

# Housing Analysis Update

Modernization & Risk Analysis  
(MARA) Committee  
*September 2023*



**MONTANA**  
DEPARTMENT OF COMMERCE

Presentation  
Outline  
Housing Analysis  
Initiatives

Housing Dashboards – Existing  
and New at Commerce

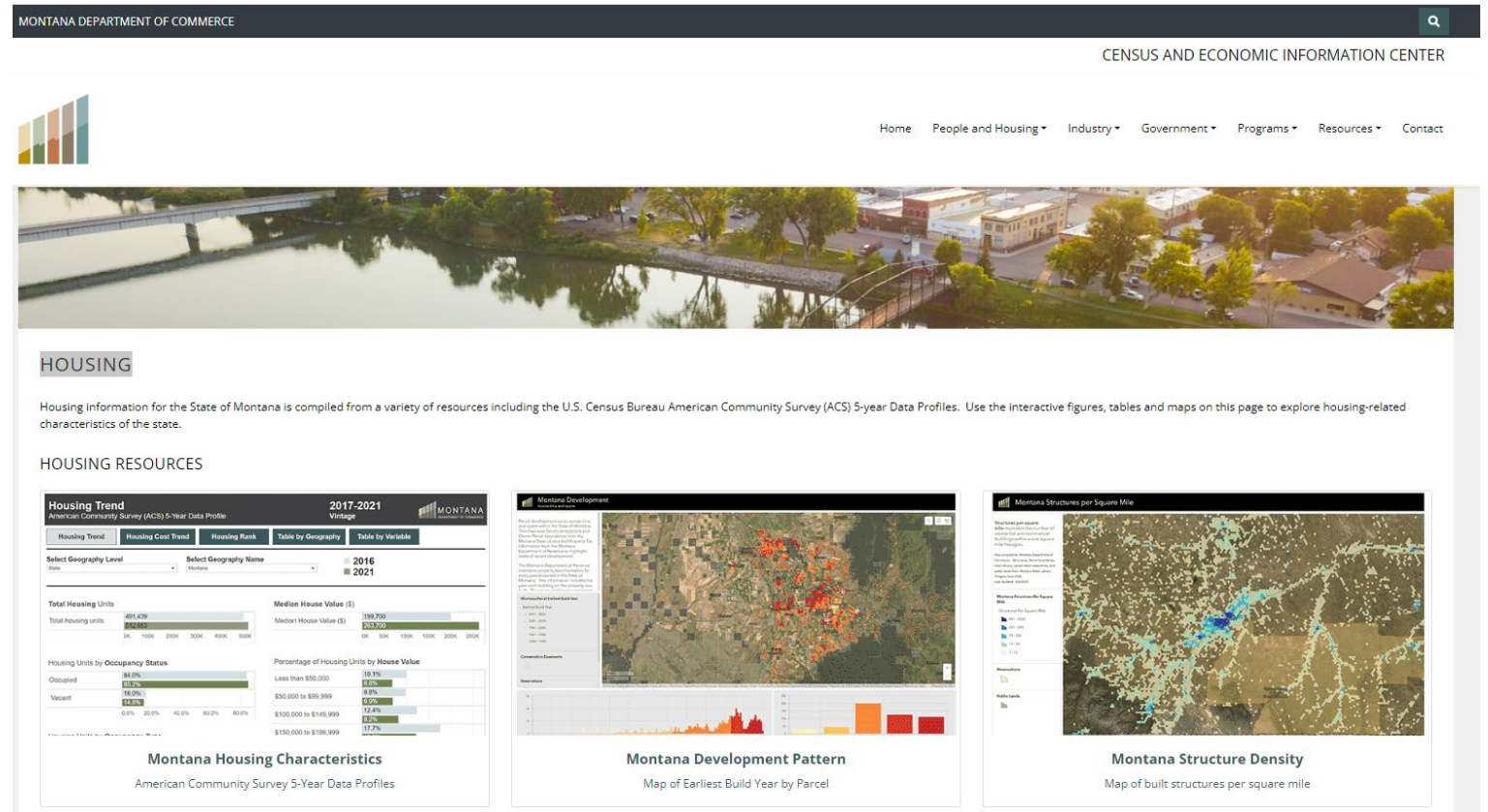
Community Planning Platform  
Project

Carroll College Population &  
Forecasting Project



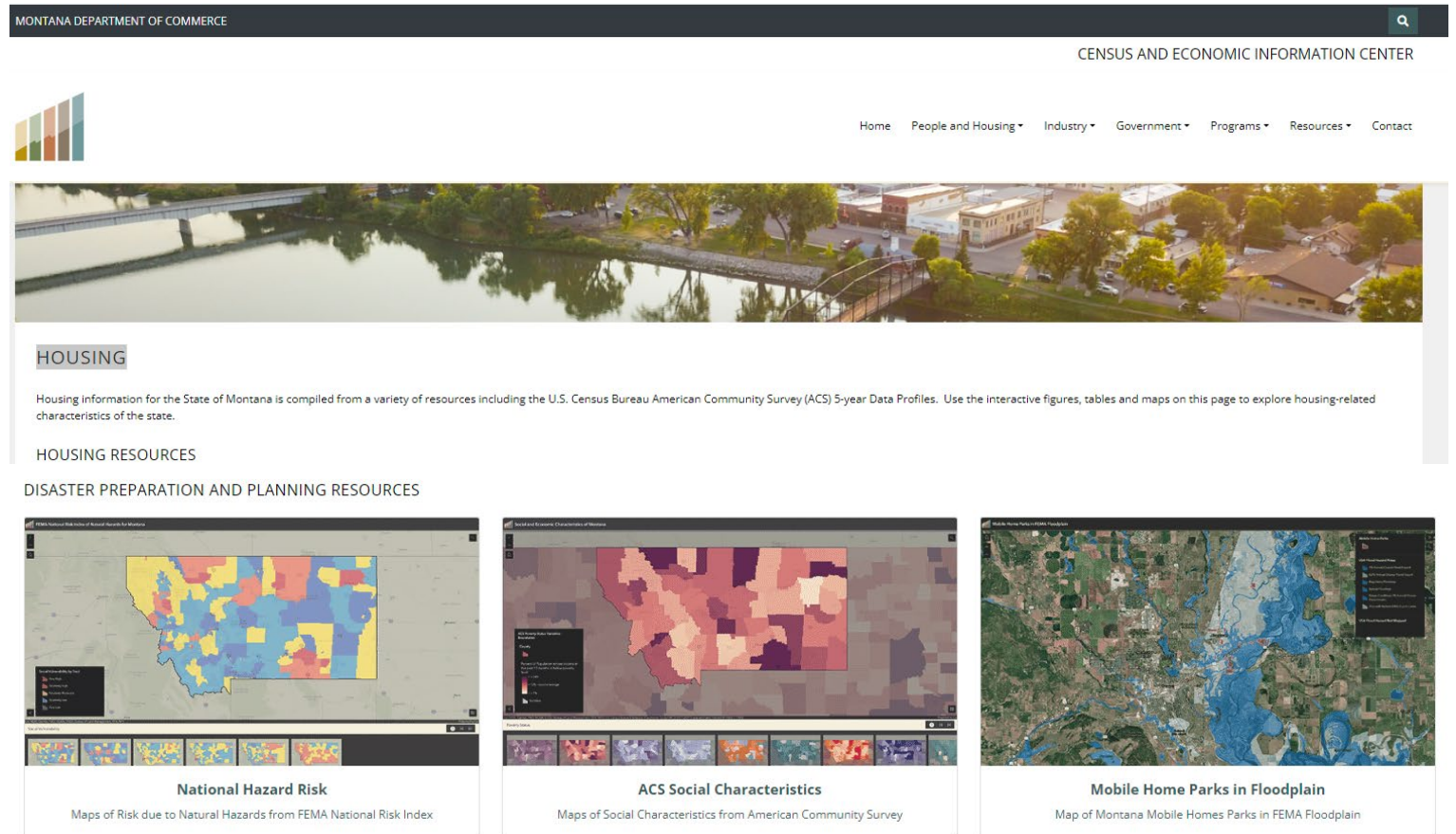
# Current Commerce Housing Dashboards

<https://ceic.mt.gov/People-and-Housing/Housing>



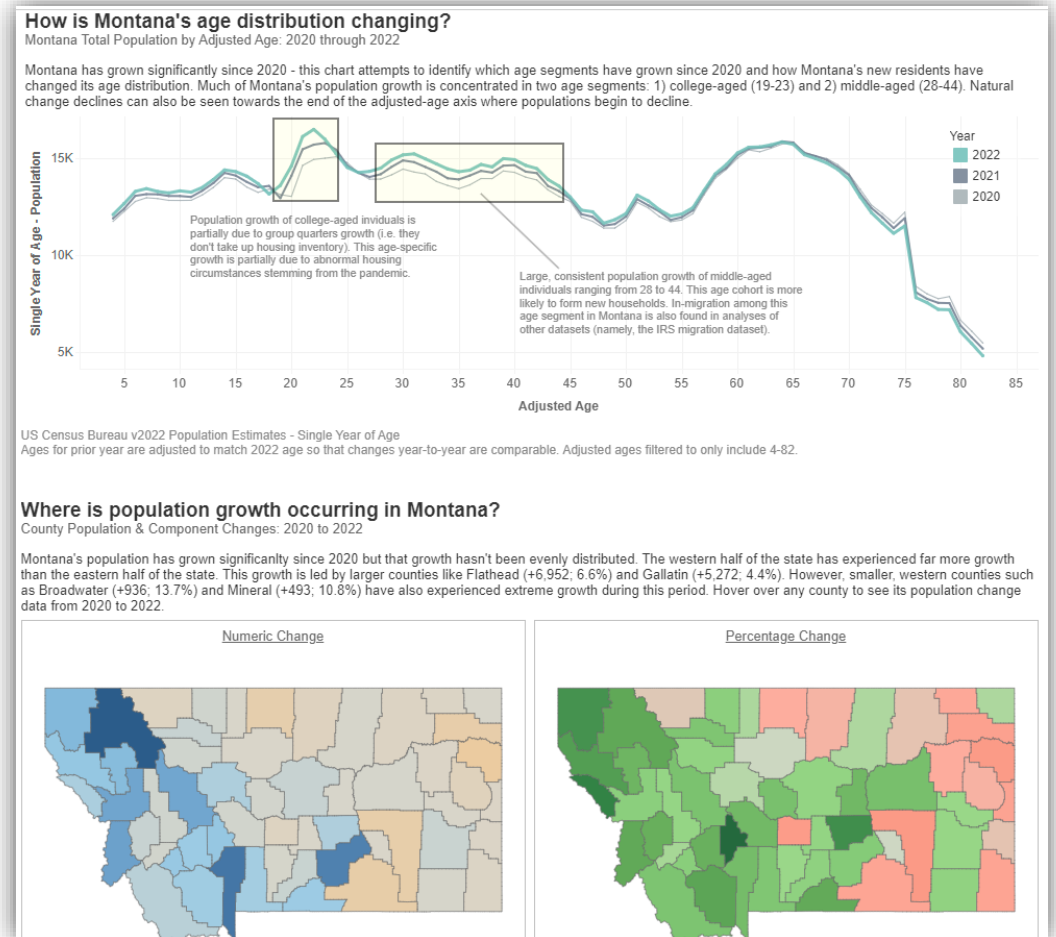
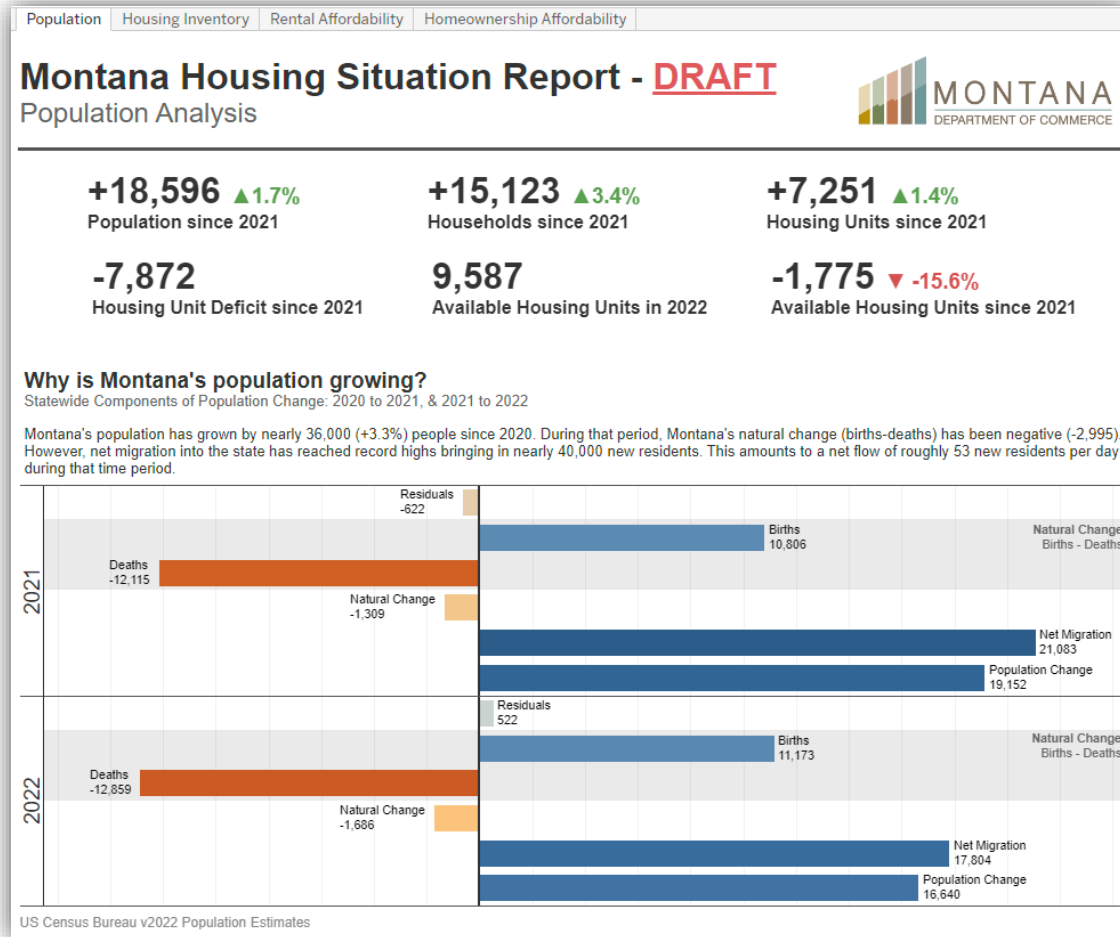
# MORE Current Housing Dashboards

<https://ceic.mt.gov/People-and-Housing/Housing>



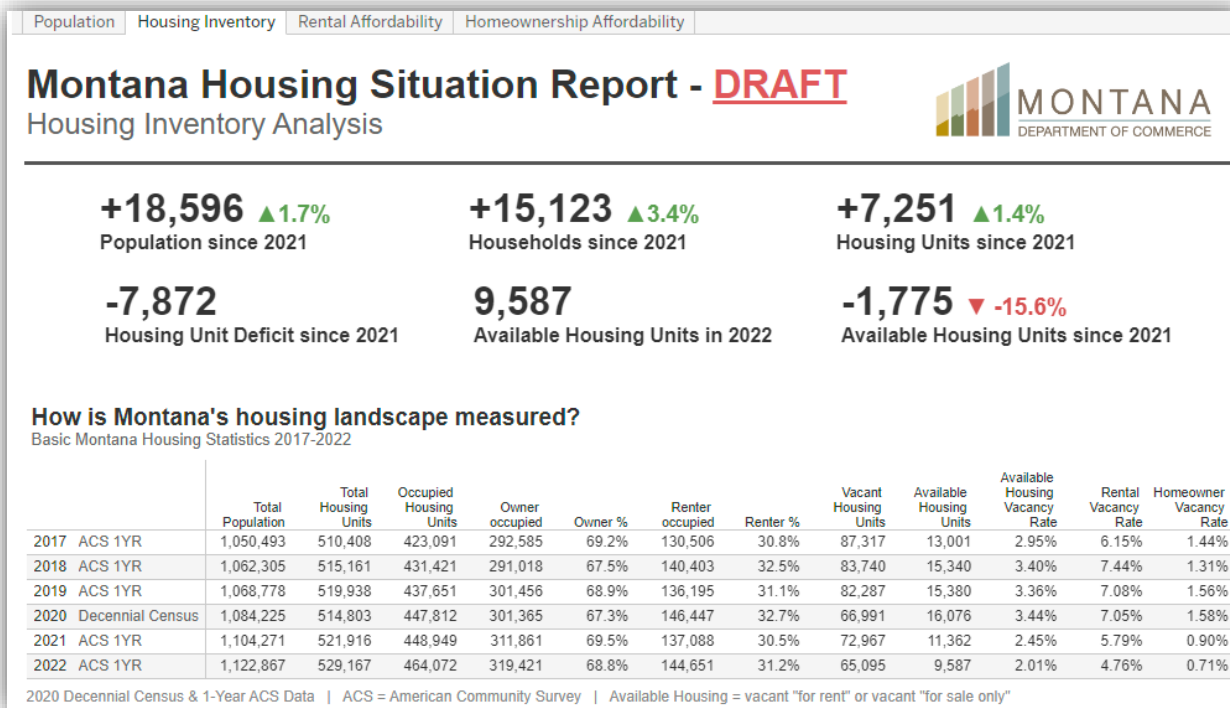
# New Commerce Housing Dashboards

## Population Trends



# New Commerce Housing Dashboards

## Housing Inventory



### How does Montana's housing shortage compare to the nation?

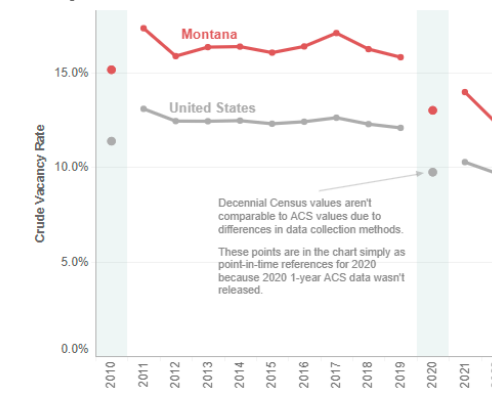
Comparison of Vacancy Rate Measures: 2010 to 2022

Montana's housing shortage has been well documented since the influx of new residents beginning in late-2020. However, if you were to look only at the simple vacancy rate of Montana and compare it to the nation, then you'd find that Montana actually has far more vacancy than expected. Why? This disconnect primarily stems from crude vacancy rate's broad inclusion of vacant housing units and Montana's overabundance of seasonally vacant housing units. To overcome this issue, Montana should measure its vacancy rate in terms of available housing or the available housing vacancy rate. Functionally, this rate is a combined rental and homeowner vacancy rate which removes seasonally vacant housing units, and therefore more accurately represents Montana's housing shortfall.

Since 2019, Montana's AHVR has declined substantially from 3.4% to 2.0% while the US has declined from 3.2% to 2.4%. For Montana, these declines in AHVR are felt in both the rental and owner markets - each hitting record lows in 2022 of 4.8% and 0.7% respectively.

#### Crude Vacancy Rate: Montana & USA

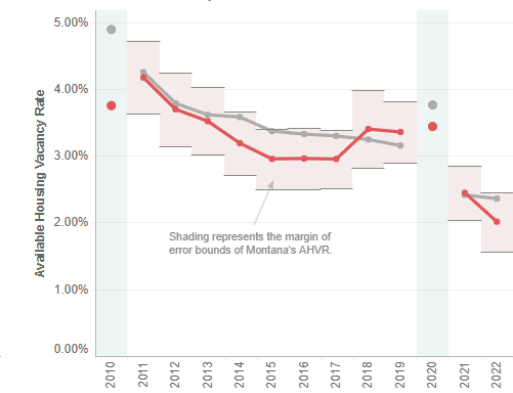
The crude vacancy rate measures the ratio of vacant housing units to total housing units.



ACS 1-year estimates (2011-2019, 2021-2022) | Decennial Census (2010 & 2020)

#### Available Housing Vacancy Rate (AHVR): Montana & USA

AHVR attempts to measure an area's overall housing availability by combining rental and homeowner vacancy rates.



ACS 1-year estimates (2011-2019, 2021-2022) | Decennial Census (2010 & 2020)



# New Commerce Housing Dashboards

## Housing Inventory

### What types of vacant housing units are becoming occupied?

Vacant Housing Units - Vacancy Status

Montana's housing inventory has been running a deficit since 2017 - that is, household growth has outpaced housing unit growth. Therefore, those new households must occupy existing, vacant inventory.

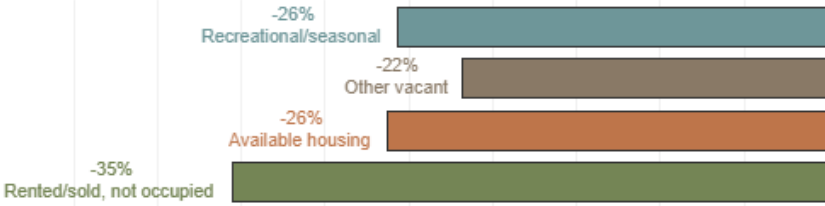
#### Numeric Vacant Housing Unit Change since 2017

by Vacancy Type



#### Percent Vacant Housing Unit Change since 2017

by Vacancy Type

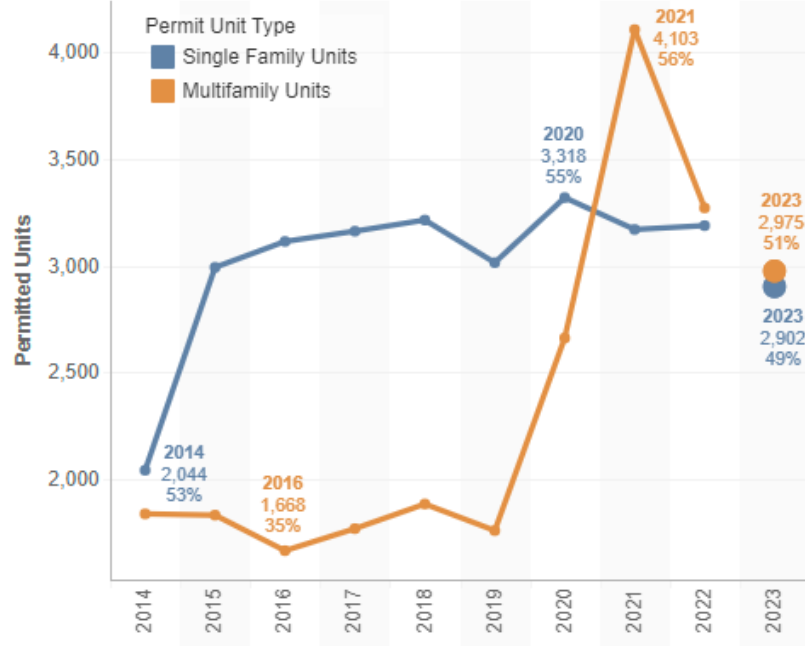


ACS 1-year estimates (2011-2019, 2021-2022) | Decennial Census (2010 & 2020)

### How much new housing is in the pipeline for Montana?

Building Permits Survey (BPS) - 2014 to 2023

Well, maybe. Building permit data for Montana has historically been inaccurate as much of the data collected is concentrated in a few counties. That being said, it's encouraging to see a surge in higher-density housing permits starting in 2020.



Annual Building Permits Survey (BPS) | Projection for 2023 based on monthly data through August 2023

# New Commerce Housing Dashboards

## Housing Inventory

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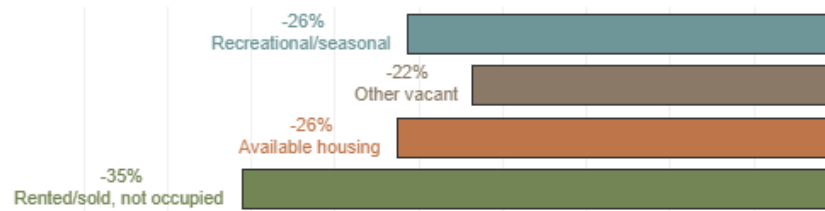
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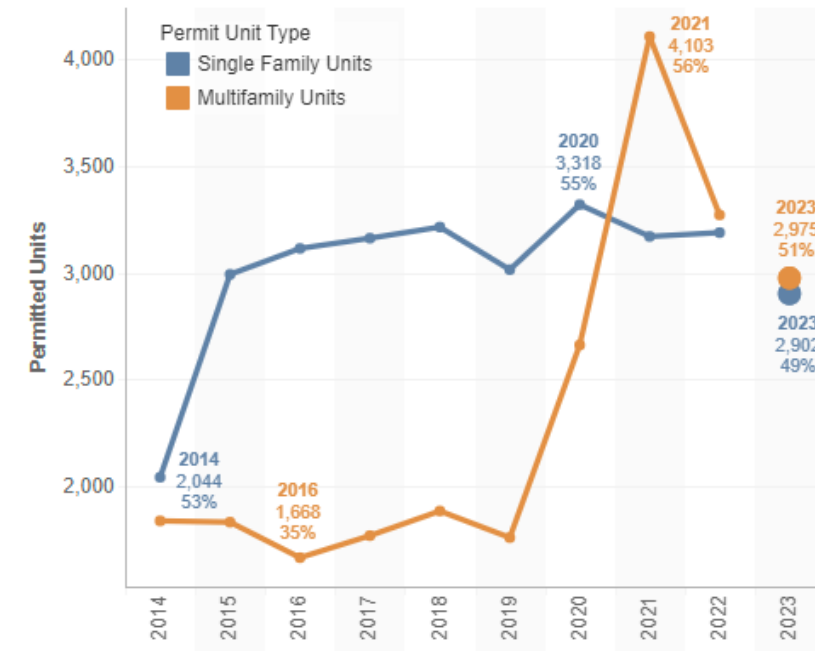


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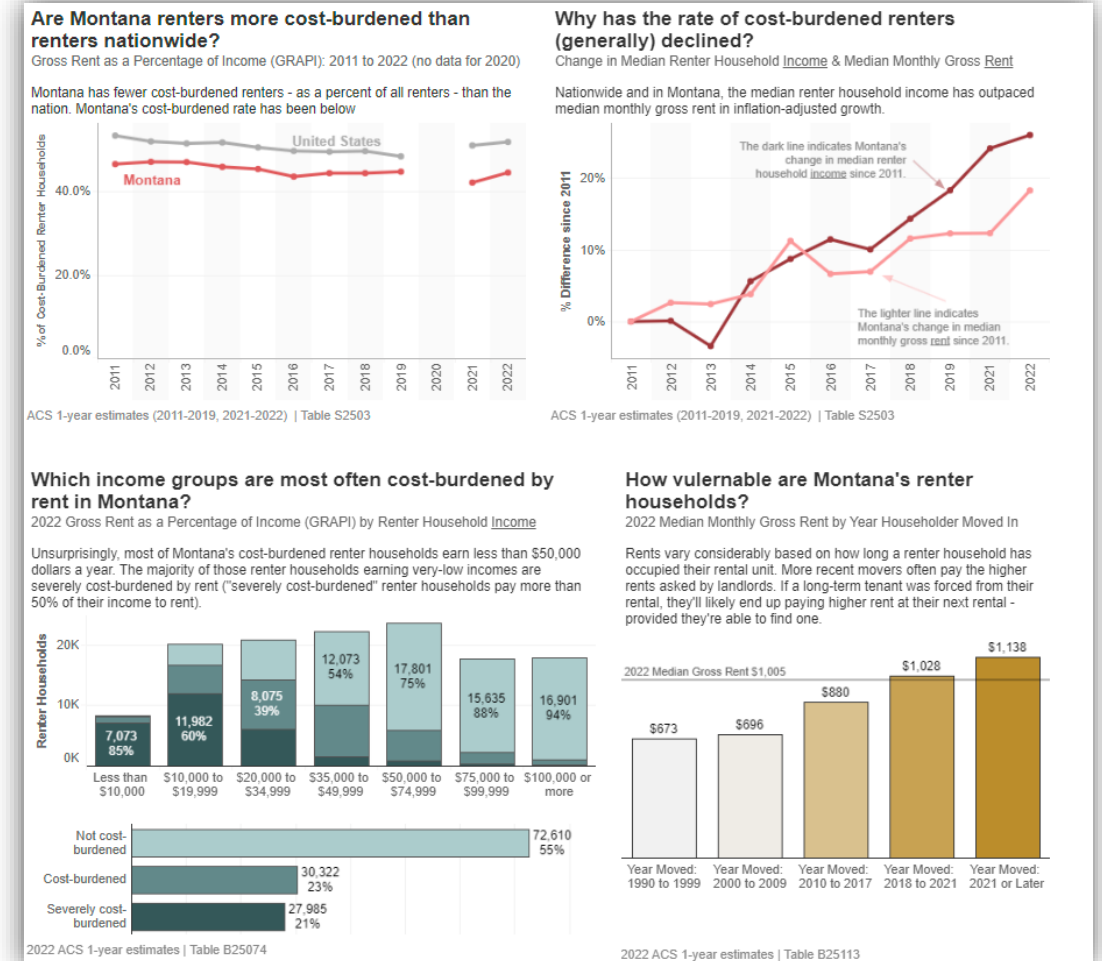
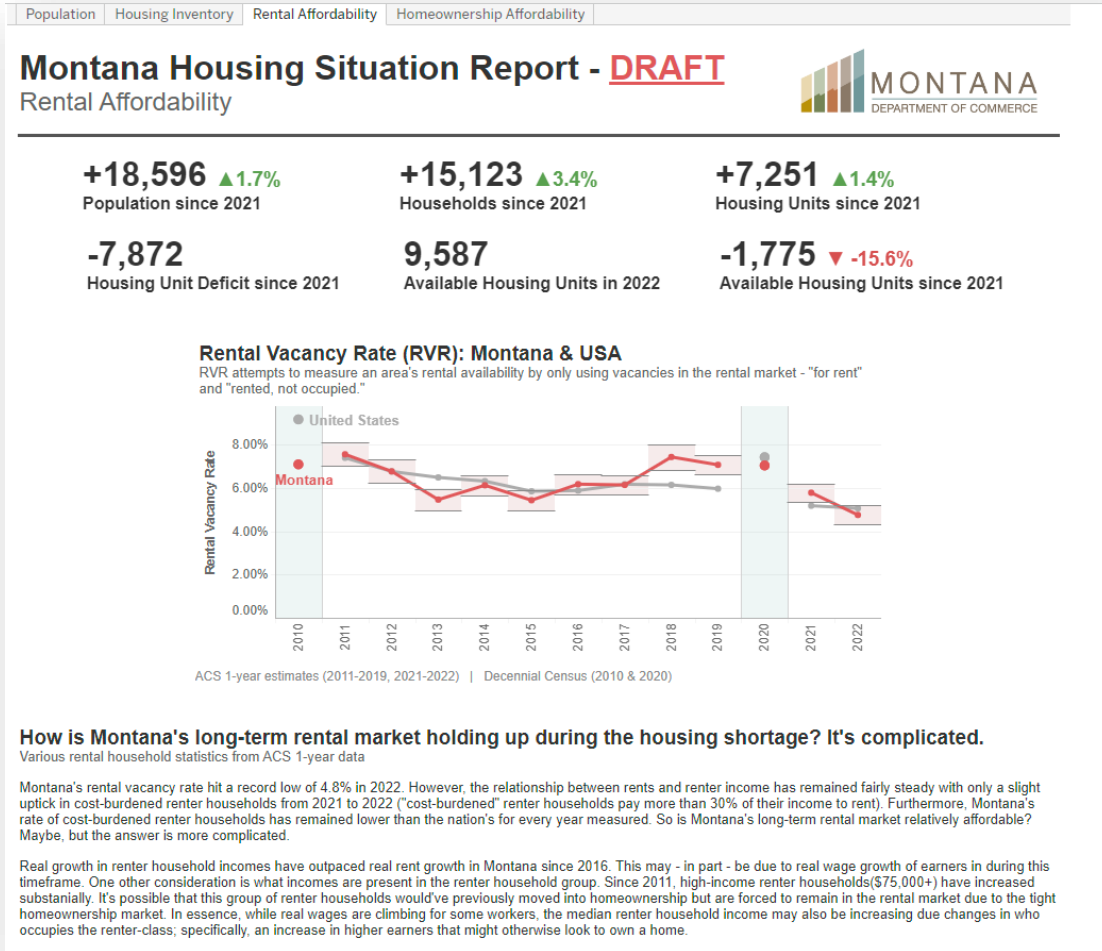


Annual Building Permits Survey (BPS) | Projection for 2023 based on monthly data through August 2023



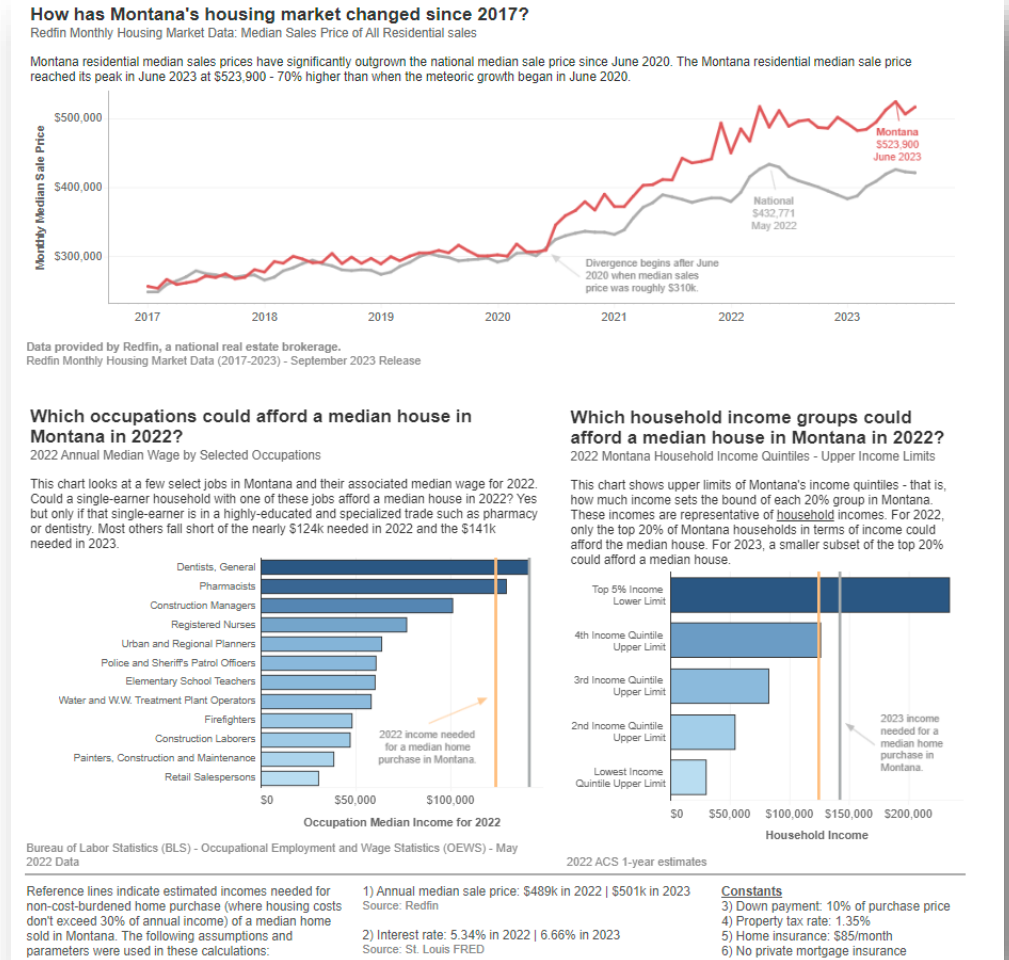
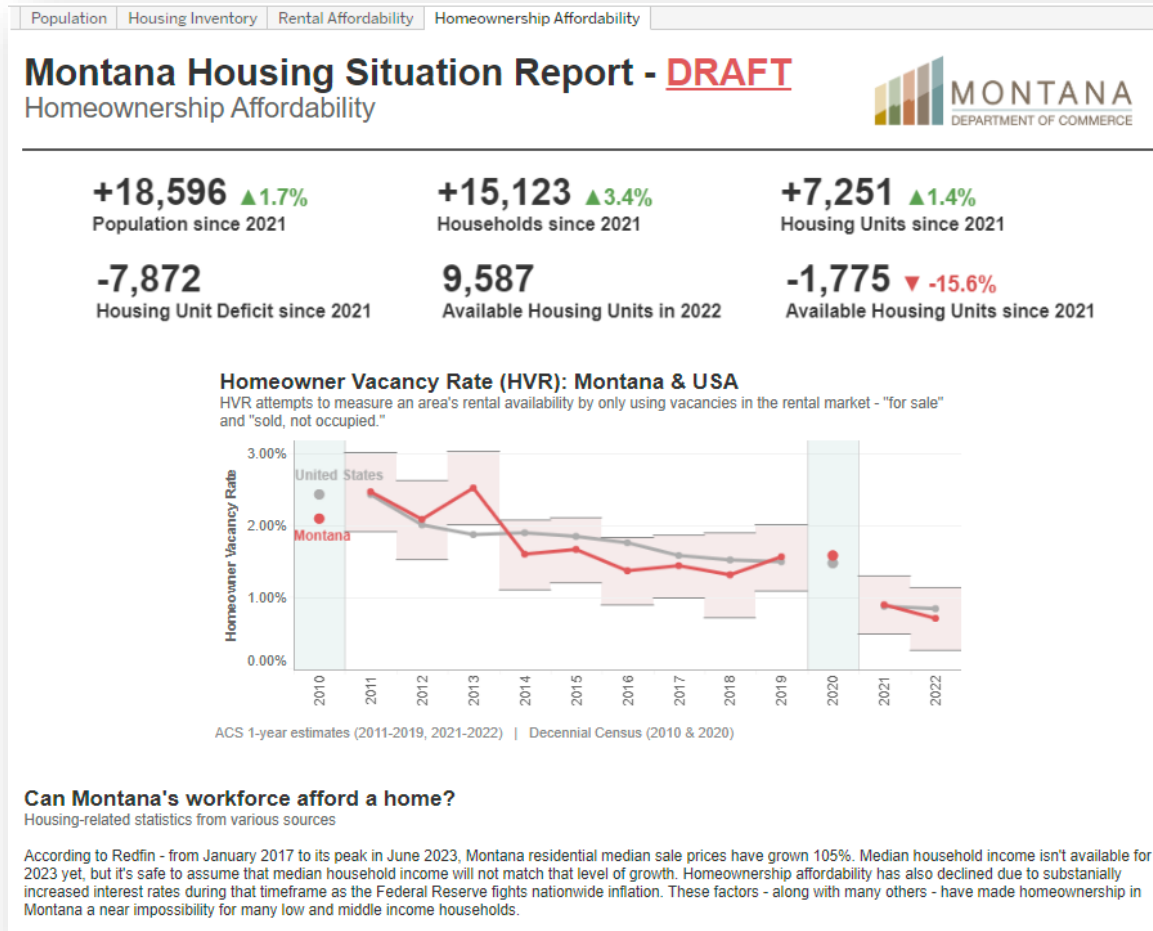
# New Commerce Housing Dashboards

## Rental Availability



# New Commerce Housing Dashboards

## Homeownership Affordability





The Montana Community Planning Platform (MT CPP) will be a **centralized platform** that will **assist community and economic development professionals** and local government officials with analyses, models, and reports on the **information critical to planning projects**.

The **ultimate objective** is to make it easier and more efficient for planners and other stakeholders to access information and tools resulting in **better community and economic development planning**.

# Vision



# Senate Bill 382 - Land Use Planning Act



What cities are affected?



Housing data



Local services and facilities data



Economic development data



Natural resource, environment, hazards and land use data



Other data







## Greetings from the Montana Department of Commerce!

Using statistics, can you quickly describe how your community is changing? Do you have a sense for the quantity and types of housing available in your community? As population increases in MT, how should communities grow? This is your chance to provide valuable input to us on your needs.

The Montana Community Planning Platform (CPP) will be a single online location where you can find all the current population, economic, land use and other data you need for community and economic development planning. Working across state government, we're leveraging new technology to draw relevant data from thousands of locations into a single platform that will put all this information at your fingertips. No longer will you have to search countless pages on different agencies' websites or spend time on the phone trying to track down the information you need to produce community comprehensive plans, chart out different planning and development scenarios, or write business development proposals or grant applications. When the CPP is complete, the data available will allow all planning-related professionals in Montana to do their jobs more efficiently and effectively.

The survey below was created to gather information about a variety of factors related to the creation and development of the Community Planning Platform (CPP). There are a lot of questions regarding "planning-related data." We view this as any information that you may use in your work to help with creating planning documents such as growth policies, zoning regulations, master plans, and economic development forecasts.

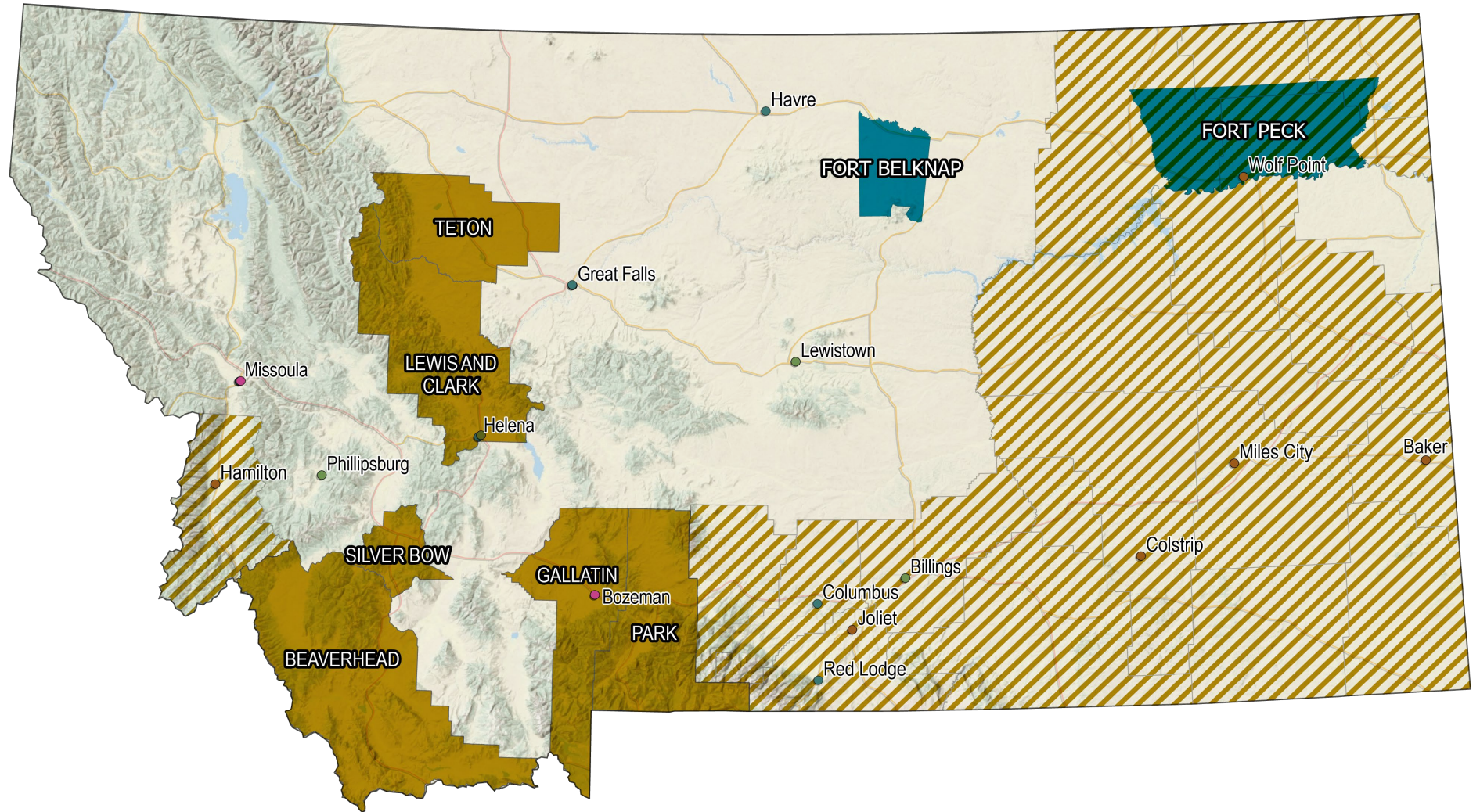
# Phase1: Engagement and Key Take Aways Online Survey Summary

- 30 Questions
- 111 Respondents
- Capacity and Capability
- Wish List
- GIS, Planning, Tools

# Stakeholder Interviews

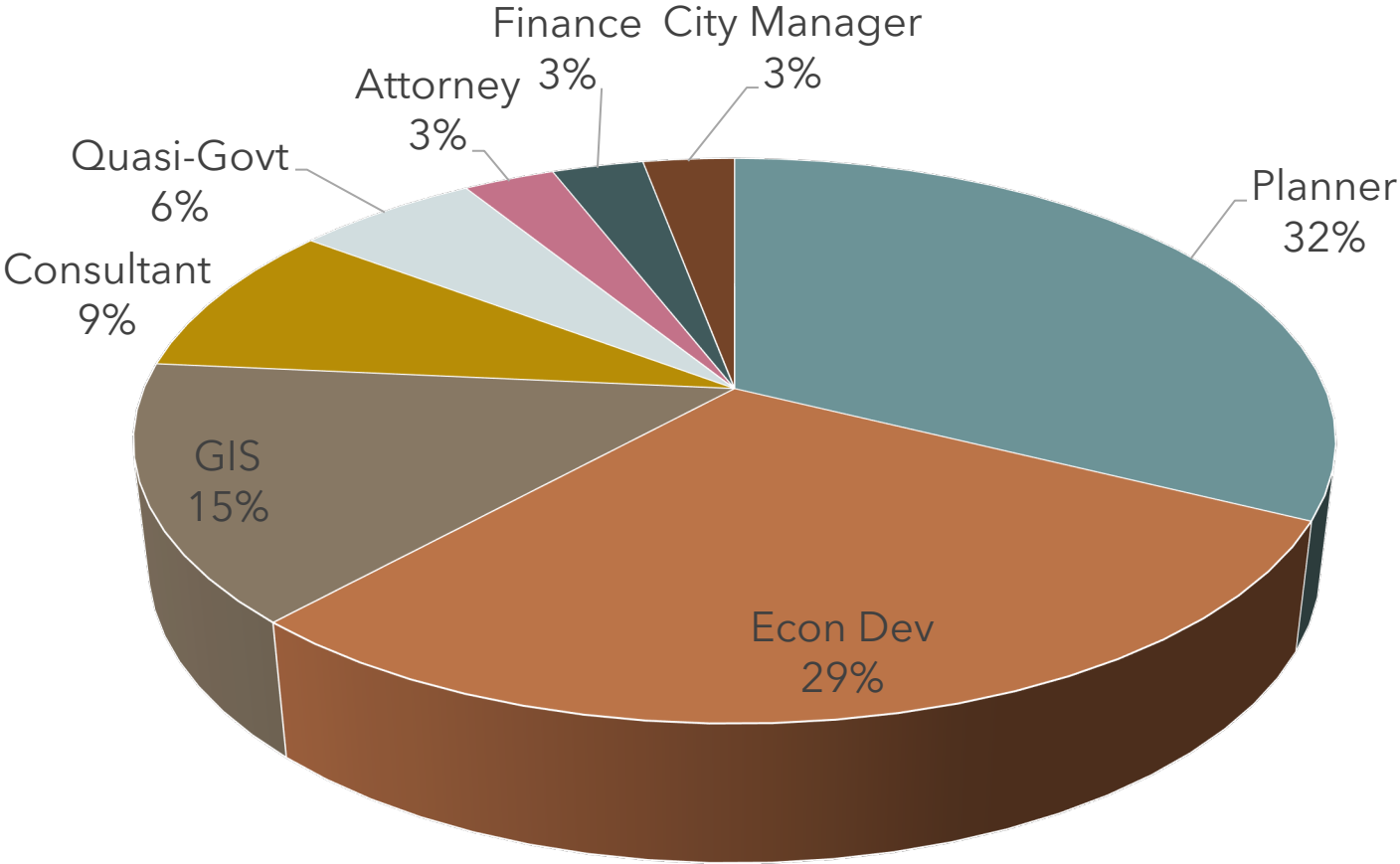
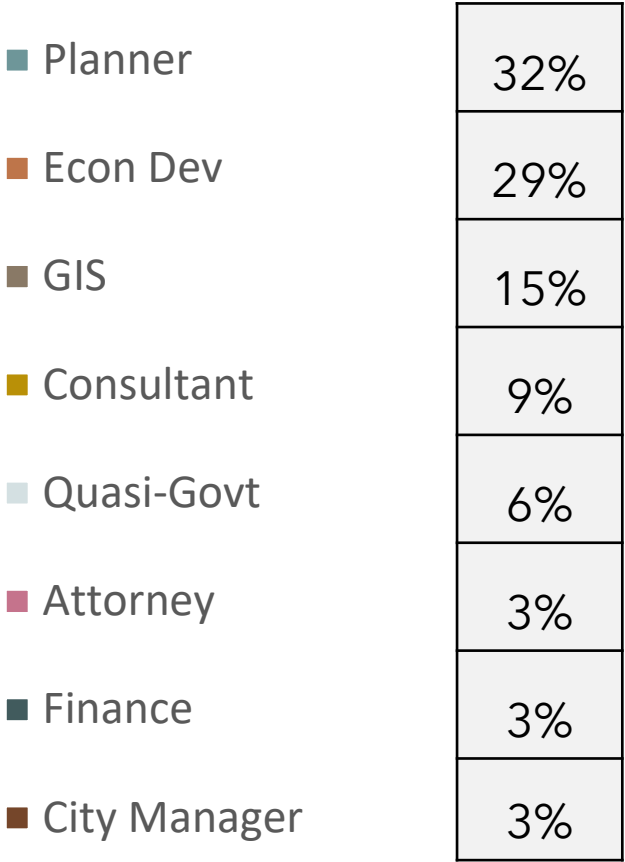
- 38 Interviews
- Many Professions
- Variety of Entities
- Geographic Spread

- Academic
- Agency
- Authority
- Corporate Entities
- Cities
- Counties
- Tribal Regions
- Economic Development Region





# Key Stakeholder Interviews - Organization By Profession



\* 41 Interviews conducted to date

# Key Take Aways - Needs

Access to  
Accurate Data

IT, GIS, Legal,  
and Planning  
Support

Templates /  
Best Practices

Collaboration  
and  
Mentorship

Legislative  
Challenges

Public  
Engagement  
and Education



# Existing Pain Points



Data Access Availability



Budgeting Issues



Staffing Issues



Regulation Concerns



Public Input Assistance



Legislative Guidance

# Ideal Platform



Access to Reliable  
and Accurate Data



Clear Guidelines,  
Templates,  
Methods



Long Term Funding



Clear Messaging  
and  
Communication



Helpdesk and  
Support Resources



Education and  
Training



Legal and  
Legislative Support

# Current Step

## - Build the Platform

(Joint effort of DOC, DOA and MSL)



Cloud-based public platform



Download and visualize planning data



Custom planning tools and forecasting models



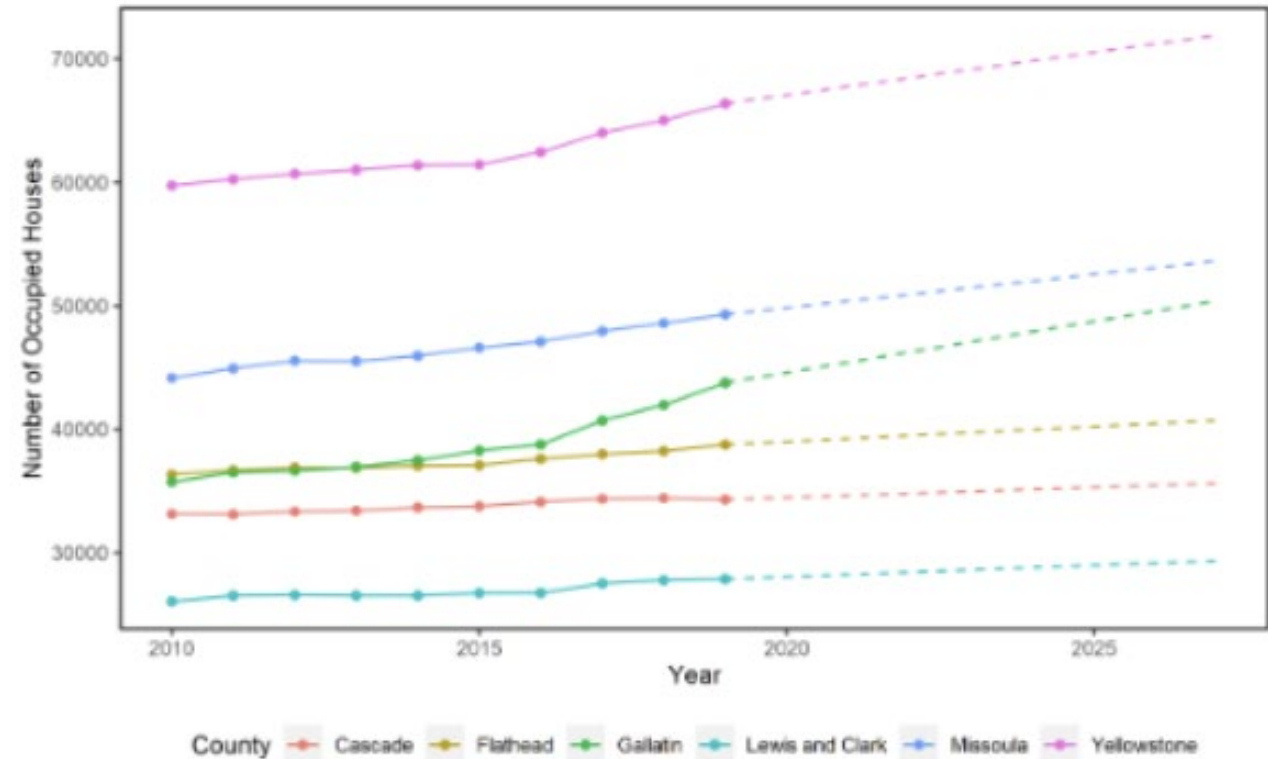
Technical Support



Training and Education

# Layered Models: Housing

Occupied Houses over Time for Large Counties (2010-2027)





# THANK YOU

## QUESTIONS???

### CONTACT INFORMATION

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