

BUSINESS & LABOR

EXHIBIT NO. 6
DATE 2-19-09
BILL NO. SB 416

2/18/09

Re: SB-416 Montana Affordable Housing Act

NEW SECTION. Section 4. Accessory dwelling units-development and placement for local government units. (1) by February 1, 2010, the department shall prepare model accessory dwelling units authorizing regulations to assist local government units to incorporate provisions for the development and placement of accessory dwelling units in their development regulations, zoning regulations, or official controls.

(2) The local government units may choose to use the model regulations or develop regulations as they find most appropriate to their community.

Note:

The components of this bill to be codified within Title 76, Chapters 1, 2 and 3

Conclusion

In the past, it was easy to take housing in Montana for granted. Rental costs relative to incomes allowed young families to save enough over time to move up the housing ladder into homeownership. Federal programs provided sufficient subsidized housing to meet the needs of those at the lower end of the income scale and only have short waiting times for those needing help. Most people had sufficient income left after housing costs to purchase other necessities including food, clothing and medicine. Professionals and essential community workers such as fire, police, nurses and teachers were able to purchase homes in the communities in which they worked. Businesses were able to move in or expand without concern about where their employees would live. Developers were able to add new housing stock without concern for commuting costs or how the housing would impact local community services.

Now, none of these aspects of housing can be taken for granted in Montana. The question, "Where will people live?" increasingly has no answer, in eastern Montana from housing shortages, in central and western Montana from rising costs. While incomes are not keeping pace with housing costs, economic development professionals are finding the lack of housing is preventing the development that could help improve incomes. Moreover, the recent increase in oil prices focused attention on the crucial role the location of housing plays in transportation costs for individuals and communities. At every turn, we are discovering that housing plays a central role in individual and community well-being.

Montana stands at a crossroad in addressing its housing needs. While impacts from subprime lending are temporarily easing the cost of home purchases, fundamental underlying trends will continue to increase the cost of housing, making it less available and affordable in the future. Evidence indicates trends in income and housing costs are taking us away from a vision of Montana in the year 2020 that includes a vibrant economy and a high quality environment, good paying jobs and communities that offer quality public services and places to live that all Montana citizens can afford.

This paper is meant to start two parts of a conversation about housing in Montana as we look into the future. The first part is information. Attached to this paper are profiles of housing data for each of Montana's fifty-six counties projected out to the year 2020 and a guide on how to use the data pages. These profiles are meant to be a starting place, a way to begin the discussion of the housing challenges facing Montanans as we move into the future. The goal is to give each Montana community the information needed to move toward each community's vision of what they would like to be in the future, particularly concerning the supply and character of housing for all of their citizens.

The second part of the conversation concerns the tools that need to be in state law to enable local communities to achieve their visions. We need a comprehensive set of tools that will take us toward the future we would like to see, focused on meeting the housing needs of 2020. These tools need to integrate economic development, environmental quality, infrastructure financing, and energy policy to position Montana communities for the twenty-first century. The next step is to define these tools and put them into place.

For more information about ongoing efforts to develop legislative tools to address Montana's housing needs, contact:

Mail: Housing Coordination Team
 c/o Division of Housing
 Montana Department of Commerce

 301 South Park Avenue, Suite 240

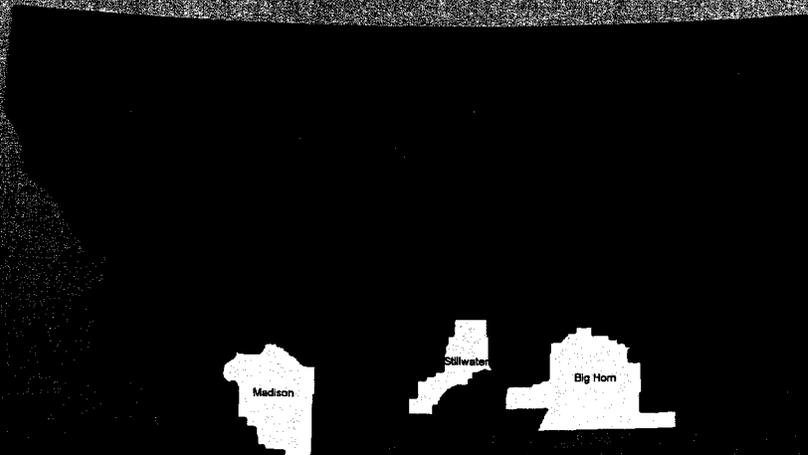
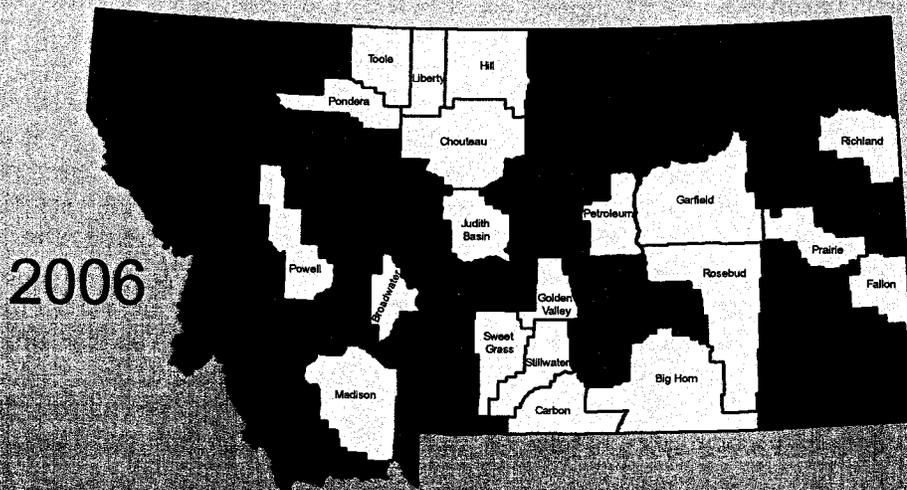
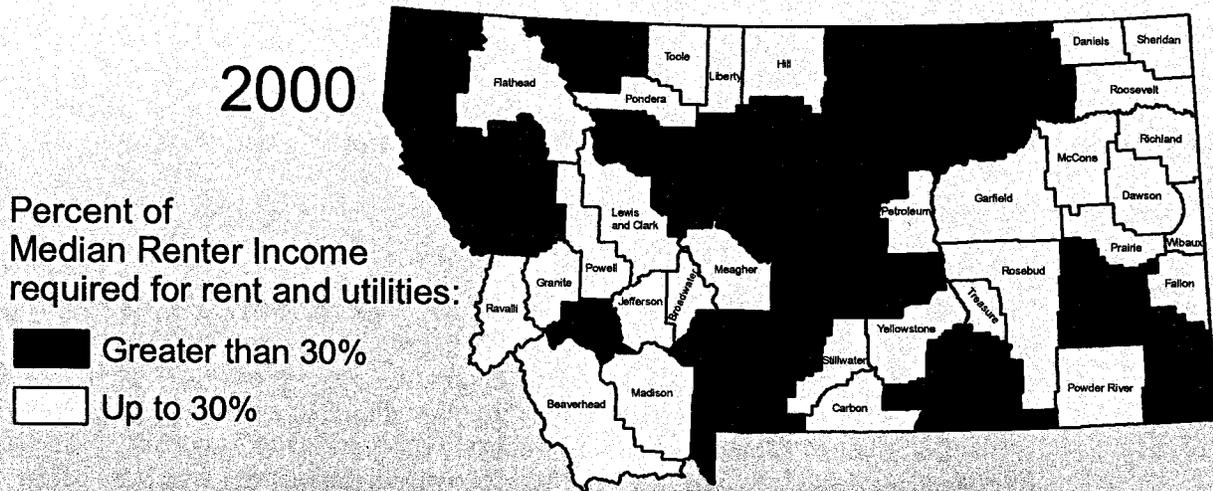
 Helena, MT 59601

Email: housing@mt.gov

Phone: 406-841-2840

Website: go to **housing.mt.gov** and click on the HCT link

Affordability of Renting a Two Bedroom Apartment Montana: 2000 to 2020



The generally accepted standard definition of Affordable Housing is that housing costs do not exceed 30% of a household's income.