



# Urban Fringe Development Area Project



**2016 - 2017 UFDA Yearbook  
& 10-Year Review**

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Scott Street Village. Photo by Garin Wally

Cover Photo of Roam by Tom Zavitz

## Introduction

In 2007, the Office of Planning and Grants, now Development Services (est 2013), embarked on an annual process of updating community planning information with an emphasis on determining how the community should accommodate housing needed for the expected approximate increase in population over the next 20 years. It was expected that about 15,000 residential units would be needed. The result was the Residential Allocation Map that was incorporated through amendment into the City and County Growth Policy and the commitment to track residential development activity through the Urban Fringe Development Area Yearbook (UFDA).

This UFDA Yearbook contains the annual reports for 2016 and 2017 jointly, but also reviews trends over the past ten years. Like the earlier reports, this yearbook informs community policy primarily pertaining to housing, population, development, acquisitions, and infrastructure for the Missoula Urban Services Area, and tracks potential residential development opportunities through the Residential Allocation Map.

The Planning Division of Development Services is using the ten-year observations to inform a reset of the residential allocations with a look toward guiding residential development for the next ten years. The upcoming UFDA “look-forward” will specifically identify areas with beneficial development potential based on the 2035 Our Missoula Growth Policy objectives. By considering capacity for growth together with areas identified as suitable through Growth Policy objectives, the forthcoming composite map will better identify development potential expected by the Residential Allocation Map. This will in turn advise and help coordinate city planning for infrastructure, annexation and other city and agency services going forward.



Construction. Photo by Garin Wally

### Credits:

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This project could not be possible without the on-going support of the various agencies that contribute valuable data and insight.

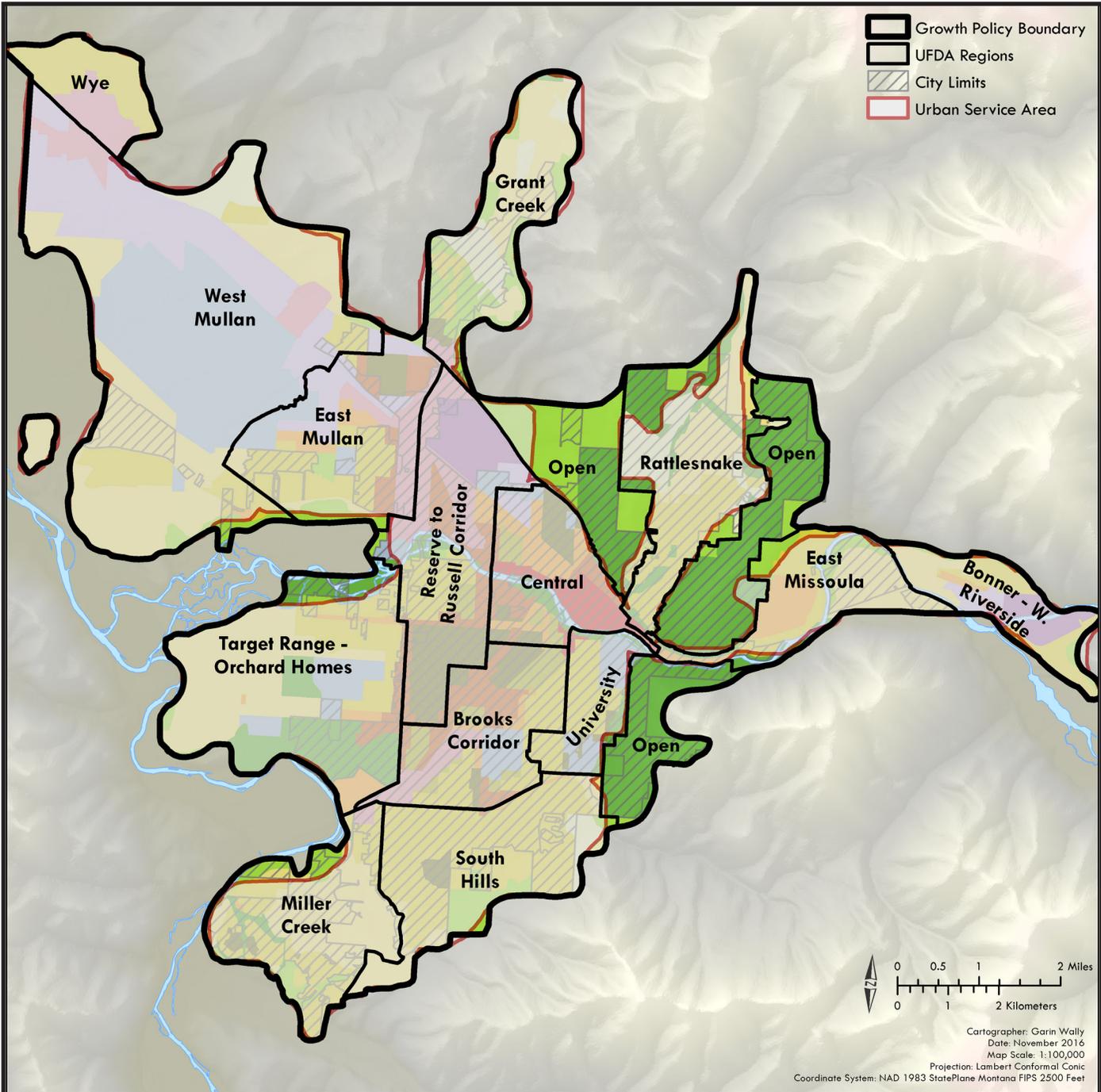
Past and current UFDA materials can be accessed at:

<http://www.ci.missoula.mt.us/1526/UFDA>



Tollefson Apartments. Photo by LM

# UFDA Boundary & Regions



Previous UFDA Yearbooks have used the Urban Services Area (URSA, 33,000 acres) as the UFDA project study area. Beginning in 2015, the boundary was adjusted for consistency with the Growth Policy Boundary (40,253.25 acres) used for the Our Missoula 2035 City Growth Policy document and Future Land Use Designation Map.

The UFDA “Regions” are divisions of the study area that are used for analyzing the area’s development patterns; they have no relation to Neighborhood Council Districts or other neighborhood associations. These areas were

also updated to match boundaries defined by the Census, improving their ability to properly capture underlying demographic information such as population. The “Open” regions (4,283 acres) were added to fill most of the gap between the previous UFDA boundary and the Growth Policy boundary. The City should expect minimal development in these Open regions as their land use designations are predominantly Open and Resource, and Parks and Open Lands.

## Summary

The original Urban Fringe Development Area Project Update and Staff Recommendation estimated a baseline count of 38,568 existing dwelling units in 2007. Since then we have added 4,905 units bringing us a new baseline of about 43,473 dwelling units.

Population was estimated from dwelling units using an average of 2.2 persons per household and a 3% vacancy rate (Missoula Organization of Realtors).

### Dwelling Unit Estimates per Year

Year	Est Dwellings	Growth Rate
2007	38,568	X
2008	38,903	0.87%
2009	39,101	0.51%
2010	39,407	0.78%
2011	39,945	1.37%
2012	40,233	0.72%
2013	40,779	1.36%
2014	41,295	1.27%
2015	41,828	1.29%
2016	42,623	1.90%
2017	43,473	2.01%
<b>Average</b>	<b>491 / year</b>	<b>1.21%</b>

## Summary

### Quick Facts

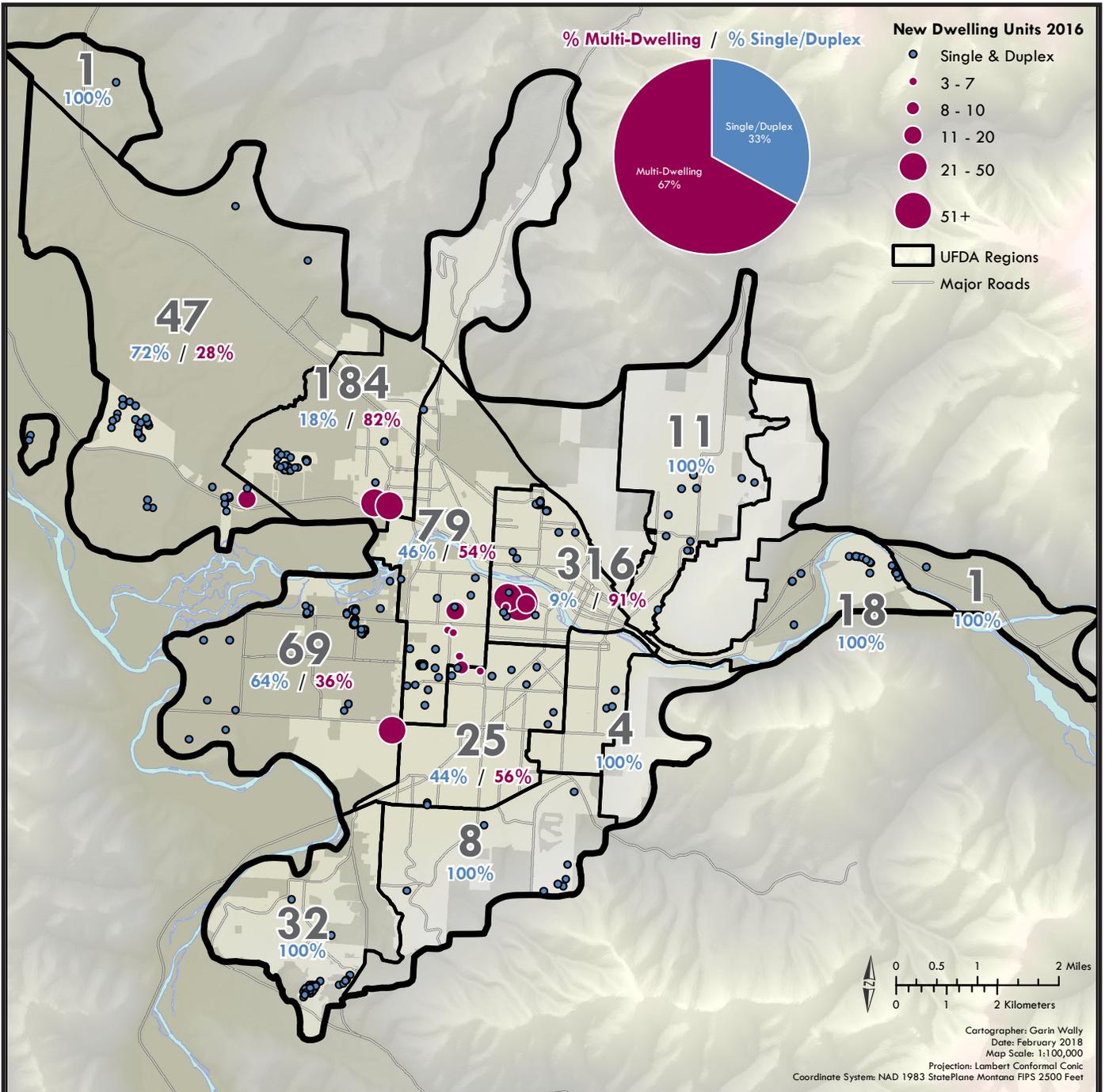
- UFDA Study Area (see page 4): 40,253 Acres
- Est. Population: 92,700
- Est. Housing Units: 43,473
- Est. Gross Density: 1.0 Dwelling Unit per Acre
- Est. Net Density: 2.39 du/ac
- Annual Growth Rate of Dwellings: 1.21%
  
- 1,645 new residential units added in 2016-2017
- 4,905 residential units added since 2008
- 491 units added per year over a ten-year average
  
- New Major Subdivisions ('16 & '17): 1 City, 1 County
- Updated Entitled Lot Reserve: 4,241 lots/units



Scott Street Village. Photo by Garin Wally

# Residential Building Permits

2016



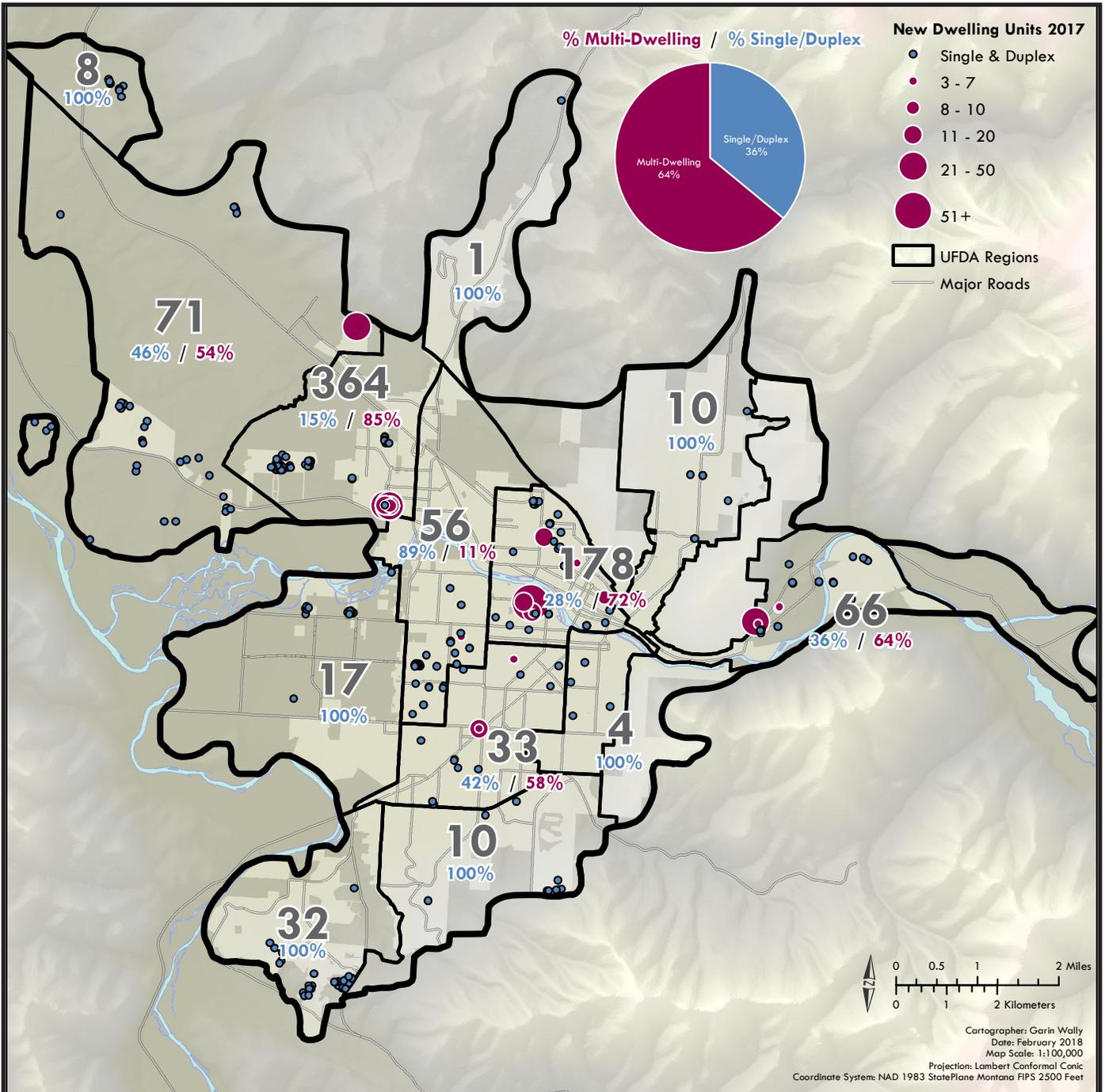
In 2016, the City issued residential building permits for 221 single dwellings, 18 duplex units, and 532 units in 20 multi-dwelling developments. The County issued permits for 24 single dwellings. A total of 795 new units were permitted: 771 units in the City and 24 in the County.

Calendar year 2016 saw the total market value of construction reach \$248.7 million. This surpassed the previous year's by \$64.7 million.

The three largest projects in 2016 were the new ROAM student housing project at 305 E Front St (162 units), Cambium Place at 945 Wyoming St (69 units), and buildings 1-3 of the Halling Farms project on Clark Fork Lane (114 units).

# Residential Building Permits

2017



In 2017, the City issued residential building permits for 232 single dwellings, 28 duplex units, and 502 units in 28 multi-dwelling developments. The County issued permits for 44 single dwellings, 2 duplex units, and 42 units in a multi-dwelling project in East Missoula. A total of 857 new units were permitted: 769 units in the City and 88 in the County.

The three largest projects in 2017 were 9 buildings of the Halling Farms project / Tollefson Apartments on Clark Fork Lane and Mullan Road (216 units), The Sawyer

Student Living building at 775 Wyoming St (57 units), and Potter Park Apartments (38 units).

Calendar year 2017 saw the total market value of construction reach \$277 million. This surpassed the high value in 2016 by another \$28.3 million.

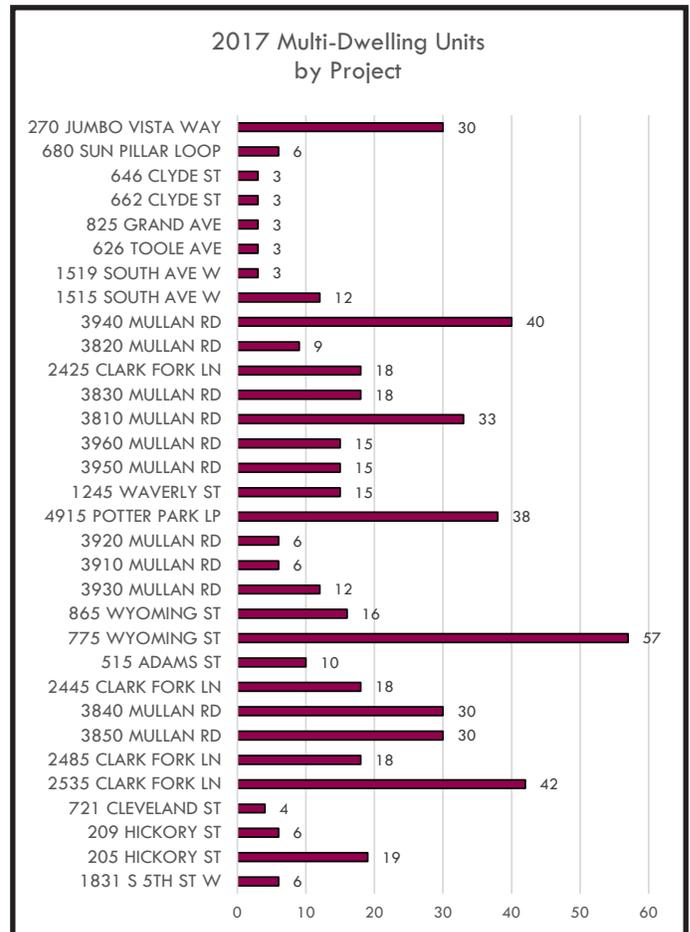
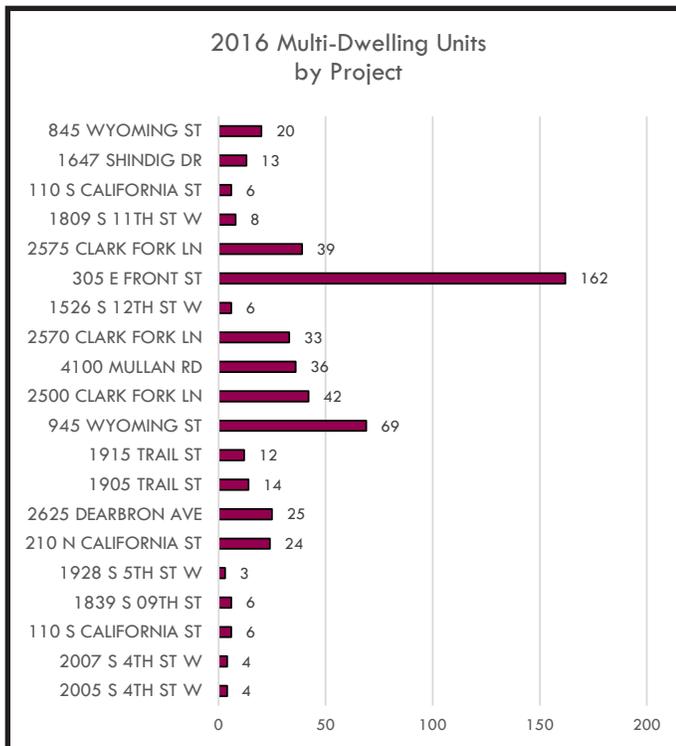
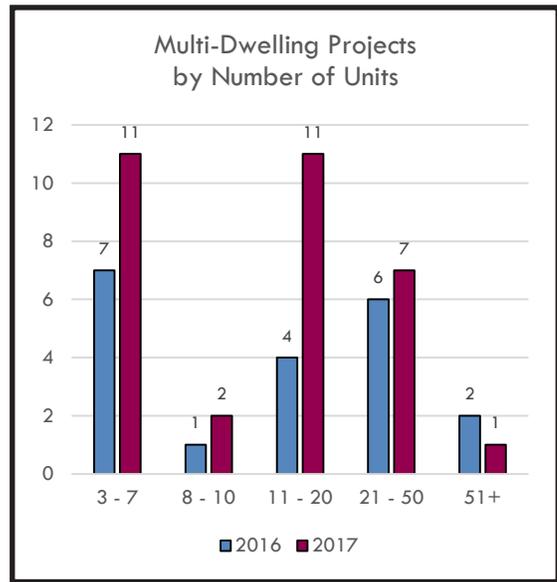
Residential development in the City has continued at a steady pace. Due to a few large projects in East Missoula in 2017, the number of developed units in the County (88) was nearly twice the average (36 per year).

## Multi-Dwelling

In 2016, multi-dwelling projects had an average of 27 units per project and an average of 40 dwelling units per acre (DUAC). In 2017, multi-dwelling projects had an average of about 17 units per project and about 23 units per acre. Further development of the “Old Sawmill District” has focused the majority of multi-dwelling construction to the City Core.

One major project of note is the 162-unit (101 DUAC) ROAM student housing and mixed use project located on Front Street (cover photo).

Between 2008 and 2017, eight major new affordable multi-dwelling projects were developed, providing a total of 299 dwelling units. This is approximately 6% of the total new dwelling units for the area. This only accounts for new multi-dwelling development, while other efforts to address housing affordability have also taken place including improvements to existing income-qualifying rentals, continued issuance of housing vouchers, efforts to address homelessness, retaining the current stock of income-qualifying rentals, and private-developer efforts to address work-force housing. A plan to address Missoula’s housing needs is underway through the Office of Housing and Community Development. This, and future UFDA projects will help to inform those ongoing efforts.



# Multi-Dwelling



69 unit Cambium Place (34 DUAC). Photo by Garin Wally



10 unit Spruced Lofts (77 DUAC) on Spruce and Adams. Photo by Garin Wally



57 unit The Sawyer Student Living (65 DUAC). Photo by Garin Wally



Polley's Square Buildings C and D. Photo by Garin Wally

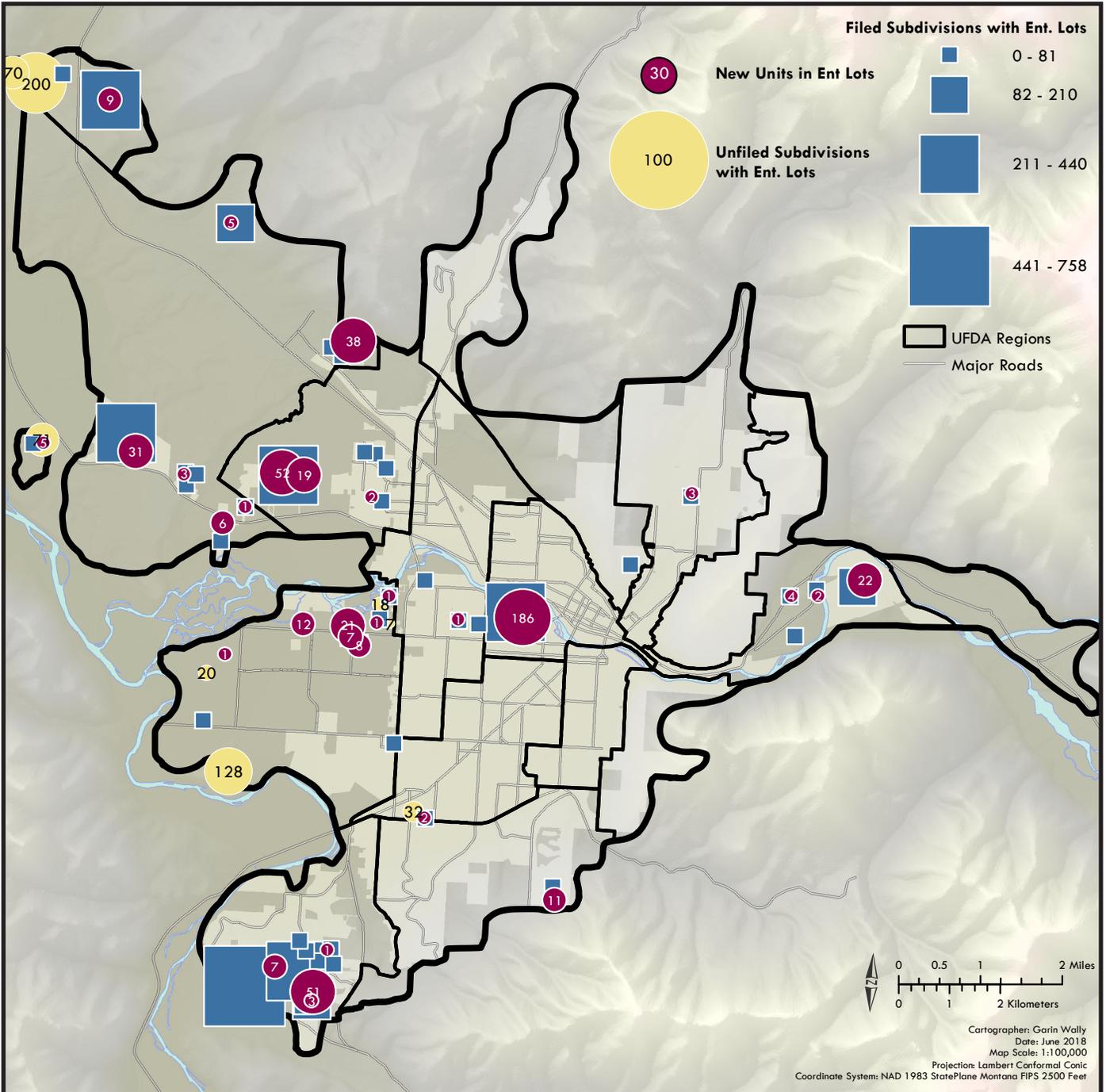


12 unit apts on South and Brooks (9 DUAC). Photo by Garin Wally



Tollefson Apartments. Photo by LM

# Subdivision & Entitled Lots

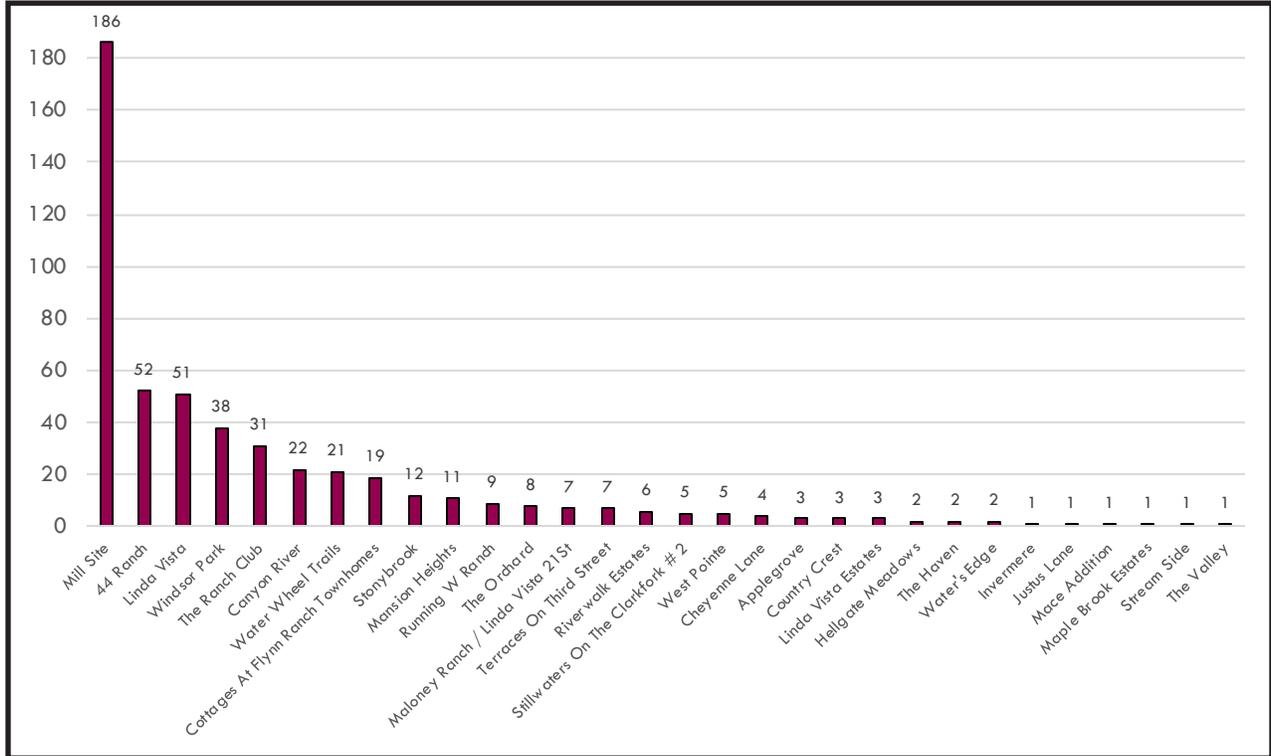


Entitled Lots consist of platted and expected residential lots and dwelling units planned for in preliminarily approved major subdivisions. Development is imminent for some, while other entitled lots exist only in future phases that have not yet been filed. If phases expire, the number of lots expected in that phase is dropped from the count. Lots where building permits are filed are also removed. The total undeveloped lots or units, and the remaining vacant and unplatted lots or units represent the updated count of Entitled Lots.

Three subdivisions expired in 2016-2017 dropping their lots or units from the count. Those subdivisions were Southern Hills (47 lots; South Hills region), and Clark Fork Terrace #1 and #2 (38 and 33 lots; East Missoula region). Two new major subdivisions came online: Spurgin Ranch (20 lots; Target Range - Orchard Homes region) in the County, and Cowboy Flats (32 lots; Brooks Corridor region) in the City. Development that occurred on Entitled Lots includes 264 units built in 2016 (33% of development), and 251 units built in 2017 (30% of development).

# Subdivision & Entitled Lots

Units Developed on Entitled Lots per Subdivision



Remaining Entitled Lots by Region

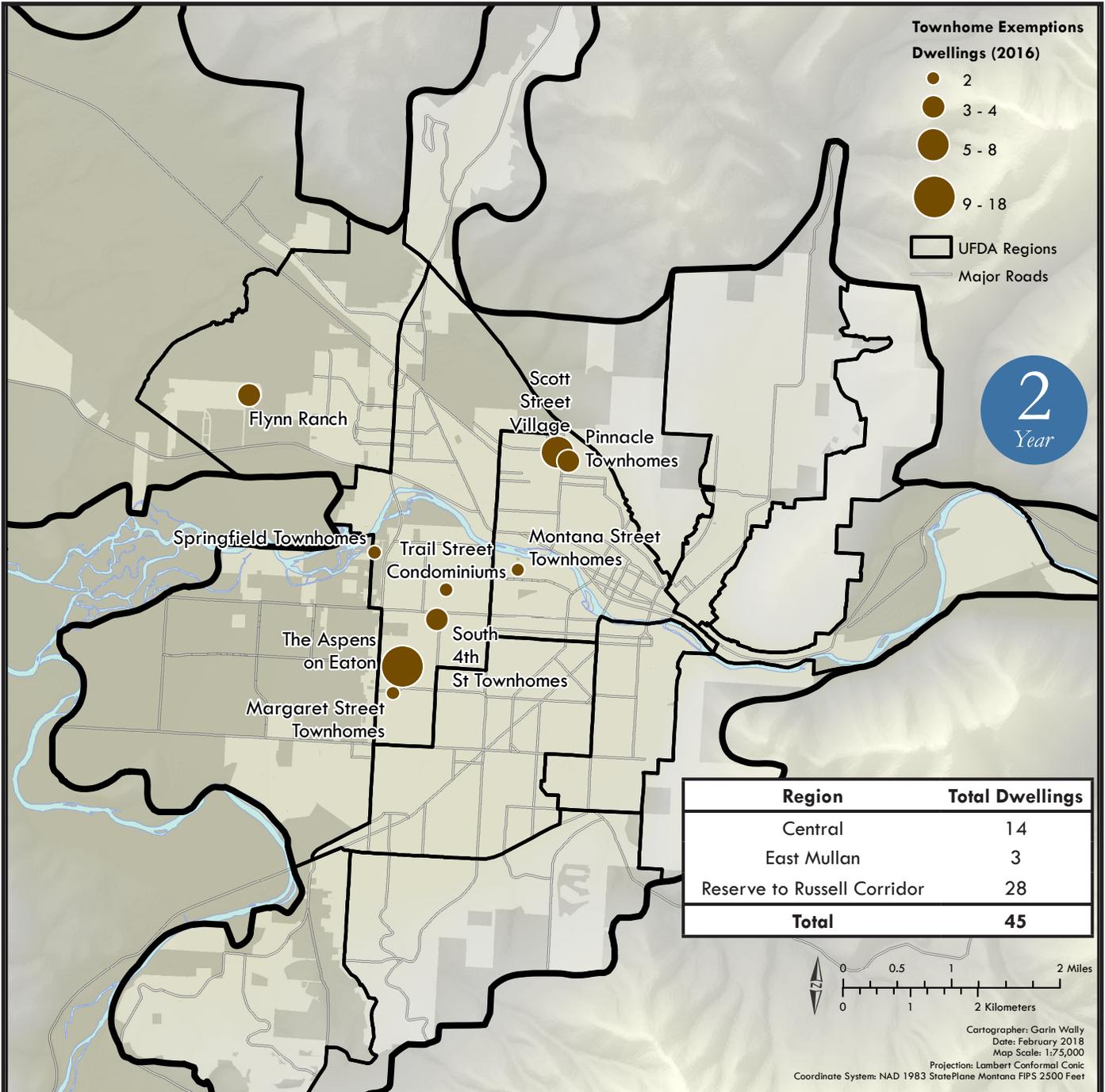
Region	New Units	Remaining
Brooks Corridor	2	34
Central	186	385
East Missoula	28	183
East Mullan	73	619
Miller Creek	62	1417
Rattlesnake	3	105
Reserve to Russell Corridor	1	107
South Hills	11	34
Target Range - Orchard Homes	51	222
West Mullan	89	556
Wye	9	579
<b>Total</b>	<b>515</b>	<b>4241</b>

It has been a consistent pattern that approximately one third of development occurs on Entitled Lots, as shown in the past two years.

Considering these changes, the current estimate of Entitled Lots is about 4,241, with 546 of those in subdivisions that have not yet filed any phases (8 subdivisions). The majority of entitled lots from unfiled subdivisions (489) are in the County.

# Townhome Exemptions

2016



2  
Year

In 2011, the state legislature passed House Bill #460 which allowed fee-simple development to occur without subdivision review in the same way that traditional condominium projects do not require subdivision review. In zoned areas, this allows the creation of unit ownership parcels, in effect allowing an alternative to the typical subdivision review process.

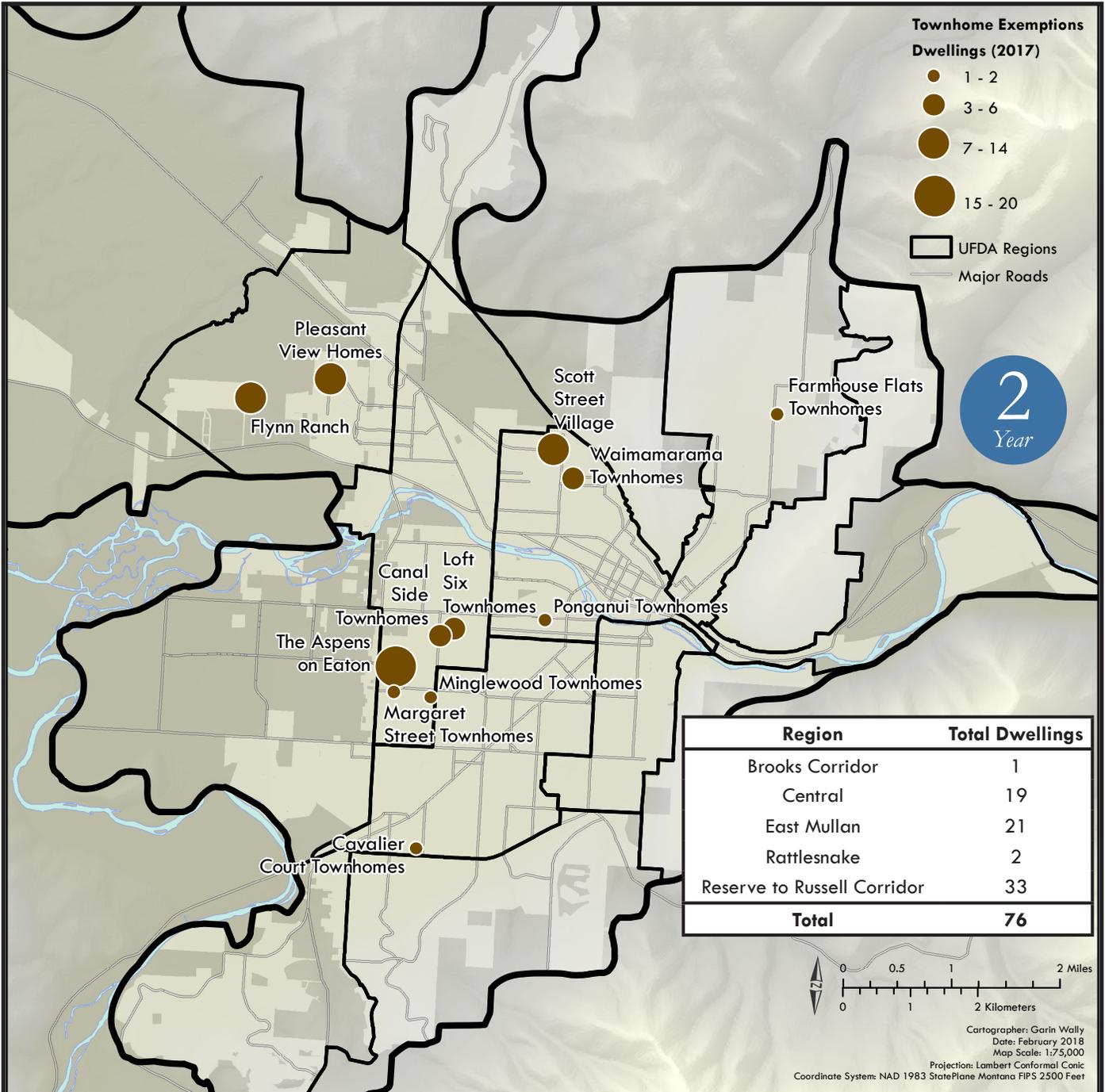
In April of 2016 Missoula created and adopted Townhome Exemption Development (TED) regulations which allowed residential TED developments by-right

or conditionally approved depending on the size of development; developments of five or fewer are allowed by-right. Because the TED review process is faster and less expensive than subdivision review, TED development is expected to increase and potentially replace most subdivision projects in the future.

Missoula saw 45 TED units constructed in 2016 and 76 in 2017. The Aspens on Eaton and the Scott Street Village developments saw the highest number constructed in the past two years with Flynn Ranch and Pleasant View

# Townhome Exemptions

2017



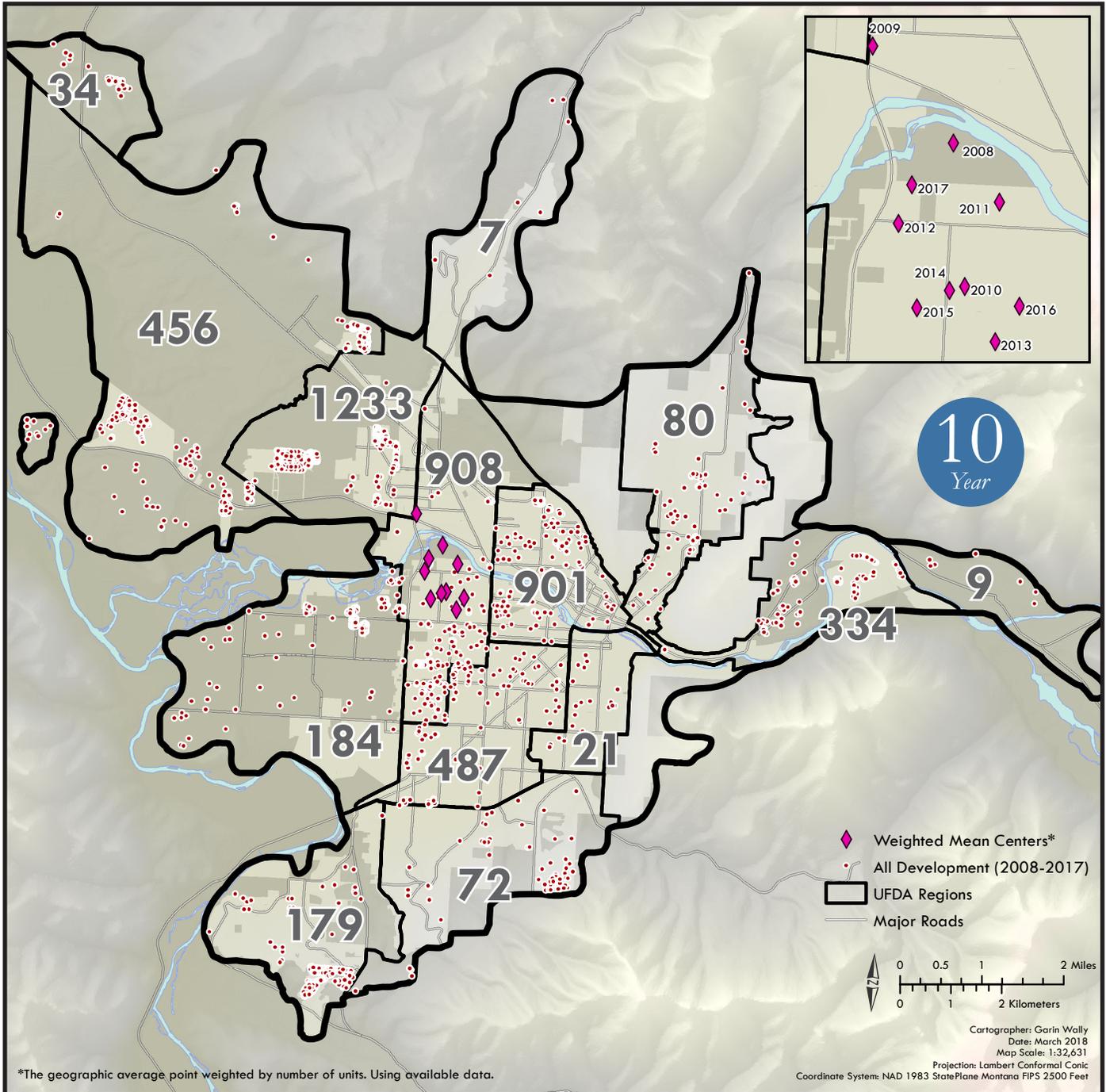
Homes also seeing significant numbers of units developed.

typical housing types associated with TED projects are 2-unit attached townhouses and small lot single dwellings.

It is expected that this type of development pattern will continue to rise in popularity as developers realize the benefit of its streamlined approval process.

TED projects are being proposed in core areas of the city as a method of establishing home ownership opportunities on smaller infill parcels as well as some places along the edges of the city where developers are using the TED to explore new building types such as “patio homes.” The

# 10-Year Development Review



\*The geographic average point weighted by number of units. Using available data.

The map above shows the 4,905 new residential units permitted over the past ten years. Also shown are the Weighted Mean Centers, or the geographic average point per year which is weighted by the number of units per point. Imagine if the Growth Policy boundary was a wooden board and new dwelling units were weights on the board, the mean centers are where the board would balance if suspended by string. They help depict the pattern of development over the past ten years. For example, the Weighted Mean Centers will drift to the north-west if development intensity continued in the East

Mullan region and wasn't balanced out by development to the south-east.

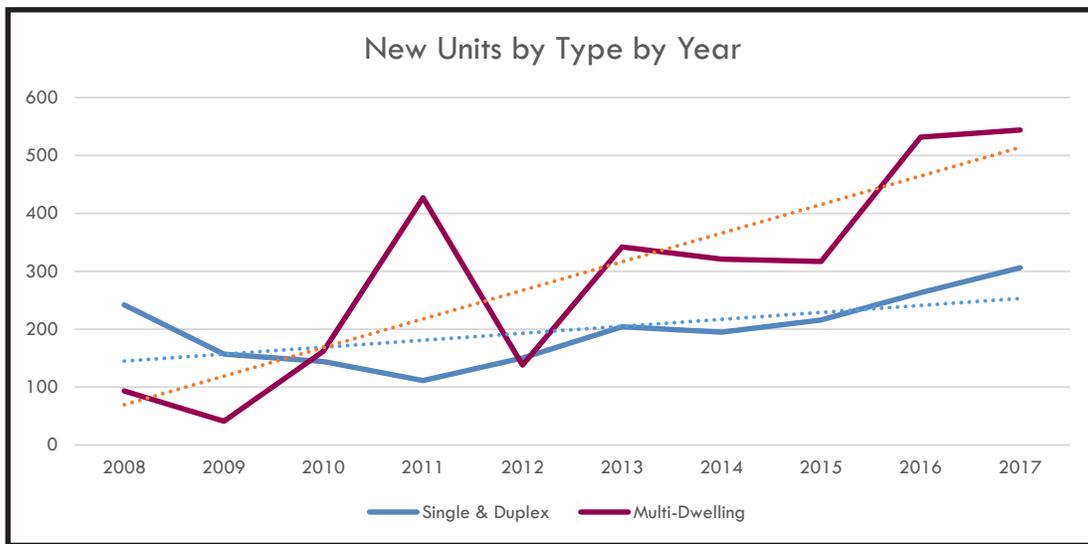
Despite significant fluctuations in the numbers, types, and locations of permitted residential units over the past ten years, the Weighted Mean Centers of residential development have remained tightly clustered in the River Road neighborhood in the Reserve to Russell Corridor region. These mean centers provide one potential method to objectively measure development patterns as the City continues to pursue its "Focus Inward" policy.

# 10-Year Development Review

# Development by Type

Development by Type by Year

Year	Single-Dwelling	%	Duplex	%	Multi-Dwelling	%	Total by Year
2008	220	65.7%	22	6.6%	93	27.8%	335
2009	149	75.3%	8	4.0%	41	20.7%	198
2010	122	39.9%	22	7.2%	162	52.9%	306
2011	97	18.0%	14	2.6%	427	79.4%	538
2012	138	47.9%	12	4.2%	138	47.9%	288
2013	196	35.9%	8	1.5%	342	62.6%	546
2014	183	35.5%	12	2.3%	321	62.2%	516
2015	204	38.3%	12	2.3%	317	59.5%	533
2016	245	30.8%	18	2.3%	532	66.9%	795
2017	276	32.5%	30	3.5%	544	64.0%	850
<b>Total by Type</b>	<b>1830</b>		<b>158</b>		<b>2917</b>		<b>4905</b>
	<b>40.5%</b>			<b>59.5%</b>			



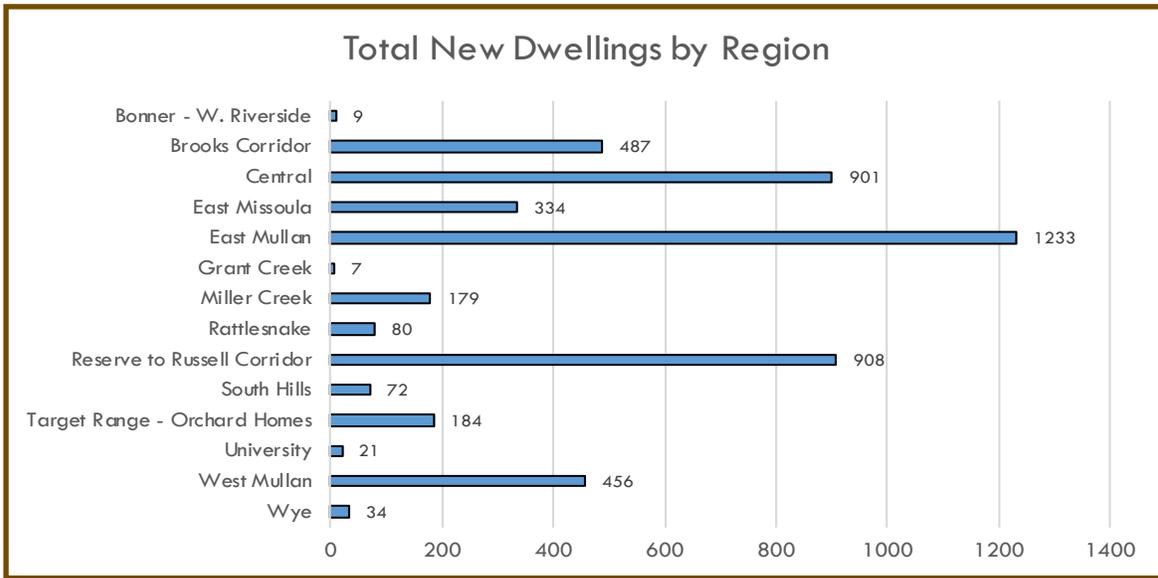
Trends in the Missoula home building market over the past ten years reflect the effects of the 2008 U.S. banking crisis and resulting recession-recovery in two ways. First, because credit (mortgages) for home buyers became difficult to obtain, the market for multi-dwelling units like apartments began to outpace the demand for single dwelling units. In Missoula the change meant that the percentage of building permits for multi-dwelling units doubled to two-thirds of all residential building permits while the percentage of single dwelling building permits fell to about one third of all residential building permit levels. Since the recession bottomed in 2009 these rates have remained steady as the economy recovered.

Overall, the total of multi-dwelling and single dwelling building permits issued has varied year to year, but have been increasing at an average rate of about 15 - 20% per year since 2009. In 2009, permits were issued for 198 units. In 2017, after eight years of economic recovery, the City and County issued permits for 850 residential dwelling units within the UFDA area, of which 544 were multi-dwelling units. All told, there were 4,905 new dwelling units constructed in the Urban Service Area in the past ten years.

**10-Year Development Review** **Development by Region**

Development by Region by Year

Region	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	10-Year Avg	5-Year Avg	Total by Region
Bonner - W. Riverside	1	1	2	1	0	0	2	1	1	0	1	1	9
Brooks Corridor	24	9	62	66	23	109	115	21	25	33	49	61	487
Central	22	6	85	14	71	32	70	107	316	178	90	141	901
East Missoula	23	9	5	123	10	7	14	59	18	66	33	33	334
East Mullan	104	37	34	247	46	53	105	59	184	364	123	153	1233
Grant Creek	0	2	1	1	1	0	1	0	0	1	1	0	7
Miller Creek	4	2	3	1	10	28	30	37	32	32	18	32	179
Rattlesnake	11	3	5	7	2	12	14	5	11	10	8	10	80
Reserve to Russell Corridor	72	62	64	20	58	258	83	156	79	56	91	126	908
South Hills	11	5	4	5	7	4	11	7	8	10	7	8	72
Target Range - Orchard Homes	14	5	6	8	14	8	19	24	69	17	18	27	184
University	1	2	2	1	1	0	2	4	4	4	2	3	21
West Mullan	48	51	31	42	35	35	47	49	47	71	46	50	456
Wye	0	4	2	2	10	0	3	4	1	8	3	3	34
<b>Total City</b>	<b>303</b>	<b>175</b>	<b>289</b>	<b>499</b>	<b>257</b>	<b>546</b>	<b>484</b>	<b>456</b>	<b>771</b>	<b>762</b>	<b>454</b>	<b>604</b>	<b>4542</b>
<b>Total County</b>	<b>32</b>	<b>23</b>	<b>17</b>	<b>39</b>	<b>31</b>	<b>0</b>	<b>32</b>	<b>77</b>	<b>24</b>	<b>88</b>	<b>36</b>	<b>44</b>	<b>363</b>
<b>Total by Year</b>	<b>335</b>	<b>198</b>	<b>306</b>	<b>538</b>	<b>288</b>	<b>546</b>	<b>516</b>	<b>533</b>	<b>795</b>	<b>850</b>	<b>491</b>	<b>648</b>	<b>4905</b>



Over a quarter of residential development over the past ten years has occurred in the East Mullan region, adding an average of 123 new units per year. Meanwhile, the Bonner - W. Riverside, Grant Creek, University, and Wye regions each constitute less than 1% of the past ten years of development, and average one to three new units per year.

The Miller Creek region saw the most drastic change over time averaging only four units per year in the first five years of tracking by UFDA and then averaging 32 units per year in the last five years of UFDA tracking. The Central region has also seen a sharp increase over time, mostly due to a few large projects.

# 10-Year Development Review

## New Units by Administration by Year

Year	City	County
2008	303	32
2009	175	23
2010	289	17
2011	499	39
2012	257	31
2013	546	NA
2014	484	32
2015	456	77
2016	771	24
2017	762	88
<b>Total</b>	<b>4542</b>	<b>363</b>

## Multi-Dwelling Projects by Number of Units

Year	3 - 7	8 - 10	11 - 20	21 - 50	51+
2008	6	1	2	2	0
2009	5	2	0	1	0
2010	7	0	3	3	0
2011	7	4	7	4	1
2012	5	0	4	2	0
2013	8	2	1	0	3
2014	14	4	2	4	1
2015	6	0	5	5	1
2016	7	1	4	6	2
2017	11	2	11	7	1
<b>Total</b>	<b>76</b>	<b>16</b>	<b>39</b>	<b>34</b>	<b>9</b>
<b>5-Year Avg</b>	<b>9.2</b>	<b>1.8</b>	<b>4.6</b>	<b>4.4</b>	<b>1.6</b>
<b>10-Year Avg</b>	<b>7.6</b>	<b>1.6</b>	<b>3.9</b>	<b>3.4</b>	<b>0.9</b>

The past two years have experienced an accelerated level of residential development. In particular, 2016 saw two projects of over 50 units each, and six 21 to 50-unit projects, second only to 2017 (seven projects) which also witnessed an impressive eleven 11 to 20-unit projects. This recent frequency of large projects is likely behind the observed development boom, yet the rental vacancy rate remains low at 3% for 2017 (Missoula Organization of Realtors Report 2018, pg. 10).

The number of projects in the 8 to 10 unit range have consistently fallen short of the 3 - 7 and 11 - 20 ranges. This may suggest a shortage of this middle-housing development type.

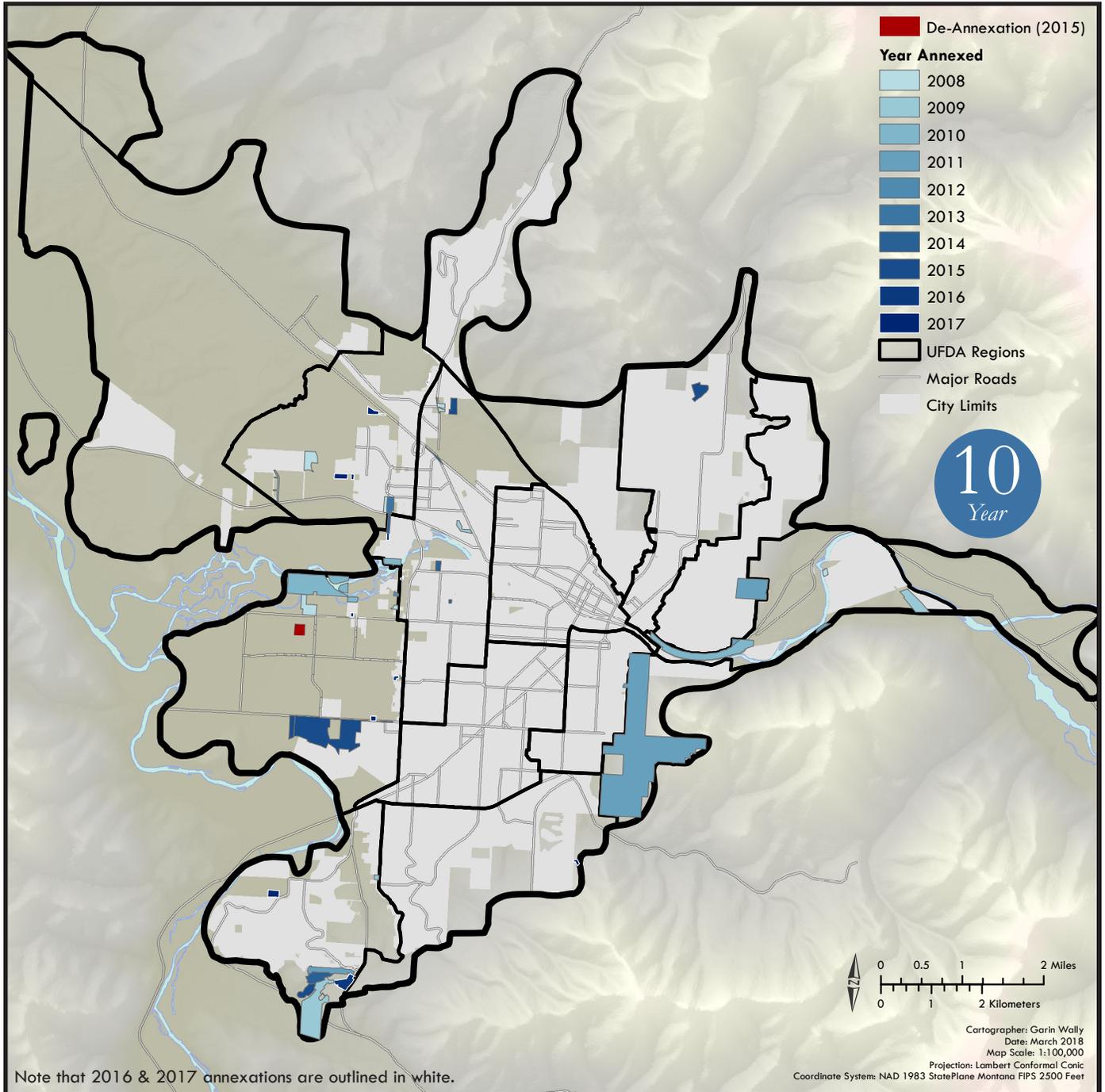


Old Fence and Lilac. Photo by Emy Scherrer

The density of multi-dwelling projects has varied between 9 DUAC and 101 DUAC over the past ten years. In recent years, the density of multi-dwelling development has increased on average and made better use of zoning capacities. For example, the ROAM student housing project (101 DUAC) maximizes the no minimum density provision of the Central Business District zone.

Missoula County's development within the UFDA area is up as well. Over nine years (no data for 2013), the County permitted an average of 40 units per year, constructing twice the average in 2017. Multi-dwelling projects in the East Missoula region account for this high number of County units.

# Annexation



Over the past ten years, 41 annexations have added 1,355 acres to the city limits. The largest three additions were annexed as open space around Mount Sentinel (654.5 acres, 2011), at the Fort Missoula Regional Park (148.5 acres, 2015), and at Tower Street Open Space (122.5 acres, 2010).

The Target Range - Orchard Homes, Reserve to Russell Corridor, and East Mullan have seen the most annexations by number, but the largest in area have been in Missoula's open space areas. There is a slight upward trend in the

Region	Annexations	Acres
East Missoula	2	30.0
East Mullan	8	53.1
Miller Creek	7	177.1
Open	2	727.4
Rattlesnake	1	17.3
Reserve to Russell Corridor	9	37.1
South Hills	1	1.9
Target Range - Orchard Homes	11	311.1
<b>Total</b>	<b>41</b>	<b>1355.0</b>

# Annexation



Fort Missoula Regional Park Masterplan of the 148.5-acre 2015 annexation.

## Annexations by Year

Year Annexed	Number of Annexations	Acres	Total Units Built on Land Annexed '08-'17
2008	6	54.2	195
2009	7	146	3
2010	2	195.4	115
2011	2	678	55
2012	1	1.5	1
2013	1	9.9	216
2014	5	31.8	28
2015	5	190.1	39
2016	6	22.2	23
2017	6	25.9	2
<b>Total</b>	<b>41</b>	<b>1355.0</b>	<b>677</b>
<b>10-Year Average</b>	<b>4</b>	<b>135.5</b>	<b>68</b>
<b>5-Year Average</b>	<b>5</b>	<b>55.98</b>	<b>62</b>

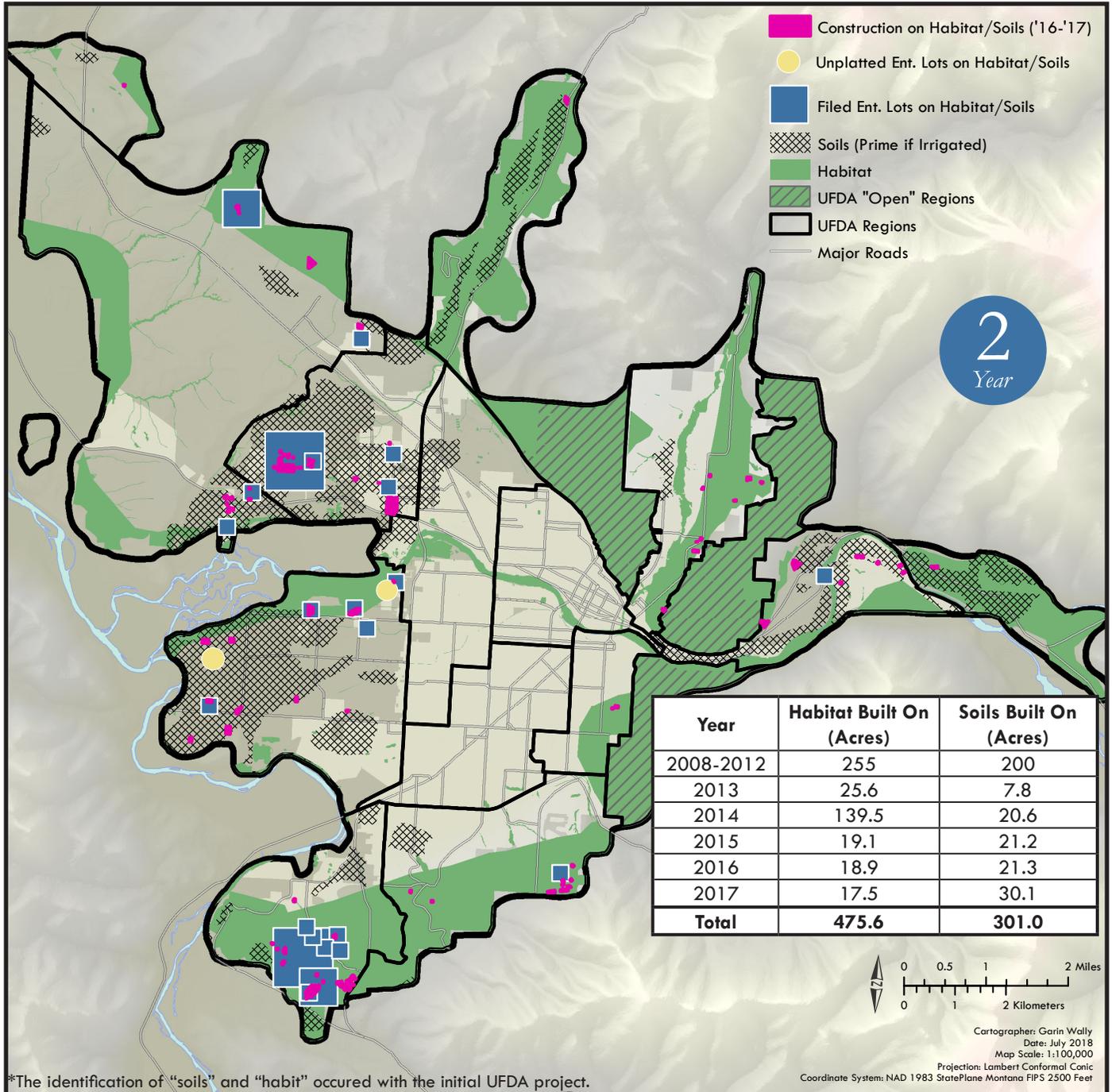
number of annexations per year, but a slight downward trend in acreage.

There have been 667 new units built on land annexed since 2008. An average of 68 new residential units per year are built on land annexed in the last ten years. This accounts for almost 14% of the total average new residential units per year (491 per year).

The City is developing an annexation strategy to better evaluate decisions on when and whether to annex new

property into City jurisdiction. The observations and recommendations from UFDA will be an important factor in any such strategy development.

# Natural Resource Impacts



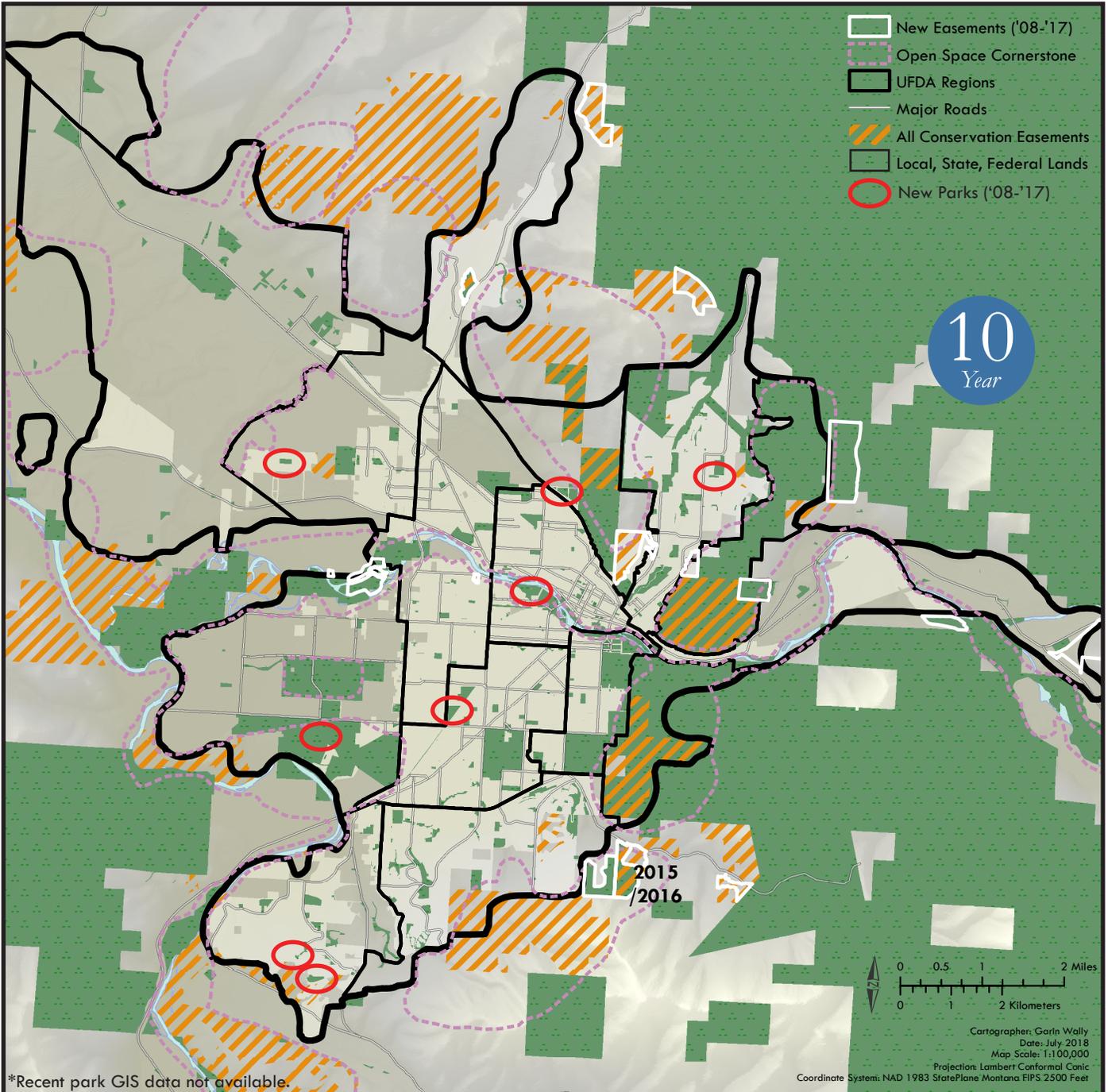
The map above depicts large areas around the edges of the city that have been defined as wildlife habitat or have soils defined as prime if irrigated. Currently there are 1,245 filed entitled lots and 38 unplatted entitled lots in either of these areas. Most of those entitled lots are in Miller Creek and East Mullan.

In 2016 and 2017, about 88 acres of these lands were impacted by 698 residential units permitted in the City and 55 in the County. These 753 new residential units equate to about 45% of residential development.

Over the past ten years, a total of about 776 acres have been impacted. Impacts to these lands are considered in the subdivision review process and conditions established to mitigate anticipated impacts.

The Our Missoula Growth Policy recognizes prime soils with an Urban Agriculture overlay that encourages cluster development to help conserve valuable soil. The objectives and actions further reflect the city's commitment to focus development inward and to protect air, soil, water, and natural areas to the greatest extent possible.

## Parks & Conservation



\*Recent park GIS data not available.

Since 2008, 571 acres of Conservation Easements were established. These areas are shown in the map above as highlighted in white. The UFDA area now has a total of 10,632 acres of Conservation Easements (including nearby areas shown on map).

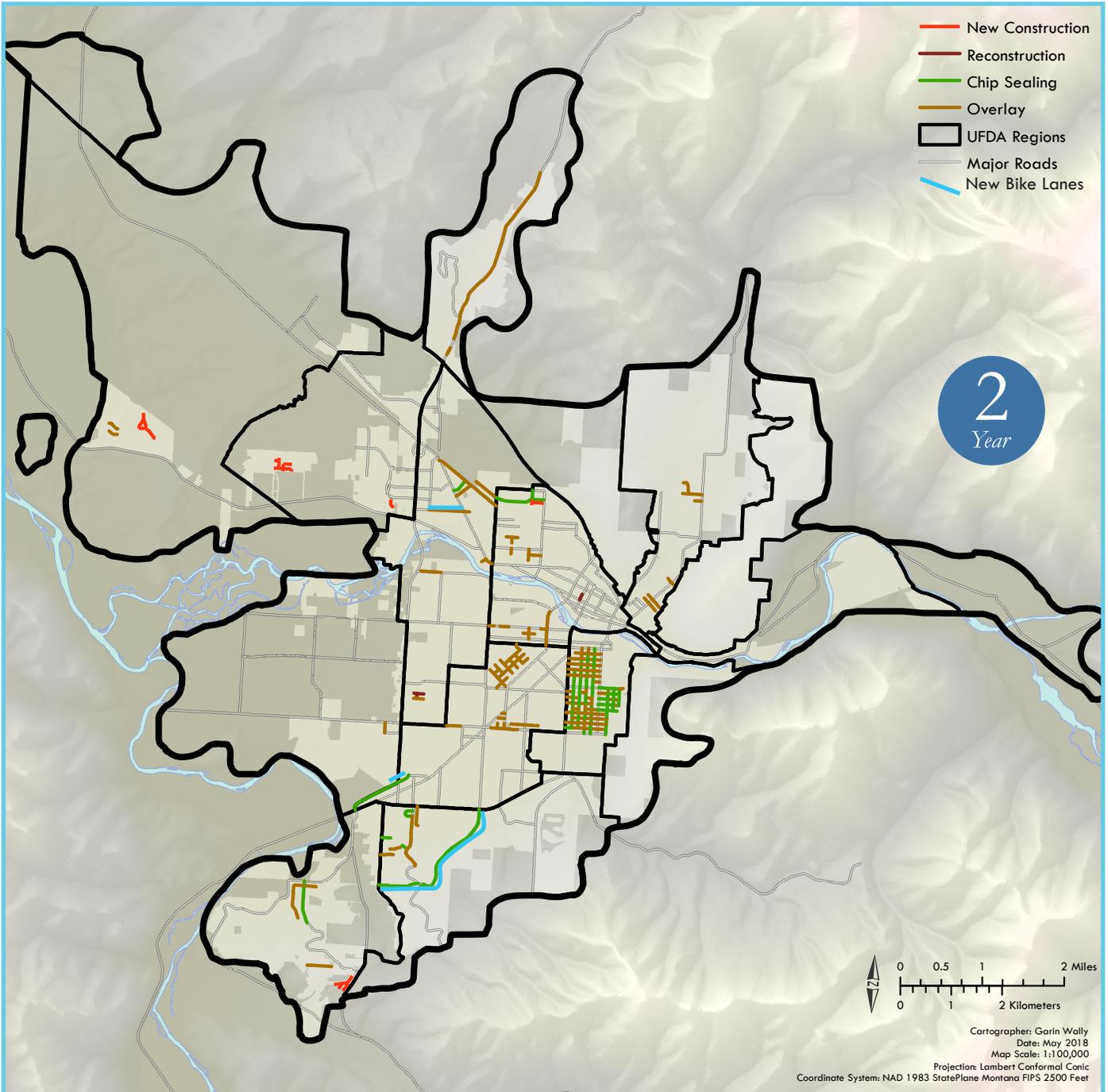
In 2016, the South Hills Spur acquisition added 86.79 acres adjacent to the Barmeyer easement added to the system in 2015. In 2017, the 10.6 acre Kolendich-Grove Street project was annexed and 4.28 acres of it will be

acquired by the City as future parkland extends the trail system.

Over the 2016 - 2017 timeframe about 9.7 acres of parks were acquired. These include Syringa Park (2 acres), Orange Street Triangles (0.27 acres), Jeffrey Park (2.9 acres), and the new MRL Park (4.5 acres).

Over ten years, about 248 acres of new city parks and open space have been added for a total of about 1,465 acres of parkland.

# Transportation Infrastructure



During 2016 and 2017, 31.21 miles of roads were constructed or repaired. Of these, 1.98 miles were new roads; 0.25 miles were reconstructed; 10.14 miles were chip & sealed; and 18.84 miles were overlaid. Over 105 miles of road have been constructed or repaired over the past ten years.

Major additions to the bike network in 2016 and 2017 include the completion of the Missoula to Lolo Trail (~50 miles, mostly in the county), South Reserve Pedestrian Bridge, and Hillview Way reconstruction project. Bike

lanes were striped on about 1/2 mile of Palmer St between Broadway and Reserve.

The Bicycle Facilities Master Plan, adopted in early 2017, recommends utilizing low-stress local streets for the bike network in addition to constructing bicycle facilities on and along main corridors for motor vehicles.

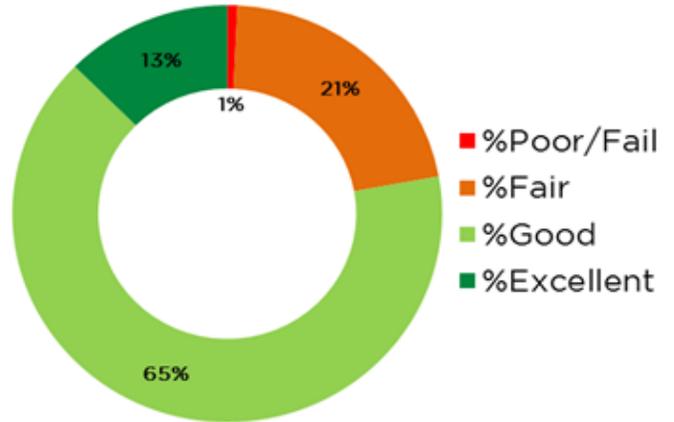
Within the first year of operation (April 28, 2017 through April 27, 2018), the South Reserve Pedestrian Bridge was used by 41,396 people. About two-thirds of these were

# Transportation



Mountain Line Bus. Photo by Garin Wally.

## Condition Rating for All Sidewalks in Missoula



## Miles of Existing Sidewalk per UFDA Region

Region	Existing (Mi)	Missing (Mi)
Bonner - W. Riverside	0.9	*
Brooks Corridor	95.4	15.7
Central	59.3	22.5
East Missoula	7.5	3.4
East Mullan	33.8	5.1
Grant Creek	4.2	12.6
Miller Creek	30.0	17.1
Rattlesnake	18.1	37.3
Reserve to Russell Corridor	59.0	35.6
South Hills	39.0	36.7
Target Range - Orchard Homes	12.6	10.1
University	42.1	1.8
West Mullan	35.3	0.7
Wye	1.2	*
<b>Total</b>	<b>438.4</b>	<b>198.6*</b>

cyclists, and daily use averaged 114 people per day.

The Bitterroot Trail Extension Project was completed in early July after the acquisition of the new MRL Park. The project has been nicknamed the “Golden Spike” as this project completed the final missing link in the 50-mile stretch of trail connecting downtown Missoula and Hamilton, Montana.

The Missoula Planning Organization (MPO) is undertaking a Pedestrian Facilities Master Plan that will comprehensively describe needs and priorities. As a part of that project, the MPO and City Engineering staff developed a rating system for the assessment of sidewalk

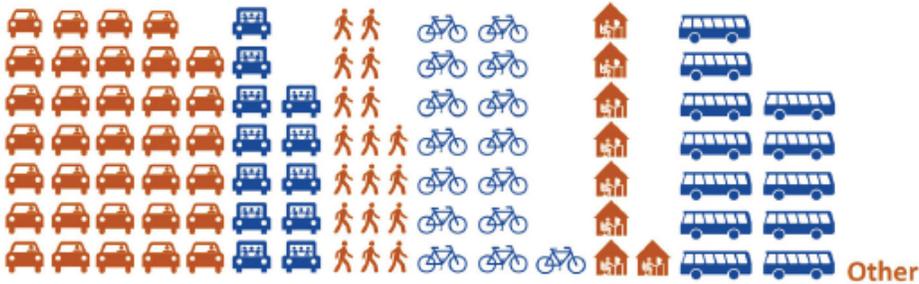
conditions. Sidewalk condition ratings are assigned to entire block faces using values between one (“Failing”) to ten (“New Sidewalk”). So far, nearly 420 miles of existing sidewalks have been mapped and evaluated with almost 200 miles considered missing. Only 1% of assessed blocks had an average rating of ‘Poor’ or ‘Failing’, and 65% averaged ‘Good’ or ‘Very Good’. This will be covered in detail in the forthcoming Pedestrian Facilities Master Plan.

\* Missing sidewalk estimates in the County are incomplete or can include shared-use facilities.

# Transportation

## Long Range Transportation Plan Mode Shift Goal

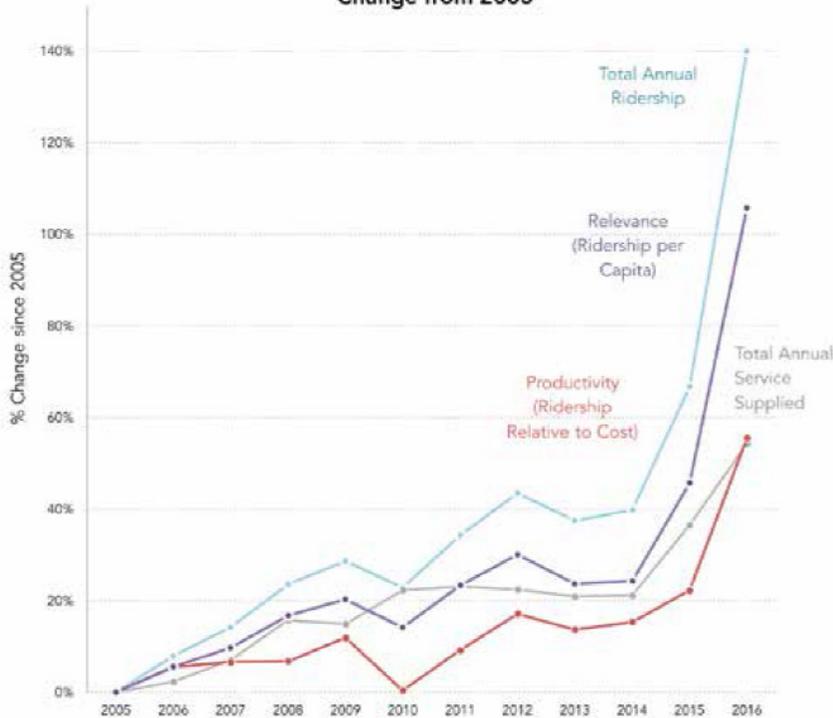
### Ambitious Mode Shift



- Reduces drive-alone commute share to **34% by 2045**
- **20,000 less** drive-alone commute trips in 2045
- Generally triples bike, walk, and transit shares by 2045
- Small increase to carpool and work from home

### Mountain Line Ridership 2005-2016

Service, Ridership, Productivity and Relevance: Change from 2005



### Transportation System Scenario (from LRTP)

Roadway - \$47.6M

\$\$\$\$\$\$\$\$\$\$\$\$

Fewer roadway capacity/expansion projects; emphasis on complete streets

Non-Motorized - \$21.9M

\$\$\$\$\$

Expand investment in active modes; additional connections, intersection improvements and regional facilities.

Transit - \$15.2M

\$\$\$

Additional investment in capital bus purchases to support Phase III (add BOLT service on Brooks St, SC Mall TC)

Other - \$13M

\$\$\$

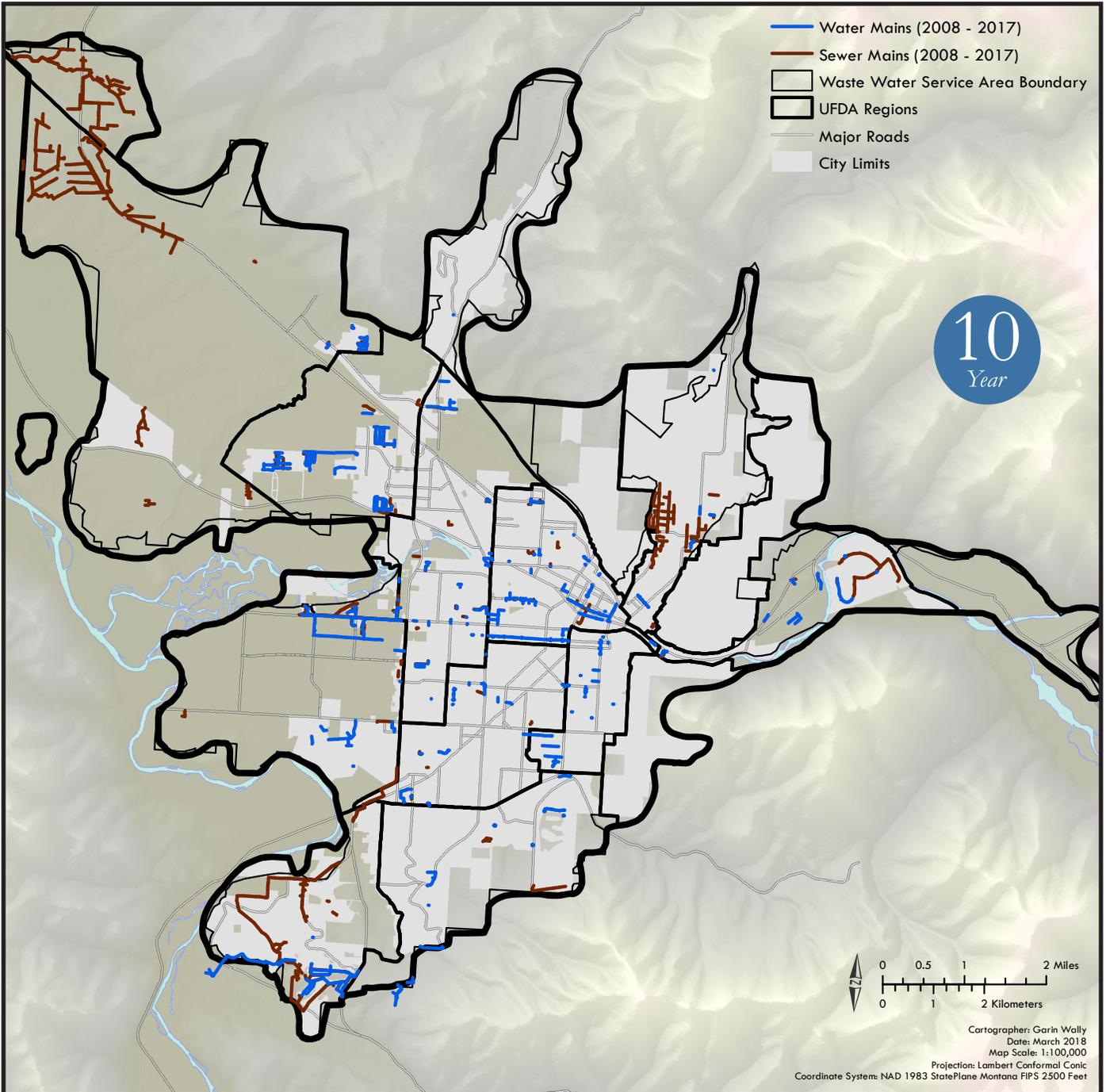
Funding for ITS, Transportation Options (MIM, Bike/Ped/Missoula-Ravalli TMA) and CTSP priority safety improvements

In 2017, the Missoula Planning Organization (MPO) approved the Activate Missoula 2045 Long Range Transportation Plan (LRTP). The Plan recommends that the community set an Ambitious Mode Shift Goal, which would reduce single occupancy vehicle transportation from 70% to 34% of all transportation trips, and follow the transportation system scenario (above) that allocates discretionary funding to each transportation category. The Plan considers funding, project prioritization, and recommends the update and adoption of a Sidewalk Master Plan (2006, never adopted), and the development

of a Missoula Trails Master Plan to work as complements to the Bicycle Facilities Master Plan.

Mountain Line ridership rose from 1.4 million in the 2016 fiscal year to 1.6 million in 2017. Since the start of the Zero-Fare program in 2015, ridership has experienced a 70% increase. The pilot project has been renewed for another three years due to the support of 20 partner organizations. This extension of Zero-Fare will last through 2020.

## Sewer & Water Infrastructure

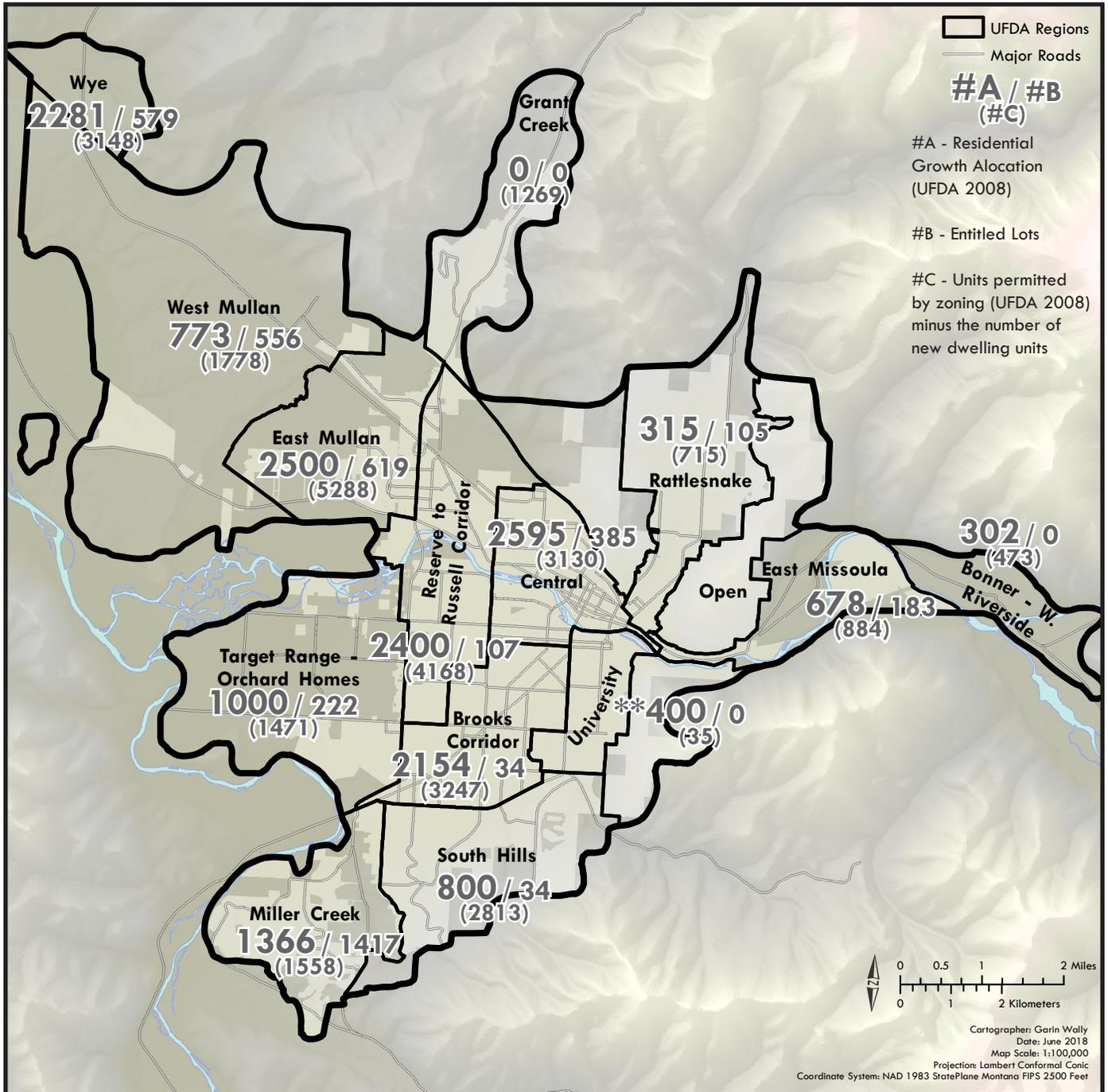


Over 141,690 feet of water main and over 216,800 feet of sewer main were installed between 2008 and 2017. In 2016 and 2017, 29,060 feet of sewer was added, and 29,952 feet of water main was installed.

The City assumed ownership of the water system on June 23, 2017, setting the stage for closer coordination among the municipal water, wastewater and storm drainage objectives in planning and system improvements.

In early 2018, the Public Works Department began Facility Planning projects for the Water, Wastewater and Storm Water Utilities. Final reports for the various utilities will be complete on separate schedules between late summer 2018 and spring 2019. The effort includes the development or upgrade of computer models for the water distribution and wastewater collection systems. Population projections were prepared by Development Services and utilized as a common baseline for all these studies.

# Residential Allocation



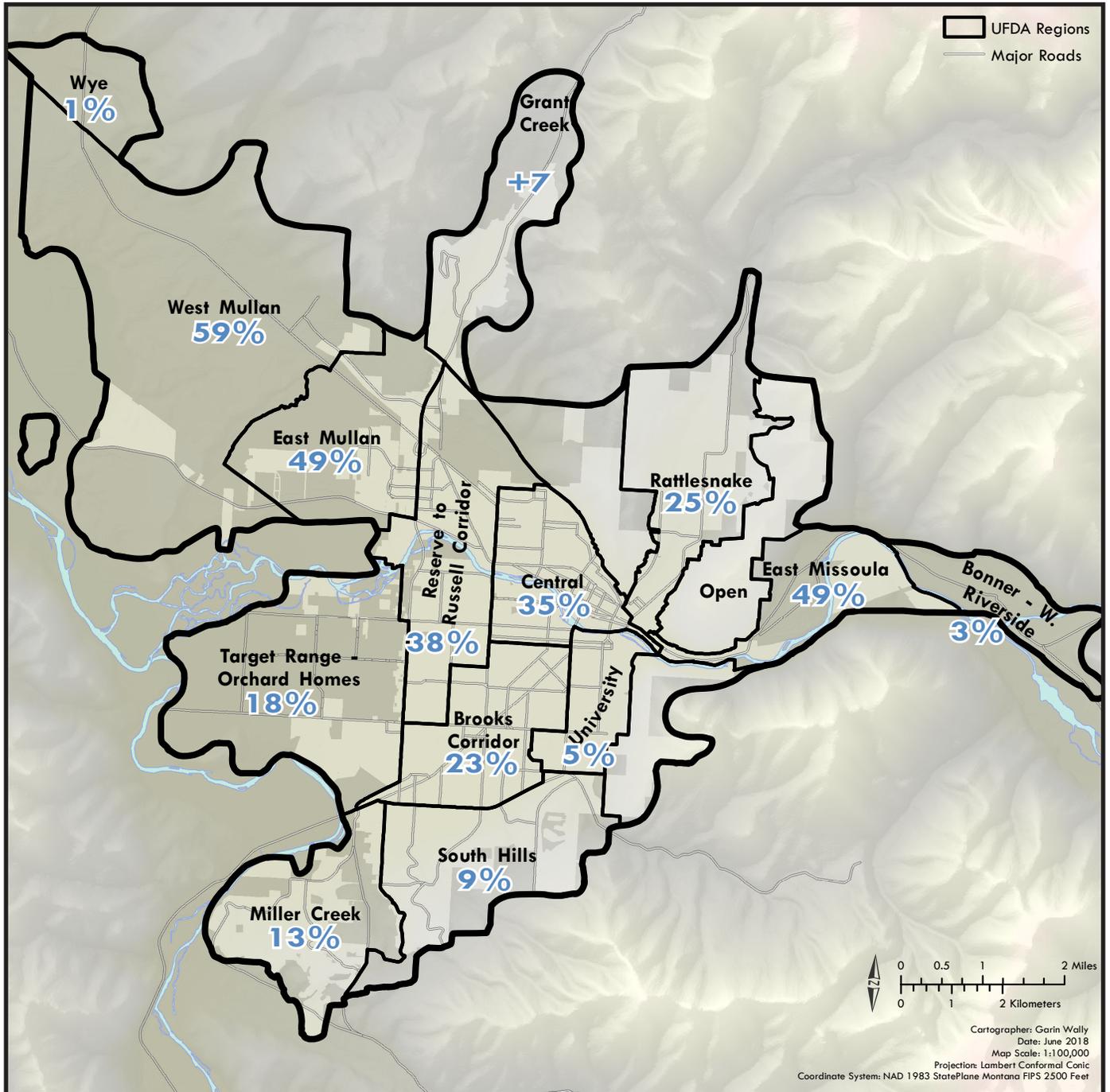
The first Residential Allocation Map in the UFDA Growth Policy Amendment adopted in 2008 was intended to guide how the next 15,000 housing units would be allocated in the Urban Service Area. That map has since been the baseline for annually updating entitled lots (#B) and remaining capacity by zoning in 2007 (#C) per region. The 2008 allocation (#A) remain constant. The Our Missoula 2035 City Growth Policy references this map (Map 7 Community Profile).

Of the original 15,000 units expected over a 20-year

horizon, only 4,905 dwelling units were permitted in the past ten years. Despite a recent increase in residential development, the last ten years developed only 32.7% of the projected units in the 20-year timeframe set in 2007.

While the present allocation numbers provide a dynamic look at developing areas in and around Missoula, the forthcoming Opportunities Map will further define areas with significant capacity for new housing by combining growth policy goals and objectives with desired local circumstances.

# Residential Allocation Progress

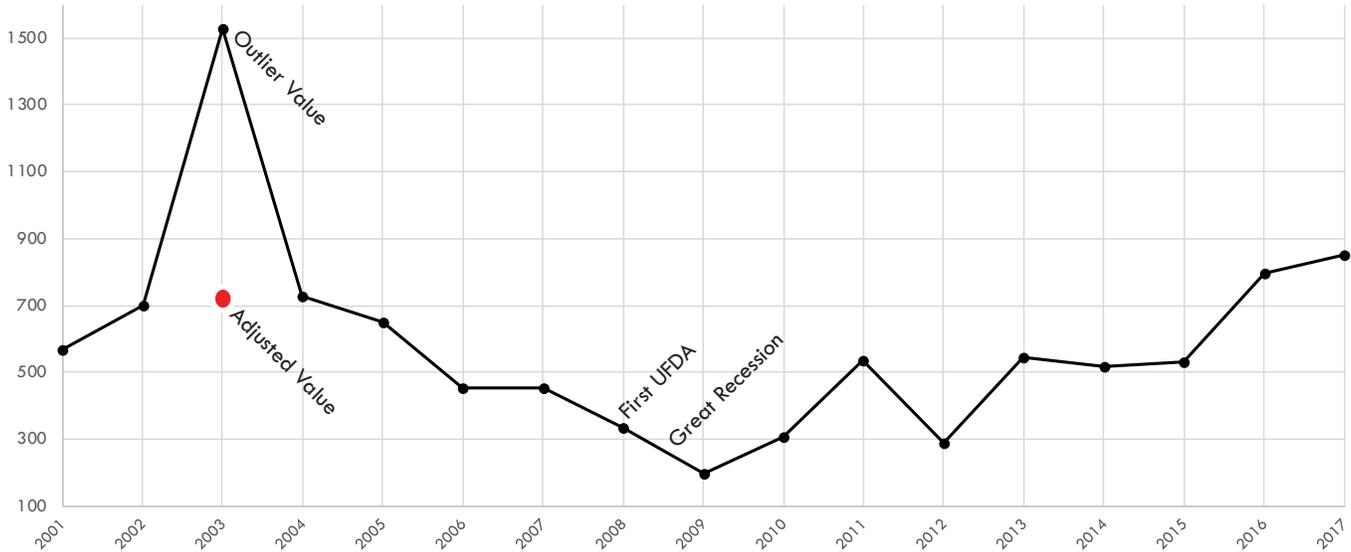


The Residential Allocation Progress map above summarizes progress made toward each region's original housing unit allocation. The percentages shown are the number of units permitted divided by the 2008 allocation.

Theoretically, at this halfway point, each region would have reached nearly 50% of the allocation. The original 2008 allocations were likely higher than they should have been, and the following page analyzes why.

## Ten Years of Development

Total DU Built by Year  
(17 years)



### Building Permit Activity Projections

The 2018 UFDA yearbook assesses housing supply and the potential supply of residential land in the Missoula area through ten years of development data. The development data can also be used to track the progress of the Focus Inward goals of the Growth Policy by monitoring the number and location of residential units anticipated in the 2008 yearbook.

In 2008, the UFDA report projected that the Urban Service Area would need 15,000 housing units over the next 20 years, or about 750 units per year. Those 15,000 were allocated across the UFDA regions according to available entitled lots and zoning potential. In 2018, halfway through the 20-year horizon, 4,905 residential units have been permitted compared to the 7,500 units projected. There are a number of reasons that the 2008 projection was higher than the number of units built.

First, the 2008 estimate assumed that the population of the Urban Service Area would experience annual growth of about 2%. In fact, the annual population growth rate has been healthy, but closer to 1.2 to 1.5%.

Second, the 15,000-unit estimate was slightly overestimated. An average of 727 housing units per year were permitted in the Urban Services Area during the seven years from 2001 to 2007. That average was used to calculate the 20-year projection, although it was skewed by an outlier that occurred in 2003 when an unusually high 1,500 units were permitted. If this outlier

were more aligned with the building activity before and afterward, it could be adjusted to 713 and cause the adjusted annual average to fall from 727 to 610 units per year. When this adjusted average is projected forward ten years, it produces an adjusted estimate of 6,100 units expected by 2018; closer to the 4,905 units observed and reducing the deficit from 2,595 to 1,195 dwelling units (slightly less than two years of development).

Third, only 991 dwelling units were permitted when Missoula felt the most impact of the Great Recession (2008-2010). During this period, approximately 1,000 dwelling units were not realized.

Adjusting the previous projection and recognizing the potential effects of the recession on development narrows the divide between projected and actual dwelling units. Overall, these projections assume that supply will adjust to meet demand; however, a tightening housing market in Missoula over recent years suggests that housing starts have not kept pace with the demands of a growing population.

The Urban Services Area is experiencing increasing rates of construction: 491 units per year on average over ten years, 648 over the past five years, and 822 over the past two years (2016 and 2017). This may represent the start of a new trend, or that supply is catching up with demand.

## Summary

### Entitled Lots and Subdivision

Residential development occurred on entitled lots throughout the last ten years at the rate of 30 to 33% per year with the remaining development occurring on non-subdivided parcels. Because much of the residential development was multi-dwelling constructed on non-subdivided parcels, the number of allocated units based on entitled lots did not prove to be an accurate predictor of multi-dwelling residential development. Other indicators will be explored in the forthcoming look-forward.

Subdivision activity, which creates entitled lots, slowed considerably over the ten-year period with no subdivisions approved in 2010, and 2012 through 2016. Much of this slowdown may be attributed to the recession and its lingering effects, and more recently to the newly available Townhome Exemption Development option, which has become an alternative to the traditional subdivision method of creating entitled residential lots not included in our current Entitled Lots count.

There was some correlation between predicted allocation of dwelling units and the location of new development across the UFDA areas limited mostly to the central areas of the City and East Mullan. Other areas such as the Wye, Bonner, the South Hills and Miller Creek developed at much slower rates than expected for reasons that are currently unclear. More attention should be given to this disparity in the look-forward.

### Geographic Distribution of Development

Nearly half of the units added between 2008 and 2017 were built in areas west of Reserve Street, particularly the East Mullan area, which alone added 1,233 new units, although much of this area is on prime agricultural soils. The Mullan regions contain most of the developable green fields in the area and provide much of the single dwelling development. The remaining units were added throughout the City east of Reserve Street but concentrated in the Central, Brooks, and Reserve to Russell Corridor areas. Not surprisingly, most of this centrally located development was multi-dwelling.

### Multi-Dwelling Zoning Availability

There is a lack of land specifically zoned for multi-dwelling developments within the City limits. This may be resulting in larger multi-dwelling developments to occur on commercially zoned lands. The effects of this on commercial development opportunity are not yet known.

We also tend to under-develop density on sites that allow multi-dwelling zoning, which is why we see so much remaining capacity within existing zoning areas. Only recently are we seeing an increase in development that maximizes capacity.

### Infrastructure

Because infrastructure and annexation has tended to follow private development in a piecemeal manner, there remains a significant element of inefficiency with regard to provision of infrastructure and utilities. In addition, much of the residential development outside of City limits either lacks infrastructure that meets City standards or exists at densities that make it difficult for the City to support improvement upon annexation.

With the recent acquisition of the water utility, the City can move forward with enhanced, proactive coordination of infrastructure.

If economic conditions continue as they have for the past few years, and regulatory conditions such as the Townhome Exemption Development and lack of multi-dwelling zoned lands also continue, the community should expect single dwelling development pressure in the agricultural county lands west of Reserve Street. Large multi-dwelling development is also expected to continue along commercial corridors within the development area with 3-8 unit infill development continuing in the central residential areas of the City.

Taking cues from the Focus Inward goals of the Our Missoula 2035 Growth Policy, patterns of development observed over the previous ten years of UFDA reporting, and the continuing regulatory environment, the next iteration of the UFDA development yearbook should better identify locations where housing (including affordable housing) can be efficiently developed. Criteria such as proximity to services and adequate infrastructure should be considered while at the same time avoiding promotion of costly low-density development and development that impacts natural resources. A composite map of these features will be featured in the look-forward.