



Envision Gallatin

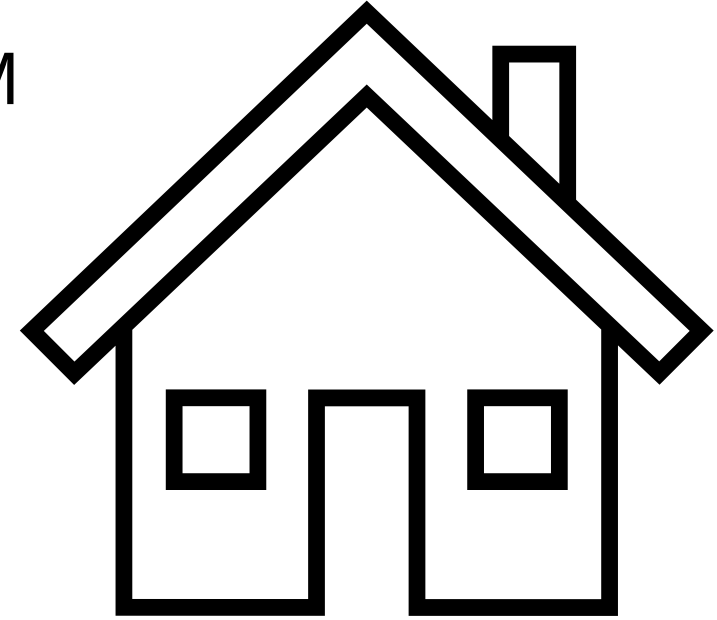
LAND USE & HOUSING STRATEGY

Gallatin County Housing Strategy: Decision on Adoption

November 26th, 2024

Housing Strategy Overview

- ❖ Consider outreach summaries from FLUM
- ❖ Housing Needs Assessment
- ❖ Housing Strategy content
- ❖ Conclusion/implementation



Project Timeline

We are here!



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LAND USE & HOUSING STRATEGY





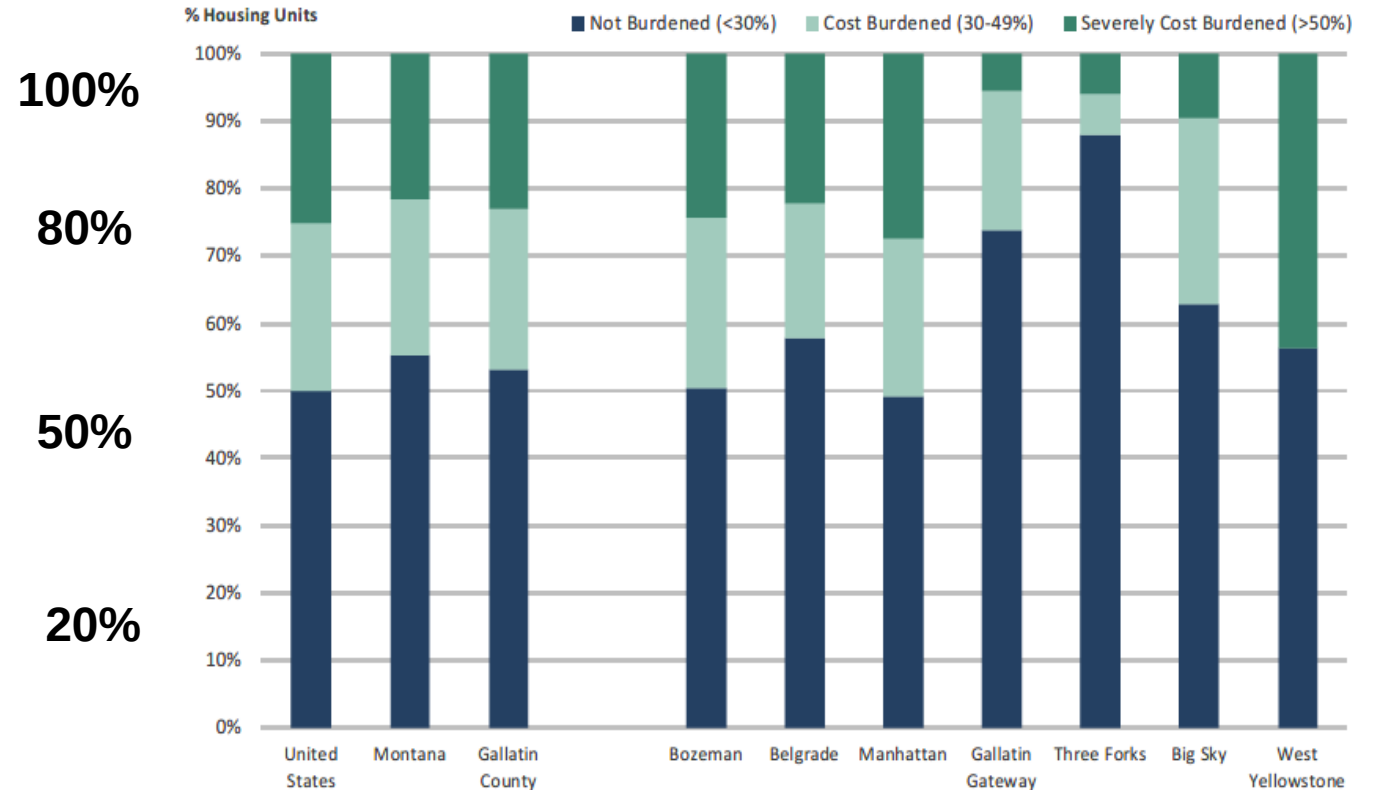
NEEDS ASSESSMENT & ROUND ONE OUTREACH

Housing Needs Assessment

COST BURDEN – RENTERS

-  **Severely Cost Burdened**
(housing over 50% gross income)
-  **Cost burdened**
(housing 30-49% gross income)
-  **Not burdened**
(housing up to 30% gross income)

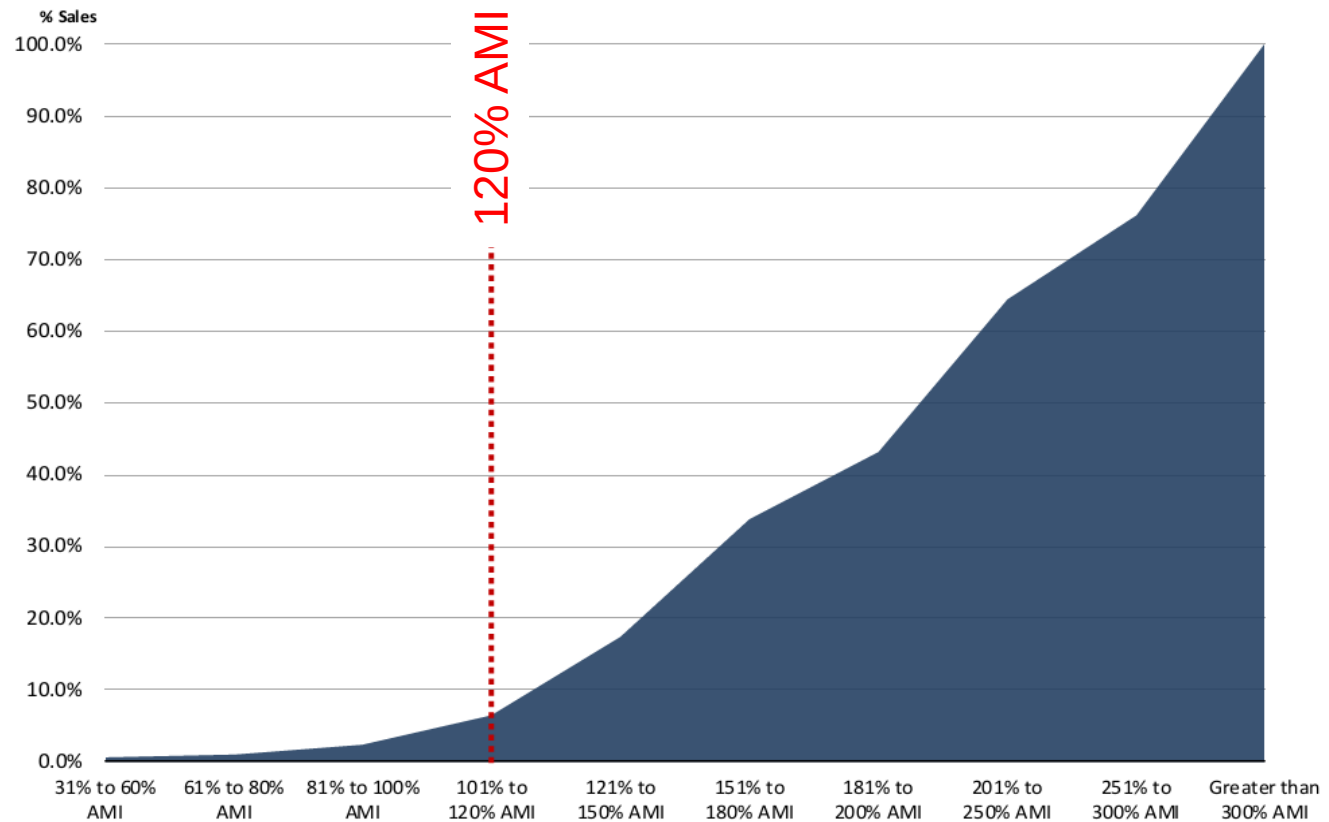
Cost Burden in Renter-Occupied Units - 2022



Housing Needs Assessment

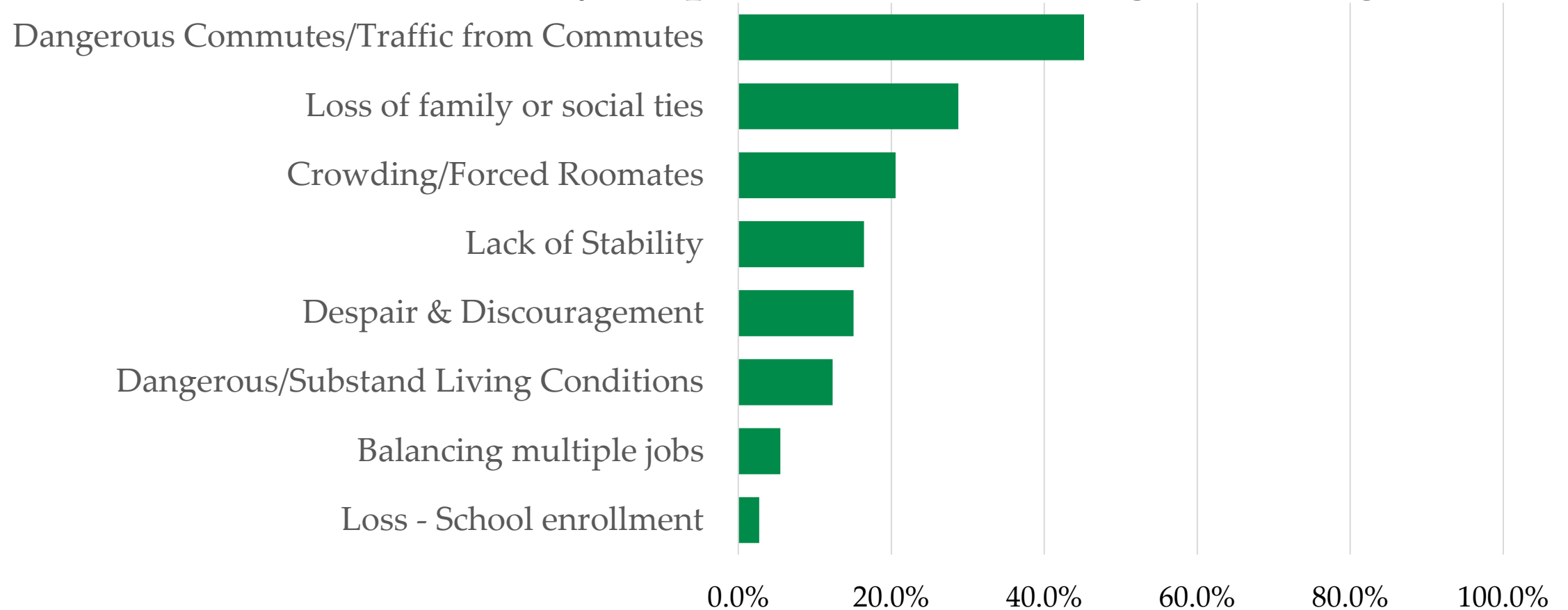
SALE PRICE DISTRIBUTION BY AMI

- Fewer than 10% of sales are affordable for those earning less than 120% of AMI (\$107,340 for a 2.5-person household)
- 90% of the market is priced above 120% of AMI



Round One Outreach

Personal/Community Impacts from Housing Challenges



Round One Outreach

*“We can't see ourselves staying long-term in a place...we love because we are being bought out pretty much. **How can I raise a family somewhere that the rent/mortgage is 3/4s of my paycheck?**”*

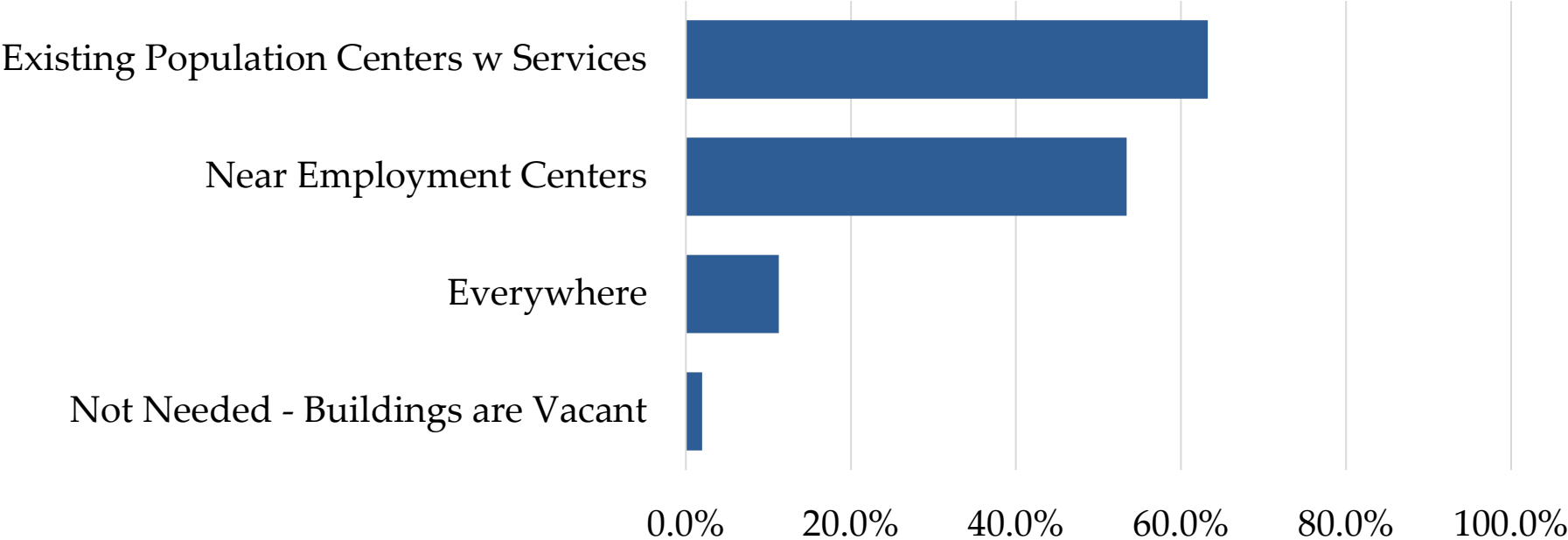
*“...creates resentment when a person can't afford to live alongside the people they serve at work. It **erodes at something intangible that people love** about Bozeman when there is physical separation between various income levels in [our] community.”*

*“Who will be there to provide services when we are all **driven out?**”*



Round One Outreach

Where Housing is Needed



Round One Outreach

*“In areas with amenities such as grocery stores, bus routes etc. **Affordability is not just a matter of the price of the mortgage or rent.** More remote areas require a family to have at least one, often several, vehicles with the associated costs. **Nearby amenities and public transportation can make a location more affordable...**”*

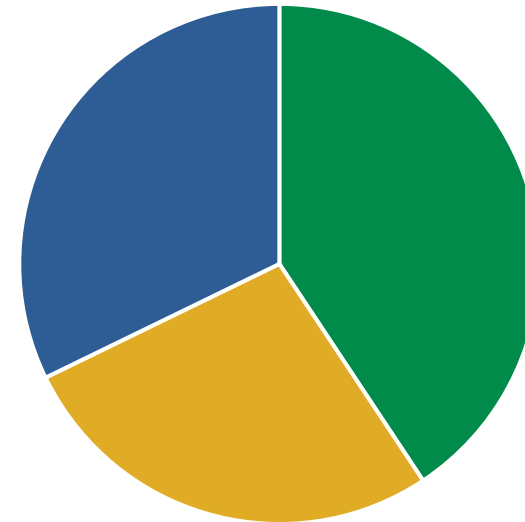
*“**Our workforce has every right to live where they work instead of commuting two hours a day.** We are all being shut out of the housing market by luxury second home buyers at a rapid rate and a lot of us make pretty decent income...”*



Round One Outreach

- Accommodate diverse ages and various life stages
- Options to own/rent
- Build/preserve affordable housing

Housing Outcomes Discussed



- Diversity of housing options
- Importance of Ownership/Local Benefits
- Building/Creating affordable homes





HOUSING STRATEGY

Housing Strategy

What is it? Policy document outlining role of the County in housing, programs/policies to maintain/increase affordable housing.

Framework:

- ❖ Supply and Land Use Policy Strategies
- ❖ Preservation and Stabilization Strategies
- ❖ Demand Strategies
- ❖ Funding and Implementation Strategies



Housing Strategy Recommendations

Tier 1 Top Priorities

- **Zoning Reform:** density incentives, unit types, etc.
- Create **voluntary inclusionary** housing ordinance
- Create dedicated **Housing Fund**
- Begin a **land banking** strategy
- Create **ADU incentive** program



Housing Strategy Recommendations

Tier 2 Secondary Priorities

- Explore the feasibility of a **Targeted Economic Development District (TEDD)**
- Small-scale **deed restriction** or “buy-down” program
- County **employee housing** assistance program
- Increase support for **vulnerable people**
- Advocate for changes in **state legislation**



Housing Strategy Recommendations

Tier 2 Other Recommendations

- Monitor **short-term rentals**
- Support **infrastructure** projects
- **Mobile home** community stabilization
- Connect people with and **support organizations** that provide assistance
- Expand **down payment assistance** programs
- Use **conduit lending**
- Support the **Gallatin Impact Fund**





ROUND TWO OUTREACH

Round Two Outreach

*“Of the following strategies, please choose the **top three** that you think the County should **prioritize**.”*



Accessory dwelling unit incentive program (58 selections)



Voluntary inclusionary housing ordinance (50 selections)



County employee housing assistance program (49 selections)



Round Two Outreach

Concerns/feedback in 14 comments:

- Increase in taxes
- Demand not addressed adequately
- Investor buying
- Short-term rental restrictions & property rights

Changes Made:

- Updates for consistency with FLUM
- Clarity about:
 - Conduit lending
 - Tier one vs. tier two priorities
 - Short-term rental administration
 - HRDC description



Conclusion

- ❖ Approval of the Housing Strategy does not implement any recommendation automatically
- ❖ County must follow budget, taxation, administrative procedures to implement strategies
- ❖ Not a “silver bullet”
- ❖ Continued work and partnership is needed to address housing crisis





THANK YOU!