



Root Policy Research

789 Sherman Street, Suite 360, Denver, CO 80203

www.rootpolicy.com

970.880.1415

City of Missoula, MT

A Place to Call Home: Meeting Missoula's Housing Needs— 2025 Strategy Update

REPORT

October 2025

Table of Contents

Acknowledgments 1

Background and Progress 2

 Strategy Implementation Progress..... 2

Strategy Update Process..... 5

 Market Trends..... 5

 Stakeholder Engagement..... 6

Recommendation Framework..... 7

Recommendation Strategies and Actions 9

 Fund 11

 Preserve..... 12

 Assist..... 14

 Build 18

 Track..... 23

Appendices

 Appendix A. Detailed Strategy Implementation Progress

 Appendix B. Missoula Housing Market Conditions Summary

 Appendix C. Housing Challenges and Estimated Cost

 Appendix D. Non-Funding Constrained Recommendations

 Appendix E. Previously Explored Capitalization Strategies

Acknowledgments

Special thanks to all who contributed to the development of this 2025 update of *A Place to Call Home: Meeting Missoula's Housing Needs*.

Community Stakeholders

- Justin Metcalf, Collaborative Development
- Brittany Palmer, Front Step CLT
- Todd Franicevich, Habitat for Humanity Missoula
- Karissa Trujillo, Homeword
- Heather McMillin, Homeword
- Chris Chitty, Hone Architects & Builders
- Kate Ybarra, Human Resource Council
- Alex Sanchez, Human Resource Council
- John Wilke, Missoula County
- Melissa Gordon, Missoula County
- Mike Nugent, Missoula City Council, Land Use & Planning Committee Chair
- Linda McCarthy, Missoula Downtown Association
- Grant Kier, Missoula Economic Partnership
- Sam Oliver, Missoula Housing Authority
- Casey Dunning, Missoula Interfaith Collaborative
- Melanie Brock, Missoula Midtown Association
- Jackson Sapp, Missoula Tenants Union
- Kaia Peterson, NeighborWorks Montana
- Tyson O' Connell, United Housing Partners
- Jen Euell, YWCA Missoula

City of Missoula

- Montana James, Community Development
- Walter Banzinger, Development Services
- Colleen Kane, Grants Programs
- Tracy Pohndorf, Grants Programs
- Emily Armstrong, Houseless Programs
- Cerina Azure-Kjorstad, Houseless Programs
- Dylan Barbash, Houseless Programs
- Samantha Hilliard, Houseless Programs
- Annie Gorski, Missoula Redevelopment Agency
- Michael Hicks, Missoula Redevelopment Agency
- Mary McCrea, Permits and Land Use
- Parker Webb, Strategic Initiatives
- Anne Geiger, Strategic Initiatives

Root Policy Research

- Mollie Fitzpatrick, Managing Director
- Frankie Lewington, Senior Associate

Background and Progress

In 2019, the City of Missoula adopted its first city-wide housing strategy, *A Place to Call Home: Meeting Missoula's Housing Needs (APTCH)*¹. Built upon a community-driven process, the strategy set out to align City resources, planning efforts, and workflows around addressing the city's housing challenges. The vision guiding the strategy was as follows:

“By providing safe and healthy housing with a diversity of home types and affordability levels, [the City] can support childhood educational success, enable Missoulians to improve our circumstances in the community, support individual and community health, and allow for a robust and thriving local economy.”

This work culminated in the strategy's four recommendations:

- **Track and analyze progress for continuous improvement;**
- **Align and leverage existing funding resources to support housing;**
- **Reduce barriers to new supply and promote access to affordable homes; and**
- **Partner to create and preserve dedicated affordable homes.**

¹ *A Place to Call Home (APTCH)* was called a “policy” in 2019; the City has updated its language and now refers to *APTCH* as the City's housing “strategy.”

Since the adoption of *APTCH* in 2019, the City has implemented several of the recommendations articulated in the strategy.

Strategy Implementation Progress

Track and Analyze Progress for Continuous Improvement

- Created an internal system to track the affordability periods of Low-Income Housing Tax Credit (LIHTC) properties and other affordable developments within the city to better plan for preservation and acquisition opportunities.
- Completed a short-term rental study and recommended an update on the registration fee and process.
- Publication of an annual housing landscape report each fall.
- Participated in the *Our Missoula: Growth Policy Update and Code Reform Project*.
- Drafted language for near-term code reform amendments.

Align and Leverage Existing Funding Resources to Support Housing

- Created the Affordable Housing Trust Fund in July 2020 with General Fund revenue committed through each annual budget cycle.
- Created the Affordable Housing Resident Oversight Committee in June 2021 and adopted the Affordable Housing Trust Fund Administrative Policies in August 2021.
- Created a Unified Application process to reduce time and process for applicants and to leverage federal funding.
- Providing ongoing staff, Mayoral, and City Council support to developers applying for 4% and 9% LIHTC projects in the Missoula area.
- Utilized Missoula Redevelopment Agency (MRA) funding to purchase the Bridge Apartments to secure affordability for current and future tenants.
- Promoted Brownfields in Unified Application workshops with developers.
- Participated in the MRA Workforce Housing Policy workgroup to design and launch MRA's Workforce Housing Program.
- Designed capitalization strategies to identify new revenue sources to fund the Affordable Housing Trust Fund.

- Launched the Voluntary Incentives Program (VIP), including developing a Cash-in-Lieu process for developers.
- Continued ongoing grant seeking and applications to support Missoula housing strategies.
- Explored endowments with community partners.

Reduce Barriers to New Supply and Promote Access to Affordable Homes

- Adopted Accessory Dwelling Unit code recommendations in Title 20 updates published in October 2020.
- Engaged in the Sx"tpqyen Neighborhoods Master Plan, West Broadway Master Plan, and Form-Based Code development.
- Supported community-based services to support renters and homebuyers.
- Community Development staff participation in all workgroups for *Our Missoula: Growth Policy & Code Reform Project*.
- Incorporated sustainable building incentives into the VIP, in collaboration with the City's Climate and Sustainability Team.
- Active engagement in legislative sessions and Montana Housing Coalition.

- Collaborated with the City's Community Engagement and Equity teams to create resource fliers for refugee and immigrant community members.
- Hosted Fair Housing workshops for tenants, property managers, and housing service providers.
- Added housing case management as an allowable activity for the Affordable Housing Trust Fund.

Partner to Create and Preserve Affordable Homes

- Collaborated with MRA, the City's Public Works & Mobility department, and the Office of the Mayor to discuss land banking strategies for the City.
- Provided programmatic and Community Land Trust (CLT) support for the Ravara Scott Street project, which brings public and private partners together to develop market-rate rentals and permanently affordable CLT homes at the former White Pine Sash location. Initial ground-breaking occurred in Spring 2024.
- Brokered a partnership with the Reed LLC Condominium development to address housing affordability by providing a Vacation Right of Way in exchange for eight condo units restricted to 120% AMI limit, the equivalent of 20% of the project's total units.
- Partnered with stakeholders to preserve long-term affordability for eight households through the creation of the Wolf Avenue Collective, 28 households through Bonnie's Place Resident-

Owned Community acquisition, two modular homes through Habitat for Humanity, and 14 homes through the creation of the River Rocks Cooperative.

- Supported Missoula Housing Authority's development of the 200-unit Villagio apartments through infrastructure support and allocations from City HOME and Tax Increment Financing (TIF) funds.
- Assisted the Trinity/Blue Heron Place affordable housing project in partnership with Homeward, Missoula Housing Authority, and BlueLine development. Thirty (30) of the 202 homes are permanent supportive units.
- Contributed to the preservation and rehabilitation of 161 units at Creekside Apartments with City AHTF and CDBG funding.

Strategy Update Process

One of the recommendations articulated in the original housing strategy was “Undertake a Five-Year Comprehensive Assessment.” This was an opportunity for the City to track current housing market conditions, measure the impact of the existing strategy, and refine its approach to address the community’s housing challenges. The City contracted with Root Policy Research, a housing research and community planning firm, to lead an assessment of *APTCH* and help develop the City’s strategy to address its housing challenges over the next five years.

Components of this work included:

- A summary of current housing market conditions;
- A review, summary, and assessment of implementation activities completed and in process since the adoption of *A Place to Call Home* in June 2019;
- Targeted consultation with housing partners and other stakeholders; and
- Updated housing strategy recommendations based on current housing market conditions, stakeholder feedback, and projected needs.

The following section provides a summary of those findings.

Market Trends

Appendix B provides an update on current housing market conditions in the city of Missoula. Key findings of the summary are:

- Missoula County has experienced **continued population growth since 2000 and is projected to add approximately 24,000 more residents by 2050**. Since 2019, the greatest proportion of people moving to the City of Missoula were already living in the county.
- Between 2019 and 2023, **individual poverty rates decreased in the city of Missoula** from 17% to 12%.
- At the median, **renter income did not keep pace with rising rental costs between 2019 and 2023**.
 - In 2019, approximately 25% of rental units in the city were being rented for between \$500 and \$750; by 2023, that proportion dropped to 10%.
 - Conversely, units for rent over \$1,500 accounted for 7% of all rental units in Missoula in 2019; in 2023, these units represented 25% of the city’s rentals.
- As of 2024, **median market-rate rent in Missoula is currently about \$1,370—well above the monthly rent affordable to the median renter** (\$1,124 in 2023—the most recent year for which data are available).

A PLACE TO CALL HOME: MEETING MISSOULA'S HOUSING NEEDS —2025 UPDATE

- As of the first quarter of 2025, the vacancy rate for multifamily rental developments in Missoula is 6.8%, while the stabilized vacancy rate is 4.7%. **Vacancy rates for multifamily rental development in the city are projected to continue to decrease over the next five years, signaling a continued tightening of the rental market.**
- By income, **nearly half (44%) of renter households in Missoula with income of \$50,000 or less experience severe cost burden**; six in ten renter households (60%) with income of \$35,000 or less are severely cost burdened.
- According to the Missoula Housing Authority (MHA), as of October 2024, **there are approximately 2,400 households currently on waitlists for subsidized housing.**
- A rental gaps analysis showed a **rental affordability gap of 2,902 units priced below \$625** (affordable to households earning less than \$25,000). This is down from the 2019 gap of 4,930 units. While substantial progress has been made, needs persist for lower income renters.
- **Home prices are stabilizing after sharp increases beginning in 2020; however, affordability (or purchasing power) is dropping due to relatively high interest rates.** In 2019, nearly 40% of single-family homes sold for between \$151,000-\$300,000; in

2023, home sales in this price range represented just 1% of all homes sold. Similar trends were found for both townhome and condominium sales over the same time period.

- A for-sale gap analysis shows **a growing purchase affordability gap and an acute affordability mismatch impacting renter households earning between \$35,000 and \$75,000 per year.**
- In 2023, **36% of renter households had incomes between \$35,000 and \$75,000 while only 8% of all units sold in the city were affordable to these households**, resulting in an affordability gap of -29%.

Stakeholder Engagement

As part of the strategy assessment and update, Root engaged with local housing stakeholders including the Missoula Housing Authority, market-rate and affordable housing developers, non-profit service organizations, economic development organizations, real estate professionals, and county staff about their perception of housing needs and priorities in the Missoula area. Stakeholders were also invited to provide their assessment of the city's 2019 housing strategy, as well as suggestions for the updated housing strategy. Feedback from the stakeholder engagement is incorporated into the updated strategy.

Recommendation Framework

There is no single strategy—or “silver bullet”—to resolve a community’s housing challenges. Instead, it is important to have a toolkit of strategies to effectively address needs and respond to changing market and policy conditions.

Building on findings from the housing market conditions analysis, stakeholder engagement, and an assessment of the 2019 strategy, the City used the following principles to guide the development of the 2025 housing strategy update:

- **Acknowledge funding constraints and where most impact can be provided.** Over the last five years, the City has researched and analyzed several strategies and mechanisms to capitalize the Affordable Housing Trust Fund. Aside from recurring General Fund contributions to the Trust Fund, no direct, ongoing sources of revenue have been implemented. Nonetheless, the City has still been able to deliver high-impact and high-need programs given its limited resources. As such, the identified strategies and actions in this report have been developed using a “funding constrained” lens, and are still impactful and can be provided by the City at current funding levels over the next five years.
- **Lean into what the City is already well positioned to do.** Tied to the principle articulated above, several

stakeholders articulated that the City should “double down” on what it is positioned to do well (e.g., remove regulatory and infrastructure barriers to housing development, provide services and support to low-income households, leverage partnerships with private and non-profit organizations to address housing barriers), especially given funding constraints.

- **Simplify.** One of the guiding principles of the City’s Code Reform project was to make the Unified Development Code (UDC) simpler to understand and navigate. In alignment with that principle, the City also decided to simplify the recommendations in the updated housing strategy.

As a result, the updated strategy articulates a more tactical list of actions that the City can implement within current funding constraints.

Of note, given that one of the significant actions articulated in the updated strategy is to “Implement an ongoing and sustainable funding source for the Affordable Housing Trust Fund,” **Appendix D** reflects actions that the City could prioritize and implement if a dedicated funding source was identified.

The City's approach to addressing housing needs centers on five strategies: **Fund, Preserve, Assist, Build, and Track** (illustrated and described in Figure 1).

In some cases, strategies and actions reflect a continuation of previous actions or minor modifications to the *APTCH* strategy.

Figure 1. Missoula Housing Strategies, 2025

- 1 Fund**—Generate resources for affordable housing development, preservation, and services.
- 2 Preserve**—Work to maintain existing dedicated and naturally occurring affordable housing.
- 3 Assist**—Increase access to resident housing services and programs through partnerships, funding, and tailored program development. Build capacity among partners to address the city's housing challenges.
- 4 Build**—Support development of dedicated affordable housing, naturally occurring affordable housing, and diverse housing types to accommodate a broad spectrum of needs and preferences.
- 5 Track**—Collect, analyze, assess, and report housing data in service of the City's housing goals.

Recommended Strategies and Actions

This section discusses recommended actions within each proposed strategy. It begins with a summary of Strategies and Actions (Figure 2), followed by detailed descriptions of each action item, including priority, desired outcomes, and timeline.

Figure 2. Summary of Recommended Strategies and Actions

| Strategies and Actions | Priority | Timeline |
|---|----------|-----------|
| 1 Fund | | |
| A. Implement an ongoing and sustainable funding source for the Affordable Housing Trust Fund | ★★★★★ | 1-2 years |
| 2 Preserve | | |
| A. Advance anti-displacement initiatives and efforts that protect tenants | ★★★★☆ | 1-2 years |
| B. Track affordable properties facing expiring affordable housing use | ★★★★☆ | Ongoing |
| 3 Assist | | |
| A. Mobilize City resources and support for housing services | ★★★★☆ | Ongoing |
| B. Increase community access to and awareness of available programs and services | ★★★★☆ | Ongoing |
| C. Build capacity among staff and partners | ★★★★☆ | Ongoing |
| D. Continue to maintain partnerships with existing CDFIs | ★★★★☆ | Ongoing |
| 4 Build | | |
| A. Leverage City-owned land for affordable housing development | ★★★★☆ | 1-2 years |
| B. Encourage infill housing development throughout the Missoula community | ★★★★☆ | Ongoing |
| C. Support modular construction efforts to increase affordable homeownership options | ★★★★☆ | Ongoing |
| D. Continue support for 4% and 9% LIHTC projects, including through the Affordable Housing Trust Fund | ★★★★☆ | Ongoing |
| E. Continue advocacy efforts to improve funding transparency and tax credit allocation | ★★★★☆ | Ongoing |
| 5 Track | | |
| A. Track city-owned vacant parcels and identify development potential | ★★★★☆ | 1-2 years |
| B. Track and report housing production metrics following UDC implementation | ★★★★☆ | Ongoing |
| C. Assess data needs and pursue data-sharing partnerships | ★★★★☆ | Ongoing |
| D. Assess the annual housing landscape | ★★★☆☆ | By 2027 |
| E. Undertake a five-year comprehensive assessment of the strategy | ★★★☆☆ | By 2030 |

A PLACE TO CALL HOME: MEETING MISSOULA'S HOUSING NEEDS —2025 UPDATE

Figure 3 (below) provides an overview on how to interpret each of the actions articulated on subsequent pages.

Figure 3. How to interpret Strategy and Action Tables

| | | | | | | | | | | | | | | | |
|---|--|-------------|--|---|--|-----------------|-------|-----------------|---|---------------|---|-----------------|-----------|------------------------|---|
| <p>Strategy ➡</p> <p>Action ➡</p> | <table> <tr> <td data-bbox="588 388 735 487">FUND</td><td data-bbox="735 388 1761 487">Generate resources for affordable housing development, preservation, and services.</td></tr> <tr> <td data-bbox="588 487 735 560">1.A. Implement an ongoing and sustainable funding source for the Affordable Housing Trust Fund</td><td data-bbox="735 487 1761 560"></td></tr> <tr> <td data-bbox="588 560 735 617">Priority</td><td data-bbox="735 560 1761 617">★★★★★</td></tr> <tr> <td data-bbox="588 617 735 876">Overview</td><td data-bbox="735 617 1761 876">Since the establishment of the Affordable Housing Trust Fund (AHTF) in 2020, the Fund has been supported by General Fund allocations and other one-off contributions. Concurrently, the City has conducted an extensive review of potential capitalization strategies (a summary of this review can be found in Appendix E). However, due to a variety of statutory and other limitations, many potential dedicated revenue sources for affordable housing are not available for the City to utilize. Given these constraints, the City does not have enough funding to address the range of housing challenges in the community.</td></tr> <tr> <td data-bbox="588 876 735 1153">Action</td><td data-bbox="735 876 1761 1153">The City should explore the potential of establishing a ballot initiative to capitalize the Affordable Housing Trust Fund. If a ballot measure fails to secure voter support, the City should explore other ongoing revenue sources. Since 2020, city staff have explored a variety of revenue strategies. Initial research shows that other revenue sources used in other states are either illegal in Montana based on current state law or Montana does not have the scale and population to support them. A remaining potential strategy that could be explored is implementing a voluntary fee program on certain business transactions in the community, similar to the Explore Whitefish Community Support Fund (CSF).</td></tr> <tr> <td data-bbox="588 1153 735 1209">Timeline</td><td data-bbox="735 1153 1761 1209">1-2 years</td></tr> <tr> <td data-bbox="588 1209 735 1299">Desired Outcome</td><td data-bbox="735 1209 1761 1299">A sustainable and ongoing revenue source has been established for the city's Affordable Housing Trust Fund.</td></tr> </table> | FUND | Generate resources for affordable housing development, preservation, and services. | 1.A. Implement an ongoing and sustainable funding source for the Affordable Housing Trust Fund | | Priority | ★★★★★ | Overview | Since the establishment of the Affordable Housing Trust Fund (AHTF) in 2020, the Fund has been supported by General Fund allocations and other one-off contributions. Concurrently, the City has conducted an extensive review of potential capitalization strategies (a summary of this review can be found in Appendix E). However, due to a variety of statutory and other limitations, many potential dedicated revenue sources for affordable housing are not available for the City to utilize. Given these constraints, the City does not have enough funding to address the range of housing challenges in the community. | Action | The City should explore the potential of establishing a ballot initiative to capitalize the Affordable Housing Trust Fund. If a ballot measure fails to secure voter support, the City should explore other ongoing revenue sources. Since 2020, city staff have explored a variety of revenue strategies. Initial research shows that other revenue sources used in other states are either illegal in Montana based on current state law or Montana does not have the scale and population to support them. A remaining potential strategy that could be explored is implementing a voluntary fee program on certain business transactions in the community, similar to the Explore Whitefish Community Support Fund (CSF). | Timeline | 1-2 years | Desired Outcome | A sustainable and ongoing revenue source has been established for the city's Affordable Housing Trust Fund. |
| FUND | Generate resources for affordable housing development, preservation, and services. | | | | | | | | | | | | | | |
| 1.A. Implement an ongoing and sustainable funding source for the Affordable Housing Trust Fund | | | | | | | | | | | | | | | |
| Priority | ★★★★★ | | | | | | | | | | | | | | |
| Overview | Since the establishment of the Affordable Housing Trust Fund (AHTF) in 2020, the Fund has been supported by General Fund allocations and other one-off contributions. Concurrently, the City has conducted an extensive review of potential capitalization strategies (a summary of this review can be found in Appendix E). However, due to a variety of statutory and other limitations, many potential dedicated revenue sources for affordable housing are not available for the City to utilize. Given these constraints, the City does not have enough funding to address the range of housing challenges in the community. | | | | | | | | | | | | | | |
| Action | The City should explore the potential of establishing a ballot initiative to capitalize the Affordable Housing Trust Fund. If a ballot measure fails to secure voter support, the City should explore other ongoing revenue sources. Since 2020, city staff have explored a variety of revenue strategies. Initial research shows that other revenue sources used in other states are either illegal in Montana based on current state law or Montana does not have the scale and population to support them. A remaining potential strategy that could be explored is implementing a voluntary fee program on certain business transactions in the community, similar to the Explore Whitefish Community Support Fund (CSF). | | | | | | | | | | | | | | |
| Timeline | 1-2 years | | | | | | | | | | | | | | |
| Desired Outcome | A sustainable and ongoing revenue source has been established for the city's Affordable Housing Trust Fund. | | | | | | | | | | | | | | |

Priority. Activities range from five stars (highest priority) to one star (lowest priority).

Overview. Summary of the work that has been done to date and other relevant information pertaining to the specific action.

Action. A more detailed description of the action articulated above.

Timeline. Estimated timing for the implementation of the action.

Desired Outcome. Desired outcome from the action articulated above.

FUND

Generate resources for affordable housing development, preservation, and services.

1.A. Implement an ongoing and sustainable funding source for the Affordable Housing Trust Fund

| | |
|-----------------|---|
| Priority | ★★★★★ |
| Overview | <p>Since the establishment of the Affordable Housing Trust Fund (AHTF) in 2020, the Fund has been supported by General Fund allocations and other one-off contributions. Concurrently, the City has conducted an extensive review of potential capitalization strategies (a summary of this review can be found in Appendix E). However, due to a variety of statutory and other limitations, many potential dedicated revenue sources for affordable housing are not available for the City to utilize. Given these constraints, the City does not have enough funding to address the range of housing challenges in the community.</p> |
| Action | <p>The City should explore the potential of establishing a ballot initiative to capitalize the Affordable Housing Trust Fund. If a ballot measure fails to secure voter support, the City should explore other ongoing revenue sources. Since 2020, city staff have explored a variety of revenue strategies. Initial research shows that other revenue sources used in other states are either illegal in Montana based on current state law, or Montana does not have the scale and population to support them. A remaining potential strategy that could be explored is implementing a voluntary fee program on certain business transactions in the community, similar to the Explore Whitefish Community Support Fund (CSF).</p> |
| Timeline | 1-2 years |
| Desired Outcome | A sustainable and ongoing revenue source has been established for the City's Affordable Housing Trust Fund. |

PRESERVE

Work to maintain existing dedicated and naturally occurring affordable housing.

2.A. Advance anti-displacement initiatives and efforts that protect tenants

| | |
|-----------------|--|
| Priority | ★★★★★ |
| Overview | In conversations with stakeholders, many felt the City could fill a natural role in implementing and supporting anti-displacement and tenant protection policies. In 2022, the City conducted community listening sessions to better understand the impacts of housing displacement on Missoulians. The City provided a summary of those conversations and developed findings and recommendations to address the challenges identified. |
| Action | <p>Building upon the completion of the City's Fair Housing Equity Plan and fair housing workshops for tenants, the City should pursue developing more education and engagement opportunities with both tenants and landlords to help support Missoula renters who are at risk of being displaced from their homes. The City could also convene a roundtable of organizations in this space (e.g., Missoula Tenants Union, Montana Legal Services Association, local property management companies) to explore how the City can support renter households through anti-displacement and tenant protection policies/strategies. This work should focus on residents facing particular displacement risks, including but not limited to, residents of mobile home parks and residents of naturally occurring affordable rental properties. Examples of policies/strategies to explore might include:</p> <ul style="list-style-type: none"> ■ Certain thresholds of notification, relocation planning, and supporting Resident-Owned Community programs; and ■ Preservation projects and approaches (e.g., multifamily acquisition, mobile/manufactured home preservation and infrastructure assistance, community land trusts, limited equity housing cooperatives, small repair loans). ■ Support and encourage connections between local organizations and landlords to support resident purchase and housing preservation. |
| Timeline | 1-2 years; ongoing |
| Desired Outcome | Over the next two years, the City should host at least three (3) educational opportunities (e.g., public meetings, open house-type events) targeted at landlords and residents at higher risk of displacement with at least 250 people engaged through these events to advance the actions articulated above. Additionally, the City should convene at least two (2) meetings among relevant organizations to discuss and create an action plan on how to bolster tenant protections in the city. |

2.B. Track affordable properties facing expiring affordable housing use

| | |
|-----------------|---|
| Priority | ★★★☆☆ |
| Overview | Currently, the City's Housing Policy staff maintains a list of properties with dedicated affordable housing units and tracks expiring units. |
| Action | The City should continue to monitor and update its existing list of expiring affordable housing rental properties and work with partners at quarterly Housing Partners' meetings to discuss strategies to preserve units at risk of expiring. |
| Timeline | Ongoing |
| Desired Outcome | The City has identified all dedicated affordable units at risk of expiration before 2030 and developed a strategy to engage with property owners with expiring subsidies to identify what role the City can feasibly play to preserve affordability of units. |

ASSIST

*Increase access to resident housing services and programs through partnerships, funding, and tailored program development.
Build capacity among partners to address the city's housing challenges.*

3.A. Mobilize City resources and support for housing services

| | |
|-----------------|---|
| Priority | ★★★☆☆ |
| Overview | The City has established "Consumer Housing Services" as a funding program of the Affordable Housing Trust Fund and when possible, deploys operating support to partners. In 2024 and 2025, approximately \$273,000 was allocated to support housing consumers, providing 2,000 households with homebuyer and financial education and/or housing access, retention, and connection to housing opportunities. |
| Action | The City should continue supporting housing consumers via the Affordable Housing Trust Fund. As part of this work, City should continue to partner closely with community service providers to understand top needs in the realm of housing consumer services. |
| Timeline | Ongoing |
| Desired Outcome | Over the next five years, the City has supported at least 4,500 households in Missoula through the Consumer Housing Services program of the Affordable Housing Trust Fund. |

| 3.B. Increase community access to and awareness of available programs and services | |
|--|--|
| Priority | ★ ★ ★ ★ ★ |
| Overview | Implementation of the City's Unified Application model in 2021 has centralized staff outreach and messaging about programs and funding sources available to the community. The City continues to support access to and awareness of partner programs. |
| Action | The City should continue to improve outreach and awareness of existing housing and human service programs through affirmative marketing and culturally inclusive communications. For example, the City could support a webpage that provides an all-encompassing overview of the range of services provided in the community and work with organizations who work with populations most likely to utilize these services to promote the information. |
| Timeline | Ongoing |
| Desired Outcome | Within the next year, the City has implemented a webpage that provides a comprehensive overview of the housing and human services available in the Missoula area. The City has provided annual updates to service providers and organizations about new programs, services, and funding sources during the Unified Application process. |

3.C. Build capacity among staff and partners

| | |
|-----------------|---|
| Priority | ★ ★ ★ ★ ★ |
| Overview | The City holds intake meetings and provides opportunities for developers to receive Design Review Team comments and feedback on project proposals. However, stakeholders identified value in holding informal meetings with developers to better understand the City's zoning code and make the process of building permitting more efficient. |
| Action | <p>In coordination with the approval of the City's updated UDC code, the City should host a series of workshops to help developers, builders, and other interested parties understand the updated code requirements and entitlement process(es).</p> <p>Additionally, the City could establish a dedicated Affordable Housing Review team, which would focus on expediting the permitting process for affordable housing projects in the community. Once established, this team could identify and convene housing developers to navigate the complexities of building affordable housing, as well as to discuss bottlenecks and barriers beyond code reform that delay housing development. This would help ensure that projects are on time and meeting the city's housing goals.</p> |
| Timeline | Ongoing |
| Desired Outcome | Over the next year, the City has hosted at least three (3) public workshops that provide an overview of the updated Unified Development Code and technical assistance to interested parties. Within two years, the City has convened an internal workgroup to assess the feasibility and implementation of an Affordable Housing Review team. |

| 3.D. Continue to maintain partnerships with existing CDFIs | |
|--|---|
| Priority | ★★★☆☆ |
| Overview | From July 2024 to June 2025, staff from the City of Missoula CPDI Housing Policy Team, Missoula County Housing, NeighborWorks Montana, and Missoula Community Foundation explored strategies for establishing an endowment to support affordable housing in Missoula. After thorough analysis, stakeholders determined that current capacity constraints and market-scale limitations make endowment development unfeasible at this time. In 2024, NeighborWorks Montana and the Missoula Economic Partnership established the Missoula Housing Impact Fund, housed under NeighborWorks Montana, which provides flexible gap financing for housing development and acquisition. |
| Action | The City should continue to support affordable housing funding diversification efforts and remain open to revisiting endowment strategies should conditions change, or qualified lead organizations emerge with the capacity to spearhead such initiatives. |
| Timeline | Ongoing |
| Desired Outcome | Within two (2) years, the City has convened relevant stakeholders and organizations to discuss and assess whether to collectively pursue affordable housing funding diversification strategies to support city housing goals. |

BUILD

Support development of dedicated affordable housing, naturally occurring affordable housing, and diverse housing types to accommodate a broad spectrum of needs and preferences.

4.A. Leverage City-owned land for affordable housing development

| | |
|-----------------|--|
| Priority | ★★★★★ |
| Overview | In the summer of 2025, the Mayor convened the Task Force on City Lands Redevelopment, which was made up of 11 local housing and development experts, to explore how the City can use surplus City-owned properties to expand housing options and advance broader neighborhood and community objectives. Following a list of recommendations coming from the Task Force on how to strategically dispose of or redevelop City-owned properties, the City is now working to develop a strategy to implement those recommendations. |
| Action | The City should implement the recommendations outlined by the Mayor's Task Force on City Land Redevelopment to develop a clear and actionable strategy for the disposition or redevelopment of City-owned property to support affordable housing development. Following the implementation of these recommendations, the City should develop and adopt an acquisition strategy for high-opportunity sites. Additionally, after the Code Reform update is complete, the City should identify vacant parcels within the city boundaries and develop a methodology to identify parcels that are most suitable for infill development. |
| Timeline | 1-2 years |
| Desired Outcome | The City has implemented the Task Force's recommendations and developed an acquisition strategy for high-opportunity sites. |

4.B. Encourage infill housing development throughout the Missoula community

| | |
|------------------------|---|
| Priority | ★ ★ ★ ★ ★ |
| Overview | The City is currently working on developing and implementing an updated Unified Development Code (UDC), which encourages the development of infill housing and aims to make the development process more efficient and easier to understand for the community. |
| Action | To support the rollout of the UDC, the City should develop "pre-approved" plans to simplify and streamline the process of building housing that supports infill development. Additionally, the City should develop a toolkit related to infill development, which could include allowed building types and configurations, step-by-step checklist(s) for the development process, design information, available incentives, and other relevant information for the development of infill housing. The City will utilize these resources to encourage more small-scale developers to pursue housing projects in the community. |
| Timeline | Ongoing |
| Desired Outcome | Within three years, the City has developed "pre-approved" plans for building types that support infill development and an Infill Housing Toolkit that supports interested parties through the development process. |

4.C. Support modular construction efforts to increase affordable homeownership options

| | |
|-----------------|--|
| Priority | ★ ★ ★ ★ ★ |
| Overview | With rising construction and labor costs impacting housing development, as well as a short building season, the City should explore other innovative strategies to increase affordable homeownership opportunities in the community. |
| Action | <p>The City should create opportunities for modular solutions through:</p> <ul style="list-style-type: none"> ■ Establishing partnerships with affordable, modular builders that could ensure that local building inspectors are trained on modular requirements (since different components are subject to inspection at different times and locations—some on site, some in factory; some by local and some by state). ■ Ensuring zoning accommodates smaller lot sizes desired by modular builders. |
| Timeline | Ongoing |
| Desired Outcome | Within two years, the City has developed a strategy to encourage modular construction efforts that support expanding affordable homeownership opportunities. |

4.D. Continue support for 4% and 9% LIHTC projects, including through the Affordable Housing Trust Fund

| | |
|-----------------|--|
| Priority | ★★★☆☆ |
| Overview | Currently, the City's Affordable Housing Trust Fund can provide additional local match resources to LIHTC applications; City staff and elected officials also support applications through letters of support and public hearing coordination. Some stakeholders articulated that to continue to be competitive securing LIHTC projects for the community, particularly 4% projects, the City needs to be more strategic with deploying resources and support. |
| Action | The City should continue supporting both 4% and 9% LIHTC applications through the Affordable Housing Trust Fund. |
| Timeline | Ongoing |
| Desired Outcome | Over the next five years, the City provides local match resources and/or support to all LIHTC projects in Missoula. |

4.E. Continue advocacy efforts to improve funding transparency and tax credit allocation

| | |
|-----------------|--|
| Priority | ★ ★ ★ ★ ★ |
| Overview | City staff continue to participate in state-level coalitions and legislative sessions to advocate for more resources to support affordable housing development. |
| Action | The City should continue playing a role in advocacy efforts. For example, the City could lead a more coordinated approach among the Montana Housing Coalition to pursue action on these items. |
| Timeline | Ongoing |
| Desired Outcome | Before the beginning of the next legislative session (January 2027), in coordination with the Montana Housing Coalition, the City has developed a set of housing priorities to center its advocacy efforts and resources on. |

TRACK

Collect, analyze, assess, and report housing data in service of the City's housing goals.

5.A. Track City-owned vacant parcels and identify development potential

| | |
|-----------------|---|
| Priority | ★★★★★ |
| Overview | The City is currently working on developing and implementing an updated UDC, which encourages the development of infill housing and will aim to make the development process more efficient and easier to understand for the community. |
| Action | Following the adoption of the UDC, the City should update its methodology for tracking city-owned vacant parcels to include indicators of development potential, as well as work with partners to identify potential opportunities for infill development. This action could overlap with efforts related to the Mayor's Task Force on City Lands Redevelopment and the development of an acquisition strategy. |
| Timeline | 1-2 years |
| Desired Outcome | Within a year, the City has developed a methodology that tracks City-owned vacant parcels, as well as a set of development potential indicators. |

5.B. Track and report housing production metrics following UDC implementation

| | |
|------------------------|---|
| Priority | ★★★★★ |
| Overview | In partnership with the City, Missoula County currently supports an interactive development data dashboard, which compiles information about permits, subdivisions, demographics, recordings, and overall development occurring across the community. Additionally, the City provides monthly, quarterly, and calendar year development summaries on residential and commercial new construction and remodelings on its "Development Data" webpage. |
| Action | Following the implementation of the UDC, the City should consider tracking and reporting on the number of units created using public interventions used to incentivize housing development in Missoula. Tracking and sharing this information will allow the City to measure impacts of the updated code, provide transparency to the public on outcomes, and inform future policy decisions and zoning code updates. |
| Timeline | Ongoing |
| Desired Outcome | Within a year, the City has developed a tracking mechanism/system to report out on the number of units created using public interventions. The City has also published a summary of feedback related to developer experiences on the housing development process through the updated Unified Development Code. |

5.C. Assess data needs and pursue data-sharing partnerships

Priority ★ ★ ★ ★ ★

Overview The City's original housing strategy articulated a recommendation for creating new methods for collecting rental data to better understand and measure the state of the rental market in Missoula. Due to staff capacity constraints, this recommendation was not implemented.

Action The City should complete an assessment and analysis of its data needs related to the city's rental housing market. This effort should also include an inventory of housing data used by internal city departments and whether data utilization is aligned (e.g., MRA Workforce Housing and CPDI are using the same data sources). After the assessment and analysis is complete, if necessary, the City should explore partnerships with other local organizations that do collect rental data and negotiate data sharing agreements (e.g., MOUs) that benefit each respective party.

Timeline Ongoing

Desired Outcome Within a year, the City has assessed and analyzed what data it needs to support its housing programs and services and developed a strategy to address its data needs.

5.D. Assess the annual housing landscape

| | |
|-----------------|--|
| Priority | ★ ★ ★ ★ ★ |
| Overview | The City has created an annual process that collects key housing statistical data that assists with the year-to-year tracking of programs and outcomes. |
| Action | The City should convene a group of housing partners and organizations to evaluate the information provided in the assessment and identify other data sources, housing metrics, or general additions/revisions that should be considered for future annual reports. |
| Timeline | Ongoing |
| Desired Outcome | The City has convened relevant stakeholders to discuss updates and refinements to the annual housing landscape by the end of 2027. |

| 5.E. Undertake a five-year comprehensive assessment of the strategy | |
|---|---|
| Priority | ★ ★ ★ ★ ★ |
| Overview | The 2019 housing strategy calls for a comprehensive assessment every five years of the City's current housing strategy. |
| Action | The City should complete another assessment of the updated housing strategy by fall of 2030, including a housing market conditions summary and impact evaluation of current strategies, recommendations, and metrics. |
| Timeline | By the end of 2030 |
| Desired Outcome | The City will review and assess the impact of its housing strategy and actions by the end of 2030. |