Analysis of Impediments To Fair Housing Choice

City of Missoula, Montana

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Prepared by ASK Development Solutions, Inc.

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I. INTRODUCTION

Analysis of Impediments Background

Per federal regulations, The Analysis of Impediments to Fair Housing Choice (AI) is a U.S. Department of Housing and Urban Development (HUD)-mandated review of impediments to fair housing choice in the public and private sectors. This mandate, by federal regulatory requirements cited at 24 CFR 91.225(a)(1); 91.325(a)(1); and 91.425(a)(1)(I), is for all HUD grant entitlement jurisdictions.

The AI involves:

- A review of the City's demographic, economic, and housing characteristics;
- A review of the City's laws, regulations, and administrative policies, procedures and practices;
- An assessment of how those laws, regulations, policies, procedures, and practices affect the location availability and accessibility of housing; and
- An assessment of conditions, both public and private, affecting fair housing choice for all protected classes.

According to HUD, impediments to fair housing choice are:

1. Any actions, omissions, or decisions *taken because of* race, color, religion, sex, disability, familial status or national origin that restrict housing choice or the availability of housing choice.
2. Any actions, omissions or decisions *that have the effect of* restricting housing choice or the availability of housing choice, on the basis of race, color, religion, sex, disability, familial status or national origin.

Although the AI itself is not directly approved or denied by HUD, its submission is a required component of the City's Consolidated Plan. HUD states that the purposes of the AI are to:

- Serve as the substantive, logical basis for fair housing planning;
- Provide essential and detailed information to policy makers, administrative staff, housing providers, lenders, and fair housing advocates; and
- Assist in building public support for fair housing efforts both within and beyond an entitlement jurisdiction's boundaries.

To most accurately evaluate current fair housing conditions within the City of Missoula, the AI includes a review of demographic and housing market data, pertinent legislation, regulations affecting fair housing, public education and outreach efforts, and community fair housing surveys. The AI allows the City to identify any existing impediments or barriers to fair housing choice and to develop an action plan containing strategies to overcome the effects of any impediments identified through that analysis.

Fair Housing Act and Related Regulations

The Federal Fair Housing Act (FHA), passed in 1968 and amended in 1988, prohibits discrimination in housing on the basis of race, color, national origin, religion, gender, familial status, and disability. The FHA covers most types of housing including rental housing, home sales, mortgage and home improvement lending, and land use and zoning. It excluded owner-occupied buildings with no more than four units, single-family housing sold or rented without the use of a real estate agent or broker, housing operated by organizations, private clubs that limit occupancy to members, and housing for older persons. The Montana Human Rights Act, enacted in 1965 prohibits discrimination on race, creed, religion, color, sex, physical or mental disability, age, or national origin. The City of Missoula adopted an Illegal Discrimination Ordinance, which was updated in 2010 to include additional categories against which discrimination is prohibited. The previous ordinance was titled the Fair Housing Law and prohibited only illegal discrimination in housing. Among other changes, the 2010 amendment expanded the protected class categories to include ancestry, creed, age, political ideas, marital status, mental disability, sexual orientation, and gender identity and expression, as protected classes.

Based on information obtained from the HUD website, the City, County, or the State of Montana are not listed as having received HUD certification determining enforcement of a law substantially equivalent to the Federal Fair Housing Act. Although not receiving the HUD certification, the City of Missoula does enforce the requirements of the federal Fair Housing Act. HUD provides funding to state and local governmental agencies to enforce local fair housing laws that are substantially equivalent to the Fair Housing Act. Once a state and/or city has a substantially equivalent fair housing law, they could attempt certification as a Fair Housing Assistance Program (FHAP) Agency, thus enabling receipt of funds for investigating and conciliating fair housing complaints. The City could attempt certification as a Fair Housing Initiatives Program (FHIP) Agency and receive funds for education, promoting fair housing, and investigating allegations. However, this city must first be located in a state with a fair housing law classified by HUD as substantially equivalent. The city must then enact a law that HUD concludes is substantially equivalent in order to participate in the FHAP Program. The local law must contain the seven protected classes - race, color, national origin, sex, religion, handicap, and familial status - and must have substantially equivalent violations, remedies, investigative processes, and enforcement powers. In addition, the process for investigating and conciliating complaints must mirror HUD's. According to the 2009 State of Montana Analysis of Impediments to Fair Housing Choice, prepared by Western Economic Services, LLC in December 2009, the State, through its Department of Commerce would "support the efforts of the Montana Department of Labor and Industry, Human Rights Bureau to seek substantially equivalent status with the HUD."

Who Conducted the AI

This 2014 Analysis of Impediments to Fair Housing Choice for the City of Missoula was conducted by ASK Development Solutions, Inc. (ASK), a consulting firm working on behalf of the City of Missoula.

Participants in the AI

The City of Missoula AI included input from City staff and officials, citizens, and key persons involved in housing and/or housing-related activities, in particular, fair housing agencies. The consultant developed fair housing surveys for citizens, housing service providers/advocates, realtors, and lending institutions. Fair housing survey links were posted on both the City and the County websites. Hard-copy surveys were given to local social service providers for distribution to clients, and the survey was also available for pick-up at both the Missoula Public Library and the Department of Grants and Community Programs (GCP),

Surveys were used to gather information from housing consumers and various housing industry sectors, about their experiences and perceptions of housing discrimination as well as their opinions on fair housing laws and services. In order to collect additional information about fair housing practices and impediments in the City, ASK staff conducted interviews with key staff from the City, local non-profit agencies, and HUD officials, as well as housing providers/advocates.

In September 2013 public meetings were advertised in the *Missoulian* and *Missoula Independent* newspapers, via email listserves, on the Missoula City and County websites, and on the City's Facebook page. These meetings were held in order to solicit input on fair housing discrimination and impediments to fair housing choice from the City, various industry representatives, service providers, and public stakeholders at large. ASK staff gathered additional information via meetings, teleconferences, and email correspondence with non-profit agencies and advocacy groups. Accommodations were available for persons with disabilities, persons with limited English proficiency, and the hearing impaired. GCP staff actively participated in development of the AI.

Planning and Research Methodology

The consultant's methodology in undertaking the 2013 City of Missoula AI was based on the recommended methodology listed in the *Fair Housing Planning Guide Vol. 1* (HUD Office of Fair Housing and Equal Opportunity), experience conducting AI's for other cities, and the desires of the City as expressed by the Grants and Community Programs Department. The scope of work consisted of the following tasks:

<u>Task 1 - Project Launch</u>
The consultant met with City project managers in order to refine both work tasks and the project schedule, establish reporting relationships, and review project expectations. The consultant collected relevant data, identified potential candidates

for key-person interviews, and discussed the public participation components of the study. The consultant then created survey instruments.

Task 2 - Community Data Review

The consultant reviewed existing demographic, economic, employment, and housing market information for the City of Missoula. Utilized in this review were the 2010 U.S. Census, the 2012 American Community Survey (ACS), lending data from the Home Mortgage Disclosure Act (HMDA), foreclosure data from RealtyTrac, data and maps from Missoula's FY 2009-2013 Consolidated Plan, data from previous CAPERs, and data and maps from documents available on the City website. In addition, the consultant conducted public meetings and teleconferences with key stakeholders and members of the public.

Task 3 - Regulatory Review

Through a review of City policies and procedures and interviews of key staff, the consultant researched and gathered information on Missoula's current development regulations, planning and zoning regulations and fees, and housing policies and programs that influence fair housing choice and impediments. ASK staff corresponded via email and/or teleconference with fair housing service providers and agencies to further investigate fair housing policies and potential impediments.

Task 4 - Compliance Data Review

The consultant collected and analyzed all available data relating to compliance with local, state and federal Fair Housing Law, including the Home Mortgage Disclosure Act (HMDA), the Fair Housing Act and the Community Reinvestment Act (CRA). ASK also analyzed fair housing complaints obtained from HUD, and conducted a review of legal cases in the City involving Fair Housing Laws Complaint data. The process of case disposition of any cases was also reviewed for evidence of fair housing practices and impediments to fair housing choice.

Task 5 –Meetings, Internet Surveys, Direct Surveys, and Personal Interviews

Beginning in September 2013, the consultant, along with City staff, conducted online surveys available to all Missoula residents and housing providers/advocates, Realtors and lenders. The survey asked about experiences and perceptions of housing discrimination, knowledge of fair housing laws, utilization of Missoula's housing assistance and social service programs, and opinions about housing and social service needs in the City. In addition to conducting surveys, the consultant and City staff also held public meetings and focus groups in order to secure input. City staff administered the survey instrument at meetings and through local non-profit agencies. The consultant conducted key-person interviews with housing-related stakeholders and City staff.

Task 6 - Identification and Analysis of Impediments

The consultant then analyzed the findings from the first five tasks in order to determine what impediments to fair housing choice exist in Missoula. The consultant

also reviewed impediments identified in both the 2006 and 2010 AIs to define City action taken to address those impediments as well as to define the existing status of the impediments.

Task 7 - Recommendations and Action Planning

In consultation with City staff, the consultant developed a set of recommendations. Actions were recommended to address the identified impediments and then an action plan based on City resources and priorities identified in its Five Year Consolidated Plan and One Year Action Plan was developed. The Department of Grants and Community Programs will coordinate the AI action planning and implementation process.

Task 8 – Implementation Tracking

In consultation with City staff, the consultant developed recommended tracking procedures that would ensure the City meets the goals and actions stated in the AI, which include determining responsibilities for coordination of fair housing activities, recordkeeping, and periodic assessment of efforts. The City will track these efforts for each of the four years following update of the AI.

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Summary of Previous Impediments

The following impediments were identified in the 2010 AI:

- Lack of selected financial mechanisms to promote housing production.
- Lack of understanding of the housing development process.
- Insufficient land properly zoned for residential development.
- Inaccurate public perception of "affordable housing."
- Lack of compatible neighborhood standards for rehab and redevelopment.
- Poor tracking of land use mechanisms for higher residential density.
- Inconsistent and occasionally confusing past public policy.

Summary of Current Impediments Found

I. Public Policy Impediments

1. Zoning restrictions on permanently affordable housing developments creates a concentration of affordable housing options in certain areas and limits new affordable housing development.
2. Zoning regulations and practices limit the siting and availability of housing for persons with disabilities.
3. The inclusion of residential use categories (residential living and group living) in the Zoning Ordinance may limit the availability of adult living facilities in the City.
4. Land use designations and building codes may limit the availability of affordable housing choices and focus multi-family housing on certain neighborhoods.

II. Real Estate Impediments

5. Shortage of accessible housing units.
6. Inadequate incentives and increased costs, due to regulations limiting the number of affordable housing units for families with children.
7. Possible fair housing violations in real estate advertising.
8. Substandard rental housing units available to low income members of protected classes.

III. Banking and Lending Impediments

9. Credit issues limiting the ability of members of the protected classes to qualify for homeownership or rental.

IV. Fair Housing Education and Awareness Impediments

10. Lack of awareness of fair housing laws and of a fair housing officer.

II. COMMUNITY PROFILE

Introduction

Because the 2010 U.S. Census holds the most current Census data available, this Census and its information was used and consulted when available and possible. Some areas of data-gathering, however, require use of the ACS, which provides much of the same information but not always at the same lowest geographic levels. Both the 2010 Census and 2012 ACS were utilized in preparation of this report. Additionally, a variety of other highly regarded data, including Home Mortgage Disclosure Act (HMDA) data, RealtyTrac data service, official City of Missoula planning and reporting documents, and direct communication with local agencies were used. Overall, the data paints a revealing and fair portrait of the community and housing conditions therein.

The preceding data indicates an overall increase in Missoula's population from 57,053 people in 2000 to 66,788 people in 2010 (2000 and 2010 U.S. Census). The Black/ African American population grew by 145 persons, the Asian population by 106 persons, the American Indian population by 497 persons, the Multi-Racial population grew by 784 persons, and the Hispanic or Latino Origin population grew by 939 persons. While these are not significant increases, the overall demographic shifts reflect an increased need for fair housing education as population changes occur.

Map #1 below shows the City's census tracts boundaries while Map #2 shows the low- and moderate-income block groups as defined by HUD for 2013. Map #3 shows the low- and moderate-income block groups overlaid with percentage of minority populations. While minority populations in the City of Missoula are somewhat statistically significant, there is distribution of these populations across the City, with higher percentages in low- and moderate-income census block groups.

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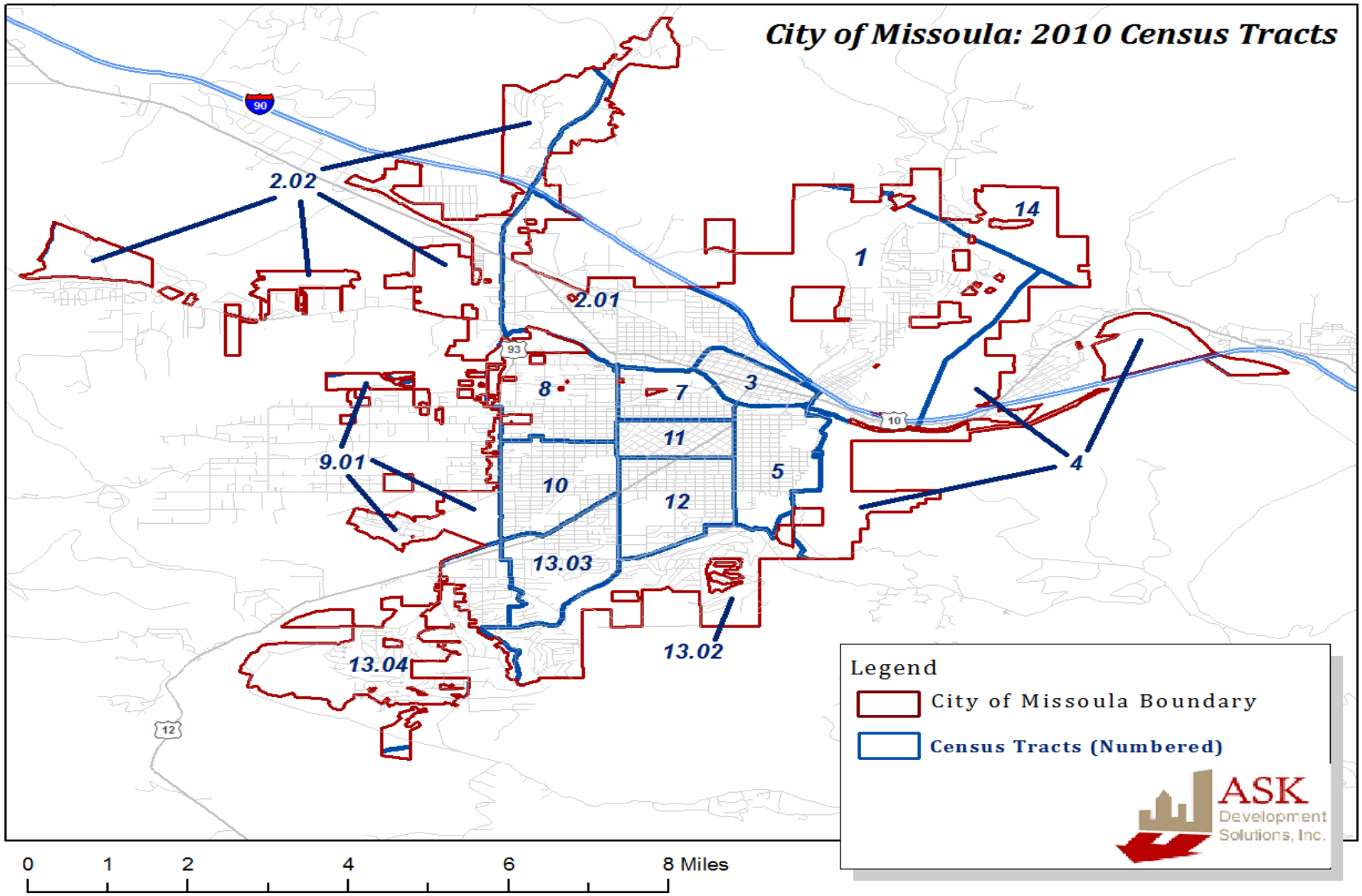
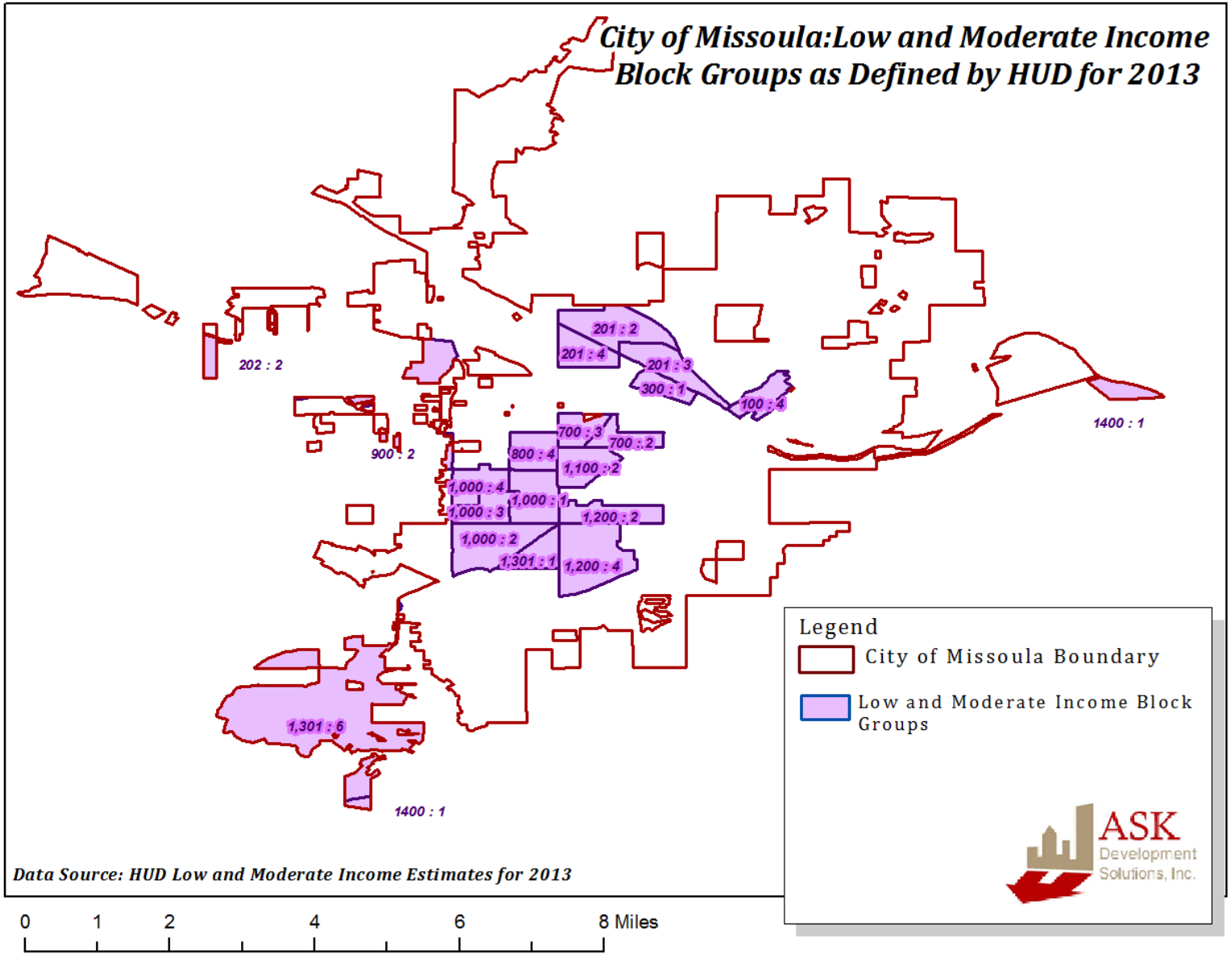
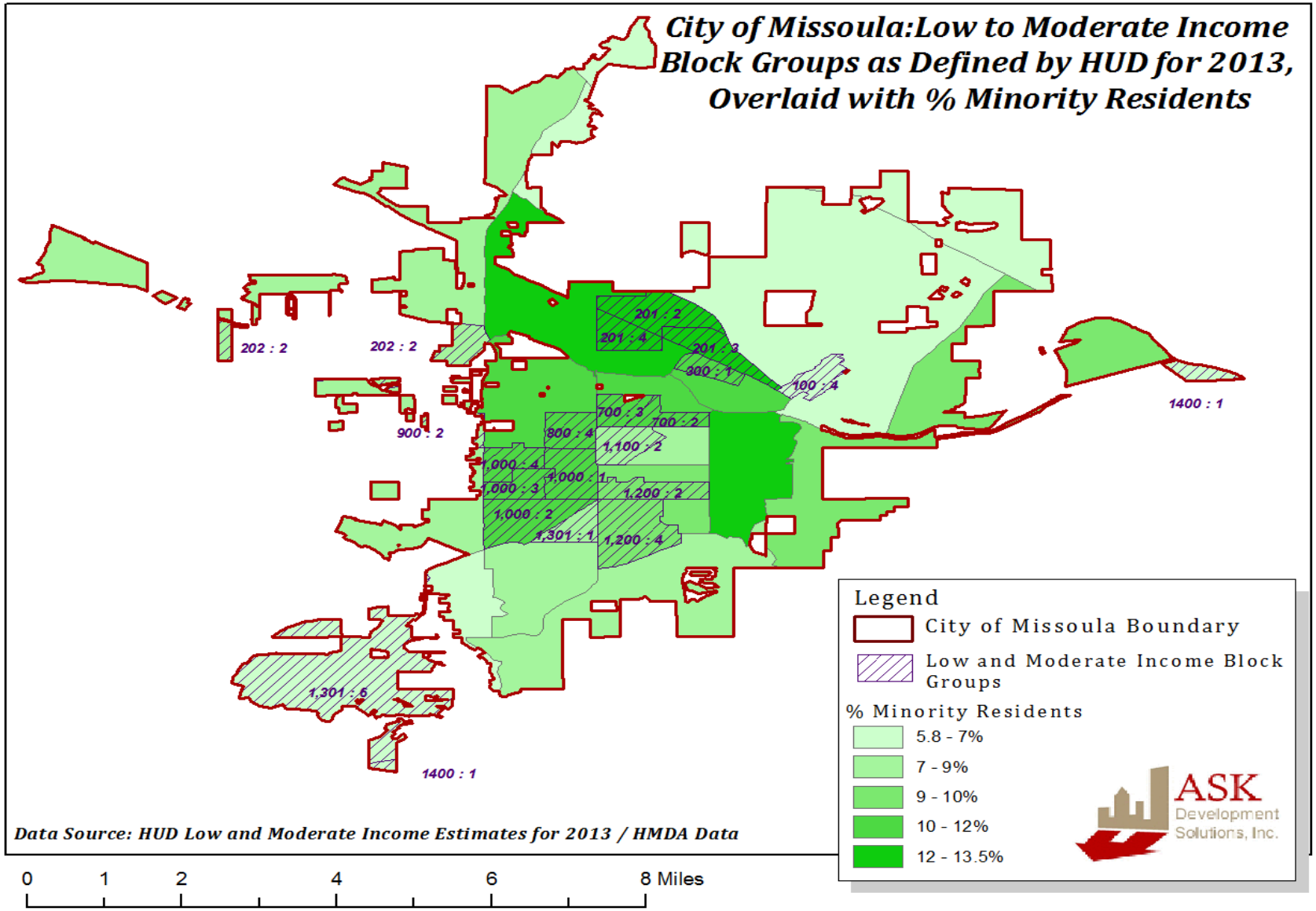
Map 1- Missoula 2010 Census Tracts



Map 2 –Missoula Low- and Moderate- Income Block Groups 2013



Map 3 – Missoula Low- to Moderate-Income Block Groups with % Minority Residents



Population, Race, and Ethnicity

The City of Missoula had a total population of 66,788 at the time of the 2010 Census. The 2000 Census reflects a population of 57,053. Missoula had a population increase over the ten year period of 9,735 persons from 2000 to 2010. According to the 2010 Census, the racial makeup of the community was primarily White (92.1%), but also included populations identifying themselves as Black/African-American (0.5%), American Indian/Native American and Alaska Native (2.8%), Asian (1.2%), and other races, including Two or More (2.8%). Almost 3% (1,943) of Missoula's population identified themselves as being of Latino or Hispanic origin. The following table identifies the census count changes for the City of Missoula from 2000 to 2010, showing an overall increase in all population groups.

Table 1- Population, Race, and Ethnicity 2000 and 2010 Census Count Changes, Missoula

	2000 Population	% of Total 2000 Population	2010 Population	% of Total 2010 Population	2000 to 2010 Change	% Change
Total Population	57,053	100%	66,788	100%	↑ 9,735	↑ 17%
American Indian/Native American and Alaska Native	1,341	2.4%	1,838	2.8%	↑ 497	↑ 37%
Asian	703	1.2%	809	1.2%	↑ 106	↑ 15%
Black/African American	207	0.4%	352	0.5%	↑ 145	↑ 70%
White	53,387	93.6%	61,534	92.1%	↑ 8,147	↑ 15%
Two or More Races	1,068	1.9%	1,852	2.8%	↑ 784	↑ 73%
Hispanic or Latino Ethnicity	1,004	1.8%	1,943	2.9%	↑ 939	↑ 94%
Male	28,352	49.7%	33,332	49.9%	↑ 4,980	↑ 18%
Female	28,701	50.3%	33,456	50.1%	↑ 4,755	↑ 17%

Source: 2000 and 2010 U.S. Census

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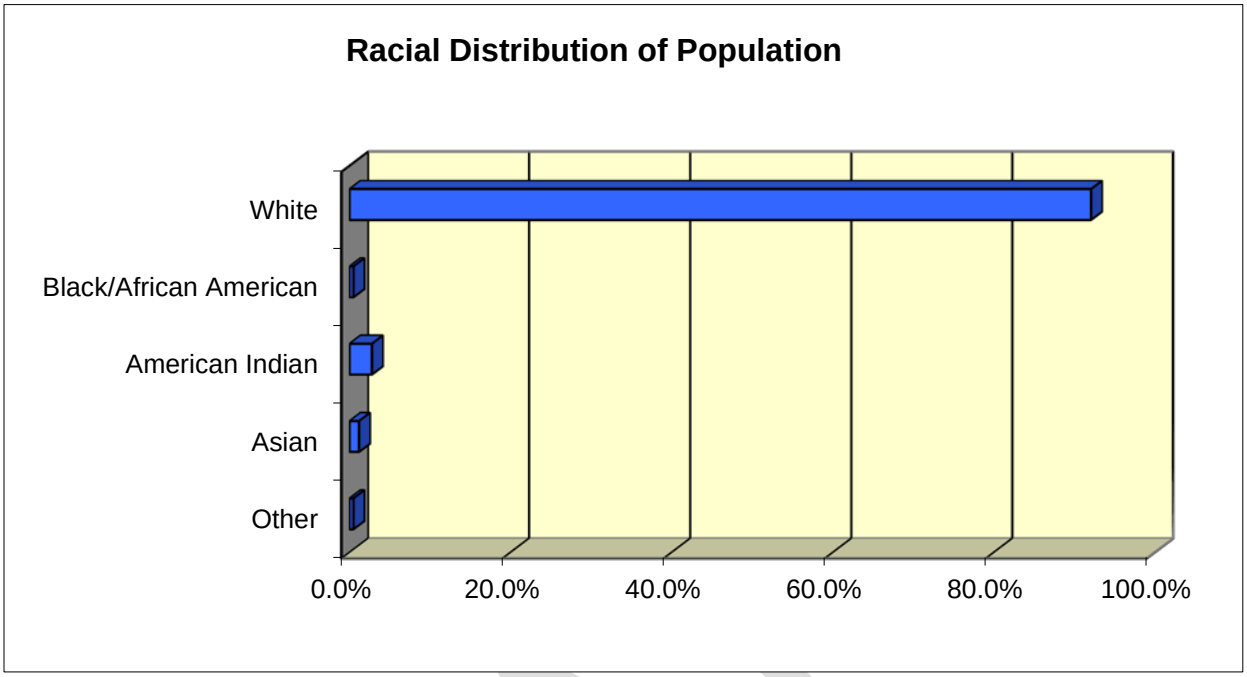
Figure 1- Racial Distribution of Population

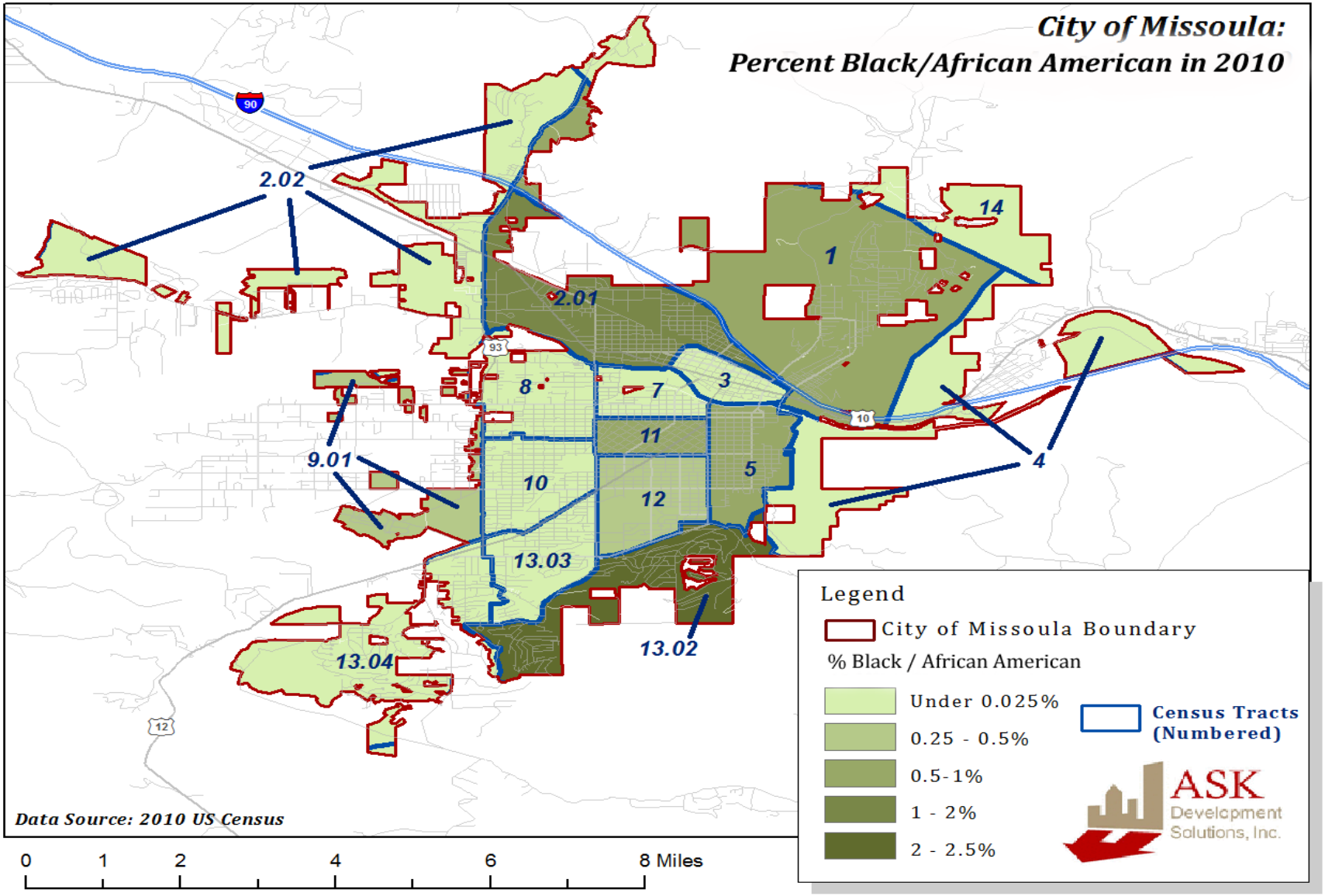


Source: 2010 U.S. Census

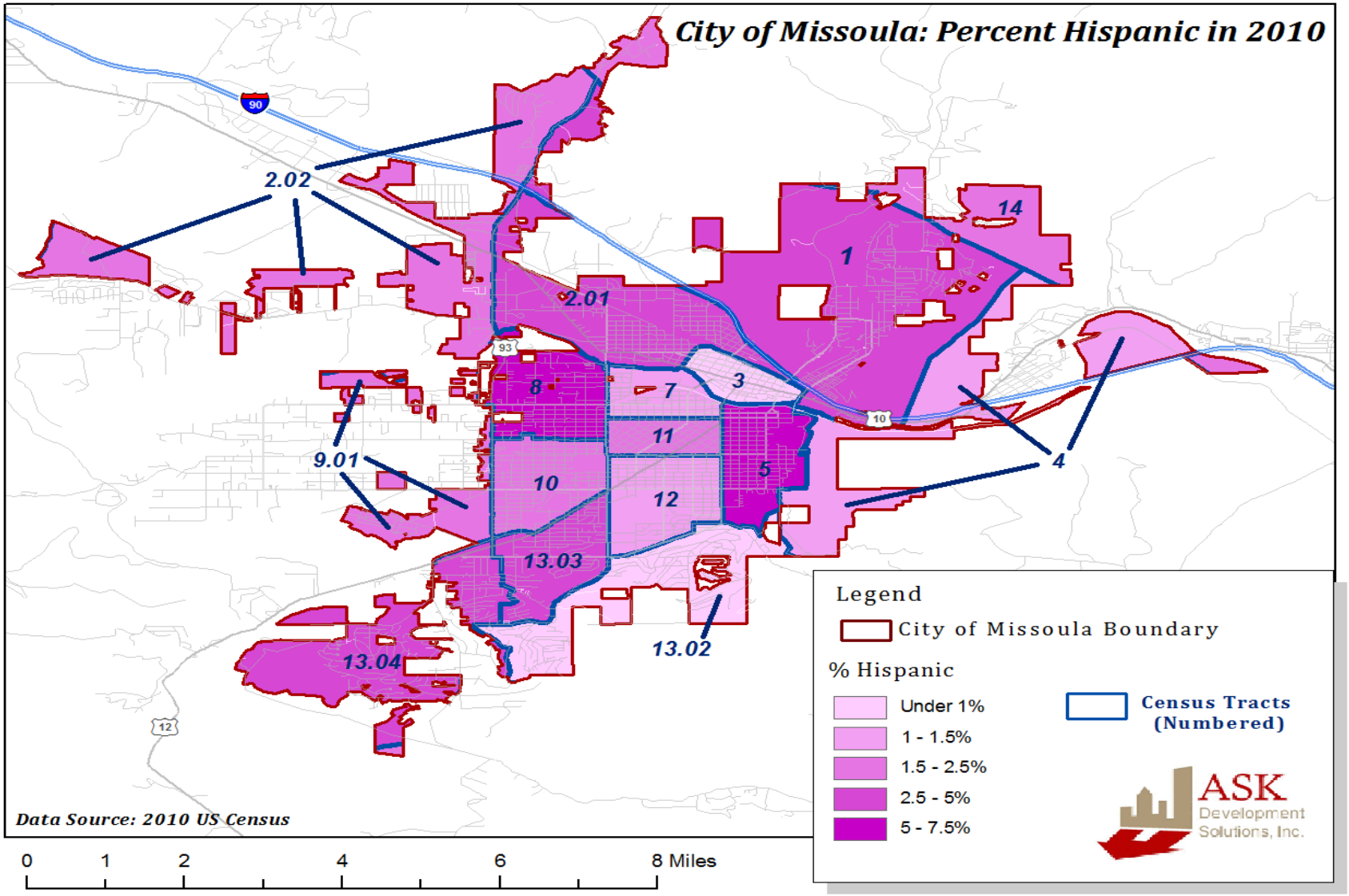
The figure above depicts the racial distribution within the City of Missoula, according to the 2010 Census. In addition, 97% of the people living in Missoula between 2010 and 2012 were native to the United States. Forty-seven percent (47%) of these residents were born in Montana. Three percent (3%) of the people living in Missoula between 2010 and 2012 were foreign born. Of the foreign born population, 43% were naturalized U.S. citizens, and 72% entered the country before the year 2010. Twenty-eight percent (28%) of the foreign born residents entered the country in 2010 or later.

Maps #4, #5 and #6 on the following pages show the distribution of the main minority populations of Black/African Americans and American Indian/Native Americans. Due to the small relative population sizes, the population distribution may not be significant. Black/African Americans have the highest population concentrations in census tracts 13.02 and 2.01, and American Indian/Native Americans have the highest representation in tracts 8, 5, 14, and 2.01. The maps also show that persons of Latino or Hispanic ethnicity have the highest population concentration in census tracts 5 and 8.

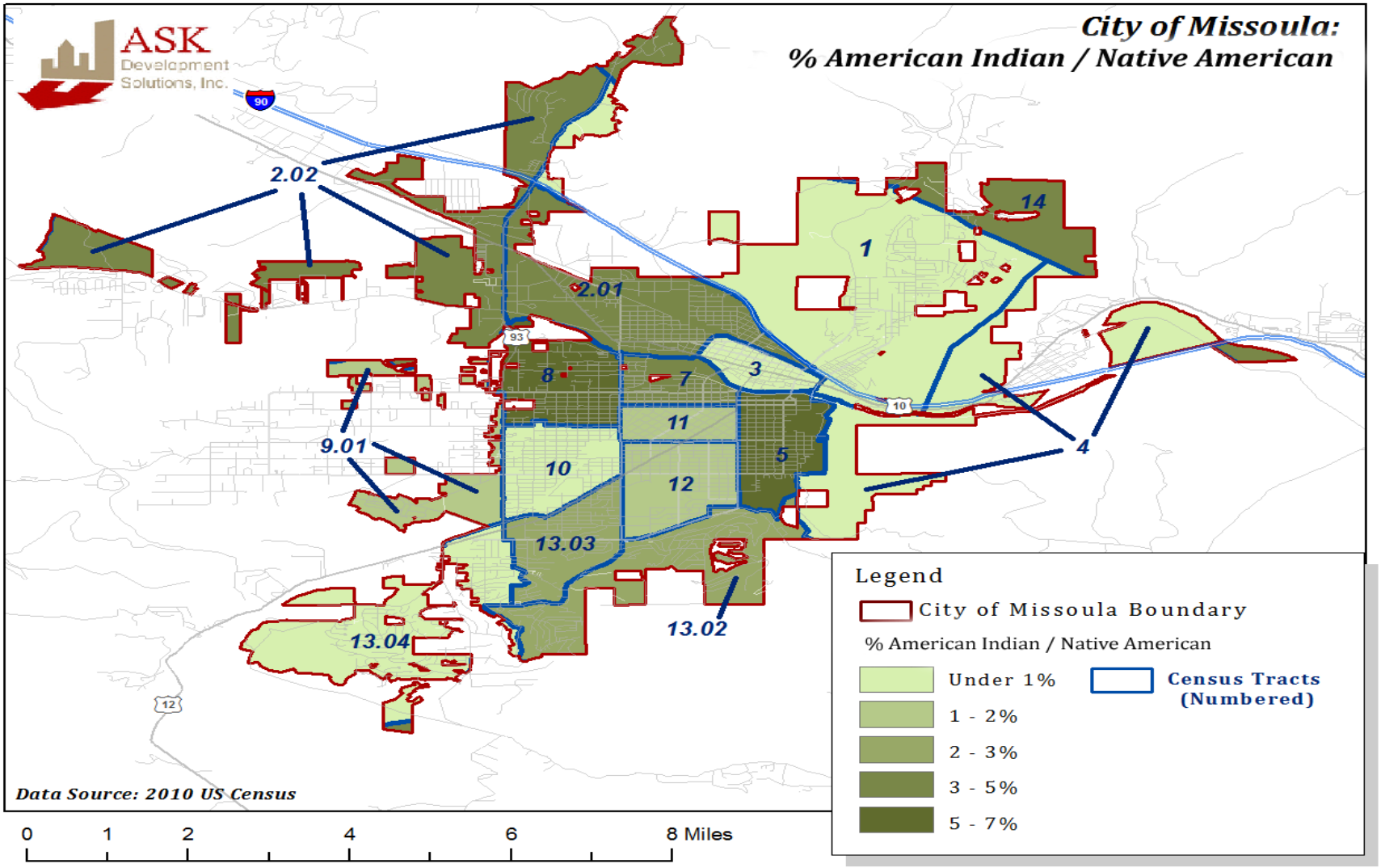
Map 4 - Missoula Percent Black/African American 2010



Map 5 – Missoula Percent Hispanic 2010



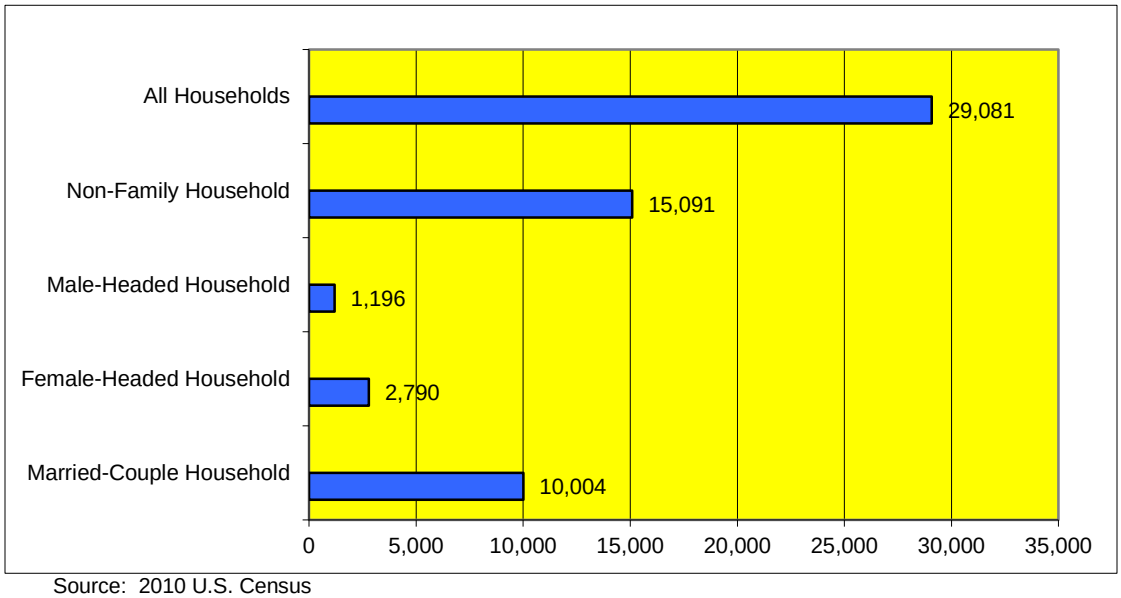
Map 6 – Missoula Percent American Indian/Native American 2010



Household Characteristics

Since the 2000 Census, average household size has declined slightly from 2.23 persons per household (2000 Census) to 2.18 persons per household (2010 Census). According to the 2010 U.S. Census, among Missoula's 29,081 households, family households represented 48.1% of all households (13,990), including: 10,004 (34.4%) married couple families; 1,196 (4.1%) male-headed households; and 2,790 (9.6%) female-headed households. Non-family households comprised a significant amount at 51.9% (15,091) of all households. According to the U.S. Census Bureau, a family consists of two or more people (one of whom is the householder) related by birth, marriage, or adoption residing in the same housing unit. A household consists of all people who occupy a housing unit regardless of relationship. A household may consist of a person living alone, or multiple unrelated individuals or families living together. The information regarding households in Missoula is depicted in the figure below.

Figure 2 - Missoula Household Types among All Households



Source: 2010 U.S. Census

According to the 2012 ACS, (U.S. Census Bureau), married-couple households were most often homeowners at 30.1% (8,814) of all households, followed by non-family households at 12.6% (3,693). In terms of homeownership, female-headed householders (725) exceeded the number of male-headed householders (656).The married-couple household rate of homeownership (30.1%) exceeded the respective rental rate (12.6%). Male-headed householders were likely to be owners, and female-headed householders were more likely to be renters. The largest group of renters was non-family households (10,260 or 34.9% of all households). Table 2 below shows a breakdown of Missoula households by type and tenure.

Table 2 - Missoula Household Type by Tenure

Household Type	Home Owners	Home Renters
Total Households (Own and Rent)	**29,323**	
Married Couple Families HH	**8,814 (30.1%)**	**3,692 (12.6%)**
Male-Headed HH	**656 (2.2%)**	**375 (1.3%)**
Female-Headed HH	**725 (2.5%)**	**1,108 (3.8%)**
Non-Family HH	**3,693 (12.6%)**	**10,260 (34.9%)**

Source: 2012 American Community Survey, U.S. Census Bureau

In focus groups and key person interviews with fair housing agencies, a common theme was that one of the protected classes likely to be disparately affected by impediments to fair housing choice was single-parent households. In Maps #7 and #8 below, the distribution of households that are more susceptible to discrimination based on familial status was shown, along with the areas in which overcrowding as defined by HUD would have the highest impact. There is a larger representation of single parent households within the low- and moderate-income census block groups. The implication of this distribution is that single parent households are more disparately impacted by low income, poor housing conditions, poverty, and other factors that limit fair housing choice. There is also a higher incidence of overcrowding in the same census block groups.

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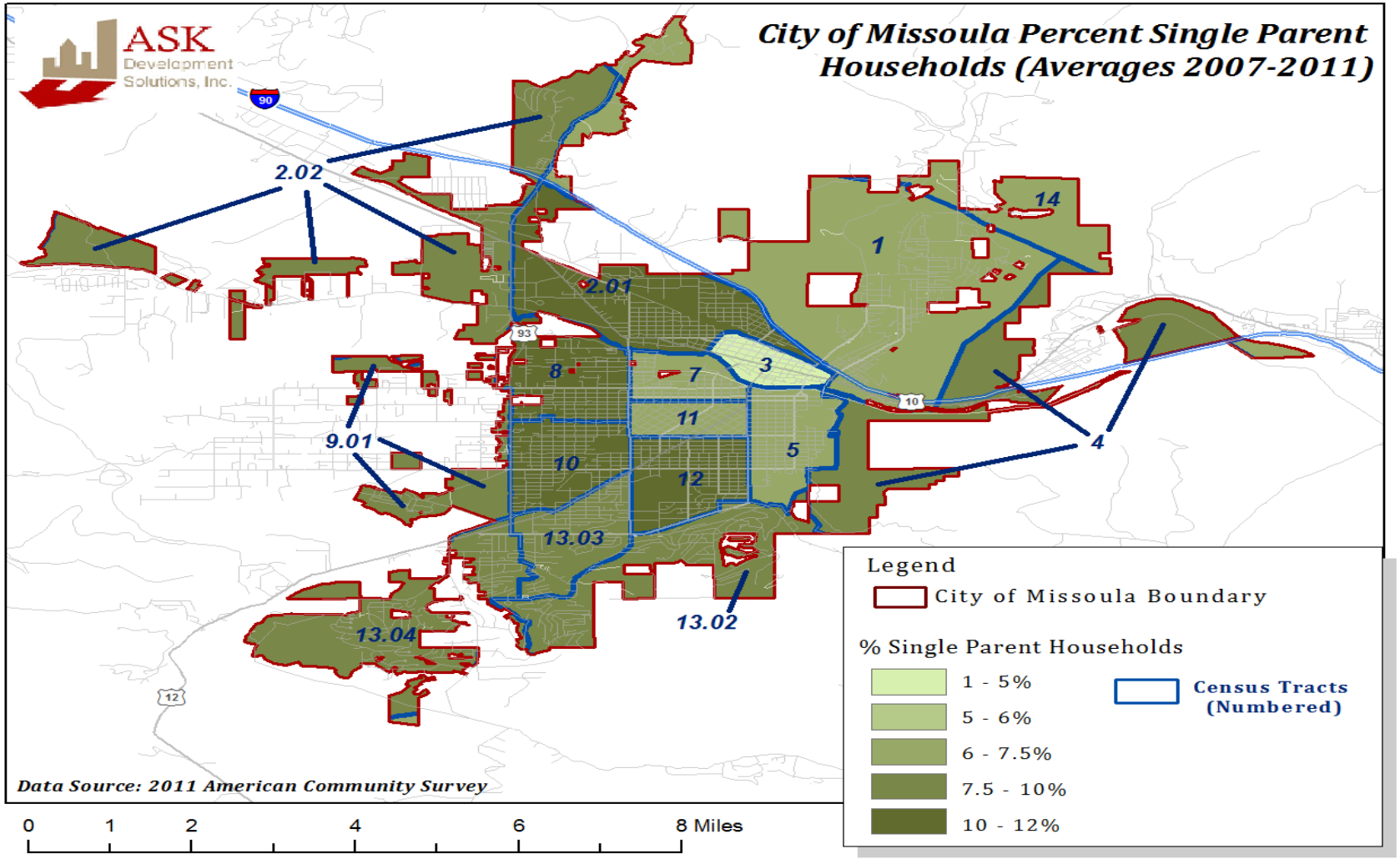
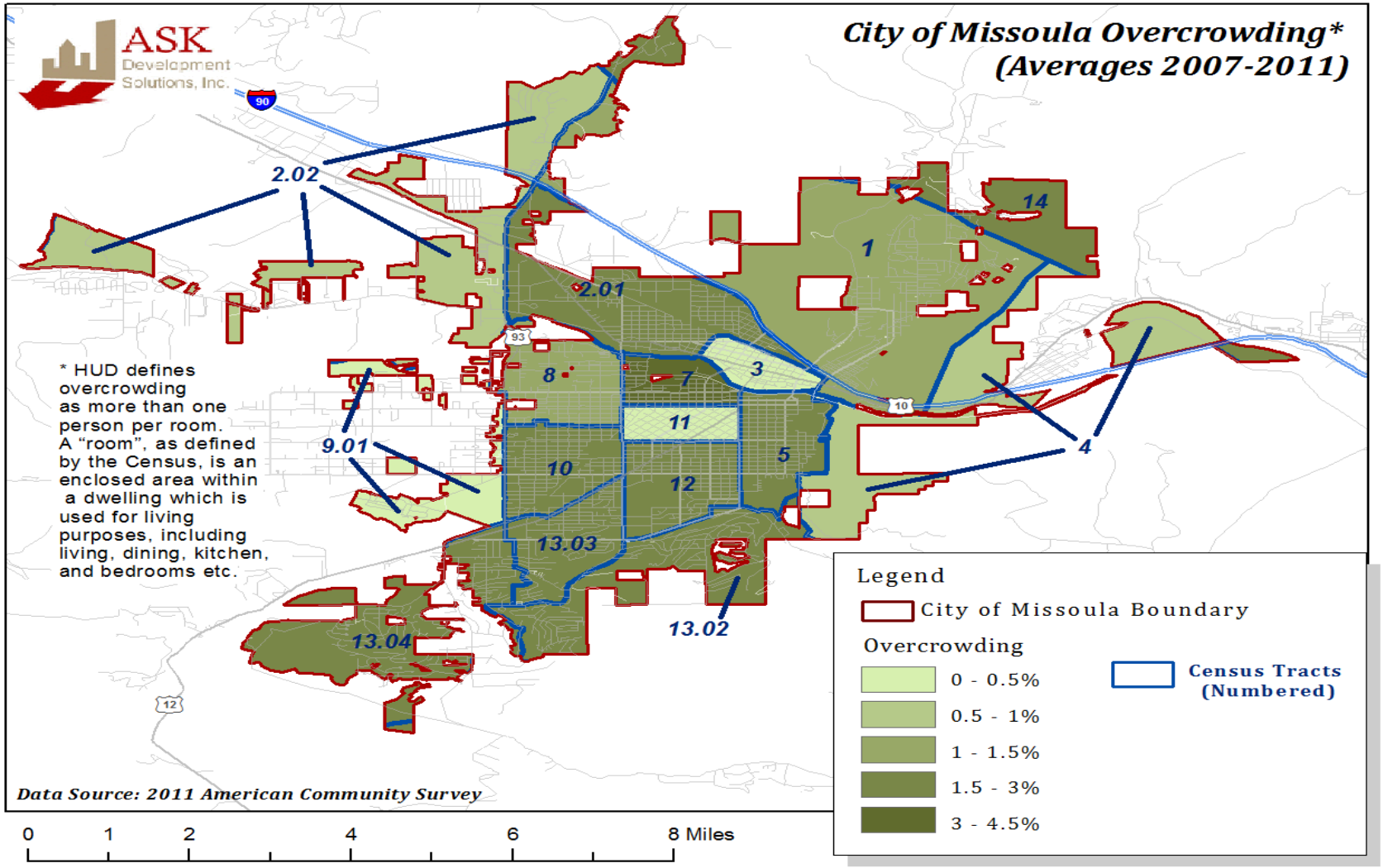
Map 7 – Missoula Percent Single Parent Households 2011



Map 8 – Missoula Overcrowding 2011



Income, Education, and Employment

Income Characteristics

The City of Missoula is located in the HUD Missoula, Montana Metropolitan Statistical Area (MSA). The Missoula, MT MSA contains Missoula County, Montana. HUD's 2014 Income Limits for the Missoula, MT MSA defined Extremely Low (30%) Income Limits as those in a household size of four earning no more than $17,950; Very Low Income (50%) Income Limits as those earning no more than $29,950; and Low Income (80%) Income Limits as those earning no more than $47,900. All figures contained in Table #3 below are based on a median household size of four (4) and a 2012 Area Median Income of $59,900 for the MSA (area larger than Missoula city limits). Although Income Limits were available from HUD for other years, 2012 data was used for comparison with 2012 ACS data.

Table 3 - Missoula, MT MSA Income Limits Summary

FY 2012 Income Limits Summary

FY 2012 Income Limit Category	1 Person Household	2 Person HH	3 Person HH	*4 Person* HH	5 Person HH	6 Person HH	7 Person HH	8 Person HH
Extremely Low (30%) Income Limits	$12,600	$14,400	$16,200	***$17,950***	$19,400	$20,850	$22,300	$23,700
Very Low (50%) Income Limits	$21,000	$24,000	$27,000	***$29,950***	$32,350	$34,750	$37,150	$39,550
Low (80%) Income Limits	$33,550	$38,350	$43,150	***$47,900***	$51,750	$55,600	$59,400	$63,250

According to the 2012 American Community Survey (ACS), the median household income in the City of Missoula was $42,134, an increase of approximately 40% over that of 2000 ($30,366). This reflects a lower 2012 ACS median household income than that of Missoula County ($45,595) and the State of Montana ($45,076).

The 2012 ACS further illustrates that of the total 29,323 households in Missoula, 32.8% (9,628) earned less than $25,000 annually, with another 23.8% (6,971) earning between $25,000 and $50,000. Less than half of all households (43%) earned incomes in the middle and upper brackets in 2011, with over 20% (5,887) earning between $50,000 and $75,000; 9.2% (2,685) having earned between

$75,000 and $100,000; and 14.2% (4,152) having earned $100,000 and up. Table 4 below gives an additional breakdown of income levels in the City of Missoula.

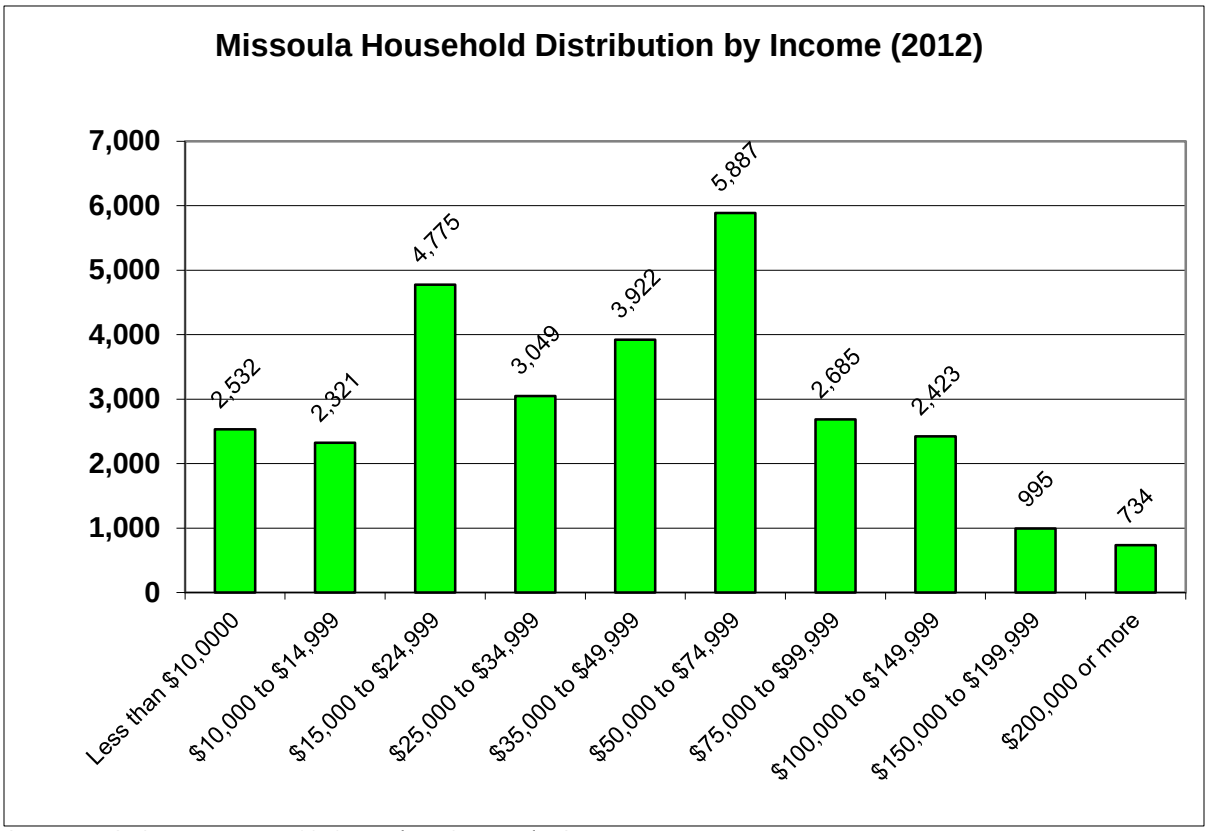
Table 4 - Missoula Household Income Levels

INCOME LEVEL	# OF HOUSEHOLDS	% OF HOUSEHOLDS
Less than $10,000	2,532	8.6
$10,000 to $14,999	2,321	7.9
$15,000 to $24,999	4,775	16.3
$25,000 to $34,999	3,049	10.4
$35,000 to $49,999	3,922	13.4
$50,000 to $74,999	5,887	20.1
$75,000 to $99,999	2,685	9.2
$100,000 to $149,99	2,423	8.3
$150,000 to $199,999	995	3.4
$200,000 or more	734	2.5

Source: 2012 American Community Survey, U.S. Census Bureau

The following figure depicts the income distribution of all households in the City.

Figure 3 – Missoula Household Distribution by Income 2012

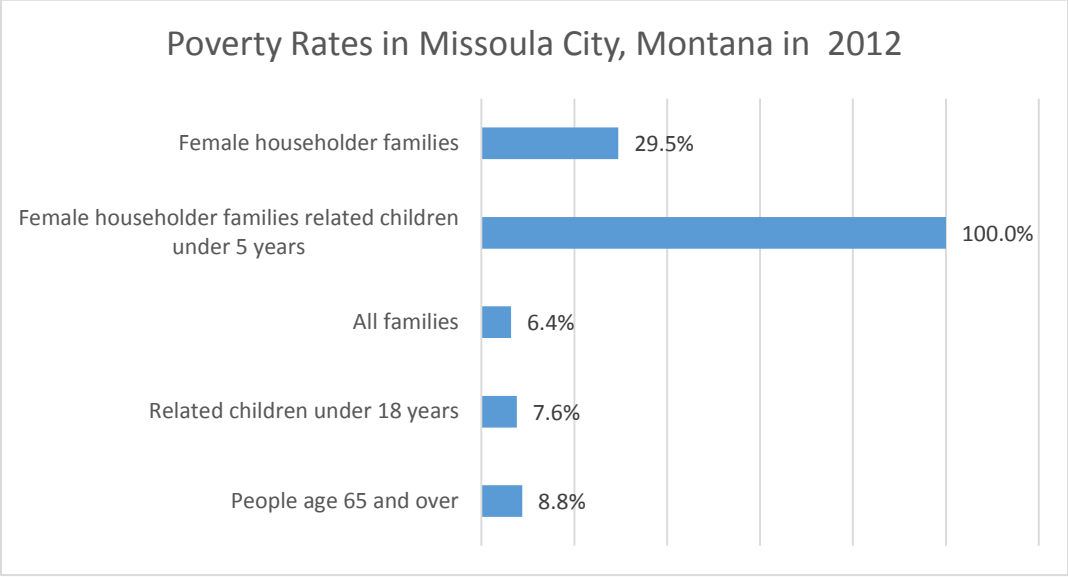


Source: U.S. Census Bureau, 2012 American Community Survey

Per the 2012 ACS, 15.6% of Missoula's 68,386-person population had incomes below the poverty level within the previous 12 months, reflecting a decrease from 2000 Census figures noting 19.7% of the population as being below the poverty level. In 2012, persons ages 65 years and over experienced a poverty rate of 8.8%. The rate of poverty for all families in Missoula was 6.4%, while married-couple households had a significantly lower poverty rate at 3.1%. Female-headed households with children experienced poverty at the greatest rate of all groups, measured at 29.5%, particularly in proportion to their incidence in the total population (9.6% of all households). Within that grouping, 100% of all families with a female head of household and children under age five had incomes below the poverty level. This reflects an impediment to fair housing choice, and this group should be seriously considered when targeting City programs and assistance with housing choice. In 2012, approximately 21.2% of Missoula's household population received Social Security income. An additional 12.7% received other public assistance such as SSI, cash public assistance income, or Food Stamp/ Special Needs Assistance Program (SNAP) benefits. Figure 4 and Table 5 below further illustrate the data regarding poverty status within Missoula.

Table 5 breaks down the poverty rate based on individuals and families. The poverty level for all persons was higher (15.6%) than for all families (6.4%). The rates were highest among people with related children under five years old and families with children whether in a single parent household or female householder with no husband present. This further reinforces the disparate impact of poverty on persons who have been subjected to discrimination based on familial status.

Figure 4 – Poverty Rate in Missoula, 2012



Source: 2012 American Community Survey, U.S. Census Bureau

Table 5 – People below the Poverty Level

People Whose Income in the Past 12 Months is below the Poverty Level 2012, Missoula, Montana

All People	**15.6%**
Under 18 Years	7.7%
Related Children Under 18 Years	7.6%
Related Children Under 5 Years	14.8%
Related Children 5 to 17 Years	3.7%
18 Years and Over	17.4%
18 to 64 Years	18.8%
65 Years and Over	8.8%
People in Families	5.9%
Unrelated Individuals 15 Years and Over	35.6%

Source: 2012 American Community Survey, U.S. Census Bureau

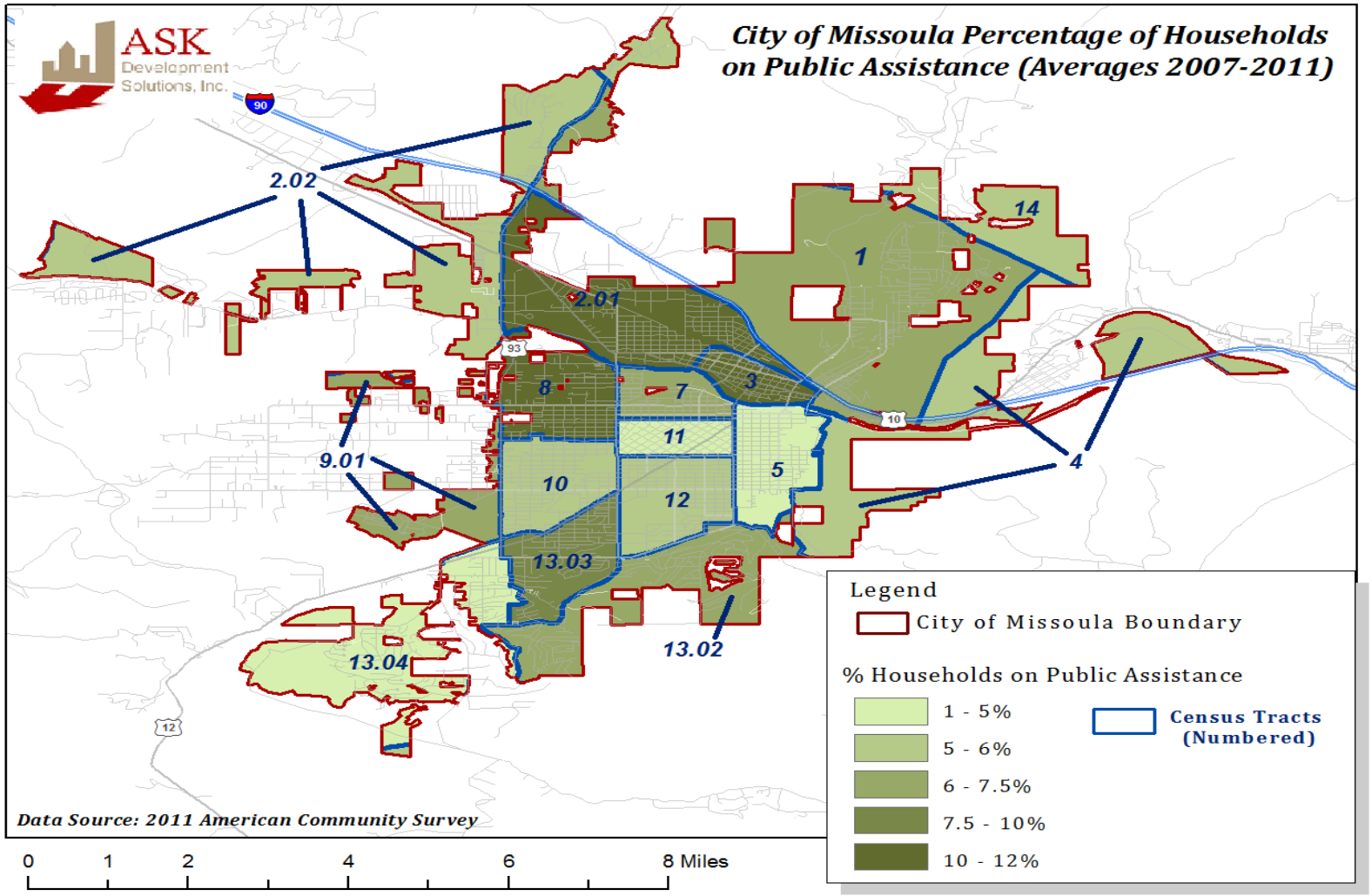
Families Whose Income in the Past 12 Months is below the Poverty Level 2012, Missoula, Montana

All Families	**6.4%**
With Related Children Under 18 Years	8.7%
With Related Children Under 5 Years Only	24.5%
Married Couple Families	3.1%
With Related Children Under 18 Years	4.3%
With Related Children Under 5 Years Only	6.7%
Families With Female Householder, No Husband Present	29.5%
With Related Children Under 18 Years	31.7%
With Related Children Under 5 Years Only	100.0%

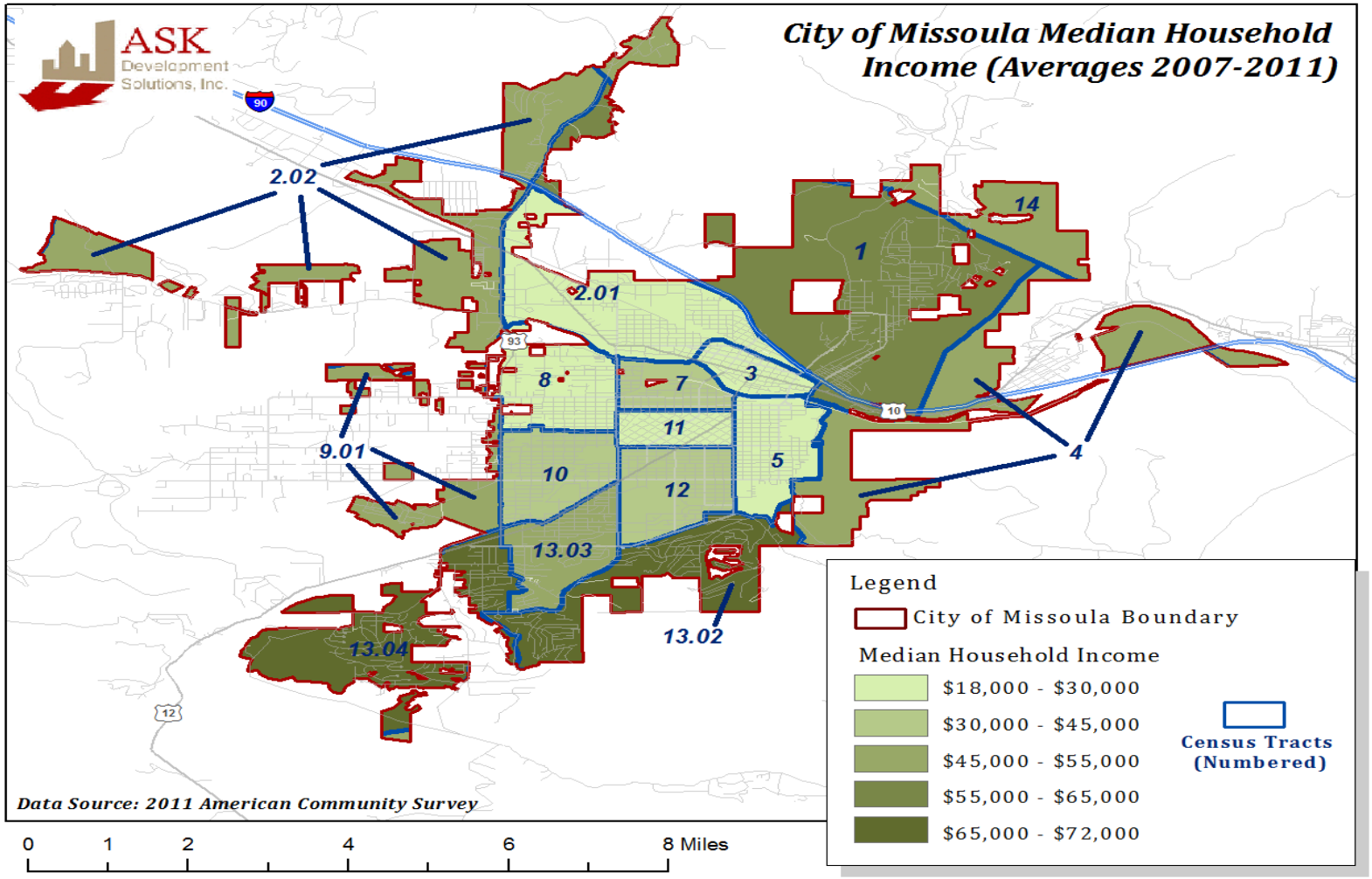
Source: 2012 American Community Survey, U.S. Census Bureau

In Maps #9, #10 and #11 below, the distribution of families receiving public assistance, median household income distribution in the City, and the poverty rate demonstrate correlations with low- and moderate-income areas. Persons receiving financial assistance may receive benefits including food stamps from the Supplemental Nutrition Assistance Program (SNAP) and other forms of assistance such as rental assistance, free health care, and child care.

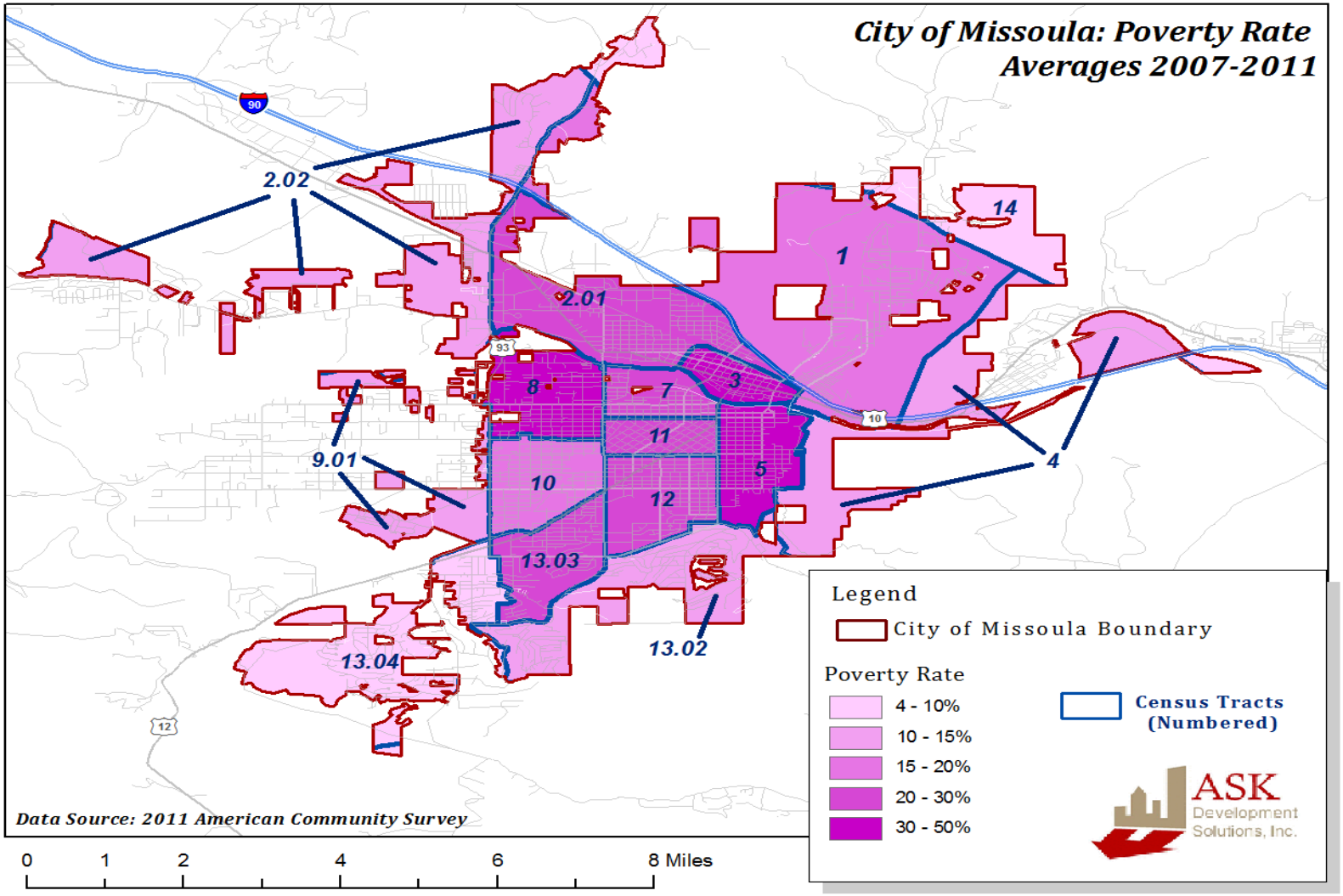
Map 9 –Missoula Percentage of Households on Public Assistance 2011



Map 10 – Missoula Median Household Income 2011



Map 11 – Missoula Poverty Rate 2011



State of Montana – Public Assistance

According to the 2011 Montana Poverty Report Card (Montana Department of Public Health and Human Services and Montana State University Extension), the individual poverty rate in Montana has remained above 14% since 2005. At the time of the 2011 Poverty Report Card, Montana had a higher poverty rate than the U.S. dating back to 1995. The highest poverty rate occurred in 1995 (15.8%) and the lowest poverty rate was realized in 2000 (13.3%). The U.S. poverty rate in 1995 was 13.8% and in 2000 was 11.3%. In 2009, the Montana poverty rate was 0.7% higher than the U.S. poverty rate of 14.3%. In 2009, Montana had an estimated 142,000 people living in poverty. In Montana, the percentage of individuals receiving SNAP increased from 7.2% in 2002 to 9.0% in 2010; and total expenditures on SNAP increased over three-fold from $56.4 million in 2002 to $170.2 million in 2010. According to the 2012 ACS, the poverty rate in Montana is 15.5% compared to the U.S. poverty rate of 15.9%.

Educational Attainment

As a variable, education is important to fair housing choice, since the level of education increases employability, and greater earning opportunities increase housing choice. Many landlords now require income of three times the rent, which is difficult for single parent households at poverty level. According to the 2012 ACS, 16% of persons in Missoula 25 years and over had at least graduated from high school (including equivalency), 32% had a bachelor's degree, and 20% had a graduate or professional degree. Of the same population (25 years and older), 1% had less than a 9th grade education, and 3% received some high school education without a diploma. Figure 5 below illustrates educational attainment categories within Missoula.

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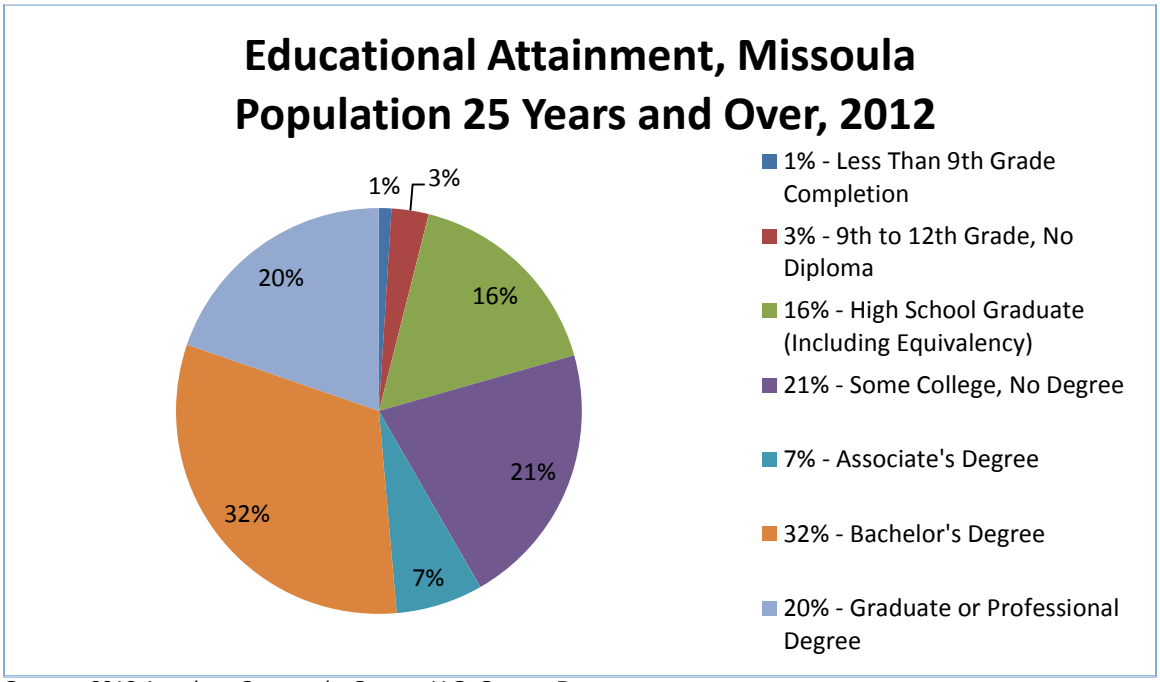
Figure 5 – Education Attainment, Missoula 2012



Source: 2012 American Community Survey, U.S. Census Bureau

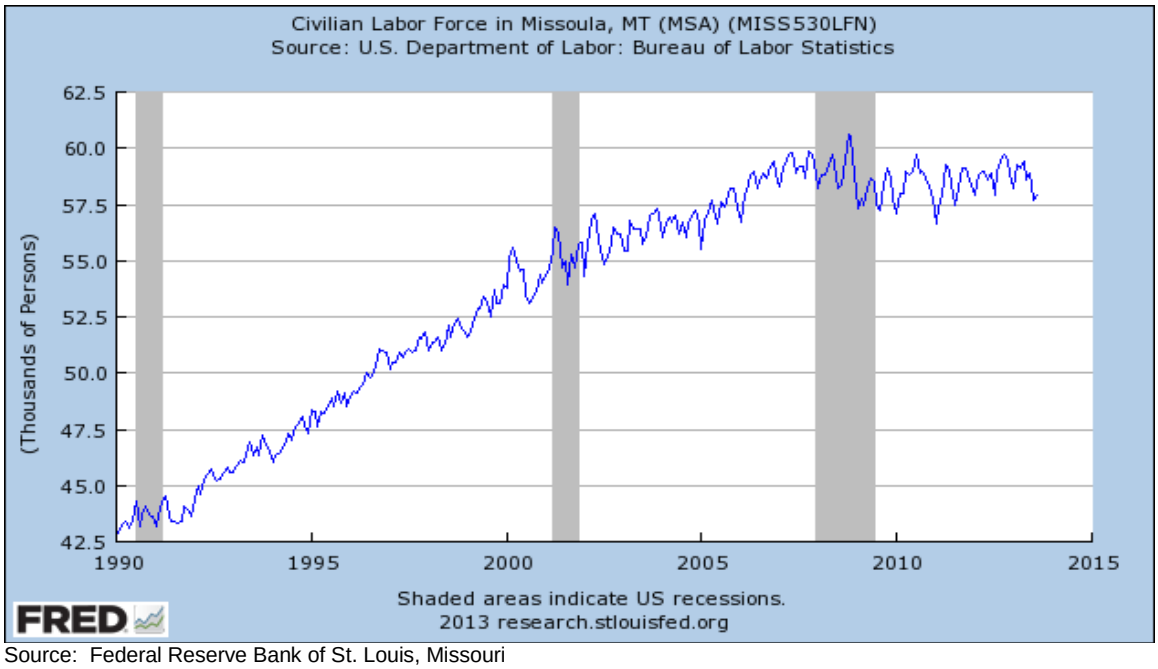
The total school enrollment for the population aged three years and over in Missoula was 16,737 in 2012 (ACS). Nursery school/preschool and kindergarten enrollment was 2,023 and elementary through high school enrollment was 7,265 children. College or graduate school enrollment was 11,403.

Employment

As of 2012, Missoula's population aged 16 years and over numbered 57,197 persons, of which approximately 70.6% (40,358) were in the labor force and 64.5% (36,872) were employed. This reflects some change since 2000 (U.S. Census) when Missoula had 46,882 persons aged 16 and over. In 2000, 70.1% (32,866) of those persons were in the labor force and 64.8% (30,391) were employed.

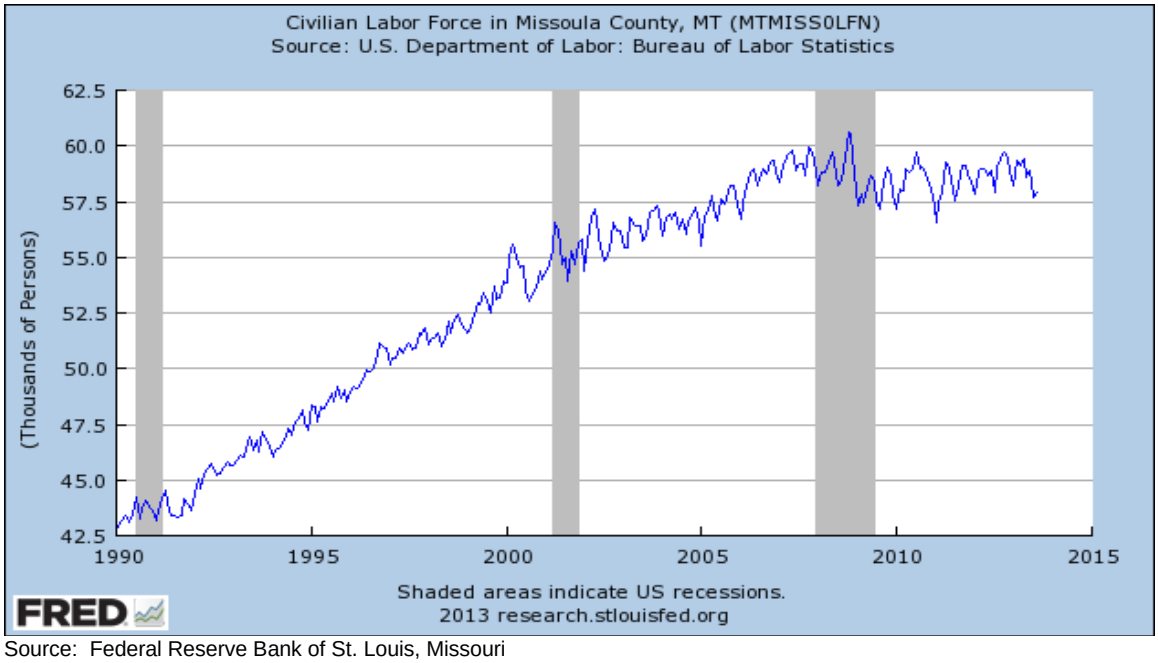
The following figures give a larger view of the labor force changes within the Missoula MSA, as well as Missoula County and the State of Montana, from 1990 to present.

Figure 6 - Civilian Labor Force, 1990-Present Missoula, Montana MSA



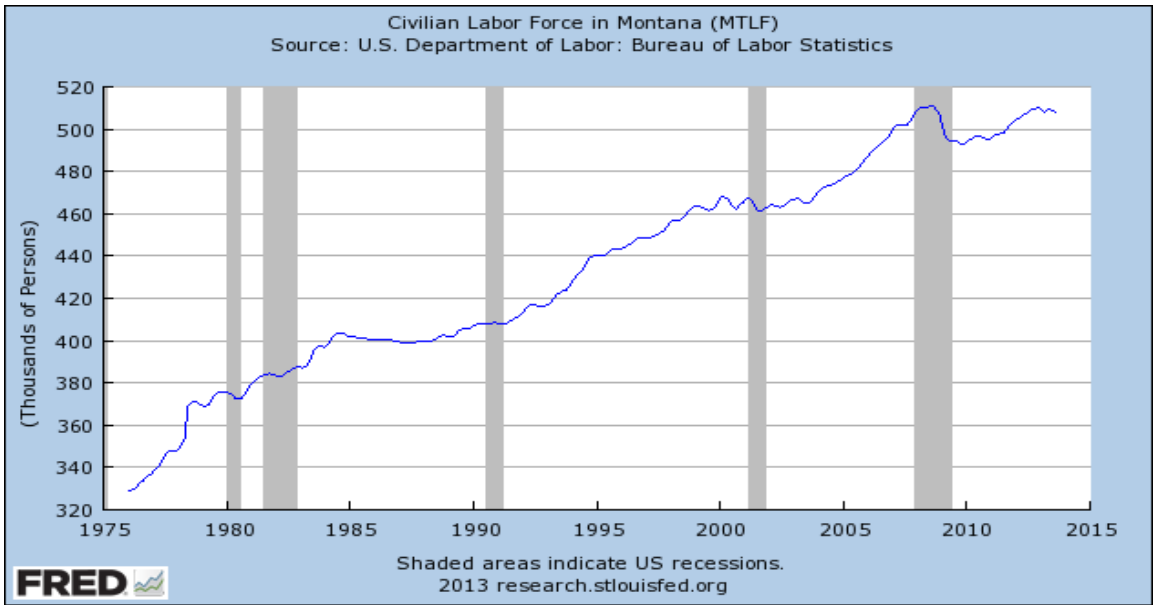
Source: Federal Reserve Bank of St. Louis, Missouri

Figure 7 – Civilian Labor Force, Missoula County, Montana



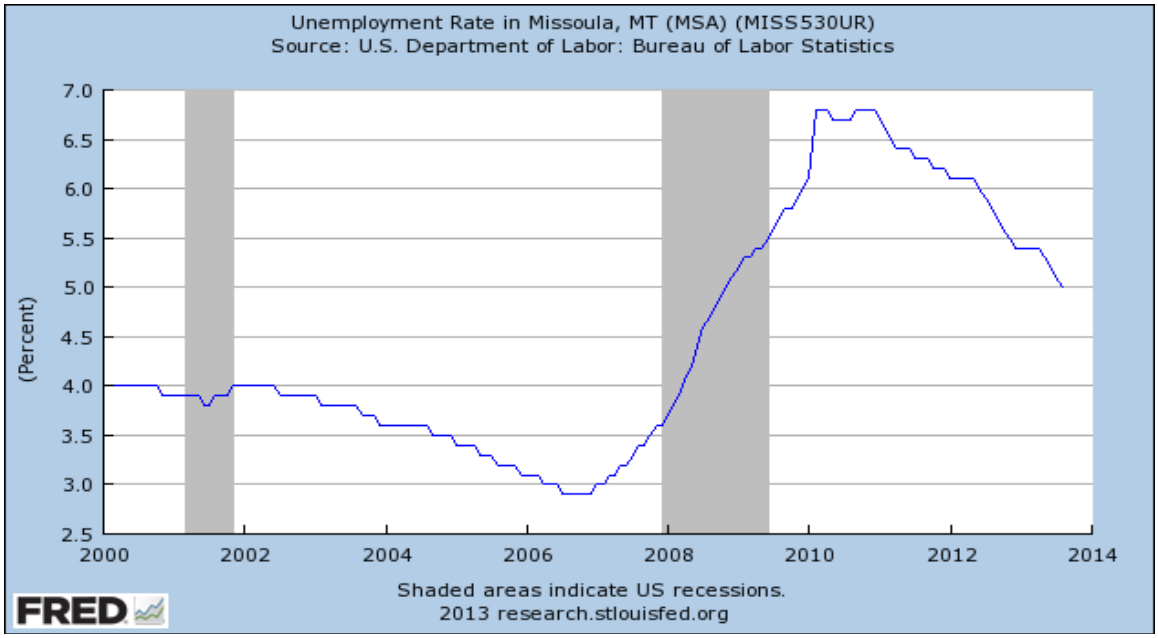
Source: Federal Reserve Bank of St. Louis, Missouri

Figure 8 – Civilian Labor Force State of Montana



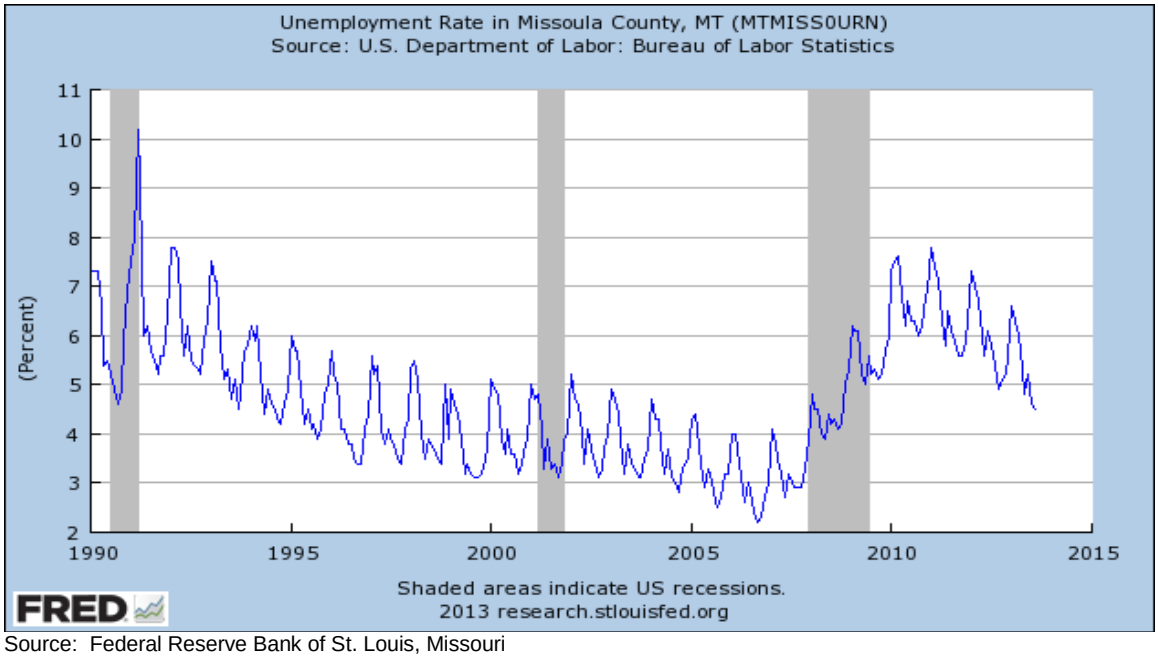
The recent national economic downturn affected the Missoula area like many other cities, with unemployment in Missoula rising to 6.8% in September 2010 and reported at 5.0% for August 2013. The State of Montana exhibited the same September 2010 peak unemployment rate of 6.8%, and is currently reporting slightly higher rates than Missoula at 5.3% for August 2013 (U.S. Bureau of Labor Statistics). Further illustration of these regional trends can be found in the following figures.

Figure 9 - Unemployment Rate, 2000-Present Missoula, Montana MSA



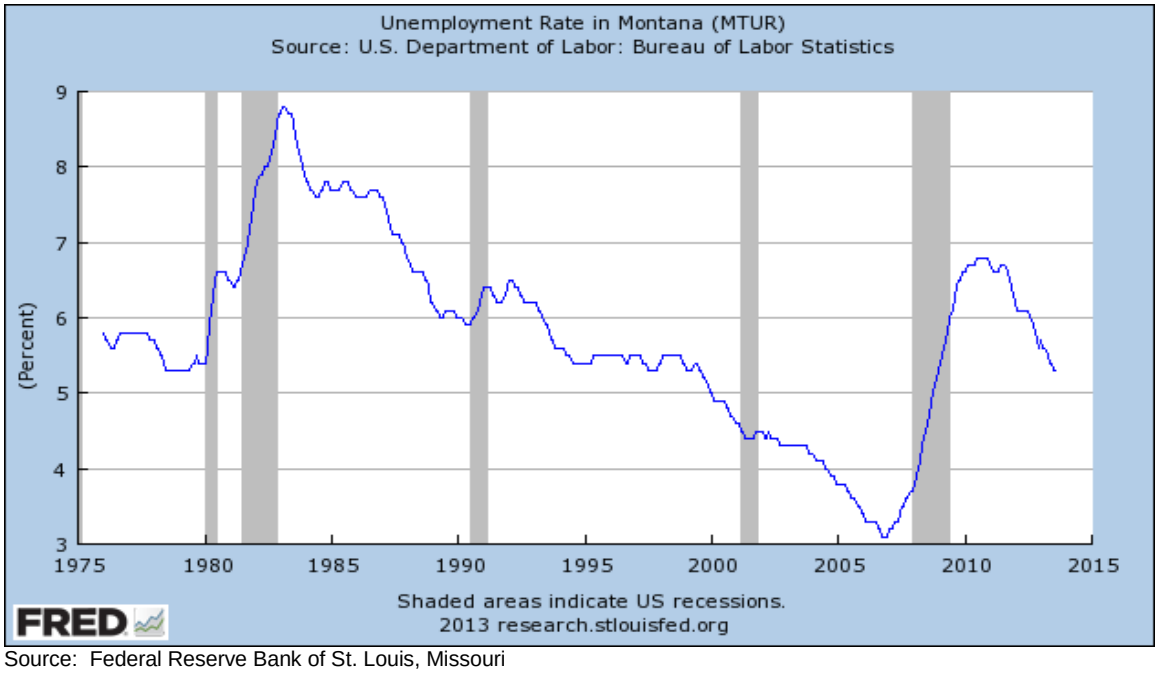
Source: Federal Reserve Bank of St. Louis, Missouri

Figure 10 - Unemployment Rate, 1990-Present Missoula County, Montana



Source: Federal Reserve Bank of St. Louis, Missouri

Figure 11 -Unemployment Rate, 1975-Present State of Montana



Source: Federal Reserve Bank of St. Louis, Missouri

The City of Missoula has job opportunities in a fairly diversified economy, with Education/Healthcare/Social Assistance being the largest employment sector. Missoula is home to the University of Montana, and the character of its population is reflected in the major industries for employment. According to the

2012 ACS, the six top industries provide employment for over 80% of the City's workforce:

Education, Healthcare, and Social Assistance	10,831 (29.4%)
Arts, Entertainment and Recreation Services	5,454 (14.8%)
Professional, Scientific, Waste Management Services	5,398 (14.6%)
Retail Trade	4,407 (12.0%)
Construction	2,106 (5.7%)
Manufacturing	1,558 (4.2%)

Missoula has a well-developed economic base that provides employment opportunities not only for the citizens of Missoula, but also for all residents of Missoula County. According to the Missoula Economic Partnership, the following tables (#6 and #7) show the top private and public employers located in Missoula County. As a counterpoint, Map #12 shows the unemployment rate by census tract distribution, and as it might be expected, the higher unemployment rates are found in the low income census tracts, although not exclusively.

Table 6 - Top 20 Private Employers in Missoula County, 2011 (Listed Alphabetically and By Size)

Employer Name	Number of Employees
Community Medical Center	1,000+
Providence St. Patrick Hospital	1,000+
DirecTV Customer Service	500-999
Express Employment Professionals	500-999
Wal-Mart	500-999
Albertsons	250-499
Opportunity Resources Inc.	250-499
Village Health Care Center	250-499
Western Montana Clinic	250-499
Western Montana Mental Health Center	250-499
Allegiance Benefits	100-249
Costco	100-249
Good Food Store	100-249
Jim Palmer Trucking	100-249
Missoula Developmental Service	100-249
Missoula Family YMCA	100-249
North West Home Care Inc.	100-249
Progressive Personal Care	100-249
Safeway	100-249
Town Pump	100-249

Table 7 -Top 10 Public Employers in Missoula County, 2011

(Listed Alphabetically and By Size)

Employer Name	Number of Employees
Missoula County Public Schools	1,000+
University of Montana	1,000+
City of Missoula	500-999
County of Missoula	500-999
U.S. Department of Agriculture	500-999
Frenchtown Public Schools	100-249
Hellgate Elementary School District #4	100-249
State of Montana Department of Natural Resources and Conservation	100-249
State of Montana Department of Transportation	100-249
U.S. Postal Service	100-249

Source: State of Montana, Department of Labor and Industry

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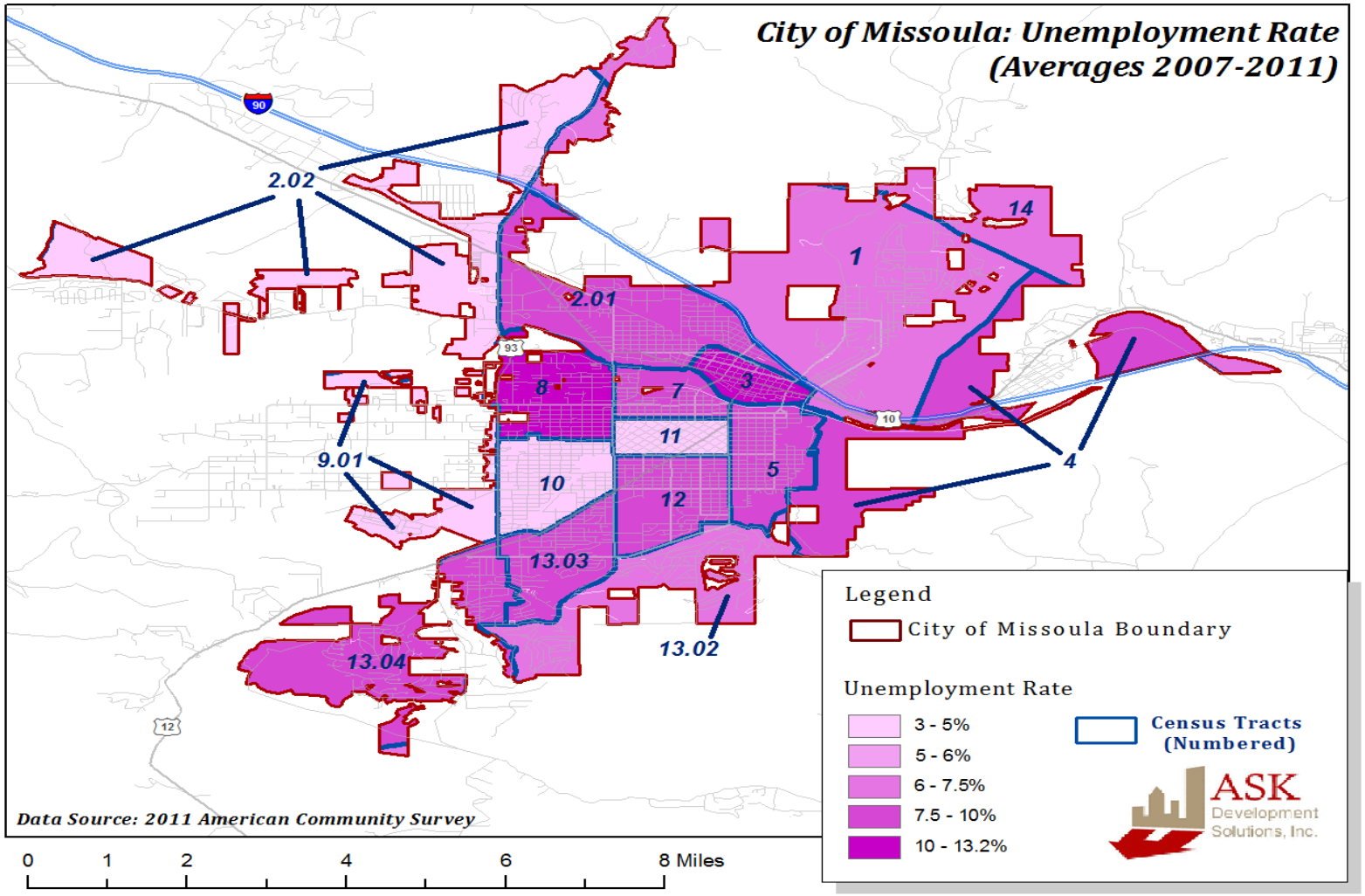
Map 12 – Missoula Unemployment Rate 2011



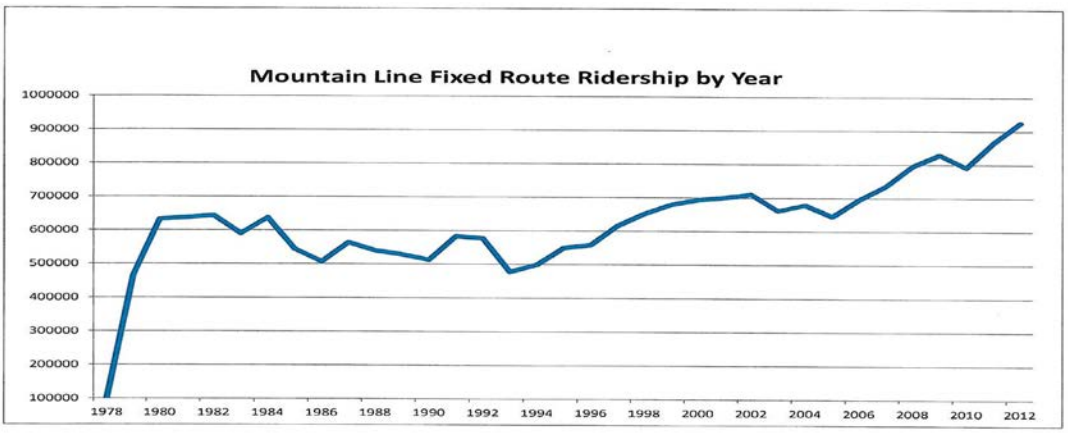
Transportation and Commuting

Transportation

The City of Missoula's public transportation is provided by Mountain Line, a public transit agency that provides service to the Missoula area, including the University of Montana. Mountain Line operates fixed-route and para-transit bus service in and around Missoula and provides bus transportation to the community.

The Missoula Urban Transportation District (MUTD) was established by voters in June 1976. The vote established taxing authority for the creation of the district and passed by a margin of 2 to 1. Mountain Line began operating in December 1977, and since then has provided over 22 million passenger trips. According to Mountain Line, Missoula residents took a record 886,149 trips on Mountain Line (fixed route and para-transit combined) during fiscal year (FY) 2011, representing a 9% increase over the previous fiscal year. In FY 2012, Mountain Line continued to break ridership records with 943,809 rides provided. Figure 12 provides an illustration of Line ridership from 1978 through 2012.

Figure 12 – Mountain Line Fixed Route Ridership by Year



Mountain Line presently operates within a 36-square-mile area that serves Missoula, East Missoula, Bonner, Target Range, Rattlesnake and Mullan Road.

Mountain Line provides the following services:

- Fixed Routes: Weekday service is provided on twelve fixed routes. During the peak hour Mountain Line provides buses every 30minutes and off-peak every 60minutes. Saturday service is provided on ten routes. An additional bus serves the downtown during the Farmers Market season. Buses generally operate between 6:00 a.m. and 8:00 p.m. on weekdays and 10:00 a.m. and 6:00 p.m. on Saturdays. The current price of an adult fare on bus routes is $1. Senior and disabled residents ride for 50 cents and youth ride for 35 cents.

- Para-transit Services: Since 1991, Mountain Line has been providing curb-to- curb transportation for passengers eligible under the Americans with Disabilities Act (ADA).
- The Senior Van: In July 2008, Mountain Line began a new Senior Van service for those not eligible for para-transit under ADA, and enhanced service such as door- to- door and package assistance.
- Vanpool: Through a service contract with the Missoula Ravalli Transportation Management Association (MRTMA), Mountain Line provides vanpool service within the Transportation District.
- Special Services: Mountain Line provides seasonal special event transportation to popular community events such as the Western Montana Fair, Out to Lunch, and the Farmers Market.
- In August 2012, Mountain Line started high-frequency bus service on Route 1 (now called "Bolt!") between downtown Missoula, the University and Southgate Mall. Buses run every 15 minutes to make commuting more convenient. In recent months, Route 1 has seen more than a 65 percent ridership increase.
- Mountain Line partnered with Community Medical Center to provide free, on-board, 4G Wi-Fi service, as well as "real-time," bus-tracking technology.
- Bike racks have been installed on all buses plus the Bike Den, a covered bike parking facility at the newly renovated Downtown Transfer Center, complete with a bike repair stand and tools.
- Mountain Line provides free rides on unhealthy air quality days, helping reduce air pollution levels in the Missoula Valley. Last year more than 25,000 passengers rode Mountain Line at no cost on the nine unhealthy air quality days.

Missoula In Motion (MIM), a program of the Transportation Division of the City's Development Services Department, was founded in 1997. MIM strives to educate Missoulians on their transportation options for both school and work commutes. Through various outreach projects and events, including the Way to Go! Club, MIM promotes the many sustainable transportation options offered in the Missoula community in an effort to reduce congestion, pollution and stress, while promoting both individual and community health. MIM programs promote riding the bus, biking, walking and carpooling.

With regard to meeting the transportation needs of persons protected by the FHA, several of the City's transportation planning documents include references to planning for the elderly and for persons with disabilities. These planning documents include the 2014 Unified Planning Work Program (UPWP) and the Comprehensive Plan which included the 1996 Missoula Transportation Plan by reference.

The UPWP describes transportation planning activities that will occur in the Missoula area each year. The UPWP addresses long and short-range planning

goals. One of the short-range efforts of the City is planning for the elderly and persons with disabilities. The need to plan for the transportation of special-needs populations is supported by population projections predicting significant increase in the number of persons over age 65.According to 2010 Census data, this segment of the population has been growing significantly faster than the younger age groups. The City's goal is to develop a coordinated transportation system for the elderly and the disabled through partnerships between Mountain Line, the City and County, and social service agencies. The accomplishments for FY 2013 identified in the UPWP are outlined below:

- The Missoula Metropolitan Planning Organization (MPO) and Mountain Line provided staff support, included monitoring ridership, ranking requests for capital assistance, and responding to requests for information and providing technical assistance, to the Specialized Transportation Advisory Committee (STAC).
- The MPO worked with Missoula Aging Services on transportation issues related to the elderly, and provided information to STAC regarding transportation projects and issues of particular concern to the elderly and persons with disabilities.
- The MPO assisted agencies requesting lift-equipped vehicles.
- Mountain Line prepared Montana Department of Transportation (MDT) operating assistance applications, Missoula County funding requests, and met with Missoula County Commissioners regarding specialized transportation needs and services.
- Mountain Line completed a coordinated transportation plan for all public transportation providers in the Missoula urban area.
- Mountain Line recently completed the fourth year of operation of the Senior Van. As of June 30 2012, 324 people registered to use that service.
- The Senior Van provided over 6,000 rides to seniors in FY 2012.
- Mountain Line continued to provide "Premium Service" available to Senior Van and para-transit passengers. This service allows them to request addition assistance with packages, an escort to or from the vehicle, and other services above and beyond standard service.
- Through its involvement with STAC, the MPO assisted Mountain Line, Opportunity Resources Inc. and Associated Work and Residential Enterprises (AWARE) Inc. in being awarded new para-transit vehicles in FY 2013.

The Comprehensive Plan also identifies elderly persons and persons with disabilities as sectors of the population who have accessible transportation needs. Although the City has plans to improve services, they lack the funding to

do so. This factor, together with information compiled from the citizen survey and housing provider survey that mentioned transportation as an impediment, provides the basis to identify transportation as an impediment. Generally, public transportation is used by lower income persons, persons who are elderly, and persons with disabilities; thus these are the groups disproportionately impacted by insufficient public transportation. According to the 2010 CHAS, 93% of Missoula's elderly and extra-elderly one- and two-member households are of low- and moderate-income. Generally, lower income persons are forced to look for housing in areas with access to public transportation, thus affecting fair housing choice.

In addition to the lack of transportation options, the siting of public transportation may also impact fair housing choice. The failure to provide transportation or affordable housing in proximity to job centers is a barrier to low- and moderate-income people impacting their ability to secure employment. The lack of public transportation also affects where people are able to attend school, shop, and conduct their business. The areas where public transportation is not available, or does not connect residents with employment or their other needs makes the area inaccessible to those without means to have a personal vehicle. The City's 2012 Long Range Transportation Plan Update recognizes that transit demand is correlated to development. It is the policy of the City to consult the Transportation Plan when evaluating development proposals including looking at frequency of stops, hours of service, expanded routes and boundaries of services, and serving special populations.

Commuting

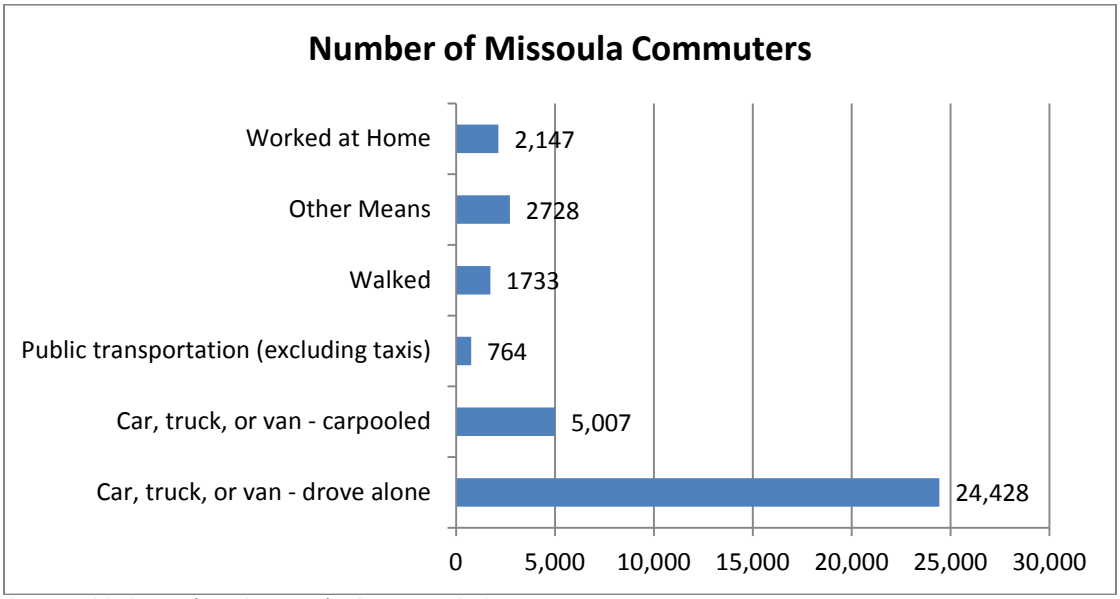
According to the 2012 ACS, 66.4% of Missoula workers drove to work and 13.6% carpooled. Among those who commuted to work, it took them on average 15.2 minutes to get to work. Note Table 8 and Figure 13 below.

Table 8 - Commute Times – Missoula, 2012

Travel Time to Work (one way)	Persons (#)	Rate (%)
Less than 10 minutes	8,825	25.6
10 to 14 minutes	9,745	28.1
15 to 19 minutes	9,188	26.5
20 to 24 minutes	3,142	9.1
25 to 29 minutes	604	1.7
30 to 34 minutes	1,207	3.5
35 to 44 minutes	879	2.5
45 to 59 minutes	152	0.4
60 or more minutes	873	2.5

Source: 2012 American Community Survey, U.S. Census Bureau

Figure 13 - Modes of Transportation – Commuting – Missoula, 2012



Source: 2012 American Community Survey, U.S. Census Bureau

A review of the data above shows that over 80% of commuters spent less than 20 minutes commuting one way to work.

Provision of public transportation services can improve access to jobs, training opportunities, housing and community services for minority families, families with children, and persons with disabilities. Missoula benefits from a range of transit services, but access to or frequency of these services is not universal across the area – one of its limiting factors. For people who can't drive or don't own a personal vehicle, it can be difficult to find a place to live with a variety of housing options that also has access to employment, shopping, and other amenities and services. Lack of access to public transportation opportunities is an impediment to fair housing choice, particularly for citizens with disabilities and families with children. Persons with disabilities wanting to live near public transportation have difficulty finding housing in those areas because of challenges that exist for converting housing. The age, size, and construction of housing in the City center are difficult to convert. Housing in the City center can also be too small for families with children, as well as not affordable to many protected classes. Based on key person interviews, public comments, and a review of HUD Consolidated plan data, a significant amount of affordable housing is located on the outskirts of Missoula, where public transportation opportunities are limited and/or infrequent.

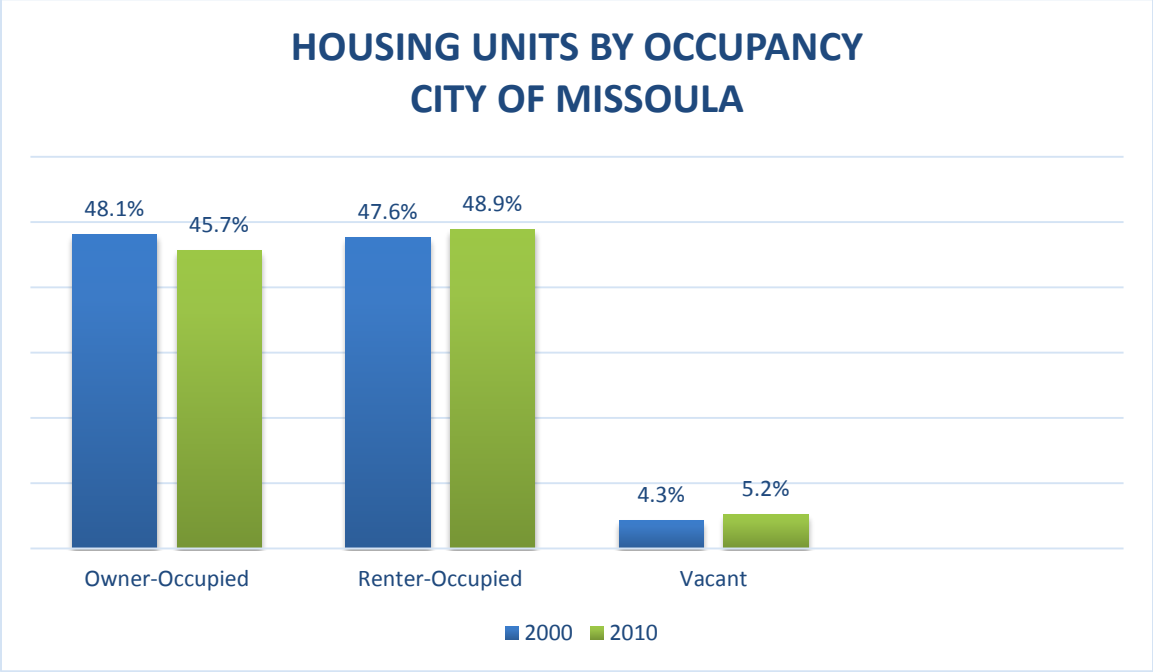
III. HOUSING PROFILE

Housing by Tenure

According to the U.S. Census, the number of housing units in Missoula has grown by 21.6% from 25,225 in 2000, to 30,682 housing units in 2010. The rate of housing production was faster than the growth in the City's total population which increased by 17.1% in the 10-year period. The City's vacancy rate rose from 4.3% (1,084 units) in 2000 to 5.2% (1,601 units) in 2010.

Including vacant units in 2010, the City of Missoula was comprised of 14,026 (45.7%) owner-occupied units and 15,055 (48.9%) renter-occupied units. This reflects a 2.4 percentage point decrease in the rate of homeownership and a corresponding increase in rental tenure (47.6 % in 2000) and vacancy rates.

Figure 14 – Housing Units by Occupancy, Missoula



Source: 2000 and 2010 U.S. Census

Of the 29,081 occupied housing units in Missoula in 2010, approximately 48.2% were owner-occupied and 51.7% were renter-occupied. This represents a slight decrease in the rate of homeownership, down from 50.2% in 2000, and a corresponding increase in the percentage of renters, 49.8% in 2000.

The 2012 ACS reports 31,025 total housing units in Missoula, and gives a break-out of the types of units in the Missoula housing stock, as well as the year structures were built.

The predominant type of housing in Missoula is the single-family unit (56.2%), compared to multi-family units (38.1%). Mobile homes make up 5.8% of

Missoula's housing stock. Single-unit, detached structures are the most prevalent housing type (51.4%), followed by structures with three or four units (11.0%), structures with 20 or more units (8.5%), and structures with two units (7.9%). Comparatively, the 2000 Census predominant housing type was also single-unit, detached structure (53.9% of structures), followed by structures with three or four units (10.8%), and structures with 20 or more units (8.3%).

Table 9 - Housing Unit Types, City of Missoula, 2012

UNITS IN STRUCTURE		
Type of Housing Unit	**Number of Units**	**Percentage**
1-unit, detached	15,957	51.4%
1-unit, attached	1,487	4.8%
2 units	2,442	7.9%
3 or 4 units	3,406	11.0%
5 to 9 units	1,605	5.2%
10 to 19 units	1,699	5.5%
20 or more units	2,629	8.5%
Mobile home	1,800	5.8%
Boat, RV, van, etc.	0	0.0%

Source: 2012 American Community Survey

The housing stock is considered to be of relatively newer construction, with the majority (59.3%) of structures being built after 1970 and almost 32% of structures being built after 1990. Approximately 60% of the structures were constructed prior to 1978 and are therefore susceptible to lead-based paint hazards. Construction boomed in the 1970s and again 30 years later in the 2000s. The rate of residential construction fell off significantly in 2010 due to the nationwide housing crisis.

Table 10 -Year Structure Built, City of Missoula, 2012

YEAR STRUCTURE BUILT		
Built 2010 or later	202	0.7%
Built 2000 to 2009	5,470	17.6%
Built 1990 to 1999	4,180	13.5%
Built 1980 to 1989	2,813	9.1%
Built 1970 to 1979	5,706	18.4%
Built 1960 to 1969	2,918	9.4%
Built 1950 to 1959	3,303	10.6%
Built 1940 to 1949	1,771	5.7%
Built 1939 or earlier	4,662	15.0%

Source: 2012 American Community Survey

The maps on the following pages show the percentage of vacant housing by census tracts, level of homeownership among Hispanic and Black/African American minorities, and the percentage of homeowner housing within the City. Homeownership rates for Hispanics are more widely distributed across the City compared to homeownership rates for Black/African Americans, which are 100%

located in census tract 13.02. The census tract does contain a high level of homeownership regardless of race or ethnicity. There is no clear reason for this statistic except possibly people's desire to be near to family and persons who they share more in common with.

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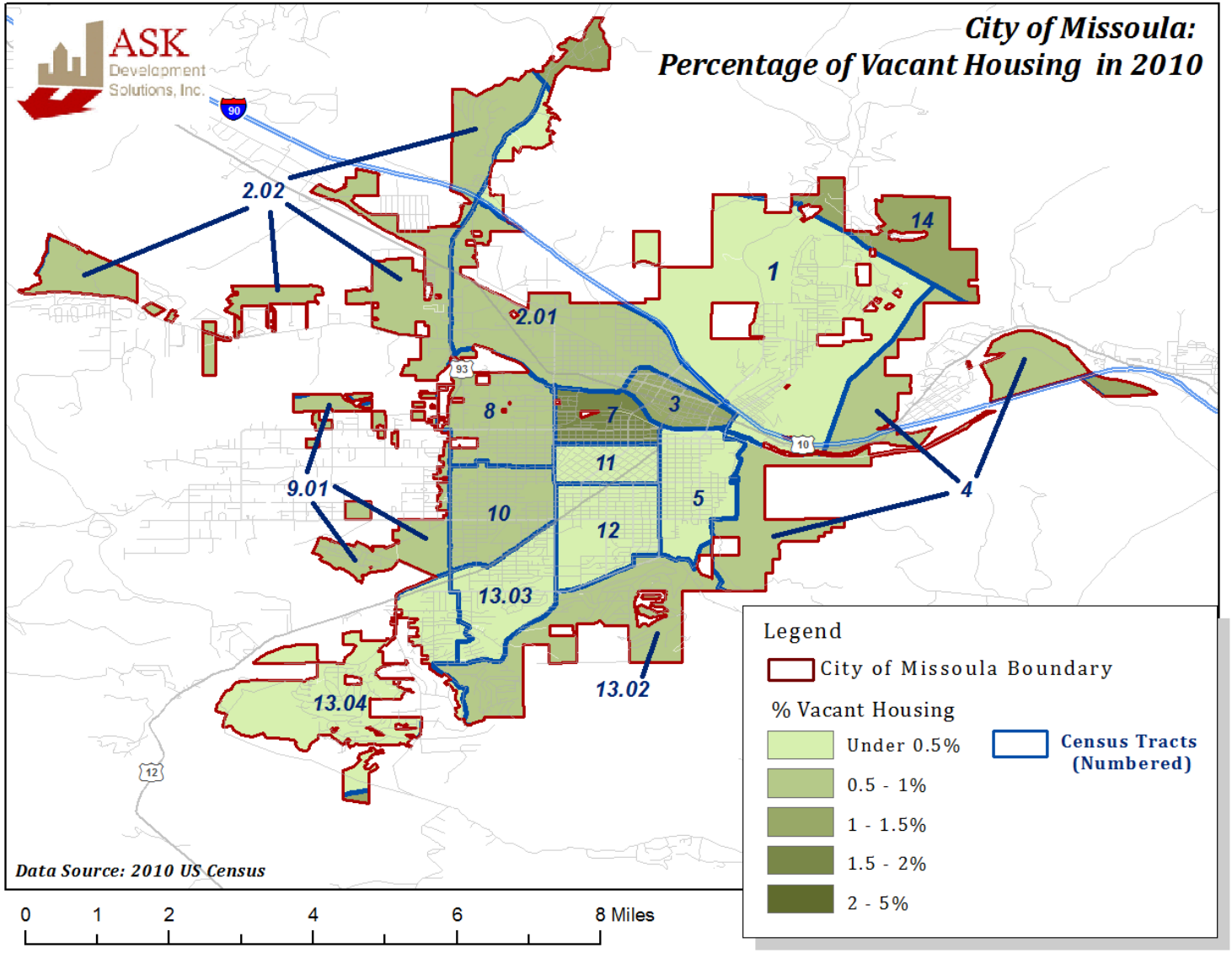
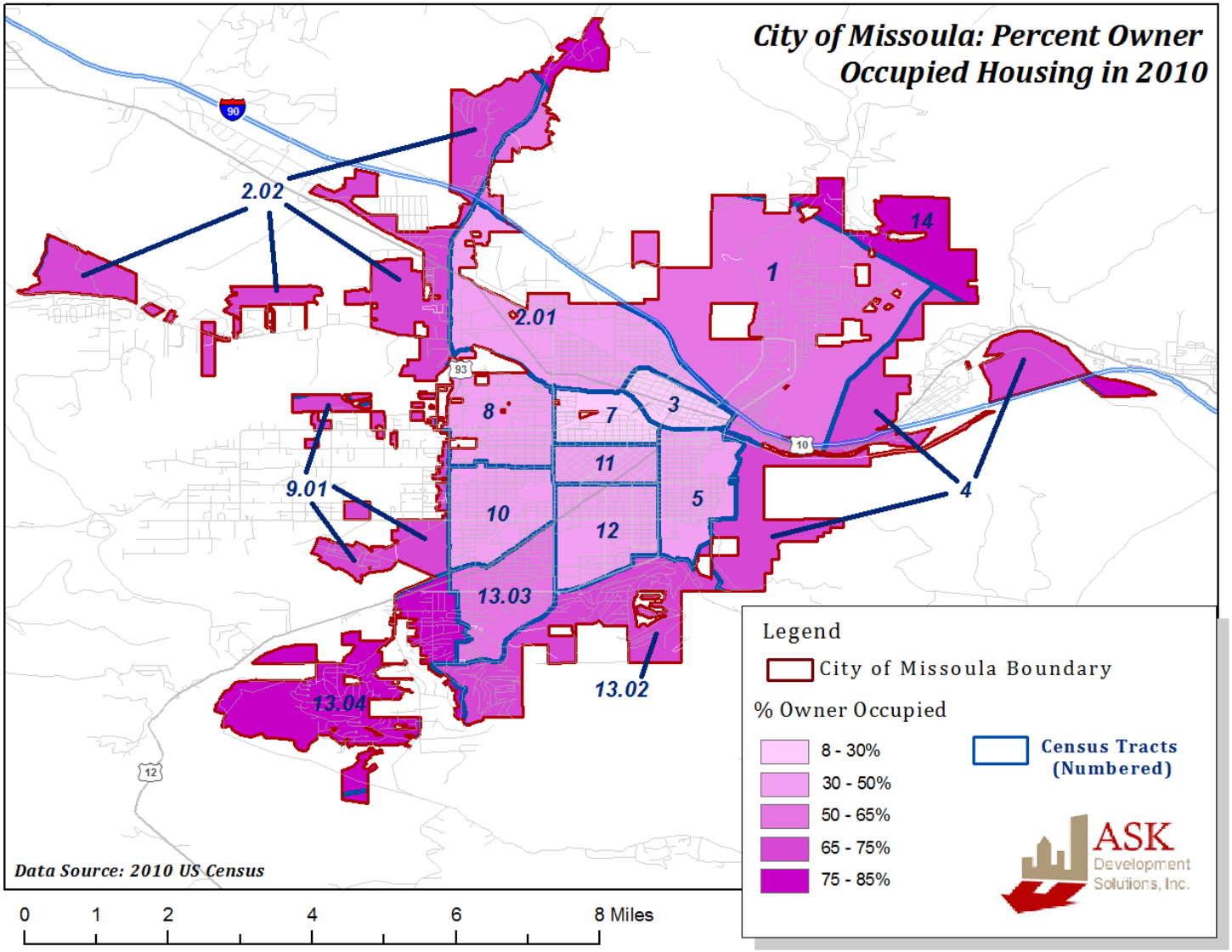
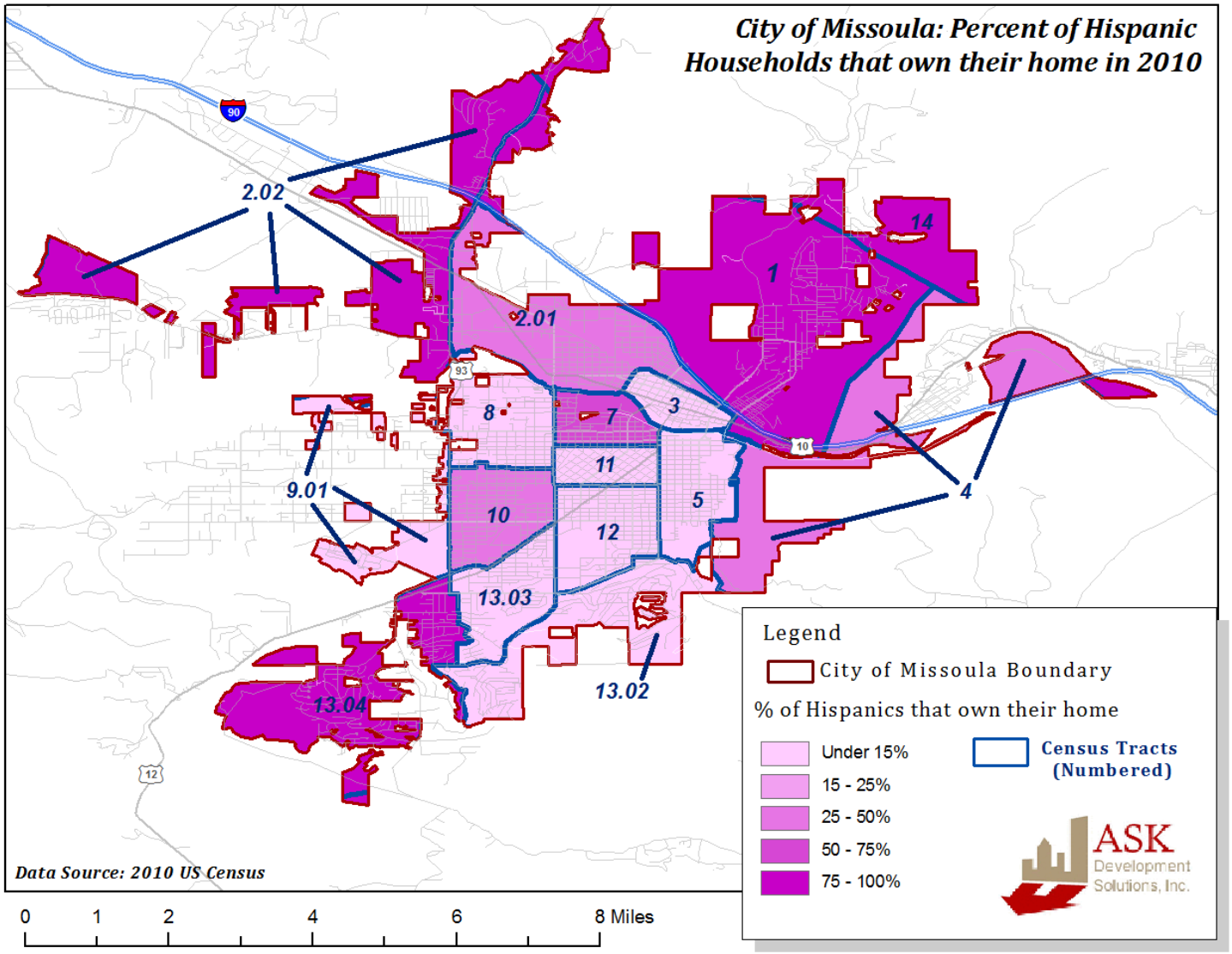
Map 13 – Missoula Percentage of Vacant Housing 2010



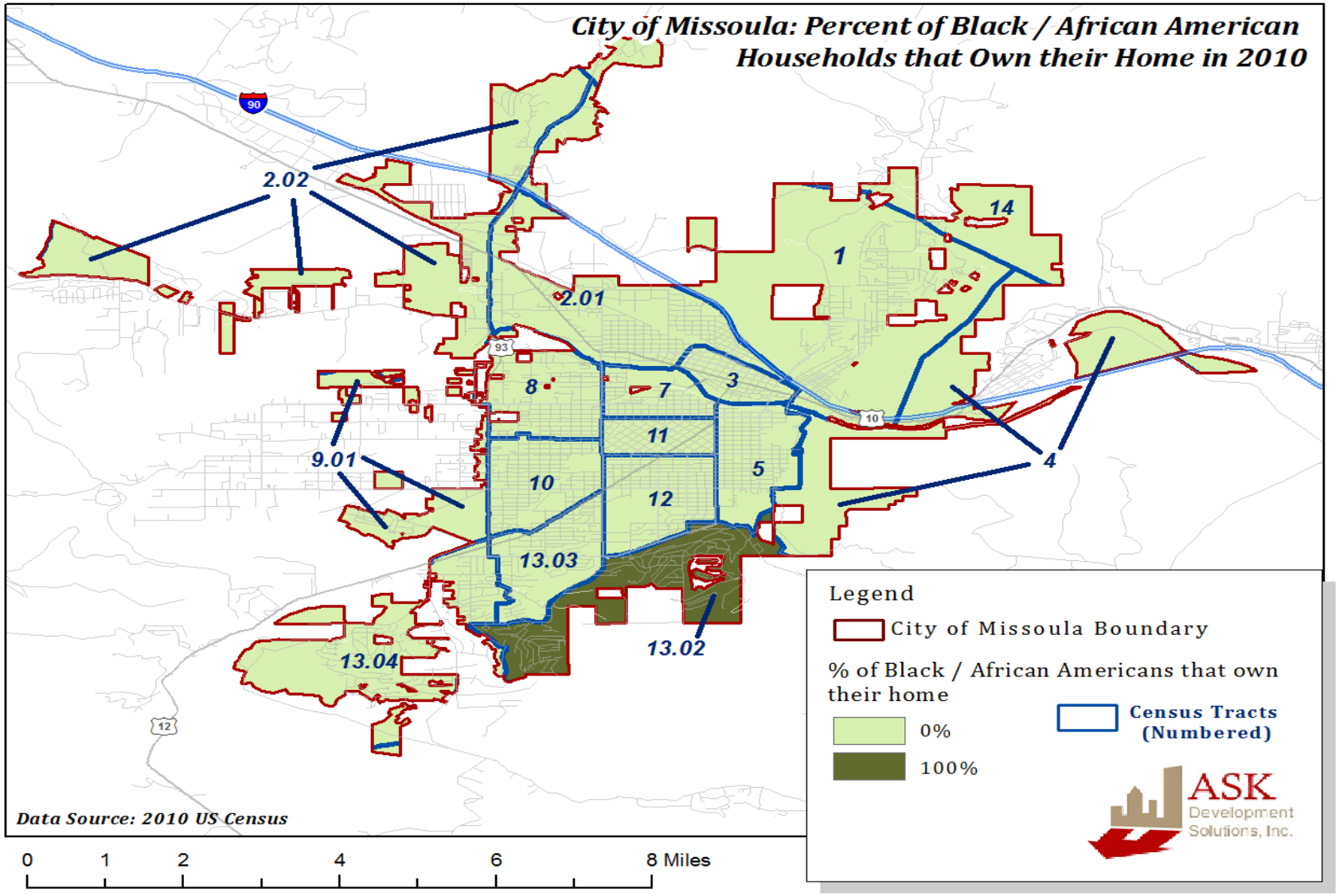
Map 14 – Missoula Percent Owner Occupied 2010



Map 15 – Missoula Percent Hispanic Homeowners 2010



Map 16 – Missoula Percent Black/African American Homeowners 2010



Housing Affordability

The median value of an owner-occupied housing unit in 2000 was $132,500, compared to the 2010 median value of $232,600, a 76% increase. Using the industry standard of three (3) times the income to afford a median priced home, a household would need to earn $77,533 annually in 2012 to affordably own a home in Missoula.

According to the 2012 ACS, median contract rent in Missoula was $734 monthly. This reflects an increase of $210 (40%) since the 2000 Census ($524 median rent). Based on HUD standards that a household should not pay more than 30% of its gross income for a housing unit to be considered affordable, a 2012 household would need to earn $29,360 annually to afford the median contract rent. Table 11 below shows a comparison between Missoula and other nearby communities including the Cities of Billings and Great Falls, the other entitlement communities in the state of Montana. Of the six communities assessed, the Cities of Great Falls and Helena show the lowest rents at $602 and $672 per month respectively. The City of Bozeman has the highest median rent at $813 per month. In terms of home value, the City of Great Falls and the City of Billings have the lowest median home values at $157,000 and $181,300, respectively. The City of Bozeman has the highest median home values. The cities of Billings and Great Falls are the other two entitlement cities in Montana.

Table 11 - Median Rent and Median Home Value with Income Required for Affordability, 2012

Geographic Area	Median Rent	Annual Income Required to Afford Median Rent	Median Home Value	Annual Income Required To Afford Median Home Value
Missoula (city)	**$734**	**$29,360**	**$232,600**	**$77,533**
Billings	$696	$27,840	$181,300	$60,433
Bozeman	$813	$32,520	$249,700	$83,233
Great Falls	$602	$24,080	$157,000	$52,333
Helena	$672	$26,880	$196,800	$65,600
Missoula County	$743	$29,720	$232,900	$77,633

Source: American Community Survey, U.S Census Bureau (2012)

1) Income to afford median rent calculated by multiplying monthly rent by 12 months, and then dividing result by thirty percent (30%).
2) Income to afford a home of median value was calculated by real estate industry standard of multiplying household income by three (3) to determine maximum affordable purchase price.

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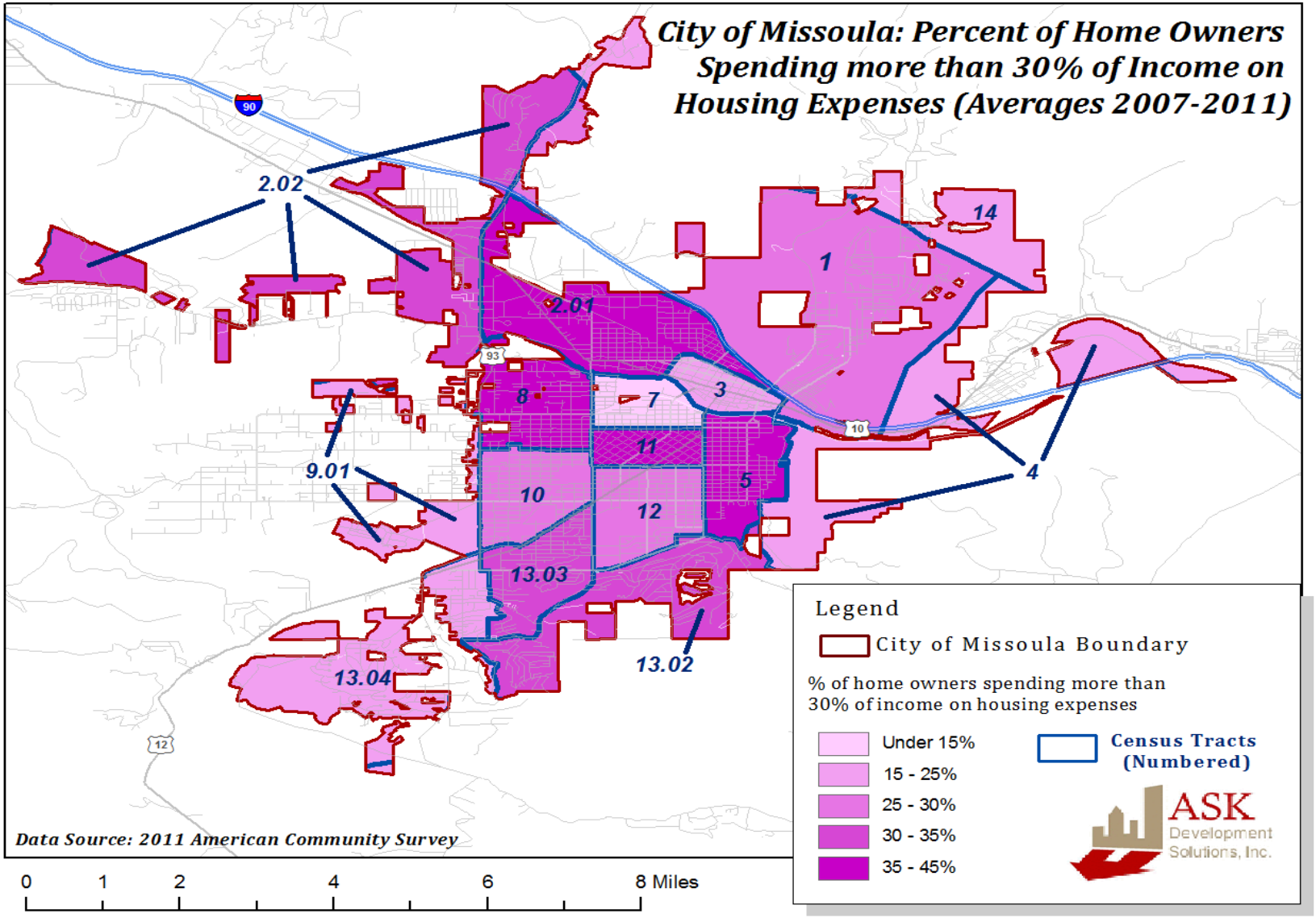
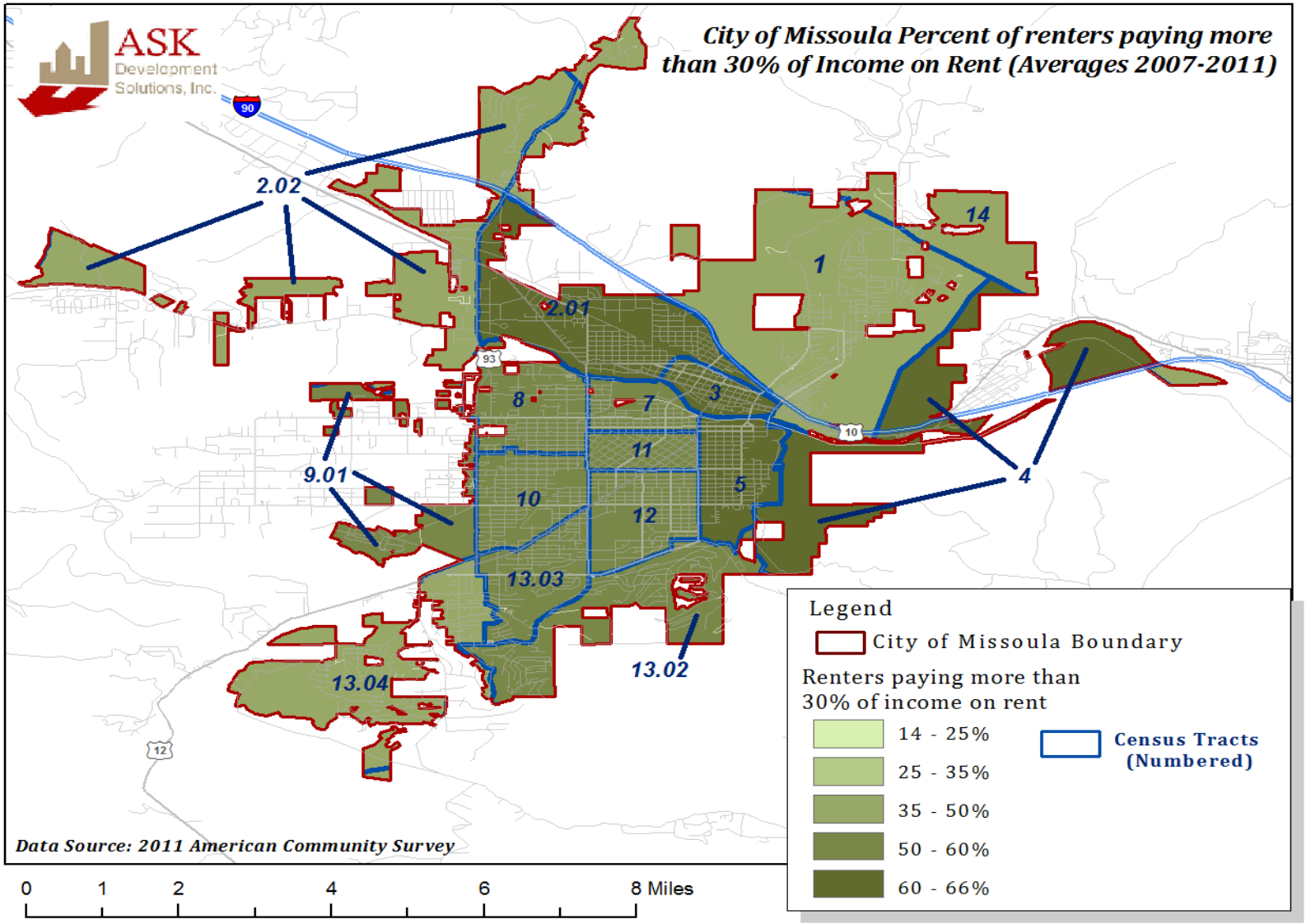
Map 17 – Missoula Percent Homeowners Spending More Than 30% Income on Housing, 2007-2011



Map 18 – Missoula Percent Renters Paying More Than 30% Income on Rent, 2007-2011



According to the 2012 ACS data, Missoula has 8,985 owners with mortgages and overall approximately 36% spend 30% or more of their household income on monthly housing costs. Of these owners, 895 or 10.0 % pay more than 30 to 34.9 % of their household income on housing costs; and 2,361 or 26.3% pay 35% or more. Also, there are 4,702 owners without mortgages; 186 or 4.0% pay 30 to 34.9 % on housing costs; and 525 or 11.2 % pay 35 % or more.

According to the 2012 ACS data, there are 14,590 renter households and approximately 58% pay 30% or more of their household income on rental housing costs monthly; of this number 1,973 or 13.7% pay 30 to 34.9 % of their income on rental housing costs. Another 6,346, or 44.2 % pay 35 % or more on renter housing costs.

According to the City's 2009-2013 Consolidated Plan, sales statistics from the Missoula Organization of Realtors® (MOR) Regional Multiple Listing Services indicates that between 2000 and 2008 Missoula's median residential sales price in the Missoula urban area grew from $149,100 to $212,000, an increase of 42%. According to current market trends on the MOR website, the median sales price of homes declined after 2008 through 2010. The number of sales and the median sales price has been increasing since 2012. The average median sales price in the Missoula urban area based on sales between January 1 and October 31, 2013 was $215,000. In order to afford a home at the latest median sales price, a household would have to earn at least $71,667. Based on 2012 ACS data, approximately 5,599 owner households (40%) and 888 renter households (6%) could afford to purchase the median-priced home without cost-burden.

Maps #19 and #20 below show the distribution of median housing values and median rents for the period 2007 through 2011 across the City. Census tracts 1, 5, 14, and 13.04 have the highest values (between $300,000 and $415,000) while census tracts with the highest low- and moderate-income population rates had the lowest median home values. Median rents were highest in census tracts 2.02, 9.01, 7, and 13.02 with rents of $700 to $850 per month while census tracts 3 and 5 have the lowest median rents at $495 to $575 per month. Census tracts with the highest low- and moderate-income population rates had slightly higher rates at $575 to $650 per month.

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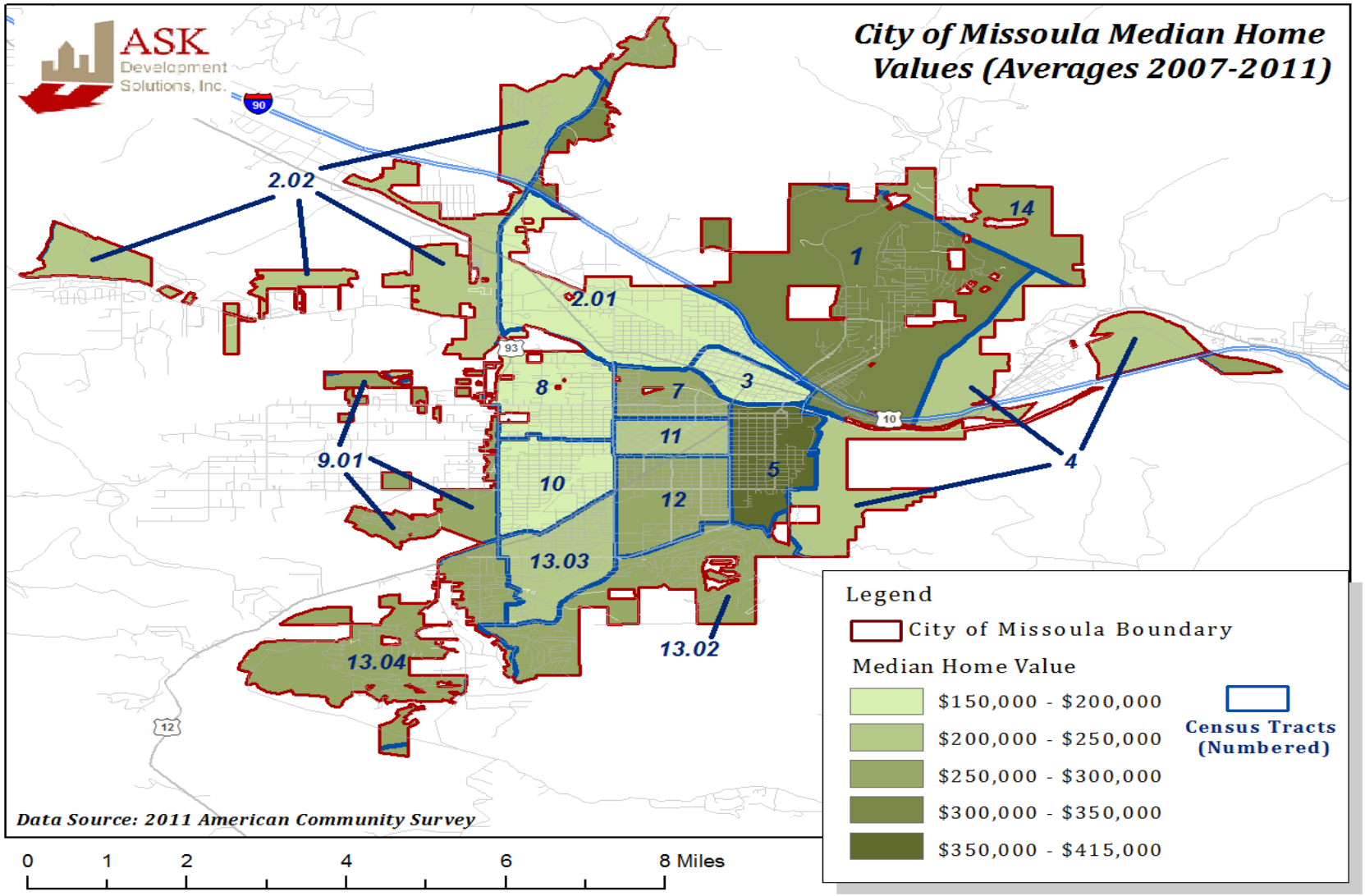
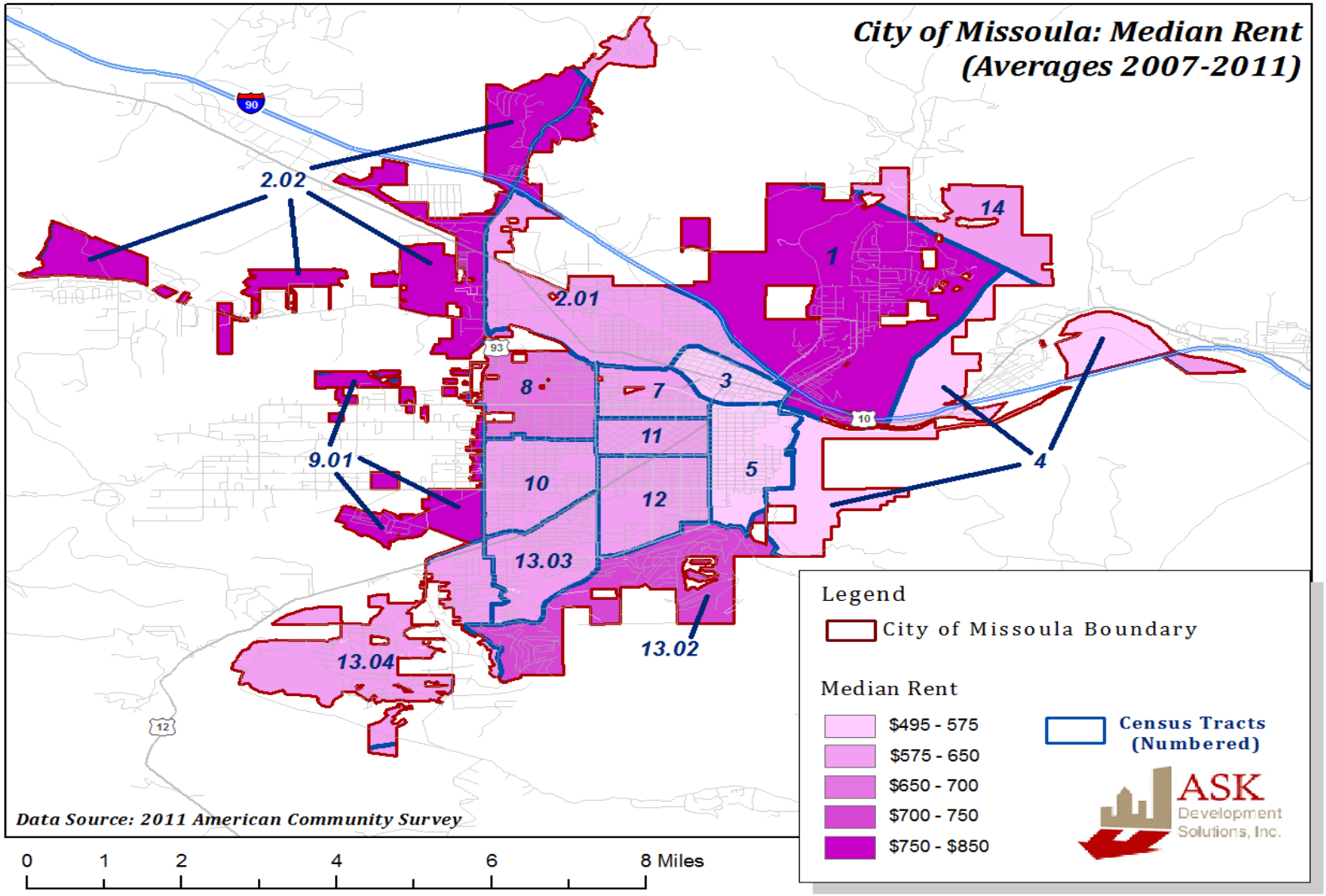
Map 19 – Missoula Median Home Values 2007-2011



Map 20 – Missoula Median Rent 2007-2011



Community Housing Affordability Study (CHAS)

HUD's Community Housing Affordability Study (CHAS) is a commonly-used gauge of housing affordability, or lack thereof. HUD considers a housing unit affordable if the occupant household expends no more than 30% of its income on housing cost. In the situation where the household expends greater than 30% of its income on housing cost, the household is considered cost-burdened. In cases where housing cost is 50% of income or greater, the household is considered severely cost-burdened. Cost-burdened households have fewer financial resources to meet other basic needs (food, clothing, transportation, medical, etc.), fewer resources to properly maintain the housing structure, and are at greater risk for foreclosure or eviction. CHAS data provides the number and percentages of households by income category within the City of Missoula that had housing problems by the size and type of household. The analysis below is based on this data. The latest available CHAS data utilizes 2010 ACS data which, while dated, provides detailed information about housing cost burdens across all categories. The definition of income categories and housing problems is as follows:

<u>Income Categories</u>

- Extremely low income: 0%-30% of the Area Median Income (AMI)
- Low income: 31%-50% of the AMI
- Moderate income: 51%-80% of the AMI
- Middle and upper income: 80% or More of the AMI

<u>Housing Problems</u>

According to HUD, a household with housing problems consists of:

1. Persons and families living in units with physical defects (lacking a complete kitchen of bath); or
2. Persons and families living in overcrowded conditions (greater than 1.01 persons/room); or
3. Persons and families cost-burdened (paying more than 30% of income for housing, including utilities).

According to the 2010 CHAS, of the 28,280 occupied housing units in the City of Missoula, 14,805 (52.4%) were occupied by low- and moderate-income households. The remaining 13,475 (47.6%) were occupied by households that earn higher levels of income including, households earning more than the median income of the City, which in 2010 was $61,400.

Tables #12 and #13 below show the percentage of occupied housing and housing problems by income categories.

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Table 12 – Extremely Low- and Moderate-Income Households

Income Category	Number of Households	% of All Occupied Households
Extremely Low Income	5,390	19.1%
Low Income	3,860	13.7%
Moderate Income	5,555	19.6%
TOTAL Low/Mod Income	**14,805**	**52.4%**
Middle/Upper Income	13,475	47.6%
TOTAL Households	**28,280**	**100%**

Table 13 - Housing Problems by Income Category

Income Category	Number of Households	# With At Least One Housing Problem	% With At Least One Housing Problem
Extremely Low Income	5,390	4,145	76.9%
Low Income	3,860	3,020	78.2%
Moderate Income	5,555	2,525	45.5%
TOTAL Low/Mod Income	**14,805**	**9,690**	**65.5%**
Middle/Upper Income	13,475	2,345	17.4%
TOTAL (All Categories)	**28,280**	**12,035**	**42.6%**

As is typical in most areas, lower income households have a greater incidence of housing problems than middle/upper income households. Additionally, the CHAS data indicates that more rental households experience at least one housing problem in comparison to homeowners, and that renters also experience a higher rate of cost burden. Approximately 51% of all renter households pay more than 30% of their income on rent and utilities. Altogether 11,799 (41.7%) households occupy housing that is not affordable. See tables #14 and #15.

Table 14 - Housing Problems among Renters and Owners

Income Category	# of Renters With At Least One Housing Problem	% of Renters With At Least One Housing Problem	# of Owners With At Least One Housing Problem	% of Owners With At Least One Housing Problem
Extremely Low Income	3,525	76.9%	620	77.0%
Low Income	2,455	84.9%	565	58.2%
Moderate Income	1,415	41.7%	1,110	51.3%
TOTAL Low/Moderate Income	**7,395**	**68.1%**	**2,295**	**58.2%**

Table 15 - Cost Burdens for Renters and Owners by Income Category

Income Category	All Renters		All Owners	
	Cost Burden Cost	Severe Burden	Cost Burden Cost	Severe Burden
Extremely Low Income	12.5%	62.4%	10.6%	64.0%
Low Income	53.1%	30.4%	27.8%	29.4%
Moderate Income	33.8%	5.5%	27.7%	21.0%
Total Low/Mod Income	**29.9%**	**36.1%**	**24.2%**	**31.9%**
Middle/Upper Income	4.5%	0.5%	19.7%	2.8%
TOTAL	**23.7%**	**27.4%**	**21.0%**	**11.1%**

Housing Problems among Elderly, One- and Two- Member Families

Rental: According to the CHAS data, there were 285 persons who are elderly, one- and two-member rental families in Missoula. Of those, 200 met the definition of low- and moderate-income. Within the 200 low- and moderate-income, elderly, one- and two-member-rental households, approximately 95 (47.5%) encountered at least one housing problem, as illustrated in the following table.

Table 16 – Elderly, One- and Two- Member Rental Families with Housing Problems

Income Category	# of Elderly 1 & 2 Rental Families With Housing Problem	% of Elderly 1 & 2 Rental Families With Housing Problem
Extremely Low Income	0	0.0%
Low Income	30	100.0%
Moderate Income	65	46.4%
TOTAL Low/Moderate Income	**95**	**47.5%**

Of the 200 low- and moderate-income elderly one- and two-member renter families, 40.0% paid 30% or more of their income on housing, while 7.5% paid 50% or more of their household income on housing, as shown below. Based on the cost burden analysis, the cause of housing problems for elderly low- and moderate-income, one- and two-member rental families is affordability.

Table 17 – Elderly, One- and Two- Member Rental Families with Cost Burden

Income Category	# of Elderly 1- & 2 Rental Families With Cost Burdens	% of Elderly 1- & 2 Rental Families With Cost Burdens
Extremely Low Income	0	0.0%
Low Income	15	50.0%
Moderate Income	65	46.4%
TOTAL Low/Moderate Income	**80**	**40.0%**

Table 18 – Elderly, One- and Two- Member Rental Families with Severe Cost Burden

Income Category	# of Elderly 1- & 2 Rental Families With Severe Cost Burdens	% of Elderly 1- & 2 Rental Families With Severe Cost Burdens
Extremely Low Income	0	0.0%
Low Income	15	50.0%
Moderate Income	0	0.0%
TOTAL Low/Moderate Income	**15**	**7.5%**

Owner: The CHAS data indicates that the major housing problem elderly one- and two-member owner households experience is also affordability. Of the 450 low- and moderate-income households, 23.3%, or 105 households have at least one housing problem. Of this amount, 65 are dealing with cost burden, and 39 experience severe cost burden.

Table 19 – Elderly, One- and Two- Member Owner Families with Housing Problems

Income Category	# of Elderly 1- & 2 Owner Families With Housing Problem	% of Elderly 1- & 2 Owner Families With Housing Problem
Extremely Low Income	45	100.0%
Low Income	20	23.5%
Moderate Income	40	12.5%
TOTAL Low/Moderate Income	**105**	**23.3%**

Table 20 – Elderly, One- and Two- Member Owner Families with Cost Burden

Income Category	# of Elderly 1- & 2 Owner Families With Cost Burdens	% of Elderly 1- & 2 Owner Families With Cost Burdens
Extremely Low Income	35	77.8%
Low Income	15	17.6%
Moderate Income	15	4.7%
TOTAL Low/Moderate Income	**65**	**14.4%**

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Table 21 – Elderly, One- and Two-Member Owner Families with Severe Cost Burden

Income Category	# of Elderly 1- & 2 Owner Families With Severe Cost Burdens	% of Elderly 1- & 2 Owner Families With Severe Cost Burdens
Extremely Low Income	10	22.2%
Low Income	4	4.7%
Moderate Income	25	7.8%
TOTAL Low/Moderate Income	**39**	**8.7%**

Housing Problems among Small Related Households

The CHAS data indicates that there are 10,250 small related (two to four members) households in Missoula. Of the 10,250 small related households, 3,670 were low- and moderate-income households.

Rental: There are a total of 3,510 small, related-renter households, of which 2,300 or 65.5% were also low- and moderate-income households. 1,315 (37.5%) of the small, related-renter households experienced at least one housing problem.

Table 22 – Small, Related-Rental Households with Housing Problems

Income Category	# of Small Related Rental Households with Housing Problem	% of Small Related Rental Households with Housing Problem
Extremely Low Income	450	82.6%
Low Income	480	90.6%
Moderate Income	385	31.4%
TOTAL Low/Moderate Income	**1,315**	**57.2%**

CHAS data indicates that the major housing problem small related rental households experience is affordability and that a small percentage of households have a housing problem other than affordability. Of the 2,300 low- and moderate-income renter households, 815 are dealing with cost burden, and 460 experience severe cost burden. The remaining 40 small, related-renter households or 3% are experiencing a housing problem not related to affordability.

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Table 23 – Small, Related-Rental Households with Cost Burdens

Income Category	# of Small related Rental Households With Cost Burdens	% of Small related Rental Households With Cost Burdens
Extremely Low Income	80	14.7%
Low Income	405	76.4%
Moderate Income	330	26.9%
TOTAL Low/Moderate Income	**815**	**35.4%**

Table 24 – Small, Related-Rental Households with Severe Cost Burdens

Income Category	# of Small Related Rental Households with Severe Cost Burdens	% of Small Related Rental Households with Severe Cost Burdens
Extremely Low Income	370	67.9%
Low Income	75	14.2%
Moderate Income	15	1.2%
TOTAL Low/Moderate Income	**460**	**20.0%**

Owner: Of the small, related-owner households, the CHAS data indicates that 1,370 are low- and moderate-income. A total of 910 (66.4%) small, related-owner households are experiencing a housing problem. In addition, the largest housing problem that small, related-owner households experience is affordability. Of the 1,370 low- and moderate-income small, related-owner households, 340 (24.8%) experience cost burden, and 530 (38.7%) experience severe cost burden.

Table 25 – Small, Related-Owner Households with Housing Problems

Income Category	# of Small Related Owner Households with Housing Problem	% of Small Related Owner Households with Housing Problem
Extremely Low Income	200	95.2%
Low Income	145	56.9%
Moderate Income	565	62.4%
TOTAL Low/Moderate Income	**910**	**66.4%**

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Table 26 – Small, Related-Owner Households with Cost Burden

Income Category	# of Small, Related-Owner Households With Cost Burdens	% of Small, Related-Owner Households With Cost Burdens
Extremely Low Income	10	4.8%
Low Income	75	29.4%
Moderate Income	255	28.2%
TOTAL Low/Moderate Income	**340**	**24.8%**

Table 27 – Small, Related-Owner Households with Severe Cost Burden

Income Category	# of Small, Related-Owner Households with Severe Cost Burdens	% of Small, Related-Owner Households with Severe Cost Burdens
Extremely Low Income	185	88.1%
Low Income	55	21.6%
Moderate Income	290	32.0%
TOTAL Low/Moderate Income	**530**	**38.7%**

Housing Problems among Large Related Households

Large related households (five or more members) also have high incidences of housing problems, according to the CHAS data. Of the 1,040 large related households, 445 (42.8%) are low- and moderate-income, and 280 (62.9%) of the low- and moderate-income households experience at least one housing problem.

Rental: The data shows that 54.3% of all low- and moderate-income, large related-renter households face at least one housing problem. Of this amount, 110 (47.8%) are experiencing cost burden. Based on the data, none of the large related households experience severe cost burden. Of all the households types evaluated, large related households are impacted the least by cost burden. Typically, the housing problem experienced most often by larger households is overcrowding due to lack of adequate sized housing units.

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Table 28 – Large, Related-Renter Households with Housing Problems

Income Category	# of Large, Related-Renter Households With Housing Problem	% of Large, Related-Renter Households With Housing Problem
Extremely Low Income	50	62.5%
Low Income	65	68.4%
Moderate Income	10	18.2%
TOTAL Low/Moderate Income	**125**	**54.3%**

Table 29 – Large, Related-Renter Households with Cost Burdens

Income Category	# of Large, Related-Renter Households With Cost Burdens	% of Large, Related-Renter Households With Cost Burdens
Extremely Low Income	35	43.8%
Low Income	65	68.4%
Moderate Income	10	18.2%
TOTAL Low/Moderate Income	**110**	**47.8%**

Table 30 – Large, Related-Renter Households with Severe Cost Burdens

Income Category	# of Large, Related-Renter Households With Severe Cost Burdens	% of Large, Related-Renter Households With Severe Cost Burdens
Extremely Low Income	0	0%
Low Income	0	0%
Moderate Income	0	0%
TOTAL Low/Moderate Income	**0**	**0%**

Owner: Of the large, related-owner households, the CHAS data indicates that 215 (29.1%) are low- and moderate-income. A total of 155 (72.1%) low- and moderate-income large, related-owner households are experiencing a housing problem. Of the 155 low- and moderate-income households, 75 (34.9%) are dealing with cost burden, and 54 (25.1%) experience severe cost burden.

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Table 31 – Large, Related-Owner Households with Housing Problems

Income Category	# of Large, Related-Owner Households with Housing Problem	% of Large, Related-Owner Households with Housing Problem
Extremely Low Income	50	100.0%
Low Income	45	64.3%
Moderate Income	60	63.2%
TOTAL Low/Moderate Income	**155**	**72.1%**

Table 32 – Large, Related-Owner Households with Cost Burden

Income Category	# of Large, Related-Owner Households with Cost Burden	% of Large, Related-Owner Households with Cost Burden
Extremely Low Income	0	0.0%
Low Income	45	64.3%
Moderate Income	30	31.6%
TOTAL Low/Moderate Income	**75**	**34.9%**

Table 33 – Large, Related-Owner Households with Severe Cost Burden

Income Category	# of Large, Related-Owner Households with Severe Cost Burden	% of Large, Related-Owner Households with Severe Cost Burden
Extremely Low Income	50	100.0%
Low Income	4	5.7%
Moderate Income	0	0.0%
TOTAL Low/Moderate Income	**54**	**25.1%**

Like most communities, lower income households in Missoula are the segment of the population most impacted by housing problems. Of the total population, renters have a larger percentage of housing problems than owners, 68.1% versus 58.2%. The greatest housing problem faced by all households is affordability. Low income households continue to be most cost burdened households.

Of the household types examined (elderly, small-related, and large-related) approximately 95% of all low- and moderate-income households that have a housing problem are cost-burdened. While renters have more housing problems (56.7% versus 43.3%) than owners, cost-burden impacts renters and owners in

almost the same manner. Almost 97% of renters expend more than 30% of gross income on housing expenses compared to 95% of owners.

Large, related households have more housing problems than small, related and elderly households. 72.1% of large related owner households have housing problems followed by small related owners (66.4%), and small related renter households (57.2%). Large related owner households have more housing problems than all other household types by tenure. However, large related owner households are also the group least impacted by cost burden. Approximately 83% of large related owner households experience cost burden which is 12 percentage points lower than the percentage of low- and moderate-income, cost-burdened households.

Housing Problems within Racial and Ethnic Groups

In regards to housing problems within various racial and ethnic groups, according to the CHAS data, the racial and ethnic groups with a disproportionately overall greater incidence of housing problems are American Indian/Native Americans and persons that are classified as 'other', meaning two or more races. In regard to renter households, the same groups are disproportionately impacted and also experience a greater incidence of cost burden. Among owners, Hispanics and Asians are disproportionately impacted by housing problems; however, Black owners deal with cost burden more often.

Within the low- and moderate-income owner households, 'other' or mixed race owner households and Black, American Indian/Native American, and 'Other' renter households experience a disproportionately greater incidence of housing problems. Within income categories, for renter households, extremely low income, Black/African Americans, Hispanic, and American Indian/Native American have a disproportionately greater incidence of housing problems. Low income Asian and 'Other' renter households and moderate income 'Other' households are also dealing with a disproportionately greater incidence of housing problems. Among owner households, extremely low income Asians, American Indian/Native Americans, and 'Other' households have a disproportionately greater incidence of housing problems.

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Table 34 - Housing Problems within Racial and Ethnic Groups

Racial/Ethnic Classification	# of Renters With Housing Problems	% of Renters With Housing Problems	# of Owners With Housing Problems	% of Owners With Housing Problems
White	6,780	53.9%	4,215	37.2%
Black/African American	20	50.0%	20	36.4%
Hispanic	255	53.1%	75	57.7%
Asian	75	40.5%	45	81.8%
American Indian/Native American	365	63.5%	35	25.9%
Pacific Islander	10	25.0%	0	0.0%
Other	165	76.7%	35	36.8%
TOTAL for All Households	**7,670**	**54.3%**	**4,425**	**37.5%**

Table 35 - Cost Burden for Renters and Owners by Racial/Ethnic Groups

Income Category	All Renters		All Owners	
	Cost Burden	Severe Cost Burden	Cost Burden	Severe Cost Burden
White	23.6%	27.0%	19.4%	11.0%
Black/African American	37.5%	10.0%	40.0%	0.0%
Hispanic	12.4%	40.2%	25.6%	12.8%
Asian	13.5%	18.9%	0.0%	0.0%
American Indian/Native American	33.0%	27.8%	0.0%	25.9%
Pacific Islander	100.0%	0.0%	0.0%	0.0%
Other	31.5%	29.6%	13.6%	18.2%
TOTAL	**23.7%**	**27.4%**	**19.3%**	**11.1%**

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Table 36 - Housing Problems among Racial/Ethnic Groups % of Low/Mod Income Renter Households with Housing Problems

Racial/Ethnic Classification	Extremely Low Income	Low Income	Moderate Income	Renters With Housing Problems
White	76.3%	85.4%	42.4%	68.0%
Black/African American	100.0%	0.0%	0.0%	100.0%
Hispanic	100.0%	70.0%	21.9%	62.2%
Asian	52.6%	100.0%	50.0%	57.7%
American Indian/Native American	100.0%	84.8%	37.9%	76.0%
Pacific Islander	25.0%	0.0%	0.0%	25.0%
Other	71.4%	100.0%	77.8%	78.4%
TOTAL for All Households	**77.0%**	**85.1%**	**41.7%**	**68.1%**

Table 37 - Housing Problems among Racial/Ethnic Groups % of Low/Mod-Income Owner Households with Housing Problems

Racial/Ethnic Classification	Extremely Low Income	Low Income	Moderate Income	Owners With Housing Problems
White	76.8%	59.2%	52.8%	59.1%
Black/African American	50.0%	0.0%	0.0%	36.4%
Hispanic	0.0%	0.0%	22.2%	22.2%
Asian	100.0%	0.0%	40.0%	62.5%
American Indian/Native American	100.0%	0.0%	30.0%	50.0%
Pacific Islander	0.0%	0.0%	0.0%	0.0%
Other	100.0%	0.0%	0.0%	66.7%
TOTAL for All Households	**77.0%**	**58.2%**	**51.3%**	**58.2%**

Map #21 shows areas of the City where over 55% of renters spend more than 30% of their income on housing, overlaid with areas with percentage of minority residents. These tracts are also consistent with the low- and moderate-income tracts. This is important, as such a high rate of renters with a cost burden is likely to have a disparate impact on persons within the protected classes. As mentioned elsewhere in this report, some landlords are requiring proof of renters' income that is three times the monthly rent. If a tenant is paying more than 30%

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and often up to 50% of income on rent, then it severely restricts housing choices for persons with lower incomes. While it is not discrimination for a landlord to select tenants based on ability to pay as measured by income that is three times the rent, this becomes a barrier because it indirectly impedes fair housing choice.

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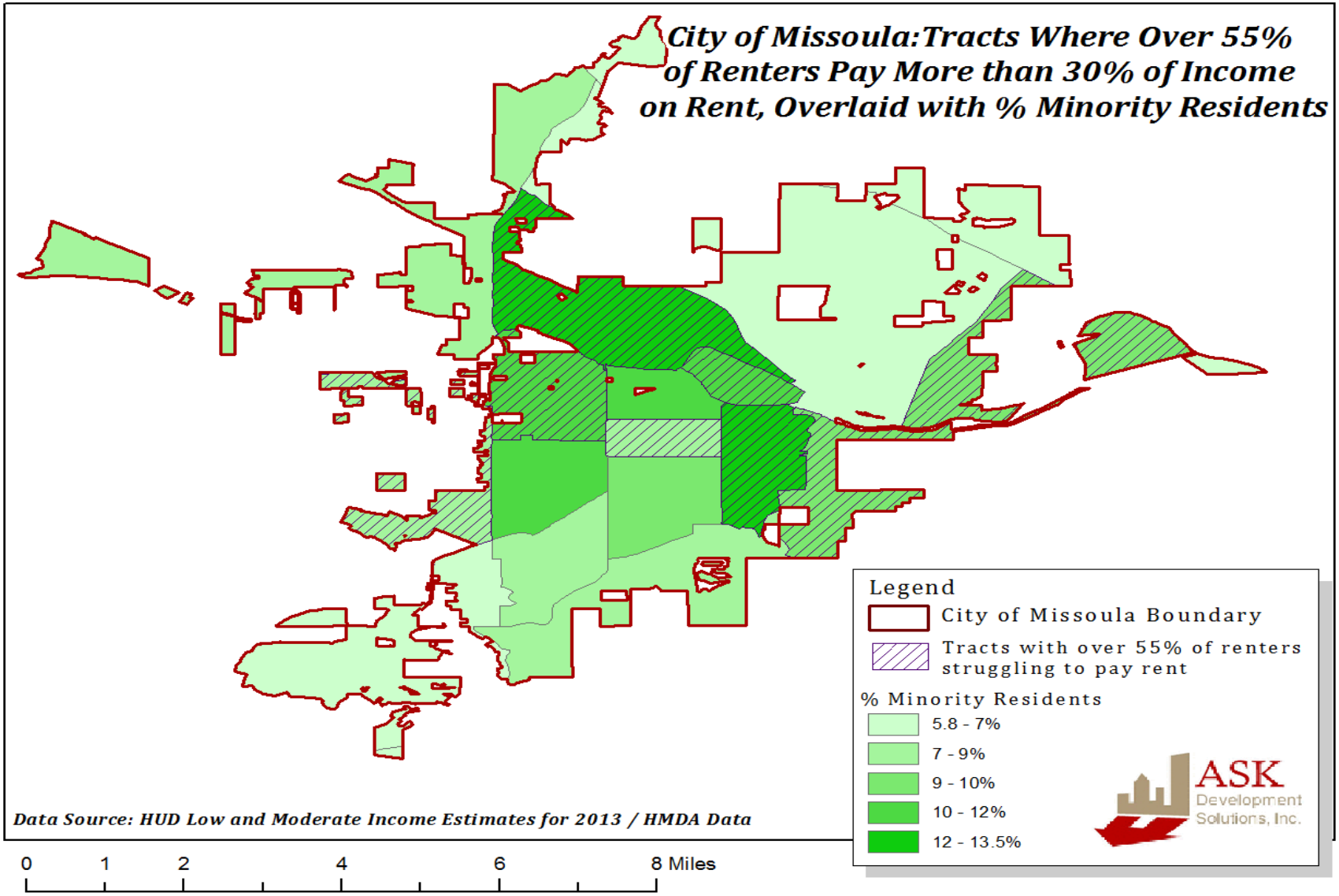
Map 21 – Missoula Tracts With Over 55% Burdened Renters Overlaid With Minority Percent 2013



Housing Stock Available to Persons with Disabilities

To determine if there is sufficient housing available for persons with disabilities, you need to first determine the number of persons in the City that meet the definition of disabled. HUD defines a person with disabilities as " any person who has a physical or mental impairment that substantially limits one or more major life events (walking, talking, hearing, seeing, breathing, learning, performing manual tasks, and caring for one self); has a record of such impairment; or is regarded as having such an impairment.

The most recent comprehensive data on disability status among Missoula's population was the U.S. Census 2012 ACS. According to the 2012 ACS, 10.4% (6,955 persons) in Missoula's civilian non-institutionalized population reported a disability. The data included the following breakdown of the persons with disabilities by age group. The highest percentage of persons with disabilities occurred in the 65 and over population group (33.4%) and the 18 to 64 category has the largest number of persons with disabilities.

Table 38 - Disability Status of the Civilian Non-Institutionalized Population, Missoula, Montana 2012

Population Status	Number	Percentage
Total Population	67,009	100%
With a Disability	6,955	10.4%
Population Under 5 years	3,455	
With a Disability	0	0%
Population 5 to 17 years	8,806	
With a Disability	500	5.7%
Population 18 to 64 years	47,468	
With a Disability	4,027	8.5%
Population 65 years and over	7,262	
With a Disability	2,428	33.4%

Source: American Community Survey, US. Census Bureau (2012)

The 2012 ACS also provides information regarding types of disabilities within the Missoula population, as well as the incidence of two or more disabilities within age groups. Persons with ambulatory disabilities are the most common in the City, representing 27.4% of all disabilities in Missoula. The least common disability reported among Missoula residents was vision difficulty. Missoula's total population with disabilities is 10.4% compared to Missoula County and Montana, where 11.2% percent and 12.9% report a disability, respectively. The population group with the largest percentage of persons with disabilities in Missoula County and Montana is also the elderly, where 33.2% and 36.8% of senior citizens report

some type of disability. Table #39 below shows the breakdown of persons with disabilities based on type of disability and age for 2012.

Table 39 - Disability Characteristics of the Missoula Population, 2012

Population/ Characteristic	Total	# With a Disability	% With a Disability
Total Population	**67,009**	**6,955**	**10.4%**
Population under 5 years	3,455	0	0.0%
With a hearing difficulty		0	0.0%
With a vision difficulty		0	0.0%
Population 5 to 17 years	8,806	500	5.7%
With a hearing difficulty		67	0.8%
With a vision difficulty		25	0.3%
With a cognitive difficulty		415	4.7%
With an ambulatory difficulty		21	0.2%
With a self-care difficulty		46	0.5%
Population 18 to 64 years	47,486	4,027	8.5%
With a hearing difficulty		973	2.0%
With a vision difficulty		674	1.4%
With a cognitive difficulty		1,682	3.5%
With an ambulatory difficulty		2,021	4.3%
With a self-care difficulty		420	0.9%
With an independent living difficulty		1,224	2.6%
Population 65 years and over	7,262	2,428	33.4%
With a hearing difficulty		1,347	18.5%
With a vision difficulty		548	7.5%
With a cognitive difficulty		418	5.8%
With an ambulatory difficulty		1,662	22.9%
With a self-care difficulty		706	9.7%
With an independent living difficulty		935	12.9%

Source: American Community Survey, US. Census Bureau (2012)

Many of the persons with disabilities in Missoula have more than one reported disability. Therefore, there is duplication between categories of disability items. Among persons with disabilities, 3,377 (48.6%) report having two or more disabilities. Almost 59% of elderly, persons with disabilities report having two or more disabilities.

Table 40 - Age and Number of Disabilities, Missoula 2012

Population	Number
Total Population	**67,009**
Population under 5 years	3,455
With either a vision or hearing difficulty	0
With both hearing and vision difficulty	0
Population 5 to 17 years	8,806
With one type of disability	436
With two or more types of disability	64
Population 18 to 34 years	25,049
With one type of disability	777
With two or more types of disability	481
Population 35 to 64 years	22,437
With one type of disability	1,358
With two or more types of disability	1,411
Population 65 to 74 years	3,726
With one type of disability	334
With two or more types of disability	312
Population 75 years and over	3,536
With one type of disability	663
With two or more types of disability	1,109

Source: American Community Survey, US. Census Bureau (2012)

The census data on disability focuses on physical, mental, and emotional conditions. However, the disabled population includes persons with HIV/AIDS and related illnesses as well as those dealing with chronic alcoholism. Missoula's 2009-2013 Consolidated Plan includes statistics from the City's 2007 Drug and Alcohol Plan. The latter plan identified 12,274 Missoula residents in need of treatment for drug and/or alcohol use comprised of 10,820 adults and 1,454 youth (10-17 years of age). Additionally, the Consolidated Plan includes data from the Montana Epidemiologic Profile of STDs and HIV/AIDs prepared by the Montana Department of Public Health Communicable Disease Bureau. The report as of June 2008 revealed that a total of 870 cases of HIV/AIDS had been reported in Missoula since the information has been collected.

To further analyze the housing challenges of persons with disabilities in Missoula, the CHAS data was examined to determine the extent of housing problems and housing needs, particularly for low- and moderate-income households with a disabled member.

The 2010 CHAS data provides the most recent detailed data of housing problems of disabled residents based on their household income. There were 9,490 households with a disabled member, of which 5,535 (58.3%) were low- and moderate-income. According to the CHAS data, 3,905 low- and moderate-income persons with disabilities member households had housing problems.

Within persons with disabilities member-renter households, 77.6% with household incomes less than 30% AMI had housing problems; 94.7% with household incomes greater than 30% but less than 50% AMI had housing problems; and 63.8% of households with incomes greater than 50% but less than 80% AMI had housing problems.

Table 41 - Disabled Member Households with Housing Problems

Income Category	# of Disabled Member Households with Housing Problem	% of Disabled Member Households with Housing Problem
Extremely Low Income	1,485	76.9%
Low Income	1,125	81.5%
Moderate Income	1,295	58.2%
TOTAL Low/Moderate-Income	**3,905**	**70.6%**

Table 42 - Disabled Member Renter Households with Housing Problems

Income Category	# of Disabled Member Renter Households with Housing Problem	% of Disabled Member Renter Households with Housing Problem
Extremely Low Income	1,250	77.6%
Low Income	975	94.7%
Moderate Income	915	63.8%
TOTAL Low/Moderate-Income	**3,140**	**77.1%**

Within persons with disabilities member-owner households, 73.4% with household incomes less that 30%AMI had housing problems; 42.9% with household incomes greater than 30% but less than 50% AMI had housing problems; and 47.5% of households with incomes greater than 50% but less than 80% AMI had housing problems.

Table 43 - Disabled Member Owner Households with Housing Problems

Income Category	# of Disabled Member Owner Households with Housing Problem	% of Disabled Member Owner Households with Housing Problem
Extremely Low Income	235	73.4%
Low Income	150	42.9%
Moderate Income	380	47.5%
TOTAL Low/Moderate-Income	**765**	**52.0%**

Overall, persons with disabled member-renter households were more impacted by housing problems. Low income, disabled member-renter households and

extremely low and low income disabled member-owner households were disproportionately affected by housing problems.

While the CHAS data does not provide details on the type of housing problems faced by persons in disabled-member households; typically having a disability impacts earning potential and capacity to secure housing. Therefore, residents with disabilities often face affordability issues. According to the 2012 ACS, in Missoula, 1,615 persons with a disability are a part of the labor force. However, 536 persons with disabilities (33%) are unemployed. The median income of persons with disabilities is approximately $6,500 less than persons without a disability.

The City of Missoula recognizes the need for housing for special populations including persons with disabilities. Priority needs identified in the City's Consolidated Plan include supportive housing for special needs populations; reviewing processes that include compliance with the Fair Housing Act, the American with Disabilities Act and Section 504 and available funding for detoxification and substance abuse programs that are coordinated with the penal system.

Due to the broad range of challenges faced by Missoula's population of persons with disabilities, a combination of housing types and services are needed. The City's 2009-2013 Consolidated Plan indicates that persons with disabilities are in need of licensed group home services, including day care and transportation (based on waiting list data). That Consolidated Plan also discusses a survey conducted by the Missoula City-County Health Department where 30% of the people with HIV/AIDS identified housing costs as a primary concern. In Missoula County there were 15 persons on the waiting list for group homes; 45 persons on the waiting list for supportive housing; and 33 persons on the day or vocational waiting list. According to the 2013 Missoula Public Housing Plan, as of May 2013, there were 563 families with a member with a disability on waiting lists managed by the MHA as follows: 169 families on the public housing waiting list; 273 families on the housing choice voucher waiting list; and 121 families on the Shelter Plus Care waiting list.

According to the City's Consolidated Plan, existing housing facilities and programs to support development or availability of housing for persons with disabilities include:

- 13 group homes for adults with development disabilities managed by Opportunity Resources Inc. (ORI) and Missoula Development Services Corporation (MDSC);
- The Interim Assistance Program (IAP) operated by the Human Resource Council (HRC). According to the HRC website, the program provides temporary assistance to persons with disabilities pursuing Social Security Income and/or transitioning back to employment. The program also provides case management, rental assistance, and supportive services.

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Program participants must be low income and have a medically verifiable disabling condition that prevents employment.

- The Open AID Alliance, the City-County Health Department and the Housing for People with AIDS (HOPWA) Program which meet the needs of persons with HIV/AIDS.
- The Regional Access Mobility Program of Montana (RAMP) purchases and installs modular aluminum wheelchair ramps for low- and moderate-income seniors or people with disabilities and/or mobility impairments.

The Missoula Housing Authority (MHA) provides housing and financial assistance to low income households including the elderly and persons with disabilities. The major programs operated by the MHA include the Conventional Housing Program, Housing Choice Voucher Program (Section 8) and the Shelter Plus Care Program (S+C). The S+C program is a federal program providing rental assistance specifically for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. The goal of the program is to assist persons who are disabled in Missoula to receive adequate housing. According to the MHA website, the agency currently has 107 S+C vouchers and serves over 130 households. The MHA also provides public housing, including 154 senior/disabled units at Vantage Villa and 20 floating units at Silvertip Apartments. The MHA is also seeking to add additional accessible units to its supply, as indicated in its 2013 Public Housing Plan. The Housing Authority requested approval from HUD to dispose of units that were not accessible or visitable by persons with disabilities due to configuration or location. The agency is using proceeds from the sale of these units to improve, develop, or purchase more suitable properties, including units that will accommodate persons with disabilities. Additional information on the MHA programs is included in the Public Housing Policies section of this analysis.

Missoula's population of persons with disabilities also has access to resources through the State of Montana. According to Montana's 2010-2015 Consolidated Plan, the disabled population has a higher poverty rate and lower employment status than the general population. This, coupled with this population's special needs, makes it a challenge to provide safe, affordable housing for persons who are disabled throughout the state. In addition, persons with disabilities require supportive services in conjunction with the provision of affordable housing. Those persons with non-mobility related disabilities often require extensive special services, particularly those who are chronically homeless, chemically dependent, or mentally disabled. These individuals experience ongoing daily functioning difficulties because of their illness and many are unable to work due to their profound disabling illness.

Some of the programs highlighted in the 2013 Montana Action Plan that specifically address the needs of the disabled are HOPWA, Montana Continuum of Care, and the Disabled Accessible Affordable Homeownership Program.

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HOPWA funding received from HUD is used to operate two programs, the Tri-State Housing Environments for Living Positively Program (TS HELP), and TS HELP Plus. TS HELP is a continuum of housing and related supportive services for people living with HIV/AIDS and their families. The program is implemented through a collaborative partnership with the Open Aid Alliance, Yellowstone AIDS Project, Sioux Falls Housing and Redevelopment Commission, and Community Action Program Region VII. TS HELP Plus provides tenant based rental assistance and short-term rent, mortgage and utility assistance to eligible persons and their families. In Missoula, the program is implemented by the Open Aid Alliance (OAA).

The HUD Continuum of Care program is a competitive grant program that provides permanent housing, transitional housing, and supportive services to homeless persons. According to the 2012 Montana CAPER, 23 projects across the state receive funding to operate Shelter Plus Care and Supportive Housing Programs, including the following Missoula projects:

- YWCA of Missoula
- Western Montana Addiction Services
- Mountain Home Montana Inc.
- Poverello Center Inc.
- Missoula Housing Authority

The Disabled Accessible Affordable Homeownership Program was initiated by the Montana Board of Housing (MBOH) in 1993. The purpose of the program is to assist persons with disabilities to acquire affordable, accessible homes. In order to qualify for the program, an eligible homebuyer, spouse, child, or parent must have a permanent physical disability with mobility impairment. Applicants must also income qualify and be a first-time homebuyer or may have owned a home prior to the disability that is no longer accessible.

To address the needs identified in the Consolidated Plan, Montana included the following objective and actions to provide housing options for persons with disabilities in its 2013 Action Plan:

- Continue to utilize Montana Department of Commerce (MDOC) and MBOH funds to develop projects targeted to households with persons with physical, developmental, and mental disabilities;
- Increase group living and homeownership opportunities for persons with severe and disabling mental illness and other disabilities through cooperation with organizations such as the Montana Home Choice Coalition;
- Continue to make funds available through the MBOH Disabled Accessible Affordable Home Ownership Program to provide architecturally accessible homes for persons with permanent and mobility impairments;

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- Continue to offer education regarding universal design and accessibility requirements in order to increase the number of accessible multi- and single-family units available to the disabled population;;
- For Low Income Housing Tax Credits (LIHTC, HOME, and CDBG) require the following universal accessibility features for all new construction and major rehabilitation that replaces interior walls and doors; in housing projects, and encourage such features in all major rehabilitation projects:
    - 36 inch doors for all living areas (except pantry, storage, and closets)
    - levered handles for exterior and interior doors (except exterior swing doors)
    - outlets mounted not less than 15 inches above floor covering
    - light switches, control boxes and/or thermostats mounted no more than 48 inches above floor covering
    - walls adjacent to toilets, bath tubs and shower stalls require reinforcement for later installation of grab bars
    - lever style faucets for laundry hook-up, lavatory and kitchen sink
    - no-step entry to all ground floor units
- Continue to seek HOPWA funding for the Tri-State HELP and Tri-State HELP Plus housing assistance programs for people living with HIV/AIDS.

In addition to the federal and local financial resources made available to provide housing and supportive services to persons with disabilities, the Montana Department of Commerce also provides a searchable database of accessible rental units, including properties in Missoula. According to the website, MTHousingSearch.com, the housing locator service was launched across the state of Montana in July 2008. The website provides detailed information about rental properties and helps people find housing to best fit their needs based on commonly desired accessible criteria.

The Montana Home Choice Coalition is another resource available to persons with disabilities and seeking housing. The agency is described in the Missoula Consolidated Plan as an advocate for people with disabilities or families that have members with disabilities living with them. The Coalition forms partnerships with agencies and financial institutions to provide homeownership, integrated community rental housing, supportive living housing, and other housing opportunities to these households. Coalition activities include promoting enhanced accessibility and Universal Design features in housing.

RAMP of Montana while not an agency assisting persons with disabilities to find housing, it assists persons with disabilities to retrofit existing houses for accessibility.

Based on the size and characteristics of Missoula's disabled population, the available housing facilities in the City, and the outstanding need for housing and services, it is clear that one of the issues disabled residents face is a lack of affordable and accessible housing. In addition, renter households with disabled

members encounter the largest need. The extent of the need is difficult to quantify because of insufficient data on the number of accessible units in the City, particularly in the private market. The lack of affordable and accessible housing for persons with disabilities is an impediment to fair housing choice. Due to the lack of resources to meet the housing needs of Missoula's disabled population, ensuring that there is sufficient affordable housing stock for the disabled should be a priority.

To overcome this challenge, the City should work closely with landlords and property managers to educate them about the rights of persons with disabilities and the responsibilities of property owners to make reasonable accommodations. To encourage landlords to rent to persons with disabilities, the City should make a financial commitment to assist small scale rental property owners with funding to bring units up to acceptable standards. And finally, the City should consider revising its building and zoning regulations to 1) address any policies that may contribute to the shortage of affordable, accessible housing units and 2) use the regulations to incentivize the production of more accessible housing units. This latter recommendation will be examined further in the City Regulatory Review section of this Analysis.

Housing Stock Available to Elderly Persons

According to the 2010 U.S. Census, there are 7,115 elderly persons (over 65 years of age) living in Missoula, comprising 10.4% of the population. Of the 7,115 elderly persons, 3,613 persons (50.8%) over the age of 75 are considered to be extra-elderly or frail elderly. The elderly population rate is smaller in Missoula when compared to the state where the elderly population is 14.9% of the total population. In terms of growth between 2000 and 2010, persons in the age group 55-64 years have experienced the greatest increase in both Missoula and the State of Montana. The population over 55 years of age makes up a smaller percentage of the overall population. However, this segment of the population has been growing significantly faster than the younger age groups.

Table 44 - Population Distribution by Age Group 2010, Missoula & Montana

Missoula	No. of persons (2000)	%	No. of persons (2010)	%	% change
Under 44	39,860	69.9%	44,918	67.3%	12.7%
45-54	7,494	13.1%	7,693	11.5%	2.7%
55-64	3,777	6.6%	7,062	10.6%	87.0%
65-74	2,703	4.7%	3,502	5.2%	29.6%
Over 75	3,219	5.6%	3,613	5.4%	12.2%
Total	**57,053**	**100.0%**	**66,788**	**100.0%**	**17.1%**
Montana	**No. of persons (2000)**	**%**	**No. of persons (2010)**	**%**	**% change**
Under 44	510,039	59.9%	553,983	56.0%	8.6%
45-54	135,088	15.9%	149,832	15.1%	10.9%

55-64	85,119	10.0%	138,858	14.0%	63.1%
65-74	62,519	7.3%	80,742	8.2%	29.1%
Over 75	58,430	6.9%	66,000	6.7%	13.0%
Total	**851,195**	**100.0%**	**989,415**	**100.0%**	**16.2%**

Elderly and Extra Elderly

The 2010 CHAS data indicates that there were 5,770 persons in elderly households that have mobility or self-care limitations. This figure is broken down into 1,955 renter households, and 3,815 owner households. Of the 1,955 renters with mobility and self-care limitations, 1,515 (77.5%) are low- and moderate-income households. The renter households with the highest rate of housing problems are extra elderly 1- & 2-member households. Elderly is defined as a household composed of one or more persons at least one of whom is 62 years of age or more. Extra elderly is defined as a 1- & 2- member household where either person is 75 years of age or older. According to the data, housing problems disproportionately impact the extra elderly 1- & 2- member households with the exception of middle/upper-income, extra-elderly one- and two-member households, and extremely low income and low income elderly, one- and two-member households and other households.

Table 45 - Housing Problems for Renters with Mobility & Self Care Limitations

Household by Type, Income, & Housing Problem	Extra Elderly 1- & 2 Member Households	Elderly 1= & 2 Member Households	Other Households	Total Renters
Extremely Low Income	250	200	3,075	3,525
% With Housing Problems	75.8%	83.3%	76.6%	76.9%
Low Income	285	115	2,055	2,445
% With Housing Problems	93.4%	82.1%	84.2%	85.1%
Moderate Income	170	55	1,190	1,415
% With Housing Problems	61.8%	24.4%	41.2%	41.7%
Middle/Upper Income	85	0	195	280
% With Housing Problems	32.1%	0.0%	6.3%	7.9%
Total Households	**790**	**370**	**6,515**	**7,675**
% With Housing Problems	67.2%	47.4%	52.3%	53.2%

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Further analysis of the CHAS data shows that of the 3,815 owner households with mobility and self-care limitations, 1,310 (34.3%) are considered low- and moderate-income households. Household groups with extremely low income have the highest rate of housing problems, followed by low income extra elderly 1- and 2-member households, and then other households whose income is considered low income and moderate income, as illustrated below.

Table 46 - Housing Problems for Owners with Mobility & Self Care Limitations

Household by Type, Income, & Housing Problem	Extra Elderly 1- & 2 Member Households	Elderly 1- & 2 Member Households	Other Households	Total Owners
Extremely Low Income	110	60	445	615
% With Housing Problems	88.0%	100.0%	72.4%	76.9%
Low Income	120	90	355	565
% With Housing Problems	64.9%	40.9%	62.8%	58.2%
Moderate Income	60	145	910	1,115
% With Housing Problems	15.6%	43.3%	62.8%	51.4%
Middle/Upper Income	60	290	1,715	2,065
% With Housing Problems	6.8%	17.8%	23.2%	20.8%
Total Households	**350**	**585**	**3,425**	**4,360**
% With Housing Problems	22.2%	26.1%	34.1%	31.5%

According to the 2010-2012 Montana Consolidated Plan, the higher growth rates in elderly and special needs households will place pressure on the available housing needs in Montana. As the Baby Boom generation (those born between 1946 and 1964) reaches retirement age, the growth of the elderly population (65 and over) is expected to accelerate rapidly. As cited in the Consolidated Plan, the study *Measuring the Years: State Aging Trends & Indicators Data Book,* indicates that the proportion of Montana's population classified as elderly is

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expected to increase from 13.4% in 1995 to 24.4% in 2025[1], the implications of which are a major concern for the state. The lack of affordable housing is a problem for many of Montana's lower income citizens, including the elderly. Additional information and statistics in the Consolidated Plan relating to elderly and frail elderly include:

- By 2025, the percentage of Montanan's people 65 years of age or older is expected to rise to 24.4%, ranking it third in the nation. The percent of the population 85 and older is expected to be 3.1%, moving the state's ranking to fourth.
- By 2030, Montana is still expected to rank 3rd in the nation in the percentage of people over the age of 65 at 25.8%.
- In regards to long-term care continuum, the overall trend has been towards providing more home and community based services and less institutional care. Nursing home occupancy rates have been declining, while most home and community based options have seen substantial growth.

Figure 15 – Change in Long-Term Care, State of Montana, 1994-2004

	1994	2004	% Change
Total Medicaid Long-Term Care Expenditures	$132,969,000	$215,454,000 (2001)	+62%
Nursing Home Occupancy Rate	91%	76%	-17%
Medicaid Waiver Clients	850	1,796	+112%
Assisted Living Facilities	29	180	+521%
Adult Day Care Facilities	29	55	+93%

Source: *The State of Aging in Montana 2004*; Montana Department of Public Health Human Services; **http://www.dphhs.mt.gov/sltc/services/aging/Reports/2004%20agingreportfinal.pdf**

Missoula Aging Services compiles a list of housing options for the elderly including nursing homes and assisted living facilities in Missoula. As of July 2012, there were four skilled nursing health care facilities with a total of 413 beds and 14 assisted living facilities with a total of 447 beds. The agency also maintains a list of independent housing projects as shown below:

[1] *Measuring the Years: State Aging Trends & Indicators Data Book*, Center on an Aging, Society Health Policy
Institute, Georgetown University for the National Governors Association Center for Best Practices, August 2004;
http://www.nga.org/center/databook04/

Table 47 – List of Housing Options, Missoula, 2012

Senior Living Place	Number of Beds
Skilled Nursing Health Care Facilities:	
Missoula Health and Rehab	53
Hillside Healthcare	95
Riverside Health	72
Village Healthcare	193
Assisted Living Facilities:	
At Home Assisted Living	28
Bee Hive Homes	67
Country Home Estate	10
Edgewood Vista	25
Florhaven	20
Grandma's House	6
Hillside Place	13
Hunter's Glen	120
Lighthouse Assisted Living	13
Missoula Assisted Living	22
Pleasant View	8
Rosetta	17
The Springs of Missoula	68
Village Senior Residence	30
TOTAL ASSISTED UNITS	**860**

Source: Compiled by Missoula Aging Services' Resource Center
Updated July 2012

Summit Independent Living Center also compiles a list of housing options for people with disabilities which is attached as an appendix to this report.

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Figure 16 – Independent Housing List

INDEPENDENT HOUSING LIST
Missoula, MT
Compiled by Missoula Aging Services' Resource Center, 728-7682
Updated March 2012

				Elevator	Pets	Approx Rent	Bus Stop	Utilities
SUBSIDIZED (FOR INDIVIDUALS 62+ AND OR PERSONS WITH DISABILITIES)								
Vantage Villa	1319 E Broadway	549-4113	Missoula Housing Auth	Yes	conditions	wait list - 2-1/2 yrs	Yes	included
SUBSIDIZED (FOR INDIVIDUALS 62+)								
Glengarra Place	3900 Galway Av	541-9245	Cade Lucas	Yes	<30 lbs	30% of income	1 block	included
Silvercrest	1550 S 2nd St W	541-0464	Tabitha Winchell	Yes	Yes	30% of income	No	
SUBSIDIZED RETIREMENT HOUSING (62+ LICENSED WITH HOUSING AND MEALS PROVIDED)								
Clark Fork Riverside	301 W Front St	721-2439	Karen Foster	Yes	<20 lbs	30% of income	Yes	Included
Missoula Manor	909 W Central Av	728-3210	Staff	Yes	Cat >10 lbs Dog >20 lbs	30% of income	Yes	Included
AFFORDABLE HOUSING (FOR INDIVIDUALS 55+)								
Burlington Square	2420 Burlington Ave	327-6659	Mike Wornath	Yes	<25 lbs	$600-700	1 block	Included
River Ridge Apts	2840 Santa Fe Ct	543-7500	Sherry Marquette	Yes	<25 lbs	$600 range	behind target	Included
Russell Square West	1235 34th St	549-4113	Missoula Housing Auth	No		$525-625	1/2 block	
AFFORDABLE HOUSING (FOR INDIVIDUALS PHYSICAL DISABILITY and TBI)								
Bruce Blattner Apts	225 W Broadway	800-466-7722	Accessible Space Inc.	Yes	20#	30% of income	Yes	
Eagle Watch Estates	565 Burton	800-466-7722	Accessible Space Inc.	Yes	20#	30% of income	No	
NON-SUBSIDIZED (FOR INDIVIDUALS 62+)								
Lynwood Community	951 Ronald Av	728-7333	Gate West Property Mgmt	Yes	No	$500-$700	1 block	
Grizzly Peak	3600 American Way	721-2292	Staff	Yes	Yes	Starting at $2000	Yes	Included
The Springs of Missoula	3710 American Way	273-0101	Ken Spaid	Yes	Yes	$2000 range	No	Included
Village Senior Residence	2815 Old Fort Rd	549-1300	Bev Mix	Yes	Cats	$2000 range	Yes	Included

The Montana Board of Housing (MBOH) administers a significant amount of funding that it uses to accomplish its public purpose of providing decent, safe, sanitary, and affordable housing for lower income residents of the state. MBOH accomplishes this task by issuing tax-exempt bonds, administering federal housing programs, and partnering with many other housing providers throughout Montana. MBOH administers programs such as the Single Family Program, Recycled Single Family Program, Multifamily Loan Programs, Low Income Housing Tax Credit Program, and the Reverse Annuity Mortgage (RAM) Program. The RAM Program assists eligible seniors convert the equity in their homes to cash while retaining homeownership. MBOH makes payments to participants each month and does not require repayment of the principal or interest as long as the homeowners resides in the home for the 10-year life of the loan. As of June 2012, the MBOH has assisted 191 elderly households through the RAM program. The Board also allocated over $2.6 million of LIHTC, equivalent to $21 million in equity, to preserve 165 units of affordable rental housing.

The State of Montana identified the following objectives to provide housing options for the elderly:

- Support efforts by the Public Health and Human Services Senior and Long Term Care Division (SLTCD) to continue to develop a growing continuum of long-term care services, ranging from institutional care (nursing homes and assisted living facilities) to home and community based services (personal care, home health services, hospice, homemaker, home chore, congregate and home delivered meals programs, transportation, health promotion programs, etc.); and
- Continue to market and support the Reverse Annuity Mortgage Loan Program, which enables Montana low income homeowners over 68 years old to provide for their own in-home support by utilizing cash from a Reverse Annuity Mortgage.

Location of Affordable Housing

The MBOH administers the Housing Tax Credit Program, which allocates tax credits for rental housing in Montana. The agency has funded 21 LIHTC projects in Missoula since the inception of the program. These projects represent a total of 855 housing units. The table below provides information on each of the projects including the type of housing, the number of units, and the location by census tract. The location characteristics for each project are also provided based on U.S. Census data from the FFIEC Census reports for 2013.

The following table shows a list of “subsidized” housing units in the City of Missoula including low income housing tax credit (LIHTC), CDBG, local and State HOME Investment Partnerships (HOME) Program and NSP funded units.

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Table 48 – List of Subsidized Housing Units in Missoula

Project Name	Housing Type	Units	Census Tract	Tract Minority %	Tract Median Family Income %
Creekside Apts.	Family	161	1	6.02	131.77
Butarac Rentals	Family	4	2.01	13.48	56.90
Clyatt Rentals	Family	4	2.01		
Equinox	Family	35	2.01		
Gold Dust	Family	18	2.01		
Phillips Apts.	Family	8	2.01		
River Ridge	Elderly	70	2.01		
Solstice	Family	34	2.01		
Union Place	Family	63	2.01		
The Palace Hotel	Family	60	3	11.28	59.25
Lenox Flats	Family	10	3		
Coad I	Family	6	7	10.64	83.73
Coad III	Family	6	7		
Cove Apts.	Family	4	7		
Fireweed Court	Family	12	7		
Sem Apts.	Family	6	7		
Coad II	Family	6	8	10.40	55.40
Garden District I	Family	37	8		
Orchard Garden	Family	35	8		
Burlington Square	Elderly	51	10	11.46	89.25
Maclay Commons	Family	16	10		
Parkside Village Apts.	Family	104	12	9.09	86.4
Russell Square Apts.	Family	53	12		
Wild Flower Apts.	Family	96	12		
Missoula Manor	Elderly	130	12	9.09	86.4
Salvation Army Silvercrest	Elderly	51	8	10.40	55.40
MHA Vantage Villa	Single & Family	41	1	6.02	131.77
Eagle Watch	Disabled/Elderly	24	2.01	13.48	56.90
Silvertip Apts.	Family	115	1	6.02	131.77

According to the FFEIC data, the City of Missoula has an average minority concentration of 9 percent. With the exception of census tract 1, where the minority population is 6.02 percent, all the LIHTC projects are located in census tracts that are above the City's average for minorities. Census tract 2.01 which has the largest minority concentration in the entire City and one of the lowest median incomes, also has the second largest number of LIHTC projects representing 202 units, or 23.6% of the total LIHTC units. There is only one LIHTC project in census tract 1. However, it is the largest of all the tax credit developments, comprised of 161 units or 18.8% of the total LIHTC units. Census tract 12, which has a minority concentration almost equivalent to the City's average, has 253 LIHTC units or 28.6% of the total LIHTC units. The City/County Department of Grants and Community Programs also uses CDBG, HOME and NSP funding to provide housing for families and persons who are elderly. These units distributed across different census tracts. The only census tract that has a high concentration of subsidized units is census tract 2.01 with nine (9) projects with 257 units, census tract 7 with 5 subsidized projects consisting of 34 units, and census tract 12 with four (4) projects consisting of 383 subsidized units. The census tract that has the greatest concentration of subsidized units has the second lowest minority percentage among the tracts with assisted units. Based on the review of the census data, the location of rent-restricted units including grant and LIHTC funded projects is almost equally divided between minority and non-minority areas, therefore there is not an over-concentration of low income housing units in minority areas within Missoula.

In the following Maps #22 and #23, the data indicates that affordable units are distributed over the City and are not concentrated in low income areas.

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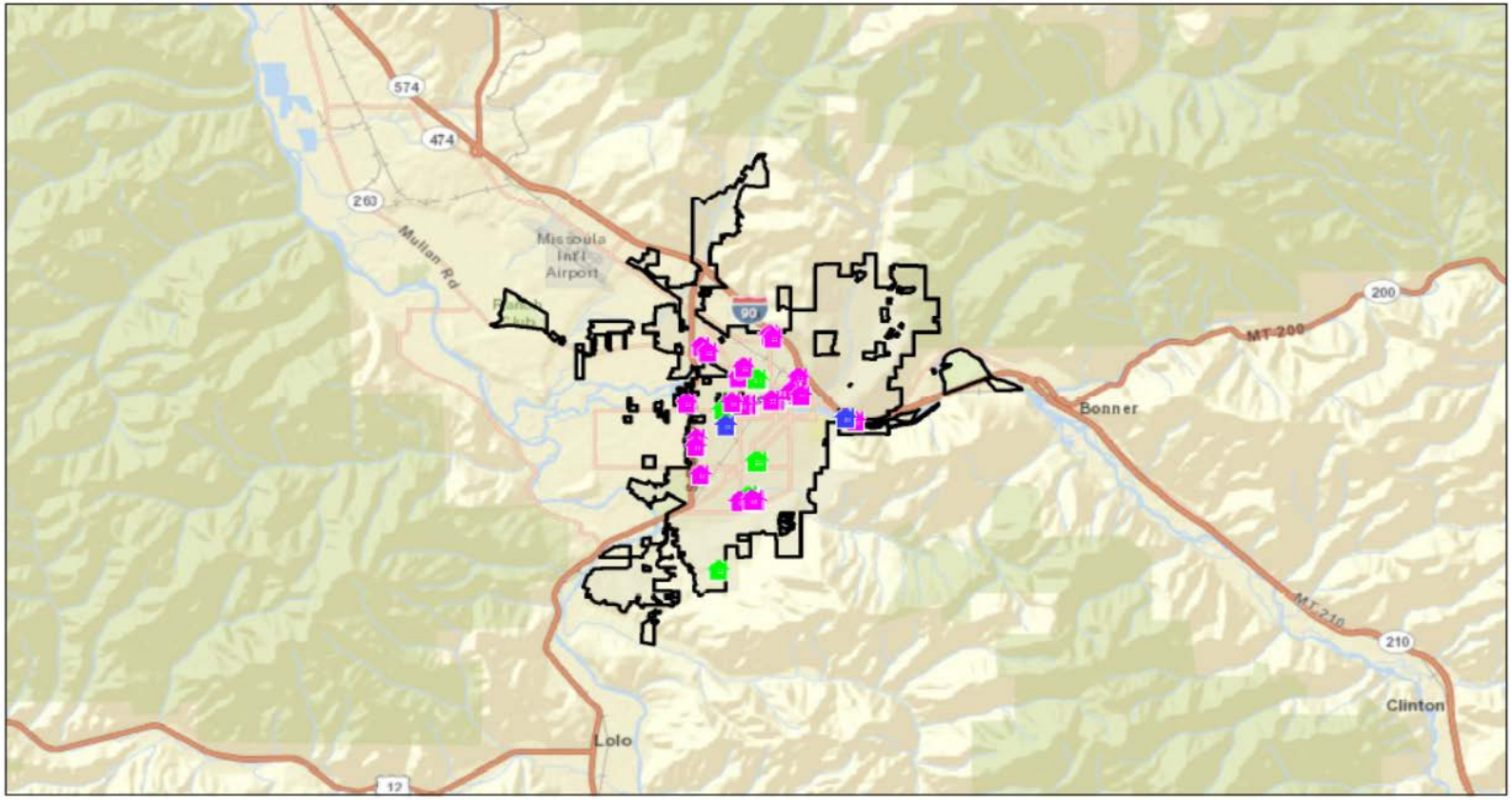
Map 22 – Missoula Consolidated Planning Map of Affordable Housing 2014

CPD Maps - Consolidated Plan and Continuum of Care Planning Tool



February 5, 2014

- Public Housing Development
- LIHTC Property
- Multifamily Properties - Assisted

Override 1

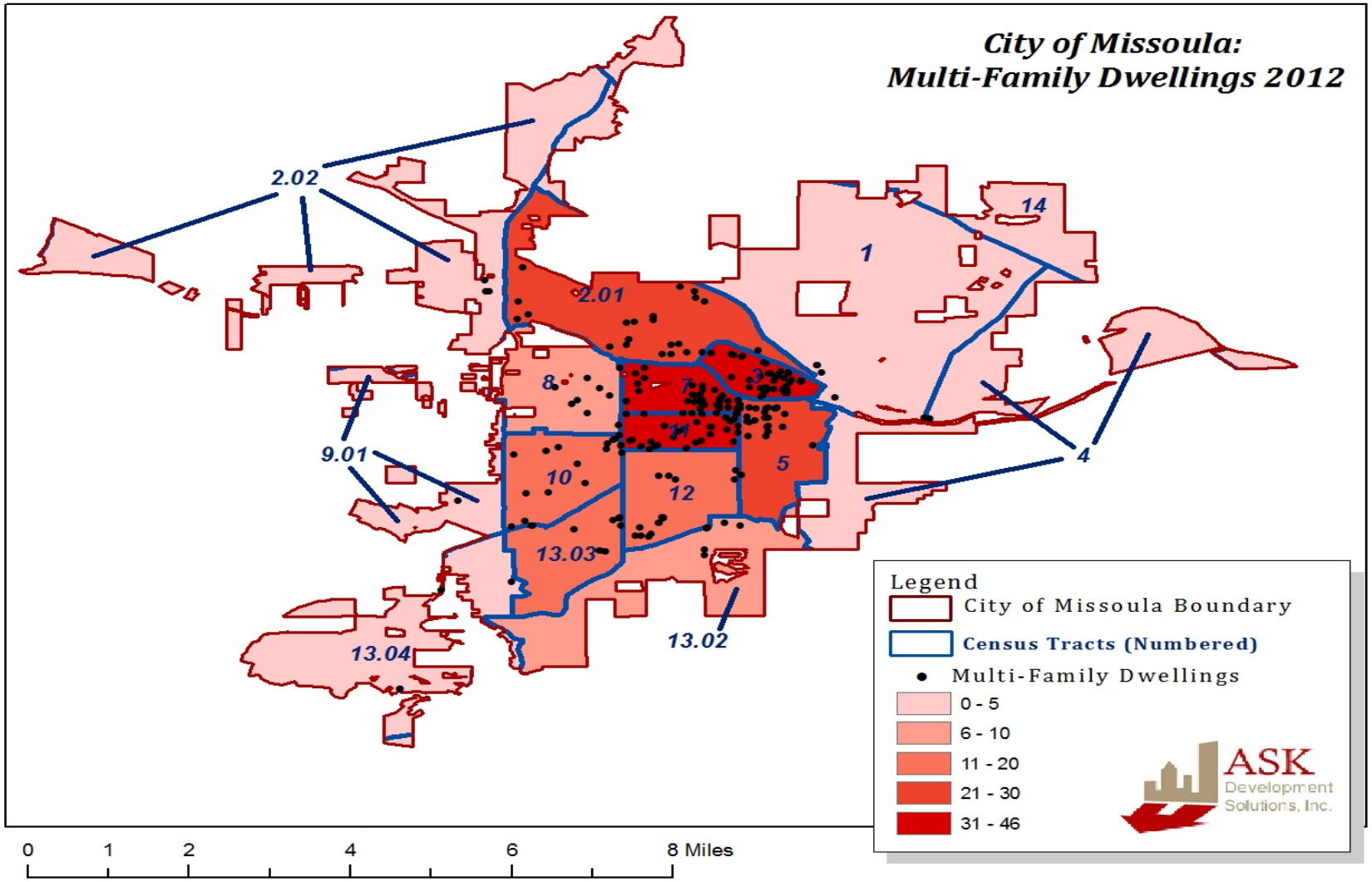
1:260,928

0 2.25 4.5 9 mi

0 3.5 7 14 km

Sources: Esri, DeLorme, NAVTEQ, USGS, Intermap, iPC, NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, 2013

Map 23 – Missoula Multi-Family Dwellings 2012



Homeownership by Race and Ethnicity

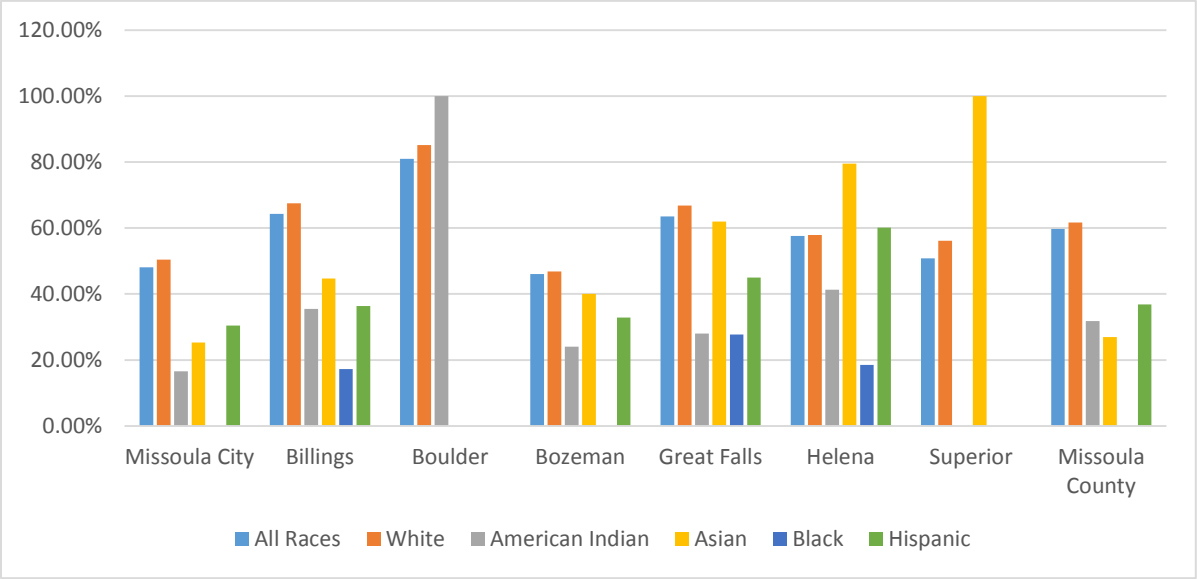
As in most areas of the country, rates of homeownership vary by race/ethnicity in the City of Missoula and its neighboring communities. The overall rate of homeownership in Missoula, for all races, was 48.1% (2012 ACS, U.S. Census). In Missoula, Whites have the highest rate of homeownership (50.4%), followed by Asians (25.3%), and then American Indians/Native Americans (16.6%). The homeownership rate for persons of Hispanic ethnicity was 30.4%. The Missoula homeownership rates are lower than those of Missoula County as a whole (59.7%). The following table depicts homeownership rates by race in Missoula, Missoula County, and other cities, including Montana's two other entitlement communities, Billings and Great Falls.

Table 49 - Homeownership Rates by Race/Ethnicity, 2012

County or City	Overall Ownership Rate	Ownership Rate - White	Ownership Rate – American Indian	Ownership Rate - Asian	Ownership Rate - Black	Ownership Rate – Hispanic
Missoula City	**48.1%**	**50.4%**	**16.6%**	**25.3%**	**0%**	**30.4%**
Billings	64.3%	67.5%	35.5%	44.7%	17.2%	36.3%
Boulder	81.0%	85.1%	100%	0%	0%	0%
Bozeman	46.0%	46.8%	24.0%	40.0%	0%	32.9%
Great Falls	63.5%	66.8%	28.0%	62.0%	27.7%	45.0
Helena	57.6%	57.9%	41.3%	79.5%	18.5%	60.1%
Superior	50.8%	56.1%	0%	100.0%	0%	0%
Missoula County	59.7%	61.7%	31.8%	26.9%	0%	36.8%

Source: American Community Survey, U.S. Census (2012)

Figure 17 - Homeownership by Race/Ethnicity, 2012



Source: American Community Survey, U.S. Census (2012)

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Recent City Housing Accomplishments

The City of Missoula is an entitlement community which receives federal funds from HUD annually. The City receives funds under its Consolidated Plan for the Community Development Block Grant (CDBG) Program and the HOME Investment Partnerships Program (HOME). The total allocation over the last five year period was $5,412,983. The City was also the recipient of a Neighborhood Stabilization Program (NSP) grant to address the effects of foreclosed, abandoned, and vacant residential properties in selected target areas. As part of the Consolidated Planning process, the City is required to prepare an annual report of its accomplishments known as the Comprehensive Annual Performance Evaluation Report (CAPER). The CAPER generally includes an assessment of the City's progress towards meeting the goals and objectives established in its 5-year Consolidated Plan and subsequent Annual Action Plans. The CAPERs for the 2010-2012 program years as well as the 2013 Annual Action Plan and the 2009-2013 Consolidated Plan were reviewed to determine recent housing accomplishments and actions taken to promote fair housing.

The City's affordable housing objectives identified in the Consolidated Plan include increasing and preserving the supply of affordable rental units and homeownership for low- and moderate-income households, including special needs subpopulations. According to the 2012 CAPER, the City committed 52% of its federal resources to housing activities to increase and maintain affordable housing.

During the period reviewed, the City of Missoula funded programs addressing the housing needs of low- and moderate-income residents. Some of the programs and projects consistently supported are the:

- First-time Homebuyer Program which provides downpayment assistance, closing costs, and homebuyer education – 2010: 7 households assisted; 2011: 6 households assisted; and 2012: 6 households assisted;
- Regional Access Mobility Program (RAMP) for the purchase and installation of modular aluminum wheelchair ramps and other accessibility modifications for low- and moderate-income seniors and persons with disabilities and/or mobility impairments – 2010: 5 households assisted; 2011: 12 households assisted; and 2012: 5 households assisted;
- Construction or rehabilitation of affordable housing units – 2010: 34 LIHTC rental units; 2011: rehab of Palace Hotel; 2012: acquisition and rehabilitation of an 8-unit apartment complex;
- Tenant-based rental assistance program administered by Women's Opportunity and Resource Development, Inc. (WORD). The program provides eligible tenants with HOME funds for rent, security deposit, and utility deposits. The rental subsidy is provided for up to four months; and

- Housing counseling services including first-time homebuyer training, financial education, advocacy, and outreach.

In addition, through a Neighborhood Stabilization Program grant from the State of Montana, the City purchased a vacant, foreclosed property; demolished existing structures, and constructed 115 units of affordable rental housing. Construction of the units was competed in PY 2012 and as of June 2013, full occupancy was achieved.

The fair housing actions taken during 2012 were aimed at addressing the four impediments identified in the 2010 update to the Analysis of Impediments to Fair Housing Choice. In its CAPER, the City indicated that transportation, rental practices, fair housing enforcement, and zoning were the factors limiting fair housing choice. According to the CAPERs the City engaged in the following activities to promote fair housing:

- Constructed new housing developments closer to the City Center and closer to public transportation to connect residents to employment, social services, and other resources.
- The City and County funded a program administered by Women's Opportunity and Resource Development (WORD) to provide rental deposits and case management to lessen the risk to property owners thus reducing the need for extensive credit and rental histories.
- City staff attended training offered by Montana Fair Housing in April 2013.
- The City made revisions and improvements to the review process to help streamline projects.
- The City hosts regular meetings with local non-profit organizations including the Missoula Housing Authority, District XI Human Resource Council, Western Montana Mental Health Center, Homeword, and North Missoula CDC. The purpose of the meetings is to discuss available resources, housing needs of the community, and future plans.
- Participants in the HOME and CDBG programs are required to use affirmative fair housing practices to inform potential owners, tenants, and the public about fair housing laws.
- HOME and CDBG subrecipients are required to attend a Fair Housing Training within 12 months of receiving HOME or CDBG funds for a housing project.
- Developers and subrecipients receiving federal funding from the City must affirmatively further fair housing. These provisions are included in developer and subrecipient agreements with the City.

According to the Missoula CAPERs, the City addresses worst-case housing needs through housing vouchers and supported rental and owner units. PY 2012

funds were also used to provide rent stabilization to those at risk of becoming homeless and to provide services for homeless families.

Public Housing Authority Policies

Since 1974, HUD has helped low income households obtain better rental housing and reduce the share of their income that goes toward rent through a program that relies on the private rental market. In 1997, 1.4 million households held Section 8 certificates or vouchers, which allow them to rent eligible units in the private market and receive rental subsidies from the federal government. A key parameter in operating the certificate and voucher programs is the Fair Market Rent (FMR).

Since Congress established the Section 8 program in 1974, there have been three definitions of FMRs. The current definition, which became effective in 1995, contains several elements: "The FMR is the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market." FMRs are set for rental units based on the number of bedrooms. Section 8 rules determine eligible units by household size and the age and sex of children. The following table indicates the FY 2013 FMRs by unit bedrooms for the Missoula, MT MSA:

Table 50 - FY 2013 FMRs By Unit Bedrooms
Missoula, MT MSA

	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
FY 2013 FMR	$545	$591	$738	$1,058	$1,307

The Missoula Housing Authority (MHA) was created in 1978 for the purpose of addressing poor building conditions, improper planning, excessive land coverage, and unsafe conditions due to overcrowding. MHA serves low- and moderate-income persons residing in the City of Missoula and surrounding areas (outside the city limits within a ten-mile radius). There are three main programs that the agency operates:

- Housing Choice Voucher Program
- Public Housing
- Shelter Plus Care (S+C)

According to the 2013 Annual PHA Plan, the MHA owns and operates 174 public housing units and manages 774 housing choice vouchers. As of May 2013, there were 3,457 families on the housing authority's waiting lists: 1,426 families for public housing; 1,910 families for housing choice vouchers; and 121 families for Shelter Plus Care.

The HUD Housing Choice Voucher Program (formerly known as Section 8) is a federal program for assisting very low income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Housing assistance is provided on behalf of the family or individual, and participants are able to find their own housing, including single-family homes, townhouses and apartments. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. Generally, a housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. Eligibility for a housing voucher is determined by the PHA based on the total annual gross income and family size. In general, the family's income may not exceed 50% of the median income for the county or metropolitan area in which the family chooses to live.

In Missoula, the Housing Authority pays a fixed amount toward the rent, based on the tenant's income and the Housing Authority's approved payment standards. Initially, the tenant must pay at least 30 percent but no more than 40 percent of their monthly income for rent and utilities.

Table 51 – Payment Standards per Bedroom/Unit Size

	SECTION 8 VOUCHER	SHELTER + CARE
Mobile Home Lot	$295.00	Not Applicable
0/Studio	$600.00	$517
1 Bedroom	$650.00	$595
2 Bedroom	$803.00	$751
3 Bedroom	$1164.00	$1058
4 Bedroom	$1307.00	Not Applicable
5 Bedroom	$1503.00	Not Applicable
6 Bedroom	$1,699.00	Not Applicable

Effective: 10/01/13 for FY 2014

Under the Housing Choice Voucher Program, the MHA also operates the Family Self-Sufficiency (FSS) and Homeownership Voucher Programs. Each of these programs shares the goal of providing quality long-term housing solutions for low- and moderate-income households.

The Family Self Sufficiency Program (FSS) is a voluntary program designed to assist individuals and families achieve economic self-sufficiency through education and training.

According to the agency's annual plan, the Homeownership Program allows a person or family who is receiving rental assistance from MHA to get a special Section 8 voucher that can be used towards the purchase of a home. To qualify, the family or individual must have been a participant for at least one year, must be in good standing with MHA, must be employed full time unless they are

disabled, and must be a first-time home buyer. Preference is given to participants who are under contract in the MHA's Family Self Sufficiency Program. The MHA partners with Homeword Inc., a HUD counseling agency, District XI Human Resource Development Council, NeighborWorks Montana, and NeighborWorks Great Falls to carry out the Homeownership Program.

Program guidelines require that homebuyers make a minimum downpayment of at least 3 percent of purchase price and require that at least 1 percent of the purchase price comes from the family's resources. It is required that financing for the purchase of a home will be insured or guaranteed by the state or federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.

Housing Authority clients that reside in public housing units may also participate in the FSS Program and the Resident Opportunity and Self Sufficiency Program (ROSS). ROSS is another self-sufficiency program that connects public housing residents with resources such as adult computer classes, childcare, G.E.D. and college prep classes, financial literacy, and employment readiness, among others,

The Shelter Plus Care (S+C) Program is similar to the public housing and Housing Choice Voucher programs in that it assists eligible persons with rental assistance by providing a portion of rent payments. However, the S+C program specifically targets homeless, disabled, and low income individuals. To be eligible to participate in S+C Program applicants must meet HUD's definition of homelessness and suffer from severe mental illness, chronic substance abuse, dual diagnosis, or HIV/AIDS.

The MHA also administers and partners with several programs that serve the homeless. The PHA Plan stated that the agency currently provides about 175 households who were homeless with permanent supportive housing.

Public housing authorities are required to certify that they will carry out the public housing program in conformity with several federal laws, including the Fair Housing Act. To this end, the staff of the MHA receives fair housing training at least once every two years. Documentation of this coordination is provided with the attendance of three PHA staff members to the Community Assessment Meeting held by the City on September 13, 2013, as shown in Appendix 4 of this document. The staff also participates in the Consolidated Planning process and with local committees on affordable housing and fair housing issues.

City Regulatory Review

This Section focuses on the review of the local public sector policies to determine if such policies affect housing choice by limiting or excluding housing facilities for persons with disabilities or other housing for homeless people from certain residential areas. HUD believes that there are instances where policies have the

effect of violating the provisions of the Fair Housing Act since they may indirectly discriminate against persons with disabilities and minorities that may be homeless.

In order to make this determination, the Consultant examined the Missoula Urban Comprehensive Plan (update adopted 1998), Greater Missoula Downtown Master Plan (2009), and the Municipal Zoning and Building Codes. In addition to the review of these adopted policies, the Consultant provided a questionnaire to the City to assist in the preparation of the Analysis of Impediments to Fair Housing Choice Study. The purpose of the questionnaire was to review public policies and practices concerning the Zoning Code and Comprehensive Plan as it relates to fair housing choices, particularly housing for persons with disabilities. The following information was garnered from the examination undertaken and the questionnaire.

Comprehensive Plan

The City's first comprehensive plan was adopted in 1961 and parts of the plan have been amended and updated by facility and special resource plans as well as subarea and neighborhood plans in 1968, 1975, and 1990, 1992, 1993, 1994, 1995, 1996, and 1997. The most recent plan and the one reviewed for this analysis was adopted in 1998.

A comprehensive plan is defined as a long-term guide for the development of a community outlining existing conditions and providing goals, policies, and actions to meet future needs as determined by factors such as population, economic conditions, and impacts of regional change. Comprehensive plans are typically developed with input from stakeholders in the community and function as a living document used in the decision making process for current and future community leaders. A comprehensive plan provides guidance for the City's future in regards to the type and intensity of development, land uses, and open space.

In its vision statement, the City of Missoula states that it recognizes the need to plan ahead in order to assure the health and well-being of its children and future generations. In order to achieve a healthy community the City identifies two main goals:

- Protect its critical lands and natural resources, such as wildlife habitat; riparian resources; hillsides; air and water quality; and open spaces;
- Enhance human resources, such as health and safety; social, educational, recreational and cultural services; employment; and housing.

The purpose of reviewing the City's Comprehensive Plan is to identify to what extent the Comprehensive Plan helps the City to implement its commitment to equal housing opportunity and to what extent portions of the Plan may serve as impediments to fair housing choice for persons protected by the Fair Housing Act

(FHA). As such, the review covers five subject areas selected because of their correlation with fair housing choice. These areas are:

- Inclusion of Protected Group Demographic Description
- Plans for Affordable Housing/Diverse Community
- Reference to CDBG or Other Federal Housing Programs
- Affirmatively Further Fair Housing
- Other Items: Citizen Participation

Inclusion of Protected Group Demographic Description

Inclusion of information about race, national origin, familial status, or disability status of persons in a comprehensive plan is one way to help remind the community that it is composed of a significant number of persons who are most likely to need the protection of the FHA in their attempts to find or occupy housing in the community. Inclusion of the demographic profile can help ensure that protected persons are not excluded or neglected when communities make plans that involve housing related issues. It is for those reasons that a review of demographic information is undertaken, and it is recommended that the data be included in the Comprehensive Plan.

Chapter 1 of the Missoula Urban Comprehensive Plan – The Urban Area Population, describes population change in the City between 1970 and 1990. The data provided are general population characteristics covering the number of persons residing in Missoula, the age of the residents, as well as average household and family size. The narrative briefly addresses the elderly and female-headed households and the growth rate of these segments of the population. While the Comprehensive Plan does not include a detailed demographic profile for persons in protected groups, the Plan does include goals geared towards the collection and update of population and demographic information on a regular basis. The goals that are outlined in the Plan align with the concept of including such data in future planning documents. The goals identified are as follows:

- Assist individuals, public agencies, and community organizations in obtaining and using the information provided in this Plan;
- Expand the information base and inventory of population and demographics for Missoula;
- Make this information available in accessible forms (maps, charts, summaries, etc.);
- Schedule regular updates of population and demographic information for neighborhood plans; and
- Determine if there are population benchmarks and define their role in land use policy.

Since the City has existing strategies in place to compile demographic data, it should ensure that the data includes information for protected groups and that this information is included in master plans, neighborhood plans, and other relevant planning documents.

Plans for Affordable Housing/Diverse Community

The Fair Housing Act (FHA) does not require that communities plan for constructing or assisting in the construction of "affordable" housing nor require that communities be, or advertise themselves as, "diverse communities". However, HUD recognizes the inclusion of "affordable" housing and promotion of a community as a "diverse community" as steps that communities can take to "affirmatively further fair housing." Racial minorities, some recent immigrants, single mothers with children, and persons with disabilities, all protected by the FHA, are over represented in the low- and moderate-income categories, and are among the persons most likely to need "affordable" housing. Taking steps to address the housing needs of lower income persons and to establish respect for a "diverse" community are, therefore, viewed by HUD as "affirmatively furthering fair housing actions."

As discussed earlier, one of the goals of the City is to preserve a healthy community for future generations. It is the view of the City that healthy communities sustain diverse households and a combination of housing alternatives across all economic levels. The Comprehensive Plan recognizes the role of housing in supporting a combination of low, moderate, and middle income households in Missoula.

To achieve the goals and to address housing needs, the City of Missoula, Missoula County, and the University of Montana formed a Housing Task Force in 1992 to address the shortage of affordable housing. The 1998 Comprehensive Plan also identified several goals to address housing needs including:

- Establishing a central clearinghouse for all information relating to housing programs funded by state, local, and federal agencies. Coordinate the activities of private, governmental, and not-for-profit entities to ensure adequate housing for all types of households.
- Establishing a Housing Assistance Office utilizing volunteer and existing city or county personnel to provide legal, architectural, and financial information to low- and moderate-income households.
- Adopting regulations and programs encouraging residential development to promote different types of housing that provide for a mixture of households of varied ages, incomes, and backgrounds, including those with special needs such as victims of domestic violence, persons with disabilities, persons with HIV/AIDS, persons with drug addictions, and persons who are elderly.

- Developing and adopting a comprehensive housing plan that (a) includes an inventory and analysis of existing and projected housing needs; (b) includes goals, policies, objectives and benchmarks for the preservation, improvement and development of housing; (c) identifies sufficient land for the diverse forms of housing that Missoula requires; and (d) makes adequate provisions for the needs of all economic segments of the community.
- Developing tools to encourage medium and high-density residential development (6-16 units per acre) in selected areas of the community in order to maximize the availability of community resources and the provision of services while still meeting emerging housing needs.
- Adding a housing section in each neighborhood plan and area plan that considers the diversity of housing needs and updates the Plan.

The City's Development Services Department was consulted to get feedback on the implementation of the goals formulated by the Housing Task Force. A central clearinghouse for the City's housing programs and a housing assistance office have not been established. However, the City has taken several actions to address the housing needs of the City. The City partners with housing providers to disseminate information and to provide services to potential program participants. For example, Homeword is a certified HUD housing counseling agency that offers homebuyer education, financial education, and housing counseling to low- and moderate-income households.

In regards to the regulatory and policy changes recommended by the Housing Task Force, the City has made significant strides that have improved housing choice and availability for Missoula's residents, as outlined below:

- In 2009, the City adopted new zoning regulations that encourage permanently affordable single dwelling development using density bonuses as an incentive. The method to conduct density calculations was also simplified thus allowing for new potential development.
- In recent years, the City has undertaken several planning efforts geared towards a better understanding of Missoula's housing inventory and projected needs. In 2005, Missoula County's Growth Policy was updated with the most recent available data on housing development patterns and trends.
- Several changes were also made in the updated zoning regulations that encourage medium and high-density residential development. Higher density development is incentivized through the vertical mixed use

development zoning tool which allows development with no density cap if the project meets certain other standards.

- A housing section including housing goals, policies, and objectives has been consistently incorporated into neighborhood and area plans such as the Greater Missoula Downtown Master Plan, Wye/Mullan Area Plan, and the Northside/Westside Neighborhood Plan.

Implementation of the Housing Task Force recommendation is still ongoing. The Development Services Department recently prepared voluntary visitability standards intended to encourage developers of single family homes, duplexes, and triplexes to construct to meet these standards to assist owners and occupants of such properties to age in place and facilitate greater accessibility. The City Council has now adopted those guidelines on April 7, 2014 by resolution. . In addition, Development Services Department is preparing to update its Comprehensive Plan. The updated document will include an inventory and analysis of existing and projected housing needs as well as land use recommendations.

According to the Greater Missoula Downtown Master Plan (2009), affordable housing remains a need in the City. The Downtown Master Plan goes on to state that there is an inventory of affordable housing in downtown and that development of new affordable housing should distribute housing throughout planned new housing districts (p. 106). While the plan makes the above statement about affordable housing, public perceptions from meetings and key-person interviews differ.

The Missoula Downtown Master Plan offers the following strategies to increase the number of affordable housing units while meeting the needs of a diverse population.

- Include affordable housing at a ratio of four market rate buildings per one affordable building in all planned housing districts;
- Include minimum design standards to ensure architectural compatibility, quality and durability;
- Include rental housing as the primary emphasis due to the high cost of land downtown and the ability to build a greater number of affordable units;
- Maintain all affordable housing in perpetuity;
- Build for a full range of incomes below Missoula's median family income; and
- Build both family- and individual-sized units.

Implementation of the recommendations within the Downtown Master Plan has been monitored through an implementation team that meets on a monthly basis. The team revisits the goals annually and determines which of the goals to

emphasize over the upcoming year. A zoning sub-committee is tasked with researching implementation tools that relate to zoning changes (including regulations related to housing) and considered steps that should be taken to systematically tackle zoning recommendations from the Plan. The zoning sub-committee recommended the need for additional land use and market analysis. Additionally, on an annual basis, the Planning Division has been tracking residential development activity through a project referred to as the Urban Fringe Development Area (UFDA) Yearbook. According to the UFDA information, between 2008 and 2013, 24 new residential units were developed in the Downtown Master Plan study area. All but two of those units were multi-dwelling. The average density for the multi-dwelling development was 29 dwelling units per acre. The average is higher than the actual number of units because the units were built on less than one acre. According to Development Services staff, an emphasis of the current year's goals will likely include support for a housing sub-committee that will be tasked with how to implement housing recommendations with the ultimate goal of seeing additional residential development occurring in the downtown area.

The City's current Comprehensive Plan builds on the goals and policies of the 1975 Urban Area Comprehensive Plan. However, the present Plan also identifies shortcomings and inconsistent development policies in the earlier comprehensive plan demonstrating the progress the City has made towards equal housing opportunity. For example, the 1975 Comprehensive Plan recommended high density development in close proximity to employment centers and urban services. The plan recommended multi-family housing be concentrated in areas such as the downtown and other parts of the urban core while single-family residential development was predominantly on the urban fringe. This recommendation would clearly present impediments to fair housing choice since it would force lower income households to reside in the specified areas where multi-family housing was developed, as these choices are typically more affordable. The current Plan evaluated the recommendation and concluded that planning should not be used as a means for justifying exclusionary policies.

Although affordable housing per se is not equivalent to fair housing, it is a significant step toward increasing the availability of housing to minority families and persons with disabilities because they are disproportionately represented among those who would benefit from low cost housing. The review of the Comprehensive Plan and Downtown Master Plan has made it clear that the City is aware of the need for increased and appropriate housing choices for the diverse groups and it is the policy of the City to locate housing for all groups throughout the entire community.

Reference to CDBG or Other Federal Housing Program

The Community Development Block Grant (CDBG) and HOME Investment Partnerships Programs are federal housing programs that provide funding to entitlement communities, such as Missoula. The funds are allocated on an

annual basis from HUD with the goal of principally benefitting low- and moderate-income persons. The CDBG Program by design has a broad range of eligible uses including funding public improvement projects in eligible areas, providing financial support to social service agencies, rehabilitating residential homes, property acquisition, and clearance activities. The HOME Program, on the other hand, is designed exclusively to create affordable housing for low- and moderate-income households. The funds can be used for a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance.

A review was completed to determine if the Comprehensive Plan and related documents include a reference to the existence and value of the CDBG and/or other federal housing programs, as the City is a recipient of those funds. Federal housing programs continue to be a valuable funding source to fill gaps that must be addressed in order to provide all residents in a community access to decent housing options. CDBG and other federal housing program funds, such as NSP, have become reliable and important parts of the community development programs for communities throughout the nation, including the City of Missoula. Expected uses for CDBG funds can be incorporated into the planning process and can become reliable components of a Comprehensive Plan. Inclusion of references to CDBG and other federal housing programs in comprehensive plans also serves as a way to inform local citizens of the valuable existing relationships and those that can be developed between local, state, and federal governments.

Additionally, in order for jurisdictions to receive CDBG or HOME funds, a jurisdiction must certify in its Consolidated Plan that it will affirmatively further fair housing. Referencing the use of these federal housing funds for the implementation of projects or programs discussed in its comprehensive plan suggests that the jurisdiction is working towards meeting the certification.

The Missoula Comprehensive Plan did not include any reference to either of these programs or any other federal housing program. However, the Greater Missoula Downtown Master Plan did identify both CDBG and HOME as possible federal funding sources to implement certain projects in the downtown area.

Affirmatively Further Fair Housing

As mentioned above, each community that accepts Federal CDBG funds certifies that it will “affirmatively further fair housing” and will report to HUD actions that it has taken to implement the pledge. Although the plans that were reviewed did not include a specific reference to “affirmatively further fair housing," review of the Municipal Code revealed that Title 9 (Public Peace, Morals, and Welfare) Chapter 9.12 (Fair Housing Law), declares discrimination as unlawful. The chapter addresses discrimination in residential real estate transactions. For purposes of this subsection, “residential real estate-related transaction” means any of the following: a. the making or purchasing of loans or providing other financial assistance: (i) for purchasing, constructing, implementing, repairing, or

maintaining a dwelling, or (ii) secured by residential real estate, (b) the selling, brokering, or appraising of residential real property. Chapter 9.64 of the municipal code – Illegal Discrimination prohibits housing discrimination and also expands the bases for discrimination to include sexual orientation and gender identity. The Illegal Discrimination Ordinance is discussed in more detail in the Legal Cases section of this analysis.

In addition to inclusion of the Fair Housing Law in the municipal code, the City of Missoula entered into a Human Rights Agreement in 2003 that has the effect of furthering fair housing. The agreement was made in response to a complaint brought against the Missoula Building Department by Montana Fair Housing (MFH) and Bob Liston, claiming a violation of the Government Code of Fair Practices and the Human Rights Act. In summary, the complainants believed that some of the actions taken by the City allowed apartment buildings of four or more units to be built in ways that were not accessible and, therefore, not in compliance with the Fair Housing Act and the Montana Human Rights Act. As part of the settlement agreement, the City agreed to the following:

- To adopt a procedure requiring a one page written acknowledgement to be signed by any persons applying for a building permit for the construction of residential dwellings stating that the applicant is aware of the duties and responsibilities the applicant may have under state and federal fair housing laws.
- To provide training to City personnel and officials with duties and responsibilities in code enforcement, planning, and zoning, and other similar activities. The training should encompass the relationship between fair housing and building code enforcement and city planning.
- To amend the qualifications for Building Inspection Division personnel to require that such personnel have knowledge, skills, and abilities regarding fair housing laws and regulations, including requirements to plan, design, and build dwellings that meet fair housing accessibility requirements.
- To require recipients of CDBG funding involved in the development of residential structures with four or more dwelling units to attend or have attended fair housing training within one year of receipt of CDBG funds[2].
- To designate a representative from the City's Building Department to meet with a MFH representative to determine the best method to gather information of previously issued building permits and certificates of occupancy for construction of R-1 structures with four or more dwelling units and identify a means to collect and provide access to this information going forward.

[2] Only the CDBG program was referenced in the 2003 Agreement as the City was an Entitlement City for CDBG at that time. Since then, the City has become a Participating Jurisdiction for the HOME Program, and applies this point to HOME as well.

Inclusion of this fair housing chapter in the Municipal Code and the actions taken by the City to remain in compliance with the Human Rights Agreement constitutes an "action" by the community to affirmatively further fair housing.

Other Civil Rights Related Program Requirements

HUD has started the process of formulating specific regulations to be followed in the preparation of the AI. The new rule proposes to incorporate fair housing planning into the Consolidated Plan and the Public Housing Authority (PHA) Annual Plan processes. When finalized, the new rule will incorporate fair housing priorities into housing, community development, land-use, and other policy making documents. The proposed changes came about as a result of a Report by the US Government Accountability Office where it was determined that HUD needs to enhance its requirements and oversight of jurisdictions' fair housing plans. HUD's Office of Fair Housing and Equal Opportunity (FHEO) oversees all fair housing matters including a jurisdiction's compliance with the Affirmatively Further Fair Housing (AFFH) certification, included in the Consolidated Plan and Action Plan. Should HUD determine that the AFFH is inaccurate, HUD has the authority to disapprove a Consolidated Plan, which may result in withholding CDBG and other formula grant funds until the AFFH matter is resolved. The FHEO administers, in addition to the Fair Housing Act, other fair housing and civil rights programs such as Title VI of the Civil Rights Act of 1964; Age Discrimination Act of 1975; Title II ADA; Section 3 of the HCD Act of 1968; and Section 504 of the Rehabilitation Act of 1973, as amended.

Section 3

The Section 3 Program requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low or very low income residents in connection with projects and activities in their neighborhoods. The City's 2012 CAPER includes a report on Section 3.

Section 504

The City of Missoula Consolidated Plan for Fiscal Years 2009-2013, prepared by the City's then Office of Planning and Grants, included Community Objective #8 to increase accessibility in compliance with ADA and Section 504. The 2012 CAPER reported that portions of the City HOME and CDBG funds are used to meet the housing needs of those persons at the lowest economic scale, including people with disabilities, through housing vouchers and supported rental and owner units. New construction projects, such as the Solstice and Silvertip, were completed in Program Year 12 and include at least the minimum number of accessible units according to ADA and Section 504; most also are built to be easily converted to accessible units by the installation of wider doorways and hallways, ground-level entrances or access by elevator, and strengthening of interior walls for future addition of grab bars.

Other Items: Community Participation in Planning Process

The Comprehensive Plan includes a chapter on neighborhood planning which provides an extensive process for the development of smaller neighborhood plans based on the strategies outlined in the Comprehensive Plan. The purpose of the neighborhood planning process is to provide opportunities for Missoula residents to become aware of local issues, to provide local government with better information upon which to base its planning efforts, and to foster communication and understanding between neighborhoods, government agencies, and elected officials.

One of the neighborhood studies reviewed included a summary of the public involvement process. The 1993 Fort Missoula Plan used several methods to share information with the public and to solicit input. The methods ranged from community meetings, press releases, mailings to lists of interested citizens, and coverage in the local newspaper, the *Missoulian*.

The Downtown Master Plan also had significant public participation during the development of the document. The process included stakeholder meetings attended by a steering committee comprised of local public officials, citizens, property owners, and business representatives. In addition, there were public workshops held to receive input on the Plan. Approximately 2,000 people provided input on the Plan. The community was engaged through four interactive public workshops, each consisting of two parts:

- **Presentation**–An education piece regarding project background, issues, and designs; and
- **Workshop**–A facilitated 'town hall' workshop. Participants responded to specific planned alternatives and summarized their issues by completing individual response sheets.

It seems that the City involves citizens and encourages public participation in its planning process. The City is encouraged to continue with citizen participation activities and that such activities include persons from all racial, ethnic and religious groups along with persons with disabilities.

Zoning Code

Zoning ordinances are enforceable in courts of law by the local community and therefore warrant even closer attention to help ensure that the ordinances help the community "affirmatively further fair housing" and do not, either intentionally or unintentionally, serve as "impediments to the exercise of fair housing choice". The City of Missoula's Municipal Code review covered key areas that have an impact on fair housing choice including zoning, building regulations, accessibility standards, and other policies and practices. The following four subject areas were selected to be reviewed:

- Minimum Lot Size for Single Family Residential
- Definition of "Family"

- Group Living Facilities
- Multi-family Maximum Structure Height and Densities

Minimum Lot Size for Single Family Residential

The City's current Zoning Ordinance (Ord. 3439) became effective in November 2009. Regulations relating to residential development reveal that there are 16 residential districts in the City, indicating a broad range of land use and density categories to promote housing variety. Section 20.05.040 of the zoning ordinance identifies four development options: conventional; cluster; conservation; and permanently affordable development. The difference between conventional and cluster, or conservation developments, is primarily the provision of more open spaces and recreational amenities in the latter developments. Permanent affordable development is defined in the zoning ordinance as a three or more dwelling unit project developed to serve a portion of residents whose income is below 80% AMI. In exchange for providing affordable housing options, developers receive density bonuses of up to 20% depending on the percentage of units that are designated as affordable. The density bonus only applies to parcels that contain detached residential units and townhomes. Other incentives include the ability to develop housing on smaller parcels and with modified building standards, thereby reducing the cost of new housing.

Section 20.02.050 of the zoning ordinance establishes basic parcel and building standards for all development in residential districts by development type. The dimensional standards for building types (single family, two-unit homes, or multi-family dwellings) are not discernible; however, a comparison of minimum area parcel size and minimum area per unit for conventional and permanently affordable development was made.

Table 52 – Missoula Residential Districts Parcel Standards

	R215	R80	R40	R20	RT10	R8	R5.4	R5.4	R3	RT2.7	RT2.7	RM1.5	RM1*	RMH	RM0.5
CONVENTIONAL DEVELOPMENT															
Min. Area (sq.ft.)	215,000	80,000	40,000	20,000	10,000	8,000	5,400	5,400	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Min Area Per Unit (sq.ft.)	215,000	80,000	40,000	20,000	10,000	8,000	5,400	5,400	2,700	1,500	1,000	1,000	1,000	1,000	500
PERMANENTLY AFFORDABLE DEVELOPMENT															
Min. Area (sq.ft.)	-	-	-	-	-	-	-	-	-	-	None	None	None	None	None
Min. Area per Unit (sq.ft.)	-	-	-	-	-	-	-	-	-	-	2,160	1,200	800	800	400

* There are two versions of the RM1 district: RM1-35 and RM1-45

While the City encourages the development of affordable housing by incentivizing the construction of permanently affordable housing units, the permanently affordable development option is limited to six of the 16 residential districts. The six districts includes the two versions of the RM1 district. Each of the six residential districts is classified as multifamily dwelling districts. Within these six residential districts, the minimum lot area for conventional development is 3,000 sq. ft. and there is no minimum for permanently affordable development. The smaller lot sizes provide opportunities for moderate-income, low- and moderate-income households to purchase or rent in these residential districts but segregates lower income families into certain areas. Although low income is not a protected class, members of the protected classes are generally lower income and, as such, it can be inferred that persons protected by the FHA may also be segregated.

Permanently affordable developments are excluded from residential districts with predominantly low density development where the land and housing is typically larger. Conventional development lot sizes in the residential districts where a permanently affordable housing option is not available range from 5,400 - 215,000 sq. ft. The predominant building type in these residential districts is detached and lot-line single-family homes. This policy has the effect of limiting the availability of affordable single-family housing, especially for large families, because larger lot sizes inflate housing prices. In addition, developers that seek to construct affordable housing units outside of the permanently affordable residential districts are at a disadvantage since density and lot size are key factors in the cost of new housing and they would forego the developer incentives offered by the City, thus reducing the affordable housing stock.

Definition of “Family”

It is important to consider how families or households are defined in a zoning ordinance because the Fair Housing Act requires that groups of unrelated persons be treated equally as traditional families and held to the same regulatory requirements. Chapter 20.100 of the Zoning Ordinance defines a household as one or more persons living, sleeping and usually cooking and eating on the premises as a single housekeeping unit. According to a questionnaire completed by the Development Services Department, the zoning ordinance does not establish occupancy standards or maximum occupancy limits. This definition of household does not necessitate that household members must be related by blood, marriage, or adoption, thereby allowing unrelated persons to share a home.

While the definition of household is not restrictive, the zoning code goes on to identify two residential use categories: household living and group living. Household living is defined as residential occupancy of a dwelling unit by a household while group living is defined as residential occupancy of a dwelling by other than a “household,” typically providing communal kitchen/dining facilities. Examples of group living uses include, but are not limited to, fraternities,

sororities, convents, monasteries, and nursing homes. The zoning code does not provide a clear definition of “other than a household,” but the distinction between household living and group living may limit housing choice for persons with disabilities. Household living is permitted as a right in all residential districts, whereas group living is conditionally permitted in all residential districts (group living is discussed in more detail below).

Group Living Facilities

The group living category discussed above includes three specific use types - community residential facility, health care facility, and convent/monastery. The definitions of community residential facility and health care facility are included below:

- Community Residential Facility

  Any of the following:

  a. A group, foster or other home specifically provided as a place of residence serving developmentally disabled or persons with disabilities who do not require nursing care and as defined by §76-2-411, MCA;
  b. A district youth guidance home serving youths in need of supervision, or youths in need of care or delinquent youths as defined by §76-2-411, MCA, and established pursuant to the Montana Youth Court Act;
  c. Detention, receiving or shelter homes defined by §76-2-411, MCA and established pursuant to the Montana Youth Court Act;
  d. A halfway house operated in accordance with regulations of the Department of Health and Environmental Sciences for the rehabilitation of alcoholics or drug dependent persons, pursuant to §76-2-411, MCA;
  e. A licensed adult foster family care home as defined by §76-2-411, MCA; or
  f. An assisted living facility licensed under §76-2-411, MCA.

- Health Care Facility

  The definition of health care facility is incorporated by reference to the Montana Code, which is as follows:

  a. "Health care facility" or "facility" means all or a portion of an institution, building, or agency, private or public, excluding federal facilities, whether organized for profit or not, that is used, operated, or designed to provide health services, medical treatment, or nursing, rehabilitative, or preventive care to any individual. The term includes chemical dependency facilities, critical access hospitals, end-stage renal dialysis facilities, home health agencies, home

infusion therapy agencies, hospices, hospitals, infirmaries, long-term care facilities, intermediate care facilities for the developmentally disabled, medical assistance facilities, mental health centers, outpatient centers for primary care, outpatient centers for surgical services, rehabilitation facilities, residential care facilities, and residential treatment facilities.

b. The term does not include offices of private physicians, dentists, or other physical or mental health care workers regulated under Title 37, including licensed addiction counselors.

The Zoning Code also includes a definition for “day care” that it includes in the Public and Civic Use Group. A day care facility provides care, protection and supervision for children or adults on a regular basis away from their primary residence for less than 24 hours per day. There are two types of day care:

1. Residential Day Care
   Day care provided within a residential unit for up to 12 children or adults, in addition to members of the day care provider’s household.
2. Day Care Center
   Day care for 13 or more children or adults.

Unlike the residential living group, community residential facilities are restricted in regards to location depending on the number of residents occupying the dwelling. Only community residential facilities and health care facilities with fewer than eight residents, not including support staff and persons that provide care and supervision, and residential day care with less than 12 participants are permitted by right in all residential districts. Group living facilities with more than eight residents are conditionally permitted, subject to density requirements as shown in the table below as well as building code regulations created to prevent overcrowded conditions and to ensure health and safety. In order to locate these facilities in all residential districts, approval must be granted by the City Council after going through the conditional use process. This policy conflicts with the FHA because additional restrictions not required of families or ‘households’ are being imposed on persons with disabilities. The FHA requires that the same standards applied to single-family residential homes should be applied to group living facilities.

Table 53 – Residential District Occupancy Limits

Zoning District	Maximum Number of Residents (per 1,000 sq. ft. of parcel area)
R215	**0.04**
R80	0.10
R40	0.20
R20	0.40
RT10	0.80
R8	1.00
R5.4	1.50
RT5.4	1.50
R3	2.70
RT2.7	2.70
RM2.7	2.70
RM1.5	2.70
RM1	2.70
RM0.5	2.70
RMH	2.70
All other	2.70

Note: Building code, health regulations and other requirements may further limit resident density.

The Zoning Ordinance does not contain a definition for disability and while it includes a conditional use procedure for the siting of group living facilities with more than eight residents, it does not include a reasonable accommodation process for persons who are disabled. There also are no restrictions for senior housing.

Multi-Family Maximum Structure Height and Densities

According to Table 20.05-3 in the Zoning Code, Parcel and Building Standards, the maximum building height in all residential districts is up to 35 feet with the exception of the RM1.5 and RM1 districts where building heights go up to 45 feet and the RM0.5 district where the maximum building height is up to 125 feet. As mentioned before, multi-family dwellings are only permitted in the six residential districts (included the two versions of the RM1 district) zoned for permanently affordable development including the three residential districts identified in this section. The effect of excluding multi-family housing and high-density housing from the majority of residential districts is an uneven distribution of housing types throughout the City and it also discourages the development of affordable housing because of costs associated with development in lower density areas.

Other Comments

Some of the other strategies utilized by the City of Missoula to promote housing variety and increase the supply of affordable housing include the Planned Unit Development (PUD) Overlay and the allowance of accessory dwelling units.

The purpose of the PUD Overlay is to accommodate development, including affordable housing, which would be difficult to carry out in other zoning districts. Within a PUD, a regulation related to parcel size, residential density, allowed

uses, setbacks, height, and off-street parking, all of which can create impediments to fair housing choice, may be revised if it supports the public benefit and does not have adverse impacts.

Accessory Dwelling Unit (ADU) is defined in the Zoning Ordinance as a separate dwelling unit within a detached house or a separate dwelling unit that occupies an accessory building that shares a parcel with a detached house. The intent of permitting ADUs in residential districts is to:

- Accommodate new housing units while preserving the character of existing neighborhoods;
- Allow efficient use of the city's existing housing stock and infrastructure;
- Provide housing options and choices that respond to varying income levels, changing household sizes and lifestyle needs;
- Provide a means for residents—particularly seniors, single parents, and empty-nesters—to remain in their homes and neighborhoods, and obtain extra income, security, companionship and assistance; and
- Accommodate a broader range of accessible and more affordable housing.

Internal ADUs are permitted in all residential districts and detached ADUs and internal additional ADUs are a conditional use in eight of the residential districts. There are size limits for ADUs depending on the type of ADU (detached, internal, or internal addition), but essentially ADUs cannot be less than 350 square feet and no more than 600 square feet. Based on comments from the public, the size limit imposed on ADUs can be viewed as a challenge for members of the protected classes. Input received during key person interviews and during a focus group meeting suggests that the size of the ADUs makes them inaccessible for persons who are elderly and/or persons who are disabled and utilize wheelchairs or other aids. It is the view of the City that accessible services can be accommodated in the maximum square footage allowed for ADU. Additionally, a recent revision to the Zoning Ordinance now permits ADUs in all residential districts (detached and internal addition ADUs are conditional uses) providing more opportunities for affordable housing options in Missoula.

The Zoning Ordinance includes regulations for Off-Street Parking. Section 20.60.070, Accessible Parking (for People with Disabilities), states that accessible parking facilities must be provided in accordance with Municipal Code requirements and City Engineering Division standards and specifications.

<u>Voluntary Residential Inspection Program</u>

The City of Missoula operates a Voluntary Residential Inspection Program (VRIP) that offers housing inspections, for a fee, to identify any items that may risk the safety or health of the occupants. The areas covered include inspection of the egress, handrails, guardrails, heating systems, location of smoke detectors, and other safety concerns. A request for an inspection may be made

by owners, landlords, agents, or tenants. The purpose of the program is to improve the quality of residential structures and reduce substandard housing conditions in the City by teaching property owners how to maintain their residences, avoid deterioration and prevent health hazards. The program is targeted to landlords as a marketing tool, as approved properties receive certification upon successful completion of the inspection. Building inspection programs, such as the VRIP, may have beneficial impacts on communities because when enforced, they encourage neighborhood revitalization. However, they may also have negative consequences primarily for renters. Generally, dilapidated rental housing is located in principally minority and low income neighborhoods and, as such, residential inspection programs may potentially have a disparate impact on these groups as well as other protected classes. For example, some landlords may pass on the costs of repairing housing units by increasing rents if they are forced to address code violations. This may result in the displacement of low income tenants. Based on public meetings held during the development of this document, one of the impediments to fair housing choice in Missoula stems from the fear of low income tenants who are afraid to report poor housing conditions because i) they could face eviction from their current housing and ii) they may be labeled as troublemakers and are at risk of not being able to rent future housing.

City of Missoula Development Services Input

In response to the above regulatory review, the City's Development Services Department provided a response to some of the noted points raised in the above referenced analysis and the impediments noted in a later section. The department provided clarification, planned and recommended actions to address impediments. The recommendations will be used by the staff of the Department of Grants and Community Programs in developing the fair housing action plan. The Development Services response is included in this AI as Appendix #4.

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IV. COMPLIANCE DATA AND ANALYSIS

Introduction

This section contains an analysis of home loan, community reinvestment and fair housing complaint data. Community Reinvestment Act (CRA) performance ratings and Home Mortgage Disclosure Act (HMDA) data are used in AI to examine fair lending practices within a jurisdiction. Data regarding fair housing complaints and cases help to further illustrate the types of fair housing impediments that may exist.

CRA Compliance

The Community Reinvestment Act (CRA), enacted by Congress in 1977 (12 U.S.C. 2901) and implemented by Regulations 12 CFR Parts 25, 228, 345, and 563e, is intended to encourage depository institutions to help meet the credit needs of the communities in which they operate. The Community Reinvestment Act requires the FDIC, in connection with the examination of a State nonmember insured financial institution, to assess the institution's CRA performance. CRA examinations are conducted by the Federal Financial Institutions Examinations Council (FFIEC) of federal agencies that are responsible for supervising depository institutions: the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Office of Thrift Supervision (OTS).

The CRA requires that each insured depository institution's record of helping to meet the credit needs of its entire community be evaluated periodically. That record is taken into account in considering an institution's application for deposit facilities, including mergers and acquisitions. A financial institution's performance is evaluated in the context of information about the institution (financial condition and business strategies), its community (demographic and economic data), and its competitors. Upon completion of a CRA examination, the FDIC rates the overall CRA performance of the financial institution using a four-tiered rating system. These ratings consist of:

* Outstanding
* Satisfactory
* Needs to Improve
* Substantial Noncompliance

From 2000 to present, 10 CRA Performance Ratings have been given to banks based in Missoula, Montana. Please note that banks may have been examined/rated more than once during this time period. Seven bank examinations received a rating of "Satisfactory" and three received a rating of "Outstanding."

Table 54 - FFIEC CRA Performance Ratings Missoula, Montana

Exam Date	Bank Name	City	State	FFIEC CRA Rating	Asset Size (in thousands)
12/01/2009	Bank of Montana	Missoula	MT	Satisfactory	$18,073
05/01/2013	Bank of Montana	Missoula	MT	Satisfactory	$42,610
02/20/2002	Community Bank Missoula	Missoula	MT	Satisfactory	$49,013
03/06/2006	Community Bank Missoula	Missoula	MT	Satisfactory	$77,171
03/29/2010	Community Bank Missoula	Missoula	MT	Satisfactory	$88,130
04/29/2002	First Security Bank Missoula	Missoula	MT	Outstanding	$434,274
07/09/2007	First Security Bank Missoula	Missoula	MT	Outstanding	$836,877
08/17/2009	First Security Bank Missoula	Missoula	MT	Outstanding	$892,231
12/01/2009	Treasure State Bank	Missoula	MT	Satisfactory	$94,172
08/01/2012	Treasure State Bank	Missoula	MT	Satisfactory	$76,708

Source: FDIC, http://www.ffiec.gov/craratings

In addition, the FFIEC publishes annual Census Reports that use limited demographic, income, population, and housing data from the FFIEC's Census files prepared for HMDA and CRA data. The FFIEC updates the Census Windows Application annually to reflect changes to MSA/MD boundaries announced by the Office of Management and Budget (OMB), including income estimates developed by the FFIEC, and including CRA distressed/underserved tracts as announced by the federal bank regulatory agencies. The following reports were gathered from the FFIEC for the Census Tracts within the City of Missoula, Montana.

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Table 55 - 2013 FFIEC Census Report - Summary Census Demographic Information Missoula, Montana

Tract Code	Tract Income Level	Distressed or Under -served Tract	Tract Median Family Income %	2013 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	2013 Est. Tract Median Family Income	2010 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4- Family Units
0001.00	Upper	No	131.77	$64,000	$84,333	$76,829	5712	6.02	344	1531	2142
0002.01	Moderate	No	56.90	$64,000	$36,416	$33,179	8056	13.48	1086	1254	2791
0002.02	Middle	No	107.06	$64,000	$68,518	$62,422	10739	8.31	892	3083	3638
0003.00	Moderate	No	59.25	$64,000	$37,920	$34,545	2022	11.28	228	126	524
0004.00	Middle	No	103.91	$64,000	$66,502	$60,583	2782	9.24	257	816	1174
0005.00	Middle	No	94.13	$64,000	$60,243	$54,885	7416	13.31	987	881	1683
0007.00	Middle	No	83.73	$64,000	$53,587	$48,819	2614	10.64	278	288	1211
0008.00	Moderate	No	55.40	$64,000	$35,456	$32,300	6026	10.40	627	1185	2524
0009.01	Middle	No	93.24	$64,000	$59,674	$54,365	5735	7.90	453	1289	2368
0009.02	Upper	No	137.64	$64,000	$88,090	$80,250	2337	6.50	152	812	991
0010.00	Middle	No	89.25	$64,000	$57,120	$52,038	4972	11.46	570	1112	2076
0011.00	Moderate	No	67.90	$64,000	$43,456	$39,590	2954	7.72	228	642	1262
0012.00	Middle	No	86.40	$64,000	$55,296	$50,373	4728	9.09	430	866	1560
0013.02	Upper	No	138.68	$64,000	$88,755	$80,859	6241	7.32	457	1770	2248
0013.03	Middle	No	95.15	$64,000	$60,896	$55,479	4850	8.95	434	1352	1833
0013.04	Upper	No	126.02	$64,000	$80,653	$73,478	6738	6.72	453	1896	2188
0014.00	Middle	No	95.78	$64,000	$61,299	$55,844	6750	6.46	436	2029	2833
0015.00	Middle	No	112.85	$64,000	$72,224	$65,795	6539	5.81	380	2008	2482
0016.00	Upper	No	129.03	$64,000	$82,579	$75,230	7448	6.77	504	2312	2858
0018.00	Middle	No	89.15	$64,000	$57,056	$51,982	4640	13.23	614	1574	3290

Source: FDIC, http://www.ffiec.gov

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Table 56 - 2013 FFIEC Census Report - Summary Census Income Information Missoula, Montana

Tract Code	Tract Income Level	2010 MSA/MD Statewide non-MSA/MD Median Family Income	2013 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	% Below Poverty Line	Tract Median Family Income %	2010 Tract Median Family Income	2013 Est. Tract Median Family Income	2010 Tract Median Household Income
0001.00	Upper	$58,302	$64,000	18.98	131.77	$76,829	$84,333	$61,081
0002.01	Moderate	$58,302	$64,000	26.52	56.90	$33,179	$36,416	$29,043
0002.02	Middle	$58,302	$64,000	13.06	107.06	$62,422	$68,518	$51,171
0003.00	Moderate	$58,302	$64,000	38.59	59.25	$34,545	$37,920	$16,495
0004.00	Middle	$58,302	$64,000	16.91	103.91	$60,583	$66,502	$52,102
0005.00	Middle	$58,302	$64,000	43.52	94.13	$54,885	$60,243	$21,855
0007.00	Middle	$58,302	$64,000	23.01	83.73	$48,819	$53,587	$31,735
0008.00	Moderate	$58,302	$64,000	26.06	55.40	$32,300	$35,456	$30,103
0009.01	Middle	$58,302	$64,000	12.93	93.24	$54,365	$59,674	$48,350
0009.02	Upper	$58,302	$64,000	4.79	137.64	$80,250	$88,090	$70,476
0010.00	Middle	$58,302	$64,000	20.16	89.25	$52,038	$57,120	$37,862
0011.00	Moderate	$58,302	$64,000	35.44	67.90	$39,590	$43,456	$26,803
0012.00	Middle	$58,302	$64,000	20.13	86.40	$50,373	$55,296	$32,268
0013.02	Upper	$58,302	$64,000	8.82	138.68	$80,859	$88,755	$63,607
0013.03	Middle	$58,302	$64,000	15.66	95.15	$55,479	$60,896	$45,595
0013.04	Upper	$58,302	$64,000	7.11	126.02	$73,478	$80,653	$68,833
0014.00	Middle	$58,302	$64,000	13.31	95.78	$55,844	$61,299	$47,174
0015.00	Middle	$58,302	$64,000	8.61	112.85	$65,795	$72,224	$57,764
0016.00	Upper	$58,302	$64,000	3.69	129.03	$75,230	$82,579	$67,482
0018.00	Middle	$58,302	$64,000	14.41	89.15	$51,982	$57,056	$43,434
0001.00	Upper	$58,302	$64,000	18.98	131.77	$76,829	$84,333	$61,081
0002.01	Moderate	$58,302	$64,000	26.52	56.90	$33,179	$36,416	$29,043
0002.02	Middle	$58,302	$64,000	13.06	107.06	$62,422	$68,518	$51,171

Source: FDIC, http://www.ffiec.gov

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Table 57 - 2013 FFIEC Census Report - Summary Census Population Information Missoula, Montana

Tract Code	Tract Population	Tract Minority %	Number of Families	# of House-holds	Non-Hispanic White Population	Tract Minority Population	American Indian/ Native American Population	Asian/ Hawaiian/ Pacific Islander Population	Black/African American Population	Hispanic Population	Other Population / Two or More Races
0001.00	5712	6.02	1328	2462	5368	344	56	52	19	120	97
0002.01	8056	13.48	1340	3523	6970	1086	411	74	42	283	276
0002.02	10739	8.31	2578	4071	9847	892	157	176	40	264	255
0003.00	2022	11.28	114	1334	1794	228	56	35	22	70	45
0004.00	2782	9.24	746	1189	2525	257	96	23	11	67	60
0005.00	7416	13.31	1105	2706	6429	987	216	243	55	233	240
0007.00	2614	10.64	418	1109	2336	278	74	19	18	112	55
0008.00	6026	10.40	1254	2664	5399	627	198	67	32	197	133
0009.01	5735	7.90	1692	2388	5282	453	102	109	17	116	109
0009.02	2337	6.50	730	892	2185	152	49	13	3	35	52
0010.00	4972	11.46	1043	2134	4402	570	172	39	29	178	152
0011.00	2954	7.72	636	1522	2726	228	32	26	9	94	67
0012.00	4728	9.09	999	2193	4298	430	105	50	9	142	124
0013.02	6241	7.32	1614	2402	5784	457	89	62	23	153	130
0013.03	4850	8.95	1066	2018	4416	434	111	48	13	147	115
0013.04	6738	6.72	1904	2356	6285	453	71	96	28	136	122
0014.00	6750	6.46	1795	2544	6314	436	107	45	13	131	140
0015.00	6539	5.81	1818	2389	6159	380	96	36	13	114	121
0016.00	7448	6.77	2160	2507	6944	504	101	88	14	155	146
0018.00	4640	13.23	1145	1769	4026	614	342	22	2	114	134
0001.00	5712	6.02	1328	2462	5368	344	56	52	19	120	97
0002.01	8056	13.48	1340	3523	6970	1086	411	74	42	283	276

0002.02	10739	8.31	2578	4071	9847	892	157	176	40	264	255
0003.00	2022	11.28	114	1334	1794	228	56	35	22	70	45
0004.00	2782	9.24	746	1189	2525	257	96	23	11	67	60
0005.00	7416	13.31	1105	2706	6429	987	216	243	55	233	240
0007.00	2614	10.64	418	1109	2336	278	74	19	18	112	55
0008.00	6026	10.40	1254	2664	5399	627	198	67	32	197	133

Source: FDIC, http://www.ffiec.gov

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Table 58 - 2013 FFIEC Census Report - Summary Census Housing Information, Missoula, Montana

Tract Code	Total Housing Units	1- to 4-Family Units	Median House Age (Years)	Inside Principal City?	Owner Occupied Units	Vacant Units	Owner Occupied 1- to 4-Family Units	Renter Occupied Units
0001.00	2503	2142	36	-	1531	-	1531	931
0002.01	3881	2791	26	-	1254	-	1144	2269
0002.02	4347	3638	13	-	3083	-	3083	988
0003.00	1487	524	71	-	126	-	75	1208
0004.00	1281	1174	32	-	816	-	816	373
0005.00	2840	1683	55	-	881	-	861	1825
0007.00	1385	1211	68	-	288	-	288	821
0008.00	2916	2524	28	-	1185	-	1173	1479
0009.01	2548	2368	33	-	1289	-	1289	1099
0009.02	991	991	28	-	812	-	812	80
0010.00	2302	2076	36	-	1112	-	1106	1022
0011.00	1557	1262	64	-	642	-	642	880
0012.00	2301	1560	45	-	866	-	858	1327
0013.02	2520	2248	31	-	1770	-	1739	632
0013.03	2103	1833	39	-	1352	-	1324	666
0013.04	2424	2188	18	-	1896	-	1896	460
0014.00	2848	2833	33	-	2029	-	2029	515
0015.00	2541	2482	29	-	2008	-	2008	381
0016.00	2858	2858	18	-	2312	-	2312	195
0018.00	3298	3290	28	-	1574	-	1574	195
0001.00	2503	2142	36	-	1531	-	1531	931
0002.01	3881	2791	26	-	1254	-	1144	2269

Source: FDIC, http://www.ffiec.gov

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HMDA Data Analysis

The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and was implemented by the Federal Reserve Board's Regulation C. On July 21, 2011, the rule-writing authority of Regulation C was transferred to the Consumer Financial Protection Bureau (CFPB). This regulation provides the public loan data that can be used to assist in determining whether financial institutions are serving the housing needs of their communities; public officials are distributing public-sector investments so as to attract private investment to areas where it is needed; and possible discriminatory lending patterns can be identified. Using the loan data submitted by the financial institutions, the Federal Financial Institutions Examination Council (FFIEC) creates aggregate tables for each metropolitan statistical area (MSA) or metropolitan division (MD) (where appropriate), and individual institution disclosure reports.

HMDA data consist of information about mortgage loan applications for financial institutions, savings and loans, savings banks, credit unions and some mortgage companies. The data contain information about the location, dollar amount, and types of loans made, as well as racial and ethnic information, income, and credit characteristics of all loan applicants. The data deemed most pertinent to this report and analyzed herein is limited to loan denial rates by location within areas of racial/ethnic and income distinction for loans for one to four family dwellings and manufactured homes, but excluding data on loan applications for investment purposes (non-owner occupancy). Three types of loan products were included: home-purchase loans (conventional and government-backed), refinancing, and home improvement loans.

HMDA provided the disposition of various types of loan products at the Census Tract level, which were extracted and displayed for each individual tract comprising the City of Missoula. These tracts were analyzed to identify those whose median income (in relation to the MSA) fell below that of the City as a whole, and those with a significantly higher minority concentration than the City–wide rate. Specifically, data was analyzed pertaining to the disposition of loan applications by the minority and income characteristics of the Census Tract in which the subject property of the loan was located to identify if there were any discernible patterns that might suggest discriminatory lending practices based on race.

In the best effort to most accurately portray HMDA data for the City, only those tracts were utilized that were either entirely within the City or whose area fell predominantly within City boundaries. Certain tracts where only a small area fell within the City boundaries were excluded from the calculations. It should be noted, discriminatory lending practices cannot be definitively identified by correlation of HMDA data elements; however, the data can display real patterns in lending to indicate potential problem areas.

General Loan Application Data

HMDA data is available for the three-year period, 2010-2012. The most recent available HMDA data is for the 2012 calendar year and was utilized in this analysis (extracted from HMDA Flat Files, 2010-2012). In summary, among the census tracts analyzed, there were 7,470 loan applications made for purchase, refinancing, or improvement of owner-occupied homes. Of this total, 602 (8.1 percent) applications were denied.

In the three-year period, the denial rate has steadily decreased. The number of loan applications fell off significantly in 2011 compared to the previous year. During 2012, the number of loan applications made improved, increasing beyond the 2010 level, indicating an ease in the lending market possibly due to an improving economy and housing market.

Table 59 - Missoula MSA Loan Application and Denials, 2010-2012

Loan Applications and Denials
Missoula MSA, 2010

Applications	Denials	Denial Rate %
7022	639	9.1

Loan Applications and Denials
Missoula MSA, 2011

Applications	Denials	Denial Rate %
5815	521	9.0

Loan Applications and Denials
Missoula MSA, 2012

Applications	Denials	Denial Rate %
7470	602	8.1

The following table shows a break-down of census tract data extracted from HMDA for the City of Missoula including a review of the overall denial rate, minority denial rate, origination rate, income, and race/ethnicity.

Table 60 - Loan Applications and Denials, Minority Percentage, and Percent of MSA Median Income by Census Tract, City of Missoula, 2012

Census Tract	Total Applications	Total Denials	Denial Rate %	Total Minority Applications	Minority Denials	% Of Minority Denials	% Minority	Median Income as % of MSA
1	482	29	6.0	7	1	14.3	6.02	131.77
2.01	343	37	10.8	1	1	100.0	13.48	56.9
2.02	935	69	7.4	29	3	10.3	8.31	107.6
3	39	5	12.8	2	0	0.0	11.28	59.25
4	198	16	8.1	1	1	100.0	9.24	103.91
5	250	15	6.0	2	0	0.0	13.31	94.13
7	128	4	3.1	0	0	0.0	10.64	83.73
8	369	31	8.4	6	0	0.0	10.4	55.4
9.01	366	30	8.2	3	0	0.0	7.9	93.24
9.02	148	17	11.5	0	0	0.0	6.5	137.64
10	321	26	8.1	2	1	50.0	11.46	89.25
11	200	13	6.5	2	0	0.0	7.72	67.9
12	307	20	6.5	2	0	0.0	9.09	86.4
13.02	592	42	7.1	10	1	10.0	7.32	138.68
13.03	298	25	8.4	9	0	0.0	8.95	95.15
13.04	614	27	4.4	14	0	0.0	6.72	126.02
14	445	39	8.8	8	0	0.0	6.46	95.78
15	544	49	9.0	5	0	0.0	5.81	112.85
16	590	75	12.7	11	1	9.1	6.77	129.03
18	301	33	11.0	3	0	0.0	13.23	89.15
	7470	**602**	**8.1%**	**113**	**9**	**8.0%**	**9.0**	

Source: Data extracted for City of Missoula from HMDA, LAR Files, 2012
Census Tracts where the denial rate exceeds the City average of 8.1% are highlighted in **YELLOW**.
"Low income" Tracts are those where the median income is less than 80% of MSA Income. These are highlighted in **RED**.

Among the 20 identified Missoula tracts, none were determined to have a minority concentration. For purposes of this analysis, a “minority” tract is defined as a census tract where the minority concentration is at least five percent greater than that of the City of Missoula as a whole (nine percent based on FFIEC Census data for 2012). Therefore, tracts with 14 percent or greater minority population would be considered “minority.”

During the period reviewed, 172 loan applications were made by minority households of which 21 were denied representing a 12.2 percent denial rate which is four percentage points higher than the loan denial rate for the City. This denial rate for minority loans does not indicate the existence of discrimination in

lending based on property location. However, the small minority population in Missoula has the effect of skewing the minority denial rates.

A review of income characteristics by census tract also does not suggest a correlation between income level and loan denial rate. Four census tracts met HUD's definition of low- and moderate-income (not greater than 80 percent of Area Median Income). These are census tracts 2.01, 3, 8, and 11.

In looking at all 20 Missoula census tracts in the analysis, 10 (50%) had denial rates higher than the City average. Three of the four low- and moderate-income census tracts had a denial rate higher than the City average. Seven of the 16 middle and upper income census tracts also had denial rates higher than the City average. In addition, a review of origination rate and denial rate by income group shows that the rates are close to the origination and denial rates for the total applications and thus, does not reflect discriminatory lending patterns. The greatest difference is in the origination rate for applications made by households with incomes between 51-80% AMI where the origination rate was three percent less than the origination rate for all applications which is 58.3 percent. The highest denial rate was nine percent for households with income between 51-80 percent AMI; however this rate is only one percentage point above the City's average denial rate. The HMDA data is not sufficient to conclude that there are discriminatory lending practices in the City of Missoula based on race/ethnicity or income.

Tables 61-63 examine total conventional loan denials by loan purpose. There are three classifications for loan type: conventional, FHA, and VA loans. Conventional loans are loans that are not guaranteed or insured by the federal government under the Veterans Administration (VA), the Federal Housing Administration (FHA), or the Rural Housing Service (RHS) of the U.S. Department of Agriculture. FHA and VA loans are backed by the government, meaning that the FHA or the Department of Veteran's Affairs promises to pay lenders if a borrower defaults on the loan. Borrowers must meet certain requirements to be eligible for each loan type. Of the 7,470 loan applications made in 2012, 6,217 or 83.2 percent were conventional loans. The majority of loan applications in the City of Missoula were for refinancing (73.3%), followed by home purchase loans (24.1%) and home improvement loans (2.5%).

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Table 61 – Home Purchase Loans Applications, 2012

Home Purchase Loans (Conventional) Applications 2012				
Census Tracts	**Home Purchase Loans (Conventional) Applications**	**Home Purchase Loan Denials (Conventional) Application Denials**	**Home Purchase Loan (Conventional) Applications Denial Rates %**	**2012 Tract Minority %**
1	75	0	0	6.02
2.01	87	6	6.9	13.48
2.02	195	9	4.6	8.31
3	6	0	0	11.28
4	22	0	0	9.24
5	54	4	7.4	13.31
7	22	0	0	10.64
8	64	2	3.1	10.4
9.01	50	4	8.0	7.9
9.02	17	3	17.6	6.5
10	64	5	7.8	11.46
11	35	0	0	7.72
12	51	2	3.9	9.09
13.02	89	1	1.1	7.32
13.03	54	0	0	8.95
13.04	100	1	1.0	6.72
14	53	4	7.5	6.46
15	56	4	7.1	5.81
16	58	5	8.6	6.77
18	50	3	6.0	13.23
	1,206	**53**	**4.4**	**9.0**

Table 62 – Refinance Loan Applications, 2012

Census Tracts	Refinance Loan Applications	Refinance Loan Application Denials	Refinance Loan Applications Denial Rates %	2012 Tract Minority %
1	375	24	6.4	6.02
2.01	212	23	10.8	13.48
2.02	496	43	8.7	8.31
3	30	5	16.7	11.28
4	124	14	11.3	9.24
5	171	10	5.8	13.31
7	97	4	4.1	10.64
8	227	24	10.6	10.4
9.01	243	22	9.1	7.9
9.02	110	10	9.1	6.5
10	196	18	9.2	11.46
11	142	12	8.5	7.72
12	220	15	6.8	9.09
13.02	410	33	8.0	7.32

Census Tracts	Refinance Loan Applications	Refinance Loan Application Denials	Refinance Loan Applications Denial Rates %	2012 Tract Minority %
13.03	174	19	10.9	8.95
13.04	408	23	5.6	6.72
14	305	29	9.5	6.46
15	319	32	10.0	5.81
16	370	47	12.7	6.77
18	200	26	13.0	13.23
	4,829	**433**	**9.0**	**9.0**

Table 63 – Home Improvement Loan Applications, 2012

Census Tracts	Home Improvement Loan Applications	Home Improvement Loan Application Denials	Home Improvement Loan Applications Denial Rates %	2012 Tract Minority %
1	15	2	13.3	6.02
2.01	8	4	50.0	13.48
2.02	12	3	25.0	8.31
3	1	0	0.0	11.28
4	2	0	0.0	9.24
5	9	1	11.1	13.31
7	2	0	0.0	10.64
8	7	2	28.6	10.4
9.01	12	2	16.7	7.9
9.02	3	1	33.3	6.5
10	4	0	0.0	11.46
11	8	1	12.5	7.72
12	2	0	0.0	9.09
13.02	10	1	10.0	7.32
13.03	12	3	25.0	8.95
13.04	15	1	6.7	6.72
14	15	2	13.3	6.46
15	16	3	18.8	5.81
16	22	2	9.1	6.77
18	7	1	14.3	13.23
	182	**29**	**15.9**	**9.0**

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Table 64 –Analysis of HMDA Activity – Missoula, MT 2012

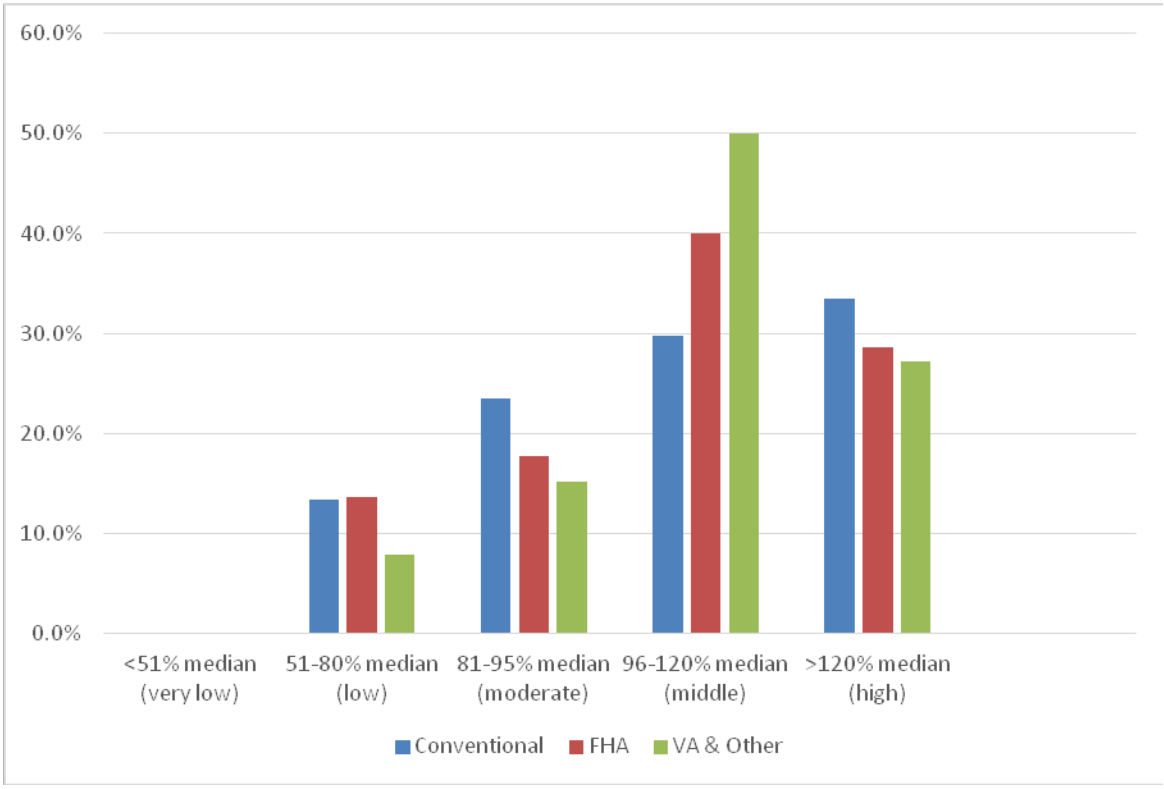
Analysis of Home Mortgage Disclosure Act Data HMDA Activity for Missoula, MT 2012							
	# Apps.	% of Apps.	# Denied	% Denied	# Orig	% Orig	
Home Purchase Loans	**1,803**	**100**	**81**	**100**	**1,022**	**100**	
Minorities	28	1.5	3	3.7	15	1.5	
Whites	1,494	82.9	73	90.1	964	94.3	
Not Provided	281	15.6	5	6.2	43	4.2	
Home Improvement Loans	**188**	**100**	**29**	**100**	**128**	**100**	
Minorities	4	2.6	1	3.4	3	2.3	
Whites	171	82.6	24	82.8	121	94.5	
Not Provided	13	14.8	4	13.8	4	3.1	
Refinance Loans	**5,479**	**100**	**492**	**100**	**3,207**	**100**	
Minorities	140	2.1	17	3.5	75	2.3	
Whites	4,528	91.0	413	83.9	2,968	92.5	
Not Provided	811	6.9	62	12.6	164	5.1	
All Loans Purpose	**7,470**	**100**	**602**	**100**	**4,357**	**100**	
Minorities	172	2.3	21	3.5	93	2.1	
Whites	6,193	82.9	510	84.8	4,053	93.0	
Not Provided	1,105	14.8	71	11.8	211	4.8	

Table 65 – Comparison of Loan Originations, Missoula, MT 2012

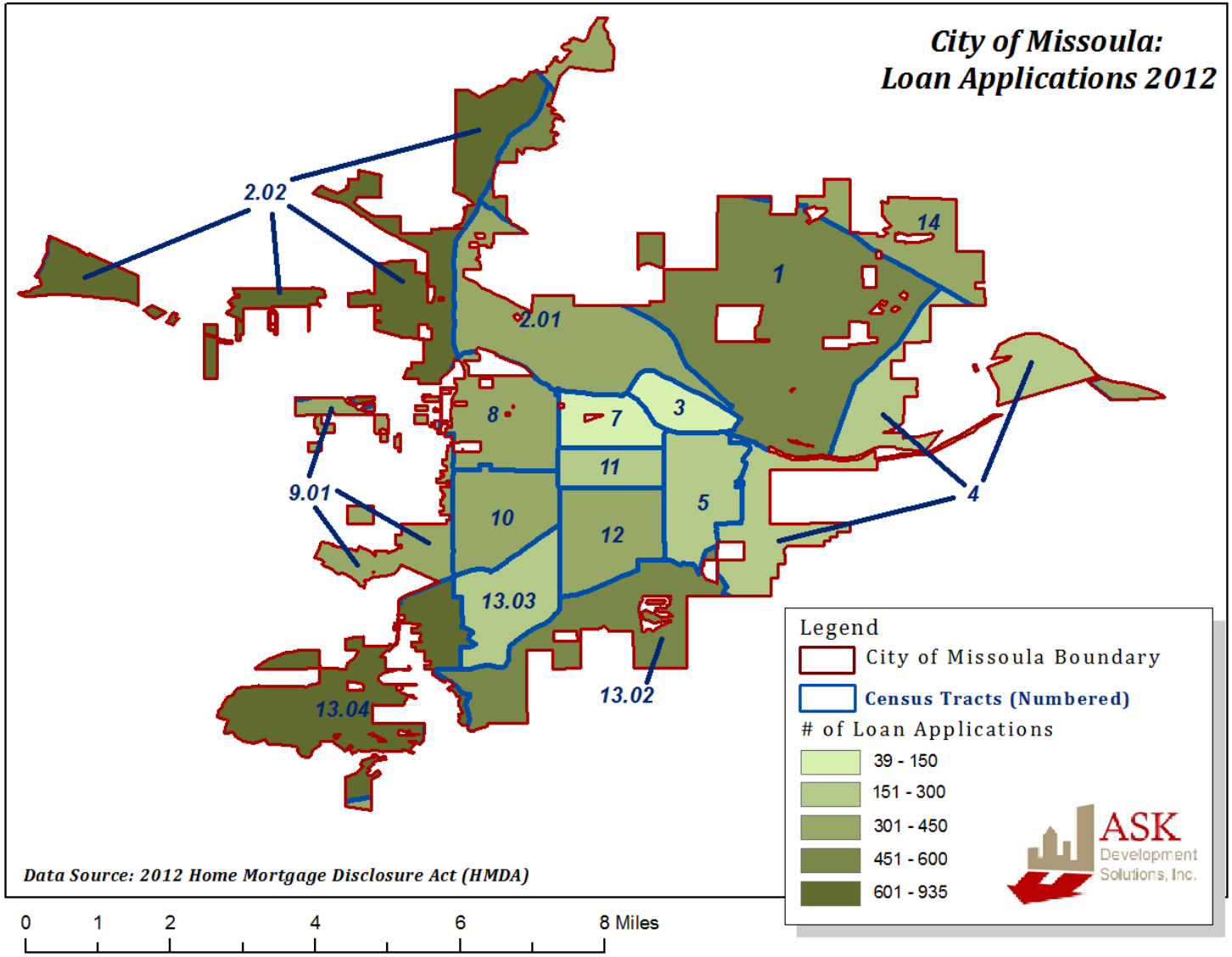
Home Mortgage Disclosure Act (HMDA) Analysis Comparison of Originations Within Categories , Missoula, MT 2012					
	Number of Applications	Number of Originations	Percent of Originations	Number of Denials	Denial Rate
Loan Type	**7,470**	**4,357**	**58.3**	**602**	**8.1**
Conventional	6,217	3,788	61.0	515	8.3
FHA	616	273	44.3	53	8.6
VA & Other	637	296	46.5	35	5.5
Ethnicity					
White	6,193	4,053	65.4	510	8.2
Black or African-American	12	7	58.3	0	0.0
Hispanic	59	30	50.8	12	20.3
American Indian/Native American or Alaska Native	38	18	47.4	5	13.2
Asian	50	29	58.0	3	6.0
Native Hawaiian or Other Pacific Islander	13	9	69.2	1	7.7
Not Provided	1,105	211	19.1	71	6.4

Home Mortgage Disclosure Act (HMDA) Analysis Comparison of Originations Within Categories , Missoula, MT 2012					
	Number of Applications	**Number of Originations**	**Percent of Originations**	**Number of Denials**	**Denial Rate**
Loan Purpose					
Home purchase	1,803	1,022	56.7	81	4.5
Home Improvement	188	128	68.1	29	15.4
Refinance	5,479	3,207	58.5	492	9.0
Income:					
<51% median (very low)	0	0	0.0	0	0.0
51-80% median (low)	951	526	55.3	86	9.0
81-95% median (moderate)	1.673	986	58.9	128	7.7
96-120% median (middle)	2,420	1,395	57.6	198	8.2
>120% median (high)	2,426	1,450	59.8	190	7.8

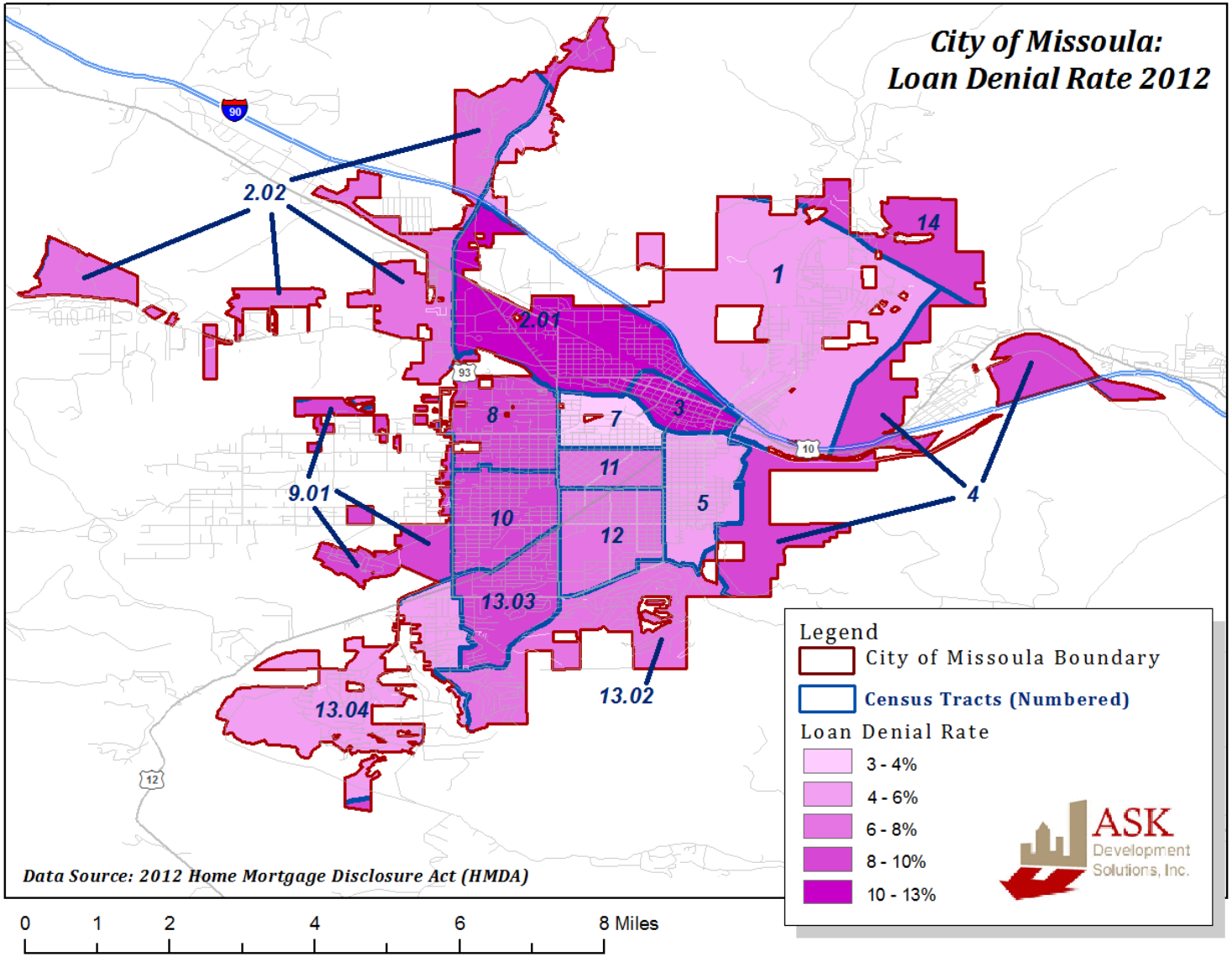
Figure 18 - Origination Rates by Loan Type and by Income Group



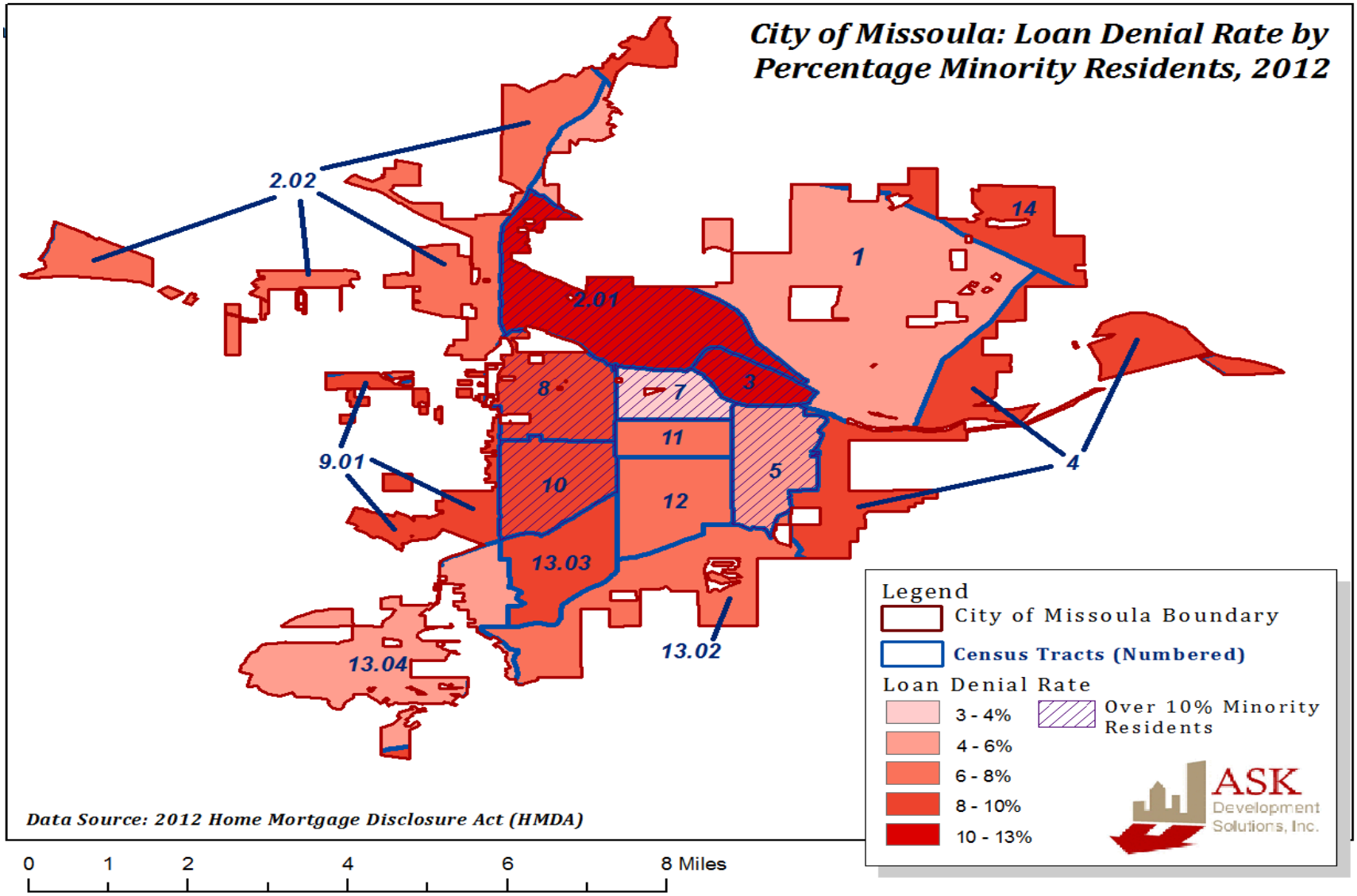
Map 24 – Missoula Loan Applications 2012



Map 25 – Missoula Loan Denial Rates 2012



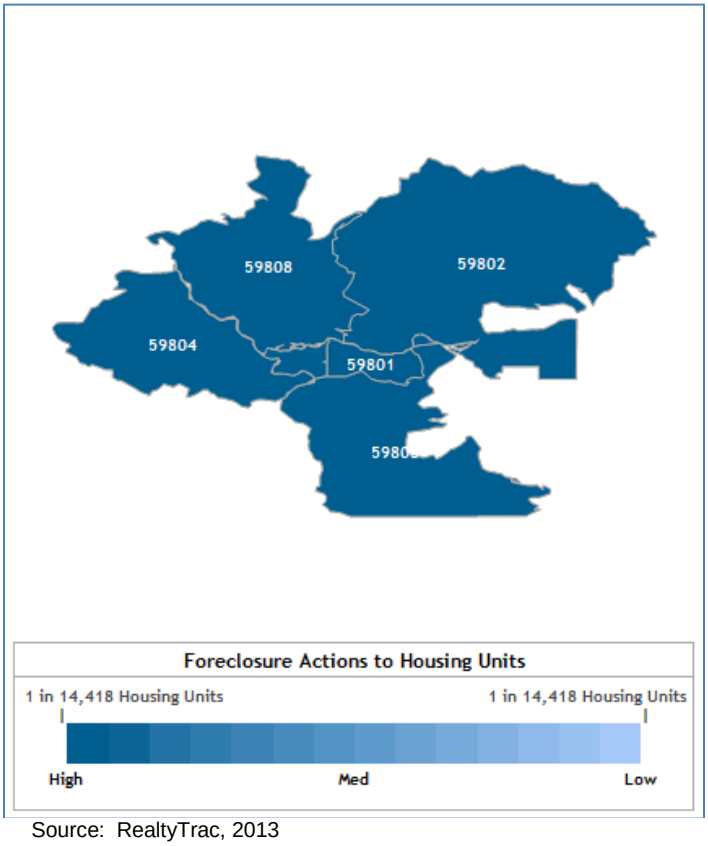
Map 26 – Missoula Loan Denial Rate By Percentage Minority Residents 2012



Foreclosure Data

For analysis of foreclosure impacts in Missoula, data was gathered from RealtyTrac.com. RealtyTrac is recognized as the most comprehensive, one-stop source of foreclosure data. The RealtyTrac data management system was utilized to gather the figures and charts cited herein, including homes in pre-foreclosure, at auction, and bank-owned (REO) properties. The RealtyTrac data for Missoula was available for zip codes 59801, 59802, 59803, 59804, and 59808. The information from RealtyTrac represents current data for a snapshot in time (one calendar month), as of October 2013.

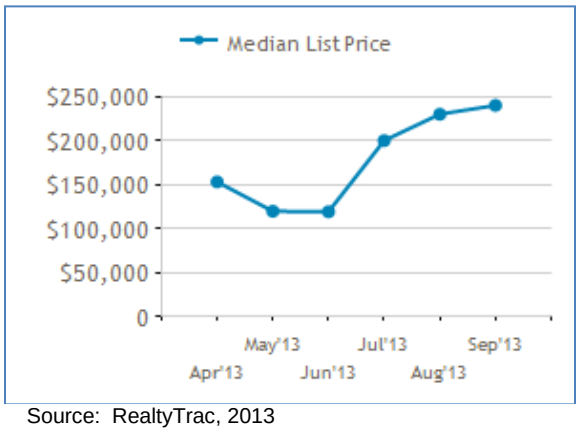
Figure 19 - Foreclosure Action by Zip Code



Source: RealtyTrac, 2013

According to RealtyTrac, in October the number of properties that received a foreclosure filing in Missoula was no higher than the previous month and 83% lower than the same time last year. Home sales for September 2013 were down 6% compared with the previous month, and up 30% compared with a year ago.

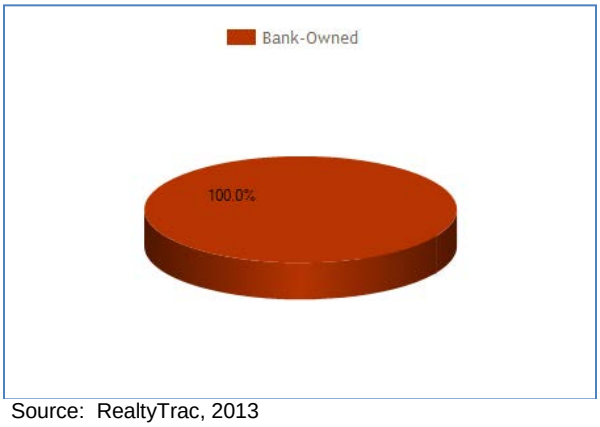
Figure 20 – Median Sales Price, Missoula 2013



Source: RealtyTrac, 2013

According to RealtyTrac, there are currently 27 properties in Missoula that are in some stage of foreclosure (default, auction or bank owned) while the number of homes listed for sale on RealtyTrac is 558. RealtyTrac shows all current foreclosure properties as being bank-owned, with no properties being reported as pre-foreclosure or auction status.

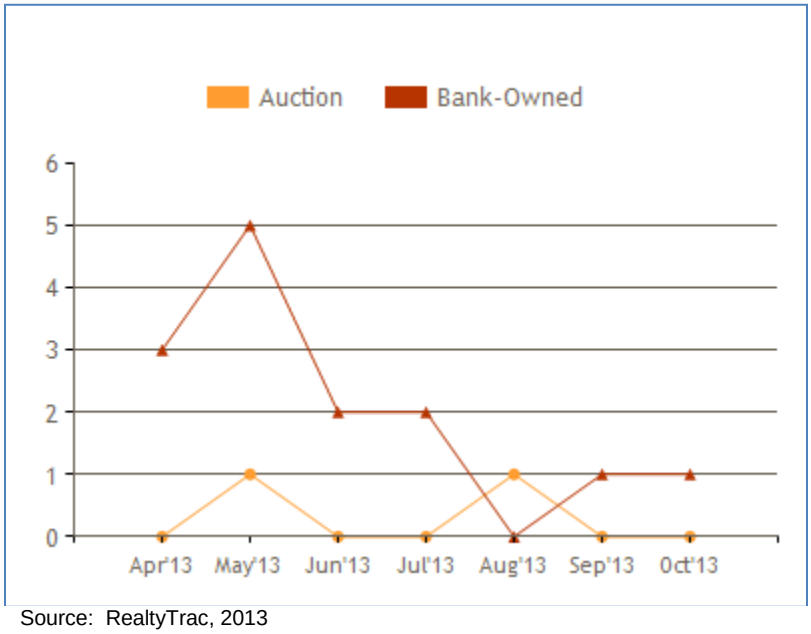
Figure 21 - October 2013 Distribution of Foreclosure Type, Missoula, Montana



Source: RealtyTrac, 2013

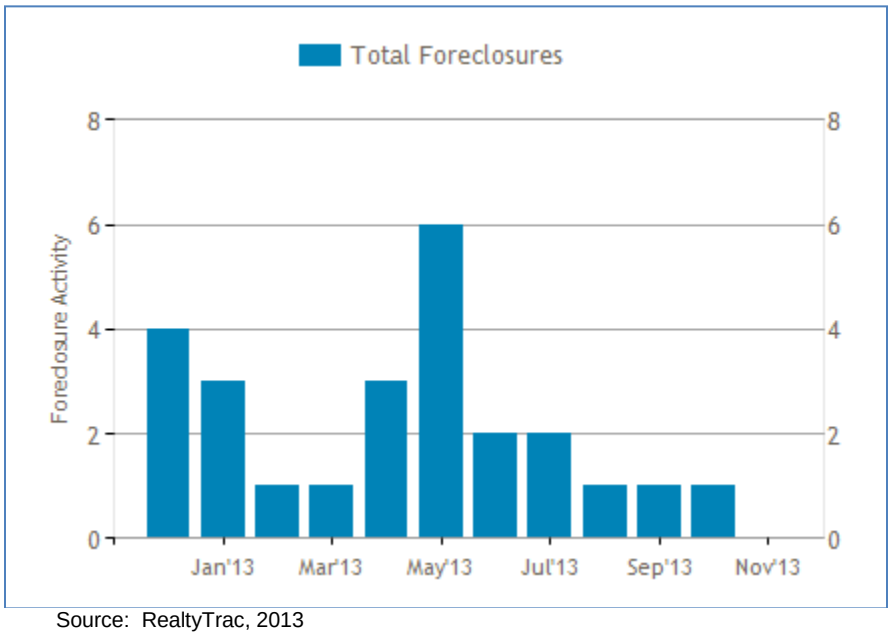
The following figures illustrate the trend in foreclosure filings and sales in Missoula over the last year.

Figure 22 - Foreclosure Filings, Missoula, Montana



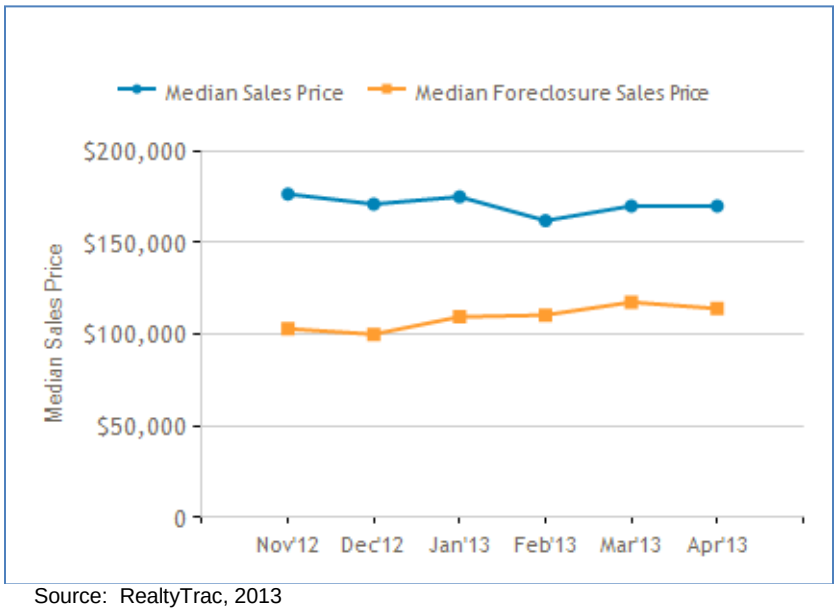
Source: RealtyTrac, 2013

Figure 23 -Total Foreclosure Activity, Missoula, Montana



Source: RealtyTrac, 2013

Figure 24 -Foreclosure Sales Prices, Missoula, Montana



Source: RealtyTrac, 2013

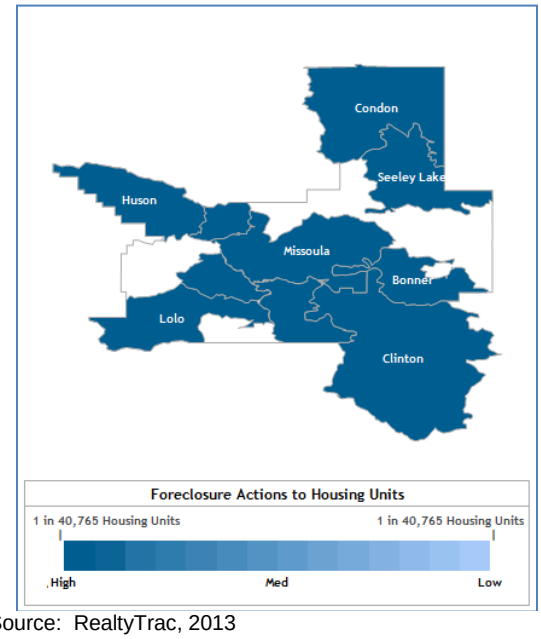
The following table and map compares home sales and median sales price in nearby cities.

Table 156 – Surrounding Area Home Sales and Median Sales Prices

	(change from prior year)	(change from prior year)
Stevensville	22 Up 214.3%	$178,000 Down 14.0%
Lolo	15 Up 66.7%	Not available
Florence	7 Up 133.3%	$243,500 Down 5.4%
Frenchtown	7 Up 75.0%	Not available
Seeley Lake	5 Up 66.7%	Not available
Victor	5 Up 150.0%	$254,500 Up 29.5%
Bonner	4 Not available	Not available
Clinton	4 Up 300.0%	Not available
Condon	4 Up 300.0%	Not available
Huson	2	Not available

Source: RealtyTrac, 2013

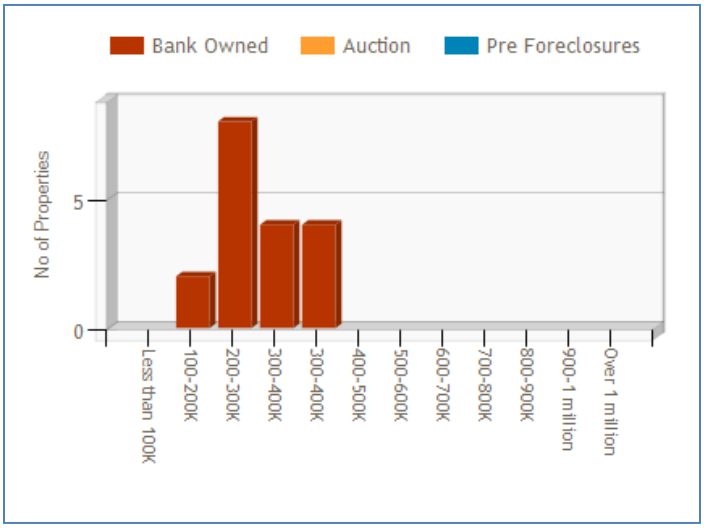
Figure 25 – Surrounding Area Foreclosure Action



Source: RealtyTrac, 2013

RealtyTrac reports that of the 27 Missoula properties in some stage of foreclosure, the highest availability rate occurs in the $200,000 - $300,000 price range (8 properties). The following is a depiction of properties available per estimated market for the City of Missoula.

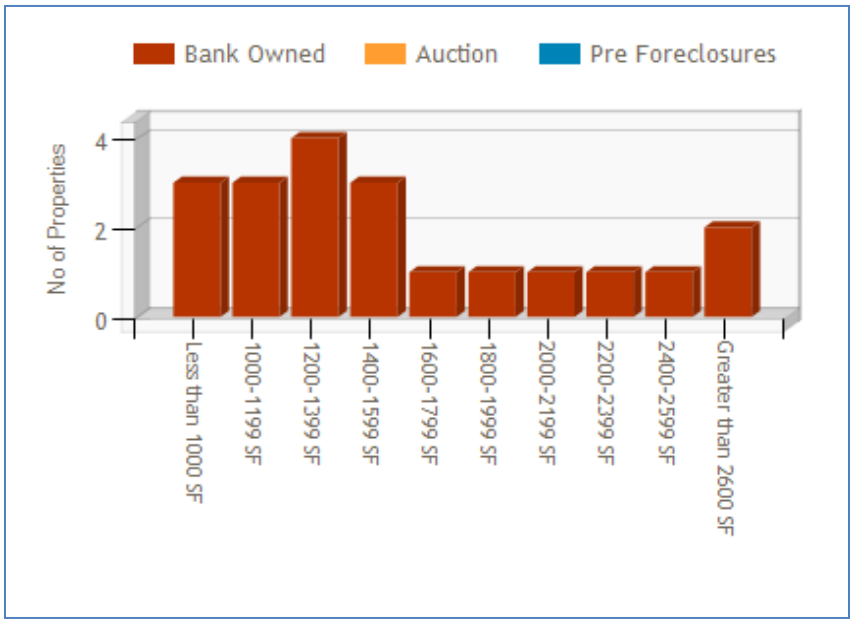
Figure 26 - Number of Foreclosure Properties Available Per Estimated Market October 2013, Missoula



Source: RealtyTrac, 2013

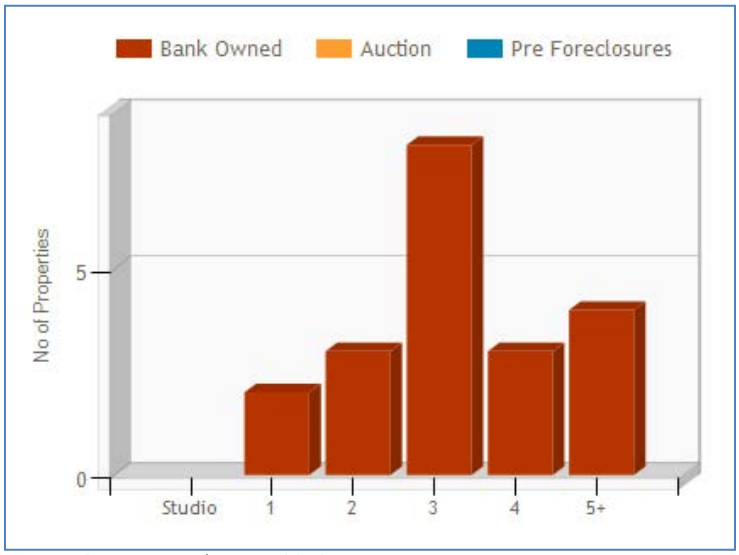
Of the foreclosure properties available in the Missoula market, RealtyTrac reports on the number of properties available per square footage, number of bedrooms, and year built. The following charts show that the highest availability of properties occurs with those that are 1,200 – 1,399 square feet (4 properties), 3 bedroom properties (4 properties), and properties built between 1990 and 1999 (5 properties).

Figure 27 - Number of Properties per Square Foot October 2013, Missoula



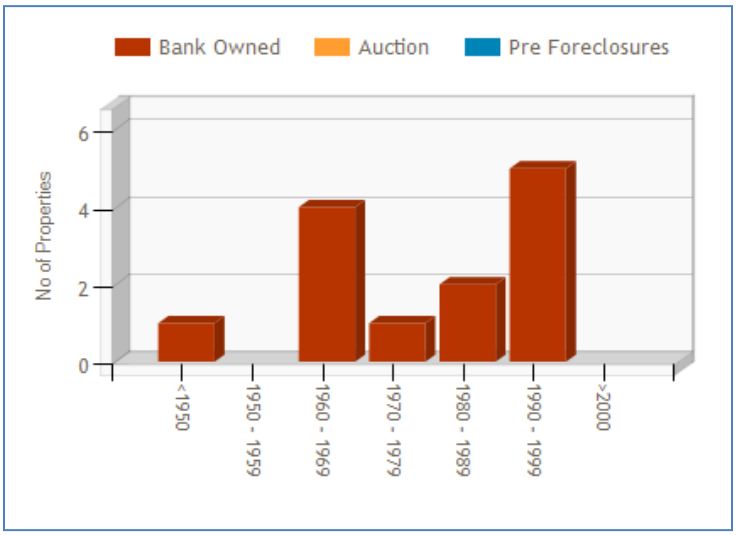
Source: RealtyTrac, 2013

Figure 28 - Number of Properties per Bedroom October 2013, Missoula



Source: RealtyTrac, 2013

Figure 29 - Number of Foreclosed Properties per Year (Built May 2013) Missoula



Source: RealtyTrac, 2013

The following table is an analysis of foreclosure rates by zip codes in the City of Missoula. There are eight zip codes in Missoula and, according to RealtyTrac, as of January 2014 there were 25 foreclosure cases within five zip codes. The table shows the number of units in foreclosure as well as the racial makeup and median household income for each zip code.

Table 67 – Foreclosure Rate Analysis, Missoula

Zip Code	Racial Composition				Median HH Income	Foreclosure Activity (units)
	White	African American	American Indian/ Native Alaskan	Asian		
59801	89.1%	0.5%	2.9%	1.4%	$31,591	5
59802	91.0%	0.4%	2.7%	0.8%	$38,184	2
59803	93.0%	0.4%	1.3%	1.1%	$63,836	7
59804	92.2%	0.3%	1.8%	1.5%	$52,965	3
59808	90.5%	0.4%	2.4%	1.4%	$47,788	8

Source: Racial Composition and Median Household Income from City-Data for 2010 Census
Foreclosure Rate from RealtyTrac as of January 2014

The purpose of this analysis is to determine if there is any correlation between foreclosure rates and minority concentration. If a corresponding relationship exists between the two variables this would be a clear impediment to fair housing

choice. The zip codes with the largest percentage of minorities, ‘59801’ and ‘59808,’ have a combined 13 units in foreclosure and the zip codes with the least minorities, ‘59803’ and ‘59804’ have 10 units in foreclosure. While the zip codes with more minorities have a greater incidence of foreclosures suggesting some correlation between foreclosure rates and minority population, due to the small sample size and the lack of diversity in each zip code (there is only a 5 percentage point difference in the number of white residents in the zip codes), it cannot be determined without further analysis if this is an impediment to fair housing in Missoula. Instead, one of the factors that may be contributing to this result is income. The median household income according to the 2010 ACS was $36,547. The median household income in zip code ‘59801’ is below the City’s median and this may result in challenges in remaining current on mortgage payments leading to more foreclosures. Zip codes ‘59803’ and ‘59804’ have higher median household incomes and less foreclosure activity. The challenge with identifying foreclosure rates as an impediment to fair housing also stems from a lack of data on foreclosure cases for members of the protected class.

The Montana Department of Justice reported in 2012 that (then) Montana Attorney General Steve Bullock joined a landmark agreement with the nation’s five largest mortgage servicers to secure help for struggling homeowners and requiring national standards to protect consumers from the abuses of these banks. The settlement stems from a national investigation of the country’s five largest banks and the discovery that these institutions routinely violated state and federal laws by signing foreclosure documents outside the presence of a notary public – a practice commonly called “robo-signing” – and without knowing if the facts contained in the documents were correct.

Under the agreement, the five banks – Bank of America, CitiBank, JP Morgan Chase, Wells Fargo and GMAC – agreed to a $25 billion package of benefits for homeowners and payments to the states. The settlement also provides benefits to borrowers whose loans are owned by the settling banks, as well as to many of the borrowers whose loans they service. It also provides modest payments to those who were foreclosed upon from 2008-2011.

The joint state-federal settlement is the result of a massive civil law enforcement initiative that includes the state attorney general, state banking regulators across the country and nearly a dozen federal agencies. The settlement holds banks accountable for past mortgage servicing and foreclosure fraud and abuses, and provides relief to homeowners. With the backing of a federal court order and the oversight of an independent monitor, the settlement stops future fraud and abuse. The landmark settlement provides:

- New National Protections for Homeowners – New servicing standards require single point of contact, adequate staffing levels and training, better communication with borrowers, and appropriate standards for executing documents in foreclosure cases, ending improper fees, and ending dual-track foreclosures for many loans.
- Loan Modification Services to Struggling Homeowners – Services will be provided to homeowners struggling to stay in their homes, including the possibility of refinancing at historically low interest rates.
- Payments to Homeowners Who Lost Their Home to Foreclosure – Modest direct payments will be made to homeowners who lost their homes to foreclosure from 2008 to 2011. These payments will have no strings attached and homeowners who wrongfully lost their homes can still pursue private claims against the banks.
- State Level Counseling Services – dedicated staff in the Attorneys General Office to work directly with homeowners and the housing counselors who are available to work with homeowners throughout Montana facing foreclosure.

The settlement does not grant any immunity from criminal offenses and will not affect criminal prosecutions. The agreement does not prevent homeowners or investors from pursuing individual, institutional or class action civil cases against the five banks. The pact also enables state attorney general and federal agencies to investigate and pursue other aspects of the mortgage crisis, including securities cases.

Montana's estimated share of the settlement is $20.4 million and includes resources for loan term modifications and other direct relief, direct payments to those foreclosed upon, refinancing options for underwater borrowers and a direct payment to fund state counseling services.

Fair Housing Complaint Data

Fair housing complaints may be filed with HUD, the Montana Human Rights Bureau, and Montana Fair Housing. Housing discrimination complaints filed with HUD may be done online at (http://www.hud.gov/complaints/housediscrim.cfm). Complaint forms also may be obtained by calling or writing to the local HUD Fair Housing office at:

U.S. Department of Housing and Urban Development
Helena Field Office
Paul G. Hatfield U.S. Courthouse
Helena, MT 59626
(406) 449-5050

U.S. Department of Housing and Urban Development

The following tables indicate the fair housing complaints handled by HUD Helena Field Office, Office of Fair Housing and Equal Opportunity, for calendar years 2007 through 2012. The information includes the date and year the complaint was filed, basis of the complaint, major issue(s), and closure status.

During the six-year period examined, there were a total of 16 fair housing complaints filed with HUD Helena Field Office from the residents of the City of Missoula on the basis of Physical Disability, Mental Disability, Familial Status, and Race. Each case may have more than one basis for discrimination and the majority of complaints is based on disability. Of the 16 complaints, three were withdrawn without resolution, four were determined to have no cause, six were settled, two were withdrawn after resolution, and one complainant elected to go to court.

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Table 68 – HUD Fair Housing Complaints, Missoula, 2007-2012

Year Filed	Bases	Case Number	Filing Date	Issues	Why Closed	Total
2007	Familial Status, Physical Disability, Mental Disability	08-07-0072-8	01/29/07	310 – Discriminatory refusal to rent	6 Complaint withdrawn by complainant without resolution	1
		08-07-0072-8	01/29/07	322 – Discriminatory advertising – rental	6 Complaint withdrawn by complainant without resolution	1
		08-07-0072-8	01/29/07	510 – Failure to make reasonable accommodation	6 Complaint withdrawn by complainant without resolution	1
		Total				**3**
	Physical Disability	08-08-0024-8	10/22/07	510 – Failure to make reasonable accommodation	16 Conciliation/settlement successful	1
		Total				**1**
	Total					**4**
2008	Physical Disability, Mental Disability	08-08-0182-8	05/02/08	450 - Discriminatory acts under Section 818 (coercion, Etc.),	25 No Cause Determination	1
		08-08-0182-8	05/02/08	510 - Failure to make reasonable accommodation	25 No Cause Determination	1
		Total				**2**
	Total					**2**
2009	Mental Disability	08-10-0025-8	12/01/09	510 - Failure to make reasonable accommodation	25 No Cause Determination	1
		Total				**1**
	Total					**1**
2010	Mental Disability	08-10-0070-8	03/17/10	510 - Failure to make reasonable accommodation	25 No Cause Determination	1
		08-11-0007-8	10/18/10	510 – Failure to make reasonable accommodation	18 Complaint withdrawn by complainant after resolution	1
		Total				**2**
	Race	08-10-0103-8	05/14/10	310 – Discriminatory refusal to rent	16 Conciliation/settlement successful	1
		08-10-0103-8	05/14/10	382 – Discrimination in terms/conditions/privileges relating to rental	16 Conciliation/settlement successful	1

Year Filed	Bases	Case Number	Filing Date	Issues	Why Closed	Total
		Total				**2**
	Total					**4**
2011	Physical Disability	08-11-0217-8	08/26/11	510 – Failure to make reasonable accommodation	16 Conciliation/settlement successful	1
		Total				**1**
	Mental Disability	08-11-0231-8	09/13/11	510 – Failure to make reasonable accommodation	18 Complaint withdrawn by complainant after resolution	1
		Total				**1**
	Total					**2**
2011	Physical Disability	08-12-0122-8	03/21/12	470 – Non-compliance with design and construction requirement (handicap)	50 Election made to go to court	1
		Total				**1**
	Mental Disability	08-12-0262-8	09/17/12	380 – Discriminatory terms, conditions, privileges or services and facilities	16 Conciliation/settlement successful	1
		Total				**1**
		08-12-0262-8	09/17/12	510 – Failure to make reasonable accommodation	16 Conciliation/settlement successful	1
		Total				**2**
	Total					**3**
Total						**16**

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Montana Human Rights Bureau

The Montana Human Rights Bureau is the state agency responsible for investigating complaints of illegal discrimination. The agency enforces the Montana Human Rights Act, the Government Code of Fair Practices, and certain federal anti-discrimination statutes.

To make a complaint (or fair housing violation charge) residents can go directly to the Montana Human Rights Bureau or contact them at (406) 444-4356 or 1-800-542-0807.

The process for filing a discrimination complaint involves a telephone interview with an investigator. If the investigator finds the alleged discrimination occurred, then a formal complaint will be drafted for signature by the complainant. A formal complaint must be filed within 180 days of the alleged discriminatory action.

Once the complaint is filed, an investigation is conducted to determine if the illegal discrimination occurred. A housing investigation must be completed within 120 days unless the parties agree to a voluntary resolution in which case the Bureau has the option of adding up to 45 days to conduct its informal investigation. If reasonable cause is established, there will be a conciliation conference where the Bureau will attempt to facilitate an agreement between the complainant and the respondent. This may include compensation for any losses, modifying practices that have an adverse effect on protected classes, and taking other affirmative actions to eliminate discrimination. If an agreement cannot be reached, the case will be heard at a public hearing held by the Department of Labor and Industry. The hearing examiner is responsible for making a final decision regarding whether the discrimination occurred. The decision can be appealed to the Montana Human Rights Commission.

Montana Fair Housing

Montana Fair Housing is a non-profit organization with the mission of promoting fair housing throughout Montana. The organization investigates allegations of housing discrimination and also assists complainants with securing legal representation when filing a complaint in federal or district court. Complainants may contact the organization for assistance with filing complaints with HUD and/or the Montana Human Rights Bureau.

During the period February 2011 through September 2013, there were 89 fair housing complaints filed with Montana Fair Housing by residents of the City of Missoula. The bases for the complaints included Race, Age, Familial Status, Sex, Sexual Orientation, and Disability. The predominant discriminatory claim was on the basis of disability including accommodations for persons with mental disabilities, as well as discrimination on the basis of mental and physical disabilities. In 2013, six legal cases from the City of Missoula were filed with four closed due to conciliation or no reasonable cause. The table below provides information on cases filed or active in 2013.

Table 69 –Montana Fair Housing Complaints, 2013

Case number	Agency	Filing Date	Bases	Why closed	Closing Date
9:13-CV-00005-DWM	USDC	01/18/13	Disability/D&C		
0131016042	HRB	01/29/13	Disability	No Reasonable Cause	05/29/13
08-13-0111-8	HUD	02/13/13	Disability		
08-13-0126-8	HUD	02/20/13	Sex	Conciliation	08/06/13
0131016252	HRB	05/15/13	Disability	Reasonable Cause	10/16/13
08-13-0187-8	HUD	05/10/13	Sex	Conciliation	08/06/13

Missoula Hate Crimes

Any traditional crime, such as murder, arson, or vandalism, can be classified as a hate crime if it is motivated by a bias against a race, religion, disability, ethnic origin or sexual orientation. Because these protected classes significantly overlap those classes protected under the Fair Housing Act, an examination of data on hate crimes is conducted as part of this Analysis of Impediments.

Hate crimes are reported to the Federal Bureau of Investigation (FBI) by jurisdictions. The AI reviewed the latest data for 2012, 2011, and 2010 for the City of Missoula. Incidents are reported by number of incidents per bias motivation based on the protected classes of race, religion, sexual orientation, ethnicity, and disability. In 2012, six hate crimes were reported in the City of Missoula. Of the six crimes, four were based on sexual orientation, one on race, and one on religion. In 2011, three hate crimes were reported, two based on race and one based on religion. In 2010, the City saw a larger number of cases with nine, of which four were based on sexual orientation, two on race, two on religion, and one on ethnicity. There were 11 types of offenses reported, among them, murder, manslaughter, forcible rape, assault, intimidation, robbery, burglary, larceny-theft, and crimes against property.

Legal Cases

Illegal Discrimination Ordinance

In 2010, the City of Missoula amended its Illegal Discrimination Ordinance to expand the bases for discrimination by including sexual orientation and gender identity or expression. The previous ordinance, entitled Fair Housing Law, only prohibited discrimination in housing. The Illegal Discrimination Ordinance also prohibits discrimination in employment and public accommodations. The City of Missoula was the first city in Montana to expand protected classes to include the Lesbian Gay Bisexual and Transgender (LGBT) community. One of the reasons for the amendment was complaints from Missoula residents reporting instances of discrimination that were not adequately addressed by existing state and federal laws. Under the ordinance, persons who believe they have been discriminated against due to their sexual orientation may pursue a civil remedy through the Montana Human Rights Bureau, the state agency responsible for enforcing the Montana Human Rights Act.

Discrimination against members of the LGBT community is a barrier to accessing affordable housing. A 2007 study[3] conducted in Michigan by four fair housing groups for the purpose of determining if households faced housing discrimination due to their sexual orientation found that while results varied by housing market, location, and the type of test conducted (rental, sales, or mortgage), there was disparate treatment of testers posing as homosexuals as compared to testers posing as heterosexual applicants. In some cases, LGBT applicants were quoted higher rents, denied housing applications, informed that rental units were not immediately available, and were not offered the same move-in discounts or incentives. According to information on fair housing cases filed in Missoula gathered from Montana Fair Housing, there were two cases of discrimination on the basis of sexual orientation in the past five years.

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[3] Sexual Orientation and Housing Discrimination in Michigan: A Report of Michigan's Fair Housing Centers. Updated for Release January 2007 Available online at www.fhcmichigan.org

V. PUBLIC OUTREACH

Introduction

This section summarizes the results of the surveys, public meetings, and key person interviews conducted as part of the public outreach process for the Missoula AI. In addition, this section gives a brief overview of fair housing public outreach conducted by stakeholders in Missoula. The consultant conducted an online and written survey available to all Missoula residents, industry stakeholders, area realtors, and lending institutions. The survey asked respondents about their experience and perception of housing discrimination, knowledge of fair housing laws, experience with Missoula's housing assistance and social service programs, and opinions about housing and social service needs in the city. ASK also directly administered surveys, conducted public meetings, and held key person interviews with industry stakeholders.

ASK developed fair housing surveys for citizens, housing service providers, realtors, and lending institutions. Copies of the survey were available in alternative format, upon request. A fair housing survey link was posted on the City and County's websites in October, 2013. Please refer to the Appendix section of the AI to view a sample of the survey instruments. The findings from these activities are discussed in turn.

Citizen Surveys

An online, 30-question fair housing survey was designed by ASK and available for all residents to complete via http://www.surveymonkey.com, and as distributed by City of Missoula staff. The survey was available in the beginning of August and was completed by 73 Missoula area residents.

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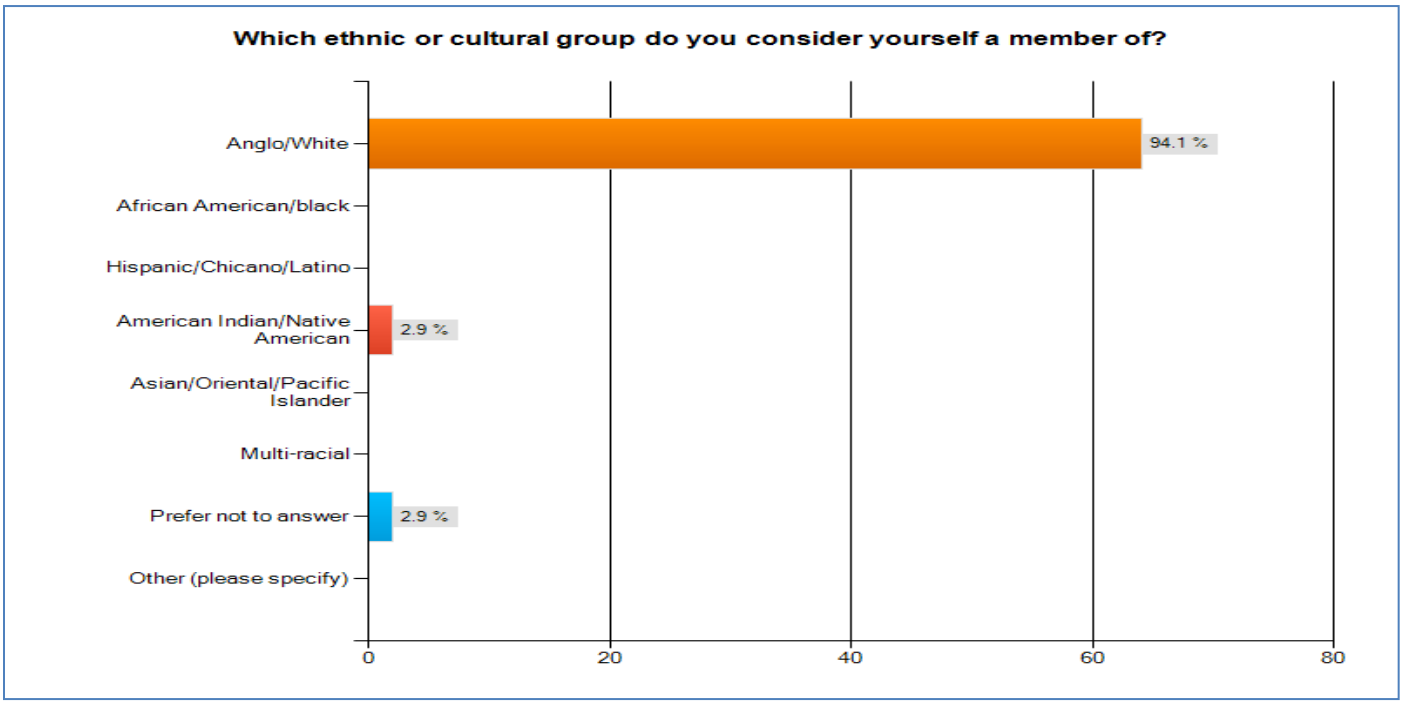
Figure 30



Of the citizens surveyed, 64 persons (94.1%) are Anglo/White; 2 (2.9%) are American Indian/Native American, and 2 (2.9%) preferred not to answer. Missoula's racial/ethnic makeup is: White (92.1%), Black (0.5%), Hispanic (2.9%), American Indian (2.8%), Asian (1.2%), and two or more races (2.8%). The number of Asians and Hispanics surveyed is the most underrepresented, relative to population.

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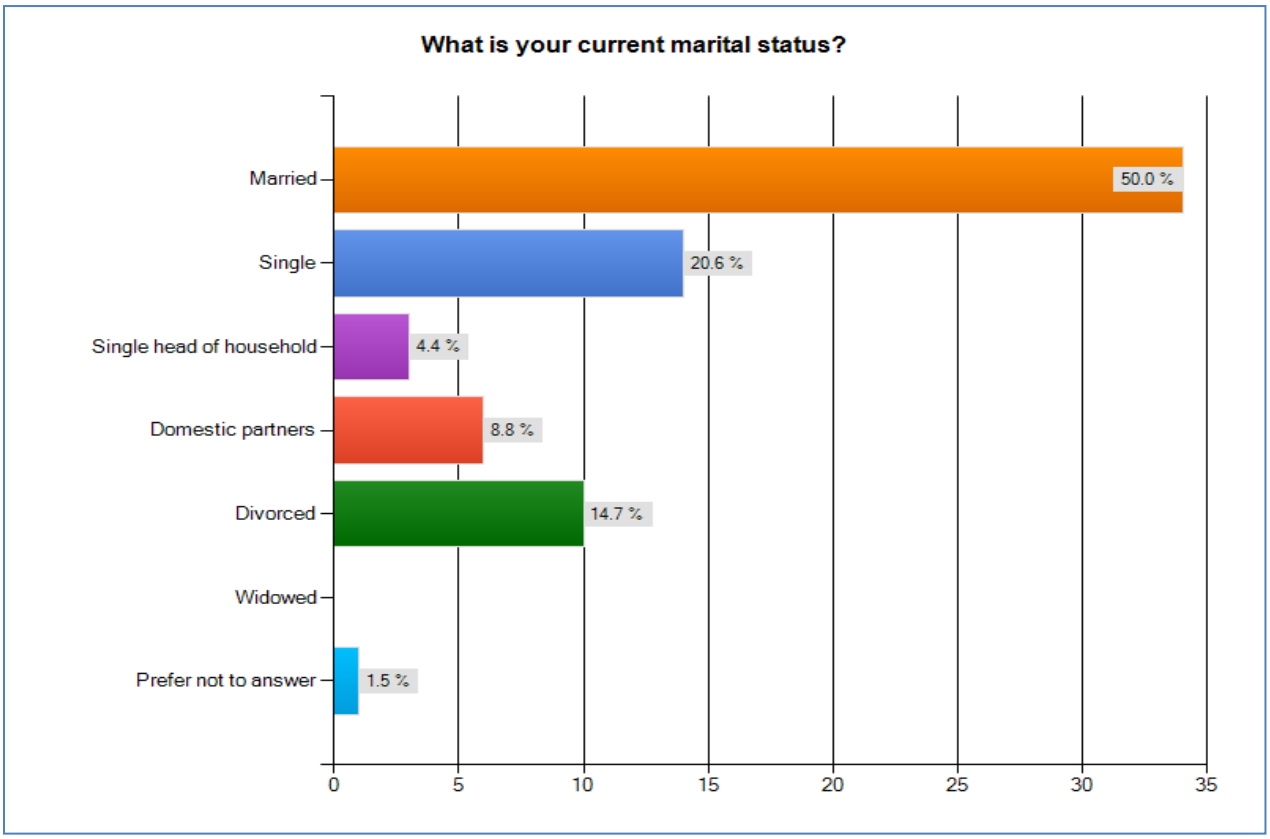
Figure 31



Of the citizens surveyed, 34 persons (50.0%) are married; 14 (20.6%) are single head of household; 10 (14.7%) are divorced; 6 (8.8%) are domestic partners; and 1 (1.5%) are preferred not to answer.

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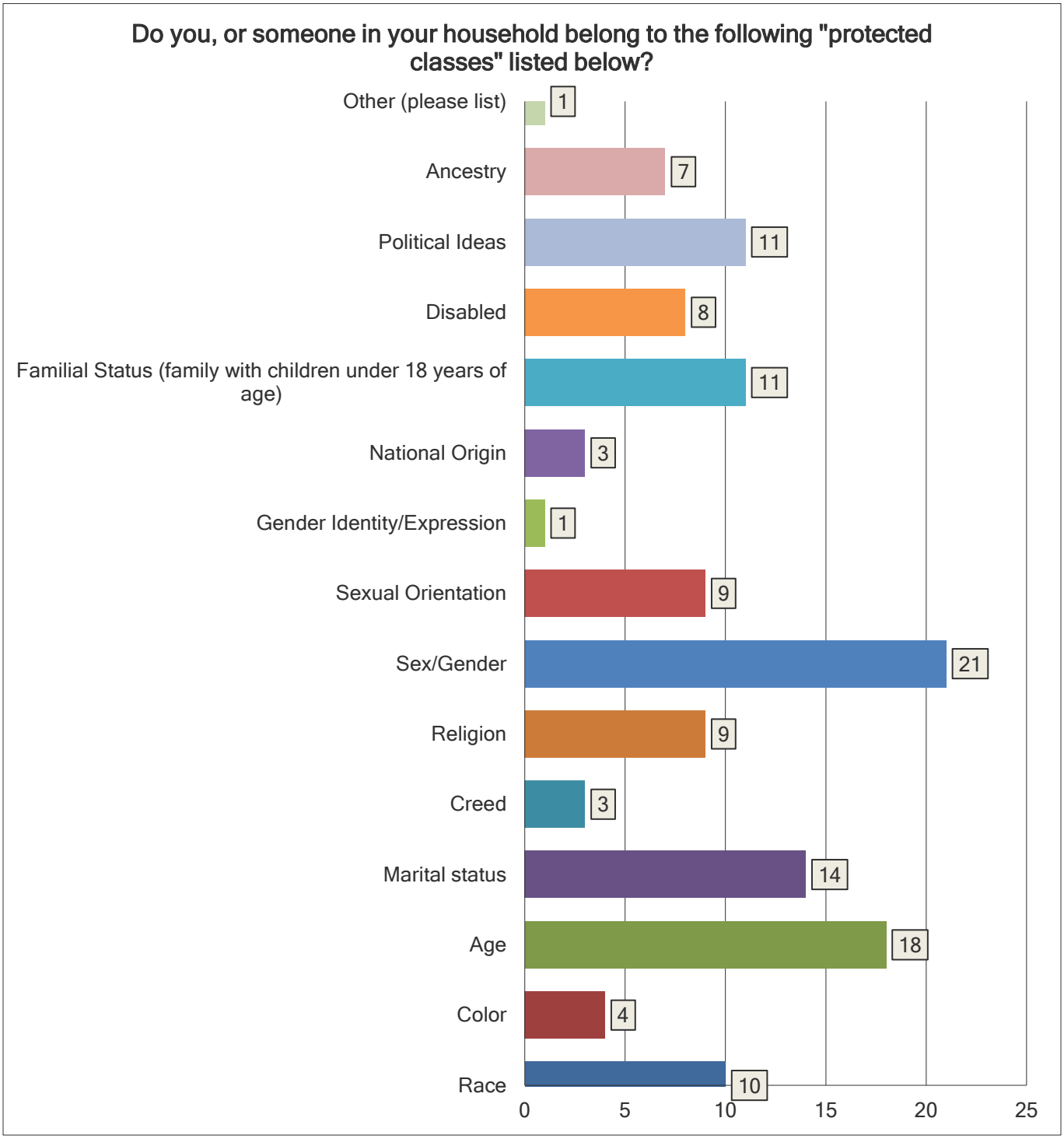
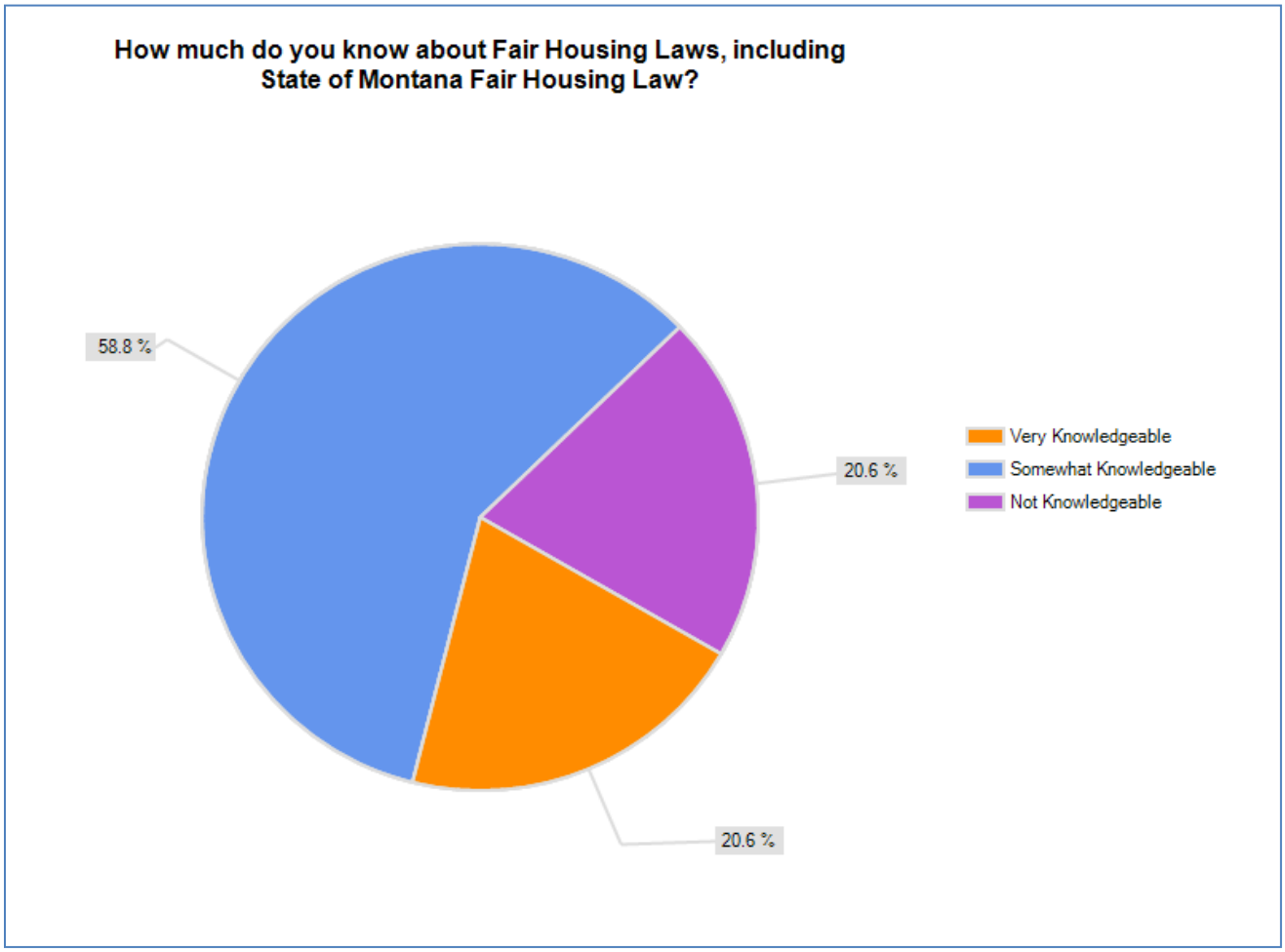
Figure 32



When asked about persons of a protected class within their household, 51 respondents (74%) reported having household members belonging to protected classes, with the largest reported class being Sex/Gender, followed by Age.

Figure 33



Of the 68 respondents that answered the question regarding knowledge of Fair Housing laws, only 14 (20.6%) considered themselves to be Very Knowledgeable; 40 (58.8%) are Somewhat Knowledgeable; and 14 (20.6%) are Not Knowledgeable.

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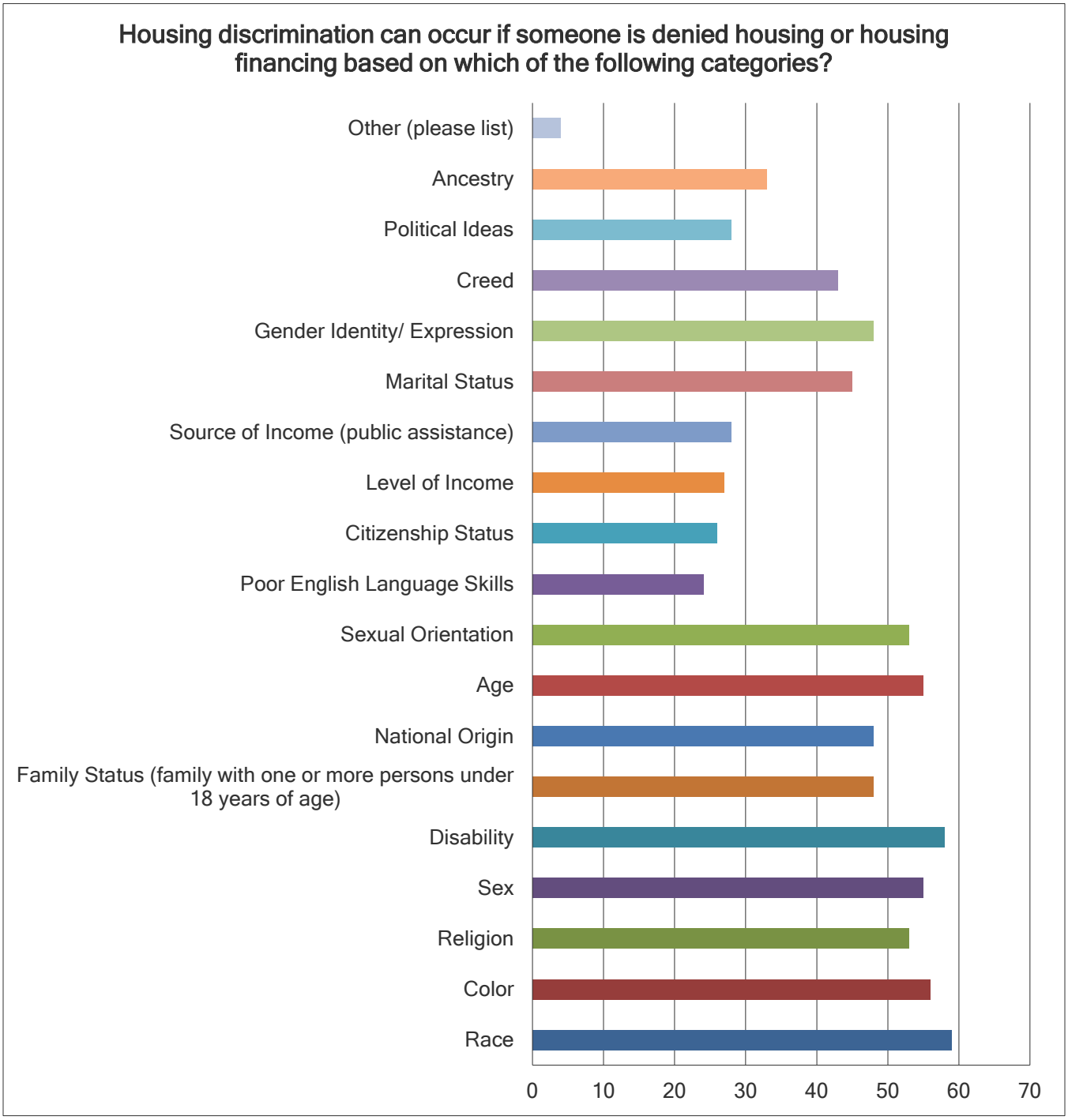
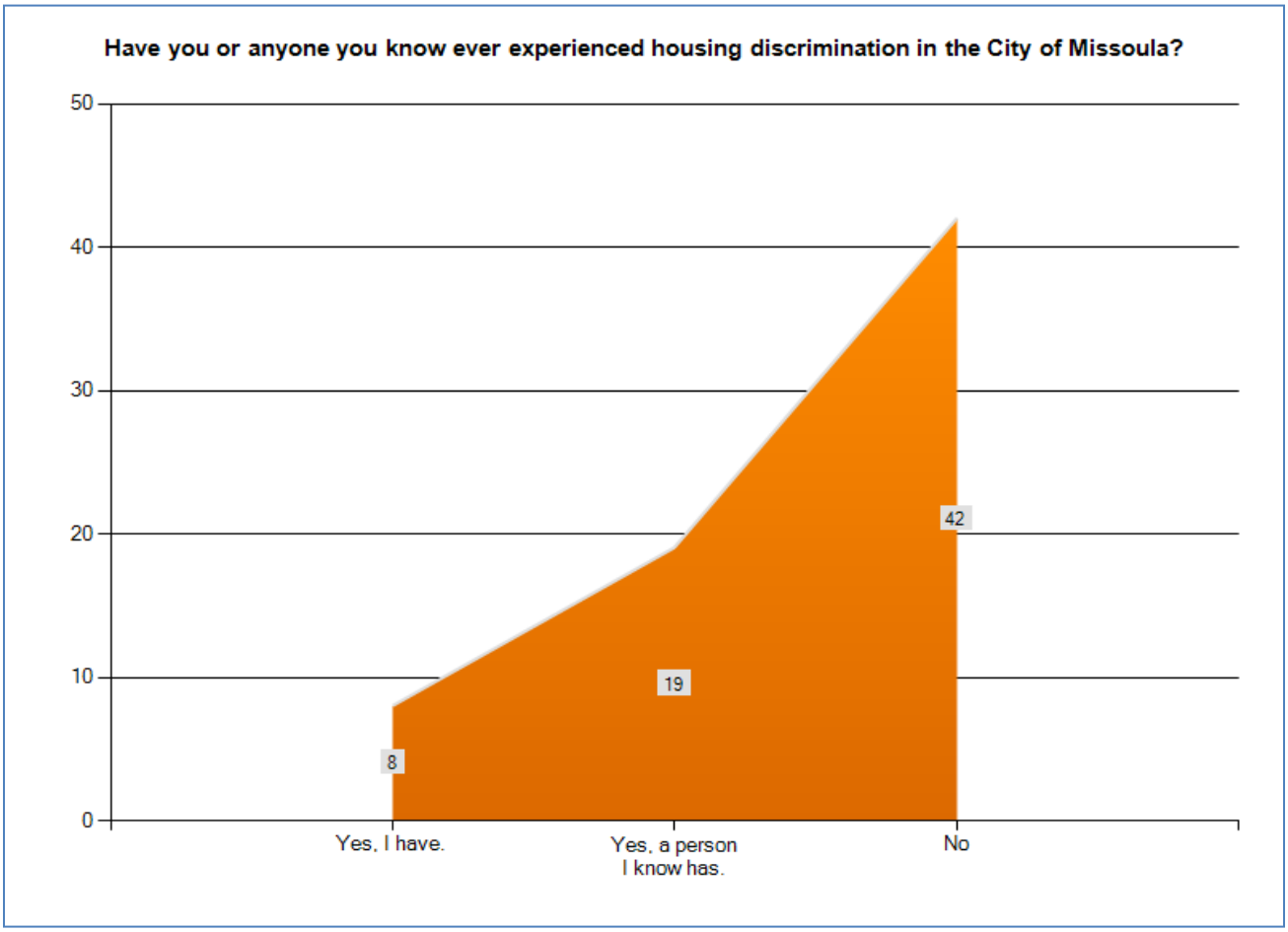
Figure 34



When asked to choose what constituted housing discrimination, respondents were able to choose from a list of categories. Respondents were also able to choose more than one category. Over 90% of respondents correctly answered that housing discrimination can occur if someone is denied housing or housing financing based on Race, Disability, or Color. Over 80% of respondents correctly named the categories of Sex, Religion, and Age.

Figure 35



Of the survey respondents, 8 persons (11.8%) felt that they had experienced housing discrimination; 19 persons (27.9%) knew of someone who has; and 42 persons (61.8%) had not experienced housing discrimination (did not have first- or second-hand knowledge). These numbers reflect a large portion of the survey group having first- or second-hand knowledge of housing discrimination. Further analysis of responses will show where/how the discrimination occurred, which is important in pinpointing what impediments may exist.

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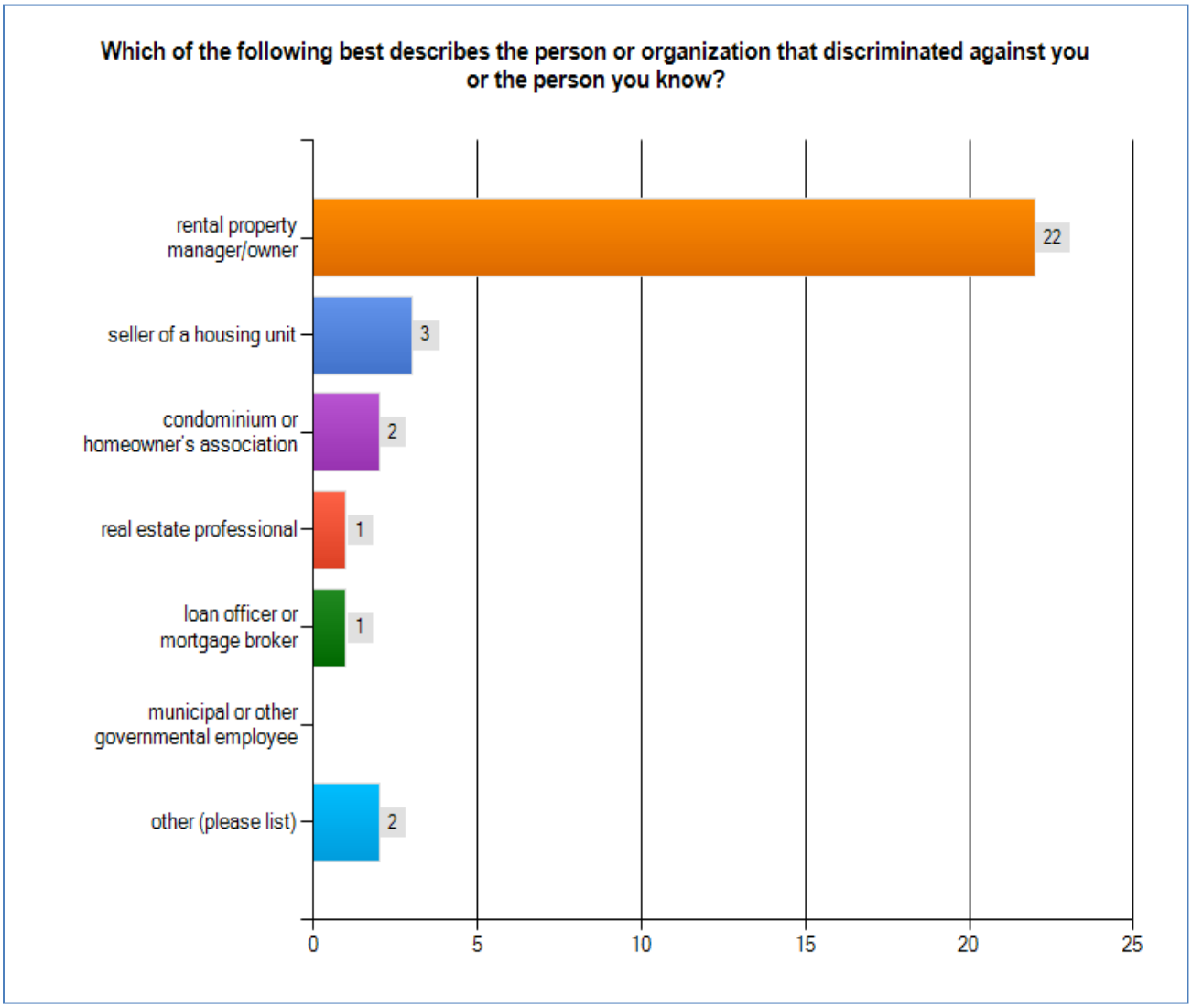
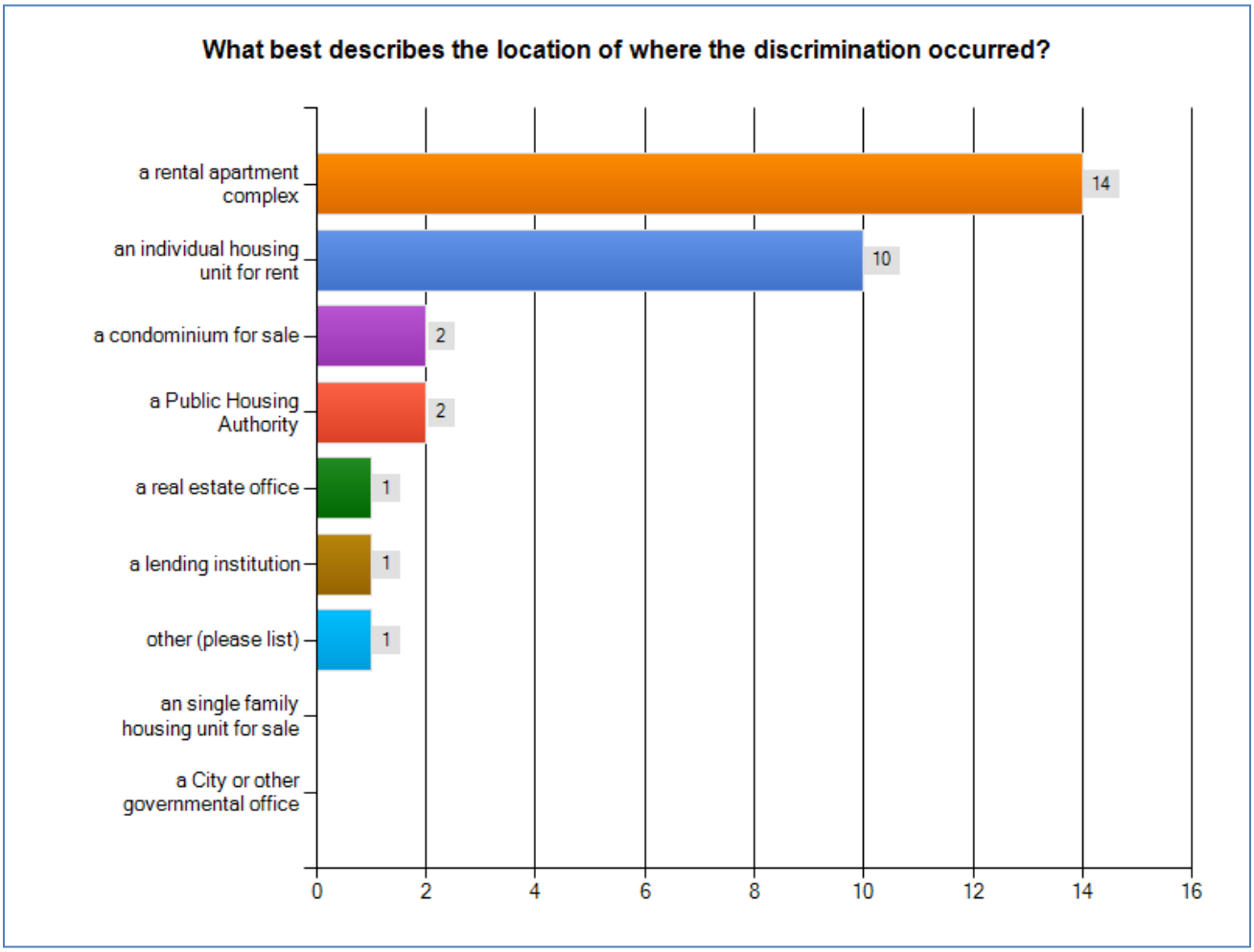
Figure 36



Twenty-eight respondents indicated the person/organization(s) they feel are responsible for housing discrimination. Respondents were able to select more than one response. Of these responses, 22 (78.6%) indicated discrimination by a rental property manager/owner; 3 (10.7%) by the seller of a housing unit; 2 (7.1%) by a condominium or homeowner's association; 1 (3.6%) by a real estate professional; 1 (3.6%) by a loan officer or mortgage broker; and 2 (7.1%) by other. The person/organizations listed as "other" were stated as being home healthcare workers and case managers, and the public housing authority.

Figure 37



There were 28 responses that listed the location where housing discrimination occurred, and respondents were able to indicate more than one location. The largest number of respondents (14, or 50%) indicated that discrimination occurred at a rental apartment complex, and 10 (35.7%) at an individual housing unit for rent. Based on the composite answers to this question and the previous questions, discrimination occurring at rental apartments and homes is an impediment to fair housing choice in Missoula.

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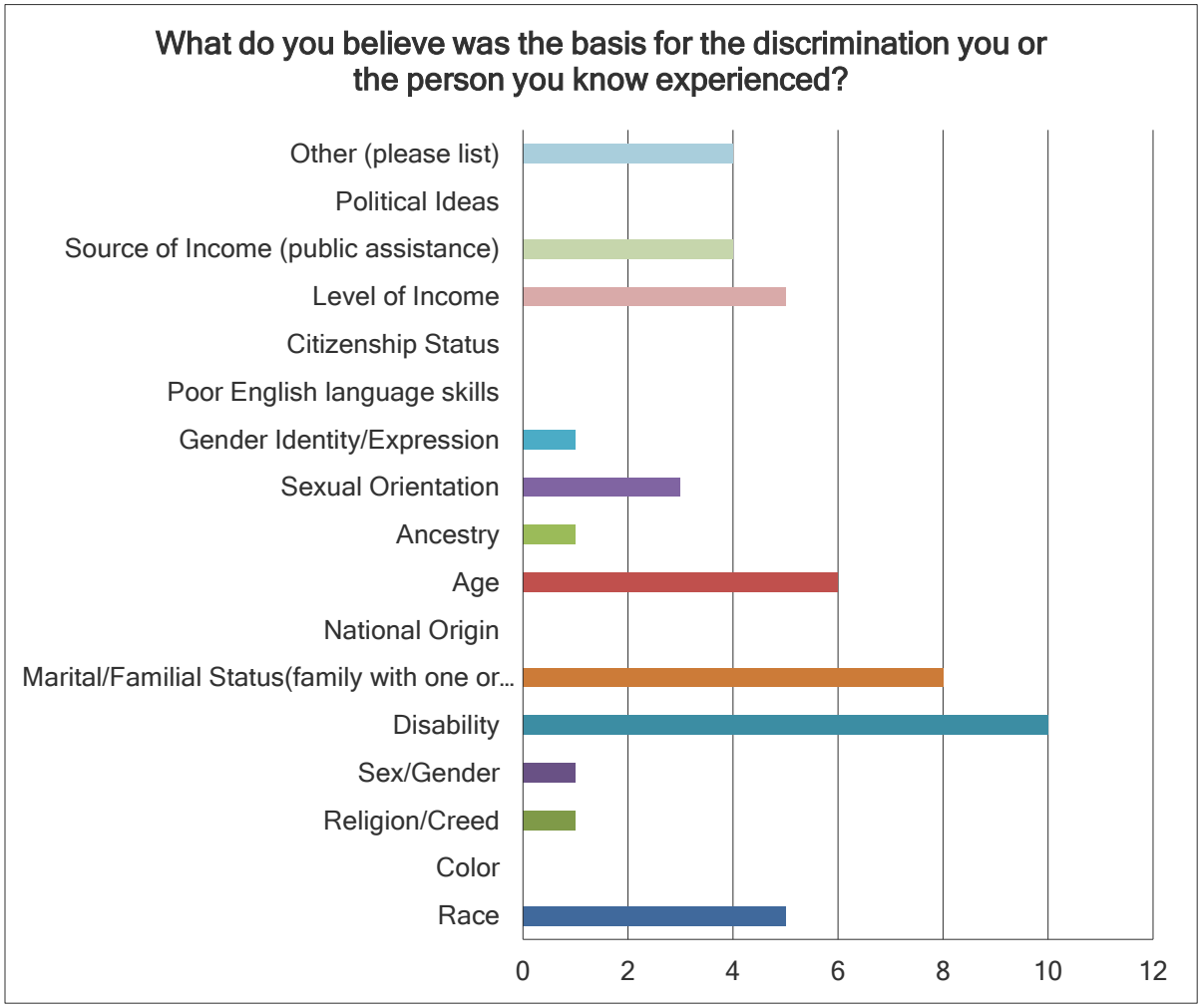
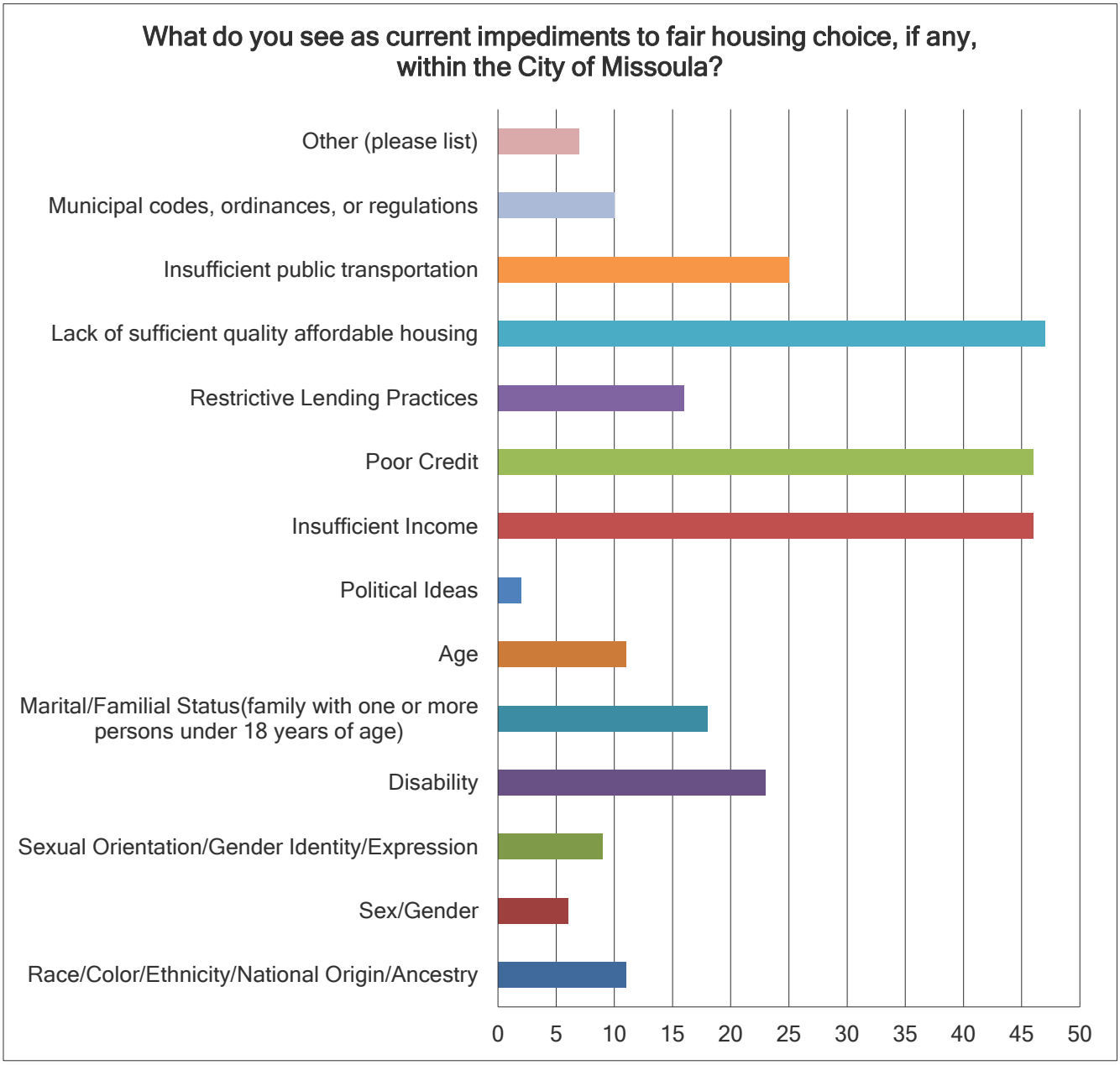
Figure 38



Of the 28 listed responses to this question, Disability was most frequently noted as the basis of housing discrimination (included in 32.1% of responses); followed by Familial Status (25%); Level of Income (17.9%); Race (14.3.%); Age (14.3%); Source of Income (14.3%); Religion (14.3%); Sex (14.3%); Family Status (14.3%); Sexual Orientation (10.7%); Religion (3.6%); Gender Identity (3.6%); and Other (7.1%). Of these responses, many experienced discrimination on more than one basis, and respondents used the "Other" option to describe the following categories: criminal background/history and number of children. Survey respondents stated that discrimination occurred for reasons based on the protected classes and other areas of perceived discrimination, such as level and source of income. While some of the other reasons that persons identify for housing discrimination are not federal protected classes, they have the potential for disparate impact on members of the protected classes and/or may be included in local or state definition of protected classes. Based on these results, it is recommended that the City specifically target housing for persons with disabilities when planning to address impediments to fair housing choice.

Figure 39



When asked about the current impediments to fair housing choice in Missoula, the largest impediment to fair housing is shown as being Lack of Sufficient Quality Affordable Housing (46 or 71.9%). This further supports previous survey results showing fair housing choice being impeded at rental apartments and homes, but also allows for lack of affordable homeownership opportunities being a current impediment, particularly as other survey answers are revealed. Of the citizens survey, 44 (68.8%) felt that Insufficient Income was a current impediment; followed by Poor Credit (44 or 68.8%); Insufficient Public Transportation (25 or 39.1%); Disability (23 or 35.9%); Marital/Familial Status (17 or 26.6%); Restrictive Lending Practices (16 or 25.0%); and Other survey answers. Of the 7 responses for “Other,” most felt

that there are multiple impediments and used the Other category to describe that. These responses include, but are not limited to:

- High taxes/regulations.
- Waiting lists too long for housing assistance.
- Limited rental history, evictions.
- Neighborhood resistance and hostility to any development within their neighborhood.
- Nationwide diminution of middle class in favor of the 1 percent. Meaning: lack of well-paying jobs, especially for young adults..
- Number of children.

While some of the reasons listed above for housing discrimination are not considered protected classes, they are nonetheless important because they are impediments to fair housing choice for members of the protected classes. They also disparately impact members of the protected classes based on survey responses and key person interviews.

Of the citizens surveyed, 42.9% felt that housing choices are geographically limited to certain areas or neighborhoods in the City of Missoula, while 57.1% did not. The citizens that felt that limitations exist named the following reasons (many of these responses were repeated in various forms):

- Price
- Proximity to campus
- Core area where you can walk and use transit
- Difficult to find housing if you bike, walk, or use public transportation.
- Level of income
- Age of persons
- Prices in area close to City core are getting way too high
- Existing neighborhoods, particularly the University, Rattlesnake, and Lewis and Clark, are extremely resistant and hostile to any new development within their neighborhood.
- Choice is limited to the poorest, least desirable properties.

Many respondents felt that their housing choices were severely limited if they relied on walking, bicycling, and/or using public transportation. The lack of public transportation in areas outside of the City's core, as well as the limited amount of affordable housing in areas with sufficient pedestrian and public transit amenities, are named as impediments to fair housing choice in Missoula.

Thirty respondents (43.5%) felt that affordable housing options are located throughout the City of Missoula, but 39 respondents (56.5%) felt that affordable housing options are concentrated in certain projects/areas/neighborhoods. When asked to identify the areas with concentrated affordable housing, the answers included the following (many of these responses were repeated):

- Northside
- Downtown, Russell Corridor
- Canyon Creek

- Lower Rattlesnake
- By the river
- Council Groves
- Grandview
- Solstice
- Equinox
- Silvertip
- Southside
- Westside
- Wapikiya
- Areas outside the University

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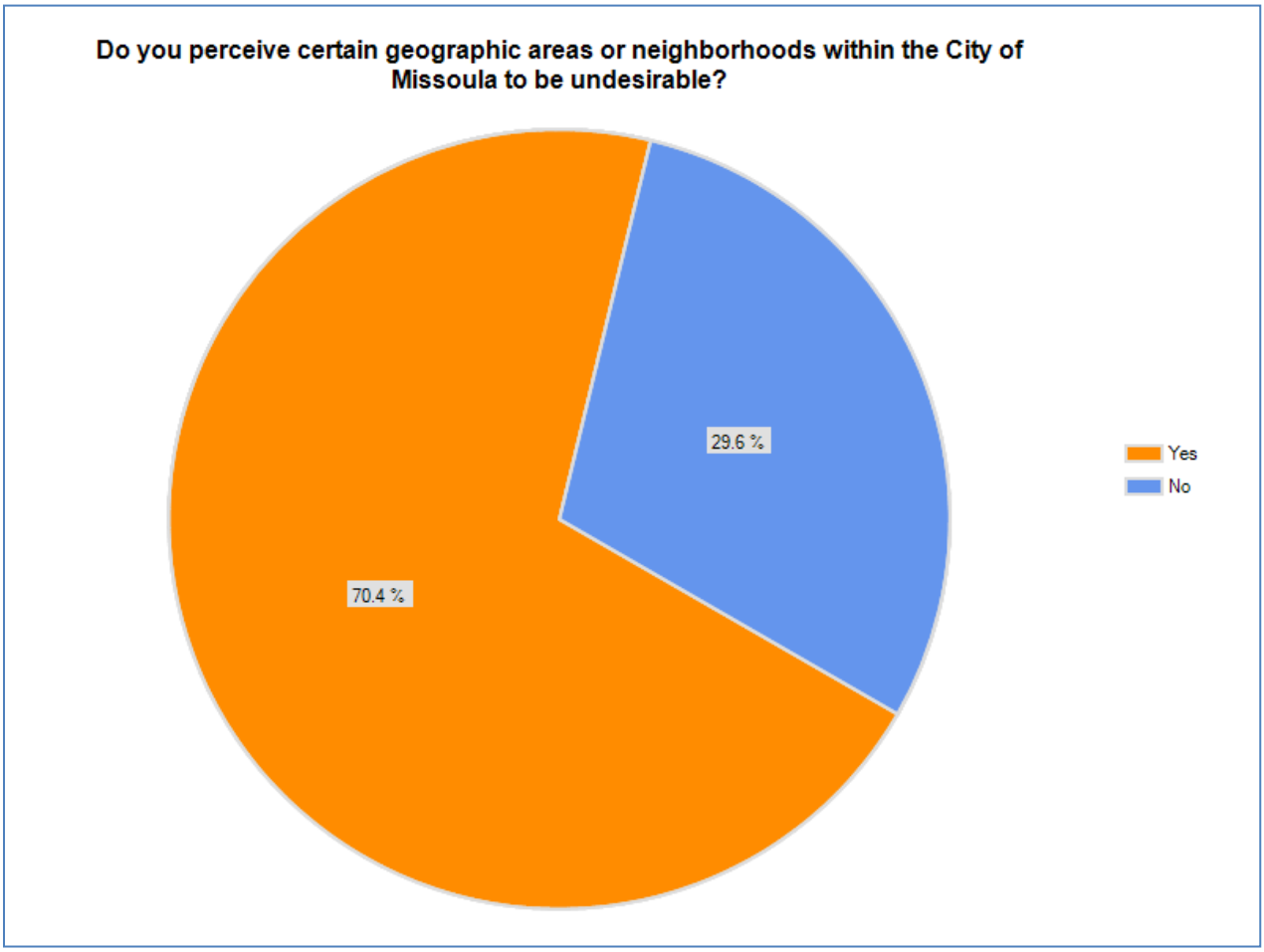
Figure 40



When asked if they perceive certain geographic areas or neighborhoods within Missoula to be undesirable, the majority of respondents answered affirmatively (50 respondents, 70.4%). In addition, the undesirable areas were identified by those surveyed to include (many of these responses were repeated in various forms):

- Northside
- Mansion Heights
- Along Reserve Street and behind Home Depot / REI, due to accessibility issues and unpleasant dangerous traffic.
- Franklin to the Fort Neighborhood
- Southside
- Westside
- Canyon Creek
- Central Missoula near Southgate Mall
- Orchard Homes
- Grant Creek
- Broadway street from Scott Street west

- Between Reserve and Russell and south of South Avenue to 93 South.
- Johnson/Kemp St. areas
- Burns St. area with the three run down trailer parks near the railroad tracks.
- Miller Creek sprawl
- Some areas near run down multi-family housing. Areas that offer affordable housing, but don't permit safe or access to bike/walk/bus, thus causing transportation costs to increase.
- West side trailer courts and north side along Pullman

Those that felt that there was not an adequate supply of rental housing gave the following reasons:

- Excessive tax, regulations.
- Criminal and credit histories can be barriers, in addition to lack of stable, steady income.
- Still too many homeless people.
- If it's affordable it's often in bad condition.
- Rents are too high relative to income.
- Missoula wages do not support "affordable housing". The 1-5 years waiting lists speak for themselves. If adequate supply of affordable rentals then there would be no waiting lists.
- There are hundreds of people on the waiting lists for subsidized housing in Missoula.
- Not enough accessible or visitable units.
- Lack of City's ability to regulate rental units, lack of affordable rental units.

Similarly, the majority of respondents (66.7%) felt that there was an **inadequate** supply of affordable housing **for purchase** in Missoula and gave the following reasons:

- Regulatory climate
- Housing in the "low" end of $100,000 - $200,000 can be scarce and sketchy.
- Many are on a limited income.
- Many low income people cannot afford the upfront costs to buy or have poor credit.
- Incomes do not match housing supply.
- Residents with low income, felonies, or bad credit cannot afford the cheapest of housing.
- Zoning, types of housing being built.

Some of the reasons while viewed by respondents as reasons for an inadequate supply are core barriers to accessing affordable housing.

The majority (67.2%) felt that there was an **inadequate** supply of affordable housing for **disabled** residents in Missoula and gave the following reasons:

- Only certain recent remodels or construction accommodate disabilities.
- Many homes in Missoula are 2 levels and most don't have all the living space available on one level even if there is more than 1 level available.
- Homes offering accessibility, especially older homes, seem to be few. Retrofitting homes to be accessible is costly to owners and landlords.

- There is a very low amount of accessible housing and very long waiting lists. Statistically, a unit that would be accessible is already being rented out to someone who doesn't need the features at any given time.
- Because of landlord ignorance of fair housing and reluctance to grant reasonable accommodations/modifications.
- It's especially limited if they rely on public transportation.
- Building requirements to make a home visitable and accessible to meet the needs of the perspective homeowner are very difficult and are more expensive, the higher building cost will translate to a more expensive home.
- As the population ages there will be even more demand. People with disabilities want to live independently. This is especially challenging in states like Montana where distances to services are so great.
- Many that are accessible do not have parking accommodations for care providers, etc.
- There are not enough accessible dwellings for those who do not want to live in a Missoula Housing Authority home.

The majority of respondents (56.9%) felt that an **inadequate** supply of affordable housing was available to **senior citizens** and gave the following reasons:

- Senior Citizens can potentially become a person with a disability on any given day, therefore housing with mobility accessibilities are extremely limited.
- The aging demographic and reduced retirement resources.
- Many houses are multi-level and very expensive.
- I am aware that the wait lists are around 6 months long to have a place to rent in senior housing.

In addition, 53.7% felt than an **inadequate** supply of affordable housing was available to **families with children** and gave the following reasons:

- Since the basic, cheap college stuff doesn't get built, students rent houses which...in my opinion, takes that opportunity from a family with kids.
- Children need space to play, most affordable housing options are small and have many noise complaints due to children's natural movement.
- I see families living in cars downtown.
- May not have enough rooms with egress to accommodate all children in family, etc.
- Long waiting lists for subsidized and affordable housing.
- Housing for families with children is particularly subject to NIMBY reactions.
- Lack of affordable housing in urban core.

The previous five survey questions are represented in the pie charts shown below. It is clear, throughout this survey that impediments exist in Missoula that limit access to housing for many protected classes. The City of Missoula needs to closely analyze its policies and programs that assist the elderly, low/moderate-income, disabled, and families with children with the provision of affordable housing choices – particularly housing choices available in the central core of the City that is pedestrian and/or public transit accessible.

Figure 41(a)

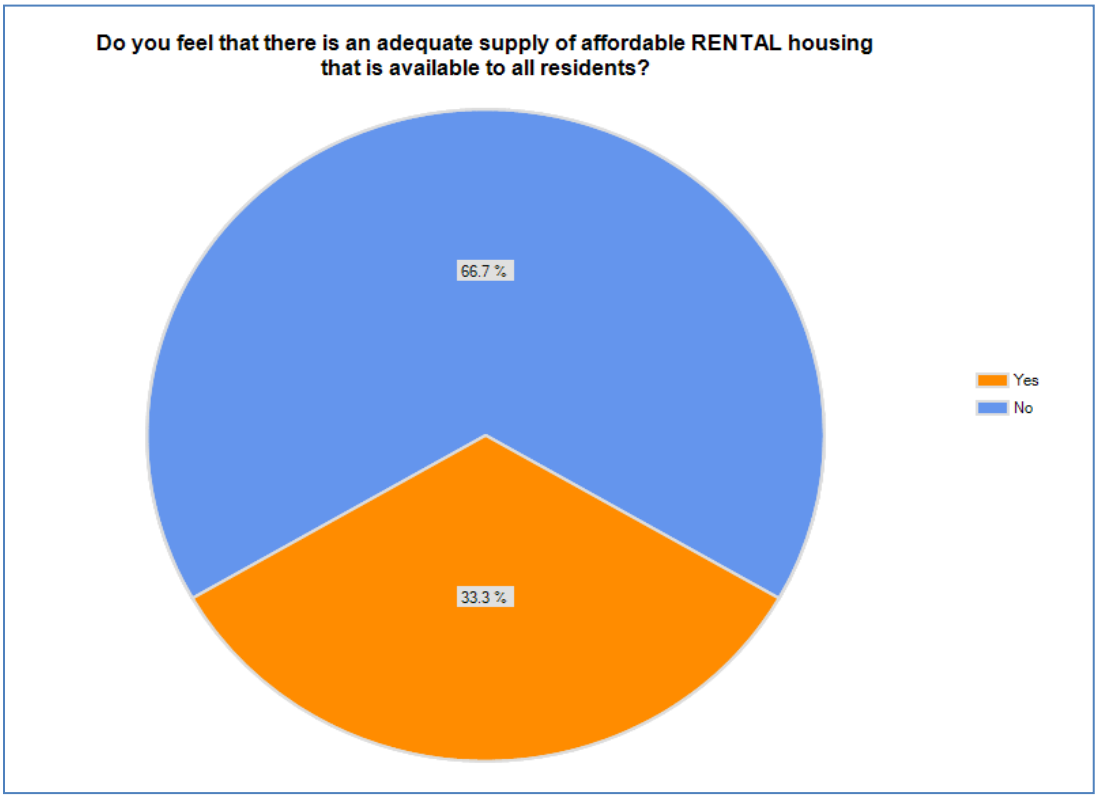


Figure 41(b)

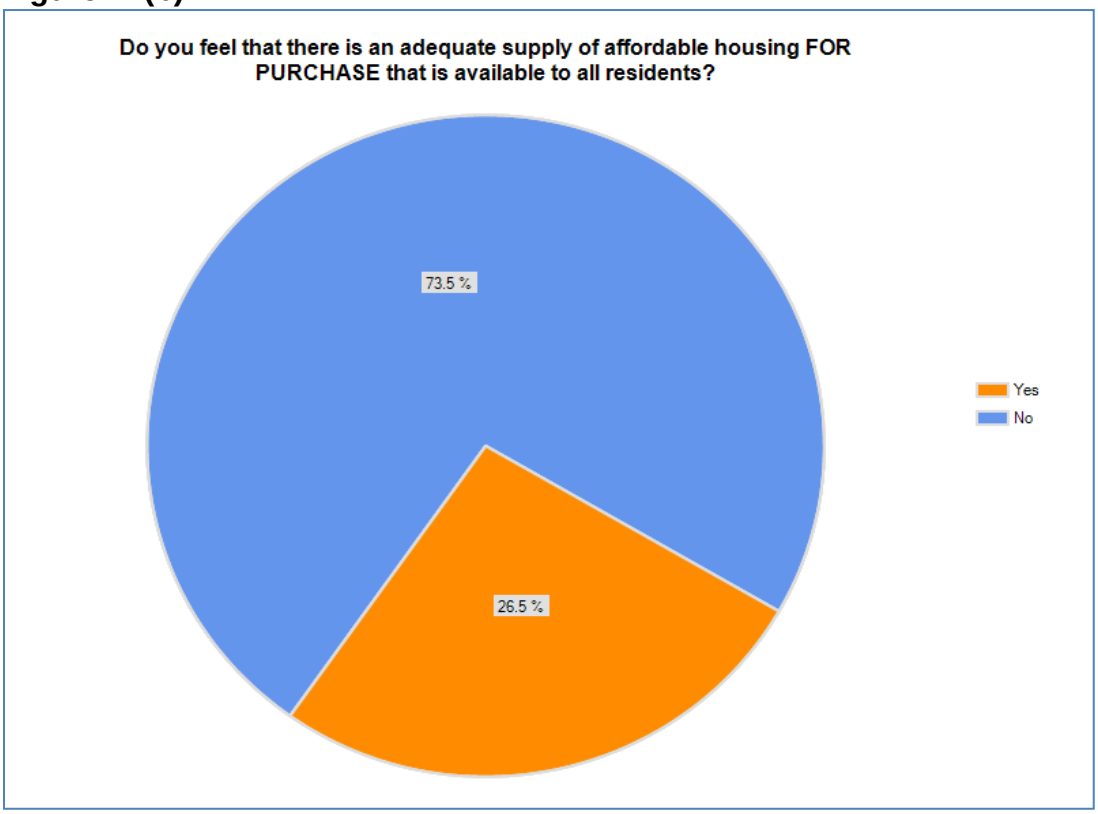


Figure 41(c)

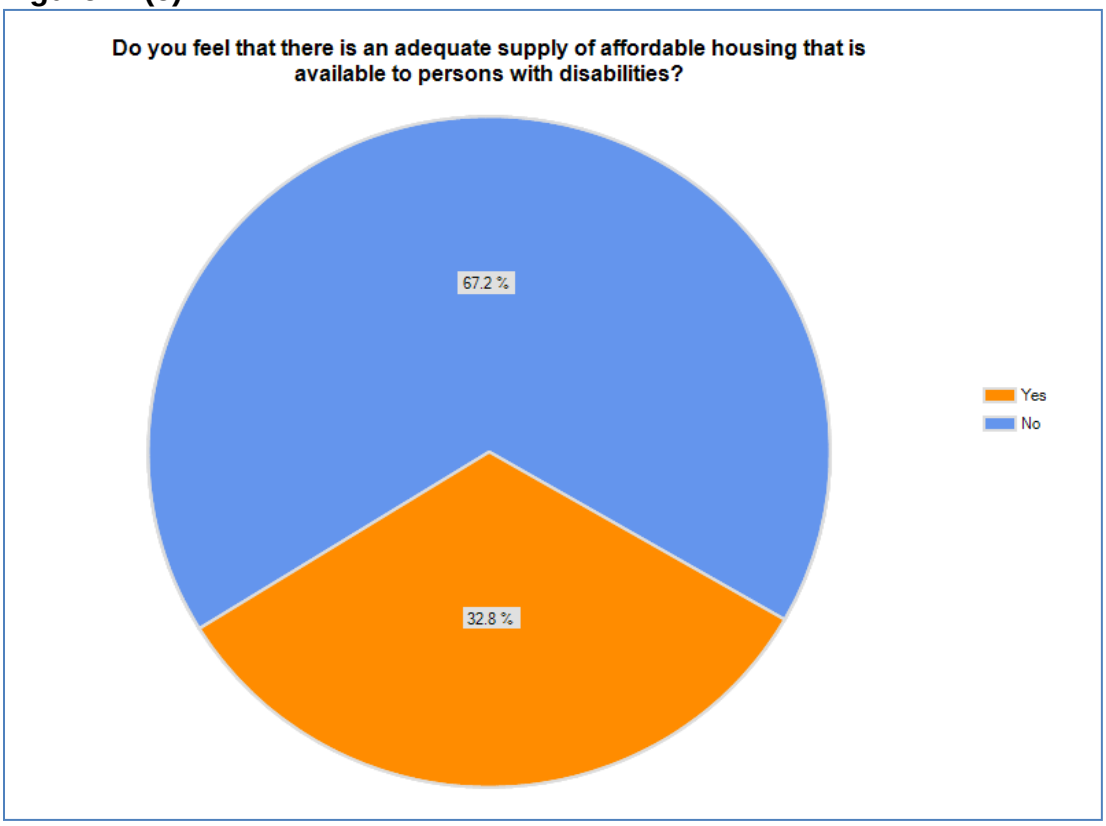


Figure 41(d)

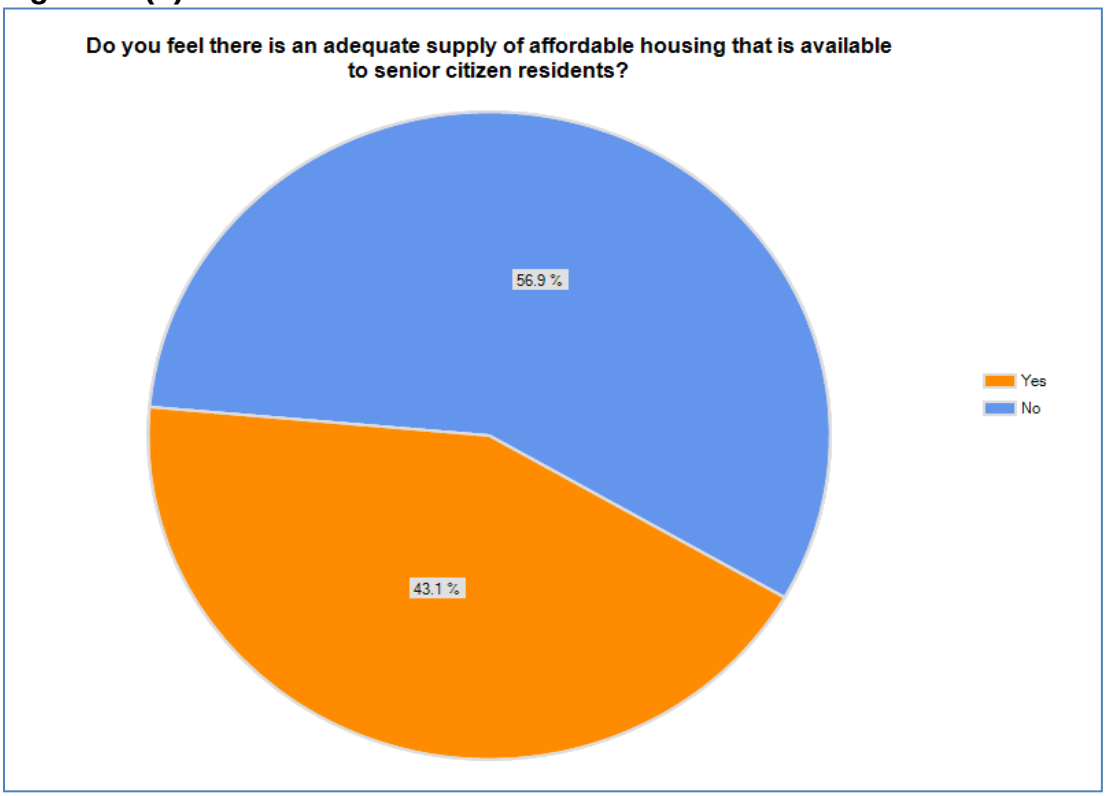


Figure 41(e)

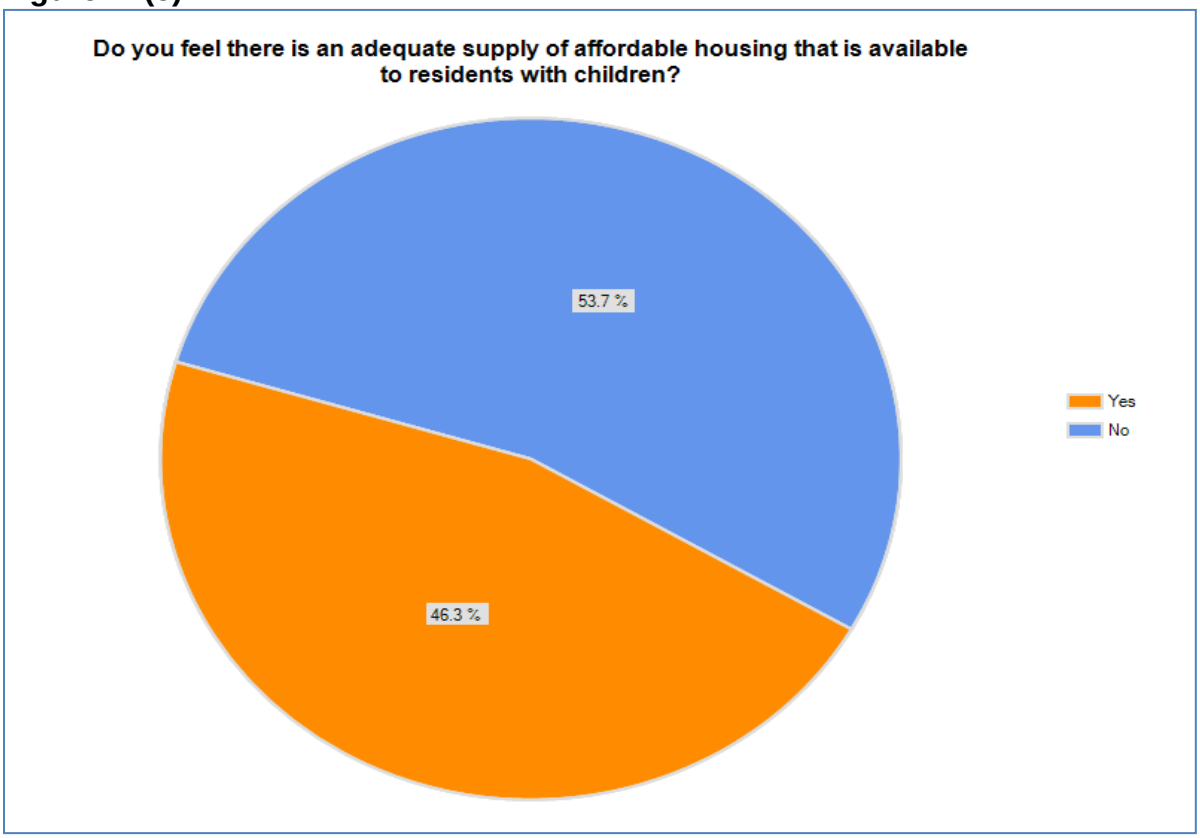


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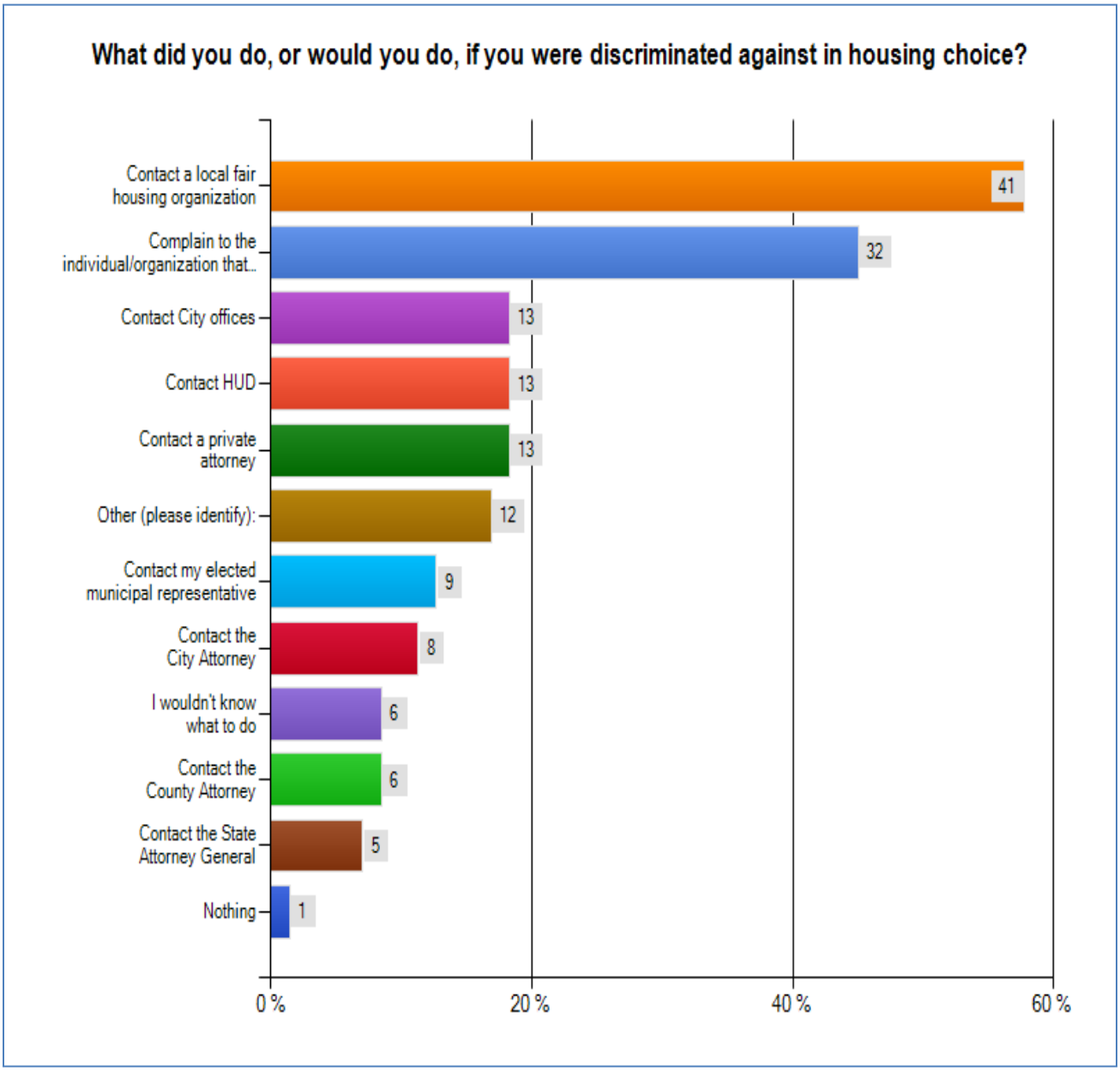
Figure 42

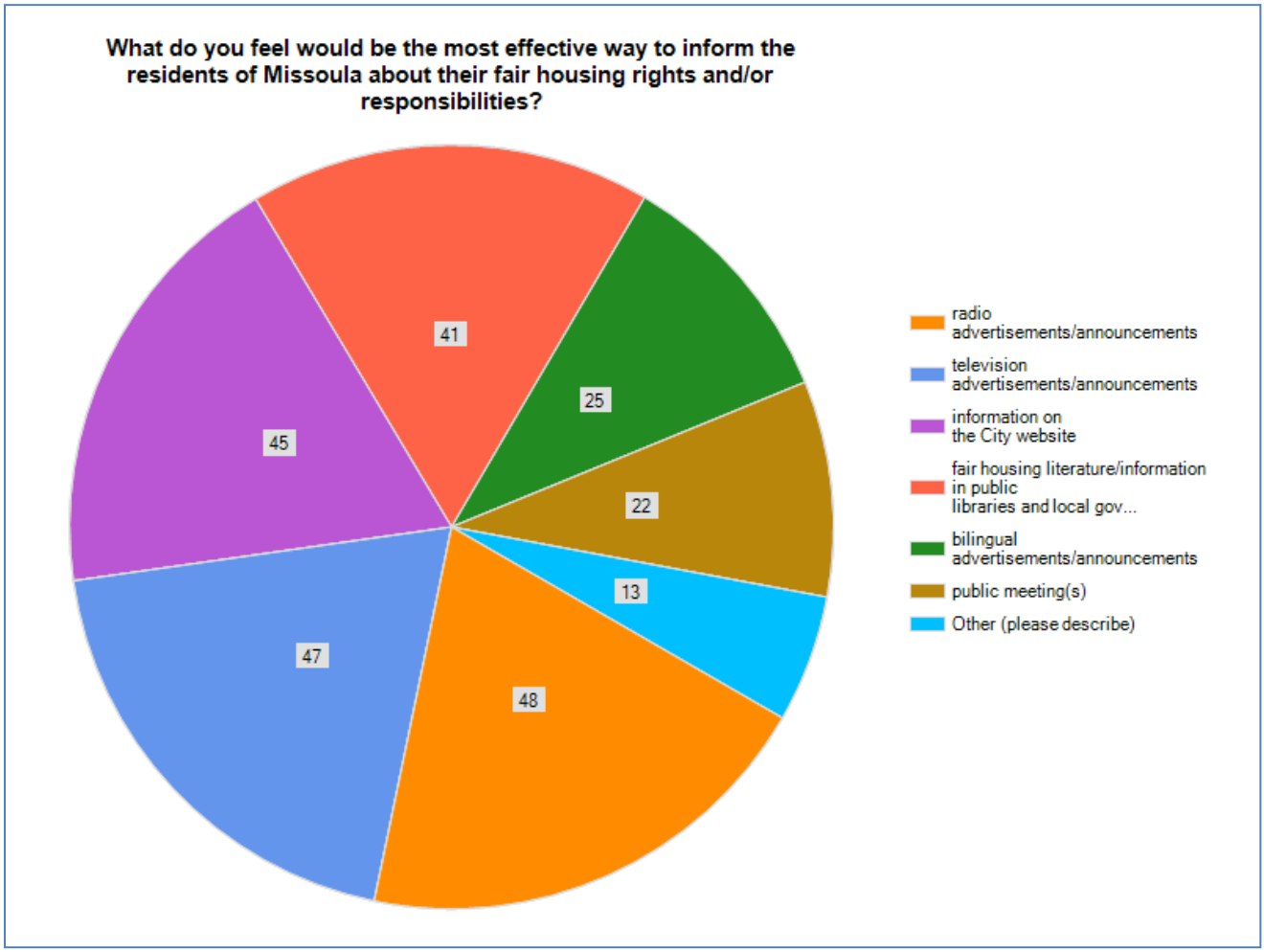


Of citizens surveyed, the largest group (41 persons, or 57.7% of all responses) answered that they would contact a local fair housing organization if discriminated against in housing choice, and the next largest group (32 persons, or 45.1%) answered that they would make a complaint to the individual/organization that discriminated. Survey respondents were also able to write-in answers in the "Other" category, which included: contact the Montana Human Rights Bureau; call the Office of Consumer Protection; and contact the ASUM Off-Campus Renter Center. Other answers were spread throughout the other options, as shown above.

Based on the survey results, Missoula residents seem to be well-informed about fair housing rights and responsibilities, and action to take if housing discrimination occurs. Sixty-eight

percent (68% or 46 persons) surveyed are familiar with fair housing or social services provided by the City of Missoula. In addition, 65% (46 persons) have seen/heard information regarding fair housing programs, laws, or enforcement within the City of Missoula. When asked if current fair housing laws and enforcement mechanisms are effective, 24% felt they are Very Effective, 64% felt that they are Somewhat Effective, and only 12% felt that they are Not Effective.

Figure 43



Most of the 68 respondents indicated that the most effective ways to inform residents about fair housing rights and/or responsibilities are Radio Advertisements and Announcements; followed by Television Advertisements and Announcements; Information on the City Website; Fair Housing Literature/ Information in Public Libraries and Local Government Offices; Bilingual Advertisements/ Announcements; and Public Meetings. Of the 13 responses for “Other”, most felt that there are multiple ways and used the “Other” category to describe that. These responses include:

- Neighborhood councils could help disseminate the information.
- Mailings and sponsoring ongoing events.

- Require the housing developers to go through a checklist or receive fair housing information through the building permitting process. For others, like landlords etc., require them to include fair housing materials in rental packets and go over a fair housing statement with new renters.
- Ensure that all social service agencies have connection to fair housing enforcement.
- Aggressive enforcement against those in violation of fair housing law.
- Social Networks, join Facebook, Twitter, all those.
- Perhaps involvement in the local property management and realtor organizations.
- A website devoted solely to fair housing in Missoula and the services and programs available to people in need in Missoula would be beneficial.
- A blog about housing in Missoula.

Surveyed citizens were asked for suggestions to change fair housing laws and practices. Suggestions included (and many were repeated in various forms):

- Land use practices that encourage mixed-use density in the urban core.
- More properties allowing pets with deposit to reduce stigma for people with disabilities and protect housing providers' financial interests.
- Visitability ordinance for City of Missoula, including when old housing units are undergoing repairs.
- Institute a subsidy for folks making less than a certain threshold above poverty.
- Increase single family and multi-family residential development within the city core, particularly townhouses and condominiums.
- Privately owned facilities need to be reviewed frequently. More complications seem to be with facilities owned by an out of state, for-profit corporation.
- Follow cities that have instituted a "ban the box" laws that prohibit discrimination against felons with non-violent crimes for violent offenders, create project housing for those persons since the population is ever expanding and rentals not available.
- Provide advocacy support for individuals making complaints.
- Get teen hotels. Make multi age apartments with shared public spaces so one generation can help the other.
- Making more affordable homes/rentals that are accessible for people with disabilities, affordable assisted living for older adults, and more affordable housing in general.
- Increase enforcement, especially with property management companies.
- Better enforcement / partnerships with housing providers.

Survey respondents were asked to suggest actions that the City of Missoula could take to address impediments and improve fair housing choice for all residents. Suggestions and/or responses include:

- Adopt a reasonable minimum wage, provide food assistance to those requiring it, keep utilities rates low by municipalizing the services, and expand public transit.
- Stop the regulation. Yes...sidewalks and storage are nice, but a warm bed is nicer. Stop pricing our own citizens out of the market through insane requirements.
- Distribute info to rental agencies and real estate offices.
- City of Missoula bus routes expand times and service area so people could work and use the community during the week. Education and provide monetary incentives to

builders to increase access (instead of pushing all semi-accessible housing only in the NEW housing that is largely on the borders of town only).

- Enforcement of accessible building codes in new apartments. Certify landlords and rental agencies with a permitting process for fair housing.
- Increase single family and multi-family residential development within the city core, particularly townhouses and condominiums.
- More outreach so that tenants know their rights. Outreach on what is considered discrimination and how to report it. Outreach at public events. MT fair housing is a statewide organization, so it would be helpful if there was a local presence or at least agency that promoted their services.
- Emergency housing for families, especially with winter coming, like there used to be at the converted nursing home in the Rattlesnake. Motel vouchers are helpful, but seems like there is always more need than there are vouchers or length of stay needed.
- Attract quality businesses that provide good salaries and help folks get the education/training they need to be competitive.
- Rent controls so that residents aren't held hostage to the university rentals flux.
- Rental properties standards for commercial landlords, some rentals should not be habitable (bugs, mold, rotten infrastructures, dilapidation, etc.).
- More designated student housing in proximity to the U.
- Create rent to own partnerships with lenders on tax lien-seized properties to benefit very low income persons rather than selling to the highest bidders.
- More business encouragement to utilize vacant warehouse space to very low income tenants lofts or small apartments.
- Build more transitional housing.
- Create more subsidized housing.
- Education, Testing, and Enforcement Campaign particularly related to Housing Rights of Persons with Disabilities-NIMBY issues, Reasonable Accommodations and Modifications.
- Inclusionary zoning.
- Construct more housing.
- Charge rent based on a percentage of a family's monthly income.
- Require drug testing from residents so that apartment managers feel more secure about allowing tenants to rent if they have a criminal past or poor credit.
- Work with individuals/families on a case-by-case basis to provide holistic help (finding a better, more consistent job, increasing their education, provide resources and information about healthcare, provide counseling and resources to treat mental health problems) rather than simply attempt to "fix" a housing problem when there are much larger issues at play.
- Pass a mill levy for affordable rental assistance.
- Spread affordable housing throughout the city.
- Make expectations and laws exceptionally clear to renters and sellers, and hold them accountable when they do not comply with the rules.

It is apparent from the previous two sets of survey responses that the Missoula population is informed of the fair housing challenges facing their city and has definite, well-thought-out ideas

for improvements and changes. It would benefit the City of Missoula to hold public forums, roundtable discussions, and/or form a volunteer citizen committee to propose programs, policies, and other changes that would seek to alleviate impediments to fair housing choice.

Additional Surveys

Additional online surveys and questionnaires were created for Housing Service Providers, Realtors, and Lending Institutions in the Missoula area via http://www.surveymonkey.com. These surveys were open in September and links were sent to area service providers, realtors, and lenders. At the time of publication, a total of 69 industry representatives had completed surveys.

Realtor Surveys

The Consultant and City of Missoula staff emailed and invited Missoula real estate professionals to attend an informational AI meeting/feedback session, as well as fill out the fair housing survey. A total of 52 real estate professionals completed a survey. A summary of these surveys is as follows.

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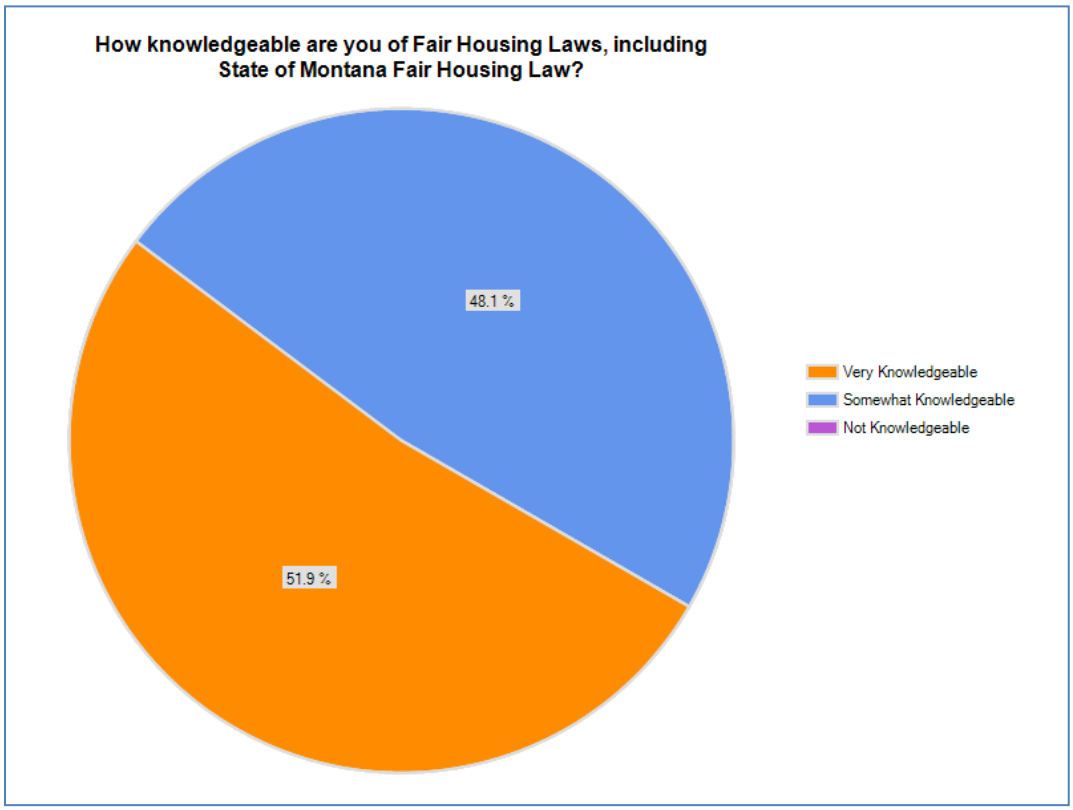
Figure 44



Just over half (51.9%) of the professionals surveyed felt they were Very Knowledgeable about Fair Housing Law, and half felt Somewhat Knowledgeable. No respondents answered as Not Knowledgeable.

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Figure 45(a)

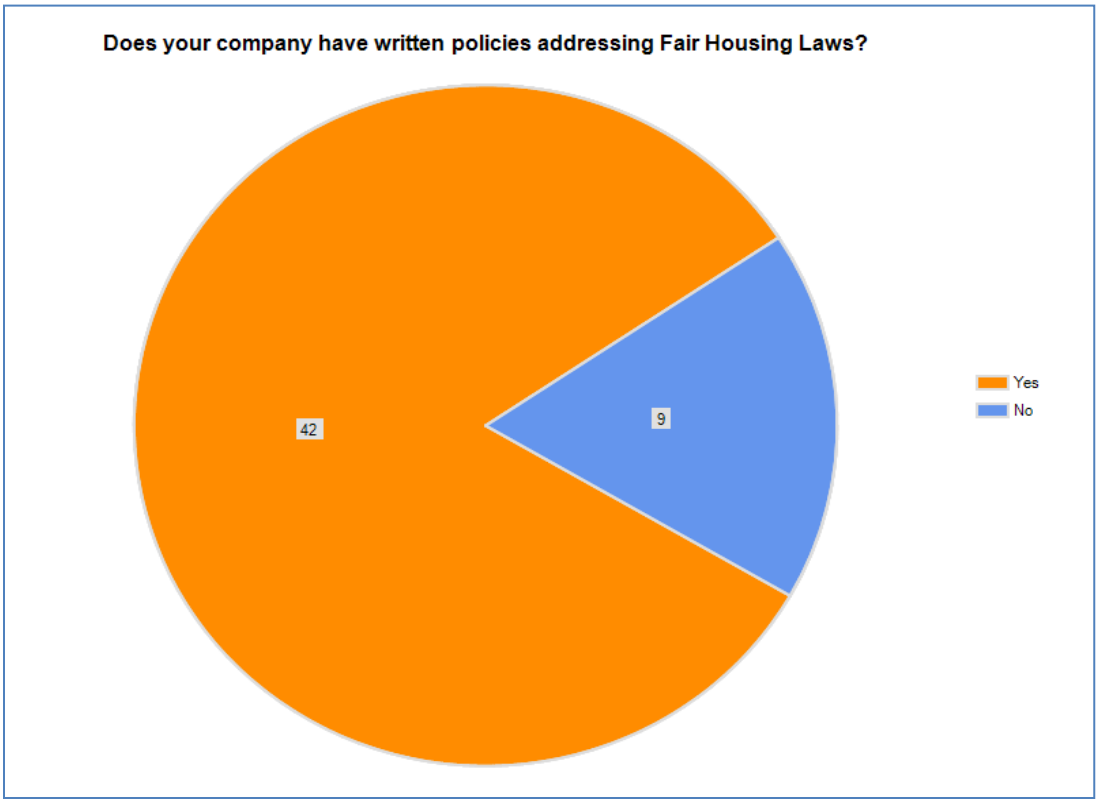


Figure 45(b)

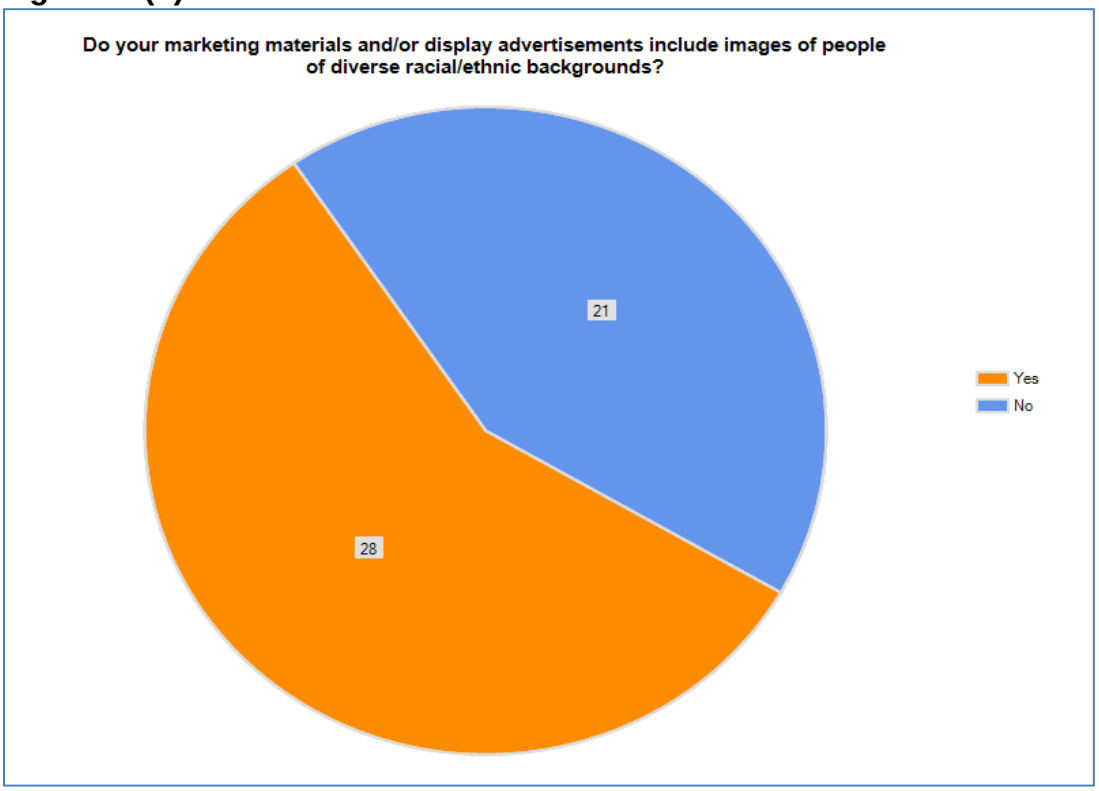


Figure 45(c)

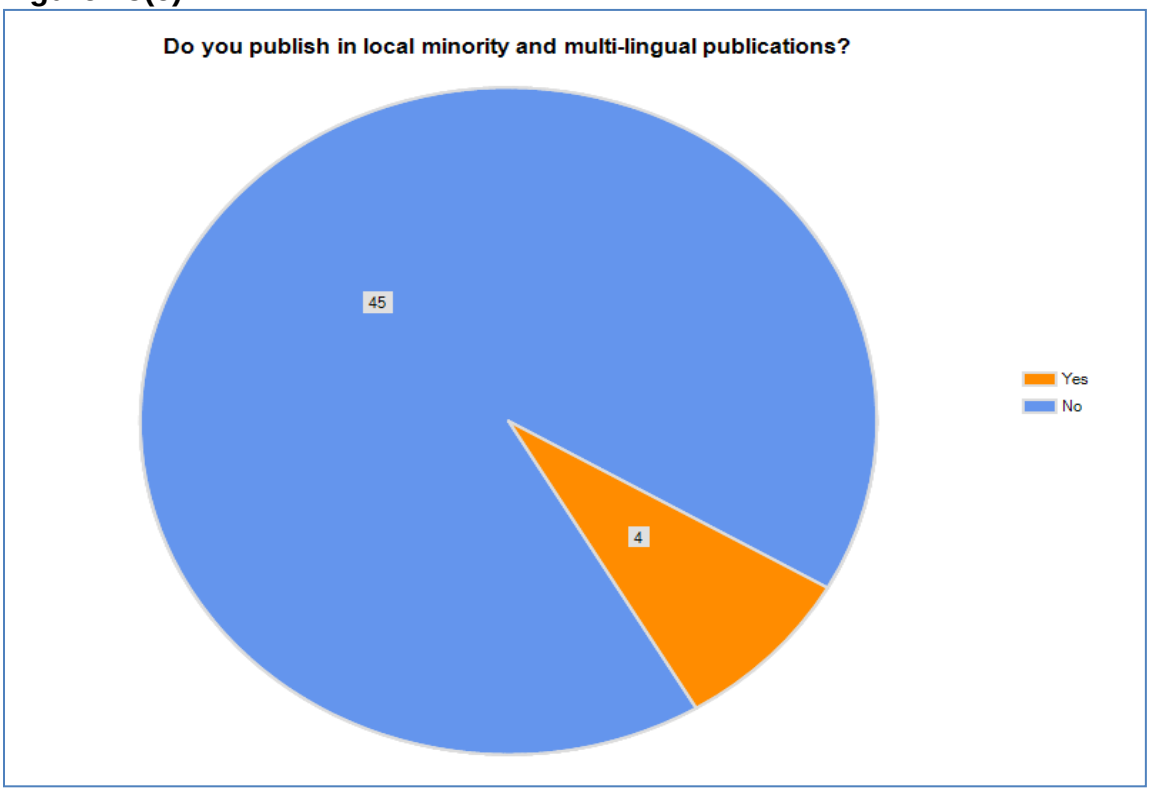


Figure 45(d)

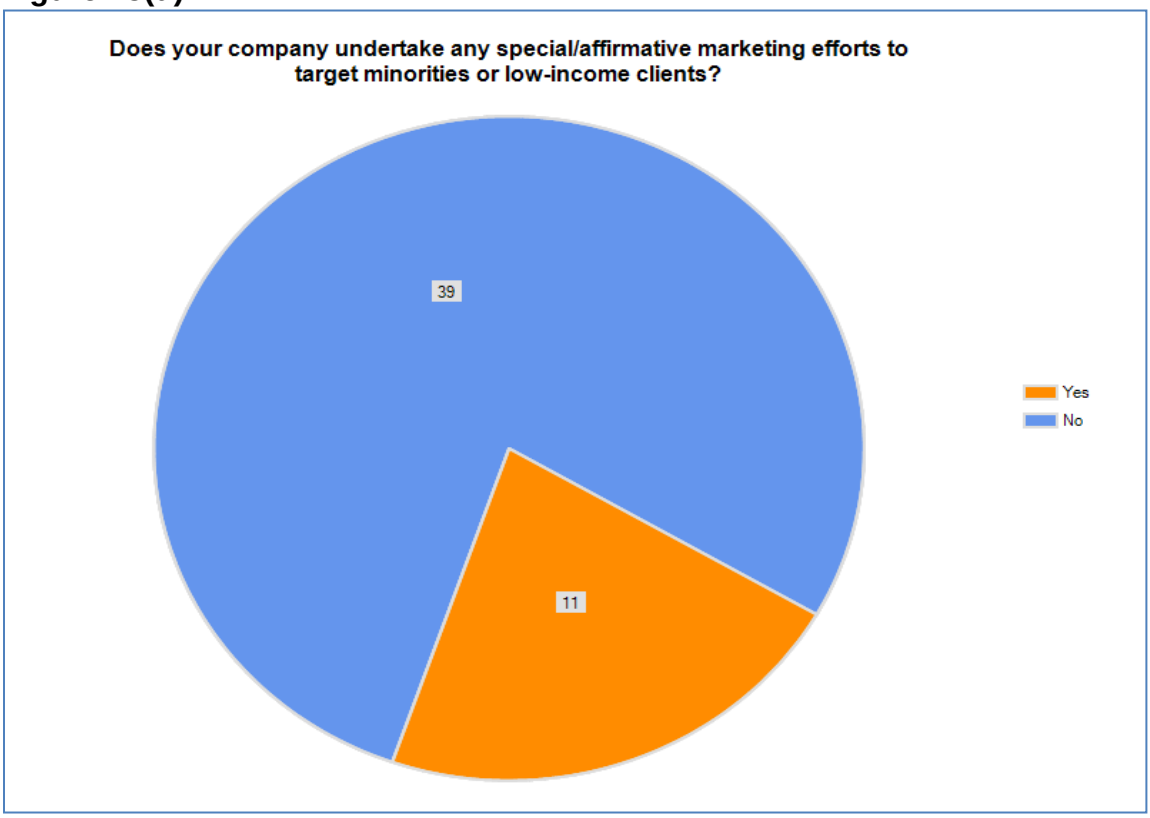
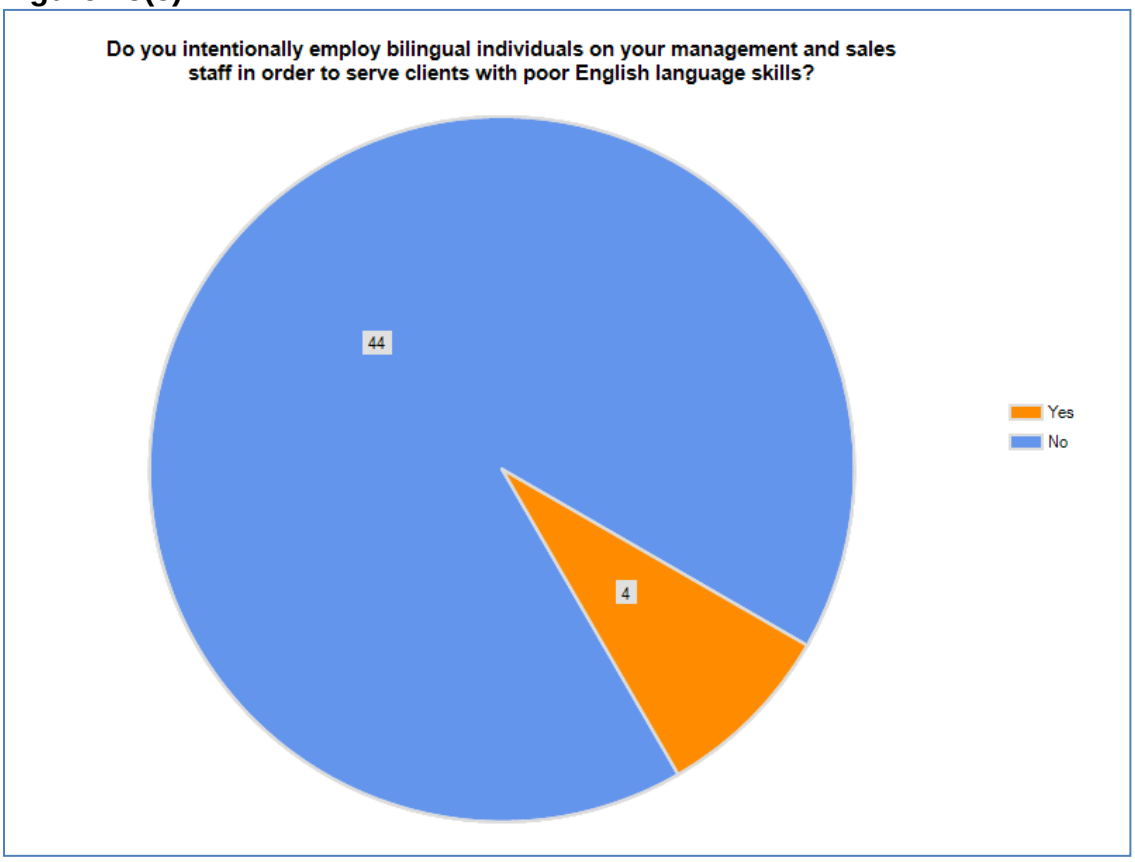


Figure 45(e)



Most of the real estate professionals surveyed worked for a company that has written policies addressing fair housing laws and diverse marketing/advertising materials. However, a larger majority of real estate professionals stated that they did not engage in special affirmative marketing efforts for minorities and/or low income clients or intentionally employ bilingual individuals. It is recommended that the local Association of Realtors group assist local real estate companies with this task.

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Figure 46(a)

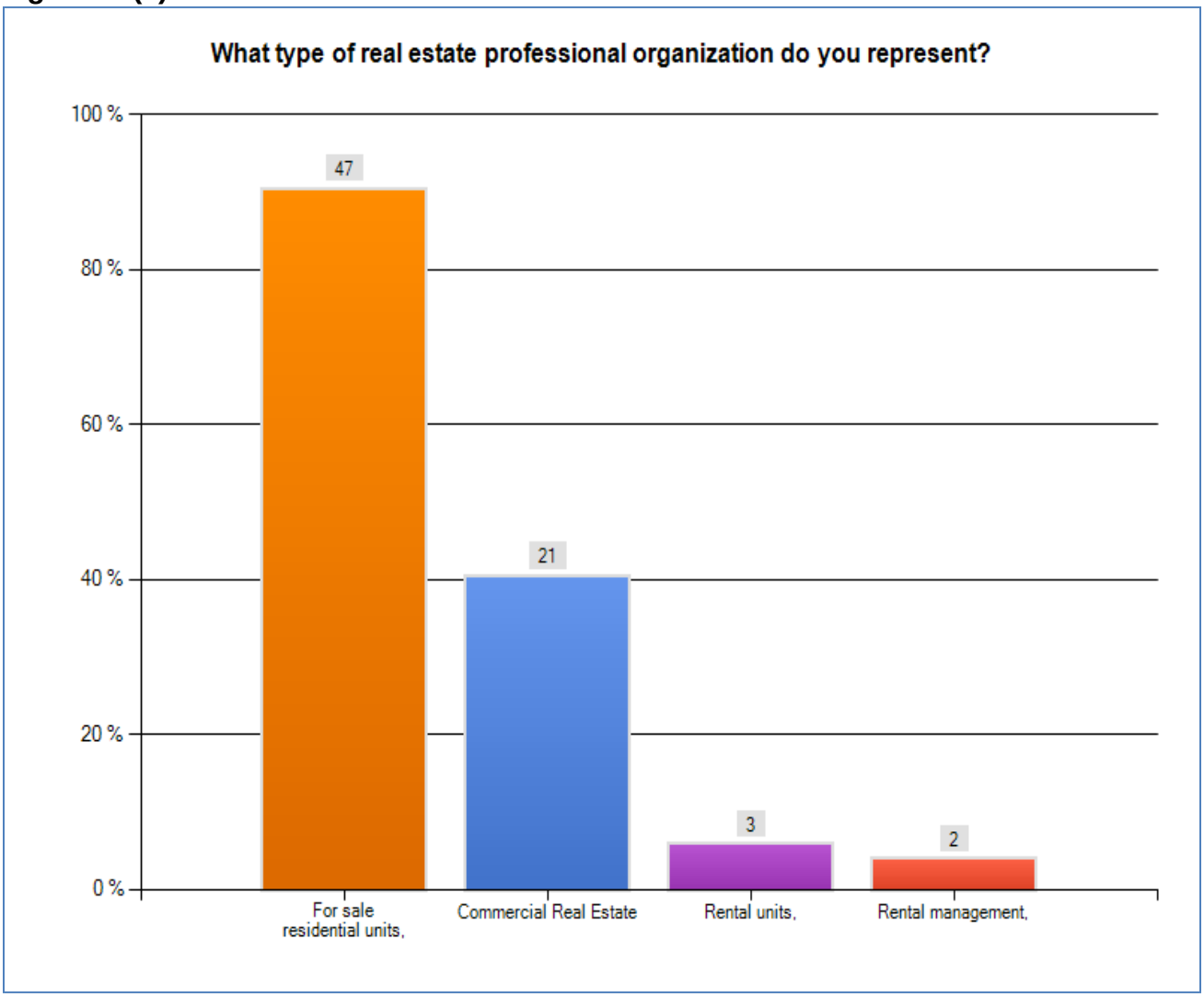

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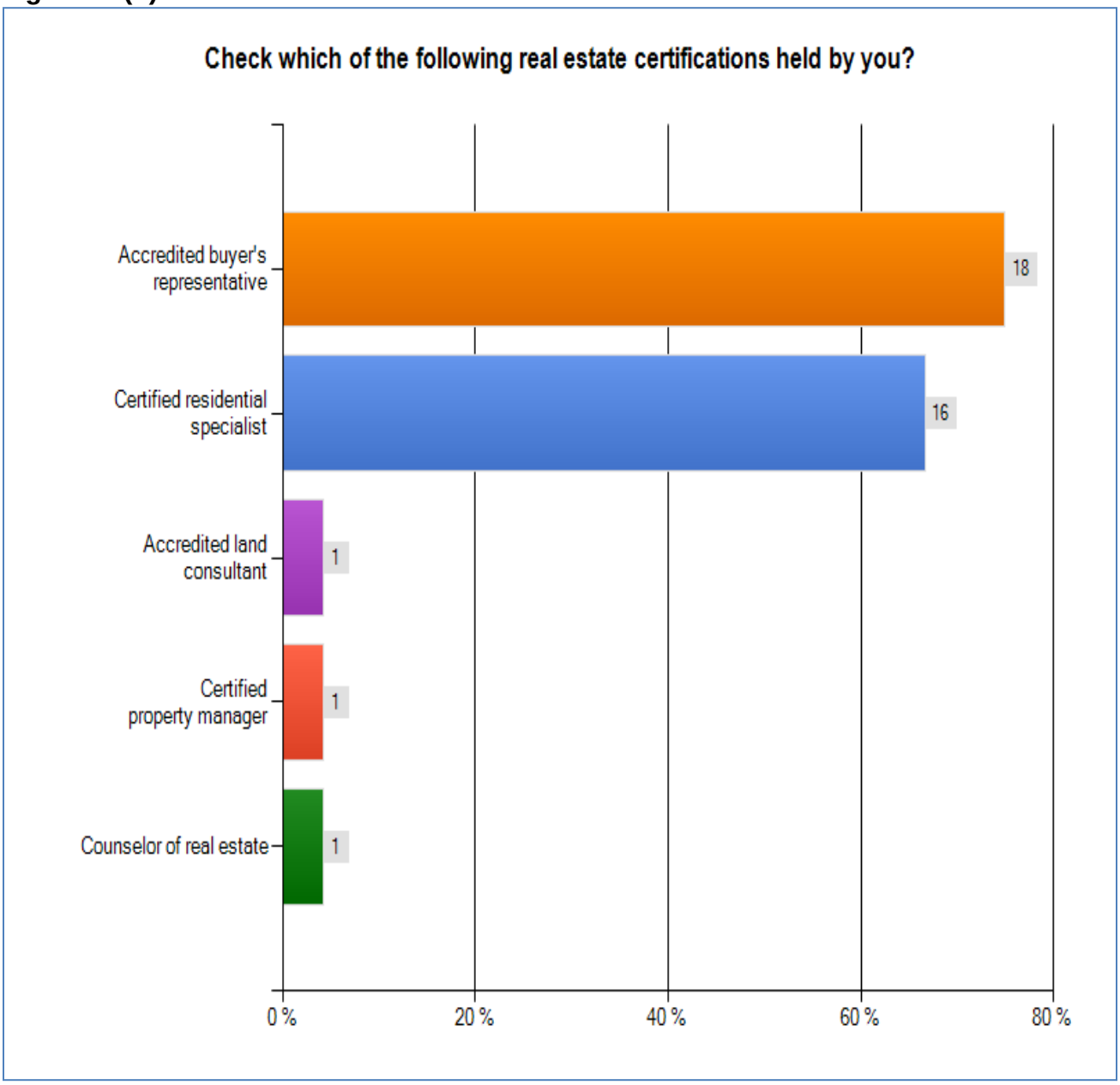
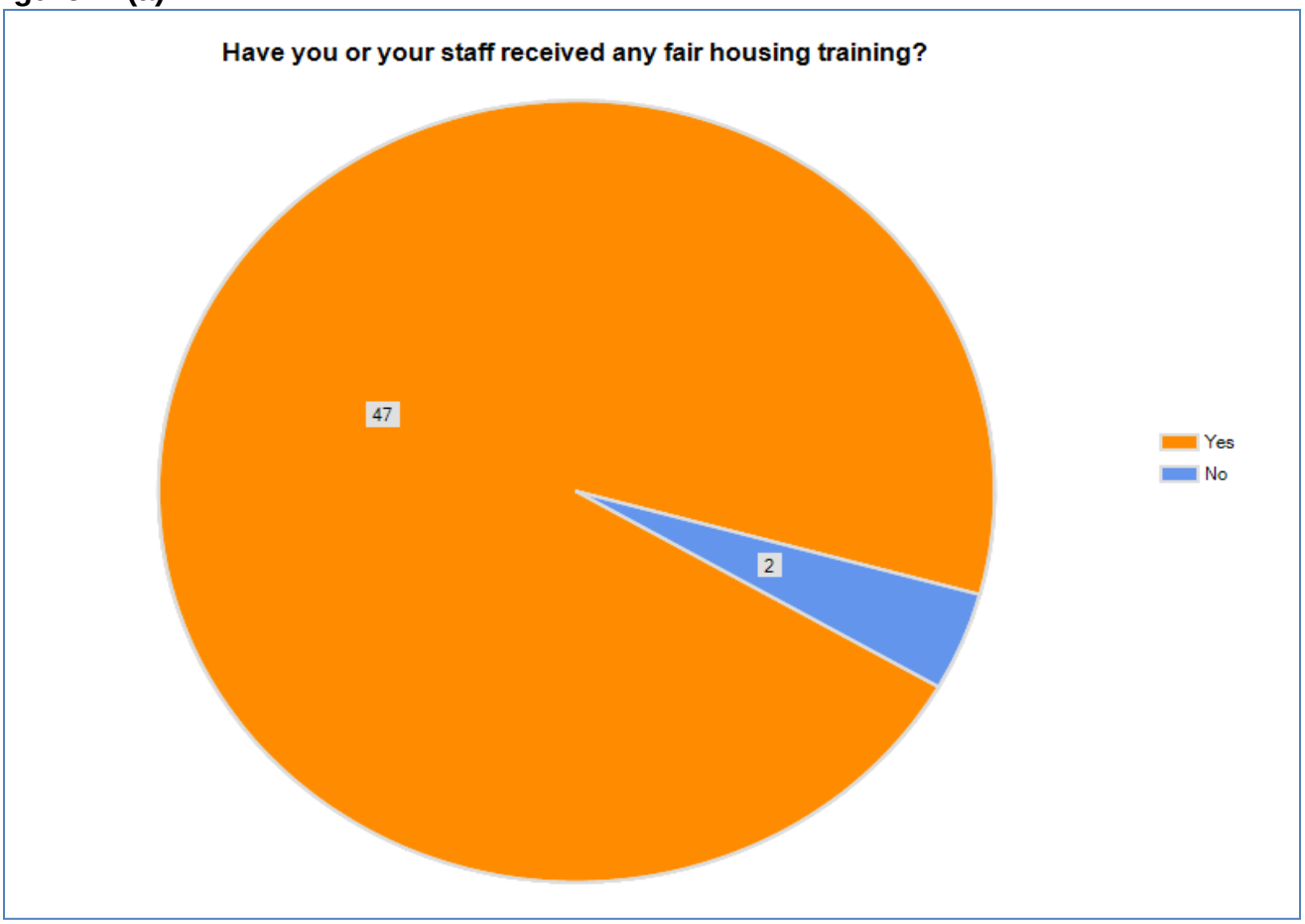
Figure 46(b)



Most of the respondents surveyed represented For Sale Residential Units as a real estate professional and held an Accredited Buyer's Representative Certification or were a Certified Residential Specialist.

Figure 47(a)



All but two of the survey respondents had received fair housing training, and the majority of the training was in the form of continuing education.

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Figure 47(b)

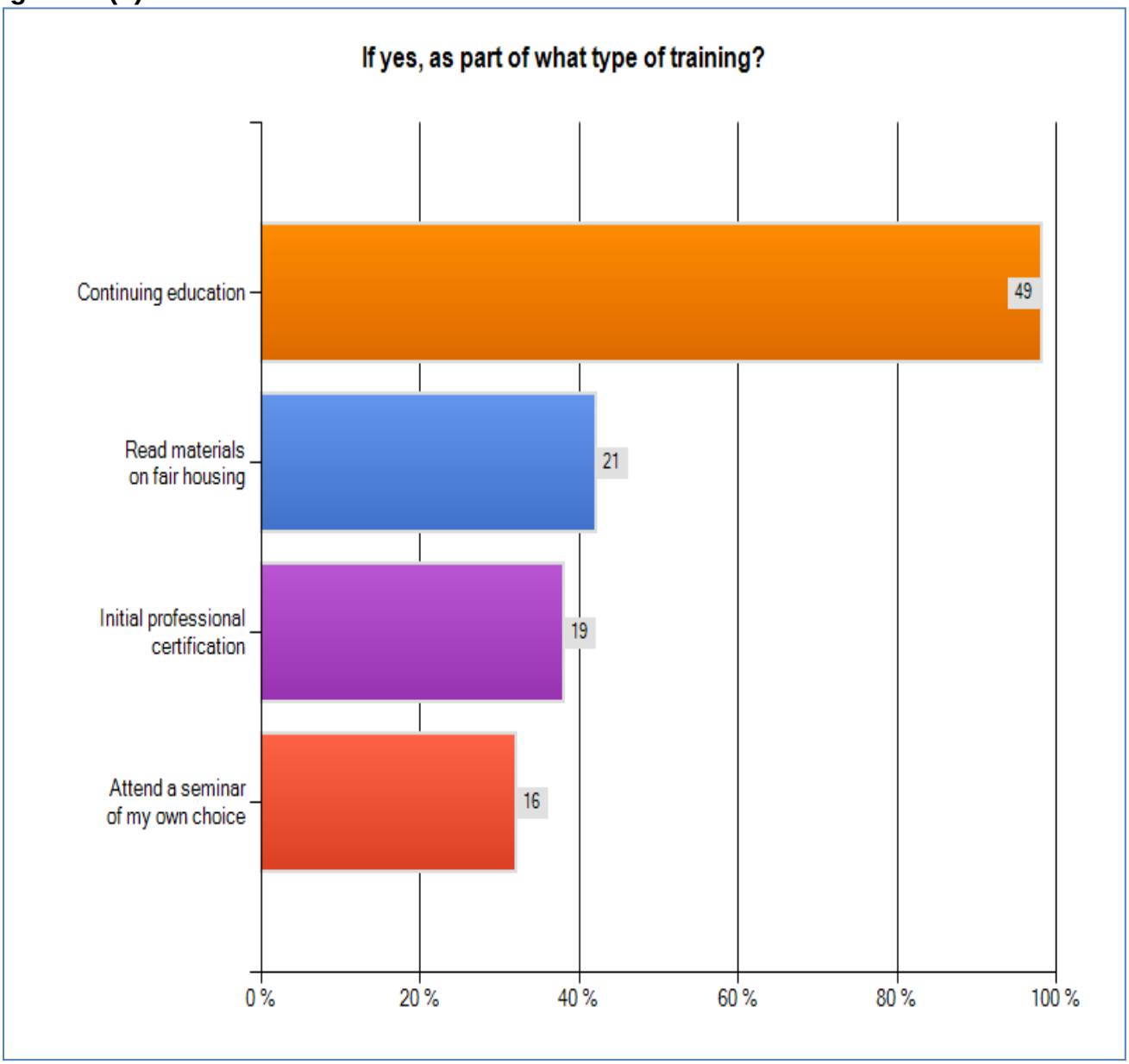

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Figure 48(a)

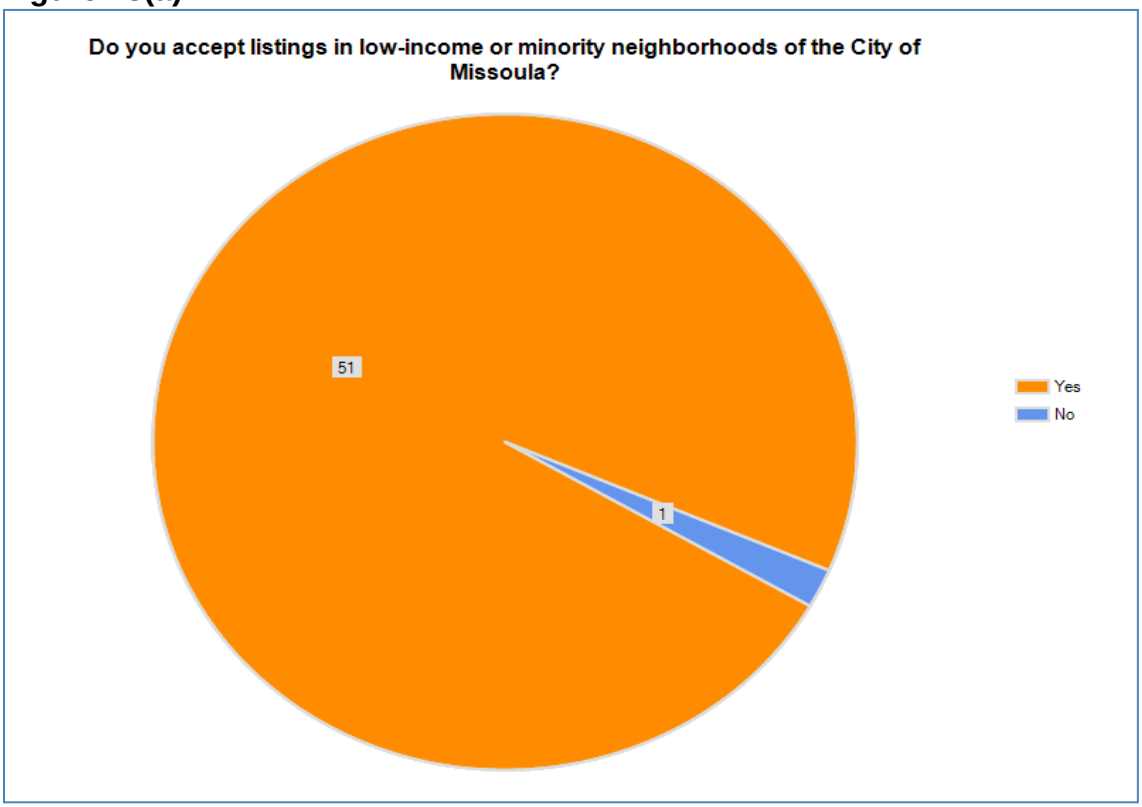


Figure 48(b)

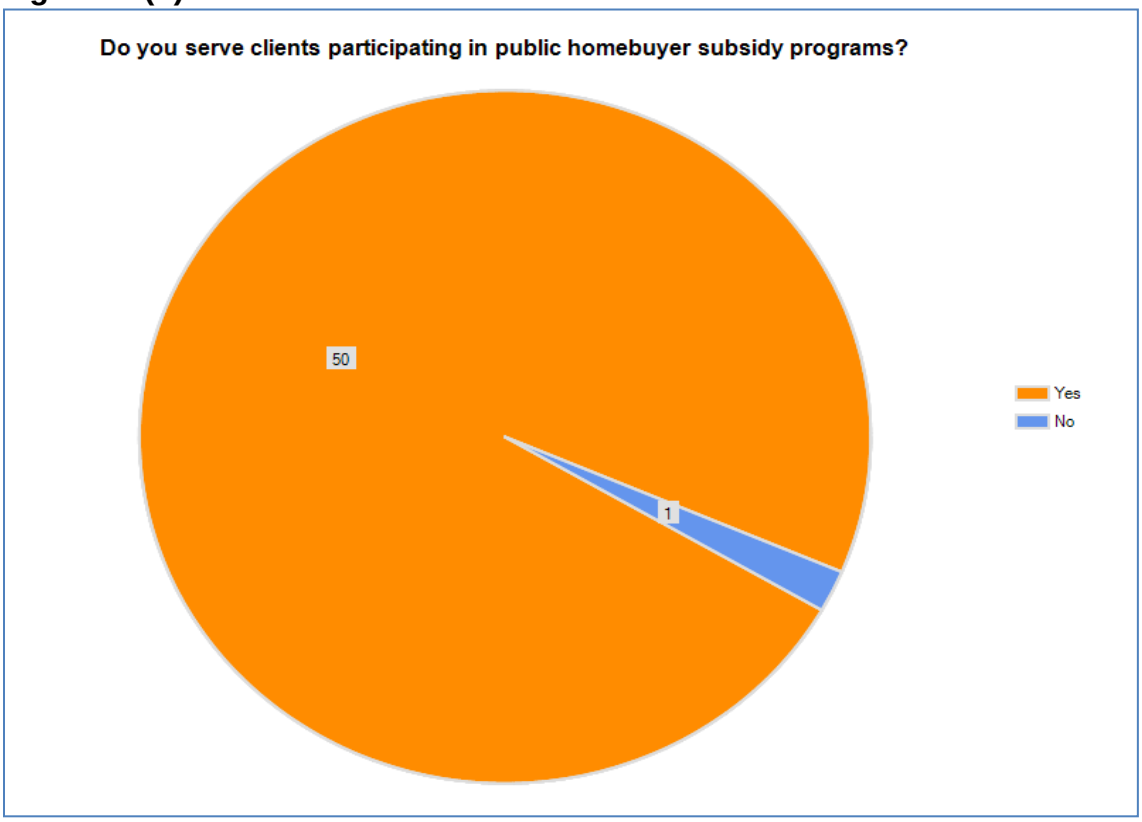


Figure 48(c)

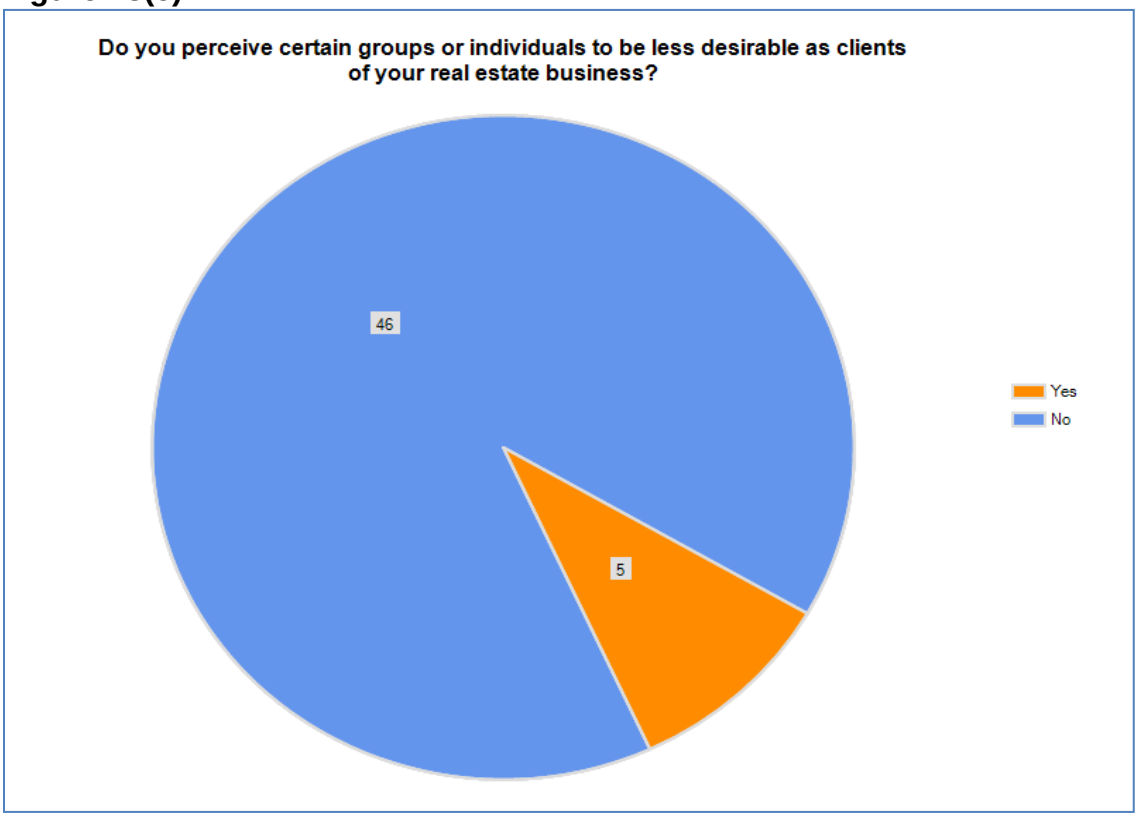
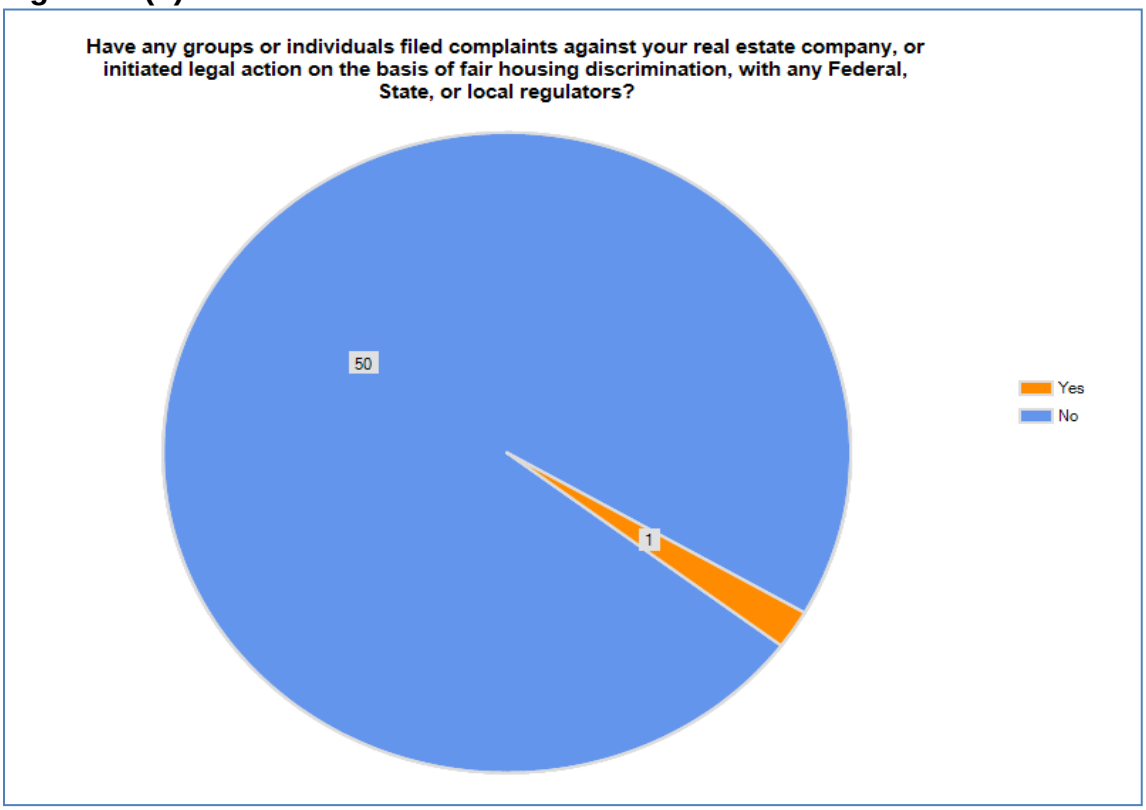


Figure 48(d)

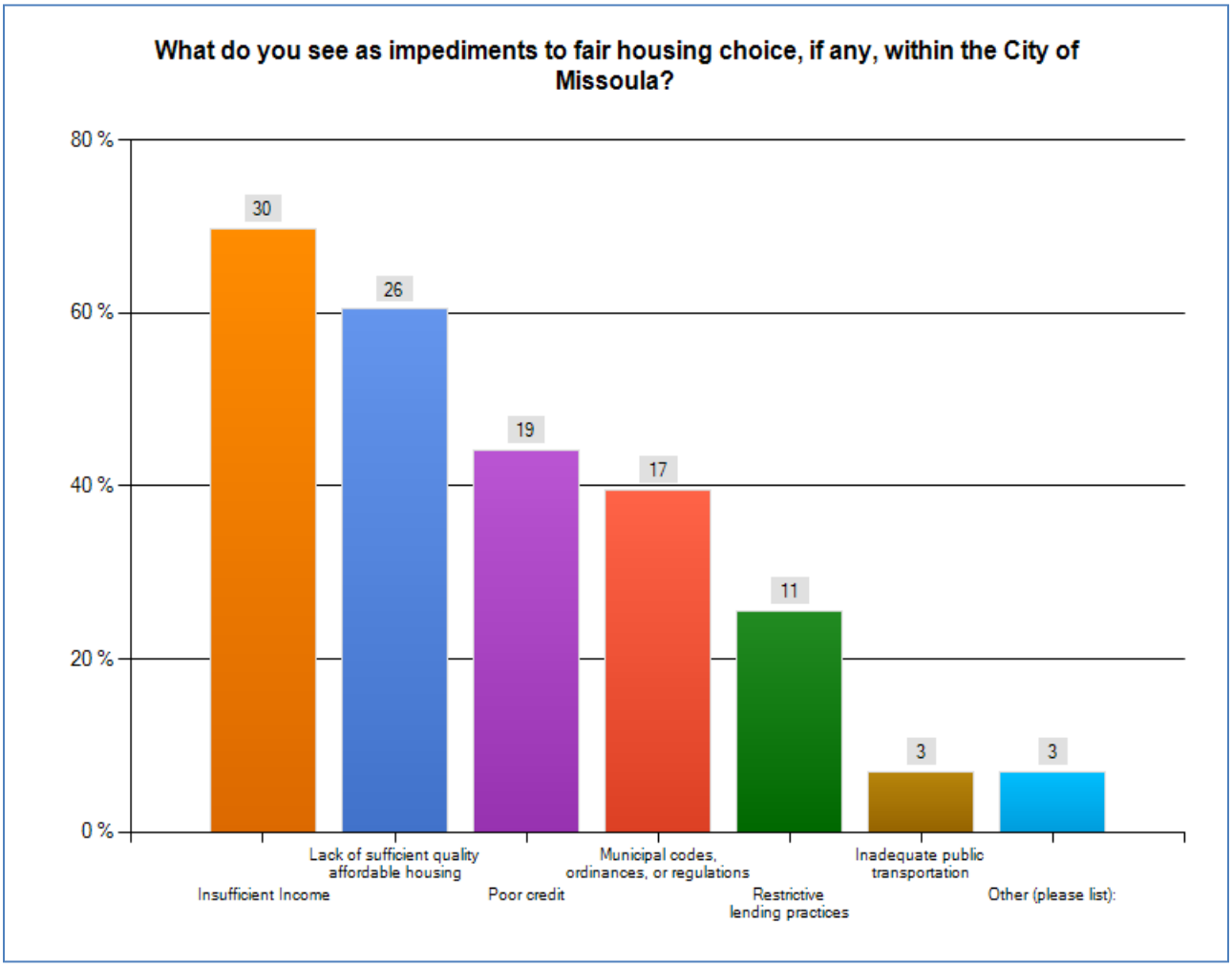


Nearly all of the survey respondents accept listings in low income and/or minority neighborhoods and serve clients participating in homebuyer subsidy programs. Most respondents do not view any clients as less desirable than others. Those that did feel that some clients were less desirable stated that it was due to following reasons:

- They destroy property and owner has no recourse.
- (Some clients have) low motivation to buy.
- More money/income = larger purchases/sales = larger commission.
- Prefer to work with clients that use email more than anything else, I find it difficult to work for clients that do not use or do not have email.

Only one respondent stated that a housing discrimination complaint was filed against their company, but they did not state the basis of the complaint.

Figure 49



When asked to identify the impediments to fair housing choice in Missoula, the largest group of respondents felt that Insufficient Income was a factor. This was followed by the Lack of Sufficient Quality Affordable Housing, Poor Credit, Municipal Codes/Ordinances/Regulations, Restrictive Lending Practices, and Inadequate Public Transportation. Respondents that answered "Other" gave the following answers:

- "Green" building, publicly subsidized but privately owned condos, etc.
- City/county restrictions limiting businesses to come into area (more employment possibilities).
- Destruction of property.

It should be noted here that the above reasons identified as impediments are not protected classes but can still be viewed as impediments to fair housing choice as they have the potential to disparately impact members of the protected classes and restrict their housing choices.

Figure 50(a)

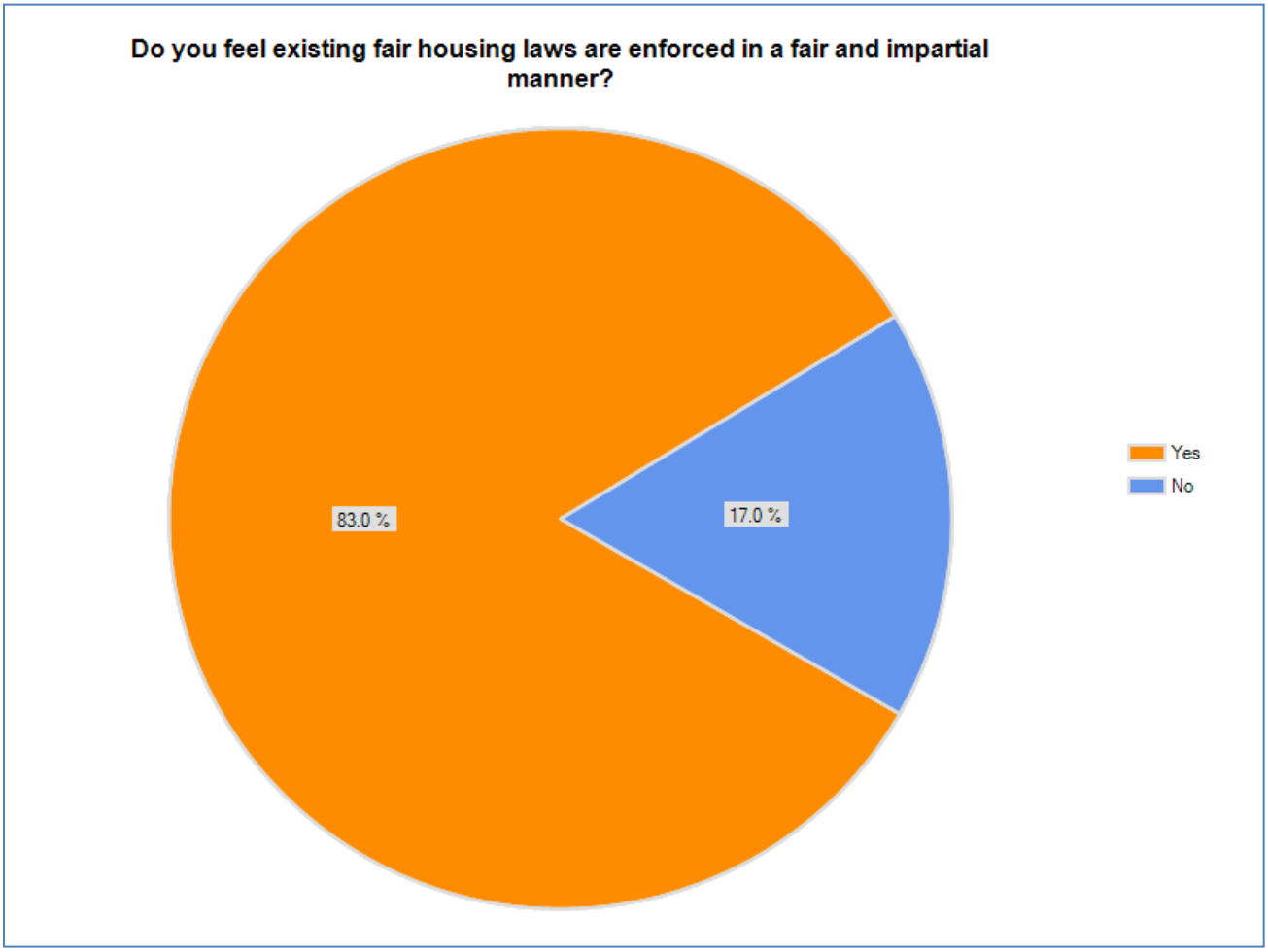
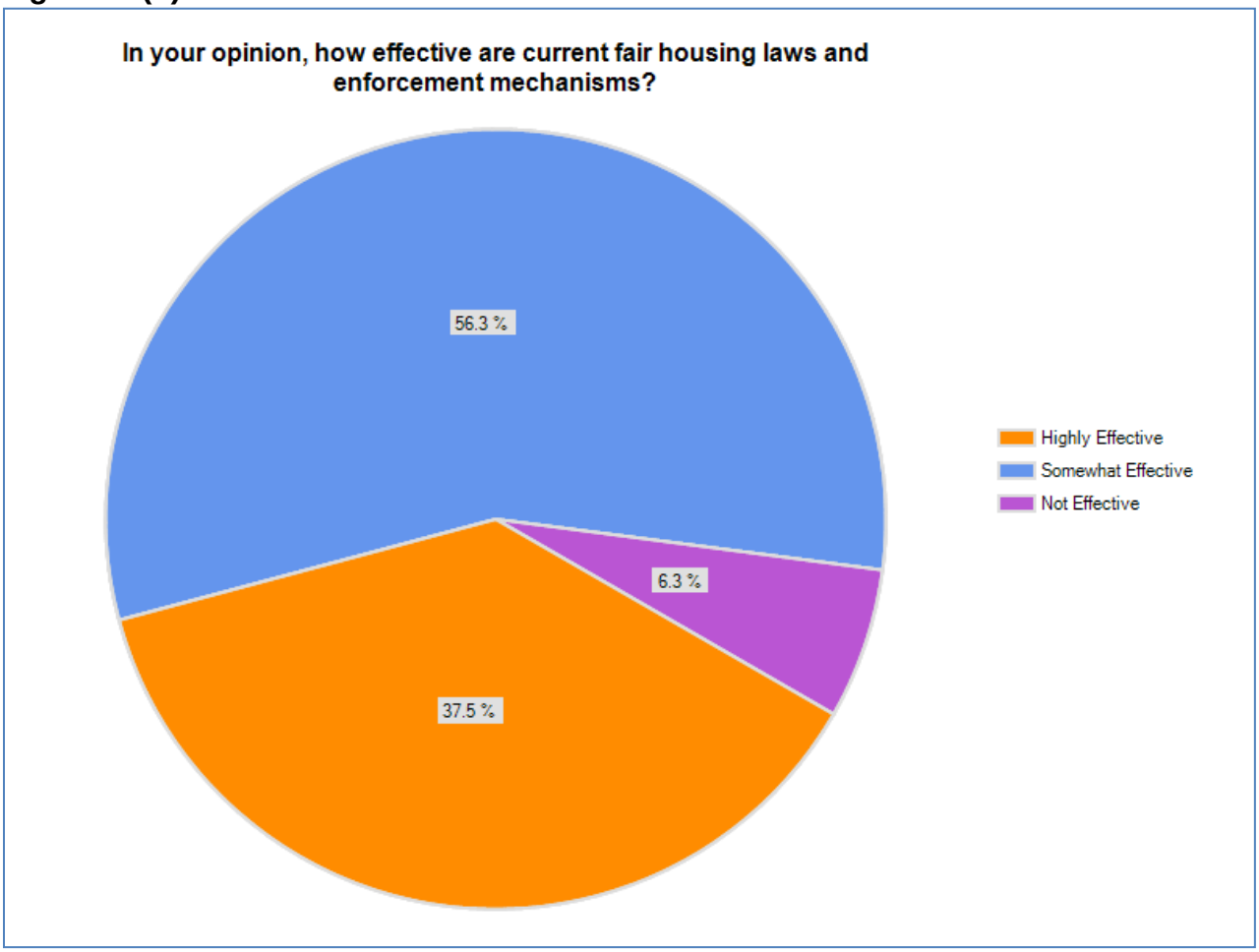


Figure 50(b)



More than three-quarters (83%) of respondents felt that housing laws are enforced in a fair and impartial manner. When asked to state why/why not they felt that laws are enforced fairly, the following reasons were given:

- Monetary fines are assessed when education is needed.
- They do not hold these people liable, they just hand them another voucher.
- They use entrapment methods.
- City building department creates fees for builders/developers and these fees are then passed on the buyer of a home, creating housing more expensive that it should be. Pricing many 1st time buyers out of the market -- i.e. impact fees, plan review fees, subdivision fees just to name a few.
- They have to wait to get any cases in our area.
- Sometimes I think we are too "lenient" on people who have violated.
- Professional plaintiffs seeking technical violations do nothing to further practical application of getting a more diverse public into homes.
- They do try and work with people to get them a home. The classes given are great.

The majority of respondents felt that fair housing laws and enforcement mechanisms were Highly Effective or Somewhat Effective. A small percentage (6.3%) felt that these were Not Effective. Respondents were asked to state at least one reason for their answer, and the following statements were given:

- Too easy for people to get on system, and they're not held accountable.
- Fair Housing Laws should also look at the cost the city imposes on new construction and remodels.
- Lack of affordable housing is the number one impediment to fair housing in Missoula. Fair housing laws don't solve that problem.
- I believe that the Missoula Organization of Realtors® does a good job of informing the membership of fair housing laws including any updates through their educational programs.
- We can all use more education. I think we are fearful of holding each other accountable.
- We just don't have the issues here and the restrictions on marketing are ludicrous.
- Sometimes the department may be too hard on credit or funds may not be available for them.

Surveyed real estate professionals were asked for suggestions to change fair housing laws and practices. Suggestions and/or responses included:

- People who work for housing (should) get off their chairs and do their job.
- Lower taxes and impact fees on development.
- Please review the process for construction in town and the cost of building permits in the city.
- More employers and training for skilled workers... increasing average salaries.
- Affordable housing needs to be a bigger priority to local government when they are making regulation, taxation and fee structure decisions.
- While it is nice to try to get lower income people into their own homes they MUST be able to afford it. How many people have been hurt by overly aggressive lending practices and by marketing to people who don't understand what they are getting into?
- Build more quality, affordable homes in addition to providing higher paying, quality jobs to help people earn enough money to buy a home.
- More education, a more streamlined City/County plan, and advocates working for it in our community.

Survey respondents were asked to suggest actions that the City of Missoula could take to address impediments and improve fair housing choice for all residents. Suggestions and/or responses include:

- Encourage market driven affordable housing development through the reduction of burdensome regulations, fees, and taxes. Truly support affordable housing by encouraging development that seeks to reduce the cost of housing rather than catering to political special interests within housing policy. For instance, the City's development policy that requires indoor bicycle storage within multi-family development may appease

the bicycle lobby, but it merely increases the cost of development, thus increasing the cost of rent. This is one small, but tangible example and many exist within the city's development and zoning regulations.

- Stop increasing costs of building, permits, increasing taxes, delays in inspections, and need to change to a helpful mode instead of objectionable mode.
- Someone needs to hold residents accountable for the property.
- Clean up downtown, get the bums out (politically and literally), and stop putting public money into real estate development. If a project is worthy and necessary, use tax increment funds, but not more guaranteed loans. Hire a new Mayor and City Council.
- City needs to reduce costs of developing affordable housing in Missoula; the citizens of Missoula today have 30% more impact fees to housing than we experienced 7 years ago. Outside bike storage (25 sq. ft.) is required on all multifamily dwellings; this is an increase cost of $3200 per unit in a 10 unit building that is an increase of $32,000 in a 40-unit $128,000 this impacts affordability.
- Double standard, assessment of restrictions and building limitations but bloviating for more affordable housing.
- Provide assistance for building affordable housing.
- Attract more good companies to Missoula. Increase career opportunities.
- Help lower the cost on new construction on low income housing projects, specifically owner-occupied low income housing.
- Zone areas with available land to encourage small lot affordable development.
- Develop a business atmosphere that would provide job opportunities. Lower property taxes.
- I believe the City government NEEDS to define low income in terms of housing related to new construction and the expected costs of that newly available housing. IE-Applegrove subdivision was listed as affordable housing. Bunkum.
- Work on improving the economy putting more people to work in higher paying jobs. That will allow more people to buy houses.

Upon reviewing survey responses from the real estate professionals, the lack of affordable housing options and lack of affordable housing development incentives are viewed as an impediment to fair housing choice in Missoula.

Housing Provider Surveys

The Consultant and City of Missoula staff emailed and invited Missoula housing providers to attend an informational AI meeting/feedback session, as well as fill out the fair housing survey. A total of 17 housing providers completed a survey. A summary of these surveys is as follows.

Figure 51

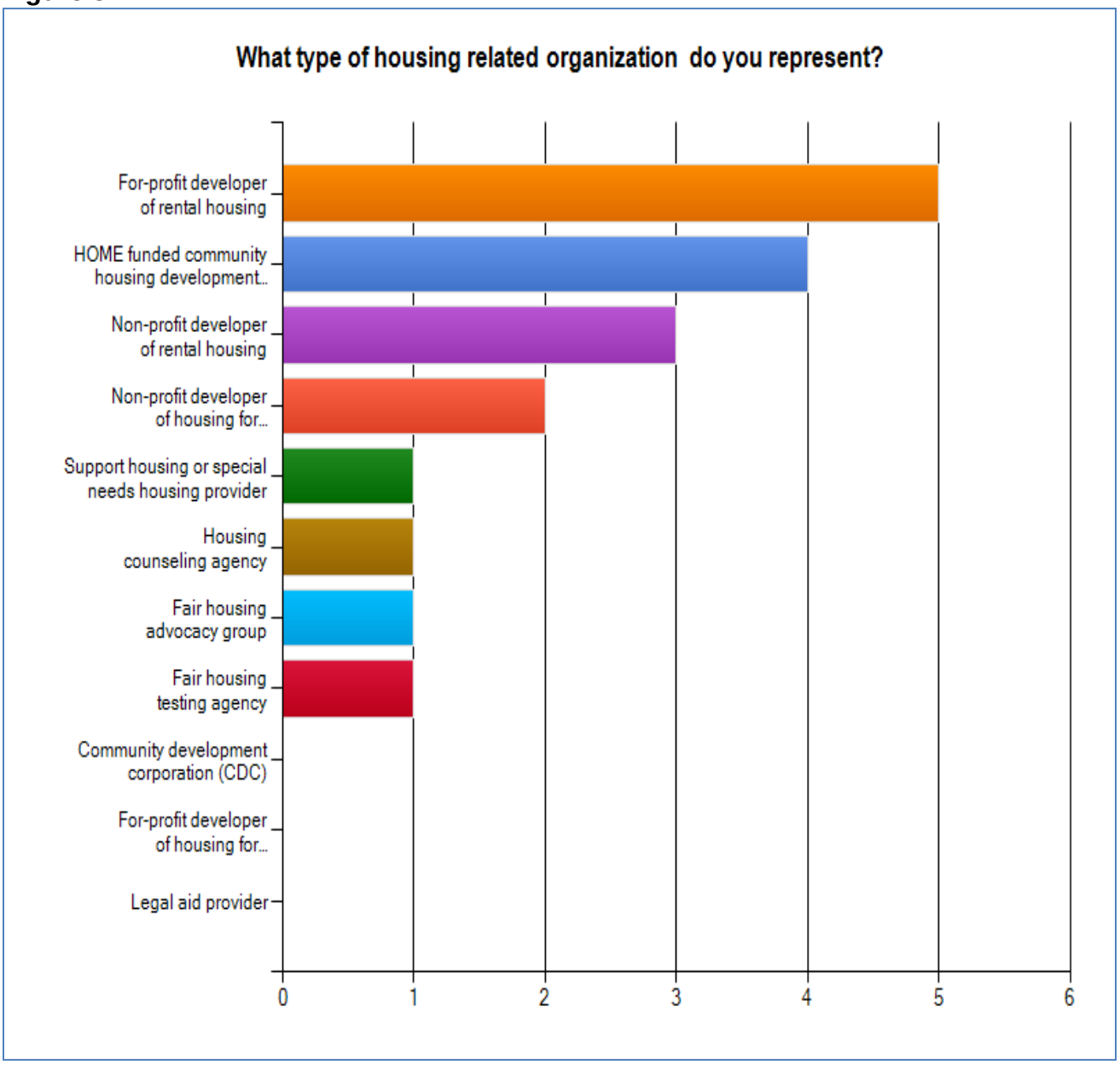


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Figure 52(a)

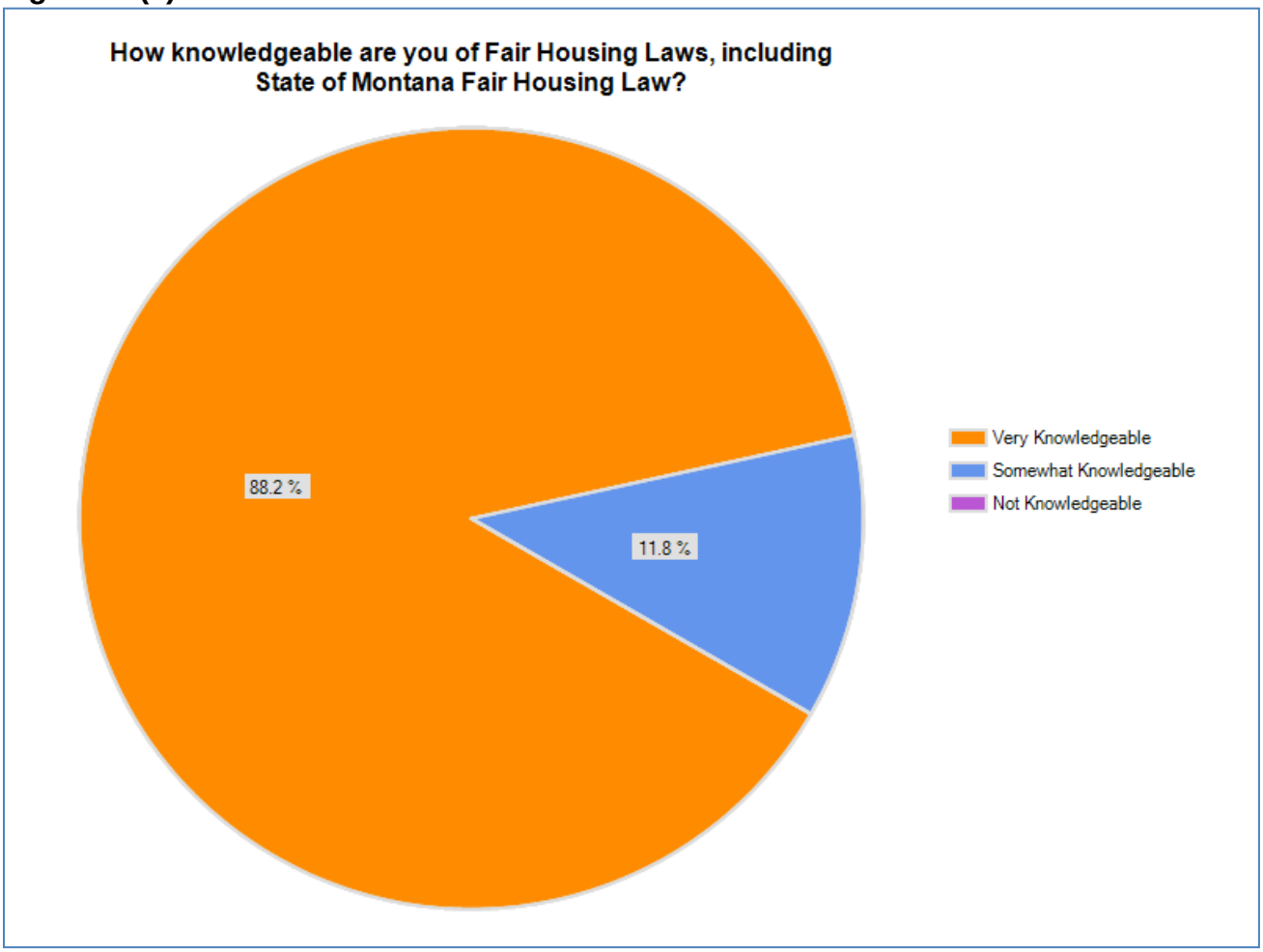

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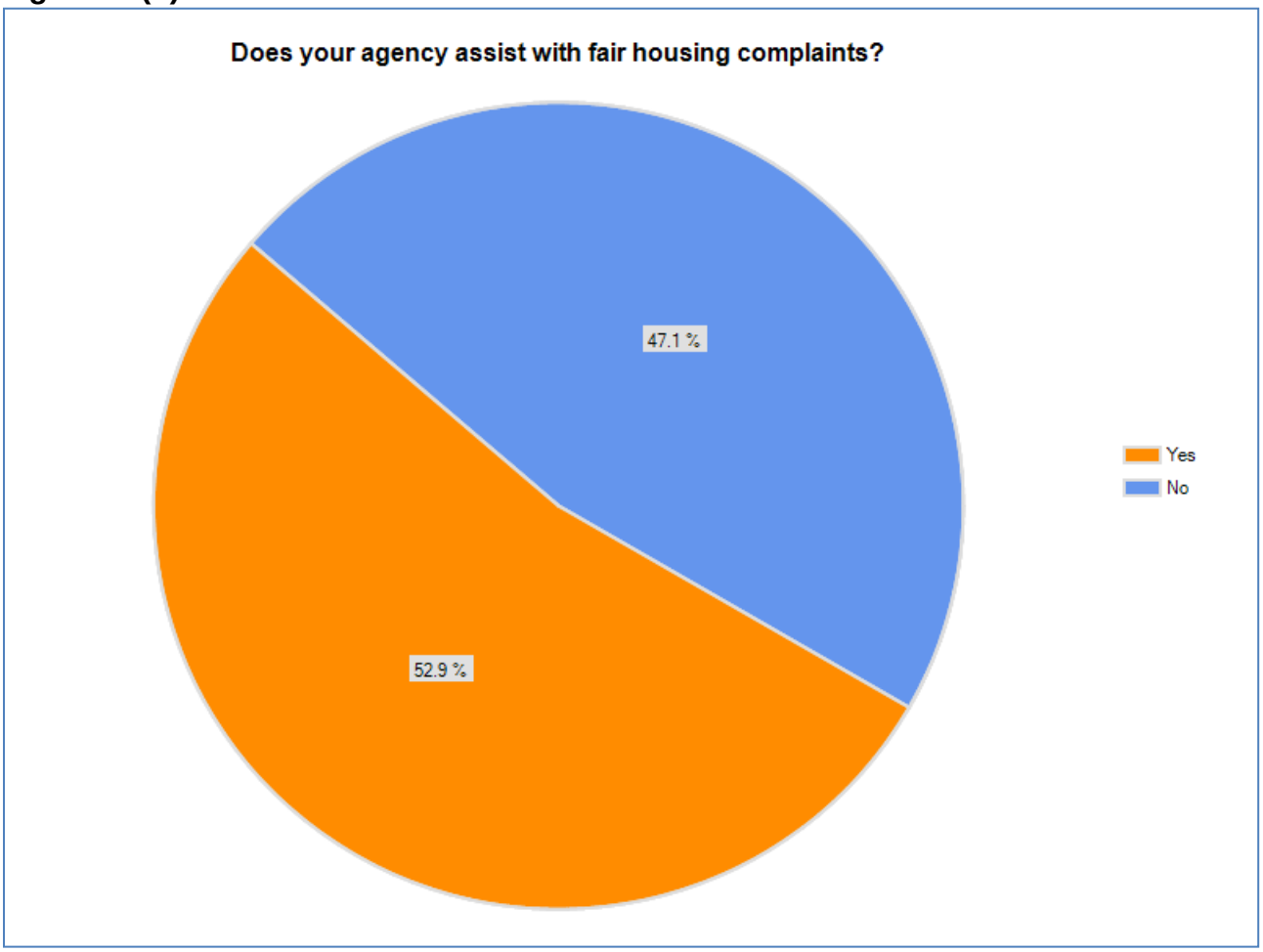
Figure 52(b)



Of the housing providers surveyed, 50% of the respondents represented a For-Profit Developer of Rental Housing. In addition, 40% stated that they represented a HOME-Funded Community Housing Development Agency. Most of the respondents (88.2%) felt that they were Very Knowledgeable of Fair Housing Laws, and over half (52.9%) assisted with fair housing complaints. When asked about how many fair housing complaints were received, survey respondents stated anywhere from 0 to 295 per year. The high number of complaints stated were from one provider and could not be verified because of anonymity of responses.

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Figure 53(a)

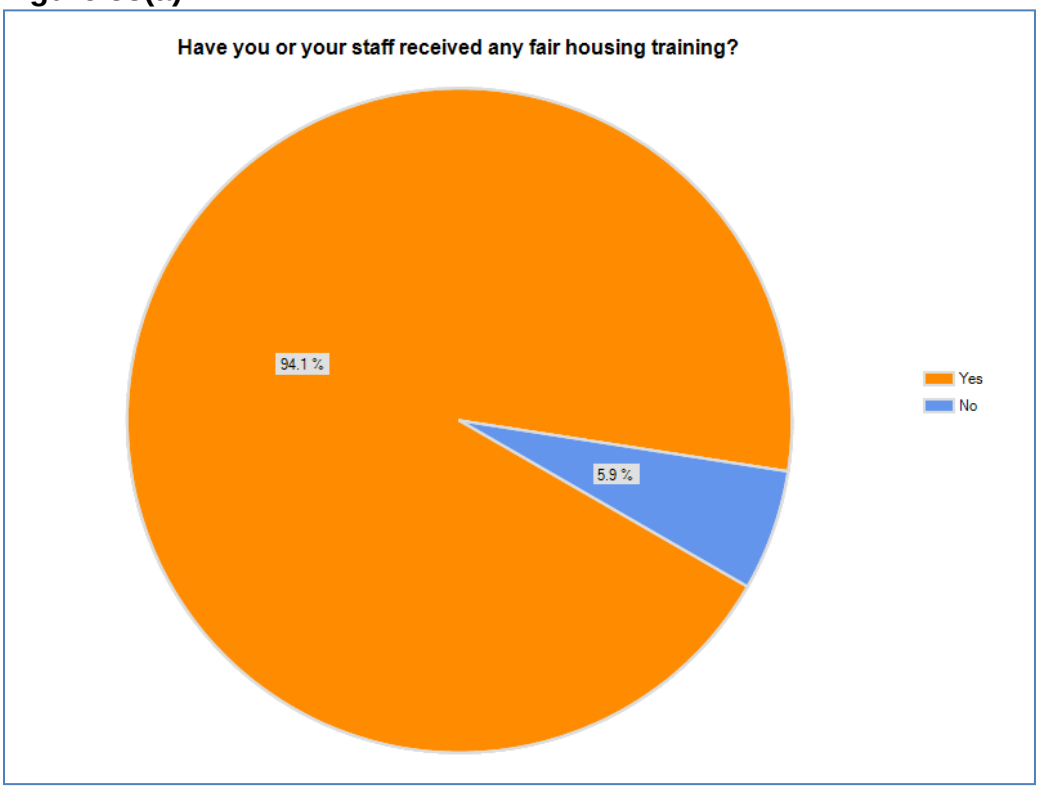
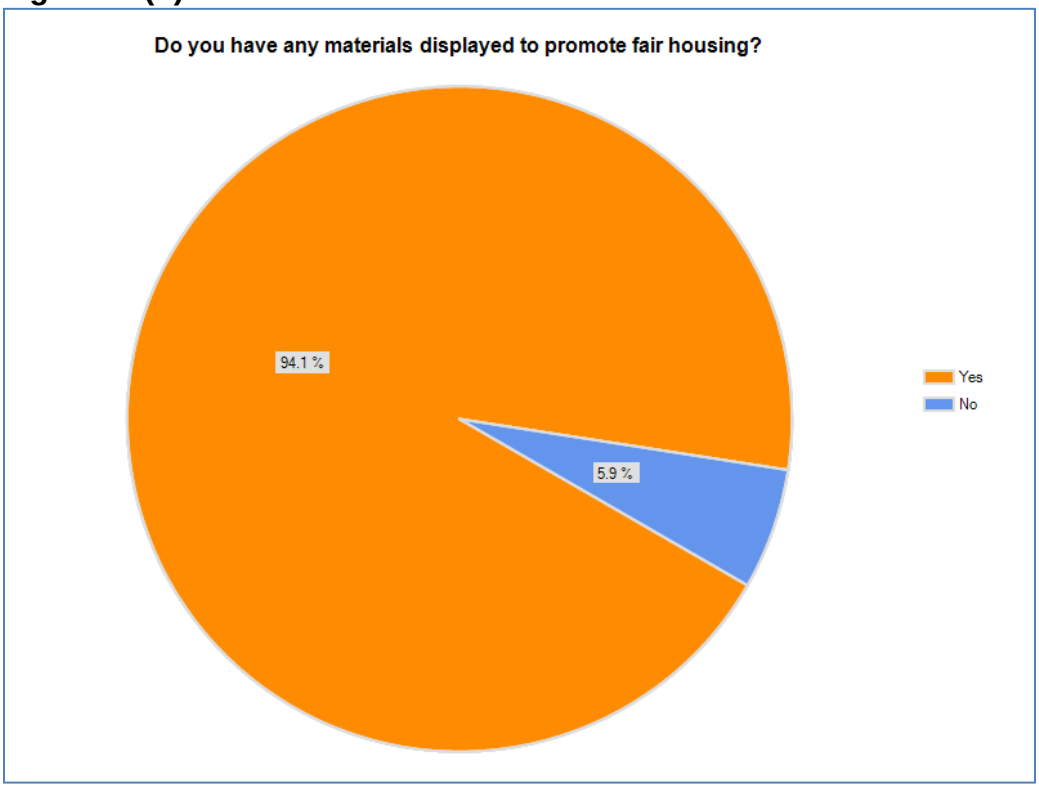
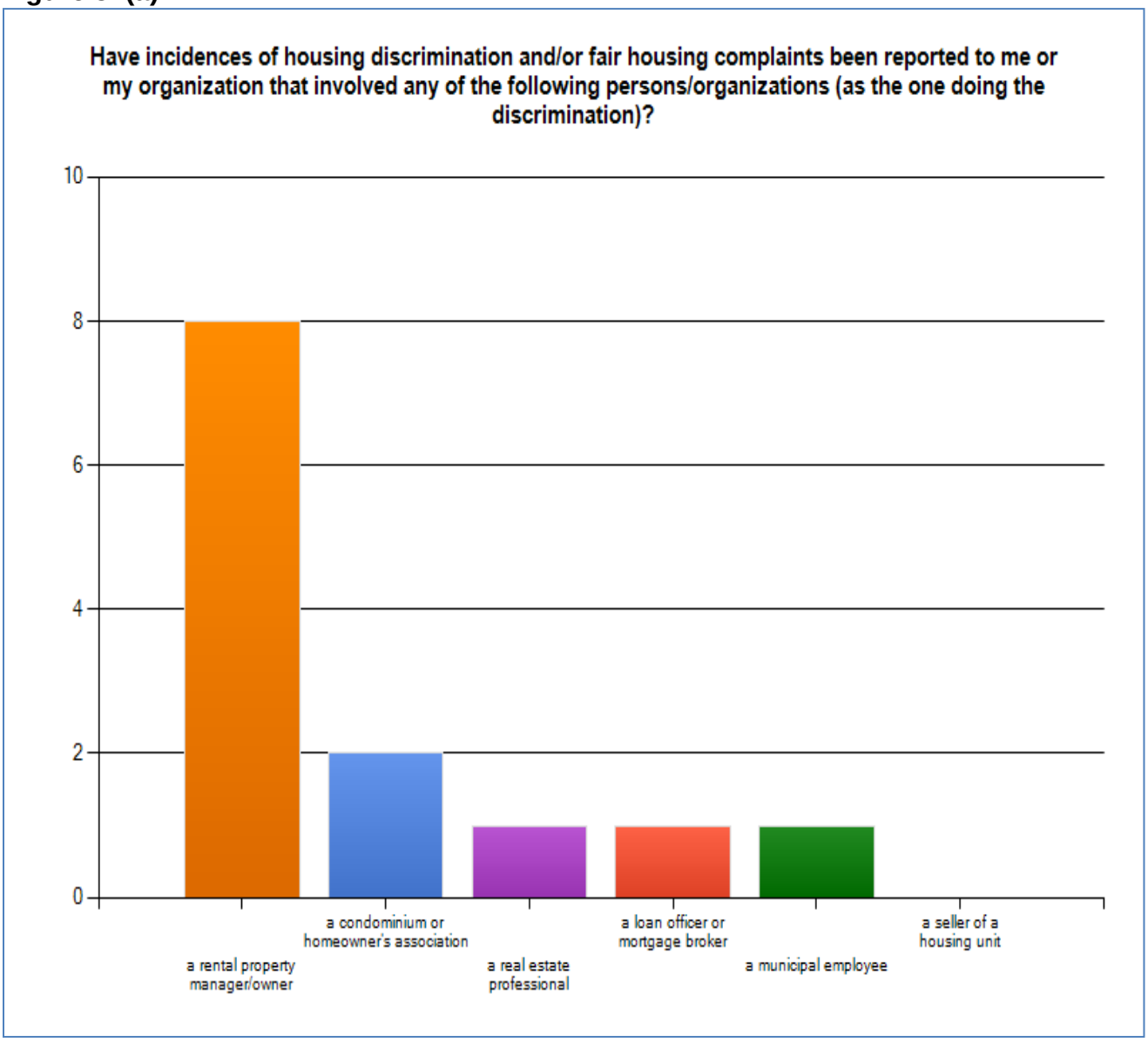


Figure 53(b)



An overwhelming majority (94.1%) of housing providers surveyed had received fair housing training and had materials displayed to promote fair housing.

Figure 54(a)



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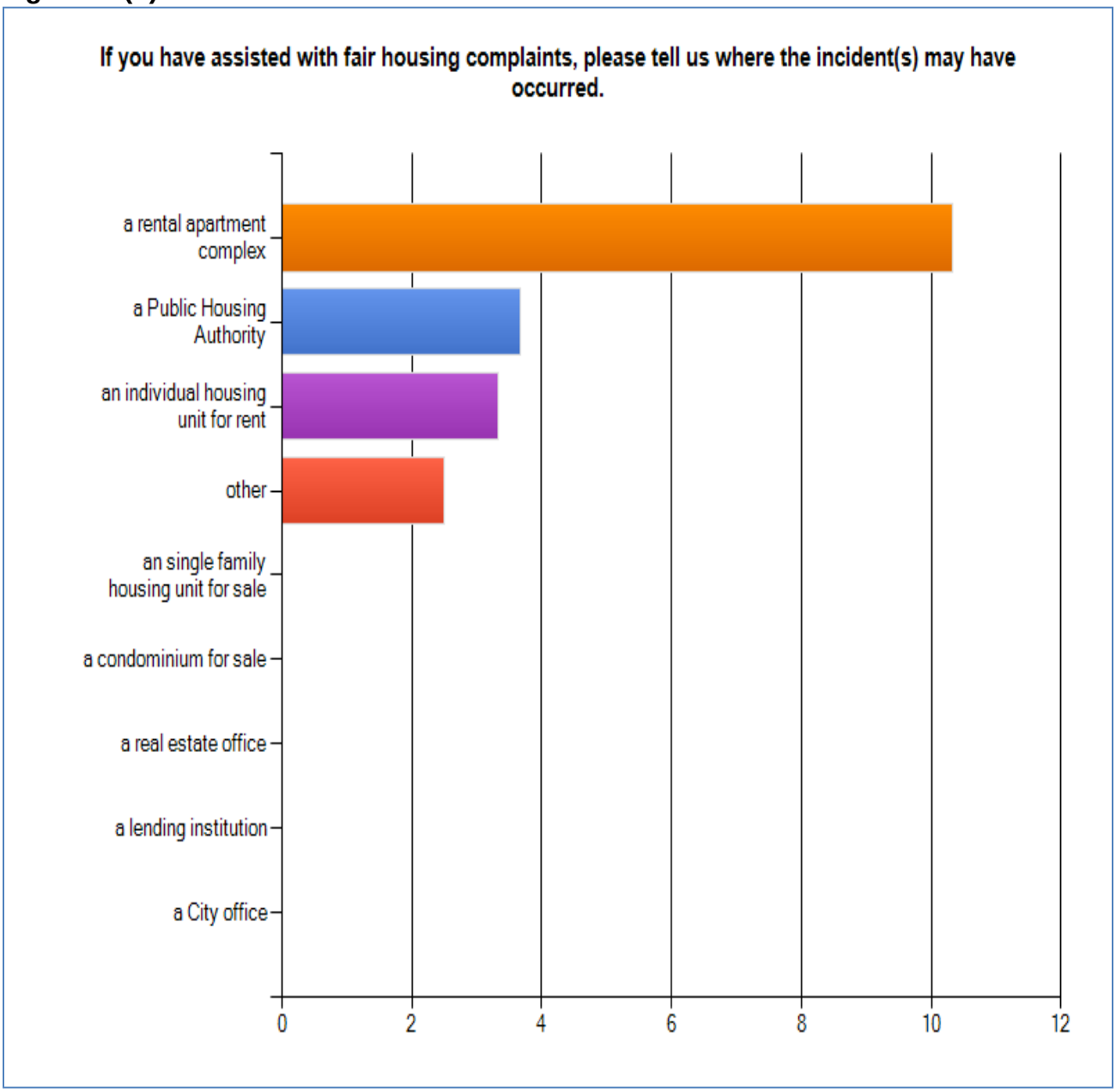

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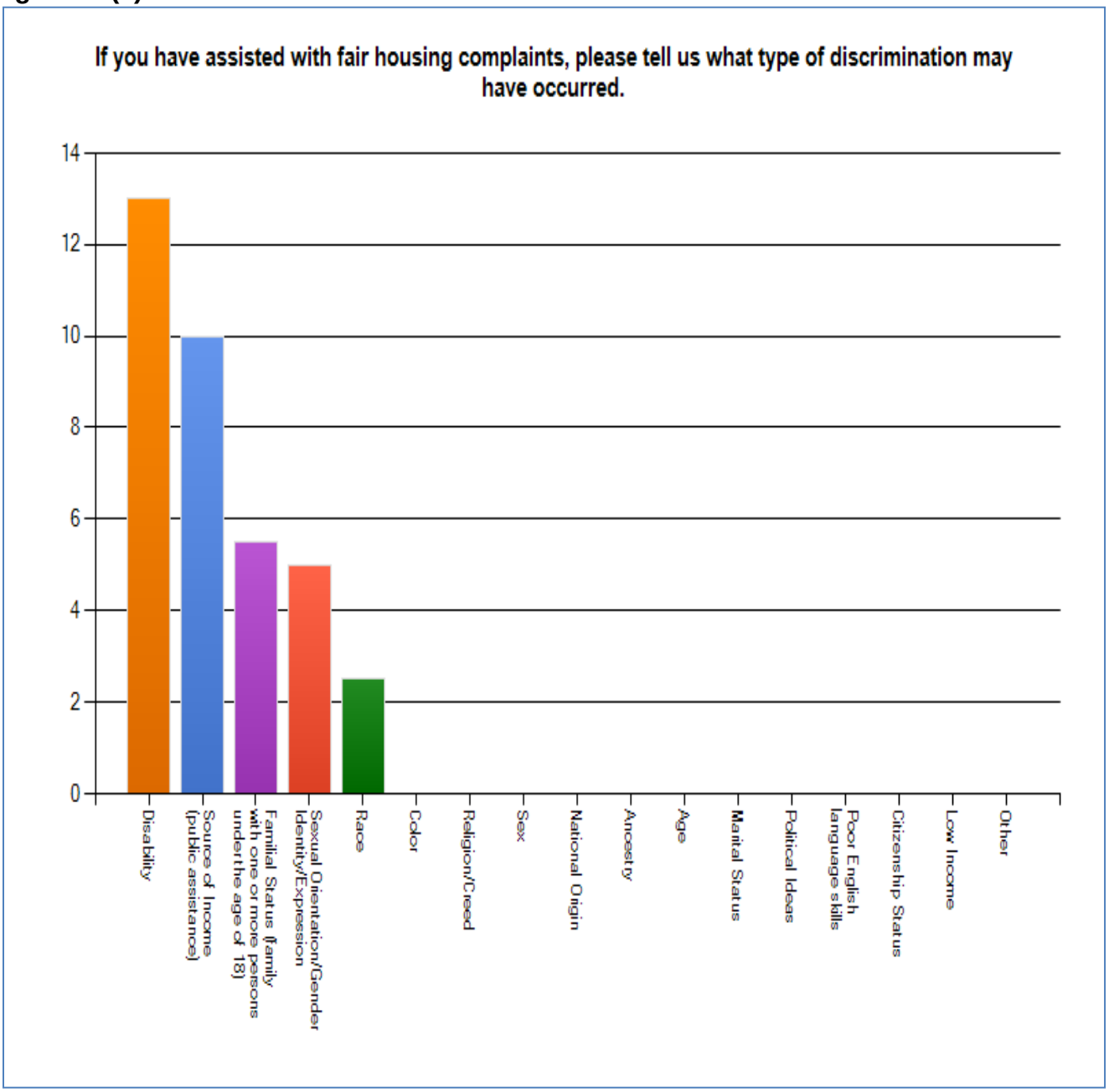
Figure 54(c)



Survey respondents stated that the greatest incidence of housing discrimination and/or fair housing complaints involved a Rental Property Manager/Owner, followed by a Condominium or Homeowner's Association. In addition, the survey respondents that assisted with fair housing complaints showed the high incidence of those complaints occurring at a Rental Apartment Complex, followed by the Public Housing Authority, and an Individual Housing Unit for Rent. When asked to state the type of discrimination that may have occurred, a Disability was the most common reason for fair housing complaint, followed Familial Status, Source of Income, Sexual Orientation, and Race.

Figure 55(a)

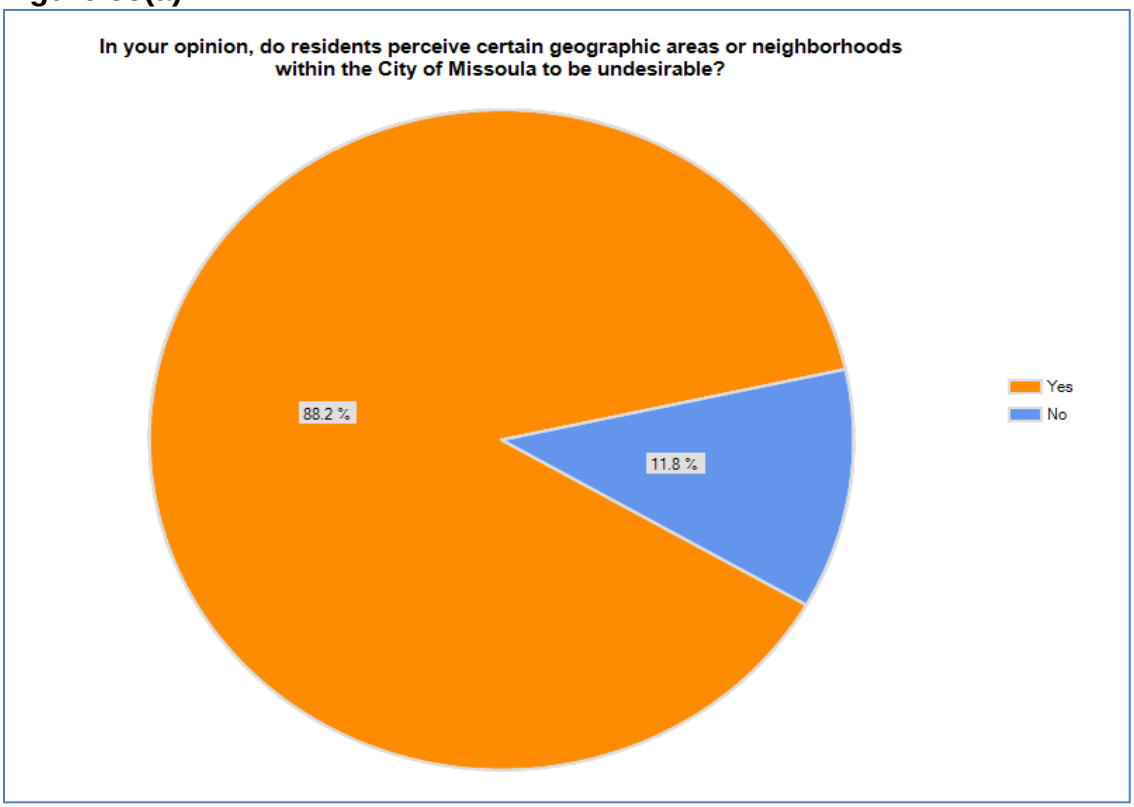
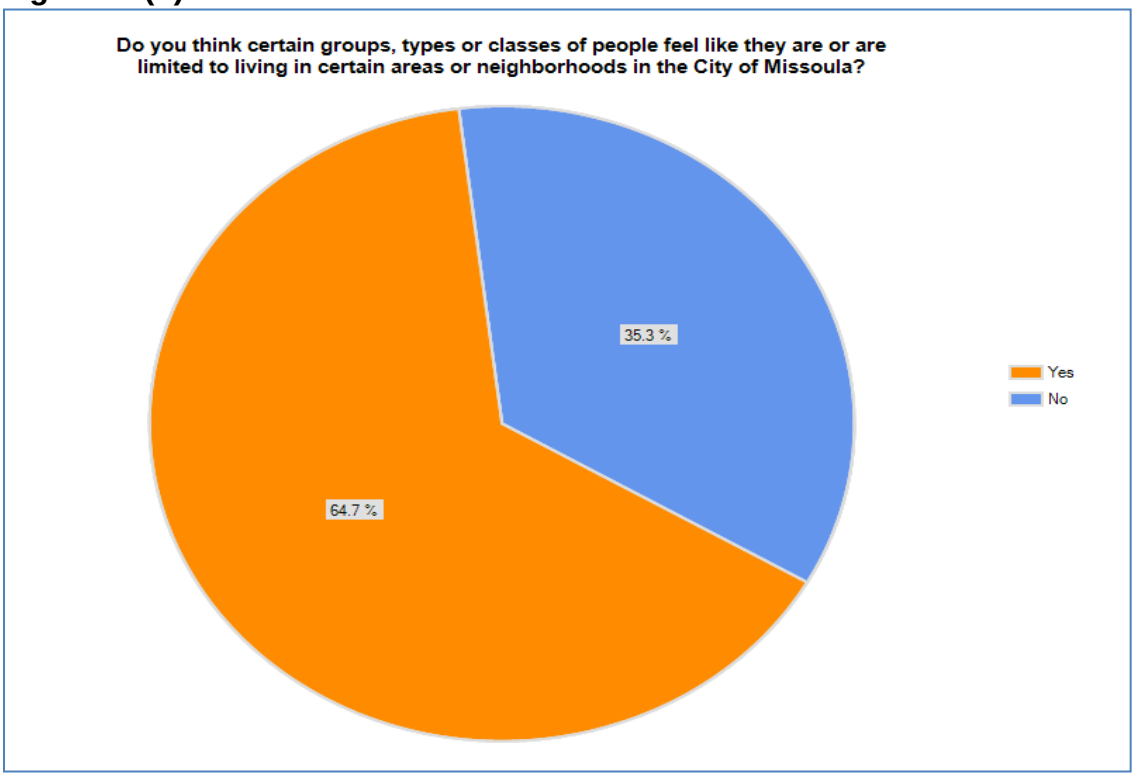


Figure 55(b)



An overwhelming majority of survey respondents stated that residents perceive certain areas of Missoula to be undesirable. When asked to name the area, the following responses were given (and many were repeated in various forms):

- Northside
- Westside
- Franklin School neighborhood
- Downtown (except for students)
- Near the railroad tracks
- Those with large numbers of substandard housing units

Almost 65% of respondents felt that certain groups/types/classes of people feel limited to living only in certain areas of Missoula. When asked to state why that occurs, the following reasons were given:

- Not able to live outside of Missoula without public transportation to services, limited to certain neighborhoods, types of housing which are more affordable.
- Seems to be more concentration of poverty on North and West sides of the city.
- Race, violent/sexual offenders, insufficient income or voucher.
- Lack of income.
- Disabled people tend to need more amenities but have less income to afford them in housing choices.
- Limited subsidized housing options.
- Persons with Disabilities.
- Grouping by incomes.

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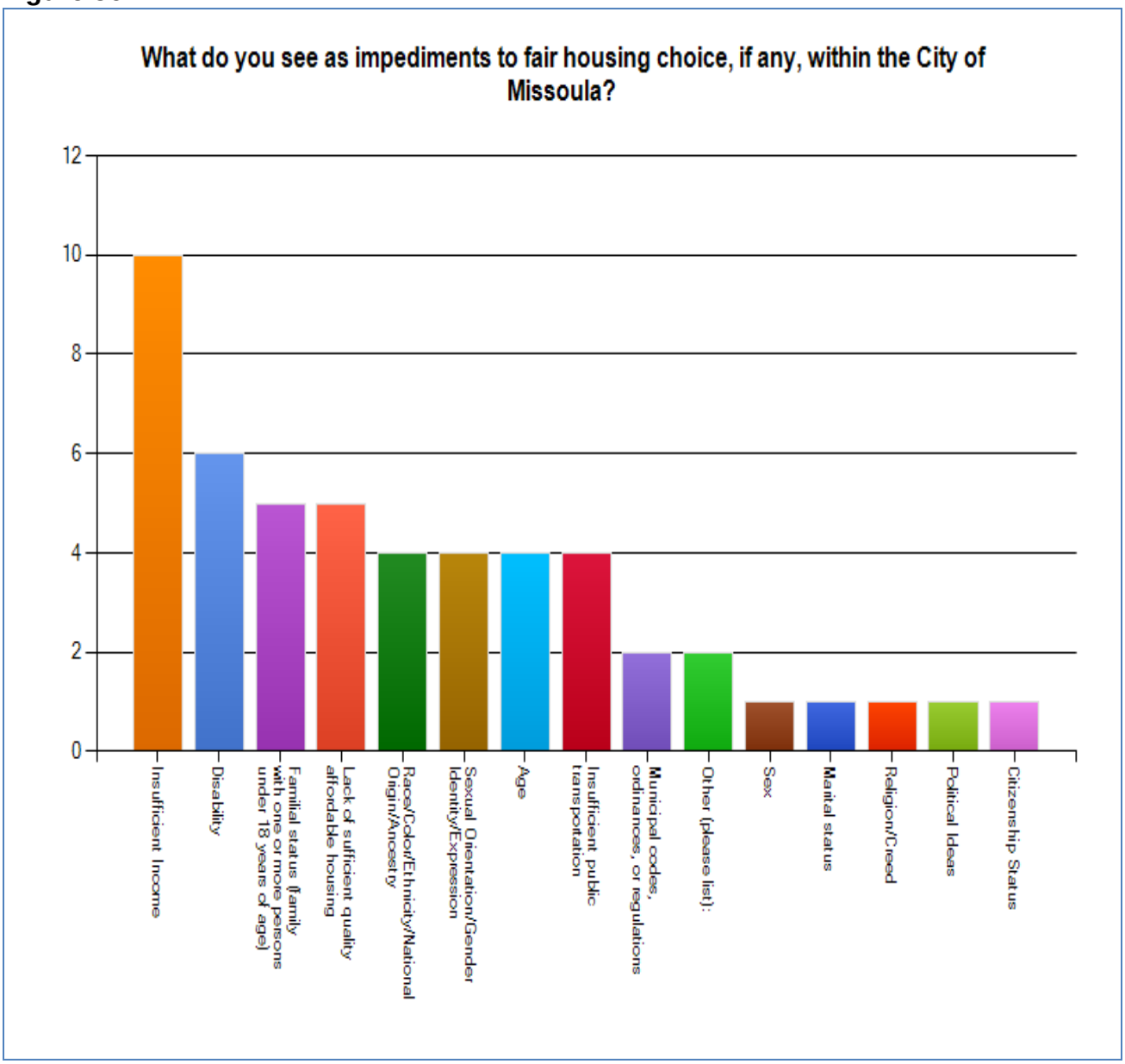
Figure 56



Perceived Impediments by Survey Respondents

When asked to identify the impediments to fair housing choice in Missoula, the largest group of respondents felt that Insufficient Income was a factor. The answer mirrors that from the largest group of real estate professionals, and received the second largest number of votes from the citizens surveyed. This was followed by the presence of a Disability, Familial Status, Lack of Sufficient Quality Affordable Housing, Race, Sexual Orientation, Age, and Insufficient Public Transportation. Respondents that answered "Other" gave the following answers:

- Enforcement by City of Design & Construction requirements.

- Service Animals
- Medicinal marijuana
- Reasonable Accommodation
- Occupancy Standards

Surveyed housing providers were asked for suggestions to change fair housing laws and practices. Suggestions and/or responses include:

- Give Montana Fair Housing some teeth to actually be able to fine, or bring suit against offenders directly.
- Enforcement across the board including private property owner who manage their own rental property. Change in state laws requiring owners of private property who manage their own rentals to have both fair housing training and basic Montana landlord tenant law training.
- Fair housing continuing education each year for all landlords.
- Private landlords don't know the laws as they should. Residents are not as informed as they should be. They think they know what their rights are, but they are usually misinformed.

Surveys included the following responses to actions they suggest the City could take to address impediments and improve fair housing choice for all residents.

- Provide referrals to HUD, Human Rights Bureau (HRB) and Montana Fair Housing.
- Decrease infill development and provide more incentives for building units that meet 504 accessibility standards and are affordable for very low and low income households.
- Provide more training, opportunities for residents and private owners.
- Need to address aggressive panhandling, and aggressive behavior by homeless people in a more proactive fashion. We have had extensive damage done to our buildings downtown with not enough response to continued complaints by our tenants and on site managers.
- Work at improving the take home pay of employees.
- Improve the business and economic prosperity in Missoula by making changes to the Planning Board and Staff -- that it is a City friendly to businesses rather than their current anti-business stance.
- Enforcement of federal disability guidelines during construction - all other aspects involve correcting behavior but improper construction once undertaken is frequently too expensive to reasonably fix. I am amazed at how many apartment and condo properties are in flagrant ADA violation and the disdain builders treat the laws concerning ADA.

Upon analyzing all survey responses from citizens, real estate professionals, and housing providers, it is clear that the lack of fair housing education and enforcement in the rental community serves as an impediment to fair housing choice.

Key Person Interviews

In conjunction with the surveys, ASK conducted key person interviews person-to-person, by teleconference, and via email correspondence with members of the City of Missoula Staff and nonprofit and advocacy groups.

Table 70 – Key Person Interview Participants

Missoula Aging Services	Eileen Sansom	Chief Programs Officer
Missoula Senior Citizens Center	Michelle Hastings	Executive Administrator
Missoula Urban Transportation District (Mountain Line)	Michael Tree	General Manager
Montana Fair Housing	Pam Bean	Projects Coordinator
Missoula Housing Authority	Lori Davidson	Executive Director
Missoula Human Resources Council	Jim Morton	Executive Director
Montana Dept. of Labor & Industry Human Rights Bureau Montana Human Rights Network	Kim Abbott	

Below is a description of some of the agencies and a summary of fair housing issues identified by them.

Missoula Aging Services

- Missoula Aging Services is a Countywide Aging and Disability Resource Center serving adults over age 55 and persons with disabilities. Services offered by the organization include Meals on Wheels, state health insurance counseling, and respite care for caregivers.
- The organization does not provide fair housing services but will assist clients with housing issues by referring them to the Montana Fair Housing or to the state fair housing agency. Since July 2011, Missoula Aging Services has received 40 discrimination complaints.
- One of the major impediments to fair housing choice encountered by adults over 55 is unfair discharges from nursing home facilities. According to the representative of the organization, residents of nursing homes are sometimes discharged for non-payment often due to a family member or power of attorney diverting the resident's funds rather than paying for their housing. In addition, residents with mental illness are sometimes discharged for behavioral issues. In some cases, discharged residents are taken to a motel. When the agency is aware of these cases prior to discharge, staff is able to advocate on behalf of the resident or go before the State Appeals Board to appeal the decision to discharge.

- The need for more fair housing education specifically on the rights of citizens was also identified. It was recommended that housing providers and agencies be encouraged to promote fair housing on their websites.
- Lack of affordable housing in the City, particularly for seniors was noted as an impediment. Some of the new housing (constructed in the last 5 years) is not centrally located near services or public transportation. In addition, there is some accessible housing in the City but probably not enough.

Missoula Senior Citizens Center

- The 700-member organization serves elderly residents of Missoula County by providing recreational, social, and educational activities such as trips, tours, and dances. The organization's mission is to provide programs and services that support the physical, intellectual, and emotional health and well-being of Missoula's senior population.
- The agency does not provide fair housing services or address discrimination issues. Clients are typically referred to Montana Fair Housing to address any such issues.
- Difficulty in finding accessible housing in the City was noted as an impediment as seniors are often also disabled. Affordable housing for seniors consists often of less accessible studio apartments. It was also noted that housing that is available to serve elderly and/or low income residents is often substandard i.e., not constructed well, noisy, and cold.

Montana Fair Housing, Inc.

- A non-profit organization dedicated to the elimination of housing discrimination, and the advancement of civil rights. The mission of Montana Fair Housing, Inc. (MFH) is to promote fair housing throughout Montana, promote equal opportunity in all housing related transactions, and to ensure all housing is available on a non-discriminatory basis. MFH serves housing providers and consumers across the state, investigates allegations of housing discrimination, and counsels housing discrimination victims and assists them in filing administrative complaints.

Consultation Meetings with City Staff

Meetings were held with City staff and officials to get input on fair housing and discrimination issues. Consultations were held with the following persons:

- Cindy Wulfekuhle, Director of the Missoula City/County Department of Grants and Community Programs (GCP)
- Nancy Harte, Senior Grants Administrator, GCP
- Mellissa Gordon, Grants Administrator, GCP
- Ginny Merriam, City Public Information and Communications Officer

- Keith Worthington, Senior Deputy City Attorney
- Mike Haynes, Director, and staff, Development Services Department
- Caitlin Copple, Alderwoman, Ward 4

Missoula staff members were asked a number of questions about the status of fair housing, affordable housing and community service needs in Missoula. Discussion and responses from City Staff are included in various sections of this report.

Focus Groups

In order to elicit input on public perceptions of the impediments to fair housing choice and housing discrimination in Missoula, focus group meetings were held on October 17 and 18, 2013 with the following groups:

- Realtors, lenders, property managers, and other housing providers. A meeting was conducted with the Montana Organization of Realtors® which includes members of the construction industry and lending institutions.
- Housing providers and advocates, as well as community housing development organizations meeting the needs of low income families, persons with HIV/AIDS, homeless, and persons with disabilities.

The focus group meetings were advertised on the City and County websites, via email, in the *Missoulian* and the *Missoula Independent*, as well as the City's Facebook page.

At each session, the meeting attendees were educated on the purpose of the AI and the process to be used. Participants were asked to identify housing choice issues that were of particular concern to them and their comments were recorded. The responses from these focus groups are summarized below.

Public Meetings and Community Outreach

In September 2013, the City of Missoula and Missoula County held a public Community Needs Assessment meeting in the Missoula City Council Chambers. The purpose of the Community Needs Assessment meeting, held every year in late summer/early autumn, was to identify specific or general areas of community need. This year's meeting also served as the launch of the five-year Consolidated Plan process. The meeting was attended by over 30 members of the public, agency representatives, and members of State and local government. The minutes for the Community Needs Assessment meeting are located in Appendix 4 of this document.

Members of the general public, as well as representatives of various community groups were invited to attend public input meetings. Public meetings were held on October 17 and 18, 2013. In addition, many agency representatives were contacted via phone and email in order to solicit their and their constituencies' input and participation in the appropriate fair housing survey and responses are reflected in the above analysis. The

following agencies were contacted, but since survey completion is anonymous, it not known which agencies participated.

Table 71 - Public Meeting Attendees

Meeting Participant	Agency/Organization (if applicable)
Autumn Schwenk	Joseph Residence
Justice Ender	Summit Independent Living Center
Travis Hoffman	Summit Independent Living Center
John Firehammer	MT Tobacco Use Prevention Program
Eileen Sansom	Missoula Aging Services
Kaila Warren	Tobacco Prevention Program
Patty Kent	W. Montana Mental Health
Jean Harte	Grants and Community Programs
Melissa Richards	YWCA
Michael Moore	Reaching Home, United Way
Candace Day	Union Gospel Mission
Katherine Brady	The University of Montana
Melissa Gordon	Grants and Community Programs
Nancy Harte	Grants and Community Programs
Travis Mateer	Poverello Center
Kim Lahiff	Adult Probation/Parole
Jane Guest	Women's Opportunity & Resource Development (WORD)
Jacole Johnson	Early Head Start
Afton Russell	Mountain Home, MT

The responses from these public meetings are summarized below.

Participants were asked a number of questions about the status of fair housing, affordable housing, and community service needs in Missoula. A summary of responses and discussions are provided below.

General Comments

- Affordability has an impact on the mentally ill because of their low income.
- Inclusionary zoning where every housing development provides affordable housing to qualify for density bonus. Otherwise the developer would have to donate a certain amount of funds to an affordable housing trust fund.
- There are barriers for providing reasonable accommodations by rental owners, such as accessible parking for persons with disabilities. Builders and architects are fairly well educated when making accommodations for ADA.
- Public process when accommodations affect neighbors. There are community input meetings but mostly property is purchased that is already properly zoned for the type of housing being built. Smaller projects are also built.
- Missoula does not have the economies of scale to support inclusionary zoning, putting money into a fund for affordable housing, etc.

- Compliance with accessibility is an issue for the City, especially when doing Certificates of Occupation.
- Uniform accessibility became standard for the City. The City does have components to make sure there is accessibility but the inspectors need to be sure to look for the hidden ADA components such as backer board for installing grab bars.

ADA and Housing for Persons with Disabilities:

- Housing affordability has an impact on the mentally ill because of their low income.
- There should be inclusionary zoning where every housing development provides affordable housing to qualify for density bonus. Otherwise the developer would have to donate a certain amount of funds to an affordable housing trust fund.
- There are older housing units within City limits but they cannot be made accessible (such as adding ramps, due to existing obstacles). Land owners do not want to hold units open waiting for ta person with disabilities to come along; they will rent to whoever comes first.
- There are barriers for providing reasonable accommodations by rental owners, such as accessible parking. Builders and architects are fairly well educated but could be more knowledge when making accommodations for ADA.

Housing for Senior Citizens:

- Aging populations are outliving their resources. The Montana economy and having to retire on Social Security underscore the need for more affordable housing.
- Age is a protected class in Montana. Seniors face discrimination when it is linked with disability or chronic illness.
- There are transportation issues for seniors when development occurs on the edge of the urban area. Missoula should look at more infill to provide access to the community.

Transportation:

- Housing availability is the problem; there is not much available within the City. Transportation is the barrier to living in the outskirts of Missoula.
- The challenge of using public transportation is the frequency of trips.

Housing for Students:

- For student renters, the barriers that exist are the credit requirements and the requirement that a co-signer that reside in Missoula.
- Those that are under 18 cannot enter under a contract so there are youth with no place to live.
- Are there other partnerships available, such as the University of Montana and the hospitals, to be involved in housing in the community? The Mayor has been working with the University and is also behind economic partnership for

development efforts. The effort has slowed because of lower enrollment and more development on Russell Street.

Housing for Homeless Persons:

- For facilities providing services to homeless persons, there is more of a male presence so females will not come through the door. Calls they receive are mainly from women, women with children, or families needing short-term housing. Options are not seen because services are often not provided on site.
- There is education and assessment of those that are homeless. The story of homelessness has not been told very well. Reaching Home will be doing that better and trying to break down the stereotype.

Housing for Victims of Domestic Violence:

- There needs to be more education around victims and their rights. Many have poor rental history because of evictions due to domestic violence. Private and property management leases may not be aware but more education is needed.

Public Participation:

- Missoula seems to have a good engaged group. A housing task force could be formed to help put ideas together and expand on what is already happening.

Public Policy and Regulations:

- Missoula is doing a good job maximizing resources but problems arise when HUD cuts back on vouchers, sequestration happens which is an impediment to housing. Money is often the answer to everything.
- Missoula recently enacted the 10-Year Plan.
- Missoula has very few local foundations. There are some that are involved with individual projects. The level that foundations are able to help is substantial but not for building affordable housing. The amount of money available is a band aid and not a solution. In some areas foundations are being called upon to play a larger role in their community.
- Is the current infill policy a detriment or does it provide a solution? Accessory dwelling units is a new regulation for Missoula that was fought by neighbors. Illegal and unsafe units need to be addressed. Addressing regulating the landlord business also needs to happen.

Issues Discussion from Focus Groups, City Officials, and Public Meetings

Discussions regarding fair housing choice in focus groups, key person interviews, public meetings, and with City staff resulted in the following observations. Several issues that limit housing choice but did not fall under the protection of the Fair Housing act were raised by participants and interviewees. For example, persons who are convicted of a

felony find it difficult to secure housing even if they are reformed. A bad credit history or no credit history, along with the inability to save for a lump sum of first- and last-month's rent and a security deposit is seen as limiting fair housing choice. Low income is also seen as a barrier as some landlords are requesting a co-signer for a lease or that the tenant has an income of three times the rent. While this policy may meet the affordability standard of 33% of income for housing, many low income families are spending more than half of their income on rent. It was recognized that there are some landlords who are very accommodating. It was disclosed that the City was in the process of developing a tenant-based rental assistance program using HOME Investment Partnerships program funds. Another limiting factor is low income, especially for female-headed households with children, as many mothers with low paying jobs often have challenges in maintaining housing if they have to take days off for a sick child. The vicious cycle is that incomes are so low and so unstable. With limited child care options, they are often unable to sustain employment and often afterwards also lose their housing due to a lack of a job. This is compounded by lack of affordable housing near to downtown and major employment centers.

It was noted by some participants that the lack of affordable housing in the downtown area and concentration of it on the outskirts of the City was an impediment. There are 300-400 housing units being built in the downtown area with some at lower prices and rents but none are affordable units. Participants cited that this resulted in low income families especially those with children electing to live in poor housing conditions in the City to ensure that their children are not uprooted from schools and support systems. Not moving far away from their jobs also ensures that transportation challenges do not affect their jobs. For example, if a family has a car that is not performing well, a failure to start one morning can be better managed if they are nearer to school and work. Relocation costs and convenience was also a factor. One participant who is a housing developer also discussed the lack of affordable housing in the context of the price of land on the City's outskirts being much cheaper and land in the downtown area being inordinately more expensive. The latter is due to the fact that the main types of land uses that can be easily rezoned for multifamily housing is industrial land, which is much more expensive.

While some service organizations were involved in developing housing themselves, such as Mountain Home Montana, a housing facility for young mothers, and Western Montana Mental Health Center's West Broadway housing for the homeless and mentally ill, there was a need for more such housing.

The City has created a framework for addressing impediments and any discrimination through anti-discrimination and affordable housing legislation. However, it was felt that a lack of clear implementation protocol, responsibility, and impact measurements were not in place and it was too early to assess its effects.

Participants mentioned that the City's public transportation system in general was adequate but challenging for persons most impacted by the lack of affordable housing in the inner core. It was noted that wait times increased when it got closer to the City's outskirts where most of the affordable housing is located.

One of the recurring themes in the discussion was a type of public input process for zoning changes that requires a super majority vote of the council and therefore limits the amount of affordable housing that can be developed downtown. This seems to create a type of “Not In My Back Yard (NIMBYism) attitude in some communities.

It was mentioned by participants that housing discrimination was highest among American Indian/Native Americans living in the City and persons with disabilities as a percentage.

Another frequently mentioned impediment to fair housing choice that has a disparate impact on low income persons, especially female-headed households with children, are code enforcement issues. Some tenants are afraid to complain about or report poor living conditions to the City’s code enforcement, as this often results in the tenant being seen as a “troublemaker” who then finds it difficult to find new housing, previous landlord recommendations are used to filter out some tenants. This also may disparately impact persons with limited English proficiency and immigrant families. Using a rental licensing system was suggested. The City currently has a Voluntary Residential Inspection Program in which the City offers inspections to look at egress, guardrails, heating systems, smoke detectors, and other safety concerns. Landlords are encouraged but not required to request the inspection and certification and use it as a tool to market their houses. Participants also mentioned that discrimination occurs with some elderly persons being denied access to nursing homes. In this category, it was noted that families with a person with disabilities and living in poor housing conditions are sometimes afraid to complain for fear of losing their housing.

Persons with cognitive disabilities were also identified as a group facing potential housing discrimination due to difficulties in finding accessible housing and limited case management, which is usually voluntary. Tenants may lose vouchers because of simple events such as them forgetting to do annual registrations. The housing authority is working with case management agencies to ensure that follow-up checks with participants occur.

Policy issues noted by participants included an infill housing policy that is perceived as an impediment by not allowing adequate space, setbacks and parking to facilitate housing for persons with disabilities. This includes a limitation on marked parking spaces. Retrofitting of existing houses for persons with disabilities tend to be paid for by the tenants.

It was also noted by the reviewer that the City’s owner-occupied rehabilitation is not intensely used. It was suggested that the fact that the funding is provided as loans may be a barrier to the funds being used. Lower level of homeownership among protected classes’ members may also be contributing to the response.

It was mentioned by real estate agents and lenders that affordable housing is viewed as multi-family housing and less as for-sale units. The participants discussed the effect of the City development regulations saying that it is a detriment to developing affordable housing. The City has limited or no incentives to motivate developers to provide affordable housing. It was stated that margins on affordable housing are typically 5-6%.

College students have a hard time finding apartments and are often driven more towards to single family or accessory dwelling units. The perception is that lenders are less likely to provide loans for affordable housing projects that are not subsidized.

Solutions

The groups listed above suggested solutions for impediments or barriers to fair housing choice. These included the suggestion that a guarantee pool be set up to encourage landlords to rent without placing onerous credit requirements on tenants. A shared housing unit was also a suggested strategy. Participants noted that there was much collaboration between stakeholders, and the reviewer noted that in all meetings the public was highly engaged. However, some felt that there was a need for more advocacy organizations in the City.

A query was made regarding landlords' familiarity with the Fair Housing Act, suggesting the need for landlord education. More adequate case management services provided to persons with cognitive disabilities as a requirement instead of voluntary was a possible solution. A rental license process could be a solution, incorporating the code enforcement inspection as a requirement annually. Landlords who accept Section 8 vouchers are familiar with such a process.

Public Meetings for Approval of the AI

On February 26, 2014, the draft AI was reviewed by the City's Administration and Finance Subcommittee of the City Council. The meeting was open to the public and comments were solicited. The draft AI was published for public comment for a period of 30 days starting March 2, 2014. The AI Executive Summary was available, including a link to the AI document, for the public via the City's website as well as copies at the library and two advertisements placed in the Missoulian by the Department of Grants and Community Programs. Upon completion of the 30 day comment period the public comments were incorporated in the draft AI and reviewed and approved by the City of Missoula City Council during their regularly scheduled public meeting on April 28, 2014. Public comments were also accepted at that meeting and incorporated into the AI.

Public Education

Fair housing education and awareness are critical to ending housing discrimination because if both the perpetrator of discrimination and the victim are aware of the rights and responsibilities under the Fair Housing Act, it could reduce discrimination. The survey results above show clearly that the public is less informed of housing discrimination.

As a result of a community-wide meeting on fair housing held in December 2001, the City sponsored a comprehensive fair housing workshop designed for housing providers and for social service staff who work with potential victims of housing discrimination in

May 2002. Since that workshop the City, in conjunction with Montana Fair Housing, has initiated a series of training sessions related to specific fair housing topics. To maximize public education and awareness, existing resources and avenues may be used as follows:

Use of City Boards and Commissions

The following is a list of City committees, boards, districts and commissions, some of which address housing issues. Citizens may be appointed to boards and commissions, and the use of these to facilitate fair housing education and awareness could be significant:

- Animal Control Board
- Bicycle and Pedestrian Advisory Board
- Board of Adjustment
- **Building Code Board of Appeals** - rules on disagreements between the Building Department personnel and those persons being regulated under the Montana State adopted codes.
- Business Improvement District
- Cemetery Board
- Conservation District
- Conservation Lands Advisory Committee
- **Design Review Board** - reviews and decides on sign packages, building graphics, variances, and deviations from certain development standards, found in the design standards.
- **Energy and Climate Team** – aids in the community-wide education and communication of energy efficiency and to monitor and lead energy efficiency and greenhouse gas reduction initiatives. The Team also provides recommendations to the City Council's Conservation Committee.
- Extraordinary Events Committee
- Health Board
- **Historic Preservation Commission** - is charged with establishing a local historic preservation program and integrating historic preservation into local, state and federal planning and decision-making processes.
- **Impact Fee Advisory Committee** - is responsible for calculating, assessing, and spending impact fees and advising the City of Missoula governing body with respect to these impact fee revenues.
- Library Board
- **Mayor's Downtown Advisory Commission** - advise the mayor and work on issues of quality of life in downtown Missoula, including: aggressive panhandling; human services and infrastructure needs; ordinances; and identify and do projects under the mayor's direction.
- **Missoula Civic TV Advisory Commission** - provides guidance and assistance to government and civic channel staff to increase the breadth and depth of

programming to a broad Missoula area audience and enhance citizen involvement in civic and government activities.

- **Missoula Housing Authority Board** – The Missoula Housing Authority (MHA) collaborates with multiple nonprofit and for-profit organizations to increase Missoula's housing solutions and use diverse tools and methods.
- **Missoula Redevelopment Agency Board** (MRA) - fosters redevelopment and new development within Missoula's Urban Renewal Districts by furthering the community goals and objectives identified in the Districts' Urban Renewal Plans. The MRA partners with public and private entities to help improve economic vitality, create jobs and encourage investment, as well as public improvements like parks, trails, streets and sidewalks.
- Open Space Advisory Committee
- Parking Commission
- Parks and Recreation Board
- **Planning Board** - The Consolidated Planning Board holds public hearings and provides recommendations to the City and County on adoption and amendments to growth policies, zoning regulations, and subdivision regulations. The Board also makes recommendations on City and County zoning and rezoning requests and major subdivision proposals.
- Police Commission
- Public Art Committee
- Tourism Business Improvement District
- **Transportation Policy Coordinating Committee** (TPCC) – develops and keeps current transportation planning as an integral part of the comprehensive regional planning for the Missoula urban area. This committee manages the executive business of the Missoula Urban Transportation Study, works closely with the City, County, Missoula Consolidated Planning Board and the State to develop and keep current urban transportation planning in the Missoula area.
- **Urban Transportation District Board** (MUTD) - sets policy for Mountain Line, Missoula's public transit agency, and guide the agency in its vision to be an essential public transportation provider in the urban area and a major contributor to a multi-county, multi-modal transportation infrastructure in the western Montana region.

Use of Missoula Community Access Television (MCAT)

MCAT provides Missoula residents and organizations with the equipment, training, and channel time to produce TV programs based on their interests and concerns and that reflect Missoula's cultural, political, and intellectual diversity. MCAT helps to foster a community dialogue about people and issues that might otherwise go unnoticed. Volunteer producers provide input and direction. Non-profit organizations and civic groups are granted eight hours of staff time and all the television equipment needed to produce their program. The MCAT staff will directly assist organizations in creating a program to highlight the non-profit organization, free of charge. The finished program will run on the MCAT channel. Organizations use this service to share special events, conferences, and other matters. MCAT is a potentially effective resource to educate the public on fair housing.

Other Public Outreach

Along with the agencies mentioned above in the key-person interview section, the following agencies, including housing providers, currently work with and are often funded by the City. The City could collaborate with more to increase education and awareness of fair housing issues:

Missoula Food Bank is a private, non-profit organization that addresses hunger in Missoula County by offering emergency food assistance to persons in need.

The Poverello Center, Inc., a non-profit organization that advocates and provides services to address and improve the health, well-being, and stability of the homeless and underserved within Missoula. The Poverello Center, Inc. operates four separate programs addressing the diverse homeless needs of the Missoula community. The Ryman Street facility provides shelter for up to 100 homeless men and women along with hot meals and a food pantry seven days a week, as well as referrals for social services. The Homeless Outreach Team seeks to serve and engage the shelter resident homeless within the wider Missoula community, provide opportunities for community education on homelessness, and approaches for interactions with the homeless. The Joseph Residence program provides transitional housing and supportive services for up to 16 homeless families with children for up to two years as well as resources for successful transition into permanent housing. The Valor House program provides transitional housing and supportive services for up to 17 homeless Veterans for up to two years.

The YWCA Missoula; a non-profit organization that offers transitional housing at Ada's Place, 50-day emergency housing and supportive/referral services at the Salvation Army.

Open Aid Alliance is a non-profit organization that provides services to people frequently underserved and hard to reach, including those living with HIV/AIDS, hepatitis C and people who use injection drugs.

Missoula Indian Center promotes and fosters the health, education and general welfare of urban Native Americans in and around Missoula. They provide an information and support system to the Native American community by networking within house programs and local health and human service agencies to provide maximum resources and assist those relocating from reservations to urban life by functioning as the primary communication center.

Summit Independent Living Center, Inc. is a non-profit, non-residential program serving people with mobility, neurological, hearing, visual, and other disabilities.

Western Montana Mental Health Center (WMMHC) assists individuals and communities with the challenges of mental health, substance use and co-occurring disorders. The WMMHC offer behavioral health services in the 15 western and southwestern counties of Montana.

The **Montana Human Rights Bureau** receives and investigates complaints of illegal discrimination and is the agency responsible for enforcing the Montana Human Rights Act and the Governmental Code of Fair Practices, along with certain federal anti-discrimination statutes.

The **Montana Human Rights Commission** is a five-member governor appointed commission which sits in independent judgment of complaints of alleged discrimination. The Human Rights Commission is the last level in the Montana Department of Labor and Industry's administrative process.

Montana Legal Services Association (MLSA) is a law firm that assists low income people by providing legal information, advice, and other services free of charge. They work on individual cases and through a systemic approach to help low income people with domestic violence, preventing homelessness, and more.

Montana Independent Living Project, Inc. (MILP) is a not-for-profit agency that provides services that promote independence for people with disabilities. MILP has four locations that provide services to consumers in 14 Montana counties.

Mountain Home Montana is a non-profit organization providing transitional and permanent housing for mothers with children. They have 11 units of which five are used for permanent housing and six for transitional housing.

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VI. FAIR HOUSING IMPEDIMENTS AND RECOMMENDATIONS

Introduction

Missoula's previous AI identified impediments to fair housing choice and provided recommendations for specific actions that the City could take to reduce or remove those impediments. This section will review the impediments and the action plan identified in the City 2010 AI, and the status of those impediments. The current qualitative and quantitative data collected and analyzed give us a detailed look at the state of fair housing choice in the City of Missoula in 2013-2014.

This section will also review any current impediments identified through this study, discuss the issues related to the impediment and its impact on members of the protected classes and the community, and provide a recommendation to the City. The recommendations will consist of three types: 1) "strongly recommended actions;" 2) items to be researched and feasibility/resources determined; and 3) suggested strategies. In order to develop a viable implementation plan, the City may view the recommendations as a framework for addressing the impediments and a guide to facilitate further community dialogue, research, feasibility testing, and action.

Previously Identified Impediments and Recommendations

This section briefly reviews some of those previously recommended actions, provides an update on City actions, determines if the issue is still an impediment, and sets forth any updated recommendations, if necessary. It is noted here that the City has taken steps to address the impediments identified in the 2010 study, most of which were planning and zoning related. Refer to the 2010 study for more detailed information.

Previous Impediment #1: Lack of selected financial mechanisms to promote housing production.

Previous Recommendation(s): Create new and/or expand local financial mechanisms for affordable homeownership such as employer/employee housing ownership, rehabilitation and homeownership, lease to purchase homeownership, and land banking.

Current status: The City of Missoula spends HOME funds for downpayment assistance and homebuyer education and has supported the creation of several land trust projects with HOME and CDBG. A HOME-funded project was assisted in converting several units to lease-to-own. Discussions with major employers have taken place to encourage employer/employee housing, but have not yet resulted in any program.

Updated Recommendation(s): None

Previous Impediment #2: Lack of understanding of the housing development process

Previous Recommendation(s): Define affordable housing

Current status: Over the past six years the housing development process has been clarified in a number of ways: In 2009 the City zoning ordinance was revised in order to create a more transparent development process by reorganizing and streamlining the regulations and reducing the number of cross references and exemptions. In 2012, the City established a new automated permitting process using a program r e f e r r e d to as Accela Automation. The system will be able to track permits, create simultaneous reviews among agencies and eventually establish online submittals as well as tracking the permit process.

Eventually, timing for review of projects should be reduced with Accela, but the program is still relatively new and additional program enhancements will be needed.

The City follows State and National requirements for accessibility adopted by the State of Montana. Development Services explored the use of voluntary "visitability" guidelines that would make one- and two-dwelling residential dwellings accessible and City Council has adopted such guidelines.

Since 2012, Development Services has held development review team meetings aimed at creating consistency in review of complex development proposals, understanding of potential issues, describing the review process and discussing a time estimate. In 2013, Development Services also established regular permit review team meetings for the purpose of meeting with applicants to review permit proposals.

Some efforts have also been underway to establish land development guides. City Engineering already has "subdivision and infrastructure design guides" along with a "project development toolbox."

Previous Recommendation(s): Continue outreach and education activities regarding the overall development process.

Status: The City and County underwent the reorganization of project development functions in 2012 that culminated in bringing the City agencies that staff building development project review into one department – Development Services. The process results in a more streamlined (one stop shop) approach to permit review. Additionally, planning staff present background information about zoning and land use (Zoning 101) as requested. Several Zoning 101 presentations were given to development industry organizations such as the Missoula Building Industry Association, Missoula Appraisers Association and Missoula Organization of Realtors® as well as individual real estate businesses shortly after the revised zoning code was approved.

Updated Recommendation(s): Provide information on the City's development services at public participation meetings for Consolidated Plan and Annual Action Plans.

Previous Impediment #3: Insufficient land properly zoned for residential development.

Previous Recommendation(s): Annex and rezone sufficient property for residential uses

Current status: Between 2008 and 2012, the City of Missoula annexed and zoned 212 acres of residential land including about 31 acres as multi-dwelling zoning and 17 acres of commercial and industrial lands. This land for the most part was vacant and then was developed as it was annexed into the City.

The revised zoning code does still allow residential development in commercial zones but also includes incentives for developing mixed use projects. For vertical mixed use development that includes a percentage of the development as commercial, the proposal has no maximum density requirement. Since the new zoning incentive was put in place between three and five new vertical mixed use projects have utilized this tool.

Generally, responses to previous points provide for more information regarding other changes to zoning tools for higher density residential development.

Housing development in Missoula can be characterized as slower than average at a 1.1% annual growth rate over the last five years. New construction was characterized by continued single dwelling and small multi-plex infill in older neighborhoods. New multi-dwelling construction comprised over half of all new construction. Single dwellings in new residential subdivision comprised one-third of new residential development. Here are some statistics over the last five years:

- From 2008 to 2012, 1,665 new residential units were built in the urban services area. Three quarters of those were inside the city limits.
- Approximately one-third of those were single-dwelling detached homes and there were 151 townhomes, and 68 duplex units.
- The rest, 848 units were multi-dwellings, with 65% as market rate rental, 26% income-qualified rentals, and 9% condominium. Many of the market–rate rentals are geared towards college students. All but 40 of these units are inside the City limits.

In 2007, planning staff developed an analysis of existing lands within the Urban Service Area (URSA) referred to as the Urban Fringe Development Area (UFDA). The goal of UFDA was to review existing conditions that are considerations for development and prepare a recommendation for where the next 15,000 new units would occur within the URSA. After consideration of infrastructure, community facilities, and natural resource constraints the community determined a “focus inward” approach to guiding growth is desirable. The analysis showed the potential for over 26,000 units are available within the URSA within the existing zoning in place based on a review of developable (both vacant and underdeveloped) lands. The build out estimate includes residential development on any lands that support residential development including residential, commercial, and light industrial – residential. Residential development may still occur in commercial zoning districts.

UFDA also includes tracking of the number of already approved preliminary subdivisions plats. Prior to 2008 the community had 5,247 lots that were developable but had not been finalized or built upon. Those lots are referred to as entitled lots. Each year the City tracks the development activity to determine where housing development is occurring, how much growth is occurring and what type of units are being developed. Currently, there are 5,312 entitled lots. Approximately 1,000 units of these are multi-dwelling units. While there may not be a significant amount of land with base zoning dedicated to multi-dwelling development there have been several subdivisions that incorporated a mix of residential building types including multi-dwelling. Currently, 1,050 acres is zoned specifically for multi-dwelling residential to allow a maximum density of 43.56 dwelling units per acre. Twenty acres is zoned to allow a maximum of 86 dwelling units per acres. This is in addition to lands with commercial zoning that allow residential development. Combined, there is a total of 1,070 acres with multi-dwelling zoning.

Two hundred and twenty eight acres of the combined 1,070 acres of multi-dwelling zoned areas are considered developable. Some 87 acres are totally vacant; however a portion of that vacant land has been approved preliminarily for subdivision. This represents an increase of land zoned for multi-dwelling development but doesn't necessarily indicate that there is a sufficient amount. During an upcoming effort to update the City's Growth Policy additional analysis will occur to consider sufficiency of the land designated for residential development. The upcoming Growth Policy work will also review land use recommendations as they are intended to be a primary guide for changes in zoning.

The typical opportunity for increased multi-dwelling zoning is as land is annexed. Between 2008 and 2012, the City of Missoula annexed and zoned 212 acres of residential land including about 31 acres as multi-dwelling zoning and 17 acres of commercial and industrial lands. This land, for the most part, was vacant and then was developed as it was annexed into the City.

Since the UFDA analysis, the City also updated the zoning code. Changes in the code will allow for additional potential re-use and infill within the City limits because of reducing the minimum parcel size for small-lot development and simplifying the method of determining density in multi-dwelling districts. Density used to be determined based on number of bedrooms, whereas now it is based on square footage. The zoning code also allows residential development with no density cap if the project is part of a vertical mixed use development or located within the Central Business District.

The City also passed new regulations for accessory dwelling units, allowing them in single dwelling districts.

Finally, the University of Montana has committed to building 1,000 new units in the near future to alleviate some of the rental burden on the adjacent neighborhoods.

Updated Recommendation(s): None

Previous Impediment #4: Inaccurate public perception of "affordable housing."

Previous Recommendation: Conduct outreach and education activities regarding the overall development process

Current status: Efforts to address the public perception of affordable housing have been tackled in a few different ways.

In 2008, the Mayor embarked on an initiative to address the challenges presented by housing prices in Missoula. The goal of the initiative is to share information, inquire about solutions, explore ideas, identify what's missing, and cooperate on working toward answers. The effort included developing a video "Housing in Missoula: A Community Conversation," featuring a variety of area residents and professionals discussing the effects of high housing prices on quality and patterns of life. The initiative was aimed at discussing the following questions:

- Who needs affordable housing in Missoula?
- Where is housing appropriate?
- What should housing look like?
- How do we as a community help pay for affordable housing?

Reports from this initiative include a spreadsheet describing housing affordability in Missoula; a list and description of potential financial tools for affordable housing; a "City of Missoula affordable housing program"; City resolution and a housing preference study. This is all information that will help to inform the ongoing discussion and understanding of affordable housing in Missoula.

The zoning code now includes a definition for "subsidized" as "financing provided by the US Department of Housing & Urban Development (HUD) or the Montana Board of Housing (MBOH) expressly for the purpose of providing housing for low- and moderate-income households." This definition is used in conjunction with relief from certain parking ratios if a project is subsidized.

A new development option was established in City zoning referred to as "permanently affordable development (three or more dwelling unit project)" that is intended to encourage permanently affordable small lot detached residential or townhouse development in exchange for up to 20% density bonus. Permanent affordability is described as accommodating residents whose incomes fall below 80% of the area median income as determined by HUD.

Updated Recommendation(s): None

Previous Impediment #5: Lack of compatible neighborhood standards for rehab and redevelopment.

Previous Recommendation(s): Development of compatible neighborhood redevelopment standards

Current status: Some efforts have occurred to address the concern over the acceptance of new residential development. One of those efforts is the identification of residential

allocation areas throughout the URSA as a part of the UFDA project and an amendment to the Growth Policy. This helps to build the general understanding that some residential development is going to occur in most areas throughout the City. In 2009, when the City approved a revised zoning ordinance, it also approved new development standards for accessory dwelling units. The standards are intended to address concern over the new development fitting with the character of the main house.

The revised zoning ordinance also includes parameters and criteria for establishing Neighborhood Character Overlays. This is a tool that is available to neighborhoods and historic districts to establish specific unique design standards in addition to the base zoning standards. One Neighborhood Character Overlay exists (Southside Riverfront Neighborhood Character Overlay) along the Russell Street corridor in an area anticipating redevelopment that will come along with planned major road improvements.

Updated Recommendation(s): None

Previous Impediment #6: Poor tracking of land use mechanisms that promote higher residential density

Previous Recommendation(s): Implement selected agency development initiatives such as pay or subsidize selected fees for affordable housing development; require a portion of sub-developments to be affordable; and institute a realty transfer tax.

Current status: Planned Neighborhood Character (PNC) development standards were repealed in 2009 with the adoption of the revising zoning ordinance. With the revised zoning ordinance, modified cluster development standards and the "permanent affordable development" options were introduced. The Permanent Affordable Development option allows for density bonuses. This development option has not been used yet so it is difficult to say what tracking of the land use tool will occur.

Updated Recommendation(s): None

Previous Impediment #7: Inconsistent and occasionally confusing past public policy, demonstrating a lack of focus.

Previous Recommendation(s): Implement selected agency development initiatives.

Current status: Transportation and land use relationships were discussed during the Long Range Transportation Planning process of 2007 that included an "Envision Missoula" component to visualize growth and preferred development patterns in the future. The outcome of Envision Missoula was to emphasize a "focus inward" approach to growth and transportation policies. The local transit district considered the same question and continued to emphasize a "focus inward" approach. The UFDA project evaluated several scenarios and after public review and debate determined to stay consistent with a "focus inward" policy.

Since 2008 and the development of the UFDA project, the City has had a more consistent public policy approach to supporting affordable residential development. The zoning

code was clarified and made more predictable. But some land use policies are still out of date with the overall "focus inward" vision. The City is expecting to begin a review and update of the jurisdictional growth policy in the near future. During that process, additional clarification of public policy relating to "focus inward" land use implications including consideration of high density residential is expected.

The zoning code no longer includes Planned Neighborhood Cluster as a development option. It does however include a development option for "permanently affordable development" of small lot detached units as a voluntary tool (not a requirement).

Updated Recommendation(s): None
Previous Recommendation(s): Track per-unit costs for all new residential development.

Status: Development Services can provide information regarding lot size and size and type of dwelling units being developed. The housing unit cost and total per-unit cost have not been collected. This is information that may be more readily available through the Building Industry or Realtors® Association.

Updated Recommendation(s): None

Current Impediments and Recommendations

Based on the research and data available, the following are the current impediments to fair housing choice in both the public and private sectors which were identified in the AI. It must be noted that there are some impediments that were previously identified that are also identified in this current list. For each impediment, recommendations were formulated to address them and are listed below. The currents impediments and recommendations will be organized into the following categories:

- Public Policy
- Real Estate
- Banking and Lending
- Education and Awareness

I. Public Policy Impediments

Impediment #1: Zoning restrictions on permanently affordable housing developments create a concentration of affordable housing options in certain areas and limit new affordable housing development.

Action: Review and revise current zoning requirements to encourage the development of affordable housing in more residential districts throughout the City.

Recommendation #1: The City should aim to balance the development of affordable housing units and provide a variety of affordable housing options including larger units and single-family homes to meet the needs of the City's population.

Status: Currently, affordable housing is being steered to certain neighborhoods because of developer incentives being offered by the City. Density bonuses are granted for projects in which the developer agrees to include a certain number of affordable housing units. For every one unit of affordable housing a developer agrees to build, the City allows the construction of a greater number of market rate units than would be allowed otherwise.

Recommendation #2: Encourage the development of affordable housing by means other than subsidizing the cost of housing. The City should develop an inclusionary zoning ordinance that includes the continued use of density bonuses, but also investigate offering other incentives such as development fee waivers or reductions, prioritization of approval process for affordable housing development including a streamlined permitted process, and flexibility in design, and development standards. Density bonuses should also be provided in multi-family developments where units tend to be more affordable.

Status: The City should continue to support zoning, building, and other policies and practices that provide adequate housing supply and choices suitable to meet the needs of the population including those with lower income and special needs. Currently, the City has instituted policies such as the permanently affordable housing development strategy that should be balanced with desegregation of housing, to avoid unintended consequences such as concentration of subsidized housing. . Additionally, density bonuses are only offered on detached dwelling units and townhomes.

Impediment #2: Zoning regulations and practices limit the siting and availability of housing for persons with disabilities.

Action: Review and revise current zoning and land use requirements to ensure that housing choices are not limited for City residents.

Recommendation #3: Consider the implications of accommodating group homes throughout the community under the same standards as any other residential use.

Status: Group homes and other community residential facilities with more than eight residents are considered special uses and require a conditional use permit to be located in residential districts. This has the potential to discourage group homes since special uses must be undergo a public hearing before the Zoning Board of Appeals. There is also the potential for neighbors to protest the siting of this type of housing based on perceptions of reduced housing values and the occupants' status as members of a protected class.

Recommendation #4: Educate residents about the Fair Housing Act and the rights of all individuals including persons with disabilities. Involve social service agencies and City staff to work with the community to address concerns such as NIMBYism.

Impediment #3: The inclusion of residential use categories (residential living and group living) in the Zoning Ordinance may limit the availability of adult living facilities in the City.

Action: Consider removing the distinction between residential use types to ensure that housing choices are not limited for persons in protected classes, specifically persons with disabilities.

Recommendation #5: Remove occupancy standards for community residential facilities that limit the number of persons that may share a dwelling unit.

Status: While the definition of household included in the Zoning Ordinance is broad and allows unrelated persons to share a home, further classification of residential uses into residential living and group living places a cap on the number of residents in a community residential facility at eight or fewer in order to be permitted by right in residential districts.

The City should utilize occupancy restrictions in the Building Code regarding the maximum number of occupants permitted in a dwelling in order to prevent overcrowding and protect their health and safety. These occupancy restrictions should also be applied to all households.

Impediment #4: Land use designations and building codes may limit the availability of affordable housing choice and focus multifamily housing to certain neighborhoods.

Action: Review current zoning and land use requirements.

Recommendation #6: Encourage new multi-family residential developments to increase the supply, variety, and affordability of housing types in the City.

Status: There may be an uneven distribution of multi-family units due to zoning restriction. Multi-family dwellings are the most likely form of affordable housing options, and limiting the location of multi-family units may lead to an overconcentration of lower income housing in selected areas and may limit the number of available units.

II. Real Estate Impediments

Impediment #5: Shortage of accessible housing units.

Action: Encourage development to meet the needs for senior housing and the provision of an adequate supply of units for persons with disabilities.

Recommendation #7: Adopt a definition for disability that is consistent with the FHA and collect and update demographic information for persons with disabilities living within the City.

Status: The Municipal Code does not currently include a definition of persons with disabilities. Not clearly defining this group may lead to the City not providing or supporting the development of housing and provision of services for those with special needs.

Recommendation #8: Adopt universal design features to ensure that affordable housing choices are not limited and ensure that minimum accessibility standards are being adhered to in new developments through enforcement of building codes.

Status: A search of the Municipal Code and the City's website showed no references to the use of Universal Design. Trying to retrofit existing housing units for ADA accessibility may be expensive, and unnecessary for persons with disabilities. Accessibility can also be achieved by including Universal Design concepts in all new housing. These features include zero-step entrances, varying countertop heights, wider doorways, plywood under sheetrock in bathrooms for easier installation and removal of grab bars, roomy baths, and lever door handles. These features are usable by a variety of persons. Currently, the City has approved a resolution establishing voluntary visitability guidelines for new single family homes, duplexes, and triplexes that include expedited plan review as an incentive.

Recommendation #9: The City should review and enhance its existing programs to improve accessibility in existing units.

Status: The Voluntary Residential Inspection Program (VRIP) should be used as a vehicle to evaluate the accessibility of owner-occupied and rental units in the City and to educate owners, tenants, and property managers on fair housing rights and responsibilities. While it is difficult for any jurisdiction to track the availability of accessible units, the VRIP program can be enhanced through marketing and the elimination of inspection fees to assist the City is gauging the need for accessible housing.

Recommendation #10: The City should adopt a policy and procedures for reasonable accommodations that allows certain deviations from development standards to accommodate accessibility improvements in existing dwelling units.

Status: The City does not currently have a policy for reasonable accommodations to meet the housing needs of persons with disabilities. The procedure to apply for reasonable accommodation should be spelled out in the municipal code to clarify the rights and responsibilities of landlords and to clearly articulate cases for reasonable accommodation.

Recommendation #11: The policy for accessory dwelling units should be evaluated to ensure that size restrictions do not constrain the use of ADUs for persons protected by the FHA.

Status: There are groups and individuals in the community that believe the size limits of ADUs have the potential to exclude persons with disabilities and the elderly from utilizing these units as a housing option. However, enough time has not elapsed since the ADU policy has been implemented to conclude that persons with a disability and/or elderly persons are being negatively impacted. The City should assess the effect of the policy to determine if it limits fair housing choice.

Impediment #6: Not enough incentives and increased costs due to regulations that limit the number of affordable housing units for families with children.

Action: Provide incentives and reduce regulations for affordable housing needs of low income families, especially families with children.

Recommendation #12: Research and conduct feasibility assessments on the use of incentives such as expedited permitting and reduced regulations for affordable housing needs of families with children.

Status: The lack of affordable housing for certain types of families is an impediment, since familial status is a protected class under the Fair Housing Act. The citizen participation feedback through focus groups, surveys and key-person interviews indicated that affordable housing for families with children is limited and located outside of downtown and other employment centers. Building affordable housing in or close to the downtown area is more expensive due to land use issues. This was highlighted as an issue in the last AI but it was not adequately addressed. There is a voluntary density bonus program which does not seem to be utilized. At the very least, a feasibility assessment of the value and effects of incentives would be helpful.

Recommendation #13: Research and conduct feasibility assessments on the use of Section 108 loans under the CDBG and other private sources not currently being utilized for affordable housing needs of families with children.

Status: The City currently uses HOME funds for subsidizing affordable homeownership through downpayment assistance and CDBG for owner occupied rehabilitation, but these funds are limited. The City has recently started a tenant-based rental assistance program using HOME funds which will add more affordable housing units. While affordable housing developers in Missoula seem to be sophisticated in their use of financial products such as low income housing tax credits, historic preservation tax credits, HOME, and CDBG, there may be other funding mechanisms through the state that are not be fully utilized.

Impediment #7: Possible fair housing violations in real estate advertising.

Action: Encourage the consistent use of the diverse images in the advertising of real estate opportunities.

Recommendation #14: The relevant City staff of Grants and Community Programs and the Communication Departments should work with the Realtors® Association to encourage the placement of diverse images and human models that promote Missoula as a community that welcomes diversity.

Status: A review of real estate web sites and publications related to the City did not show diverse images of models used or that promotes Missoula as a community that proactively welcomes diversity. The Fair Housing Act prohibits advertising that indicates any "preference, limitation or discrimination" in wording of ads or the use of only or mostly models of a particular race, gender, or family type to the exclusion of others. Missoula has demonstrated a commitment to diversity with its anti-discrimination ordinance. However, the community could promote the City as a welcoming place for persons of diverse gender, ethnicity, races, and family types. Efforts could include the uses of a variety of images and models, use of the equality opportunity logo, words to avoid, and sample public notices or ads.

Impediment #8: Substandard rental housing units available to low income members of the protected classes.

Action: Use a variety of strategies to combat the disparate impact of poor housing conditions on members of the protected classes in the private market.

Recommendation #15: Increase education on landlord/tenant responsibilities and code violations and how to report them.

Status: A common theme among participants in the focus groups, key person interviews, and the online surveys is that many families with children and ethnic minorities have limited housing opportunities. As such, they feel forced to accept substandard housing because of fear of losing their housing or retaliation if they make code enforcement complaints. As noted elsewhere in this report, they are often viewed as "trouble makers" and risk getting a bad reputation for future housing. In addition, other non-subsidized housing in better condition may have much higher rents. Although many landlords provide good quality housing, many are negligent and defer maintenance on rental properties resulting in unsafe and substandard housing conditions. In some cases, tenants do not know their rights and responsibilities or what the process is for filing a complaint or reporting code violations.

Recommendation #16: Modify the Voluntary Inspection Program to include a Rental Registration Program with an annual required inspection for landlords and a mandatory requirement for out of state landlords to have a local representative.

Status: While code enforcement is the City is strong, it is also reactive, resulting in landlords that they feel have a pass because of the high demand for affordable housing. While the City has proactively responded with a Voluntary Rental Inspection Program for landlords, this may not go far enough, as voluntary compliance programs for affordable housing such as inclusionary zoning tend not to be used extensively.

Registration of all rental property with the City should ensure that minimum property maintenance standards are met by landlords. The registration and licensing process should also require absentee owners to assign a local representative with the responsibility and authority to maintain the properties and receive legal notices and ensure code compliance.

Such landlord registration programs and inspections are done in other cities across the country such as West Palm Beach, FL; Surprise, AZ, Boulder, CO; and Crestwood, MO. This program could be structured with a baseline inspection done at registration and then annual inspections. With 774 Section 8 housing vouchers in the City of Missoula, a number of landlords are accustomed to doing these inspections and maintaining proper housing conditions.

Recommendation #17: The City should consider the feasibility of using a part of its grant funds, leveraged with other County and State funds to create a Renter-Occupied Housing Rehabilitation Loan Program.

Status: The City currently uses its CDBG funding to provide loans to low- and moderate-income households for repairing code related items in their homes. The program has not been widely used, possibly due to the fact that the funding is offered as a loan. The City should consider using HUD funding for code related rehabilitation of residential rental housing for low- and moderate-income tenants. The funding could be structured in the form of a loan which could either be fully amortized or deferred repayment, depending on the property's ability to cash flow. For deferred payment loans, the property will have to be in compliance with affordability requirements and meet code requirements.

It is noted here that the City is now implementing a rental assistance voucher program in which HOME Program funds are being used to increase available rental options for low- and moderate-income families, including members of the protected classes.

III. Banking and Lending Impediments

Impediment #9: Credit issues that limit the ability of members of the protected class to qualify for homeownership or rental.

Action: Pursue strategies to improve the ability of members of the protected classes to have access to greater housing alternatives

Recommendation #18: The City should continue to expand its work with housing providers and advocates to increase the focus on credit repair, budgeting and financial literacy as a part of housing counseling and downpayment assistance programs that will place families in a better position to take advantage of more housing opportunities.

Status: Many potential homebuyers are unable to qualify for a homeowner mortgage due to poor credit history or the lack of a credit history. Even though subsidies such as downpayment assistance and gap financing may be available, low- and moderate-income families are unable to afford their own home as lower credit scores also affect how much of a first mortgage the family can qualify for.

On the other side, many tenants are unable to find suitable rental housing and are forced to live in substandard conditions, as has been noted by participants. The inability to afford good quality housing has a disparate impact on households with children, and financial education leading to improvement in credit and financial stability may serve to decrease this impact.

IV. Fair Housing Education and Awareness Impediments

Impediment #10: Need for more Fair Housing Awareness; Lack of a Fair Housing Officer

Action: Improve Fair Housing Awareness; Designate a specific staff as Fair Housing Officer

Recommendation #19: The City should designate a Fair Housing Officer to address fair housing issues, monitor the City's compliance with fair housing requirements, and coordinate the Action Plan prepared as a result of the AI. That person should maintain representation and active participation with fair housing networks and service providers.

Status: As part of the CDBG requirements, the GCP staff coordinates fair housing activities. However, no one person has been designated to serve in the role of monitoring fair housing compliance and coordinating the activities that were planned as a result of the last AI.

Recommendation #20: The City should increase its collaboration with the existing institutional structure to disseminate fair housing information, provide fair housing education opportunities, and assist with fair housing complaint referrals with agencies such as Montana Fair Housing.

Status: There exists an extensive institutional structure of nonprofits and other service groups that could be used to disseminate fair housing information and provide education. The City carries out some educational activities to promote fair housing education and outreach. These efforts may be inadequate due to the limited staffing. Residents with fair housing complaints are referred to Montana Fair Housing, and the agency conducts several fair housing training sessions in the City. However, there

seems to be little coordination of those training sessions with the City. Since the agency mainly responds to requests for a speaker or training, it is likely that public or focused training sessions could be used to increase the percentage awareness among residents.

Recommendation #21: Expand fair housing activities during Fair Housing Month in April annually to increase awareness and educate the public. For example: holding a symposium on fair housing or collaborating with other agencies on fair housing activities.

Recommendation #22: Use existing institutional structure to annually survey agencies and organizations for status of fair housing complaints and issues and assess data for any needed follow-up.

Recommendation #23: Maximize the use of its communications division to capitalize on all media outlets such as the City's website, radio, internal and external publications, and social media such as Facebook and Twitter for providing fair housing information. Increase the use of advertising during Fair Housing month. Include links on the City's website to file complaints.

Status: Although the citizen surveys shows there is high awareness of fair housing, the respondents did not include many minorities. As such, more awareness is warranted. Respondents also mentioned that electronic media was the best means of outreach. The City's public television station and community newsletters have the potential to reach many residents with fair housing information. A review of the City's website showed there is not adequate access to fair housing information via the City's website. Someone wanting to make a complaint or find fair housing information on the City's website would not be able to access the needed information via the website, or find a direct link to other agencies. The GCP is in the process of updating its information on the City's website.

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Fair Housing Recommendations Table and Timeline

The Fair Housing Plan table below outlines the above remedial action recommendations to reduce impediments to fair housing choice within the City and some proposed time frames for addressing them. Please note that this should be seen as a framework for a final action plan to be created and implemented by the City based on resources and priorities. The plan will be carried out with input from City Council, GCP, The Development Services Department, developers, non-profits, and the community.

Table 72– Fair Housing Plan Implementation Timeline

REMEDIAL ACTIONS RECOMMENDED	1-2 YEAR GOALS	3-5 YEAR GOALS	ON-GOING GOALS	Responsible Parties
ACTIONS TO ADDRESS CURRENT IMPEDIMENTS				
Impediment #1: Zoning restrictions on permanently affordable housing developments create a concentration of affordable housing options in certain areas and limits new affordable housing development. ***Action: Review and revise current zoning requirements to encourage the development of affordable housing in more residential districts throughout the City.***				
Recommendation #1: The City should aim to balance the development of affordable housing units and provide a variety of affordable housing options including larger units and single-family homes.		X		Developer, City Council, Development Services
Recommendation #2: Encourage the development of affordable housing by means such as inclusionary zoning and density bonuses and offering other incentives such as development fee waivers or reductions; prioritization of affordable housing approval.		X		Development Services, City Council.
Impediment #2: Zoning regulations and practices limit the siting and availability of housing for persons with disabilities. ***Action: Review and revise current zoning and land use requirements to ensure that housing choices are not limited for City residents.***				
Recommendation #3: Consider the implications of accommodating group homes throughout the community under the same standards as any other residential use.			X	Development Services
Recommendation #4: Educate residents about the Fair Housing Act and the rights of all individuals.				Grants and Community Programs

REMEDIAL ACTIONS RECOMMENDED	1-2 YEAR GOALS	3-5 YEAR GOALS	ON-GOING GOALS	Responsible Parties
Involve social service agencies and City staff to work with the community to address concerns such as NIMBYism.	X		X	
Impediment #3: The inclusion of residential use categories (residential living and group living) in the Zoning Ordinance may limit the availability of adult living facilities. ***Action: Consider removing the distinction between residential use types to ensure that housing choices are not limited for persons with disabilities.***				
Recommendation#5: Remove occupancy standards for community residential facilities that limit the number of persons that may share a dwelling unit.		X		City Council
Impediment #4: Land use designations and building codes may limit the availability of affordable housing choices; and focus multifamily housing to certain neighborhoods. ***Action: Review current zoning and land use requirements.***				
Recommendation #6: Encourage new multi-family residential developments to increase the supply, variety, and affordability of housing types in the City.		X		Developers
Impediment #5: Lack of accessible housing units. ***Action: Encourage development to meet the needs for senior housing and the provision of an adequate supply of units for persons with disabilities.***				
Recommendation#7: Adopt a definition for disability that is consistent with the FHA and collect and update demographic information for persons with disabilities living within the City.	X			City Council, Grants and Community Programs
Recommendation #8: Adopt universal design features to ensure that affordable housing choices are not limited and ensure that minimum accessibility standards are being adhered to in new developments through code enforcement.		X		Development Services
Recommendation #9: The City should review and enhance its				Development Services

REMEDIAL ACTIONS RECOMMENDED	1-2 YEAR GOALS	3-5 YEAR GOALS	ON-GOING GOALS	Responsible Parties
existing programs to improve accessibility in existing units.	X			
Recommendation #10: The City should adopt a policy and procedures for reasonable accommodations that allows certain deviations from development standards to accommodate accessibility improvements in existing units.	X			Development Services, City Council
Recommendation #11: The policy for accessory dwelling units should be evaluated to ensure that size restrictions do not constrain the use of ADUs for persons protected by the FHA.	X			Development Services, City Council
Impediment #6: Lack of incentives and increased costs due to regulations that limit the number of affordable housing units for families with children. ***Action: Provide incentives and reduce regulations for affordable housing needs of low income families especially families with children.***				
Recommendation #12: Research and conduct feasibility assessments on the use of incentives such as expedited permitting and reduced regulations for affordable housing needs of families with children.		X		Development Services, City Council
Recommendation #13: Research and conduct feasibility assessments on the use of Section 108 loans under CDBG and private sources not currently being used for affordable housing needs of families with children.		X		Grants and Community Programs
Impediment #7: Possible fair housing violations in real estate advertising. ***Action: Encourage the consistent use of the diverse images in the advertising of real estate opportunities.***				
Recommendation#14: The relevant City staff of Grants and Community Programs and the Communication Departments should work with the Realtors® Association to encourage the placement of diverse images and human models	X			Grants and Community Programs

REMEDIAL ACTIONS RECOMMENDED	1-2 YEAR GOALS	3-5 YEAR GOALS	ON-GOING GOALS	Responsible Parties
that promote Missoula as a community that welcomes diversity.				
Impediment#8: Substandard rental housing units available to low income members of the protected classes. **Action: Use a variety of strategies to combat the disparate impact of poor housing conditions on members of the protected classes in the private market.**				
Recommendation #15: Increase education on landlord/tenant responsibilities and code violations and reporting.	X			Development Services
Recommendation#16: Modify the Voluntary Inspection Program to include a Rental Registration Program with an annual required inspection and a mandatory requirement for out of state landlords to have a local representative.	X			City Council
Recommendation#17: The City should consider the feasibility of leveraging other County and State funds to create a Renter-Occupied Housing Rehabilitation Loan Program		X		Grants and Community Programs, Human Resources Council
Impediment #9: Credit Issues that limit the ability of members of the protected clas qualify for homeownership or rental. **Action: Pursue strategies to improve the ability of members of the protected classe have access to greater housing alternatives**				
Recommendation#18: The City should expand continue to expand its work with housing providers and advocates to increase the focus on credit repair, budgeting and financial literacy as a part of housing counseling and down-payment assistance programs that will place families in a better position to take advantage of more housing opportunities.	X			Homeword Inc.
Impediment #10: Need for more Fair Housing Awareness; Lack of a Fair Housing Officer **Action: Improve Fair Housing Awareness; Designate a specific staff as Fair Housing Officer**				
Recommendation #19: The City should designate a Fair Housing				City Council, Grants and

REMEDIAL ACTIONS RECOMMENDED	1-2 YEAR GOALS	3-5 YEAR GOALS	ON-GOING GOALS	Responsible Parties
Officer to address fair housing issues, monitor the City's compliance with fair housing requirements, and coordinate the AI action plan, and participate with fair housing networks and service providers.	X			Community Programs
Recommendation #20: The City should increase its collaboration with the existing institutional structure for fair housing information, training, and fair housing complaint referrals with agencies such as Montana Fair Housing.	X			Grants and Community Programs, Development Services
Recommendation #21: Expand fair housing activities during Fair Housing Month annually to increase awareness and educate the public.	X			Grants and Community Programs, Communications Department
Recommendation #22: Use existing institutional structure to annually survey agencies and organizations for status of fair housing complaints and issues and assess for follow-up	X			Grants and Community Programs
Recommendation #23: Capitalize on all media outlets and include fair housing links on the City's website for complaints.	X			Grants and Community Programs, Communications Department

Implementation Tracking

The GCP is responsible for the oversight and tracking of the implementation of the fair housing action plan. The Department will track the progress of the actions to address impediments to fair housing choice. The purpose of the implementation tracking is to analyze the impact of the actions taken and demonstrate that the City has met its obligation to affirmatively further fair housing. This section describes the process for tracking the City's progress in carrying out the recommendations to address the impediments to fair housing choice.

Ongoing Self-assessment

It is recommended that the City conduct an ongoing self-assessment at mid-year to determine its progress in addressing the identified impediments and recommendations. The City's fair housing activities will be compared to the timelines stipulated in the fair housing action plan. If the City notices any deviations from the timeline, it should take the necessary steps to address any deficiencies or revise the timeline and document its files. Each recommendation proposed in the AI includes a timeframe for completion in periods of 1-2 years, 3-5 years, or on an ongoing basis.

Recordkeeping

A key element of the monitoring process is recordkeeping. The City should maintain a fair housing file where all actions taken are recorded and updates are made on a regular basis. HUD requires that at a minimum, the file contain:

- A copy of the AI; and
- Records that show the grantee has taken actions to overcome the effects of impediments identified in the AI.

City staff shall maintain information in the fair housing file through the use of the suggested Fair Housing Compliance File Checklist.

CAPER

In addition to the on-going self-assessment, the City will prepare its Consolidated Annual Performance Evaluation Reports (CAPER), explaining how the jurisdiction is carrying out its housing and community development strategies, projects, and activities. As part of the CAPER, the City must describe how it is carrying out its certification to affirmatively further fair housing by a) identifying the actions taken during the year; b) providing a summary of impediments to fair housing choice in the AI, and c) identifying actions taken to overcome effects of impediments identified in the AI.

Mid-period Assessment

The AI is typically updated every five years. However, much can change within a five year span of time and as such, it is recommended that the City conduct a mid-period assessment. The purpose of the mid-period assessment is to take a comprehensive look at the community in light of the changes that have been made due to the implementation of the actions outlined in the fair housing action plan and in relation to changes in population, demographics, economy, legislation, or any other factors that may impact fair housing choice. The mid-period assessment should be conducted at the

end of the third year of implementation of the Consolidated Plan and should include the annual assessment for the year as well as a cumulative review of the actions taken and their impact for the three year period.

The City should compile and include the following in the mid-period assessment:

- Population demographic data relating to race, ethnic group, sex, age, and head of household;
- Characteristics of program beneficiaries;
- Affirmative marketing strategy and actions;
- Discrimination complaints filed and trends;
- Amendments or revisions to policies impacting land development, site selection, and zoning;
- Actions taken to affirmatively further fair housing; and
- Results of any needs assessments or studies for the area impacting fair housing.

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FAIR HOUSING COMPLIANCE FILE CHECKLIST

Grantee: _____ Fiscal Year: _____

DATE	DESCRIPTION
_____	Current Consolidated Plan section applicable to Fair Housing
_____	Analysis of Impediments to Fair Housing Choice
_____	Annual Resolution or Proclamation of Fair Housing Month
_____	A summary report of all activities related to the AI
_____	List of the actions taken during the program year
_____	Notice of public meetings showing the fair housing and equal opportunity logo. Should also include language providing for accommodations for persons with Limited English Proficiency, disabilities including the hearing impaired.
_____	Summary or transcript of all public meetings, hearings, and citizen comments or other public input
_____	Sign-in sheet or list of attendees at public meetings or hearings
_____	Fair housing brochures and publications including subrecipient educational material
_____	Information about housing discrimination complaints and the disposition of each
_____	Notice of training or workshops regarding fair housing and list of attendees
_____	Description of funding or fair housing providers and bi-annual reports from such agencies
_____	Studies or reports evaluating the impact of the actions undertaken including applicable section of the CAPER
_____	Other:

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Appendix 2 - Survey Instrument

I. INTRODUCTION

THIS SURVEY IS FOR INFORMATIONAL PURPOSES ONLY AND ALL SURVEY RESPONDENTS

IDENTITIES WILL REMAIN ANONYMOUS.

This survey is for the Analysis of Impediments to Fair Housing Choice (AI) which is required of the City by HUD.
The Federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, national origin, religion, sex, familial status, and disability.

II. BACKGROUND

HUD defines Impediments to Fair Housing Choice as:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices;
- Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin.

If you have encountered a barrier/impediment to renting or buying a home because of your race, color, national origin, religion, family status, gender, disability, or sexual orientation, you may have experienced housing discrimination.

Examples of Possible Housing Discrimination:

- An agent refusing to sell, rent, or show available housing.
- A person only being shown housing in areas or neighborhoods of minority concentration.
- A landlord providing different housing services, or enforcing different rules, for minority tenants.
- A prospective tenant being told the dwelling is not appropriate for a family.
- A dwelling has an available sign, but prospective tenants are told it is not available.
- The existence of planning and zoning regulations that limit the ability or choices of certain groups to secure decent housing.
- A person being denied a loan, or getting a higher interest rate, because of being a member of a certain group.
- A person being denied a loan, or getting a different interest rate, because of buying in a minority neighborhood.

III. SURVEY QUESTIONS

1. Do you live within the limits of the City of Missoula, or have your address listed as the City of Missoula?
   - ☐ Yes
   - ☐ No
2. Of which ethnic or cultural group do you consider yourself a member? Please check one:
   - ☐ Anglo/White
   - ☐ African American/black
   - ☐ Hispanic/Chicano/Latino
   - ☐ American Indian/Native American
   - ☐ Asian/Oriental/Pacific Islander
   - ☐ Multiracial
   - ☐ Prefer not to answer
   - ☐ Other (please specify):

     _____
3. What is your current marital status? Please check one.
   - ☐ Married
   - ☐ Single head of household
   - ☐ Domestic partners
   - ☐ Divorced
   - ☐ Widowed
   - ☐ Prefer not to answer
4. Which income category does your total household income fall into? Please check one:
   - ☐ Less than $20,000
   - ☐ $20,001 to $30,000
   - ☐ $30,001 to $40,000
   - ☐ $40,001 to $50,000
   - ☐ $50,001 to $60,000
   - ☐ $60,001 to $70,000
   - ☐ $70,001 or more
   - ☐ Prefer not to answer
5. Do you, or someone in your household, qualify as a “protected class” according to the Fair Housing Act? (Please see next question for a list of protected classes.)
   - ☐ Yes
   - ☐ No

6. If you answered "Yes" to question #5, to which protected class do you/your household belong? (check all that apply)

   - ☐ Race
   - ☐ Color
   - ☐ Religion
   - ☐ Sex
   - ☐ National Origin
   - ☐ Familial Status (family with one or more persons under age 18)
   - ☐ Disabled/handicapped

7. Do you have children under the age of 18 years?
   - ☐ Yes
   - ☐ No

8. Housing discrimination can occur if someone is denied housing or housing financing based on which of the following categories (check all that apply):
   - ☐ Race
   - ☐ Color
   - ☐ Religion
   - ☐ Sex
   - ☐ Disability/Handicap
   - ☐ Family Status (family with one or more persons under 18 years of age)
   - ☐ National Origin
   - ☐ Age
   - ☐ Sexual Orientation
   - ☐ Poor English Language Skills
   - ☐ Citizenship Status
   - ☐ Level of Income
   - ☐ Source of Income (public assistance)
   - ☐ Other (please list)_____
     _____

9. How much do you know about Fair Housing Laws, including State of Montana Fair Housing Law?
   - ☐ Very Knowledgeable
   - ☐ Somewhat Knowledgeable
   - ☐ Not Knowledgeable

10. Have you or anyone you know ever experienced housing discrimination in the City of Missoula?
    - ☐ Yes, I have
    - ☐ Yes, a person I know has
    - ☐ No

11. If yes, which of the following best describes the person or organization that discriminated against you or the person you know?
    - ☐ rental property manager/owner
    - ☐ seller of a housing unit
    - ☐ condominium or homeowner's association
    - ☐ real estate professional
    - ☐ loan officer or mortgage broker
    - ☐ municipal employee
    - ☐ other (please list) _____

12. What best describes the location where the discrimination occurred?
    - ☐ rental apartment complex
    - ☐ individual housing unit for rent
    - ☐ single family housing unit for sale
    - ☐ condominium for sale
    - ☐ real estate office
    - ☐ lending institution
    - ☐ Public Housing Authority
    - ☐ City office
    - ☐ other (please list):_____

13. What do you believe was the basis for the discrimination you or the person you know experienced?
    - ☐ Race
    - ☐ Color
    - ☐ Religion
    - ☐ Sex
    - ☐ Disability/Handicap
    - ☐ Family Status
    - ☐ National Origin
    - ☐ Age
    - ☐ Sexual Orientation
    - ☐ Poor English language skills
    - ☐ Citizenship Status
    - ☐ Level of Income
    - ☐ Source of Income (public assistance)
    - ☐ Other (please list): _____

14. What do you see as current impediments to fair housing choice, if any, within the City of Missoula?
    - ☐ Race
    - ☐ Color
    - ☐ Ethnicity
    - ☐ National Origin
    - ☐ Sex
    - ☐ Sexual Orientation
    - ☐ Family Status

- ☐ Disability
- ☐ Age
- ☐ Insufficient Income
- ☐ Lack of sufficient quality affordable housing
- ☐ Insufficient public transportation
- ☐ Municipal codes, ordinances, or regulations
- ☐ Other (please list):_____

15. Do you feel your housing choices are geographically limited to certain areas or neighborhoods in the City of Missoula?
    - ☐ No
    - ☐ Yes

      If yes, on what basis? (you may select from list above at question #14):

      _____

16. Do you think that affordable housing options are located throughout the City of Missoula, or are they concentrated in certain areas/neighborhoods?
    - ☐ Spread throughout the City of Missoula
    - ☐ Concentrated in certain areas/neighborhoods, such as:

      _____

17. Do you perceive certain geographic areas or neighborhoods within the City of Missoula to be undesirable?
    - ☐ No
    - ☐ Yes

      If yes, please identify:_____

18. Do you feel that there is an adequate supply of affordable housing that is available to all residents?
    - ☐ Yes
    - ☐ No

      Why/why not? _____

19. Do you feel that there is an adequate supply of affordable housing that is available to disabled residents?
    - ☐ Yes
    - ☐ No

      Why/why not? _____

20. Do you feel there is an adequate supply of affordable housing that is available to senior citizen residents?
    - ☐ Yes
    - ☐ No

      Why/why not? _____

21. Do you feel there is an adequate supply of affordable housing that is available to residents with children?
    - ☐ Yes
    - ☐ No

      Why/why not? _____

22. What did you do, or would you do, if you were discriminated against in housing choice? (Check all that apply)
    - ☐ Nothing
    - ☐ I wouldn't know what to do
    - ☐ Complain to the individual/organization that discriminated against me
    - ☐ Contact City offices
    - ☐ Contact my elected municipal representative
    - ☐ Contact a local fair housing organization
    - ☐ Contact HUD
    - ☐ Contact a private attorney
    - ☐ Contact the City Attorney
    - ☐ Contact the State Attorney General
    - ☐ Other (please identify):

      _____

23. Are you familiar with fair housing services or other social services provided by the City of Missoula?
    - ☐ Yes
    - ☐ No

    List the City services you know of such as senior, youth, disability, and employment services. Provide names/descriptions, if possible.

    _____

24. Have you seen or heard information regarding fair housing programs, laws, or enforcement within the City of Missoula?
    - ☐ Yes
    - ☐ No, (please skip to question #26)

25. If you answered yes to question #24, what information have you seen/heard? (check all that apply):
    - ☐ fair housing flyers or pamphlets
    - ☐ fair housing handbook
    - ☐ fair housing public service announcement on the radio
    - ☐ fair housing public service announcement on the television
    - ☐ fair housing information at a public event
    - ☐ other (please list): _____

26. Do you think that adequate fair housing information is available in other language translations?
    - ☐ Yes

- ☐ No

27. In your opinion, how effective are the current fair housing laws, programs, and enforcement mechanisms?
    - ☐ Very Effective
    - ☐ Somewhat Effective
    - ☐ Not Effective

28. What do you feel would be the most effective way to inform the residents of Missoula about their fair housing rights and/or responsibilities? (check all that apply):
    - ☐ public meeting(s)
    - ☐ fair housing literature/information in public libraries and City Hall
    - ☐ television advertisements/announcements
    - ☐ radio advertisements/announcements
    - ☐ bilingual advertisements/announcements
    - ☐ information on the City website
    - ☐ other (please describe): _____

29. Do you have any suggestions for changes to fair housing laws and practices that would increase fair housing choice and/or remove impediments to fair housing choice?
    If yes, please list:
    _____
    _____
    _____

30. Please list below what additional actions would you suggest that the City of Missoula could take to address impediments and improve fair housing choice for all residents:
    _____
    _____
    _____

IV. SURVEY COMPLETION

Thank you for participating in the fair housing survey. Your responses will influence important fair housing planning decisions made by the City of Missoula. Appendix 3 - Summary of Previous Impediments and Action Plan

Appendix 3 – City of Missoula/Missoula County Community Needs Assessment Meeting, FY 2014

City of Missoula / Missoula County FY 2014

Community Needs Assessment Meeting

Missoula City Council Chambers, 140 W. Pine
Friday, September 13, 2013 • 12 noon - 2 p.m.

MEETING NOTES

ATTENDEES:
Jessica Allred, Missoula Food Bank
Kellie Battaglia, Homeword, Inc.
Jessica Burson, Homeword, Inc.
Lori Davidson, Missoula Housing Authority (MHA)
Michael Dean, private citizen
Larry Dunham, private citizen/MT Board of Crime Control, Youth Justice Council
Claire Fawcett, Women's Opportunity Resource Development (WORD)
John Firehammer, MT Tobacco Use Prevention Program
Melissa Fisher, Bitterroot Economic Development District (BREDD)
Laura Fox, private citizen
Jean Harte, Staff – Department of Grants and Community Programs
Nancy Harte, Staff – Department of Grants and Community Programs
Melissa Gordon, Staff- Department of Grants and Community Programs
Representative Ellie Hill, State of Montana Legislature
Emily Hoover, Rural Dynamics, Inc./Consumer Credit Counseling Services
Cindy Hotchkiss, Missoula City-County Health Department (Health Promotion Program)
Jacole Johnson, Missoula Early Head Start
Patty Kent, Western Montana Mental Health Center (WMMHC)
Kim Lahiff, Adult Probation and Parole
Darren Larsen, SUMMIT Independent Living
Heather McMillin, Homeword, Inc.
Brigitta Miranda-Freer, Missoula Economic Partnership (MEP)
Jim McGrath, MHA
Michael Moore, United Way/Reaching Home
Adam Ragsdale, MHA
Denise Small, Staff – Department of Grants and Community Programs
Shari Strachan, Mountain Home Montana
Denise Small, Staff – Department of Grants and Community Programs
Cindy Weese, YWCA of Missoula County
Eileen Sansom, Missoula Aging Services
Cassie Sheets, Poverello Center
Kaila Warren, Missoula City-County Health Department (Tobacco Prevention Program)
Patrick White, Regional Access Mobility Program (RAMP of MT)

INTRODUCTIONS AND AGENDA REVIEW

Melissa Wangler Gordon welcomed everyone to the meeting and introduced both herself and the other Department of Grants and Community Programs staff present at the meeting.

Nancy Harte briefly outlined the meeting agenda. Ms. Harte also noted that the Department of Grants and Community Programs (GCP) formed after the split of the Office of Planning and Grants. Ms. Harte noted that GCP would remain at its present location (127 West Spruce) until the new office space (223 West Alder) was ready for occupancy sometime in February/March 2014. She invited all interested city/county residents to be added to the general information email distribution list or to indicate their desire to "opt out" and be removed from the same list.

Ms. Harte stated that the purpose of the Community Needs Assessment meeting, held every year in late summer/early autumn, was to identify specific or general areas of community need. This year's meeting would also serve as the launch of the five-year Consolidated Plan (Plan) process. The Plan is required by HUD, which also requires an Annual Report. She further stated that the intent this year was to keep everything on a more informal level and noted that anything perceived to be a community need should be mentioned, whether or not it feel within the boundaries of CDBG or HOME.

Ms. Wangler Gordon noted the agenda would address both community needs and potential projects for the following areas: Housing; Economic Development; Public Improvements and Public Services.

HOUSING

Community Needs

- County-wide need for housing, Seeley Lake housing issues related to sewer system. More help and aid needed for rural areas, not just those immediately adjacent to the City of Missoula. It was noted that in the Seeley Swan Valley, less than 5% of the available private lands were available for housing.
- Smoke-free policy for new housing development projects that use public funding.
- Preservation of existing affordable housing; builders can't build it fast enough to meet the existing need.
- Smoke-free policy for new developments and a transitional period of 6 to 12 months for existing, federally-funded housing projects to become smoke-free.

There was a question about the definition of affordable housing, to which Ms. Harte replied that the HUD definition, used by Missoula City/County, was 30% of a person's income, including utilities.

- Parking for personal care attendants, in face of city zoning that allows for one spot per tenant.
- Proposed city ordinance with visitability requirements for all new development.
- Publicly-funded curb cuts throughout the city's sidewalk grid, so that people w/accessibility issues do not have to use the street.
- Need to eliminate the wait lists for housing vouchers, noting the MHA unduplicated wait list is at 1,800 and their two lists serving the homeless are at 100 each.
- Housing needs are barely diminishing even with new projects. The affordable housing vacancy rate, which has income eligibility requirements, is 1% or less vacancy for projects around town and the market vacancy rate has been at 3% for last 6 months. Use City/County resources to build and preserve affordable housing.
- Affordable rentals and both transitional and permanent housing for the homeless.

- More affordable & accessible housing for senior citizens. Also supports tobacco-free & disability issues that John and Darren mentioned.
- Housing for supervised criminals, with violent & sexual offenders struggling most. Public education on the needs of these individuals.
- Micro-dwellings and Single Occupancy Rooms (SORs) are both good ways to provide housing for the maximum # of people.
- Direct rental assistance for families, especially in the private marketplace.
- Supports direct rental assistance for families, especially for young moms, as well as affordable rents and affordable independent living.
- Supports everything mentioned. All housing types should be considered.
- The Plan should acknowledge: the intent to end homelessness; the need to work together as a collective; and the need to be resource efficient. The Plan should recognize the City's goals with regard to homelessness.
- There is a bottleneck between rental housing and home ownership, and btw home owners who want to downsize and move back into rentals.
- Need for ongoing housing and delinquent renter counseling.
- Supports Patty's and Emily's comments.
- The lack of adequate affordable new housing and the failure of the housing market to recognize people who can afford reasonably priced housing.
- The need to advocate at federal level for increased funding for housing subsidies, which are essential. MHA wait lists have a constant 1,800 to 2,000 people waiting for them. Keep these subsidies in the communities.
- Advocate for federal resources as well as housing subsidies. Montana is one of only 3 states that do not have a housing funding source on its own.
- The ongoing need for emergency housing for homeless families. There is either not enough or the inadequate program structure is not effective. The need for rental housing for very low income people with poor credit histories.
- In January 2014, mandated health insurance provisions for people up to age 26 will free up money for housing previously used to pay for health insurance.

Potential Projects

- Permanent housing for the homeless (2014) (WMMHC)
- Affordable rentals for addiction treatment patients who are enrolled, graduated or wait-listed (2015) (WMMHC)
- Housing delinquency and rental counseling for low- and moderate-income families in the Missoula area (2014 – 2018) (Rural Dynamics, Inc.)
- Next Homeword-owned new construction project (2015 or 2016) (Homeword)
- Larger preservation or acquisition of affordable housing units (2016 or 2018) (Homeword)
- Affordable housing (2014) (Homeword)
- River Ridge – preservation of 70-unit existing senior housing (2014 or 2015) (MHA)
- Parkside Village – preservation of 103-unit existing family housing (2015 or 2016) (MHA)
- New construction – 6 one-bedroom units (2014) (MHA)
- LIHTC new construction (2017) (MHA)
- Rental assistance (2014-2018) (WORD)

ECONOMIC DEVELOPMENT

Community Needs

- Initiatives/programs to bolster economic development opportunities in outlying/rural areas (e.g., Lolo, Seeley-Swan), not just within the city of Missoula.
- County-wide economic development efforts. In terms of business attraction, incoming businesses have specific requirements for where they move and build.
- Need for rural outreach networks and infrastructure (Seeley sewer), broadband infrastructure, bioscience accelerator and airport infrastructure/support.

Potential Projects – None reported.

PUBLIC IMPROVEMENTS

Community Needs

- The lack of infrastructure in Seeley Lake is a deterrent to many projects (e.g., there is no feasible way to do senior/other housing without it).
- The need for addiction treatment (i.e., inpatient residential with intensive outpatient programs) for people with little to no ability to pay. Create debt-free (or close) facilities to help these folks. Create a place for teens with expanded capacity to include adults.
- Adequate food bank facility that enables adequate emergency food access.

Potential Projects

- New food bank facility (2015) (Missoula Food Bank)
- Addiction treatment center for youth & expanded capacity for adults (2016 or 2017) (WMMHC)
- Collaborative nonprofit community garden development at the 1400-1500 Burns Street Square site (2014-2018) (NMCDC)
- Funding for purchase of agricultural land in partnership with one or more other nonprofits for use as a working farm (2014-2018) (NMCDC)
- Purchase and rehab funding for scattered-site CLT homes (2014-2015) (NMCDC)
- Rehab funding for scattered-site, buyer-initiated CLT homes (2014-2015) (NMCDC)
- Land acquisition and construction funding for a PUD development of small lot, single-family home ownership and rental unit complex
- Installation of aluminum wheelchair ramps for low- and moderate-income seniors and people with disabilities (2014-2018) (RAMP)
- Engaging the community in a conversation about the future of the Senior Center and its location that may or may not include MAS and other community organizations (2016) (MAS)
- Sustainable, independent transportation project to revamp commitment to bus, bicycling, walking and van-pooling as transport options (2014) (Mountain Home Montana)
- Purchase of River Road property and adjacent house (2014-2015) (Garden City Harvest)
- Food enterprise development funding for a 4000-square-foot portion of the 1500 Burns Street community building (perhaps for a community canning/bottling facility or cold storage produce facility) (2014-2016) (NMCDC)

PUBLIC SERVICES

Community Needs

- Financial literacy education counseling, continued partnerships with agencies and funders to provide these. Foreclosure prevention & loss mitigation counseling. Stated support for these needs from other agencies present.

- Wrap-around support services enabling Reaching Home to meet its goal. Initial services for individuals when they first get housing.
- Shelter for homeless families – this voiced by multiple agencies.
- Landlord facilitation/negotiation services, depending on developments with rapid rehousing.
- Focus on the needs of low income seniors and/or adults with disabilities, providing caregiver subsidies enabling them to age in place.
- Childcare subsidies.
- Increased need for emergency food assistance and its support, for families, seniors and local citizens.

Potential Projects

- Financial education & counseling for low- and moderate-income people (2014-2018) (Homeword)
- Foreclosure intervention counseling to prevent home loss for families (2014-2018) (Homeword)
- Meals on Wheels for low- and moderate-income city residents, or other food security programs (2014-2018) (MAS)
- Subsidized services (for low income city residents age 60+ and/or with disabilities) to allow for aging in place.
- Financial counseling and education for low- and moderate-income families in the Missoula Area (2014-2018) (Rural Dynamics, Inc.).
- Support of farming and gardening efforts at Orchard Gardens Neighborhood Farm and Community Gardens (2014-2018) (Garden City Harvest)
- Expansion of mental health services to young mothers through licensed mental health center (2014) (Mountain Home Montana)
- Ongoing and improved access to emergency food assistance (2014-2018) (Food Bank)
- Nutrition education for low income children and families to help address childhood obesity trends (2014-2018) (Food Bank)
- Integration of behavioral health services into the delivery of primary care services (2014) (Partnership Health Center)
- Development of space to provide physical therapy services, thus decreasing the use of and dependency on paid medication (2014) (Partnership Health Center)
- Funding of a housing counselor position (2014-2018) (WORD)
- Rapid intake and referral program (2014) (Poverello Center)
- Soup kitchen vocational training (2014-2015) (Poverello Center)

WRAP-UP, QUESTIONS, NEXT STEPS

Ms. Harte thanked everyone for participating and reminded them that their input will be reflected in the 2014-2018 Consolidated Plan, a document and detailed process required by HUD. She stated that the Consolidated Plan period starts on April 1, 2014. The Plan will be a comprehensive document, and will be addressed in greater detail at the Consolidated Plan public meeting on December 10 from 4 p.m. to 6 p.m. She concluded by saying that the GCP website is currently under construction but people can still access pertinent information through the old links to the OPG webpage. People should also feel free to call or visit the GCP offices any time.

Ms. Gordon addressed how to provide additional feedback, noting that staff will send a list of all stated needs to all the participants as well as to our community email distribution lists. People

will then have an opportunity to review the lists and provide additional needs/feedback at grants@co.missoula.mt.us. Staff will subsequently revise the overall needs list again and prioritize all of the stated needs at the public meeting on December 10 from 4 p.m. to 6 p.m. Ms. Gordon also reminded everyone that there will be a CDBG/HOME Application Workshop on Tuesday, September 17 from 10:30 a.m. to 12 noon. This workshop will be focused on those agencies intending to apply for CDBG or HOME funding and will guide them through the process.

Ms. Gordon also reported on CDBG funding approximations for FY 14. She stated that $545,000 was allocated, down from $547,000 in FY 13. She also noted that according to HUD, no more than 15% ($82,000) of the entire award could be awarded to projects in the Public Services category and that a maximum of $20,000 per project would be considered. She further stated that 20% of the award ($109,000) would be allocated for administration and that $355,000 of the original award, as well as program income, would be allocated for Public Improvements and Housing.

The meeting was adjourned at 1:43 p.m.

These meeting notes were taken and transcribed by Denise Small, Grants Technician, of the Department of Grants and Community Programs. Any questions or comments with regard to actual content should be addressed with Nancy Harte (258-4934 or nharte@co.missoula.mt.us) or Melissa Gordon (258-4890 or mgordon@co.missoula.mt.us).

Appendix 4 – List of Housing Options for Persons with Disabilities – Summit Independent Living Center

Summit

Independent Living Center, Inc.

An Advocacy & Resource Center for Montanans with Disabilities Serving Western Montana since 1981

700 SW Higgins, Suite 101, Missoula, MT 59803 • (406) 728---1630 TT/Voice • Fax (406) 829---3309 • www.summitilc.org

Missoula Housing Resource List

Compiled March 2014

www.MTHousingSearch.com

Free housing locator website assists callers in finding affordable housing in Montana. This website is updated regularly with available rentals and useful information about available housing programs and other related topics.

Bridge Apartments - 1205 West Broadway, 532-9700

Mental Health Center accepts applications from homeless, no income or very low income, people with severe mental illness who are willing to participate in a supportive program.

Bruce Blattner - 1225 West Broadway, 1-800-466-7722 Managed by Accessible Space www.accessiblespace.org

There are eight 100% accessible, affordable housing units in this complex with wheel-in showers, accessible kitchens & bathrooms, card access security system, auto power entry doors, sprinkler system, laundry, lever door handles, accessible light switches & outlets, It is accessible to the bus line and an outdoor terrace.

Eagle Watch - 565 Burton, 1-800-466-7722 Managed by Accessible Space www.accessiblespace.org

Low income apartment building for adults with physical disabilities. Building designed with 21-one bedroom and 3-two bedroom, all accessible apartments. Personal care services provided through several local agencies.

Camelot Apartments – 520 W. Spruce, 542-1765 Managed by Caras Real Estate 203-4467. These apartments accept Section 8 vouchers.

This complex is a 74 unit apartments with 1, 2 and 3 bedroom units. NO accessible units. No pets. No children. There is a bus stop nearby..

Cottage Park-1111 McDonald, Apt 411, 542-2901 (formerly Sentinel Village)

This complex has 60 units including 1-2-3 bedrooms available as subsidized rentals under Sections 8. 12 units are available to single people (do not have to be elderly or disabled.) Remaining units are available to qualified low income individuals/families. No pets.

Council Groves -1904 S. 3rd St. W, 542-2922 Managed by Tamarack Property Management Co. Property-based Section 8 Housing in which the rent is based on 30% of adjusted income. This complex has a total of 72 units which include 1-2-3-4 bedrooms. 2 units are fully accessible. Security deposit required. Tenants must sign 1-year lease. There m**ay be a waiting list**. No pets allowed. This complex is on a bus stop.

Grandview Place - 150 Grandview, 251-3080

Section 8 low-income housing with the rent based upon 30% of adjusted income. This complex has 48 units containing 2 and 3 bedrooms for 2 or more occupants of any age. Two units are accessible. No emergency housing.

Park Apartments 118 W. Alder 721-8990 Managed by Professional Properties www.professionalproperty.com
These apartments are studio and 1 bedroom. Utilities included.

Parkside Village - 3602 Stephens, 728-7677 Limited subsidy - *Subsidized by Section 236*. This complex has 104 units containing efficiency, 1, and 2 bedroom units. Two persons per bedroom limit. Utilities included. Bus stop is close. Rent is flat rate, eligibility based on income. Tenants must sign a1 year lease with a security deposit. One cat allowed with a separate deposit. **Waiting list but usually have 2 bedrooms available.**

Phillips Street Apartments 1805 Phillips 549-6106 Managed by Garden City Property These apartments are low income housing - 8 one bedroom units. No pets, no smoking, no application fee. Call for income guidelines.

Human Resource Council - 1801 S. Higgins, 728-3710

Assists low income families w/heat assist, energy conservation/ weatherization, Section 8 Rental Assistance, Workforce Investment Act, Lunch, Youth Employment Training Program, Summer Food Program, Interim Assistance - Disability Assessment Application, Partner in Missoula-Mineral Workforce System, Housing Rehab & Repair loans, First Time Home Buyer Asst.

Missoula Housing Authority - 1235 34th Street, 549-4113

Missoula Housing Authority provides quality housing solutions for low and middle income households in Missoula and the surrounding area. Section 8, subsidized and tax credit housing for families, elderly, pregnant women or disabled. 1 to 4 bedroom units. Two disabled persons may apply together as a family.

Section 4: Low Income Housing Tax Credit (LIHTC) Program

Butorac Rentals - 1914 SCOTT ST., 549-4113 Managed by Missoula Housing Authority These rentals are 4 affordable units. All are 2 bedrooms. Rent is 60% of income. No pets.

Clyatt Rentals 101 Pullman Court, 549-4113 Managed by Missoula Housing Authority This complex has 4 units with 2 bedrooms each. No pets.

Equinox – 1515 Liberty Lane, 549-4113 Managed by Missoula Housing Authority This complex has 35 unit apartments consisting of 1 and 2 bedrooms.
Eligibility: Income between 30%-50% of area median income. **Waiting list.**

Fireweed - 1437 to 1444 S. 1st West, 549-4113 Managed by Missoula Housing Authority Homeword Property
This complex has affordable housing for 12 low income families- 2 & 3 bedroom units. The units are a townhouse style with private patio and yard. Utilities included and washer/dryer hookups. They are designed to serve 2-6 person households. No pets.

Gold Dust Apartments - 330 N. 1st Street, 549-4113 Managed by Missoula Housing Authority Homeword Property
This complex is affordable housing for ten low-income families. The units are 1, 2, and 3 bedroom units with rooftop gardens. Residential rents based on income. No pets.

Garden District – 226 South Catlin, 549-4113 Managed by Missoula Housing Authority
This is a 37 unit apartment complex with 1, 2, and 3 bedrooms. Washer/dryer hookups are in each unit.

Lenox Flats - 307 Woody, 549-411 Managed by Missoula Housing Authority Homeword Property
This complex is affordable housing downtown for ten low-income families - studio, 1, and 2 bedroom units. Residential rents based on income. Utilities are included. No pets.

Orchard Gardens – 3137 Home Harvest Loop , 549-4113 Manages by Missoula Housing Authority This complex has 35 affordable apartments for low and moderate income families - 1, 2, and 3 bedroom units. It has community gardens. All utilities paid.

Section 4: Low Income Housing Tax Credits (LIHTC) (continued)

Palace Apartments -149 W. Broadway, 549-4113 Managed by Missoula Housing Authority Affordable housing for low to moderate income persons/families. There are 60 units including studio apartments, one and two bedroom apartments. Some dogs/cats allowed. Heat paid.

Russell Square Apartments - 1235 34th St., 549-4113 Managed by Missoula Housing Authority Complex is comprised of two multifamily buildings and **two senior buildings**. There are 52 apartments, fully accessible. Amenities include: dishwasher, wash & dryer hookups, carpeting, storage, water heater, parking, easy walk to shopping, access to mass transit and playground area. Heat paid.

Solistice – 1535 Liberty Lane, 549-4113 Managed by Missoula Housing Authority This is a 35 unit apartment complex consisting of 1 and 2 bedrooms.

Section 5: Tax Credit Housing

COAD I 640 RIVER COAD II 514 RIVER

COAD III 1250 1st ST. 549-6106 Managed by Garden City Property Management.
These rentals have three 6 plexes. The units on the main floor are accessible apartments and the units are 1, 2, and 3 bedrooms. No pets, no smoking, no application fee. Call for income guidelines.

Union Place 2500 Great Northern Ave., 541-4151

Tax credit housing – some apartments are semi-accessible.

Wildflower Apartments – 1250 34th St, 721-2113 Managed by Riverstone Residential
This complex is affordable accessible apartments located on the south side of Missoula. There are 96 unit apartments with studio, 1, 2, and 3 bedrooms. All downstairs units are accessible. There is a bus stop nearby.

Section 6: Property Management Rentals

The following rentals accept Section 8 Vouchers:

Corso Apartment Homes – 1580 Milwaukee Way – 866-295-3536

(Additional address – 119 Russell St)
Two separate multiplexes, 224 units are going up in seven separate buildings called **Corso.**
Just south of these, also on Russell, 58 other units are in the works.
Studio, 1 and 2 bedroom apartments with rent on the **high end** (Studio $730 to 2 bedroom $1030). Many amenities including pool, sundeck, fitness center, etc.

Creekside Apartment Homes - 1405 E Broadway, 543-9274, http://www.creeksideapartmentsmissoula.com

These affordable accessible apartments are located on the east side of Missoula. Accessible apartments are studio, 1, 2 & 3 bedroom units and will make renovations to accommodate the tenant's disability if needed.

Crestview Apartments - 4200 Expressway, 327-1212 Managed by Montana Crestview

www.crestviewapts.com/crestview

There are fourteen accessible 2-bedroom units in this newer apartment building located off North Reserve Street. Amenities include heated pool, hot tub, work-out facility, and pond. Utilities are a flat rate.

Howard Apartments – 147 W. Main, 541-6468 Managed by Millennium No elevator. Utilities prorated.

McDonald Rental 2340 Fairview 728-5066

These rentals have 4 units with 2 bedrooms each. No smoking or pets. Prospective tenants must have a MHA voucher, a shelter care plus certificate, or a HRC Section 8 voucher.

River Rock Apartments – 1210 – 1240 Otis, 327-1212 Managed by Montana Crestview
These rentals have 1, 2, and 3 bedrooms. This new construction has affordable rental rates and amenities. Pets allowed upon approval, utilities paid (see lease agreement).

Riverside Apartments – 2075 Cooper, 239-6483 Managed by Copper Mountain
1-2 bedroom apartment complex. Utilities paid except electricity. Some apartments accessible.

Wolf Glen Apartments - 1825 Wyoming St, 532-9300 Managed by Lambros Realty,
These apartments have accessible 2-bedroom units. If interested, call Lambros Realty for an application.

Caras Management – 401 SW Higgins, 543-9798

Fidelity Management Services – 2324 42nd St, 251-4707

Affordable & fully accessible 2 bedroom apartments with roll-in showers located in the South Hills area.

Garden City Property Management - 422 Madison, 549-6106

Property management rental agency has 4 fully accessible apartments and a waiting list for availability if needed.

Gatewest Property Management – 2100 Stephens #110b, 728-7333

Grizzly Property Management – 1601 South Avenue West, 542-2060

Lambros – 3011 American Way, 532-9200

Millennium – 201 W Main, 541-6468

Missoula Property Management – 2809 Great Northern Loop, 251-8500

Montana Crestview Management – 4200 Expressway, 327-1212

Professional Properties – 2685 Palmer St., 721-8990

Section 7: Housing for Seniors and Some Accessible Apartments

Burlington Square - 2420 Burlington, 327-6659 Managed by Mike Wornath
Affordable apartment community designed especially for seniors wanting an independent lifestyle. Community consists of 51 units: 6 two bedrooms & 45 one bedroom apartments. Rent includes utilities, kitchens are complete, and are wheelchair-accessible with an elevator.

Clark Fork Riverside Manor - 301 West Front, 721-2439

Housing for elderly and disabled 62 years + or for **disabled adults 18 years +.** Rent is based on 30% of adjusted income. Lunch and evening meal are available. Residents must take evening meal.
Amenities: maid service twice a month, coin-operated laundry facilities. There is an In-house beauty shop. Utilities included. The bus stop is nearby.

Glengarra Place - 3900 Galway Ave. (behind the Home Depot) 541-9245

This complex has 40 units of affordable senior housing available to people 62+ years of age. Utilities included.

Grizzly Peak – 3600 American Way, 721-2292

This facility is non-subsidized. Utilities are included. Bus stop is nearby. Dining Services. A retirement home.

Lynwood Community – 951 Ronald Avenue, 728-7333 Managed by Gate West Property Management This facility is non-subsidized.

Missoula Manor - 909 W. Central, 728-3210

This facility is housing for elderly, 62 years+. Rent is based on 30% of adjusted income. Meals are available and residents must take one meal a day. There is weekly maid service and utilities are included. Bus stop is nearby.

Missoula Silvercrest – 1550 South 2nd West, 541-0464 (Salvation Army).

This is a 50 unit subsidized apartment complex for seniors 62+ **or disabled person** with1, 2, and 3 bedroom units; 4 units are accessible.

River Ridge Apartments - 2840 Santa Fe Court (by Mullen & Reserve), 543-7500

This complex is affordable living for independent people 55 and over. It has 13 two bedroom and 57 one bedroom units. Section 42 Tax Credit Program allows below market rents; air-conditioned; laundry facilities; garages; common areas; elevator; utilities included.

Section 7: Housing for Seniors and Some Accessible Apartments (continued)

The Springs of Missoula – 3710 American Way, 273-0101
This facility is non-subsidized. Utilities included and it is not on a bus route. Dining Services are available. This facility is listed as Assisted Living.

Vantage Villa – 1319 E. Broadway, 549-4113 Subsidized -Managed by Missoula Housing Authority. This apartment complex is for seniors 62+ **and people with disabilities**. Utilities are included. A bus stop is nearby. **Waiting list. Summer of 2013 apartments caught fire – be sure to call.**

Village Senior Residence – 2815 Old Fort Road, 549-1300
This facility is non-subsidized. Utilities are included. A bus stop is nearby. Dining Services are available.

Section 8: Transitional Housing

Maclay Commons - A New Home for the Joseph Residence - 2405 McIntosh Loop, 549-4113
Managed by Missoula Housing Authority. This is transitional housing for 16 families including eight 2 & 3 bedroom duplexes. Rent is 30% of adjusted gross income, after-school child care, tutoring, and parenting classes are available. Also provides information and referral to community resources when needed.

Shelter Plus Care – Rental assistance program – 549-4113 Managed by Missoula Housing Authority. This program is specifically designed to help homeless disabled individuals receive adequate housing. It is for individuals who are living in the Missoula area and working with case management. Once in the program, you rent from a private landlord in Missoula, you pay 30% of you monthly adjusted income towards rent, and MHA pays the rest of the rent.

Uptown Apartments - Corner of Woody and Pine, 549-4113 Managed by Missoula Housing Authority. The Uptown has14 single room efficiency apartments with private baths and limited cooking facilities. All utilities are paid. Rent is 30% of gross monthly income or set limit whichever is less. The security deposit is one month's rent or $50.00 whichever is more. Laundry facilities are coin operated and located one block away at the Poverello.

Valor House 2820 Great Northern Loop 728-1809 Managed by Missoula Housing Authority This residence is for homeless veterans with priority given to those veterans who are elderly and /or disabled. This unit has 17 apartments. Rent is based on 30% of income. Zero tolerance for drugs and alcohol. Contact Dave Smith at the Poverello at 728-1809 or Missoula Housing Authority at 549- 4113 for application information. No pets.

YWCA Transitional Housing 1130 W. Broadway 543-6691 Managed by Missoula Housing Authority. This transitional housing is for homeless women and their children. Preference is given to those who have experienced domestic violence. Rent is

based on 30% of income. The housing has 2 and 3 bedroom apartments. Orientation is at 11:00 on Wednesdays. Applications are available in the office and at http://www.ywcaofmissoula.org

Section 9: EMERGENCY Housing and Programs

Ada's Place Emergency Housing 3530 Brooks St 543-6691

This 50-day emergency housing program is available for **homeless families** who are committed to seeking stable, permanent housing. Apply at the Salvation Army.

J's House – 1811 South 7th West, 543-4055 Managed by Winds of Change

This facility/service is rated for 35 seniors. This service is described as Assisted Living Facility. This facility is staffed 24 hours per day, featuring 12 private rooms.

La Casa House – 2108 29th St., 543-4055 Managed by Winds of Change La Casa is staffed 24 hours per day, and features 8 private rooms.

Mountain Home – 2606 South Avenue West, 541-4663 Managed by Mountain Home MT

This is a private nonprofit organization in Missoula, Montana that has been providing transitional living programs. Mountain Home Montana consists of a 6-bedroom Transitional Living House and 5 Transitional Living Apartments.

Poverello Center-535 Ryman, 728-1809

This facility provides a noon meal, food pantry, clothing, health clinic & **overnight shelter.** Persons staying at shelter get evening meal, breakfast & lunch. It provides day shelter at 7:30 A.M. Laundry, showers & limited storage. The organization accepts donations. NO DRUGS OR ALCOHOL. This facility receives FEMA funds. The facility has limited wheelchair access.

Salvation Army – 339 W Broadway, 549-0710

Group homes, emergency shelters, and transitional living centers provide housing on a temporary basis for varying amounts of time. They:

- ☐ Serve the homeless by providing food and overnight lodging.
- ☐ Provide educational, counseling and vocational services to homeless and destitute individuals and families for extended periods.
- ☐ Address long-term specific issues of youth for whom family care is undesirable or unavailable. Education, counseling, health care and specific training seek to meet the needs of such groups as pregnant teens, emancipated minors, and wards of the juvenile court.
- ☐ Address specific health or societal driven needs of particular populations.

Family service programs help families and needy individuals with emergency food, housing, utility assistance and other temporal needs.

Section 10: Housing Ownership for People with Low Income

HomeWORD- 127 N. Higgins, 543-3550 Any one can take this program. Program:
Get Ready for Home Ownership
Home ownership training program for first time home buyers. Ten hour training - call for dates and times of trainings. Training covers the basics of the home buying process.

Habitat for Humanity -725 West Alder Suite 19 PO Box 7181, 549-8210

This organization is dedicated to building affordable housing with low income people. Persons wishing to apply should call to have names placed on mailing list. Financial donations to Habitat for Humanity are tax-deductible and can be designated to be used locally.

The Homestart Program-127 North Higgins, 3rd Floor, Rm 307, 543-3550 (case management) Down payment savings assistance program. [AKA "Individual development account (Matching funds program).] Applications are accepted year-long with availability dependent on funding. Call Jessie Lundberg regarding foreclosure prevention counseling at ext. 40. Call for an appointment.

Appendix 5 – City Development Services Comments

The following are comments from Development Services.

The document is an extensive resource for housing information, describing fair housing guidance and recommendations that would, overall, help to make Missoula a better place to live for everyone.

The last review for impediments to fair housing was conducted in 2010. Past regulatory recommendations focused on the concern over insufficient land properly zoned for residential, the inaccurate perception of affordable housing and the need for additional neighborhood compatibility standards for redevelopment in existing neighborhoods. The City has taken steps to address many of these recommendations. Therefore, this next set of recommendations is more focused on specific development tools that could be further refined to address the issue of fairness as well as some general recommendations for the location of various residential building types and use groups.

As the Analysis of Impediments Study acknowledges, the City in embarking on a rewrite of the City of Missoula Growth Policy. This 1 *Yi* year long process will provide an opportunity for the community to consider many of the recommendations of this study. The process of revisiting guiding land use policies, interfaced with transportation, community livability, healthy community development, safety considerations and economic needs will help address housing concerns over concentrations, affordability, variety, accessibility and general fairness. The growth policy will also set up implementation strategies for possible future changes to zoning and subdivision regulations, among other strategies.

The primary focus of our comments is on the recommendations pertaining to public policy and real estate proposed impediments.

Impediment #1- Concentrating the permanently affordable housing zoning option in certain areas

This is a fairly new incentive and unfortunately no developer has come forward to use the option, but conversely it also doesn't mean that affordable housing development cannot occur in other zones.

There are two recommendations to help with addressing this concern. The first recommendation is an encouragement to the development community and grants programs for providing a variety of housing options including larger units and single-dwelling homes. The second recommendation is to encourage development of affordable housing by means of inclusionary zoning and density bonuses and offering other incentives.

The emphasis of the first recommendation on the development of larger units seems somewhat contrary to the demographic shift towards smaller household size. It's likely that many larger units already exist and need to be made more available to the protected class of large families.

The City is embarking on a rewrite of the Growth Policy which will function as a guide for community development. Consideration of incentives can take place during the focused work of the growth policy process. Additionally, please note that offering fee waiver incentives affects city budgets and provision of services.

Impediment #2 and #3- Zoning that limits the siting and availability of housing for individuals with disabilities as well as creating distinctions in uses between residential living and group living (community residential facilities)

The recommendations for the two impediments similarly pertain to the existing zoning distinctions between household living and community residential facility (a type of group living). One of the recommendations is to consider the implications of accommodating group homes throughout the community under the same standards as any other residential uses. Another recommendation suggests removing occupancy standards for community residential facilities.

Group homes (community residential facilities) with 8 or fewer residents are permitted by right in all residential zoning districts. If the facility is larger (with nine or more residents) then additional development standards apply and the project has to be reviewed through a conditional use process. This process has been in place for many years and is considered to be an effective way of addressing potential additional impacts when a community residential facility increases in size and associated services such as additional employees accessing the site, additional vehicular traffic and potential additional trash service that are beyond the general intent of a particular zoning district. Zoning regulations in serving the general purpose of protecting and promoting the general health, safety and welfare of the community shall consider such things as the reasonable provision of light and air as well as the character of the district and it peculiar suitability for particular uses. The conditional use processes allows for an additional measure of consideration including operational characteristics that are compatible with the surrounding area and factors such as noise, outdoor lighting and traffic generation. The current zoning regulations comply with State law pertaining to the community residential facilities of eight or fewer. Since State law does not address facilities of nine or more residents, Council does have the latitude to make changes to the regulations as long as those changes are responsive to all the purposes of zoning and criteria for changes to zoning.

Impediment #4 -Limiting the availability of affordable housing choices due to land use designations and building codes

The upcoming growth policy process will include a focus group working specifically on housing policy issues and may be able to address some concerns over concentration as well as consider tools for encouraging additional multi- dwelling residential development. The growth policy is a guide to zoning regulations. However, zoning does serve to accommodate a range of residential types and densities to provide homebuyers with choice and to protect existing neighborhoods, so eliminating residential zoning districts are unlikely to be embraced by the community.

Building code is established at the State level and is a very uniform tool that cannot be modified at a local level.

Impediment #5 – Lack of accessible housing units with a specific emphasis on meeting the needs for senior housing and persons with disabilities

The recommendations address enhancing existing programs including allowing deviations from development standards to improve accessibility in existing units; ensure minimum standards are being met through code enforcement; and evaluate the accessory dwelling unit requirements that potentially limit opportunities for development that could restrict persons protected by the FHA from using an ADU

Currently, the City is considering a resolution establishing voluntary visitability guidelines for new single family homes, duplexes and triplexes that include expedited plan review as an incentive. This tool will go a long way toward educating the community about the benefits of accessibility to people of all ages and abilities. Single dwelling residences as well as accessory dwelling units (ADU) are not required to comply with accessibility standards, pursuant to State law, therefore the voluntary guidelines, considering universal design, will help to establish a preferred approach for accessibility.

Review of the draft analysis refers to the limitation on size of an ADU as the reason it is viewed as an impediment. It is our belief that accessible services can be accommodated in the maximum square footage and re-evaluation of this tool is not needed. The ability to place an ADU in all residential districts will provide affordable housing options that respond to changing household sizes and provides a means for residents, particularly seniors, single parents, and empty-nesters, to remain in their homes and neighborhoods longer, with the potential to offset the cost of owning a home coupled with the additional security, and assistance from additional eyes on the property.

Other suggestions regarding enhancing the voluntary residential inspection program to include evaluation of accessibility and establishing a policy for reasonable accommodation to meet the housing needs of persons with disabilities, could be taken under consideration.

Impediment #6 – Lack of incentives and increased costs due to regulations that limits the number of affordable housing units for families with children

The recommendation is to conduct a feasibility assessment on the use of incentives such as expedited permitting and reduced regulations for affordable housing needs of families with children.

The rationale for this recommendation stems from the difficulty of families with children being able to locate in areas close to services such as downtown and employment centers. The upcoming growth policy review process will be an opportunity to consider these issues. The concept "focus inward" will be a starting point for evaluating community- wide policies including consideration of how to encourage development close to services. Additionally, the Downtown Master Plan Implementation Team will be focusing on strategies for encouraging additional housing in the downtown. It should be noted however that property ownership, parcel size, land values and market forces have more effect on the location of affordable housing in the City of Missoula than standard development regulations.

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Appendix 6 – Public Comments and City Responses

Comment 1:

>>> Lee Clemmensen 4/1/2014 11:20 AM >>>
Dear Ms. Gordon,
The recent document of Impediments to Fair Housing is another attempt to take a legitimate issue, an analysis of the incidents of discrimination involving the Fair Housing Act protected classes, and twist it into "affordability" in order to use the issue to change zoning codes. If this document is submitted to the Federal Government as a legitimate assessment of the Fair Housing Act incidents of discrimination twisted to include non-issues like zoning issues and affordability, there will be an official objection, just as there was in 2001, in which the document was completely discarded through the help of Sen. Baucus and the Regional head of HUD. The official response in the report was that there must only be included those considerations involving incidents of discrimination of the designated protected classes as identified under the Federal Fair Housing Act.

Thank you for your attention to keeping this process proper and in keeping with the law.

Lee Clemmensen

City's Response:

>>> Melissa Gordon 4/7/2014 2:33 PM >>>
Good afternoon, Ms. Clemmensen-
As I told you during our phone conversation earlier today, the final, fully-edited version of the Analysis of Impediments to Fair Housing Choice will be considered at the City Council Administration and Finance committee meeting on April 16, and recommended for adoption at the April 21 City Council meeting. There will be opportunity for public comment at tonight's City Council meeting, and at both of the meetings mentioned above.
Thank you for your interest in the Analysis of Impediments to Fair Housing Choice. I have pasted the consultant's response to your comment below. Feel free to contact me with any questions or comments.
-Melissa Gordon

Thank you for your comments and feedback on the City's Analysis of Impediments to Fair Housing Choice (AI). The City of Missoula encourages and provides residents with the opportunity to comment on the Analysis of Impediments to Fair Housing Choice and all other Consolidated Plan related documents. As such careful consideration is given to all comments and views expressed by the public. Also, as required, the City must respond to citizen views and comments. A copy of your comments and the City's response will be included as an attachment to the AI.

The AI is a review of impediments to fair housing choice, both in the public and private sectors. The failure to provide adequate affordable housing is a barrier to exercise of fair housing rights. *HUD's Fair Housing Planning Guide* establishes the correlation between affordable housing and affirmatively furthering fair housing. The Guide states that "members of the protected classes are disproportionately represented among those that would benefit from low-cost housing" (pg. 5-4). Therefore, the City is required to assess the availability of affordable housing and to analyze the affordable housing stock, or lack thereof, outside areas of minority concentration. To achieve this, the City must determine if affordable housing development is restricted by reviewing its policies, regulations, and practices, including a review of the zoning code.

The following will clarify how the lack of affordable housing in a community may be a reflection of discriminatory practices in the community. These practices may be instituted via zoning regulations that may prevent the development of affordable housing to lower income households, which have disparate protected class membership.

Lack of affordable housing has been recognized as a nationwide problem. During 1990, the Office of the President asked the HUD Secretary to convene an Advisory Commission to identify regulatory barriers to affordable housing and recommend how those barriers could be removed. In HUD's 1991 Report "Not In My Back Yard" - Removing Barriers to Affordable Housing, the Commission developed a definition of the problem of affordable housing. It concluded that there is not enough affordable housing when a low- or moderate- income family cannot afford to rent or buy a decent-quality dwelling without spending more than 30 percent of its income on shelter.

The Commission recognized the influence of many factors and phenomena on housing affordability; however, the Commission focused on regulatory barriers as a particularly important and growing cause of the shortage of affordable housing. The Commission had seen evidence that an increase of 20 to 35 percent in housing prices attributable to excessive regulation was not uncommon in the areas of the country that were more severely affected. Among the regulatory barriers studied were *zoning and land use development requirements, which have a direct impact on the location of low cost housing, and, therefore, an impact on residents seeking low cost housing.* It should be noted that the City of Missoula's AI determined that in some areas of the City, 55% of renters spend more than 30% of their income on housing. These also tended to be areas where minority residents reside.

In 1991, HUD's Study stated that development controls and regulations have a direct impact upon where people live, how they manage and use their property, what lifestyle and living arrangements they choose, who their neighbors are, and what their residences cost. If those controls and regulations fail to equitably address the needs of all citizens and if they provide benefits to some while limiting housing choice and opportunity for others, they violate the public purpose in whose name they are enacted.

HUD updated the 1991 Report in February 2005. HUD's update report "Why Not In Our Community?" - Removing Barriers to Affordable Housing stated that the basic findings of the 1991 Report remained true for the 2005 Update Report: exclusionary, discriminatory, or unnecessary regulation constituted formidable barriers to affordable housing. The Report acknowledged that progress had been made, but that it was difficult to identify when a local policy is a regulatory barrier, and that each policy or rule must be assessed on its own merit. It clarified that a policy, rule, process, or procedure is considered a barrier when it prohibits, discourages, or excessively increases the cost of new or rehabilitated affordable housing without sound compensating public benefits.

Since the 1991 Report determined that perhaps the most potent and intractable cause of regulatory barriers to affordable housing was NIMBY (Not In My Back Yard) sentiment at the individual and community level, the 2005 Update Report announced that it hoped that HUD initiatives will changed the NIMBY sentiment to "why not in our community?" The desire for the change was because HUD is aware that the NIMBY sentiment may be expressing opposition to types of housing, changes to the community, to level of growth, or diversity. It can reflect concern about property values, fiscal impacts, the environment, community ambience, or public safety. Most importantly, though, according to HUD's 1991 Report, NIMBY sentiment can easily translate into government action, given the existing system for regulating land use and development, to the exclusion of nonresidents, prospective residents, or for that matter all outsiders. Restrictions on affordable housing are the result.

Numerous studies have been published on the topic of barriers to affordable housing and fair housing. The majority of the studies identified zoning and development regulations as a barrier to affordable housing. In *"Do We Know Regulatory Barriers When We See Them? An Exploration Using Zoning and Development Indicators"* prepared by Gerrit-Jan Knaap, Stuart Meck, Terry Moore, and Robert Parker, 2007 Metropolitan Institute at Virginia Tech, Housing Policy Debate, three metropolitan areas in the US were examined using computed indicators of housing prices and rents, housing production, and zoning constraints to shed new light on zoning patterns and housing market performance. The three areas were selected because of the availability of metropolitan-wide zoning data in GIS format, among other things. The study concluded that quantitative and qualitative analyses of the three study areas offer clear and compelling evidence that zoning can serve as a barrier to high-density, multi-family housing. The authors added that visual display of zoning patterns in all three study areas reveals distinct corridors of jurisdictions that have high and rising housing prices and rents, low shares and rates of growth of multifamily housing, and little or no land zoned for multifamily use.

Comment 2:

Dear Ms. Gordon,

Please accept these comments from MIST on the draft 'Analysis of Impediments To Fair Housing Choice':

We believe this to be a good and important document for Missoula's future.

A strong emphasis should be placed on providing Fair Housing close to existing services.

Measures should be taken to avoid the continuation of sprawl.

We are disappointed and surprised to see no mention of active modes of transportation- mainly walking and biking- in the 'Transportation and Commuting' section.

In our work at the Free Cycles community bicycle shop, we interact with nearly 20,000 people a year who are seeking help with bicycle transportation. Many of these individuals are reliant on bicycles and walking to go about their daily lives. The Missoula community would

likely see great benefit in furthering programs and projects that make the walk and bike system more complete, more safe, more accessible and more enjoyable. We here comments everyday to this effect from people in the community bike shop.

Please consider adding a section on furthering the walk and bike systems in Missoula.

Another issue we would like to see expanded upon is the idea of providing mixed uses in neighborhoods in Missoula. For instance, if there were small grocery stores in more locations throughout Missoula, walking and cycling would become more viable for more people, especially the people who have little money, are unable to drive or desire more sustainable transportation choices.

Thank you for your time,

City's Response:

>>> Melissa Gordon 4/18/2014 1:06 PM >>>
Good afternoon, Bob-
Thank you for your interest in the Analysis of Impediments to Fair Housing Choice Study. I have pasted the consultant's response to your comment below. Your comment will be included in an appendix to the Study.
Feel free to contact me with any questions or comments. Thanks again for taking the time to review and comment on the document.
Have a nice weekend.
-Melissa Gordon

Thank you for your comments and feedback on the City's Analysis of Impediments to Fair Housing Choice (AI). The City of Missoula encourages residents to comment on the Analysis of Impediments to Fair Housing Choice and all other Consolidated Plan related documents. As such, careful consideration is given to all comments and views expressed by the public. Also, as required, the City must respond to citizen views and comments. A copy of your comments and the City's response will be included as an attachment to the AI.
The purpose of the AI is to evaluate any actions, omissions, or decisions which restrict housing choices or the availability of housing choices for members of the protected classes. Transportation is considered to be a housing-related condition which can affect fair housing choice for all protected classes. *The Fair Housing Planning Guide* (Guide) provides information on how to conduct an AI. According to the Guide, HUD focuses on the relationship between employment, housing, and transportation to ensure that public transportation does not inhibit or concentrate affordable housing options.

The Guide requires that the AI focus on the following areas when analyzing how transportation affects housing choice:
1. The availability of public transportation, including train and bus service, and subsidized low or no cost (to consumer) van pools to link job centers with lower income housing locations;

2. The provision of public transportation services that can improve access to jobs, training opportunities, housing, and community services for minority families, families with children, and persons with disabilities;
3. Efforts taken by the City, businesses, and other entities to link transportation and job creation initiatives with improved and more broadly distributed housing opportunities; and
4. The availability of accessible transportation services in all areas, or whether the services are restricted to a few areas, thus clustering persons with disabilities and limiting their housing choices.

Although the AI focuses on public transportation, the City does engage in planning for other transportation needs. For example, the 2012 Missoula Long Range Transportation Plan Update identifies the need for bicycle and pedestrian improvements and includes potential projects. Additionally, the Missoula Metropolitan Planning Organization adopted the 2014 Unified Planning Work Program which describes transportation planning activities within the Missoula area during the program year.

In regards to your comment about mixed-use development, Missoula's Zoning Code currently permits mixed-use development in commercial and business districts and in the Planned Unit Development Overlay District. The City is cognizant that mixed-use development reduces vehicle travel and provides increased housing choices.

Comment 3:

Analysis of Impediments to Fair Housing Choice covers wide territory regarding impediments to housing in Missoula. However, it is a bit of a stretch to call it impediments to *fair* housing. It would be more accurate and honest to call it ***Impediments to Affordable Housing.***

It is no secret that affordable housing is in short supply in Missoula as well as in many other cities throughout the country. But while low income is acknowledged as a significant cause of this, and the usual remedies are offered (bring higher tech industries to Missoula, train our people for higher paying jobs and pass a true citywide livable wage), the bulk of this report focuses on availability and location of low cost housing stock.
The report itself admits in many places that the discrimination against minorities in Missoula cannot be said to be statistically significant because of the low numbers of minority residents. Moreover, in the years 2007-2012, only 16 fair housing complaints were filed with HUD. There is no data presented on complaints filed in other jurisdictions, so it is difficult to know what this means. It would be helpful, however, to know how Missoula stands in comparison to other regions of the country or like-sized cities.
Aside from official records of complaints and demographics, there is data presented from public meetings and an online questionnaire. Unfortunately, despite the contention of the Missoula Office of Development, publicity for these meetings and the questionnaire was promulgated very narrowly to its email lists and in fine print classified ad(s). The not-surprising result is that fewer than 20 citizens (according to Office of Development records) attended the meeting and focus groups and 62 completed the online questionnaire. While a similar outcome may have been achieved with a larger response, it is unfortunate that the opportunity for a more convincing study was lost. There are many ways outreach could have been improved. The City Clerk

maintains a file of citizens who routinely receive meeting schedules for city government; this was not used. While realtors, "housing service providers" and lending institutions were contacted and allowed to participate, landlords were excluded. The city licenses all rental properties and could easily have sent notification to these property owners. A more noticeable ad could have been placed elsewhere in the paper to announce this outreach, as was the ad to elicit the current response.

A recurring theme both in responses to the surveys and in the solutions respondents offer is that they would prefer to live in the "core" of Missoula. I take this to mean the Slant Street/Roosevelt area, the University area, Lewis and Clark, the Lower Rattlesnake and downtown Missoula, since all other neighborhoods are viewed as undesirable by the respondents. Zoning is regarded as one of the major impediments to achieving the housing supply goals advocated by some of the respondents as well as the writer of the study itself. However, short of instituting massive apartment blocks, which would adversely affect the character of these neighborhoods, the supply threshold required to create affordable housing will continue to remain elusive. Note that even with the entry of large numbers of houses into the student rental market in recent years, the price of housing has only gone up. At the same time, the loss of the single family definition, together with the University's abdication of its responsibility to provide student housing, has led to a pay per room effect, costing students dearly, rewarding out of state investors, and driving up the price of housing throughout Missoula.

In summary, the ***Analysis of Impediments to Fair Housing Choice*** fails in a number of ways:

It sets out to show that access to affordable housing is the same thing as access to non-discriminatory housing. While there is clearly a lack of affordable housing in Missoula, I do not believe the intent of the Fair Housing Act is to equate this lack of "affordability" with discrimination.

The report itself admits that the data provided largely indicate a minimum level of discrimination in housing in Missoula.

Outreach to the community was not only inadequate, but was focused on only select stakeholders who may be directly affected by housing discrimination, are in the business of advocating for affordable housing, or who may stand to gain by changes of community regulations on growth and zoning.

The conclusions drawn and the recommendations made by the consultant were heavily weighted toward changing the zoning in neighborhoods which are now considered desirable to live in. This is presented under the theory that by increasing density in these neighborhoods, affordable housing will somehow follow. However, as the last several years of development should have shown, even building out large areas of the city with apartment complexes will not result in lower rents. Changing the zoning to make larger developments feasible in core Missoula neighborhoods will only destroy the beauty and charm of these neighborhoods, which now offer the visitor to Missoula an opportunity to appreciate the beauty that the Garden City is named for.

Finally, what little transparency is evident in this document indicates that its main purpose is not to document or defend protected classes from discriminatory practices. It is to misappropriate the Fair Housing Act to push for changes in zoning in the City of Missoula. Mind that these zoning changes will not improve the lot of lower income people as they scramble to find affordable housing. It will instead only enrich developers and investors as well as add to Missoula's property tax base.

City's Response:

>>> Melissa Gordon 4/18/2014 1:04 PM >>>

Good afternoon, Mr. Snively-

Thank you for your interest in the Analysis of Impediments to Fair Housing Choice Study. I have pasted the consultant's response to your comment below. Your comment will be included in an appendix to the Study.

Feel free to contact me with any questions or comments. Thanks again for taking the time to review and comment on the document.

Have a nice weekend.

-Melissa Gordon

Thank you for your comments and feedback on the City's Analysis of Impediments to Fair Housing Choice (AI). The City of Missoula encourages residents to comment on the Analysis of Impediments to Fair Housing Choice and all other Consolidated Plan related documents. As such, careful consideration is given to all comments and views expressed by the public. As required, the City must respond to citizen views and comments. The following is the City's response to each out the points raised in the public comments submitted.

Relationship between Fair Housing, Affordable Housing, and Zoning

This section explains why the title of the document cannot be changed and how fair housing and affordable housing are interconnected. It will also clarify how the lack of affordable housing in a neighborhood may be a reflection of discriminatory practices in the community – discriminatory practices that may be instituted via zoning regulations that may prevent the development of affordable housing to lower income households, which generally are minority households.

HUD regulations require that grantees address federal requirements concerning "affirmatively furthering fair housing" and carrying out "fair housing planning". HUD established that to comply with the aforementioned requirements, grantees shall conduct an analysis to identify impediments to fair housing choice, hence the name of the document. Even though, the title of the study cannot be changed, the current title is suitable and in accordance with the study finding that there is lack of affordable housing in the City of Missoula. Although there is a difference in definition for fair housing and affordable housing, the two terms are intrinsically connected.

Lack of affordable housing has been recognized as a nationwide problem. During 1990, an Advisory Commission was convened to identify regulatory barriers to affordable housing and recommend how those barriers could be removed. In HUD's *1991 Report "Not In My Back Yard" - Removing Barriers to Affordable Housing*, the Commission developed a definition of the problem of affordable housing. It reviewed evidence that an increase of 20 to 35 percent in housing prices attributable to excessive regulation was not uncommon in the areas of the country that were more severely affected by the shortage of affordable housing. Among the regulatory barriers studied was *zoning and land use development requirements, which have a direct impact on the location of low cost housing, and, therefore, an impact on residents seeking low cost housing.* HUD's study stated that development controls and regulations have a direct impact upon where people live, how they manage and use their property, what lifestyle and living arrangements they choose, who their neighbors are, and what their residences cost. If those controls and regulations fail to address equitably the needs of all citizens, and if they provide

benefits to some while limiting housing choice and opportunity for other, then they violate the public purpose in whose name they are enacted.

HUD updated the 1991 Report and published the updated report titled *"Why Not In Our Community?" - Removing Barriers to Affordable Housing* during February 2005. The new report stated that the basic findings of the 1991 Report remained true: exclusionary, discriminatory, or unnecessary regulation constitute formidable barriers to affordable housing. The 2005 Report acknowledged that progress had been made, but that it was difficult to identify when a local policy is a regulatory barrier, and that each policy or rule must be assessed on its own merit. It clarified that a policy, rule, process, or procedure is considered a barrier when it prohibits, discourages, or excessively increases the cost of new or rehabilitated affordable housing without sound compensating public benefits. The 2005 Update Report hoped that HUD initiatives would change the NIMBY sentiment, since NIMBY was determined to be the most potent and intractable cause of regulatory barriers to affordable housing. NIMBY sentiment may be expressed as opposition to types of housing, to changes to the community, to level of growth, or to diversity. It can reflect concern about property values, fiscal impacts, the environment, community ambiance, or public safety. Most importantly, though, according to HUD's 1991 Report, NIMBY sentiment can easily translate into government action, given the existing system for regulating land use and development to the exclusion of nonresidents, prospective residents, or for that matter, all outsiders. Restrictions on affordable housing are the result.

Numerous studies have been published on the topic of barriers to affordable housing and fair housing. The majority of the studies identified zoning and development regulations as a barrier to affordable housing. In *"Do We Know Regulatory Barriers When We See Them? An Exploration Using Zoning and Development Indicators"* prepared by Gerrit-Jan Knaap, Stuart Meck, Terry Moore, and Robert Parker, 2007 Metropolitan Institute at Virginia Tech, Housing Policy Debate, three metropolitan areas in the US were examined using computed indicators of housing prices and rents, housing production, and zoning constraints to shed new light on zoning patterns and housing market performance. The study concluded that quantitative and qualitative analyses of the three study areas offers clear and compelling evidence that zoning can serve as a barrier to high-density, multi-family housing. Although not all high-density housing is affordable, multi-family housing is generally more affordable than low-density, single-family housing. Therefore, it is likely that zoning barriers to high-density, multi-family housing also act as barriers to affordability.

Level of Discrimination

There appears to be a misinterpretation of the meaning of statistically significant and the level of discrimination in the City. Statistical significance does not equal practical importance *("The Difference Between Significant and Not Significant is not Itself Statistically Significant" by Andrew Gelman and Hal Stern, The American Statistician, November 2006, Vol60 #4).*

The AI reported that based on the Census the 2010 population for the City was 92.1% White, 0.5% Black/African American, 1.2 % Asian, 2.8% American Indian and Alaska Native, 2.8% Two or More Races, and 2.9% were of Hispanic or Latino origin. The AI explained that the ratio of minorities to the overall population did not show a large increase from the 2000 Census. When dealing with small size minority populations, the differences that occur in computations using the large overall population may be skewed and show that they are not statistically

significant, which doesn't mean that there is no difference. This means that the minority population size is too small to confirm that there is in fact a difference.

Under the HMDA Data Analysis Section, the AI reported that during the period reviewed, 172 loan applications were made by minority households, of which 21 were denied. This represents a 12.2 percent denial rate, which is 4 percentage points higher than the loan denial rate for the City. *This denial rate for minority loans does not indicate the existence of discrimination in lending based on property location. However, the small minority population in Missoula has the effect of skewing the minority denial rates*. To be statistically significant, the denial rate should have been at 5% or more points higher than denial rate for the City. Five percent has been set as a standard. It should be noted that at 4 percent, the denial rate for minorities is considered to be elevated.

Public Outreach

Public outreach included a survey, public meetings, focus groups, and interviews with key persons. Preparation and implementation of the citizen survey was done with the use of an online survey and was targeted to the entire community through email lists, the City and County websites, and social media. Hard copies of the surveys were available at the Grants and Community Programs Department, at the Missoula Public Library, and were also given to social service providers for distribution to clients. The survey was active from September 2013 through November 2013. There was a citizen survey, and there were separate surveys designed for Housing Service Providers, Realtors, and Lending Institutions. Links were sent to the Service Providers, Realtors, and Lenders via email. These surveys were sent to specific industry professionals because of their nature, but were also available to the general public to capture the attention anyone missed in the mailing lists.

Once a survey is placed online, the respondents are deemed to be randomly selected. Therefore, respondents to the City's fair housing survey are presumed to be a microcosm of the City's population. The survey asked respondents about their experience and perception of housing discrimination, knowledge of fair housing laws, and their experience with Missoula's housing assistance and social service programs and opinions about housing and social service needs in the city. It should be noted that of the survey respondents, 11.8% feel that they have experienced housing discrimination.

Public meetings and focus group meetings were held during the fall of 2013. The Community Needs Assessment meeting, held in September 2013 in the City Council Chambers, was to identify housing and community development needs, including fair housing needs. The meeting was attended by members of the public, agency representatives, and members of governmental agencies. On October 17, 2013, a public meeting was conducted to gather input on on fair housing issues. Additionally, on October 17 and 18, 2013, focus groups were held to obtain input from key stakeholders, including housing providers and advocates. Public meetings were advertised in both the *Missoulian* and the *Missoula Independent*, as well as on the City's website, the Missoula County website, the City's Facebook page, and via email lists.

"Key person" interviews were also conducted with members of the housing industry such as the realtors associations and agencies serving members of the protected classes. While a larger response was desirable, the response to the surveys was typical for a city of this size using the same promotion strategies. The responses from the realtors, lenders, and other housing

professionals were much higher than in similar cities, with over 70 responses submitted. Typical responses in these categories cumulatively do not exceed 15 responses.

Comment 4:

>>> Travis Hoffman 4/8/2014 7:11 PM >>>
Hi Melissa,

I was great chatting with you at the City Council meeting last night and thank you for giving me an opportunity to comment on the draft Impediments to Fair Housing document. All of my comments are highlighted in the attached draft document. I have also included our compiled housing list for people with disabilities as I noticed in the draft that Missoula Aging Services also provided you with that information for older adults.

Again, thank you for this opportunity and I hope my comments are useful.

City's Response:

Good afternoon, Travis-
Thank you for your interest in the Analysis of Impediments to Fair Housing Choice Study. I have pasted the consultant's response to your comment below. Your comment will be included in an appendix to the Study.
Feel free to contact me with any questions or comments. Thanks again for taking the time to review and comment on the document.
Have a nice evening.
-Melissa Gordon

Thank you for your comments and feedback on the City's Analysis of Impediments to Fair Housing Choice (AI). The City of Missoula encourages and provides residents with the opportunity to comment on the Analysis of Impediments to Fair Housing Choice and all other Consolidated Plan related documents. As such careful consideration is given to all comments and views expressed by the public. Also, as required, the City must respond to citizen views and comments. The following is the City's response to each of the points raised in the public comments submitted. A copy of your comments and the City's response will be included as an attachment to the AI.

The City recognizes the preference for the use of the phrase "persons with disabilities" instead of handicapped and disabled and has made the changes to the AI as appropriate. The statement regarding the largest population group among persons with disabilities being persons who are elderly was clarified to note that as a percentage of their population subgroups, persons who are elderly have the largest percentage of persons with disabilities.
Thank you for the suggestion regarding RAMP of Montana. In addition, your information on the compilation and maintenance of a list of housing options for persons with disabilities by Summit Independent Living Center was incorporated in the AI.
Regarding your question about the use of Section 8 vouchers for homeownership through the Human Resource Council's Section 8 program, it seems that the Council only uses its vouchers for rental assistance. The Council's website notes that deferred payment, simple interest, second mortgages with no payment until the first mortgage is satisfied (i.e. sale, refinance or paid in full)

are available. Loans of up to $35,000 are available for home ownership in Mineral, Missoula and Ravalli Counties.

In regards to your comments regarding "special needs," HUD includes the following population subgroups as "special needs:"

- Elderly and frail elderly
- Persons with severe mental illness
- Persons with developmental and physical disabilities
- Persons with alcohol/other drug addictions
- Persons with HIV/AIDS
- Victims of domestic violence

The AI text was revised to specify these subpopulations.

The AI was updated to include the approval of the City of Missoula's Voluntary Visitability guidelines.