

# Memorandum

**REPORT TO:** City Commission

**FROM:**

Susana Montana, Senior Planner

Chris Saunders, Community Development Manager

Erin George, Director of Community Development

Renata Munfrada, Housing Division Manager

David Fine, Economic Development Urban Renewal Manager

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**SUBJECT:**

Ordinance 2025-####, Final Adoption to Repeal and Replace Division 38.380 of the Bozeman Municipal Code in Support of Affordable Housing Production

**MEETING DATE:**

February 11, 2025

**AGENDA ITEM TYPE:**

Community Development - Legislative

**RECOMMENDATION:**

**Consider the Motion:** *Having reviewed and considered the staff report, draft ordinance, public comment, Economic Vitality Board and Planning Commission recommendations, and all information presented, I hereby adopt the findings presented in the staff report for application 24529 and move to approve the proposed Affordable Housing Ordinance.*

**STRATEGIC PLAN:**

4.5 Housing and Transportation Choices: Vigorously encourage, through a wide variety of actions, the development of sustainable and lasting housing options for underserved individuals and families and improve mobility options that accommodate all travel modes.

**BACKGROUND:**

The City Commission held a public hearing on provisional adoption of Ordinance 2025 #### - the Affordable Housing Ordinance (AHO) on January 28, 2025. Following the public hearing and the receipt of public comment, the mayor closed the hearing and brought up the AHO for motion and vote. The City Commission made motions on several amendments to the AHO and directed staff to return with language reflecting those amendments for a vote on final adoption. A vote on provisional adoption of the AHO as

amended was 3-1. This ordinance has strikeout and underline, which reflect changes to the Ordinance since provisional adoption. Following any final adoption, staff will produce a clean version of the Ordinance for signature and codification. The following summary reflects those amendments:

**Sec. 38.380.030.F.**

- Utilization of the Type B and C incentives now includes a requirement for the developer to hold a preapplication community meeting. A notice for the meeting must be mailed to owners of all property and all mail addresses within a 200-foot radius of the proposed development. If the development is located within a city recognized neighborhood association, the developer must provide written notice of the meeting to the presiding officer of the applicable neighborhood association, to the city neighborhood liaison, and to the chair of the inter-neighborhood council. This amendment is located on pages 11 and 12 of the Ordinance.

**Sec. 38.380.040 Incentives**

- All minimum ADA spaces must be located on the same site as the dwellings.
- The Type A Incentives for multi-household dwellings are amended to only allow for one additional story of height in R-3 if the proposed building has four or fewer total dwellings.
- No height in incentives in R-S, R-1, R-2, and RMH
- Adds M-1 to the list of height incentives, where it was previously omitted.
- For the Type C incentives, only one (1) additional story of height is available in R-3 and R-4.
- For the Type C incentives, no more than two (2) additional stories of height are available in R-5, R-O, REMU, B-1, B-2, B-2M, B-3, and UMU.
- For the Type C incentives, the minimum parking requirement is increased to 0.75 spaces per dwelling.

**Sec. 38.380.050 – Development Standards for Affordable Dwellings**

- Subsection D is amended to read:
  - *Access to shared amenities, including parking, by residents of the affordable dwellings must be the same as those in market-rate dwellings in the development. For amenities other than parking, the cost of any such amenity must be included in the required affordable rental rate.*

**UNRESOLVED ISSUES:**

None at this time.

**ALTERNATIVES:**

As amended by the City Commission.

**FISCAL EFFECTS:**

None at this time.

Attachments:

[24529 AHO update CC Staff Report 01 22 25.pdf](#)

[Affordable Housing Ordinance For Final Adoption.docx](#)

Report compiled on: February 3, 2025