

Stakeholder Interview Summary | April 2025

Introduction

As part of the Gallatin County initiative to create a Model Zoning Code focused on increasing affordable housing, particularly in Gallatin Gateway and Four Corners, stakeholder interviews were conducted in April 2025 to gain a better understanding of perspectives in the area.

Interviewees demonstrated a comprehensive understanding of the housing challenges facing the area, offered recommendations to enhance the feasibility and delivery of affordable units, and emphasized the importance of maintaining high-quality design, expanding housing options, and improving infrastructure coordination. Their responses also highlighted the value of local character, the critical role of schools and transportation, and the need for long-term affordability strategies.

In this summary, the experiences and opinions of those interviewed are shared. There are a variety of perspectives represented and held in tandem. This summary aims to share these perspectives, while noting that not all recommendations are feasible or within the County's realm to act on.

Who was Interviewed?

Stakeholder Type
One Builder Association Representative
Three Builders/Real Estate Professionals
One County Elected Official
Two Housing Non-profit Professionals
One Large Employer
One Lender
Two Municipal/Housing/Economics Professionals
One School Superintendent



Key Takeaways from the Interview

Identity and Character of Four Corners and Gallatin Gateway

- ◆ **Four Corners** was widely described as a service-oriented, semi-rural area that is increasingly suburban and commercial, functioning as a bedroom community for Bozeman and Big Sky.
- ◆ Stakeholders noted that **Gallatin Gateway** retains a more rural, agricultural identity, and often houses seasonal and year-round workforce members from Big Sky.
- ◆ Interviewees emphasized that **Four Corners** is better positioned for higher-density residential and mixed-use development due to its proximity to infrastructure and transportation corridors.
- ◆ **Gallatin Gateway** was identified as more appropriate for low- to medium-density development and housing types that preserve its small-town, historic character.

Appropriate Housing Types and Development Patterns

- ◆ Stakeholders agreed that increasing the diversity of housing is key, particularly the “missing middle,” including duplexes, triplexes, townhomes, and small-scale multifamily units.
- ◆ Townhouses are generally considered a welcome “missing middle” housing option. Interview respondents noted that they are more readily accepted by neighborhoods than other multifamily buildings, while also providing a chance for ownership, in contrast to ADUs, which are typically rented. Stakeholders emphasized that ownership opportunities, particularly for potential first-time buyers, are integral to long-term affordability.
- ◆ Several interviewees supported multifamily development along the Jackrabbit corridor and in **Four Corners** due to its access to services.
- ◆ **Gallatin Gateway** was considered more suitable for single-family homes and accessory dwelling units (ADUs) to maintain its rural feel.
- ◆ Some advocated for live-work units to support tradespeople who need on-site storage and residential space.
- ◆ There is strong demand for smaller, entry-level homes (e.g., \$200–250K) that offer basic amenities and can be purchased rather than rented.
- ◆ There is a demand for manufactured homes with the proper planning and infrastructure.
- ◆ There is emphasis on offering a variety of housing options to meet diverse household needs in Gallatin County.

“Focusing on the existing character isn’t a useful framing. Areas with established infrastructure need a variety of housing types. The “missing middle” is suitable and economically viable/efficient. Getting up to 15 - 16 units per acre would be beneficial.”



Barriers to Affordable Housing

- ◆ Construction costs such as land, materials, and labor remain a significant barrier, compounded by tariffs and inflation.
- ◆ Limited utilities and infrastructure, such as water and sewer capacity, especially in Four Corners, were frequently cited as a constraint to new development.
- ◆ Zoning requirements such as significant setbacks, low lot coverage, parkland dedication, and excessive landscaping requirements were seen as reducing development feasibility.
- ◆ School districts expressed the importance of schools in zoning decisions and growth planning to ensure that adequate resources and space will be available for students who move into the district. Affordable housing for teachers is also needed.
- ◆ Some participants noted that lengthy review periods, permitting delays, and complex code requirements are a barrier to building housing, especially in Bozeman. They cautioned the County against adopting similar processes.
- ◆ Interview respondents provided detailed suggestions for increasing zoning flexibility. A common proposal was to allow a density range of 15 to 16 units per acre, with minimum lot areas of 2,000 square feet per unit for fourplexes or townhouses, and to expand lot coverage allowances from 30 to 45 percent to 60 to 75 percent. Minimum density requirements and height increases were also identified as priorities by several stakeholders, particularly in neighborhoods such as Four Corners, where infrastructure already exists.
- ◆ Stakeholders held conflicting views on short-term rentals (STRs). STRs, particularly owner-occupied or secondary rentals, were seen as a way to offset mortgage costs and support financial resilience for homeowners. Others stressed the need to maximize long-term rentals as a strategy to address affordability and workforce housing shortages. These perspectives suggest a potential policy distinction between owner-occupied and investor-owned short-term rentals (STRs), which could inform future zoning or licensing strategies.
- ◆ Stakeholders recognized some tools of housing policy as being outside the County's jurisdiction. Mandatory inclusionary zoning is prohibited under state law, as is the use of impact fees, with limited authority under state law to require such measures in private developments on a compulsory basis. The County does not offer water or sewer services; these are handled through independent water and sewer districts, including Four Corners and Gallatin Gateway Water & Sewer Districts, with no direct control over or involvement in expanding infrastructure.
- ◆ Some stakeholders noted that while developers are typically required to dedicate parkland during subdivision, this requirement can be a barrier to housing affordability in areas where higher-density development is needed. They suggested that flexibility, such as waiving or reducing the parkland requirement if adequate access to nearby parks can be ensured, could help support more affordable and compact housing.

"If a project comes in that checks certain boxes, can it get to the front of the line and be prioritized?"



Zoning Code Recommendations

- ◆ Interviewees recommended increasing allowable density, reducing setbacks, and expanding lot coverage to allow more housing units on available land.
- ◆ Some stakeholders favored parking reductions as an incentive for affordable housing within zoning. Nonetheless, some respondents were concerned with using it universally, particularly in car-dependent or rural jurisdictions such as Gallatin Gateway. These concerns rested essentially on whether alternative transportation opportunities were present or not. This underlines how parking demands should be handled contextually, perhaps tied to transit opportunities or enhanced infrastructure
- ◆ Streamlining review processes and prioritizing affordable housing projects for fast-track permitting were commonly recommended.
- ◆ A special affordable housing zone, or zoning overlays tied to affordability outcomes, was proposed to encourage development.

“Aging in place is an affordable housing solution in itself—it helps seniors avoid being forced into assisted living due to financial pressure.”

- ◆ Many supported ADUs and modular or pre-manufactured homes as efficient ways to deliver affordable units while maintaining quality.
- ◆ Stakeholders recommended incorporating flexibility in unit design and ownership models, including smaller for-sale units and multifamily rental buildings.

“Allowing higher density near Four Corners and reducing density as you move away would help. It’s more efficient to build this way. Encourage density in appropriate areas.”

Partnerships, Infrastructure, and Long-Term Stewardship

- ◆ Many participants emphasized that zoning alone cannot solve affordability challenges and must be paired with infrastructure investment and financial tools.
- ◆ Stakeholders advocated for public-private partnerships, such as County support for sewer expansion and land acquisition to facilitate affordable housing.
- ◆ Participants encouraged leveraging tools like community land trusts, long-term deed restrictions, and shared equity models to ensure permanent affordability.
- ◆ Developers and nonprofit housing leaders stressed the importance of bonding or subsidies to close capital gaps and support ownership-based affordable housing.
- ◆ Employer partnerships were highlighted as valuable contributors to workforce housing, with examples from Bozeman Health and the Yellowstone Club.



- ◆ Some respondents encourage a partnership approach between the County and private entities for policy and project coordination. Coordination is important for regulatory updates for consistency in terminology across jurisdictions.

Schools, Transportation, and Community Services

- ◆ School representatives stressed the need to include districts in land use and zoning decisions, especially given the strain on school capacity and bus routes.
- ◆ Unsafe walking and biking conditions in newly developed areas were raised as major concerns by educators and families.
- ◆ Several suggested that developers should be required to preserve land for schools and fund shared infrastructure, such as parks and transportation improvements. As noted prior in this summary, some also viewed this as a barrier. Some suggest flexibility, such as waiving or reducing the parkland requirement if adequate access to nearby parks can be ensured.

Outreach, Engagement, and Messaging

- ◆ Stakeholders encouraged the County to avoid jargon and politically charged terms like “affordable housing” and instead use “attainable” or “below-market.”
- ◆ Outreach should be inclusive, engaging a broad range of groups, including:
 - Major employers
 - School districts
 - Homeowners Associations (HOAs)
 - Churches and local civic networks
 - Forward Montana, HRDC, and Big Sky Community Housing Trust
- ◆ Public education should focus on the benefits of high-quality housing options for local workers and families, rather than the mechanics of zoning incentives.
- ◆ Many participants expressed interest in remaining involved and recommended continued engagement through working groups, advisory panels, and public forums.





Recommendations on Engagement Partners

- ◆ To support the broader outreach effort, several stakeholder groups and partners were suggested for engagement. These include major employer connections, the Sightline Institute and Forward Montana (noted for their interest in housing affordability), and Four Corners Water & Sewer (recommended for an interview).
- ◆ The County Assessor should also be engaged to discuss property tax leniency for rental units, which could help reduce operating costs.
- ◆ The school community was identified as an effective communication hub, and churches, HOAs, and local email distribution lists were also recommended for outreach.
- ◆ Continued engagement with HRDC, the Montana Budget and Policy Center, and Big Sky Community Housing Trust was encouraged, along with outreach to developers, builders, and citizens who are concerned about change. Developers were especially emphasized as crucial for practical insight into housing feasibility.

Recommendations on Engagement Strategies

- ◆ Key engagement recommendations include being clear from the outset about project goals, who benefits, and the community value; avoiding polarizing terms like “affordable housing” in favor of “below-market” or “dignified” housing; and focusing on outcomes rather than incentives.
- ◆ Specific individuals and organizations, such as David O'Connor (Big Sky Community Housing Trust) and Anjya Lincke (Forward Montana), were named as valuable connectors to key demographics like younger renters.
- ◆ Outreach tools such as public meetings, a project website, online comment platforms, and leveraging local businesses for information distribution were recommended. Gateway & Four Corners Water & Sewer districts and school districts were also noted for their potential to contribute to housing-related discussions.
- ◆ Lastly, involving bankers, especially the bank president, was suggested as they might offer input on zoning and investment strategies.



Final Thoughts from Stakeholders

- ◆ Zoning reform must balance community character with the need for attainable housing and infrastructure efficiency.
- ◆ Affordable units should be high-quality and indistinguishable from market-rate homes.
- ◆ Efforts should focus on long-term stewardship, streamlined processes, and intentional partnerships to meet growing demand.
- ◆ Stakeholders are eager to support further planning efforts and emphasized that clarity, collaboration, and consistency will be key to successful implementation.

“Zoning can be one of the reasons we are in the affordability crisis. Ensure that you create zoning codes that allow for affordable housing. If we make it easier for developers to develop affordable housing, that will help.”

“People in Four Corners seem most focused on traffic and safety rather than building heights, etc. Demand on the transportation systems out there gives people a lot of anxiety.”

“If the goal is affordability, then the units should be affordable.”

