

Bozeman Community Housing Needs Assessment Update
Kick Off Meeting Summary
October 23, 2018

Present

- a. Consultant Team: Christine Walker, Michael Brown, Wendy Sullivan via phone
- b. City: Matt Matsen, AH Manager
- c. Working Group Members: Terry Cunningham, Ellen Beck, Desiree Smith, Pat Strauss, Jason Smith, Tracy Menez, Tracy Ellig, Greg Stratton, Brian Popeil, Rob Pertzborn, Bridget Wilkinson, Connie Campbell-Pearson, Susan Riggs, Chris Naumann, David Magistrelli, Karin Jennings, Noel Seeburg, Laura Prindiville

1. Introductions and Overview

Matt welcomed the working group members and explained that the city is contracted with Navigate, LLC and the consulting team to conduct a Community Housing Needs Assessment. This assessment is part 1 of a proposed 2 part process, with part 2 being a Community Housing Work Plan. The reason for splitting the process into 2 parts is related to funding, the city applied for a Community Development Block Grant (CDBG) and received half of the request. The city desires to also complete the Community Housing Work Plan and is actively seeking funds for the 2nd part. Matt also explained his temporary part-time role with the city in order to facilitate the needs assessment process and transition his successor.

- a. Working Group and Consultant Team Introduction
 - i. Consultant team introductions: Christine Walker, principal of Navigate, LLC (Project Manager); Wendy Sullivan, principal of WSW Consulting (Senior Associate and Lead on the HNA), and Mike Brown, partner in Burlington Associates in Community Development (Housing Program Associate and Facilitation).
 - ii. Working group members introduced themselves, their affiliation, and reason for making Bozeman their home. There were consistent themes: came to Bozeman and stayed for the accessible quality of life, great place to raise kids, people engage, great jobs, university town. Some members grew up in the area and stayed/returned for family, friends, and “getting back to Montana.”
- b. Purpose and Scope of the Study
 - i. What is a Community Housing Needs Assessment (HNA)? A comprehensive analysis of the community housing landscape. Why is it needed? To understand the scope of the community housing needs, get on the same page with the data, and provides a solid foundation to shape a community housing work plan. The study also provides data to support access to public funds.
 - ii. Scope: Update to the 2012 HNA, assessing the current and future housing needs across the spectrum of housing and information the action planning process. The study will include a summary of Key Conclusions and Recommendations, demographic and economic trends, an inventory of housing, housing costs & availability, housing problems, and housing resources.
 - iii. Process: The HNA is the information gathering step and will include a combination of secondary data sources and primary research, including a kick-off meeting, a site visit, an online employer survey, a realtor and lender focus group, a property manager focus group, a developer and builder focus group, and key stakeholder interviews. The working group suggested changing the proposed property manager focus group to a service provider & end user focus group. The focus group change will be made, and the data needed from property managers will be gathered through interviews.
- c. Roles: City, CAHAB, Housing Working Group, Consultants
 - i. City: Providing the resources, managing the process, participating as a Working Group member, and ultimate decision maker.
 - ii. CAHAB: Advisory board members appointed by the city, HNA key ambassadors
 - iii. Working Group: Diverse community stakeholders committed to the process and willing to keep their constituencies or membership apprised of the process and share their input. Part 1 commitment - kick-off meeting; assistance identifying sources of data, recruiting focus group members and employer survey outreach; review of the draft HNA, participating in the draft HNA conference call; and attendance at the HNA presentation to City Commission. If Part 2 moves forward, there will be more involvement, including four intensive work sessions, public open houses and presentation.
 - iv. Consultants: Technical advice, a structured process and facilitation.

2. **Study Specifics:** Comments and feedback related to study specific questions are captured below and will inform aspects of the HNA.
- a. Title: Bozeman Community Housing Needs Assessment: 2019
 - b. Preferred label for housing affordable for residents/employees?
 - i. Examples used in other communities: affordable, attainable, achievable, resident-occupied, local achievable, inclusive, workforce (one segment)
 - ii. Affordable too negative, do not use
 - iii. Federal Reserve in MPLS is researching/taking on the housing affordability issue using the term income-appropriate
 - iv. Outcome: Income-appropriate had some support and will be tested as part of the draft HNA
 - c. Geography: City of Bozeman boundaries? Zip codes? Census tract?
 - i. For example, recent studies in MT: Big sky: zip code area (captures part of canyon where many employees live and some businesses); Whitefish zip code area – better area business representation.
 - ii. Discussion regarding city of Bozeman boundaries or alternative data-available boundary (zip code(s), census tracts) was discussed. Generally: (county in-holdings in boundaries)
 1. Zip codes 59715, 717 and 718 – too much area and does not include Belgrade... so does not make sense.
 2. School boundary stretches to Madison River; Growth boundary also extends outside city - but this does not coincide with data availability boundaries (census tracts, zip codes)
 3. Could be of interest to look at extent of where people want to live (areas outside the city) – this will be captured through the needs assessment research, commuting patterns and buyer/renter preferences information.
 4. Regulatory influence is city of Bozeman/municipality
 - iii. Outcome: It was generally determined to stay with the focus on the City boundaries as done in prior studies, recognizing that there are county in-holdings within this geography.
 - d. Income levels: <60%; 60-80%; 80-120%; 120-150% (or market level); 150%+ ... other?
 - i. These income breakouts for looking at housing needs were generally accepted
 - ii. Special needs housing will be captured separately (homeless, etc.)
 - e. Definition of affordable:
 - i. Current definition - Affordable rental housing is defined as having rents not exceeding 30% of household income, and affordability for homeowners is a housing payment not exceeding 33% of household income.
 - ii. Consultant recommendation is 30% for both: simplicity, generally accepted, still the standard
 - iii. Current AH ordinance is at 33% for ownership
 - iv. Outcome - keep with current definition
 - f. Types of housing: what is affordable housing? It is not just housing for special needs/homeless, nor is it any one particular type of product:
 - i. All types of housing: condos, townhomes, apartments, single-family covering the entire spectrum of need
 - ii. Rental product (subsidized or incentives for free mkt to build)
 - iii. Ownership product (subsidized or not); ADUs
 - iv. Needs assessment focuses on what will not be provided by the free market
 - v. Student housing – not talking about this in particular in the study; student impacts and growth are a consideration in identifying needs, but this particular product type (and what it looks like) will not be called out separately (outside the scope).
3. **Data Needs for the Scope:** specific data needs were reviewed to help find the best available sources of data.
- a. Rental data: any rental tracking done/yearly rent survey – rents/vacancies?
 - i. Limited information readily available
 - b. Short term rentals
 - i. City preparing a report
 - ii. Realtors, property managers may have information
 - c. Jobs: county, zip code, local studies
 - i. Reach out to Economic Development Department; also local studies
 - d. Existing affordable rental and ownership projects:
 - i. Organizations/managers to contact? City providing a list.

- ii. Unit specifics (bedrooms, income level, prices/rents, occupancy, etc.) sought in data collection
- e. Housing Program and special needs data:
 - i. Table page 45 from 2012 study – ok with this? No feedback – assume ok with update 2012 – 2018.
 - ii. Organizations – Group providing best contacts.
- f. Employer survey:
 - i. Explanation of the 3 points of reference we use for data collection and interpretation: existing secondary data sources, existing local data, primary research (employer survey data, and interviews/focus groups). Local insight explains how to interpret the data/what is going on.
 - ii. Stress importance/outreach; need the working group to personally reach out to businesses to get a higher response rate and capture the employer perspectives from diverse businesses through the survey.
 - iii. Draft review: Review by city and CAHAB with an eye toward “have we missed anything.”
 - iv. City Website link? City will provide the web-link.
 - v. Email outreach assist – Chamber, city business licensing database, other groups business organizations – working group assistance. Consultant will provide standard email to assist working group member outreach efforts.
 - vi. Interviews: primary employers (supplement to survey if needed)
- g. Other local data/reports/studies:
 - i. Group will provide as relevant (e.g. economic study job projections, relevant surveys or research conducted by primary employers, the university, service providers, etc.)

4. **Other Examples of Communities that have Housing Programs:** The Request for Proposals asked for an assessment of other communities affordable and workforce housing programs.
- a. Up to five: snap shot of up to 5 communities, show the variety of programs out there, who has been successful and how.
 - i. Table format showing Policies and goals; capacity/roles/structure; strategies and tools; deed restricted housing inventory
 - b. Similar characteristics: Desire communities that face similar housing challenges/pressures: university; more of a city/job diversity but also “resort” community influences: outdoor focus/access, tourism/2nd homeowners and with effective community housing programs in place. Bozeman is unique; no other place is “Bozeman,” but many others have housing problems from which we can learn.
 - c. Suggestions: Bend, OR; Boulder, CO; Burlington, VT; Jackson, WY; Gunnison, CO; Columbia, MO, Whitefish
 - i. Jackson is different, but has some good lessons learned: WY – conservative state, Jackson is an anomaly, tried everything – great lessons learned (both successful and not); other side of Yellowstone (similar attraction for visitors – location/amenities)
 - ii. Columbia, MO - (major university, regional med/ed hub, facing some of the same challenges)
 - iii. CAHAB recommend replacing Jackson with Whitefish or Missoula
 - iv. Discussion of using some of the same cities as the Downtown Bozeman Improvement Plan
 - v. Outcome: Missoula, MT; Bend, OR; Ft Collins, CO; Burlington, VT

5. **Publicity:** striving for an inclusive and transparent process that engages the public at key points to genuinely inform the process.
- a. City website: City hosting the website on the City Project page.
 - b. Notice: of study, employer survey forthcoming, etc. – city to organize article
 - i. Local membership lists, newsletters
 - ii. Social media contacts
 - iii. Newspapers, radio
 - c. Group Email: Working group agreed to use of a Group Email as long as no “reply-all”
 - d. Part 2 (if approved): More robust public engagement is planned for Part 2 – Community Housing Work Plan: open houses, topic-specific/targeted survey input, etc.

6. Timing

- a. Focus groups: Nov 5th and 6th
 - i. The Nov. 6th working group will be moved to another date because of the conflict with Election Day
- b. Interviews: ongoing through the project

- c. Employer survey: distributed week after Thanksgiving through mid-Dec.
- d. Report draft: end of Jan 2019
- e. Report draft conference call: Feb 12th suggested
 - i. Date and time will be confirmed ASAP and a “save the date” distributed
- f. Final report: third week of February
- g. Presentation: March 11th