

CARBON COUNTY

MONTANA

GROWTH POLICY 2020

DRAFT

ACKNOWLEDGMENTS

This growth policy was made possible by the contributions and cooperative input from numerous citizen participants, local stakeholders, county and city staff members, and elected and appointed officials. The project team thanks all those that participated, including the following:

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1 INTRODUCTION

This growth policy will provide decision makers with a resource for balancing diverse goals while creating a more vibrant, sustainable community. It is also the voice of local residents and formalizes how they want the County to grow in the future.

This plan is intended to be easily understood by the local citizenry and used as an educational tool on the county's broad land use issues and opportunities. It aims to simplify, clarify, and update previous versions of the Growth Policy where necessary. It is a plan for the future focusing primarily on the physical and economic issues pertinent in our County.

Local Planning History

Carbon County's first Comprehensive Plan was adopted in 1978 and operated as the community's guiding document for over twenty years. When Montana's state planning statute was updated in 1999, the County followed suit by adopting a growth policy in 2003. The Growth Policy was updated in 2009 and 2015. This update will keep many of the elements of the 2015 version, with updates where necessary to ensure accurate data and community goals and objectives.

The terms growth policy and comprehensive plan are sometimes used synonymously and each represent valuable tools for consensus-based policy planning and community development.

Plan Approach and Methods

The first phase of plan development involved data collection, identifying local population and housing outlooks, and an analysis of existing conditions. This included preparing maps and graphs relative to each topic to discover and provide visualization of trends among the various communities.

The second phase of plan development consisted of public input opportunities spread across the County. This is a necessary and important part in developing and public policy. This gave public officials and consultants invaluable guidance on citizen's preferences, and was also informative for community members. To this end, meetings were held in Joliet, Bridger, and Fromberg in coordination with local groups, such as Town Council meetings. Monthly County Planning Board meetings also allowed for public comment and discussion. An online survey was developed and disseminated to as many people as possible to ensure large participation in the development of the policy. Periodic press releases to the Carbon County News also kept the public informed of the process.

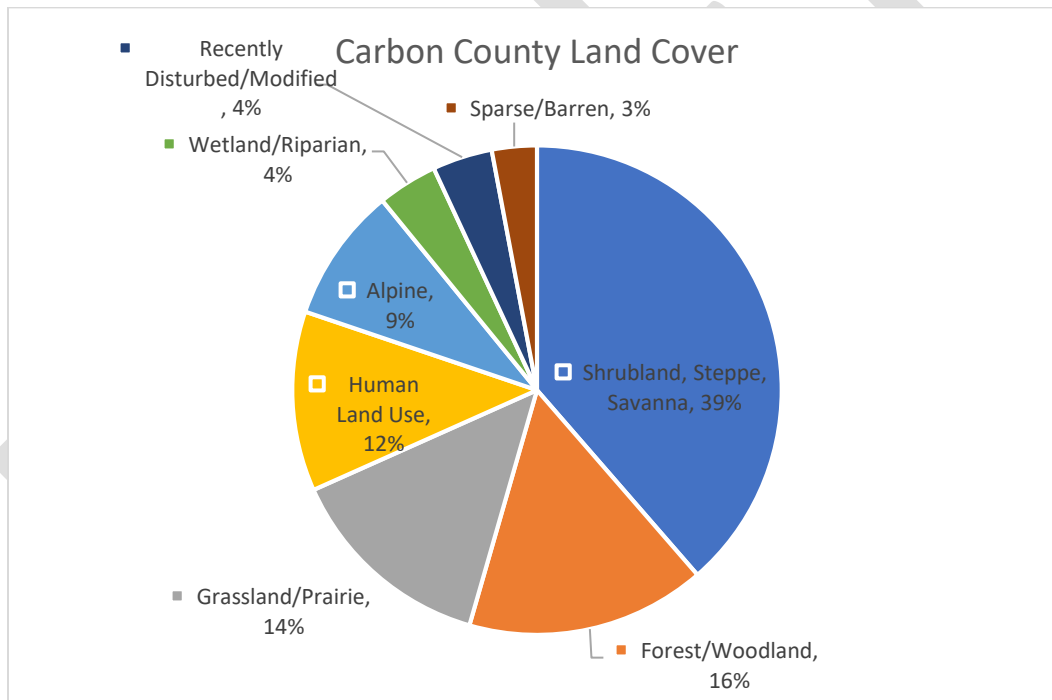
The final phase of plan development was publicizing the draft growth policy to gather final comments and feedback. The Planning Board held a public hearing on the draft Growth Policy, after which a recommendation was made to the County Commission to adopt the document. After a resolution of intent, the County officially adopted the 2020 Growth Policy.

2 EXISTING CONDITIONS

Land Use

The majority of land in Carbon County (47%) is in public use by the Bureau of Land Management, State of Montana, National Park Service or other agencies. Various uses, including livestock grazing, recreation, logging or habitat conservation occur on these lands.

The dominant land cover is Shrubland, Steppe, and Savanna systems, encompassing 39% of land within the County. Forest and Woodland systems, consisting mostly of conifer forests, comprise about 16% of the County, while Grasslands comprise about 14%. About 12% of land is classified as Human use, which includes agricultural uses such as cultivated crops and pasture land (10%), developed land (about 2%), and mining and resource extraction (<1%). Alpine systems cover about 9% of land in the County. Wetland and Riparian land encompassed about 4% of land, as does Recently Disturbed or Modified lands (including recently burned, insect-killed forest, and harvested forest). Sparse and Barren systems cover about 3% of the County. (Source: Montana Natural Heritage Program).



Land Ownership

All of the land in the county was included in the Crow Reservation until 1877, when a small area around Red Lodge was withdrawn for coal development. In 1882 and 1892 agreements with the Crow Tribe opened additional lands for settlement. Carbon County was formed in 1895 from portions of Park and Yellowstone counties.

The lands now in private ownership passed at one time from federal ownership primarily by means of homestead and mineral entry. Approximately 53% of the county is privately-owned. Privately-owned lands in the county are generally situated along the Clarks Fork and Rock Creek Valley bottoms and in the north county. The lands in private ownership are generally lower in elevation, more level, drier, and have more productive soils than publicly owned lands.

Both the Custer and Gallatin National Forests manage land in Carbon County. The majority of the land is managed by the Custer Forest. The Forest Service lands are concentrated in two blocks. The largest block is situated to the south, west and northwest of Red Lodge, in the southwestern corner of the county. This block of forest land is high in elevation and rugged in character, containing a portion of the Absaroka-Beartooth Wilderness Area. Forest Plan management direction for land uses along the mountain front and wilderness area includes; grazing, wildlife habitat, water quality, multiple use, interpretation along the Beartooth Scenic Byway, and promoting the wild character. The second block of National Forest lands are located on the southeast flank of the Pryor Mountains. The Forest Plan guidance on uses for the Pryor lands include; grazing, wildlife habitat, wood products, and recommended wilderness. The Forest Service lands are primarily managed from the Beartooth Ranger District located in Red Lodge.

Land Development Patterns

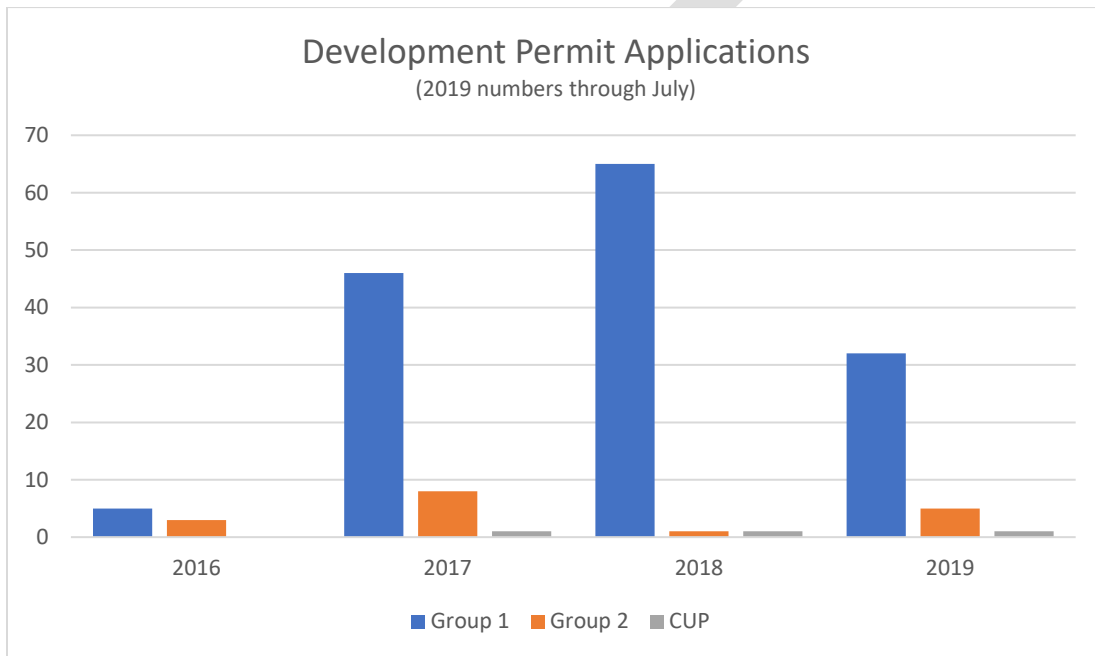
Platted subdivisions outside of incorporated places in the county cover approximately 12,000 acres. The county contains five incorporated cities and towns (Bearcreek, Bridger, Fromberg, Joliet, and Red Lodge) with an area of about 2,700 acres. There are also several unincorporated communities including Belfry, Boyd, Edgar, Luther, Roberts, Rockvale, Roscoe, and Silesia. Most of the subdivided areas of the county – approximately 80% of the land area – reside outside of an incorporated city or town, giving the county a large role and responsibility in providing government services. A number of communities that once existed are no longer inhabited. These communities are listed in the history section of the county's 1986 comprehensive plan.

The dominant development pattern in the County continues to be the widespread subdivision of land along Highway 212, largely between Red Lodge and Joliet. While there are fewer large subdivisions being proposed than there were 10-15 years ago, an emerging development pattern is the increasing one- or two-lot subdivisions dispersed throughout the county. Also, the use of divisions of land exempt from subdivision review, such as family transfers, create development that has an impact on development patterns, as well as local services, but is not required to meet the typical standards or conditions associated with subdivision review.

The county planning board has representation from each of the five incorporated communities, the Conservation District, and a member representing each of the three commissioner districts in the county. When a subdivision application that does not meet the summary review provisions is received by the county, the county prepares a staff report and the county planning board reviews the report. A public hearing is required for major subdivisions (subdivision creating six or more lots, or subdivisions of previously subdivided lots). The planning board then makes one of three possible recommendations to the commissioners, approve the preliminary plat, approve the preliminary plat with conditions, or deny the preliminary plat.

Exempt subdivisions do not go before the Planning Board or County Commissioners and may be decided administratively by the Planning Director.

In July 2016 the County adopted Development Regulations which require the issuance of a Group 1 Development Permit prior to new residential construction, a Group 2 Development Permit prior to new commercial construction or new commercial activity, and a Conditional Use Permit prior to certain activities not defined as a Group 2 use, such as wind energy development, oil and gas exploration, and shooting ranges. Applications for Development Permits have increased every year since adoption, and while not all of these were approved, and some of these have been amendments to previously approved permits, this trend is expected to continue as people become more familiar with the development permit process and aware of the necessity of applying for the permit.



Farmland

According to the 2017 USDA National Agriculture Census, the amount of land used for farming in 2017 was 815,758 acres, and increase of nearly 25,000 acres from 2012, reversing what had been a downward trend. The number of farms remained steady, going from 726 in 2012 to 725 in 2017. Corn, wheat, oats, barley, hay, and sugarbeets are major crops in the County.

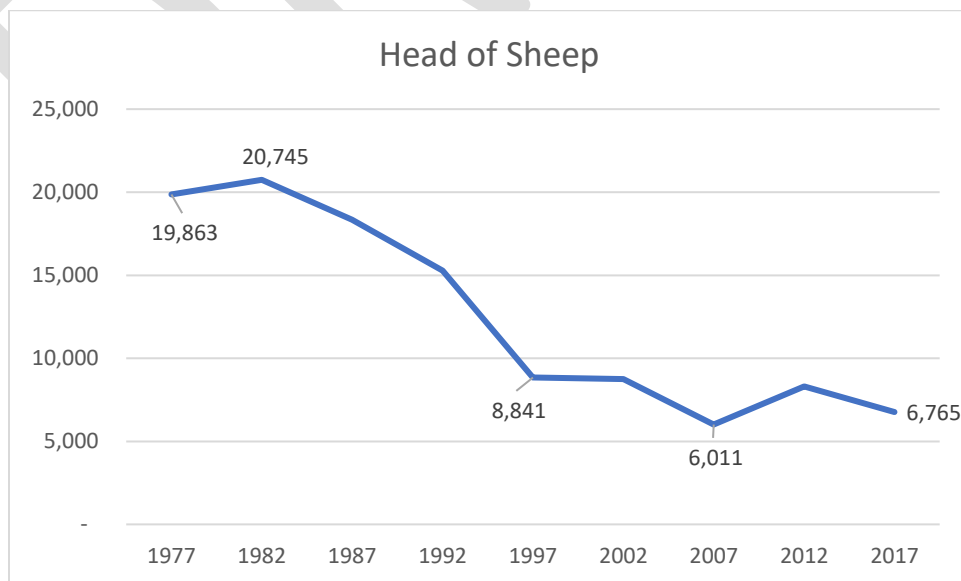
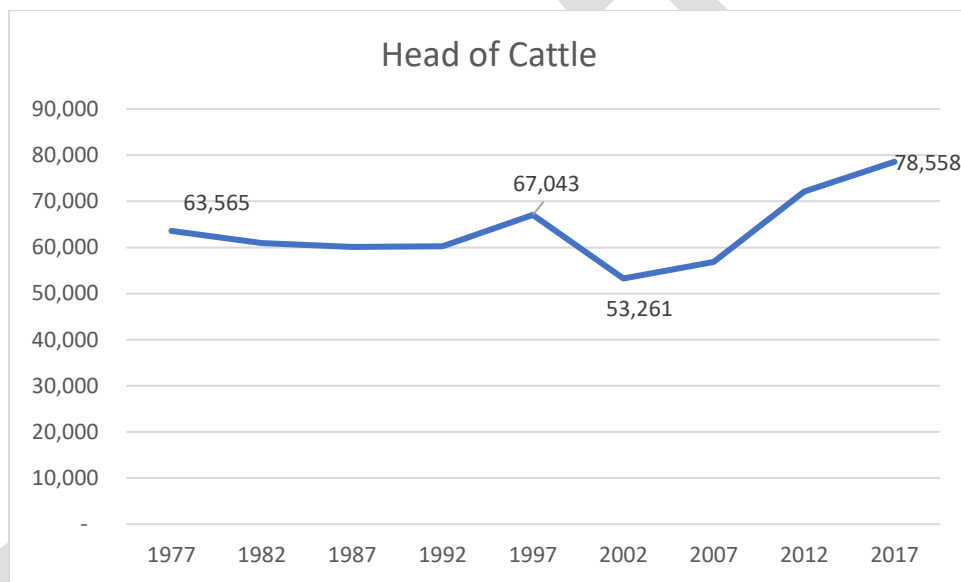
Geographically, the largest acreage of farmland is near the confluence of Rock creek and the Clark's Fork of the Yellowstone. Flat alluvial soils here provide ideal conditions for growing sugar beets, corn, alfalfa and barley. Abundant farmland exists along the Clark's Fork valley, while some alfalfa and non-alfalfa hay is farmed in the Rock Creek valley.

Livestock and Ranching

The climate and topography of Carbon County is ideal for ranching and livestock production, which is a significant component of the county's economy. Carbon County ranks 4th in the state for value in sales of cattle, and also has significant amounts of sheep and poultry productions.

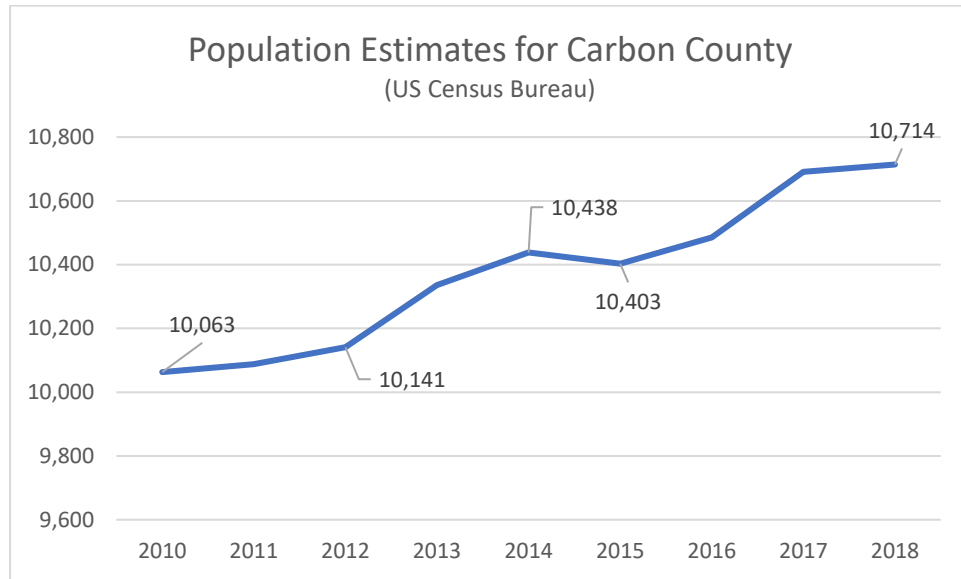
Livestock production has fluctuated over the past 40 years, with number of cattle seeing the largest swings. According to the 2017 Agricultural Census, the County had a high of over 78

,000 head. A historical low of 53,261 head of cattle was hit as recently as 2002. Sheep and hogs have seen a historic decline since the 1970s, with sheep currently at less than 7,000 head and hog inventories continuing to decline to only 154 animals in the latest census.

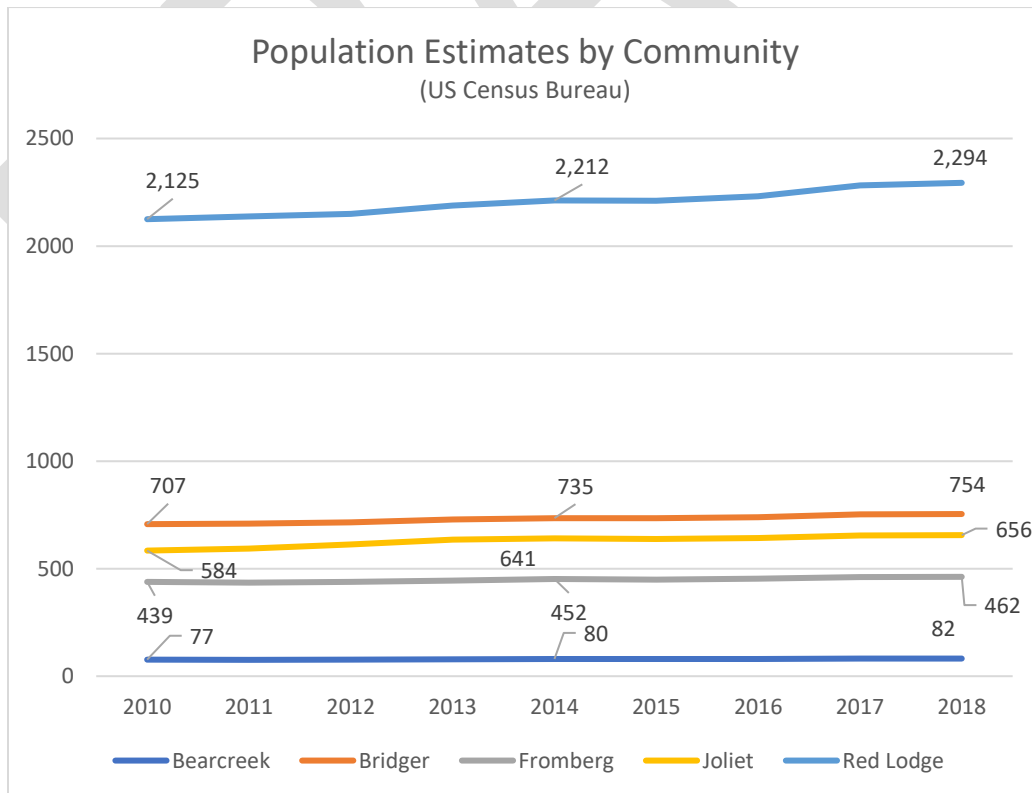


People

Carbon County grew in population from 9,552 to 10,078 between the 2000 and 2010 census. This growth is expected to continue through the 2020 census. Population estimates continue to show a picture of a growing County population.



Cities and towns show similar growth to County, though Joliet stands out with an estimated 12% growth since the 2010 census.

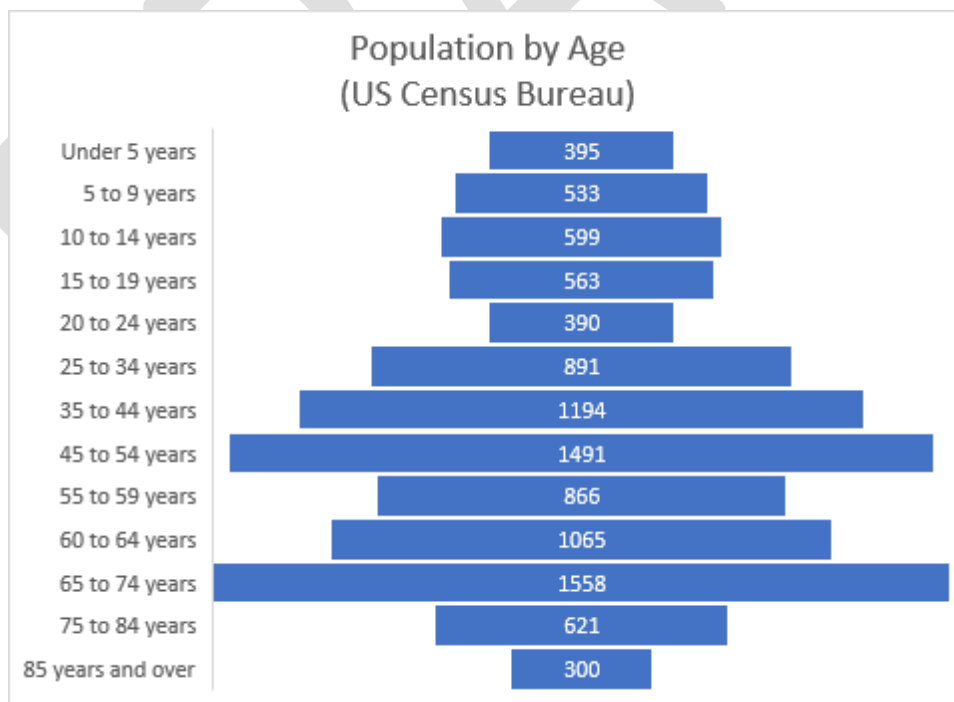


Rural and Urban Population

While incorporated areas are seeing growth, Carbon County is still a largely rural area. Over 60% of the County's population lives in unincorporated areas, which include the communities of Edgar, Luther, Roberts, Roscoe, and Silesia.

Age and Gender

With an estimated median age of 50 in 2017, Carbon County is over ten years older than the rest of the state (39.8 years) and the US (37.8 years). The county's median family size of 2.74 also reflects the aging population when compared to the state (2.91), and the country (3.14), as older families generally do not have children in their households. The age and gender composition is not unlike other rural communities in the state and country. An aging population is illustrated in the County's population pyramid by large population between the ages of 45 and 74. This represents the baby boom generation, who typically are still working or near retirement. When this generation retires, there will be a significant change in demand for jobs and healthcare. A smaller bulge in school-aged children (ages 5 to 19 years) indicates a balance in the number of families and a potential younger workforce for the county. Conversely, there is a gap between the ages of 19 and 25, most likely meaning that the county's youth are leaving after completing high school or turning 18 as they seek employment or education elsewhere in the state or region. This lack of working-aged youths may indicate job opportunities or education is lacking in Carbon County.



Racial Composition

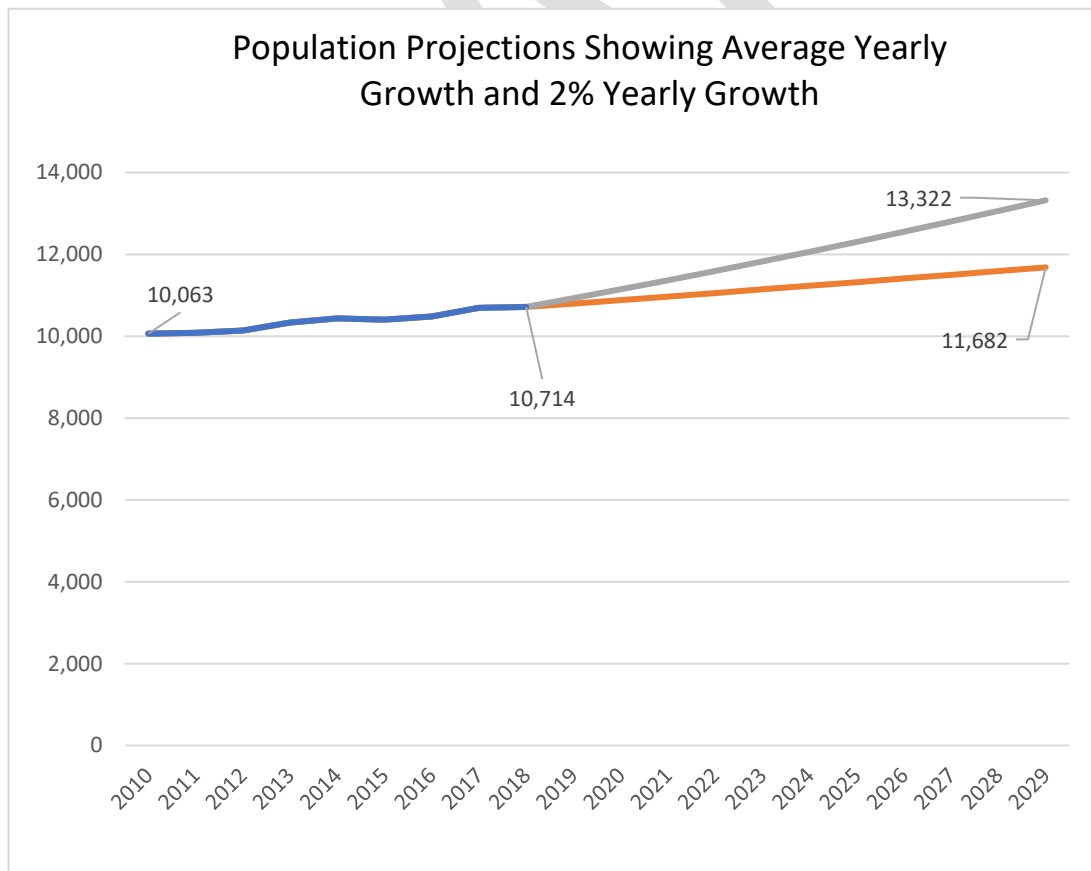
By 2017 estimates, the most prevalent race in Carbon County is White at 97%, with Hispanic or Latino the second largest at about 2.4%. American Indian and Alaska Native is third at 0.9%. These figures are similar to those found in the 2010 census and indicate Carbon County is slightly less racially diverse than the state as whole, which has a population that is 89% White, 3.6% Hispanic or Latino, and 6.5% American Indian and Alaska Native.

School Enrollment

The Montana Office of Public Instruction provides enrollment numbers for schools in the county. Since the 1990s, total enrollment has steadily declined, with the largest losses in elementary students. High school student enrollment increased through the 2000s while many small elementary and K-12 schools were annexed or became inactive. Over the past decade school enrollment has mostly held steady County-wide.

Population Projections

Carbon County has grown by about .79% per year, according to population estimates. If population growth continues at this level, the County can expect to add about 1000 more residents over the next decade. However, some years has seen higher growth rates, so a second projection is shown on the graph below assuming a 2% per year growth rate.



Housing

Estimates from 2017 indicate there were 6,543 housing units in Carbon County, slightly up from 6,424 in 2012. A Housing Plan was developed in 2009 to inventory housing stock and to understand trends and issues in an effort to address needs. Housing trends were driven by migration from Clarks Fork valley communities to Red Lodge, Joliet and other places along the southern Highway 212 corridor. This left vacant, underutilized and unsound homes in cities and towns in the Clarks Fork valley. Many of the same issues of housing cost, condition and supply remain. As the population grows in every community in the county, demand for quality and affordable housing will increase.

The 2017 Census ACS provides estimates on the value, condition, supply and ownership of housing units.

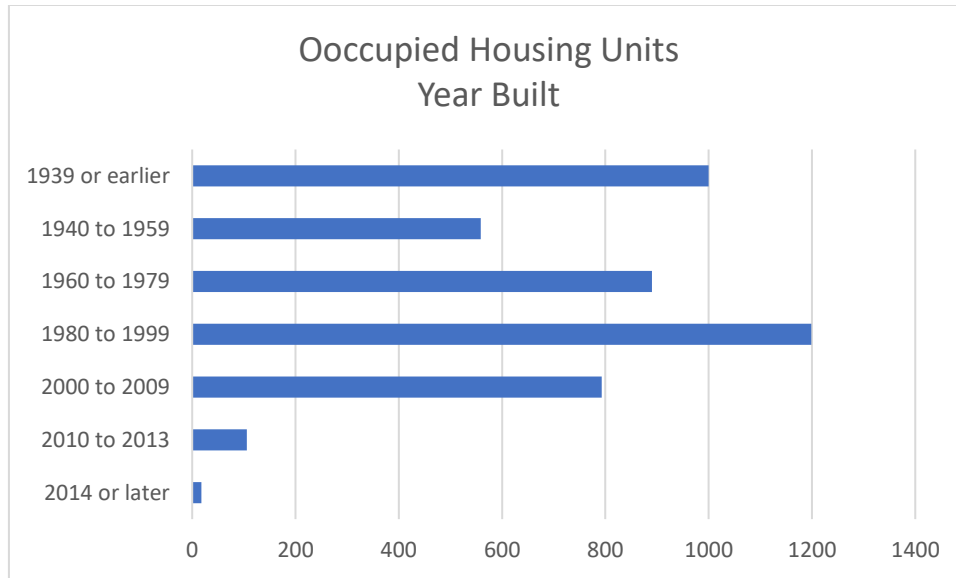
Value

Median owner-occupied home value in Carbon County in 2017 was estimated at \$227,400, higher than the median home value in the state (\$209,100) and the US (\$193,500), and up over \$30,000 from 2012. Seventy-nine percent of occupied housing units are owner-occupied. In Carbon County, over half (52%) of owned housing units had a mortgage, with median monthly owner costs being \$1,319.

Median rent in the county was \$754, which is nearly identical to the state average (\$751), but lower than the US (\$982).

Age and Condition

Most of the county's towns and cities developed in the late 19th and early 20th century, therefore nearly 22% of housing units in the county were built before 1939. A small building boom occurred in the 1970s. The most recent peak building decade was the 1990s when about 1,000 new units were constructed. The national housing boom of the 2000s is reflected in the 793 new units built in that decade, however there has been a significant slowdown in new home construction since 2010.



Thirty-eight occupied housing units lacked complete plumbing facilities, 42 units lacked complete kitchens and 116 units had no telephone service.

Many of Carbon County's citizens are new residents. Of all current householders, 37.5% moved into their home between 2000 and 2009, and 26.7% moved in from 2010 to 2014. Only a little over 10% percent of householders moved in before 1989. Since 2015, 267 new householders moved into their Carbon County home.

Composition

Of all housing units, 72% were two or three bedroom houses, and nearly 20% had four or more bedrooms. One bedroom houses made up the difference.

Carbon County's homes have many more cars per house than the state with 39% having three or more vehicles. Statewide this figure is 29% and only 20% of US homes have three or more vehicles available. Almost all of the county's housing units (98.8%) had one occupant per room. This indicates low density housing and a probable lack of multiple family dwellings.

Demand

One demand calculation uses the number of households compared to the number of housing units to produce an estimate of housing availability or vacancy rate. According to 2017 estimates, there were an estimated 4,565 occupied housing units and an estimated supply of 6,543 units. Of these, 1,978 units were vacant.

A "household" consists of all the people who occupy a housing unit. The average number of persons per household for an owner-occupied unit is 2.31, compared to 2.11 for a rental unit, both lower than the state average. This is likely due to the large percent of seasonal/vacation

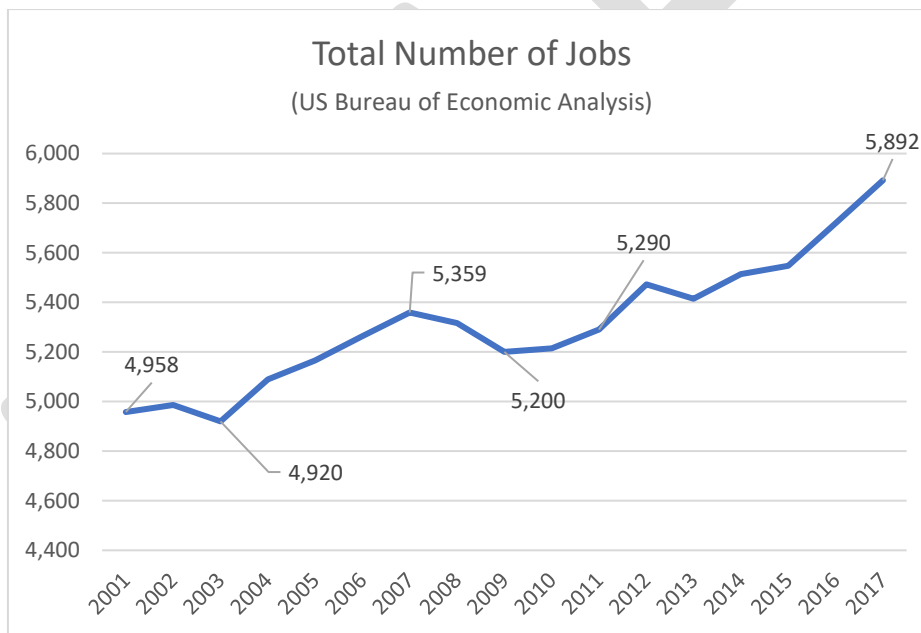
homes in the county.

Economy

Sectors and Jobs

In 2017, the US Bureau of Economic Analysis reported there were 5,892 jobs in Carbon County, continuing an upward trend. The county's economy is evenly distributed among sectors, with management and administration (including government services) being the largest, supporting 11% of all jobs. Accommodation and Food Services is the second largest (17%), showing the importance of tourism for the local economy. Construction is the third largest sector, providing 9% of all jobs.

The economy has been shifting away from a reliance on agriculture. Since 2001, the agriculture sector has remained relatively static, recovering from a dip in the late 2000s, while non-farm employment has increased by nearly 1000 jobs, accounting for the growth over that timeframe. Real estate and rental and leasing is responsible for nearly 140 of those jobs, the largest increase of any sector, though accommodation and food services, arts, entertainment, and recreation, transportation, and construction have also added a significant number of jobs.



Employers

The top private employers in the county are as follows (listed alphabetically, with employment range as provided by the Montana Department of Labor and Industry, 2018):

Business Name	Employment Range
Bank of Bridger	20-49
Beartooth Hospital and Health Center	100-249

Bogarts Restaurant	20-49
Downings IGA	20-49
Montana Wildfire	20-49
Pollard Hotel	20-49
Red Lodge Healthcare	20-49
Red Lodge Mountain Resort	100-249
Red Lodge Pizza Company	50-99
Rock Creek Resort	20-49

Income and Wages

Although employment is an important measure of economic activity, it does not tell the whole story. The health of the economy depends upon the vitality of industries bringing income into the area. Most often, these “basic” industries bring in revenues by “exporting” products or services. These exports can be manufactured goods, financial services, technology services, or any other number of activities that go far beyond the traditional sectors of mining, agriculture, and forest product industries that have been referred to as the “three-legged stool” or foundation of Montana’s economy. In addition to basic industries, other activities such as retirees living off their domestic stock portfolios also bring basic income into the area. Since 2010, personal income strongly increased for both farm and nonfarm categories, with farm income resurging back into positive figures after seeing net losses.

Median household income in the county is estimated at \$56,988, higher than the state median of \$50,801. Average household income is \$69,600, indicating the top half of workers are earning disproportionately more than bottom half. An estimated 20.9% of workers earn between \$50,000 and \$74,999, while 19.2% earn \$75,00-\$99,999, and an additional 19.2% earn more than \$100,000 but less than \$150,000 per year. 6.2% of households earned less than \$10,000 per year, including 2% of families.