Consolidated Land Use Board Agenda

March 13, 2024
5:30 PM
City – County Complex, Community Room

A virtual option will also be available:
Join Zoom Meeting

https://us02web.zoom.us/j/85639509075?pwd=UCtLNzlqRUF3b1MxRy84NlNoV0w5Zz09

Meeting ID: 856 3950 9075
Passcode: 018873
Call in: (669) 900-9128

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1. Roll Call

2. Election of Board Officers – Chair and Vice-Chair

   A. THE COSOLIDATED LAND USE BOARD (CLUB) CHAIR-ELECT WILL FACILITATE THE REMAINDER OF THE MEETING.

3. Approval of Minutes

4. Public Comment

Individuals are reminded that public comments should be limited to item over which the City Commission has supervision, control jurisdiction, or advisory power (MCA 2-3-202)

5. Planning Items

   A. AFFORDABLE HOUSING PRESENTATION - KATHERINE DALY, PARK COUNTY HOUSING COALITION PROGRAM MANAGER, WILL PRESENT AN OVERVIEW OF THE PCHC 2024 WORK PLAN, INCLUDING HOW THE CITY AND PCHC ARE COLLABORATING ON HOUSING INITIATIVES, AND PROVIDE INFORMATION ABOUT HOUSING AFFORDABILITY IN THE CITY OF LIVINGSTON.

   B. CLUB 2024 TENTATIVE WORK PLAN - STAFF JENNIFER SEVERSON WILL BRIEFLY DISCUSS POTENTIAL AGENDA ITEMS AND WORK TASKS FOR CLUB MEMBERS IN THE COMING MONTHS.

6. Zoning Items

7. Board Comments

8. Adjournment

To ensure that it is passed on to the voting members, written public comment should be submitted before noon the day of any public meeting. This deadline is set to ensure comments reach City Commission, Boards, Committees, and City Staff timely allowing all parties to review comments prior to the start of any public meeting. Comments received after this deadline are not guaranteed to reach the intended persons before the start of the meeting.

Agenda

1. **Background on the Park County Housing Coalition**
   a. Phase I: Research
   b. Phase II: Implementation
2. **Snapshot of Park County's Housing Market**
   a. Costs to own and to rent
   b. Other considerations
3. **Review of 2024 Work Plan**
   a. Accessory Dwelling Units
   b. Employer-Assisted Housing Partnership
   c. Zoning Reform

About the Coalition

NEW(ISH) COMMUNITY PROGRAM

The coalition is a relatively new program incubated within the HRDC's Community Development Department and supported by the Park County Community Foundation and a host of other partners.
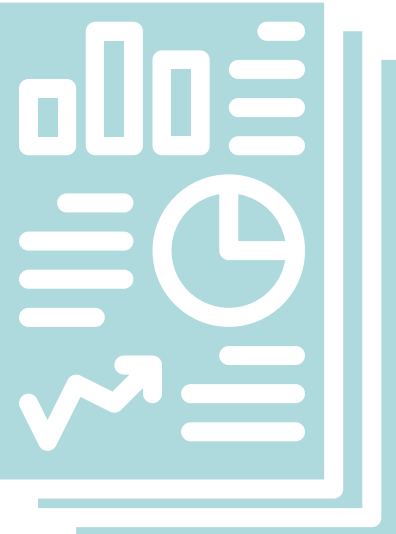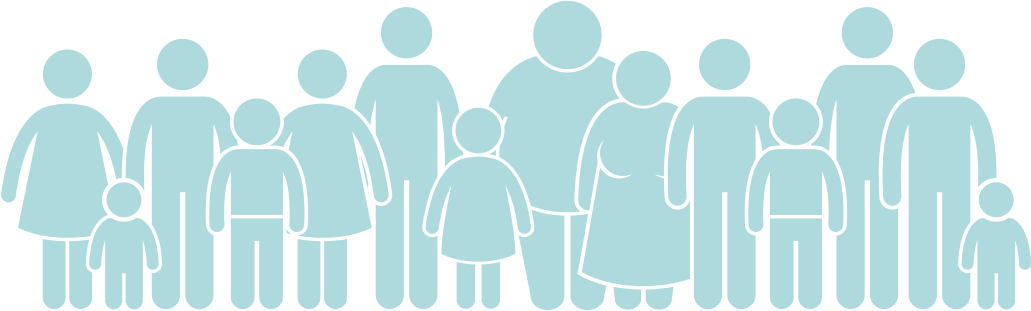
MISSION

The Coalition's mission is to increase opportunities for Park County residents to access housing where they can afford to live and thrive

PHASE I: Research & Planning

PHASE I HIGHLIGHTS 2020-2023

Since reconvening in 2020, PCHC's membership has grown to more than 80 Park County residents and partners.

PCHC compiled the best information available on local housing challenges in its 2021 Park County Housing Needs Assessment. One of the assessment's findings was that only 20% of households in Park County earned enough to afford a mortgage for a median single-family home.
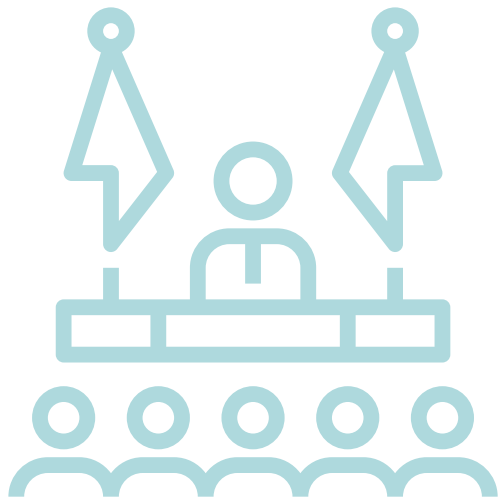
PCHC outlined a shared vision and recommended 12 tools to address the community's housing needs in its 2022 Park County Housing Action Plan (HAP). Elected officials then adopted the plan as addenda to the City of Livingston's and Park County's growth policies.
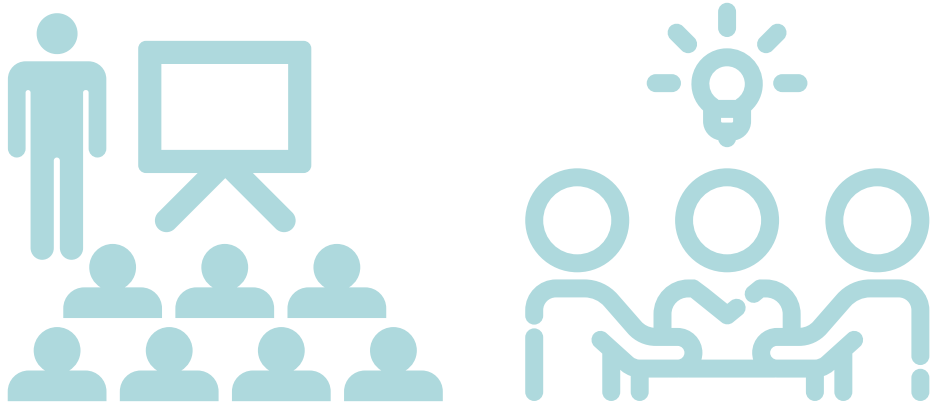
PHASE II: Implementation

PHASE II HIGHLIGHTS 2023-PRESENT

HRDC recruited a 9-person steering committee representing diverse interests in September 2023 to support the implementation of the HAP.

The community raised enough money for HRDC to hire a local, full-time staff member to represent the coalition and guide HAP implementation efforts for 3 years.

The PCHC hosted a conversation on housing in November 2023 where nearly 70 community members learned about the three HAP tools slated for implementation in 2024 and discussed ways to make their implementation a success.

Snapshot of Park County's Housing Market

30% RENT

$49,660
MEDIAN 2022 RENTER HOUSEHOLD INCOME, ADJUSTED FOR INFLATION

$1,366
MAX AFFORDABLE HOUSING PAYMENT

70% OWN

$86,190
MEDIAN 2022 OWNER HOUSEHOLD INCOME, ADJUSTED FOR INFLATION

$2,370
MAX AFFORDABLE HOUSING PAYMENT

Housing affordability is determined by the incomes of the people living in a household and the costs of their home.

When households spend more than 30% of their incomes on housing, it is not considered affordable. Instead, these households are "cost-burdened" by their housing.

+130%

SINGLE-FAMILY MEDIAN HOME LIST PRICES

$649,000
Dec. 2023

$282,753
Dec. 2019

INTEREST RATES HAVE MORE THAN DOUBLED SINCE 2020.

28%+

OF PARK COUNTY HOUSEHOLDS ARE COST-BURDENED.

They spend more than 30% of their income on housing.

$1,800

ESTIMATED MEDIAN RENT

This amount is affordable for a household earning $73,000 annually.

It is $434 more per month than the maximum a median renter household could afford.

Developing the 2024 Work Plan

The 2022 Park County Housing Action Plan recommends 12 housing and policy tools for implementation.

The 2024 work plan prioritizes three tools that can leverage national, state, and local law and policy changes and incorporates ideas generated by our 2022-2023 subcommittees and during the November 2023 conversation:

- Accessory Dwelling Units
- Employer-Assisted Housing Partnerships
- Zoning Reform

12 Tools of the
2022 Park County Housing Action Plan

1. LOW-INCOME HOUSING TAX CREDIT
2. **EMPLOYER-ASSISTED HOUSING PARTNERSHIPS**
3. RESIDENT-OWNED COMMUNITY PROGRAM
4. COMMUNITY LAND TRUST
5. DENSITY BONUS
6. LAND BANKING
7. DOWN PAYMENT ASSISTANCE
8. **ACCESSORY DWELLING UNITS**
9. **GENERAL ZONING REFORM & FLEXIBLE DEVELOPMENT STANDARDS**
10. REHABILITATION LOANS AND GRANTS
11. SHORT-TERM RENTAL REGULATION
12. COORDINATED ENTRY SYSTEM

Accessory Dwelling Unit (ADU) Pilot Program

Known by names like "granny flat," and "alley house," accessory dwelling units are smaller, independent living spaces that share a lot with a larger, primary home. An ADU may be constructed within, attached to, or detached from the primary home.
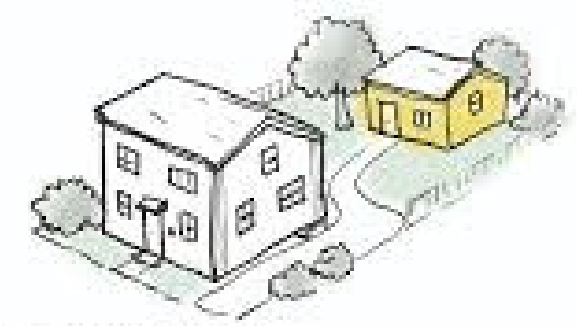
The coalition's 2022 workforce housing subcommittee recommended facilitating the creation of ADUs. Their endorsement, combined with the state's new law that removes barriers to ADU construction and the Federal Housing Administration's new ADU lending policy, signals that the time is right to pilot an ADU program.
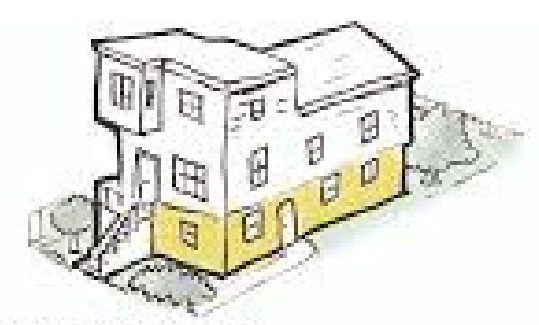
Raised Basement

Garage Conversion

Backyard Cottage

April 11, 2024 ADU Financing Course
Join us over lunch to learn how significant institutions like Fannie Mae, Freddie Mac, the FHA, VA, and USDA RD approach financing ADUs. Then, hear from a local panel representing lenders, realtors, builders, and others in the real estate realm about securing financing for ADUs.

Fall ADU Workshop for Homeowners
Workshops will cover key topics such as financing, permitting, construction, and property management. Participants will identify key components of a package that would incentivize them to deed restrict or otherwise ensure their ADUs are available exclusively for community members to rent as their homes.

Employer-Assisted Housing Partnership Pilot Program

GOALS:

- Untether housing from specific jobs
- Support the expansion of the local labor pool
- Improve recruitment and retention
- Help workers establish roots in our community

This program will support employers who want to understand and implement demand and/or supply-side strategies to help their current employees access and remain in healthy housing in our community and improve recruitment and retention rates.

Focus on Park County's Top 5 Employment Sectors

The coalition would like to partner with employers in Park County's top five economic sectors, which represent about 70% of the county's jobs:

Education, Healthcare, and Social Assistance

Professional and Business Services

Construction

Leisure and Hospitality

Retail Trade

How much can workers in Park County's top 5 economic sectors afford?

	Professional and Business Services	**Education, Healthcare and Social Assistance + Construction**	**Leisure and Hospitality + Retail Trade**
Estimated 2023 average earnings for one person:	$81,190 ($39.03/hr)	$56,700 ($27.26/hr)	$33,000 ($15.86/hr)
Maximum housing cost:	$2,030/month	$1,375/month	$825/month
Income remaining after max housing payment:	$1,184/week	$837/week	$481/week

City of Livingston Zoning Reform

GOAL: Assess regulatory and administrative barriers to housing development and ensure changes are clear, complementary, and allow for more abundant housing at the sizes and prices our community members need and can afford.

The coalition will participate in the city's public process, slated to start in June. Activities will include:

- developing educational materials

- conducting policy research

- commenting on proposed changes

Updating zoning codes can help local governments set the stage for accelerated public- and private-sector investment in development projects that advance community objectives, such as housing that is affordable to local workers.

Want to participate in our work this year?

Join the coalition and subscribe to our email list at www.parkcountyhousing.com

Email me at kdaly@thehrdc.org if you want to:

- Participate in our ADU pilot program
- Nominate your employer to receive technical support as part of our employer-assisted housing partnership program.

Thank you to our supporters!

Arthur M. Blank Family Foundation

LIVINGSTON Montana

SW MT Flood Relief Fund

glassybaby one of a kindness®

MONTANA STATE UNIVERSITY EXTENSION Park County

generous community members

THE KENDEDA FUND

PARK COUNTY
HOUSING COALITION

Homes are affordable when households spend 30% or less of their incomes on housing

Housing affordability is determined by the incomes of the people living in a household and the costs of their home. Researchers have established thresholds for housing affordability that are based on the relationship between residents' ability to pay and their housing costs. When households spend more than these thresholds, their housing is not considered affordable to them. Instead, they are "cost-burdened" by their housing expenses.

Rental housing is considered affordable when a household spends no more than 30% of its gross monthly income on rent, or no more than 33% on rent and utilities.

Homeowners can afford their housing costs when they spend no more than 33% of their income on mortgage principal and interest, taxes, and insurance.

AMI helps us estimate how much community members can spend on housing

Area median income — often referred to as AMI — is used to estimate how much a community's residents can spend on housing. Area median income is the midpoint of a community's income distribution, meaning that half of the households in that community earn more than the median and half earn less.

HUD establishes AMI annually for households of different sizes

The Department of Housing and Urban Development (HUD) calculates AMI annually for locations across the nation, including Park County. HUD refers to the figure as MFI, or median family income, because HUD starts with the annual estimated median family income published by the U.S. Census Bureau. HUD adjusts the median family income to account for inflation and creates income brackets for family households of different sizes, based on how their annual income compares to the median family income of a household of four. View HUD's 2023 fiscal year AMI brackets for Park County here: http://tinyurl.com/2023AMIPark-County

City of Livingston Fiscal Year 2023 Housing Affordability Thresholds

Median Family Income (household of 4)	Income Limit Category	Household Size & Share of All Park County Households							
		1 Person		2 People		3 People		4 People	
		32.8%		*42.6%*		*10.7%*		*9.1%*	
		Max Income	Max Rent	Max Income	Max Rent	Max Income	Max Rent	Max Income	Max Rent
$89,200	**100% AMI**	$61,250	$1,531	$70,000	$1,750	$78,750	$1,969	$89,200	$2,230
	60% AMI	$36,750	$919	$42,000	$1,050	$47,250	$1,181	$53,520	$1,338

Max monthly rent is 30% of monthly income. AMI levels based on HUD 2023 FY Income Limits: http://tinyurl.com/2023AMIPark-County

The City of Livingston provides incentives for the development of Affordable Housing within its Planned Unit Development district. The City defines Affordable Housing in Resolution 5115 as "affordable to residents earning one-hundred percent (100%) or less of the Park County Area Median Income as then-currently determined by the United States Department of Housing and Urban Development."

Incentives for Homes Developed at 100% AMI or less

When at least two homes or 10% of the homes in a development will be affordable to community members earning 100% or less of Park County's AMI, the developer is eligible for the following incentives:

Residential Density Bonus Livingston Muni. Code 30.47.D.1.a.i		A 10% increased density over base zoning district. Maximum 25% overall density increase allowed.
Height Increase in R-II or R-II MH Livingston Muni. Code 30.47.D.1.a.ii		Maximum height allowed is increased to 40 feet

Additional Incentive for Homes Developed at 60% AMI or less

Homes developed to be affordable to households earning 60% of Park County's AMI or less are eligible for the incentives described above and one additional incentive: a one-to-one impact fee waiver for each deed-restricted home (Livingston Muni. Code 30.47.D.1.a.iii).

Who might be earning approximately 100% AMI?	**Who might be earning approximately 60% AMI?**	**Who might be earning less than 60% AMI?**
Workers in healthcare, education, construction, and social assistance make up nearly a third of Park County's workforce (31%) and earned an average of $55,000 in 2022, which is approximately $56,700 in 2023 dollars.	People working in arts, entertainment, recreation, hospitality, and retail together account for about 20% of Park County's workforce and earned an average of $33,000 in 2022, which is approximately $34,000 in 2023 dollars.	More than 1 in 5 of Park County's renting households earn less than $25,000 annually. This includes workers earning Montana's minimum wage of $10.30/hour, who would take home just over $21,400 in one year and can afford no more than $535 a month in housing costs.

The above examples are annual wages for one job; household income may include more than one earner.