Governor's Housing Task Force Local Issues Subtask Phase 2 Proposed Recommendations

November 16, 2022

Recommendation #1:

Consistent and timely measurement of housing outcomes and regulatory throughput.

Rationale:

It is hard to make assessments or decisions with incomplete information. Consistent, timely information on how the regulatory process is working and how housing market outcomes evolve will help identify bottlenecks and to assess efforts to improve processes.

Barriers addressed:

Reduces uncertainty and delay in carrying out housing investment

Key strategies:

Formulate key metrics, such as

Length of review time for residential projects

Elapsed time between application for zoning variance and issuance of building permit (by type of structure)

Elapsed time between application for subdivision review and issuance of building permit (e.g., assuming proper zoning in place)

Number of zoning change applications

Number of zoning change approvals

Create procedures and timelines to collect the data, distribute to local governments

Collect data and compile into public reports

Recommendation #2:

Identify/streamline/reduce the list of decisions that must be brought before city council for votes.

Rationale:

Projects are delayed by the requirement, usually in state law, that requires often-routine decisions of local planning boards and other entities to be ratified by city councils or county commissioners. Especially in more urbanized areas, this can add significant delay in securing space on crowded agendas for the publicly elected bodies.

Barriers addressed:

Reduces uncertainty and delay in carrying out housing investment

Key strategies:

Develop criteria for defining what is "routine" and what merits scrutiny by elected bodies.

Identify and prioritize clauses in state code with the greatest impact on delays.

Make specific recommendations to legislature for changes to accomplish the task.

Recommendation #3:

Formulate a list of practices that local jurisdictions could implement to reduce the costs of development and increase the supply of housing

Rationale:

The trend towards lower housing affordability in most Montana communities that has brought about the creation of this task force can only be tamed by action on the part of state and local players in both government and industry. As each local jurisdiction considers its options, it is useful to have a menu of concrete actions that have support in both research and the experience of other communities to consider.

Barriers addressed:

Increasing housing supply.

Key strategies:

Formulate recommendations, such as

- reducing parking minimums
- transitioning to form-based zoning that allows mixing of building types
- relaxing height restrictions
- reducing the number of dimensional requirements for buildings
- emphasizing development in areas with high transit capacity
- reducing the number of variances needed

Vet and review with local officials as well as subject experts

Distribute to local jurisdictions and monitor take-up

Recommendation #4:

Explore ways to increase the capacity of regulatory agencies to consider, process and review permits

Rationale:

Reducing the time and steps of the permitting process will reduce costs to the applicant and stimulate development.

Barriers addressed:

The lag time between submitting a permit to a regulatory agency to the time of response or approval by the agency can long and drawn out. This adds more cost and risk to the applicant.

Key strategies:

- 1. Elimination of duplicate reviews at multiple agencies
- 2. Shortening the response time by agencies
- Adoption of "self-certification" programs that allow those who have been trained and certified to conduct reviews and certify project compliance.

Recommendation #5: Community Land Trust (CLT)

Explore ways for communities to implement Community Land Trusts. The Trusts can be for residential single and multi-family, commercial and agricultural.

Rationale: Many communities have public and private land that can be utilized for home ownership, business ownership and green space. Helping the community and individuals.

Barriers addressed: There are many CLTs across the state of Montana with no two same. Therefore, there is not a standard template but many examples to review

Key Strategies:

- Explore how to foster Public/Private coalitions in communities that will help meet that community's need.
- 2. Collect the different examples in Montana and across the nation of CLTs
- 3. Have a "Brain" trust of individuals who are involved in CLT to be on hand for Q and A
- 4. Have financial models in place and examples to review