most common MLS listing for all types of homes was around 2000 square feet, to build an affordable home for first time home buyers, the square footage is assumed to be 1,500 square feet.

Table 34: Building Costs for Stick Built Single-Family Home

|   | <b>House = 1,500 sf<br/>Lot = 7,500 sf</b> |
|---|--|
| <b>Finished Lot (1)</b>                           | \$60,000.00                                |
| <b>Construction Costs &amp; Site Work (2)</b>     | \$187,500.00                               |
| <b>Fees (5.7% of Construction + Lot Cost) (3)</b> | \$14,107.50                                |
| <b>Financing (1.8% of price) (3)</b>              | \$4,455.00                                 |
| <b>Sales/Marketing (5.3% Sales Price) (3)</b>     | \$13,117.50                                |
| <b>Profit (9% of Constr. + Lot Cost) (3)</b>      | \$22,275.00                                |
| <b>Total Sales Price</b>                          | <b>\$301,455</b>                           |

Notes: 1. Moore Appraisal Firm, <http://www.mooreappraisalfirm.com/market-statistics/>, 2017  
Finished Lot Costs = median lot price/median lot size. Cost per sq. ft for average lot = \$8.00.  
Finished lot includes city water, sewer, and improved roads.

2. Median Building cost = \$125 per sq. ft. (Median for non-custom construction based on average compiled from various home building web sites as of 2018.)

3. National Association of Home Builders, "Cost of Constructing a Home", Survey of Home Builders - 2017, <http://HousingEconomics.com>

### 2. Single Family Building Costs – Model Homes in Large Scale Developments

While the above example breaks down the cost for a moderately priced stick-built home, houses in larger developments are generally built as model homes. In this scenario, the home and land are marketed as a package where the buyer selects from a limited range of house plans offered by the builder. High volume builders, or production builders, can take advantage of volume purchasing power and a systematized approach to construction for greater cost efficiency. Factory built components may offer additional savings. The advantage of this building model is a more affordable alternative for the consumer. The example below indicates how such a cost savings can reduce the overall sales price for the 1,500 sq. ft. home from the previous example.

- Custom built home = \$301,455
- Production builder/Model home = \$256,236 (15% cost savings)
- Production builder/Model home with factory-built components = \$226,091 (25% cost savings)

### 3. Housing Cost for Projects Constructed with Incentives for Affordability

Programs with the objective of producing affordable single-family homes available for purchase must reduce building costs. Typically, this is accomplished through methods such as lowering land costs, increasing density, or other incentives. The following table indicates how such incentives can lower overall sales prices.

*Table 35: Pro-Forma for Affordable Housing Options*

|  | <b>SF Home with Incentives<br/>House = 1,500 sf<br/>Lot = 7,500 sf</b> | <b>Market Rate<br/>Townhome = 1000 sf<br/>Lot = 2,500 sf</b> |
|--|--|--|
| <b>Finished Lot</b>  | \$37,500 (1)   | \$20,000 (2)   |
| <b>Construction Costs &amp; Site Work</b>                      | \$150,000 (3)  | \$125,000 (4)  |
| <b>Fees (5.7% of Cnstr.+ Lot Cost)</b>                         | \$11,756   | \$8,265  |
| <b>Financing (1.8% of price)</b>                               | \$3,713  | \$2,610  |
| <b>Sales/Marketing (5.3% Sales Price)</b>                      | \$10,931   | \$7,685  |
| <b>Profit – Contingency<br/>(9% of Lot &amp; Const. Cost )</b> | \$18,563   | \$13,050   |
| <b>Total Sales Price</b>                                       | <b>\$251,213</b>   | <b>\$176,610</b>   |

Notes: 1. Land cost are reduced through land donation, land trust or other incentives to \$5 per sf

2. Finished lot = \$8 per sq. ft. (Market rate)

3. Median Building cost = \$100 per sq. ft. (Construction cost is reduced through volume building, lower end materials or sweat equity.)

4. Median Building cost = \$125 per sq. ft. (Market rate)

### 4. Multi-family Apartment Costs

According to the Montana Department of Commerce, Housing Division – Multi-family Program, the average construction cost per unit for projects that submitted a letter of intent for the 2018 distribution of tax credits was \$191,000 per unit. The maximum amount the program allows is \$235,000 per unit. The National Association of Home Builders identified the following regulatory factors that contribute to the cost of developing multi-family housing.

- Cost of submittals for zoning approval
- Interest costs on refundable fees/bonds
- Permitting fees & Impact fees
- Land dedication requirements
- Inclusionary zoning requirements
- Changes to building code requirements over the last 10 years that add cost
- Cost of delays due to lengthy approval processes and public opposition

Source: <https://www.nmhc.org/research-insight/research-report/regulation-over-30-percent-of-the-cost-of-a-multifamily-development/>

## 5. Other Costs Contributing to Rising Construction Costs

Harvard University's Joint Center for Housing study notes that the, "... lack of new, more affordable rentals is in part a consequence of sharply rising construction costs, including labor and materials."

Specific factors that are contributing to higher construction costs include:

- Rising oil prices that increase transportation costs for transporting building materials.
- Rising cost of building materials due to increased demand from hurricane damage in 2017.
- From 2017 to 2018, the overall cost of building materials increased by 4% with the cost of softwood lumber increasing by 13%. It is projected that labor cost will increase by 15% in 2018.
- Modular housing, constructed in factory conditions and assembled on site, could have cost savings but this type of technology represents a small percentage of new construction.
- Federal Reserve has increased interest rates in 2018.

Source: <http://www.jchs.harvard.edu/state-nations-housing-2018>

## **H. Infrastructure Costs**

### 1. Overview

One factor in contributing to the housing affordability issue is the cost of installing infrastructure in new developments. Infrastructure includes roads, water, wastewater systems, storm sewers, and other utilities. Infrastructure must be installed or bonded for prior to final plat approval for new subdivisions. The cost of providing for this infrastructure is included in the price of the finished lot. Additionally, homeowners may have to pay hook-up fees as part of the building permit application or may have special assessments included in their tax bills to pay for infrastructure upgrades. The Montana Board of Housing has identified the following issues associated with housing affordability and infrastructure.

- Subdivision requirements for new infrastructure are based on public health and safety concerns. Failing to address these concerns can result in heavy tax burdens for property owners to bring roads, water, or sewer systems up to standards.
- The cost of installing infrastructure includes engineering, material, and labor costs as well as the cost of getting approvals, financing, and overhead. Additionally, topography and geology often create engineering challenges that make development costly.
- Land costs are typically less expensive in unincorporated areas and can be served by private wells and septic systems. State regulations, however, prohibit the use of a private septic system for lots less than one acre in size. Affordable housing developments with a density greater than one acre per home must go through a process to obtain a permit from the Department of Environmental Quality (DEQ) for a public water system. This adds costs for development.
- Individual wells and septic systems in older residential areas may begin to fail and threaten the underlying aquifer. Often, the only alternative is extending lines from the public system for water and sewer. Not only is this costly, but due to low density development in these areas, there are fewer homes to spread out the cost of improvements.

- Many of the water and sewer systems operated by local governments were built before 1920 and now require major investment to keep them operational and to meet current regulatory standards. Given the costs of maintaining existing systems, many of these local governments lack the financial resources to absorb additional users and are looking for options to finance these services which may include rate increases or increases in property taxes.
- Requirements for installation of improvements in subdivisions is regulated by Montana Code Annotated (MCA) 76-3-507 which states, "...the governing body shall require the sub-divider to complete required improvements within the proposed subdivision prior to the approval of the final plat." The MCA also has provisions for bonding or other security/guarantees in lieu of completion of the public improvement. The locality may opt to require a certain percentage of improvements to be completed prior to final plat approval.

## 2. Lewis and Clark/Helena Infrastructure Issues

- Per MCA 76-3-507, developments located in Lewis and Clark County relied on bonds to finance improvements in subdivisions. Due to some past defaults on bonds, the county revised subdivision requirements to require that infrastructure costs be completed prior to final plat approval. Focus group participants indicated that paying for infrastructure up-front is a disincentive to development.
- Lewis and Clark County Subdivision Regulations requires the applicant to, "...complete all improvements necessary to ensure that the projected Level of Service (LOS) at full build out of the subdivision is at or above the existing LOS at the time of submission of a complete and sufficient application." Developers have the option of paying for the cost of improving the roads. The payment is based on the proportional share of traffic the development is projected to generate.

The City of Helena financed the Westside water and sewer infrastructure in part with a \$750,000 Treasure State Endowment Program (TSEP) grant. The remaining amount (about \$2.5 million) will be financed over time with charges to the water/wastewater bill. Properties that are on well and septic and want to connect to city services will get a no-interest loan that will be paid back as part of their tax bill (not on their water bill). The balance of the loan will come from current city rate payers

- The Lewis and Clark Growth Policy Update 2015 (Vol.2) included an analysis of infrastructure costs for urban development in the county versus development in the city limits of Helena. The analysis concluded that infrastructure costs are more expensive in the city due to different design standards, city requirements for sidewalks, curb, and gutters and requirements to oversize facilities to accommodate future growth. Depending on the assumptions, the cost per lot for infrastructure improvements ranged from \$48,100 per lot to \$69,400 per lot at a density of 3 units per acre. Increasing density decreases the cost per unit. A 6 unit per acre density will reduce infrastructure costs to \$35,554 per lot. This is comparable to estimated infrastructure costs in Missoula which amounted to \$32,570 per lot for similar density.
- State law exempts a user from the water rights permitting process for a well of up to 35 gallons a minute, as long as it does not exceed 10 acre-feet of water a year. As a result of a Montana

Supreme Court case in 2016, new rules were established to apply the state law. Currently, a “combined appropriation”, which DNRC had previously allowed for new subdivisions, may not exceed the exemption’s flow and volume limits without obtaining a water rights permit. The ruling affects subdivisions that intend to rely on individual wells for each newly created lot. Due to this change in the rules, the number of subdivision applications has declined and created a shortage of developable lots. Subdivisions that connect to the city’s water system or public/community water system are not subject to these rules.

### 3. Jefferson County Infrastructure Issues

- Jefferson County requires that infrastructure (usually power, natural gas, community water or sewer systems, roads, etc.) be installed by the developer prior to seeking approval of the final plat unless the county and developer agree to enter into a subdivision improvements agreement. Having sufficient bonding in place to cover the costs if the county has to step in and complete the improvements has been an issue previously for Jefferson County. When the Subdivision Regulations are updated proper bonding should be addressed to protect the public’s interest.
- A challenge for Jefferson County regarding infrastructure is the lack of public water and sewer availability particularly in more densely developed areas. Having such services, particularly in the Clancy and Montana City areas, would encourage more residential development. Clancy proper has potential nitrate issues due to number of small lots that have individual drainfields and wells. A water and sewer district has been created to cover portions of the Clancy area. The district has completed feasibility studies, public outreach and is seeking funding to pursue either public water and/or wastewater facilities.
- The North Jefferson County Zoning limits development in the Montana City area. Changing the zoning may face opposition by the public who have a vested interest in the original zoning plan. The lack of public water and wastewater facilities in the Montana City area also limits opportunities for more dense development than current zoning allows for.
- Jefferson County has applied for a Community Development Block Grant (CDBG) from the State of Montana to complete a Capital Improvements Plan (CIP). The CIP would cover the entire county and help address infrastructure needs including transportation needs, public water and sewer systems, public transportation needs, firefighting needs, etc. If the grant is not approved, Jefferson County may opt to still pursue complete of a CIP without the grant funds since a CIP is essential to help manage and plan for future growth.

### 4. Broadwater County Infrastructure Issues

- The Broadwater County/Townsend Capital Improvement Plan adopted in 2011 identified improvements to the water system including replacing lines and installing water meters. Potential funding sources include the TSEP grant, USDA Rural Development grant and EPA Clean Water State Revolving Fund program.

## I. Other Housing Costs

### 1. Utilities and Maintenance

In addition to costs associated with mortgage, insurance and taxes, home owners have expenses related to utilities (electricity, gas, water) and on-going maintenance. Utility costs are often related to the age and the size of the home. Older homes that lack energy conservation features will have higher heating/cooling bills than new homes of comparable size. As indicated below, the average utility bill ranges from \$387 to \$466 per month. Additionally, older homes have higher maintenance costs due to normal wear and tear. Average monthly costs range from \$176 to \$235 per month. Consequently, older homeowners that may have paid off their mortgage can still have housing expenses that comprise a significant portion of the budget for those on fixed incomes.

Table 36: Annual Average Costs for Utilities and Maintenance – Homeowners

| Budget Item           | Broadwater | Jefferson | Lewis and Clark |
|-----------------------|------------|-----------|-----------------|
| Utilities             | \$4,827    | \$5,596   | \$4,645         |
| Maintenance Materials | \$447      | \$549     | \$370           |
| Maintenance Services  | \$1,665    | \$2,270   | \$1,778         |

Source: Consumer Spending data are derived from the 2014 and 2015 Consumer Expenditure Surveys, Bureau of Labor Statistics, <http://svc.mt.gov/gov/siteselector>

### 2. Transportation Costs

Another cost that is not factored into the census data regarding housing cost burden is the cost of transportation. According to census data, 60% of the workforce in Jefferson County and 42% of the workforce in Broadwater County is employed outside of the county where they live. Since transit service is limited to the City of Helena and East Helena, residents located elsewhere in study area must rely on a motor vehicle to commute to work. Per the data below, monthly cost to own an automobile ranges from \$569 - \$678,

Table 37: Annual Automotive Expenses

| Budget Item              | Broadwater     | Jefferson      | Lewis and Clark |
|--------------------------|----------------|----------------|-----------------|
| Average Car Payment      | \$2,185        | \$2,490        | \$2,093         |
| Gas                      | \$2,654        | \$2,993        | \$2,498         |
| Maintenance              | \$1,003        | \$1,186        | \$990           |
| Insurance                | \$1,056        | \$1,262        | \$1,083         |
| Vehicle Registration     | \$190          | \$209          | \$168           |
| <b>Total Annual Cost</b> | <b>\$7,088</b> | <b>\$8,140</b> | <b>\$6,832</b>  |
| <b>Monthly Cost</b>      | <b>\$590</b>   | <b>\$678</b>   | <b>\$569</b>    |

Source: Consumer Spending data are derived from the 2014 and 2015 Consumer Expenditure Surveys, Bureau of Labor Statistics, <http://svc.mt.gov/gov/siteselector>

# V. Public Input

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## A. Focus Groups

Focus groups are a way to engage stakeholders early in the process to obtain input on housing issues and trends. Focus groups offer a valuable forum to share information regarding housing programs, construction projects, funding options, partnerships and other resources that are available to help implement the recommendations in the action plan.

The project consultant conducted focus group meetings in January and February. Task Force members sent out invitations to their membership, staff, and client lists. A total of over 100 people participated in ten focus groups. Following is a list of focus groups meetings that were part of the needs assessment.

- Broadwater County
- Helena Association of REALTORS®
- Helena Building Industry Association
- Helena Chamber of Commerce
- Housing Providers (Housing agencies and service providers)
- Jefferson County
- Public Officials
- Social Service Providers
- Tenants
- Teleconference Call for anyone unable to participate in above focus groups.

The table below summarizes the key issues that were discussed in the focus group meetings.

*Table 38: Focus Group Summary*

| Topic                                   | Issue Summary  |
|---|--|
| <p><b>Development – Subdivision</b></p> | <ul style="list-style-type: none"> <li>• There is a shortage of building lots for new housing resulting in high demand and high prices for existing vacant lots with city services. There is a reluctance to begin new subdivision developments due to high up-front cost for engineering and infrastructure as well as the complexity of the approval process.</li> <li>• There are geographic constraints which limit land available for development. In-fill development or redevelopment is often met with neighborhood opposition.</li> <li>• Building costs are increasing due to increase in building materials. Along with land cost, labor cost, site preparation and fees it is not possible to build affordable housing units.</li> </ul> |

| Topic                          | Issue Summary   |
|--------------------------------|---|
| <b>Home Ownership</b>          | <ul style="list-style-type: none"> <li>• There is not enough inventory of affordable homes. More people are moving into the area and are driving up prices.</li> <li>• House payments are too costly even for many two-income families. First time homebuyers often work multiple jobs to afford mortgage. Young homebuyers are dealing with student loans and credit card debt.</li> <li>• Although there are some first-time homebuyer programs, there is a segment of the population that does not meet the low-income eligibility requirements yet still do not earn enough to afford to purchase a home.</li> </ul>  |
| <b>Housing Assistance</b>      | <ul style="list-style-type: none"> <li>• There is a shortage of rental properties that will accept Section 8 vouchers. Helena Housing Authority has a two-year waiting list. HHA properties date back to 1939 and require expensive rehab and some should be demolished.</li> <li>• The low-income population is growing due to aging population. Seniors that rely on social security income cannot afford rents. Senior housing projects operated by Rocky Mountain Development Corporation have a 6-month waiting list.</li> <li>• Some properties that were developed with tax credits will age out of the program and no longer be required to provide reduced rents to low-income households. This will reduce the inventory of affordable rentals.</li> <li>• There has been a trend since the 1980's to cut or reduce funding for social service and housing programs. The demand for programs is growing but federal and state funding resources are shrinking.</li> </ul> |
| <b>Housing Conditions</b>      | <ul style="list-style-type: none"> <li>• Existing housing units that are affordable are often sub-standard and require expensive repair or rehab. Energy costs to heat/cool older units can be high.</li> <li>• Tenants are reluctant to report sub-standard rental units due to concern about losing a place to live. Public health and safety issues with low cost rentals include meth contamination, mold, and bedbugs.</li> <li>• Due to high cost of rents, families are sharing units. Overcrowding in rental units is an issue and makes women and children at higher risk for domestic violence or abuse. Crime rates are often higher in low-income areas.</li> </ul>   |
| <b>Non-Traditional Housing</b> | <ul style="list-style-type: none"> <li>• There is a need for diverse housing types to provide more choices. These may include tiny homes, communal living – Housing Co-ops/Boarding houses, senior cooperative housing, modular – Factory built homes and Single-Room Occupancy with support services for veterans/homeless.</li> <li>• Alternative models of homeownership include, limited equity – deed restrictions with a land trust is an alternative model of home ownership and Residential Owned Communities (ROC) – Is potential model of ownership for residents in mobile home parks.</li> <li>• Commercial areas could include on-site employee housing, mixed-uses that converts vacant commercial space into housing, 2<sup>nd</sup> floor residential.</li> </ul>   |

| Topic                         | Issue Summary  |
|-------------------------------|--|
| <b>Planning and Zoning</b>    | <ul style="list-style-type: none"> <li>• Encourage mixed-use projects and 2<sup>nd</sup> floor residential in commercial areas. Locate new housing close to downtown, transit routes, trails, and employment centers. Promote in-fill development.</li> <li>• Increase density to capture value of lots and create affordable housing units. Explore inclusionary zoning to create permanent affordable homes. Short term rentals are reducing available year-round housing inventory.</li> <li>• Incorporate housing recommendations into Growth Policy and downtown plan. Conduct design charrettes for redevelopment of properties to get neighborhood buy-in.</li> <li>• There is a demand for 2-bedroom apartment units. Empty nesters want to downsize to single-story homes.</li> </ul>   |
| <b>Renters – Rental Units</b> | <ul style="list-style-type: none"> <li>• Rents are higher than an average mortgage payment, but renters do not have the down payment or credit history to purchase a home. Minimum-entry level employees cannot afford rents. Renters often must have roommates or families share a house because of high rents. Security deposits are high.</li> <li>• There is not enough inventory of rental units to meet demand. Vacancy rates are low for all types and prices ranges of rental units. Job vacancies are going unfilled because there is lack of housing for new employees. There is a big need for affordable rental units for low-income households. A rent of \$400 a month would be affordable but there is nothing in this price range.</li> <li>• Background checks are a barrier to housing. Landlords will turn down applicants due to criminal history, poor credit, or poor references.</li> <li>• There are not enough building sites for multi-family developments. New multi-family homes that have been added in recent years fill up fast.</li> </ul> |
| <b>Seniors</b>                | <ul style="list-style-type: none"> <li>• Many seniors are on fixed incomes and cannot afford cost related to maintenance, taxes, and transportation. They would like to downsize but there are limited, affordable options.</li> <li>• Need accessible designs for seniors and disabled populations.</li> <li>• Many seniors have difficulty maintaining homes making aging in place difficult.</li> </ul>   |
| <b>Special Needs Housing</b>  | <ul style="list-style-type: none"> <li>• There is not enough shelter space for crisis situations or homeless population. With a shortage of affordable housing, people stay in shelters for longer periods and this contributes to shortage of shelter beds. It is cheaper to provide housing for the homeless than to address issues of crime, emergency room care and costs that are associated with the homeless population.</li> <li>• Veterans are more at risk for homelessness and mental health issues. Veterans Administration Hospital is in Helena so there is a significant veteran population that comes to Helena for services.</li> </ul>   |

| Topic                                | Issue Summary   |
|--------------------------------------|---|
| <b>Special Housing Needs (cont.)</b> | <ul style="list-style-type: none"> <li>• Finding housing for offenders is difficult. H.C.O.R.P has some rentals and works with a few landlords but demand far exceeds needs. Population needs a full range of services.</li> <li>• Case management services have been cut due to the State’s budget programs. Accessing housing and other programs is overwhelming for seniors, the disabled, and for people with mental health issues.</li> </ul>  |
| <b>Transportation</b>                | <ul style="list-style-type: none"> <li>• Affordable housing is located outside of town but transportation cost to commute is high.</li> <li>• Public transit should be expanded to include more routes and stops. This would make transportation more accessible to people who do not own vehicles. More transit stops would increase areas to locate multi-family developments.</li> </ul>   |
| <b>Broadwater County</b>             | <ul style="list-style-type: none"> <li>• Northern county – demand for people working in Helena</li> <li>• Southern county – demand for people working in Bozeman/Belgrade</li> <li>• Senior housing and retrofits for stay in place</li> <li>• Lack of rental units- substandard rentals</li> <li>• Repurpose commercial buildings for housing</li> <li>• 30-40 year olds are a fast growing demographic</li> <li>• Services for substance abuse, mental health, homeless....</li> <li>• Live-work opportunities. Economic development in county may create more housing demand.</li> </ul>   |
| <b>Jefferson County</b>              | <ul style="list-style-type: none"> <li>• Housing needs include affordable units for:               <ul style="list-style-type: none"> <li>○ Seniors housing</li> <li>○ Persons with Disabilities</li> <li>○ Veterans</li> <li>○ Low-income earners</li> <li>○ First-time homebuyers</li> <li>○ Newcomers</li> </ul> </li> <li>• Other housing issues               <ul style="list-style-type: none"> <li>○ Old housing stock – pre-1976 trailers – building code enforcement</li> <li>○ Lack of multi-family inventory – may need zoning changes to promote</li> <li>○ Transportation – Cost of commuting</li> <li>○ Lack of infrastructure – lack of buildable lots.</li> </ul> </li> </ul> |

Source: Compiled by Applied Communications, February 2018

## B. Community Survey

### 1. Methodology

From March through April 2018, community members were invited to take an on-line survey regarding housing needs in the tri-county area. The survey was advertised in the local media and a link was posted on the City of Helena and Lewis and Clark County web sites. Task Force members sent the web link for the survey to e-mail lists for their respective agencies and several other community organizations distributed the link to the survey web site via their list-serves. Additionally, printed copies of the surveys were distributed at Rocky Mountain Development Council, the library, the City-County Administrative Building, and Helena Housing Authority offices.

A total of 997 surveys were completed. Although this was not a random survey of households, the respondent profile correlates with the 2016 U.S. Census – American Community Survey in regards to distribution of owners and renters and median income. The number of responses received indicated a strong interest from the community in housing issues. The survey also offered an opportunity to provide input on the housing needs assessment and greatly expanded the range of individuals who could provide insight into housing issues.

Table 39: Place of Residence by Zip Code

|                                   |            |
|-----------------------------------|------------|
| <b>Lewis and Clark County</b>     | <b>772</b> |
| 59601 (Helena)                    | 419        |
| 59602 (Helena Valley)             | 266        |
| 59635 (East Helena)               | 80         |
| 59623, 59639, 59648, 59633, 59640 | 7          |
|                                   |            |
| <b>Jefferson County</b>           | <b>131</b> |
| 59632 (Boulder)                   | 45         |
| 59634 (Clancy)                    | 53         |
| 59759 (Whitehall)                 | 22         |
| 59631 & 59638                     | 11         |
|                                   |            |
| <b>Broadwater County</b>          | <b>80</b>  |
| 59644 (Townsend)                  | 71         |
| 59643 & 59647)                    | 9          |
|                                   |            |
| No Answer/Not in Study Area       | <b>14</b>  |

Map 9 : Survey Responses by Zip Code

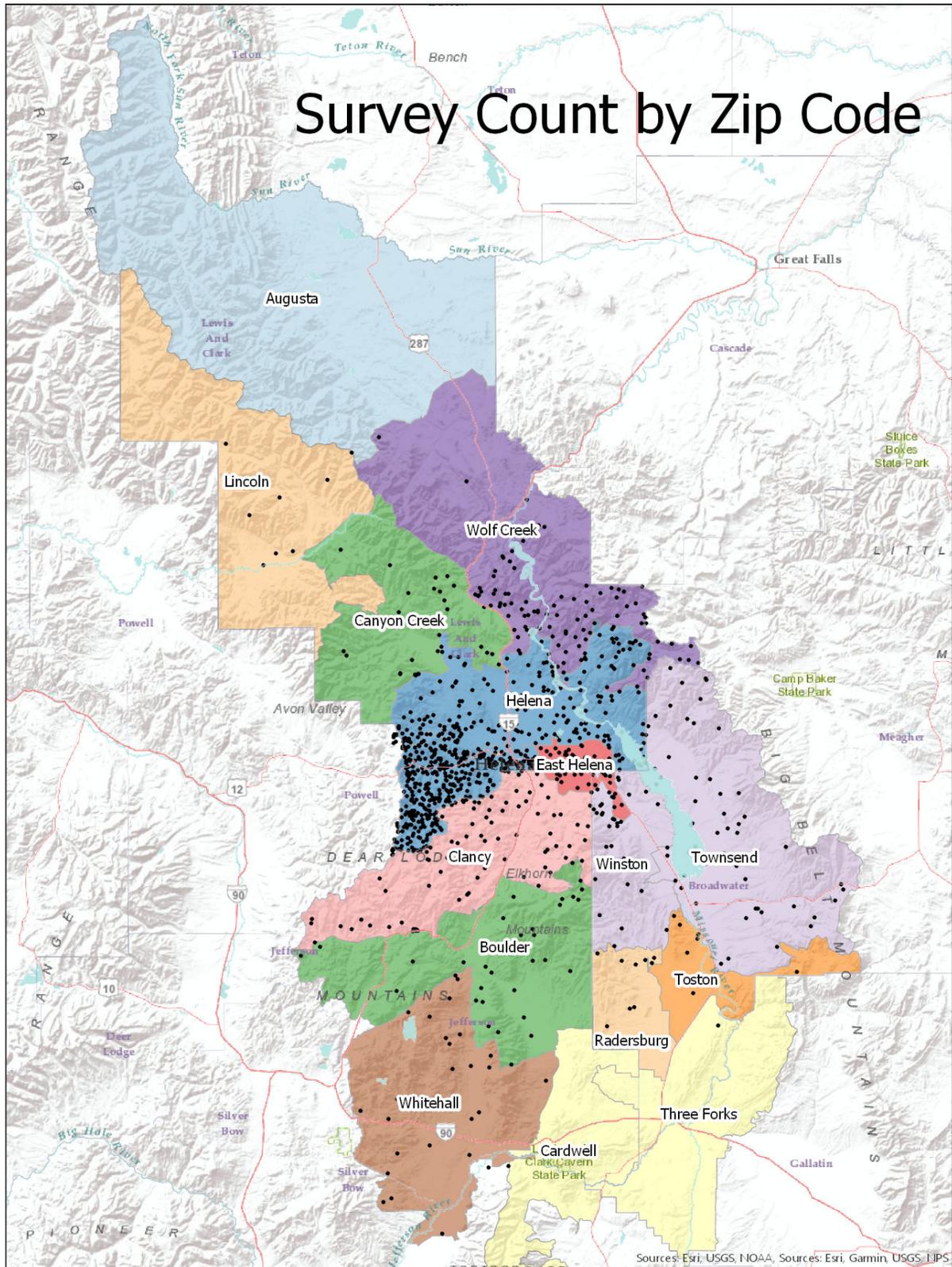


Table 40: Place of Work for Survey Respondents by County of Residence

|                                | Work in Broadwater County | Work in Jefferson county | Work in Lewis and Clark County |
|--------------------------------|---------------------------|--------------------------|--------------------------------|
| Live in Broadwater County      | 80%                       | --                       | 11%                            |
| Live in Jefferson County       | --                        | 53%                      | 43%                            |
| Live in Lewis and Clark County | --                        | 1%                       | 91%                            |

Figure 16: % of Homeowners and Renters Responding to the Survey

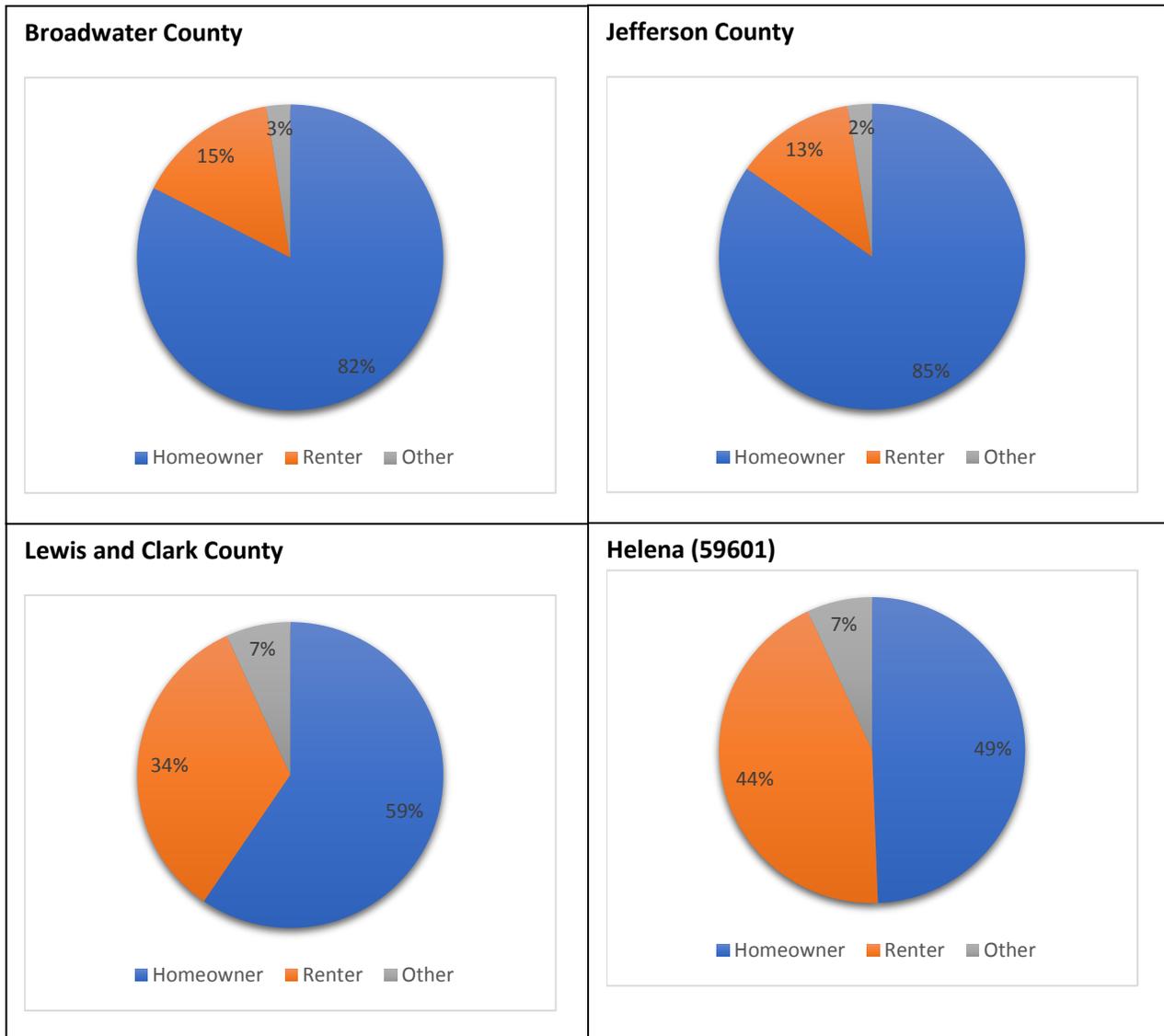


Table 41: Survey Respondents by Age

|              | Broadwater | Jefferson | Lewis and Clark | Helena<br>(59601) |
|--------------|------------|-----------|-----------------|-------------------|
| <b>0-17</b>  | 0%         | 0%        | 0%              | 0%                |
| <b>18-25</b> | 3.8%       | 0%        | 7.3%            | 8.5%              |
| <b>26-40</b> | 20.2%      | 23.6%     | 33.0%           | 33.2%             |
| <b>41-64</b> | 53.1%      | 55.9%     | 49.9%           | 47.5%             |
| <b>65+</b>   | 22.8%      | 20.5%     | 9.7%            | 10.9%             |

Table 42: Survey Respondents by Household Yearly Gross Income

|                            | Broadwater | Jefferson | Lewis and Clark | Helena<br>(59601) |
|----------------------------|------------|-----------|-----------------|-------------------|
| <b>&lt;\$10,000</b>        | 2.6%       | 0.8%      | 7.0%            | 10.2%             |
| <b>\$10,000 - \$14,999</b> | 1.3%       | 4.0%      | 4.1%            | 5.4%              |
| <b>\$15,000 - \$24,999</b> | 11.5%      | 8.8%      | 9.6%            | 9.7%              |
| <b>\$25,000 - \$34,999</b> | 16.7%      | 5.6%      | 8.2%            | 7.3%              |
| <b>\$35,000 - \$49,999</b> | 20.5%      | 17.6%     | 14.1%           | 15.1%             |
| <b>\$50,000 - \$74,999</b> | 24.4%      | 20.0%     | 19.5%           | 18.7%             |
| <b>\$75,000 - \$99,999</b> | 11.5%      | 14.4%     | 15.7%           | 14.4%             |
| <b>\$100,000+</b>          | 11.5%      | 28.8%     | 21.7%           | 19.2%             |

Table 43: Survey Respondents by Persons in Household

|                     | Broadwater | Jefferson | Lewis and Clark | Helena<br>(59601) |
|---------------------|------------|-----------|-----------------|-------------------|
| <b>One</b>          | 8.8%       | 16.5%     | 17.2%           | 25.5%             |
| <b>Two</b>          | 55.0%      | 45.4%     | 36.3%           | 32.7%             |
| <b>Three</b>        | 20.0%      | 13.8%     | 18.5%           | 17.4%             |
| <b>Four or more</b> | 16.2%      | 24.6%     | 27.9%           | 24.3%             |

Table 44: Survey Respondents by Household Characteristics

|                              | Broadwater | Jefferson | Lewis and Clark | Helena<br>(59601) |
|------------------------------|------------|-----------|-----------------|-------------------|
| <b>One-Income</b>            | 32.5%      | 35.4%     | 37.8%           | 42.3%             |
| <b>Two-Income</b>            | 52.5%      | 53.1%     | 52.0%           | 45.4%             |
| <b>Disabled</b>              | 7.5%       | 8.5%      | 6.6%            | 7.4%              |
| <b>Veteran</b>               | 10.0%      | 13.8%     | 7.0%            | 5.5%              |
| <b>Children under age 18</b> | 20.0%      | 23.1%     | 22.0%           | 20.8%             |
| <b>Retired</b>               | 26.2%      | 22.3%     | 9.3%            | 9.8%              |

Table 45: Survey Respondents by Type of Residence

|                        | Broadwater | Jefferson | Lewis and Clark | Helena (59601) |
|------------------------|------------|-----------|-----------------|----------------|
| Single-Family          | 83.3%      | 87.5%     | 64.4%           | 58.1%          |
| Townhome               | 0%         | 0%        | 1.3%            | 2.1%           |
| Apartment              | 2.7%       | 0.8%      | 15.5%           | 24.2%          |
| Condo                  | 0%         | 0.8%      | 2.2%            | 2.6%           |
| Mobile Home            | 12.5%      | 10.0%     | 9.1%            | 3.7%           |
| Duplex/Tri-Plex/4-plex | 0%         | 0%        | 5.3%            | 6.9%           |
| Hotel/Motel            | 0%         | 0%        | 0%              | 0%             |
| No Permanent Home      | 1.3%       | 0.8%      | 2.0%            | 8.0%           |

Table 46: Median Monthly Housing Costs

|                                     | Broadwater | Jefferson | Lewis and Clark | Helena (59601) |
|-------------------------------------|------------|-----------|-----------------|----------------|
| Median Monthly Rent                 | \$600      | \$700     | \$725           | \$700          |
| Median Monthly Mortgage (PITI)      | \$800      | \$1350    | \$1246          | \$1200         |
| Median Cost – No Mortgage           | \$240      | \$500     | \$320           | \$400          |
| Median Average Monthly Electric/Gas | \$160      | \$150     | \$150           | \$120          |

Figure 17: % of Respondents Rating the Condition of Residence

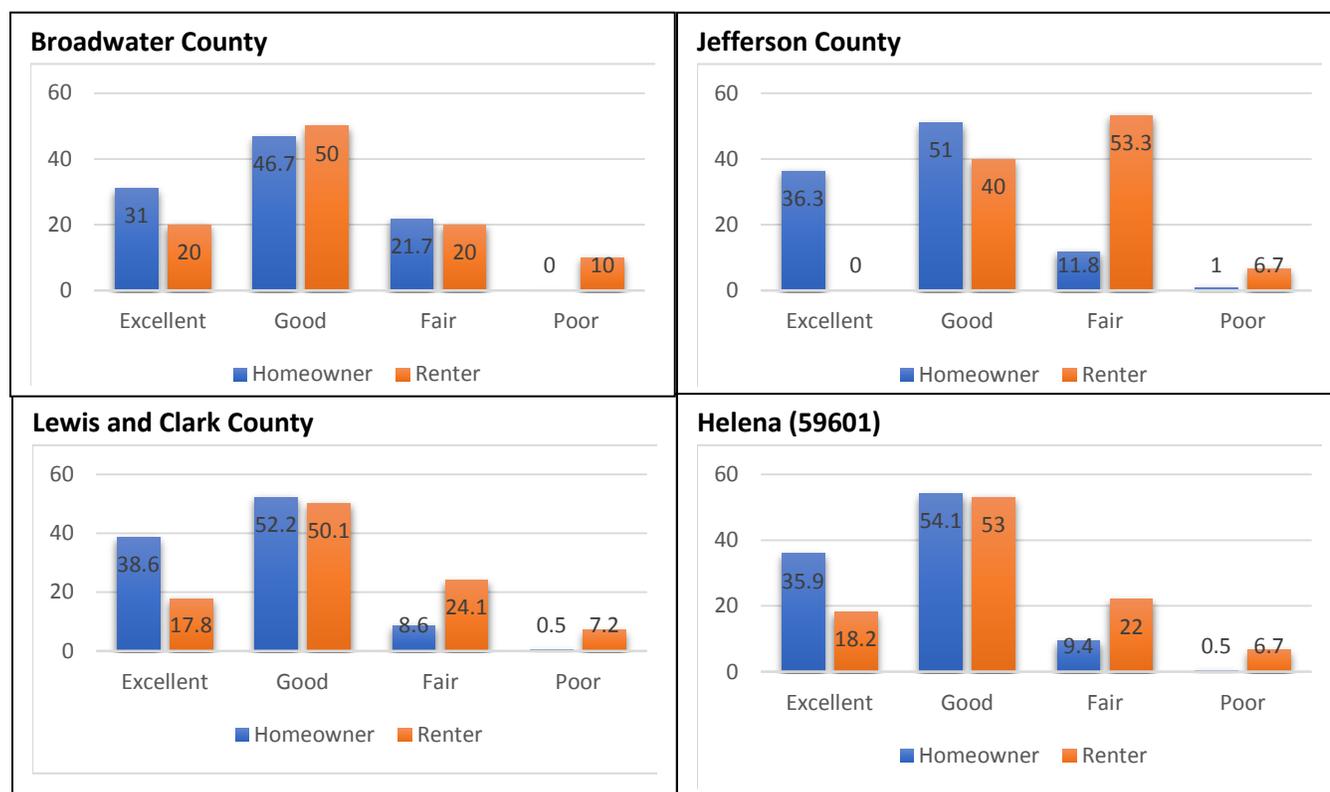


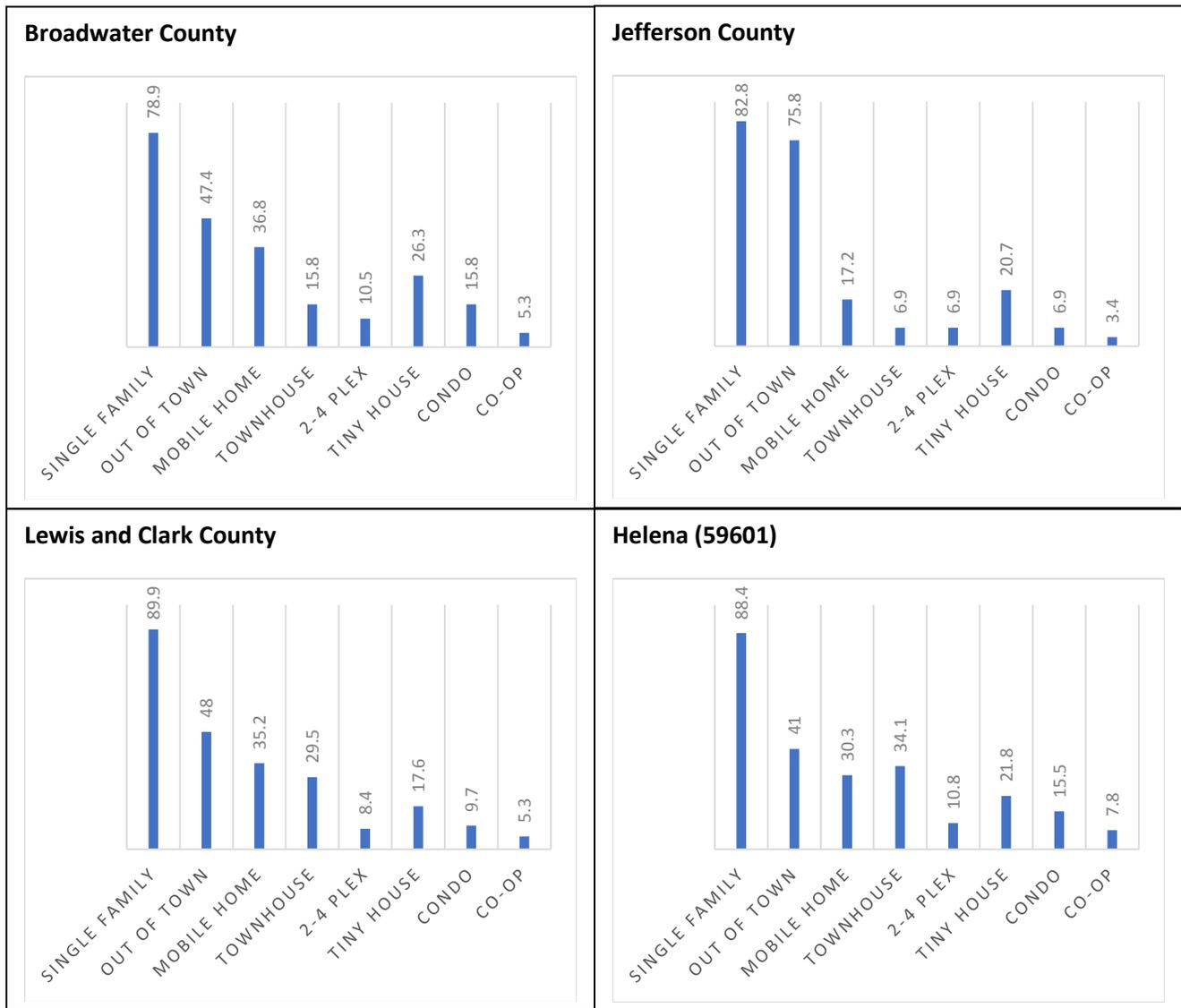
Table 48: % of Respondents Indicating Repair Item Was Currently Needed in Home or Rental Unit

|  | Broadwater | Jefferson | Lewis and Clark | Helena |
|--|------------|-----------|-----------------|--------|
| <b>MOST COMMON REPAIR ITEMS</b>  |            |           |                 |        |
| Flooring or carpeting needs replacement                                      | 60.8%      | 57.9%     | 50.0%           | 45.8%  |
| Weatherization/Insulation  | 51.0%      | 38.6%     | 36.0%           | 37.9%  |
| Walls or ceilings with holes, falling plaster, peeling paint, stains, cracks | 29.4%      | 30.7%     | 28.7%           | 30.4%  |
| Painting of exterior   | 41.2%      | 35.2%     | 24.8%           | 22.5%  |
| Plumbing Work  | 37.2%      | 27.3%     | 26.7%           | 27.7%  |
| <b>MID-LEVEL REPAIR ITEMS</b>  |            |           |                 |        |
| Roof leaks or sags   | 27.4%      | 15.9%     | 12.5%           | 13.8%  |
| Broken doors or windows  | 25.5%      | 17.0%     | 15.7%           | 16.6%  |
| Mold or mildew   | 15.7%      | 11.4%     | 8.4%            | 8.3%   |
| Cracked Siding   | 15.7%      | 10.2%     | 9.5%            | 8.7%   |
| Cracked foundation   | 13.7%      | 4.5%      | 7.8%            | 9.9%   |
| Unsafe wiring  | 11.8%      | 13.6%     | 8.6%            | 8.7%   |
| Furnace Repair   | 9.8%       | 9.1%      | 12.5%           | 12.2%  |
| <b>LEAST COMMON REPAIR ITEMS</b>   |            |           |                 |        |
| Water heater   | 5.9%       | 5.7%      | 8.4%            | 9.5%   |
| Asbestos   | 5.9%       | 5.7%      | 3.7%            | 5.1%   |
| Accessibility Retrofit (ramps, bathroom ....)                                | 5.8%       | 5.7%      | 3.9%            | 4.7%   |
| Failing Septic System  | 3.9%       | 4.5%      | 2.2%            | 1.9%   |
| Lead based paint   | 3.9%       | 2.2%      | 3.2%            | 4.7%   |
| Radon  | 2.0%       | 2.3%      | 4.1%            | 3.9%   |

Table 49: % of Respondents Indicating the Following Problems with Finding a Place to Rent

|  | Broadwater | Jefferson | Lewis and Clark | Helena |
|--|------------|-----------|-----------------|--------|
| <b>MOST COMMON RENTAL ISSUES</b>                               |            |           |                 |        |
| Rents are too expensive  | 73.7%      | 81.0%     | 87.0%           | 84.4%  |
| Too few places to choose from                                  | 80.8%      | 73.0%     | 49.4%           | 51.7%  |
| Difficulty finding a place that allows pets                    | 73.1%      | 70.3%     | 59.2%           | 53.1%  |
| Costly rental deposits   | 65.4%      | 43.2%     | 56.0%           | 52.1%  |
| Available rental units in poor condition                       | 46.2%      | 62.1%     | 54.3%           | 54.9%  |
| <b>MID-LEVEL RENTAL ISSUES</b>                                 |            |           |                 |        |
| Rental units are too small for my needs                        | 46.1%      | 21.6%     | 31.2%           | 29.4%  |
| Took more than 2 months to find a rental unit                  | 34.6%      | 16.2%     | 22.4%           | 23.7%  |
| Temporarily stayed with family & friends while looking to rent | 42.3%      | 35.1%     | 26.3%           | 23.7%  |
| Turned down due to poor credit history                         | --         | --        | 22.4%           | 23.7%  |
| <b>LEAST COMMON RENTAL ISSUES</b>                              |            |           |                 |        |
| Available rental units too far from work.                      | 11.5%      | 8.1%      | 8.7%            | 8.5%   |
| No Disabled access   | 7.9%       | 10.8%     | 8.4%            | 10.9%  |
| Turned down to poor credit history                             | 7.7%       | 0         | --              | --     |
| Difficulty passing background check                            | 3.8%       | 0         | 4.3%            | 5.7%   |

Figure 18: % of Respondents Indicating They Would Consider Purchasing the Following Housing Types



Note: Area Code 59602 is tabulated as part of Lewis and Clark County

Table 50: Most Common Issues with Purchasing a Home

|  | Broadwater | Jefferson | Lewis and Clark | Helena |
|--|------------|-----------|-----------------|--------|
| <b>MOST COMMON HOMEBUYER ISSUES</b>                |            |           |                 |        |
| Cannot find a house in my price range              | 60.0%      | 71.4%     | 63.8%           | 64.4%  |
| Lack required down payment                         | 53.3%      | 62.2%     | 63.8%           | 62.2%  |
| House in my price range requires expensive repairs | 53.3%      | 33.3%     | 47.0%           | 48.9%  |
| Do not qualify for bank loan due to income         | 46.7%      | --        | 43.1%           | 43.3%  |
| Do not qualify for bank loan due to credit history | 46.7%      | --        | 40.0%           | 36.7%  |
| Cannot find a home that meets my needs             | --         | 42.9%     | --              | --     |
| <b>MID-LEVEL HOMEBUYER ISSUES</b>                  |            |           |                 |        |
| Do not qualify for home due to credit history      | --         | 19.0%     | --              | --     |
| Cannot find a home that meets my needs             | 13.3%      | --        | 25.6%           | 28.8%  |
| Homes I can afford are too far from where I work   | 13.3%      | 9.5%      | 22.2%           | 18.8%  |
| <b>LEAST COMMON HOMEBUYER ISSUES</b>               |            |           |                 |        |
| Process to buy a home is too complicated           | 6.7%       | 9.5%      | 11.1%           | 11.9%  |
| Seller accepted another offer                      | 6.7%       | 9.5%      | 6.2%            | 7.8%   |

Table 51: % of Respondents that Indicated Housing Preferences

|   | Broadwater | Jefferson | Lewis and Clark | Helena (59601) |
|---|------------|-----------|-----------------|----------------|
| <b>MOST POPULAR</b>   |            |           |                 |                |
| I prefer a one-story unit to a multi-story house                                    | 42.5%      | 46.1%     | 36.3%           | 33.1%          |
| I intend to sell my home in the next five years.                                    | 42.5%      | 46.1%     | 22.9%           | 18.1%          |
| I want to stop renting and purchase a home in the next five years.                  | 20.0%      | 16.9%     | 37.4%           | 42.3%          |
| If affordable housing were available, I would prefer to live near downtown.*        | 37.5%      | 21.5%     | 29.5%           | 38.9%          |
| <b>MID-LEVEL POPULARITY</b>   |            |           |                 |                |
| If affordable housing were available, I would prefer to live closer to where I work | 20.0%      | 13.8%     | 20.3%           | 19.6%          |
| I want to live in a housing development oriented to single households.              | 12.5%      | 12.3%     | 10.0%           | 11.5%          |
| I will need a smaller accessible home I the next five years.                        | 15.0%      | 24.6%     | 12.5%           | 12.7%          |
| <b>LEAST POPULAR</b>  |            |           |                 |                |
| I want to live in a housing development oriented to seniors.                        | 10.0%      | 7.7%      | 5.6%            | 7.7%           |
| I want to live in a housing development oriented to families.                       | 7.5%       | 4.6%      | 14.2%           | 12.3%          |

**\*Note:**

- Of respondents in Lewis and Clark County who indicated an interest in living downtown, 97% indicated a preference for downtown Helena.
- Of respondents in Jefferson county who indicated an interest in living downtown, 57% indicated a preference for downtown Helena while 21% indicated a preference for downtown Boulder.
- Of respondents in Broadwater County who indicated an interest in living downtown, 47% indicated a preference for downtown Townsend while 33% indicated a preference for downtown Helena.

Figure 19: % of Respondents Indicating the Need for Various Housing Types

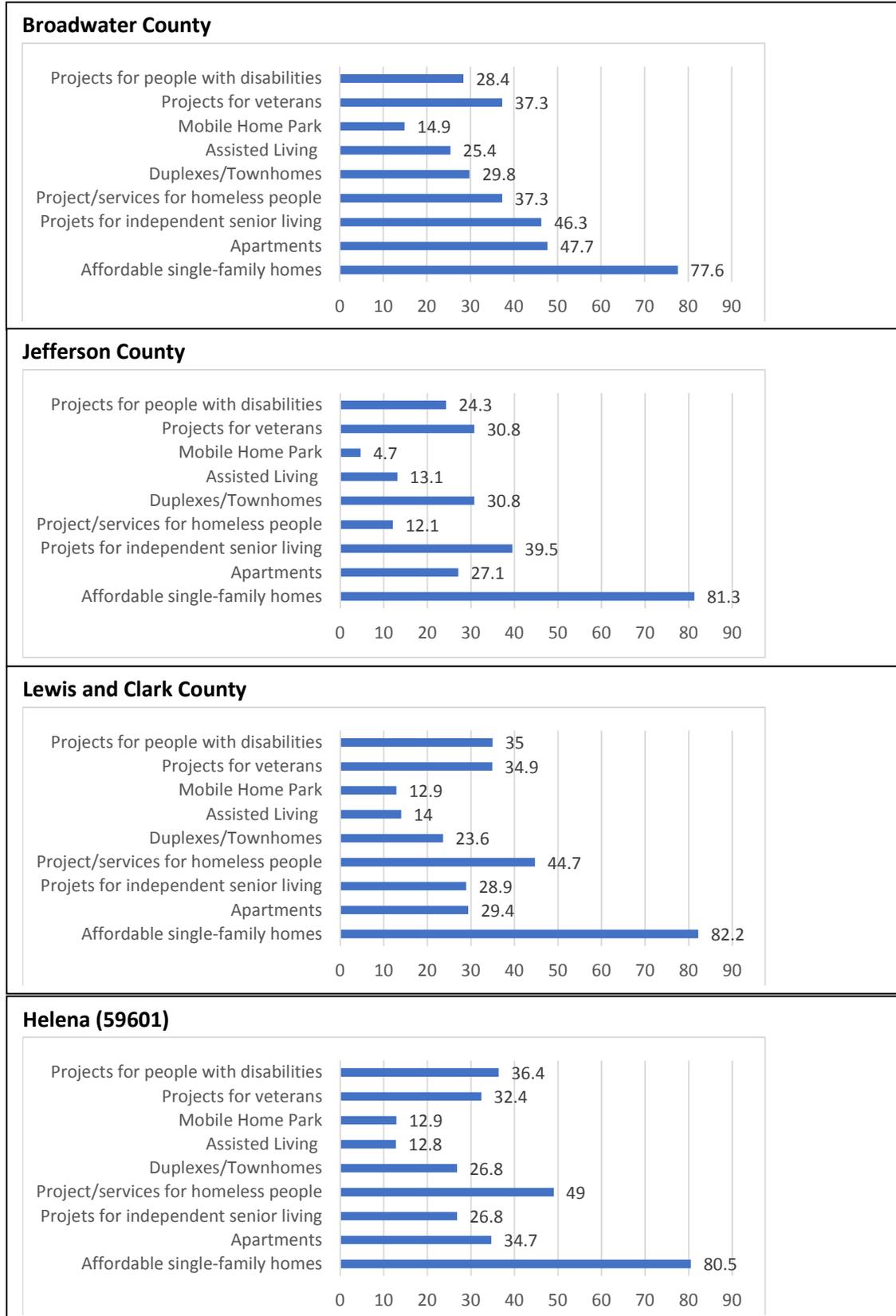


Table 52: % of Respondents Indicating Support for Various Types of Housing Policies

|   | Broadwater | Jefferson | Lewis and Clark | Helena (59601) |
|---|------------|-----------|-----------------|----------------|
| <b>Most Popular</b>   |            |           |                 |                |
| Home maintenance assistance for the elderly and disabled      | 81.2%      | 75.7%     | 62.3%           | 65.8%          |
| Weatherization programs                                       | 67.2%      | 61.2%     | 57.1%           | 58.2%          |
| Down payment assistance for low or moderate-income households | 51.6%      | 55.3%     | 63.5%           | 65.6%          |
| <b>Mid-Level Popularity</b>                                   |            |           |                 |                |
| Homeowner loans or grants for rehab projects                  | 53.1%      | 57.3%     | 53.0%           | 56.4%          |
| Credit/financial counseling                                   | 50.0%      | 49.5%     | 56.1%           | 58.2%          |
| Incentives to developers for affordable housing               | 51.6%      | 52.4%     | 57.1%           | 60.2%          |
| <b>Least Popular</b>  |            |           |                 |                |
| Subsidized rental units                                       | 40.6%      | 35.9%     | 49.8%           | 55.2%          |

### C. Employer Survey

In April 2018, the Task Force conducted a survey of employers in the tri-county area to determine how housing issues were having an impact on their ability to recruit and retain workers. The survey also solicited input regarding support for various housing policies. The survey was sent to the membership list for each of the counties' Chambers of Commerce.

Table 53: Place of Business

|                               |     |
|-------------------------------|-----|
| <b>Lewis and Clark County</b> |     |
| 59601 (Helena)                | 85  |
| 59602 (Helena Valley)         | 22  |
| 59635 (East Helena)           | 6   |
| <b>Jefferson County</b>       |     |
| 59632 (Boulder)               | 2   |
| 59634 (Clancy)                | 6   |
| <b>Broadwater County</b>      |     |
| 59644 (Townsend)              | 16  |
| <b>Other</b>                  |     |
| TOTAL                         | 102 |

Table 54: Type of Business

| # Employees                      | # Respondents |
|----------------------------------|---------------|
| Accommodation & Food Service     | 14            |
| Arts-Entertainment-Recreation    | 1             |
| Construction                     | 14            |
| Education                        | 2             |
| Finance & Insurance              | 12            |
| Health Care                      | 9             |
| Government                       | 5             |
| Manufacturing                    | 3             |
| Professional & Technical Service | 6             |
| Real Estate                      | 3             |
| Retail                           | 13            |
| Social Service – Non-Profit      | 10            |
| Other                            | 10            |

Table 55: # of Employees

| # Employees | # Respondents |
|-------------|---------------|
| 0-9         | 60            |
| 10-24       | 34            |
| 25-49       | 15            |
| 50-99       | 16            |
| 100+        | <b>13</b>     |

Table 56: Degree that Affordable Housing is an Issue

(1 = Not a Problem 2=Somewhat a Problem 3 = Major Problem)

|               |      |
|---------------|------|
| Helena        | 2.54 |
| Montana City  | 2.47 |
| Helena Valley | 2.18 |
| Clancy        | 2.12 |
| East Helena   | 2.07 |
| Boulder       | 1.59 |
| Whitehall     | 1.59 |

Figure 20: % of Respondents that Indicated Employment Outlook

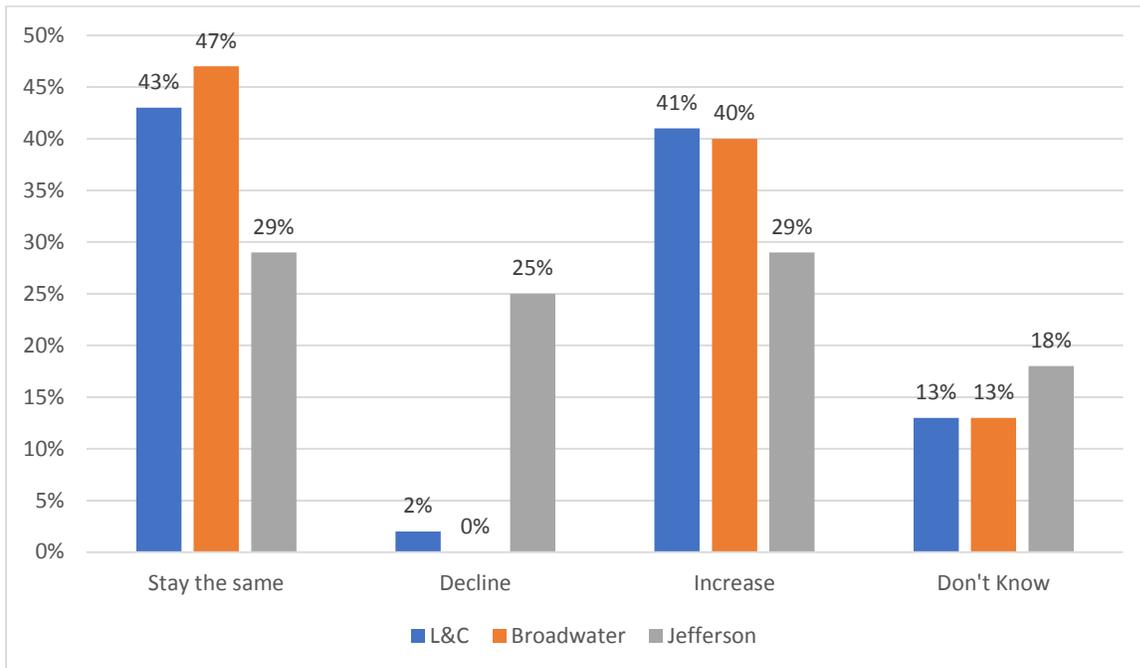
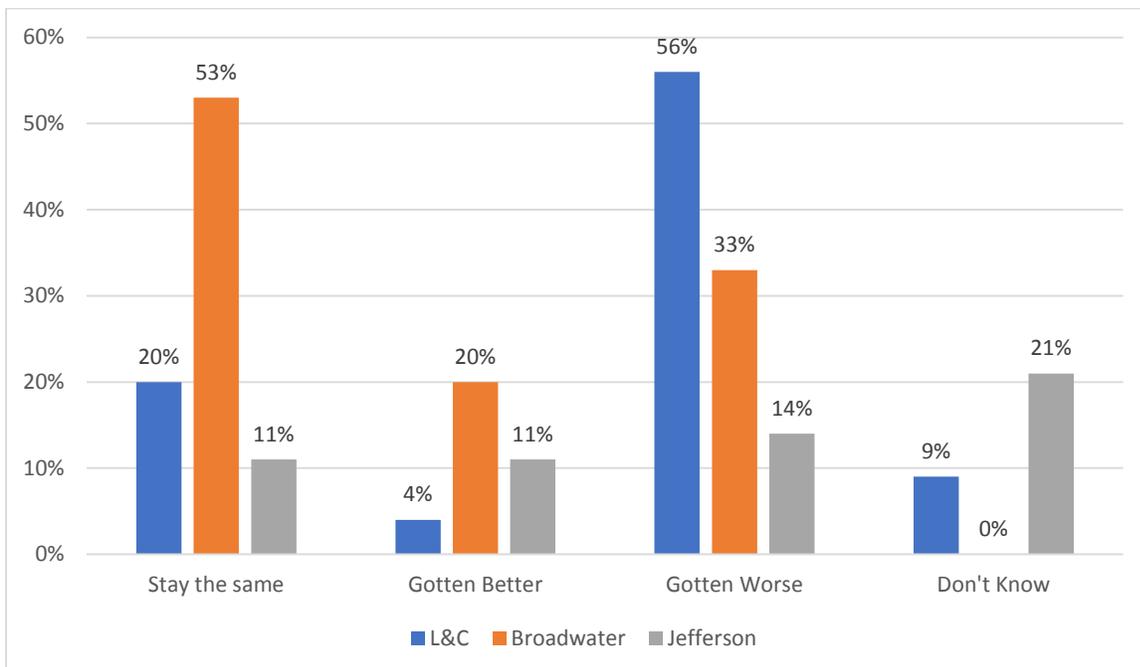


Figure 21: % of Respondents Indicating Ability to Find and Retain Employees in Past Three Years



*Table 57: % of Business that Indicated They Had Experienced the Following Issues*

|  | <b>% Respondents</b> |
|--|----------------------|
| Job openings have been unfilled due to lack of qualified applicants.   | 75.9%                |
| My business/organization anticipates job vacancies due to retirements over the next 2 years.                                   | 33.3%                |
| Job applicants have turned down a job offer because they could not find adequate housing in their price range.                 | 21.8%                |
| Employees have had difficulty finding transportation to work.  | 21.8%                |
| Job applicants or employees have accepted another position because they found a different job nearer their place of residence. | 18.4%                |
| My business/organization has included a housing allowance as part of a job offer.  | 5.8%                 |

*Table 58: % of Business that Indicated Support for the Following Programs*

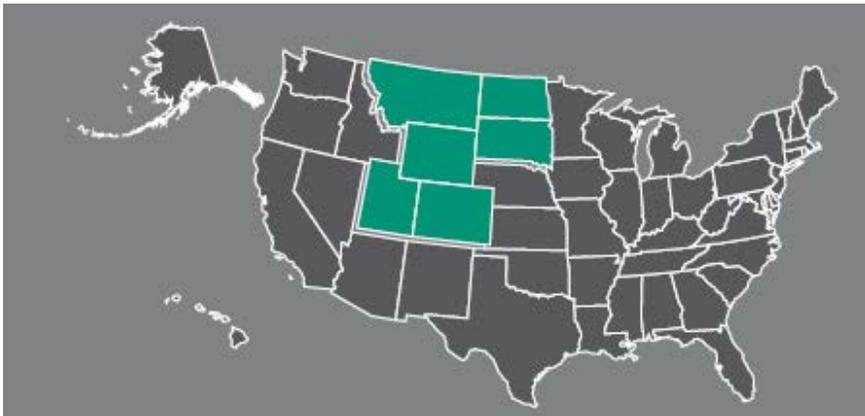
|   | <b>% Respondents</b> |
|---|----------------------|
| Financial, tax or other incentives to off-set development costs in exchange for a percentage of affordably priced homes in the development.               | 62.2%                |
| A non-profit agency to own land and administer long-term land leases to income qualified households for building affordable homes.                        | 42.5%                |
| Creating a local housing fund that is financed by a mix of voluntary assessments, surcharges, grants, foundations, donations fees or other local sources. | 33.8%                |
| Mandatory zoning requiring developments to include a certain percentage of affordable housing units or make a payment in lieu of housing.                 | 26.2%                |
| Mandatory zoning requiring major commercial developments to build employee housing or make a payment in lieu of housing.                                  | 15.0%                |

## VI. Housing Trends

### A. Regional Trends indicate Tight Housing Market Will Continue

The U.S. Department of Housing and Urban Development (HUD) publishes quarterly regional reports that highlight trends for the housing market. Montana is in Region 8. The report notes that the economic growth in the Rocky Mountain region is growing at a faster rate than the rest of the nation. In Montana, non-farm payrolls increased by 5,000 jobs from the previous year, with about 1,300 jobs coming from the leisure and hospitality sectors. Job and related population growth have contributed to a tight housing market. It is estimated that most urban areas have less than a 3-month supply for sale inventory. Consequently, low inventories are resulting in a rise in housing prices with an average annual increase of 4% in Montana. Population growth also supports demand for apartments. Although permitting for multi-family construction declined in Montana over the previous year, this statewide trend may be attributed to the eastern part of the state where previously there was an uptick of permits during the energy boom and those units are still being absorbed in the market. In fast growth areas such as Bozeman, however, the apartment market is still tight with low vacancy rates.

Map 9 : HUD Region 8



Source: U.S. Dept. of Housing and Urban Development, “HUD PD&R Regional Reports – Region 8”, 2018 1st, Quarter, <https://www.huduser.gov/portal/ushmc/regional.html?regionid=8>

### B. Funding & Financing

According to the American Planning Association, “Maintaining robust federal-state-local partnerships is vital for housing, in part because traditional sources of federal funds for affordable housing may not always be available. HUD programs such as Community Development Block Grants and HOME remain in place, but at sharply reduced funding levels.” States and local jurisdictions are relying on a combination of strategies to boost private investment, including low-interest bonds, revolving loans, tax credits, and grants. Additionally, federal funding for infrastructure projects is also at risk of being cut back and could place a greater burden on the communities to finance public works. In response, some communities are creating local funds that raise money through donations, voluntary assessments, local sales tax, sur-

charges on city services and other methods. A community investment cooperative is a new tool in Montana that may offer an option for funding housing projects.

Private lending is another important aspect of affordable housing strategies. Lending institutions often have inflexible standards or periods of restricted lending that make it difficult to finance potential housing projects with mixed-uses and other non-traditional development formats. While a community may amend zoning regulations to reduce parking and promote affordable development, lenders often have requirements for parking space that counteract these attempts to remove land use barriers. Lenders should also be encouraged to make greater investments in lower-income households and communities. The Community Reinvestment Act, tax incentives, and loan guarantees are tools that can promote affordable housing development. (Source: <https://www.planning.org/home/action/finance/>)

While financing development projects is an important issue, the ability of potential home-buyers to qualify for a mortgage is also a concern. According to research by Fannie Mae "...low- and moderate-income Americans and renters reported that saving for a down payment and insufficient credit history are the biggest barriers to obtaining a home purchase mortgage. Confounding this challenge is the fact that many consumers are not aware of their credit scores or the scores and down payment amounts that lenders require to qualify for a mortgage. In other survey work, we have found that consumers tend to leave insufficient time to shop around for their mortgage, focusing on other aspects of the home buying process." (Source: [www.fanniemae.com/portal/research-insights/perspectives/mortgage-focus-home-purchase-palim-052418.html](http://www.fanniemae.com/portal/research-insights/perspectives/mortgage-focus-home-purchase-palim-052418.html) )

### C. Non-Traditional Housing Models

In Montana, the dominant form of housing types are single-family homes on individual lots and multi-family apartment buildings. The most common ownership models are fee simple ownership. To address issues regarding affordability, workforce housing and chronic homelessness, communities are exploring non-traditional types of housing and ownership models. Below are a few examples such housing types.

- **Deed Restricted – Limited Equity** - Deed restrictions preserve affordability through a restrictive covenant appended to a property's deed (or in some cases, to a mortgage) that specify that sales and resales of the property must remain within the financial reach of a targeted class of low- or moderate-income homebuyers. These covenants may be permanent or may expire after a specified period of time. Typically, affordability must last at least 30 years for a deed-restricted home to be considered among the ranks of shared equity homeownership. Affordable housing that is created through fee waivers or other incentives are often required to be deed restricted.
- **Community Land Trust** - The housing created through a community land trust (CLT) permits residents nearly the same rights of ownership as an owner of a deed-restricted home. These homeowners, however, lease the underlying land from the CLT, a 501(c)(3) nonprofit organization. CLTs may either rehabilitate existing housing or build new units. Properties on CLT land are often a detached house or an attached townhouse and typically preserve affordability through a limited equity arrangement. According to Trust Montana, a statewide CLT, there are five local or regional CLT's in Montana and several others being considered. A regional land trust

model will increase the likelihood of sustainability and minimize administrative burden while reducing the cost of land as a component of housing cost. The organization provides technical assistance to communities investigating the possibility of forming a land trust. <http://trustmontana.org/about-trust-montana/feasibility-study/>

- **Housing Cooperatives** – The main distinction between a housing co-op and other forms of home ownership is that in a housing co-op, residents do not directly own real estate. Instead, cooperative members each own a share in the cooperative. Together, the members own the cooperative, while the cooperative owns the building, land, and any common areas. Each cooperative member owns a share(s) in the cooperative which grants them the right to reside in a specific dwelling unit under an occupancy agreement. (Source: Montana Cooperative Development Center, <https://mcdc.coop/projects/housing-cooperative-initiative/reports/> )
- **Resident-Owned Communities (ROC)** - Some manufactured home parks have converted from investor ownership of the land to residents' cooperative ownership of the land. ROC USA is an organization that works to help residents of for-sale mobile home parks form cooperatives and buy their communities. The organization finances community purchases and guarantees technical assistance for the residents for the life of the loan. In Montana, NeighborWorks Montana provides technical assistance for ROCs. <https://www.nwmt.org/manufactured-housing/>
- **Tiny Homes & Micro- housing** - Tiny homes are typically defined as dwelling units that are less than 500 square feet. Tiny homes can be designed to be mobile or designed to be on permanent foundations. They can be accessory dwelling units or part of a tiny home village. Tiny homes can provide another option for affordable housing and since they are small in size, the cost of utilities is lower for residents. Concerns with tiny homes include providing adequate room to meet basic housing code requirements related to health and safety issues, crowding, and locating homes to fit in with the surrounding neighborhood.

Figure 22: Tiny House



Most development codes lack specific provisions for tiny homes and this can be a barrier for development. Codes that do provide for tiny homes may treat them as accessory dwellings, PUDs, or mobile home parks. Infrastructure costs related to a tiny home subdivision can be cost prohibitive. Some tiny home villages are developed as condominiums or cooperatives to reduce costs and to allow for common spaces. While tiny homes are more akin to single-family units, other types of micro-housing include micro-apartments, single-room occupancy, efficiency units, boarding houses, and other similar types of development. These units can have even less square feet than tiny houses. Benefits and concerns with micro housing are similar to those that accompany the development of tiny houses.

(<https://americantinyhouseassociation.org> & [www.planning.org/knowledgebase/tinyhousing](http://www.planning.org/knowledgebase/tinyhousing))

## D. Regulatory Mechanisms to Promote Affordable Housing

Many communities have undertaken code revisions to remove regulatory barriers to affordable housing. The following table lists various code amendments that local governments may want to consider as part of the effort to promote more affordable housing.

*Table 59 : Regulatory Mechanisms to Promote to Affordable Housing*

|   | <b>Helena Code Section*</b> |
|---|-----------------------------|
| Adopt fair housing code   | 1-8-5                       |
| Definition of family allows options for co-housing arrangements   |                             |
| Provisions for group homes, boarding houses, and similar housing  | 11-2-4, 11-2-3              |
| Parking requirements are reduced for senior units   | 11-22-3                     |
| Allow accessory dwelling units by right   | 11-2-3                      |
| Allow mixed-use developments by right   |                             |
| Incentives for affordable housing tied to deed restrictions to keep such units permanently affordable   |                             |
| Permit and encourage downtown housing   | In progress                 |
| Density bonus for affordable housing  |                             |
| Reduced permit fees for deed restricted affordable housing  |                             |
| Flexible development standards to promote affordable housing (smaller lot requirements, increasing maximum height, increasing FAR, lot coverage ..... ) | 11-2-5, 11-4-1              |
| Increase inventory of land for multi-family through rezoning  |                             |
| Reduce excessive parking requirements   | 11-22-3                     |
| Transit oriented design provisions  |                             |
| Include provisions for tiny homes/cottage homes/micro-housing   |                             |
| Design standards for multi-family   |                             |
| Inclusionary zoning   |                             |
| Universal design standards to promote aging-in-place and address mobility issues  |                             |
| Regulate short-term rentals to preserve affordable housing  |                             |
| Commercial linkage requirements (housing fee for new commercial development)  |                             |
| Streamline approval/permitting processes (i.e. unified development code .....)  |                             |
| Annexation policies to require deed restricted affordable housing   |                             |
| Incentives for in-fill development  |                             |

*Notes: 1. List compiled from survey of planners conducted by the Dept. of Commerce for Montana Consolidated Plan in 2015, review of housing literature, focus group comments and survey input.*

*2. This table only indicates the corresponding code sections for the City of Helena as an example of how to use this tool to analyze development codes in other localities .This analysis is a preliminary analysis and the City of Helena may identify additional sections that are relevant to this review. The Helena Growth Policy is another source that should be referenced for housing and zoning policies.*

## VII. Goals & Policies

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### **Goal 1.0: All residents should have the opportunity to obtain safe, sanitary, and affordable housing.**

- 1.1 Promote healthy and vital neighborhoods to preserve affordable units and a high quality of life by promoting actions such as cost effective remodeling of existing homes that will bring them up to modern standards.
- 1.2 Adopt policies and regulations aimed at reducing the cost of housing by streamlined approval times and providing flexibility for meeting development regulations while protecting the public health, safety, and welfare.
- 1.3 Advocate for and support development of a regional Community Land Trust to increase supply of affordable housing.
- 1.4 Encourage locating housing projects near employment, transportation, shopping and other services to promote livability principles.
- 1.5 Provide planning and development efforts to incentivize infill development based on proximity to essential services, in particular transportation.
- 1.6 Create and maintain adequate and diverse housing opportunities for all income levels and promote fair housing practices.
- 1.7 Promote home-ownership through programs such as down payment/homebuyer assistance programs, homebuyer education, and other programs to aid low-income households.
- 1.8 Encourage practices that promote energy efficiency in housing and educate residents about programs that will help them reduce monthly energy costs.

### **Goal 2.0: Preserve and expand the supply of housing for all residents to meet projected demand.**

- 2.1 Continue to monitor age, demographic, sales, and land use trends to assess housing demand and participate in periodic analysis to determine current and long-range housing needs.
- 2.2 Inventory available housing programs and funding opportunities and conduct outreach with homebuyers, renters, landlords, housing professionals, lenders, and realtors to expand the use of these programs.
- 2.3 Encourage building of multi-family housing through practices such as tax credits, neighborhood design charrettes, rezoning land for apartments, and land banking.
- 2.4 Work with non-profits to maximize housing resources, support services for low-income residents, and address the needs of the homeless population.

- 2.5 Pursue funding to develop subsidized rental housing for seniors and families inside the city limits.
- 2.6 Promote affordable housing for persons and families with special needs such as seniors, people with disabilities.
- 2.7 Encourage developers to build homes using universal designs to ensure accessibility and visitability and promote developments that are pedestrian friendly that enhance accessibility.
- 2.8 Support non-traditional housing types and ownership models to provide more options for affordable housing .
- 2.9 Preserve existing affordable housing inventory with rehabilitation of existing units, resident owned manufactured parks, code enforcement, and neighborhood investment.
- 2.10 Link incentives for affordable housing to deed restrictions or other mechanisms that will maintain affordability.

**Goal 3.0 – Build organizational capacity within the community to address housing needs.**

- 3.1 Support Housing Task Force as a catalyst for community collaboration and to implement the recommendations of this plan.
- 3.2 Involve public officials, businesses, builders, landlords, non-profits, and financial institutions to be actively involved in solutions to meet the housing needs of the community.
- 3.3 Increase awareness among public officials and residents of housing trends and needs and the impact of these trends on the community.
- 3.4 Develop a long-range plan to coordinate grant applications.
- 3.5 Support the implementation of county-wide zoning.
- 3.6 Develop public-private-non-profit partnerships to develop affordable housing and finance related infrastructure.
- 3.7 Recruit large employers and developers to help address housing needs and to provide for workforce housing.
- 3.8 Periodically review the housing action plan with public officials to assess progress on action items and identify new strategies to make progress on housing goals.
- 3.9 Generate awareness of issues regarding the homeless population and work with local agencies to develop a coordinated response to address the needs of this group.
- 3.10 Encourage local governments to adopt affordable housing strategies as part of their growth policies and to adopt regulatory mechanisms to promote affordable housing.

## VIII. Action Plan

This action plan is a starting point for implementation and will evolve over time to respond to emerging community needs and opportunities. Some steps can be achieved relatively quickly, while others will be long term endeavors. The implementation steps help the task force establish priorities and provide a benchmark to measure progress. Specific resource agencies that can assist with implementation are listed in Section IX of this report. The following table establishes a general timeline for accomplishing each task in the action plan and indicates responsible parties or partners that would take the lead for each action. The action plan should be reviewed annually to assess progress. The following terms are defined for the timeframe:

- *Short -Term* - Action to be initiated within the first year to two years. Some actions may be completed in the first year while other actions may take multiple years to complete.
- *Medium-Term* - Implementation to be phased in within 2 to 5 years.
- *Long-Term* - Requires additional study or program development that necessitates a longer timeframe of 5+ years.
- *On-going* - On-going activity.

### 1. Capacity Building – Outreach – Education

| Action  | Lead Agency/Partners   | Timeframe   |
|---|--|-------------|
| 1. Continue to convene Tri-County Housing Task Force to implement recommendations of the needs assessment. Adopt organizing principles/by-laws and consider expanding participation on the Task Force to include lending institutions and others (i.e. first time homebuyer, homeless advocate .....)<br>( <i>Related Policies: 3.1, 3.2, 3.7</i> ) | Municipalities, counties, HHA, RMDC, HBIA, Habitat for Humanity, UWLCA, Realtors, Chambers of Commerce, Lenders, Homeless Shelters | On-going    |
| 2. Conduct outreach to the community, elected officials and businesses to build support for housing initiatives. (Presentations, news releases, flyers....)<br>( <i>Related Policies: 3.3, 3.7, 3.8, 3.9</i> )  | Elected officials, Community Leaders   | On-going    |
| 3. Conduct outreach in the tri-county region to share information with consumers about programs and increase awareness about UWLCA resource directory.<br>( <i>Related Policies: 3.3, 3.9</i> )   | Task Force, UWLCA, Homeless and Housing Coalition, COC District 8  | On-going    |
| 4. Provide staffing for Task Force through housing coordinator position, interns, ....<br>( <i>Related Policies: 3.1, 3.2</i> )   | City of Helena<br>Lewis and Clark County<br>UWLCA  | Short-term  |
| 5. Update growth policies and zoning ordinances to include housing strategies and recommendations from the housing needs assessment.<br>( <i>Related Policies: 1.2, 1.4, 2.1, 3.5, 3.10</i> )   | Counties and Municipalities  | Medium-term |

**2. Funding, Finance and Partnerships**

| Action   | Lead Agency/Partners  | Timeframe   |
|--|---|-------------|
| 1. Work with congressional delegation and federal agencies to increase funding for housing programs.<br>(Relevant Policy: 3.3, 3.8)  | Task Force, MT U.S. Congressional delegation, HHA, Local Govts.         | On-going    |
| 2. Advocate for additional funding of housing programs at the state level such as the State of Montana Housing Trust Fund<br>(Relevant Policy: 3.3, 3.6, 3.8)                  | Task Force, MT Legislators, Montana Housing Coalition, Local Govts.     | On-going    |
| 3. Conduct feasibility study and marketing plan to establish a locally financed housing fund for housing projects.<br>(Relevant Policy: 3.1, 3.2, 3.6, 3.7)                    | Task Force  | Medium-term |
| 4. Support state operated low-income tax credit program to supplement Federal Tax Credits<br>(Relevant Policy: 2.3, 3.3, 3.6)  | Montana Legislature, MT Housing Division, Housing Coalition, Task Force | On-going    |
| 5. Identify government and private foundation grants for housing programs and determine potential projects to match grants.<br>(Relevant Policy: 3.2, 3.4, 3.6)                | Housing Coordinators, Task Force  | On-going    |
| 6. Research best practices and initiate discussions with potential private sector partners to finance infrastructure and housing programs.<br>(Relevant Policy: 3.2, 3.6, 3.7) | Local Govts., Housing Coordinators, Developers                          | On-going    |

**3. Promote Homeownership**

| Action  | Lead Agency/Partners  | Timeframe  |
|---|---|------------|
| 1. Establish a regional community land trust to construct affordable housing. Support efforts by local organizations to establish housing land trusts.<br>(Relevant Policy: 1.3, 2.10 ) | Local Govts., HHA, Trust Montana, Montana DOC, Non-profits        | Short-term |
| 2. Inform mobile home park owners and/or residents about the potential for Resident Owned Communities, upon invitation.<br>(Relevant Policy: 1.6, 2.8, 2.9 )                            | NeighborWorks Montana   | On-going   |
| 3. Contact resource agencies to determine how to expand existing homebuyer assistance programs.<br>(Relevant Policy: 1.7, 2.2 )   | Local and state agencies. Non-profits, Banks, RMDC, NeighborWorks | On-going   |
| 4. Evaluate capacity credit counseling, financial education programs, home buyer education and expand and promote as needed.<br>(Relevant Policy: 1.7, 2.2)                             | RMDC, Rural Dynamics, Banks, Habitat for Humanity                 | On-going   |

| Action  | Lead Agency/Partners  | Timeframe  |
|---|---|------------|
| 5. Inventory weatherization and home rehab programs.<br>(Relevant Policy: 1.1, 1.8)   | Local and state agencies, utilities, RMDC, Habitat for Humanity                   | On-going   |
| 6. Work with USDA to change Farm Bill to make applicants that live in the city limits of Helena eligible for Rural Development housing programs.<br>(Relevant Policy: 1.5, 1.7, 2.2)                          | USDA, Lenders<br>Cities of Helena & Kalispell<br>Congressional delegation         | Short-term |
| 7. Work with lenders to identify practices and develop programs, such as loan guarantees to finance homeownership in high need areas, per the Community Reinvestment Act.<br>(Relevant Policy: 1.6, 1.7, 2.2) | Lenders, Montana Board of Housing   | Short-term |
| 8. Administer Community Development Block Grant for homeowner rehabilitation grants and loans.<br>(Relevant Policy: 1.1, 2.9)   | City of Helena<br>Habitat for Humanity<br>Lewis and Clark County<br>NeighborWorks | Short-term |

#### 4. Increase Rental Housing Supply and Address Renters Needs

| Action  | Partners  | Timeframe             |
|---|---|-----------------------|
| 1. Identify local and state funding sources to supplement federal funds for the renovation of existing public housing properties.<br>(Relevant Policy: 1.1, 1.6, 2.4, 2.5, 2.9) | HHA & Community partners  | Short- to Medium-term |
| 2. Support the use of the tax-credit program to develop new affordable multi-family rental developments.<br>(Relevant Policy: 1.4, 1.6, 2.3, 2.5)                               | RMDC, HHA, housing providers and private developers                                 | On-going              |
| 3. Undertake landlord education and engagement regarding fair housing and tenant relations.<br>(Relevant Policy: 1.6, 3.2)  | Task Force  | On-going              |
| 4. Increase awareness about programs for rehabilitation and mitigation in rental units.<br>(Relevant Policy: 1.1, 2.9, 3.2)   | Task Force  | On-going              |
| 5. Conduct renter education classes regarding maintenance, tenant rights, responsibilities, financing, budgeting, credit counseling.<br>(Relevant Policy: 2.2, 2.4)             | HHA, RMDC<br>Homeless Housing Coalition   | Medium-term           |
| 6. Administer Community Development Block Grant rental rehabilitation funds.<br>(Relevant Policy: 1.1, 2.9)   | City of Helena<br>Habitat for Humanity<br>Lewis and Clark Counties<br>NeighborWorks | On-going              |
| 7. Identify suitable land for multi-family units and begin a planning process to rezone the land.<br>(Relevant Policy: 1.4, 1.5, 2.3)   | City of Helena,<br>Developers   | Medium-term           |

| Action  | Partners                                      | Timeframe   |
|---|---|-------------|
| 8. Establish a landlord mitigation to fund repairs related to property damage or contamination.<br>(Relevant Policy: 1.1, 2.5, 2.9) | Task Force<br>Housing & Homeless<br>Coalition | Medium-term |

**5. Address Housing Needs of Seniors, Populations with Disabilities/Health Conditions & Homeless Population**

| Action  | Partners  | Timeframe   |
|---|---|-------------|
| 1. Support and advocate for new developments that increase housing options for seniors across the entire continuum of care including options for downsizing such as retirement communities, assisted living and skilled care units.<br>(Relevant Policy: 1.6, 2.5, 2.6) | Local Govts.,<br>Housing & Social Service<br>Providers, State Agencies,<br>Council on Aging, AARP                   | On-going    |
| 2. Conduct feasibility study for subsidized assisted living for seniors and supportive services.<br>(Relevant Policy: 1.6, 2.1, 2.6)  | Local Govts., Task Force,<br>RMDC   | Medium-term |
| 3. Assess the need for aging-in-place services and identify potential agencies that can assist in expanding these services (home health care, home maintenance, contractors to retrofit homes, ....).<br>(Relevant Policy: 2.1, 2.6)                                    | RMDC, Housing Providers,<br>UWLCA, non-profits,<br>Health Care Institutions,<br>Support Services<br>Providers, AARP | On-going    |
| 4. Advocate for funding of case management services for seniors and special needs population.<br>(Relevant Policy: 2.6, 3.3, 3.9)   | Task Force, LAC, AARP,<br>healthcare institutions,<br>social service providers                                      | Short-term  |
| 5. Assess capacity to establish additional shelters such as a women & children's emergency shelter, Wet Shelter and detox center in Lewis & Clark County.<br>(Relevant Policy: 1.6, 2.4, 3.3, 3.9)  | Task Force, Continuum of<br>Care, Helena Resource<br>Advocates, Human<br>Services Task Force                        | On-going    |
| 6. Build capacity and support housing and homeless coalition, including Housing First.<br>(Relevant Policy: 2.4, 3.3, 3.9)  | UWLCA, Housing<br>Providers, Homeless<br>Coalition, Human Services<br>Task Force, Helena<br>Resource Advocates      | On-going    |
| 7. Support development and maintenance of the Homeless Management Information System (HMIS)<br>(Relevant Policy: 2.1, 3.9)  | United Way, HHA, non-<br>profits, Housing and<br>Homeless Coalition   | On-going    |
| 8. Promote visitability and universal design practices in new developments and housing rehabilitation projects.<br>(Relevant Policy: 2.7, 3.10)   | Local Govts.  | On-going    |

| Action   | Partners  | Timeframe        |
|--|---|------------------|
| <p>9. Build permanent supportive housing to alleviate homeless issues so it becomes rare, brief, and non-occurring.<br/><i>(Relevant Policy: 1.6, 2.4, 3.3, 3.9)</i></p> | <p>Human Service Task Force, Housing and Homeless Coalition, non-profit housing providers, counties and municipalities, UWLCA</p> | <p>Long-term</p> |

**6. Planning, Land Use, and Development**

| Action  | Partners                      | Timeframe         |
|---|-------------------------------|-------------------|
| <p>1. Review development codes to include mechanisms that support affordable housing, and promote opportunities like micro-housing and new home building technologies, where possible. (See Table 59)<br/><i>(Relevant Policy: 1.2, 1.5, 2.8, 3.10)</i></p> | <p>Local Govts.</p>           | <p>On-going</p>   |
| <p>2. Identify grants, public-private partnerships, or tax incentives to defray infrastructure costs for new developments in exchange for affordable housing.<br/><i>(Relevant Policy: 2.2, 2.3, 2.10, 3.4)</i></p>   | <p>Local Govts.</p>           | <p>On-going</p>   |
| <p>3. Investigate land banking opportunities to reserve land for affordable housing development.<br/><i>(Relevant Policy: 1.5, 2.3, 2.8, 2.10)</i></p>  | <p>Local Govts.</p>           | <p>Short-term</p> |
| <p>4. Adopt county zoning and urban standards boundaries per the Helena Valley Area Plan Growth Policy amendment.<br/><i>(Relevant Policy: 1.4, 1.5, 3.5)</i></p>   | <p>Lewis and Clark County</p> | <p>Short-term</p> |
| <p>5. Promote further intergovernmental coordination between the city and county to update land use regulations and to implement recommendations of the housing needs assessment.<br/><i>(Relevant Policy: 1.2, 1.4, 2.1,3.10)</i></p>                      | <p>Local Govts.</p>           | <p>On-going</p>   |

# IX. Housing Resources

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**Broadwater County** [http://townsendmt.com/chd\\_sec4pg1.asp](http://townsendmt.com/chd_sec4pg1.asp)

- Planning and Subdivision Review

**East Helena** <http://www.easthelenamt.us/>

- Planning and Zoning

**Federal Housing Administration** [https://www.hud.gov/federal\\_housing\\_administration](https://www.hud.gov/federal_housing_administration)

- Mortgage insurance for home loans

**Federal Home Loan Bank** <https://www.fhlbdm.com/contact-us/community-investment-department/>

- Loans for affordable rental developments
- Home\$tart – Down payment assistance
- Native American Homeownership Assistance
- Community Reinvestment Act

**Habitat for Humanity- Helena Area** <http://www.helenahabitat.org/>

- Mutual Self-Help Housing
- Home Repairs
- Financial Education
- Youth Build (Partnership with Career Training Institute)

**Helena Building & Industry Association** <https://helenabia.com/>

- Builder/Contractor Directory
- Home show

**Helena – Community Development Department** <http://www.helenamt.gov/home.html>

- Building Permits
- Planning, Zoning and Subdivision Review

**Helena Housing Authority** <https://hhamt.org/>

- Public Housing
- Voucher Program & Landlord orientation
- Tax Credit/Affordable housing sites
- Permanent Supportive Housing

**Helena Association of Realtors** <https://openhouseshelenamt.com/>

- Homebuyer Information
- Multiple Listings
- Market Statistics

**Jefferson County** <http://www.jeffersoncounty-mt.gov/>

- Planning and subdivision review
- Environmental Health

**Lewis and Clark County** <http://www.lccountymt.gov>

- Planning, Zoning and Subdivision Review
- Public Health - Environmental Health (Septic Permits, Lead Paint Education)

**Montana Continuum of Care Coalition** <https://montanacoc.org>

- Inventory of homeless shelters and services
- Grants
- Point-In-Time Survey
- Coordinated Entry

**Montana Cooperative Development Center** <https://mcdc.coop/>

- Housing Cooperative Feasibility Study
- Community Investment Cooperatives
- Technical Assistance

**Montana Department of Commerce – Community Development Division** <http://comdev.mt.gov/>

- Community Development Block Grant (Planning, Housing, Public Facilities)
- Community Technical Assistance Program (Planning, Subdivision & Zoning Technical Assistance)
- HOME Program
- Montana Housing Trust Fund
- Opportunity Zones
- Treasure State Endowment Program (Grants for water & sewer infrastructure)

**Montana Dept. of Commerce – Housing Division** <http://housing.mt.gov/>

- Homeowner Programs (Down Payment Assist., loans, education ...)
- Multi-Family Rental Development (Loans, Tax Credits...)
- Reverse Annuity Mortgage (for seniors)
- Section 8 Rental Assistance
- Shelter Care Plus (Rental plus services for homeless & disabled)
- Resource Directory/Apartment Search
- Consolidated Plan
- Housing Data
- Fair Housing Monitoring

**Montana Dept. of Health and Human Services**

<https://dphhs.mt.gov/qad/licensure/lbcontact/residential-licensing-program>

- Licenses group homes and nursing homes
- On-line search for group homes and nursing homes

**Montana Fair Housing** <http://www.montanafairhousing.org/>

- Information clearinghouse, Education, Outreach
- Dispute resolution
- Fair housing complaints

**Montana Housing Coalition** [www.mthousingcoalition.org](http://www.mthousingcoalition.org)

- Advocacy

**Montana Human Rights Bureau** <http://erd.dli.mt.gov/human-rights/human-rights>

- Enforces fair housing laws

**Montana Legal Services Association** <http://www.mtlsa.org/>

- Legal Aid – Housing Law

**MoFi** <http://mofi.org/homeownership/homenow-down-payment-assistance/>

- Certified Development Finance Institution
- HomeNow – Down Payment Assistance
- New Market Tax Credits
- Commercial Facilities Loans
- Resident Owned Community Loans

**NeighborWorks Montana** <https://www.nwmt.org/>

- Housing education & counseling
- Lending for homebuyers
- Manufactured Housing Preservation – Resident Owned Communities

**Northwestern Energy** <http://www.northwesternenergy.com/>

- Energy Audits
- Weatherization
- Energy discounts for LIEAP recipients

**Rocky Mountain Development Council** <https://www.rmhc.net/>

- Tax Credit & Affordable housing
- Senior Services
- Homebuyer education
- Low Income Energy Assistance
- Energy Share
- Weatherization

**Rural Dynamics** <http://ruraldynamics.org/>

- Credit Counseling
- Debt Management

- Housing Counseling
- Financial Education

**Saint Peter's Hospital** <https://www.sphealth.org/>

- Home Care
- Community Health Assessment
- Case Management

**Townsend** [http://townsendmt.com/chd\\_sec3pg1.asp](http://townsendmt.com/chd_sec3pg1.asp)

- Zoning and subdivision

**Trust Montana** <http://trustmontana.org/>

- Statewide Community Land Trust Coalition

**U.S. Dept. of Agriculture – Rural Development** <https://www.rd.usda.gov/mt>

- Single-Family Direct Home Loans
- Renewable Energy & Energy Efficiency Loans & Grants
- Community Facilities Loans & Grants (Assisted living facilities, nursing homes, transitional housing...)

**U.S. Dept. of Housing and Urban Development** <https://www.hud.gov/states/montana>

- Provides funding to states for vouchers and other housing programs
- Provides funding to public housing authorities for subsidized rentals
- FHA Mortgage Insurance programs
- Resource locator tools
- Various grants
- Continuum of Care (CoC) Program

**United Way of the Lewis and Clark Area** <https://unitedwaylca.org/>

- Greater Helena Area Housing First
- Helena Resource Advocates
- Resource Directory
- Community Impact Grants

**Western Montana Mental Health Center** <https://wmmhc.org/>

- Group Homes
- Case Management
- Supportive Services