

# REFORM #1: SENSIBLE LOT AREAS



## PROBLEM

### WHAT ARE MINIMUM LOT AREAS?

Minimum Lot Areas are a common local government regulation which mandate that a certain type of home can only be built on a certain size of lot within a particular zoning district.

### DO MONTANA CITIES HAVE EXCESSIVE MINIMUM LOT AREAS?

YES! Over 70% of primary residential areas in Montana's most in-demand cities either outright prohibit or penalize affordable starter homes using a combination of Minimum Lot Areas and Single-Family Zoning.

These are examples of the homes that would be made possible across Montana with lot area reforms.



## HOW DO EXCESSIVE MINIMUM LOT AREAS HURT MONTANA?

- They contribute to Montana's housing shortage, driving up the cost of housing for everyone.
- They prohibit affordable starter homes like duplexes, townhomes and triplexes when the lot size required exceeds the dimensions of existing lots.
- They penalize affordable starter homes by requiring larger and more expensive lots for each additional unit added to a building, even if the building takes up no additional room.
- They drive urban sprawl, eating up surrounding open space and rural land with development.
- They inflate city infrastructure costs by forcing housing development to spread out, requiring more government spending and higher taxes.
- They rob cities of new sources of revenue by blocking more residents and businesses.

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## SOLUTION

## PROHIBIT EXCESSIVE MINIMUM LOT AREA MANDATES

The Montana legislature should implement Recommendation 2A from the Montana Housing Task Force, which would prohibit residential excessive minimum lot areas in cities:

### 76-2-302. Zoning districts.

(6) Zoning regulations may not include a requirement to:

(a) pay a fee for the purpose of providing housing for specified income levels or at specified sale prices; or

(b) dedicate real property for the purpose of providing housing for specified income levels or at specified sale prices.

(c) comply with dimensional standards that cumulatively result in a minimum lot size of greater than 2,500 square feet for a lot that is currently serviced by both a municipal water system and a municipal sewer system.

## FREQUENTLY ASKED QUESTIONS

**Q: Does this proposal mandate we all live on denser, smaller lots?**

**A: No, this proposal gives property owners more freedom to choose what size of lot they want for their house.**

**Q: Will prohibiting excessive lot size mandates overwhelm municipal utilities with development?**

**A: No, smaller lots are 40% cheaper to serve with up-front utility needs than excessive lots.**

**Q: Will this cost taxpayers money?**

**A: No, prohibiting excessive lot size mandates is a no-cost way Montana government can boost the supply of housing.**