Affordable Housing Steering Committee

Thursday, June 24th, 2021, 3:30 PM
Microsoft Teams Meeting

Summary Minutes

In attendance	
Steering Committee Members: Brian Walker – *General Contractor & Developer* Emily Harris-Shears - *Affordable Housing Trust Fund Administrator, City of Missoula* Lynn Stenerson - *Mortgage Lender, Stockman Bank* Rev. Carrie A.H. Benton - *Mountain Lakes Presbyterian Church, Seeley Lake* *Guests:* Rikki Henderson – *Housing Programs Manager, City of Missoula*	*Community and Planning Services staff:* Jordan Lyons, Housing Specialist Melisa Gordon, GCP Manager Heather Powers, Administrative Asst. *ECONorthwest:* Lorelei Juntunen, Partner, VP Operations Oscar Saucedo-Andrade, Project Manager

Introductions

Minutes from the May 25th meeting were reviewed and adopted as written.

Overview of Project Timeline - Oscar
- Recap – project kickoff, evaluating existing conditions, stakeholder outreach & recommendations report, presentations to BCC
- Currently, we are in the middle of stakeholder outreach and incorporating feedback into the recommendations report
- There will be one more steering committee meeting in July, then the BCC meeting in Aug

Overview of Strategy Report and Structure - Lorelei
- Underlying philosophy – there is an urgent need, and we are in an accelerated timeline; recommendations are focused on the near-term, meaningful progress (next three years)
- Commitment to updating, reframing, and maintaining a plan over time (post-three years)
- Document is still being shaped and feedback gathered to adapt it as needed

Background

Housing Market Context
- Undersupply of 2400 units as of 2019, pre-zoom town growth (most current census data)
- Need over 1.14 units per household, based on national avg.
- Change in sales prices and rents over the past 10 years (rapid increase)
- Change in incomes/wages over the past 10 years (slow increase)
- Renter household cost burdening

- Current snapshot of affordability across the income spectrum
- PIT count data for people experiencing homelessness
- COVID/Zoomers context is exacerbating the situation
- Relevant quotes form interviews and survey findings to be included

Draft Problem Statement (in summary): "Missoula's fast-growing population has resulted in an undersupply of housing at all price points, with housing prices rising much faster than incomes. Those at the lowest end of the income spectrum are disproportionately impacted by this shortage. Renters are increasingly experiencing cost burdening, housing instability, and competition…home ownership is increasingly out of reach. Status quo solutions are insufficient…need to scale up to meet the need, and new programs are needed…Improved coordination…planning efforts…"

Missoula County's Role
- enable construction
- provide programs and services
- build implementation capacity

Framework for Action

Focuses on the next three years and lays the groundwork for beyond – to identify and prioritize near term actions, the following are considered:
- Does it achieve one or more of the goals/objectives
- Does it address the county's unique housing needs
- Does it leverage county strengths
- Does the county have the funding and capacity for successful implementation
- Is it supported by stakeholders and partners

Additional text will be added to this section of the document.

Vision Statement
We envision a Missoula County where every individual and family has a home they can afford.

Goals
Three goals with objectives under each goal.
1. Use the county's toolkit to add to housing supply.
    1. Support construction of a range of housing by reducing regulatory barriers and expanding infrastructure
    2. Preserve affordable housing stock
    3. Support development of attainable housing for the most vulnerable (low-income)
2. Provide programs and funding to help people access stable housing.
    4. Align programs/resources to provide stability/access to low-income renters
    5. Increase access to workforce housing
3. Build implementation capacity through strong partnerships and administrative functions.
    6. Improve coordination among county, city, and housing partners (feedback is especially desired from partners like steering committee members)
    7. Invest in administrative capacity for implementation, monitoring, and updates

Is there anything missing?
- Unincorporated areas – mention outlying rural areas in the objectives

What are priorities?
- Workforce housing

Actions for Affordable Housing (based on the above goals)

<u>Goal 1 Actions</u>
Using the county's toolkit to expand housing

- 1.1 Infrastructure (Missoula urban area, Lolo, Seeley Lake)
  - challenge – how do you deal with a community fighting against infrastructure, specifically sewer and water? (Orchard Homes & Target Range examples)
    - o this is a long-term project, not an issue we're able to tackle in the short term
- 1.2 Establish county-wide zoning (in progress)
  - incentives vs. infrastructure – nuanced in rural areas where infrastructure is lacking, so how can we better expand incentive zoning countywide and assess effectiveness (1.3)
- 1.3 Incentives
  - zoning-based - density bonuses, parking reductions, etc.
  - financial - tax abatements, fee waivers, etc.
  - explore opportunities to expand county-wide
- 1.4 Permitting process (collaboratively improve efficiencies for all involved parties)
  - on the financing end, they hear rumblings from developers about the timeframe, cost, and hoops to jump through in the permitting and subdivision process
  - Mullan area zoning – Sxʷtpqyen Area Master Plan – is still new and unfamiliar, the development community is uncertain/confused, and no one wants to be the guinea pig
- 1.5 Controlling land assets
  - current possession and acquisition – no current strategic framework for assessing this
  - land banking potential – the county is large, but the county owns very little of the land
  - stakeholders are unsure of usages of banked land (example – the city does not currently have a clear process for this, and it leads to uncertainty)
- 1.6 Explore opportunities to invest using the City Housing Trust Fund
  - pool resources and work in partnership with the city
  - key questions for the county to address
    - o what money is available and what is the county willing to invest
    - o where would the housing investments be focused
    - o what are the governance evolutions needed for the county to be involved
      - become one collaborative 'Missoula Regional' trust fund – must show accountability of funds to all residents
    - o timeline questions and how does this evolve
      - potentially, a phased approach with an end goal in mind
- 1.7 Coordination of infrastructure expansion
Other ideas
  - updating the process for cash in lieu for parks to use money in more strategic ways, and reduction of land set aside for park land
  - Petition zoning districts transitioned to county zoning

<u>Goal 2 Actions</u>
Provide programs and funding

2.1 Enhance down-payment assistance
- working with Grants staff to explore options

2.2 Naturally occurring affordable housing acquisition – a rapidly disappearing resource
- preserving manufactured home parks – enable non-profit acquisition/management
- guiding partners vs. implementation via a competitive RFP process – question of the appropriateness of naming specific partners the county has a relationship with – avoid favoritism and keep doors open to all partners
- call out the Missoula Affordable Housing Trust Fund as a potential funding source

2.3 Right of first refusal
- housing inventory item from 3.2 to be included here

Goal 3 Actions
Build Implementation Capacity (Partnerships and Administration)

3.1 Legislative advocacy
- very key to what is possible – often constrained by state statute
- LIHTC (low-income housing tax credit) funding – advocacy and state level policy

3.2 Inventory of affordable units funded with public/grant money in county
- documenting when periods of affordability are ending (CDBG, HOME, LIHTC)
- move item to nest under right of first refusal (2.3)

3.3 Affordable housing "taskforce" [improve coordination across public, private, and non-profit housing community]
- flowchart of orgs – identifying regional players for collaboration
- housing summit – for existing groups/actors to align players
- City-County coordination for infrastructure and transit in the donut
- avoid confusion of roles or duplication – is a taskforce redundant?
- functionally, staff will do most tasks – how is this distinct from the oversight committee
- how may the taskforce have a well-defined and non-duplicative purpose – legislative advocacy or other defined role?

Other ideas
- attract non-profit partners from outside the state/region
- funding for key non-profits might be too general – delete or move to action step
- do we want criteria to narrow focus of housing development or are any units good units at this point in time – criteria could be AMI, permanent affordability, etc. – in the near term, we need any and all units, but analyze and narrow focus for the long term

Wrap-up
- Please send additional written comments to Jordan
- The track-changes version of the document from today's meeting will be sent out

Meeting adjourned

The next Steering Committee Meeting is scheduled for July 29th, 3:00 p.m.

Minutes prepared by Heather Powers, Community and Planning Services.