

# ***Affordable Housing Steering Committee***

Thursday, April 29<sup>th</sup>, 2021, 3:00 PM  
Microsoft Teams Meeting

## **Summary Minutes**

In attendance	
<u><i>Steering Committee Members:</i></u> Andrea Davis Brian Walker Bronwyn [Troutman] Carrie Benton Emily Harris-Shears Katie Miller	<u><i>Community and Planning Services staff:</i></u> Jordan Lyons, Housing Specialist Melisa Gordon, GCP Manager Karen Hughes, Asst. Director Heather Powers, Administrative Asst.  <u><i>ECNorthwest:</i></u> Lorelei Juntunen, Partner, VP Operations Oscar Saucedo-Andrade, Project Manager

## **Introductions**

Jordan Lyons – The new Housing Specialist for Missoula County, he has a background with affordable housing in Missoula, voucher programs, low-income housing tax credit, worked at UM as advocate for student renters, and he has been personally fortunate to benefit from housing programs such as the low-income housing tax credit and living in a community land trust home.

Lorelei Juntunen – They are headquartered in Portland but also have offices in Boise, Seattle, Bend, and LA – they are not a large consulting firm but do have people spread out geographically. She has an affordable housing policy focus; she helped develop a statewide housing plan for the state of OR, equitable housing work of the city of Bend, and broad range of policy research in WA. She is less familiar with some of the programmatic details, but she has a big picture understanding of housing market function and the role of local governments to encourage, incentivize, and take actions that can help get people into housing.

Oscar Saucedo-Andrade – He is an associate and the project manager for this project. His main specialization is urban planning and housing policy analysis.

Andrea Davis – She is the Executive Director of Homeword, a community housing development organization headquartered in Missoula that has been active for 26 years. They provide education and counseling for homebuyers (HUD certified), and they develop affordable housing around the state, focused on multifamily development and preservation. She started with Homeword in 2001 as the asset manager and community builder, in 2003 she became the Missoula Housing Authority Director for five years (land entitlement work, etc.), and she's been back at Homeword since 2008. She also serves on the Neighborworks MT board, sat on the City of Missoula's steering committee for their housing policy, and is the vice chair of the Montana Housing Coalition.

Katie Miller – Works for the Salish Kootenai Housing Authority as the housing resource manager and has been there since 2010. Her work ranges from working with the homeless population to getting people into home ownership; they have over 500 rentals they handle intake for tax credit programs and through the Indian Housing Block Grant. They do home improvement and weatherization, run a transitional living center, created the Tribe's first supportive housing project, [...resident opportunity self-sufficiency...], and she does development in grants management. She also sits on the Neighborworks MT board.

Carrie Benton – She is a ~~minister at a Presbyterian congregation in Seeley Lake~~~~member of the Seeley Lake Community Council~~ and brings rural representation to the table; our rural areas have unique challenges. Seeley has a high retirement population, and out of state real estate purchases are rapidly driving up housing costs. They are trying to form a housing group locally.

Emily Harris-Shears – She is the Affordable Housing Trust Fund Administrator for the City of Missoula. She is newer to Missoula and began her position with the city in October. She'd worked to design accessible/equitable systems around ending homelessness for about twelve years, working around diversion, rapid rehousing, etc.

Bronwyn [Troutman] – She does housing advocacy with a local non-profit called Summit. They are a center for independent living which serves people with disabilities, connecting them to housing resources; they do not directly provide residential services. Centers for independent living exist nationwide, providing referrals and service connections. She has lived experience with homelessness as a teen with disability, and she is now a proud homeowner and single mom here in Missoula, currently working towards becoming an LCSW (licensed clinical social worker).

Brian Walker – He is with Walker development, bringing a construction/developer perspective to the table; they have been doing residential, commercial, and multifamily construction in Missoula for about 20 years. He was born and raised in Missoula and has seen the area go through many changes.

Melissa Gordon – While currently with the county as the Grants Program Manager, she once managed the city's CDBG and had some involvement in housing projects and managed the city-county first-time homebuyer programs. In the interim, she's had less direct involvement with housing.

Karen Hughes – Her background lends a land use planner perspective to the housing discussion, with an interest in the basic foundational elements of what makes communities tick (which includes economics and housing) and how to best guide growth to protect the places and values of our community. Her role is supportive if not directly involved in housing.

Chet Crowser – The need for a housing program has been on radar at CAPS for some time, and he is looking forward to seeing the program grow and develop.

Heather Powers – Will be preparing the minutes for this meeting.

### A Missoula County Snapshot

- Large and mostly rural (2618 sq miles, slightly larger than Delaware)
- Distinct, scattered communities
- Only the City of Missoula is incorporated – 2/3 of the county's residents reside here
- Think big, sweat the details later – don't worry about constraints, at this time

### Developing a Housing Strategy – things to consider

- Tailored to local community needs – compliment city efforts
  - May focus on an entire spectrum of housing needs
  - How to leverage partner resources
- How to complement the city's strategy to create a cohesive whole
- Must acknowledge fundamentals of housing economics
  - All development is needed at all price points
  - Funds need to be focused on serving people at the lowest end of the income spectrum to be most effective
  - Housing supply eventually depreciates to meet the needs of people in the middle range, but never to a point of becoming accessible to those at the bottom
  - The question is how far up the income scale we need to go to provide a supportive housing market (at the moment, pretty far up)

### Housing Strategy Purpose

- Clarify county role
- Determine priorities for county staff
- Clarify & formalize the partnerships and roles

### Overview of Project Scope

Main goal of the project is to prepare a final report addressing the affordable housing issues present in Missoula County.

- Six-month project timeline: March - August
- Steering Committee meets again in May, June, and July
- Stakeholder outreach – gathering feedback and input
- The final report – will be presented to the BCC in August

### Existing Conditions

This is not a comprehensive housing needs analysis, just an attempt to identify the areas of greatest need and impact. (more data is being gathered)

- Accelerated increases in price without meaningful increases in wages
  - In the last 4 years, median home sales prices have increased 63% in Missoula county
  - The median household income has increased only 2% in the last 20 years
- More and more people are trying to squeeze into fewer and fewer homes
- Cost burdening of renters
  - the cost of housing is not supposed to represent more than 30% of take-home pay

- 41% of all county residents are renters
- Roughly half of those renters are cost burdened or severely cost burdened (more than 50% of take-home pay is going towards rent)
- Vacancy rates are very low and production cannot keep up with the influx of new residents – underproduction is happening due to supply costs and a construction labor shortage
- *See presentation slides for more graphical and MFI data*

## Discussion

1. Identify key housing barriers that the county can address
2. Brainstorm vision and goal language
3. Begin to identify actions to explore

Some JamBoard brainstorming key points:

- Infrastructure needs – sewer & septic
- Manufactured/mobile home parks at risk
- Renters are being priced out and little is available
- Storage units are on fire from increasing demand
- Housing discrimination is real
- Barriers to getting into a rental include credit scores
- Construction challenges – the labor force can't afford to live here, and material costs have more than doubled, subdivision standards create unaffordable development
- Tribes have money but no one to help spend it – grants and federal money may not be spendable due to no construction capacity to build the homes that are needed
- With the 2017 tax rates are catching up, the tax credit market is flooded, value down below 2008 levels. Interest rates are uncertain. Area median income projections are lower for 2021, so rents can't be raised despite costs being up – as an example, this recently caused an instant million-dollar deficit in a current project budget
- A lot of the money coming in can't be used where it is most needed. The standards for percentage of median income do not correlate to the current market situation.



## Vision/Principles Brainstorming

### Goals –

#### *City of Missoula / Charter Goals:*

1. *Track and analyze progress for continuous improvement*
2. *Align and leverage existing funding resources to support housing*
3. *Reduce barriers to new supply and promote access to affordable homes*

#### *Other ideas:*

1. *Provide for the development of a variety of housing types in areas that have infrastructure available to support housing*
2. *Align County programs to match households to housing*
3. *Focus on home ownership*
4. *Focus on services for those experiencing homelessness*

### Vision / Principles for Action –

#### *City of Missoula:*

1. *Diversity: A healthy housing market includes options and resources for all households*
2. *Innovation: A commitment to innovation will ensure that this housing policy is as dynamic as the communities they aim to serve*
3. *Collaboration: The housing policy relies on the collaborative spirit of the community and strong public-private partnerships*
4. *Achievability: While the goals are ambitious, they are also achievable. They reflect realistic projections of city resources and the opportunity we have at our disposal.*

#### *Other Ideas:*

1. *Equity: The strategy aims to meet the needs of the most vulnerable households*
2. *Shared commitment: The County is one among many housing players. We will lead in a shared commitment to achieve the goals of this strategy*
3. *Focused: The strategy is clear about what actions County staff will prioritize in the near-term to achieve long term goals*

### Discussion points about the above:

- Eight goals are too many – need to streamline
- The specific callout for homelessness was noted as a positive item
- Infrastructure issues – how limiting is this...can housing be addressed before infrastructure is in place? (Seeley Lake sewer example) Coordinated efforts are worthwhile to leverage infrastructure dollars for affordable housing development
- People who can afford luxury/inflated housing want services, but there is no one who can afford to live there to provide services
- The focus on home ownership does not need to be its own goal, but could be included within the scope of the other goals
- Vision goals are broad – do not need to get in the weeds with specific strategies

- What is the role of County regulation? Challenges? Opportunities?
  - Zoning does not currently allow for denser, cluster development, but this work is underway in the zoning code update
  - No land use plan update has happened in the outlying areas of the county (1970s in most of the county, early 2000s in Seeley Lake)
  - Ideas for incentivizing development in the desired patterns and addressing parking restrictions
  - Transitioning citizen petitioned zoning areas to align with standard county zoning is a challenging process and currently provides roadblocks to affordable development
  - Cottage court development – smaller lot, less infrastructure, better use of space

#### Next steps:

#### Stakeholder engagement –

- Community Needs Assessment (CNA) survey distribution
- One on one meetings with stakeholders (residents, developers, diverse rep that may be missing), suggestions from steering committee members are encouraged – what perspectives might be missing from this group?
- Think of other forums for community engagement

The next Steering Committee Meeting is scheduled for May .

#### **Meeting adjourned**

*Minutes prepared by Heather Powers, Community and Planning Services.*