

## IV:

# HOUSING

## Existing Conditions

### Introduction

The primary goal of the housing chapter is to meet the current and future housing needs for Lewis and Clark County, sustaining a mixture of low, moderate, and high-income households. Healthy communities maintain varied households and a combination of housing options across all economic levels. Conversely, the ability to obtain affordable housing is essential to a stable, healthy, and thriving community. The housing chapter contains information on existing conditions and an analysis of housing needs within the County. The primary resource for the information contained in this chapter is the State of Montana Consolidated Plan.

### Existing Housing Stock

The housing stock in the County has increased considerably during the past 30 years, more than doubling between 1970 and 2000. During this period, the most rapid growth in housing stock occurred during the 1970s, when 6,212 units of housing were built in the County, an increase of 50 percent during the decade (see table 4.1). As the economy slowed during the 1980s, the growth in new housing slowed considerably, before rising again during the 1990s.

**TABLE 4.1:**  
**GROWTH IN HOUSING UNITS IN LEWIS AND CLARK COUNTY, 1970-2000**

<u>Year</u>	<u>Number of Units</u>	<u>% Increase, Previous Decade</u>
1970	12,359	---
1980	18,571	50%
1990	21,412	15%
2000	25,672	20%

Source: U.S. Census Bureau

## Housing Types

Lewis and Clark County has a diverse range of housing types, including the following: A predominance of single-family homes; multi-family developments; multi-family units, and; manufactured housing (see table 4.2). There is a greater proportion of multifamily housing in Lewis and Clark County than in the State as a whole. Single-family homes and trailer parks predominate in the rural areas of the County, while a high percentage of the multi-family units are found in the City of Helena.

<b>TABLE 4.2:</b>	<b>HOUSING TYPES: 1990</b>				
	<b><u>Single</u></b>	<b><u>2 or More Units</u></b>	<b><u>Mobile Homes</u></b>	<b><u>Other</u></b>	<b><u>Total</u></b>
Lewis Clark County	13,616	4,190	3,414	192	21,412
% of Housing Stock	64%	20%	16%	1%	100%
State of Montana	245,985	56,634	54,021	4,535	361,175
% of Housing Stock	68%	16%	15%	1%	100%

Source: U.S. Census Bureau (note: 2000 data will be added when available).

## Age of Housing

As table 4.3 illustrates, the housing stock in Lewis and Clark County is slightly newer than that in Montana as a whole. Approximately 69 percent of the housing stock in Lewis and Clark County was built after 1959, while statewide, 62 percent was built after this date.

<b>Table 4.3</b>	<b>AGE OF HOUSING STRUCTURES (From 2000 Census)</b>			
<b><u>Year Structure Built</u></b>	<b><u>Lewis and Clark County</u></b>		<b><u>Montana</u></b>	
1999 to March 2000	615	2.4%	4,170	1.0%
1995 to 1998	2,413	9.4%	30,537	7.4%
1990 to 1994	1,748	6.8%	34,144	8.3%
1980 to 1989	3,699	14.4%	53,180	12.9%
1970 to 1979	6,451	25.1%	85,273	20.7%
1960 to 1969	2,703	10.5%	49,563	12.0%
1940 to 1959	3,465	13.5%	83,861	20.3%
1939 or earlier	4,578	17.8%	71,905	17.4%

## **Household Characteristics**

The composition of households in the County has changed considerably over the past twenty years (see table 4.4). Average household size in Lewis and Clark County has shrunk from 2.96 persons per household in 1970, to 2.38 in 2000; for owner occupied housing units, the rate was 2.54, while rental units were lower at 2.02. This reduction of household size is in keeping with the long-range national trend toward decreasing household size during the same period (although it rose modestly in the County during the previous decade). Some of the factors contributing to this trend include families having fewer children, an increase in single parent households, people living longer, and people moving to other states that provide better paying jobs.

**TABLE 4.4: PERSONS PER HOUSEHOLD IN LEWIS & CLARK COUNTY**

<u>Year</u>	<u>Persons per Household</u>
2000	2.38
1990	2.22
1980	2.48
1970	2.96

Source: U.S. Census Bureau

According to 2000 census data, nearly 66 percent of the total households in Lewis and Clark County were composed of families; 32 percent of all households had children under 18 years of age in the dwelling (see table 4.5). Approximately 29 percent of the households in the County were composed of an individual living alone. An indicator of the aging population in the County, 20 percent of the households included persons who were at least 65 years of age.

## **Home Ownership Rates/Vacancy Rates**

In 2000, approximately 70 percent of the Lewis and Clark County population lived in owner occupied dwellings, with the other 30 percent living in rental properties. As depicted in table 4.6, the percentage of ownership has declined by 4 percent since 1990.

According to 2000 Census data, the vacancy rate for owner occupied property in the County was 1.5 percent, compared to 5.8 percent for rental housing units.

**TABLE 4.5: HOUSEHOLDS BY TYPE: LEWIS AND CLARK COUNTY, 2000**

<b><u>Category</u></b>	<b><u>Number</u></b>	<b><u>Percent</u></b>
Total Households	22,850	100.0%
Family Households (families)	14,958	65.5%
With Own Children Under 18	7,354	32.2%
Married-couple Family	11,983	52.4%
With Own Children Under 18	5,313	23.3%
Female Householder, No Husband Present	2,107	9.2%
With Own Children, Under 18	1,494	6.5%
Non-Family Households	7,892	34.5%
Householder Living Alone	6,644	29.1%
Householder 65 Years and Over	2,044	8.9%
Households with Individuals Under 18	7,772	34.0%
Households with Individuals 65 and Over	4,570	20.0%
Average Family Size	2.95	---

**TABLE 4.6: OWNERSHIP RATES IN OCCUPIED HOUSING UNITS, 1990-2000**

	<b><u>1990</u></b>		<b><u>2000</u></b>	
<b>Owner</b>	34,269	74%	32,016	70%
<b>Renter</b>	11,838	26%	13,684	30%

Table 4.7 depicts the number and type of each category of rental housing, based on 1990 data. Multifamily units predominate with 59.3 percent of the total rental housing stock, single family units account for 29.2 percent and mobile homes account for 10.2 percent of the total rental units.

**TABLE 4.7 NUMBER OF RENTAL UNITS BY TYPE - 1990**

<b><u>Single Family</u></b>	<b><u>Multi-Family</u></b>	<b><u>Mobile Home</u></b>	<b><u>Other</u></b>
1,715	3,487	598	80
29.20%	59.3%	10.2%	1.4%

Source for tables on this page: U.S. Census (note: 2000 data will be added when available).

## **Housing Affordability and Need**

To address the housing needs in Lewis and Clark County, the Housing Needs Assessment for Lewis and Clark County was prepared by Bill Bentley and Dan Tinson in 1996. This study was intended to identify barriers to affordable, adequate housing for low to moderate-income people. In addition to this study, an inventory of homeless facilities and services was conducted as a part of developing the State 1995-1999 Consolidated Plan.

In January 1993, the Helena Area Housing Task Force was formed with representatives from emergency shelter providers, the Helena Housing Authority, City and County government, mental health service providers, low-income coalitions, Montana Advocacy Program, local realtors and lenders, the Montana Independent Living Project, homebuilders, and Habitat for Humanity. The mission of this group has been to seek solutions to the housing shortages for low-income families that are affordable and safe both in rental and home ownership markets in the Helena area.

### **Definition of Housing Affordability**

Across the State of Montana, a major concern for many residents is the lack of affordable housing. It is becoming increasingly difficult for the average citizen to purchase a new home.

Housing is typically deemed affordable if either the monthly rent, or mortgage, principle and interest, is no more than 30 percent of a household's monthly income. The affordable rental and purchase costs are determined by looking at the State's definitions of low and moderate-income households.

These definitions are based on household income as a percentage of median household income. For example, low-income households are those households earning less than 80 percent of the median income. Moderate-income households are defined as those households earning between 81 percent and 100 percent of median income. For Montana, this is equal to \$22,501 to \$27,499 per year, based on the 1990 US Census. In 1989 the median gross rent as a percentage of household income in Lewis and Clark County was 25.1 percent.

## **Affordable Housing for Purchase**

According to the Housing Needs Assessment, low income households could afford to purchase a home for no more than \$75,000, assuming a 30 year mortgage at an 8 percent interest rate. The maximum affordable home purchase price for moderate-income households was \$93,000. As a point of comparison, the cost of single-family housing increased in the Helena area from \$85,605 in 1993 to \$117,140 in 1998. During the same period, the average cost of mobile homes nearly doubled, rising from \$22,929 to \$37,724. In general, the Helena area, in particular, has a shortage of homes in the \$60,000 to \$100,000 price range (data from City of Helena *Growth Policy*).

The factor cited in the Housing Needs Assessment as having the greatest impact on the ability to buy homes was low income. A secondary factor was housing affordability, which appears to have a number of components, including the following:

1. The price of undeveloped land and/or platted lots;
2. Financing costs, including down payment requirements, interest rates, and fees;
3. Materials and construction costs, including labor;
4. Developer profit margins and real estate sales commissions;
5. Population changes, including demographic shifts and migration that affect supply or demand;
6. Land use controls that limit the location and density of development, which may affect the cost and availability of land as well as the cost and supply of housing;
7. Building code requirements that may increase construction costs; and
8. Site-development requirements, including infrastructure, utilities, environmental protection, and other on-site or off-site improvements.

While the government can directly influence the last three components through policies and regulations, the first five are more independent of local government actions.

Often, the private housing market does not provide adequate affordable housing for low to moderate-income groups without some type of subsidy or incentive. For many years, the County has worked with other organizations to help provide housing for low and moderate-income families. However, housing costs have risen faster than incomes during the last decade, contributing to the on-going challenge of securing adequate housing for all income groups.

## **Affordable Rental Housing**

Census data from 1990 indicates that 37.2 percent of the rental units in Lewis and Clark County were located in the unincorporated areas. These units were priced between \$250 and \$449, with the bulk of the units costing between \$250 and \$349. To afford a monthly rental payment of \$300 one would have to earn no less than \$12,000 per year, and no less than \$16,000 per year to afford a monthly payment of \$400. Sixty percent the rental units were priced at \$300 and above.

The Housing Needs Assessment contains a survey of opinion on what constitutes affordable rental rates in Lewis and Clark County and Montana as a whole. The Assessment's findings were that no more than \$562.50/month for low-income households and no more than \$687.48/month for moderate-income households are affordable rental rates.

The average Montanan's opinion of what is low-cost housing was a rental payment of \$188 while the average cost of housing was believed to be \$311. For Central Montana, \$196 was considered a low cost payment and \$327 an average monthly payment. Communities with populations over 10,000 believed that \$214 was a low cost payment and \$316 an average payment.

High payment for the Montana average was \$426, while Central Montana believed \$435 was a high rental payment. For those communities with populations over 10,000, \$509 was considered a high monthly payment.

## **Emergency Shelters/Homeless**

A homeless person is defined as someone who lacks a fixed, regular, and adequate nighttime residence. A sheltered homeless person is someone who is being provided temporary shelter.

The FY 1994-98 Comprehensive Housing Affordability Strategy (CHAS) Five-Year Plan identified homelessness as a challenge to be addressed in Montana's Housing Strategy. The State Department of Social and Rehabilitation Services (SRS) conducted a study of the population of homeless shelters statewide on December 2, 1992 and January 26, 1993. They found that of all the sheltered homeless persons, 61 percent were males and 39 percent were females. Persons under the age of 19 made up 43 percent of the total, with a majority of those under age 9. The mean age of the homeless population in Montana was 26. Native Americans, the second largest racial group in Montana, constituted a disproportionate amount of the homeless population, even though they make up only 6 percent of the total statewide population.

The Montana Consolidated Plan includes the results of a 1994 inventory of emergency shelters, transitional and multi-family housing in the County. Table 4.8 shows the location, number of units, and capacity (where available) for each facility in Lewis and Clark County.

**TABLE 4.8**     **1994 INVENTORY OF EMERGENCY SHELTERS AND TRANSITIONAL & MULTIFAMILY HOUSING**

<b><u>Location</u></b>	<b><u>Facility</u></b>	<b><u>Units</u></b>	<b><u>Capacity</u></b>
<b>Emergency Shelters</b>			
Helena	God's Love	1	30
Helena	Golden Triangle Com. Mental Health	Unknown	Unknown
Helena	Montana House	1	8
Helena	Salvation Army	Unknown	Unknown
<b>Transitional Housing</b>			
Helena	Florence Crittenton	1	17
Helena	Friendship Center	Unknown	9
Helena	YWCA	Unknown	29
<b>Multifamily Housing</b>			
Augusta	Elk Creek Lodge	8	N/A
East Helena	East Helena Apartments	16	N/A
East Helena	Eastgate Apartments	24	N/A
Helena	Almanor	60	N/A
Helena	Broadwater Village	92	N/A
Helena	Cannon Springs	36	N/A
Helena	Eagles Manor #2	54	63
Helena	Helena Housing Authority	366	N/A
Helena	Helena Manor	73	N/A
Helena	Helena Manor Addition	20	N/A
Helena	Helena Springs	24	N/A
Helena	Neighborhood Center	30	N/A
Helena	Penkav Eagles Manor	66	81
Helena	Serendipity Apartments	24	N/A
Helena	Sunset Capital Apartments	118	N/A
Helena	Tower Hill Apartments	50	N/A

Source: Montana 1995-1999 Consolidated Plan.

### **Senior/Assisted Housing**

The senior population is a significant and growing presence in Lewis and Clark County, resulting in an important housing issue. This group has needs that are different from the rest of the population. Twenty percent of the households in the 2000 census included at least one individual 65 years of age or older. People 60 years and older made up 15.7 percent of the population, a figure that has been increasing in recent decades as the population ages. The number of County residents over the age of 75 grew from 1,603 in



1980 to 2,332 in 1990, to 3,102 in 2000--a 33 percent increase in the past decade and a 94 percent increase between 1980 and 2000. The median age during the same period has increased from 28.9 in 1980, to 35.1 in 1990, to 38.0 in 2000, reflecting the aging of the population and the in-migration of retirees.

There are more than 140,000 people over the age of 60 in Montana, and approximately 12,993 require assistance in some form for housing; 3,267 of the latter are estimated to be frail and elderly. The growth in the senior population signals the need for additional assisted living housing and supportive services that enable seniors to remain in their homes.

### **Housing for the Mentally Ill with Special Needs**

The housing component of the Montana State Mental Health Division (Residential Services) includes the state's two mental health institutions: Montana State Hospital and the Montana Center for the Aged. The Montana Mental Health System Plan identifies an ideal system of community services for adults with severe and disabling mental illness. The strategy calls for:

- Improving the process of transition for patients going from the hospital to the community;
- Continuing to support beds in group homes;
- Building apartments containing transition beds; and
- Making emergency funds available to assist clients with rent deposits, furnishings, and emergencies.

### **Potential Housing Resources**

Resources to meet the housing needs are fairly limited in Lewis and Clark County. This is to some degree a reflection of national trends, as Federal funding for housing was substantially reduced during the 1980s. The County is now in a strategic position to access grants and develop targeted programs to meet housing needs, with the completion of the county-wide needs assessment and this Growth Policy.

The State of Montana Consolidated Plan identifies and describes three programs that are available through the U.S. Department of Housing and Urban Development (HUD) through a consolidated grant program.

## **Home Investment Partnership Program (HOME)**

The HOME program funds housing rehabilitation, new construction, property acquisition, transitional housing, and rental assistance. HOME program funds are available to eligible local governments and certified Community Housing Development Organizations (CHDO's).

## **Community Development Block Grant (CDBG) Program**

The CDBG program is designed to help communities with their greatest community development needs. All awarded program funds principally benefit low and moderate-income families. The Montana CDBG program has three components - housing, economic development, and public facilities. Typical eligible activities include the rehabilitation of existing housing units, providing infrastructure for the construction of new affordable housing or directly constructing new affordable housing, under the sponsorship of a non-profit organization.

## **Emergency Shelter Grant Program (ESG)**

The ESG program is designed to help improve the quality of existing emergency shelters for the homeless, make available additional shelters, meet the costs of operating shelters, and provide essential social services to help prevent homelessness. The grants require a 50 percent match that can be considered soft money (e.g. volunteer, other in-kind matches).

## **Housing Issues, Goals, and Policies**

**ISSUE A**    **Not all county residents can afford market rate housing.**

**Goal 1**      All residents should have the opportunity to obtain safe, sanitary, and affordable housing.

**Policy 1.1**    Work to maintain adequate and diverse housing opportunities for all income levels.

**Policy 1.2**    Consider the locational needs of various types of housing with regard to proximity of employment, and access to transportation and services.

**Policy 1.3**    Work to disperse affordable housing throughout the County.

**Policy 1.4**    Participate in periodic analyses to determine immediate and long-range affordable housing needs.

**Policy 1.5**    Study and consider innovative housing programs to reduce dependency on subsidized housing.

**Policy 1.6**    Group homes, foster care facilities, and facilities for other special populations, should be equitably distributed throughout the county.

**Policy 1.7**    Encourage preservation, rehabilitation, and redevelopment of existing housing, with special attention to historic structures and historic areas.

**Policy 1.8**    Encourage compatible mixed-use development.

**Policy 1.9**    Participate in periodic inventories of housing conditions in unincorporated areas.

**Policy 1.10**    Develop programs, as funding allows, to access available public/private funding for affordable housing and related infrastructure.

