



# City of Missoula

## 2024-28 Equity Plan

**PREPARED FOR:**

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# **CITY OF MISSOULA 2024-28 EQUITY PLAN**

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## **I. EXECUTIVE SUMMARY**

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# SECTION I.

## Executive Summary

The Equity Plan is a fair housing plan that commits the City of Missoula to advancing equity in housing, community development programs, and residents' access to high-opportunity and well-resourced areas. The plan identifies meaningful actions to overcome historic patterns of segregation, promotes fair housing choice, and fosters inclusive communities that are free from discrimination.

### Primary Findings

The analyses of community engagement (Section II and Appendix A), demographics (Section III), access to opportunity (Section IV), disproportionate housing needs (Section V), and fair housing environment (Section VI) yield the following primary findings for the city of Missoula.

**Community engagement.** This section summarizes challenges, ideas, and outcomes gathered throughout the community engagement process from a wide variety of residents and stakeholders. Primary findings include:

- The lack of affordable housing is the most significant challenge currently facing the city of Missoula. Residents and stakeholders identified several factors impacting affordable housing development, including the lack of available land and infrastructure, high development costs, community opposition, and lack of resources, among other factors.
- Populations in significant need of housing and other services include low-income families/single mothers, Indigenous residents, older populations, residents with disabilities, refugee populations, Veterans, LGBTQIA+ residents, and formerly incarcerated residents.
- Mental health services, chemical dependency services, and affordable childcare options were identified as significant community needs. Housing navigation and housing retention services were also described as considerable needs in the city.
- Residents and stakeholders identified several housing types they wanted to see more of in Missoula, including low-barrier supportive housing, transitional housing, and innovative housing types, such as land trust and shared equity housing models. More resources dedicated to interpretation and translation services, as well as more education and training around tenants' rights, fair housing, and reasonable accommodations, were also highlighted as actions the City should pursue.

**Housing and Community Needs survey findings.** The City of Missoula administered a Housing and Community Needs survey from August 2023 to December 2023. Residents and stakeholders throughout the community were asked to identify resident groups with the greatest housing challenges, the types of housing and housing activities most needed in the city, the greatest unmet community development, economic development, and public service needs, and how they wanted the City to prioritize its federal resources. A brief summary of the high-level results is provided below. The complete survey analysis can be found in Appendix A.

- Low- and moderate-income families, persons/families who are currently unhoused, persons with a mental illness, persons living with disabilities, persons experiencing substance abuse/chemical addictions, and seniors/elderly residents were identified as groups with the greatest housing challenges in Missoula.
- According to residents and stakeholders, the five most critical housing outcomes for Missoula to prioritize are more affordable rental housing for low- to moderate-income residents, more homeownership opportunities for low- to moderate-income residents, a better distribution of affordable housing, increased shelter capacity to support residents who are currently unhoused, and more Section 8 or rental subsidies.
- The five most critical community development outcomes identified by residents and stakeholders included increased access to mental health care services, increased access to addiction treatment services, additional and/or higher quality childcare centers, street and sidewalk improvements, and more climate resilience-focused planning and implementation efforts.
- Nearly 4 in 10 resident respondents (38%) reported experiencing or knowing someone who has experienced housing discrimination when looking for housing in Missoula over the last five years.
- Over a quarter of resident respondents (27%) reported being displaced from their housing situation (e.g., moving out of a home/apartment when they did not want to move) in Missoula over the last five years.

**Demographic patterns.** This section analyzed demographic patterns associated with residential settlement, housing availability and affordability, and access to opportunity. Primary findings of this section are detailed below.

- Missoula is predominantly made up of non-Hispanic White residents (86% of the city's population); however, over the last twenty years, the city has slowly become more diverse.
- The percentage of people living in poverty in Missoula (9.2%) has declined by nearly 50% since 2010. Poverty varies by race and ethnicity but is significantly high for American Indian and Alaska Native residents (36%), as well as residents that identify as

two or more races (26%). Residents living with disabilities (28%) and single mothers (22%) are also disproportionately more likely to live in poverty relative to the general population.

- American Indian and/or Alaska Native and Asian residents, as well as residents who identify as two or more races, have lower median incomes compared to the general population.
- Residents of color are concentrated in Census tracts that overlap with the Westside, Northside, and Franklin to the Fort neighborhoods.

**Access to opportunity.** Analysis in this section points to gaps in access to opportunity in:

- **Education.** Missoula students have higher levels of proficiency across race and economic status than peer districts and the state of Montana; however, white students have substantially higher proficiency rates than all other student groups by race and income within Missoula schools. Moreover, Indigenous students tend to have lower high school graduation rates in Missoula, and lower academic achievement levels than non-Hispanic White students.
- **Employment outcomes.** Education gaps directly translate into employment gaps. Overall, Indigenous, Black, and Hispanic/Latino residents have the lowest levels of labor market engagement, as well as the smallest proportions of those with a college degree (40% for all three groups, respectively) in the city. While these proportions are much higher compared to national rates, these groups still fall behind non-Hispanic White Missoulians with a college degree (51%). However, unemployment rates for these three groups are relatively low (all under 4.4%).
- **Broadband access.** While 96% of households with income above \$75,000 have an internet subscription, only 75% of households earning below \$20,000 have an internet subscription. For low-income households, lack of internet access may limit their ability to access community resources.
- **Access to transportation.** In focus groups conducted to support this study, residents and stakeholders expressed mixed reactions about the city's transportation system. While many lauded that the system is free for Missoula residents, several residents and stakeholders articulated a need for stronger connections between bus routes and amenities, better signage, and safer and more accessible bus stops.
- **Access to healthy food.** Seven Census tracts in the city are identified as having limited food access, which include the Westside, Northside, River Road, University, and Franklin to the Fort neighborhoods.

**Disproportionate housing needs.** The data analysis in this section of the Equity Plan finds the most severe disproportionate housing needs in:

- **Severe cost burden.** African American and Indigenous households are much more likely to be severely cost burdened than non-Hispanic White households. Based on this measure, these households are approximately 1.5 to 2 times as likely to experience eviction and houselessness due to inability to keep up with their rent or mortgage payments.
- **Homeownership rates.** Similarly, large gaps in homeownership exist for Indigenous and African American households in Missoula; significant gaps exist for Hispanic households, as well. Only 11% of Indigenous households and 16% of African Americans own their homes compared to 48% of non-Hispanic White households. With the exception of African American households in the county, homeownership rates are higher for all three groups in both Missoula County and the state.
- **Displacement.** Overall, 27% of Missoula households report moving in the last 5 years against their choice. By race and ethnicity, Indigenous respondents (57%) were more than twice as likely to experience displacement than Missoula households overall. Additionally, 50% of single-parent respondents reported recent displacement, mainly due to rent increases, while low-income households (households making less than \$25,000) and student respondents were also more likely to report experiences with displacement.
- **Access to mortgage loans.** Of applicants for mortgage loans in 2022, Hispanic/Latino and Asian applicants had the highest denial rates (14% each, respectively). Most often, loan applications are denied due to credit worthiness, particularly low credit scores or high debt-to-income ratios—suggesting that credit building programs would be useful to help attain homeownership. While too few observations were available for most applicants by race and ethnicity, Hispanic applicants (7%) were almost twice as likely than non-Hispanic White applicants (4%) to receive a high-priced loan.

**Fair housing environment.** This section of the Equity Plan assesses private and public barriers to housing choice within the context of existing fair housing laws, regulations, and guidance.

- According to the housing and community needs survey conducted for this Equity Plan, Indigenous headed households, students, lower-income households, and households with a member living with a disability were the most likely to believe they had experienced housing discrimination when looking for housing in the city in the past 5 years.
- HUD reported 11 fair housing complaints in Missoula between 2019 and 2023. Most complaints submitted to HUD during this period affected individuals with disabilities.

- The regulatory review of Missoula's zoning ordinance did not find any major issues. Best practices that are not as critical in nature but would be beneficial during the next update of the code or in text amendments include:
  - Include a definition of "disability" or "person with disabilities" that aligns with Fair Housing Amendments Act (FHAA) and Americans with Disabilities Act (ADA) in the development code. In defining disability, it is important to include the broad definition that has been interpreted by the courts to apply to the Fair Housing Act (FHA), which includes persons in recovery from substance abuse challenges and persons with HIV/AIDS.
  - Establish a standard process for reasonable accommodation requests in land use, zoning and building regulations, policies, practices, and procedures.
  - Implement residential unit classifications, zone districts, and site design requirements for alternative housing types (e.g. tiny homes, cottage housing, courtyard development, micro-homes, and cooperative housing).
  - Include a statement in the purpose of the zoning ordinance that discusses fair housing law or include a cross-reference that identifies the adopted planning documents that discuss and contain policies related to fair housing.
- The City is proactively taking short-term and long-term actions through policy and zoning updates, community engagement efforts, and fair housing education and training opportunities to affirmatively further fair housing in the community.

## **Impediments and Fair Housing Actions**

**Impediments.** The fair housing impediments found in this Equity Plan include:

**Shortage of affordable, accessible housing units.** The shortage in supply of affordable, accessible housing units in the city disproportionately impacts low-income households—primarily minorities—households with individuals living with a disability or seniors, and single mother households, many of which are on fixed or limited incomes.

**Discrimination in rental transactions.** Disproportionate shares of Indigenous headed households and households with at least one person living with a disability experience housing discrimination based on the community survey conducted for this Equity Plan, resident and stakeholder feedback, and fair housing complaint data provided by the U.S. Department of Housing and Urban Development (HUD).

**Barriers to homeownership.** As detailed in Section V of this report, large gaps in homeownership exist for African American and Indigenous households in Missoula; moderate gaps exist for Hispanic households. While too few observations are available for loan denials by race/ethnicity, Census Tracts that overlap with the Franklin to the Fort and

River Road neighborhoods have higher rates of mortgage loan denials compared with the city overall. These neighborhoods have greater proportions of residents of color.

Hispanic applicants are nearly twice as likely to receive high-priced loans compared with non-Hispanic White applicants. From a policy perspective, Hispanic households in Missoula may be most at risk for high-cost loans (predatory, credit cards) to help with needed home improvements, and would benefit from publicly-assisted home improvement grants and low cost loans.

**Disparate access to opportunity.** As detailed in Section IV of this report, access to low poverty neighborhoods, quality schools, transportation challenges, adequate workplaces, and health services compound upon each other to create disparate access to opportunity among different resident groups, primarily Indigenous residents in Missoula. Resident and stakeholder feedback also highlighted that Indigenous residents have significant housing needs and lack of access to culturally-responsive services.

**Lack of access to fair housing resources.** As detailed in Section VI of this report, the City could improve its Fair Housing webpage by providing more robust information on the Federal Fair Housing Act, the Montana Human Rights Act, education and training opportunities on fair housing and tenants' rights, and local resources/organizations that residents can utilize if they feel like they have experienced housing discrimination. Residents and stakeholders also wanted to see more information, guidance, and training opportunities available for City officials and landlords related to handling requests for reasonable accommodations.

**Lack of access to translation and interpretation services.** Resident and stakeholder feedback indicated a critical need for more translation and interpretation services to assist limited English proficiency (LEP) and refugee populations access services throughout the city.

**Actions.** To address the fair housing impediments identified in this Equity Plan, the City of Missoula has developed three fair housing subgoals that align with the goals developed for its Consolidated Plan. The Consolidated Plan goals, fair housing subgoals, and current/planned actions to address the identified impediments are:

**Housing Options.** Increase and preserve affordable housing options for extremely low, low, and moderate-income households emphasizing accessibility, affordable rentals for low-income families with children, energy efficiency, and proximity to community amenities and services.

**Fair housing subgoal.** Implement current policy/programmatic actions that aim to improve housing choice and explore new strategies that expand access to opportunity for Missoulians in protected class populations.

**Current or ongoing actions:**

- The City of Missoula has been focusing its HUD funding for the past eight years on increasing inventory of affordable and accessible homes. The City has added over 400 new affordable units in the last two years and focused its housing policy staff on increasing affordable units and innovating new models.
- The City is currently undergoing an update to its growth policy. The *Our Missoula* growth policy update and code reform project aims to improve access to opportunity across the community by updating City codes, including zoning, to remove code-induced barriers to opportunity.

**Planned or potential actions:**

- Implement updated land development code to increase the diversity of affordable housing options throughout the city and improve access to opportunity in high-resource areas, including areas with transit, pedestrian, and bicycle access.
- Continue prioritizing investment in innovative housing models, such as community land trusts and housing cooperatives, to increase access to affordable homeownership opportunities.
- Continue prioritizing investment in developments that prioritize proximity to transit, services, and amenities.
- Explore fair housing “testing programs” to reduce discrimination in rental transactions.
- Explore policies that address disparities in access to homeownership opportunities.

**Supporting Vulnerable Populations.** Improve housing stability for individuals and households with critical needs, particularly those experiencing or at-risk of homelessness, by creating permanent supportive housing and providing emergency and transitional housing services.

**Fair housing subgoal.** Increase educational opportunities and resources to improve understanding of tenants' rights, fair housing laws, and other housing resources in the Missoula community.

**Current or ongoing actions:**

- In 2022 and 2023, the City's housing policy staff hosted a series of listening sessions to better understand displacement and rental discrimination. Building upon these conversations, in 2024, the City is hosting a series of fair housing workshops targeted to renters, landlords, and housing non-profits as a next step in that work with the goal of increasing knowledge and resources about fair housing in the community.

**Planned or potential actions:**

- The City will update its fair housing webpage to include information on the Federal Fair Housing Act, the Montana Human Rights Act, education and training opportunities, and local resources/organizations.

**Community Services.** Address critical community needs by funding gaps in services for extremely low, low, and moderate-income individuals and households.

**Fair housing subgoal.** Increase access to services for limited English proficiency (LEP) and refugee populations by providing translation and interpretation resources.

**Current or ongoing actions:**

- In early 2024, the City signed on as a member of Montana Language Services, expanding available translation tools to city staff and partners. These tools will be implemented across city departments and incorporated into documents, court proceedings, and other municipal functions.

**Planned or potential actions:**

- The City will offer language-specific fair housing workshops in summer 2024 so that people can engage with the curriculum in their primary languages.

## **II. COMMUNITY ENGAGEMENT SUMMARY**

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## **Section II.**

# **Community Engagement Summary**

This section reports the findings from the community engagement conducted to support the City of Missoula's Equity Plan. It explores residents' housing choices and preferences, challenges and experiences with displacement and housing discrimination, and access to opportunity.

The Root team is grateful to the residents who shared their experiences and perspectives with fair housing and access to opportunity by participating in the community engagement. The community engagement process included:

- A housing and community needs survey available for resident and stakeholders, in paper format and online (an analysis of the survey results is available in Appendix A);
- Resident focus groups conducted with community partners, including the Missoula Housing Authority, Homewood, Poverello Center, YWCA, Mountain Home Montana, Summit Independent Living, and Missoula Aging Services.
- Stakeholder interviews with over 30 individuals representing government agencies, affordable housing developers, social service organizations who provide support to unhoused and low-income residents, health agencies and organizations, real estate, economic development, residents living with disabilities and other populations experiencing disproportionate housing challenges.

### **Primary Findings**

- The lack of affordable housing is the most significant challenge currently facing the city of Missoula. Residents and stakeholders identified several factors impacting affordable housing development, including the lack of available land and infrastructure, high development costs, community opposition, and lack of resources, among other factors.
- Specific populations that are in significant need of housing and other services include low-income families/single mothers, Indigenous residents, elderly residents, residents with disabilities, refugee residents, Veterans, LGBTQIA+ residents, and formerly-incarcerated residents.
- Mental health services, chemical dependency services, and affordable childcare options were identified as significant community needs. Housing navigation and housing retention services were also cited as considerable needs.

- Residents and stakeholders identified several housing types they wanted to see more of in Missoula, including low-barrier supportive housing, transitional housing, and innovative housing types, such as land trust and shared equity housing models. More resources dedicated to interpretation and translation services, as well as more education and training around tenants' rights, fair housing, and reasonable accommodations, were also highlighted as actions the City should pursue.

## Affordable Housing

Throughout the community engagement process, residents and stakeholders described the lack of affordable housing in the city as the most significant issue in Missoula. As detailed below, residents and stakeholders attributed the lack of affordable housing to several issues and described the community impacts, as well. Generally, residents and stakeholders identified low-income Missoulians as the community members most impacted by the lack of affordable housing.

**Lack of available land.** Several stakeholders identified the lack of available land as a barrier to building affordable housing in Missoula. One stakeholder articulated that there is no land available for housing within city limits where you can build a home for under \$400,000. Another stakeholder described that not enough large tracts of land are available to develop a significant number of units with one development.

**Infrastructure and other development costs.** Several stakeholders articulated that the cost of building is extremely high, as well as infrastructure costs (e.g., sidewalks). A couple stakeholders noted that because infrastructure costs are so high, the only product that they can build that can pencil are luxury homes. Another stakeholder shared that in both the city and county, "we are great at building homes for the secondary market and not for those who already live here and can't afford the existing homes. We can't build enough affordable homes to keep up with this group." A few other stakeholders noted that the City's isolated geography, as well as short building season due to the weather, contribute to the high cost of development.

Several stakeholders described the need for improved and new infrastructure in the city, particularly water and sewer infrastructure for new housing development. These stakeholders wanted felt that significant federal investment in infrastructure is needed because currently, "any effort we take to improve infrastructure is on the back of local homeowners." Stakeholders highlighted the need to modernize existing infrastructure, too.

Residents and stakeholders also spoke about the lack of street and sidewalk infrastructure around Missoula. One stakeholder shared that "a large part of city doesn't have streetlights or sidewalks. Families in these neighborhoods don't feel safe walking around because they feel like they're putting themselves at risk."

Some stakeholders expressed a desire to see the City assist developers with infrastructure costs. They felt that if funding was made available to help defray the costs of infrastructure provision, it should go to smaller, local developers and not to larger corporations.

**Development review process.** Participants also expressed a desire for more transparency and partnership around getting housing developments approved by the city. Some participants expressed frustration about “unexpected surprises” during the development review process (e.g., not knowing they are on the hook for sidewalk improvements at the beginning of the project). They described that not knowing what is expected of them up front can add cost to a project (which not a lot of small developers can absorb) and end up making the project financially infeasible. They also advocated for a more streamlined process. One stakeholder felt that the process needed more transparency and predictability, adding that “we should be able to go into these processes educated about what is expected from us.” Another suggestion was less subjective design requirements for housing developments. Stakeholders also felt that the process for lot line adjustments and subdividing lots should be streamlined.

Another stakeholder shared that a recent state bill passed requires jurisdictions to limit the time it takes for development review, zoning updates, etc. While they appreciated the intent behind the bill, the stakeholder added, “where is the funding that is going to allow us to meet these different goals?”

**Community opposition.** Several residents and stakeholders highlighted community pushback on affordable housing development projects. One stakeholder articulated that “[we] need to stop kowtowing to the [‘not in my backyard’ (NIMBY) residents]. They have stopped affordable housing development, social services....[we need to] stop letting the NIMBYs dictate our policies.” Residents spoke about community pushback on the development of affordable housing throughout the city, particularly from residents of higher-income neighborhoods.

**External factors.** Several stakeholders described several issues outside of the City’s control impacting affordable housing development.

Several stakeholders described the state of Montana’ regulations around affordable housing development as “pretty cumbersome.” One stakeholder emphasized the importance of the City working collaboratively with local service providers and developers to incent development of affordable housing, adding that “[Missoula] does not have a lot of the tools that other communities have to produce affordable units (e.g. inclusionary zoning).”

Another stakeholder articulated that in “...working with local developers, [we’ve found that] a lot of them *want* to do affordable housing without taking federal subsidies. Several developers have noted because costs are so high, federal subsidies are not enough “to make a project pencil with affordable housing units included in it.” Additionally,

stakeholders also admitted that a lot of developers aren't "set up" to take on the administrative responsibilities that come with accepting federal resources, such as annual monitoring and income verification. One stakeholder described that this would force developers "to put a lot of time and effort in for not a lot of return."

A handful of stakeholders mentioned that outside of federal funding, the state of Montana's tax structure "...doesn't really offer any ways to fund [affordable housing]." Several stakeholders highlighted the difficulty in finding gap financing for affordable housing development."

**Other issues.** Several residents and stakeholders articulated other issues they attribute to the lack of affordable housing in the city. One stakeholder felt that historically, "[the city's] development and planning has largely occurred without intentionality behind it."

Another stakeholder felt that Missoula "...is playing catch up on affordable housing. Until they rein in development and do it more intentionally, it's going to continue to fuel the fire [of not having enough affordable housing available]." This stakeholder added that "growing the tax base" can no longer be the impetus for development decisions in the city.

A handful of residents and stakeholders spoke about the local community perception about the lack of affordable housing, primarily attributing it to "affluent outsiders" moving into the city. These residents and stakeholders also described that many local residents feel like Missoula is losing its culture and what makes it unique.

**Economic impacts.** Stakeholders described the lack of available affordable housing in Missoula as having significant impacts on local businesses, industries, and the workforce. Stakeholders emphasized that the lack of affordable housing is impacting the local economy in two primary ways—businesses are struggling to recruit people to serve their clientele because housing is unaffordable; simultaneously, existing workforce is leaving Missoula because they can no longer afford to live in the city. One stakeholder described that the lack of affordable housing is "the biggest constraint on the health of our community...it's impacting both the business community and our city's social infrastructure."

Another stakeholder shared that their organization "would take more people tomorrow if they could hire them. We are losing staff because of [the lack of] housing. In the last six weeks, we have lost three staff members because their rent increased."

## **Housing Needs**

### **Rental housing**

Several residents connected housing unaffordability to the lack of available rental units at a variety of price points. Residents also noted that because there is a lack of inventory available, landlords are less likely to take Section 8 housing choice vouchers. A handful of

stakeholders cited the city's extremely low apartment vacancy rate (a couple stakeholders cited it under 1%).

One resident said that "as a renter, it's impossible to live here. I can't live here, and my friends keep getting pushed out." Another resident said that "finding housing as a single parent working full-time is an almost impossible job. I wish there was more subsidized housing available." Residents also wanted to see a better distribution of affordable housing throughout the city. One resident noted that all of the housing "...is being pushed into the Northside [neighborhood]."

Several residents emphasized an "imbalance" between what type of housing is needed in the city and what type of housing the market is currently producing. One resident felt that the "[housing] market is responding to housing needs with the wrong solutions." Another resident articulated that the private market is primarily building two-to-three-bedroom homes for sale in the city, adding that "these are the only types of homes that have been built in the past five years." They added that, "existing residents are getting displaced just trying to find a studio apartment." A stakeholders added that "we're building the wrong things for people at different stages of life."

Several stakeholders spoke about the households in need of affordable housing who make too much money to qualify for subsidized housing but not enough money to be competitive in the rental market. One stakeholder emphasized that the City has its hands tied with who they can help with the funding they receive.

## **Homeownership**

Several stakeholders noted that homeownership opportunities for populations making less than 80% AMI are extremely scarce, with one stakeholder noting that "every organization is struggling to meet the needs of these populations with homeownership." Another stakeholder noted that their organization traditionally worked with populations making less than 80% AMI, but now they have expanded up to 120% AMI, adding that "we need more flexibility in how we can use the funding we get." Another resident shared that most homes in Missoula are selling for \$600,000 or more and felt that the only people who can afford these prices are coming to Missoula from out of state.

Stakeholders advocated for the City to look at new models of homeownership and other strategies to make homeownership more viable for lower income households. One stakeholder lauded the City setting up its affordable housing trust fund and wanted to see the City utilize these resources, paired with others, to fund innovative homeownership opportunities. Another stakeholder advocated for the City to invest in more land trusts and shared equity homeownership models, citing North Missoula CDC's residential cooperative as an example. The need for homeownership opportunities for the local workforce was highlighted numerous times by residents and stakeholders. A couple of stakeholders voiced their excitement about the Missoula Redevelopment Agency's workforce housing program.

**Downpayment assistance.** Residents and stakeholders described one of the greatest current challenges faced by populations looking to buy a home is the (lack of) stability in interest rates. Stakeholders described the significant challenges that low-income families face in the for-sale market, with one individual stating that these families “have almost no chance competing with other households.” There was a sense among residents that more downpayment/closing cost assistance would help these households be more competitive.

However, some stakeholders noted that current downpayment assistance, like HRC’s DPA program, is not currently being utilized by anyone “because there is no stock available at affordable price points.” Nonetheless, residents and stakeholders agreed these programs are extremely important in helping low-income households become homeowners.

**Homeowner rehab.** Stakeholders stressed the importance of resources being made available for homeowner rehabilitation. Stakeholders praised the City’s use of CDBG dollars for rehabilitation, with one asking, “how can we expand that program or mimic it to help homeowners who don’t qualify income-wise but need the money for repairs?” Stakeholders agreed that the homeowner rehabilitation program is an effective way to keep people housed who might be at-risk of losing their housing.

**Other thoughts.** Other ideas and thoughts related to homeownership included:

- Stakeholders in the real estate industry spoke highly about the City’s Townhouse Exemption Development (TED) tool and the process.
- One stakeholder thought the City should create a registry of people interested in selling their homes to first-time homebuyers, households with FHA loans, households utilizing other subsidy homebuying programs, etc. They thought that if a seller does sell their home to one of these eligible households, they could receive some type of incentive from the City.
- Another stakeholder wanted to see more mobile home park developments approved.
- One stakeholder floated an idea about limiting the size of homes in subdivisions to between 1,000-1,200 sq. ft. in order to get more homes on the ground. Stakeholders also felt that there is a lot of demand for tiny homes but they are not currently allowed by the City.

### **Housing cost burden**

Many residents talked about the experience of being cost burdened and how housing prices have been skyrocketing over the last few years. One resident spoke about the pressures of inflation and cost of living, adding that there are “too many expenses to pay to keep housing.”

Several residents shared that their only source of income is from SSI/SSDI. One resident shared that they only receive \$131 per month through SSI, adding “How can I afford anything...I just want to feel secure.” Another resident added that they rely on the food bank for groceries because all their money goes to housing. Several residents shared that

social security payments do not keep up with rising rental costs. One resident shared that their rent increased from \$550 to \$800 per month for a subsidized one-bedroom unit, but their social security payments have remained the same. They added, "how are people on fixed incomes supposed to afford higher rents?"

Another resident, who works part-time, shared that they live in income-based housing and one of their paychecks goes entirely to rent. They added that, "it's hard enough as a two-person household living in Missoula, but it's really tough as one person, especially a single parent. My landlord increased my rent, too."

Related to homeownership, most residents felt discouraged about ever being in a position to buy a home in Missoula. One resident shared that "no one can buy a house here, even with a better paying job. There is no way I can afford to buy a home." Another resident shared that because of the cost of homes for sale, "I'm stuck in apartment living [for the rest of my life]." Residents also noted that because of skyrocketing housing costs, lower-income homeowners are at risk of displacement. Several residents noted that it's really difficult for seniors living on fixed income to pay their property taxes.

Many residents expressed a desire for more affordable housing options for low-income households and individuals, particularly for seniors and residents living with disabilities.

## **Houselessness**

Several residents spoke about the challenges faced by residents who are unhoused in Missoula. One resident experiencing houselessness spoke to the vulnerability that unhoused people face every day, adding that "people are living in poverty and fighting against a system they know nothing about," particularly people who have been houseless their entire lives. One resident noted that it's really difficult to see unhoused Indigenous elders living on the streets. Residents and stakeholders shared numerous ideas about how to help the city's unhoused population.

**More housing options and resources.** Residents and stakeholders expressed the need for a variety of housing options to be made available for the city's unhoused residents. Many residents and stakeholders acknowledged that experiencing houselessness is an incredibly personal experience and cannot be solved with "blanket solutions." One stakeholder felt that the main impediments to alleviating houselessness in the community were "a lack of resources and a broken system."

Residents and stakeholders described a spectrum of housing options that are needed for unhoused residents, including temporary safe outdoor space (e.g., tiny homes as temporary housing), low-barrier housing (e.g., pallet homes), and year-round shelter space. One stakeholder wanted to see resources prioritized for year-round emergency shelter paired together with wraparound services, adding that "we might not house everyone, but we can make it brief and one-time for others." A handful of stakeholders emphasized the need for interventions for people at-risk of experiencing houselessness to ensure they

don't become houseless. In general, the need for more resources to address the issue of houselessness was the most significant challenge for stakeholders and service providers.

Several houseless residents wanted to see more "safe outdoor spaces" available in Missoula, as well as more outdoor heaters to keep warm during the colder months. One resident expressed their gratefulness for the warming shelters, adding they "just want a safe and warm spot [to sleep]." Another resident expressed a desire to live somewhere that "needed a key," adding that they "just want to feel safe." A handful of residents expressed appreciation for the community they have at J Street Shelter and that they feel safe there.

**More services and continued collaboration.** Several stakeholders emphasized a need for more housing navigation and housing retention services. One stakeholder said that in some instances, "you can't get someone housed, not follow-up with support, and expect them to succeed." Stakeholders described many of the current services and resources going toward addressing the problem, including the crisis intervention team, the homeless outreach team, and the mobile support team that responds to calls alongside law enforcement, as well as the new Riverwalk Crisis Center that opened in November 2023. While these efforts were greatly appreciated by residents and stakeholders, they emphasized the need for ongoing investment in these services.

Additionally, stakeholders and residents highlighted the need for more substance use and mental health services and interventions. Stakeholders also wanted to see more funding available for innovative service delivery programs (e.g., one stakeholder talked about how "Shelter Court," which helps unhoused residents deal with warrants and other legal issues) is paired with other services, such as employment and literacy assistance).

Several stakeholders also emphasized a need for continued coordination and communication across service providers and sectors. One stakeholder felt that "the City does a pretty good job of this already—we have lots of cross-sector meetings (e.g., community justice and housing, etc.) but it's still hard to keep up with everything that's going on." Another stakeholder felt the City could communicate more to the public about what it's doing to help unhoused residents and how it addresses the broader issue. Stakeholders also spoke about how great the unhoused service providers are in the city but that it's important to continue looking at how to make system improvements. One stakeholder wanted to see "a more robust approach to walking people through the continuum of care all the way...where are the gaps in the system and how can we address them?"

**Public education and community sentiment.** Several stakeholders appreciated the work of the Poverello Center and felt that the City should continue supporting the organization. One stakeholder shared that "the Pov' gets targeted unfairly and framed as part of the houselessness problem from the broader community instead of an organization that is helping people survive and be cared for." This stakeholder felt the City could help deflect some of this sentiment from the community and help emphasize

that addressing houselessness requires a community-wide effort and can't be addressed solely by the government or one organization.

Stakeholders and residents agreed that there are misconceptions and fear around the unhoused population in the broader community. Some felt that there is a perception in the community that the unhoused population is mainly made up of people "not from Missoula" and therefore, not "deserving" of local resources. Some felt this perception perpetuated the notion that unhoused residents are unworthy of assistance.

As such, several residents and stakeholders emphasized the need to help unhoused residents with dignity. One unhoused resident emphasized a need for more public education around being unhoused, specifically the diversity of reasons that can lead someone into being unhoused, what it entails, and how difficult it can be to become housed again. Another resident noted that "we're not homeless, we're people without a home."

When talking about encampment clearings, one stakeholder discussed the importance of finding housing together for everyone in the camp. This stakeholder added that "these residents have built community together and it's important that they stay together...I would like to see more housing options made available to be able to implement a 'shelter-first together model' possible."

Another stakeholder reflected that right now, the "city and county have progressive and caring public officials that want to fix this issue. Sometimes we forget to give them credit for what they have done and what they are doing." This stakeholder felt that this was a moment to leverage the opportunity to address the problem of houselessness in "a bold and innovative manner."

**More public facilities.** Several residents expressed a desire to have access to public restrooms and showers. One resident shared "I just wish I could take a hot shower every day." Another resident felt that unhoused residents are disenfranchised because they are not able to vote due to lack of a permanent address.

## Current Housing Situation and Challenges

Residents were asked to share their current housing situations and the housing challenges they're facing. Several residents described unforeseen situations related to family issues, job loss, health issues, etc. that led them to experience houselessness. One resident shared that "a lot of people are one paycheck away from being homeless...we are hardworking people." One resident said that constantly being worried about whether they will keep their housing is "...demoralizing—you work your entire life and I'm still barely surviving. My pride is hurt, and it makes me question my self-worth." Another resident attributed their lack of housing to the inability to find employment, noting that "to keep a job, you need housing stability...without housing, you can't get a job. It's a vicious cycle."

Residents described a wide range of housing situations and how they came to live in their current home. Residents had lived in Missoula for as short as three weeks and as long as 37 years. Below is a sample of what was heard:

- One resident shared their family moved to Missoula and ended up paying around \$2,500 per month for their home, noting that “we didn’t have a lot of options.” A combination of one adult leaving a better paying job and another adult leaving the household resulted in one of the adults becoming the primary caregiver for their children in a home they could no longer afford. This resident shared they had to “beg and borrow” to pay the rent in their home before they could find a cheaper alternative.
- Another resident shared that they were living with their mother and one-year-old and after their mother passed away, they fell into homelessness. They noted that while they are currently living in an apartment, they used to live in their car with their teenage daughter at a local park.
- One resident shared they are currently living in their car. They expressed a desire to see more areas made available for “safe tent living and better security.” They added they also wanted better maintenance of these areas to help keep them clean.
- One resident shared that they were living in an apartment and were thrown out of their house while going through a bad divorce. They shared they were homeless for about a month before they were finally accepted into a shelter. They described being the primary caregiver to their special needs children and not being able to find employment. They noted that because they don’t have much credit built up or job experience, “it’s been hard to afford the [rental] prices.”
- One resident noted that after experiencing challenges trying to find housing, they ended up getting their apartment at Tamarack because the previous tenant ended up making too much income and was kicked out.
- One resident shared that “when you have a job and have to take care of your children, it makes it really difficult to find housing.” This resident lived in Missoula their entire life and are currently unhoused for the first time, noting that they “don’t feel safe right now emotionally.”
- One resident shared that their sister just made enough to be over the income threshold to be eligible for subsidized housing, “If she had help, she would still be alive today.”
- One unhoused resident shared that they are a current property owner and just filed for disability. They shared they can’t get their house back because renters won’t leave so they are going through the courts right now to get it resolved. This resident added that “who would think a property owner could be homeless for almost a year?”
- One resident expressed gratefulness for currently having a roof over their head in a shared housing setting but shared that they always feel they hypervigilant of their

surroundings, which they shared was how they felt around their abuser. "I just feel emotionally exhausted all the time."

- One participant noted that before kids, to rent a studio and afford the deposit and first/last month rent, they had to split the unit among three people.
- One resident shared they moved into an apartment and the landlord was not responsive to maintenance requests. They shared that the landlord "...didn't fix our toilet, we had our door spraypainted and we were threatened by our neighbor – our landlord didn't do anything."
- One resident shared that if you're low income, "you just have to take it. If you have a criminal record, an eviction on your record, etc., you just have to take what you're given and settle. You have to put up with a bad landlord and they use the fact that you're low income to their advantage. They know they can do it, too."
- One resident described leaving a housing situation because they encountered a lot of issues with the landlord and management, specifically raising the rent and giving them a 30-day notice to leave. The resident ended up leaving and later found out after the fact that there were resources available to help them stay in their place. "There should be more education and marketing around these types of resources for residents."
- A resident described that they were offered resources by an organization to help pay their rent and the landlord didn't want to fill out the paperwork so the process got stalled. They were 7 months pregnant at the time.
- A male/female couple who had been living on the reservation (he is a member; she is not) became homeless. They have a 4-year-old and are currently pregnant. They have been in their current housing situation for 8 weeks and are grateful for the "solid foundation" it offers.
- A mother shared that her and her preschooler have been living in the shelter for 6 months. "I'm glad it exists. If we weren't able to be here, we'd be living in our car."
- A woman with three kids has been in the shelter since July 2023. She has a criminal record (felony for drug related crime) and cannot find a place to use the rapid rehousing voucher she has. She moved back in with her abuser to have housing and lost the voucher.
- One resident shared that they lived in the complex owned by Western Montana Mental Health Center, but it was sold and the new owner turned it into an Airbnb. No relocation was offered to tenants who were displaced.
- Another resident shared that their landlord just didn't renew their lease because they wanted them to move out. They noted that the landlord charged the next tenant a lot more.

- One resident shared that they have a drug conviction and felony on their record. This resident shared that they “had a voucher but couldn’t use it because of that. Can I get on wait lists even though I have that record because the “look back” will expire at some point? But what I am I supposed to do now?”
- Another resident shared that “my landlord was trying to cheat the state out of rental assistance and on the form they filled out to get housing, they said the rent was higher than it was. I fixed it and we got evicted.”
- One attendee lived in an apartment with faulty heat elements (apartment fires were common, the fire department later reported) and her unit had smoke damage. The property owner fined her \$13,000! She was successful in court with the help of legal aid.

**Navigating trying to find housing.** Several residents described a significant need for more assistance in navigating how to apply for housing, what resources are available for low-income individuals, etc. One resident shared that the process of trying to apply for subsidized housing is too difficult to navigate for people “who are living through traumatic experiences.” Another shared that “the process to find housing takes a really long time.”

One resident described their experience applying for their current housing unit . They acknowledged the privilege they hold and how time consuming the process was and how persistent they had to be to navigate the process. They added for someone who doesn’t have privilege, as well as time, persistence, etc., “it can be really discouraging [trying to find and get housing].” Another resident shared that “many people get discouraged going through the process [of applying for subsidized or income-restricted housing] and give up.”

A handful of residents noted that they’ve met with a housing specialist at the Missoula Food Bank, which was described as “really helpful.” Several residents expressed a desire to see a “centralized office or system” to get help with housing questions, assistance with applications, paperwork and/or processes, information on housing resources for tenants and landlords, etc. One resident expressed that “it’s nearly impossible to get people on the phone to follow up with getting a place to live. Having a place to work through to help streamline the process would be great.” Another resident felt that having a system like this would be “an invaluable resource.”

Although many residents shared that they were unaware of existing housing support resources that are currently available, some residents praised the City and organizations for their existing network of support. One resident noted felt that “the housing assistance network in Missoula is amazing. It is sync-ed up with the Missoula Housing Authority and easier to get on multiple lists. There seems to be communication among city departments. This was much easier than in Hamilton, where you had to physically go to many places to get on their lists.”

Residents agreed it would be helpful to have more help looking for housing, as well as a better understanding of what resources are available. One resident shared that "it's unrealistic for people in our situation to have money available for application fees, security deposit, and first and last month's resident...as well as making three times the amount of rent."

Residents described a variety of services they would like to see made available related to helping unhoused residents find housing, including:

- Housing advocates available at the J Street Shelter (e.g., "office hours") to help clients fill out housing and employment applications, as well as assistance dropping off applications at physical locations.
- A transparent, centralized and community-wide dashboard about what housing is available in Missoula.
- Services to help people get their identification ("ID") cards. Several unhoused residents shared that not having an ID is a major barrier to getting housing and finding employment.
- Several residents voiced a need for a list of resources/list of people to reach out to (or if a list already exists, for it to be more widely promoted).

**Voucher and subsidized housing concerns.** Residents shared feedback and challenges related to the Section 8 voucher program, as well as subsidized housing.

Several residents felt the income threshold to qualify for Section 8, as well as subsidized housing, is too low. One resident noted that "there are people who are working full time and [are] barely making it." Compounding this issue is the lack of affordable housing. Numerous residents described that because there is no affordable housing, the waitlists for Affordable housing are incredibly long. One resident shared that they had applied to a local apartment complex, but the waitlist is one-year long. Another resident noted that a waitlist they were on for a unit with 3+ bedrooms was five years long.

Several participants wanted wages and rent to rise at the same rate. They also advocated for the HUD voucher to be more aligned with the actual rental market – the voucher currently doesn't cover enough of the rent for people to actually use it. There is still a gap.

Residents also felt requirements to stay in subsidized housing were overly stringent. One resident noted that your income gets checked every year to ensure that you still meet the income requirements; however, as this resident shared, "if you get a new job and get paid a little bit better, you might get kicked out." Another resident felt there was an imbalance with income-based housing, noting that "if I begin to make more money, I have to pay more rent. How am I supposed to get ahead?"

Residents also noted a lot of staff turnover that made it difficult for employees to be well versed with the Section 8 housing choice voucher program. Not knowing eligibility

requirements or other important regulations made it difficult for the voucher holder to understand what was required of them. Several stakeholders in organizations that provide housing and other social services emphasized that the lack of affordable housing (and lower wages) is directly contributing to staff turnover.

Another resident noted that if you lose your voucher—even if it's not your fault because no one will rent to you—you can't apply for another year. Several residents advocated for vouchers not being released to people until there are enough units available to utilize the voucher. One resident shared that it took their household two years to get a voucher, however, "once we did [receive a voucher], it was during COVID and no apartments were available. We had 60 days to find a place and couldn't and the housing authority refused an extension. So, we became homeless." Stakeholders agreed that it is more challenging for voucher holders to utilize the vouchers because the fair market rents that the voucher amounts are based on are lagging a year and a half to two years behind actual market conditions.

Several stakeholders voiced a desire to see HUD raise its payment standards so that the voucher is able to cover the cost for a larger proportion of units.

**Other challenges.** Stakeholders and residents identified several other housing challenges, which are summarized below.

**Landlord issues.** Several residents described their landlords as "intimidating," which made them less likely to report issues with their units. A couple of residents shared stories about maintenance requests that were ignored or not fulfilled; a handful of residents shared they were hesitant to tell landlords about maintenance issues for fear of being labeled as a nuisance and subject to retribution by the landlord (e.g., getting kicked out).

Overall, stakeholders agreed that the City and other service organizations should build stronger relationships with landlords and property managers to increase access to housing for low-income residents.

**Application issues and fees.** Several residents cited complex application processes and requirements, as well as expensive application fees as barriers to finding housing. Residents shared that application fees are so expensive per application that it limits the amount of housing that they are able to apply for. Other residents expressed being overwhelmed by the amount of paperwork and articulated a need for help filling out applications. One stakeholder encouraged the City to look at adopting a centralized system that processes rental applications where one fee allows you to apply for as many units the applicant wants within a specified timeframe (e.g., six to nine months).

**Technology.** Several residents spoke about their lack of access to technology (e.g., computers, phones) and how that impacts their ability to apply for housing. One resident lauded the Missoula Food Bank for having a "one-stop-shop" of not only food access, but

access to other services. Residents appreciated this model and some felt it could be made more robust.

Several residents wanted to see more housing applications available online. Many described challenges related to filling it out and being able to track if it's been accepted or not, as well as the process/follow-up once it is submitted. Conversely, several other residents appreciated the availability of paper rental applications due to their lack of access to the internet.

**Rental history and other requirements.** Many residents spoke about the stringent requirements specified by landlords while looking for housing, including making three times the amount of rent per month and rental history requirements. One participant that "many places don't take applicants who have a gap in their rental history...[your time at the] shelter does not count towards rental history, either."

Another participant described the challenges of applying to housing with no rental history when they were 18. "How can I have a rental history if I've never rented a place before?" A lot of residents around this age don't have rental history. A lot of landlords won't take a letter of good will, either."

**Lack of identification.** One major issue identified by unhoused residents as an impediment to finding housing was not having identification. One resident noted that because they don't have a job, they are unable to get housing and "...vice versa, because I don't have housing, I can't get a job." Another resident shared that their identity was stolen, "which has hindered my ability to get housing." Several types of identification needed by unhoused residents were articulated, including birth certification copies, ID cards, drivers' licenses, and social security numbers.

Other significant issues highlighted by residents and stakeholders as challenges in securing housing were credit issues, debt, and criminal history.

## **Populations Experiencing Disproportionate Impacts**

Residents and stakeholders identified several populations that disproportionately experience housing and service challenges in Missoula. One stakeholder who works with several of these populations highlighted housing, bathrooms, and case management as the most crucial needs of these populations. They added that the State of Montana cut funding for case management a few years ago.

**Low-income families/single mothers.** Stakeholders and residents identified a significant need for more family-oriented housing, particularly for single mothers. Several residents described the challenges of looking for and finding housing as a single parent, as well as finding childcare and employment. One stakeholder who works in the school system shared that a lot of single mothers are "doubled-up," meaning they are jumping from house to house living with friends and families. Several residents described staying in

abusive relationships because there were no other available housing options for them to pursue.

**Elderly residents.** Stakeholders described that elderly residents are becoming a growing proportion of the unhoused population in Missoula. Several stakeholders described the lack of housing options available for this population to downsize in the city. As a result, these populations are living in housing that is incompatible with their needs. Other stakeholders emphasized that housing insecurity is high for this population and that older populations are more vulnerable to declining health situations once unhoused.

**Residents living with disabilities.** Residents and stakeholders shared that residents living with disabilities are in significant need of more affordable and accessible housing options. One stakeholder noted that it's difficult for residents who need 24-hour care and assistance to find housing that is large enough to accommodate their needs and within their price range. Stakeholders and residents also highlighted the significant need for mental health services for this population.

**Formerly incarcerated residents.** Stakeholders described that housing options for formerly incarcerated populations is incredibly limited. One stakeholder shared that "if no one homes or hires [this population], they have a higher likelihood of reoffending."

**Refugee residents.** Stakeholders shared that newly arriving families have significant challenges qualifying for housing because they don't have rental history, credit history, etc. to obtain housing and there's no mechanism to offer substantial equivalency for these requirements. Stakeholders also described transportation, education, employment, childcare, and health service challenges faced by newly-arrived residents. One stakeholder noted that most organizations that receive federal funding are not equipped to provide interpretation services for their clients in order for them to easily access services.

One stakeholder described their organization reaching out to landlords to advocate for their clients to get housed; while landlords are generally in support of finding housing for their clients, the stakeholder described it as "not sustainable or feasible for them with costs, timing or capacity."

In addition to resources for interpretation and translation services to assist these residents access housing and other services, which was described as a significant need, one stakeholder advocated to see a set aside of project-based housing vouchers for refugee families and programs that help these populations leverage their skills into employment opportunities.

**Indigenous residents.** Residents and stakeholders described that Indigenous residents are disproportionately impacted by housing and service challenges. Stakeholders shared that Indigenous residents account for a significant proportion of the unhoused population while making a comparably smaller proportion of the city overall. One stakeholder shared that "as a result of colonization, Indigenous populations have less access to health care, are

more likely to have substance abuse challenges, and are at a higher risk of human trafficking." This stakeholder added that many pregnant Indigenous women don't want to get treatment because they distrust the system. Stakeholders emphasized that these residents don't just need more access to housing and services, but it also has to be culturally appropriate and responsive.

**LGBTQIA+ residents.** Residents and stakeholders described that members of the LGBTQIA+ community are more likely to be discriminated against when looking for housing in the city. A significant need for more mental health services was also identified as a need for this population.

**Veterans.** Stakeholders highlighted a need for more affordable housing options and mental health services for unhoused Veterans in Missoula. Several stakeholders that most of the city's veterans are renting in apartments because they don't have any other choice. One stakeholder shared that "most of our veterans would like to be away from people. Smaller complexes with 4-8 units are ideal. A lot of our clients won't go to the Pov because there are a lot of people there, which can be triggering." Stakeholders also wanted to see more mental health support for veterans that aren't eligible for VA assistance.

## Housing Authority concerns

While residents described some frustration with the Missoula Housing Authority, the greatest challenges attributed to housing authority-related issues were described as "system issues." One participant described the Housing Authority as a dysfunctional bureaucracy that "should be dismantled and rebuilt," emphasizing that they were describing the system, not any particular staff.

One resident, who shared that they were seeking housing and EBT assistance, described the challenges of applying for housing with the Missoula Housing Authority. They shared that while they are well-educated, it was not a "straightforward process." Related to "systemic" frustrations, this resident heard that one of the developments was having trouble filling units because "the income threshold is so narrow."

Another resident shared that "once you are accepted, there is a crazy quick turnaround time to get all of the necessary paperwork, fees, etc. in." Several residents shared this experience. One resident described that they were selected for a unit and had just three days to decide if she was going to take the unit. She had to take out a loan just to pay all of the upfront costs. They added that "it worked out – but if you don't take a unit, you're moved to the bottom of the list."

Residents expressed a desire for more consistent communication with Housing Authority staff. One resident said that they "want better contact with MHA —all communications are by mail and it's hard to get physical mail when you are unhoused." Another stakeholder added that "it would be a lot easier if they had applications and other forms available to fill out online...because if you miss one thing, [you are knocked down to the bottom of the

list]." Many residents expressed some frustration about not being able to connect with staff in-person or over the phone.

Some residents shared they weren't informed about what types of developments and units they are eligible for and which they aren't. Residents felt that the Housing Authority could provide more clarity around which developments/units potential tenants are eligible to apply for at the beginning of the application process.

Many residents noted that the Missoula Housing Authority has an incredibly long waitlist, particularly for units with a greater number of bedrooms. While they appreciated the efforts targeted at increasing housing stock, residents expressed frustration at how long it takes to get off the waiting list.

## **Community Development, Economic Development and Public Services**

Residents described several community development and economic development outcomes, as well as neighborhood and community services, they wanted to see more of or enhanced throughout the city of Missoula.

**Transportation.** Residents had mixed reactions to the city's current transportation system. One resident shared that the bus system in Missoula is "overall really good and has pretty good coverage." Other residents felt there wasn't enough coverage throughout the city, particularly on the city's periphery. Several stakeholders and residents wanted to see the development of affordable housing and the transportation system more closely aligned. One stakeholder added that "it seems like a lot of these decisions [about where to build affordable housing] are made first and transportation is brought in after the fact.

Several residents spoke about highly of Mountain Line and the paratransit system, with many noting that it is their primary mode of transportation around the city. Others noted that paratransit services are only available within a certain boundary and do not serve the entire city, primarily areas closer to the city's edges. Many people expressed a desire to see paratransit service boundaries expanded.

Many residents wanted to see a stronger connection between transportation routes and the location of basic life amenities (e.g., grocery stores, health clinics) and other multimodal systems (e.g., bicycle and trail). Other residents wanted to see transportation routes prioritize connections between affordable housing developments and locations with several amenities. One resident wanted to see more centralized services available at transportation hubs.

Generally, residents wanted to see more bus stops and better signage around the city. One resident advocated for a bus stop on Broadway and Russell. Another resident wanted to see better signage around four-way stops and roundabouts, noting that it can be unclear when to stop. One resident recalled on a very small sign on a bus route near the mall that

said, "bus stop moved," but did not articulate where it moved. Other transportation-related needs articulated by residents included safer crossings and accessible and covered/sheltered bus stops.

Residents also wanted to see transit frequency increased and available more regularly during off-periods (between 7pm and 7am), specifically for people who work later or at shift jobs. One resident shared that the buses started running on the weekends, "which is great, but there are not enough drivers. The same drivers are working 7 days/week and I worry about them and their safety."

Numerous residents also highlighted the inequities that exist in transportation between more affordable (e.g., Northside) and less affordable areas (e.g., Rattlesnake) of the city. One resident noted that "the north side has a lot of new apartments going in but no truly safe routes to schools. Having kids ride bikes over the bridge is unacceptable!" Another resident highlighted the challenges for someone with a disability to bus to the hospital, get off of the bus, and get into the hospital.

**Food access.** A handful of residents talked about how grocery stores are really expensive right now. Residents lauded the Missoula Food Bank, not only for providing no-barrier food access but for also serving as a hub for centralized services, including housing assistance, health services, mental health services, and childcare.

One stakeholder shared that due to inflation, food costs have risen and prevent people from paying their rent. This stakeholder said the number one reason people come to the Food Bank is because of the cost of housing.

**Increased access to social services.** The majority of residents described a significant need for increased access to and/or more social services. One resident felt that "because Montana is a rural state, it makes it hard to get services." A handful of residents wanted to see the City and service providers strengthen connections between service provision and people in need of these services. One resident articulated that "nobody here seems to know how to access resources or know what is available." Several residents advocated for a "centralized system or list" of what types of services are available in the city, as well as people that can help you navigate what services exist and understand what resources are available. Another resident suggested having a "one-stop shop" for services referral that case managers and clients could utilize.

While residents identified a need for more people with specialized skills and institutional knowledge in the social service setting, they acknowledged that compensation and lack of capacity were barriers impacting the level and effectiveness of service provision in Missoula. One resident affirmed this reality, sharing that "there is too much turnover at jobs; navigating programs and systems is hard. You need specialized people in these positions and they need to be well compensated."

Stakeholders wanted to see more effort around bringing services to people that need them. One stakeholder felt that “we need to go to the places where these residents are being safely housed, provide an incentive (e.g., free meal, childcare) and help them address their needs.” Another stakeholder felt that “outreach is essential—these workers make the connections, will take clients to places to get things done, do warm handoffs, etc.” While stakeholders wanted to see more of these efforts occur, they acknowledged that this model takes more resources and staff capacity.

**Mental health services.** One of the greatest needs identified throughout the community engagement process was the need for more mental health services. Several unhoused residents advocated for an on-site mental health provider at the J Street Shelter, as well as more training for staff on how to interact and help people dealing with mental health challenges. One stakeholder felt that “as a nation, we are underfunding mental health services. We’re not even at an inappropriate level, we’re funding at a criminally negligent level and we’re trying to come up with local solutions for a national problem.” This stakeholder also shared that the State of Montana has dramatically cut funding for mental health services, noting that since 2017, their funding for mental health home visitors had been cut by 70%.

In addition to the need for more mental health services overall, stakeholder identified a need for more culturally-appropriate mental health services, as well as mental health support targeted at youth populations. Several stakeholders felt that the lack of affordable housing is compounding the mental health and substance abuse crisis in the city.

**Substance use/chemical dependency services.** In tandem with mental health services, stakeholders and residents identified a critical need for more services targeted at substance use and chemical dependency. Overall, stakeholders felt that the City has a lot of providers doing a lot of really good prevention work; however, as one stakeholder put it, “systematically, we need to pour more resources into prevention.” Stakeholders also wanted to see more addiction recovery centers and detox programs available in the city for specific populations, such as women and Indigenous residents. Stakeholders felt that carving out a specific space for these populations would be more advantageous for their recoveries.

**Basic life skills.** Services/classes that residents and stakeholders wanted to see included:

- Life skills classes (e.g., budgeting, financial literacy). One mother shared that they would benefit from a food and health class, adding “I have anxiety about buying groceries—I don’t know what to get or how to cook it.”
- Financial education classes to help improve credit scores.
- Parenting classes available at all times of the day. One resident shared they would love to attend parenting classes, but “trying to fit them into my schedule is really hard.”

- Hobby or skills building classes for adults. One resident shared that “it’s difficult making friends as an adult and it can be hard to socialize, especially when you have children. Just having a place to come and hang out with friends (that is child friendly) would be nice.”
- A handful of residents discussed the community school model at Lowell School in the Northside neighborhood. Described as a “service hub,” they noted that Partnership Health Center provides wraparound services, including vaccinations, dental, and de-stigmatized meals for children and families. One resident noted they also have a Wednesday food market for families. Residents wanted to see this model replicated and available throughout other areas in the city.
- “Basic life assistance.” Several unhoused residents described a need for help once they move into a new housing situation. A handful of residents highlighted “post-move-in” assistance, such as getting used furniture, kitchenware, and other household items. Additionally, a couple residents advocated for “life coaches” to help them get back into a normal routine. Resources for clothes, food, laundry, and unforeseen issues (e.g., new car tires) were also identified as needs by residents.

**Public facilities.** Residents described a need for a variety of public facilities, including improvements to streets, sidewalks, and other basic infrastructure.

**Public hygiene facilities.** Several residents expressed a desire to see more public facilities, such as public showers and restrooms, made available for unhoused residents. One resident shared that “further criminalizing people for being unhoused when we don’t have public bathroom facilities is not right—we need to give them options. The City closed the only authorized campsite.”

**Accessible playgrounds and recreational opportunities.** Residents advocated for more accessible playgrounds, education, and Pre-K classes children living with disabilities. Several residents and stakeholders applauded the Missoula Parks and Recreation programs that are available for children but wanted to see more recreation opportunities available for the general population.

**Streets, sidewalks, lighting.** Several residents and stakeholders described a significant need for improved street and sidewalk infrastructure, as well as traffic calming measures and better lighting. One resident noted that the Scott Street bridge over the railroad is designated as a “Safe Routes to School” route, which they called “absurd.” Another resident articulated a need for more lighting throughout the city, adding “it is so dark in many parts of the city and around many apartment complexes. The exception is MHA complexes; they are well lit.”

A couple residents reported that the area near Mountain Home Montana has no sidewalks. One resident added that “near Mountain Home, there are no safe crossings. The pedestrian bridge is closed on the Northside and now there is no safe way to get across the street. The underpass is really sketchy, there is too much traffic, and not enough stop signs. It’s really dangerous in this area.”

Residents also advocated for more “beautification” measures or cleanup efforts around the city. Several residents wanted to see more garbage cans made available near encampments and along the river.

## **Childcare**

Residents expressed a significant need for more affordable childcare options, as well as a better distribution of childcare options around the city.

Several single mothers spoke about how the lack of safe, affordable, and available childcare options limits their ability to find employment. One resident shared that their child is not potty trained yet and most daycares require children to be potty trained. They added that “I’m on a bunch of waitlists, which means I can only work part-time when my ex is watching my son. Otherwise, I’m watching them full-time.” Another mother shared that without getting a reduced rate for childcare through the TANF program, “I wouldn’t be able to afford childcare.”

Residents also expressed a desire to see childcare options that are open 24-hours or beyond normal working hours. One resident noted that as a server, “you make all your money during the night shifts. You barely make any money during the day.” They added that they are forced to take day shifts because they can’t find childcare options during the evening. Other residents noted that it is challenging to find childcare options for those that work night shifts or swing shifts in other jobs.

Residents shared that if 24-hour childcare were available, many would pursue full-time employment opportunities. Several residents shared that because of the lack of affordable childcare options, they are unable to enter the workforce.

Several residents noted that there are grants available to help with the cost of childcare, however, the grants are not able to cover childcare services after 6pm. Residents expressed a significant need for more resources to help with the cost of childcare.

Other childcare issues highlighted by residents and stakeholders included more specialized training for teachers to be better equipped to care for children with special needs. One mother shared that “if you have special needs children, which many of us do, you can’t work. There are no afterschool programs to take them outside of school. It’s pretty much a full time “Mom job.”

A couple residents noted that Lowell Elementary receives a grant for “high quality and free” childcare through the City’s Parks and Recreation department. This program is also being piloted at Franklin Elementary. Residents who benefit from the program said more funding like this should be available for families for childcare, characterizing it as a “gamechanger.”

## Employment

Residents expressed a significant need for more employment opportunities and services to aid residents advance their careers. A handful of residents felt that the impacts of the housing crisis could be softened if “people had the opportunity to make more money.” A couple residents felt that job placement services would increase their chances of finding employment.

Residents who are currently unhoused described several challenges related to finding employment, with one resident noting that landlords “want you to get a job to be housed and employers want you to be housed to get a job.” Residents shared that there are actually a lot of jobs that need to be filled, but the pay is so low. One resident said that they looked at getting a job at Burger King, which pays between \$10-17/hour, and ended up not taking the job because “the math doesn’t work; it’s actually harder for me to survive if I *do* work.” Another resident added that few, if any, lower paying jobs offer benefits or provide health insurance, which makes it less enticing to take if the job is available. Additionally, one resident said, “I can’t make \$18/hour and afford rent.”

Residents overwhelmingly felt like housing and employment benefits aren’t on the same page, with one resident adding that the two systems “work against each other.” A few residents also spoke about the “benefits cliff,” calling it a real disincentive to work. One resident noted that “the second you get a job, you lose your food stamps—or they go down so low it’s not worth it (like \$46/month). You start paying more for Medicaid. Then childcare costs \$600-700 a kid. If I’m paying \$1,000 for rent, \$1,400 for childcare, \$200-300 for gas to get to work—but working a job that pays \$10/hour, it just doesn’t make sense to work. I’m only making like \$1,700 a month and those costs are more than that.” One resident suggested having “sliding scale” benefits and housing options...“so you don’t lose everything once you get a job.”

Another resident shared that the amount of work required to get and keep TANF is more than just getting a normal job. “If I had childcare, I would go get a job.” Other residents agreed, with one resident sharing that “TANF rules also make it impossible to find work. You have to volunteer and meet with a counselor once a week. My car broke down and my tags expired, and I didn’t have money to fix it...so I couldn’t get there. I lost my benefits.”

A couple of unhoused residents advocated to have a job fair held at the Johnson Street Shelter to better connect unhoused residents to employment opportunities.

## Solutions

Residents provided several solutions to address the identified housing, community, and service challenges discussed above.

**Housing types.** Residents had several suggestions for different housing types they wanted to see available in Missoula. Most residents felt that the majority of developers in

Missoula are building high-income products, not affordable housing options. Housing types mentioned include:

- **Low-barrier, permanent supportive housing.** Numerous residents and stakeholders highlighted a critical need for more permanent supportive housing in Missoula. One stakeholder shared that “we don’t really have true supportive housing in our community, which is a significant need.”
- **Transitional housing.** One of the most critical needs highlighted by residents and stakeholders was the need for more transitional housing. Residents felt transitional housing with a longer timeframe would better allow people the opportunity to heal, find employment, find places to care for their children, etc. Several residents spoke highly of the Mountain Home Montana model and wanted to see that type of housing and wraparound services model more widely available throughout the city.
- **Innovative housing types.** Stakeholders shared a desire to see more affordable, diverse, and innovative housing types and neighborhood designs. One stakeholder wanted to see more areas dedicated for land trusts, adding that “a non-traditional approach is what it’s going to take [to ease the affordable housing crunch].”  
Another stakeholder spoke about looking at different types of housing models that are easier to construct, adding that the community should be looking at “modular or volumetric modular...which is quicker than stick-build construction.”
- **Middle density housing.** Several residents shared that they would like to see more “middle density housing”, such as four or sixplexes. A couple residents noted that middle density housing would feel “less institutional” compared to multi-family apartments but would still allow for a “sense of community” among neighbors.
- **Accessible housing.** The need for more accessible housing options was highlighted consistently by residents and stakeholders, particularly for older populations and residents living with a wide range of disabilities.
- **Small, efficient housing units.** A handful of residents advocated for more small, efficient housing units. Most residents wanted to see this housing type developed close to public transportation and other amenities. One resident added that they “want to be able to walk to the store from my place and be in a safe spot.”
- **Pet-friendly housing.** A segment of residents described how challenging it is to find housing units that accept pets.
- **Innovative housing models.** Residents articulated a desire to see more “innovative housing” models developed in the city. Several unhoused residents wanted to see more tiny home communities, prefabricated pod homes, and pallet homes. In addition to having their own personal safe space, residents also highlighted the communal aspects of this type of development.

Residents and stakeholders also wanted to see more housing available for populations experiencing disproportionate impacts (e.g., residents living with a disability, older populations), populations that are harder to house (e.g., justice-involved residents), and the local workforce.

**Other solutions.** Other solutions articulated by residents and stakeholders included:

**Interpretation and translation services.** Stakeholders wanted to see the City take a more proactive role in providing interpretation and translation services for populations who don't speak English to access the services they need.

**More collaboration with service organizations.** One stakeholder shared that while the City has built out its housing department, they felt that the City could do a better job of bringing in organizations sooner to consult on issues. They felt that local organizations are being brought in after decisions are made, which is feeling like a "top down" approach.

**More housing funding.** Residents expressed a significant need for more housing investment at both the state and federal levels. One resident wanted to see more investment into social/public housing, while others wanted to see more robust funding mechanisms help capitalize the City's affordable housing trust fund. Several residents advocated for rent control measures to be implemented.

**Zoning reform.** Other residents advocated to see more liberalized zoning allowed throughout the city. Several residents pointed to the fact that most of the affordable, multi-family housing developments are concentrated in the Northside, Westside, and Franklin to the Fort neighborhoods.

**Reasonable accommodations.** A handful of stakeholders and residents wanted to see more robust training made available for city officials and landlords related to handling requests for reasonable accommodations. One resident emphasized that there are a range of disabilities that people have and those in position who field these requests need more training to adequately address the request. This resident suggested holding these trainings at organizations like Homeword.

**Tenant rights/Fair housing resources.** Several residents and stakeholders agreed that more awareness, education, and knowledge of tenants' housing rights was greatly needed and felt the City should provide more fair housing resources and trainings to landlords and residents.

### **III. DEMOGRAPHIC PATTERNS**

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# **SECTION III.**

## **Demographic Patterns**

This section examines demographic patterns that are associated with residential settlement, housing availability and affordability, and access to opportunity.

### **Primary Findings**

- Missoula is predominantly made up of non-Hispanic White residents (86% of the city's population); however, over the last twenty years, the city has slowly become more diverse.
- Unlike Missoula County and the state of Montana, the majority of households in Missoula (56%) are "non-family" households—largely householders who live alone or share the home with people they are not related to. This is primarily due to the presence of the University of Montana.
- The percentage of people living in poverty in Missoula (9.2%) has declined by nearly 50% since 2010. Poverty varies by race and ethnicity but is significantly high for American Indian and/or Alaska Native residents (36%), as well as residents that identify as two or more races (26%). Residents living with disabilities (28%) and single mothers (22%) are also disproportionately more likely to live in poverty relative to the general population.
- American Indian and/or Alaska Native and Asian residents, as well as residents who identify as two or more races, have lower median incomes compared to the general population.
- Residents of color are concentrated in Census tracts that overlap with the Westside, Northside, and Franklin to the Fort neighborhoods.
- Census tracts located in the central areas experience greater rates of poverty and lower household median incomes. Generally, these areas also have a greater proportion of residents who identify as Black, Indigenous, and/or People of Color (BIPOC).
- While Missoula's Dissimilarity Index scores—a measure of the severity of segregation—show low levels of segregation for all groups in Missoula, this is primarily due to the city's relatively low proportion of households of color.

### **Methodology**

The majority of data provided in this section is sourced from the American Community Survey—both one-year and five-year estimates. When available, one-year estimates are used to provide the most current data available. One-year estimates are tabulated for

areas with a population of 65,000 or greater. For smaller geographic areas, such as Census tracts, the most current five-year estimates are used. As such, estimates for variables will vary (for example, 2022 1-year estimates for residents with a disability in Missoula is XX%; 2022 5-year estimates report XX% of residents in the city live with a disability).

## Section Overview

At the writing of this report, the City of Missoula is undergoing a concurrent process to update its Growth Policy, which aims to refresh the community's vision of how it grows and align its zoning and development code to implement that vision. As part of this effort, the City conducted an [Equity in Land Use Report](#), which evaluates the City's land use policy and zoning regulations and analyzes how well it currently supports "advancing housing affordability and reducing barriers to historically disadvantaged populations from thriving in the community."<sup>1</sup> As this Equity Plan covers many similar themes, content from the Equity in Land Use Report will be integrated and noted throughout this section.

## Historical Context

The location of present-day Missoula has been home to the Séliš and upper Qíispé Nations since time immemorial. These Nations held immense respect for the areas they inhabited, as well as "...a profound ethic of reciprocity between people and the land."<sup>2</sup> The arrival of non-Indigenous newcomers, and the introduction of a fundamentally different economic system centered around land ownership, resources extraction, and profit, completely disrupted...the prevailing socio-economic way of life that the Séliš and Qíispé nations had known for thousands of years."<sup>3</sup>

The area now known as the city of Missoula was historically abundant with natural resources, particularly bull trout fish and bitterroot. Established in 1866, Missoula became known "...as a lumber town and trading post bolstered by the arrival of the transcontinental railroad...[which] provided the platform for industrial economic activity and the extraction of resources in Séliš and Qíispé territories."<sup>4</sup> The abundance of timber in the Missoula valley and its surrounding areas aided the continued construction of the transcontinental railroad westward and positioned Missoula as a regional trade center.

In the late 19<sup>th</sup> century, Missoula was chosen by the State legislature to be the site of the state's new university, which, as the university grew, "...brought economic and cultural

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<sup>1</sup> [Our Missoula: Equity in Land Use Report](#), August 2023.

<sup>2</sup> [Our Missoula: Equity in Land Use Report](#), August 2023, page 13

<sup>3</sup> [Our Missoula: Equity in Land Use Report](#), August 2023, Executive Summary

<sup>4</sup> Page 15

benefits to the city.<sup>5</sup> Missoula's economy continued to be centered around timber into the 20<sup>th</sup> century, driven by the railroad expansion, increased national demand for lumber, and improved agricultural methods and machinery.<sup>6</sup> Similar to many cities throughout the country after World War II, "Missoula experienced a post-war residential housing boom as soldiers took advantage of the GI Bill. Enrollment at the University also increased as a result of the educational benefits related to that legislation."<sup>7</sup> The logging industry continued to be the city's primary economic driver into the 1970s.

**Factors contributing to segregation in Missoula.**<sup>8</sup> In the early and mid-20<sup>th</sup> century, several policies and practices promoted racial and ethnic segregation of BIPOC<sup>9</sup> residents within neighborhoods, justified by many as a way to ensure neighborhood stability. While substantial evidence of discriminatory real estate practices exists throughout the country, as articulated in the City's Equity in Land Use audit, "...there is limited documentation available that these practices were widespread in Missoula; however, the lack of documentation should not imply that they were not influential in shaping where BIPOC households could live in Missoula and how rules and regulations changed over time."<sup>10</sup>

- **Lending practices.** Construction and homeownership loans backed by the Federal Housing Administration (FHA) enabled the post-war housing boom but did not benefit all populations equally. The Home Owners' Loan Corporation (HOLC) created residential security maps—also known as "redlining" maps because of the shading used to designate undesirable neighborhoods—for cities across the country. While no map exists that covers the city of Missoula, there is anecdotal evidence of discriminatory lending practices occurring in the city.
- **Steering.** Real estate steering is an illegal practice where a realtor or leasing agent intentionally directs a buyer or renter toward—or away from—a specific area based on protected class characteristics. Steering can be explicit, such as showing Hispanic homebuyers homes only in areas that are predominantly Hispanic) and less explicit,

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<https://web.archive.org/web/20120501233012/http://www.historicmissoula.org/History/FromtheBeginning/SlowandSteadyGrowth18931900/tabid/196/Default.aspx>

6

<https://web.archive.org/web/20120501232947/http://www.historicmissoula.org/History/FromtheBeginning/ANewCentury18981920/tabid/197/Default.aspx>

7

<https://web.archive.org/web/20120501233002/http://www.historicmissoula.org/History/FromtheBeginning/GreatDepressionThereafter19302005/tabid/199/Default.aspx>

<sup>8</sup> More information related to historical discriminatory real estate practices in Missoula can be found beginning on page of the [City's Equity in Land Use Audit](#).

<sup>9</sup> BIPOC is an acronym for Black, Indigenous, and People of Color.

<sup>10</sup> Page 19

such as misrepresenting the status of a unit's availability. Similar anecdotal evidence shows that steering by real estate agents did occur in Missoula.

- **Deed restrictions and restrictive covenants.** Covenants and other deed restrictions explicitly preventing racial and ethnic mixing within neighborhoods were common practice in the mid-20<sup>th</sup> Century. The City's Equity in Land Use Audit documents evidence of covenants based on race, nationality, and minimum home value.
- **Zoning.** Adopted in 1932, Missoula's first zoning code allowed multi-family dwellings in nearly 85% of the city's residentially-zoned land. Currently, exclusive single-dwelling zone districts make up the majority of the residential land in the city. As articulated in the City's Equity in Land Use Audit, "[a]lthough single-dwelling zoning does not explicitly exclude certain people, it influences the socioeconomic and racial/ethnic makeup of neighborhoods."

## Growth and Diversity

Since 2010, the city of Missoula has experienced relatively strong growth. The city added over 10,000 residents in the past twelve years—a 15% increase in population. Compared to Montana's other two largest cities, Missoula grew at the same rate as Billings and five times the rate of Great Falls over the same time period. Missoula County and the state of Montana also experienced considerable population growth since 2010, albeit at a slightly lower rate compared to the city.

**Figure III-1.**  
**Population**  
**Change, Various**  
**Jurisdictions, 2010-**  
**2022**

Source:  
2010 Census, 2022 ACS 1-year estimates, Root Policy Research.

Jurisdiction	2010	2022	Change	
			Number	2010-2022
Missoula	66,788	76,960	10,172	15%
Billings	104,170	119,969	15,799	15%
Great Falls	58,505	60,373	1,868	3%
Missoula County	109,299	121,041	11,742	11%
State of Montana	989,415	1,112,867	123,452	12%

**Familial status.** The majority of households in the city of Missoula are non-family households, primarily due to the presence of the University of Montana. Nearly one in five households (19%) are married couples without children while nearly one in eight households (13%) are married with children. Three percent of households in Missoula are single mothers—the same proportion in both Missoula County and the state. Conversely, the majority of households in Missoula County and the state of Montana are family households (52% and 61%, respectively). One in four households (25%) in the county and nearly one in three households (31%) in the state are comprised of married couples with no children.

**Figure III-2.**  
**Household Type by Jurisdiction, 2022**

Jurisdiction	Family Households					Non-family households
	All family households	Married with children	Married, no children	Single mother	Other family households	
Missoula	44%	13%	19%	3%	9%	56%
Missoula County	52%	15%	25%	3%	10%	48%
State of Montana	61%	17%	31%	3%	10%	39%

Source: 2022 ACS 1-year estimates, Root Policy Research.

**Geographic concentrations.** For the purposes of this section, a geographic concentration of a demographic group is defined as a Census tract with 150 percent (or 1.5 times) of the city proportion of that group. For example, if 10 percent of residents in the city overall are Asian but the Asian population of a specific Census tract is 15 percent, that tract would be “concentrated.”

**Disability.** Figure III-3 shows that nearly 11,500 individuals in the city of Missoula live with at least one disability—equivalent to 15% of the total population. This is slightly higher than the state’s rate of people living with a disability (14.4%). Disabilities are most prevalent among the city’s older populations, with nearly one in four residents between the ages of 65-74 years old and four out of every ten residents over the age of 75 living with a disability. Figure III-3 also shows that Missoula’s population trends younger, suggesting they have workforce to support economic growth.

**Figure III-3.**  
**Disability by Age Group,**  
**Missoula, 2022**

Source:  
2022 ACS 1-year estimates, Root Policy Research

	Total Population	With a Disability	% with a Disability
Under 5 years	2,092	0	0%
5 to 17 years	9,385	1,051	11%
18 to 34 years	28,428	3,910	14%
35 to 64 years	25,028	3,185	13%
65 to 74 years	6,979	1,523	22%
75 years and over	4,300	1,822	42%
<b>Total</b>	<b>76,212</b>	<b>11,491</b>	<b>15%</b>

Cognitive, ambulatory, and independent living disabilities are the most prevalent in Missoula. Residents under the age of 18 are more likely to live with a cognitive difficulty while older populations are more likely to live with an ambulatory difficulty.

### **Figure III-4. Disability by Type, Missoula, 2022**

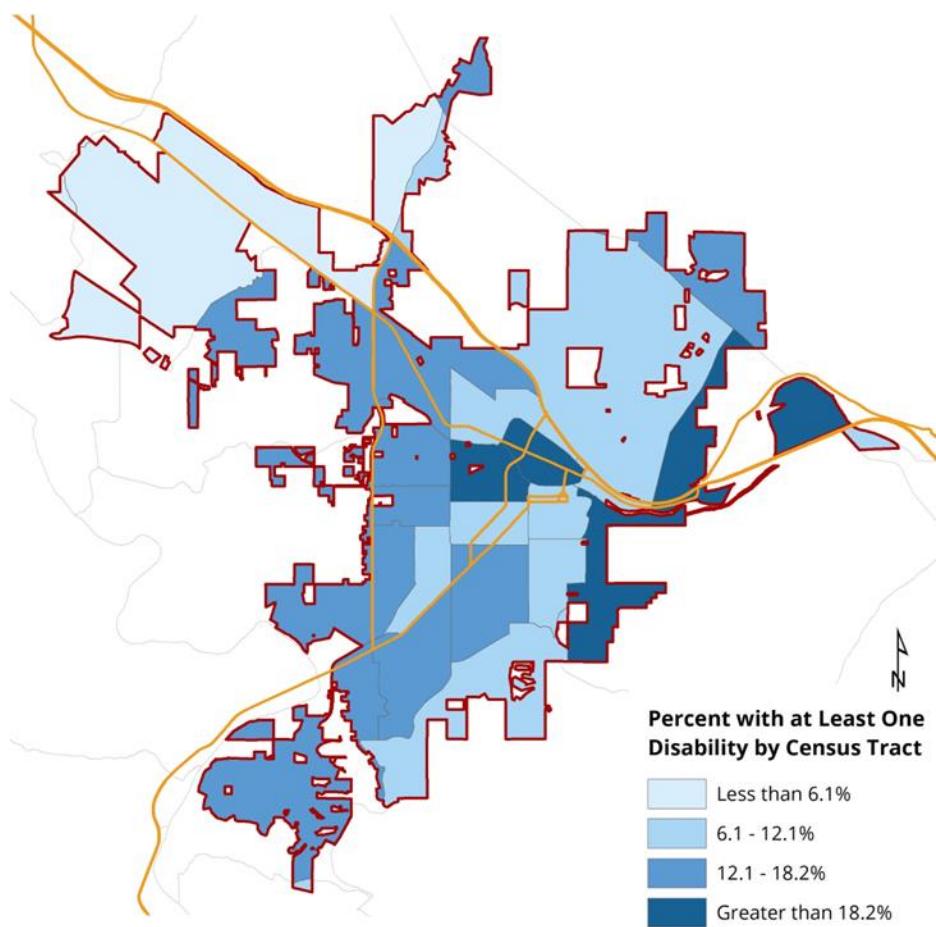
Source:  
2022 ACS 1-year estimates, Root Policy  
Research

	<b>With a Disability</b>	<b>% with a Disability</b>
<b>Population with a disability</b>	<b>11,491</b>	<b>15%</b>
<b>With a vision difficulty</b>	2,381	3%
<b>With a cognitive difficulty</b>	935	1%
<b>With a self-care difficulty</b>	6,967	9%
<b>With an ambulatory difficulty</b>	3,514	5%
<b>With an independent living difficulty</b>	993	1%
	3,264	5%

Figure III-5 shows the percentage of residents with a disability by Census tract in Missoula. Census tracts with more than 18% of residents with a disability (2022 5-year ACS data reports 12% of residents in Missoula live with a disability) are considered to be concentrated.

The map suggests that, overall, residents with a disability are relatively evenly distributed throughout Missoula; however, there is a concentration of residents living with a disability in three Census tracts. Census Tracts 7 (Riverfront neighborhood) and 3 (Heart of Missoula neighborhood) have the greatest proportions of residents living with a disability in the city (21.6% and 20.6%, respectively). While Missoula's eastern boundaries do overlap with Census Tract 4, nearly all of the residents living with disabilities in this tract are located just outside of city limits.

**Figure III-5.**  
**Percent of Residents with at Least one Disability by Census Tract, Missoula, 2022**



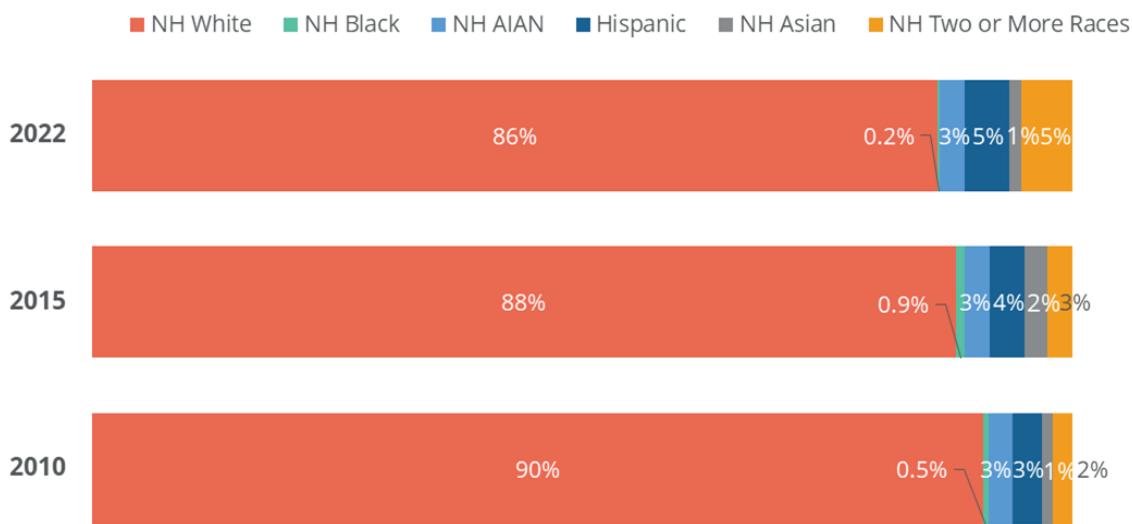
Note: Breaks represent 50%, 100%, and 150% of the city proportion of residents with a disability (12.1%).

Source: 2022 ACS 5-year estimates and Root Policy Research

**Race and ethnicity.** Figure III-6 shows the race and ethnicity of residents in the city. Missoula has seen gradual increases in ethnic diversity as it has grown: As of 2022, the proportion of non-Hispanic White residents decreased by four percentage points compared to 2010. The largest single racial or ethnic group is residents of Hispanic descent and residents identifying as two or more races, with both groups comprising 5% percent of the city's population. From 2010 to 2022, the Hispanic population increased by approximately 1,200 individuals, doubling the size of this population in the city. For residents who identify as two or more races, the population increased by approximately 2,850 individuals—a five-fold increase since 2010. Collectively, these two populations groups accounted for 40% of the citywide population growth between 2010 and 2022.

Overall, Missoula has very few African American/Black residents. In 2010, the African American/Black population represented 0.5% of the city's overall population; in 2022, these residents accounted for 0.2% of the population—a decrease of approximately 50%. The American Indian/Alaska Native population has remained relatively consistent over the same time period.

**Figure III-6.**  
**Distribution of Race and Ethnicity, Missoula**

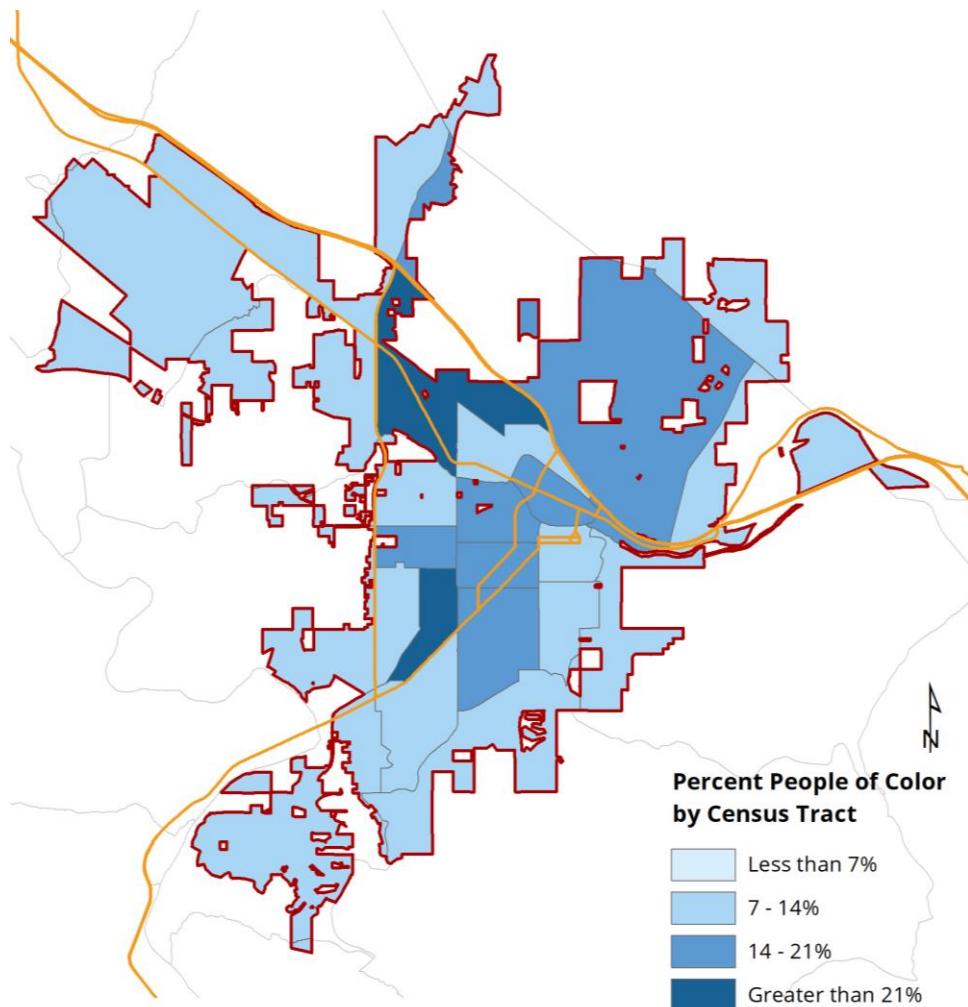


Note: "NH" refers to non-Hispanic.

Source: 2010 Census, 2015 and 2022 ACS 1-year Estimates, Root Policy Research.

**Geographic concentration of people of color.** Figure III-7 shows the percent of non-White and Hispanic residents—collectively “people of color”—by Census tract. Census tracts with more than 21% of non-White and Hispanic residents are considered a concentration. Concentrations of people of color exist in two Census tracts in the city of Missoula. These areas correspond with the Westside, Northside, and Franklin to the Fort neighborhoods.

**Figure III-7.**  
**Percent People of Color by Census Tract, Missoula, 2022**

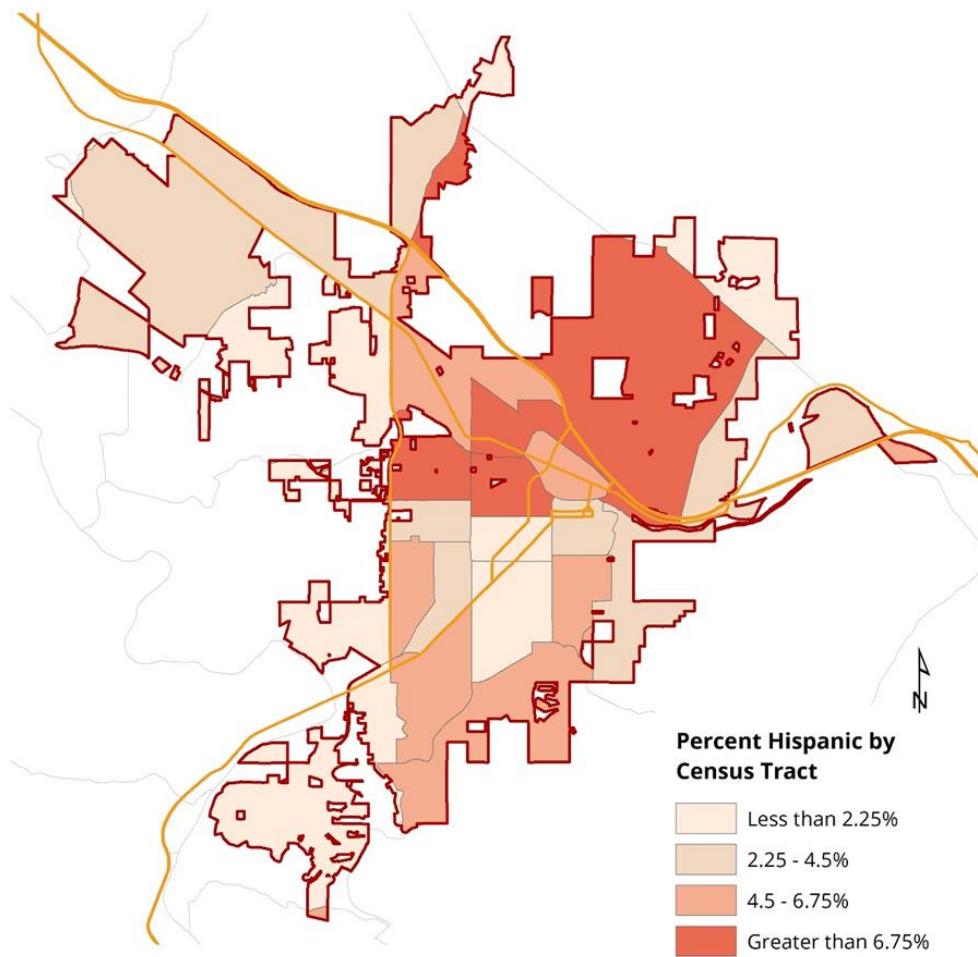


Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of non-White and Hispanic residents (14%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

Figure III-8 shows the percent of Hispanic residents by Census tract in Missoula. Concentrations occur when Census tracts are more than 6.75% Hispanic. Four Census tracts in the city of Missoula — all north of S 6<sup>th</sup> Street W. — have concentrations of Hispanic residents. The corresponding neighborhoods are the Lower Rattlesnake, Westside, Northside, Riverfront, and River.

**Figure III-8.**  
**Percent Residents of Hispanic Descent by Census Tract, Missoula, 2022**



Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of Hispanic residents (4.5%)

Source: 2022 ACS 5-year estimates and Root Policy Research

Figure III-9 shows the percent of African American/Black residents by Census tract in Missoula. As mentioned earlier, African American/Black residents make up a very small proportion of residents in the city overall. Within the city boundaries, just one Census tract has a concentration of African American/Black residents, which corresponds with the Franklin to the Fort neighborhood. African American/Black residents account for 16% of the population in this Census tract. According to 2022 5-year ACS data, 311 African American/Black residents live in this Census tract, which accounts for 59% of all African American/residents that live in Missoula.

**Figure III-9.**  
**Percent Black Residents by Census Tract, Missoula, 2022**

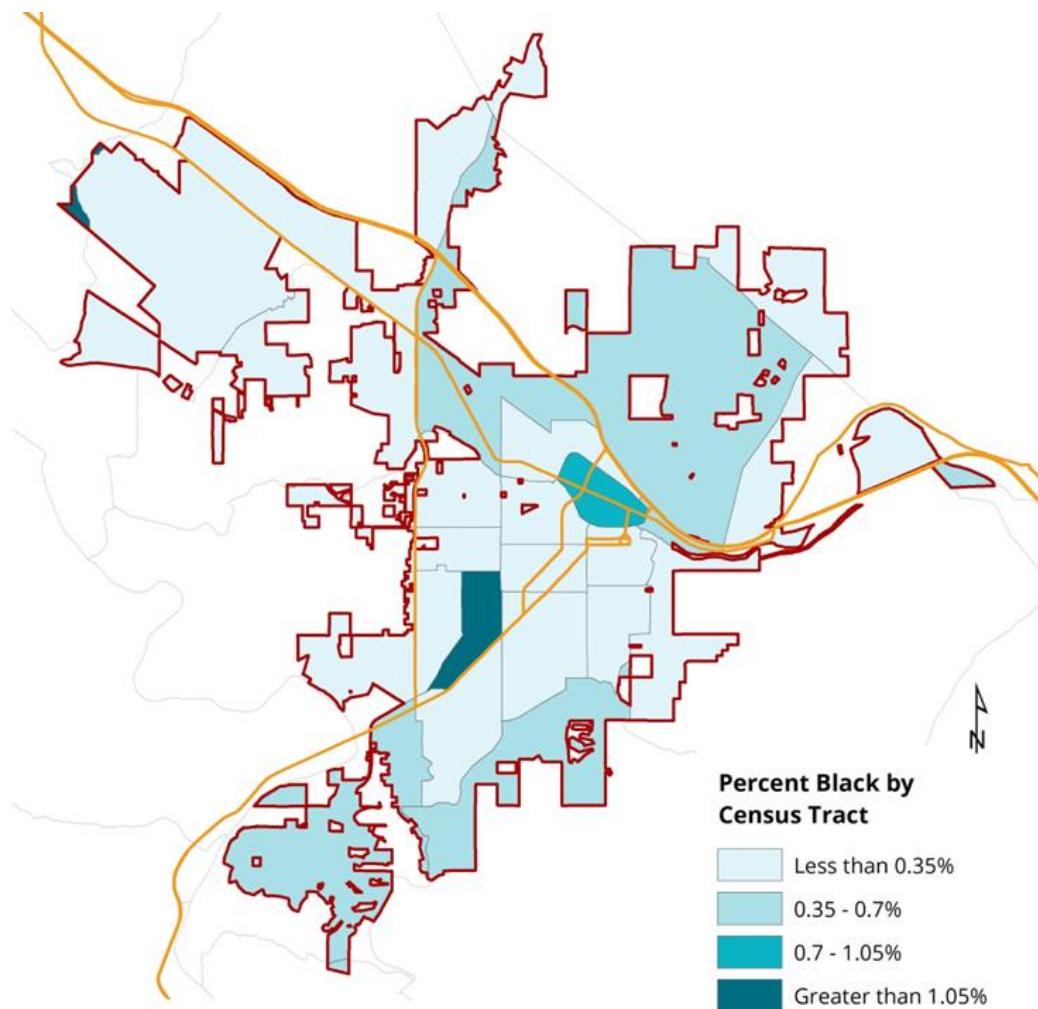
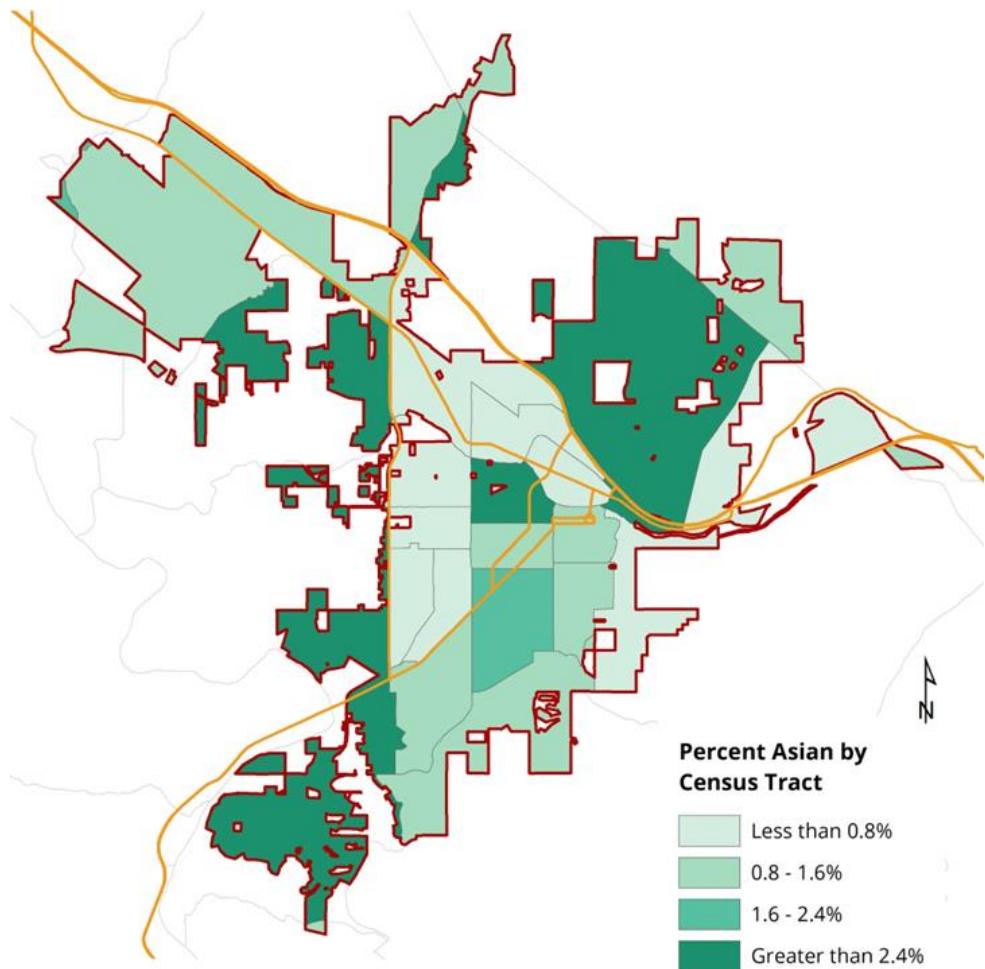


Figure III-10 shows the percentage of Asian residents by Census tract in Missoula. Similar to other non-White Hispanic populations, Asian residents make up a relatively small proportion of city residents overall. Census tracts with 2.4% or more Asian residents are

considered a concentration. There are five Census tracts with a concentration of Asian residents; the tract with the greatest concentration of Asian residents (5.9%) corresponds with the Lower Rattlesnake neighborhood. Census Tract 9.01 has the next greatest concentration of Asian residents (5.8% of the tract population); however, most of the tract's boundaries fall outside of the city's boundaries. Other neighborhoods with concentrations of Asian residents include Captain John Mullan, Riverfront, and Miller Creek.

**Figure III-10.**  
**Percent Asian Residents by Census Tract, Missoula, 2022**



Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of Asian residents (1.6%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

Figure III-11 shows the percent of American Indian and/or Alaska Native (AIAN) residents by Census tract in Missoula. Census tracts with more than 3% of AIAN residents are considered concentrated. In Missoula, five Census tracts have concentrations of AIAN residents. The Census tract with the greatest concentration of AIAN residents (8.2%) correspond with the southern portion of Rose Park and Lewis & Clark neighborhoods. Other concentrations of Native American residents are found in the Westside and

Northside (6.4%), the northern portion of Rose Park (5.8%), Franklin to the Fort (4.8%), and Heart of Missoula (3.1%) neighborhoods. Collectively, these tracts represent 17,956 total residents and 1,085 AIAN residents.

**Figure III-11.**  
**Percent American Indian and/or Alaska Native (AIAN) Residents by Census Tract, Missoula, 2022**

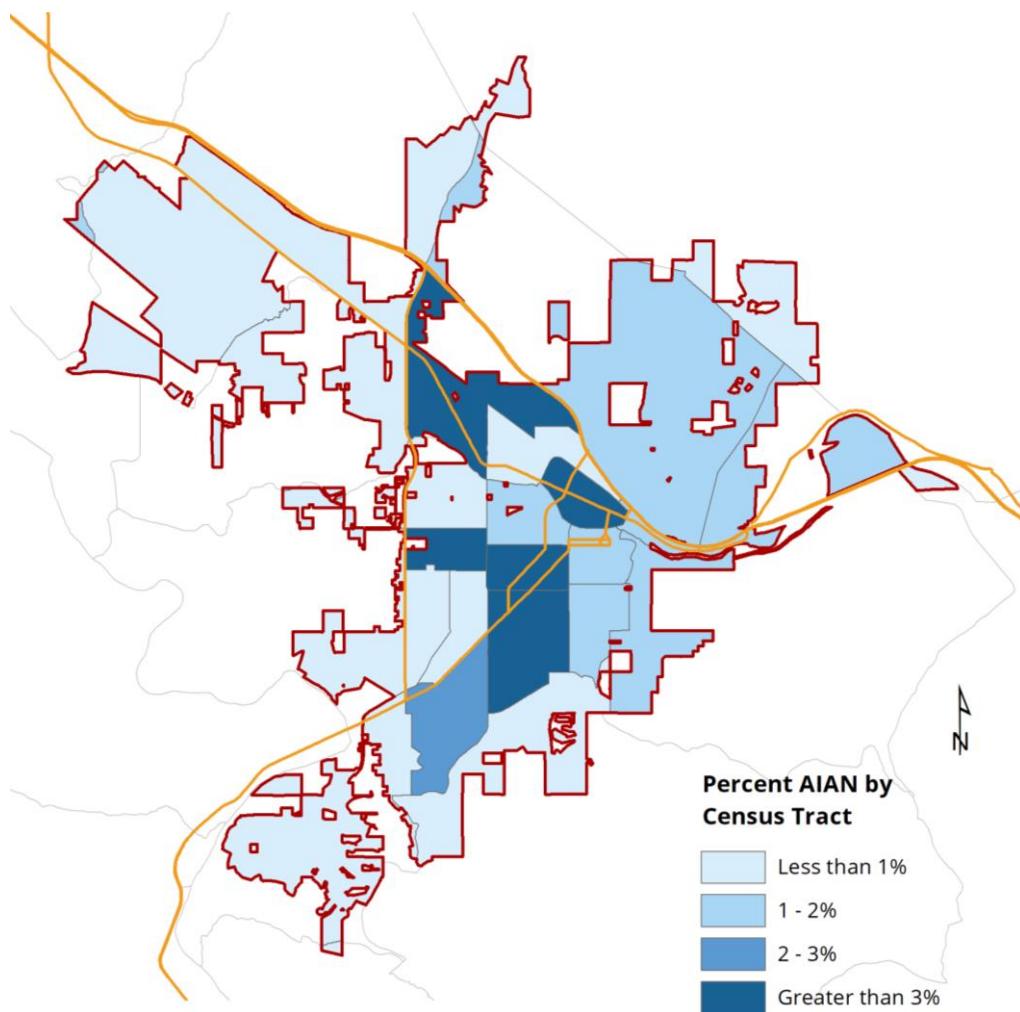
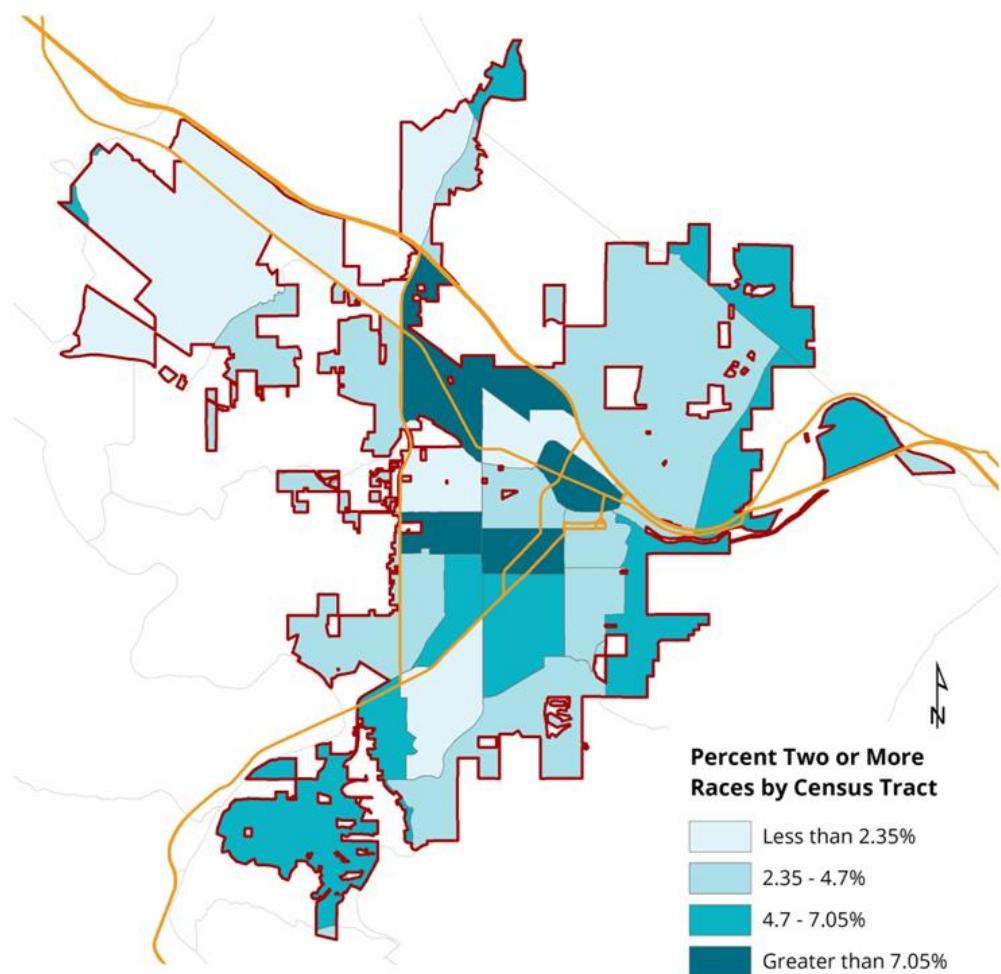


Figure III-12 shows the percentage of residents who identify as two or more races by Census tract in Missoula. Census tracts with more than 7.05% of residents who identify as two or more races are considered concentrated. There are seven such tracts in Missoula. The Census tract with the greatest concentration of residents who identify as two or more races (13%) corresponds with the Westside and Northside neighborhoods. Other areas with concentrations of residents who identify as two or more races include Franklin to the Fort (9.9%), Rose Park (9.1%), and Heart of Missoula (7.8%) neighborhoods.

**Figure III-12.**  
**Percent of Residents who Identify as Two or More Races by Census Tract,**  
**Missoula, 2022**



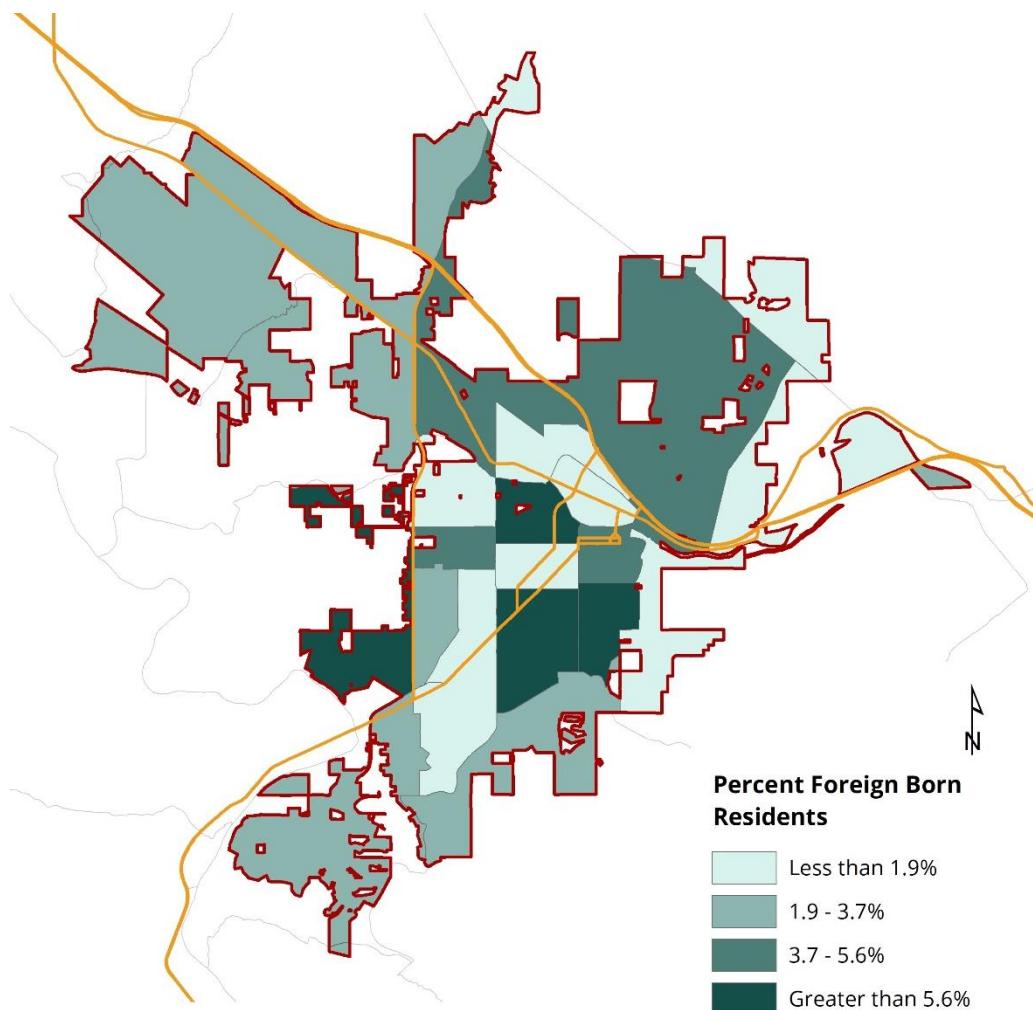
Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of residents who identify as two or more races (4.7%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

**National origin and limited English proficiency (LEP).** According to 2022 5-year ACS data, approximately 4% of the residents in Missoula—about 2,700—were born outside the U.S. Of these, 52% are naturalized citizens. Most of the city's foreign-born residents were born in Asia (39%), followed by Europe (34%) and Latin America (13%). The country of origin accounting for the most foreign-born residents in Missoula is Germany (over 500 residents), followed by China (331) and the Philippines (289).

Figure III-13 shows the percent of foreign-born residents by Census tract. Concentrations occur in Census tracts with more than 3.7% of foreign-born residents and are found in the University District, as well as the Lewis & Clark, Riverfront, and Two Rivers neighborhoods.

**Figure III-13.**  
**Percent Foreign Born by Census Tract, Missoula, 2022**



Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of foreign-born residents (3.7%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

As shown in Figure III-14, 5.5% of Missoula's population over the age of five speaks a language other than English at home. Overall, 1.4% of the population has limited English proficiency—i.e., they speak English less than “very well” according to the Census LEP—with Asian, Pacific Island, and other Indo-European languages the most common among LEP populations in the city. Spanish speakers account for the city's greatest proportion of residents who speak a language other than English (5.5%), but a much smaller percentage of the city's LEP population (0.2%).

**Figure III-14.**  
**Percent of Residents by Language and Proficiency, 2022**

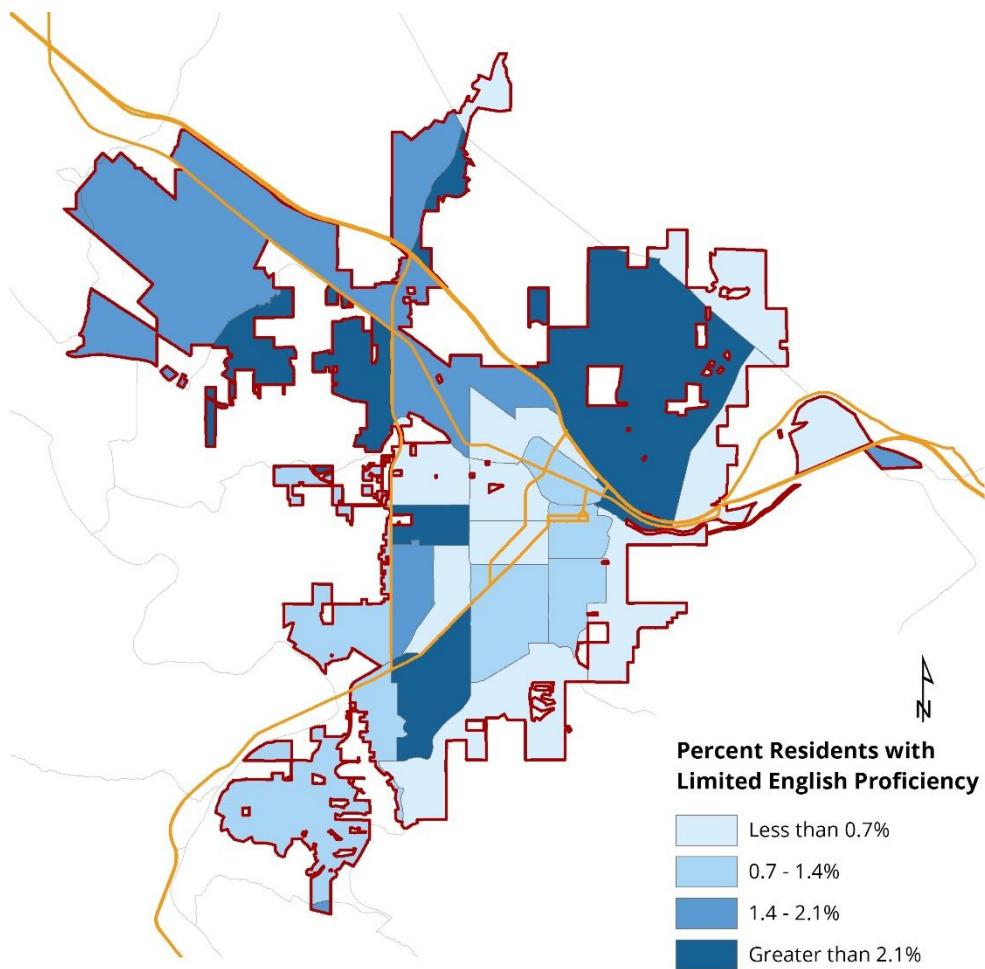
	Total in Language Group	Limited English Proficient	
		Total Number	Total Population
<b>Population</b>	71,584	100%	
<b>Speak language other than English</b>	3,902	5.5%	992 1.4%
Spanish	1,116	1.6%	128 0.2%
Other Indo-European languages	1,543	2.2%	410 0.6%
Asian and Pacific Island languages	774	1.1%	451 0.6%
Other languages	469	0.7%	3 0%

Note: Population numbers refer to the population 5 years and over.

Source: 2022 ACS 5-year estimates.

Figure III-15 shows the percentage of LEP residents by Census tract in Missoula. Concentrations of residents with limited English proficiency (2.1% or more of a Census Tract's population) are dispersed throughout the city, primarily found in the Upper Rattlesnake, Captain John Mullan, River Road, Southgate Triangle, and South 39<sup>th</sup> Street neighborhoods.

**Figure III-15.**  
**Percent Limited English Proficiency (LEP) by Census Tract, Missoula, 2022**



## Income and Poverty

In Missoula, the median household income increased by nearly 50% between 2010 and 2022. All other comparison jurisdictions saw increases in median household income over the same time period, with Billings and the state of Montana experiencing the greatest increases (69% and 59% increase, respectively). Missoula has the lowest household median income among comparison jurisdictions—likely due to the presence of the large college student population.

### **Figure III-16. Median Household Income, 2010 and 2022**

Source:  
2010 and 2022 ACS 1-year estimates.

	2010	2022	Percent Change
<b>Missoula</b>	\$ 40,604	\$ 59,590	47%
<b>Billings</b>	\$ 45,941	\$ 77,711	69%
<b>Missoula County</b>	\$ 45,596	\$ 68,305	50%
<b>State of Montana</b>	\$ 42,666	\$ 67,631	59%

In 2022, the proportion of Missoulians living below the poverty level was 9.2%, a decrease of 7 percentage points from 2010. The state of Montana has the highest poverty rate among all comparison jurisdictions, approximately 25% higher than the city rate. All other comparison jurisdictions have seen significant decreases in poverty over the same time period.

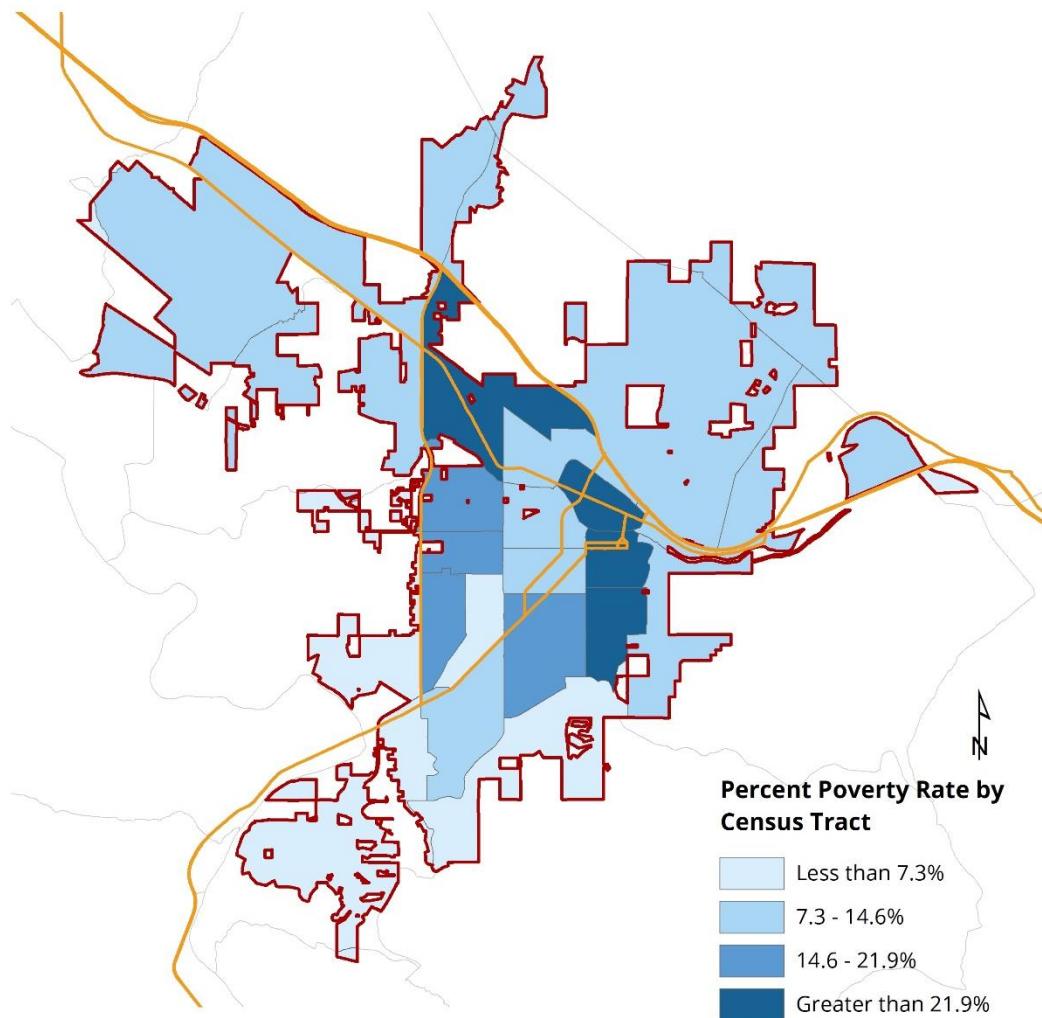
### **Figure III-17. Poverty Rates and Change, 2010 and 2022**

Source:  
2010 and 2022 ACS 1-year estimates.

	2010	2022	Percent Change
<b>Missoula</b>	16.6%	9.2%	-7.4%
<b>Billings</b>	13.8%	8.9%	-4.9%
<b>Missoula County</b>	14.2%	7.9%	-6.3%
<b>State of Montana</b>	14.6%	12.1%	-2.5%

Figure III-18 shows the percentage of residents living in poverty by Census tract in Missoula. Census tracts with more than 21.9% of residents living in poverty are considered tracts with concentrated poverty. Poverty is mostly concentrated in the city's centrally located neighborhoods, specifically the Heart of Missoula (35.4%), the University District (covering Census Tracts 5.01 and 5.02 (30.1% and 25.5%, respectively)), and the Westside and Northside neighborhoods.

**Figure III-18.**  
**Individual Poverty Rate by Census Tract, Missoula, 2022**



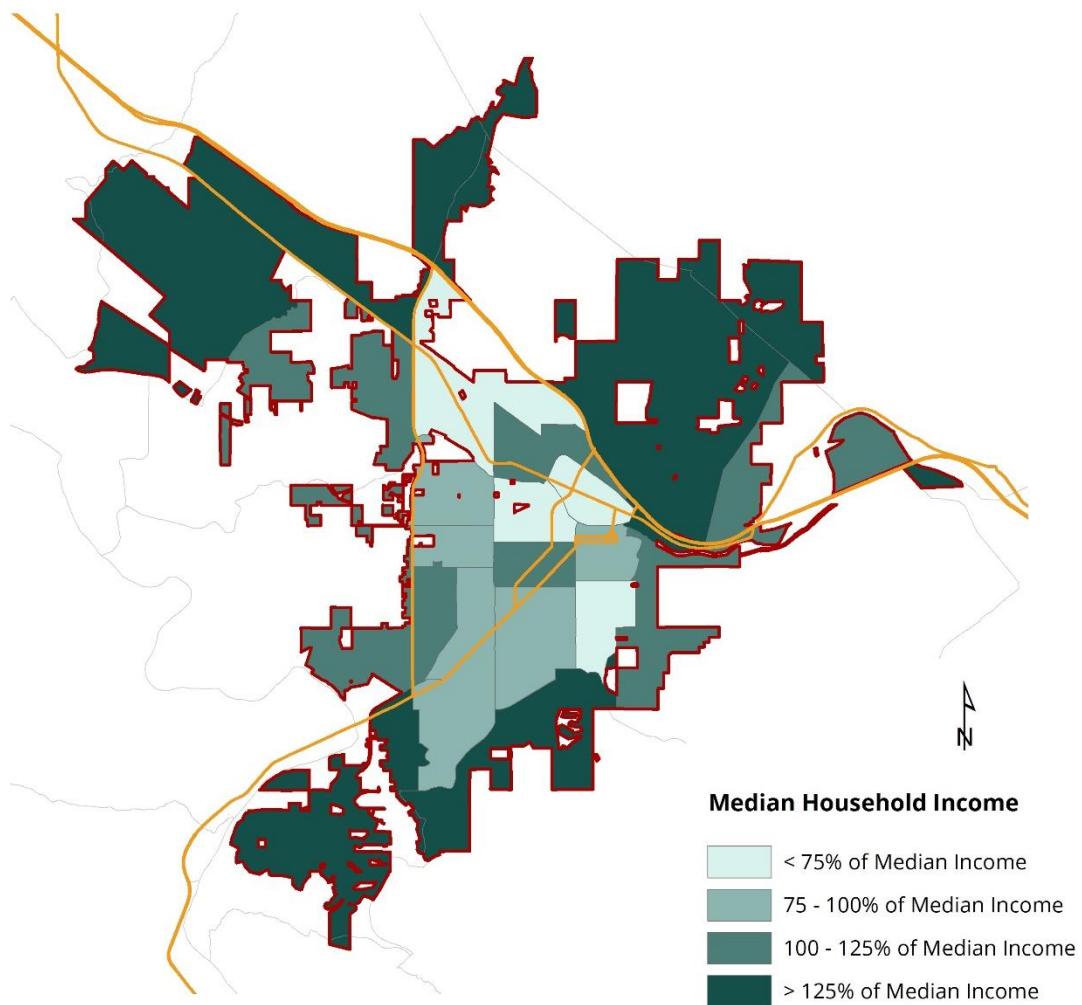
Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of individual residents living in poverty (14.6%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

Census Tracts with median household incomes greater than the citywide median are primarily located on the peripheral boundaries of the city, indicated in dark green (Figure III-19). Census Tract 3 (\$31,250), Census Tract 5.01 (\$36,563), Census Tract 5.02 (\$45,967), Census Tract 2.04 (\$43,200), and Census Tract 7 (\$43,548) have the lowest median

household income in Missoula. These Census Tracts correspond with the following neighborhoods: Heart of Missoula, University District, Northside/Westside, and Riverfront.

**Figure III-19.**  
**Median Household Income by Census Tract, 2022**



Note: Median Household Income for the city of Missoula is \$59,783.

Source: 2022 ACS 5-year estimates.

Figure III-20 shows the poverty rates and median household income by race and ethnicity for the city. American Indian and/or Alaska Native and Asian residents, as well as residents who identify as two or more races, have lower median income than the city overall. Excluding Asian residents, American Indian and/or Alaskan Native residents and those who identify as two or more races also experience disproportionate levels of poverty relative to the city as a whole.

**Figure III-20.**  
**Poverty and Median Income by Race/Ethnicity, Missoula, 2022**

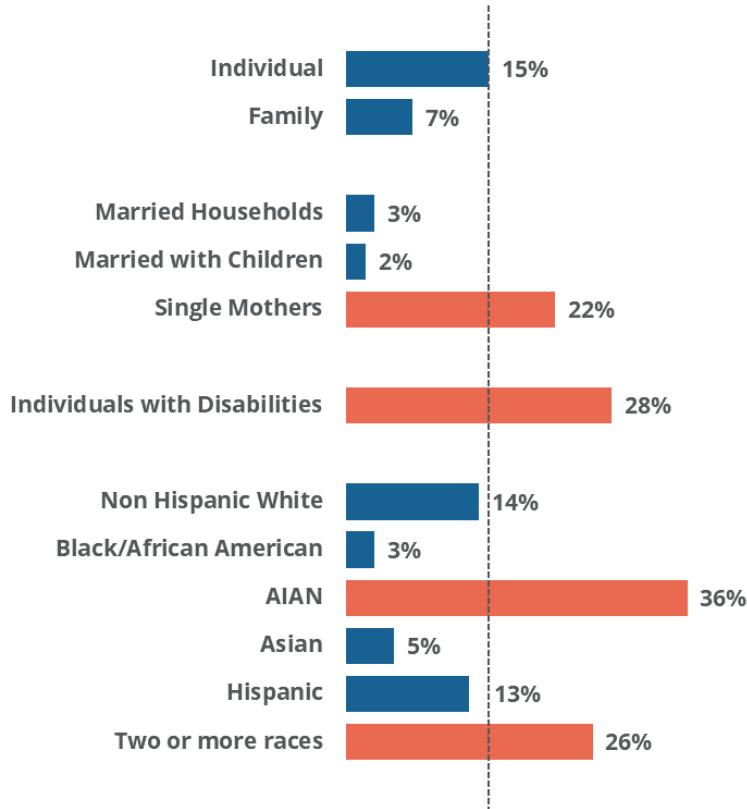
Source:  
 2022 ACS 5-year estimates.

Race/Ethnicity	Poverty Rate	Median Income
Non-Hispanic White	13.6%	\$60,998
Black or African American	3.2%	\$67,583
American Indian and/or Alaska Native	36%	\$50,526
Asian	4.7%	\$52,969
Hispanic	13%	\$63,894
Two or more races	26.2%	\$53,218

Figure III-21 below shows the poverty rate for additional demographic groups. Demographic groups with a poverty rate that is higher than the individual poverty rate (15%) are highlighted in red. Residents who identify as American Indian and/or Alaska Native (AIAN), residents with a disability, residents that identify as two or more races, and single mothers have the highest rates of poverty in Missoula. Married households, married households with children, and Black/African American households have the lowest rates of poverty.

**Figure III-21.**  
**Poverty Rate by Familial Status, Disability Status, and Race/Ethnicity, Missoula, 2022**

Source:  
 2022 ACS 5-year estimates, Root Policy Research



In every community, there are residents who, for a variety of reasons (debilitating diseases, and elderly residents living with people who are elderly with ailments) cannot generate household income through employment, are not capable of being gainfully employed.

These residents generally require long-term public assistance. Income assistance—in the form of Old Age Pension (OAP), Aid to Needy Disabled (AND), Supplemental Security Income (SSI), Social Security Disability Income (SSDI), Veterans Affairs (VA) benefits, Medicare or Medicaid, food stamps, and a “preference” for existing public housing and Section 8 vouchers—are the most realistic strategies for maintaining household income and limiting the effects of extreme poverty in these situations.

Additionally, different circumstances leading to poverty demand different approaches. Situational poverty, usually due to job loss, significant illness, or other life-changing events, can usually be addressed through temporary safety nets (e.g., rent or mortgage assistance, shelter, childcare subsidies) and access to programs to help a household regain self-sufficiency.

Generational poverty, usually defined as poverty lasting two generations or longer, is more difficult to address. Families experiencing generational poverty require broader and long-term, sustainable supportive services.

**Economic segregation.** As shown in both Figures III-18 and III-19, Census tracts located in the central areas experience greater rates of poverty and lower household median incomes compared to tracts located in areas along the city's boundaries. The City of Missoula's Equity in Land Use audit found that “neighborhoods in Missoula are clearly segregated by income (Figure III-22).”<sup>11</sup> The report describes that neighborhoods zoned primarily for single-family dwellings are mainly higher income neighborhoods, which are estimated to only be affordable to 10-15% of households in the city.

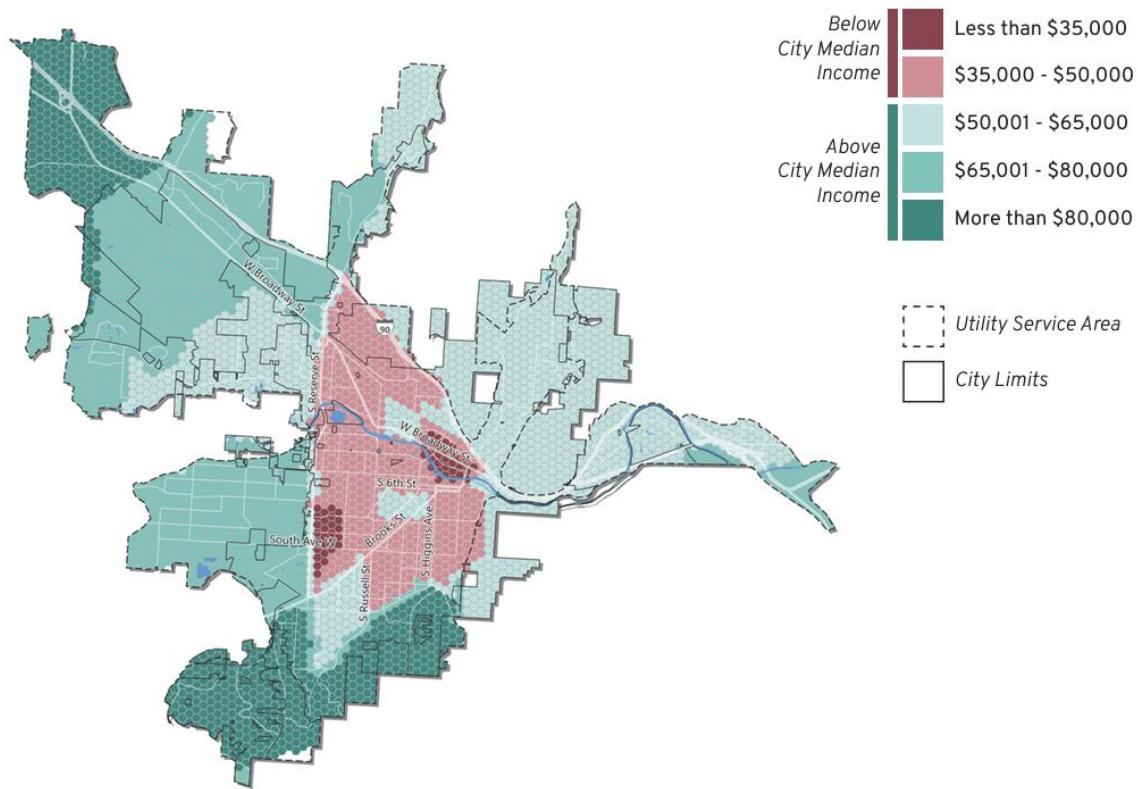
Moreover, the greatest proportion of households with income less than \$50,000 are found in Census tracts located in the central areas of Missoula, specifically the Heart of Missoula (74.8% of households in this tract make less than \$50,000), Northside/Westside (58.8%), University District (55.6%), and River Road (55.6%) neighborhoods. The report goes on to articulate that “[s]ome neighborhoods may have a disproportionate share of either affluent or poorer residents compared to the city as a whole. Due to the effects of institutionalized racism, segregation by class or income is often highly correlated with segregation by race or ethnicity.”

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<sup>11</sup> [Our Missoula: Equity in Land Use Report](#), August 2, 2023, page 39.

**Figure III-22.**  
**Median Household Income, Missoula, 2020**

FIGURE 10. MEDIAN HOUSEHOLD INCOME, 2020



Source: Our Missoula: Equity in Land Use Report, August 2023, page 41

**Racial and ethnic segregation.** This section examines racial and ethnic segregation in Missoula. Typically, a variety of indices are used to quantify segregation and isolation of different racial and ethnic groups. However, due to the city's largely non-Hispanic white population, these indices do not offer a completely accurate picture of the occurrence of racial and ethnic segregation in the city.

One of the most common measures of segregation used in fair housing studies is the dissimilarity index (DI), which measures the degree to which two distinct groups are evenly distributed across a geographic area, usually a county. DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation. The DI represents the percentage of a group's population that would have to move for each area in the county to have the same percentage of that group as the city overall.

A “score” between 0 and 39 indicates low segregation, values between 40 and 54 indicate moderate segregation, and values between 55 and 100 indicate high levels of segregation.

As shown in Figure III-23, according to HUD's AFFH data and mapping tool, the city of Missoula has had low levels of segregation among all comparison groups over the last

twenty years. However, these low DI scores can mostly be attributed to the relatively small proportion of residents of color in the city compared to their non-Hispanic White counterparts. For example, even if a dramatic redistribution of the location of residents of color occurred throughout the city, due to the relatively low proportion of residents of color overall, this would not significantly alter the city's current DI "score."

**Figure III-23.**  
**Dissimilarity Index,**  
**2000, 2010, and**  
**2020,**



Source:  
 HUD AFFH-T and Root Policy  
 Research.

Comparison Groups	2000	2010	2020
Non-White/White	16	13	17
Black/White	13	11	23
Hispanic/White	12	10	16
Asian or Pacific Islander/White	18	19	23

**Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs).** HUD has developed a framework to examine economic opportunity at the neighborhood level, with a focus on racial and ethnic minorities. That focus is related to the history racial and ethnic segregation, which, as discussed in the beginning of this section, often limited economic opportunity.

"Racially or ethnically concentrated areas of poverty," also known as R/ECAPs, are neighborhoods in which there are both racial concentrations and high poverty rates.

HUD's definition of an R/ECAP is:

- A Census tract that has a non-white population of 50 percent or more (majority-minority), or for non-urban areas (those outside of "core based statistical areas"), 20 percent, and
- A Census tract where the poverty rate is at least either 40 percent or three times the average tract poverty rate for the metropolitan area, whichever is lower.

Due to the city's large non-Hispanic White population, there are no "majority-minority" Census tracts in Missoula and as a result, there are no Census Tracts designated as R/ECAPs in the city. However, as described throughout this section, many households of color are primarily concentrated in Census tracts located in the central area of the city, which have higher poverty rates and lower median household incomes relative to Missoula overall.

## **IV. ACCESS TO OPPORTUNITY**

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# SECTION IV.

# Access to Opportunity

This section examines Access to Opportunity in education, employment, and transportation—the opportunity areas identified by stakeholders and residents as being the most challenging in the city of Missoula. The analysis focuses on disparities in access to opportunity for persons living in poverty and protected classes. This section draws from data and maps provided by HUD, independent research conducted to support the Equity Plan, and findings from the community engagement process.

## Primary Findings

Analysis in this section points to gaps in access to opportunity in:

- **Education.** Missoula students have higher levels of proficiency across race and economic status than peer districts and the state of Montana; however, white students have substantially higher proficiency rates than all other student groups by race and income within Missoula schools. Moreover, Indigenous students tend to have lower high school graduation rates in Missoula, and lower academic achievement levels than non-Hispanic White students.
- **Employment outcomes.** Education gaps directly translate into employment gaps. Overall, Indigenous, Black, and Hispanic/Latino residents have the lowest levels of labor market engagement, as well as the smallest proportions of those with a college degree (40% for all three groups, respectively) in the city. While these proportions are much higher compared to national rates, these groups still fall behind non-Hispanic White Missoulians with a college degree (51%). However, unemployment rates for these three groups are relatively low (all under 4.4%).
- **Broadband access.** While 96% of households with income above \$75,000 have an internet subscription, only 75% of households earning below \$20,000 have an internet subscription. For low-income households, lack of internet access may limit their ability to access community resources.
- **Access to transportation.** In focus groups conducted to support this study, residents and stakeholders expressed mixed reactions about the city's transportation system. While many lauded that the system is free for Missoula residents, several residents and stakeholders articulated a need for stronger connections between bus routes and amenities, better signage, and safer and more accessible bus stops.

- **Access to healthy food.** Seven Census tracts in the city are identified as having limited food access, which include the Westside, Northside, River Road, University, and Franklin to the Fort neighborhoods.

## Opportunity Indicators

To facilitate the Assess to Opportunity analysis, HUD provides “opportunity indices” that allow comparison of data indicators by race and ethnicity, for households below and above the poverty line, among jurisdictions, and across regions.

Three geographic areas were analyzed for this section, including:

- Missoula CDBG (the same boundaries as the city of Missoula);
- Missoula region (the same boundaries as Missoula County); and
- The state of Montana.

*To interpret these indices, use the following rule: a higher number is always a better outcome. The indices should be thought of as an “opportunity score”, rather than a percentage.*

The HUD approach—specifically the following six indices in the tables—were the starting point for this Access to Opportunity analysis.

The indices include the:

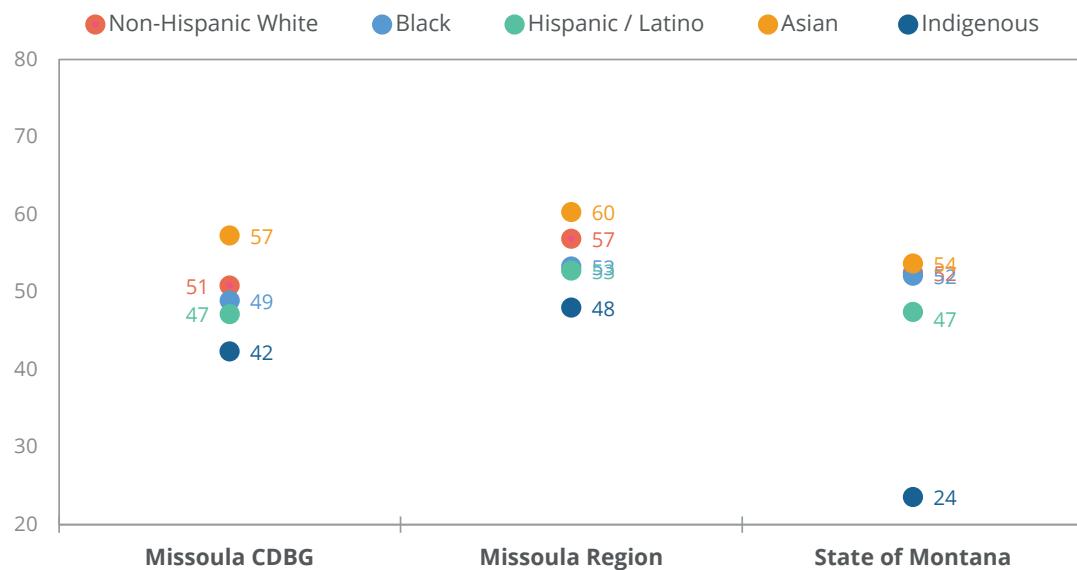
- **Low poverty index.** This index measures neighborhood exposure to poverty, with proximity to low poverty areas considered to be an advantage. Higher index scores suggest better access to economically strong (i.e. low poverty) neighborhoods.
- **School proficiency index.** This index measures neighborhood access to elementary schools with high levels of academic proficiency within 1.5 miles. Proficiency is measured by 4<sup>th</sup> grade scores on state-administered math and science tests. HUD uses elementary school scores only for this index because they are typically more reflective of school quality and access at the neighborhood level. Middle and high schools draw from larger boundaries and, especially in high school, have more transportation options.
- **Labor market engagement index.** This index measures the employability of neighborhood residents based on unemployment, labor force participation, and educational attainment. Higher index scores suggest residents are more engaged in the labor market.
- **Jobs proximity index.** The jobs proximity index indicates how close residents live to major employment centers. The higher the index, the greater the access to nearby employment centers for residents in the area.

- **Transit index.** The transit index measures use of public transit by low-income families that rent. The higher the index, the more likely that residents in the area are frequent users of public transportation.
- **Low-cost transportation index.** This index measures the cost of transportation, based on estimates of the transportation costs for low-income families that rent. Higher index values suggest more affordable transportation.

**Low poverty index.** Figures IV-1 presents the values of the low poverty index for each jurisdiction's total population by race and ethnicity. As shown, access to low poverty neighborhoods varies by race and ethnicity in all communities. The disparity in access to low poverty neighborhoods is most profound for Indigenous communities in Missoula and statewide with Asian communities having better access to low poverty neighborhoods.

**Figure IV-1.**

**Low Poverty Index, Total Population**

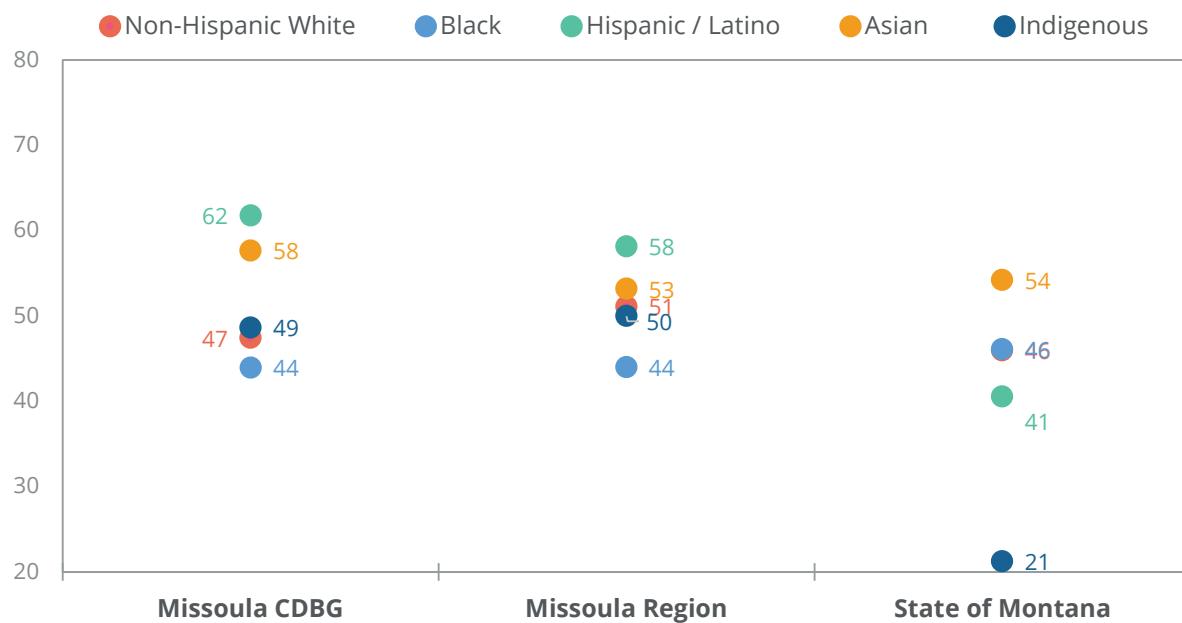


Note: Higher numbers indicate greater access to low poverty neighborhoods.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Poverty Index.

Figure IV-2 shows the low poverty index for residents with incomes below the poverty level. In the city of Missoula and Missoula County, Black households have the least access to lower poverty neighborhoods while Hispanic/Latino households have the most access to these same neighborhoods. Statewide, Asian households living below the poverty line have greater access to lower poverty neighborhoods, while Indigenous households have the least access.

**Figure IV-2.**  
**Low Poverty Index, Population Below the Poverty Line.**



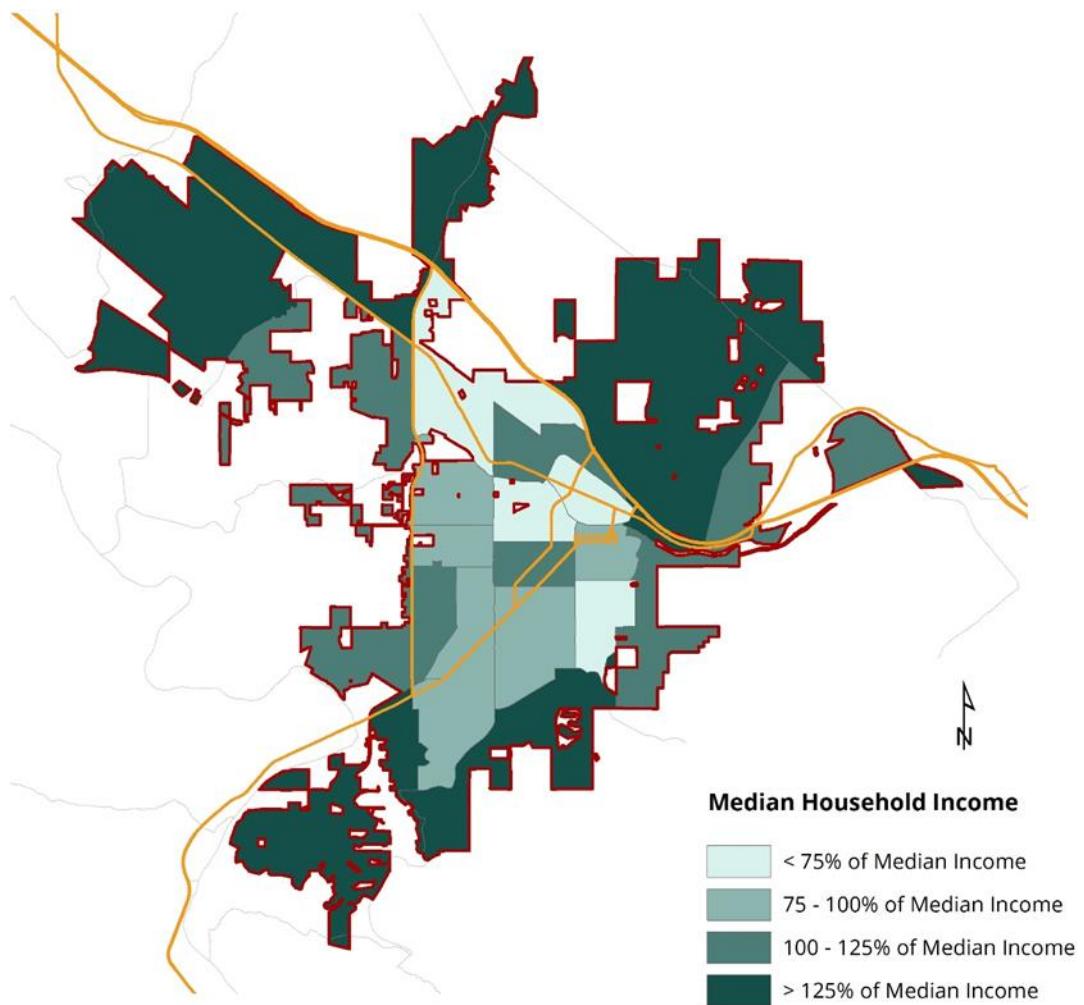
Note: Higher numbers indicate greater access to low poverty neighborhoods.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Poverty Index.

Census tracts with lower median household income relative to the city's median household income are generally located in the central areas of the city (Figure IV-3). Census Tract 3 (\$31,250), Census Tract 5.01 (\$36,563), Census Tract 5.02 (\$45,967), Census Tract 2.04 (\$43,200), and Census Tract 7 (\$43,548) have the lowest median household income in Missoula, which correspond with the Heart of Missoula, University District, Northside/Westside, and Riverfront neighborhoods. In addition to the Franklin to the Fort neighborhood, these areas generally have higher proportions of residents of color compared with other neighborhoods in Missoula.

**Figure IV-3.**

**Median Household Income by Census Tract, City of Missoula, 2022.**



Note: Median household income is \$59,783.

Source: 2022 ACS 5-year estimates and Root Policy Research.

These neighborhoods also have a significant number of renters. The Census tracts that overlap with the Heart of Missoula (95% of the population are renters), Riverfront (78%), University District (76%), and Northside/Westside neighborhoods (75%) have the greatest proportion of renters in the city.

Several stakeholders articulated a significant need for more street and sidewalk improvements in these areas, particularly the Northside and Westside neighborhoods. Specific issues included the lack of safe crossings and sidewalks. Stakeholders wanted to see a better distribution of affordable housing throughout Missoula, with many noting that affordable housing is concentrated in the Westside, Northside, and Franklin to the Fort neighborhoods. Additionally, a need for more amenities and stores in these areas was

cited by multiple stakeholders and residents throughout the community engagement process.

## Access to Quality Education

Publicly supported education and training are key building blocks for a well-functioning economy. Research published by the Education Law Center shows that education not only results in billions of dollars of social and economic benefits but an educated population leads to gainful employment, stable families, and productive residents who are less likely to commit crimes, place a high demand on the public health care system, and enroll in welfare assistance programs.<sup>1</sup> Public schools have also played an important part in closing the gap between wealthy and poor students on academic outcomes typically defined by standardized tests, which helps reduce income inequality.<sup>2</sup> Additionally, well-resourced and highly performing neighborhood schools are integral to community development and can provide a catalyst for improved neighborhood environments.<sup>3</sup>

The HUD school proficiency index is based on state math and reading tests administered to 4th graders. Neighborhoods are “scored” based on proficiency ratings of up to three elementary schools with a 1.5-mile boundary; aggregate scores determine the city or region’s overall score. This index is used as a starting point for examining access to education.

**School proficiency index.** Figure IV-4a presents the values of the school proficiency index for each jurisdiction by race and ethnicity. In the city, disparities in access to school proficiency are minimal among racial and ethnic groups. In Missoula County, Asian and Black households have the greatest access to school proficiency while Indigenous households have the least access to proficient schools, which aligns with the low poverty neighborhood index for total population. This disparity in the school proficiency index is much more significant at the statewide level than in either the county or city.

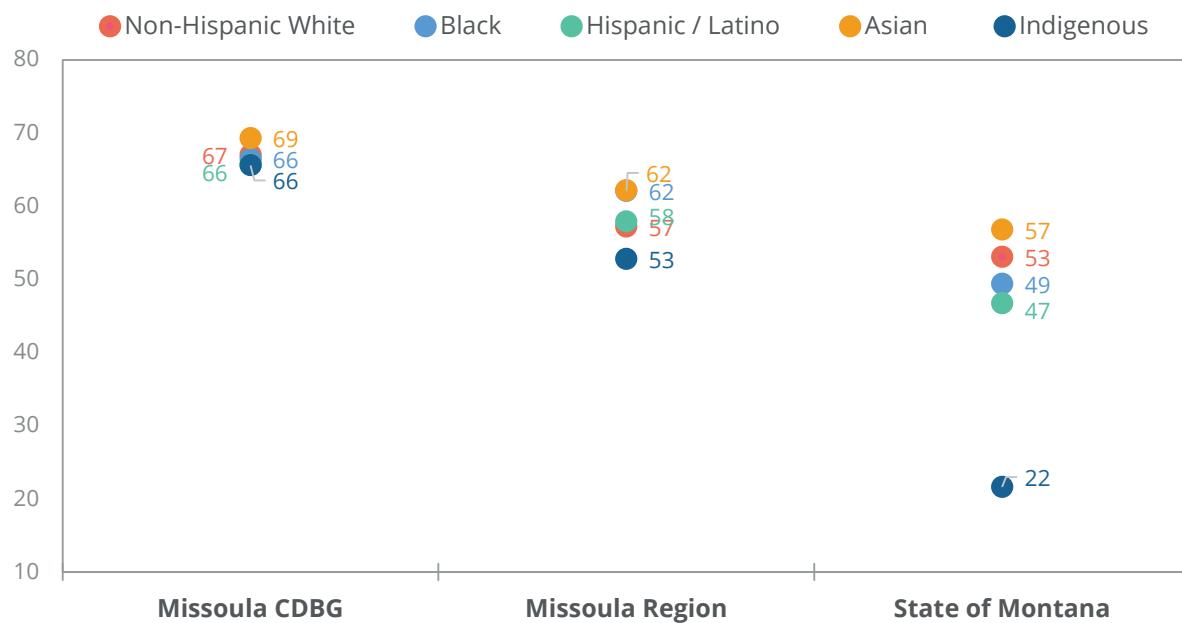
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<sup>1</sup> Dana Mitra, ‘Pennsylvania’s Best Investment: The Social and Economic Benefits of Public Education,’ *Education Law Center* (June 2008), [https://www.elc-pa.org/wp-content/uploads/2011/06/BestInvestment\\_Full\\_Report\\_6.27.11.pdf](https://www.elc-pa.org/wp-content/uploads/2011/06/BestInvestment_Full_Report_6.27.11.pdf).

<sup>2</sup> Alexander, K., Public Education and the Public Good. 1997, *Social Forces*. 76(1): p. 1-30.

<sup>3</sup> Moore, Sandra M. and Susan K. Glassman. ‘The Neighborhood and Its School in Community Revitalization: Tools for Developers of Mixed-Income Housing Communities’. *Housing and Urban Development*. 2007.

**Figure IV-4a.**  
**School Proficiency Index, Total Population.**

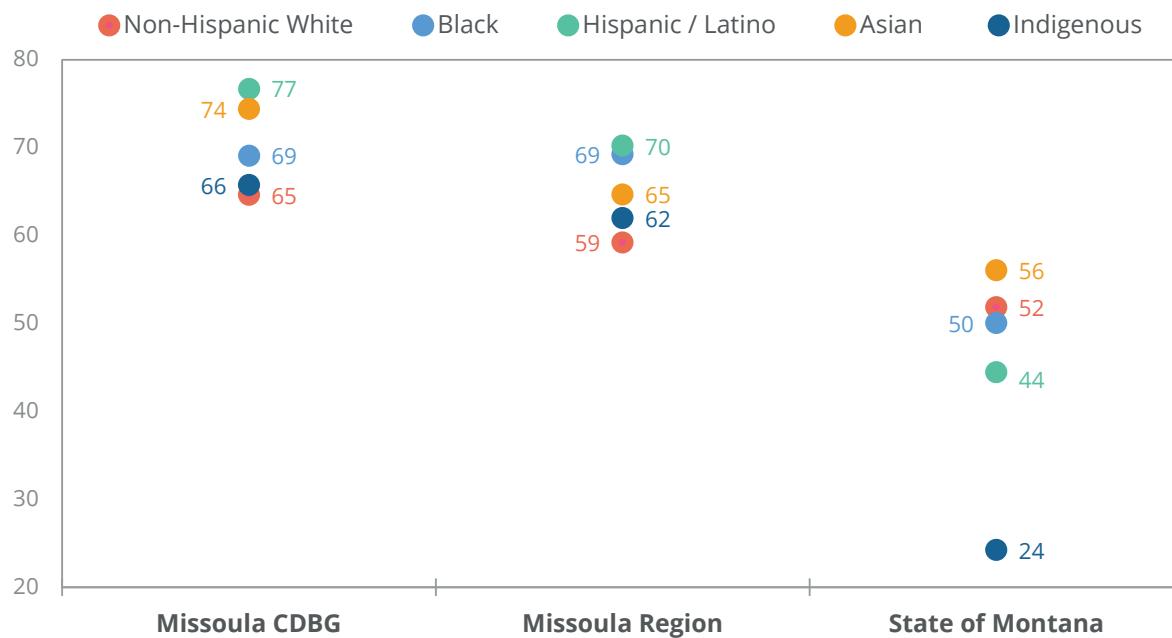


Note: Higher scores indicate greater likelihood of access to proficient schools.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, School Proficiency Index.

For lower income households in Missoula city, Hispanic/Latino and Asian families have greater access to proficient schools with minimal difference in access between other racial and ethnic groups (Figure IV-4b). Statewide, Indigenous students have dramatically less access to proficient schools.

**Figure IV-4b.**  
**School Proficiency Index, Population Below the Poverty Line.**



Note: Higher scores indicate greater likelihood of access to proficient schools.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, School Proficiency Index.

The HUD-provided index does not fully measure school quality because it is a point-in-time measurement solely based on standardized test scores. It does not consider student growth and prior knowledge base. As such, this section also incorporates recent research on school quality and the drivers of educational inequities.

**Disparities in access to K-12 schools.** Missoula County Public Schools comprises nine elementary schools, two middle schools and three high schools within the city of Missoula. Figure IV-5 shows total enrollment and distribution by race and ethnicity, income, and housing status for the 14 schools in Missoula County Public schools within Missoula city. The schools with the largest share of Hispanic/Latino and Indigenous students are Hawthorne, Lowell and Paxson elementary schools, Meadow Hill Middle and Big Sky High School. Schools with the highest number of economically disadvantaged students (defined by free and reduced lunch eligibility) are Franklin, Howell, Lowell and Russell elementary schools—all accounting for more than 20% of their respective student populations. Meadow Hill Middle School and Big Sky High School have the highest percentage of economically disadvantaged students of the upper schools. Franklin and Hawthorne elementary schools also have the highest percentage of unhoused students.

Children eligible for free and reduced lunch (FRL) are an economic indicator of risk that is used by educational departments to identify at-risk youth and target educational reform

programs as academic achievement gaps are often greatest between students from different income brackets. Similar to the federal poverty threshold, the FRL threshold is fixed and does not vary by state or jurisdiction. Currently, children are eligible to receive free lunches if their families earn less than 130% of the federal poverty threshold, and reduced lunch prices if earning between 130 and 185% of the poverty threshold.<sup>4</sup> This translates into income levels of roughly \$39,000 or less for free lunch eligibility, and \$39,000 to \$54,000 for reduced lunch eligibility, both for a family of four.<sup>5</sup>

Significant barriers to closing the academic gaps between students by race and income are school composition (high versus low poverty, racially segregated), which is a reflection of neighborhood composition and school financing. Schools with high concentrations of economically disadvantaged students and/or with high concentrations of one racial group impact students negatively across student groups.<sup>6</sup> High poverty schools typically have fewer resources to spread across greater student needs and therefore struggle to progress students to proficiency. Symptoms of resource-challenged schools include significant achievement gaps between groups by race and income, high student-to-teacher ratios, and high student-to-counselor ratios, which have been shown to impact chronic absenteeism—often a result of housing and home instability.<sup>7</sup>

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<sup>4</sup> [govinfo.gov/content/pkg/FR-2019-03-20/pdf/2019-05183.pdf](http://govinfo.gov/content/pkg/FR-2019-03-20/pdf/2019-05183.pdf)

<sup>5</sup> Paul Tough, in his book "How Children Succeed," argues that FRL is a weak measure of children in need because of the wide eligibility income range, an argument that could be applied to many definitions of low income and socioeconomic status. Children living in families earning \$10,000, for example, likely have much greater needs and potentially higher risks of academic failure than those living in households at the higher end of the threshold (\$44,000). These higher risk factors, according to Tough, include no adult in the household who is consistently employed, mental health, substance abuse in the household, and potential child abuse and neglect.

Tough further argues that children living in high poverty households also have psychological challenges, many related to poor parenting, that make the learning environment very challenging. The experience of stress and trauma as a child can lead to poor executive functioning, difficulty handling stressful situations, poor concentration, difficulty following directions, and social impairment. These children, therefore, require different interventions and reforms than those at the "middle class" end of the FRL spectrum.

<sup>6</sup> Wells, A. S., Fox, L., & Cordova-Cobo, D. How racially diverse schools and classrooms can benefit all students. *The Education Digest*, 82(1), 17. 2016

<sup>7</sup> Parzych, Jennifer L., Ph.D., Peg Donohue, Ph.D., Amy Gaesser, Ph.D., and Ming Ming Chiu, Ph.D. 'Measuring the Impact of School Counselor Ratios on Student Outcomes". *American Association of School Counselors*. February 2019

**Figure IV-5.****Total Enrollment by School District and Race/Ethnicity, Economic and Housing Status, 2021-2022.**

School	Total Enrollment	Distribution						
		Indigenous	Hispanic / Latino	Black	Asian	White	Economically Disadvantaged	Unhoused
Chief Charlo K-5	384	4%	5%	3%	2%	85%	15%	4%
Jeanette Rankin K-5	481	3%	3%	1%	3%	89%	11%	2%
Franklin K-5	302	9%	5%	7%	3%	77%	22%	6%
Hawthorne K-5	385	11%	5%	2%	2%	79%	27%	6%
Lewis and Clark K-5	478	5%	2%	1%	*	90%	14%	3%
Lowell K-5	252	11%	5%	6%	1%	77%	32%	6%
Paxon K-5	416	7%	8%	2%	1%	81%	14%	6%
Rattlesnake K-5	449	2%	4%	1%	2%	91%	10%	1%
Russell K-5	345	8%	5%	2%	3%	81%	24%	5%
Washington Middle School	668	5%	3%	1%	2%	89%	11%	1%
Meadow Hill Middle School	500	9%	4%	2%	1%	83%	16%	3%
Big Sky High School	1,137	7%	5%	2%	2%	84%	16%	4%
Hellgate High School	1,210	7%	4%	1%	3%	85%	11%	5%
Sentinal High School	1,278	5%	3%	3%	2%	87%	8%	3%

Note: K-12 Enrollment.

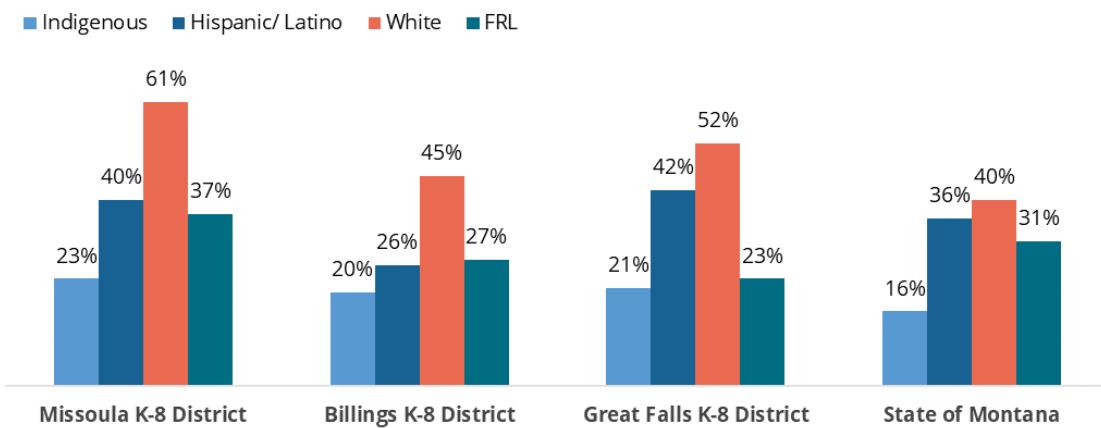
Source: Montana Department of Public Instruction and Greatschools.org.

**Educational gaps.** Providing access to high quality schools—as well as programming within schools to prepare students for moderate- and high-paying jobs—are key aspects of improving education outcomes of low-income children.

Figures IV-6 and IV-7 show the percentage of students in the Missoula K-8 District by race and income who met or exceeded Montana's Smarter Balanced Assessment score expectations for English and math compared to students in Billings, Great Falls, and statewide. Specifically:

- Missoula students have higher levels of proficiency across race and economic status than peer districts and the state of Montana; however, white students have substantially higher proficiency rates than all other student groups by race and income within Missoula schools.
- Indigenous students across all geographies have low proficiency rates.
- White and economically disadvantaged students perform significantly better in Missoula than peer communities; however, significant gaps by economic status within Missoula exist.

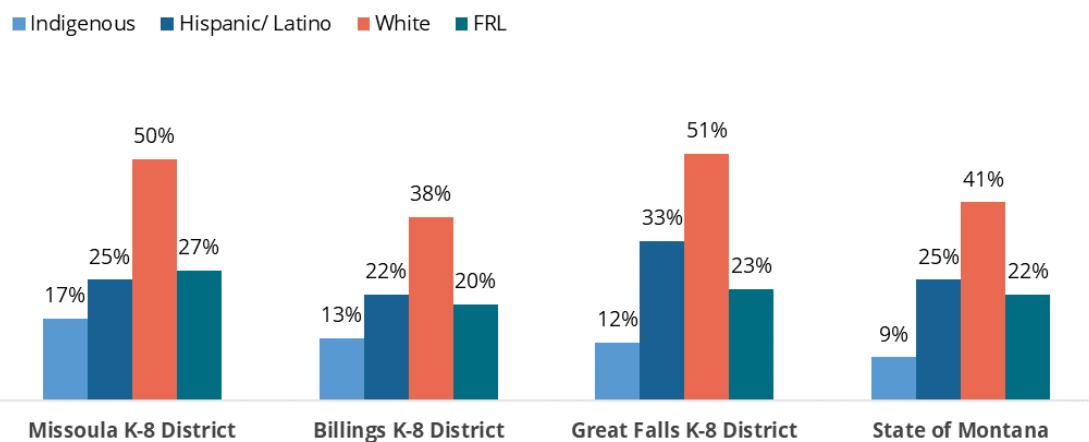
**Figure IV-6.**  
**Proficiency Rates for English by Race and Ethnicity, Elementary Districts in Montana, 2021-2022**



Note: “FRL” means students who are eligible for free and reduced lunch.

Source: Montana Office of Public Education and Root Policy Research.

**Figure IV-7.**  
**Proficiency Rates for Math by Race and Ethnicity, Elementary Districts in Montana, 2021-2022**



Note: “FRL” means students who are eligible for free and reduced lunch.

Source: Montana Office of Public Education and Root Policy Research.

A better measure of school proficiency that captures student base knowledge and progress over time are growth rates. The Montana Office of Public Education provides data on elementary and middle school students progressing towards proficiency for both reading and math (Figure IV-8). Capturing progress towards proficiency is particularly important in schools with a higher proportion of students who are economically disadvantaged or who have additional learning needs, such as English Language Learners and Special Education. In particular, Lowell Elementary stands out with very high progress towards proficiency rates in both English and math, despite having the highest economically disadvantaged population in Missoula schools (32%).

**Figure IV-8.**  
**K-8 Students**  
**Showing**  
**Progress**  
**Towards**  
**Proficiency in**  
**Reading and**  
**Math, 2021-2022.**

Source:  
 Montana Office of Public  
 Instruction.

School	Progress Towards Proficiency	
	Reading	Math
Chief Charlo K-5	52%	64%
Jeanette Rankin K-5	43%	66%
Franklin K-5	54%	46%
Hawthorne K-5	50%	46%
Lewis and Clark K-5	44%	58%
Lowell K-5	68%	82%
Paxson K-5	58%	84%
Rattlesnake K-5	56%	57%
Russell K-5	53%	56%
Washington Middle School	46%	49%
Meadow Hill Middle School	55%	64%

Figure IV-9 shows the four-year high school graduation rate for the three high schools in Missoula, as well as the Missoula High School District overall, Billings High School District, Great Falls High School District and the state of Montana, disaggregated by race, ethnicity, housing, economic, English language learner, and special education status. Disparities in graduation rates are apparent across high schools, with Hellgate High School having the lowest overall graduate rate at 79% and significantly lower graduate rates for Indigenous, Special Education, economically disadvantaged, and unhoused students.

**Figure IV-9.****High School Graduation Rates by School, School District, Race/Ethnicity and Student Subgroups, 2021-2022**

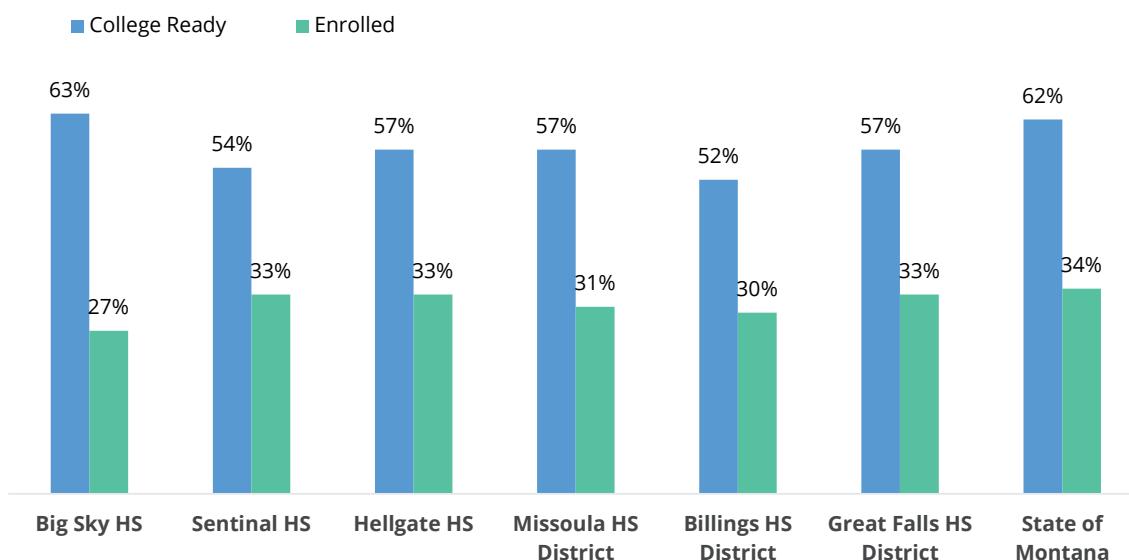
School District	All	Race/Ethnicity						Student Subgroup			
		Indigenous	Black	Hispanic/ Latino	Asian	Non-Hispanic White	Two or More Races	SPED	ELL	FRL	Unhoused
<b>Big Sky High School</b>	89%	89%	*	70%	*	87%	*	76%	78%	85%	76%
<b>Sentinal High School</b>	90%	67%	100%	73%	100%	92%	*	81%	92%	81%	83%
<b>Hellgate High School</b>	79%	42%	*	80%	*	83%	*	61%	*	63%	45%
<b>Missoula HS District</b>	86%	63%	90%	74%	92%	87%	*	73%	73%	77%	67%
<b>Billings HS District</b>	85%	65%	77%	78%	100%	88%	71%	71%	76%	73%	57%
<b>Great Falls HS District</b>	83%	61%	86%	74%	*	86%	86%	73%	59%	70%	64%
<b>State of Montana</b>	86%	68%	67%	80%	93%	89%	81%	76%	67%	76%	64%

Note: Four-year graduation rates, An asterisk ( \* ) indicates this number has been suppressed for student privacy and security reasons.

Source: Montana Office of Public Education.

The Montana Office of Public Education also provides data on college preparedness for recent graduates and the percentage of graduates enrolled in any Montana public college within 3 months of graduating. Figure IV-10 compares rates across the three Missoula high schools, Missoula High School District, Billings and Great Falls High School Districts, and the state of Montana for peer comparison purposes. While Big Sky High School has the highest rate of students prepared for college, graduates are the least likely to actually attend college within 3 months of graduation.

**Figure IV-10.**  
**College Ready and Enrollment, 2022.**

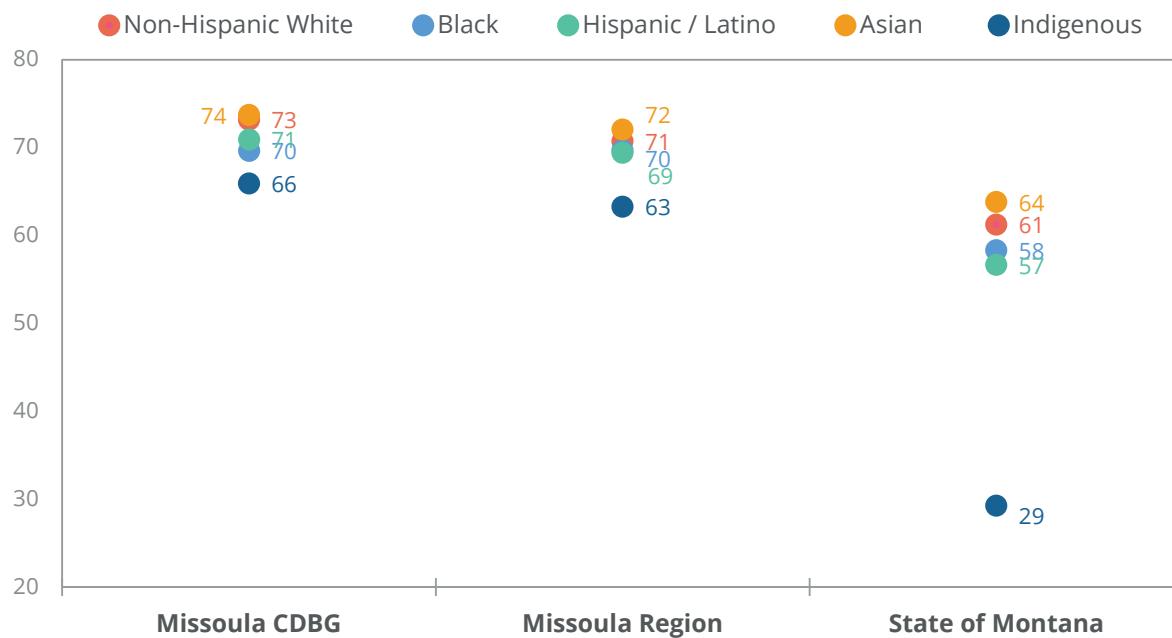


Source: Montana Office of Public Instruction.

## Access to Employment

**Labor market engagement index.** Figure IV-11 presents the values of the labor market engagement index for each jurisdiction by race and ethnicity. Missoula residents' likelihood of labor engagement is higher than the state of Montana and disparities by race or ethnicity are smaller between white and Indigenous residents than across the state. Similar to the indices described above, Indigenous populations have the lowest labor market engagement statewide.

**Figure IV-11.**  
**Labor Market Engagement Index, Total Population**

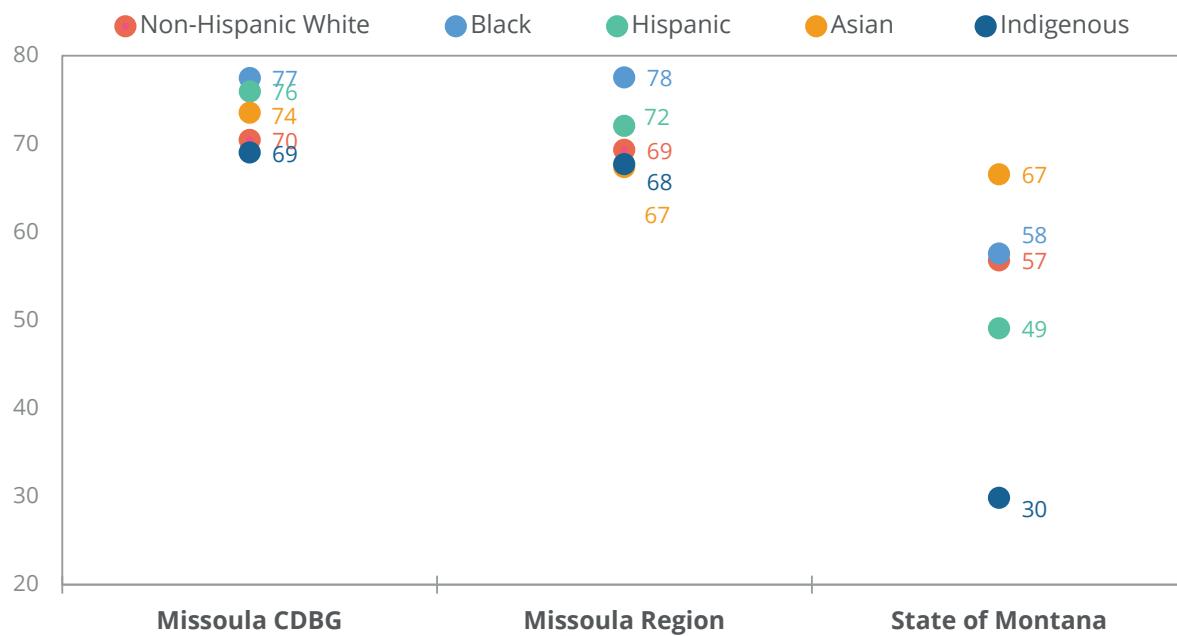


Note: Higher numbers indicate higher levels of labor market engagement.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Labor Market Engagement Index.

Among the population below the poverty line, the trend of disparity between races widens considerably statewide; however, Missoula stays roughly the same (Figure IV-12). Black residents below the poverty line are the most engaged in the labor market in both the city and the region while Asian residents below the poverty line are the most engaged statewide. Population groups by race in the city and region are very small, which could account for such differences compared to the state. Similar to the index for the total population, Indigenous residents living in poverty are the least engaged in the labor market statewide.

**Figure IV-12.**  
**Labor Market Engagement Index, Population Below the Poverty Line**



Note: Higher numbers indicate higher levels of labor market engagement.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Labor Market Engagement Index

Figure IV-13 shows growth of jobs by industry in Missoula County from 2012 to 2022. Industries with the most significant gains are construction, manufacturing, financial services, and government. The largest industries are education and health services, driven primarily by the University of Montana and its two hospitals. Construction gains are notable, as Missoula undertook a number of large housing development projects in 2022 in the Sxwtpqyen area, as well as other smaller projects in South Hills and lower Grant Creek. Additionally, the Scott Street area saw a significant number of income restricted housing opportunities, including the \$42 million Villagio project.<sup>8</sup>

Also in 2022, Amazon built a shipping warehouse near the Wye which will employ roughly 100 people and began hiring at \$16/hour in September 2023. The volume of development has necessitated an upgrade to transportation infrastructure through a multitude of projects across the city, which has created additional employment opportunities.

The Downtown Missoula Partnership also reported \$12.5 million in investment in downtown Missoula and 32 new businesses in 2022, with only seven businesses closing their doors—indicating strong local economic growth.<sup>9</sup>

**Figure IV-13.**  
**Number of Employees by Sector, Missoula County, 2012-2022**

Source:  
Bureau of Labor Statistics.

Sector	2012	2022	Percent change
Manufacturing	1,794	2,755	54%
Trade	11,379	12,628	11%
Information	973	991	2%
Financial Services	2,446	3,221	32%
Professional and Business Services	6,719	7,272	8%
Education and Health Services	9,771	10,936	12%
Leisure and Hospitality	7,418	8,170	10%
Public Administration	1,783	5,613	215%
Construction	2,389	3,890	63%

Figure IV-14 shows average weekly wages by sector and percent change since 2012. Information, professional and business services, and leisure and hospitality sectors experienced significant wage growth in Missoula County. Wage growth in leisure and hospitality is critical given that the industry has very low wages and is often seasonal.

<sup>8</sup> <https://www.kpax.com/news/missoula-county/housing-construction-infrastructure-dominated-growth-in-missoula-in-2022>

<sup>9</sup> <https://www.missouladowntown.com/wp-content/uploads/2023/01/Business-Activity2022-1.pdf>

**Figure IV-14.**  
**Average Weekly  
Wages by Sector,  
Missoula County  
2012-2022**

Source:  
Bureau of Labor Statistics.

Sector	2012	2022	Percent change
Manufacturing	\$36,555	\$52,621	44%
Trade	\$30,798	\$47,876	55%
Information	\$44,480	\$80,853	82%
Financial Services	\$49,668	\$76,269	54%
Professional and Business Services	\$40,532	\$69,380	71%
Education and Health Services	\$40,272	\$58,693	46%
Leisure and Hospitality	\$14,994	\$24,200	61%
Public Administration (state)	\$38,114	\$52,932	39%
Construction	\$41,568	\$62,812	51%

Despite the growth in employment and wages, data on educational attainment suggest that White workers—who have the highest rates of college graduation—are more likely to benefit from economic growth while Hispanic/Latino, Indigenous and Black workers will suffer more from economic declines (Figure IV-15). Half of Missoula’s population 25 years and over has a college degree, the highest among comparison jurisdictions. This also holds true for all racial and ethnic groups in Missoula compared to other geographies.

**Figure IV-15.**  
**Share of Population with a College Degree, by Race, Ethnicity and  
Jurisdiction, 2022**

	ALL	Race/Ethnicity				
		Indigenous	Black	Hispanic/ Latino	Non-Hispanic White	Two or More Races
<b>Missoula</b>	50%	40%	40%	40%	51%	50%
<b>Billings</b>	38%	8%	37%	14%	40%	29%
<b>State of Montana</b>	34%	15%	30%	23%	35%	30%
<b>United States</b>	36%	17%	25%	20%	39%	28%

Note: Share of population 25 years and over.

Source: 2022 ACS 5-year estimates.

Academic gaps translate to employment and wage gaps. The Montana Office of Public Instruction oversees adult learner programs statewide that receive federal grant funding under the Adult Education and Family Literacy Act (AEFLA), Title II of the Workforce Innovation and Opportunity Act (WIOA for alternative high school diploma or GED and

workforce development).<sup>10</sup> These programs are free to qualifying individuals and include English language learning and citizenship examination preparation allowing residents to improve career outcomes through postsecondary diploma recovery and job training.

Figure IV-16 shows the unemployment rate by race and ethnicity in Missoula between 2012 and 2022. Significant reduction in the unemployment rate for Indigenous, Black, and Hispanic/Latino residents over this time period indicates the lingering disproportionate impact of the Great Recession of 2008.

**Figure IV-16.**  
**Unemployment rate**  
**by Race and**  
**Ethnicity, City of**  
**Missoula, 2012 and**  
**2022.**

Source:

2012 and 2022 ACS 5-year estimates.

Race/Ethnicity	2012	2022	Percentage point change
Indigenous	29.3%	2.4%	-27%
Black	18.2%	1.9%	-6%
Hispanic / Latino	15.1%	4.4%	-6%
Non-Hispanic White	7.6%	3.6%	-6%
Two or More Races	20.0%	9.7%	-10%

**Commuting.** Figure IV-17 below shows the distribution of Missoula's workforce by commuting status. The workforce is comprised of all workers who live and/or work in the city of Missoula. Nearly half of Missoula's workforce is comprised of in-commuters (44%), while nearly one in seven workers live in Missoula but commute outside of the city (15%).

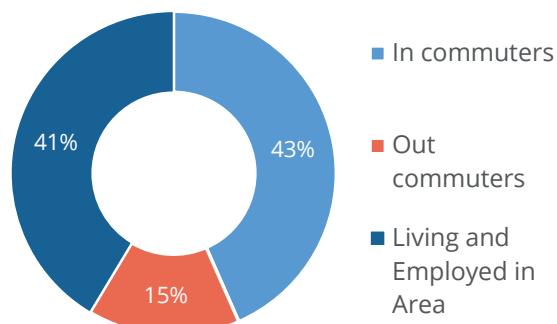
**Figure IV-17.**  
**Workforce**  
**Commuting**  
**Patterns 2022,**  
**Missoula.**

Note:

Workforce is comprised of all workers who live and/or work in Missoula City

Source:

Longitudinal Employer-Household Dynamics (LEHD).



<sup>10</sup> <https://opi.mt.gov/Families-Students/Student-Resources/Veterans-Adult-Education>

**Broadband access.** Access to broadband has increasingly become a necessity versus a luxury. However, according to the Federal Communications Commission (FCC), in 2017, 34 million Americans still lacked broadband Internet access (defined as a minimum of a 25 Mbps connection). In particular, remote or rural areas have lower rates of stable and fast internet access, which is critical for individual connectivity to jobs and education but also for community economic development. Figure IV-18 shows that ownership of a device (desktop/laptop, smartphone, tablet) is very high in Missoula, similar to both Billings and the state.

Although subscription rates are high, and metropolitan areas like Missoula and Billings have more reliable internet access, connectivity speed remains an issue for a large number of households in Montana. Montana ranked 49<sup>th</sup> in Ookla's speedtest, only ahead of Wyoming and Alaska. Montana has received \$628 million from the federal Broadband Equity and Access Deployment (BEAD) program and invested \$309 million of COVID relief funds in 62 broadband infrastructure projects throughout the state in 2023. An estimated 18% of Montana residents are either unserved or underserved, mostly in rural communities.<sup>11</sup>

In Missoula, 9% of residents do not have access to the internet. Residents making less than \$20,000 are most likely to not have access to the internet, with only 75% of these households holding internet subscriptions. Conversely, 96% of residents making over \$75,000 have access to the internet. One stakeholder with a local internet company shared that their company is unable to widely serve lower-income populations in Missoula because larger companies, like Spectrum, are able to offer more affordable internet packages. However, these larger companies might not be equipped to serve all housing units in the city, leaving some households without affordable internet options.

**Figure IV-18.**  
**Device Accessibility**  
**and Broadband**  
**Subscription, 2022.**

Source:  
American Community Survey 2022  
1-year estimates.

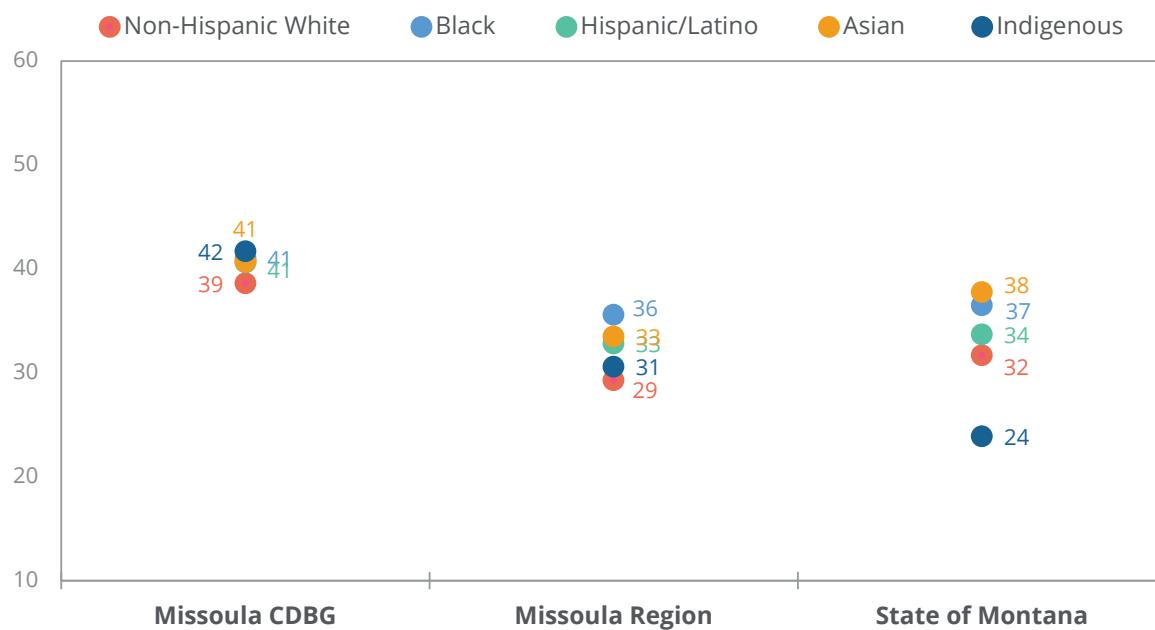
Geography	Percent with 1 or more type of device	Percent with Internet Subscription
Missoula City	95%	91%
Billings City	96%	93%
State of Montana	95%	89%

<sup>11</sup> [https://connectmt.mt.gov/IIJA/2023.06.04\\_BEAD-Five-Year-Action-Plan\\_vSHARE.pdf](https://connectmt.mt.gov/IIJA/2023.06.04_BEAD-Five-Year-Action-Plan_vSHARE.pdf)

## Transportation Access

**Transit index.** Figure IV-19 presents the values of the transit index for each jurisdiction by race and ethnicity. The likelihood of transit use is similar across jurisdictions and there are small differences by race or ethnicity within the jurisdictions. Missoula has slightly higher rates of access to transit, likely given that public transportation exists compared to more rural areas of the state, which are primarily car dependent. There are not any meaningful differences between races in Missoula, however, Indigenous communities statewide have much lower transit access.

**Figure IV-19.**  
**Transit Index, Total Population**

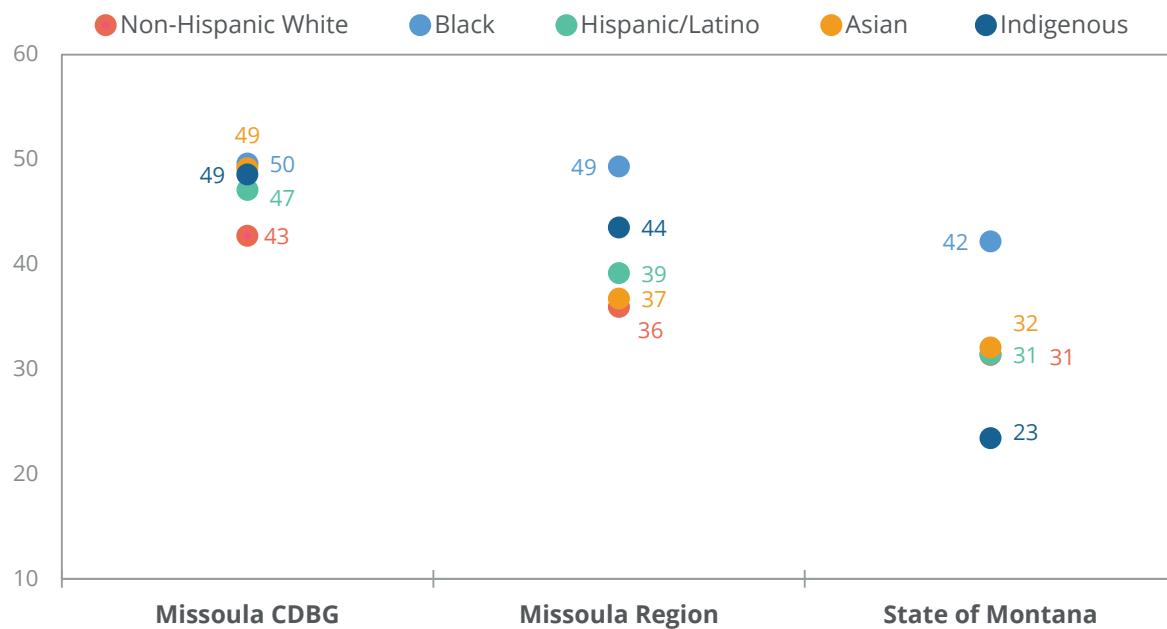


Note: Higher numbers indicate better access to transit.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Transit Index.

Among the population below the poverty line, similar to other indices, the trend of disparity between races widens considerably statewide (Figure IV-20). While access to transit for city residents living in poverty is actually greater compared to the city population overall, Indigenous residents living in poverty have the least transit access statewide.

**Figure IV-20.**  
**Transit Index, Population Below the Poverty Line**

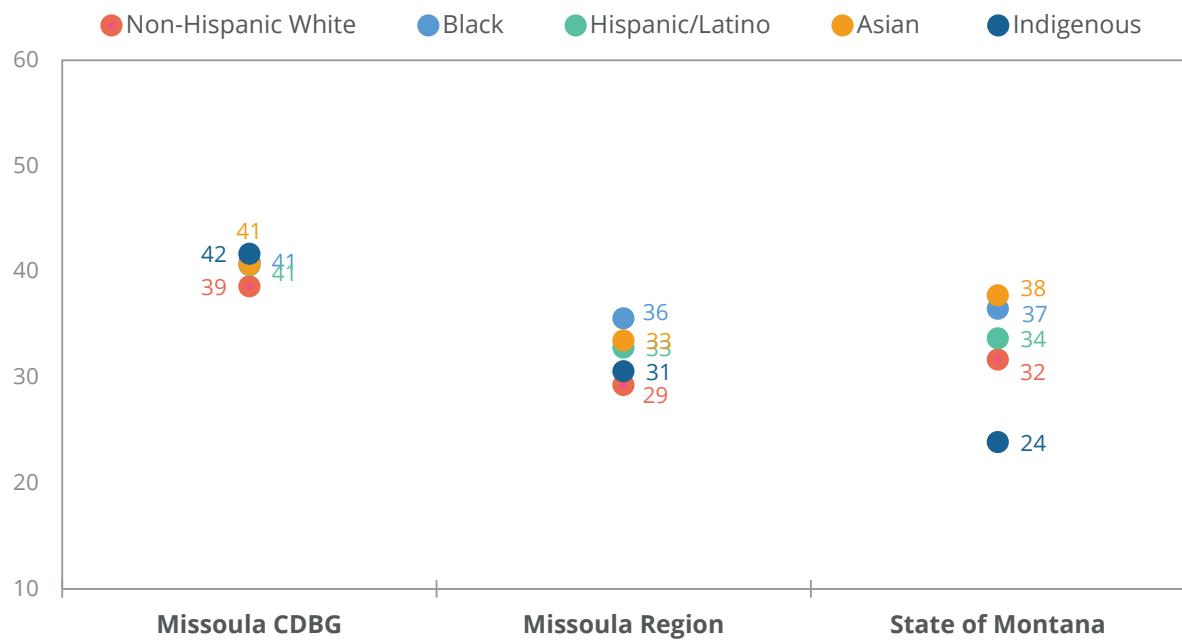


Note: Higher numbers indicate better access to transit.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Transit Index.

**Low-cost transportation index.** Figure IV-21 presents the values of the low-cost transportation index for each jurisdiction by race and ethnicity. Low-cost transportation index scores for the population overall do not vary significantly in the city of Missoula; however, this widens at the state level, with Indigenous residents having the lowest access to low-cost transportation.

**Figure IV-21.**  
**Low-Cost Transportation Index, Total Population**

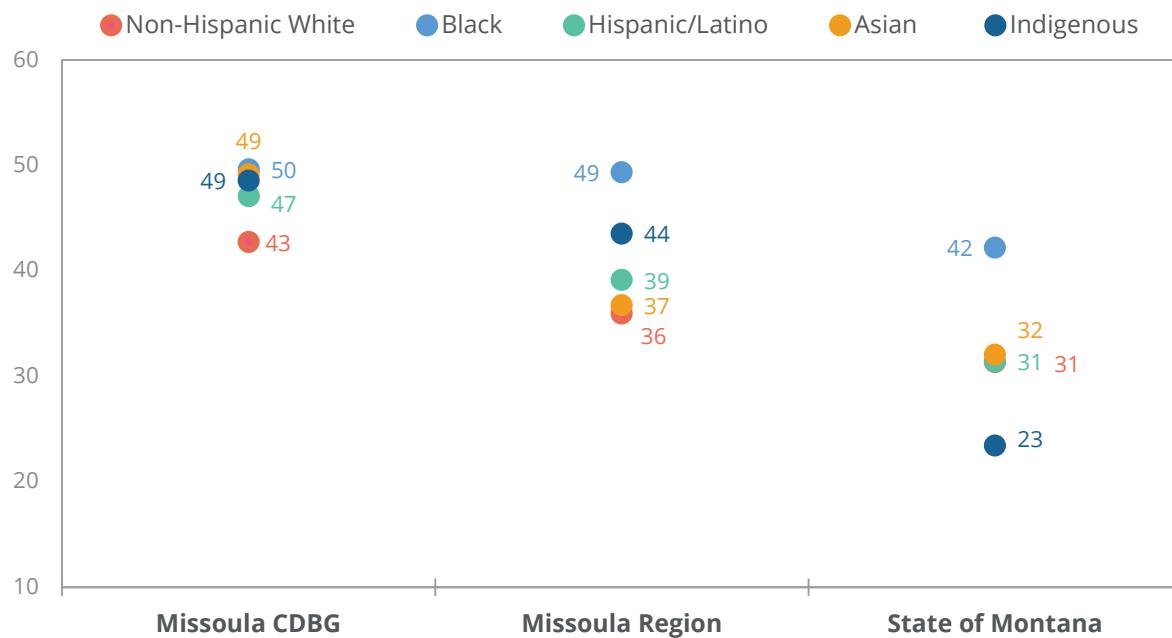


Note: Higher numbers indicate access to lower cost transportation.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Cost Transportation Index.

When examined through the lens of poverty, scores by race and ethnicity in Missoula do not vary significantly, except for a lower score for white residents (Figure IV-22). At the state level, Indigenous residents continue to have a lower rate of access to low-cost transportation.

**Figure IV-22.**  
**Low-Cost Transportation Index, Population Below the Poverty Line**



Note: Higher numbers indicate access to lower cost transportation.

Source: Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Cost Transportation Index.

Residents and stakeholders expressed mixed reactions about the city's current transportation system. Specifically, many residents and stakeholders lauded that the system is free, particularly for lower-income Missoulians, and provides relatively good coverage in the central areas of the city. Suggestions for improvement are noted below.

- Demand for paratransit services are increasing, particularly for older residents in Missoula. However, everyone who pays into the system is not able to utilize these services. One stakeholder shared that paratransit services are only available with  $\frac{1}{2}$  mile of fixed transit stops. For residents who don't live within this radius, they are unable to take advantage of these services, even though they pay into the system. Many residents expressed a desire to see paratransit service boundaries expanded.
- Many residents wanted to see a stronger connection between transportation routes and the location of basic life amenities (e.g., grocery stores, health clinics). Other residents wanted to see transportation routes prioritize connections between affordable housing developments and locations with several amenities. One resident wanted to see more centralized services available at transportation hubs.
- Generally, residents wanted to see safer and more accessible (and covered) bus stops around the city, as well as better signage. Several stakeholders and residents also

expressed a desire to see more frequent bus service, particularly in the evenings and during the weekends, for people to access night and swing shift employment opportunities.

- One stakeholder noted that refugee residents are particularly dependent on the public transit system in Missoula and noted that language barriers can make it difficult for these populations to utilize the system. They also described a need for more direct routes and better coverage from where they are able to live and the services they need.

Additionally, the City's Pedestrian Needs Assessment completed in the 2019 Pedestrian Facilities Master Plan revealed that the neighborhoods (Franklin to the Fort, Northside, Westside and Lewis and Clark) in most in need of pedestrian facilities also have the highest rates of missing sidewalk and ADA curb ramps.

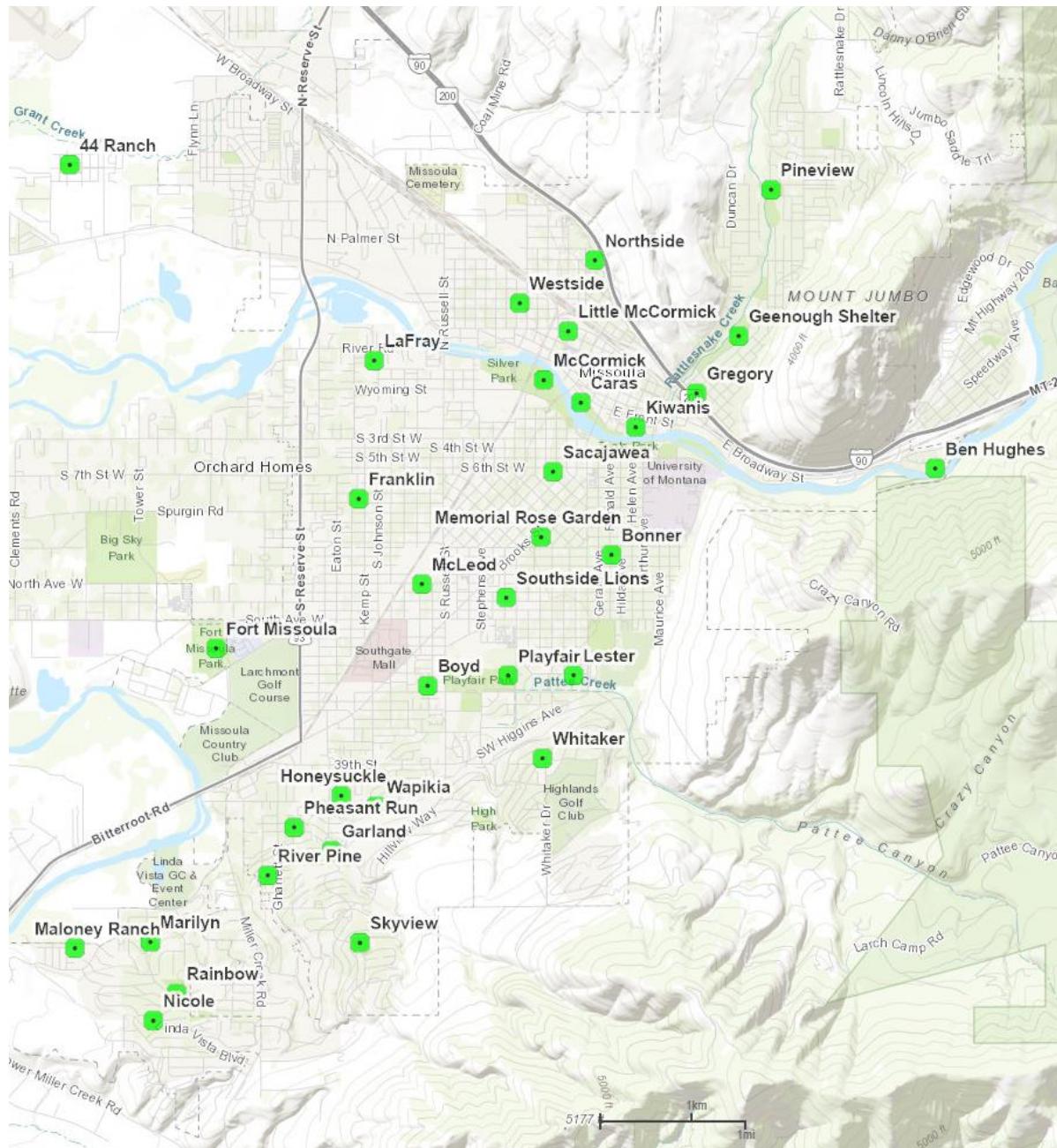
## **Healthy Communities**

Indicators of a healthy neighborhood include the relative quality of parks and recreation facilities among neighborhoods, convenient access to grocery stores and healthcare facilities, and access to healthy food. Below is a summary of stakeholder feedback related to these indicators.

**Parks and recreation.** While playgrounds are located generally evenly throughout the city, there are a lack of public parks in the Franklin to the Fort neighborhoods, as well as the Westside and Northside neighborhoods (Figure IV-23). Overall, residents and stakeholders spoke highly of the availability of parks and recreation opportunities throughout the city.

However, some stakeholders did articulate a need for more recreation centers and afterschool programs in city schools. One stakeholder noted that Lowell Elementary receives a grant that subsidizes high-quality childcare through the City's Parks and Recreation department and felt this service should be available throughout the city. Another resident wanted to see more accessible playgrounds around the city so that children living with disabilities had more options to play.

**Figure IV-23.**  
**Location of Public Parks and Playgrounds, Missoula, 2023.**

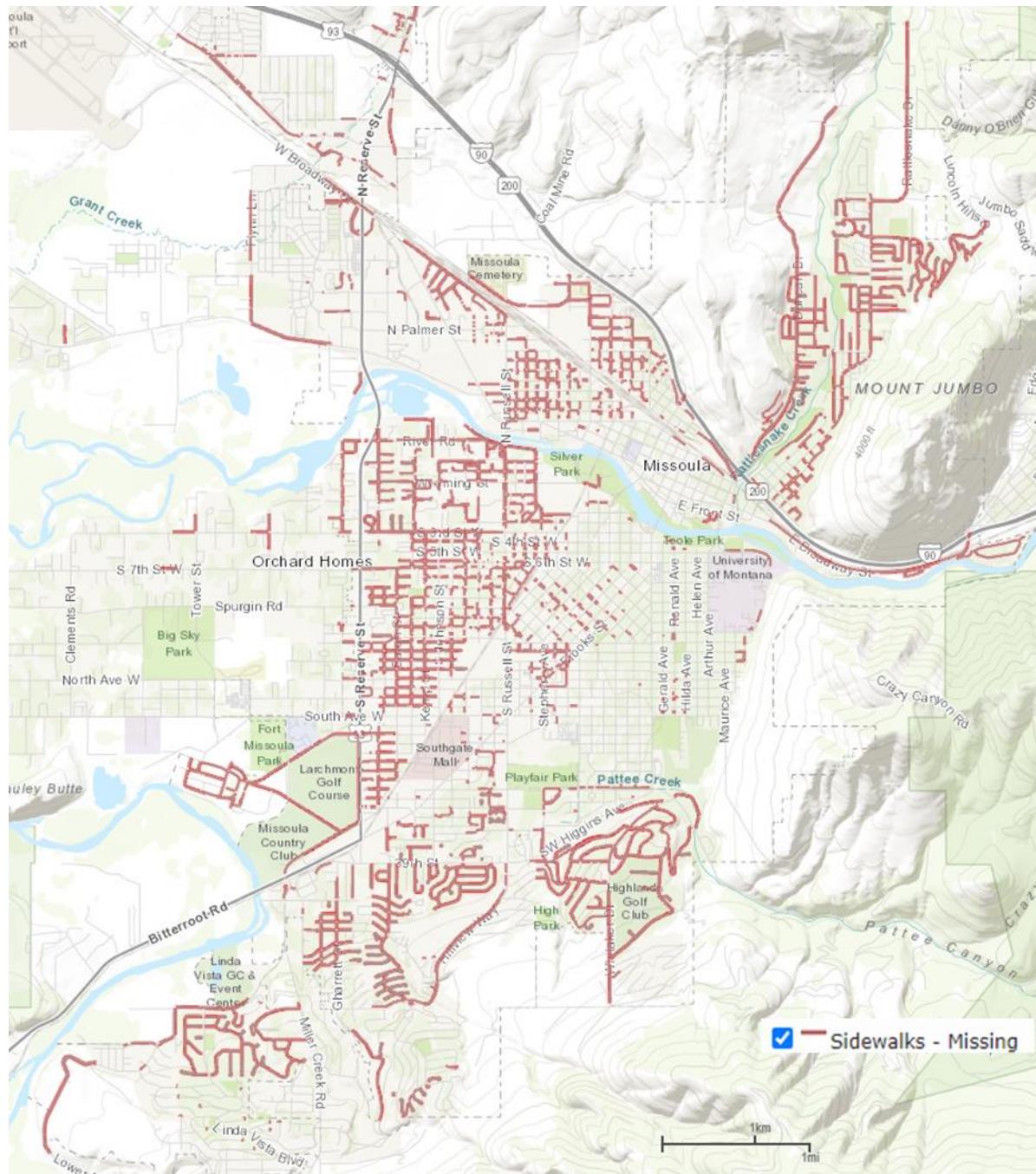


Source: Missoula County Community Health Maps, Public Parks and Playgrounds layer.

**Public infrastructure and facilities.** Figure IV-24 shows where sidewalk infrastructure is missing in Missoula. Impacted areas include neighborhoods west of the railroad line, namely the Westside, Northside, River Road, Franklin to the Fort, Moose Can Gully, and Farviews/Pattee Canyon neighborhoods.

Residents and stakeholders articulated a variety of improvements to public infrastructure and facilities, primarily the need for safer walking infrastructure, more lighting, more traffic calming measures, and safer crossings. Several residents also expressed a desire to see more public showers and restrooms made available throughout the city, particularly for unhoused residents. As noted previously in this section, the Westside and Northside neighborhoods were often mentioned as most in need of these improvements. One stakeholder shared that the Northside neighborhood is less “well-resourced” in terms of public amenities and community services. However, this stakeholder added that there has been a lot of outreach to this neighborhood by the City over the last few years.

**Figure IV-24.**  
**Location of Missing Sidewalk Infrastructure, Missoula**

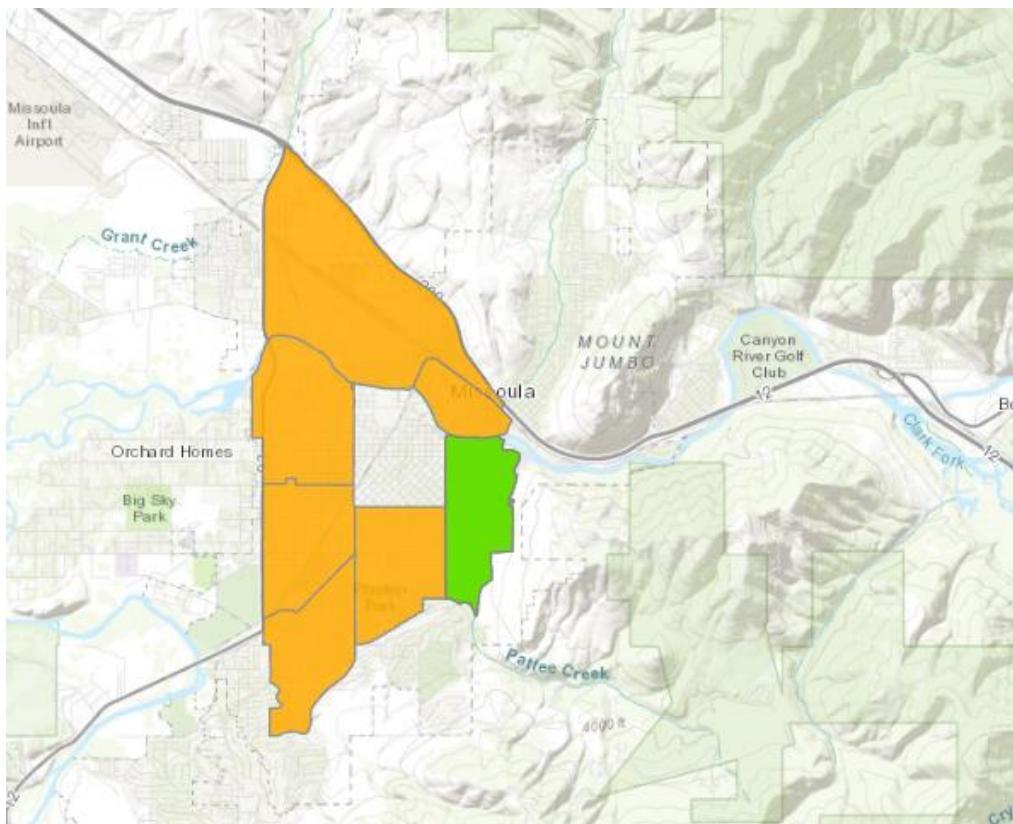


Source: Missoula County Community Health Maps, Sidewalks - Missing layer.

**Food provision.** The United States Department of Agriculture (USDA) provides several metrics to evaluate food access in their Food Access Research Atlas (2019). The USDA states, "low access to healthy food is defined as being far from a supermarket, supercenter, or large grocery store ("supermarket" for short). A census tract is considered to have low access if a significant number or share of individuals in the tract is far from a supermarket."

Figure IV-25 shows USDA defined food deserts for Census tracts in Missoula. Six Census tracts in the city (indicated in orange) are estimated to have a significant share of residents more than a  $\frac{1}{2}$  mile from a supermarket, while the Census tract that overlaps with the University District is considered to have a significant share of residents at least one mile away from a supermarket.

**Figure IV-25.**  
**Food Deserts and Lower Income Census Tracts, Missoula, 2019**

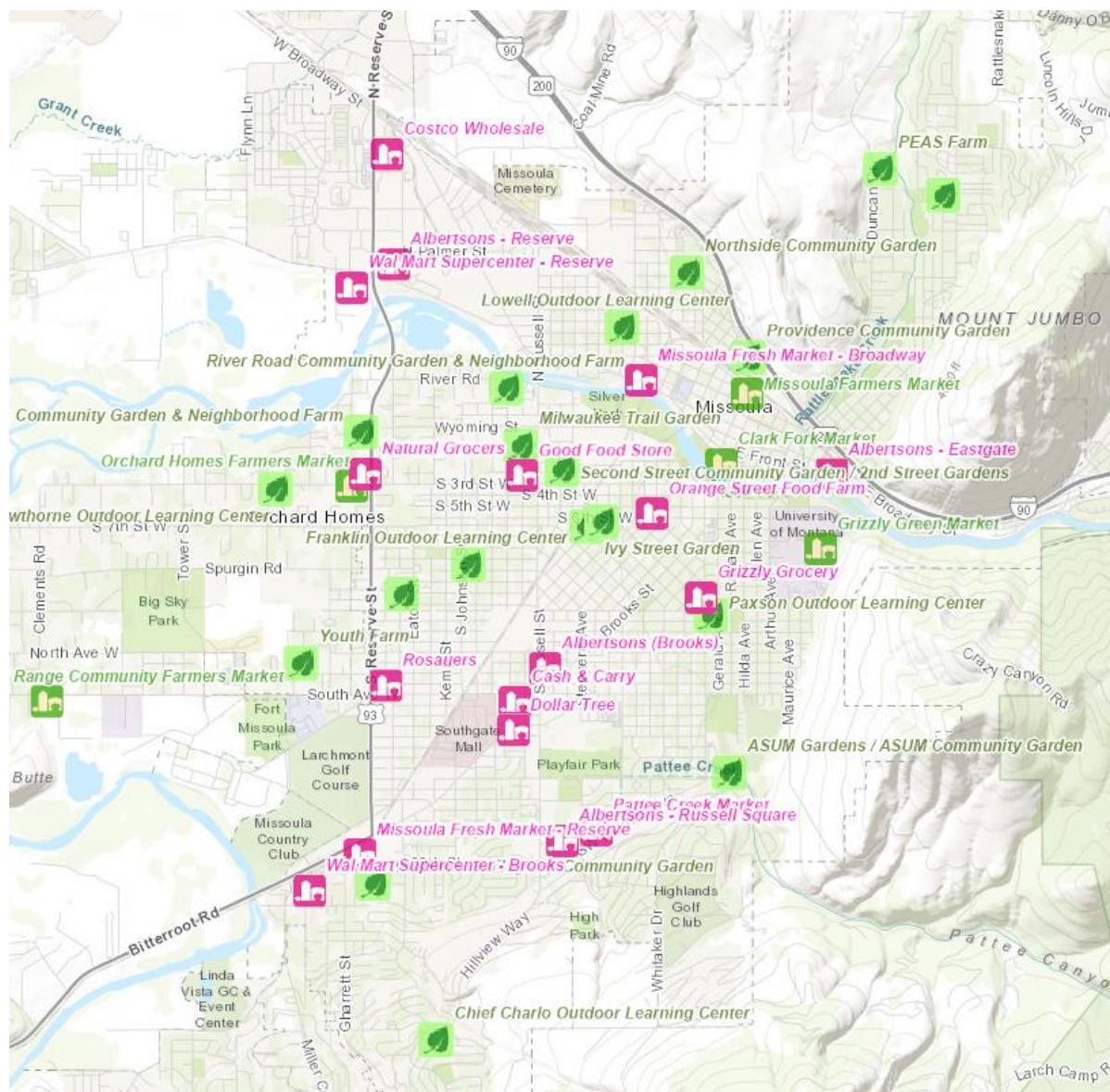


Note: Low-income census tracts where a significant number or share of residents is more than 1 mile (green),  $\frac{1}{2}$  mile (orange) or 10 miles (rural) from the nearest supermarket.

Source: USDA Economic Research Service and ESRI

Figure IV-26 shows the location of grocery stores, supermarkets, farmers' markets, and community gardens. As highlighted above, access to food options is relatively limited in the Westside, Northside, River Road, University, and Franklin to the Fort neighborhoods.

**Figure IV-26.**  
**Location of Grocery Stores, Supermarkets, Farmers' Markets, and Community Gardens , Missoula**



Note: Pink icons are "Supermarket/Grocery stores", Green icons are "Farmers' Markets", and Leaf icons are "Community Gardens"

Source: Missoula County Community Health Maps, Nutrition layer.

**Food insecurity.** In Montana, 10% of households experience low or very low food security, which is lower than the national average.<sup>12</sup> Counties with greater Indigenous populations have much higher rates of food insecurity at roughly 33%. Indigenous households living on reservations in particular with lower access to jobs and the

<sup>12</sup> <https://www.ers.usda.gov/webdocs/publications/90023/err-256.pdf?v=0>

dismantling of traditional indigenous food systems have the highest percentage of food insecure residents with 43% insecurity.<sup>13</sup>

The USDA estimates that in 2020, 79% of eligible residents in the state of Montana participated in the SNAP program.<sup>14</sup> Children and seniors are particularly vulnerable to food insecurity. According to Feeding America data from 2021, Missoula County had a food insecure rate of 8.9% with 32% of food insecure households not income eligible for SNAP benefits, creating a considerable gap for providing food to households that are food insecure. When considering only children under the age of 18, the food insecurity rate jumps to 10.8% with 44% not eligible for SNAP.<sup>15</sup>

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<sup>13</sup> [Policy Basics: Supplemental Nutrition Assistance Program \(SNAP\) | Montana Budget & Policy Center](#)

<sup>14</sup> [Reaching Those in Need: Estimates of State SNAP Participation Rates in 2020](#), United States Department of Agriculture, August 2023.

<sup>15</sup> <https://map.feedingamerica.org/county/2021/senior-60-plus/montana/county/missoula>

## **V. DISPROPORTIONATE HOUSING NEEDS**

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# SECTION V.

# Disproportionate Housing Needs

The primary purpose of a disproportionate housing needs analysis is to determine how access to the housing market and housing choice differ for members of protected classes. Disproportionate needs analyses can also identify where gaps in housing markets exist for all residents and facilitate goal-setting and strategic housing planning.

To that end, this section:

- 1) Analyzes rental housing needs and gaps in attaining homeownership;
- 2) Identifies where needs differ by protected class;
- 3) Assesses how these differences affect housing choice. This includes geographic choice as well as differences in public and private housing options.
- 4) A separate section reviews zoning ordinances and land use codes for potential barriers to housing choice.

## Primary Findings

The data analysis in this section finds the most severe disproportionate needs in:

- **Severe cost burden.** African American and Indigenous households are much more likely to be severely cost burdened than non-Hispanic White households. Based on this measure, these households are approximately 1.5 to 2 times as likely to experience eviction and homelessness due to inability to keep up with their rent or mortgage payments.
- **Homeownership rates.** Similarly, large gaps in homeownership exist for Indigenous and African American households in Missoula; significant gaps exist for Hispanic households, as well. Only 11% of Indigenous households and 16% of African Americans own their homes compared to 48% of non-Hispanic White households. With the exception of African American households in the county, homeownership rates are higher for all three groups in both Missoula County and the state.
- **Displacement.** Overall, 27% of Missoula households report moving in the last 5 years against their choice. By race and ethnicity, Indigenous respondents (57%) were more than twice as likely to experience displacement than Missoula households overall. Additionally, 50% of single-parent respondents reported recent

displacement, mainly due to rent increases, while low-income households (households making less than \$25,000) and student respondents were also more likely to report experiences with displacement.

- **Access to mortgage loans.** Of applicants for mortgage loans in 2022, Hispanic/Latino and Asian applicants had the highest denial rates (14% each, respectively). Most often, loan applications are denied due to credit worthiness, particularly low credit scores or high debt-to-income ratios—suggesting that credit building programs would be useful to help attain homeownership. While too few observations were available for most applicants by race and ethnicity, Hispanic applicants (7%) were almost twice as likely than non-Hispanic White applicants (4%) to receive a high-priced loan.
- **Public Housing Authority policy review.** A review of the Missoula Housing Authority's Affordable Housing Tenant Handbook and Tenant Selection Plan found that MHA complies with key federal regulations; however, the housing authority could be more explicit about its compliance. For example, MHA could provide more information related to VAWA notification, documentation, confidentiality, and its Emergency Transfer Plan for potential and current tenants. Additionally, more explicit information could be provided about the process by which a tenant can request a reasonable accommodation, as well as more information about how it accommodates potential applicants with special needs.

## Indicators of Disproportionate Needs

There is no formal definition or mechanism to measure housing needs, much less disproportionate needs. In housing market studies, housing needs are typically measured by:

- Cost burden—when a household pays more than 30% of their income in housing costs including basic utilities and property taxes; and Severe cost burden—when a household pays more than 50% of their income in housing costs. This is also an indicator of eviction or foreclosure, and homelessness;
- Homeownership rates and access to mortgage loans; and
- The cost of housing (rents, purchase prices).

Our focus on disproportionate needs furthers that analysis by:

- Identifying the *differences* in the above housing needs indicators for residents of various protected classes;
- Examining additional factors that affect choice and further economic opportunity, which is largely informed by the housing and community needs survey and review of housing policies;

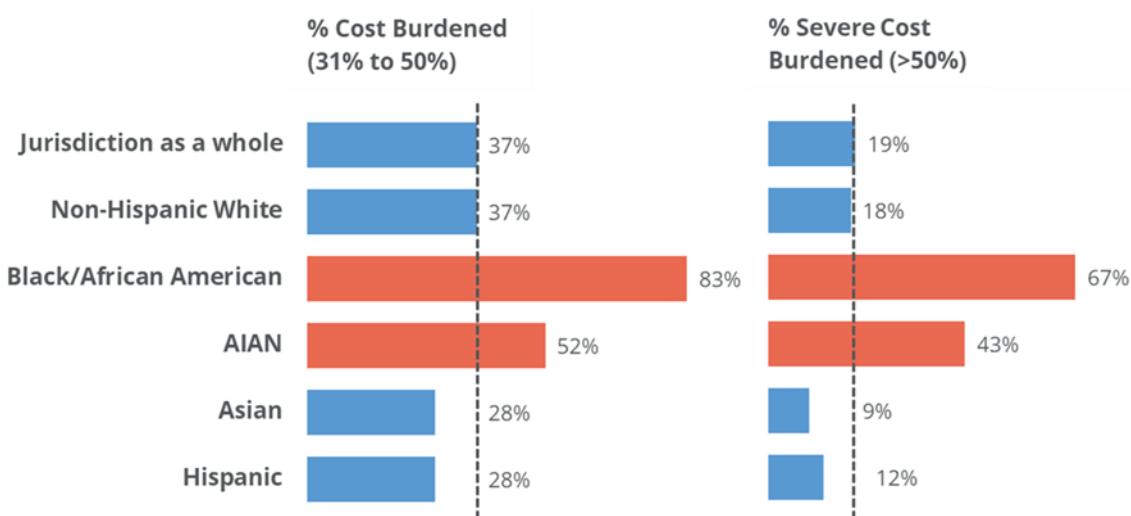
- Analyzing whom the private market serves, if the market is addressing housing needs of protected classes differently needs, and if discrimination is at play—again, informed by the housing and community needs survey.

## Housing Cost Burden

Figure V-1 shows the percentage of Missoula households that are cost burdened (paying between 31 and 50% of their income toward housing) and households that are severely cost burdened (paying more than 50% of their income toward housing) by race and ethnicity. Citywide, over a third of Missoulians are cost burdened (37%) while just under a fifth of the population is severely cost burdened (19%).

African American and American Indian/Alaska Native households are disproportionately impacted by severe cost burden in Missoula. While African Americans make up a relatively small proportion of the city population, two thirds (67%) experience severe cost burden. Additionally, over half of American Indian/Alaska Native households experience cost burden, with 43% severely cost burdened. Meanwhile, non-Hispanic White, Asian, and Hispanic households all experience cost burden and severe cost burden at a lower rate than the city overall.

**Figure V-1.**  
**Cost Burden by Race and Ethnicity, Missoula**



Source: HUD CHAS dataset. Refer to the Data Documentation for details (<https://www.huduser.gov/portal/datasets/cp.html>).

According to 2022 American Community Survey (ACS) 1-year estimates, of all occupied housing units in Missoula, 84% of households making less than \$20,000 experience cost burden. Over two-thirds of households (67%) making less than \$50,000 experience cost burden. Just under a quarter of owner-occupied households (23%) experience cost burden while almost half of all renter-occupied households (49%) experience cost burden.

Throughout the community engagement process, low-income families and unhoused residents were consistently identified as having the greatest housing needs and challenges, as well as the groups most likely to experience cost burden and severe cost burden. Many residents talked about the difficulty of finding affordable housing in Missoula, experiencing housing cost burden, and how housing prices have continued to “skyrocket” over the last few years. One resident spoke about the pressures of inflation and cost of living, adding that there are “too many expenses to pay to keep housing.”

Several residents shared that their only source of income is from SSI/SSDI. One resident shared that they only receive \$131 per month through SSI, adding “How can I afford anything...I just want to feel secure.” Another resident added that they rely on the food bank for groceries because all their money goes to housing. Several residents shared that social security payments do not keep up with rising rental costs. One resident shared that their rent increased from \$550 to \$800 per month for a subsidized one-bedroom unit, but their social security payments have remained the same. They added, “how are people on fixed incomes supposed to afford higher rents?”

Residents identified the lack of affordable housing options as the primary reason that many low-income households experience cost burden. One resident said that “as a renter, it’s impossible to live here. I can’t live here, and my friends keep getting pushed out.” Another resident said that “finding housing as a single parent working full-time is an almost impossible job. I wish there was more subsidized housing available.” Residents also wanted to see a better distribution of affordable housing throughout the city. One resident noted that all the housing “...is being pushed into the Northside [neighborhood].”

## **Homeownership Differences**

For the majority of households in the U.S., owning a home is the single most important factor in wealth-building. Homeownership is also thought to have broader public benefits, which has justified decades of public subsidization. For nearly 100 years, the federal government has subsidized ownership through the mortgage interest tax deduction and the secondary mortgage market.<sup>1</sup>

Yet these incentives for ownership have been in place far longer than the existence of fair lending and fair housing protections, meaning that the benefits of federal subsidies for ownership have not been equally realized by all protected classes. This explains

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<sup>1</sup> Despite the many public and private interventions to expand ownership, the overall U.S. rate has been stubbornly stagnant. In 2023, 65.7 percent of households were owners, compared to 63.9 in 1990. Contrary to what many U.S. residents believe, the U.S. does not lead developed countries in homeownership. Instead, the U.S.’ rate of ownership is similar to that of the United Kingdom (63%) and lower than Canada’s (66.5%).

some of the reason for ownership disparities today, in addition to the now-illegal practices of redlining, steering, blockbusting, unfair lending, and discriminatory pricing.<sup>2</sup>

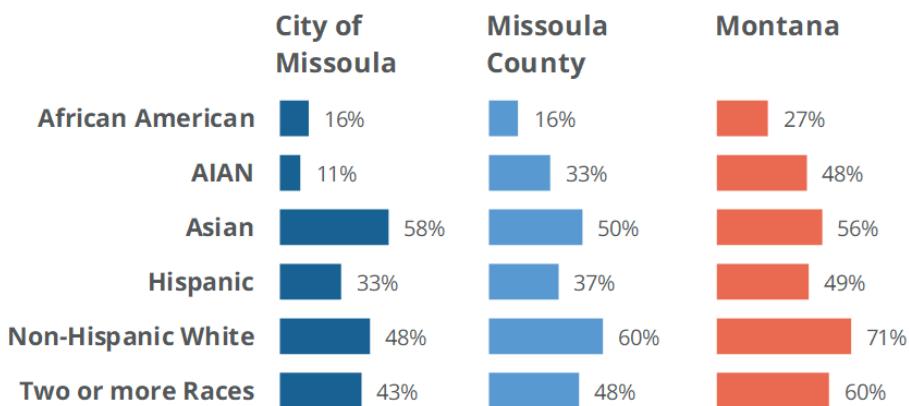
Figure V-2 below shows homeownership rates by race and ethnicity for the city of Missoula, Missoula County, and the state of Montana.

- In the city of Missoula, Asian households (58%) have the highest rate of homeownership citywide followed by non-Hispanic White households (48%). In both Missoula County and the state of Montana, non-Hispanic White households have the highest rate of homeownership (60% and 71%, respectively).
- American Indian/Indigenous households have the lowest rate of homeownership in both the city of Missoula (11%) and Missoula County (33%); however, nearly half of all Indigenous households statewide (48%) are homeowners.
- Just over 1 in 7 African American households (16%) in both the city of Missoula and Missoula County are homeowners. Over a quarter of African American households statewide (27%) own their homes.
- A third of Hispanic households (33%) in the city of Missoula own their homes, which is slightly less than the Hispanic homeownership rate in the county (37%). Nearly half of Hispanic households statewide (49%) are homeowners.
- For residents who identify as two or more races, just over 4 in 10 households (43%) own homes in the city of Missoula. Nearly half of these households (48%) own homes in Missoula County, while 6 in 10 households statewide are homeowners.

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<sup>2</sup> "Steering" refers to the practice of showing home- and apartment-seekers homes only in neighborhoods with residents of similar races and ethnicities; it is now illegal for real estate agents to engage in steering. "Blockbusting," which is also illegal, refers to the practice of real estate agents and builders convincing homeowners to sell their homes below market because of the fear that minorities could be moving into the neighborhood, and then reselling those homes to minorities at inflated prices. "Discriminatory pricing" means intentionally charging certain protected classes more for housing than others and is often a product of steering, blockbusting, subprime lending, and other illegal practices.

**Figure V-2.**  
**Homeownership Rate by Race and Ethnicity, 2022**



Source: 2022 ACS 5-year estimates, Root Policy Research.

The community engagement process highlighted that many residents, particularly lower-income residents, feel discouraged about ever being in a position to buy a home in Missoula. Several residents articulated that even if they were able to find a better paying job, there is still a minimal chance that they'll ever be in a position financially to buy a home. Residents also noted that because home prices and values keep going up, lower-income homeowners, specifically seniors and residents living with disabilities, are unable to pay their property taxes because they live on fixed incomes.

## **Differences in Housing Challenges and Displacement Experience**

Of the 377 resident respondents, 101 (27%) residents reported that they had to move out of a home/apartment in Missoula when they did not want to move. Of those that said they had to move in the past five years when they didn't want to, the most common reasons articulated by residents included the landlord was selling the home/apartment (19%), rent increased more than the respondent could pay (16%), and personal/relationship reasons (9%). Those households<sup>3</sup> with the highest displacement rates include:

- **American Indian/Alaska Native/Indigenous.** Nearly 6 in 10 (57%) respondents who identify as American Indian/Alaska Native/Indigenous experienced displacement from a residence in Missoula in the past five years. One in seven respondents had to move because they lost their job or had their hours reduced. Other primary reasons behind the displacement included the rent increased more

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<sup>3</sup> Households reported in this section have at least 20 responses in the Housing and Community Needs Survey.

than the respondent could pay, their landlord was selling the apartment, or career move/job change.

- **Single parents.** Half of single parent respondents (50%) reported recent displacement, citing rent increases (16%), their landlord selling the apartment (14%) or wanting to move back in with their family (10%), or losing their job or having their hours reduced (10%) as primary reasons for the displacement.
- **Low-income households.** Households with incomes less than \$25,000 who experienced displacement (47%) are more likely than Missoula respondents overall to cite that the landlord refused to renew their lease (7%) and eviction due to being behind on the rent (5%) as reasons for displacement.
- **Students.** Nearly half of all students (45%) report recent displacement, with rent increases, personal/relationship reasons, and the landlord selling their apartment (15% of student respondents each, respectively) cited as the principal reasons for their displacement.

## Access to Credit

Several factors contribute to the differences in homeownership by race and ethnicity observed above, including disparities in access to lending. Home Mortgage Disclosure Act (HMDA) data can shed light on the role of access to credit in homeownership differences by race and ethnicity. HMDA data is collected by the Federal Financial Institutions Examination Council (FFIEC) which provides data used in the analysis of mortgage lending practices.

HMDA data include variables such as race, Census tract, loan type, and loan purpose. While these variables can be used to explain many of the reasons for any lending disparities (e.g., poor credit history), they do not contain all the factors that are evaluated by lending institutions when they decide to make a loan to an applicant.

This section uses the analysis of HMDA data to examine disparities in lending and loan denials across different racial and ethnic groups and income categories, to determine if loans are being apportioned more favorably to some racial and ethnic groups as opposed to others.

**Loan applications in Missoula.** In 2022, there were 2,300 loan applications made for residential properties in Missoula (Figure V-3). Among these loans, nearly nine in ten (89%) were conventional loans, 6% were Federal Housing Administration (FHA) insured loans, and the remaining 5% of loans were Veterans Affairs (VA) guaranteed loans.

**Figure V-3.**  
**Loan Applications**  
**by Loan Type,**  
**Missoula, 2022**

Note:

Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants.  
n = 2300

Source:

HMDA Raw Data 2022 and Root Policy Research.

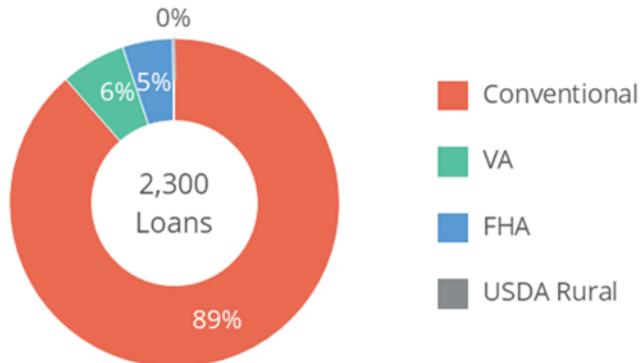


Figure V-4 presents the purpose for loan applications in Missoula in 2022. Over half (53%) of all loan applications were for home purchases while nearly a quarter (25%) were cash-out refinancing loans. Additionally, 14% were refinancing loans, 5% were home improvement loans (although cash-out refinancing may have also been intended for home improvements), and 3% identified other reasons for the loan application.

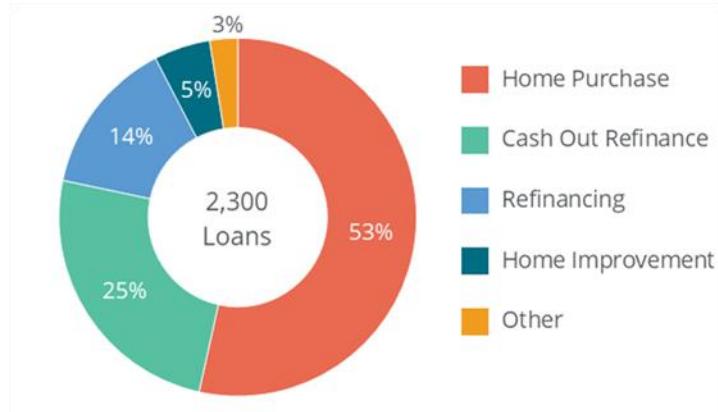
**Figure V-4.**  
**Loan Applications**  
**by Loan Purpose,**  
**Missoula, 2022**

Note:

Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants.  
n = 2300

Source:

HMDA Raw Data 2022 and Root Policy Research.



Of the loan applications in Missoula in 2022, approximately two-thirds (66%) resulted in the loan being originated (Figure V-5). Additionally, 16% of applications were withdrawn by the applicant, 12% were denied, 4% were closed for incompleteness, and 2% of applications were approved but not accepted by the applicant.

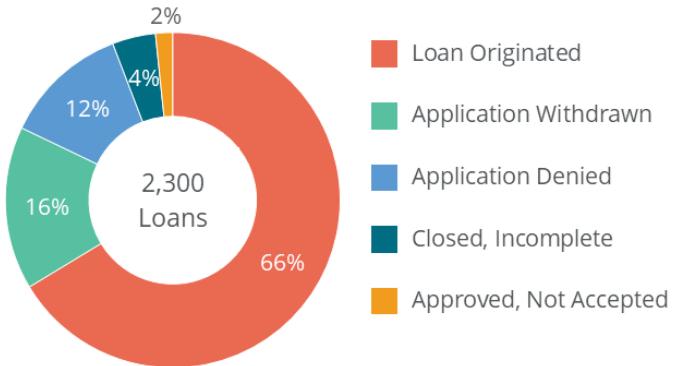
## Figure V-5. Loan Action Taken, Missoula, 2022

### Note:

Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants.  
n = 2300

### Source:

HMDA Raw Data 2022 and Root Policy Research.



**Loan outcomes by race/ethnicity.** Figure V-6 presents detailed outcomes of the loan applications, focusing on the difference in outcomes among racial and ethnic groups.<sup>4</sup>

Among applicants by race/ethnicity, American Indian/Alaska Native (76%) and White (68%) residents have the highest loan origination rates; however, there are 75 times more applications submitted by White residents compared with American Indian/Alaska Native residents. Asian residents had an origination rate of 60%, while originations were the lowest among Hispanic/Latino applicants at 55%.

Denial rates are similar among would-be borrowers by race/ethnicity. Hispanic/Latino and Asian applicants have the highest denial rates (14% each, respectively), followed closely by White and American Indian/Alaska Native applicants (12% each, respectively). Over one in five Hispanic/Latino applicants had their applications withdrawn while Asian applicants were most likely to have their files closed for incompleteness.

<sup>4</sup> Applicants who identified as having one race and either identified their ethnicity as "not-Hispanic or Latino" or had "ethnicity not available" were assigned racial groups based on the one race identified, while any applicant who identified their ethnicity as "Hispanic or Latino" and had identified as any other racial category were assigned "Hispanic." Only racial or ethnic groups with over 20 total applications were included in the analysis.

**Figure V-6.****Outcome of Mortgage Loan Application by Race/Ethnicity, Missoula, 2022**

	Loan Originated	Application Denied	Not Accepted by Applicant	Application Withdrawn	File Closed	Total Applications
<b>Missoula</b>	66%	12%	2%	16%	4%	2,300
<b>Race and Ethnicity</b>						
White	68%	12%	2%	15%	3%	1,941
Hispanic or Latino	55%	14%	2%	22%	8%	51
Asian	60%	14%	0%	17%	9%	35
American Indian or American Native	76%	12%	0%	8%	4%	25
Black or African American	-	-	-	-	-	5
Native Hawaiian or Other Pacific Islander	-	-	-	-	-	4
<b>Proportion Differences</b>						
Hispanic/White Difference	-13%	2%	0%	6%	4%	-1890
Asian/White Difference	-8%	3%	-2%	2%	5%	-1906

Note: Estimates are not presented for Black or African American and Native Hawaiian or Other Pacific Islander groups due to insufficient data. Note that sample sizes are small for American Indian or American Native and Asian groups. Includes only first lien loans. Data do not include loans for multifamily properties or non-owner occupants. Race categories include non-Hispanic and ethnicity not provided while the Hispanic or Latino category includes Hispanic or Latino of any race.

Source: HMDA Raw Data 2022 and Root Policy Research.

Most often, loan applications are denied due to credit worthiness, particularly low credit scores or high debt-to-income ratios. As shown in Figure V-7, debt-to-income ratios and incomplete credit applications were the most common reasons provided for loan denial. Combined, they make up nearly two thirds of all reasons provided for loan denials in Missoula.

**Figure V-7.**  
**Reasons for Denial,**  
**Missoula, 2022**

Note:

Note: Includes only first lien loans.  
 Does not include loans for  
 multifamily properties or non-  
 owner occupants. Percent  
 calculated from total reasons given  
 including multiple reasons for one  
 applicant.

Source:

HMDA Raw Data 2022 and Root  
 Policy Research.

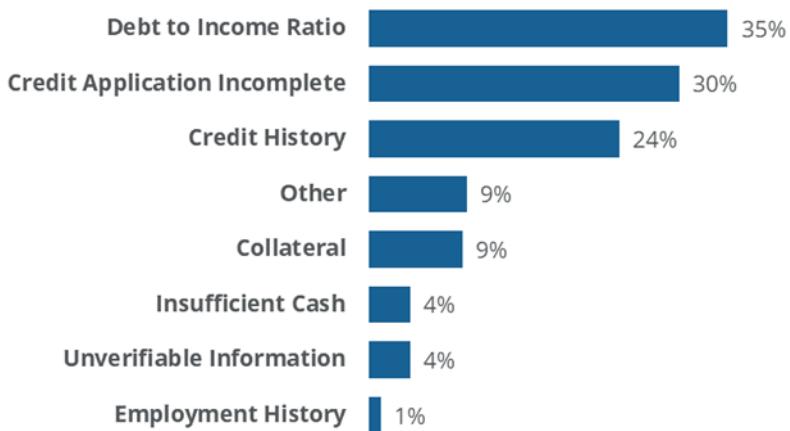


Figure V-8 presents denial rates based on loan purpose for all Missoula applicants in 2022. Over a quarter of loan denials (26%) were classified as “other purpose,”<sup>5</sup> while just over one in five loans (21%) denied was a cash-out refinance. Additionally, home improvement and refinance loans denials each made up 18% of all loan denials, respectively, while home purchase loans made up 11% of all denials in 2022.

Non-Hispanic White applicants made up 81% of all loan denials in Missoula in 2022. As such, the distribution of denials by loan purpose of non-Hispanic White applicants is essentially unchanged from the distribution of all loan denials. Denials by loan purpose are not shown for other applicants by race and/or ethnicity due to too few observations.

**Figure V-8.**  
**Denials by Loan**  
**Purpose, Missoula,**  
**2022**

Note: Does not include loans for  
 multifamily properties or non-  
 owner occupants. N values  
 represent total of originated loans,  
 denied loans, and loans approved  
 but not accepted. n = 1,842

Source:

HMDA Raw Data 2022 and Root  
 Policy Research.

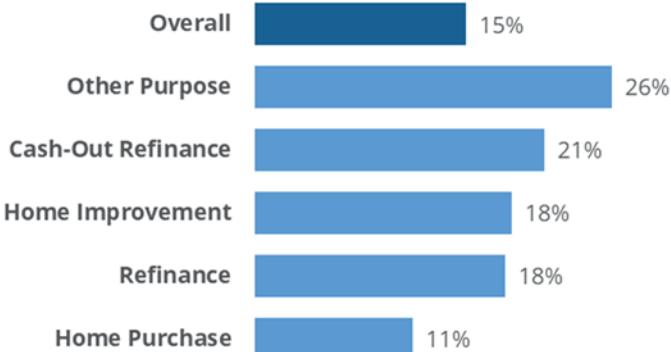


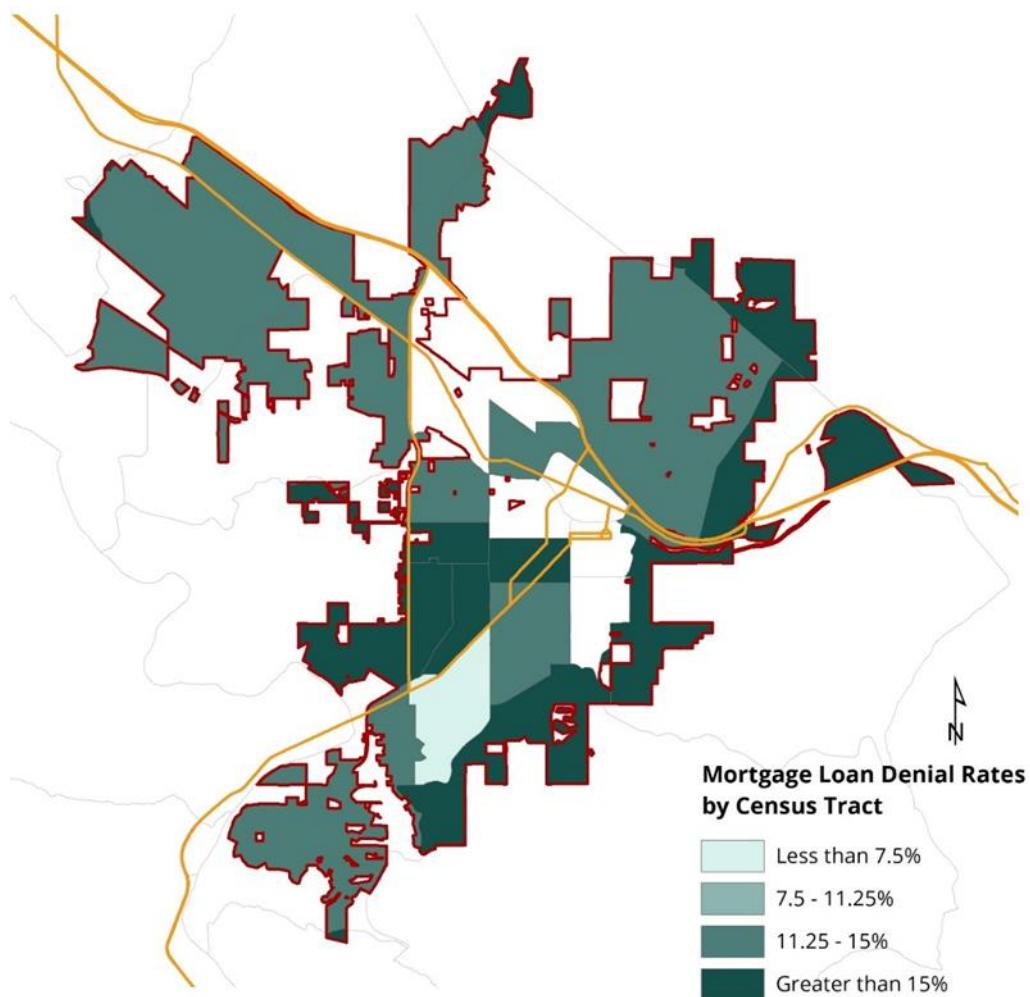
Figure V-9 shows the geographic distribution of loan denial rates in Missoula by Census tract. Census tracts with the highest percentage of mortgage loan denial rates within city boundaries are Census Tract 11 (19%), Census Tract 8.02 (18%), Census Tract 9.01 (17%), and Census Tract 10.02 (17%), and Census Tract 10.01 (15%). These Census tracts also have

<sup>5</sup> HMDA data does not elaborate or give other detail for loans that are designated as “other purpose.”

lower median household incomes compared to the city median. These areas correspond with the Rose Park, River Road, Two Rivers, and Franklin to the Fort neighborhoods.

**Figure V-9.**

**Mortgage Loan Denial Rates by Census Tract, Missoula, 2022**



Note: Denial rate represents the percentage of denied applications of the total of originated loans, denied loans, and loans approved but not accepted. Census tracts with fewer than 20 total applications were excluded. Breaks represent 50%, 75%, and 100% of the overall city proportion of mortgage loan denials (15%). Census Tracts with a "white shading" had insufficient data to report.

Source: HMDA Raw Data 2022 and Root Policy Research.

Beginning in 2004, HMDA data contained the interest rates on higher-priced mortgage loans. This allows examinations of disparities in high-cost, including subprime, loans among different racial and ethnic groups. It is important to remember that subprime loans are not always predatory or suggest fair lending issues, and that the numerous factors that can make a loan "predatory" are not adequately represented in available data. Therefore, actual predatory practices cannot be identified through HMDA data analysis. However, the data analysis can be used to identify where additional scrutiny is warranted, and how

public education and outreach efforts should be targeted. For the purpose of this section, "high priced" is defined as a loan with an ARP of more than one and half (1.5%) percentage points above comparable treasuries.

Overall, 4% of Missoula applicants received high-priced loans in 2022 (Figure V-10). When broken down by income, 7% of applicants making less than 80% AMI, 5% of applicants making between 81-120% AMI, and 2% of applicants making over 120% AMI received high-priced loans.

Similarly, 4% of White applicants received high-priced loans across all income levels. White applicants making less than 80% AMI were more likely to receive high-priced loans (8%) than applicants making over 120% of AMI (3%). Aside from Hispanic applicants (7% received high-priced loans), there are too few observations to report applicants who received high-priced loans by race and ethnicity.

**Figure V-10.**  
**High Priced Loans**  
**by Race/Ethnicity,**  
**Missoula, 2022**

Note: Note: "High priced" is defined as a loan with an APR of more than one and a half (1.5) percentage points above comparable treasuries. Percentage is calculated from total originated loans. Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants. Income limits corresponding to the income breaks in the table are 2022 2-person AMI limits for Missoula as follows: 80% AMI = \$52,240; 100% AMI = \$65,300; 120% AMI = \$78,360.

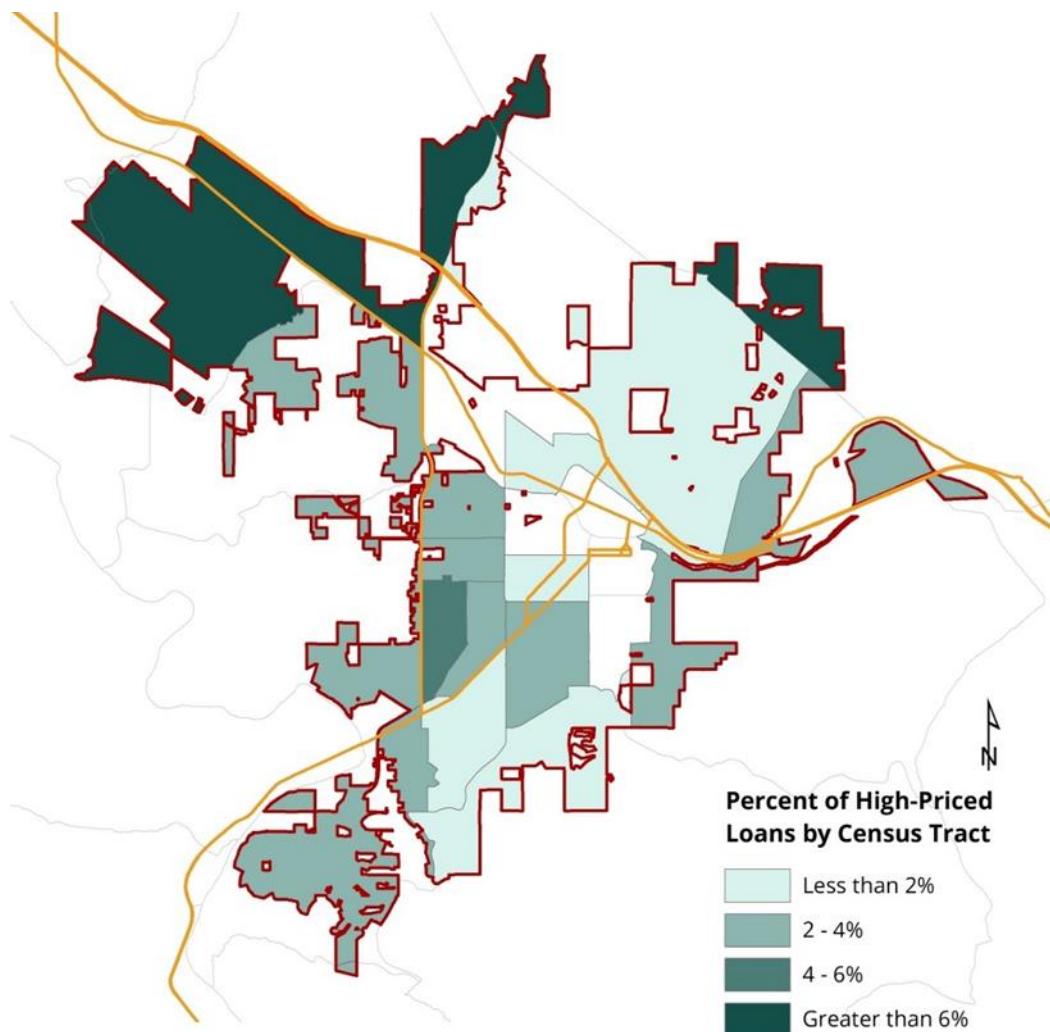
Source:

HMDA Raw Data 2022 and Root Policy Research.

	Overall	AMI Range		
		0-80% AMI	81-120% AMI	Over 120% AMI
Missoula	4%	7%	5%	2%

Figure V-11 shows the geographic distribution of the proportion of high-priced loans by Census tract. Within municipal boundaries, Census Tract 2.06 (6.9%) and Census Tract 10.01(4.5%) have the highest percentage of high-priced loans in the city. These areas overlap with the Captain John Mullan, Grant Creek, and Franklin to the Fort neighborhoods.

**Figure V-11.**  
**Percent High-Priced Loans by Census Tract, Missoula, 2022**



Note: Does not include loans for multifamily properties or non-owner occupants. "High priced" is defined as a loan with an ARP of more than one and half (1.5%) percentage points above comparable treasuries. Percentage calculated from total originated loans. Breaks represent 50%, 100%, and 150% of the overall city proportion of high-priced loans (4%).

Source: HMDA Raw Data 2022 and Root Policy Research.

**Alternative financial products.** Households who are rejected from traditional or even higher-cost lending products—or who are unaware of or distrust traditional lenders—use alternative financial products, many of which carry very high interest rates and inhibit financial stability and wealth-building.

A cornerstone of the Federal Deposit Insurance Corporation's (FDIC) economic inclusion (<https://www.economicinclusion.gov/whatis/>) project is a study of what the FDIC has identified as unbanked and underbanked households. "Unbanked" households are those in which no one in the household has a checking or savings account "Underbanked" households are those who have an account in an insured institution but also use services

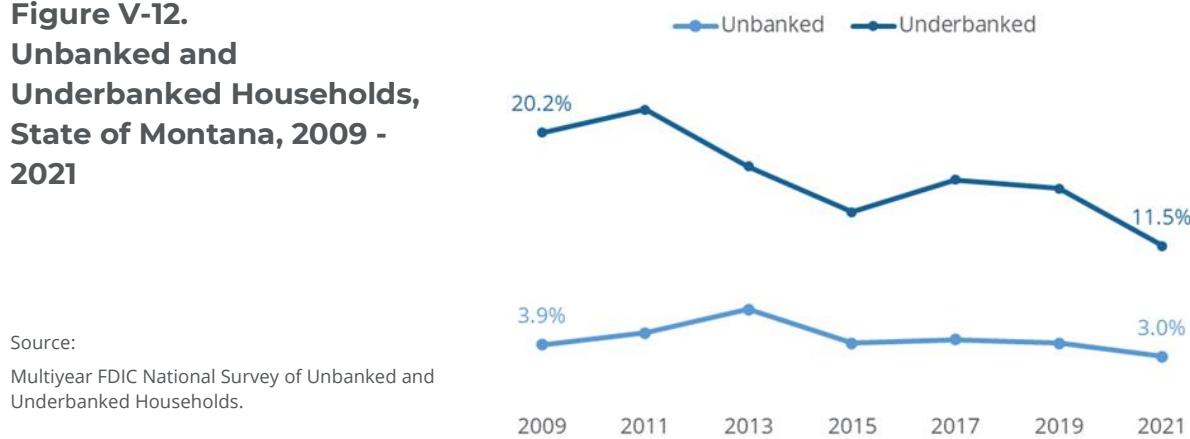
that are likely to charge high or very high rates. These services include checking cashing institutions, payday loans, “tax refund anticipation” loans, rent-to-own services, pawn shop loans, and/or auto title loans.

The FDIC studies the prevalence of unbanked and underbanked households every two years. The latest, 2021, survey found that:

- 1) 4.5% of U.S. households are “unbanked,” which is the lowest rate since the study began in 2009. The unbanked rate fell by 0.9 percentage points between 2009 and 2021, which corresponds with an increase of approximately 1.2 million banked households.
- 2) Approximately 14% of U.S. households are “underbanked.” This rate has fallen by 4.7 percentage points since 2017.
- 3) The State of Montana has an unbanked rate of 3%, which has been gradually declining since 2013.

Figure V-12 shows the state of Montana’s trends in the percentage of unbanked and underbanked households.

**Figure V-12.**  
**Unbanked and**  
**Underbanked Households,**  
**State of Montana, 2009 -**  
**2021**

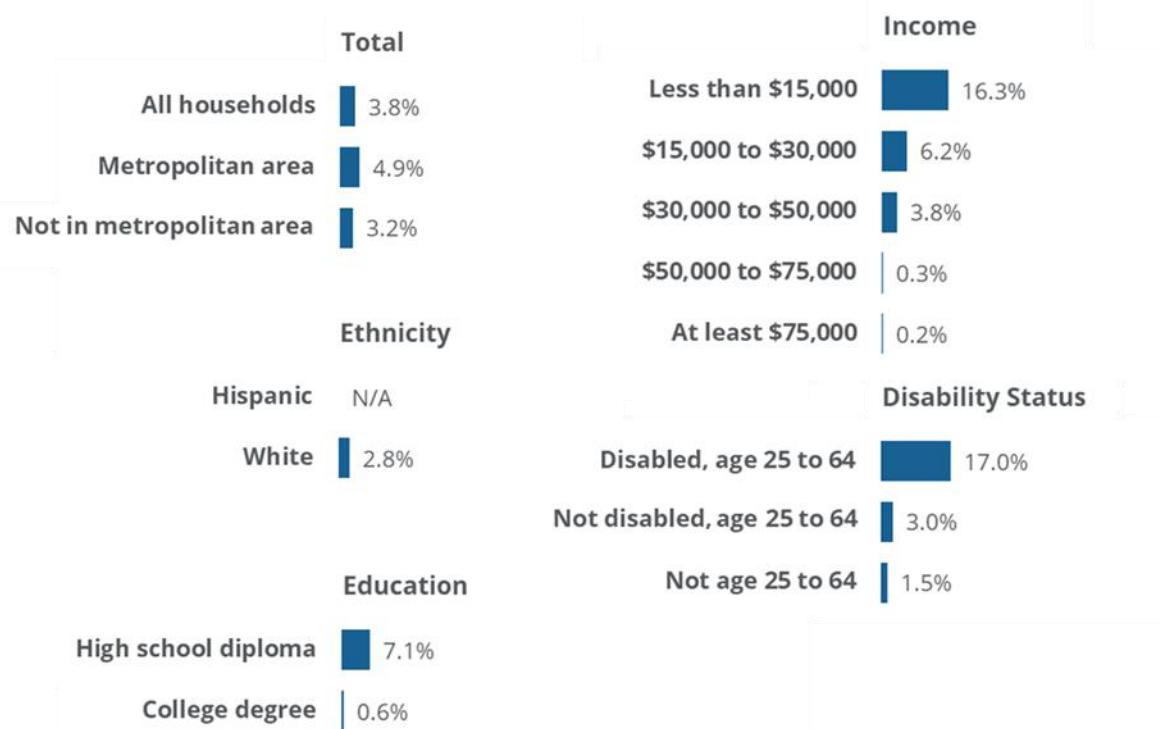


Unfortunately, the FDIC survey data are not available by household characteristic at the city level. However, household characteristics are available at the state level and are found in Figure V-13, which shows that:

- Just shy of 3% of White households are unbanked in the state. Data were not available for Hispanic households or any other racial or ethnic group.
- Households with a high school diploma are nearly 12 times as likely to be unbanked compared to college-educated households.

- Households making between \$15,000 and \$30,000 are almost twice as likely as all households to be unbanked, while households making less than \$15,000 are over four times as likely to be unbanked.
- Households with a person living with a disability are almost six times as likely to be unbanked compared to other same age households without a disability (25 to 64 years old).

**Figure V-13.**  
**Unbanked Households, State of Montana by Household Characteristics, 2021**



Source: 2021 FDIC National Survey of Unbanked and Underbanked Households.

## Housing Access

A growing body of research has bolstered the evidence that where affordable and mixed-income housing is developed has a long-term impact on the households that occupy that housing. For example:

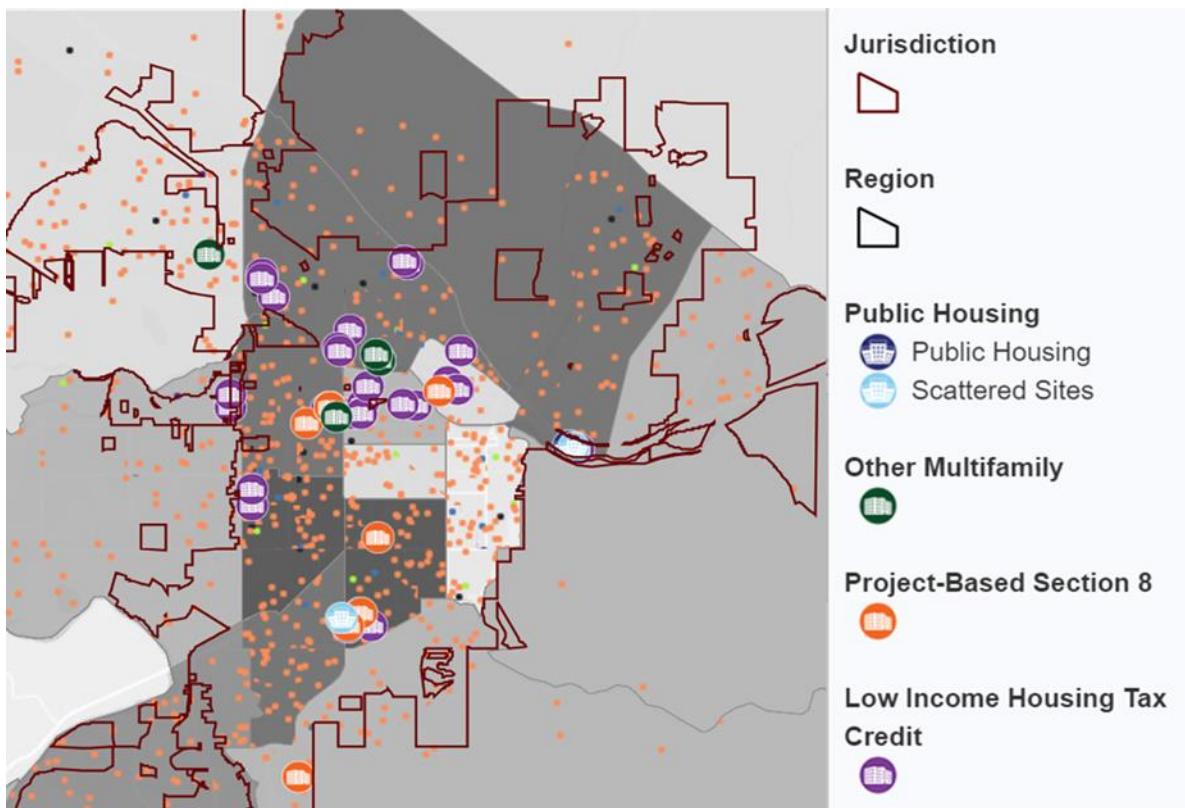
- Dr. Raj Chetty's well-known Equality of Opportunity research found positive economic returns for adults who had moved out of high poverty neighborhoods when they were children. The gains were larger the earlier children moved.
- A companion study by Dr. Chetty examining social mobility isolated the neighborhood factors that led to positive economic mobility for children. Children with the largest upward economic mobility were raised in neighborhoods with lower levels of segregation, lower levels of income inequality, higher quality schools, and greater community involvement ("social capital").
- A similar study by researchers at Johns Hopkins University found that when assisted housing is located in higher quality neighborhoods, children have better economic outcomes. The study also concluded that because low-income African American children are more likely than low-income white children to live in assisted housing, the location of assisted housing in poor quality neighborhoods has a disproportionate impact on African American children's long-term economic growth.

This research is counter to years of housing policies and programs that focused on building large multifamily complexes to house persons living in poverty, often placing these developments in the least desirable areas in a city. Fortunately, more recent housing policy activism has focused more intently on remedying the damage done by decades of intentional segregation. The remaining part of this section examines locational housing choice.

**Location of affordable rental (LIHTC) developments.** Figure V-15 shows the number of units developed using Low Income Housing Tax Credits (LIHTC). According to the HUD LIHTC property database, Missoula has approximately 915 total units in tax credit properties with nearly all units designated for low-income households.

Figure V-15 shows a map of publicly supported housing properties using the AFFH data and mapping tool. The majority of publicly supported housing in Missoula, namely LIHTC properties, are primarily located in the northern portion of the city, north of S 6<sup>th</sup> Street. There are a couple LIHTC properties in the Franklin to the Fort neighborhood, as well as a few project-based Section 8 properties in the southern portion of the city.

**Figure V-15.**  
**Publicly Supported Housing, Missoula**



Note: Underbanked definition is based on the following AFS: check cashing, money order, remittance, payday loan, rent-to-own service, pawn shop loan, refund anticipation loan, and auto title loan.

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool

As the rental market has become more competitive, low-income renters find it increasingly challenging to find market rate units. Those renters with any type of perceived challenge—income from a variety of sources, a past eviction, a minor criminal infraction, a need for a reasonable accommodation—are often passed over for renters who are perceived as easier tenants. In some cases, these criteria can disproportionately affect certain protected classes; some of these effects are evident in the resident survey. A sample of responses are below.

- “We are isolating low-income, disabled, and working-class people in high-density developments away from community—and often near environmental health hazards.”

- “Low-income housing and shelters are often set away from resources, such as food pantries, access to public transport, grocery stores, which causes stress and difficulty for residents in those areas to access resources.”
- “The apartment was not accessible and when asked to be in an accessible unit, [I] was told none were available, although non-handicapped residents were in them.”
- “I was told the landlord ‘does not accept the Section 8 voucher.’”
- “I felt discriminated against [because of] my income. I felt like because I had low income or Section 8, I was turned down even more and made to pay double deposit along with first month’s rent. [It was] close to \$5,000 just to get into a place plus all the application fees, [which were] \$20-45 each.”

**Housing voucher holders.** Currently, 1,169 housing vouchers are currently in use throughout the city, of which 70% are tenant-based. Non-Hispanic White households are significantly overrepresented in voucher use relative to their shares of low-income residents in the city; this is directly due to the proportion of non-Hispanic White residents in the city (Figure V-16). Black/African American and other race households are also overrepresented. Conversely, Indigenous, Asian, and Hispanic households are underrepresented in voucher use relative to their shares of low-income residents in Missoula.

Additionally, 30% of households utilizing a housing choice voucher in Missoula have at least one person over the age of 62 while 62% of households with a voucher include a member living with a disability.

**Figure V-16.**  
**Share of Voucher Holders by Race and Ethnicity**

Note:

Vouchers by race and ethnicity do not add to total vouchers due to data disclosure. Vouchers n=1,169.

Source:

Missoula Housing Authority, 2022 ACS 5-year estimates.

	% of city	
	% of vouchers	% of population earning <\$25,000
White	86%	17%
Black/African American	2%	0%
Asian	0%	11%
American Indian/Alaska Native	8%	46%
Pacific Islander	0%	0%
Other	3%	0%
Hispanic	6%	25%
Not Hispanic	94%	17%

**Difficulty using vouchers.** Residents and stakeholders articulated throughout the community engagement process how difficult it is to use vouchers. Residents and stakeholders both described landlords as less likely to take applicants with housing choice vouchers because of the city’s tight rental market. In addition to having a voucher, residents and stakeholders describe that people with histories of criminal activity or eviction, bad credit, and required application fees and deposits were significantly less likely to find housing.

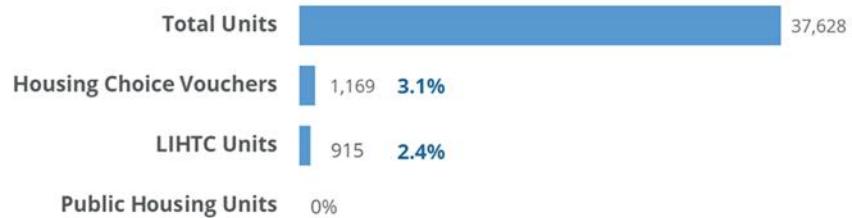
Residents utilizing housing choice vouchers are more likely to lose them if they aren't utilized quickly enough. One resident shared that if you lose your voucher—even if it's not your fault that no one will rent to you—you can't apply for another year. Another resident described that it took their household two years to get a voucher, however, "once we did [receive a voucher], it was during COVID and no apartments were available. We had 60 days to find a place and couldn't and the housing authority refused an extension. So, we became homeless."

**Waitlist.** With the acknowledgement that waiting lists do not reflect the total scale of community needs, as of September 2023, there were 1,816 families on the Missoula Housing Authority waitlist, which is approximately 3 years long.

One resident shared during the community engagement process that "getting housing is a lot harder than it needs to be—there are a lot of requirements, and the onus is on you to follow up on everything. If you miss one thing, you get dropped to the bottom of the waitlist." Another resident shared that they were on the waitlist for the current place they're living in, but once they got approved for the unit, there was no follow up. They added that "there were so many hurdles to jump through and I had to follow up constantly. It took four months to get into my apartment from the time I was approved for the unit."

**Publicly subsidized housing.** Publicly supported housing makes up approximately 4.5% of the overall housing inventory in Missoula, as shown in Figure V-17 below. According to the HUD LIHTC database, there are approximately 915 low-income units in LIHTC projects.

**Figure V-17.**  
**Share of Housing**  
**Units that are**  
**Publicly Supported**  
**Housing**



Source:

Missoula Housing Authority, 2022  
ACS 1-year estimates, and HUD  
Low-Income Housing Tax Credit  
Properties.

## Public Housing Authority Policy Review

The Missoula Housing Authority (MHA) is the largest affordable housing provider in Missoula. Their mission is, "through creative partnerships and innovative development, the Missoula Housing Authority provides quality housing solutions for low and middle-income households in Missoula and surrounding area." MHA's portfolio consists of 1,178 rent-restricted apartments and 1,215 housing vouchers, providing affordable housing to more than 4,500 very-low, low, and middle-income Missoulians.

**Policy and practices review.** The review of the Public Housing Authority (PHA) policies and practices was guided by HUD's Fair Housing Planning Guide, Chapter 4, Section 4.3 and Chapter 5, Sections 5.2 and 5.4. The results of the review are found below, which presents where potential fair housing barriers exist based on the findings from the policy analysis and program review.

### 1. Complying with Key Federal Regulations.

*What is the PHA's policy for accommodating the needs of women who have experienced violence (Violence Against Women Act)?*

*What are the PHA's policies for considering and making reasonable accommodations? Does it balance the need for adequate information with resident rights to privacy?*

The Housing Authority's Tenant Handbook includes a section on the Violence Against Women Act (VAWA) that articulates the protections for victims. The Handbook could be more explicit that discretionary approval to provide benefits based solely on the individual's statement or other corroborating evidence is allowed—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b). The Tenant Selection plan references VAWA in the Unit Transfer Procedure section, but could provide more information related to notification, documentation, and confidentiality, as well as MHA's Emergency Transfer Plan required under VAWA 2013.

MHA's Tenant Handbook provides an abbreviated section on reasonable accommodations, including distinguishing between a reasonable accommodation and reasonable modification, who qualifies to request a reasonable accommodation, and high-level details of the request process. The Housing Authority could provide more explicit information on the process of how a tenant can request a reasonable accommodation. Additionally, MHA could consider providing more explicit information related to HUD regulations and their own policies related to persons living with disabilities. For example, MHA could articulate that "MHA's rules and policies for persons with disabilities are based on the Fair Housing Act (42 U.S.C.), section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004."

## **2. Evaluating Criminal Histories**

*What is the PHA's policy on considering tenants with criminal histories? [HUD has no formal policy on the length of look back periods, but recommends 5-7 years]*

Missoula Housing Authority denies applicants with a household member that has engaged in any of the following criminal activities:

- Record of any felony conviction in any state or federal court within the past 3 years;
- Record of a pattern of criminal activity, felony, and/or misdemeanor, over the last 5 years;
- Record of any member of the household's current use of a controlled or illegal substance;
- Record of any criminal activity indicating a pattern of violence that may constitute a threat to the health or safety of other individuals including residents or staff. Violent criminal activity includes any of the activities listed within Chapter 5, Offenses Against the Person, in Title 45 of the Montana Code Annotated.
- Record of any conviction or adjudication, other than acquittal for the sale, distribution or manufacture of any controlled or illegal substance;
- Record of any conviction or adjudication, other than acquittal, involving illegal use or possession of any controlled or illegal substance;
- Record of any conviction or adjudication, other than acquittal, for child abuse, molestation, or negligence involving a child;
- Requirement to register as a violent or sexual offender;
- Record of felony conviction for assault or any violent act against another person in the last 10 years.

## **3. Offering Mobility Counseling**

Missoula Housing Authority does not have information related to mobility counseling on their website.

While not the same type of program, MHA does administer the Family Self-Sufficiency (FSS) program for current voucher participants, which helps individuals and families achieve economic self-sufficiency. Heads of household enroll in the Program by completing an intake form, signing a contract of participation, and working with an FSS coordinator to develop an Individual Training and Service Plan, which identifies employment and financial goals for the participant to work on. FSS coordinators work

with participants throughout the program to identify and eliminate barriers to participant goals.

#### **4. Promoting Inclusive Tenancy**

*Does the PHA exhibit patterns of concentrations within developments?*

Overall dispersion of residents by race and ethnicity is relatively consistent across developments.

#### **5. Accommodating Regional Needs**

*How well do household compositions and wait lists reflect the needs of the broader region?*

Voucher holders are slightly more racially and ethnically diverse than the city overall.

#### **6. Preferences and Tenant Selection Policies**

*What types of preferences exist and do these reflect needs?*

*Are there any concerns with the Tenant Selection and Assignment Plan (TSAP)?*

No preferences are given for applicants on the waitlist. MHA's resident selection process is articulated below:

- Applications will be considered on a first come/first served basis according to date of application;
- Applicants must satisfy all eligibility requirements for all programs applicable to the unit they will move into.
- Accessible units will be matched with applicant's needs as stated on the application or during the interview process.
- All applications will be reviewed and either approved or denied by MHA staff.
- MHA will promptly contact successful applicants in order to complete the leasing process.

#### **7. Accommodating Needs in Applications**

*How well does the process for applying for public housing or Housing Choice Vouchers (HCV) accommodate the needs of Limited English Populations, residents with special needs, and residents with disabilities?*

Missoula Housing Authority strives to accommodate residents with different needs, including Limited English Proficiency populations, residents with special needs, and

residents with disabilities. Once prospective tenants make an appointment, MHA staff walk through all required paperwork, different requirements for properties, and assess what level of accommodation the applicant might need. Missoula Housing Authority will accommodate prospective tenants in need of interpretation services, when requested. MHA also honors all reasonable accommodation requests. Additionally, MHA designs all its units to a Type B standard, which is essentially the equivalent to the FHA guidelines for accessible units.

MHA could make its process of accommodating potential applicants with special needs more explicit in its Tenant Selection Plan or other appropriate plans. Potential language to add to its plan(s) include:

- "MHA staff must take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the standard MHA application process."
- "MHA provides reasonable accommodation as needed for persons with disabilities to make the application process fully accessible. The facility where applications are accepted is fully accessible."
- "If requested, MHA will make alternative forms of communication available to make the application process fully accessible, including but not limited to, TTD/TTY, sign language interpretation, having material explained orally by staff, or having a third party to receive, interpret, and explain materials."

## **8. Accommodating the Needs of Residents with Disabilities**

*How are accessible units made available?*

*Does the PHA promote the availability of accessible housing units to voucher holders?*

*How are residents with mental illness and behavioral and cognitive challenges accommodated?*

The needs of tenants and applicants for accessible units vary greatly depending on the type of disability a person lives with. Some tenants and applicants with disabilities require physical accommodations to units, reasonable accommodation for the application process, or reasonable accommodation for ongoing housing needs. MHA provides information on accessible units for all applicants and tenants who request this information.

MHA also provides transfers to make an accessible unit available for a resident with a disability. When a non-accessible unit becomes available MHA may transfer a family living in an accessible unit that does not require accessible features to the vacated unit.

## **VI. FAIR HOUSING ENVIRONMENT**

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# **SECTION VI.**

## **Fair Housing Environment**

This section of the City of Missoula Equity Plan assesses private and public barriers to housing choice within the context of existing fair housing laws, regulations, and guidance. This analysis is informed by fair housing complaints; legal cases; a review of relevant land use/public policies and practices; and Missoula's current fair housing activities.

### **Primary Findings and Recommendations**

- According to the housing and community needs survey conducted for this Equity Plan, Indigenous headed households, students, lower-income households, and households with a member living with a disability were the most likely to believe they had experienced housing discrimination when looking for housing in the city in the past 5 years.
- HUD reported 11 fair housing complaints in Missoula between 2019 and 2023. Most complaints submitted to HUD during this period affected individuals with disabilities.
- The regulatory review of Missoula's zoning ordinance did not find any major issues. Best practices that are not as critical in nature but would be beneficial during the next update of the code or in text amendments include:
  - Include a definition of "disability" or "person with disabilities" that aligns with Fair Housing Amendments Act (FHAA) and Americans with Disabilities Act (ADA) in the development code. In defining disability, it is important to include the broad definition that has been interpreted by the courts to apply to the Fair Housing Act (FHA), which includes persons in recovery from substance abuse challenges and persons with HIV/AIDS.
  - Establish a standard process for reasonable accommodation requests in the development code.
  - Implement residential unit classifications, zone districts, and site design requirements for alternative housing types (e.g. tiny homes, cottage housing, courtyard development, micro-homes, and cooperative housing).
  - Include a statement in the purpose of the zoning ordinance that discusses fair housing law or include a cross-reference that identifies the adopted planning documents that discuss and contain policies related to fair housing.
- The City is proactively taking short-term and long-term actions through policy and zoning updates, community engagement efforts, and fair housing education and

training opportunities to affirmatively further fair housing in the community. However, the City's current Fair Housing webpage could provide more robust information, including information on the Federal Fair Housing Act, the Montana Human Rights Act, education and training opportunities, and local resources/organizations that residents can utilize if they feel like they have experienced housing discrimination.

## Legal Framework

Fair housing rights and protections are governed by the federal and state fair housing acts.

**Federal Fair Housing Act.** The Federal Fair Housing Act, passed in 1968 and amended in 1988, prohibits discrimination in housing on the basis of race, color, national origin, religion, gender/sex, familial status and disability. The Fair Housing Act—Amended (FHA) covers most types of housing including rental housing, home sales, mortgage and home improvement lending and land use and zoning. Excluded from the FHA are owner-occupied buildings with no more than four units, single family housing units sold or rented without the use of a real estate agent or broker, housing operated by organizations and private clubs that limit occupancy to members and housing for older persons.<sup>1</sup>

HUD has the primary authority for enforcing the FHA. HUD investigates the complaints it receives and determines if there is a "reasonable cause" to believe that discrimination occurred. If reasonable cause is established, HUD brings the complaint before an Administrative Law Judge. Parties to the action can also elect to have the trial held in a federal court (in which case the Department of Justice brings the claim on behalf of the plaintiff).<sup>2</sup>

**State ordinance.** The State of Montana has a law ("Montana Human Rights Act") that prohibits housing discrimination (Montana Code Annotated, Title 49, Chapter 2, Part 3 – Discrimination in Housing).<sup>3</sup> The state law includes additional protected classes' marital status, creed, and age. The Montana Human Rights Bureau (MHRB) enforces the state's fair housing law and is charged with enforcing specific state and federal laws that prohibit unlawful discrimination. The Bureau informally investigates complaints that are filed with the Department of Labor & Industry's Human Rights Bureau. Residents who think that have been discriminated against have only 180 days from when the adverse act occurred to file a written complaint with the bureau. Additionally, the MHRB also "...provides quality education and training opportunities to employers, employees, housing providers, tenants, and all Montana residents."<sup>4</sup>

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<sup>1</sup> "How Much Do We Know? Public Awareness of the Nation's Fair Housing Laws", The U.S. Department of Housing and Urban Development, Office of Policy and Research, April 2002.

<sup>2</sup> *Ibid.*

<sup>3</sup> See [https://leg.mt.gov/bills/mca/title\\_0490/chapter\\_0020/part\\_0030/section\\_0050/0490-0020-0030-0050.html](https://leg.mt.gov/bills/mca/title_0490/chapter_0020/part_0030/section_0050/0490-0020-0030-0050.html) for the actual text of the law.

<sup>4</sup> <https://erd.dli.mt.gov/human-rights/>

## Course of Action

The City of Missoula's Community Planning, Development and Innovation Department provides a webpage on Fair Housing. This webpage, pictured below in Figure VI-1, provides information on federal fair housing law, links to informational resources on Fair Housing, and a link to the City's most recent Analysis of Impediments to Fair Housing Choice report.

**Figure VI-1.**  
**City of Missoula Fair Housing Webpage**

The Housing Policy Process

Fair Housing

**Fair Housing**

Navigating a housing emergency? Call 406-728-1809 or 406-549-Hope for assistance.

**Fair Housing Law**

Federal and state fair housing laws prohibit discriminatory practices in any industry-related business or transaction that may affect the ability of protected class members to secure housing and/or live in the housing of their choice.

[Review Fair Housing Laws](#)

All grantees of CDBG and HOME funds are required to complete Fair Housing training, and we encourage all housing providers to attend and complete this training. Training is offered through Montana Fair Housing.

[View Training Information](#)

**Analysis of Impediments To Fair Housing Choice**

The 2014 Missoula Fair Housing Assessment (or Analysis of Impediments) was completed as part of the planning process for cities that receive entitlement funds from the HUD. The AI includes a review of the City's laws, regulations, administrative policies, procedures, and practices, an assessment of how those laws affect fair housing choices for all protected classes, and an assessment of the availability and accessibility of housing.

[View the 2014 Missoula Fair Housing Assessment](#)

**Section 504 and ADA Notice and Grievance Procedures**

The City of Missoula has adopted policies and procedures in compliance with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act.

**Quick Links**

- [Read our compliance policy](#)
- [Learn about our grievance procedure](#)
- [Equal Opportunity Manual, HUD](#)
- [Fair Housing Brochure, HUD, English](#)
- [Fair Housing Brochure, HUD, Russian](#)
- [Fair Housing Brochure, HUD, Spanish](#)

[View All](#)

Source: City of Missoula website

Missoula residents who believe they have experienced discrimination in violation of the Federal Fair Housing Act (FHA) or state fair housing laws may report their complaints to the following entities:

- U. S. Department of Housing and Urban Development (HUD).
- Montana Human Rights Bureau.

Other entities that are responsible for receiving and investigating complaints of fair housing discrimination in Missoula include:

- Montana Fair Housing.

Additionally, Montana Legal Services Association (MLSA) provides civic legal aid services to low-income Montanans.

**Department of Housing and Urban Development (HUD).** Housing discrimination complaints filed with HUD may be done online<sup>5</sup>; by calling toll free at 1-800-669-9777; or by contacting the Office of Fair Housing and Equal Opportunity in Washington D.C., or the HUD Denver Regional Office of Fair Housing and Equal Opportunity.

When HUD receives a complaint, HUD will notify the person who filed the complaint and will normally notify the alleged violator and allow that person to submit a response. The complaint will be investigated to determine whether there has been a violation of the Fair Housing Act.

A complaint may be resolved in a number of ways. First, HUD will try to reach an agreement between the two parties involved. A conciliation agreement must protect the filer of the complaint and public interest. If an agreement is signed, HUD will take no further action unless the agreement has been breached. HUD will then recommend that the Attorney General file suit.

If HUD has determined that a state or local agency has the same housing powers ("substantial equivalency") as HUD, they will refer the complaint to that agency and will notify the complainant of the referral. The Montana Human Rights Bureau is not a substantially equivalent local agency.

If during the investigative review and legal processes, HUD finds that discrimination has occurred, the case will be heard in an administrative hearing within 120 days, unless either party prefers the case to be heard in Federal district court.

If a person needs immediate help to stop a serious problem that is being caused by a Fair Housing Act violation, HUD may be able to assist as soon as a complaint is filed. HUD may authorize the Attorney General to go to court to seek temporary or preliminary relief, pending the outcome of the complaint, if irreparable harm is likely to occur without HUD's intervention and there is substantial evidence that a violation of the Fair Housing Act occurred.

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<sup>5</sup> <http://www.hud.gov/complaints/housediscrim.cfm>.

**Montana Human Rights Bureau (HRB).** The Montana Human Rights Bureau (HRB) is charged with enforcing the state's anti-discrimination laws in the areas of employment, housing, education, and public accommodations.

The HRB encourages people who believe they have experienced illegal discrimination to contact their offices at 406-444-2884 or 1-800-542-0807. If the alleged act of discrimination falls within the jurisdiction of the HRB, those who believe they have experienced illegal discrimination will schedule a telephone interview with a trained investigator. If the facts of the incident point to a credible instance of illegal discrimination, the trained investigator will use the information gathered during the intake call to draft a formal complaint. A signature by the complainant is required. A formal complaint must be filed with the HRB within 180 days of the date of the alleged discrimination.

The Human Rights Bureau is a neutral administrative agency throughout this process. The individual filing the complaint is referred to as the "charging party," while the business or entity against whom the complaint is filed is called the "respondent." Once the complaint has been filed, the respondent is notified within 10 days.

Before the complaint moves forward through the process, the HRB offers a variety of options for voluntary resolution of discrimination complaints. Not only can voluntary resolutions save both parties time and money but negotiations are confidential and most parties who choose voluntary resolution see their cases successfully resolved. Additionally, "before or during the informal investigation, if the parties are able to resolve the matter on their own, then the Human Rights Bureau would ask that the parties provide the Bureau with a copy of the settlement agreement and a signed withdrawal form...which withdraw[s] the complaint from the administrative process."<sup>6</sup>

If parties voluntary resolve the complaint after a cause finding has been established, HRB may seek affirmative relief to correct or prevent discrimination. Moreover, "if the parties reach a voluntary resolution without the participation of the Human Rights Bureau the Bureau may seek a separate agreement with the Respondent."<sup>7</sup>

Once the complaint has been filed, an investigator assigned to the case will begin an information investigation to determine if illegal discrimination occurred. The Respondent will receive the opportunity to provide a position statement about the alleged discrimination, which the Complainant will have the opportunity to review and provide a rebuttal. As part of the informal investigator, the investigatory might request additional information, perform an on-site inspection, or hold an in-person fact finding, which is an informal sit down that provides both the Complainant and Respondent to present their

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<sup>6</sup> <https://erd.dli.mt.gov/human-rights/voluntary-resolution>

<sup>7</sup> Ibid

position in the case. The investigator will aim to work with both parties to reach a voluntary no-fault resolution of the case.

The investigation must be completed within 180 days (120 days in housing cases). If a case is unable to be resolved, a Final Investigative Report is produced, which summarizes the investigation and recommends a finding of “reasonable cause”—meaning there is reason to believe that illegal discrimination occurred—or “no reasonable cause”—meaning the evidence does not support a finding that illegal discrimination occurred. This report is sent to both parties.

If a reasonable cause finding is issued, HRB staff will attempt to conciliate the case with both parties, which may include “...compensation for any losses incurred...modifying any practices having an adverse effect on protected classes; and taking other affirmative steps needed to eliminate discrimination.”<sup>8</sup> If the parties are unable to conciliate, a public hearing will be held by the Department of Labor and Industry. As such, “a hearing examiner will conduct a formal hearing subject to the rules of evidence and procedure, similar to a non-jury trial in district court. The hearing examiner will issue a Final Agency Decision regarding whether discrimination occurred. If appropriate, the hearing officer will award monetary damages, and other affirmative relief. This decision can be appealed to the Montana Human Rights Commission”<sup>9</sup>

**Montana Fair Housing.** Montana Fair Housing’s mission is to promote and ensure non-discrimination through outreach, education, dispute resolution, and enforcement. The organization “...investigates allegations of discrimination in housing, counsels victims of discrimination, and facilitates both the state and federal complaint process. [MFH] also assists victims of housing discrimination, under specific circumstances, in securing the representation of counsel when the filing of a complaint in court is deemed the best option.”<sup>10</sup> MFH also maintains a list of housing accessible to people requiring a mobility device and provides dispute resolution services, upon request. MFH can be contacted online through its contact form<sup>11</sup> or by phone at 1-406-782-2573. The MFH offices are located at 501 E Front Street, Butte, MT 59701.

**Montana Legal Services Association (MLSA).** The Montana Legal Services Association or MLSA, is a statewide organization dedicated to protecting and enhancing the civil legal rights of, and promoting systemic change for, Montanans living in poverty. MLSA can be contacted online<sup>12</sup> or can be reached by phone at 1-800-666-6899. MLSA has a local

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<sup>8</sup> <https://erd.dli.mt.gov/human-rights/filing-a-complaint/>

<sup>9</sup> Ibid

<sup>10</sup> <https://www.montanafairhousing.org/index.php>

<sup>11</sup> <https://www.montanafairhousing.org/contactform.php>

<sup>12</sup> <https://www.mtlsa.org/contact/>

office in Missoula located at 1535 Liberty Lane, Suite 110D. MLSA provides non-criminal legal information, civic legal aid, and advice for thousands of Montanans each year, including representing families living in unsafe housing conditions.

## **Housing Discrimination, Complaints, and Legal Cases**

This section provides an overview of residents' perceptions of discriminatory behavior from responses to the community survey conducted for this Equity Plan and a review of FHAA related complaints and legal cases filed in the city since 2019.

Overall, Indigenous headed households, students, and lower income households were the most likely to believe they had experienced housing discrimination, according to the housing and community needs survey, and households with a person living with a disability filed the most complaints during the reporting period. There were 11 fair housing complaints filed between 2019 and 2023.

**Experience with housing discrimination.** Nearly four in 10 survey respondents (38%) believe they or someone they know experienced discrimination when they looked for housing in Missoula, according to the housing and community needs survey. Actual complaint data are much lower—indicating that many households who feel they have experienced discrimination do not file complaints.

The resident survey found that:

- Indigenous respondents, respondents with a household incomes less than \$25,000, students and those who experience a disability or have a household member with a disability were most likely to report that they had experienced housing discrimination.
- Higher income households and seniors were least likely to believe they had experienced housing discrimination in the past.

Nearly 85% who think they experienced housing discrimination when looking for housing in Missoula say that the incident took place in the past five years, and 51% said that it occurred over the past year.

**Reasons for discrimination.** Respondents (n=288) were asked to describe the reasons they or someone they knew think experienced discrimination when looking for housing to rent or buy Missoula. These include:

- |  |                           |
|--|---------------------------|
| ■ Income/Socioeconomic class (19%)   | ■ Disability (10%)        |
| ■ Race/ethnicity (17%)   | ■ Sexual orientation (7%) |
| ■ Other (10%); included mental illness, chemical dependency, emotional support animals, etc. | ■ Criminal history (7%)   |
|  | ■ Age (7%)                |

- Familial status/children (7%)
- Bad credit (5%)
- Being unhoused (3%)
- Having a housing choice voucher or other subsidy (3%)
- Eviction history (2%)
- Religion (<1%)

Examples of how participants described why they thought they were discriminated against include:

- *"They moved here from out of state, lived here for a few years to get sober in a transition home and found it hard to find a rental because of their past; they were a former addict, they had no credit. I have many moms I work with who can't get a rental because of their credit being poor after a divorce, so they live in their cars."*
- *"A friend of mine attempted to renew their lease and was denied without explanation. Neighbors who had a closer working relationship with the same landlord said it was confirmed that their landlord was transphobic, and upset about having a trans tenant and angry about the flag and signs my friend had displayed (allowed within the conditions of their lease) on the property. The neighbors also confirmed that they enjoyed my friend as a neighbor and that any claims by the landlord that they were a bad tenant were untrue. The neighbors said that despite their personal conservative beliefs, they had no issues with my friend as a neighbor and were sad that they were pushed out of the unit in this way."*
- *"Discrimination feels like a part of Missoula's housing stock - whether it is your income, use of a voucher program, or race/ethnicity. Landlords don't seem to have to care about WHY they discriminate because there is a net of excuses that are "accepted", even if the origin of the discrimination lies with a protected class."*
- *"As a queer married couple, many property management companies call us roommates or friends. We have not been offered to rent a place and offered to use a closet as a separate bedroom."*
- *"Because I'm a single, Indigenous mother."*
- *"Native last name."*
- *"I have 4 children. They told me they do not rent to single mothers with so many children."*
- *"I was told that I did not deserve to have an assistive animal based on my disabling condition which was described by my physician in an official letter that described my condition, the reason for my need for an assistive animal, as well as the assistance the provider was helping me. I was told that I was asking for an assistive animal for attention and was abusing the system and should be ashamed of myself."*

- *"My Muslim neighbors were the only ones in the rental complex not offered a lease renewal."*

**Response to discrimination.** When asked what they did about the discrimination, the most common responses include:

- **"Nothing—I wasn't sure what to do"** (28%);
- "Moved/found another place to live" (23%);
- "Nothing—I was afraid of being evicted/harassed. (15%);
- "Called/mailed housing authority" (7%); and
- "Other" (7%).

For respondents that chose "Other," a sample of those responses are below:

- "No need to call or file a complaint when so many places do this, it is implied to be 'OK.'"
- "This population doesn't file complaints because most of them have already been burned by service and judicial systems."
- "She is homeless and continues to be homeless because the woman's shelter won't accept her as a trans woman and she has a criminal record (which should not disqualify someone from housing.)"
- "People are intimidated by the large property management [companies] and feel that it is pointless in the pool of rental candidates."
- "I know of people who did nothing because of lack of education. Some did nothing because fear, had no where else to go. Some file reports and get harassed. I've seen so many negative responses."

**Fair housing complaints.** The U.S. Department of Housing and Urban Development (HUD) receives and investigates housing complaints. HUD provided data on intakes between January 1, 2019, and September 30, 2023, for this study; HUD reported 11 fair housing complaints in the city of Missoula during this period.

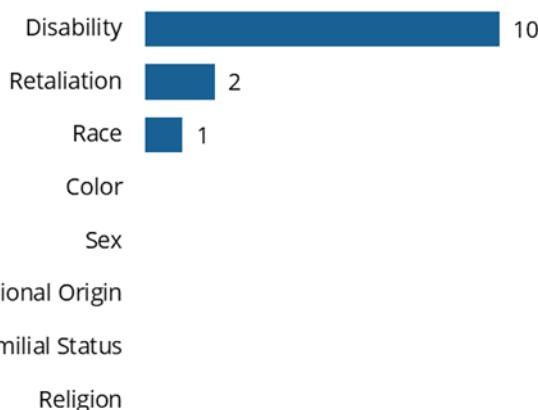
Figure VI-2 shows the number of complaints by protected class affected from 2019 to 2023. Complaints were most likely to be filed on the basis of disability (10 complaints), followed by retaliation (2) and race (1). The City's last Analysis of Impediments to Fair Housing Choice was completed in 2014 and analyzed HUD complaint data from 2007 to 2012. Of the 16 complaints filed with HUD during that time period, 13 complaints were filed on the basis of disability, while two were filed on the basis of race and the other on the basis of familial status.

Figure VI-3 shows the number of complaints by resolution. Most complaint resolutions were through no cause determination (5 complaints), followed by complaint withdrawn by complainant after resolution (2), complaint withdrawn by complainant without resolution (2), and successful conciliation or settlement (1). One of the complaints did not have a closure reason listed.

**Figure VI-2.**  
**Count of Protected Classes in all Complaints, City of Missoula, 2019-2023**

Note:  
Complaints can have more than one protected class.

Source:  
HUD



**Figure VI-3.**  
**Count of Resolution of Complaints, City of Missoula, 2019- 2023**

Source: HUD

**Legal cases.** To support the complaint analysis, we searched U.S. Department of Justice for housing and civil enforcement section cases in the city of Missoula. None were identified at the time of this report.

## Land Use, Public Policies, and Practices

The Federal Fair Housing Act's requirement to affirmatively further fair housing includes avoiding policies and/or practices that limit the fair housing choice of the individuals and households protected by the Act.

Land development codes cannot contain standards, definitions, or procedures that result in differential treatment in housing which can disproportionately affect the classes protected under the FHA. In addition, land development regulations that increase development costs, e.g., through density or design requirements that make residential development overly expensive, can limit the supply of affordable housing. In some

communities, this has a direct impact on racial and ethnic minorities, larger households and families with children, and persons with disabilities because these groups are disproportionately represented among those residing in lower cost housing. Limits or prohibitions on multifamily housing or restrictions on household occupancy are other examples of how land development codes can negatively affect the groups protected under FHA.

The Americans with Disabilities Act (ADA) prohibits discrimination based on disability, defined by ADA as a physical or mental impairment. The ADA requires accessibility in public places (i.e., open to and used by the public) and also requires that "reasonable accommodations" be allowed when necessary to permit persons living with disabilities equal opportunity to enjoy such places. The accessibility provision in the FHAA governs residential accessibility, and requires that multifamily buildings built after March 13, 1991 have specific accessible design features and be adaptable. In addition, the FHAA ensures that persons with disabilities have the right to request and be granted modifications to residential units—as well as local regulations and standards—to make a residence or building accessible to them.

**Common regulatory barriers.** Some of the key factors in land development codes that most commonly result in barriers to fair housing choice and reasonable accommodation include:

- **Site standards.** Large lots or excessive setbacks between structures or from streets that can increase development costs, e.g., special infrastructure;
- **Limits on density.** Restriction on or prohibition of multifamily housing; low floor area ratios (FAR) for multifamily or mixed-use development; or low density requirements;
- **Use-specific standards.** Special site or operational requirements for group homes for persons with disabilities that are not required for other residences or groups;
- **Differences in quality and access to public services.** Additional requirements for infrastructure or essential municipal services not required for other residences or dwelling units;
- **Definition of family and occupancy restrictions.** Definitions of family or occupancy limits that prohibit or limit the number of unrelated persons in a household;
- **Procedures for development or rezone reviews.** Extensive review procedures, public hearings, or notice requirements for different housing types, housing for protected classes, or low-income housing;
- **Housing types.** Limits or prohibitions on alternative affordable housing options such as accessory dwelling units (ADUs), modular or manufactured homes, and mixed-use developments;

- **Spacing.** Minimum distance between group homes that are not required for other residences or groups and make development of group homes difficult;
- **Reasonable accommodations.** Regulations inhibiting modifications to housing for persons with disabilities or their ability to locate in certain neighborhoods; and
- **Code language.** Local land development codes and standards that are not aligned with federal and state regulations governing fair housing and reasonable accommodation.

The City of Missoula is currently examining how its current zoning regulations and land use policy impact housing affordability. As part of the City's *Our Missoula* Growth Policy Update, the City has developed a series of analytical reports to ensure that new development rules and regulations align with community priorities and City plans. One of those reports, the *Equity in Land Use* report, evaluated Missoula's land use policy and zoning regulations based on how well they support social equity goals, including advancing housing affordability and reducing barriers to historically disadvantaged populations from thriving in the community. The major findings of that report include:

- A high share of land is reserved for low density, exclusive single-dwelling housing that is unaffordable to all but the most affluent households;
- A very small share of land allows housing at density levels high enough to deliver housing affordable to middle and lower income households;
- This spatial distribution of zone districts has contributed to, and perpetuates, segregation along lines of class and race and exclusion of lower income households from neighborhoods with high economic and educational opportunity.
- This spatial distribution of zone districts has also concentrated lower income households in the same neighborhoods where new development activity is concentrated, contributing to a higher risk of gentrification and displacement of lower income households in those neighborhoods.

Additionally, the City of Missoula performed a Code Diagnostic as part of the *Our Missoula* Growth Policy Update to evaluate equity issues associated with land use codes and policies. The analysis drew from a synthesis of policy and regulatory documents, insights from listening sessions, staff input, and the project team's analysis regarding Missoula's development codes. The analysis found four key findings:

- Codes present barriers to housing equity, capacity, and affordability;
- Codes present barriers to compatible infill development and limits housing diversity;
- Codes do not support mobility and climate policies; and
- Codes are difficult to navigate for all users.

**Findings from the 2014 Analysis of Impediments.** The 2014 Analysis of Impediments to Fair Housing Choice (AI) focused on the following public policies and actions that impact housing choice:

**Public policy impediments**

- Zoning restrictions on permanently affordable housing developments create a concentration of affordable housing options in certain areas and limits new affordable housing development;
- Zoning regulations and practices limit the siting and availability of housing for persons with disabilities;
- The inclusion of residential use categories (residential living and group living) in the Zoning Ordinance may limit the availability of adult living facilities in the City; and
- Land use designations and building codes may limit the availability of affordable housing choices and focus multi-family housing on certain neighborhoods.

**Real estate impediments**

- Shortage of accessible housing units;
- Inadequate incentives and increased costs, due to regulations limiting the number of affordable housing units for families with children;
- Possible fair housing violations in real estate advertising; and
- Substandard rental housing units available to low income members of protected classes.

**Banking and lending impediments**

- Credit issues limiting the ability of members of the protected classes to qualify for homeownership or rental;

**Fair housing education and awareness impediments**

- Lack of awareness of fair housing laws and of a fair housing officer.

Figure VI-4 and VI-5 summarize the impediment findings from the 2014 AI and indicate if the City addressed the barrier.

**Figure VI-4.**  
**Public Sector Findings from the 2014 AI Update**

Impediments	2014 Findings	2024 Update	Resolved?
<b>Zoning restrictions on permanently affordable housing creates a concentration of affordable housing options</b>	Currently affordable housing is being steered to certain neighborhoods because of developer incentives; policies and practices should provide adequate housing supply and choices for low-income and special needs populations	The City adopted a strategic housing plan in 2019 and is currently implementing recommendations; Update to the City's growth policy is currently underway to better align development rules and regulations with community priorities	In progress
<b>Zoning regulations and practices limit the siting and availability of housing for individuals with disabilities</b>	Group homes and other community residential facilities with more than eight residents are considered special uses and require a conditional use permit to be located in residential districts	The City's Zoning Ordinance allows groups homes, community residential facilities (eight or fewer residents), and community residential facilities (nine or more residents) by right in all residential districts	Yes
<b>Inclusion of residential use categories (residential living and group living) in the Zoning ordinance may limit the availability of adult living facilities in the City</b>	Current occupancy standards for community residential facilities limit the number of persons that may share a dwelling unit.	The City's Zoning Ordinance allows community residential facilities (eight or fewer residents) and community residential facilities (nine or more residents) by right in all residential districts	Yes
<b>Land use designations and building codes may limit the availability of affordable housing choices; and focus multifamily housing to certain neighborhoods</b>	There may be an uneven distribution of multi-family units due to zoning restrictions. Multi-family dwellings are the most likely form of affordable housing options and limiting the location of these units may lead to an overconcentration of lower-income housing	The City adopted a strategic housing plan in 2019 and is currently implementing recommendations; Update to the City's growth policy is currently underway to better align development rules and regulations with community priorities	In progress
<b>Lack of accessible housing units</b>	The Municipal Code does not currently include a definition of persons with disabilities. Not clearly defining this groups may lead to the City not providing or supporting the development of housing and provision of services for those with special needs.	The City's Zoning Ordinance does not have a definition of persons with disabilities.	No

Source: ASK Development Solutions and Root Policy Research.

**Figure VI-5.**  
**Public Sector Findings from the 2014 AI Update, continued**

Impediments	2014 Findings	2024 Update	Resolved?
<b>Lack of incentives and increased costs due to regulations that limits the number of affordable housing units for families with children</b>	Citizen participation feedback through focus groups, surveys, and key person interviews found affordable housing for families with children are limited and located outside of downtown and other employment centers	The City adopted a strategic housing plan in 2019 and is currently implementing recommendations; Update to the City's growth policy is currently underway to better align development rules and regulations with community priorities	In progress
<b>Possible fair housing violations in real estate advertising</b>	Missoula has demonstrated a commitment to diversity with its anti-discrimination ordinances. However, the community could promote the City as a welcoming place for persons of diverse gender, ethnicity, races, and family types.	The City considers the Missoula Organization of Realtors a partner in addressing housing issues in the community. MOR supports a DEI committee to advocate for changes in real estate business practices that reflect the cultural diversity within MOR's service area.	In progress
<b>Substandard rental housing units available to low income members of the protected classes</b>	Citizen participation feedback through focus groups, surveys, and key person interviews found that many families with children and ethnic minorities have limited housing opportunities. As such, they feel forced to accept substandard housing.	Several recommendations in the City's housing policy address this impediment, including the creation of acquisition financing tools, expanding consumer services (including landlord liaison services), and utilizing resources from the AHTF and other sources to improve existing housing stock.	In progress
<b>Credit issues that limit the ability of members of the protected class to qualify for homeownership or rental</b>	Many potential homebuyers are unable to qualify for a homeowner mortgage due to poor credit history or the lack of a credit history. Even though subsidies are available, low credit scores impact how much of a first mortgage a family can qualify for.	In addition to the implementing the City's housing policy to expand homeownership opportunities for low-to moderate income households, the City's Redevelopment Agency recently established a pilot Workforce Housing Program to increase housing options (for rent and sale) for households making between 60-140% of County AMI.	In progress
<b>Need for more fair housing awareness; and a lack of a fair housing officer</b>	No person has been designated to serve in the role of monitoring fair housing compliance and coordinating activities that were planned as a result of the last AI.	While no fair housing officer has been designated, the City is proactively implementing short-term and long-term actions and working with partners to provide more fair housing education and training opportunities.	In progress

Source: ASK Development Solutions and Root Policy Research

**Zoning and land use review.** The City of Missoula Zoning Ordinance (the Code) were reviewed based on a checklist developed by the Region IX HUD office ("Review of Public Policies and Practices—Zoning and Planning Code). The checklist poses a series of questions aimed at common zoning regulations that impact fair housing. The questions in that checklist are consolidated below and used to evaluate the zoning and planning code.

**1. Is there a definition of "family" and does it discriminate against group living for persons with disabilities?**

Family is not defined in the Code. This is a best practice—no definition or a "broader" definition of family increases housing opportunity and flexibility for all residents by allowing more unrelated people to live together.

**2. Are there any occupancy standards or maximum occupancy limits?**

No.

**3. Is the number of unrelated disabled individuals residing together restricted but there is no restriction for other persons?**

The Code does not restrict the number of unrelated individuals with disabilities living together. In Table 20.05-1, *Uses Allowed in Residential Districts*, Group Living, Community Residential Facility (eight or fewer people), and Community Residential Facility (greater than nine people) are allowed by right in all residential districts in Missoula.

Under Section 20.105.020, *Residential Use Group*, **Group Living** is defined as "Residential occupancy of a dwelling by other than a "household," typically providing communal kitchen/dining facilities. Examples of groups living uses include, but are not limited to, fraternities, sororities, convents, monasteries, nursing homes, and the following specific use types: [community residential facility, healthcare facility, and convent/monastery]."

In the Zoning Ordinance, **Community Residential Facility** is defined as:

- A group, foster, or other home specifically provided as a place of residence service developmentally disabled or handicapped persons who do not require nursing care; and as defined by MCA § 76-2-411;
- A district youth guidance home service youths in need of supervision, or youths in need of care or delinquent youths as defined by MCA § 76-2-411, and established pursuant to the Montana Youth Court Act;
- Detention, receiving or shelter homes defined by MCA § 76-2-411, and established pursuant to the Montana Youth Court Act;
- A halfway house operated in accordance with regulations of the Department of Health and Environmental Sciences for the rehabilitation of alcoholics or drug dependent persons, pursuant to MCA § 76-2-411;
- A licensed adult foster family care home as defined by MCA § 76-2-411; or

- An assisted living facility licensed under MCA § 76-2-411.

Under Section 20.40.070, *Group Living*, all group living uses, with the exception of health care facilities and community residential facilities with eight or fewer residents, are subject to the density standards articulated in the section.

Section 20.40.070.B.1 articulates that “the density of residents in a group living use is limited to generally approximate and reinforce the density limits that apply in residential zoning districts. Such limits also help address public facility and service demands and prevent overcrowding.”

While community residential facilities with more than nine residents are subject to the density requirements articulated in Section 20.40.070, so are other group living uses, including but not limited to, fraternities, sororities, convents, and monasteries. As such, these density requirements do not single out the number of unrelated individuals living with disabilities that are able to live together.

#### **4. Is “disability” defined and is the definition the same as FHAA?**

“Disability” is not defined in the Zoning Ordinance.

**Best practices review.** Including a definition of “disability” or “person with disabilities” that aligns with FHAA and ADA is a best practice. A definition can be included in Chapter 20.100, *Terminology*, of the Zoning Code. Those codes with a section detailing the process to request a reasonable accommodation could be improved by adding a definitions sub-section that consolidates key words or phrases, including “disability” or “person with disabilities” for ease of reference. Language could be added to clarify that the definitions contained in the reasonable accommodation section apply to all other sections of the zoning or land development code.

In defining disability, it is important to include the broad definition that has been interpreted by the courts to apply to the Fair Housing Act, which includes persons in recovery from substance abuse challenges and persons with HIV/AIDS.<sup>13</sup>

#### **5. Are housing opportunities for persons with disabilities restricted or mischaracterized as a “boarding or rooming house”?**

No.

As noted above, **Group Living** is defined in Section 20.105.020, *Residential Use Group*, as “Residential occupancy of a dwelling by other than a “household,” typically providing communal kitchen/dining facilities. Examples of groups living uses include, but are not limited to, fraternities, sororities, convents, monasteries, nursing homes, and the

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<sup>13</sup> Group Homes: Strategies for Effective and Defensible Planning and Regulation; Connolly, Brian and Merriam, Dwight.

following specific use types: [community residential facility, healthcare facility, and convent/monastery]."

There are no definitions for "boarding house" or "rooming house" in the Zoning Ordinance.

**6. Does the zoning code allow housing with on-site support services for persons with disabilities?**

Yes, but not explicitly. Section 20.40.120, *Residential Support Services*, allows residential support services in the RM2, RM1.5, RM1, and RM0.5 zoning districts in conjunction with nursing homes, health care facilities, and multi-dwelling buildings. While residential support services are not allowed in all residential zoning districts, the uses that are allowed to provide these services do not solely house people living with disabilities.

**7. Are there definitions for "special group residential housing" and if so, do the definitions align with FHAA.?**

Please see the discussion under items three and five above.

**8. Is there a process to allow waivers of zoning and building code regulations for reasonable accommodation for persons with disabilities?**

The process for granting reasonable accommodations for persons living with disabilities is not addressed in the Zoning Ordinance.

**Best practices review.** A best practice is to establish a standard process for reasonable accommodation requests. Some codes identify typical requests, such as a setback waiver for wheelchair ramps, as administrative in nature when it does not exceed a certain amount. Such requests are processed the same as any other building permit. Other reasonable accommodation requests are processed with a more detailed administrative review using criteria that comply with FHAA and ADA. This clarifies how a reasonable accommodation is reviewed and removes such requests from consideration under procedures and criteria that do not fit the circumstances of the request. When the reasonable accommodation request does not qualify for administrative review, a review before an appointed body can be used. However, the same criteria for deciding the request must be used:

- Whether the person to be accommodated has a disability;
- Whether the modification requested is reasonably necessary to accommodate that disability; and
- Whether the modification would fundamentally and unreasonably alter the nature or purposes of the zoning ordinance. The burden is on the municipality to prove this would occur.

The International Building Code (IBC) allows appeal of decisions of the building official and decisions can be made based on “alternate equivalency” to meeting the IBC requirement. The building code does not tie the determination of an alternative to the physical characteristics of the property or building, making the standard appeal process available to process requests for reasonable accommodation. Examples may include lower sink heights to accommodate a person in a wheelchair, or special positioning of grab bars to accommodate different types of disabilities.

**9. Are public hearings required for exceptions to land use codes for disabled applicants but no hearing is required for all other applicants?**

Please see discussion under item three above.

**10. Are mixed-uses allowed and is housing for persons with disabilities and other protected classes permitted where mixed-use is allowed?**

Yes. With the exception of the Residential Manufactured Housing Park (RMH) district, mixed-use buildings are permitted by right in all residential districts. Additionally, mixed-use buildings, as well as group living uses, community residential facilities with 8 or fewer individuals, and community residential facilities with 9 or more individuals, are all permitted by right in all business and commercial districts. Mixed-use buildings and group living uses are also allowed by right in the M1R district.

**11. What types of residential land uses are allowed and what standards apply?**

As articulated in Section 20.05.010.B, “Missoula’s residential (R) zoning districts are primarily intended to create, maintain and promote a variety of housing opportunities for individual households and to maintain and promote the desired physical character of existing and development neighborhoods.”

**a. Is there variety in allowed single-family and multi-family residential land uses?**

Yes, a range of housing types are allowed in the city’s residential zone districts, as well as commercial and business districts. The residential building types allowed in the city’s residential districts include:

- **Detached house**, defined as, “A principal building that contains only one principal dwelling unit and that is located on a single parcel with private yards on all sides of the building.”
- **Lot line house**, defined as, “A principal building containing one dwelling unit located on a single parcel that is not attached to any other dwelling units. The building is shifted to one side of the parcel so that there is a more usable side yard on one side of the house and very little or no private yard on the other side.”
- **Townhouse**, defined as, “A residential building containing multiple dwelling units, each located on its own parcel or TED ownership unit with a common

or abutting wall along shared property lines or TED ownership unit boundaries. Each dwelling unit has its own external entrance."

- **Two-unit house**, defined as, "A residential building containing two dwelling units, both of which are located on a single parcel (also referred to as a "duplex" or "two-flat"). The dwelling units are attached and may be located on separate floors or side-by-side."
- **Multi-dwelling house**, defined as, "A residential building containing three to six dwelling units that share common walls and/or common floors/ceilings. Multi-dwelling houses appear as large detached houses and have only one entrance visible from the street."
- **Multi-dwelling building**, defined as, "A residential building containing three or more dwelling units (other than a three+ townhouse multi-dwelling house) that share common walls and/or common floors/ceilings. Multi-dwelling buildings are typically served by one or more private or common building entrances."
- **Mixed-use building**, defined as, "A building that houses residential uses in combination with nonresidential uses."
- **Accessory dwelling unit**, defined as, "A separate dwelling unit within a detached house or a separate dwelling unit that occupies an accessory building that shares a parcel with a detached house. As the name implies, accessory dwelling units are an accessory use to the principal use of the property (i.e., a detached house)." Accessory dwelling units are allowed only on parcels occupied by a single detached house or lot line house.

The Zoning Ordinance also articulates several different development options (Section 20.05.040, Development Options), including:

- **Conventional development**, defined as, "Any development that is not part of an approved cluster or conservation development."
- **Cluster and conservation development**, defined as, "Options [that] are intended to encourage development designs...that are more efficient and provide more open space and greater natural resource protection than convention development designs."
- **Permanently affordable development (three or more dwelling unit project)**, defined as, "Allowing smaller parcel size and other modified building standards in exchange for up to 50% of the project developed as permanently affordable for residents...."

**Best practices review.** A best practice is to incorporate residential unit classifications, zone districts, and site design requirements for alternative housing types (e.g. tiny homes, cottage housing, courtyard development, micro-homes, and cooperative housing). This minimizes delay in the approval process, reduces costs,

and educates zoning and building officials and the entire community about these housing types and who it will serve.

**b. *Do densities and development standards (lot size, height, etc.) support low- and middle-income housing options?***

The Zoning Ordinance includes 16 residential zoning districts with varying densities, locations, and requirements. The code includes regulations of the permitted residential structures for each zoning category and outlines the building code regarding density, footprint, building height and setback requirements. Multifamily dwellings, including duplexes, triplexes, quadplexes, and sixplexes, are restricted to the densest districts. Accessory dwelling units are allowed only on parcels occupied by a single detached house or lot line house, which are allowed by right in all residential districts. This allows for gentle density as discussed below in best practices.

**Best practices review.** Consideration for a process to allow smaller lot sizes and dwelling unit sizes may be merited to provide additional affordable housing options for this housing type. A best practice is to allow flexibility for “gentle density” such as duplexes to triplexes, to accommodate demand for missing middle housing, promote economic integration, and meet current preferences in housing. Some communities allow these densities if the units carry a level of affordability (e.g., 80-120% AMI to facilitate middle income ownership).

**c. *Are accessory dwelling units (ADU) allowed?***

Yes. Accessory dwelling units are permitted in all residential districts, but only on parcels occupied by a single detached house or lot line house.

The ADU offers an alternative housing type that may permit a household to age in place, make a home affordable to a family, and increase housing options for lower-income one and two-person households.

**d. *Is design review required for multi-family housing or group living?***

Design requirements and performance standards including minimum unit size, site landscaping, parking, etc. are specified for all residential zone districts and do not appear to be especially stringent for multifamily or group living facilities.

**e. *Are there special site improvement standards for certain types of housing?***

As stated above, there are design requirements and performance standards for all residential uses.

**12. Does the zoning code describe any areas as exclusive?**

There are no zoning districts described as exclusive in the Zoning Ordinance.

**13. Are there restrictions for senior housing and if so, do the restrictions comply with Federal law on housing for older persons?**

See discussion in item three on group homes for seniors.

**14. Is senior housing a specific land use and if so, is a special or conditional use permit required but is not required for single-family or multi-family residential uses?**

As described in item three, group living, community residential facilities (with 8 or fewer people), and community residential facilities (with 9 or more people) are all listed as land uses under the Residential Use category. All three uses are permitted by right in all residential zoning districts.

**15. Is a conditional or special use review permit required for housing for persons with disabilities but is not required for single-family or multi-family residential uses?**

No.

**16. Are there any references to fair housing or a statement about fair housing in the zoning code?**

No.

**Best practices review.** A best practice is to include a statement in the purpose of the zoning ordinance that discusses fair housing law or to include a cross-reference that identifies the adopted planning documents that discuss and contain policies related to fair housing.

**17. Are there specific references to the accessibility requirements of FHAA or ADA in the development codes?**

No.

**Best practices review.** It is a best practice to include references to the FHAA or ADA accessibility requirements in the code.

**a. Are there minimum standards for handicap parking for multi-family housing?**

The Zoning Ordinance does not explicitly articulate minimum standards for handicap parking. However, Section 20.60.070, *Accessible Parking (for People with Disabilities)*, states that “accessible parking facilities must be provided in accordance with Accessibility Code requirements through the City Building Division.” Ordinance 3669 (2020) articulates that the Building Division will administer ADA requirements through the International Building Code (IBC).

**b. Are there standards for accessible routes (e.g., sidewalks and access through parking lots)?**

The Zoning Ordinance states, “Multi-dwelling residential, commercial, industrial and mixed use development shall provide pedestrian walkways. A system of pedestrian walkways is required to connect each primary use structure on a site to the following: adjacent public sidewalks, on-site parking lots or parking structures,

other on-site primary use structures, bicycle storage areas, and common outdoor use areas. The pedestrian walkway system must comply with Municipal Code requirements."

**Jurisdictional review.** Stakeholders consulted in the development of this Equity Plan expressed concerns with zoning and regulatory barriers to affordable housing development in Missoula's Zoning Ordinance. Root conducted a high level review of barriers to address these concerns. The following best practices are aimed at improving local zoning regulations and policies to promote the construction of affordable housing in jurisdictions.

- **Provide flexible residential uses.** Several stakeholders emphasized the need for more diverse housing types to be allowed throughout the city. A best practice is to incorporate residential unit classifications, zone districts, and site design requirements for alternative housing types (e.g. tiny homes, cottage housing, courtyard development, micro-homes, and cooperative housing). This minimizes delay in the approval process, reduces costs, and educates zoning and building officials and the entire community about these housing types and who it will serve.
- **Expedite the process.** Several stakeholders described the City's permitting process as long and frustrating. Additionally, a couple of stakeholders felt that more awareness for City Council around how the cost of construction and the "ins and outs" of the entitlement process would be beneficial for "speeding up" the process. Expedited permitting is not available in some jurisdictions for affordable housing developments. The entitlement process is perceived by stakeholders to be onerous and lengthy in some cases and anecdotal information indicated the process takes a minimum of 18 months to navigate. Expediting the permitting process for affordable housing is common in different states and is considered a best practice for encouraging affordable housing construction cost effectively.
- **Increase local resources for housing.** Stakeholders expressed the need for increased commitments for affordable housing in municipal and county budgets. Numerous stakeholders lauded the creation of the City's Affordable Housing Trust Fund and applauded the resources being put into it. However, there was a sense that more resources are needed. A handful of stakeholders wanted the City to consider using publicly-owned land for the development of affordable housing.

## City of Missoula Fair Housing Activities

**Fair housing activities since 2014.** This section provides a summary of fair housing activities undertaken by the City since their last AI in 2014.

**A Place to Call Home: Meeting Missoula's Housing Needs.** In June 2019, the Missoula City Council adopted *A Place to Call Home: Meeting Missoula's Housing Needs*, the first citywide housing policy adopted in Missoula. The housing policy attempts to both spur and harness the market to better provide housing at a wide range of entry points, and to ensure that all Missoulians can obtain safe and decent homes. *A Place to Call Home* organizes over two dozen specific policy recommendations into four strategies:

- 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 affordable homes.

**Our Missoula Growth Policy.** Spurred by the passage of the Montana Land Use Planning Act (MLUPA) that requires cities with more than 5,000 people to adopt new land use plans, zoning, and subdivision codes, the City of Missoula is currently developing *Our Missoula*, the City's Growth Policy. While many of the values and vision articulated in the City's current growth policy are still relevant, several issues, including social, cultural, and racial inequities; housing shortages; rising housing costs; and the accelerating effects of climate change, are not captured in the current vision. As part of the growth policy update, the City conducted an "Equity in Land Use" audit to identify how the City's current codes and policies are falling short in supporting social equity goals and addressing community needs. Recommendations for effectively advancing equity through land use policy and regulations to explore in future phases of the project include:

- Distributing opportunities for affordable housing types broadly throughout the city;
- Enabling density levels that open up the possibility for smaller, more affordable units;
- Avoiding concentrated upzoning in vulnerable neighborhoods;
- Providing zoning incentives for income-restricted affordable housing;
- Focusing regulations more on the form of buildings, less on the number of units in the building; and
- Designing reforms that increase opportunities for adding amenities and services within a walkable distance of all households.

**Community Solutions to Housing Development.** In January 2023, the City of Missoula prepared a memo reflecting concerns from community members related to housing displacement, specifically regarding the prevalence of acquisitions of mobile home courts and naturally occurring affordable housing. Beginning in February 2022, staff

engaged with over 300 residents through listening sessions, individual meetings, and meetings with providers. Out of this process, recommendations related to fair housing materialized, specially for City staff to work with community organizations to host Fair Housing and Landlord Tenant training opportunities for residents, service providers, and property management/owners. As a result, the City is holding its first Fair Housing Workshop for Tenants in 2024 to teach residents about their rights under the Fair Housing Act, how to recognize discrimination, and what to do if they have experienced discrimination.

**Accessory dwelling units.** In October 2020, the City adopted an update to its zoning code, which included changes to standards and restrictions on accessory dwelling units (ADUs). On the heels of the City's adopted housing policy, which recommends use of ADUs in order to provide affordable and accessible housing that can be easily distributed throughout the city, the zoning ordinance update now reflects that ADUs are allowed by right in all residential zoning districts within the city limits. ADUs provide a wide range of benefits, including supplemental income to finance-burdened homeowners, affordable housing options for students and young families, a type of residential infill that is compatible with existing neighborhoods, and the ability for families to provide live-in options for aging parents or adult children needing extra care or services.