

RESOLUTION NUMBER \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL PROVIDING FOR A COMMUNITY HOUSING POLICY AND DIRECTING STAFF TO DEVELOP IMPLEMENTATION STRATEGIES TO INCREASE THE ATTAINABILITY OF HOUSING FOR ALL MISSOULA RESIDENTS.

WHEREAS, THE CITY OF MISSOULA has adopted a Growth Policy that supports affordable housing options and programs that encourage home ownership; and

WHEREAS, the City is committed through its Consolidated Plan to increase and preserve the supply of affordable rental units and to increase and preserve affordable home ownership for low- and moderate-income households; and

WHEREAS, THE CITY OF MISSOULA has commissioned an Analysis of Impediments to Affordable Housing Choice that recommended creation or enhancement of local financial mechanisms for affordable home ownership and rental development; and

WHEREAS, the Analysis recommended that the City explore creation or expanded use of such tools to promote affordable housing as downpayment assistance, property tax abatement, interest rate buy downs, or employer/employee-sponsored programs, and to promote housing supply through the enhancement of land trusts and deed-restricted land sales, waiver of development fees in certain circumstances, or the purchase and management of land or properties; and

WHEREAS, housing data from the U.S. Department of Housing and Urban Development show that in the City of Missoula over fifty-two percent of renters and twenty-five percent of homeowners are considered “cost burdened” for housing, paying more than 30% of their income toward housing costs; and

WHEREAS, the median income for a family of four in Missoula in 2008 was \$55,400; and

WHEREAS, a household making the median income in Missoula would be able to afford a home costing \$165,000; and

WHEREAS, the median home sales price for the year ending December 31, 2007, was \$219,550; and

WHEREAS, Missoula faces a growing shortage of adequate housing for households making less than 120 percent of the area median income; and,

WHEREAS, generating policies to overcome such inadequacy is an urgent community need that should be given high priority; and

WHEREAS, the City has traditionally relied on a decreasing federal allocation in U.S. Department of Housing and Urban Development Community Development Block Grant (CDBG) and Home Investment Partnership Act (HOME) program funds to provide housing for households making eighty percent or less of the median family income; and

WHEREAS, CDBG and HOME funds alone are insufficient to meet the needs of Missoula's low- and moderate-income households, and does not serve those making more than eighty percent of the median income who still cannot afford housing; and

WHEREAS, THE CITY OF MISSOULA has the resources to address housing need in its community through the ability to adopt regulations; use of public lands; staff resources; relationships with the Missoula Urban Redevelopment Agency, the Missoula Housing Authority, the Community Housing Development Organizations, profit and non-profit developers, community councils, and neighborhood councils; access to federal and state resources, and collaborative efforts with the County of Missoula and State of Montana.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MISSOULA, MONTANA, that THE CITY OF MISSOULA commits to a Community Housing Policy that encompasses the following elements:

**Section I. Purpose:** To ensure the existence of safe, desirable, and affordable housing for persons employed in the Missoula area, seniors, the disabled, and other qualified persons of the Missoula area.

**Section II: Definition of Affordable:** The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing (rent/mortgage, insurance, taxes, and utilities).

**Section III: Intended beneficiaries:** The affordable housing program will be designed to benefit

- Very low, low, moderate, and middle income families
- Local workers
- Senior citizens
- Disabled populations

**Section IV. Income targets:** The program will develop housing targeted to meet the needs of the following household types:

- Very low income – zero to 30% of median income (6% of Missoula households)
- Low income – 30 to 50% of median income (13.5%)
- Moderate income – 50 to 80% of median income (16.5%)
- Middle income – 80 to 125% of median income (25%)

**Section V. Jobs/Housing relationship:** Missoula will house at least 75% of its workforce within city limits.

**Section VI. Ownership/rental mix:** Missoula will develop affordable housing with a goal of making home ownership attainable for members of the community who desire to own a home.

**Section VII. Location/Unit type:** Any affordable housing required of new development should be met within the geographic boundaries of the new development to the extent possible. Public affordable housing resources will focus on redevelopment to:

- Maintain and enhance existing neighborhoods;
- Promote jobs-housing balance;
- Encourage full integration of affordable housing into a wide variety of Missoula's neighborhoods; and
- Reduce reliance on the automobile.

**Section VIII. Design and quality:** Affordable housing is civic architecture and reflects the values of the community. Design that fits its context and is constructed within budget is characteristic of good design.

AND BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE SAID CITY OF MISSOULA, MONTANA, that staff in the Missoula Office of Planning and Grants be directed to develop ordinances and resolutions to implement the Community Housing Policy for consideration by the Planning Board and the City Council;

AND BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE SAID CITY OF MISSOULA, MONTANA, that the City Council directs that incentives for the development of housing for intended beneficiaries of the Community Housing Policy be included in the update of City zoning laws;

AND BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE SAID CITY OF MISSOULA, MONTANA, that the City Council commits to including the development and preservation of affordable housing for both rental and homeownership opportunities in future City plans.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

ATTEST:

APPROVED:

\_\_\_\_\_  
Martha L. Rehbein  
City Clerk

\_\_\_\_\_  
John Engen  
Mayor

(SEAL)