

PROGRAM YEAR 2025

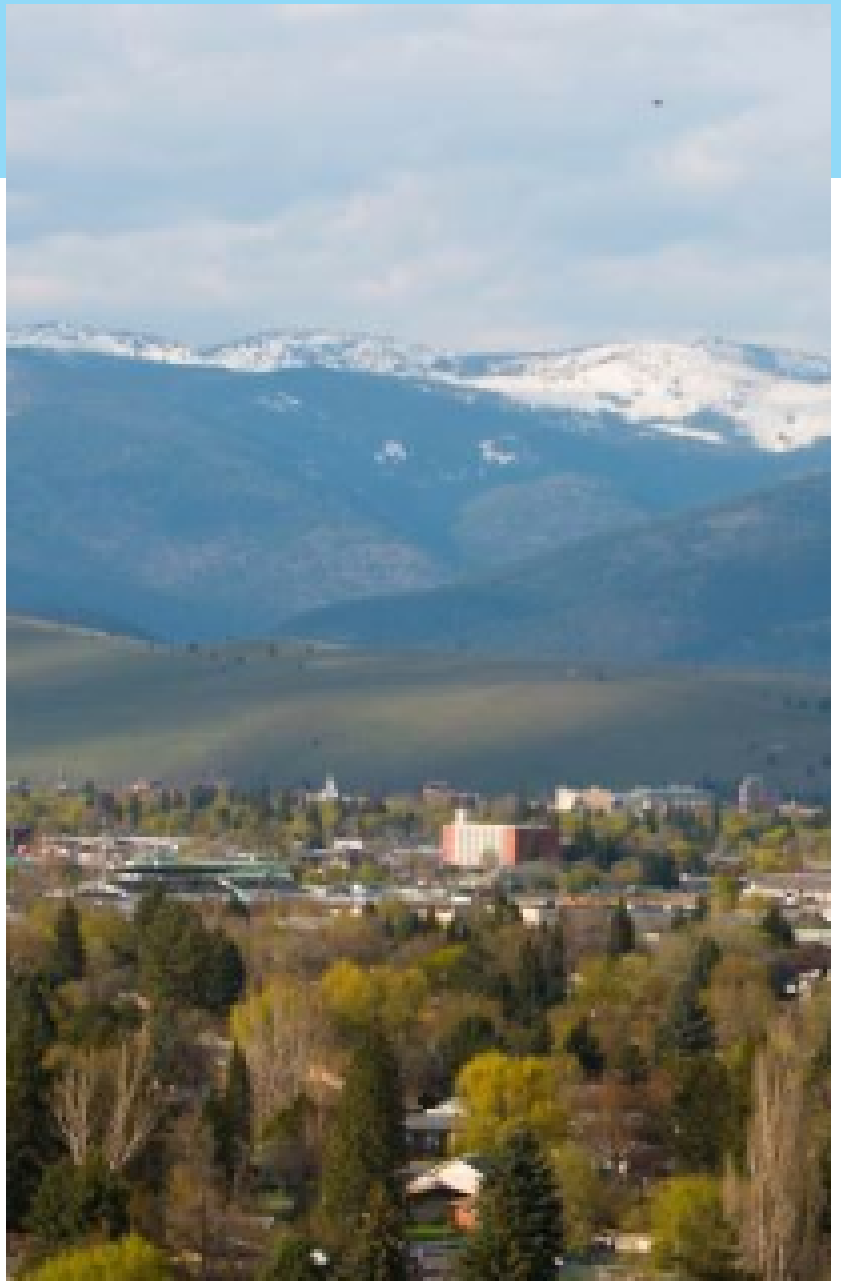
COMMUNITY NEEDS ASSESSMENT

CITY OF MISSOULA



PREPARED BY

*Community Development
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and Innovation
department.*



The background of the top section of the page features a grayscale photograph of a two-story house with a gabled roof and multiple windows. A solid blue rectangular banner is overlaid on the left side of the image, containing the word 'INTRODUCTION' in white, bold, uppercase letters.

INTRODUCTION

In the fall and winter of 2023, the Community Development Division (CD) of Community Planning, Development & Innovation (CPDI), in partnership with Root Policy Research, performed [an extensive outreach and online survey](#) that asked residents and stakeholders to identify Missoulians with **the greatest housing challenges, unmet housing, community development, economic development needs**, and which outcomes should be prioritized by the City with the federal funding it receives from HUD.

In total, **729 individuals responded to the survey**. The City concurrently developed the [Equity Plan](#), which is a fair housing plan that **identifies housing barriers and challenges experienced by protected class populations** and articulates how the City will address those challenges.

In addition, in early 2024, Missoula County conducted its own [community needs survey](#) that elicited 570 responses.

Due to the extensive nature of the data collection performed during the previous year, as well as concerns of survey fatigue, CPDI has compiled existing data and survey responses for Program Year (PY) 2025.

Community needs feedback informs the city's use of U.S. Department of Housing & Urban Development (HUD) entitlement funds through the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME).



DEFINITIONS

AREA MEDIAN INCOME (AMI)

Area median income is the household income for the middle household in the region. CDBG and HOME funds use AMI to determine low-and-moderate income households.

HOUSING AFFORDABILITY

Housing affordability is defined as a housing payment at or below 30% of a household's gross income.

COST BURDEN

A household that is **cost burdened** is defined as a household paying more than 30% of their income on housing.

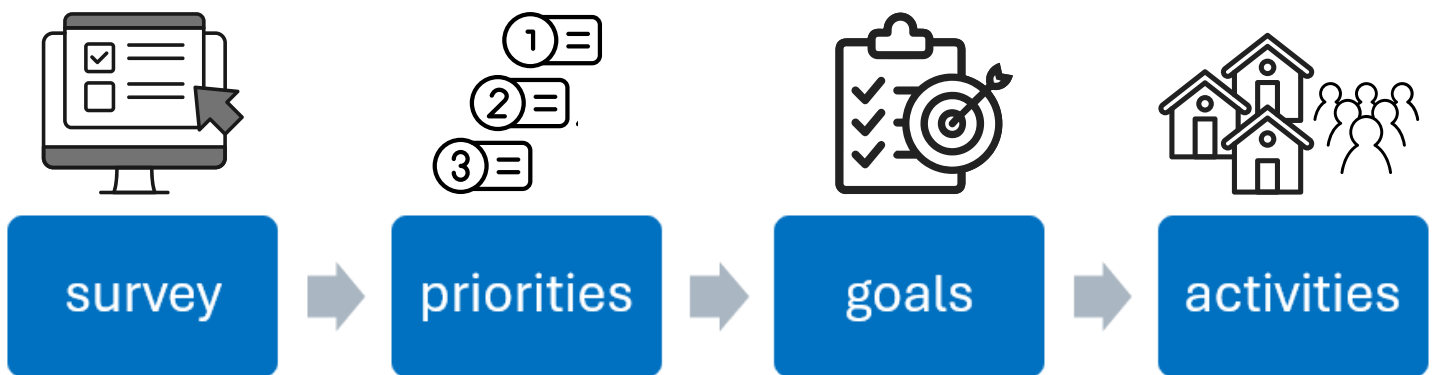
HOUSING PROBLEM

A household is said to have a **housing problem** if they have any one or more of the following problems:

- **Overcrowding**—more than 1 person per room.
- **Severe overcrowding**—more than 1.5 persons per room.
- **Cost burden**—monthly housing costs (including utilities) exceeding 30% of monthly income.
- **Severe cost burden**—monthly housing costs (including utilities) exceeding 50% of monthly income.

HOW IT ALL FITS TOGETHER

Results of the **surveys** and outreach inform the City of Missoula **priorities**, which are used to craft **goals** that **activities** must address using HOME and CDBG funds.



BY LEVERAGING THESE FUNDS EFFECTIVELY, THE CITY OF MISSOULA **AIMS TO IMPLEMENT TARGETED INITIATIVES** THAT NOT ONLY MEET IMMEDIATE NEEDS BUT ALSO CONTRIBUTE TO LONG-TERM COMMUNITY DEVELOPMENT GOALS.

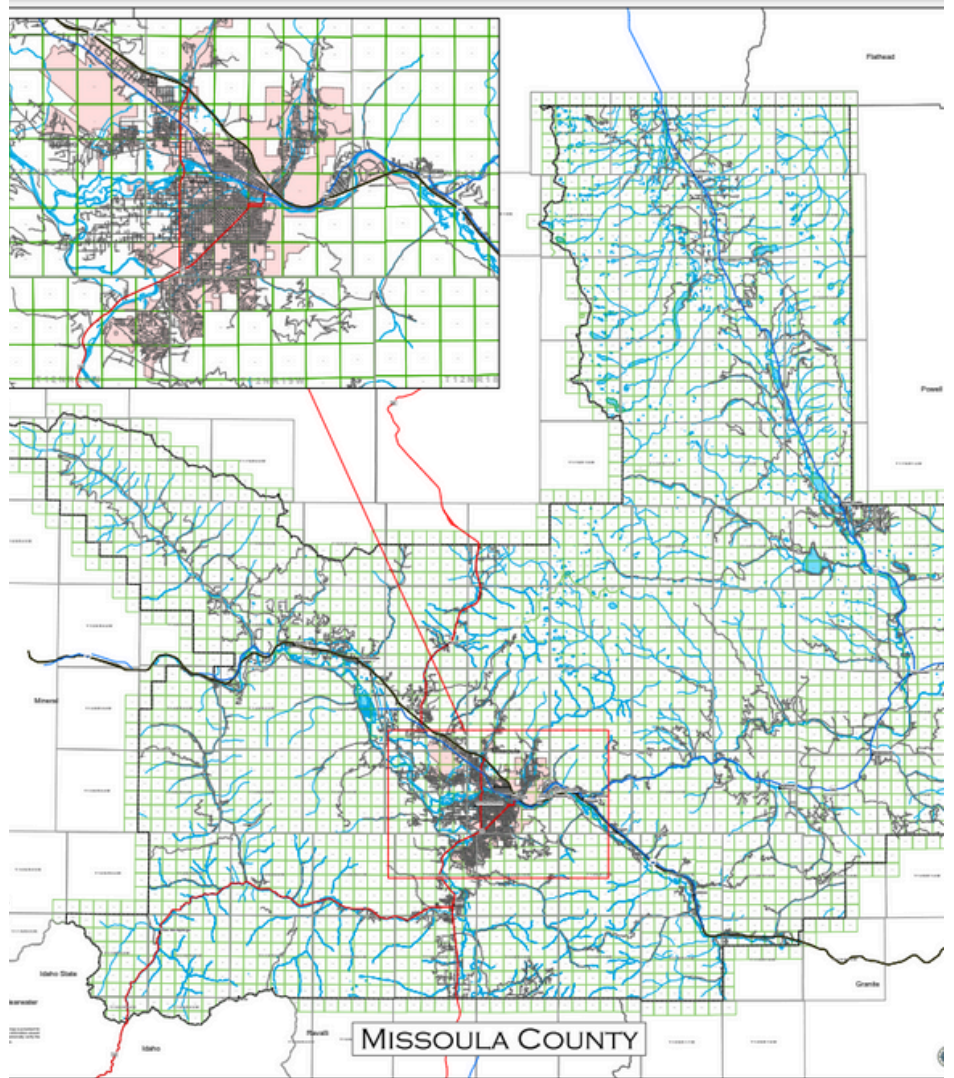
CITY & COUNTY OF MISSOULA

The pink shaded area is Missoula city limits.

2020
Population:
73,489

2023
Population:
77,757

**5.8%
increase**



map courtesy of Missoula County

Missoula is located along the Clark Fork River near its confluence with the Bitterroot and Blackfoot rivers in western Montana.

City CDBG and HOME funds primarily benefit those within Missoula city limits, or projects must demonstrate that reasonable benefits will accrue to City of Missoula residents.

THE SURVEY

In the fall and winter of 2023, the City of Missoula administered a housing and community survey that asked residents and stakeholders to identify Missoula's greatest **housing challenges, unmet housing, and community development.**

729

Responses
to the City's
survey

25

Organizations
participated in one-on-one interviews
to gain insight into housing and service
needs to low-to-moderate income
Missoulians

50

Residents
attended focus groups to
better understand their
challenges and needs

All neighborhoods in the City of Missoula were represented in the city survey.



PRIORITIES

Outcomes were prioritized for the federal funding the City of Missoula receives from HUD.

#1 PRIORITY

Affordable Housing Options

The City of Missoula will continue prioritizing the development of affordable, accessible, and available rental and ownership housing options.

#2 PRIORITY

Housing Stability

The City will continue to build and strengthen its network of community organizations and service providers collectively working to make houselessness rare, brief, and one-time only.

#3 PRIORITY

Community Needs

The City aims to leverage its strong partnerships with non-profit and other community organizations who serve low- and moderate-income residents with its federal resources to be responsive to opportunities that can help improve the lives of low- to moderate income Missoulians.



MISSOULA'S HOUSING CHALLENGES

Housing affordability has consistently ranked as the top priority for Missoulians for the last 5 years.

The majority of respondents from the 2023 City survey agreed that the biggest community priority is the need to **increase the supply of affordable housing.**

The second greatest community priority was the need to **improve existing infrastructure.**

Respondents to Missoula County's 2024 survey showed similar results:

Top three community priorities. (n=570)

#1 Improve existing infrastructure

#2 Increase the supply of affordable housing.

#3 Expand infrastructure



MISSOULA'S HOUSING CHALLENGES



“ONE RESIDENT SPOKE ABOUT THE PRESSURES OF INFLATION AND COST OF LIVING, ADDING THAT THERE ARE ‘TOO MANY EXPENSES TO PAY TO KEEP HOUSING.’”

-MISSOULA'S 2024-2028 CON PLAN

The greatest housing problem experienced by owner-occupied households in Missoula is **cost burden**, while renter-occupied households are most likely to experience **severe cost burden**.

Housing Cost Burden

	2020	2021	2022	1-year Change	3-year Change
Total Occupied Units	32,555	33,744	35,840	+6%	+10%
Percentage of Owners Paying 30% or More	24.2%	33.0%	23.1%	-9.9%	-1.1%
Percentage of Renters Paying 30% or More	49.2%	45.7%	46.9%	+1.2%	-2.3%

Housing challenges are disproportionately experienced by certain populations in Missoula, including **single mothers fleeing/surviving domestic violence, residents living with disabilities, and Indigenous, elderly, refugee, Veteran, LGBTQIA+, and formerly incarcerated residents.**



MISSOULA'S HOUSING CHALLENGES

“[A single person working a service/retail job] is barely able to afford rent right now...let alone a security deposit, first and last month's rent, utilities, etc.” - survey respondent

Housing Problem 10,395

Number of households reporting at least one housing problem

HUD defines a housing problem as:

- **Overcrowding**—more than one (1) person per room.
- **Severe overcrowding**—more than 1.5 persons per room.
- **Cost burden**—monthly housing costs (including utilities) exceeding 30% of monthly income.
- **Severe cost burden**—monthly housing costs (including utilities) exceeding 50% of monthly income.

66%

low-income renter-occupied households reported experiencing housing needs

55%

low-income owner-occupied households reported experiencing housing needs

RENTAL RATES

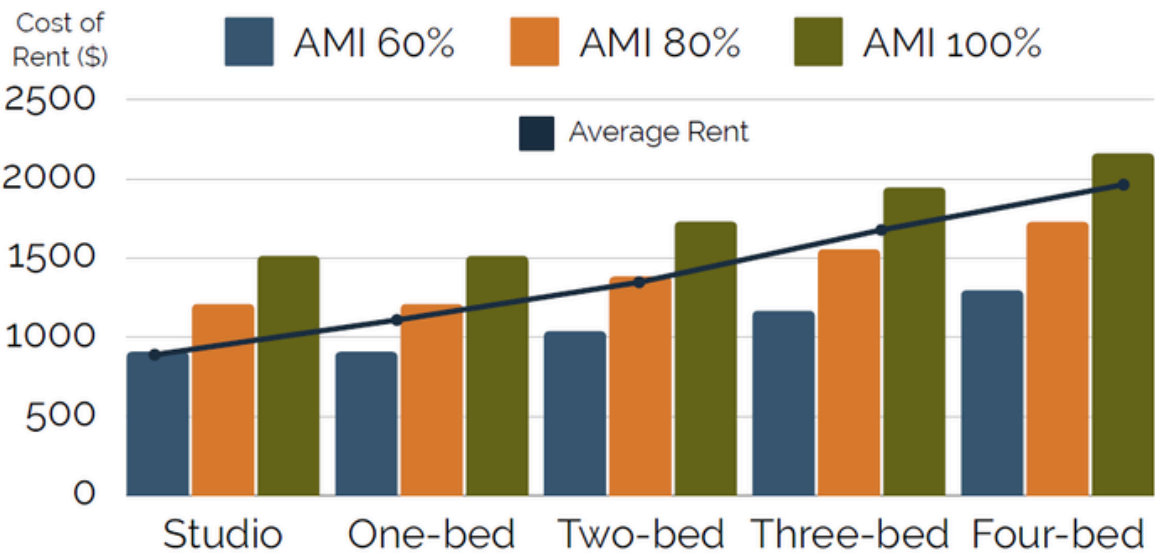
Maximum Affordable Rental Rates

Number of Persons in Household				
% Area Median Income	1	2	3	4
30%	\$473	\$541	\$646	\$780
50%	\$790	\$903	\$1,015	\$1,128
60%	\$948	\$1,083	\$1,218	\$1,353
80%	\$1,264	\$1,444	\$1,624	\$1,804

Rent in Missoula has increased
43%
between 2010 and 2021

Source: 2024 Housing Landscape Assessment

Market Rate and Maximum Rent per AMI Comparisons



Source: 2024 Housing Landscape Assessment

RENTAL RATES



“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.’”

-MISSOULA'S 2024-2028 CON PLAN

3,460

shortage of affordable rental
units for extremely low-income
residents

1,441

shortage of units available to
renter households at affordable
prices across all incomes



Top Rental Housing Challenges:

- less effective Housing Choice Vouchers
- landlord issues & fees
- application issues & fees
- technology
- rental hx and other requirements
- lack of ID

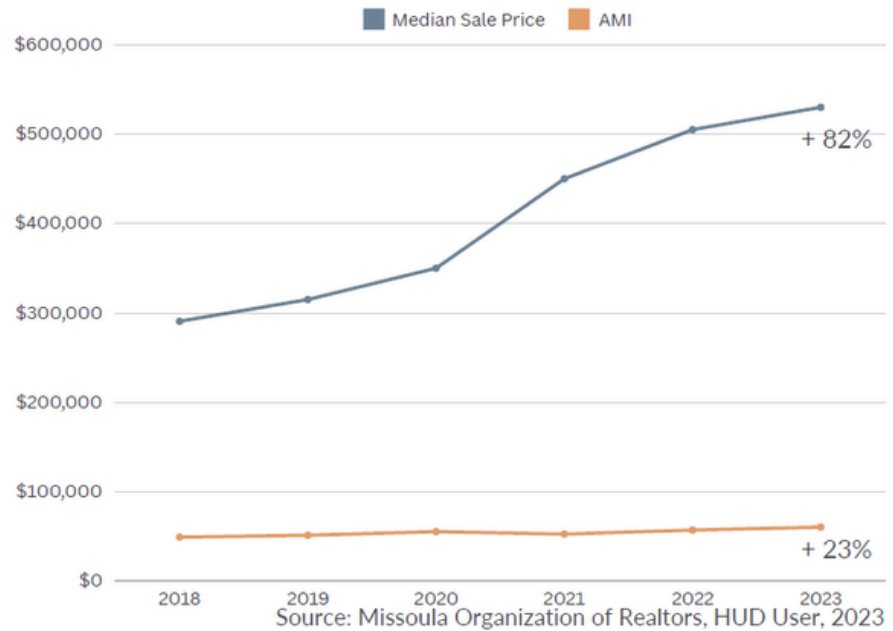
HOMEOWNERSHIP COSTS

Cost of homeownership
has increased

40%

between 2010 and 2021

Home Price Compared to Area Median Income (AMI) Over Time



Home Prices Affordable to Missoula Area Median Income (AMI) Levels

	Number of Persons in Household			
	1	2	3	4
60% AMI	\$70,897	\$72,721	\$76,188	\$82,912
80% AMI	\$121,814	\$131,192	\$134,480	\$151,593
100% AMI	\$176,321	\$188,117	\$196,492	\$220,360
120% AMI	\$216,315	\$236,156	\$243,250	\$272,019

Source: HUD User, 2024

The need for **homeownership opportunities for the local workforce** was highlighted numerous times by residents and stakeholders.

PERSONS EXPERIENCING HOUSELESSNESS

The City of Missoula Coordinated Entry System uses the statewide database Homeless Management Information System (HMIS) to track houselessness in Missoula. On a single day the following were reported:

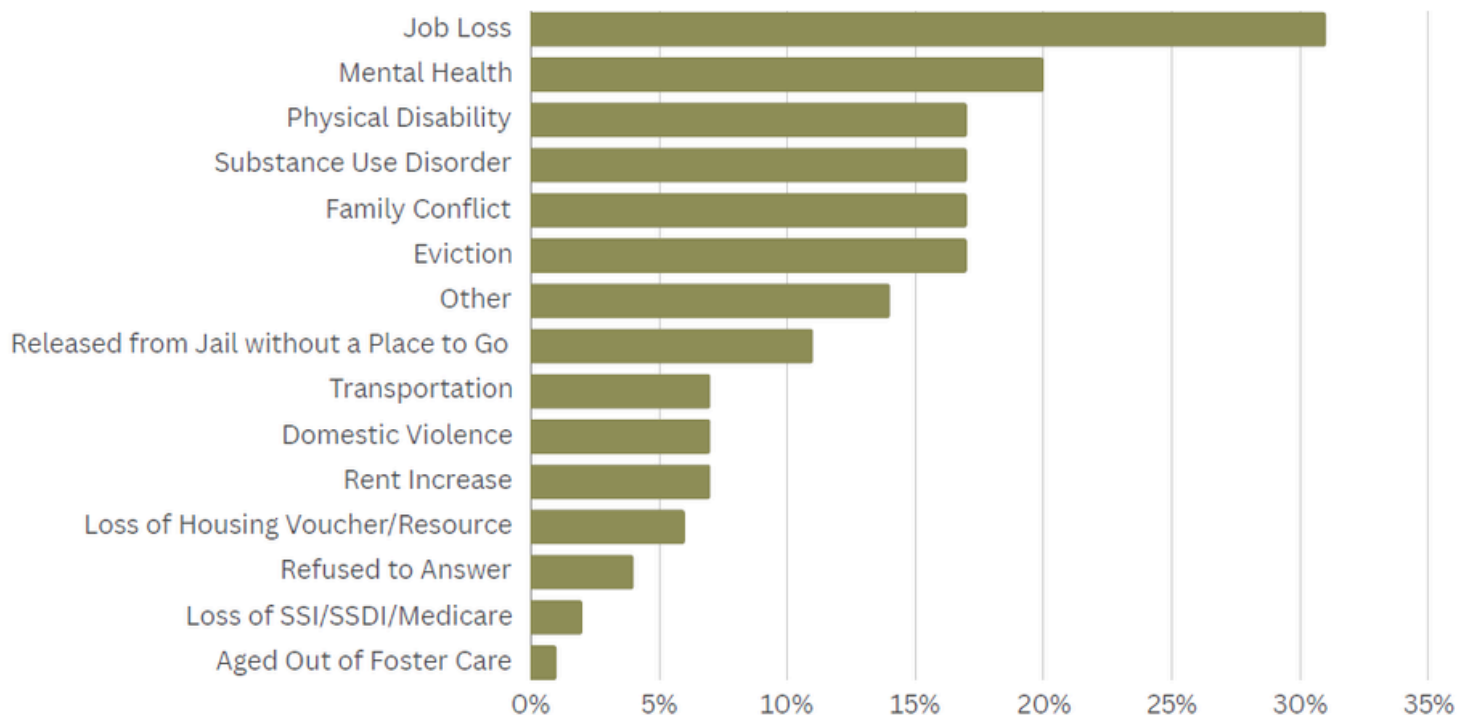
81
Veterans

30
Individuals under 25

57
Families

466
Single adults 25+

What Caused this Episode of Houselessness



Source: MCES Summer Unsheltered Survey, 2023

PERSONS EXPERIENCING HOUSELESSNESS


Top Housing Options Needed for Unhoused Residents:

- temporary safe outdoor space (e.g., tiny homes as temporary housing),
- low-barrier housing (e.g., pallet homes), and
- year-round shelter space.

HOUSING DESTINATIONS

Data from September 29th, 2023 – March 29th, 2024

Housing Destination	Individuals + Families Housed	Days to Housing Destination
Staying or Living with Family/Friends, permanent	9	121
Rental (no ongoing subsidy)	34	202
Staying or Living with Family/Friends, temporary	5	309
Rental (with ongoing subsidy)	61	464
Long-Term Care Facility	3	603
Residential Project or Halfway House	3	754



VULNERABLE POPULATIONS

Based on the survey and community engagement results, the following groups are those with the **greatest housing challenges:**

Groups with the Greatest Housing Challenges:

- 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



OUTCOMES TO PRIORITIZE

Based on the survey and community engagement results, the following are the most critical outcomes to prioritize for Missoula.

5 Most Critical Housing Outcomes to Prioritize:

- 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
- more section 8 or rental subsidies



OUTCOMES TO PRIORITIZE

5 Most Critical Community Development Outcomes to Prioritize:

- 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.



GOALS

The community needs identified in this report **underscore the critical importance of utilizing CDBG and HOME funds to address pressing challenges.** The needs that informed our priorities will be addressed through the following **Consolidated Plan goals:**

Goal #1: Housing Options- This goal will aim to leverage, incentivize, and fund efforts that support the development, preservation, and rehabilitation of affordable housing options in Missoula for extremely low-, low-, and moderate-income households, particularly projects that emphasize serving residents with accessibility limitations, are located near transit corridors and other community services, and that include sustainable and climate-resilient approaches and practices in their efforts.

Goal #2: Supporting Vulnerable Populations - This goal will aim to provide housing stability for unhoused residents and residents at-risk of becoming unhoused through the provision of emergency, transitional, and permanent supportive housing options, as well as targeted and comprehensive service provision. Funding will be prioritized for capital and/or public services projects that increase the efficiency of service delivery, continue to build systemic capacity in the Missoula Coordinated Entry System, and projects and/or programs that implement a Housing First approach.

Goal #3: Community Services - The City will strategically target projects, programs, and other efforts that increase access to community services, such as, but not limited to, affordable childcare, increased access to mental health care and chemical dependency services, and employment opportunities for low- and moderate-income Missoulians.

The background of the page features a grayscale photograph of a two-story house with a gabled roof and multiple windows. A solid blue rectangular banner is positioned in the upper left corner, partially obscuring the house. The word "CONCLUSION" is written in white, bold, sans-serif capital letters within this banner.

CONCLUSION

The comprehensive outreach efforts conducted in 2023, including the extensive 2023 survey and community outreach conducted on behalf of the City of Missoula's 2024-2028 Consolidated Plan, have provided valuable insights into **the most pressing housing and community development challenges**.

The feedback gathered from hundreds of residents and stakeholders sheds light on the needs of vulnerable populations, identifies barriers to housing, and highlights priorities for housing and community development. The inclusion of the Equity Plan **further strengthens the City's commitment to addressing housing inequities**, particularly for protected class populations, ensuring that Missoula remains a place where all residents can thrive.

As the City moves forward with planning for Program Year 2025, this community-driven input guides the strategic use of HUD entitlement funds through the CDBG and HOME programs.

By aligning federal resources with identified needs, the City aims to address some of the more pressing issues and **improve the quality of life for all Missoulians**.

SOURCES

2024-2028 Consolidated Plan

City of Missoula Equity Plan

City of Missoula Housing Landscape
Assessment 2024

Missoula County 2024 Community Needs
Assessment

