

Memorandum

REPORT TO: Community Development Board

FROM:

Susana Montana, Senior Planner

Chris Saunders, Community Development Manager

Erin George, Director of Community Development

David Fine, Economic Development Urban Renewal Manager

Renata Munfrada, Housing Division Manager

Britt Fontenot, Economic Development Department Director

SUBJECT:

An Ordinance to Repeal and Replace Division 38.380, Bozeman Municipal Code in Support of Affordable Housing Production

MEETING DATE:

January 13, 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 recommendations, and all information presented, I hereby adopt the findings presented in the staff report for zoning text amendment application 24529 and, acting as the Planning Commission, move to recommend approval of Ordinance 2025- to repeal and replace Section 38.380 of the Bozeman Municipal Code to establish land use, residential density, lot size, width, coverage, building height, mass and scale, and parking incentives for targeted residential and mixed-use districts for production of affordable housing.

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:

On August 20, 2024, the City Commission held a [work session](#) to consider amendments to the Bozeman Municipal Code (BMC) affordable housing program and its incentives to produce affordable housing. The City Commission directed staff to amend existing non-cash financial incentives for the production of below-market affordable dwelling units to respond to current market forces and to ensure affordability of targeted dwellings for fifty (50) years rather than 30 years.

The ordinance, if adopted as proposed, is expected to induce developers to incorporate below-market-rate dwellings within their market-rate housing or mixed use development in the city. For more information see the Executive Summary and Appendix A in the attached staff report. The amendment applies to new subdivision, master site plan and site plan applications and to applications undergoing development review under Chapter 38 of the City's Unified Development Code (UDC).

Project documents are available at this direct link to the public [Laserfiche archive](#) for application 24529 with direct links to individual documents provided below:

[Draft Ordinance 2025- Affordable Housing Ordinance](#). Contains the proposed language for the Chapter 38 amendments.

Additional materials are also available on the City's Housing Dashboard [website page for the proposed standards](#).

UNRESOLVED ISSUES: None.

ALTERNATIVES: See attached staff report.

FISCAL EFFECTS: None at this time.

Attachments:

[24529 CBD Staff Report AHO update 01 08 25.pdf](#)

[Affordable Housign Ordinance DRAFT for CDB 12 21 24_.pdf](#)

Report compiled on: January 8, 2025