

3. HOUSING

3.1 Executive Summary – Key Findings

This section reviews existing numbers of housing, type of housing, condition of housing, and projected housing needs in Conrad, Valier, and the rest of Pondera County.

Key findings include the following:

- Although population is decreasing in Conrad, Valier and generally in Pondera County, there has been new residential construction over the past 20 years.
- The rate of new construction slowed considerably in the decade between 1999-2008, compared to the previous decade.
- Despite housing costs (both for homeowner and rentals) that are significantly less than the State of Montana overall, there is still a housing cost burden for many households in Pondera County.
- Of the total single and mobile housing units, 13% are in “Poor” (barely usable) or worse condition in Conrad, 15% in Valier, and 17% in the county.
- The only community in Pondera with licensed senior housing options is Conrad.

3.2 Key Issues/Perspectives/Preferences

Growth policy committee meetings were held throughout the county in 2009. In Valier, people who attended the meetings identified needs for assisted living, more low income housing, and more housing options generally. Brady was identified as being at capacity for housing, with no available units. In Dupuyer, people were concerned and interested in potential housing upgrades, local assisted living facilities, and more housing options generally. Dupuyer participants saw an opportunity for Dupuyer to function as a bedroom community for doctors working on the Reservation.

3.3 Existing Conditions

3.3.1 Number of Housing Units

According to the 2000 Census there were 2,834 housing units in Pondera County, of which 1,332 were in Conrad, 275 were in Valier, and 185 were in Heart Butte. Between 1990 and 2000, housing increased by 216 units county-wide. Heart Butte saw the highest percentage increase in housing units (43%), and it also had a similar population increase during the decade (40%). Although population declined in Conrad, Valier and the balance of the county between 1990 and 2000, new housing was added in those places during the decade.

Data from the Montana Department of Revenue (which would not include housing on tribal lands) shows that new housing in the nine year period from 1999 to 2008 slowed considerably in Conrad (10 new units) and the rest of the unincorporated area of Pondera County (32 new units). Valier, however, grew with 14 new units, a considerable growth spurt compared to the ten years from 1990 to 2000 when only two new units were added (Refer to Land Use section of this report).

Table 3.1. Change in Housing Units 1990-2000				
	2000	1990	Numeric Change	% Change
Conrad	1,332	1,257	75	6.0%
Valier	275	273	2	0.7%
Heart Butte	185	129	56	43.4%
Balance Pondera County	1,042	959	83	8.7%
Montana	412,633	361,155	51,478	14.3%

Source: US Census Bureau

3.3.2 Occupancy

Pondera County overall had slightly lower occupancy rates and slightly higher vacancy rates than the state of Montana in 2000. Vacancy rates were highest in Valier, but Valier also had the highest proportion of homes used for seasonal, recreational, or occasional use. County-wide, the proportion of vacant units for seasonal-recreational use is considerably less than that of the state. Between 1990 and 2000, the number of vacant housing units increased in Conrad (increase of 45 units), Valier (10 units), and Heart Butte (13 units). The increase in number of vacant units in all locations but Heart Butte (which saw significant population increase) results from population decline and housing unit increases during the decade.

Table 3.2. Housing Units by Occupancy: 2000					
	Conrad	Valier	Heart Butte	Balance Pondera	Montana
Total Housing Units	1,332	275	164	1,042	412633
Occupied	86.6%	80.0%	88.6%	83.7%	86.9%
Vacant	13.4%	20.0%	11.4%	16.3%	13.1%
For seasonal, recreational or occasional use	0.2%	5.5%	2.2%	2.3%	5.9%

Source: US Census Bureau

3.3.3 Household Size

Average household size is the total population divided by total occupied housing units. Average household size in Heart Butte is much higher than the State of Montana. The average household size in Conrad and Valier is less than the state-wide average. Even discounting for Heart Butte, the average household size in the unincorporated area of the county is greater than the state-wide average.

Table 3.3. Average Household Size: 2000	
	Average household size
Conrad	2.33
Valier	2.26
Heart Butte	4.16
Pondera County	2.63
Montana	2.45

Source: US Census Bureau

3.3.4 Housing Units by Type

The majority of all housing stock in Pondera County is single-family detached homes. In 2000, there were approximately 77 units in duplexes, tri-plexes, or four-plexes, and approximately 146 units in multi-unit complexes. The majority of these are located in Conrad. The proportion of mobile homes in Conrad (14.3%) and Valier (14.9%) were close to the statewide proportion (14.3%). Heart Butte had 6% mobile homes and the balance of the county had 10.4%. In 2005, the U.S. census estimated that Montana had the 9th highest percentage of mobile homes out of all 50 states (U.S. Census 2005).

Table 3.4. Housing Units by Type in 1990 and 2000						
Place	Conrad		Valier		Pondera County	
Year	2000	1990	2000	1990	2000	1990
Single-Family Detached	915	855	222	213	2,081	1,955
2-4 Units	61	58	5	10	77	84
5-9 Units	80	55	6	8	173	70
10+ Units	71	63	-	2	73	66
Mobile Homes	193	185	41	39	353	387

Source: US Census Bureau

3.3.5 Housing Condition

The Montana Department of Commerce conducts periodic studies to assess the housing stock in the state. The most recent "Montana Housing Condition Study" was prepared in 2005. The data for the study is extracted from appraisal information maintained by the Montana Department of Revenue. At the municipal level, the study presents only properties taxed as residential, which are categorized as single-family homes, mobile homes, and condominiums. Housing units

taxed as commercial (including apartments, duplexes, condominiums, mixed-use structures, and townhouses) are not included in the municipal dataset.

The physical condition of residential structures is based on the overall physical condition of the interior and exterior relative to the age of the dwelling. Consideration is given to the foundation, porches, walls, exterior trim, roofing, chimneys, wall finish, interior trim, kitchen cabinets, heating system and plumbing. The condition rating categories are:

Unsound – indicates that the dwelling is definitely structurally unsound and practically unfit for use.

Very poor – indicates that the dwelling is definitely structurally unsound and practically unfit for use. Repair and overhaul is needed on painted surfaces, roofing, plumbing and heating. There is excessive deferred maintenance and abuse. Property is approaching abandonment or major reconstruction.

Poor – indicates that definite deterioration is obvious. Property is undesirable and barely usable.

Fair – indicates marked deterioration but is still quite usable. Property is rather unattractive and undesirable. Much repair is needed and many items need refinishing or overhauling. Deferred maintenance is obvious.

Average – indicates normal wear and tear relative to its age. Property has average attractiveness and is desirable. There is some evidence of deferred maintenance needed such as minor repairs and refinishing. All major components are still functional.

Good – indicates that minor deterioration is visible. Property is slightly more attractive and desirable. No obvious maintenance is required, but neither is everything new. Appearance is above the standard relative to the property's age.

Very good – indicates slight evidence of deterioration. All items are well maintained and have been overhauled and repaired as they showed signs of wear. There is little deterioration or obsolescence and a high standard of upkeep relative to its age.

Excellent – indicates perfect condition. Property is very attractive and highly desirable. All items that can be normally repaired or refinished have been recently corrected, such as new roofing, paint, furnace overhaul and state-of-the-art components. There are no functional inadequacies and all components are new or in like-new condition. Most new homes would receive a condition rating of excellent (unless constructed with substandard materials and workmanship).

Table 3.5 Housing Condition by Type of Structure, 2005									
Structure Type	Conrad			Valier			Pondera		
	Mobile	Single	Total	Mobile	Single	Total	Mobile	Single	Total
Unsound	1	8	9	1	5	6	11	56	67
Very Poor	1	29	30	0	9	9	5	80	85
Poor	20	69	89	1	23	24	44	181	225
Fair	70	196	266	8	58	66	128	405	533
Average	35	381	416	30	89	119	117	741	858
Good	7	159	166	1	32	33	25	327	352
Very Good	0	10	10	0	1	1	1	44	45
Total	134	852	986	41	217	258	331	1,834	2,165

Source: Montana Housing Condition Study 2005

Of the total single and mobile housing units, 13% are in “Poor” (barely usable) or worse condition in Conrad, 15% in Valier, and 17% in the county. These data are based on appraisal data, which does not include data on Indian trust land. Properties in “Fair” condition (marked deterioration and needs much repair) or worse condition results in a total of 40% of all properties.

The National Manufactured Home Construction and Safety Act of 1976 required significant improvement in the safety and quality of mobile homes. Homes that comply with the act are said to meet the “HUD code.” The HUD Code is a uniform construction code that ensures that a manufactured home, regardless of where it is built in the U.S., will meet certain publicly adopted standards related to health, safety, and welfare. Older mobile homes do not meet health and safety standards. There is a legitimate public interest in facilitating the removal of these older mobile homes or their replacement with manufactured housing meeting HUD standards. A preliminary analysis of older mobile home issues in Montana was prepared in 2006 and is available at the Montana Department of Commerce, Housing Division website (Community Development and Management Services, 2006).

In 2005, Conrad had 105 mobile homes built in 1979 or earlier; Valier had 18, and the balance of the county had 103 (MDC, 2005).

3.3.6 Housing Costs

Housing costs throughout the county were less than in Montana in 2000. According to the 2000 Census, housing value was roughly half that of the statewide value. Housing value was highest in Conrad and least in Valier. Rent was slightly higher in Valier than in Conrad, but overall median rent in the county was about two-thirds of the statewide median rent.

Table 3.7 Median Housing Value – 2000	
Place	Median Value
Conrad	\$71,900
Valier	\$58,600
Pondera County	\$70,500
Montana	\$131,600
Source: US Census Bureau	

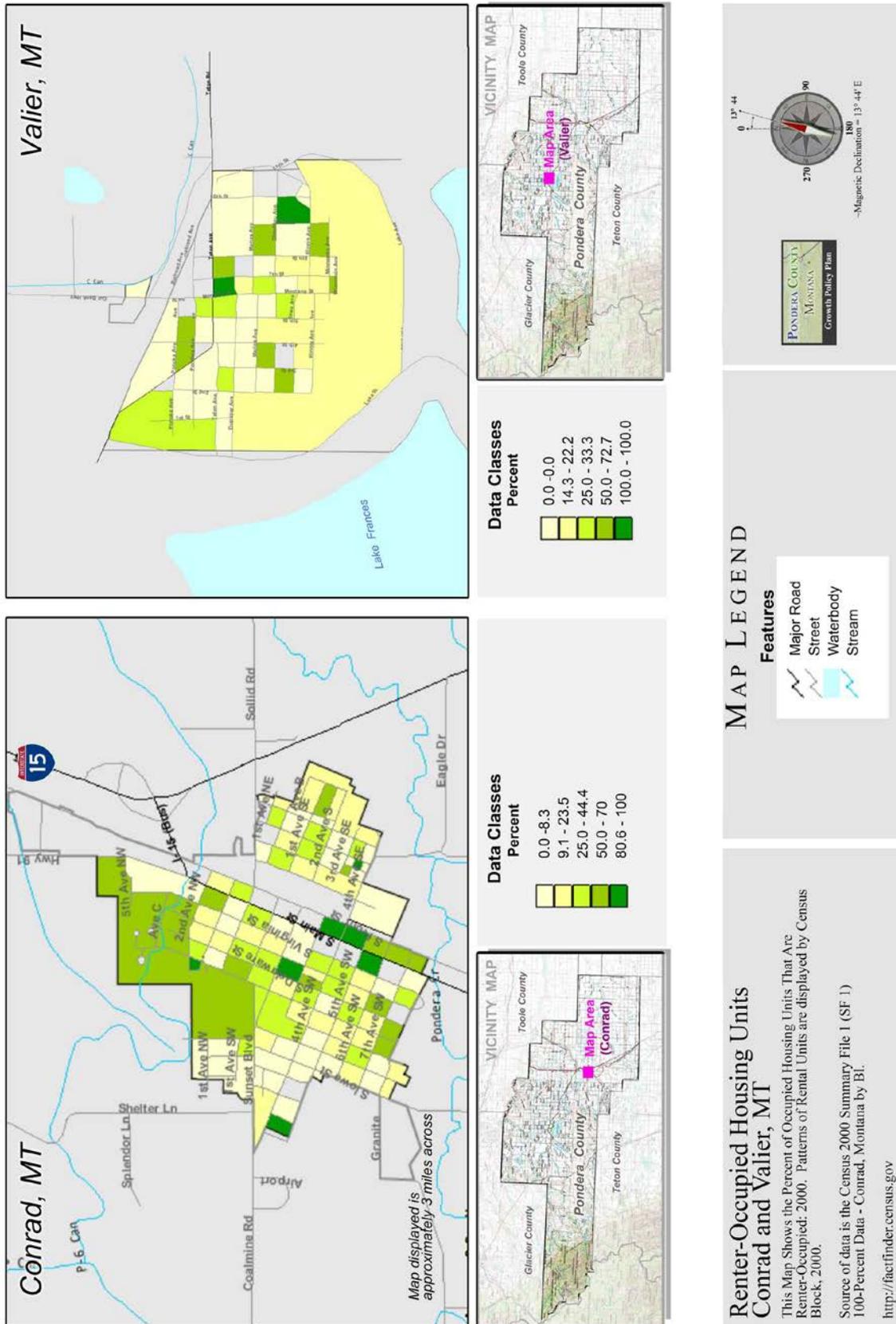
Table 3.8 Median Rent – 2000	
Place	Median rent
Conrad	\$373
Valier	\$381
Pondera County	\$367
Montana	\$552
Source: US Census Bureau	

3.3.7 Home Ownership - Renter Ratio

The county has a high ownership ratio, slightly higher than the state's. Montana is also higher than the national rate (66.2% in 2000).

Table 3.9 Owner and Renter Occupied Housing Rates – 2000		
Place	Owner occupied	Renter Occupied
Conrad	69.6%	30.4%
Valier	80.5%	19.5%
Pondera County	70.5%	29.5%
Montana	69.0%	31.0%
Source: US Census Bureau		

Figure 4.1. Renter-Occupied Housing Units in Conrad and Valier



3.3.8 Housing Affordability

The U.S. Department of Housing and Urban Development (HUD) defines a housing cost burden when at least 30% of a household's monthly income is spent on housing costs and utilities. HUD's 30% calculation became a standard measure for qualifying for housing loans. Many lenders prefer a ratio of 30% or less of income to principal, interest, and taxes. (Montana Department of Commerce 2005) The sharp increase nationally in homeowner mortgage defaults in 2007 and resulting housing market crisis is due in large part to mortgage payments that were far in excess of what the borrowers could afford over time.

Despite considerably lower housing costs in Pondera County compared to the state as a whole, the housing cost burden is quite high. In 2000, about one of every four homeowners spent 30% or more of their income on housing in Conrad. In Valier, it was about one in seven (14.6% of the total). In Pondera County overall, approximately 23% spent 30% or more of their income on housing. Statewide, it was 21.3%. In 2000, rental costs were taking less of a bite out of household income in Conrad (where one in every four renters paid more than 30% of their income) than in Montana overall (where one in every three renters paid that much). It is more difficult to determine the effect of rental costs in Valier and Pondera County because nearly one-quarter of all respondents did not include rental cost information (U.S. Census 2000).

3.3.9 Senior and Special Needs Housing

The only community with licensed senior and special needs housing in Pondera County is Conrad.

Blue Sky Villa Retirement Village is combined with Horizon Lodge Retirement Homes in one location in Conrad. Together they have 84 assisted living private rooms and 84 independent living apartments (Retirement Homes, 2010).

Conrad Bee Hive Homes has 12 assisted living beds.

Long-term care is available at the Pondera Medical Center, with 67 beds, certified with the state of Montana for long-term care in the Pondera Medical Center (DPHHS, Regulated Health Care).

Skyview Group Homes provides a community home for seven residents with developmental disabilities. Skyview Group Homes is licensed by the State of Montana (DPHHS, Community Homes).

Valier has low income senior housing. (Growth Policy Committee)

3.3.10 Housing Assistance

There are a number of programs for assistance with rent, weatherization, energy-utility bills, housing repair and rehabilitation, and home ownership. A directory of various programs and contact information is available from:

Montana Department of Commerce, Housing Division
301 S. Park Avenue
Helena, Montana

406-841-2840

<http://housing.mt.gov>

Local programs in northcentral Montana also include:

Montana Home Ownership Network

509 1st Avenue South

Great Falls, MT 59401

406-761-5861

<http://www.nwmt.org/>

Provides homebuyer education, down payment and closing cost assistance.

USDA Rural Development: Great Falls Area Office

12 3rd Street NW

Suite 300

Great Falls, MT 59404

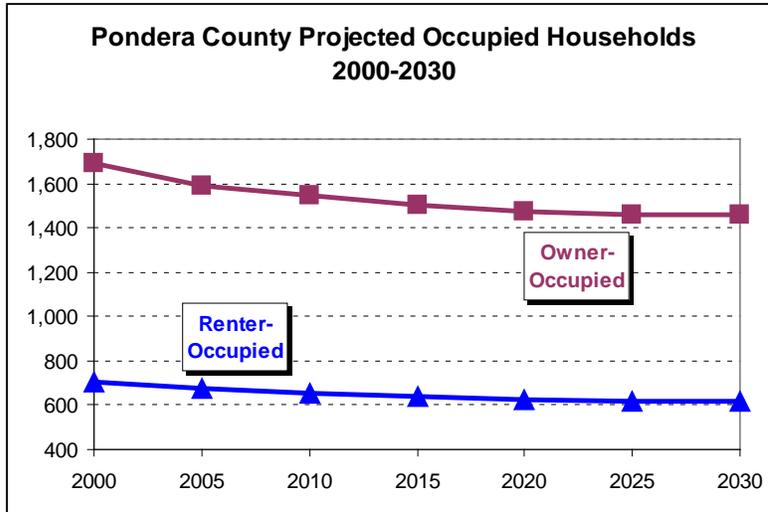
406-727-7580, extension 4

Provides assistance with a variety of homeownership, repair, and rehabilitation programs

The Pondera Port Authority has identified a need for affordable workforce housing in Pondera County. They have initiated a program to renovate housing for purchase and have projects in Conrad and Brady. The intent is to create a revolving fund to provide income for renovations and assistance with housing purchase (Curry, 2010).

3.4 Conclusions and Projected Trends

According to the Housing Needs Assessment completed in 2009 by the State of Montana, occupied housing units in Pondera County will decline from 2,410 in 2000 to 2,080 in 2025. According to the report, the steepest decline was for owner-occupied housing from 2000 to 2005 (from 1,692 to 1,587). By 2030, the report projects 1,460 owner-occupied units and 620 renter-occupied units (Montana Department of Commerce, 2009).



Source: Montana Department of Commerce 2009

According to the same study, 29% of all owner-occupied households and 34% of all renter-occupied households in Pondera County had unmet needs in 2000. Unmet housing need is defined as a household that is experiencing one or more of the following housing problems: overcrowding, severe overcrowding, cost burden, severe cost burden, incomplete plumbing facilities or incomplete kitchen facilities. (Montana Department of Commerce 2009)

In contrast to the state of Montana’s forecasts, a number of new homes have been constructed in the past ten years. At the time of this report, there were 12 homes under construction in the unincorporated areas of Pondera County. The new construction may not, however, contradict the overall trend toward fewer occupied housing units. Instead, it likely reflects that the existing available units do not meet the market demand. There may be a number of reasons for this – older housing stock may have smaller square footage, fewer bedrooms, and fewer bathrooms than what is considered the norm or the desired norm in the current market. In addition, existing available housing stock may be comprised of those units with very poor condition quality or barely habitable.

Despite housing costs which are much less than the state overall, many households are experiencing a housing cost burden, where housing costs consume a larger portion of overall income. Increases in rental rates or energy costs (which is considered likely in the next 10 years) will exacerbate this problem and create more individuals who are on the edge of financial safety.

As the population ages, more elderly residents will need specialized housing or housing close to services in Pondera County. Conrad is currently the only location with specialized senior housing in the county.

If Pondera County wants to maintain or increase population base and affordable housing for the work force, it will need to plan ahead to renovate older deteriorating homes, and decommission mobile homes built prior to 1976 and those that are otherwise considered unsafe or uninhabitable.

Sources

Community Development and Management Services. "Mobile Home Decommissioning and Replacement and Mobile Home Park Acquisition: Strategies for Montana," June 2006. Accessed in July 2010: <http://housing.mt.gov/CP/cpreportsandstatistics.mcp>x

Curry, Cheryl. Pondera Port Regional Port Authority, Executive Director. Personal communication by phone with Anne Cossitt. June and July 2010.

DPHHS: See Montana Department of Public Health and Human Services.

Growth Policy Committee. 2010. Notes from July 2010 meeting.

MDC: See Montana Department of Commerce

Montana Department of Commerce. "Montana Housing Condition Study 2005." Prepared by the Center for Applied Economic Research, MSU-Billings. Website accessed in July 2010: <http://housing.mt.gov/CP/cpreportsandstatistics.mcp>x

Montana Department of Commerce. "Montana Housing Needs Assessment," December 2009. Website accessed in July 2010: <http://housing.mt.gov/CP/cpreportsandstatistics.mcp>x

Montana Department of Public Health and Human Services. "Community Homes for Persons with Developmental Disabilities." Website accessed in July 2010: <http://www.dphhs.mt.gov/qad/communityhomes/index.shtml>

Montana Department of Public Health and Human Services. "Regulated Health Care Facilities." Website accessed in July 2010: <http://www.dphhs.mt.gov/qad/healthcarefacilitieslist/index.shtml>

Retirement Homes. Website accessed in July 2010: http://www.retirementhomes.com/North_America/USA/Montana/Conrad

U.S. Census 2000. Table DP-1, DP-3, and DP-4.

U.S. Census 2005 American Community Survey. Accessed through American FactFinder website in July 2010: http://factfinder.census.gov/servlet/GRTTable?_bm=y&-_box_head_nbr=R2501&-ds_name=ACS_2005_EST_G00_&-format=US-30