



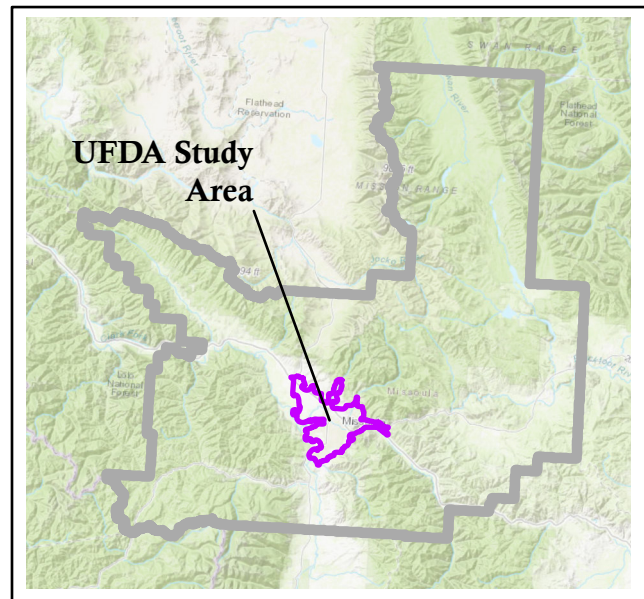
Our Missoula Development Guide



2021 & 2022 Yearbook

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2021 Summary and Statistics

OMDG Study Area: 40,253 acres

Est. 2020 Population: 88,583

Est. 2022 Population: 93,926

Est. 2020 Housing Units: 42,051

Residential Units added 2021: 1,364

Residential Units added 2022: 989

Est. 2022 Housing Units: 44,404

Annual Growth Rate 2010-2022: 1.59%

Residential Units added since 2011: 8,055

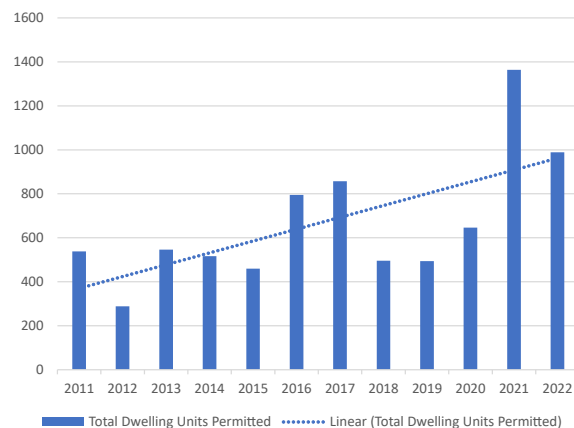
Average added Units per year: 671 over 11 years

Acreage Annexed: 112 acres

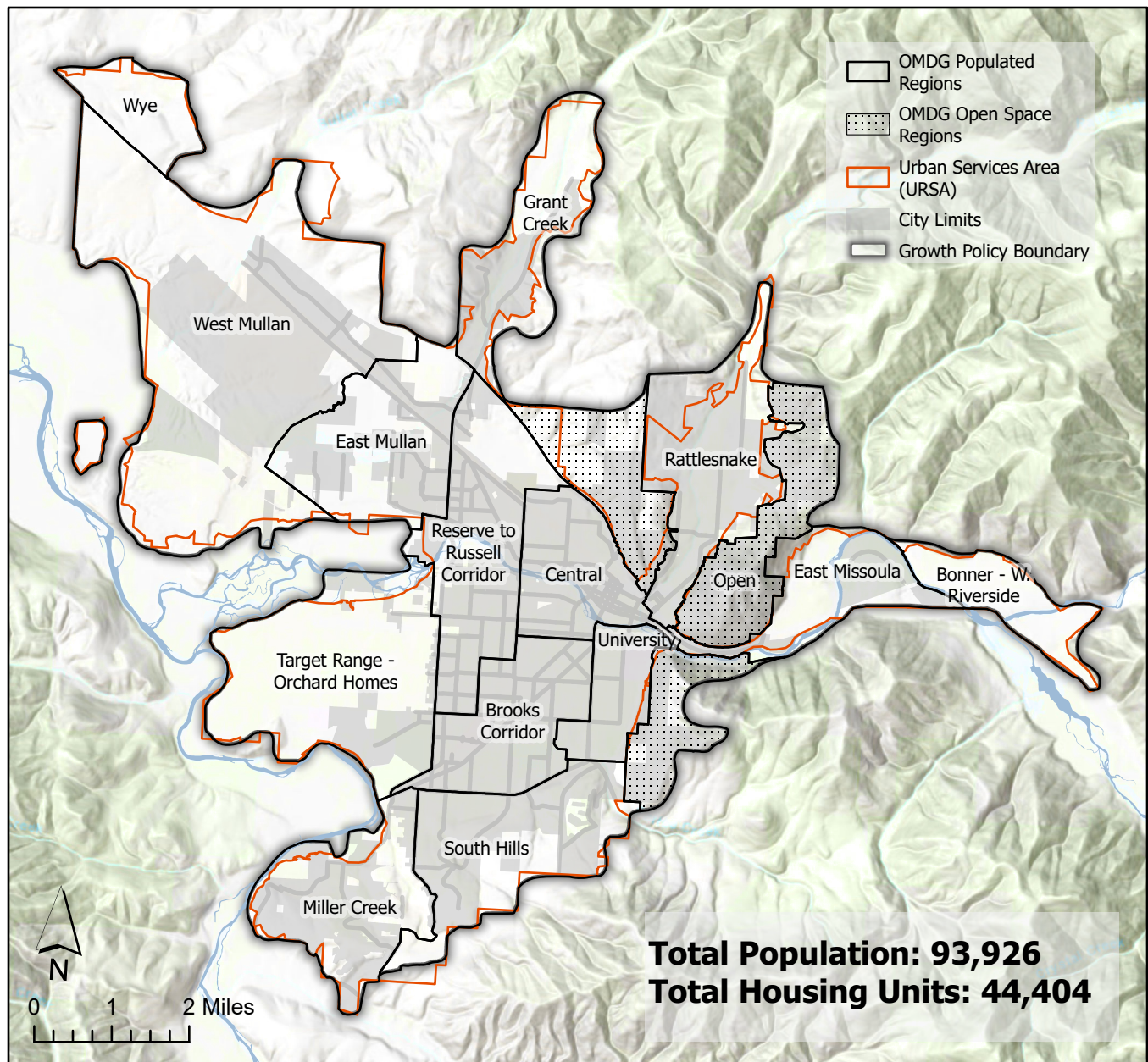
Reserve of Entitlements: 3,746

New Major Subdivisions: 3

Number of Units Approved by Building Permits Per Year



Our Missoula Development Guide Study Area



Since 2007, planning staff at the City have updated residents and officials on the location and type of development within the urban fringe area around the City.

With the first iterations of the report city staff used the regions shown in the map above to determine how the community should accommodate housing units needed for the population growth expected over the next 20 years.

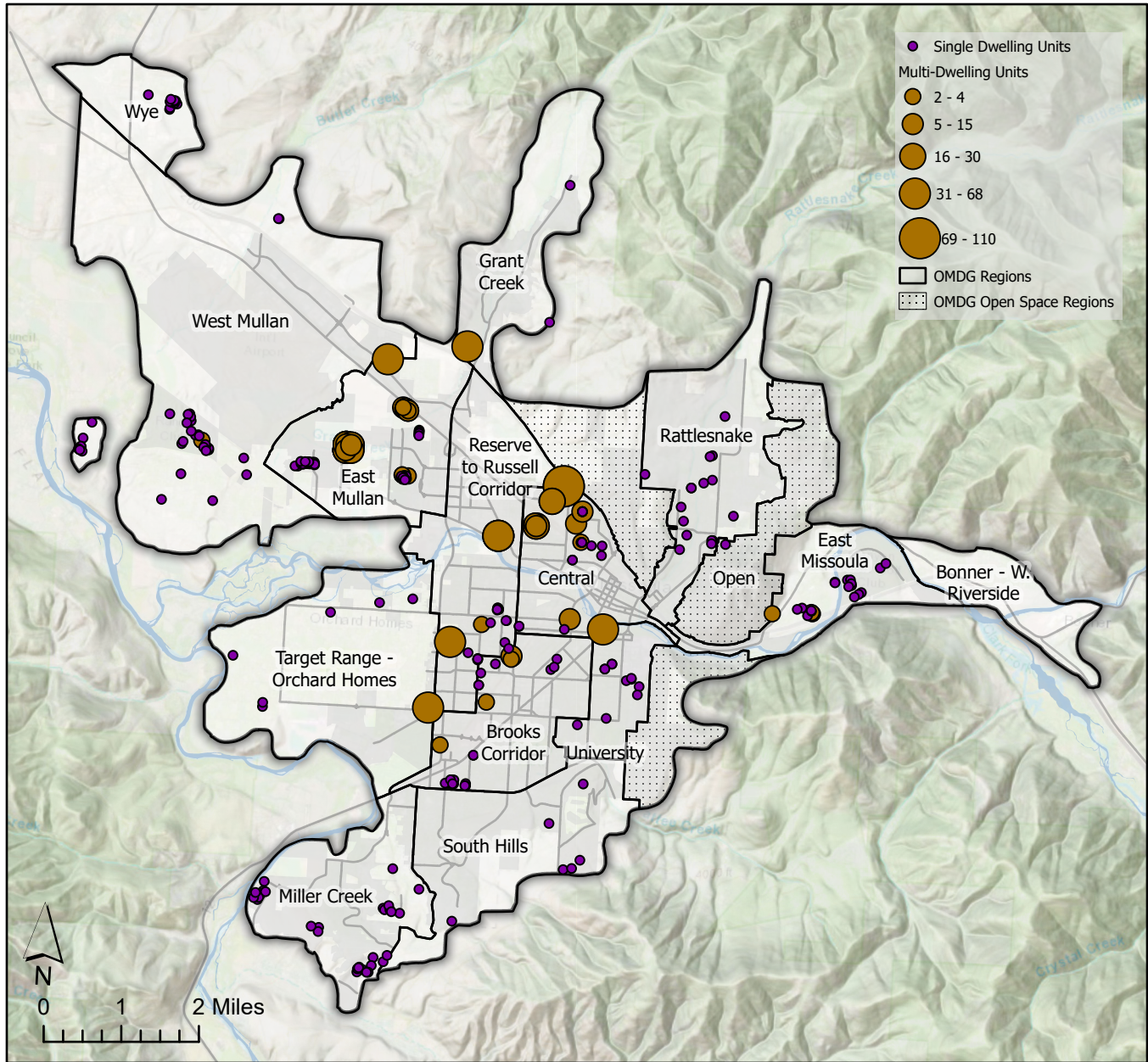
Since then the report has migrated to a reporting tool, documenting the past years of development and trends. It has used the 2015 Growth Policy's directive of "focus inward" to develop criteria in which we can categorize growth and map the ideals set forth in the growth policy.

This report has also estimated the total population and the housing units that lie within the OMDG Regions and the Growth Policy Boundary.

Using a method called apportionment staff used the new census data to calculate these numbers inside the Growth Policy Boundary. Staff estimate in 2020, there were 42,051 housing units and 88,583 residents. With recent development there are now 44,404 housing units and 93,926 residents inside of the study area.

The decrease in numbers from the city's estimate in the 2020 OMDG yearbook may be due to lack of demolition permits, changes in the way city staff calculate multi-dwelling units in a single permit, or privacy corrections at the Census Bureau.

2021 Building Permits



In 2021, the City issued 263 residential building permits while the County issued 41 within the OMDG Study Area. In total, 1,364 new units were permitted in the study area. Of those new units 251 were single-dwelling units which accounts for 17.4% of all development, 8 were duplexes or 1.1%, and 1,097 units were in multi-dwelling developments or 80.4% of all residential development.

Overall development occurred in all OMDG Regions but, was focused heavily on the East Mullan, Central, and Reserve to Russell Corridor Regions.

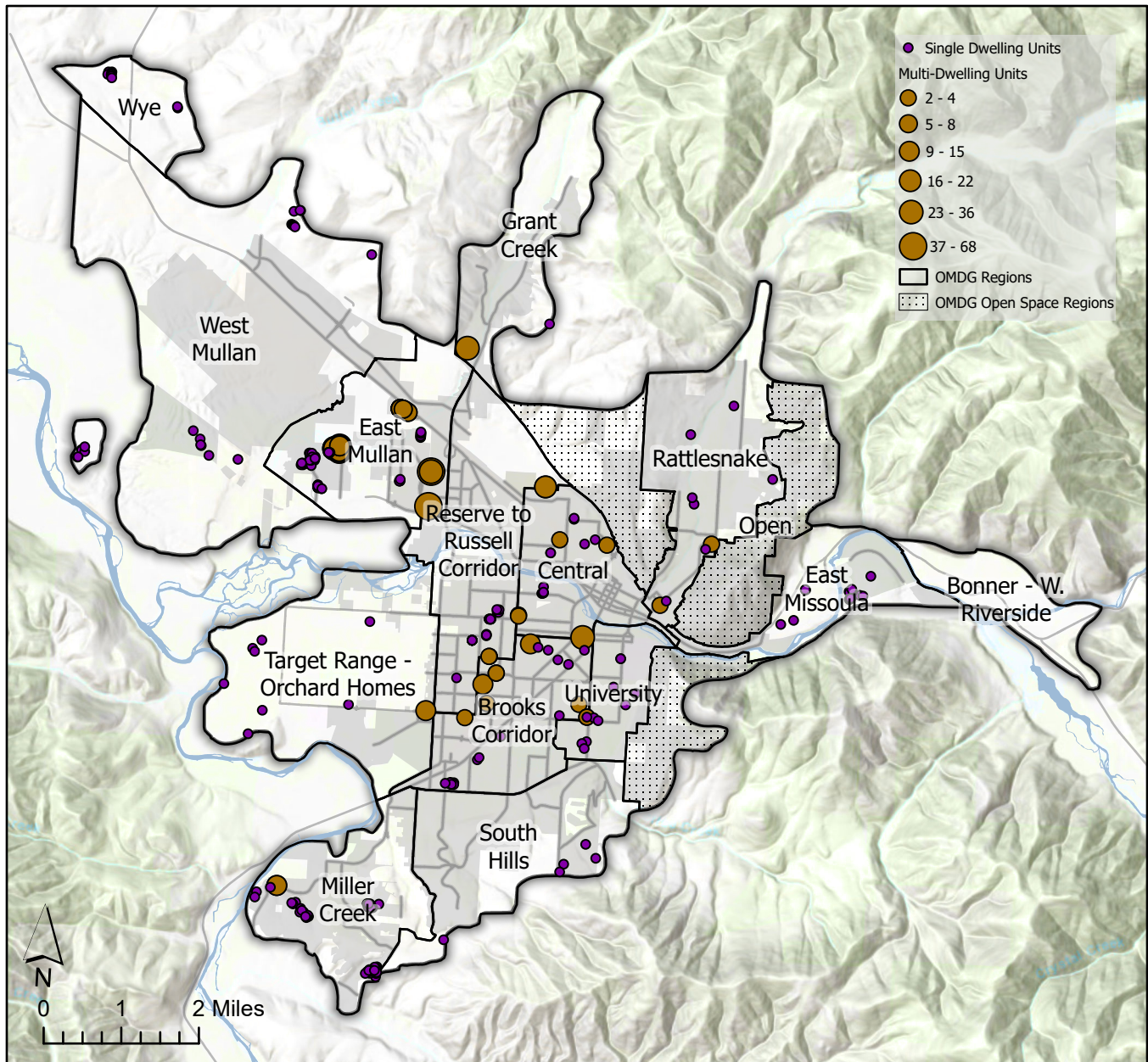
The East Mullan region accounted for 37% of all residential development in 2021. The Central region accounts for 27%, Reserve to Russell Corridor 14%, and all other regions accounted for less than 5% of all residential development.

The only region that saw no development in 2021 was the Bonner - W. Riverside region.

2021 Building Permits by Type

Dwelling Type	Admin	2021 Permits	2021 Units	Percent Units
Multi-Unit	City	47	1094	80.2%
Single	City	210	210	15.4%
Single	County	41	41	3.0%
Duplex	City	6	12	0.9%
Duplex	County	2	4	0.3%
Multi-Unit	County	1	3	0.2%

2022 Building Permits



In 2022, the City issued 240 residential building permits while the County issued 39 within the OMDG Study Area. In total, 989 of new units were permitted in the study area. Of those new units 221 were single-dwelling homes accounting for 22.3% of all residential development, 22 were duplexes or 2.3%, and 746 units were in multi-dwelling developments which accounted for 75.4% of all residential development.

2022 Building Permits by Type

Admin	Dwelling Type	2022 Permits	2022 Units	Percent Units
City	Multi-Unit	47	746	75.4
City	Single	182	182	18.4
County	Single	39	39	3.9
City	Duplex	11	22	2.3

Like 2021 development focused heavily on the East Mullan region in large multi-dwelling projects. The areas with the least amount of development were the University, Wye, South Hills and Bonner-W.Riverside regions.

The East Mullan region accounted for 63% of all residential development in 2022, with 620 dwelling units. The Reserve to Russell Corridor accounted for 7%. Miller Creek, Brooks Corridor, and the Central region each accounted for 6% of development.

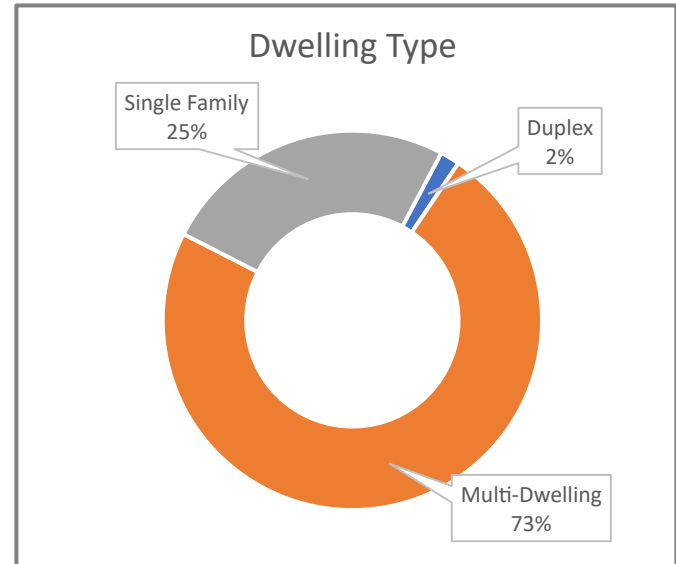
Every other region in the study area accounted for 3% or less in total residential development in 2022. Bonner - W. Riverside saw no new development during the 2022 year.

Affordable and Multi-Dwelling Development

Much like all development over the past two years, Multi-Dwelling units saw an uptick. A total of 1,097 new dwelling units in 2021 and 810 in 2022 were permitted to be built in multi-dwelling complexes.

East Mullan saw the largest number of permitted multi-family dwelling units with 1,007 being built, mostly in the McNett Flats development. The Central Region has 387 new multi-family dwelling units permitted to be built in 2021 and 2022.

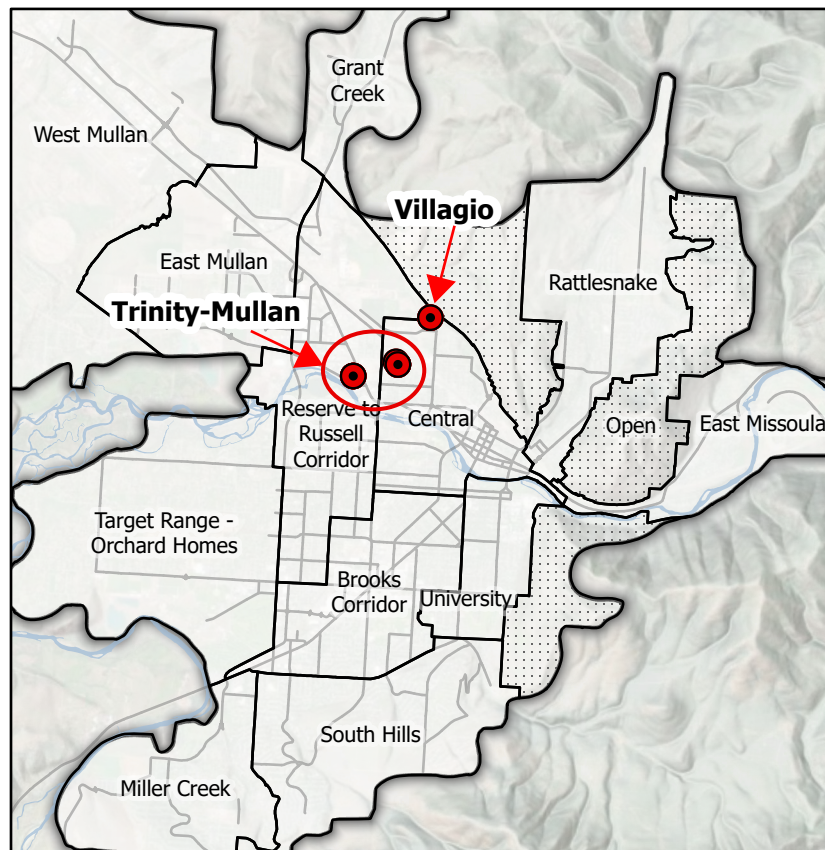
Unlike in 2018, 2019, and 2020 multi-dwelling development in 2021 and 2022 saw the majority of these projects occur in the >8 dwelling unit per project range. The largest development in 2021 located in the Central UFDA Region has 200 units permitted to be developed and will be permanently affordable, with rents set at 40%-60% of the Area Median Income.



2022 Median Family Income	2022 Income Category	Persons in Family							
		1	2	3	4	5	6	7	8
\$80,200	80% AMI (Low Income)	\$45,750	\$52,250	\$58,800	\$65,300	\$70,550	\$75,750	\$81,000	\$86,200
	50% AMI (Very Low Income)	\$28,600	\$32,650	\$36,750	\$40,800	\$44,100	\$47,350	\$50,600	\$53,900
	<50%AMI (Extremely Low Income)	\$17,150	\$19,600	\$23,030	\$27,750	\$32,470	\$37,190	\$41,910	\$46,630

Development of affordable dwelling units were permitted in 2 major projects during 2021 and 2022. The Villagio and Trinity-Mullan projects both are designed to have affordable housing options.

Permitted in 2021, the Villagio Project, is expected to bring 200 new affordable dwelling units online with rents set at 40-60% of Area Median Income(AMI) in the Central region.

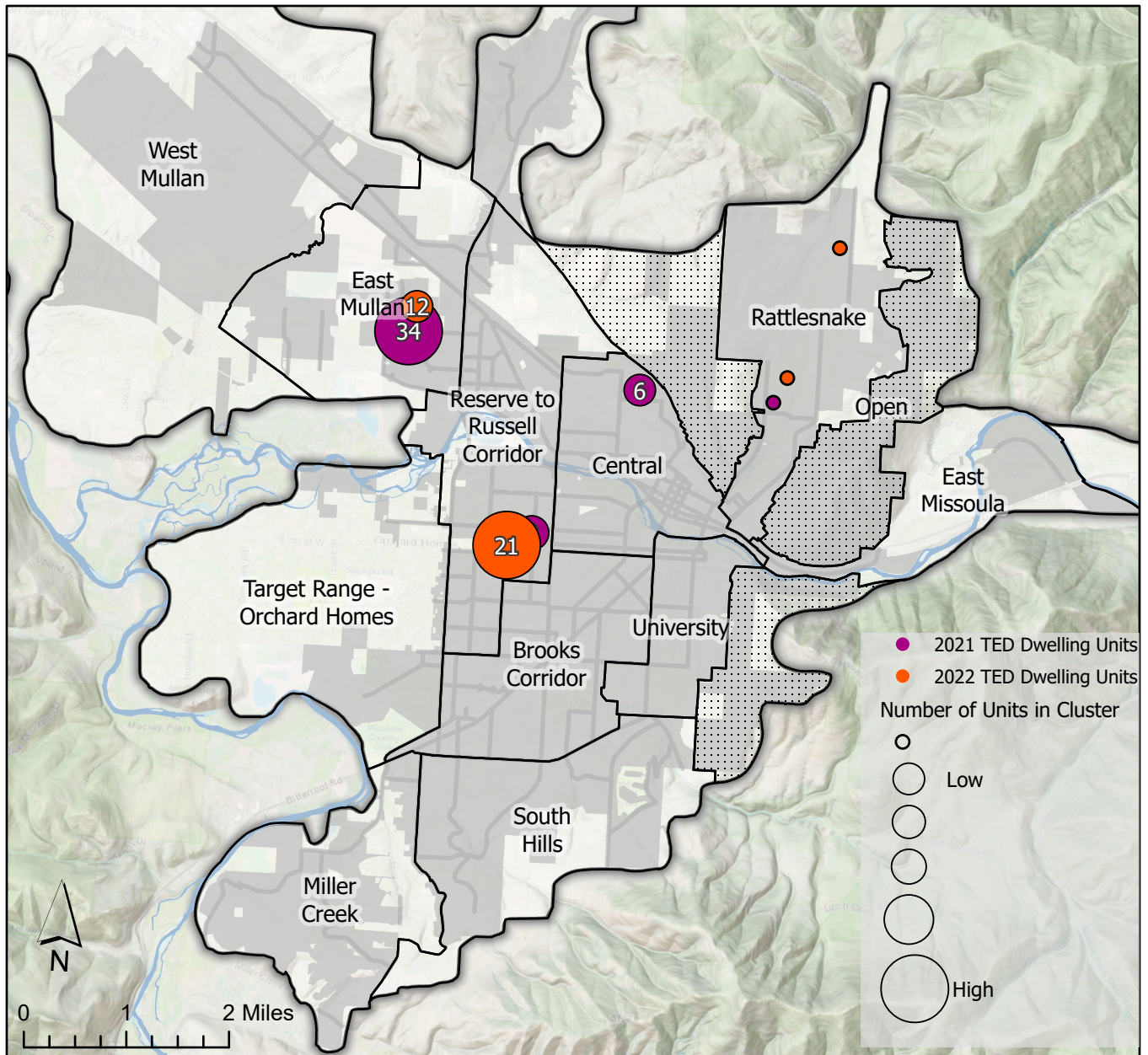


Another large affordable housing complex called the Trinity Apartments was permitted to start and continue construction in 2021 and 2022. When finished this project will provide just over 400 new units for renters at or below 60-70% AMI.

These complexes are spread throughout the Russell to Reserve OMDG and Central regions. 72 new units were permitted to be built on Cooley Street.

The other complex sits on Maple Street near the corner of N Russel and Broadway. This development is slated to have 130 permanent affordable homes for people who make 70% or less of the AMI. Also at this site a Navigation Center is to be built to support people with housing needs.

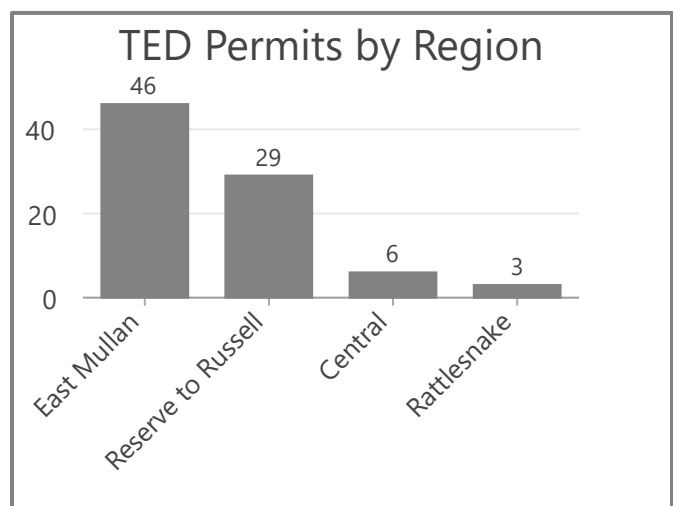
Townhome Exemption Development (TED)



TED Option is a method the state and city use to encourage more affordable housing and provide it in a denser more suitable area.

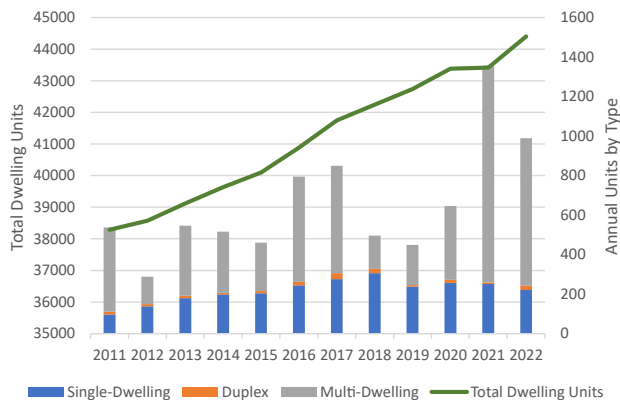
In 2019 Ordinance changes were adopted that focused TED Projects to make progress on the city's goal of encouraging smaller, infill development. This was aimed at focusing these developments around existing infrastructure and creating compact walkable neighborhoods.

East Mullan saw the most TED units approved to be built during 2021 & 2022. Reserve to Russell, Central, and the Rattlesnake regions also saw TED development. All other regions saw no new TED units approved during 2021 & 2022 years.



Trends in Development & Net/Gross Density

Residential Activity within the OMDG Study Area



2021 and 2022 saw rises in building permit and residential development. While the number of Single-Family and Duplex residential building permits stayed relatively the same, averaging around 220 permits per year since 2014. Multi-Dwelling Development saw a drastic increase in 2021 and 2022.

In 2021 Multi-Dwelling Development almost doubled from 2020 and accounted for 80% of all units applied for in residential building permits. This trend in denser development has continued in 2022, where Multi-Dwellings accounted for 75% of units applied for.

In the City's 2015 Growth Policy it was stated that if population trends remained stable the UFDA Area would add an additional 18,800 people by 2035. This would necessitate a need for an additional 9,000-14,000 new housing units to be built during this time period. This equates the UFDA region to add between 450-700 housing units per year since 2015 or a cumulative annual growth rate between 1.12-1.74% over this 20 year period.

Year	New Dwellings	Est. Total Dwelling Units	Annual Growth Rate*
2011	538	39,945	X
2012	288	40,233	0.72
2013	546	40,779	1.36
2014	516	41,295	1.27
2015	533	41,295	1.29
2016	795	42,623	1.93
2017	850	43,473	1.99
2018	496	43,969	1.14
2019	494	44,463	1.12
2020	646	45,109	1.45
2021	1364	43,415	3.02
2022	989	44,404	2.28
Average	671/year		1.59%

Our Missoula Development Guide and the UFDA reports have been tracking net and gross density of the urban fringe area since the start of the reports.

Gross density of residential units is calculated using the total area of the urban fringe area. It is the estimated number of dwelling units divided by the acres of the urban fringe area.

The gross density of this area during this update is: 1.1 Dwelling Unit per Acre.

Calculating net density involves more nuance. In essence it is the number of housing units divided by the amount of land that can be used for residential purposes.

Net Density = DUs/(Growth Policy Area minus land constrained from development through physical or social factors)

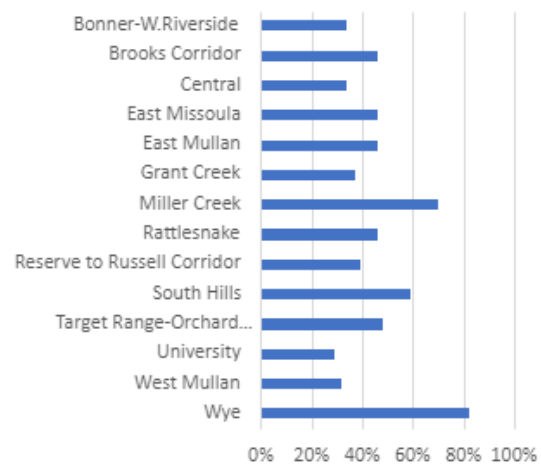
The physical factors that are used to calculate this statistic are:

- Slopes greater than 25% grade
- Within Floodplain
- Within a wetland area (defined by the State of Montana)

Social factors included are:

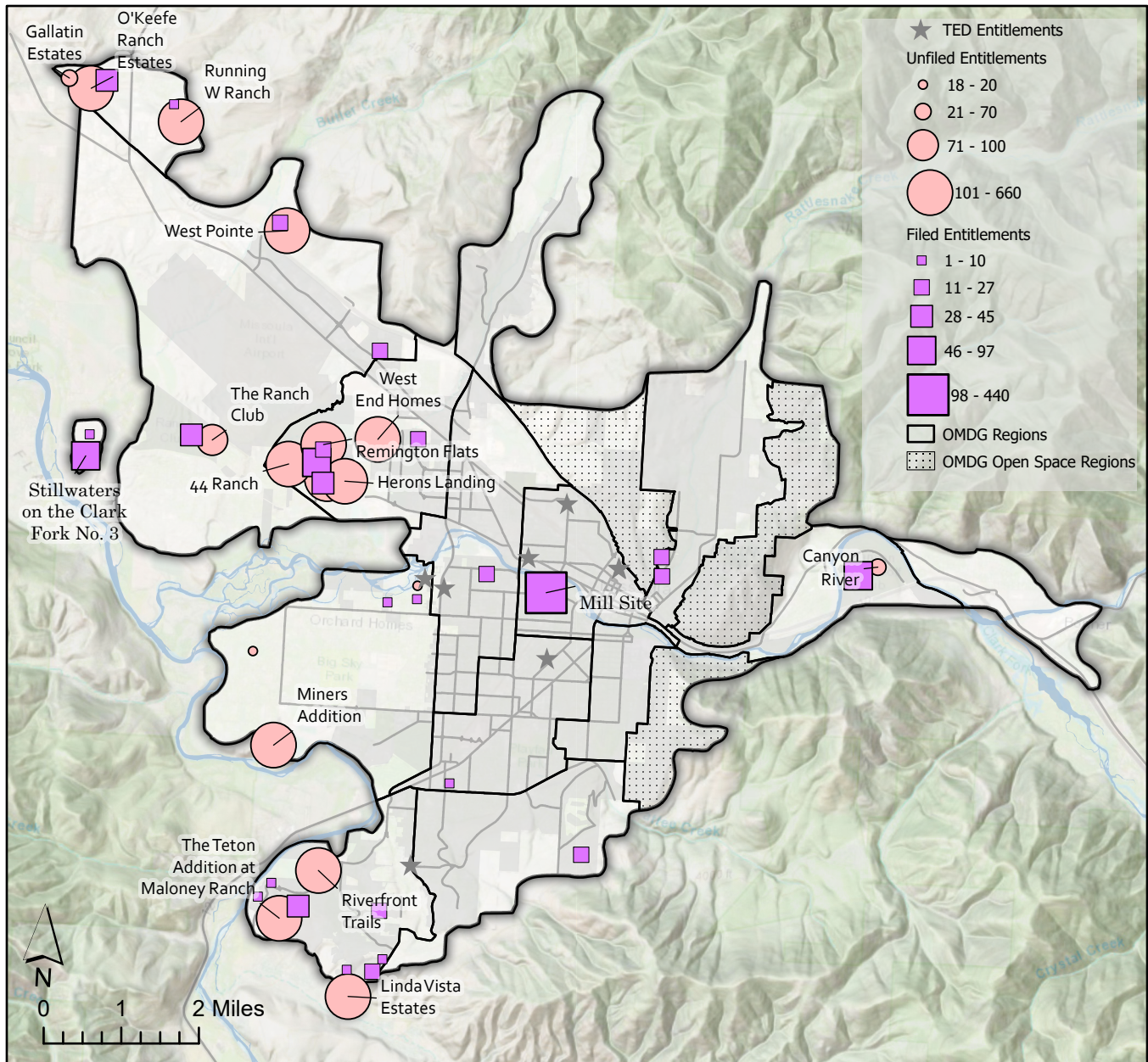
- Public Land
- Zoning or Land Use (non-residential areas)
- Utilities or land owned by the Railroad
- Other ownership factors

Residential Capable Land by OMDG Region



The net density in 2022 after the two most recent years of development is 2.81 Dwelling Units per Acre. This statistic has been slowly increasing from 2.0 dwelling units per acre in 2007 to 2.57 DUAC in 2017, and 2.66 DUAC in 2020.

2021 & 2022 Entitlements



2021 saw one new subdivision approval in the study area. This new subdivision, called McNett Flats, is in the East Mullan region and provided 643 dwelling units on seven lots.

During calendar year 2022, two major subdivisions were approved in the study area. Riverfront Trails in the Miller Creek region is preliminary approved to provide 288 units. West End Homes, while approved in 2023 went through public process in 2022. This subdivision plans to provide 261 Units.

Having an entitled lot does not always mean that a residential unit will be built. However, it is a good indicator of where development will occur and what is 'on-deck' in the upcoming years. It enables staff

to look into the future to try to determine how many units will be built in a region.

Even if a subdivision has been initially approved for a specific number of lots that does not mean that all the lots will be built or that the developer will not change the lot count during a Subdivision Phasing Amendment in the future. For this reason, numbers may change throughout the subdivision's life. These numbers are not meant to be rigid but help to provide insight at a larger scale of where development may occur and when it is most likely.

2021 & 2022 Entitlements Summary

The intent of tracking unfilled entitlements is to estimate the number of units that may be developed in specific regions by year. The table below represents the expiration date of subdivisions and the units associated with that subdivision or phase of subdivision. This table should be used as an estimate. Developers can file for phase amendments or let entitlements expire, which will remove potential units from this list or move them to a future year.

Unfiled Subdivisions with Projected/Expiration Year to Plat

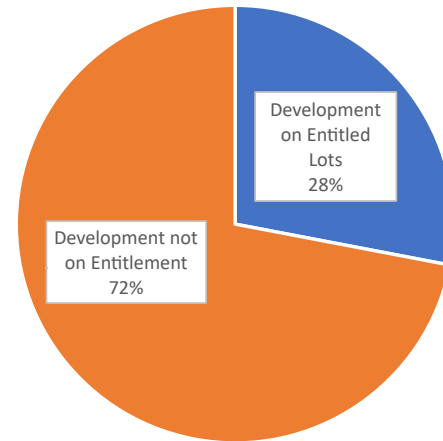
Year Projected	Dwelling Units
2023	97
2024	173
2025	447
2026	110
2027	149
2028	71
2029	15
Total 2023-2029	1062
2030	339
2031	201
2032	60
2033	27
2034	25
2035	42
2037	26
2039	43
2040	16
Total 2030-2040	779
Total	1841

Multiple agencies track entitlements and the definition of an entitlement does not always line up with each agency. The County and Missoula Organization of Realtors tracks and maintains an accurate count of entitlements as lots that are preliminary approved but not yet platted. This corresponds partially on how unfilled entitlements are defined that the city tracks.

The OMDG takes this a step further and tracks not only lots but also potential dwelling units with preliminary approval. For instance McNett Flats had 7 entitled lots but over 600 dwelling units proposed in the preliminary plan. The City also tracks entitlements after they have been platted up to the point that building permits are approved. In the previous map these are referred to as filed entitlements. Both of these unfilled and filed entitlements make up the total number of entitlements in the study area.

Historically, development of entitlements has accounted for approximately 1\3 of all development throughout the area for a given year. During the previous two years roughly 28% of residential development has occurred on entitled lots.

Percent of Permitted Residential Units on Entitled Lots (2021-2022)



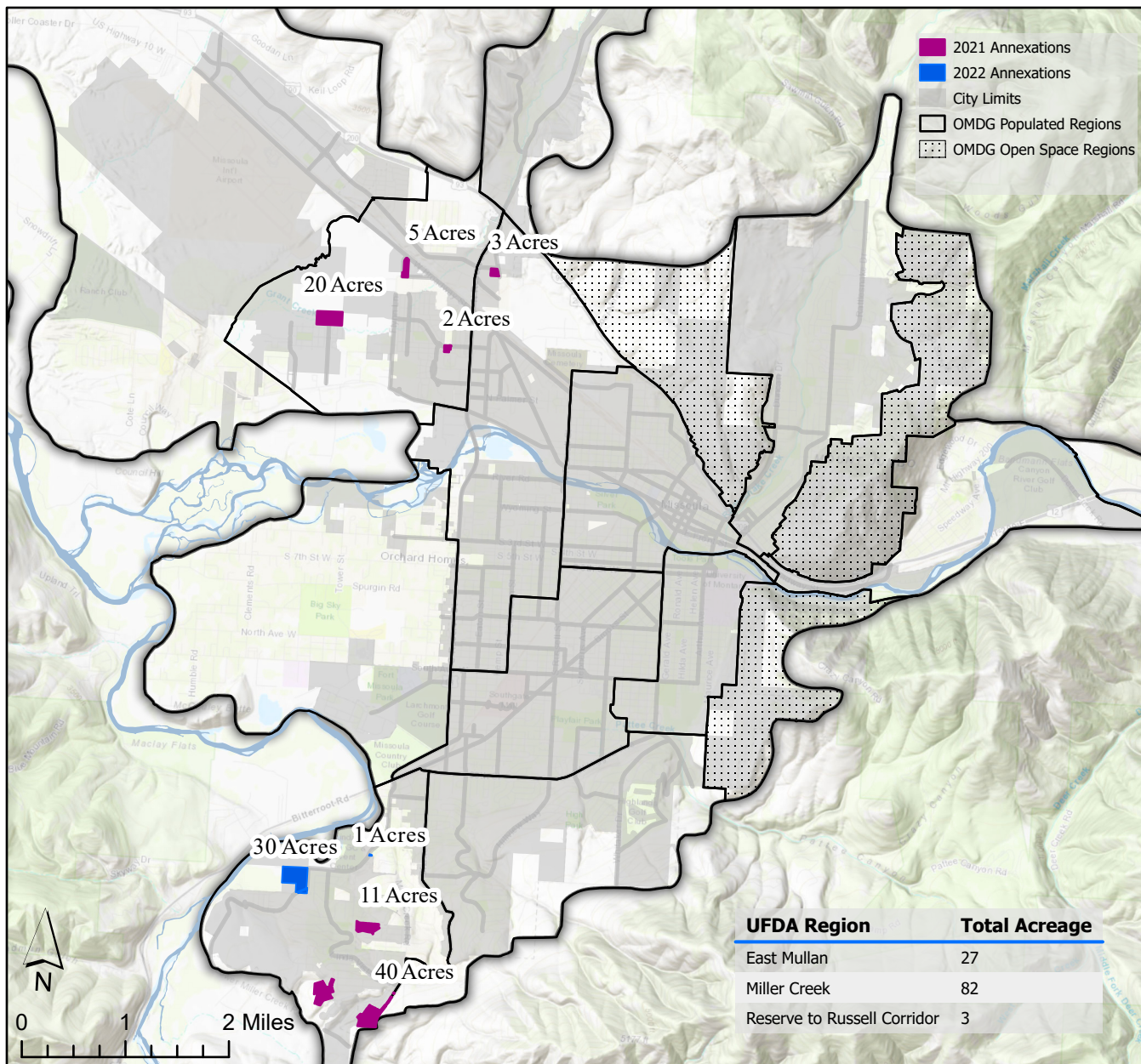
Remaining Entitlements in Study Regions (2021-2022)

Region	Entitlements
Brooks Corridor	1
Central	145
East Missoula	114
East Mullan	967
Miller Creek	1352
Rattlesnake	41
Reserve to Russell	19
South Hills	12
Target Range-Orchard Homes	168
West Mullan	370
Wye	557
Total	3746

The region with the largest number of entitlements is Miller Creek followed by the East Mullan and Wye regions. These three regions account for over 50% of all entitlements and are on the outskirts of the city boundary. While these were not in a high suitability tier in 2018, with more development they should become more suitable which will be discussed later in this report with the suitability update analysis and discussion.

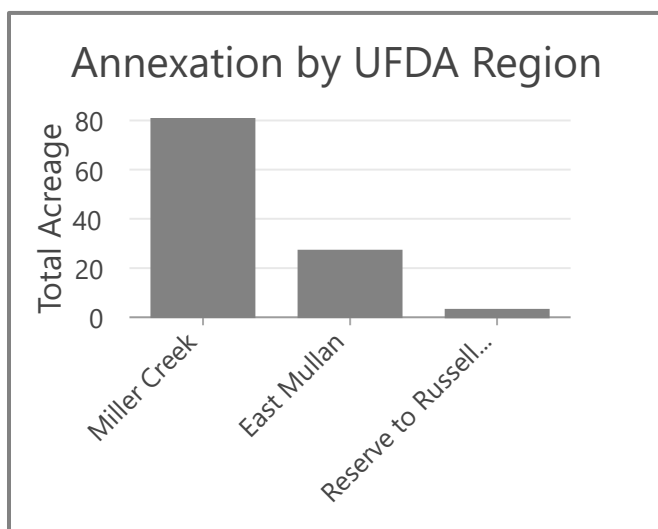
Because new development must build infrastructure, like sewer, water, parks, and sidewalks these areas will likely become much more suitable once development occurs.

Annexations

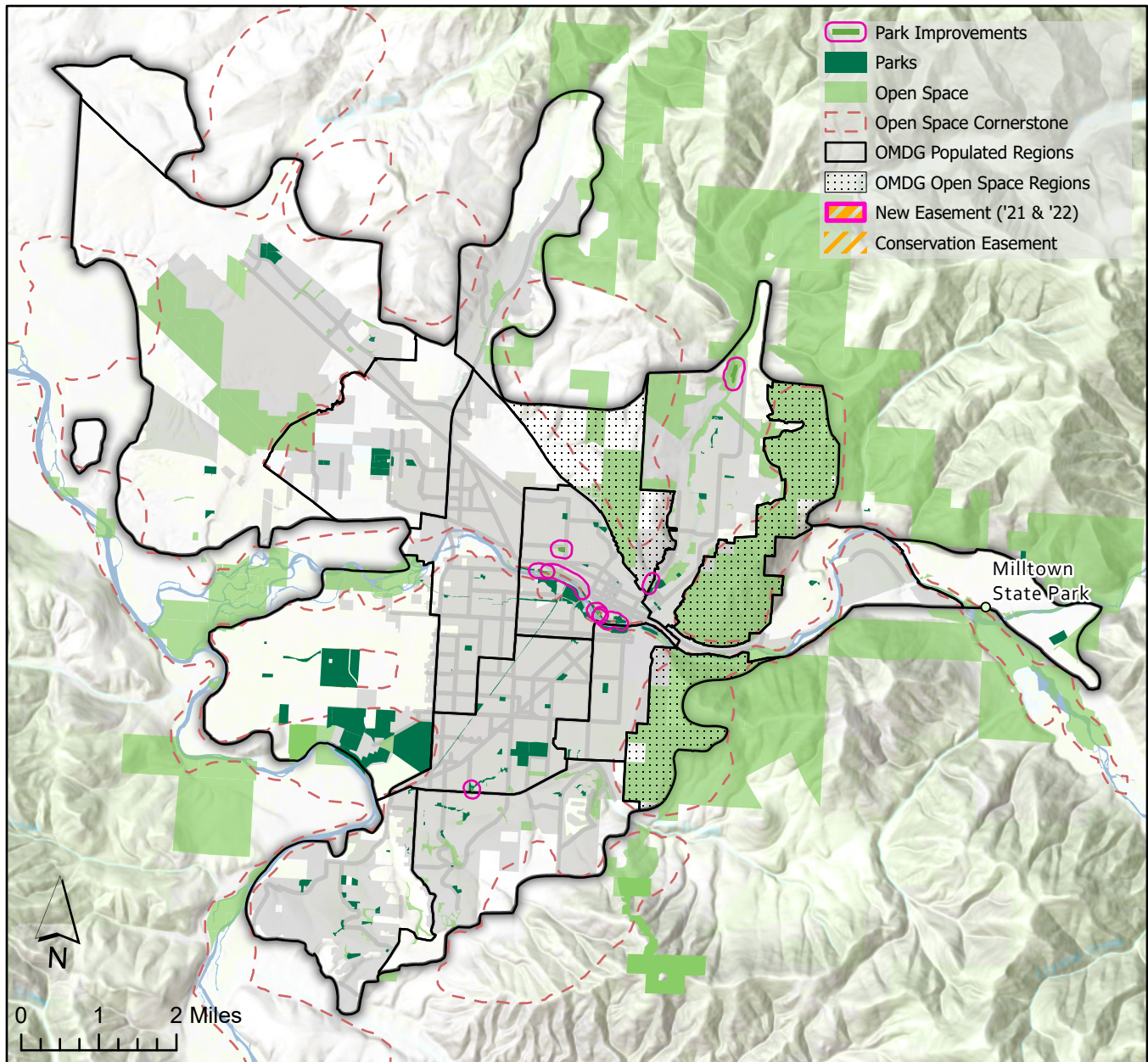


In 2021 & 2022 the city annexed approximately 112 acres with a total of 8 ordinances that were passed. The breakdown between UFDA Regions is: 27 acres in East Mullan, 3 in Reserve to Russell Corridor, and 82 in the Miller Creek Region.

Approximately 62 acres that were annexed in 2021 & 2022 are intended for single family residential uses. 50 acres that were annexed during this same time period are intended to provide multi-dwelling residential units.



Parks and Conservation Improvements



During 2021 11 acres just outside the South Hills UFDA Region were set aside as a Conservation Easement. The parcel of land was handed over to Five Valleys Land Trust to ensure access to Dean Stone recreation area.

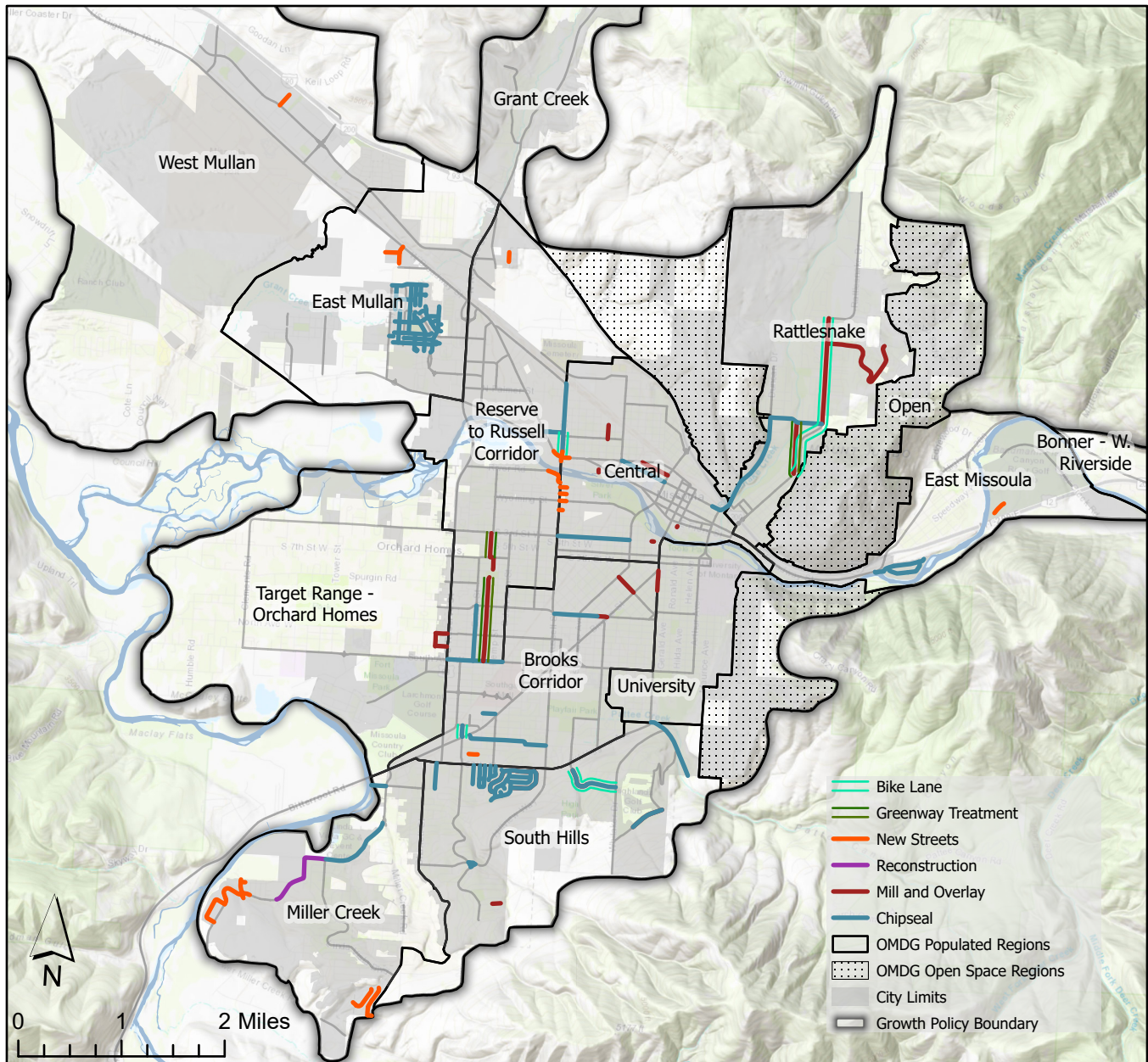
In 2022 a new conservation easement was set aside in the Miller Creek Region that was established at the same time as a new major subdivision called Riverfront Trails.

Another new addition to open spaces in the study area is a new trail and access point at the Bandmann Flats section of Milltown State Park. This will help to ensure the ability and accessibility of this restored part of the Clark Fork.

Park improvement projects focused heavily in the Central region. With a rebuild of Caras Park as well as general improvements along the Clark Fork corridor throughout the City's downtown. This continuing project will hope to improve recreational access to the Clark Fork throughout the region.

Other notable improvement projects focused on the Rattlesnake region. These include the expansion and redevelopment of the waterworks trailhead which accesses the north hills hiking area from the Rattlesnake region. Another large project was the removal of the Rattlesnake Dam, which helps to restore habitat for threatened native fish species.

Transportation Infrastructure Improvements



During the 2021 and 2022 calendar years roughly, 17 miles of road were improved or repaired. Most of that work, 10 miles, were chip sealed. 6.1 miles were milled and overlaid, and .75 miles were reconstructed.

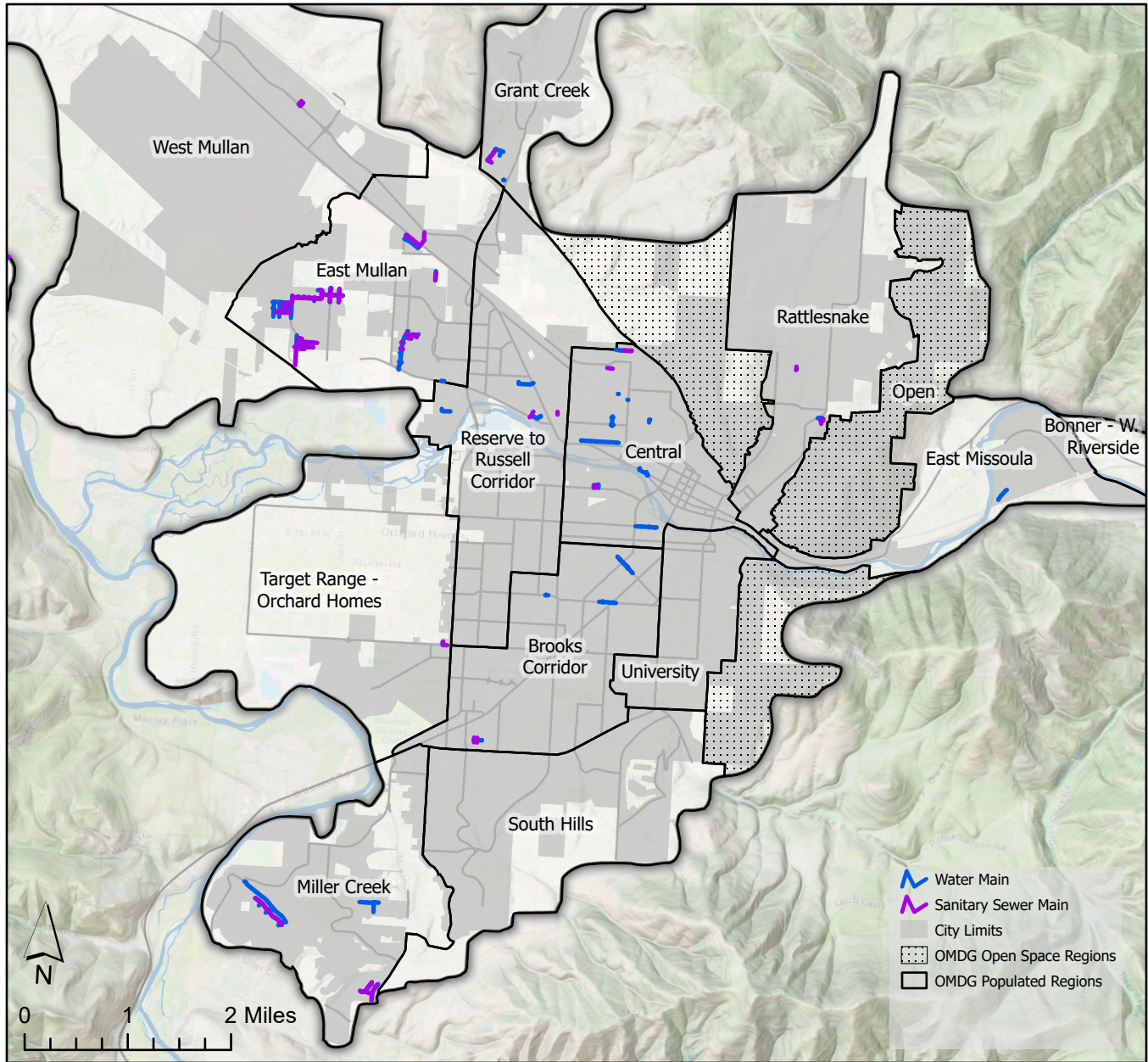
In 2021 and 2022 around 2.5 miles of roadway were built. This number includes new roads being added or roadways being re-designed and rebuilt.

The OMDG region that saw the most miles of newly constructed roadways was the Miller Creek region with roughly 1.4 miles being built.

Throughout the regions and roadway building/improvements, the regions that saw the most roadway construction were the South Hills, Reserve to Russell Corridor, East Mullan, and the Central regions.

Efforts to provide more multi-modal transportation throughout the area were spread out through 5 regions during the past years. Overall 2.5 miles of bike lanes were added in the Brooks Corridor, Rattlesnake, Central, and South Hills regions. 1.5 miles of greenway treatment was built in the Reserve to Russell Corridor as well.

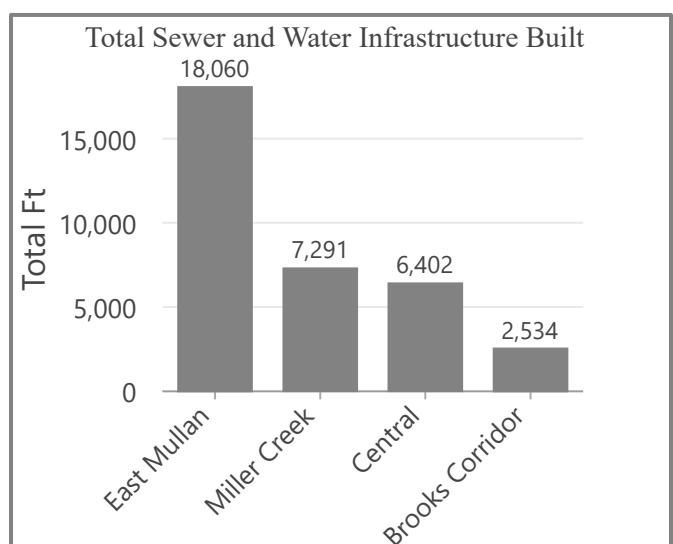
Sewer and Water Infrastructure Improvements



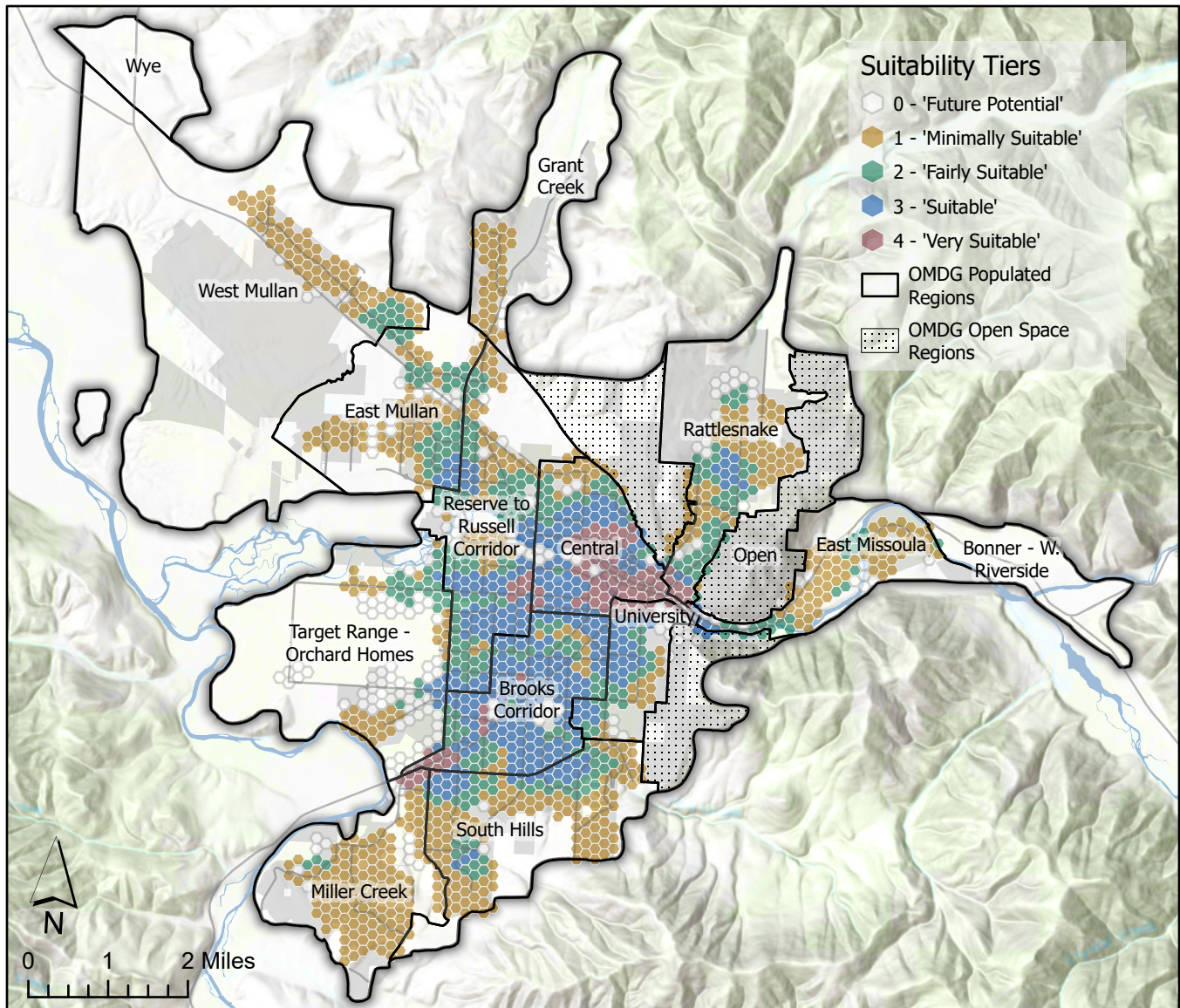
Over the course of 2021 and 2022 the City constructed/refurbished 7.7 miles of water main. Over the same years 4.6 miles of sewer were added to the Utility Service area.

Most of this infrastructure was built in the East Mullan and the Miller Creek OMDG regions. When the suitability scores of those areas are calculated again these areas should receive an additional point because of this.

Overall, the suitability of development is being pushed outwards from the city center in terms of sewer and water infrastructure and should remain steady with ongoing projects in the East Mullan, Miller Creek, and Grant Creek regions.



2018 Residential Suitability Tiers



The residential suitability concept was first developed in 2018 to categorize residential development into areas that reflect the ideals in the City's Growth Policy. The 2018 analysis highlighted the city's core as being highly suitable to development and further stressed the "Focus Inward" ideal set forth by the Growth Policy.

Below are the explanations of the Suitability Tiers:

Tier 1: "Minimally Suitable" areas are within 500 feet of public sewer and water. Infrastructure costs can be a burden on development, so developing where infrastructure already exists helps lower construction overhead and should translate to improved affordability. This tier is primarily found along the fringe.

Tier 2: "Fairly Suitable" areas are within a quarter mile distance of any two of the following suitable features: commercial service areas, grocery stores, transit stops, commuter trail, parks, or schools.

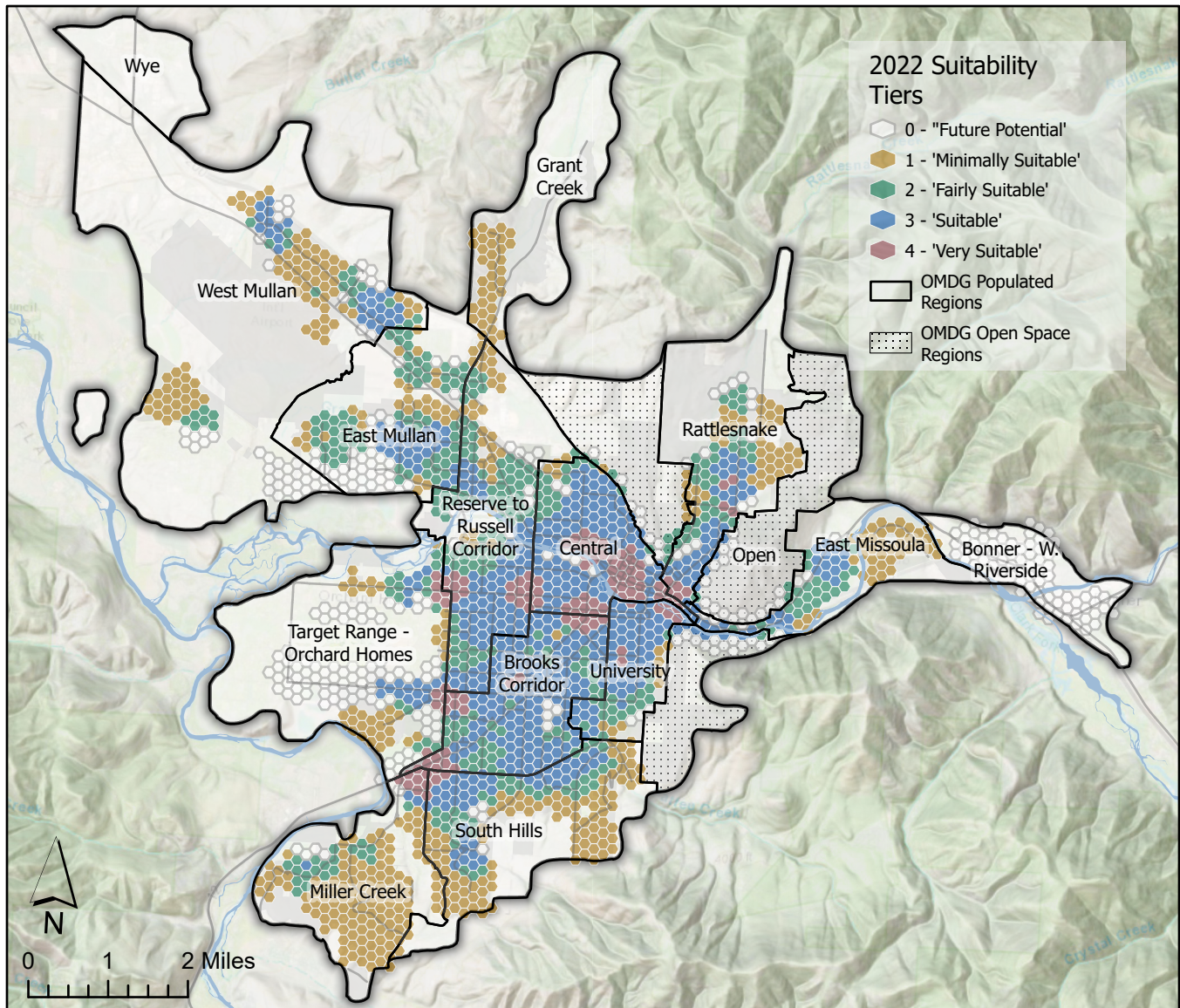
Tier 3: "Suitable" areas have a similar criteria to Tier 2, but require that three or more features are within a quarter mile.

Tier 4: "Very Suitable" areas are within walking distance of a commercial service area, a grocery store, a commuter trail, and a transit stop.

Tier 0: "Future Potential" areas have future suitability in either Tier 2 or 3 once they receive sewer, water, or both.

Any land outside of these five tiers was considered unsuitable for residential development when this analysis was first conducted in 2018.

2022 Residential Suitability Tiers



When this analysis was again run after 4 years, the areas seeing the majority of development have also shown to be increasing in suitability

Tier 4: "Very Suitable" areas have remained consistent around the City's core. But have developed a more node-like pattern around major intersections.

Tier 3: "Suitable" areas expanded to encompass the majority of the Brooks Corridor, Central, and University regions. All populated regions show areas of Tier 3 with the exception of Bonner - W Riverside.

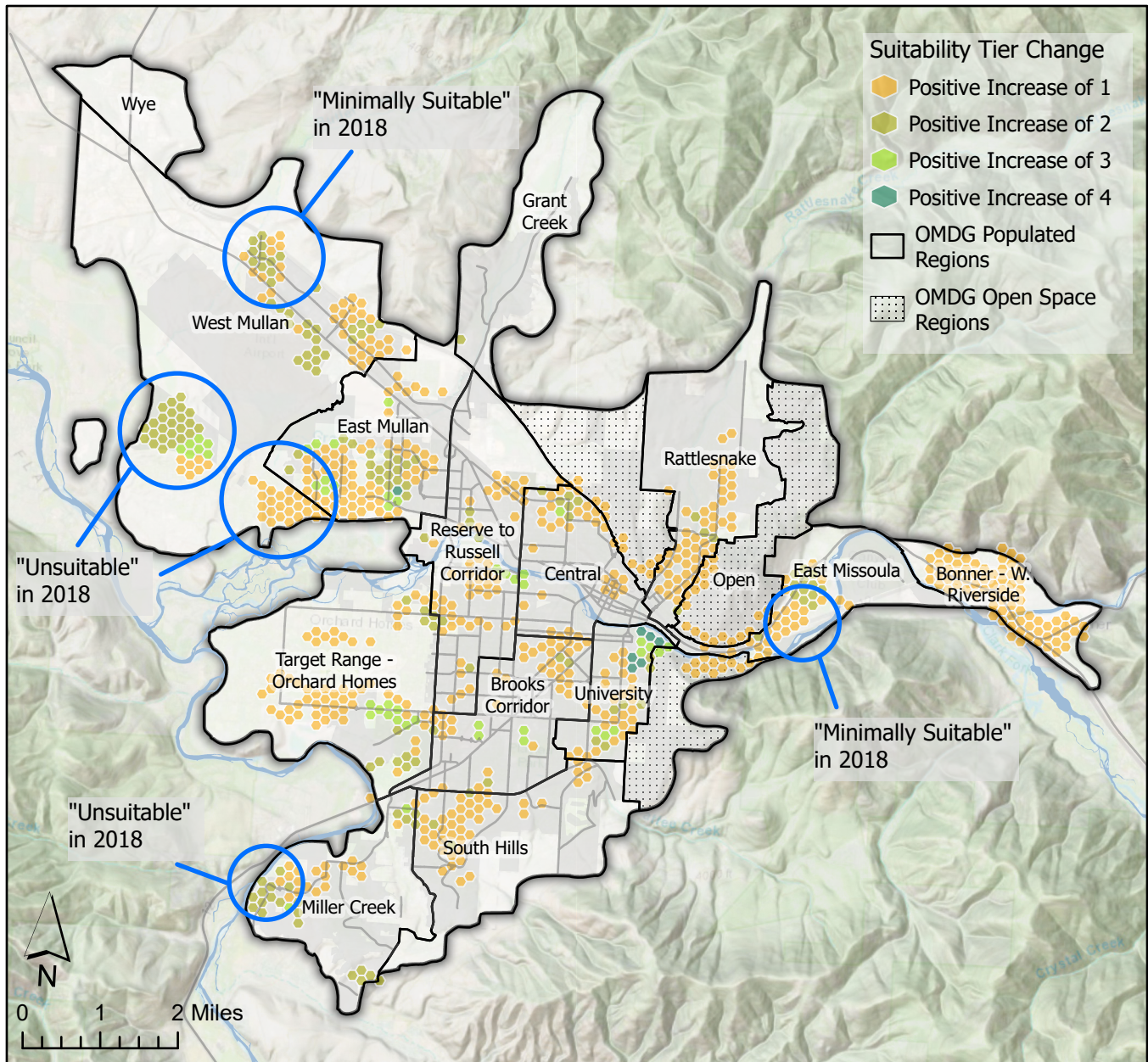
Tier 2: "Fairly Suitable" areas have expanded into the West Mullan, East Missoula, and Miller Creek regions. With continued expansion of amenities this suitability tier has expanded rapidly west of Reserve Street.

Tier 1: "Minimally Suitable" areas have generally not expanded over the last four years. These areas have

been replaced with more suitable tiers with the expansion of the livability indicators used in this analysis. However, the area in the West Mullan region located near the Ranch Club subdivision did see a large area of Tier 1 growth.

Tier 0: "Future Potential" areas are used to measure where there are expanding livability indicators but no access to city water or sewer. This tier has expanded into Bonner - W Riverside, East Mullan, West Mullan, and Target Range - Orchard Homes regions.

Updating the Residential Suitability Analysis



This is the first time updating the residential suitability analysis since it was first developed in 2018. Previous updates to the OMDG report measured new development against the 2018 tiers. However, it has been understood that with new development in areas, there will most likely be an increase in suitability.

A prime example of this rise in suitability after development has occurred is in the East Mullan region, which saw large amounts of development in the past 2 years but also experienced increases in the suitability of residential development.

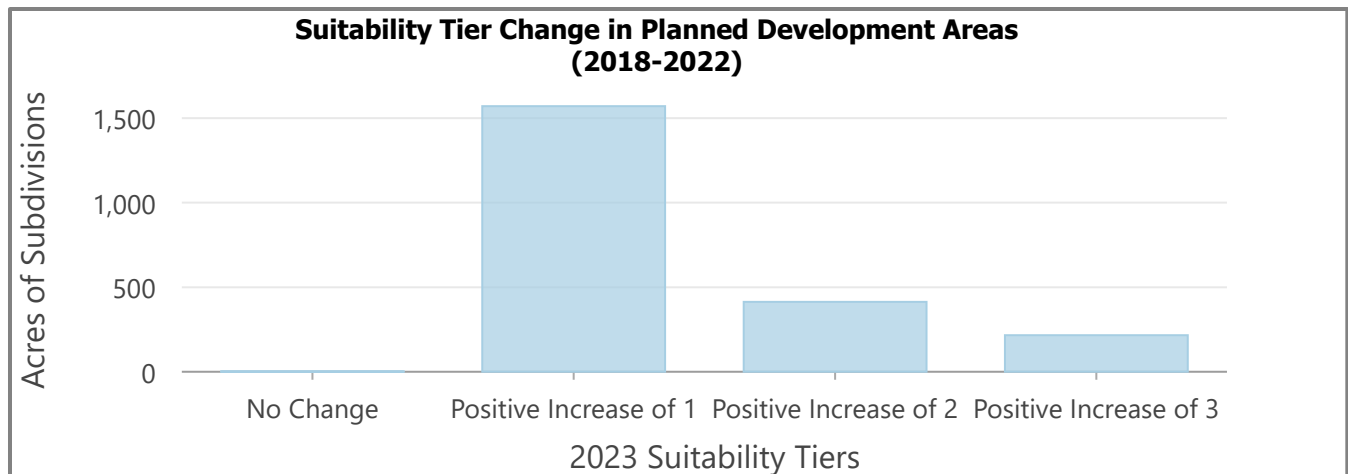
In the 2018 analysis the East Mullan area had small pockets of Tier 3 and 2 areas located around Reserve Street and Broadway Ave. With the recent

development in the Sxwtpqyen area this region now has experienced a rise of anywhere from one to four tiers.

The West Mullan region has also seen areas of increase during the update of residential suitability. The area around the Ranch Club subdivision has experienced increases of 1-3 tiers. This is due to sewer and water infrastructure expansion, County commercial zoning, and increased mobility infrastructure.

As evident in the map above, residential suitability is expanding outside of the city's core. The areas that are experiencing larger amounts of residential development and neighborhood planning are also generally experiencing rising levels of suitability.

Summary



In the 2018 OMDG Looking Forward report the residential suitability layer was first thought of as a prescriptive analysis to help guide development into areas around the urban fringe that aligned with goals in the 2015 Growth Policy. In the 2017-2020 OMDG Yearbook it was used as a descriptive analysis to categorize new residential development.

The process of updating this analysis has indicated that this layer can be successful at identifying areas that already have a built environment and are prime for redevelopment. However, it falls short in identifying new areas where residential growth should occur and categorizing new residential development in the periphery. In essence, methodology for this analysis locates the ideal conditions for **Focus Inward** mapped to the study area.

This report helps clarify the utility of the suitability layer to evaluate how opportunities for new housing, particularly more affordable housing types, are distributed throughout the study area. It also has the potential to identify areas where increasing opportunities for new housing would support a more equitable access to amenities and opportunities.

As shown in the above graph, when the suitability layer is overlaid with subdivisions or planned development areas around the periphery of the city it is evident that while most of the planned development areas are still in the lower categories of suitability, the majority of these areas are increasing to a higher suitable tier as development of the area progresses. The graph above further enforces the idea that this layer should be used for infill or redevelopment areas and areas around the periphery need to be developed before they are compared to already developed regions.

The residential suitability layer can be thought of as a dynamic set of indicators that enable tracking of how well the city is complying with goals set forth in the Growth Policy. Providing periodic updates to this layer will enable tracking of where and to what extent amenities and infrastructure exist in the City that would better serve higher levels of infill or redevelopment.



Photo of a planned development area in the East Mullan Region