

Resolution #2022-3

HOUSING

BACKGROUND

Housing prices have outpaced average incomes in Montana, making it difficult if not impossible for many Montanans to own or rent a suitable residence for themselves and their families. According to Zillow, an online real estate marketplace, average home values in Montana have increased 22% since July 2021, to just under half a million dollars. These values vary widely from community to community. The current median home price in the city of Bozeman is \$949,000, Big Timber \$652,000, Kalispell \$636,000, Whitehall \$525,000, Helena \$499,000, Dillon \$460,000, Roundup \$430,000, Billings \$400,000, and Choteau \$399,000. Even these numbers are rapidly changing, with prices continuing to increase on a weekly basis. These prices are outside the reach of most Montanans.

Rentals are similarly higher than Montanans are able to pay. The majority of the poorest Montanans (0-30% of average median income) must pay over 50% of their income on housing costs and utilities. This income category constitutes a quarter of all Montana renters. The majority of the next highest income level (31-50% of average median income) must pay over 30% of their income on housing related costs. Almost 15% of Montanans earning the average median income are similarly cost-burdened.

Exacerbating this inequity is a lack of units for those now seeking housing in Montana. A combination of tight labor markets, material costs, high land values, inflation, and lack of infrastructure capacity have all contributed to Montana's housing crisis, and many different actions at all levels of government will need to be taken to solve it.

Municipalities are committed to working with state and federal agencies, other local governments, the private sector, and the public to identify and implement solutions to the housing crisis. However, while cities and towns seek and implement ways to make housing development more affordable, they must retain their ability to make local decisions about the form, density, and impacts of land development based on community desires, needs, and capacity.

ACTION

1. The League will encourage bills that finance the development of housing that is affordable for persons of all income levels.
2. The League supports bills that update and modernize Montana's land use and planning statutes to create a more predictable and less costly process for residential development review and approval at the local level, while protecting the public's right to know and participate, the environment, local government's ability to provide public services, and local authority for land use decision-making.