



August 20, 2019

Mr. Brewer,

The Office of Housing and Community Development would like to express our support to the Planning Board of the proposed amendments related to Townhome Exemption Development (TED). These amendments address several themes that emerged during the development of housing policy, which was a community driven approach.

From Neighborhood Leadership Teams to nonprofit service providers, from local developers to everyday citizens, Missoulians' voices were built into *A Place to Call Home*, our recently adopted policy. In total, staff met with over 400 individuals to get feedback on potential solutions. This included several developer forums during which developers at all scales expressed a strong desire for code that was predictable and consistent. They identified increased administrative approval, through the elimination of conditional use whenever possible, as a way to achieve this.

The proposed TED amendments address these themes and as a result align closely with one of the key goals of the adopted housing policy, reducing barriers to new supply and promoting access to affordable homes. Specifically, they represent opportunities to reduce development costs and address barriers to building to currently zoned density. The proposed TED amendments align with the following recommendations found in *A Place to Call Home*:

Proposed Amendment:

Administrative approval for TEDs under the cap of 10 units (in R Districts, except R3, RT5.4 and RT10 Districts) and 20 units (in RT2.7, R3, RM Districts, All B,C, Districts M1R).

***A Place to Call Home* recommends the following:**

"Ultimately, the City may want to consider a two-tiered approach that increase the size of by-right approval for TEDs to 10 units. Given the problematic nature of very large TEDs, which challenge the local government's ability to protect general health and safety as provided for in the subdivision regulations, a higher tier of regulatory oversight should be considered for projects over a certain threshold".

Small to mid-scale developers identified the conditional use process as a key barrier. Providing administrative approval for TEDs under the stated cap will eliminate risk, time, and cost for small to mid-scale TEDs, many of which support our stated goal of infill development.

Proposed Amendment:

The elimination of minimum parcel size for lots created in subdivisions approved under MCA 76-3, chapters 5 and 6 after May 6, 2019.

***A Place to Call Home* recommends the following:**

"The current land use code limits minimum lot size at 3,000 square feet. Allowing smaller lots is contemplated as an incentive for TED and subdivision development under the proposed program, which could serve as a valuable pilot for eventual changes to underlying code across the board. This is critical for promoting infill development while also ensuring overall housing affordability".

Eliminating minimum parcel size supports more compact development, which directly correlates to increased housing affordability. Developers at all scales identified a need to align our minimum lot sizes with the stated goals in Our Missoula. The proposed amendment achieves this as it relates to subdivision development.

Thank you for the opportunity to provide comment and support for these proposed changes.

A handwritten signature in blue ink, appearing to read "Eran Fowler Pehan".

Eran Fowler Pehan, Director
Office of Housing and Community Development